BOSNIA AND HERZEGOVINA
FEDERATION OF BOSNIA AND HERZEGOVINA
BANKING AGENCY OF FEDERATION OF BOSNIA AND HERZEGOVINA

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TO THE MEDIA

Subject: Press release

Provisional Administration initiated at Postbank BH Poštanska bank BiH d.d. Sarajevo

Today (05.10.2010.) Banking Agency of the Federation of BiH has initiated provisional administration at Postbank BH Poštanska bank BiH d.d. Sarajevo. An experienced expert Mr. Stjepan Jovičić has been appointed for Provisional Administrator of the Bank.

Reason for initiation of this procedure at the Bank is decrease of the Bank's net capital below minimum prescribed by the law, as well as unsafe level of the Bank's liquidity, which culminated by the crisis of the Bank's Management that on 04.10.2010. submitted a one-sided resignation that has been accepted by the Supervisory Board today.

The Banking Agency of the FBiH initiated this procedure at the Bank primarily with purpose to preventively protect the Bank's depositors.
During this procedure, the Bank will continue operating under an acceptable regime, taking into account primarily the protection and safeguarding of the interests of depositors.

Sincerely,

DIRECTOR

Zlatko Barš

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