

Based on Article 57 in the Law on Banks ("Official Gazette of the Federation BiH" No. 39/98, 32/00, 48/01, 27/02, 41/02, 58/02, 13/03, 19/03 and 28/03) and Provisional Administrator Decision No: P.U. 15-558/11 dated 04.02.2011, Postbank BH Poštanska banka Bosna i Hercegovina d.d Sarajevo in Provisional Administration, Provisional Administrator announces

PUBLIC ANNOUNCEMENT

To invite potential investors to submit their applications and offers for recapitalization of Postbank Postbank BH Poštanska banka Bosna i Hercegovina d.d Sarajevo in Provisional Administration (hereinafter: Postbank BH d.d. Sarajevo / Bank).

SUBJECT OF THE PUBLIC INVITATION

The subject of the Public Announcement is recapitalization of Postbank BH dd Sarajevo, with its headquarters adress: Put života No. 2, 71 000 Sarajevo, Bosnia and Herzegovina.

Bank is recapitalizes by issuing shares through a closed placement, at least in the amount of **13.000.000,00 KM** that ensures equity of the Bank in accordance with minimum standards established by the Law on Banks and the Bank's work in accordance with applicable laws and decisions of the Federal Banking Agency.

Any offers with a smaller value of the recapitalization, will not be taken into consideration.

The right to participate have domestic and foreign organizations and individuals, against whom no proceedings were instituted bankruptcy, liquidation, etc.

Potential investors should meet the requirements prescribed by the Law on Banks and regulations of the Federal Banking Agency for obtaining approval for the acquisition of ownership in the bank, and financial capacity for implementation of the recapitalization.

ABOUT THE BANK

Postbank BH dd Sarajevo was founded on 16.02.1997, has the necessary permissions to carry out banking operations, payment operations, foreign-currency exchange business, credit and guarantee operations, and permission for domestic payments.

The decision of the Federal Banking Agency, No. 04-3450/10 of 05.10.2010 the Bank from 05.10.2010 is in the process of Provisional Administration.

As at 31.12.2010, according to unaudited report, balance sheet amounts are:

in 000 KM

ASSETS	
Cash and balances at depository institutions	11.647
Loans, leasing receivables and other receivables	41.531
Offices and other fixed assets	1.940
Other Real Estate	0
Investments in non-consolidated associated companies	6
Other assets	2.838
Reserves for potential losses	3.133
TOTAL ASSETS	54.829
LIABILITIES	
Deposits	40.004
Borrowings - matured liabilities	0
Borrowings from other banks	2.000
Loan Commitments	0
Other liabilities	1.703
TOTAL LIABILITIES	43.707
Capital	11.122
TOTAL LIABILITIES AND CAPITAL	54.829

Off-balance sheet written -off amounts are:	2.430
Off-balance sheet obligations are as follows:	2.869
Potential liabilities to bank employees:	cca 3.200

Basic information about the Bank, the business environment and other information, interested persons can obtain from the Bank on contact:

Put života No.2, 71000 Sarajevo, Bosnia and Herzegovina
 Tel: +387 33 564 000 • Fax: +387 33 564 050
 e-mail: postbankbh@postbankbh.ba
 web site: www.postbankbh.ba

DEADLINE FOR APPLICATION AND RELATED FEE

Potential investors with the application documents for participation in the Public announcement can be made within 15 days from the date of publication in the media, at the following address:

Postbank BH dd Sarajevo in Provisional administration
Commission for the implementation of Public Announcement
71 000 Sarajevo, Put života 2.
Bosnia and Herzegovina

(Indicating "Application for Public Announcement" and remark " not to open ").

The application could be submitted by authorized person to represent or counsel accompanied by a power of attorney. The application must be submitted in a sealed envelope to one of the official languages of the Federation of Bosnia and Herzegovina.

The fee for participation in the tendering is **2.000,00 KM** with no right of return, which potential investors must pay on the current account of Postbank BH dd Sarajevo No. 187010000005630 with note: payment for participation in the Public Announcement.

Payment of compensation equivalent to participate in the tendering amounts is **€ 1.022,59**. Payment is to be made in favor of Postbank BH dd Sarajevo, SWIFT CODE: POBHBA22 account with UniCredit Bank Austria AG Vienna, Acc no: 0101-66494/00, IBAN CODE: BA39187010000005630.

CONDITIONS FOR APPLICATION SUBMIT

Application on Public Announcement should contain general information about a potential investor, its headquarters, the authorized person to represent, ownership structure, financial condition and other information that the investor wants to present.

