



INTERNATIONAL COMMISSION FOR POSTAL FINANCIAL SERVICES &  
BUSINESS  
/ICPFSB/

## Post € Fin - Newsletter / Special Issue



### Special points of interest:

- **Ghana:** "Financial services as a central component for the survival of postal services"
- **Germany:** "Postbank expects to generate a further significant increase in average earnings per customer through the new sales outlet"
- **Switzerland:** "PostFinance to launch video consulting"

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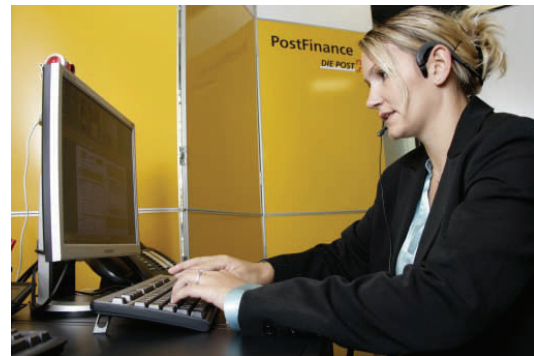
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### PostFinance reports encouraging growth

28 July, 2006 - [[Press Release](#)]

"PostFinance continued to grow in the first half of 2006. The inflow of new money amounted to 2.35 billion francs, almost 400 million francs above the year-back period. Customer deposits have risen to 39.8 billion francs. In parallel, the number of accounts increased to 61,000 in the first six months of the year. PostFinance also posted strong growth for mortgages (+16.2%), an increase of 234 million francs. The average headcount has risen by 119 since January, compared with the year-back period. Following successful tests, PostFinance is to introduce financial advice by video link to reinforce sales.

Investments in growth are paying off for PostFinance. The financial arm of Swiss Post again increased the inflow of new money and customer deposits in the first six months of the year. In parallel, the number of customer accounts rose by 61,000 to 3.07 million. Loans to private and business customers performed well. Mortgage volumes rose by 234 million francs in the first half, corresponding to an increase of 16.2%. Overall, loans went up by 367 million. PostFinance's growth has had a positive effect on the human resources situation. Since January, the average headcount has in-



creased by 119 positions, and a further 20 positions are budgeted for by the end of 2006.

#### Yellownet is growing in popularity

In 1998, PostFinance became the first financial institution to introduce an e-finance solution (yellownet) for electronic account management in 1998: an innovation that has paid off. The number of yellownet customers had increased to 713,600 by the end of June, corresponding to 42,000 new customers since the end of 2005. Each month, 7,000 new customers register for yellownet, enabling PostFinance to further expand its position as the clear number one in e-finance. The trend towards electronic payments is continuing. In the period from 1999 to 2005, the number of transfers via yellownet went up from 224.4 to 329 million (+46.6%).

**Pilot test concluded: PostFinance to launch video**

#### consulting

PostFinance is and remains innovative and will be the first financial institution in Switzerland to offer financial advice by video link. A pilot test conducted from October 2005 to March 2006 at post offices in western Switzerland has produced important findings for the rollout. PostFinance will install both video and telephone consulting facilities at suitable post offices in the course of the next year. This is part of its previously announced plan to reinforce its presence at 600 post offices. The choice of locations will be made by PostFinance and Post Offices & Sales in the next few months. In this way, PostFinance will combine its financial expertise with high customer traffic volumes at the post offices, thus strengthening sales. "

## Bancpost inaugurates its new "Piata Victoriei" agency in Bucharest

27 July, 2006 - [[Press Release](#)]

"Bancpost is consistently following its policy of rapid expansion and modernisation of its territorial network, the Bucharest one in particular. After it inaugurated five new units in just one day in Constanța at the beginning of July, the Bank is now on the verge of opening in the capi-

tal city not less than seven new units in July. Thus, the Bank's operating network in the Bucharest region will grow to 39 units.

In such a highly dynamic context, on **Thursday, July 27th, the formal ceremony will take place for the opening of the new "Piata Victoriei" Agency located in 6, Iancu de**

**Hunedoara Street, Bloc H4-H5, entrance 1-2, sector 1, which is the 164th unit of Bancpost.**

The other newly opened or almost ready-to-open units are located in several densely populated areas of Bucharest, such as in Iuliu Maniu, Nicolae Titulescu, Ion Miha-lache, Lacul Tei avenues as well as in șoseaua Colentina




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**"Bancpost is consistently following its policy of rapid expansion and modernisation of its territorial network"**

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## Bancpost is opening five new agencies in Constanta in a single day

13 July, 2006 - [[Press Release](#)]

"As of today, Bancpost has five more agencies in Constanta. Thus, the operational network of the bank consists of 6 units situated in the city from the Black Sea coast.

The five new agencies are located as follows: the Dacia Agency, at 235 Tomis Blvd, The "Casa de Cultura" Agency, at 43 "1 Decembrie 1918" Blvd., "Nicolae Iorga" Agency at no. 146 Tomis Blvd., Soveja Agency, at no. 281 Tomis Blvd., and the Tomis Agency, at no. 97 Tomis Blvd.

All the agencies which have

been opened today provide an entire range of banking operations for the general public: current accounts, bank deposits, RON and foreign currency loans, debit and credit cards, foreign exchange, payment of bills, savings instruments, etc.

