THE INTER CARS GROUP

Interim Report
for the period January 1st – June 30th 2009

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inter cars
części do samochodów

JC AUTO

PART I

Management Board Statement

Inter Cars S.A.

In compliance with the requirements laid down in the Regulation of the Minister of Finance on current and periodic information to be published by issuers of securities, dated February 19th 2009, the Management Board of Inter Cars S.A. represents that:

– to the best of its knowledge the condensed consolidated interim financial statements of the Inter Cars Group ("the Inter Cars Group"), the condensed non-consolidated interim financial statements of Inter Cars S.A. and the comparable data, have been prepared in compliance with the International Financial Reporting Standards endorsed by the European Union, issued and effective as at the date of these financial statements, and give a fair and clear view of the Group's assets, financial standing and financial results.

The Directors' Report on the Inter Cars Group's operations in the first half of 2009 gives a true picture of its development, achievements and standing.

KPMG Audyt Sp. z o.o, a qualified auditor of financial statements who reviewed the condensed consolidated interim financial statements of the Inter Cars Group and the condensed non-consolidated interim financial statements of Inter Cars S.A., was appointed in compliance with applicable laws, and both the auditing firm and the qualified auditor who performed the review met the conditions required to issue an impartial and independent opinion on the reviewed financial statements, in accordance with the applicable laws.

Warsaw, August 20th 2009

Krzysztof Oleksowicz	*Robert Kierzek*
President of the Management Board	*Vice-President of the Management Board*
Krzysztof Soszyński	*Piotr Kraska*
Vice-President of the Management Board	*Member of the Management Board*
Wojciech Milewski	
Member of the Management Board	

Selected Figures of the Inter Cars Group

	Six months ended Jun 30			
	2009	2008	2009	2008
	PLN '000	PLN '000	EUR '000	EUR '000
Data on growth and profit				
Sales margin (unaudited)	36.8%	30.3%	36.8%	30.3%
EBITDA (unaudited)	128,835	108,935	28,513	31,325
Net debt/EBITDA (unaudited)	4	5	4	5
Basic earnings per share (PLN)	3.07	2.22	0.68	0.64
Diluted earnings per share (PLN)	3.04	2.18	0.67	0.63
Operating profit	70,496	47,316	15,602	13,606
Net profit	42,178	29,287	9,335	8,422
Cash flows				
Net cash provided by (used in) operating activities	82,016	23,075	18,152	6,635
Net cash provided by (used in) investing activities	(13,103)	(18,142)	(2,900)	(5,217)
Net cash provided by (used in) financing activities	(55,694)	3,844	(12,326)	1,105
Employment and number of branches (unaudited)				
Number of employees				
Parent undertaking	1,230	1,259		
Subsidiary undertakings	742	750		
Branches				
Parent undertaking	122	116		
Subsidiary undertakings	58	44		

	Jun 30 2009	**Dec 31 2008**	**Jun 30 2009**	**Dec 31 2008**
	PLN '000	PLN '000	EUR '000	EUR '000
Statement of financial position				
Balance-sheet total	1,282,865	1,227,722	287,020	294,248
Loans, borrowings, finance lease liabilities	498,867	538,586	111,613	129,083
Equity attributable to owners of the parent	460,227	418,125	102,968	100,212

The following exchange rates were applied to translate the figures presented under the financial highlights into the euro:

- for the items of the statement of financial position – the exchange rate quoted by the National Bank of Poland for June 30th 2009: EUR 1 = PLN 4.4696 and the exchange rate quoted for December 31st 2008: EUR 1 = PLN 4.1724.
- for the items of the statement of comprehensive income and statement of cash flows – the average of the exchange rates quoted by the National Bank of Poland for the last day of each month in the first half of 2009 and 2008: EUR 1 = PLN 4.5184 and EUR 1 = PLN 3.4776, respectively.

1. The Inter Cars Group

Business Profile

The core business of the Inter Cars Group ("the Group" or "the Inter Cars Group") comprises import and distribution of spare parts for cars and other motor vehicles.

Registered Office of the Parent Undertaking

Inter Cars S.A.
ul. Powsińska 64
02-903 Warsaw
Poland

Central Warehouse:
ul. Gdańska 15
05-152 Czosnów near Warsaw
Poland

Contact Data

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www.intercars.com.pl

As of December 31st 2008, no changes occurred in the composition of the Company's Management Board and Supervisory Board or in the composition of the consolidated subsidiaries.

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2. Condensed Consolidated Statement of Financial Position

(PLN '000)	Note	Jun 30 2009	Dec 31 2008 restated
Assets			
Non-current assets			
Property, plant and equipment	13	193,577	181,295
Investment property	14	52,903	57,328
Intangible assets	15	149,230	152,321
Investments in related undertakings		4,070	3,770
Investments available for sale		43	43
Receivables		6,802	6,027
Deferred tax asset		592	282
		407,217	**401,066**
Current assets			
Inventories	16	602,873	587,900
Trade and other receivables	17	234,055	213,477
Income tax receivable		579	357
Cash and cash equivalents		38,141	24,922
		875,648	**826,656**
TOTAL ASSETS		**1,282,865**	**1,227,722**

EQUITY AND LIABILITIES	Note	Jun 30 2009	Dec 31 2008
Share capital	18	27,472	27,472
Share premium account		247,785	247,785
Statutory reserve funds		131,091	104,595
Other capital reserves		5,935	5,935
Currency translation differences		1,150	1,226
Retained earnings and current year profit		46,794	31,112
Equity attributable to owners of the parent		**460,227**	**418,125**
Minority interests		**-**	**-**
Total equity		**460,227**	**418,125**
Non-current liabilities			
Loans, borrowings and finance lease liabilities	19	36,462	113,462
Deferred tax liability		1,270	5,182
Other non-current liabilities		255	155
		37,987	**118,799**
Current liabilities			
Trade and other payables		309,814	262,122
Loans, borrowings and finance lease liabilities	19	462,405	425,124
Employee benefits		4,878	2,573
Income tax expense		7,554	979
		784,651	**690,798**
TOTAL EQUITY AND LIABILITIES		**1,282,865**	**1,227,722**

3. Condensed Consolidated Statement of Comprehensive Income

(PLN '000)	**Jan 1 – Jun 30 2009**	**Jan 1 – Jun 30 2008 restated**
Sales revenue	982,510	847,198
Cost of sales	(620,945)	(590,913)
Gross profit on sales	**361,565**	**256,285**
Other operating income	1,889	13,076
Selling costs, general and administrative expenses	(166,650)	(118,504)
Cost of distribution services	(116,853)	(89,758)
Cost of management stock option plan	-	(449)
Other operating expenses	(9,455)	(13,334)
Operating profit	**70,496**	**47,316**
Financial income	921	2,024
Foreign exchange gains/(losses)	(4,169)	-
Financial expenses	(15,120)	(12,443)
Profit/(loss) on interests in associated undertakings	300	-
Profit before tax	**52,428**	**36,897**
Corporate income tax	(10,250)	(7,610)
Net profit	**42,178**	**29,287**
OTHER COMPREHENSIVE INCOME		
Currency translation differences	(76)	131
Management stock option plan	0	449
Total other comprehensive income, net	**(76)**	**580**
COMPREHENSIVE INCOME	**42,102**	**29,867**
Net profit attributable to:		
- owners of the parent	42,178	29,017
- minority interests	-	270
	42,178	**29,287**
Comprehensive income attributable to:		
- owners of the parent	42,102	29,597
- minority interests	-	270
	42,102	**29,867**

