

## POLISH FINANCIAL SUPERVISION AUTHORITY

Current Report No.

5

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2019

Date:

March 18th 2019

Abbreviated issuer name

INTERCARS

Subject:

Inter Cars Group's preliminary financial results for 2018

Legal basis:

*Article 17(1) of MAR – Inside information*

Text of the report:

The Management Board of Inter Cars S.A. (the "Company") hereby announces the Inter Cars Group's preliminary estimated consolidated financial results for 2018.

In 2018, the Group earned preliminary consolidated revenue of PLN 7,935m and estimated net profit of PLN 223m, up by approximately 3% year on year.

The preliminary estimated consolidated net profit of the Group for Q4 2018 was PLN 42.4m, down by 11.6% on the consolidated net profit for Q4 2017.

The following factors had a bearing on profitability throughout 2018 relative to 2017:

- a) solid growth in sales both in Poland and abroad;
- b) lower profitability of the principal business segment, i.e. the segment of passenger car parts, related to the strategic decision to increase market shares while accepting a higher number of implemented projects and higher labour costs, with an unchanged workforce level;
- c) providing more support to the development of the distribution network, which mainly involved investment in new branch locations and an increase in transport costs;
- d) higher logistics costs associated with the handling of a larger volume of merchandise as a result of turnover deterioration;
- e) higher interest expenses due to maintaining stocks of merchandise above the optimum levels.

As at December 31st 2018, the Group's estimated debt ratio, defined as net debt to EBITDA, was 3.04.

The estimated inventory level at the Group as at December 31st 2018 was PLN 2,205m.

The Company's Management Board further announces that details concerning the final results achieved by the Company and its Group in 2018 will be provided in the consolidated and separate periodic reports for 2018, which will be published on April 18th 2019.

Legal basis:

*Article 17(1) of MAR – Inside information*

INTER CARS S.A.	(full issuer name)
INTERCARS	Trade
(abbreviated issuer name)	(sector according to the WSE)
02-903	Warsaw, Poland
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Powsińska	64
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714-19-16	714-19-18
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bzarzadu@intercars.com.pl	intercars.com.pl
(email)	(www)
118-14-52-946	014992887
(Tax Identification Number – NIP)	(Industry Identification Number – REGON)

### SIGNATURES OF AUTHORISED REPRESENTATIVES

Date	Full name	Position	Signature
March 18th 2019	Krzysztof Soszyński	Vice President of the Management Board	
March 18th 2019	Piotr Zamora	Member of the Management Board	