

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

Dear Shareholders,

2012 turned out to be as successful for BRE Bank Group as the previous year, which had been considered to be record-breaking. Irrespective of pessimistic scenarios, the consolidated profit before tax grew by 0.3%, while the consolidated net profit attributable to BRE Bank's shareholders grew by 6.0% in 2012. Consequently, the Bank and its subsidiaries once again fulfilled the expectations.

Notwithstanding the very good results quarter after quarter, throughout the past year the Supervisory Board closely monitored and analysed the situation in BRE Bank remaining in continuous communication with the Management Board as well as took part in consultations on all key aspects of the activity of the Bank. The Supervisory Board held six meetings. Similar to previous years, the Supervisory Board also worked through its Standing Committees including: the Executive Committee, the Audit Committee, the Risk Committee, as well as the Remuneration Committee which was formed in the second half of 2012 and given competences including remuneration policies and rules and monitoring of remuneration levels and structures in the Bank.

At its meeting on July 25, 2012, the Supervisory Board endorsed the new Strategy of BRE Bank Group for 2012-2016 presented by the Management Board of the Bank. The new Strategy is based on the One Bank concept and provides for, among others, the unification brands for all business lines. Both corporate and retail banking of the Bank will operate under the unified brand of mBank later this year.

The new Strategy also provides for more active management of the Bank's balance sheet. The first results in this regard have already been noted. Deposits grew by 6.9% during 2012 while the loan-to-deposit ratio decreased from 125.1% a year ago to 115.7% at the end of 2012. The Bank is also raising more funding on the financial markets, among others by means of Eurobonds issues.

Furthermore, the new Strategy comprises several dozen other major and minor initiatives which will also help to strengthen the foundations of BRE Bank Group's future growth and its shareholder value.

In relation to the conclusion of the current term of the Management Board, on behalf of the entire Supervisory Board of BRE Bank, I would like to thank the Management Board for five years of constructive and effective co-operation. I strongly believe that the new Management Board to be elected in 2013 will continue the strong previous work and efforts.

I wish to thank the employees of the Bank and its subsidiaries for their productive contribution; and you, dear Shareholders, for your trust in the activity of BRE Bank. I also wish to thank all Members of the Supervisory Board for their personal engagement and enormous contribution to the work of the Supervisory Board.



2013 may prove to pose greater challenges than the previous two years. Every challenge presents an opportunity; every opportunity can be seized to make us stronger. I am convinced that even if the pessimistic economic forecasts come true, the Management Board and the employees of the Bank will live up to the challenge and the Bank will grow stronger than ever before.

Maciej Leśny

Chairman of the Supervisory Board