Net profit	**42,178**	**29,287**
Weighted-average number of ordinary shares	**13,736,100**	**13,071,000**
Earnings per ordinary share (PLN)	**3.07**	**2.22**
Weighted-average diluted number of ordinary shares	**13,858,055**	**13,449,333**
Diluted earnings per ordinary share (PLN)	**3.04**	**2.18**

4. Condensed Consolidated Statement of Changes in Equity

For the period January 1st – June 30th 2009

(PLN '000)	Share capital	Share premium account	Statutory reserve funds	Currency translation differences	Other capital reserves	Retained earnings and current year profit	**Equity attributable to owners of the parent**	Minority interests	**Total equity**
As at January 1st 2009	**27,472**	**247,785**	**104,595**	**1,226,**	**5,935**	**31,112**	**418,125**	**-**	**418,125**
Statement of comprehensive income									
Profit for period	-	-	-	-	-	42,178	**42,178**	-	**42,178**
Other comprehensive income									
Currency translation differences	-	-	-	(76)	-	-	**(76)**	-	**(76)**
Transactions with owners									
Distribution of retained earnings – transfer to statutory reserve funds	-	-	26,496	-	-	(26,496)	**-**	-	**-**
As at June 30th 2009	**27,472**	**247,785**	**131,091**	**1,150**	**5,935**	**46,794**	**460,227**	**,-**	**460,227**

For the period January 1st – June 30th 2008 (restated)

(PLN '000)	Share capital	Share premium account	Statutory reserve funds	Currency translation differences	Other capital reserves	Retained earnings and current year profit	**Equity attributable to owners of the parent**	Minority interests	**Total equity**
As at January 1st 2008	**23,642**	**21,415**	**65,975**	**(1,920)**	**5,192**	**52,608**	**166,912**	**1,151**	**168,063**
Statement of comprehensive income									
Profit for period	-	-	-	-	-	29,017	**29,017**	270	**29,287**
Other comprehensive income									
Capital reserve created in connection with implementation of management stock option plan	-	-	-	-	449	-	**449**	-	**449**
Currency translation differences	-	-	-	131	-	-	**131**	-	**131**
Transactions with owners									
Share issue in connection with merger with JC Auto	3,750	225,000	-	-	-	-	**228,750**	-	**228,750**
Distribution of retained earnings – transfer to statutory reserve funds	-	-	1,292	-	-	(1,292)	**-**	-	**-**
As at June 30th 2008	**27,392**	**246,415**	**67,267**	**(1,789)**	**5,641**	**80,333**	**425,259**	**1,421**	**426,680**

5. Condensed Consolidated Statement of Cash Flows

(PLN '000)	**Jan 1 – Jun 30 2009**	**Jan 1 – Jun 30 2008 Restated**
Cash flows from operating activities		
Profit before tax	52,428	36,897
Total adjustments, including:		
Depreciation and amortisation	15,079	12,502
Foreign exchange (gains)/losses	(4,167)	70
(Gain)/loss on disposal of property, plant and equipment	458	(4,598)
Net interest	13,155	12,019
Other adjustments, net	(24)	660
Cash flows from operating activities before changes in working capital	**76,929**	**57,550**
Change in inventories	(14,973)	(113,704)
Change in receivables	(22,262)	(18,463)
Change in current liabilities	49,997	111,599
Cash generated by operating activities	**89,691**	**36,982**
Corporate income tax paid	(7,675)	(13,907)
Net cash provided by/(used in) operating activities	**82,016**	**23,075**
Cash flows from investing activities		
Sale of intangible assets and property, plant and equipment	12,968	15,937
Acquisition of intangible assets and property, plant and equipment	(26,094)	(34,083)
Acquisition of equity interests in associated undertakings	(300)	2,800
Repayment of loans advanced	91	1,236
Loans advanced	(154)	(4,383)
Interest received	386	351
Net cash provided by/(used in) investing activities	**(13,103)**	**(18,142)**
Cash flows from financing activities		
(Decrease) / increase in debt securities	25,000	16,200
(Decrease) / increase in loans and borrowings	(62,085)	4,464
Interest paid	(13,518)	(12,403)
Decrease in finance lease liabilities	(5,091)	(4,417)
Dividends paid	-	-
Net cash provided by/(used in) financing activities	**(55,694)**	**3,844**
Change in cash resulting from foreign exchange gains/(losses)	-	(140)
Net change in cash and cash equivalents	**13,219**	**8,637**
Cash and cash equivalents at beginning of period	**24,922**	**22,879**
Cash and cash equivalents at end of period	**38,141**	**31,516**

Notes constitute an integral part of the condensed consolidated non-consolidated interim financial statements.

6. Reporting Entity

Inter Cars S.A., the parent company ("the Company"), is registered in Poland. These interim financial statements for the period ended June 30th 2009 contain the data of the Company and of the subsidiaries, which are together referred to as the Inter Cars Group („the Group"), as well as the Group's interest in associated undertakings.

The consolidated financial statements of the Inter Cars Group for the period ended December 31st 2008 are available at www.intercars.com.pl.

The consolidated financial statements comprise the accounts of the following undertakings ("the Group"):

- Parent Undertaking: Inter Cars S.A. of Warsaw,
- subsidiary undertakings: Inter Cars Ukraine, incorporated under the Ukrainian law, with registered office in Khmelnytsky, Ukraine (with Inter Cars S.A.'s 70% share in the undertaking's share capital), Lauber Sp. z o.o. of Słupsk (100%), Q-Service Sp. z o.o. of Warsaw (100%), Inter Cars Česká Republika of Prague (100%), Feber Sp. z o.o. of Warsaw (100%), Inter Cars Slovenska Republika of Bratislava (100%), Inter Cars Lietuva UAB of Vilnius (100%), IC Development & Finance Sp. z o.o. of Warsaw (100%), Armatus Sp. z o.o. of Warsaw (100%), JC Auto s.r.o. of Karvina-Darkom (100%), JC Auto Kereskedelmi Kft. of Budapest (100%), JC Auto S.A. of Brain-le-Chateau (100%), JC Auto d.o.o. of Zagreb (100%), JC Auto s.r.l. of Milan (99%; 1% stake is held by JC Auto s.r.o.), 5 Sterne Fahrwerkstechnik GmbH of Berlin (100%) and Inter Cars Romania s.r.l. of Cluj-Napoca (100%).

