

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE FOR RESOLUTION
OF THE XXIII ORDINARY GENERAL MEETING DATED 30.03.2010
CONCERNING APPROVAL OF THE REPORT OF THE MANAGEMENT BOARD OF BRE
BANK SA AND THE FINANCIAL STATEMENTS OF BRE BANK SA FOR 2009
(Resolution No. 1)**

The General Meeting is required to pass Resolution No. 1 because the Bank has to comply with the mandatory regulations of Article 395.2.1 in connection with Article 393.1. of the Code of Commercial Partnerships and Companies. Article 395.2 provides as follows: "The following matters shall come before the ordinary general meeting:

1. examination and approval of the management board's report of company activities and the financial statements for the preceding financial year;
2. adoption of a resolution on the distribution of profit or covering loss;
3. granting a vote of acceptance to the members of a company's bodies to confirm the discharge of their duties."

Furthermore, passing the Resolution No. 1 by the General Meeting satisfies the requirements of § 11 letter a) of the By-laws of the Bank.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 9 of the Rules of the Supervisory Board, having revised the draft of the resolution No. 1 of the XXIII Ordinary General Meeting, the Supervisory Board accepts its content and recommends to the XXIII Ordinary General Meeting adoption of this resolution.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE FOR RESOLUTION
OF THE XXIII ORDINARY GENERAL MEETING DATED 30.03.2010
CONCERNING DISTRIBUTION OF THE 2009 PROFIT
(Resolution No. 2)**

The General Meeting is required to pass Resolution No. 2 because the Bank has to comply with the mandatory regulations of Article 395.2.2. of the Code of Commercial Partnerships and Companies. Article 395.2 provides as follows: "The following matters shall come before the ordinary general meeting:

1. examination and approval of the management board's report of company activities and the financial statements for the preceding financial year;
2. adoption of a resolution on the distribution of profit or covering loss;
3. granting a vote of acceptance to the members of a company's bodies to confirm the discharge of their duties."

Furthermore, passing the Resolution No. 2 by the General Meeting satisfies the requirements of § 11 letter b) of the By-laws of the Bank.

According to the Corporate Income Tax Law dated 15 February 1992 (Dz.U.00.54.654 unified text, with further changes), based on art. 38c) the Bank is allowed to recognize as tax cost incurred but not reported reserve (IBNR) up to the value of general risk reserve.

General risk reserve cannot exceed the amount that has been written off from previous year's profit in the current financial year for general risk fund.

In order to ensure the maximum utilization of potential increase of IBNR in 2010 as tax deductible cost, the whole Bank's net profit of PLN 57 143 000 from the year 2009, should be allocated to general risk fund.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 9 of the Rules of the Supervisory Board, having revised the draft of the resolution No. 2 of the XXIII Ordinary General Meeting, the Supervisory Board accepts its content and recommends to XXIII Ordinary General Meeting adoption of this resolution.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTIONS OF XXIII ORDINARY GENERAL MEETING DATED 30.03.2010
CONCERNING VOTE OF DISCHARGE OF DUTIES FOR MEMBERS OF THE
MANAGEMENT BOARD OF
BRE BANK SA
(Resolutions No. 3-10)**

The General Meeting is required to pass Resolutions 3-10 because the Bank has to comply with the mandatory regulations of Article 395.2 3) in connection with Article 393 1) of the Code of Commercial Partnerships and Companies. Article 395.2 provides as follows: "The following matters shall come before the ordinary general meeting:

- 1) examination and approval of the management board's report of company activities and the financial statements for the preceding financial year;
- 2) adoption of a resolution on the distribution of profit or covering loss;
- 3) granting a vote of acceptance to members of company bodies to confirm the discharge of their duties."

Furthermore, passing the Resolutions 3-10 by the General Meeting satisfies the requirements of § 11 letter c) of the By-laws of the Bank.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 9 of the Rules of the Supervisory Board, having revised the drafts of the resolutions no 3-10 of XXIII Ordinary General Meeting, the Supervisory Board accepts their content and recommends to XXIII Ordinary General Meeting adoption of these resolutions.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTIONS OF XXIII ORDINARY GENERAL MEETING DATED 30.03.2010
CONCERNING VOTE OF DISCHARGE OF DUTIES FOR MEMBERS OF THE
SUPERVISORY BOARD OF
BRE BANK SA
(Resolutions No. 11-20)**

The General Meeting is required to pass Resolutions 11-20 because the Bank has to comply with the mandatory regulations of Article 395.2 3) in connection with Article 393 1) of the Code of Commercial Partnerships and Companies. Article 395.2 provides as follows: "The following matters shall come before the ordinary general meeting:

- 1) examination and approval of the management board's report of company activities and the financial statements for the preceding financial year;
- 2) adoption of a resolution on the distribution of profit or covering loss;
- 3) granting a vote of acceptance to members of company bodies to confirm the discharge of their duties."

