

Message from the President of the Board of Executives to Shareholders

Ladies and Gentlemen,

in 2010, economic standing of the entire financial sector in Poland benefited from better macroeconomic conditions which also affected the investment potential of Polish banks' customers. From the point of view of the Capital Group of Fortis Bank Polska SA, the financial ratios it generated last year provide for sound foundations for setting new business objectives. Furthermore, the BNP Paribas Group, our owner and investor in the Bank's development in Poland, strongly supports our ambitions.

We closed 2010 with a net profit of PLN 41.6 million. As an institution operating on the market strategic for the BNP Paribas Group, in 2010 we undertook successive initiatives to reinforce our income generation potential. We were the first bank to discern a better economic perspective after a downturn period and we started an intensive credit action under the slogan "2 billion for companies", addressed to Polish enterprises. While adhering to the responsible financing principle we were also active in the field of lending to individual customers who were offered attractive credit product parameters. A sale of these products was reinforced by marketing campaigns during which we encouraged our customers to "fulfill their plans". An important accent of building the interest in our mortgage loans was an introduction of the first dual currency loan in Poland. The product was very well received by the market.

The Bank efforts to develop the credit action and its willingness to finance projects of our customers were reflected in growth of loans granted to individual customers in 2010, including primarily cash loans. The balance of loans to customers however fell by 5% in the entire Bank at the end of the year. The balance was largely influenced by limited demand for financing shown by corporate customers who failed to start planned investment projects over the past year.

Liabilities due to customers decreased by 11 percent in the previous year. The decrease in deposit balance resulted from the Bank's policy not to participate in the so-called "deposit price war". I speak with satisfaction that with a solvency ratio over 13 percent we can speak of a very advantageous capital position. A very good liquidity situation enables us to prudently apply solutions that support acquisition of new customers. They are also a starting point to build extended relations to become the source of stable funds for the Bank. Last year such a solution was a savings account.

Last year, we finalised the process of statute change of Fortis Private Investments, the Bank's subsidiary so far specialised in management of private individuals' assets within financial instrument portfolios, into an Investment Fund Company (Towarzystwo Funduszy Inwestycyjnych, TFI). Thereby, we accomplished the first transformation of a brokerage company into a TFI on the Polish market. For the next three years, we are planning a several times increase of assets managed by the new TFI and a gradual extension of the distribution network for the company's products. An own TFI means also that new funds will be launched on the market, including closed-ended funds dedicated to customers of our Bank.

Furthermore, the year 2010 brought about new business projects that resulted from the Bank's membership in BNP Paribas Group. Following the idea of strengthening the cooperation between the

Group entities and in particular between Fortis Bank Polska and BNP Paribas Branch in Poland, we implemented a “one-organisation” model. A practical aspect of the model implementation was that the previous business activity scope of both the Bank and the Branch changed as regards cooperation with entrepreneurs and transfer of selected customers of the Branch to the Bank. Over the past year, we took over the comprehensive service of 150 capital groups and successfully finalised the customer data migration process.

Solid capital base and return to profitability allow us to prepare our Bank’s further development and identify of its crucial pillars. These pillars are named and described in our new strategy. This is our Bank’s ambition to develop, by 2015, a strong universal bank on the Polish market that will be a leading entity for the BNP Paribas Group’s activity in Poland. Our position on the Polish market will be based on a strategic cooperation with mass affluent and mass aspiring retail banking customers as well as company customers. Focusing on extensive relationship building with customers who wish to further develop justifies the strategy of preparing high quality financial products. We intend to support our business goals by distribution network and new technologies, including the implementation of an integrated multi-channel banking model.

I am confident that a successful fulfilment of our plan under the assumptions prepared last year as well as respect of the values we consider the most important in business activity will allow us to reach the position of one of the top ten banks in Poland. At the same time, the purpose thus defined directs our efforts to focus on the reinforcement of our Bank’s brand among its stakeholders.

The direction we want to pursue as an organisation requires also an exceptional commitment of our employees. I wish to thank the employees of Fortis Bank Polska SA for this past year. I would also like to thank our customers for the confidence they put in us. I also wish to express my appreciation to the Bank Supervisory Board which in the past year continued to operate in a changed composition, supporting the Board of Executives in performance of its duties.

Yours sincerely,

Frederic Amoudru

President of the Board of Executives of Fortis Bank Polska SA

Country Manager of BNP Paribas in Poland