7. Compliance with the International Financial Reporting Standards ("IRFS")

These consolidated interim financial statements of the Inter Cars Group cover the period of six months ended June 30th 2009.

These condensed consolidated interim financial statements for the first half of 2009 comply with the International Accounting Standard IAS 34 *Interim Financial Reporting*, which applies to interim financial statements.

These condensed consolidated interim financial statements are made available to the public along with the condensed non-consolidated interim financial statements. The condensed non-consolidated interim financial statements should be read together with these condensed consolidated interim financial statements in order to fully understand the Company's financial situation and performance.

When preparing the condensed interim financial statements for the first half of 2009, the Group applied the amended IAS 1 *Presentation of Financial Statements,* effective as of January 1st 2009. This standard was applied to all reporting periods presented in these financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or the areas where assumptions and estimates are significant to the financial statements, are presented in Note 10.

These condensed consolidated interim financial statements and condensed non-consolidated interim financial statements were approved for publication by the Management Board on August 20th 2009.

8. Basis of Accounting

With the exception of changes presented in „Changes in the Accounting Policies" below and changes in presentation described in Note 24, these condensed consolidated interim financial statements for the Inter Cars Group have been prepared following the same policies which were applied in the consolidated financial statements for the period ended December 31st 2008.

These condensed consolidated interim financial statements were prepared on a going concern basis, i.e. assuming that the Group would continue as a going concern in the foreseeable future and that there are no circumstances indicating any threat to the Group continuing as a going concern.

All amounts presented in these condensed interim financial statements are expressed in thousands of Polish złoty, unless stated otherwise.

9. Changes in the Accounting Policies

Borrowing Costs

The borrowing costs which are directly attributable to the acquisition, construction or production of an asset are disclosed under the production or acquisition cost of such asset. Such borrowing costs are capitalised under the production or acquisition cost of the asset if they are expected to result in the flow of economic benefits to the Group and if a reliable estimate of the acquisition or the production cost can be provided.

Other borrowing costs are expensed.

Changes in the Identification and Presentation of Operating Segments

As at September 1st 2009, the Group identified and presented its operating segments on the basis of internal information, which is reviewed by the Management Board and which serves as the basis for decisions made within the Group. This change in the accounting policies resulted from the application of IFRS 8 Operating Segments. An operating segment is a component part of an entity for which separate financial information is available and reviewed regularly by the persons making key decisions on the allocation of resources and assessment of current performance. The operating segments are identified and described in Note 12.

Comparable data for the operating segments was restated in accordance with the transitional provisions of IFRS 8. As this change in the accounting policies pertains solely to the presentation of the segments and disclosures, it does not affect the earnings per share.

Operating segments are component parts of the Group, which are used in its business and therefore can generate revenues and expenses. Information concerning the segments' performance is regularly reviewed by competent persons in order to allocate resources to the segments and assess their performance.

Operating segments comprise assets and liabilities allocated to these segments. Capital expenditure relating to an operating segment is the expenditure incurred in the reporting period on the acquisition of property, plant and equipment or intangible assets other than goodwill.

Presentation of Financial Statements

The Group has applied IAS 1 Presentation of Financial Statements, effective as of January 1st 2009. As a result, these statements include a statement of comprehensive income.

10. Significant Judgments and Estimates

The preparation of the condensed consolidated interim financial statements in conformity with the EU IFRS requires the Company's Management Board to use judgments and estimates that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The judgments and estimates are reviewed on an ongoing basis. Revisions to estimates are recognised in the period in which the estimate is revised.

Information on particularly significant areas that are subject to judgment and estimates and that affect the interim financial statements did not change from the information presented in the annual financial statements as at December 31st 2008.

11. Seasonality

Sales revenue of the Inter Cars Group is characterised by limited seasonality.

The comparable data for the first six months of 2008 is not directly comparable to the first six months of 2009 due to the merger with JC Auto, which was completed on February 29th 2008.

12. Business Segments

The Inter Cars Group's core business consists in the sale of spare parts. Additionally, Feber, Lauber and IC Development are active in other segments, including production of semi-trailers, recovery of spare parts and property development activities.

The Inter Cars Group applies uniform accounting policies to all its business segments. Transactions between segments are executed at arms' length, and were eliminated in these condensed consolidated interim financial statements.

(PLN'000)

	Sale of spare parts		Other		Eliminations		Total	
	Jan 1 2009–Jun 30 2009	Jan 1 2008–Jun 30 2008	Jan 1 2009–Jun 30 2009	Jan 1 2008–Jun 30 2008	Jan 1 2009–Jun 30 2009	Jan 1 2008–Jun 30 2008	Jan 1 2009–Jun 30 2009	Jan 1 2008–Jun 30 2008
Segment's revenue from external customers	958,929	780,393	23,581	66,805	-	-	982,510	847,198
Inter-segment revenue	73,848	57,315	93,140	20,147	(166,988)	(77,462)	-	-
Profit before tax	**52,478**	**27,088**	**2,923**	**6,564**	**(2,973)**	**3,245**	**52,428**	**36,897**

	Sale of spare parts		Other		Eliminations		Total	
	Jun 30 2009	Jun 30 2008	Jun 30 2009	Jun 30 2008	Jun 30 2009	Jun 30 2008	Jun 30 2009	Jun 30 2008
Total assets	**1,445,554**	**1,285,414**	**151,086**	**149,715**	**(313,775)**	**(222,817)**	**1,282,865**	**1,212,312**

(PLN'000)

13. Property, Plant and Equipment

During the six months ended June 30th 2009 the Group purchased property, plant and equipment with a value of PLN 28,426 thousand and disposed of property, plant and equipment with a value of PLN 4,514 thousand (net of VAT).

Gross value as at Dec 31 2008	**258,192**
Increase:	28,426
Acquisition	21,799
Lease	6,627
Decrease:	(10,921)
Sale	(10,846)
Liquidation	(75)
Currency translation differences	(403)
Gross value as at Jun 30 2009	**275,294**
Accumulated depreciation and impairment charges as at Dec 31 2008	**76,963**
Depreciation for period	11,724
Sale	(6,365)
Liquidation	(42)
Currency translation differences	(17)
Accumulated depreciation and impairment charges as at Jun 30 2009	**82,263**
NET VALUE	
As at Dec 31 2008	**181,229**
As at Jun 30 2009	**193,031**

As at June 30th 2009, prepayments for tangible assets under construction amounted to PLN 546 thousand (PLN 66 thousand as at December 31st 2008).

(PLN'000)

14. Investment Property

In the period January 1st – June 30th 2009, the Group sold a piece of real estate situated in Bielsko-Biała, which generated a loss of approximately PLN 697 thousand.