Furthermore, passing the Resolutions 11-20 by the General Meeting satisfies the requirements of § 11 letter c) of the By-laws of the Bank.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 9 of the Rules of the Supervisory Board, having revised the drafts of the resolutions no 11-20 of XXIII Ordinary General Meeting, the Supervisory Board accepts their content and recommends to XXIII Ordinary General Meeting adoption of these resolutions.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE FOR RESOLUTION
OF THE XXIII ORDINARY GENERAL MEETING DATED 30.03.2010
CONCERNING APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS
OF THE BRE BANK GROUP FOR 2009
(Resolution No. 21)**

Passing the Resolution No. 21 by the General Meeting stems out of Article 395.5 of the Code of Commercial Partnerships and Companies.

According to Article 395.5, "The ordinary general meeting may also examine and approve financial statements of the capital group within the meaning of the accounting provisions and address matters other than those listed in paragraph 2."

Given the fact that BRE Bank SA, as the parent company, and its subsidiaries constitute a capital group, passing the Resolution No. 21 by the General Meeting is fully justified.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 9 of the Rules of the Supervisory Board, having revised the draft of the resolution No. 21 of the XXIII Ordinary General Meeting, the Supervisory Board accepts its content and recommends to XXIII Ordinary General Meeting adoption of this resolution.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE FOR RESOLUTION
OF THE XXIII ORDINARY GENERAL MEETING DATED 30.03.2010
CONCERNING INCREASING THE BANK'S SHARE CAPITAL, A PUBLIC OFFERING OF
NEW SHARES, SPECIFYING THE RECORD DATE FOR THE NEW SHARES,
DEMATERIALIZATION AND APPLICATION FOR ADMISSION OF THE PREEMPTIVE
RIGHTS, RIGHTS TO SHARES AND NEW SHARES TO TRADING ON A REGULATED
MARKET OPERATED BY THE WARSAW STOCK EXCHANGE
(Resolution No. 22)**

Issues regulated by the draft resolution (scope of the draft resolution)

In the draft resolution No. 22 of the Annual General Meeting of Shareholders (the “**General Meeting**”) in BRE Bank S.A. (the “**Bank**”) on increasing the Bank’s share capital, a public offering of new shares, specifying the record date for the new shares, dematerialization and application for admission of the preemptive rights, rights to shares and new shares to trading on a regulated market operated by the Warsaw Stock Exchange (the “**Issue Resolution**”) presented by the Bank’s Management Board, it is proposed that the following most crucial issues be regulated in connection with the contemplated increase of the Bank’s share capital by way of issuing new shares (the “**New Shares**”), offer in a public offering of the New Shares to current shareholders’ of the Bank on the basis of the preemptive right they are entitled to (the “**Public Offering**”) and the application for the admission and introduction of the New Shares to trading on the regulated market operated by the Warsaw Stock Exchange (the “**WSE**”):

- (1) share capital increase from Polish zloty (“**PLN**”) 118,763,528 by no less than PLN 4 and no more than PLN 83,134,468, i.e. up to a maximum amount of the entire share capital of PLN 201,897,996 by way of share issue of no less than 1 and no more than 20,783,617 New Shares;
- (2) issue of the New Shares by way of “closed subscription” (i.e. offering of the New Shares to shareholders in the Bank on the basis of the preemptive right) and their offer in the Public Offering;
- (3) specifying a date pursuant to which shareholders in the Bank shall be recorded to the preemptive right to acquire the New Shares (the “**Record Date**”) as of May 18, 2010;
- (4) specifying a date as of which the New Shares will participate in dividend;
- (5) authorization of the Bank’s Management Board to specify (i) the final amount by which the Bank’s share capital is to be increased, however, such amount may not be lower than the minimum amount and not higher than the maximum amount determined by the General Meeting, (ii) the issue price and (iii) the final number of the offered New Shares;
- (6) authorization of the Bank’s Management Board to undertake any activities connected with increase of the Bank’s share capital, issuing the New Shares and their Public Offering and application for admission and introduction to trading on the regulated market operated by the WSE, however, a decision to withdraw or suspend carrying out the Issue Resolution, withdraw or suspend carrying out the Public Offering and determination and announcement of the date on which the Public Offering will be resumed shall require the consent of the Bank’s Supervisory Board;
- (7) dematerialization of the New Shares, as well as individual preemptive rights and rights to New Shares;
- (8) application for admission and introduction to trading on the regulated market operated by the WSE of the New Shares, individual preemptive rights and rights to New Shares.

