

Letter from the Supervisory Board Chairman



Dear Investors,

2013 was yet another year in a row which ended with PZU generating the best financial result since the IPO, and maintaining the highest rating awarded to Polish corporates. Despite the difficult external situation and significant economic downturn, the Company has reinforced its market position and has successfully continued to implement its strategy.

In the economy, the beginning of 2013 continued the negative trend from 2011. The deceleration in the pace of individual consumption growth and declining investments, both in Poland and abroad, were

accompanied by a further exacerbation of the credit crunch in the euro zone. The adverse impact exerted by these external factors was noticeable in many segments of the insurance business; it particularly severely affected the mass market insurance segment, including motor insurance, as well as the corporate insurance segment.

Even so, in such difficult conditions, the PZU Group managed to improve its financial results for another consecutive year. Improved results were primarily driven by higher gross written premiums, fewer claims in agriculture and higher profitability of certain products. Paradoxically, we managed to improve profitability in the financial insurance segment because of last year's collapse of the construction market and the resulting changes in the risk acceptance and valuation process. Upholding cost discipline was also important. It is also worth emphasizing PZU's steadily improving profitability on eastern markets over the past few years.

PZU has maintained a high rating. Standard & Poor's confirmed PZU's and PZU Życie's financial strength at the "A" level with a stable outlook for both companies, which is a confirmation of PZU's very strong capital position and an expression of market confidence in the strategy pursued by the Company.

I would like to thank the Management Boards and employees of the PZU Group for their vision, commitment and their thorough work, without which the achievement of such a good result would not have been possible.

It is with hope that we gaze at the clear economic recovery taking place in the second half of 2013. This applies to the growth of GDP, industrial production, and retail sales. That creates opportunities for faster growth and further improvement in the PZU Group's results. I am certain the Company will be able to take advantage of this opportunity and that the ambitious

plans for 2014 will be achieved with benefits for the shareholders, customers and employees of the PZU Group.

Yours faithfully,



Waldemar Maj

PZU Supervisory Board Chairman