Increases related to subsequent expenses included chiefly expenses incurred on the construction of buildings and structures for a new branch.

	Jun 30 2009	Dec 31 2008
Value at beginning of period	57,328	43,319
Acquisition due to business combination	-	2,659
Increases related to subsequent expenses	3,065	12,423
Acquisition	-	3,096
Change in fair value recognised in the statement of comprehensive income	-	6,976
Sale of real estate	(7,490)	(11,145)
Value at end of period	**52,903**	**57,328**

15. Intangible Assets

As at December 31st 2008, the Group's assets including goodwill were tested for impairment. No impairment was identified.

The Group prepared cash flow projections used to estimate the value in use for the Group treated as a single cash generating unit. The data used to prepare the projections for 2009 and 2010 were based on the approved budget. Cash flows for 2011–2013 were calculated with based on a growth rate of 4–5% while for the remaining years the assumed growth rate was 1.5%. The discount rate used to calculate the value in use was 10.5% and was estimated based on the weighted average cost of capital.

Based on the Group's results for the first six months of 2009, it can be stated that the Group performs in line with the assumed budgets.

Gross value as at Dec 31 2008	**173,168**
Acquisition	997
Transfer	(27)
Sale	(919)
Currency translation differences	98
Gross value as at Jun 30 2009	**173,317**
	Total
Accumulated amortisation and impairment charges as at Dec 31 2008	**20,847**
Amortisation for period	3,355
Sale	(115)
Accumulated amortisation and impairment charges as at Jun 30 2009	**24,087**
Net value	
As at Dec 31 2008	**152,321**
As at Jun 30 2009	**149,230**

(PLN'000)

16. Inventories

	Jun 30 2009	Dec 31 2008
Materials	38,256	28,612
Semi-finished products and work in progress	17,998	16,100
Finished products	4,103	6,491
Goods for resale	542,516	536,697
	602,873	**587,900**
Goods for resale	568,457	559,112
Discounts charged to goods for resale	(24,576)	(21,281)
Impairment charges for goods for resale	(1,365)	(1,134)
	542,516	**536,697**

17. Trade and other receivables

	Jun 30 2009	Dec 31 2008
Trade receivables	181,919	160,563
Taxes, subsidies, customs duty, social security, health insurance and other benefits receivable	50,583	41,216
Loans advanced	6,751	6,311
Other receivables	5,211	9,775
Current trade and other receivables, gross	**244,464**	**217,865**
Impairment charges for receivables	**(10,409)**	**(4,388)**
Current trade and other receivables, net	**234,055**	**213,477**

Maturity structure of receivables	**Jun 30 2009**	
	Gross	**Impairment charges**
up to 180 days	165,859	-
from 181 to 270 days	4,639	1,094
from 271 to 360 days	2,295	687
over 1 year	9,126	8,628
Total	**181,919**	**10,409**

Maturity structure of receivables	**Dec 31 2008**	
	Gross	**Impairment charges**
up to 180 days	144,079	-
from 181 to 270 days	6,234	1,369
from 271 to 360 days	3,561	466
over 1 year	6,689	2,553
Total	**160,563**	**4,388**

Relative to December 31st 2008, no material changes in the Group's credit risk management policy occurred.

(PLN'000)

18. Equity

Equity includes funds and capital reserves created in accordance with applicable laws and the Company's Articles of Association.

The share capital comprises 13,736,100 shares with a total par value of PLN 27,472,200. Its amount remained unchanged in the reporting period. The share premium account also remained unchanged at PLN 247,784,980.

Dividend

In the reporting period, no dividend was distributed by Inter Cars S.A. or by any of its subsidiary undertakings. The profit for the financial year ended December 31st 2008 was contributed to reserve funds.

19. Liabilities under Loans, Borrowings and Other Debt Instruments

	Currency	Effective interest rate	Carrying amount	Repayment date
As at Jan 1 2009	PLN/EUR/USD	based on variable interest rate	538,586	
New drawdowns				
Notes – tranche no. 89	PLN	9%	24,696	Jul 17 2009
Change in liabilities under finance lease	PLN/EUR	based on variable interest rate	1,609	no later than 2015
Change in debt under credit facilities	PLN/EUR/USD	based on variable interest rate	3,976	within 12 months
Repayments				
Kredyt Bank S.A.	PLN	O/N WIBOR + 2.5pp	(20,000)	Jun 29 2009
Fortis Bank Polska S.A.	PLN/EUR/USD	1M WIBOR/LIBOR/ EURIBOR + 4%	(50,000)	May 29 2009
As at Jun 30 2009	PLN/EUR/USD		**498,867**	

(PLN'000)

During the reporting period the Group extended the following loans:

	Currency	Effective interest rate	Carrying amount	Repayment date
Pekao S.A.	PLN	1M WIBOR + 1pp	25,004	Dec 31 2009
Pekao S.A.	PLN/EUR	1M WIBOR/EURIBOR + 1pp	74,499	Dec 31 2009
Pekao S.A.	PLN	1M WIBOR + 1pp	26,633	Dec 31 2009
Kredyt Bank S.A.	PLN	O/N WIBOR + 2.5pp	34,668	Jul 31 2009
ING Bank Śląski S.A.	PLN/EUR/USD	1M WIBOR/EURIBOR + 0.55% p.a.	79,020	Jan 31 2010
BRE Bank S.A.	PLN	1M WIBOR + 0.8pp	50,000	Sep 30 2009
BRE Bank S.A.	PLN/EUR	O/N WIBOR/LIBOR + 0.8pp	18,633	Jul 31 2009
ABN AMRO Bank S.A.	PLN/EUR/USD	1M WIBOR/LIBOR + 350bp	99,545	Jun 30 2009
ABN AMRO Bank S.A. Feber Sp. z o.o.	PLN	1M WIBOR + 350bp	15,855	Jun 30 2009
ABN AMRO Bank S.A. Lauber Sp. z o.o.	PLN	1M WIBOR + 350bp	4,000	Jun 30 2009
Budapest Autófinanszírozási ZRt.	CHF	from 6.75% to 10.11%	176	no later than Apr 19 2012
Porsche Bank Zrt.	CHF	9.15%	86	Dec 15 2011
Fortis Bank SA/NV Hungary (IC Hungaria)	CHF	LIBOR + 1.5%	3,560	Jan 20 2016
			431,679	

20. Share-Based Payments

The assumptions of the Management Stock Option Plan are described in the financial statements prepared as at December 31st 2008.

In the period January 1st – June 30th 2009, there were no changes in the Management Stock Option Plan assumptions and the number of options remained the same. Also the cost of allotted options remained unchanged. None of the entitled persons decided to exercise the options In the discussed reporting period.

