

SECURITIES AND EXCHANGE COMMISSION

Consolidated Annual Report SAB-RS 2003

(pursuant to § 57 para. 2 of the Regulation of the Council of Ministers of 16 October 2001–Journal of Laws No.139, Item 1569 and Journal of Laws of 2002 No. 31, Item 280)

(for banks)

For the accounting year commencing on 01 January 2003 and ending on 31 December 2003

and for the previous accounting year commencing on 01 January 2002 and ending on 31 December 2002

31 May 2004

(delivery date)

Bank Handlowy w Warszawie Spółka Akcyjna		
(full name of issuer)		
Bank Handlowy w Warszawie SA	Banks	
(Abbreviated name of issuer)	(Sector according to WSE classification)	
00-923	Warszawa	
(Postal code)	(Town)	
Senatorska	16	
(Street)	(No.)	
022-657-72-00	022-657-75-80	listybh@citigroup.com
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526-030-02-91	000013037	www.citibankhandlowy.pl
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KPMG Audyt Sp. z o.o.

(Auditor)

This Consolidated Annual Report includes:

- ☒ Auditor's opinion and report on the audit of the consolidated annual financial statements
- ☒ Letter of the Management Board President
- ☒ Annual Consolidated Financial Statements
 - ☒ Introduction
 - ☒ Consolidated Balance Sheet
 - ☒ Consolidated Profit and Loss Account
 - ☒ Movements in Consolidated Equity
 - ☒ Consolidated Cash Flow Statement
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- ☒ Management Board's Report (on the activity of the Entity)

SELECTED FINANCIAL DATA	in PLN thousand		in EUR thousand	
	2003	2002	2003	2002
I. Interest income	1,368,199	1,775,366	307,640	458,786
II. Fee income	605,428	551,905	136,131	142,622
III. Net income from banking activity	1,913,737	2,117,376	430,305	547,168
IV. Net operating income	400,874	359,133	90,137	92,806
V. Pre-tax earnings (loss)	400,874	359,134	90,137	92,807
VI. Net earnings (loss)	250,576	239,443	56,342	61,876
VII. Net cash flow from operational activity	139,321	(1,102,662)	29,536	(274,280)
VIII. Net cash flow from investment activity	312,059	524,679	66,156	130,511
IX. Net cash flow from financial activity	(248,168)	(1,139,774)	(52,611)	(283,512)
X. Net cash flow – total	203,212	(1,717,757)	43,081	(427,281)
XI. Total assets	33,275,348	32,161,755	7,054,346	8,000,039
XII. Due to Central Bank	41,145	121,940	8,723	30,332
XIII. Due to financial sector	3,582,256	3,113,905	759,435	774,565
XIV. Due to non-financial sector and Budget	18,526,483	16,733,082	3,927,599	4,162,251
XV. Own equity	5,947,560	5,961,896	1,260,878	1,482,985
XVI. Share capital	522,638	500,902	110,799	124,596
XVII. Number of shares and Special Participating Convertible Bonds (in items)*	130,659,600	130,659,600	130,659,600	130,659,600
XVIII. Book value (excluding Special Participating Convertible Bonds) per ordinary share (in PLN/EUR)	45.52	47.44	9.65	11.80
XIX. Diluted book value per share (in PLN/EUR)	-	45.63	-	11.35
XX. Solvency ratio (in %)	16.25	18.76	16.25	18.76
XXI. Earnings (loss) per ordinary share (in PLN/EUR)	1.92	1.91	0.43	0.49
XXII. Diluted earnings (loss) per ordinary share (in PLN/EUR)	-	1.83	-	0.47
XXIII. Declared or paid dividend per ordinary share (in PLN/EUR)**	1.85	1.85	0.39	0.46

*/ As of 31.12.2003 the number includes 130,659,600 ordinary shares, while as of 31.12.2002 the number included 125,225,600 ordinary shares and 5,434,000 Special Participating Convertible Bonds.

***/ The presented ratios refer to the declared value of dividend from the distribution of profit for 2003 and dividend paid out in 2003 from the distribution of profit for 2002.*