Furthermore, the agencies have ATMs provided with POS terminals, which accept all types of electronic reading cards, such as VISA, Maestro, MasterCard and AMEX.

The working hours of the new units are Monday to Friday, between 09:00 and 17:00.

The opening of the new agen-

cies is part of the policy of Eurobank EFG, the Bancpost majority shareholder, targeted to modernize the Bancpost units by removing the closed teller counters, by organizing the space as an open platform, providing room for the officers specializing in client services and for the tellers, and by implementing the new corporate identity.

The new units provide access to the bank products and services for a larger number of clients. Bancpost currently owns 160 operational units, distributed throughout the entire territory of the country."




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**"The new units provide access to the bank products and services for a larger number of clients. Bancpost currently owns 160 operational units, distributed throughout the entire territory of the country"**

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## Eurobank EFG to acquire Universal Bank in Ukraine

24 July, 2006 - [[Press Release](#)]

"Eurobank EFG has reached an agreement with private shareholders of Universal Bank in Ukraine to acquire shares representing 99.34% of the bank's share capital. Universal Bank is a medium-sized bank based in Lviv and focused on Western Ukraine and Kiev operating a net-

work of 32 branches with ca. 480 employees. At the end of 2005 Universal Bank had Shareholders' Equity of USD 16.5 million and Total Assets of USD 79 million under IFRS. The Bank is affiliated to the Universal Investment Group, active in insurance, retail fuel distribution, in the food sector and in construction & real estate.

Universal Bank employs a variety of distribution channels and offers a wide range of retail banking and com-

mercial banking products, including consumer and auto loans, mortgages, deposits, credit cards, money transfer and currency services, retail brokerage, insurance and investment products, as well as trade and working capital finance, factoring, term financing and custodian services to institutional investors.

Eurobank EFG considers that Ukraine, with a population of ca. 47 million, will experience high rates of economic




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**"Eurobank EFG has reached an agreement with private shareholders of Universal Bank in Ukraine to acquire shares representing 99.34% of the bank's share capital"**

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## Eurobank EFG to acquire Universal Bank in Ukraine (cont.)

growth in the medium-term. The very low penetration rates of banking products and especially of household lending point to a very significant growth potential for the country's banking system, which is already experiencing one of the fastest growth rates in Eastern Europe. Eurobank EFG believes that the acquisition of Universal Bank allows it to enter this attractive market and expand to achieve strong na-

tionwide coverage, building a leading bank in the Ukrainian market.

**The acquisition of Universal Bank in Ukraine follows the roll out of a branch network in Poland and the acquisition of Tekfenbank in Turkey** earlier this year and is consistent with the announced strategy of Eurobank EFG group to expand its activities in the most important markets of Southern and Eastern

Europe. Furthermore, this transaction is in line with Eurobank EFG's practice of entering new countries with selective investments, aiming to create shareholder value through organic growth achieved via offering superior quality of service. Closing of the transaction, is subject to regulatory approvals in Ukraine, Greece and Switzerland, and is expected to occur in the fourth quarter of 2006."




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*"This transaction is in line with Eurobank EFG's practice of entering new countries with selective investments, aiming to create shareholder value"*

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## Postbank Improves the Terms on the Fast Consumer Loans

**The Consumer Loan Repayment Period Is Extended from 5 to 10 Years**

19 July, 2006 - [[Press Release](#)]

**"Since 19th of July Postbank extended the Fast consumer loan repayment term from 5 to 10 years. The repayment period for the Fast loans without guarantors remains 5 years.**

Presently, the Fast consumer loan is offered also at a promotional interest rate of

10.5% for the first year. There is an option to draw a credit with or without guarantors, the financial institution announced. The amount of the loan is up to BGN 10 000. The interest for the remaining repayment period on loans without guarantors is also promotional – 1% lower than the standard one. Together with the improved terms and the promotional interest rates, upon receiving

a fast consumer loan, Postbank customers are issued a VISA electron credit card without an annual fee for the first year. The application procedure is fast and simplified. Fast Loan by Postbank is granted within a day. It is offered at all Postbank branches and offices around the country, as well as at the offices of BRS and Open 24."




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*"Fast Loan by Postbank is granted within a day. It is offered at all Postbank branches and offices around the country, as well as at the offices of BRS and Open 24"*

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## Postbank Opened Two New Branches in Sofia and Samokov in Two Days

**The Bank Offers Special Discounts for the Customers of the New Locations**

13 July, 2006 - [[Press Release](#)]

**"Postbank opened two new branches in Sofia and Samokov in two days. The inaugurations of the two locations took place on Tuesday and Wednesday in the presence of local business representatives and political figures, clients and managers of the Bank.**

The two branches offer the full product range of the fi-

ancial institution for both corporate clients and retail customers - house loans, credit cards, overdraft, deposits, e-banking, fast money transactions, small business loans, etc.

Customers of the new locations can benefit from special promotions. The fast loan is offered without an application fee. VISA Electron, VISA Classic and EuroLine credit cards are freed from annual fee for the first year and American Express is offered with 6-month free of charge

membership. Small business loans up to BGN 30 000 receive fast approval without collateral and without application fee.

