

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

Dear Shareholders,

2011 was special due to a number of reasons. One of them was the 25th anniversary of the Bank's establishment, which was celebrated in December. As such distinguished occasions occur quite rarely, I would like to take the opportunity to look from the perspective of a broader time horizon before summarizing the developments of 2011.

25 years have passed since a group of exceptional people led by the vision of Krzysztof Szwarc created an ambitious start-up aimed at servicing export-oriented enterprises then called Bank Rozwoju Eksportu SA. When contemplating upon this event 25 years later, we can be certain that it was not only a wonderful opening of BRE Bank's history but also an important milestone for the entire Polish banking sector.

The Bank's establishment is also connected with the first offering of shares in the history of post-war Poland. The transaction took place a few years before the Warsaw Stock Exchange began to operate with shares acquired by more than 400 state-owned companies and cooperative societies. The "being first" attitude has characterised the Bank ever since its inception and supported its innovative drive. Some of the Bank's notable "firsts" include: the introduction of the first integrated IBS-90 IT system in Poland, first dedicated account managers to service corporate clients or establishment of mBank as the first fully online bank in Poland. Finally, the Bank was the first to conduct a public increase of its share capital through the issuance of 500 thousand shares in 1993, and thus contributing to the development of the domestic capital markets in Poland.

25 years of your trust and support, dear Shareholders, trust of our clients, as well as ongoing efforts and enthusiasm, promotion of brave visions and consequent achievement of ambitious goals by the founders, succeeding management boards and a generation of employees built the current strong position of the Bank. It is of particular importance for me, as I have had the honour to take part in the development of this Bank by chairing the Supervisory Board for a number of years. Today, looking from the perspective of the past 25 years during which a bank created from scratch grew to become Poland's 3rd largest banking institution, I can say that everyone who had contributed to this outstanding success story should feel proud. Today, BRE Bank is a financial institution with over PLN 98 billion of assets, servicing retail clients of all generations and wealth profiles as well as micro, small, medium and large enterprises. In addition, the Bank's offering is further complemented by a broad scope of products and services of our subsidiaries, which provide brokerage, leasing, factoring and real-estate finance services to name just a few of them. Finally, the Bank's international expansion is a clear testament to its success at home.

I am very pleased that the 25th anniversary of the Bank could be celebrated with record profits. In 2011, BRE Bank Group achieved pre-tax profits of PLN 1,467.1 million, which constituted a 68.1% increase compared to 2010 and highlights the Bank's ability to organically generate strong and stable financial results.

BRE Bank's revenues in 2011 increased by 14% and amounted to PLN 3,563.5 million supported by a balanced, business driven growth of both net interest and fee and commission income, which grew by 18.6% and 12.6% respectively. The growth in trading income stood at a stable 3.3%.

The Bank's record profits were also supported by prudent risk management, which contributed to a significant reduction in loan loss provisions, which amounted to PLN 373.5 million and were lower by 41.2% compared to 2010.

While strong results were reported by the Bank already in the first months of the year, the Supervisory

Board did not relax its vigilance and as in previous years monitored and analyzed the Bank's performance, remaining in close contact with the Management Board and participating in consultations on all important aspects of the Bank's activity.

The Supervisory Board held six meetings in 2011. As in previous years, three Committees (the Executive Committee, the Audit Committee and the Risk Committee) operated as part of the work of the Supervisory Board. 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.

On behalf of the entire Supervisory Board, I would like to thank everyone who contributed to the excellent results of the Group last year: the Bank's Management Board, the employees of the Bank and all of its subsidiaries. I would also like to thank all the Members of the Supervisory Board for their great engagement and contribution to the work of the Board in 2011.

On behalf of the entire Supervisory Board, I would like to express my deep conviction that 2012 and the years that follow will be successful for BRE Bank, which will translate into the satisfaction of our clients and tangible benefits for you, our dear Shareholders. I am convinced that the Management Board and all the employees of the Bank and its subsidiaries will do their utmost to make that happen. Commencing the next quarter of a century in the Bank's history, let's work hard to continue the great project started up by Krzysztof Szwarc and all those who accompanied and supported him.

Kind regards,

Maciej Leśny
Chairman of the Supervisory Board