Proposed structure of increasing the share capital of the Bank, issuing the New Shares and their Public Offering

Presenting the draft Issue Resolution, the Bank's Management Board proposes the following structure of increasing the Bank's share capital, issuing the New Shares and their Public Offering:

- (1) Increase of the Bank's share capital shall be carried out by way of issuing by the Bank no less than 1 and no more than 20,783,617 New Shares. The final amount of increase of the Bank's share capital, the number and the issue price of the New Shares shall be determined by the Bank's Management Board.

The manner of increasing the Bank's share capital proposed by its Management Board consists in specifying by the General Meeting the minimum and the maximum amount of that increase as well as a number of the New Shares to be issued.

Adoption of the proposed solution in conjunction with proposed granting to the Bank's Management Board of the right to specify (within the limits stipulated by the General Meeting) the final amount of the Bank's share capital increase, number and the issue price of the New Shares aims at creating an elastic solution allowing for issuing such number of the New Shares which, in connection with their issue price, will allow the Bank to earn the expected proceeds from issuing the New Shares.

The proposed solution is to enable the Bank's Management Board, which specifies the final number and the issue price of the New Shares, to determine those values in a manner which best reflects and reacts to market conditions, in particular the market price and tendencies pertaining to listing existing shares of the Bank, and taking into account the real or declared demand of the Bank's shareholders and potential investors in the period immediately preceding determination of final parameters of increasing the share capital and commencement of the subscription period for the New Shares.

- (2) In view of the fact that New Shares will be offered in the Public Offering, for the purposes of this Public Offering as well as application for admission and introduction to trading on the regulated market operated by the WSE of individual preemptive rights, rights to New Shares and the New Shares, the Bank shall produce a prospectus ("**Prospectus**") and apply for its approval to the Polish Financial Supervision Commission.
- (3) New Shares shall be offered to current shareholders of the Bank who will hold the current shares of the Bank on securities accounts at the end of the Record Date. Each issued and outstanding share of the Bank shall entitle its holder to register on such holder's securities account 1 (one) individual preemptive right. A number of New Shares to which taking up will authorize 1 individual preemptive right shall be established as a quotient of the final number of the New Shares and the number of individual preemptive rights (when disclosing this number to the public, the Management Board of the Bank will also disclose an integral number of individual preemptive rights which will entitle to taking up for a specified integral number of the New Shares).

Issuing the New Shares and their offering to current shareholders of the Bank aims at maintaining the current shareholding structure of the Bank and granting the current shareholders of the Bank the opportunity to at least retain their current shareholding in the Bank's share capital and the total number of votes at the General Meeting of the Bank, obviously on the assumption that current shareholders exercise their preemptive right with respect to all Bank's shares they hold.

Each shareholder, who will have the preemptive right with respect to the New Shares, shall be authorized to make an additional subscription for the New Shares for which other Bank's shareholders (including the shareholder placing an additional subscription) will not place subscriptions in exercise of preemptive rights they hold. In such case, upon allocation of the

New Shares to such shareholder, an interest of such shareholder in the Bank's share capital and the total number of votes at the Bank's General Meeting may exceed the interest held prior to issuing the New Shares.

Besides arguments specified in preceding paragraphs, by proposing the offering of the New Shares to current shareholders of the Bank, the Management Board had considered positive results of analogous transactions carried out during recent months on foreign markets as well as on the Polish market.

The day of the Record Date was proposed by the Bank's Management Board taking into account the assumed timeline of the Public Offering, in particular considering (i) a period necessary for approval by the Polish Financial Supervision Commission of the Prospectus, as assumed by the Management Board and making the Prospectus available to the public and (ii) creation (taking into account the settlement system of the National Depository for Securities) in the period after making the Prospectus available to the public, of the opportunity to acquire the existing shares of the Bank at the WSE trading session in a manner allowing for the acquisition of the individual preemptive rights at the Record Date.

