

**INDEPENDENT AUDITORS' REVIEW REPORT
ON THE SEMI-ANNUAL CONSOLIDATED
FINANCIAL STATEMENTS OF
BANK HANDLOWY W WARSZAWIE SA
FOR THE PERIOD
FROM 1 JANUARY 2004 TO 30 JUNE 2004**

To the Shareholders of Bank Handlowy w Warszawie SA

We have reviewed the accompanying semi-annual consolidated financial statements of Bank Handlowy w Warszawie SA Capital Group, with its registered office in Warsaw, Senatorska 16. These semi-annual consolidated financial statements consist of: the introduction, the consolidated balance sheet as at 30 June 2004 with total assets and total liabilities and equity of PLN 35,139,204 thousand, the capital adequacy ratio, the consolidated statement of contingencies and commitments granted as at 30 June 2004 amounting to PLN 11,331,468 thousand, the consolidated profit and loss account for the period from 1 January 2004 to 30 June 2004 with a net profit of PLN 224,816 thousand, the statement of changes in consolidated equity for the period from 1 January 2004 to 30 June 2004 with a decrease in equity of PLN 112,321 thousand, the consolidated cash flows statement for the period from 1 January 2004 to 30 June 2004 with a decrease in cash amounting to PLN 109,870 thousand, and the supplementary information and explanations.

These consolidated semi-annual consolidated financial statements are the responsibility of the Management Board of the Bank Handlowy w Warszawie SA, being the parent company. Our responsibility was to review these semi-annual consolidated financial statements.

The review of semi-annual consolidated financial statement was conducted in compliance with International Standards on Auditing as issued by the International Federation of Accountants and Standard No. 4 of the professional standards issued by the Polish National Council of Certified Auditors. These standards require that we plan and perform the review to obtain reasonable assurance that semi-annual consolidated financial statements is free of significant misstatement.

A review was limited primarily to applying analytical procedures to financial data presented in the semi-annual consolidated financial statements, inspection of evidence supporting the amounts and disclosures in the semi-annual consolidated financial statements and inquiries of the Management Board and personnel of the Bank Handlowy w Warszawie SA. The scope and method of a limited review of semi-annual consolidated financial statements is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the true and fair presentation of the consolidated financial statements. Therefore we do not express such an opinion on the accompanying semi-annual consolidated financial statements.

Based on our review nothing has come to our attention that require any significant changes to be made to the accompanying semi-annual consolidated financial statements in order to fairly present the financial position of Bank Handlowy w Warszawie SA Capital Group as of 30 June 2004 and financial results for the period from 1 January 2004 to 30 June 2004 in accordance with the accounting standards set out in the Polish Accounting Act dated 29 September 1994 (Official Journal of 2002 No 76, item 694 with the subsequent amendments), the ordinance of Minister of Finance dated 10 December 2001 regarding special accounting principles for banks (Official Journal of 2001, No 149, item 1673 with the subsequent amendments), the ordinance of Minister of Finance dated 12 December 2001 regarding the consolidated financial statements of banks and consolidated financial statements of financial holding companies (Official Journal of 2001, No 152, item 1728) and the requirements relating to issuers of publicly traded securities, which have been applied on a consistent basis.

signed on the Polish original

.....

Certified Auditor No. 3683/5018
Janina Skwarka

signed on the Polish original

..... ..

On behalf of KPMG Audyt Sp. z o.o.
ul. Chłodna 51, 00-867 Warszawa
Certified Auditor No. 9941/7390
Bożena Graczyk,
Member of the Board of Directors

signed on the Polish original

.....
On behalf of KPMG Audyt Sp. z o.o.
ul. Chłodna 51, 00-867 Warszawa
Robert J. Widdowson, Proxy

Warsaw, 25 October 2004