

SECURITIES AND EXCHANGE COMMISSION

TRANSLATION

SAB-RS 2004 Consolidated Annual Report

(pursuant to § 93.2 of the Regulation of the Council of Ministers dated 21 March 2005 – Journal of Laws No. 49, Item 463)

(for banks)

For the accounting year 2004 commencing on 2004-01-01 and ending on 2004-12-31
and for the previous accounting year 2003 commencing on 2003-01-01 and ending on 2003-12-31
delivery date: 2005-05-31

Bank Handlowy w Warszawie SA	
(full name of issuer)	
HANDLOWY	Banks
(Abbreviated name of issuer)	(Sector according to WSE classification)
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(Postal code)	(Town)
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(Street)	(number)
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(NIP)	(REGON)

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
- ☒ Auditor's opinion and report on the audit of the consolidated annual financial statements (§ 62.6.2 of the above Regulation)
- ☒ Consolidated Annual Financial Statements
- ☒ Introduction ☒ Consolidated Movements in Equity
- ☒ Consolidated Balance Sheet ☒ Consolidated Cash Flow Statement
- ☒ Consolidated Profit and Loss Account ☒ Supplementary information and explanations
- ☒ Management Board's Report (on the activity of the issuer's group)

SELECTED FINANCIAL DATA	PLN thousand		EUR thousand	
	2004	2003	2004	2003
I. Interest income	1,653,161	1,380,857	365,889	310,486
II. Fee income	710,265	605,428	157,201	136,131
III. Net income from banking activity	1,965,865	1,971,974	435,099	443,399
IV. Net operating income	499,416	459,111	110,534	103,231
V. Pre-tax earnings (loss)	499,416	459,111	110,534	103,231
VI. Net earnings (loss)	416,132	296,559	92,101	66,681
VII. Net cash flow from operational activity	179,026	139,321	43,890	29,536
VIII. Net cash flow from investment activity	(100,916)	312,059	(24,740)	66,156
IX. Net cash flow from financial activity	(314,835)	(248,168)	(77,184)	(52,611)
X. Net cash flow – total	(239,725)	203,212	(58,771)	43,081
XI. Total assets	33,948,087	34,034,977	8,322,649	7,215,386
XII. Due to Central Bank	718	41,145	176	8,723
XIII. Due to financial sector	3,959,909	3,582,256	970,804	759,435
XIV. Due to non-financial sector and Budget	17,324,616	18,526,483	4,247,270	3,927,599
XV. Own equity	6,155,553	5,947,523	1,509,084	1,260,870
XVI. Share capital	522,638	522,638	128,129	110,799
XVII. Number of shares	130,659,600	130,659,600	130,659,600	130,659,600
XVIII. Book value per share (in PLN/EUR)	47.11	45.52	11.55	9.65
XIX. Diluted book value per share (in PLN/EUR)	-	-	-	-
XX. Solvency ratio (in %)	19.56	16.25	19.56	16.25
XXI. Earnings (loss) per ordinary share (in PLN/EUR)	3.18	2.27	0.70	0.51
XXII. Diluted earnings (loss) per ordinary share (in PLN/EUR)	-	-	-	-
XXIII. Declared or paid dividend per ordinary share (in PLN/EUR)*	11.97	1.85	2.65	0.39

*/ The presented ratios refer to, respectively, the declared dividend from the distribution of profit for 2004 and from previous years' profits as well as dividend paid out in 2004 from the distribution of profit for 2003.