	Weighted average exercise price	Number of options
Options exercisable as at Jan 1 2008	29.76	472,000
Options exercised in the period	36.25	(40,000)
Unexercised options	18.00	(30,000)
Options exercisable as at Dec 31 2008 and Jun 30 2009	29.82	402,000

Number of shares to be acquired	
Kierzek Robert	106,000
Milewski Wojciech	95,000
Soszyński Krzysztof	106,000
Kraska Piotr	95,000
	402,000

	Total	Jan 1 2009– Jun 30 2009	Jan 1 2008– Dec 31 2008	Jan 1 2007– Dec 31 2007	Jan 1 2006– Dec 31 2006
Cost of allotted options	**5,935**	0	743	3,330	1,862

(PLN'000)

21. Contingent Liabilities, Granted Security and Unrecognised Liabilities under Executed Agreements

Contingent liabilities, granted security and unrecognised liabilities did not change materially from those described in the financial statements prepared as at December 31st 2008.

22. Related-Party Transactions

	Jan 1 2009–Jun 30 2009	Jan 1 2008–Jun 30 2008
Remuneration of the members of the Supervisory and Management Boards		
Remuneration of the Supervisory Board members	105	71
Remuneration of the Management Board members	1,218	1,200
	1,323	**1,271**

	Jan 1 2009–Jun 30 2009	Jan 1 2008–Jun 30 2008
Related-party transactions		
Revenue from sales to related parties	968	788
Goods and services purchased from related parties	4,611	4,367

	Jun 30 2009	Dec 31 2008
Balance of settlements with related parties		
Receivables from related parties	359	420
Liabilities to related parties	506	445

23. Events Subsequent to the Balance-Sheet Date with a Potential Material Bearing on the Company's Future Financial Results

Syndicated Credit Facility Agreement

On July 29th 2009, a syndicated credit facility agreement for up to PLN 480m was signed by Inter Cars S.A. (the Borrower), Feber Sp. z o.o., IC Development & Finance Sp. z o.o., Inter Cars Ceska Republika s.r.o., Inter Cars Slovenska Republika s.r.o. (Co-Borrowers) and the following banks: Bank Polska Kasa Opieki S.A., ABN AMRO Bank (Polska) S.A., ING Bank Śląski S.A., Bank Handlowy w Warszawie S.A. and BRE Bank S.A.
The maturity date for the facility is July 29th 2011. The interest rate was agreed as a variable rate depending on WIBOR, EURIBOR and LIBOR rates, increased by bank margins (determined at arm's length) for each individual interest period.

The facility will be used to repay the existing debt and finance the Group's current operations. The funds under the syndicated credit facility agreement will be available once Inter Cars S.A. meets the conditions precedent specified in the agreement. Any claims which may arise out of or in connection with the performance of the agreement were are with:
- mortgages on Inter Cars S.A.'s real estate situated in Cząstków Mazowiecki,
- registered pledge over assets,
- surety,
- registered pledge over accounts.

Transition from short-term bilateral loans to medium-term syndicated financing provides Inter Cars S.A. and other members of the Inter Cars Group with stability and constant access to financing for a period of two years. The amount of the financing is sufficient to enable continued rapid development of the Group.

(PLN'000)

Notes Issued after the Balance-Sheet Date

Tranche No.	Proceeds from issue of notes	Accrued interest
90	11,700	88
91	25,000	270
Total	**36,700**	**358**

24. Changes in the Presentation of Financial Data

In these condensed consolidated interim financial statements prepared as at June 30th 2009 the presentation of provisions, accruals and deferrals, and prepayments changed. The restatements are presented in the table below.

Statement of financial position	Approved report	Change	Restated
	Dec 31 2008		**Dec 31 2008**
ASSETS			
Receivables (non-current)	4,547	1,480	6,027
Prepayments and accrued income (non-current)	1,480	(1,480)	-
	6,027	**-**	**6,027**
Trade and other receivables	210,405	3,072	213,477
Prepayments	3,072	(3,072)	-
	213,477	**-**	**213,477**
EQUITY AND LIABILITIES	**Dec 31 2008**		**Dec 31 2008**
Provisions	148	(148)	-
Non-current accruals and deferred income	7	(7)	-
Other non-current liabilities	**-**	155	155
	155	**-**	**155**
Trade and other receivables	247,684	14,438	262,122
Provisions	1,621	(1,621)	-
Current accruals and deferred income	12,817	(12,817)	-
	262,122	**-**	**262,122**

(PLN'000)

To ensure comparability of the statement of comprehensive income, the comparable data for the period January 1st – June 30th 2008 was restated as in the financial statements for the period ended December 31st 2008.

Statement of comprehensive income	**Jan 1 2008– Jun 30 2008**		**Jan 1 2008– Jun 30 2008**
Cost of sales	(589,056)	(1,857)	(590,913)
Foreign exchange gains/(losses)	(1,857)	1,857	-
	(590,913)	**-**	**(590,913)**

Warsaw, August 20th 2009

Krzysztof Oleksowicz	*Robert Kierzek*
President of the Management Board	*Vice-President of the Management Board*
Krzysztof Soszyński	*Piotr Kraska*
Vice-President of the Management Board	*Member of the Management Board*
Wojciech Milewski	*Julita Pałyska*
Member of the Management Board	*Chief Accountant*

PART II

SEMI-ANNUAL REPORT ON THE OPERATIONS OF THE INTER CARS GROUP IN THE PERIOD JANUARY 1ST – JUNE 30TH 2009

25. The Group's Operations, Consolidated and Non-Consolidated Financial Results for the Second Quarter of 2009 – Summary

Financial Results of the Inter Cars Group

- The Group recorded a 16% increase in sales revenue compared with the corresponding period of 2008, which was chiefly attributable to strong domestic demand and an increase in orders from abroad. Exports, understood as direct sales to foreign business partners, and sales to subsidiary undertakings went up by 19% year on year. The revenue growth was due to a substantial drop in sales recorded by Feber. In aggregate, the distribution companies posted a 17.4% increase in sales revenue.
- Inter Cars' sales revenue generated in Poland accounted for approximately 76% of the Group's total sales revenue (after consolidation eliminations). The Polish market remains the key sales market for the Group.
- While comparing the profitability in H1 2009 and H1 2008 it must be borne in mind that the comparable data for H1 2008 does not include (and cannot include due to accounting and formal reasons) the operating costs of JC Auto for January and February 2008, which amounted to more than PLN 8m (the merger was effected on the last day of February 2008). In addition, the H1 2008 financial results were increased by more than PLN 4m on account of sale of real estate located at ul. Burakowska. The effect of these two factors having been excluded, the net profit for H1 2009 would be 116% higher than in H1 2008.
- Gross profit on sales improved by 41% relative to the corresponding period of the previous year. Faster increase in the profit as compared with the increase in sales revenue can be explained by the rise in sales margin from 30.3% in 2008 to 36.8% in 2009. Operating profit improved by 49% relative to the corresponding period of the previous year, due to a rise in the sales margin.
- Cash generated by operating activities was PLN 82m.

