

People's Bank of Georgia Announces That Its Assets Grew 17.7% In October 2009

People's Bank of Georgia ("PBG") announced today that its total assets grew 17.7% m-o-m to GEL 328.2 mln (the highest level since April 2008). October was the first full month since the purchase of a 91.218% equity interest in PBG by Liberty Capital. Client deposits increased 34.7% m-o-m to GEL 209.6 mln. Retail current account balances and term deposits reached GEL 51.4 mln (down 1.3% m-o-m) and GEL 42.1 mln (up 2.9% m-o-m), respectively. Net Loans/Total Deposits ratio is all-time low, at 30.4% as at 31 October 2009, despite the resumption of retail lending by PBG in October 2009. Total Liabilities increased 19.1% m-o-m and equaled GEL 311.4 mln.

"We are still in the first, most painful part of the turnaround, so I am pleased that the bank has begun growing and its balance sheet is highly liquid. We anticipate the completion of the 2008 audit in the next couple of weeks, enabling us to establish a regular schedule for reporting results from January 2010", noted **Lado Gurgenidze**, Executive Chairman and Chief Executive Officer of PBG.



About People's Bank of Georgia

Established in 2002, People's Bank of Georgia (GSE: BANK) is the seventh largest bank in Georgia by total assets, with a 3.5% market share as of 30 September 2009. The bank has the largest branch network and serves approximately 1.2 million individuals and over 26 thousand legal entities.

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About Liberty Investments

Established in September 2009 Liberty Investments is an investment company focused on the financial services institutions in emerging and frontier markets. Its ultimate beneficial shareholders are Dinu Patriciu and Lado Gurgenidze. It invests in frontier and emerging markets characterised by general openness of the economy as well as sound fiscal and monetary policy and good corporate governance.

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