**Customers can take advantage of high-interest saving accounts with Postbank's flexible deposit programs such as Active Money and of new higher interests on Euro**




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*"Customers can take advantage of high-interest saving accounts with Postbank's flexible deposit programs such as Active Money and of new higher interests on Euro"*

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## Postbank Offers ATM Payment with EuroLine, American Express and VISA Credit Cards

Cardholders Pay Their Bills and Fees for Utility, Cable and Mobile Services via ATMs around the Country

10 July, 2006 - [[Press Release](#)]

"Since the beginning of July 2006, Postbank has launched ATM payment with EuroLine, American Express and VISA credit cards. Cardholders can pay their bills and fees for utility, cable and mobile services via all ATMs around the country. The new B-Pay service is an easy and convenient means for repayment of monthly dues at any time.

**The new service is valid**

**for all holders of EuroLine, American Express and VISA credit cards, issued by Postbank.** To make a payment, a customer needs an individual 5-figure number of the merchant and a personal number. A list of the numbers of all merchants subscribed for B-Pay is available at [www.epay.bg](http://www.epay.bg). **The B-Pay service is chosen from "Other Services" from the ATM menu.** Then the customer's personal number is entered, which helps the mer-

chant to identify him/her in the information system. About their personal number customers can refer to the monthly bill or to the merchant they want to pay to. After entering all the necessary data, the ATM screen displays some additional information about the merchant: name of the merchant, description of the payment, amount. The payment is confirmed by pressing the "Payment" button."




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**"Since the beginning of July 2006, Postbank has launched ATM payment with EuroLine, American Express and VISA credit cards"**

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## Eurobank EFG and Postbank express their long-term commitment for investments to support growth in Bulgaria, at the threshold of EU membership

06 July, 2006 - [[Press Release](#)]

"The Bulgarian banking sector is very well prepared for Bulgaria's EU membership, while Postbank and its major shareholder, Greece's Eurobank EFG, are committed to increase investments to boost growth and economic development in the country.

"The Greek Eurobank EFG is a major investor in Bulgaria, as well as in Romania. We are committed to keep increasing investments and transferring expertise and know-how to further develop our subsidiary banks in Bulgaria and Romania. There are bright prospects for both countries and we take part in bettering the economic climate and the growth potential in the area", Mr. Nikolaos Nanopoulos, CEO of Eurobank EFG said during an international conference held in Athens.

The two-day Business and Investment Summit of Bul-

garia, Romania and Greece that took place in Athens gathered key ministers of the three countries, representatives of major business sectors and the senior management of the Greek Eurobank EFG, and its subsidiaries Postbank and Bancpost in Bulgaria and Romania respectively. Political and business leaders from the three countries reviewed the macroeconomic and banking outlook for Bulgaria and Romania, as well as investment opportunities of the wider Balkan region.

Mr. Anthony Hassiotis, CEO of Bulgarian Postbank, talked about the promising future for the country's development in terms of investments opportunities, stressing the importance for foreign investors to choose a local partner with a strategic view and a diversified portfolio of services.

"Bulgarian Postbank is uniquely positioned to help any and all types of interested parties that want to do business in Bulgaria. We are a major local bank, utilizing

the synergies and expertise for Eurobank EFG we can handle just about everything: retail financing, investment, treasury, capital markets, brokerage, leasing, factoring, consultancy services and project financing", he said. "Postbank's high investment rating demonstrates the stability of the bank and its place among the most credible and progressive financial institutions in Bulgaria".

In 2005 the total assets of Postbank rose by 47% to 1.71 billion BGN – a growth driven by rising net lending volumes - up by 60% to 1.17 billion BGN. In all lines of business the growth was higher than the market averages – consumer lending increased by 131%, mortgages by 242% and business lending – by 22%. The bank has been continuously investing in branch network, technologies and human capital. The specialized divisions – Corporate Banking and Investment Banking, together with the sister companies EFG Leasing and EFG Factors contribute to the Post-




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## Eurobank EFG and Postbank express their long-term commitment for investments to support growth in Bulgaria, at the threshold of EU membership



bank's advantages while consulting investments in large-scale projects. Eurobank EFG is the second largest bank in Greece with assets of around € 45 billion. Founded in 1990, Eurobank EFG has received high marks from the most reputable international rating agencies (Standard & Poor's, Fitch and Moody's), not only for its financial strength, but also, for the Group's client focus, high

level of services, its heavy investment in modern technologies and its professional and dynamic management and personnel.

**Eurobank EFG offers a comprehensive array of banking products and services for individuals, corporations and institutions. It employs more than 17,000 people in Greece and many countries in the region of new**

**Europe, and runs a distribution network of over 900 branches and alternative distribution channels. In the last years, the Bank has launched successful operations in Bulgaria, Romania, Serbia, Turkey and Poland."**

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**"Eurobank EFG offers a comprehensive array of banking products and services for individuals, corporations and institutions"**

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## Česká pošta adapts to Czech consumer lifestyle

17 July, 2006 - [[Press Release](#)]

"Czech postal service operator Česká pošta (ČP) is in talks with the country's retail chains on expanding its network of outlets in hypermarkets, the daily Hospodářské noviny reported. But the negotiations won't be closed any time soon.