Revenue went up in all geographical markets in which the Group operates, with the largest increases recorded (in respective local currencies) by the companies operating in Hungary (88%), Lithuania (45%), Croatia (41%), Slovakia (27%) and Ukraine (14%).

The table below sets forth the financial highlights of the Inter Cars Group for H1 2009:

('000)

	6 months ended Jun 30			
	2009	2008	2009	2008
Statement of comprehensive income	PLN	PLN	EUR	EUR
Sales revenue ………………………………………………..................	982,510	847,198	217,446	243,616
Gross profit (loss) on sales …………………………………………...........	361,565	256,285	80,021	73,696
Cost of management stock option plan ……………………………….……..	-	(449)	-	(129)
Net financial income/(expenses)…………………………………….	(18,368)	(10,419)	(4,065)	(2,996)
Operating profit (loss)……………………………………………………	70,496	47,316	15,602	13,606
Net profit (loss)…………………………………………………………	42,178	29,287	9,335	8,422
Other financial data				
Net cash provided by (used in) operating activities…………………	82,016	23,075	18,152	6,635
Net cash provided by (used in) investing activities……………………	(13,103)	(18,142)	(2,900)	(5,217)
Net cash provided by (used in) financing activities……………………	(55,694)	3,844	(12,326)	1,105
Earnings per share………………………………………………………	3.07	2.22	0.68	0.64
Sales margin ………………………………………………………………	36.8%	30.3%		
EBITDA margin ……………………………………………………………	13.1%	12.8%		

	As at			
	Jun 30 2009	Dec 31 2008	Jun 30 2009	Dec 31 2008
Statement of financial position	PLN	PLN	EUR	EUR
Cash and cash equivalents………………………………………………	38,141	24,922	8,533	5,973
Balance-sheet total………………………………………………………	1,282,865	1,227,722	287,020	294,248
Loans, borrowings and finance lease liabilities…………………………	498,867	538,586	111,613	129,083
Equity attributable to owners of the parent………………………………	460,227	418,125	102,968	100,212

Financial Results of Inter Cars S.A., the Parent Undertaking

The table below sets forth the financial highlights of Inter Cars S.A.:

	6 months ended Jun 30			
('000)	2009	2008	2009	2008
Statement of comprehensive income	PLN	PLN	EUR	EUR
Sales revenue	878,171	724,049	194,354	208,204
Gross profit (loss) on sales	298,291	207,289	66,017	59,607
Cost of management stock option plan	0	(449)	0	(129)
Net financial income/(expenses)	(15,654)	(11,508)	(3,465)	(3,309)
Operating profit (loss)	59,431	33,312	13,153	9,579
Net profit (loss)	36,348	17,960	8,044	5,164
Other financial data				
Net cash provided by (used in) operating activities	65,120	29,180	14,412	8,391
Net cash provided by (used in) investing activities	(5,615)	(25,687)	(1,243)	(7,386)
Net cash provided by (used in) financing activities	(51,076)	(395)	(11,304)	(114)
Earnings per share	2.65	1.37	0.59	0.39
Sales margin	34%	29%		

	As at			
	Jun 30 2009	Dec 31 2008	Jun 30 2009	Dec 31 2008
	PLN	PLN	EUR	EUR
Statement of financial position				
Cash and cash equivalents	21,209	12,780	4,745	3,063
Balance-sheet total	1,244,659	1,185,592	278,472	284,151
Loans, borrowings and finance lease liabilities	475,240	514,234	106,327	123,247
Equity	443,260	406,912	99,172	97,525

Sales revenue after the first half of 2009 was **21% higher** than in the first half of 2008. A favourable trend of a month-by-month revenue increase can be observed. In Q1 2009, sales revenue was 16% higher than in the corresponding period of 2008, while in Q2 2009 the corresponding increase reached as high as 26%.

Gross profit on sales was 44% higher compared with 2008. **Sales margin** went up to 34% in 2009, from 29% in 2008.

Cost of distribution services – share of an affiliate branch operator in the sales margin. The affiliate branch's sales margin is shared between the branch operator and Inter Cars on a 50/50 basis. The system of affiliate branches is based on the principle of entrusting the management of a distribution outlet (affiliate branch) to an external operator. Sales are made on behalf of Inter Cars. The affiliate branches employ personnel and cover operating costs from their revenue which is their share in the margin on sales of goods. The share of particular branches in the margin is settled on a monthly basis. The Company provides its full range of goods with ensured availability, the IT system, organisational and logistics know-how and the brand's strong position. The branch operator contributes the knowledge of the local market and experienced personnel. The risk associated with the operations of a branch operator (affiliate branch) is borne by the operator, which – operating as a separate business – optimises its available resources.

Financial income and expenses include mainly interest income and expense. In particular in 2009, the Company's interest expense amounted to PLN 12,437 thousand. As at June 30th 2009, **liabilities under loans, borrowings, debt securities and finance leases** totalled PLN 475,240 thousand, compared with PLN 495,109 thousand as at June 30th 2008.

26. Factors and Events, Especially of a Non-Recurring Nature, with a Material Bearing on the Financial Performance; Description of the Company's Material Achievements and Failures Along with a List of Related Key Events

