

Warsaw, 27 April 2009

REPORT ON THE ACTIVITY
OF THE SUPERVISORY BOARD OF MENNICA POLSKA S.A.
FOR 2008

1. General information

The year 2008 was the third financial year of the activity of the Supervisory Board of Mennica Polska S.A. in the 5th term of office.

Until 17 March 2008, the Supervisory Board had six members listed below:

- Zbigniew Jakubas – SB Chairman
- Piotr Senddecki - SB Deputy Chairman
- Krzysztof Malicki – SB Secretary
- Ewa Sibrecht-Ońska – SB Member
- Marek Felbur – SB Member
- Krzysztof Mikołajczak – SB Member

On 17 March 2008, Ms. Ewa Sibrecht-Ońska handed a written resignation from the Membership in the Supervisory Board of Mennica Polska S.A. to the Chairman of the Supervisory Board. From that moment until her replacement at the GMS, the Supervisory Board had five members.

On 16 June 2008, the Ordinary General Meeting of Shareholders of Mennica Polska S.A. appointed Mr. Witold Grzybowski as Member of the Supervisory Board of Mennica Polska S.A. From that date until the end of 2008, the Supervisory Board had the following members:

- Zbigniew Jakubas – SB Chairman
- Piotr Senddecki - SB Deputy Chairman
- Krzysztof Malicki – SB Secretary
- Witold Grzybowski – SB Member
- Marek Felbur – SB Member
- Krzysztof Mikołajczak – SB Member

In 2008, 6 meetings of the Supervisory Board of Mennica Polska S.A. were held, including one two-day meeting. In total, 36 resolutions were passed, including 4 resolutions by circulation of papers.

The Supervisory Board had a constant supervision over the Company's operations in all aspects of its business, in particular:

- it acquainted itself with the Company's current activities, its financial results and the basic economic ratios based on analyzed documents, which were submitted by the Company's Management Board and information presented by Members of the Management Board of MP S.A. and Division Directors invited to the meetings,
- it acquainted itself with the current activities of the Mennica Polska S.A. Group, which were presented by the Management Board of MP S.A. and Presidents of its Subsidiaries, as well as with the financial position of those Companies by analyzing the documents received and information on their results,
- it supervised the realization of the Company's Operational Plan adopted for 2008.

2. The flow of particular meetings of the Supervisory Board.

2.1 Meeting of the Supervisory Board – 5 and 7 February 2008

A two-day meeting was held on 5 and 7 February 2008. It was convened upon request of the Chairman of the Supervisory Board. Six members of the Board participated in it. Three resolutions were passed.

At the meeting, the Supervisory Board discussed financial results for 11 months of 2007.

The Supervisory Board acquainted itself with the operations of the Electronic Payment Division and the Construction Investment Division, as well as with financial results of particular profit centers of Mennica Polska S.A. In addition, it received the Operational Plan of Mennica Polska S.A. for the year 2008 along with the budget project from the Management Board.

The Supervisory Board acquainted itself with the financial results of Mennica – Metale Szlachetne S.A. [*Mennica – Precious Metals*] and the schedule of works related with relocation of its head office.

2.2. Meeting of the Supervisory Board – 26 March 2008

The meeting was held on 26 March 2008. It was convened upon request of the Chairman of the Supervisory Board. Three members of the Board participated in it. Seven resolutions were passed.

The Supervisory Board passed, by unanimous vote, resolutions regarding the justification of absence of: Mr. Marek Felbur and Mr. Krzysztof Mikołajczak, Members of the Supervisory Board of Mennica Polska S.A., at the meeting of the Supervisory Board on 26 March 2008.

The Supervisory Board discussed the current operations of the Company and its Subsidiaries for the period: January – February 2008.

Then, the Supervisory Board approved a new version of the budget for 2008 submitted by the Company's Management Board.

2.3. Meeting of the Supervisory Board – 27 May 2008

The meeting was held on 27 May 2008. It was convened upon request of the Chairman of the Supervisory Board. Four members of the Board participated in it. 13 resolutions were passed, of which one resolution was included in the minutes by circulation of papers.

By unanimous vote, the Supervisory Board passed a resolution regarding the justification of absence of Mr. Marek Felbur, Member of the Supervisory Board of Mennica Polska S.A., at the meeting of the Supervisory Board on 27 May 2008.

The Supervisory Board discussed the current operations and financial results of the Company and its Subsidiaries for the 1st quarter of 2008.

The Supervisory Board evaluated the Company's financial statements for the accounting year 2007, and the Management Board report on the Company's activity for the period from 1 January to 31 December 2007. In respect of the above, the Supervisory Board analyzed the financial statements and read the opinions and reports of statutory auditors.

The Supervisory Board found that the financial statements of the Company and the Mennica Polska S.A. Group, as well as the Management Board reports on the activity of Mennica Polska S.A. and the Mennica Polska Group for the year 2007 are consistent with the accounting records, documents, and facts. In connection with a positive evaluation of the above statements for 2007, the Supervisory Board adopted resolutions recommending approval of those statements to the GMS.

