

Letter of the Chairman of the Supervisory Board of BRE Bank SA to Shareholders

Dear Shareholders,

The year 2011 marks the end of the current tenure of the Supervisory Board, which began in March 2008. The term of office will expire following the end of the Ordinary General Meeting of Shareholders. The period of its incumbency was a challenging time. The world's financial crisis and the economic slowdown in Poland discontinued the long-term prosperity, which affected also the Bank. In this difficult time, the Bank had to cope with a lot of challenges among others FX options. The Supervisory Board carefully observed the situation in the Bank and exercised strict supervision over the Bank. From the present perspective, the well-known saying "what doesn't kill you makes you stronger" turned out to be true also in the case of BRE Bank SA. At present, the Bank is recovering its strength, which is also attributable to the last year's issue of shares for the amount of PLN approximately 2 billion. Thanks to the capital increase, the Bank is now better prepared to meet the capital requirements, which are to become binding in a few years as a result of the Basel III Regulations.

The year 2010 brought along a noticeable turn in the unfavourable trends observed in Polish banking from the second half of 2008. The economic environment in which BRE Bank SA operates proved much more favourable. Economic growth was more dynamic, the environment for developing lending activity improved. It brings satisfaction to supervise a company which managed to take advantage of a chance provided by the environment. Last year, BRE Bank SA was back on the growth path and significantly improved its profitability. The consolidated pre-tax result for 2010 reached PLN 872.5 million, which represents a fourfold rise compared to the previous year (PLN 209.4 million in 2009). Consolidated net result allocated to the shareholders of the Bank was characterised by even higher growth dynamics, which represents almost a fivefold of the 2009 result. Following the results the profitability also grew. Return on equity (pre-tax) reached 15.6% for 2010 against 5.1% for 2009. It is worth stressing that this growth of the RoE occurred despite above mentioned increase of the Bank's capital.

In 2010, Mr Cezary Stypułkowski was appointed as President of the Management Board, very experienced manager, who has a long-standing track-record in leading large financial institutions, especially banks, to success. I am convinced, that under his leadership BRE Bank will be able to further improve its achievements, which for you, dear Shareholders, will be the source of measurable satisfaction.

In the past year, the Supervisory Board was thoroughly monitoring and analysing the situation in BRE Bank SA and remained in close contact with the Management Board participating in consultation on all important aspects of the Bank's activity. The Supervisory Board held 6 meetings. As in the previous years, Members of the Supervisory Board, took part in 3 Committees (Executive Committee, Audit Committee and Risk Committee). Between the meetings of the Supervisory Board, both the Executive Committee taking a number of decisions by circular procedure, and the Supervisory Board, passing resolutions in the circular procedure, exercised their activity. Moreover, the Audit Committee and the Risk Committee operated on a regular basis within the Supervisory Board.

On behalf of the entire Supervisory Board I wish to express my deep conviction that this year and in the years to come, BRE Bank SA will follow the targeted path of profitable growth and will strengthen its position in the Polish banking sector, remaining the best financial institution for demanding clients. For you, dear Shareholders, BRE Bank will bring an increase of its value. I strongly believe that both the Management Board of BRE Bank SA with its new President, Mr Cezary Stypułkowski, as well as all the employees of the Bank and all of its subsidiaries will do their utmost, to make that happen.

To conclude, with reference to the term of office of the Supervisory Board which is coming to its end, on behalf of the entire Supervisory Board, I would like to express warm thanks to the Management Board for constructive and effective cooperation, and to you, dear Shareholders, for your confidence in BRE Bank's activity. I want to thank Members of the Supervisory Board warmly for their personal involvement in and great contribution to the work of the Supervisory Board, and I wish the newly to be appointed Supervisory Board further fruitful cooperation with the Management Board for the achievement of set targets.

Maciej Leśny
Chairman of the Supervisory Board