With the application shall be accompanied by the following documents:

1. certified copy of registration with the competent court or other competent authority (for foreign legal entity investor);
2. certified identity card or passport (for an individual investor);
3. original or certified copy of the audited financial report by the independent auditor for the past 3 years and the last periodic financial reports;
4. statement on financial ability;
5. proof of payment for participation in the tendering.

Documents that are submitted with the application, which was not originally written in one of the official languages of the Federation of Bosnia and Herzegovina, must be translated by a certified court interpreter in one of the official languages of the Federation of Bosnia and Herzegovina and duly certified by competent authority.

PROCEDURE FOR CONSIDERATION OF APPLICATIONS:

Commission calls for the implementation of the Public Announcement by the Provisional Administrator of the Bank determines the formal validity of applications, eligibility, comprehensiveness. The Commission may, after opening bids to seek additional information from the applicant.

The Commission has an obligation to inform applicants of acceptance or not accepting the application, within 7 days from the closing date for application.

The Commission invites to conduct Public Announcement, with notice of the application being accepted, call investor to assess the Bank's business (due diligence), and determines the terms for doing the same.

All potential investors will do the due diligence process within 30 days from the date of notification of acceptance of application.

Before the start of due diligence, a persons authorized by the potential investors to review must sign statement of confidentiality.

SUBMISSION OF BIDS:

Public Announcement for Bids shall be submitted not later than 10 days after the due diligence. After conducting due diligence and proposals, potential investors no longer have the right to object to the state bank.

Bids must contain information that includes basic elements and the amount of capital injection, and a brief plan of the Bank for the next three years.

The offer submitted by the person authorized to represent or counsel to properly notarized power of attorney and in a sealed envelope, one of the official languages of the Federation of Bosnia and Herzegovina, at the following address:

**Postbank BH dd Sarajevo in Provisional administration
Commission for the implementation of Public Announcement
71 000 Sarajevo, Put života 2.
Bosnia and Herzegovina**

(Marked as "Bid for Public Announcement" and with remark "not open")

Bids must contain a proof of paid deposit for participation in the tendering. Deposit for participation of the Public announcement of **50.000,00 KM** is to be paid on account of Postbank BH dd Sarajevo under provisional administration on the account No.: 1870100000005630 indicating: "Deposit payment for the participation of the Public announcement".

Payment of deposit is the equivalent of **€ 25.565,00**. Payment is to be made on favor of Postbank BH dd Sarajevo, SWIFT CODE: POBHBA22 account with UniCredit Bank Austria AG Vienna, Acc No: 0101-66 494 / 00 - IBAN CODE: BA391870100000005630.

PROCEDURE FOR CONSIDERATION OF BIDS AND CRITERIA:

The opening, evaluation and ranking of bids made by the Commission for the implementation of Public Announcement.

Evaluation of bids shall be on a comparative basis, according to the following criteria:

1st The amount of recapitalization	max 80%
2nd Plan of the Bank's busines	max 20%

Commission for conducting the Public Announcement can request from any potential investor additional information concerning its business reputation, financial capacity and other things which may be influencing the final decision on the selection of the best investors.

The place and time of opening of bids, bidders will be notified in writing form.

BEST INVESTOR SELECTION AND COMPLAIN ON THE SELECTION

The Commission for conducting the Public Announcement, evaluate bids and determine the bids ranking Under the same conditions of Bid, priority to recapitalize has the existing shareholder.

The Commission has an obligation to inform applicants of acceptance of offer or not accepting offers, no later than 10 days from the closing date for submission of bids.

Potential investors are entitled to complaints within 7 days of receipt of the notification by the Commission for conducting Public Announcement. About any objection will be decided by the Commission within 7 days of receipt of the complaint.

Immediately after the expiration of the deadline for answer on complain, the first-ranked bidder will be offer by Provisional Administrator a contract to sign, which is committed to perform with the given Bid according to the Public Announcement. If the top-ranking bidder after signing the contract unilaterally withdraw from the commitments under the Contract, forfeit the deposit refund.

Investors whose bids are not accepted for any reason the deposit will be paid back within seven days after best investor selection has been finished.

Provisional administrator reserves the right to terminate the call without public explanation at any time, in which case the Bank does not bear any costs to the investors.

Sarajevo, 15th February 2010

Provisional administrator:
Stjepan Jovičić