

# SECURITIES AND EXCHANGE COMMISSION

## SAB-R 2003 Annual Report

(pursuant to § 57, 1,2 of the Regulation of the Council of Ministers dated 16 October 2001 – Journal of Laws No, 139, Item 1569 and Journal of Laws of 2002 No, 31, Item 280)

**(for banks)**

For 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 March 2004  
(delivery date)

<b>Bank Handlowy w Warszawie Spółka Akcyjna</b>		
(full name of issuer)		
<b>Bank Handlowy w Warszawie SA</b>	<b>Banks</b>	
(Abbreviated name of issuer)	(Sector according to WSE classification)	
<b>00-923</b>	<b>Warszawa</b>	
(Postal code)	(Town)	
<b>Senatorska</b>	<b>16</b>	
(Street)	(No.)	
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**KPMG Polska Audyt Sp, z o.o,**  
(Auditor)

This Annual Report includes:

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

SELECTED FINANCIAL DATA	PLN '000		EUR '000	
	2003	2002	2003	2002
I, Interest income	1,373,643	1,780,798	308,864	460,190
II, Fee income	570,945	530,357	128,377	137,054
III, Net income from banking activity	1,891,027	2,099,390	425,198	542,520
IV, Net operating income	392,201	360,976	88,187	93,283
V, Pre-tax earnings (loss)	392,201	360,977	88,187	93,283
VI, Net earnings (loss)	242,510	242,689	54,528	62,715
VII, Net cash flow from operational activity	139,354	(1,101,873)	29,543	(274,084)
VIII, Net cash flow from investment activity	312,110	523,912	66,167	130,320
IX, Net cash flow from financial activity	(248,168)	(1,139,774)	(52,611)	(283,512)
X, Net cash flow – total	203,296	(1,717,735)	43,099	(427,276)
XI, Total assets	33,268,587	32,181,607	7,052,912	8,004,977
XII, Due to Central Bank	41,145	121,940	8,723	30,332
XIII, Due to financial sector	3,826,082	3,448,194	811,126	857,717
XIV, Due to non-financial sector and Budget	18,504,405	16,699,253	3,922,918	4,153,836
XV, Own equity	5,946,967	5,969,109	1,260,752	1,484,779
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)	45.51	47.49	9.65	11.81
XIX, Diluted book value per share (in PLN/EUR)	-	45.68	-	11.36
XX, Solvency ratio (in %)	16.04	18.53	16.04	18.53
XXI, Earnings (loss) per ordinary share (in PLN/EUR)	1.86	1.94	0.42	0.50
XXII, Diluted earnings (loss) per ordinary share (in PLN/EUR)	-	1.86	-	0.48
XXIII, Declared or paid dividend per ordinary share (in PLN/EUR)**	1.85	1.85	0.39	0.46

\*/ A 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,