"It's complicated to set up a new outlet because Česká pošta requires a certain amount space for its operation to handle and store packages, for example," said ČP spokesman Ivo Mravinac. The minimum space required, he added, is about 120 square meters.

ČP currently operates outlets in 12 hypermarkets throughout the country, in addition to two located in business centers. Mravinac said that **the company has simply followed the trend of its customers, who are**

**spending more and more time in modern shopping malls.** The opening hours of the ČP outlets would typically correspond with those of the particular hypermarket, he said.

Among the sites that Česká pošta is considering for its network expansion are hypermarkets operated by retailers Tesco Stores ČR, Ahold Czech Republic and Kaufland Česká republika. ČP has analyzed the market and will replace only the inessential and unprofitable operations with outlets in hypermarkets, which are expected to show greater profits, Mravinac explained. The retailers could in turn benefit from an increased inflow of customers, he said. Most recently, ČP opened an outlet this spring in České Budějovice, South Bohemia. In neighboring Slovakia, local postal service operator Slovenská pošta (SP) has applied a similar

strategy. A year ago, the company opened the first post office branch in a smaller-format Tesco hypermarket in Partizánske, west Slovakia. After the first outlet proved to be a huge success, SP has added more outlets in hypermarkets, the company's representative said. ČP is at the same time attracting customers by introducing new services as of next month, such as delivery of postcards created from MMS. Customers who take a digital photo with a mobile phone supporting MMS can e-mail the picture along with text to ČP, which promises to process the order overnight for Kč 30 (€ 1.05) and send a paper postcard to a desired postal address the following day. Mobile operator Telefonica O2 Czech Republic currently offers a similar service."

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**"Czech postal service operator Česká pošta (ČP) is in talks with the country's retail chains on expanding its network of outlets in hypermarkets"**

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## PostFinance joins forces with Good News

20 July, 2006 - [[Press Release](#)]

**"Good News from PostFi-**

**nance. Starting on 1 January 2007, PostFinance will be the principal sponsor of Good News, the biggest concert organizer in Switzerland. Both parties have**

**signed a contract that will run for four years. In future, PostFinance customers will be able to use the PostFinance Ticket service to book tickets for Good News**



## PostFinance joins forces with Good News (cont.)

events directly onto their Postcard. The two parties have agreed not to disclose details of the financial terms of the deal.

The cooperation with Good News Productions AG, which organizes over 80 events each year, making it the largest events organizer in Switzerland, will enable 2.2 million PostFinance customers to benefit from attractive special conditions.

For example, they will receive discounts for events, benefit from preferential conditions on advance ticket sales and gain admission to exclusive concert seats. They can also order their tickets conveniently from home. **Postcard will become a concert ticket**  
**Postcard is set to become**

**an electronic admission ticket. In future, customers will be able to book event tickets online for Good News concerts directly onto their Postcard. Payment will be made via their PostFinance Yellow Account.**

Customers can then gain entry to a whole range of sporting and cultural events using their Postcard Ticket. The Postcard Ticket is set for the customers when desired. New customers can request the new service during the opening of an account.

### PostFinance believes in music

By entering into this commitment with Good News Productions AG, PostFinance is systematically pursuing its sponsorship strategy. In the cultural field, the financial

services provider supports a range of musical offerings. These include sponsoring the biggest rock and pop music festivals as well as the PostFinance Classics.

With its ongoing support for the Swiss Youth Symphony Orchestra since the beginning of 2006, PostFinance is continuing its policy of promoting young talent, which it has pursued in the fields of sport and business for many years. “




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**“Postcard is set to become an electronic admission ticket. In future, customers will be able to book event tickets online for Good News concerts directly onto their Postcard. Payment will be made via their PostFinance Yellow Account”**

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## From Peru to Namibia: Post Office® extends exotic currency offering

18 July, 2006 - [[Press Release](#)]

**“Holidaymakers are swapping Spain for the Seychelles with more than one in three (35 per cent) travelling to an exotic destination last year .**

**And to meet this growing desire for exotic travel the Post Office® is adding six new currencies to its range:**

- Costa Rica Colones
- Guatemala Quetz
- Namibia Dollar
- Peru Nuevo
- Seychelle Rupee
- Uruguay Peso

**As the largest bureau de**

**change provider in the UK, The Post Office® now offers customers a choice of 78 currencies - one of the widest ranges of holiday money on the high street.**

**Holidaymakers can buy their foreign currency commission-free from the Post Office® in four easy ways:**

- . Buy on the spot at one of over 2,300 ‘on demand’ Post Office® branches
- . Order before 2pm at any 14,300 Post Office® branches and collect your money the next day
- . Call 08458 500 900 before 2pm and collect your money the next day
- . Online at [www.postoffice.co.uk](http://www.postoffice.co.uk) for collection at any Post

**Office® branch the next day.**

Ends  
For further information please contact:  
Cohn & Wolfe  
Joanna Agnew  
020 7331 5466  
Joanna\_agnew@uk.cohnwolfe.com  
Michelle Curley  
020 7331 5389  
Michelle\_curley@uk.cohnwolfe.com  
Post Office Limited  
Hayley Fowell  
020 7320 7440  
hayley.fowell@postoffice.co.uk

[www.postoffice.co.uk](http://www.postoffice.co.uk)




