

This is a translation from the original Update Notice No. 2 dated 25.05.2011 and should not be read in substitution of the original Update Notice No. 2. This translation of the original Update Notice No. 2 dated 25.05.2011 does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Offeror or to subscribe or purchase of any of the Mortgage and Public Sector Covered Bonds.

**Update Notice No. 2
of May 25th 2011
to the Base Prospectus of BRE Bank Hipoteczny S.A.**

Following an agreement between BRE Bank S.A. and the Issuer (made pursuant to the contract of January 15th 2009 between BRE Bank S.A. and the Issuer on preparation and execution of the covered bond issue programme for BRE Bank Hipoteczny S.A.), which affects the rules of Covered Bonds' distribution as defined in the Prospectus and necessitates an update of the Base Prospectus of BRE Bank Hipoteczny S.A., approved by the Polish Financial Supervision Authority on October 28th 2009 ("the Prospectus"), the following amendments are hereby made:

In Chapter II Summary, Section 5 Key Parameters of the Covered Bond Issue Programme; Manner of Offering Covered Bonds in Primary Trading,

-the existing text:

"For Covered Bonds with maturities of more than five years, a direct offering addressed to institutional investors (following completion of the bookbuilding process) or to retail investors (provided it is agreed upon between the Issuer and the Offeror);"

"For Covered Bonds with maturities of less than five years, an offering to the Firm Commitment Underwriter (following completion of the bookbuilding process)."

-shall be changed to read as follows:

"A direct offering addressed to institutional investors (following completion of the bookbuilding process) or to retail investors (provided it is agreed upon between the Issuer and the Offeror) or to the Firm Commitment Underwriter (following completion of the bookbuilding process)."