

**Concise assessment of the situation of the Bank,
including assessment of the internal control and risk management systems**

Legal basis: Principle III.1.1) of the document “Good Practices for Companies Listed on the Warsaw Stock Exchange”

In 2009, the Bank operated in the environment marked with effects of the global economic crisis that took a form of economic slowdown, limitation of access to sources of financing, depreciation of PLN relative to main currencies and rapid unemployment rate increase. The said circumstances constituted a significant challenge for the entire banking sector and Bank Millennium in particular. The Bank adjusted its operations quickly to new market conditions by developing and effectively implementing its „Millennium 2010” strategy. One of the key components of the strategy was the cost reduction programme responding to income decline resulting from unfavourable conditions of the Bank’s operations. These actions ensured both the Bank and the Capital Group to conclude the year 2009 with net profit despite the need to create additional provisions against credit risk.

Both the Bank and the Group intend to return, in 2010 and two subsequent years, onto the business growth path. The new strategy developed by the Management Board and accepted by the Supervisory Board in the course of the last quarter of 2009 is the Bank’s response to gradual improvement of the situation and perspective of macro-economic environment in Poland. The new growth strategy will be supported by the increase of the Bank’s capital successfully completed at the beginning of the current year.

Summarizing, the Supervisory Board, after having analyzed the Bank’s and Group’s 2009 financial statement and earnings and after having familiarized itself with the plans for the next years, positively assessed the Company’s financial situation and its development prospects. At the same time the Supervisory Board recommended to the General Shareholders Meeting to discharge the Members of the Bank’s Governing Bodies from the performance of their duties in 2009.

Supervisory Board of Bank Millennium S.A. rationally assure that internal control system, as a whole, including the risk management system, the system of information and communication and monitoring of the internal control system, responds effectively and appropriately to regulatory requirements and, being efficiently managed, it is adequate to size of the Bank and to exposure to risks accompanying activities performed by the Bank.

[Signatures of the Members of the Supervisory Board of the Bank]