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**“Holidaymakers are swapping Spain for the Seychelles with more than one in three (35 per cent) travelling to an exotic destination last year “**

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## Portuguese postal service looks for partner in Angola to implement Payshop system

05 July, 2006 - [\[macauhub.com\]](http://macauhub.com)

**“CTT Correios de Portugal, the Portuguese state postal company, is looking for a partner in Angola to implement its Payshop service, which makes it possible to pay bills in stores.**

**Speaking to Portuguese financial daily, *Jornal de Negócios* in Lisbon, CTT’s financial director said that the company was available to take a stake in Angola’s Payshop, but that its main interest was to export the service and the technology, which has been well-received in Portugal.**

*“We sell technologies and we want to take part with local partners or investors, as we sell the name, the brand and the technical support,” said Estanislau Mata Costa.*

**The service is currently on the brink of being launched in Romania and other investment opportunities in Eastern Europe are being analyzed, said Mata Costa.**

**In Portugal, the service is currently available in over 2,500 points of sale and the aim is to increase that number to 3,000 by the end of the year.**

*Last year, the Payshop system processed 3 million*

*transactions per month on average, and contributed 1.8 million euros to CTT’s net result.*

**Payshop was bought three years ago by the CTT group, which is controlled by the Portuguese state and is the Portuguese postal market leader. “**




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**“Payshop was bought three years ago by the CTT group, which is controlled by the Portuguese state and is the Portuguese postal market leader”**

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## Postbank continues expansion in first half-year

**Pre-tax profit increases to €429 million**

28 July, 2006 - [\[Press Release\]](#)

*“Deutsche Postbank AG remains on growth track. It increased its pre-tax profit before taxes by 20.8% to €429 million (the comparative figures for the first half-year of 2005 are pro-forma data including BHW and Branches). The cost-income ratio improved from 75.6% to 70.6%. In the classical banking business, i.e. without Transaction Banking, the ratio was bettered from 74.2% to as low as 69.0%. Return on equity before taxes increased from 14.7% to 16.9%.*

*Despite the charges from integrating BHW and Branches, Postbank successfully expanded its business. As a result of its sustained cost culture, it reduced its administrative expenses,*

*even though the efficiency and qualification drive at BHW and Branches ties up resources.*

**Total income** increased by 6.0% to over €2.0 billion, pushing over the €2 billion barrier in a half-year period for the first time. In the process, **the balance-sheet related revenues**, i.e. the total of net interest income, net trading income and net income from investment securities – improved strongly, by 8.4% to €1.3 billion. On the back of good development in customer business, **net interest income** increased 6.8% to €1.1 billion. **Net income from investment securities** rose 18.5% to €128 million, while **net trading income** rose 13.1% to €121 million.

**Net fee and commission income** improved by 1.7% to €703 million in the first six months of 2006.

**The allowance for losses on loans and advances** increased slightly by 8.4% to €155 million, in line with credit volume growth.

*Postbank was very satisfied with the development of **administrative expenses**. Despite charges from the integration and steadily growing customer business, it managed to reduce its costs by 0.9% to €1.4 billion. In doing so, initial cost synergies from the integration with BHW were achieved. With steadily increasing income, a high level of cost consciousness is increasingly becoming the second engine of profits growth in the Postbank Group.*

**Net other operating income and expenses** at €-4 million were €40 million lower than the previous year figure. However, other expenses include integration costs of €34 million.




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**“Deutsche Postbank AG remains on growth track. It increased its pre-tax profit before taxes by 20.8% to €429 million (the comparative figures for the first half-year of 2005 are pro-forma data including BHW and Branches)”**

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## Postbank continues expansion in first half-year (cont.)

### Pre-tax profit increases to €429 million

**Total assets** increased by €2.8 billion to €183.1 billion compared with December 31, 2005.

#### Pleasing customer growth and new business

Even though in the second quarter of 2006 Postbank continued to push the integration of its new units energetically, including the new qualification drive, it managed to make further progress in gaining new customers. In the second quarter of 2006, the Postbank Group gained 222,000 new customers, making a total of 467,200 new customers in the first half-year. In a market comparison, this is an outstanding result. The number of new private checking accounts in the first six months was 218,800 after 239,000 in the previous year. Savings volume, including deposits on mortgage sav-

ings accounts, increased to €59.5 billion after €59.2 billion as at June 30, 2005. A total of €1.3 billion was invested in the new product Quartalssparen, 55% of this being new money. €6.0 billion was invested in our DAX Sparbuch and €4.1 billion in the SparCard Direkt.

#### Excellent growth with life assurance

As a result of the higher subsidies for the Riester Pension this year, there has been an excellent development in the life assurance business. In the first half-year of 2006, new contracts totaling €1.6 billion were concluded, an increase of 76% against the previous year.

**Postbank expects to maintain this increased level, and even to improve on it. The new Branches and Mobile**

**Sales should provide the necessary impetus.**

#### Growing credit business reduces deposits overhang

Overall new business with mortgage lending improved by 8.6% to €6.3 billion. Here the DSL and Postbank brands contributed €3.8 billion and the BHW brand €2.5 billion. Furthermore, Postbank acquired mortgage portfolios of €2.0 billion with BHW customers. For consumer lending new business improved by 25.5% to €610 million. The installment credits portfolio rose correspondingly by 10.5% to €2.1 billion. Postbank makes no changes to its objectives for 2008. By this time, it wants to achieve a return on equity before taxes figure of more than 20% and a cost-income ratio under 63%."




