

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

Dear Shareholders,

In 2008 the Supervisory Board monitored and analysed thoroughly the situation in BRE Bank SA and remained in close contact with the Management Board, consulting all important aspects of the Bank's activity.

The Supervisory Board held five meetings and in the time between the meetings, the Executive Committee made a range of decisions in a circular procedure. Furthermore, an Audit Committee and a Risk Committee operated within the Board. More detailed reports on the activities of the Supervisory Board and its Committees as well as self assessment of its operation are available in separate documents.

Despite a weak Q4, the consolidated pre-tax result of 2008 was one of the best in the Bank's history. Moreover, in the past year the Bank reported further growth in many areas, including, among others, the number of customers, loans and deposit base. However, it does not change the fact, that the Supervisory Board is concerned about the increasing level of provisions and a result decrease in Q4 along with a negative impact of derivatives.

In the previous year began the global financial crisis and other unfavourable changes in the macroeconomic environment, being an effect of the business cycles in economy, appeared. As a result of these events, the environment in which BRE Bank SA operates became, just like in the case of all other banks, unfavourable. The global financial crisis, taking its toll in the form of bankruptcies of many banks around the world, had its echoes also in Poland in the drop of trust among banks, and, resulting from that, difficulties to raise funds for financing the banking activity. Besides, due to the sharp depreciation of Polish Złoty, the FX options problem appeared in Poland.

The Bank's capital strength is becoming increasingly important due to the economic slowdown and all of its consequences. This situation also demands an even more cautious management of the Bank. Due to the above, the Supervisory Board recommends to the General Shareholders Meeting that the dividend for 2008 is not paid out in order to keep it in the Bank and increase its capital base. This will allow the Bank to weather these difficult times, and in the future, provided proper conditions, it will also allow for continued growth, the opportunity to carry out a plan which is to increase the value of the Company for its Shareholders.

Due to the dynamically changing environment, in which the Bank operates, the Bank faces new challenges which did not exist in the middle of last year. Over twenty years of Bank's history proves that it coped with many other difficult situations, including change of economic environment and crisis situations of macroeconomic scale. Having that in mind, on behalf of all the members of the Supervisory Board I wish to hope, that the Bank will face up to current challenges. The implementation of the BRENova, programme introduced this year, which is a response to these challenges, should contribute to further development of the Bank, increase its competitive position and increase its value for the shareholders. I strongly believe that both the Management Board as well as employees will do everything in their power to achieve that. I also believe that all the efforts made will enable the Bank to maintain its position of the best financial institution for demanding clients.

Maciej Leśny
Chairman of the Supervisory Board