

**INDEPENDENT AUDITORS' REVIEW REPORT
ON THE SEMI-ANNUAL
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 financial statements of Bank Handlowy w Warszawie Spółka Akcyjna, with its registered office in Warsaw, ul. Senatorska 16. These semi-annual financial statements consist of: the introduction to the financial statements, the balance sheet as at 30 June 2004, with total assets and total liabilities and equity of PLN 35,116,853 thousand, the capital adequacy ratio, the statement of contingencies and commitments granted as at 30 June 2004 amounting to PLN 11,331,468 thousand, the profit and loss account for the period from 1 January 2004 to 30 June 2004 with a net profit of PLN 221,179 thousand, the statement of changes in equity for the period from 1 January 2004 to 30 June 2004 with a decrease in equity of PLN 115,429 thousand, the cash flows statement for the period from 1 January 2004 to 30 June 2004 with a decrease in cash amounting to PLN 109,874 thousand, and the supplementary information and explanations.

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

The review of semi-annual 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 financial statements is free of significant misstatement.

A review was limited primarily to applying analytical procedures to financial data presented in the semi-annual financial statements, inspection of accounting records and enquiries of the Management Board and personnel of the Bank Handlowy w Warszawie SA. The scope and method of a limited review of semi-annual 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 financial statements. Therefore we do not express such an opinion on the accompanying 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 financial statements in order to fairly present the financial position of Bank Handlowy w Warszawie SA 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 No 76 from 2002, item 694 with the subsequent amendments), the ordinance of Minister of Finance dated 10 December 2001 regarding special accounting principles for banks (Official Journal from 2001, No. 149, item 1673 with subsequent amendments) 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, 23 September 2004