- (4) If not all New Shares are taken up by way of subscriptions placed in exercise of preemptive right or additional subscriptions, the Bank's Management Board shall be authorized to offer and allot such untaken New Shares to the investors who are not Bank's shareholders and who will respond to an invitation issued by the Management Board of the Bank.

The aim of this resolution is to ensure success of the New Shares issue and earn proceeds from issuing those shares in the amount expected by the Bank; it will also enable the Bank to obtain new investors and extend its shareholder base. The choice of potential investors to which an invitation will be issued to take up the New Shares not included in subscriptions made in the performance of preemptive right or additional subscriptions shall be made by the Bank's Management Board in consultation with Deutsche Bank AG, London Branch, which fulfills the function of Global Coordinator and Sole Bookrunner for the purposes of the Public Offering and issuing the New Shares and whose one of tasks will be to present to the Management Board a recommendation regarding a range of prospective investors to which the Bank's Management Board will be able to issue an invitation to take up the New Shares.

- (5) The intention of the Management Board is the application for admission and introduction of individual preemptive rights, rights to New Shares and the New Shares to trading on the regulated market (the main market) operated by the WSE on which the existing Bank's shares are listed.

This solution aims mainly at ensuring that Bank's shareholders not interested in subscribing for the New Shares in exercise of their preemptive right can dispose of individual preemptive rights registered on their accounts.

With respect to rights to the New Shares and the New Shares, the application for admission and introduction of those securities to trading on WSE is justified by the Bank's wish to ensure subscribers of the New Shares a liquid trading platform for those securities as well as the Bank's duty to apply for admission to trading on the regulated market of new shares of the same class being the subject of the Public Offering as the Bank's shares already listed on that market.

Justification of increasing the share capital and the New Shares issue

The Bank plans to increase its share capital and increase its strategic flexibility to support the implementation of the announced growth strategy for the years 2010-2012, as well as provide for a Tier 1 capital ratio in line with potential new capital requirements, both regulatory and those of the marketplace.

The Bank expects that its improved capitalization will reinforce its competitive advantage to win profitable business with clients and facilitate its expansion plans as economic conditions improve.

The Bank intends to grow lending in attractive product areas e.g. by reinvigorating growth in existing core business lines of both retail and corporate segments, expanding market share in non-mortgage retail lending and strengthening position in niche adjacent corporate lending segments.

The Bank seeks to complement lending volume growth with effective cross-selling efforts, especially with regards to non-solvency products for both corporate and retail clients.

The Bank will focus on organic growth of its franchise and continue to win new customers.

Conclusion and recommendation of the Bank's Management Board

In view of arguments presented in preceding sections, the Bank's Management Board recommends that the General Meeting adopt the Issue Resolution in the wording proposed by the Management Board.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 9 of the Rules of the Supervisory Board, having revised the draft of the resolution no 22 of XXIII Ordinary General Meeting, the Supervisory Board accepts its content and recommends to XXIII Ordinary General Meeting adoption of this resolution.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTION OF XXIII ORDINARY GENERAL MEETING DATED 30.03.2010
CONCERNING AMENDMENTS TO THE BANK'S BY-LAWS
RELATED TO AN INCREASE OF THE SHARE CAPITAL OF THE BANK
(Resolution No. 23)**

Issues regulated by the draft resolution (scope of the draft resolution)

The draft resolution No. 23 on amendments to the Bank's By-laws related to the share capital increase of the Bank ("**Resolution No. 23/2010**") is closely connected with draft Issue Resolution.

In view of the fact that increase of the Bank's share capital requires amending its By-laws with respect to its provisions specifying the amount of that capital and a number of Bank's shares representing it, the proposed wording of § 34 of the Bank's By-laws corresponds to parameters of increase of the Bank's share capital set forth in the Issue Resolution.

As of the day of adoption of the Issue Resolution and the Resolution No. 23/2010, it is not possible to specify the final amount of the increase of the Bank's share capital or a number of issued New Shares. Therefore, on the terms set forth in relevant law provisions and on the basis of authorization granted by the General Meeting with respect to the Issue Resolution and the Resolution No. 23/2010, the Bank's Management Board shall specify the final number of the New Shares and thus the amount by which the Bank's share capital is to be increased (however, the number of the New Shares and thus the amount of the share capital increase may not be lower or higher than the respective limits set forth in the Issue Resolution), the amount of share capital taken up and the wording of § 34 of the Bank's By-laws.