In its further debate, the Board adopted a resolution recommending approval of a motion of the Management Board of MP S.A. regarding the distribution of the net profit generated in 2007. Moreover, the Supervisory Board requested acknowledgment of fulfillment of duties by the President and Members of the Management Board of MP S.A.

At its meeting the Supervisory Board adopted the Supervisory Board report on the activity in 2007.

2.4. Meeting of the Supervisory Board – 23 June 2008

The meeting was held on 23 June 2008. It was convened upon request of the Chairman of the Supervisory Board. Six members of the Board participated in it. Six resolutions were passed.

The Supervisory Board acquainted itself with the current position of the Company and its Subsidiaries until May 2008.

The Supervisory Board considered a motion of the Management regarding appointment of an auditor to audit the financial statements of the Company and the MP S.A. Group, and adopted a resolution on appointment of an audit company, Misters Audytor Sp. z o.o., to audit financial statements for 2008.

2.5. Meeting of the Supervisory Board – 22 September 2008

The meeting was held on 22 September 2008. It was convened upon request of the Chairman of the Supervisory Board. Six members of the Board participated in it. Six resolutions were passed, of which two resolutions were passed by circulation of papers.

At its meeting, the Supervisory Board discussed the operations and financial results of particular Company's Divisions for 8 months of 2008. It acquainted itself with the operations of the Money Center and Sales Center, Electronic Payments Division and the Construction Investment Division.

2.6. Meeting of the Supervisory Board – 08 December 2008

The meeting was held on 8 December 2008. It was convened upon request of the Chairman of the Supervisory Board. Six members of the Board participated in it.

One resolution was passed by circulation of papers and included in the minutes.

The Supervisory Board discussed the current operations and financial results of the Company and its Subsidiaries for 10 months of 2008.

3. THE MENNICA POLSKA S.A. GROUP

3.1 Mennica - Metale Szlachetne S.A.

The financial results of Mennica-Metale Szlachetne S.A. deteriorated considerably due to the need of revaluation of the inventories of precious metals in December 2008 as a result of an adverse impact of the economic crisis on prices of metals and fluctuations on the foreign currency market. In spite of the negative impact of the above event, the Company generated a net profit for 2008. In the next years, the Company intends to change its principal place of business, and implement and develop projects in new areas of activity.

3.2. Mennica Ochrona Sp. z o.o.

Mennica Ochrona Sp. z o.o. is a company with a good financial standing. The Company is able to finance its operations with its own funds. The Company is operating as part of the Group in order to ensure the highest quality of security services for the needs of the main activity of Mennica Polska S.A., i.e. the production, storage and transportation of monetary values.

3.3 Mennica Invest Sp. z o.o.

The Company's activity continues to center on resolution of all court disputes, to which the Company is a party, recovery of all claims due to the Company and repayment of all due liabilities, as well as on attempts to remove unfavorable financial consequences for the Company of the warranty and guarantee claims regarding structures built by WSC Sp z o.o. between 2000 and 2003. In addition, the Company's Management Board undertakes actions aimed at generating profits allowing to continue the Company's operations in the future. In order to improve the Company's operational capacity, the Meeting of Shareholders of Mennica Invest Sp. z o.o. adopted a resolution to expand the Company's business. In respect of the above, the Company's Management Board is planning to offer auction services, intermediation in the purchase and sales of precious metals, including investment metals, as well as withdrawal and water treatment.

3.4 Skarbiec Mennicy Polskiej S.A.

(until 24 June 2008 – Mennica Elektroniczne Transakcje S.A. [Mennica Electronic Transactions])

The Company was established as a result of a change of the name and business of *Mennica Elektroniczne Transakcje S.A.* in June 2008. At the moment, the Company carries on sales of coins, tokens, medals and other goods using the "direct marketing" method.

4. Brief assessment of the position of the Company and the Group in 2008.

The Supervisory Board is of the opinion that the year 2008 was another successful year for Mennica Polska S.A.

Mennica Polska S.A. has achieved the financial results and goals set for the year 2008 and even exceeded them.

The Company carried on its business in compliance with rules binding on Public Companies, including all declared Principles of Corporate Governance.

In 2008, the Company received numerous awards and distinctions for its activities.

The Supervisory Board does not see any real threats to the continuity of the Company's operations, and the financial results achieved in 2008 should be assessed as very satisfying and promising further success for the Company's development.

The Supervisory Board assesses the Group's position as stabilized; however, it sees risks associated with operations of some Subsidiaries in the current market situation. Nevertheless, in the opinion of the Supervisory Board, Mennica Polska S.A. duly accomplishes the tasks related to corporate governance. In particular, the on-going defining and controlling of problematic activity areas of Subsidiaries allows to undertake necessary remedy actions.

Prepared by

Krzysztof Malicki
Secretary of the Supervisory Board
of Mennica Polska S.A.

Signatures of Members of the Supervisory Board
of Mennica Polska S.A.

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(Zbigniew Jakubas)

.....
(Marek Felbur)

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(Witold Grzybowski)

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(Piotr Senddecki)

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(Krzysztof Malicki)

.....
(Krzysztof Mikołajczak)