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**"Postbank makes no changes to its objectives for 2008.**

**By this time, it wants to achieve a return on equity before taxes figure of more than 20% and a cost-income ratio under 63%."**

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## Postbank launches mobile sales service

### Postbank and BHW merge sales operations

17 July, 2006 - [[Press Release](#)]

**"The new sales channel will be used to round off the Company's over-the-counter sales network, which comprises 850 Postbank office branches along with Deutsche Post branches. The new company combines the BHW Group's field service, consisting of around 4,200 financial advisors, and the 500 advisors employed in Postbank's investment advice services. A further 100 mortgage advisors are also employed.**

Postbank's specialist financial advisors offer their customers an end-to-end service

offering focusing on mortgage lending, home savings, funds, insurance services along with checking accounts and private loans. In addition to products of the Postbank Group, the company will offer the best third-party offerings in a "Best-Select" category. The BHW brand covers the product fields of home savings, mortgage financing and real estate brokerage.

**The financial sales organization is represented throughout Germany in more than 800 service centers, which have also been transferred from BHW Bausparkasse to the new company. Postbank Finanzberatung AG is headquartered in Bonn. The Chairman of the Management Board, Dr.**

Wolfgang Klein, is also the member of Postbank's Management Board responsible for Retail Banking. Gerhard Borchers, Guido Lohmann and Dr. Andreas Wohllebe also serve on the committee.

#### Significant increase in earnings per customer expected

Wolfgang Klein is convinced Postbank's new financial advisory service will be a success: "We are combining Postbank's enormous customer pool with the advisory expertise of the mobile sales team. This will result in major benefits for customers, advisors and the Company itself." Postbank currently has 14.5 million customers. **The financial advisors will now be able to focus significantly more strongly on providing**




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**"The new sales channel will be used to round off the Company's over-the-counter sales network, which comprises 850 Postbank office branches along with Deutsche Post branches. "**

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## Postbank launches mobile sales service (cont.)

Postbank and BHW merge sales operations

support and advice, as they will have to invest less in new customer acquisitions than other mobile sales operators.

Postbank expects to generate a further significant increase in average earnings per customer through the new sales outlet and the reinforcement of its product portfolio. Wolfgang Klein: "We can now offer cus-

tomers an additional, totally new form of access to our products.

And for the first time we can also offer our advisory services at home.

In light of the variety of pensions products and the disclosure requirements relating to such products, this is becoming increasingly desirable."

Postbank is thus the first retail customer bank in Germany to operate this kind of large-scale, internal mobile sales structure."




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*"Postbank is thus the first retail customer bank in Germany to operate this kind of large-scale, internal mobile sales structure."*

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## Postal Regulation Under Discussion at UPU

03 July, 2006 - [[Press Release](#)]

"Government officials, regulatory authorities, postal operators, postal sector decision-makers, and representatives from the private sector and international organizations gathered at the headquarters of the worldwide postal organization to discuss and present organizational models for the postal markets – a challenge which many countries will face

over the next few years.

Four round tables on various aspects of regulation formed the centrepiece of the latest high-level conference organized by the UPU.

In determining why regulation of postal services is necessary in a country, and what type of regulation should be adopted, it is important to examine the particular economic and political circumstances of the

country in question.

In all cases, however, the regulator must organize and structure the market, establish a regulatory framework, specify the role to be played by each player, and ensure application of the universal postal service."




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*"the regulator must organize and structure the market, establish a regulatory framework, specify the role to be played by each player, and ensure application of the universal postal service"*

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## Correos Online and PayPal Partner to Improve Payment System for Customers

03 July, 2006 - [[Press Release](#)]

"CORREOS, the Spanish postal service, has included the Internet payment company, PayPal as one of its online payment systems.

As part of the new agreement, PayPal has inte-

grated its payment platform into the CORREOS Online webpage, in order to offer customers more ways of paying for products and services offered by CORREOS on the Internet.

With this new agreement, users of CORREOS Online will have a better

purchasing experience, which is fast, simple and completely secure."




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*"With this new agreement, users of CORREOS Online will have a better purchasing experience, which is fast, simple and completely secure."*

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## Non European experience and PFS development practice

### Selected news from Africa, ME and Asia

#### Asia

#### **Japan's Privatized Postal Bank Expected to Book Over 500 Bil. Yen Net Profit**

25 July, 2006 - [[Kyodo](#)]

*"A new bank to be created through Japan's postal privatization next year could book as much as 500 billion yen (\$4.28 billion) in annual net profit in the early years after its establishment, Japan Post sources said Monday.*

*The Diet-passed legislation will split Japan Post, the state-run postal service entity, into four stock firms -- savings, insurance, mail and over-the-counter services --*

*on Oct. 1, 2007, under a holding company. The bank, to be called "Yucho (postal savings) Bank," is likely to book between 428 billion yen and 537 billion yen in net profit every year during four years through March 2012. The figures exclude potential stock investment returns, the sources said. Japan Post also expects the three other spinoffs to start with net profits during the period, with the mail-delivery company projected to earn between 38 billion yen and 53*