Conclusion and recommendation of the Bank's Management Board

In view of arguments presented in the preceding section, the Bank's Management Board recommends that the General Meeting adopt the Resolution No. 23/2010 in the wording proposed by the Management Board.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 9 of the Rules of the Supervisory Board, having revised the draft of the resolution no 23 of XXIII Ordinary General Meeting, the Supervisory Board accepts its content and recommends to XXIII Ordinary General Meeting adoption of this resolution.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTION OF XXIII ORDINARY GENERAL MEETING DATED 30.03.2010
CONCERNING AMENDMENT OF THE BY-LAWS OF BRE BANK SA
(Resolution No. 24)**

Passing the Resolution 24 by the General Meeting is related to: 1) adjustment of the By-Laws to the amended provisions of the Commercial Companies Code, adopted by the Act dated 5 December 2008 (Journal of Laws 2009, No. 13, item 69), 2) extending the scope of business of BRE Bank by two types of operations specified in the act on electronic payment instruments, and 3) adjusting the By-laws to post control recommendations from the Financial Supervision Commission.

Changes to the By-Laws to this extent are:

- a. adding point 16 in item 1 § 6;
- b. adding point 16 in item 2 § 6;
- c. change to items 2 and 3 in § 10;
- d. adding items 4 and 5 in § 10;
- e. deletion of item 2 in § 12;
- f. change to § 13; and
- g. change of letter a) in point 3, item 3 § 22.

Furthermore, passing the Resolution No. 24 by the General Meeting satisfies the requirements of § 11 e) of the By-laws of the Bank.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 9 of the Rules of the Supervisory Board, having revised the draft of the resolution no 24 of XXIII Ordinary General Meeting, the Supervisory Board accepts its content and recommends to XXIII Ordinary General Meeting adoption of this resolution.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTION OF XXIII ORDINARY GENERAL MEETING DATED 30.03.2010
CONCERNING AMENDMENT OF THE STANDING RULES OF
THE GENERAL MEETING OF BRE BANK SA
(Resolution No. 25)**

Passing the Resolution 25 by the General Meeting is related to adjustment of the Standing Rules of the General Meeting of BRE Bank SA to the amended provisions of the Commercial Companies Code, adopted by the Act dated 5 December 2008 (Journal of Laws 2009, No. 13, item 69).

The changes to the Standing Rules of the General Meeting of BRE Bank SA to this extent are:

- a. adding items 3 and 4 in § 1;
- b. change to § 2;
- c. change to item 3 in § 4;
- d. change of numbering in item 4 into item 6 in § 4;
- e. adding items 4 and 5 in § 4;
- f. change of numbering in item 5 into item 7 in § 4;
- g. deletion of item 6 in § 4;
- h. change of numbering in item 7 into item 8 in § 4;
- i. change to item 2 in § 11;
- j. change to item 3 in § 14;
- k. change of numbering in item 4 into item 6 in § 14;
- l. adding items 4 and 5 in § 14;
- m. change to item 1 in § 21; and
- n. change to item 3 in § 21.

Passing the Resolution No. 25 by the General Meeting satisfies the requirements of § 23 of the Standing Rules of the General Meeting of BRE Bank SA.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 9 of the Rules of the Supervisory Board, having revised the draft of the resolution no 25 of XXIII Ordinary General Meeting, the Supervisory Board accepts its content and recommends to XXIII Ordinary General Meeting adoption of this resolution.

**BRE BANK SA MANAGEMENT BOARD'S RATIONALE
FOR RESOLUTION OF XXIII ORDINARY GENERAL MEETING DATED 30.03.2010
CONCERNING APPOINTMENT OF AN AUDITOR TO AUDIT
THE FINANCIAL STATEMENTS OF
BRE BANK SA AND THE BRE BANK GROUP FOR 2010
(Resolution No. 26)**

Article 66.4 of the Accounting Act and § 11 letter n) of the By-laws of the Bank require passing the Resolution No. 26.

Pursuant to Article 66.4 of the Accounting Act, the authority that approves financial statements of a company appoints the auditor to audit the financial statements, unless the By-laws, agreement or other legal regulations binding on the company provide otherwise.

Passing the Resolution No. 26 by the General Meeting satisfies the requirements of § 11 letter n) of the By-laws of the Bank.

OPINION OF THE SUPERVISORY BOARD

In accordance with the wording of § 2 item 9 of the Rules of the Supervisory Board, having revised the draft of the resolution no 26 of XXIII Ordinary General Meeting, the Supervisory Board accepts its content and recommends to XXIII Ordinary General Meeting adoption of this resolution.