Major Events with a Bearing on Current and Future Operations

- Transition from short-term bilateral loans to medium-term syndicated financing provides Inter Cars S.A. and other members of the Inter Cars Group with stability and constant access to financing for a period of two years. The amount of the financing is sufficient to enable continued rapid development of the Group. On July 29th 2009, the credit facility agreement for up to PLN 480m was signed by Inter Cars S.A. (the Borrower), Feber Sp. z o.o., IC Development & Finance Sp. z o.o., Inter Cars Ceska Republika s.r.o., Inter Cars Slovenska Republika s.r.o. (as Co-Borrowers) and the following banks: Bank Polska Kasa Opieki S.A., ABN AMRO Bank (Polska) S.A., ING Bank Śląski S.A., Bank Handlowy w Warszawie S.A. and BRE Bank S.A. The maturity date for the facility is July 29th 2011. Noteworthy is the fact that Bank Handlowy is involved in the syndicate, although it had not participated in the financing of the Group's operations prior to the execution of the agreement. As at July 31st 2009, PLN 430m was drawn down under the facility, which was possible due to an improved inventory cycle and enabled the Company to release more than PLN 50m from working capital.
- The favourable conditions in the sector of distribution of spare parts that continued over successive quarters, including in the first quarter of 2009, confirm that there is a significant distinction between the state of the distribution market (in which the Company operates) and the market of car manufacturers and components for car production. According to the Company's estimates, over the last 12 months Polish market of spare parts distribution grew by approx. 10%, while the market of car parts manufacturers shrank by 20% to 40%.
- The Company cooperates with the most extensive range of supplies, which protects it from potential problems of individual suppliers.
- The increase in the consolidated net profit for the first and second quarters of 2009 relative to the results for previous quarters of 2008 confirms the statement contained in the Q4 2008 report to the effect that the Group can generate a substantial margin. In the first and second quarters of 2009 it not only offset the negative effect of foreign exchange differences on the balance-sheet valuation of liabilities denominated in foreign currencies (weakening of the Polish złoty from EUR/PLN 4.17 to EUR/PLN 4.47), but also allowed the Group to earn substantial net profit.
- The consolidated EBITDA for the period of 12 months ended June 30th 2009 was PLN 128,835 thousand (operating profit plus depreciation/amortisation).
- The Company is taking further measures to optimise its costs. Given free storage capacity at the facilities in Kajetany and Błonie, in order to use the logistics capacity available in those locations more effectively, a project was launched involving the provision of logistics services to external customers. In addition, the efforts aimed at reducing transport costs were finalised as at June 30th 2009, thanks to which the Group will be able to produce the announced synergies following from the merger with JC Auto in the area of logistics costs.
- The Group is continuing work on the optimisation of the inventory cycle. Inventories as at the end of June 2009 show a nearly 2.5% increase in their value relative to the end of December 2008, but this increase should be viewed in the context of a 16% increase in sales and the related stocking up.
- In the sector of truck manufacturers, the declines of global manufacturers' sales reach 70%. A strong decrease (69%) in the revenue from sales of semi-trailers and trailers was recorded by Feber. We can see the first signs of an upturn, but this improvement will translate into higher demand for Feber products with a delay, due to a significant oversupply in the form of vehicles seized by lease companies.
- The Company is consistent in its policy of geographical expansion in the area of Eastern and Central Europe. The CEE markets offer significant growth potential and higher net margins for the industry than the domestic market. In the first quarter of 2009, sales revenues of all foreign distribution companies were 54% higher year on year. In the first half of 2009, high year-on-year growth rates of sales denominated in the local currencies were recorded by Inter Cars Hungary (88%), Inter Cars Lithuania (45%), Inter Cars Croatia (41%), Inter Cars Slovakia (27%) and Inter Cars Ukraine (14%).
- Export sales have for many years been stable at approx. 25% of the Group's total sales revenue. In the export sales structure, the share of Ukraine is diminishing in favour of mainly Slovakia and the Czech Republic.

(PLN'000)

27. The Management Board's Standpoint Regarding Possibility of Meeting the Previously Published Forecasts for 2009

The Inter Cars Group did not publish any financial forecasts.

28. List of Shareholders Holding 5% or More of the Total Vote as at the Date of Approving the Report for Publication

Name	No. of shares	Aggregate par value (PLN)	Share capital held (%)	Total vote held (%)
Krzysztof Oleksowicz	4,972,271	9,944,542	36.20%	36.20%
Andrzej Oliszewski	1,544,370	3,088,740	11.24%	11.24%
AIG OFE (Open-Ended Pension Fund)	1,122,802	2,245,604	8.17%	8.17%
ING OFE (Open-Ended Pension Fund)	745,342	1,490,684	5.43%	5.43%
Aviva OFE (Open-Ended Pension Fund)	696,107	1,392,214	5.07%	5.07%

By the date on which these financial statements were approved, the Company had not received any other shareholding notifications.

29. Changes in the Number of Shares and Rights to Shares (Options) in Inter Cars S.A. Held by the Company's Management and Supervisory Staff which Have Occurred since the Publication of the Previous Quarterly Report

The Company's supervisory and management staff hold in aggregate 7,145,013 shares, conferring the right to 52% of the total vote at the General Shareholders Meeting of Inter Cars S.A.

The management and supervisory staff hold no shares in any subsidiary undertakings of Inter Cars S.A.

Name	No. of shares	Aggregate par value	Share capital held	Total vote held
		(PLN)	(%)	(%)
Krzysztof Oleksowicz	4,972,271	9,944,542	36.20%	36.20%
Andrzej Oliszewski	1,544,370	3,088,740	11.24%	11.24%
Maciej Oleksowicz	20,000	40,000	0.15%	0.15%
Jolanta Oleksowicz-Bugajewska	524,272	1,048,544	3.82%	3.82%
Robert Kierzek	17,630	35,260	0.13%	0.13%
Krzysztof Soszyński	29,500	59,000	0.21%	0.21%
Wojciech Milewski	6,970	13,940	0.05%	0.05%
Piotr Kraska	30,000	60,000	0.22%	0.22%
Total	**7,145,013**	**14,290,026**	**52%**	**52%**

30. Other Information Which the Company Deems Relevant for the Assessment of Its Personnel, Assets, Financial Position, and Its Net Profit (Loss), as Well as Their Changes, and for the Assessment of the Company's Ability to Perform Its Obligations

The relevant information is included in the Section entitled *Factors and Events, Especially of a Non-Recurring Nature, with a Material Bearing on the Financial Performance; Description of the Company's Material Achievements and Failures Along with a List of Related Key Events*.

31. Factors Which in the Company's Opinion will Affect Its Results in a Period Covering at Least the Next Quarter

The most important factors which according to the Management Board will affect the financial results in Q3 2009 include:

- ✓ *trends in the foreign exchange markets,* related mainly to the exchange rates of EUR, USD and YEN against PLN, UAH, HUF, CZK, SKK, LTL, HRK and RON;
- ✓ *trends in the demand from export customers,* which is dependent mainly on the political and legal situation in Ukraine;
- ✓ *changes in the interest rates*, which will determine the amount of interest on contracted loans and thus will affect the amount of financial costs;
- ✓ planned *improvement in the inventory cycle,* which should reduce the amount of financial costs by lowering the requirement for inventory financing;
- ✓ *optimisation of logistics processes* related to cost reductions;
- ✓ *enhanced awareness of the Inter Cars brand and new customers*, which will contribute to the development of the operating activities.

32. Information on Conclusion by the Company or Its Subsidiary Undertakings of a Single Transaction or a Series of Transactions with Related Parties if such Transactions Are Individually or Jointly Material and Were Not Concluded at Arm's Length

No such transaction occurred.

