

### *JSC Bank of Georgia Regarding News Flow on South Ossetia*

In connection with the recent increase of tension in South Ossetia, Georgia's breakaway region, Bank of Georgia, (LSE: BGEO GSE: GEB), (the "Bank"), Georgia's leading universal bank, provides the following update:

The recent increased tension has very limited impact on the Bank's operations. As precautionary security measure the Bank's service center in Gori, a Georgian town located approximately 25 kilometer from South Ossetia, will not open for business today. All other service centers of the Bank are operating on regular schedule.

Over the next several days we plan to arrange a conference call for the investor community with an independent political analyst to provide a clear view of recent events. Further details will be provided on Monday.

In the meantime, the Bank's management and its Investor Relations Department will do its best to answer all shareholder enquiries.

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#### **About Bank of Georgia**

Bank of Georgia, the leading universal Georgian bank with operations in Georgia and Ukraine, is the largest bank by assets, loans, deposits and equity in Georgia, with 34.0% market share by total assets (all data according to the NBG as of 30 June 2008). The major component of the Galt & Taggart Index, the bank has 131 branches and over 770,000 retail and more than 120,000 corporate current accounts. The bank offers a full range of retail banking and corporate and investment banking services to its customers across Georgia. The bank also provides a wide range of corporate and retail insurance products through its wholly-owned subsidiary, Aldagi BCI, as well as asset & wealth management services.

#### **Bank of Georgia has, as of the date hereof, the following credit ratings:**

Standard & Poor's	'B+/B'	Stable
FitchRatings	'B+/B'	Stable
Moody's	'B3/NP' (FC) & 'Ba1/NP' (LC)	

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