*billion yen annually, the sources said.*

*But the mail-delivery division is expected to fall into the red in the current business year through next March. The insurance company, to be called "Kampo Life Insurance Co.," is projected to post an annual net profit of between 77 billion yen and 193 billion yen during the four-year period, excluding possible revenues from new business it would launch, the sources said."*

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***"A new bank to be created through Japan's postal privatization next year could book as much as 500 billion yen (\$4.28 billion) in annual net profit in the early years after its establishment"***

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#### **Mongolia's XacBank joins Eurogiro network**

17 July, 2006 - [[FT](#)]

***"Eurogiro has announced that Mongolia's XacBank has joined the banking and payment network.***

*Mongolia is one of the most sparsely populated places on earth and providing financial services to remote areas is a formidable challenge. However, XacBank with its network of over 50 branches and presence in over 180*

*small villages across the country with innovative mobile banking units is able to facilitate banking services including remittances from other countries to recipients in rural areas.*

*XacBank has a full banking license and provides universal commercial banking products although having micro financing as its core competency. XacBank will implement both cash and*

*account transfers and has access to the domestic clearing via Clearing Center of Mongolbank, which is the Central Bank of Mongolia. The bank is a SWIFT member but will initially implement the direct ELS connection solution.*

*Main payment corridors for Mongolia is China and Korea but also Japan and Hungary are of significant importance."*




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***"Eurogiro has announced that Mongolia's XacBank has joined the banking and payment network"***

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#### **India: Money orders not liable to service tax**

17 July, 2006 - [[Press release](#)]

***"The issue of leviability of service tax on certain services such as money orders, operation of savings accounts, issue of postal orders which are***

***in the nature of banking and other financial services provided by the Department of Posts has been brought to the notice of the Government.***

***Government has examined the issue and clarified here today vide Circular No. 83/1/2006-ST dated 4th July, 2006, is-***

***sued under F. No. 354/59/2006-TRU, that services such as transfer of money through money orders, operation of savings accounts, issue of postal orders which are in the nature of "banking and other financial services" defined under section 65(12) read with section 65(105)(zm) of the***

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***"Services such as transfer of money through money orders, operation of savings accounts, issue of postal orders are not liable to service tax"***

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## Money orders not liable to service tax

**Finance Act, 1994 provided by the Department of Posts are not liable to service tax.**

**Banking and other financial services provided by a banking company or a financial institution or a non-banking financial company or any other**

**service provider similar to a bank or a financial institution are liable to service tax under section 65(105)(zm) read with section 65(12) of the Finance Act, 1994.**

**Department of Posts is not considered as a service provider similar to a**

**bank or a financial institution and therefore such services provided by Department of Posts are not liable to service tax. “**

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**“Department of Posts is not considered as a service provider similar to a bank or a financial institution and therefore such services provided by Department of Posts are not liable to service tax. “**

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## Africa

### Nigeria: Why Nipost Cannot Sustain Itself Now - PMG

**12 July 2006 - [Ghana web]**

Onwuka Nzeshi  
 “Despite the painstaking implementation of the five year corporate plan to attain financial independence at Nigerian Postal Service (NIPOST), the goal cannot be achieved in the current year because the organisation has been unable to post the expected financial returns, a situation blamed on its inability to fully integrate information technology tools into its operations to match the emerging competition in the communications sector.

The Federal Government has therefore granted it another two-year moratorium during which the organisation is expected to stabilize its operations, develop new products and attain a reasonable degree of self-reliance. The Postmaster General of the Federation and Chief Executive, Nigeria Postal Service, Mallam Ibrahim Mori Baba disclosed this in Abuja at the second Merit Award ceremony held to honour employees of the organisation who have distinguished themselves in their places of assignment. According to Baba, the traditional functions of

the postal service were highly threatened by modern Information Technology services such as the internet based e-mail and facsimile which have reduced drastically the volume of mails handled by NIPOST. The organisation had in 2001 launched a five-year strategic plan meant to wean NIPOST from depending on annual budgetary allocations from the Federal Government following the threat by the Obasanjo administration to divest its interests from public enterprises that were running at a loss through concession or outright privatization.

“Though we have taken giant strides in the area of quality of service and customer satisfaction, this laudable objective has remained unattained. This is a great challenge to us as an organisation. Although the Federal Government has undertaken to continue to fund our personnel cost for a further two years, we have to go back to the drawing board to map out strategies that would enhance and strengthen the revenue base of the organisation. We can do this only through identifying and satisfying customer needs. The customer today is more discerning than ever and is presented with alternative ways

of satisfying his needs.

“Furthermore he challenges posed by the emergence of information technology today stare us in the face. Our traditional services are being encroached upon by the use of e-mail, fax and the Internet thus reducing the volume of mails handled by the post. Postal administrations the world over are undergoing different stages of reforms in order to reposition themselves to take advantage of the enormous opportunities the era of information technology has ironically opened up for the post,” Baba said. In the coming years, the Postmaster General said, NIPOST will have no choice but to adopt and adapt to the imperatives of information technology, as that was the only way it could improve on its service delivery and revenue profile. He said that the deployment of e-products such as the Post Cash Venture would eventually provide the vehicle upon which NIPOST will ride into the digital arena.

The Post Cash Venture which commenced its pilot scheme in domestic electronic funds transfer early this year while its international segment will commence in September this year. “




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**“In the coming years, the Postmaster General said, NIPOST will have no choice but to adopt and adapt to the imperatives of information technology, as that was the only way it could improve on its service delivery and revenue profile.”**

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**“deployment of e-products such as the Post Cash Venture would eventually provide the vehicle upon which NIPOST will ride into the digital arena”**

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## Ghana Post to Diversify Services

12 July 2006 - [[Ghana web](#)]

**“The Ghana Post Company Limited is positioning itself to provide a new image and direction of postal services on the African continent in the face of serious technological developments and competition.**

Elected as the new Chair of the Pan African Postal Union (PAPU) at the 25th Ordinary Session of the Administrative Council of the Union recently held in Accra, Ghana Posts is now diversifying its services, and would provide the leadership for a crusade to reform the African postal service to make it survive as a viable venture. Mr. Kofi Dua-

Adonteng, Managing Director, said, in spite of the threats from the technological advances, the African post had tremendous future.

The lack of finance was the biggest handicap of the Postal administrations in Africa and the competition due to technological development in the global economic order had brought the postal sector under intense pressure. However, postal system would survive because it was the main transporter of bulk mails. Mr. Dua-Adonteng said the Ghana Posts has had to diversify to other lines of business to sustain itself since it weaned itself from Government subvention in 1999. Mr. Dua-Adonteng added that the company would rely on

broadband to provide electronic mail service in areas that did not have telephone lines. **He identified financial services as a central component for the survival of postal services, and announced that the Ghana Post was running as a subagent of the Agricultural Development Bank to do international money transfer business.**

**Also the Post Office Savings Bank would soon be operational, to encourage savings mobilization. Currently Ghana Post has 330 main post offices and 700 agencies countrywide.”**

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**“Also the Post Office Savings Bank would soon be operational, to encourage savings mobilization. Currently Ghana Post has 330 main post offices and 700 agencies countrywide.”**

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## Uganda: ICT minister to help Posta beat competition

9 July 2006 - [[newvision.co.ug](#)]

**“Doctor Ham Mulira, the ICT minister, has pledged to support Posta Uganda to be competitive and increase its profitability. “Soon, bills for the cyber laws will be tabled in parliament to create a legal framework for ICT in the country. We shall work together to give Posta Uganda all the necessary support.**

You have the passion to succeed and that is paramount,” Mulira said. He was addressing Posta’s management and board members at the General Post Office on Kampala Road last week.

The minister commended Posta Uganda for facilitating communication. He advised the management to be inno-

vative and provide more services.

Mulira, on his maiden visit, was accompanied by his state minister, Alintuma Nsambu, the state minister for ICT. Hajjati Aisha Lubega, the chairperson, board of directors and the acting managing director of Posta Uganda, Winston Sibbo, took the ministers on a guided tour of the company.

Lubega said Posta Uganda was struggling to remain relevant in the market. “Posta has embraced wide postal reforms and is determined to become a one stop communication solution provider to all Ugandans”, Lubega said.

**In the last four years, Posta has introduced new services such as a computerized mail track and tracing system, electronic money transfer, E-mail services and physi-**

**cal delivery of mail.**

Posta Uganda, a parastatal that provides postal services, was formed in 1998. The company launched reforms in 2000 in a drive to improve its image, consequently it made a profit of sh.180 million in 2004 – 2005 financial year.

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**“In the last four years, Posta has introduced new services such as a computerized mail track and tracing system, electronic money transfer, E-mail services and physical delivery of mail. “**

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## **From the Statute of ICPFSB—2005 Brasov's meeting**

### **"The ICPFB has the following objectives:**

- to contribute to the realisation of the strategy of the UPU in the business field;
- to collaborate with the UPU to rejoin the common objectives and to improve the relations between the member countries and between them, the UPU and the other international organizations;
- to represent and support at the UPU and other international organizations the demands of the different members to establish collaboration relations and development on the business basis;
- to facilitate the exchange of experience and the best practice among members;
- to take into account needs of the customers and of the markets from the business and marketing field; "

### **ICPFSB**

#### **Secretariat**

Members:

- **Hermína Apostol**
- **Elena Popovici**
- **Yurii Spiriev**

#### **SC Bancpost SA**

**Communication Division**

Phone: +40 21 308 0901  
Fax: +40 21 326 8520

E-mails:

hermina.apostol@bancpost.ro  
elena.popovici@bancpost.ro

yurii.spiriev@icpfsb.org



#### **The coming Agenda:**

**9 - 20 October 2006, Bern**

**UPU Council of Administration**

**10 - 12 October 2006, Amsterdam**

**POST-EXPO 2006**

**14 - 16 November 2006 - Dubai**

**UPU Strategic Conference**

**Postal address: - SC Bancpost SA**

**Sediul Libertății**

**Bd. Libertății nr. 18-20,  
Bl. 103-104, Sector 5,  
050706 București,  
România**

**SC Bancpost SA - Sediul Central**

**Sediul Vitan**

**Calea Vitan 6-6A, Sector 3,  
031296 București,  
România**

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