Warsaw, August 20th 2009

Krzysztof Oleksowicz	*Robert Kierzek*
President of the Management Board	*Vice-President of the Management Board*
Krzysztof Soszyński	*Piotr Kraska*
Vice-President of the Management Board	*Member of the Management Board*
Wojciech Milewski	
Member of the Management Board	

PART III

INTERIM CONDENSED NON-CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 1ST – JUNE 30TH 2009

(PLN'000)

33. Condensed Non-Consolidated Statement of Financial Position

	Jun 30 2009	Dec 31 2008 (restated)
ASSETS		
Non-current assets		
Property, plant and equipment	146,562	138,571
Intangible assets	146,747	149,916
Investment property	2,768	2,768
Investments in subordinated undertakings	37,240	37,240
Investments available for sale	43	43
Receivables	64,028	65,522
Deferred tax asset	-	-
	397,388	**394,060**
Current assets		
Inventories	478,478	471,098
Trade and other receivables	347,584	307,440
Income tax receivable	-	214
Cash and cash equivalents	21,209	12,780
	847,271	**791,532**
TOTAL ASSETS	**1,244,659**	**1,185,592**
EQUITY AND LIABILITIES		
Equity		
Share capital	27,472	27,472
Share premium account	247,785	247,785
Statutory reserve funds	125,396	102,485
Other capital reserves	5,935	5,935
Retained earnings and current year profit	36,672	23,235
	443,260	**406,912**
Non-current liabilities		
Long-term loans, borrowings and finance lease liabilities	34,280	110,276,
Deferred tax liability	507	3,692
	34,787	**113,968**
Current liabilities		
Trade and other payables	316,730	259,282
Short-term loans, borrowings, debt securities and finance lease liabilities	440,960	403,958
Employee benefits	3,463	1,472
Income tax expense	5,459	-
	766,612	**664,712**
TOTAL EQUITY AND LIABILITIES	**1,244,659**	**1,185,592**

(PLN'000)

34. Condensed Non-consolidated Statement of Comprehensive Income

	Jan 1 – Jun 30 2009	**Jan 1 – Jun 30 2008 restated**
Sales revenue	878,171	724,049
Cost of sales	(579,880)	(516,760)
Gross profit on sales	**298,291**	**207,289**
Other operating income	400	12,073
Selling costs, general and administrative expenses	(123,692)	(96,841)
Cost of distribution services	(108,323)	(80,179)
Cost of management stock option plan	-	(449)
Other operating expenses	(7,245)	(8,581)
Operating profit	**59,431**	**33,312**
Financial income	2,236	2,532
Foreign exchange gains/(losses)	(4,139)	-
Financial expenses	(13,751)	(14,040)
Profit before tax	**43,777**	**21,804**
Corporate income tax	(7,429)	(3,844)
Net profit	**36,348**	**17,960**
OTHER COMPREHENSIVE INCOME		
Management stock option plan	-	449
Total other comprehensive income, net	-	449
COMPREHENSIVE INCOME	**36,348**	**18,409**
Net profit	**36,348**	**17,960**
Weighted average number of ordinary shares	**13,736,100**	**13,071,000**
Earnings per ordinary share (PLN)	**2.65**	**1.37**
Weighted average diluted number of ordinary shares	**13,858,055**	**13,449,333**
Diluted earnings per ordinary share (PLN)	**2.62**	**1.35**

35. Condensed Non-consolidated Statement of Changes in Equity

For the period January 1st – June 30th 2009

(PLN '000)	Share capital	Share premium account	Statutory reserve funds	Other capital reserves	Retained earnings and current year profit	**Total**
As at January 1st 2009	**27,472**	**247,785**	**102,485**	**5,935**	**23,235**	**406,912**
Statement of comprehensive income						
Profit for period	-	-	-	-	36,348	**36,348**
Transactions with owners						
Distribution of retained earnings – transfer to statutory reserve funds	-	-	22,911	-	(22,911)	**-**
As at June 30th 2009	**27,472**	**247,785**	**125,396**	**5,935**	**36,672**	**443,260**

For the period January 1st – June 30th 2008 (restated)

(PLN '000)	Share capital	Share premium account	Statutory reserve funds	Other capital reserves	Retained earnings and current year profit	**Total**
As at January 1st 2008	**23,642**	**21,415**	**65,163**	**5,192**	**47,095**	**162,507**
Statement of comprehensive income						
Profit for period	-	-	-	-	17,960	**17,960**
Transactions with owners						
Capital reserve created in connection with implementation of management stock option plan	-	-	-	448	-	**448**
Share issue in connection with merger with JC Auto	3,750	225,000	-	-	-	**228,750**
As at June 30th 2008	**27,392**	**246,415**	**65,163**	**5,640**	**65,055**	**409,665**

36. Condensed Non-Consolidated Statement of Cash Flows

(PLN '000)	**Jan 1– Jun 30 2009**	**Jan 1– Jun 30 2008 (restated)**
Cash flows from operating activities		
Profit before tax	43,777	21,804
Adjustments, including:		
Depreciation and amortisation	12,854	10,761
Gain/loss on interests in associated undertakings (net)	-	-
Foreign exchange (gains)/losses	(7,491)	45
(Gain)/loss on disposal of property, plant and equipment	(100)	(4,616)
Net interest	10,960	10,137
Other adjustments, net	(619)	449
Cash flows from operating activities before changes in working capital	**59,381**	**38,580**
Change in inventories	(7,380)	(88,101)
Change in receivables	(40,951)	(14,606)
Change in current liabilities	59,439	104,332
Cash generated by operating activities	**70,489**	**40,205**
Corporate income tax paid	(5,369)	(11,025)
Net cash provided by (used in) operating activities	**65,120**	**29,180**
Cash flows from investing activities		
Sale of intangible assets and property, plant and equipment	5,781	15,955
Acquisition of intangible assets and property, plant and equipment	(16,111)	(18,728)
Acquisition of shares in associated undertakings	-	(1,908)
Cash acquired from JC Auto less acquisition cost	-	501
Repayment of loans advanced	8,952	9,401
Loans advanced	(5,873)	(31,534)
Dividends received	-	-
Interest received	1,636	626
Net cash provided by (used in) investing activities	**(5,615)**	**(25,687)**
Cash flows from financing activities		
Increase in loans, borrowings and debt securities	25,000	-
Interest paid	(12,903)	(11,821)
Finance lease payments	(4,904)	(4,360)
Decrease in loans and borrowings	(58,269)	15,786
Dividends paid	-	-
Net cash provided by (used in) financing activities	**(51,076)**	**(395)**
Net change in cash and cash equivalents	**8,429**	**3,098**
Cash and cash equivalents at beginning of period	**12,780**	**13,173**
Cash and cash equivalents at end of period	**21,209**	**16,271**

(PLN'000)

37. Related-Party Transactions in the Condensed Non-Consolidated Financial Statements

Receivables from subsidiary undertakings	**Jun 30 2009**	**Dec 31 2008**
Inter Cars Ukraina	30,669	25,308
Q-Service Sp. z o.o.	-	-
Lauber Sp. z o.o.	1,233	1,093
Inter Cars Ceska Republika	53,370	46,257
Inter Cars Slovenska Republika	10,318	9,397
Feber Sp. z o.o.	7,177	7,082
Inter Cars Litwa	7,113	7,195
IC Development & Finance Sp. z o.o.	212	210
JC Auto s.r.l.	6,930	3,759
Inter Cars d.o.o.	18,933	15,932
JC Auto S.A.	6,212	4,810
INTER CARS Hungária Kf.	11,127	7,587
JC Auto s.r.o.	8,971	8,377
Inter Cars Romania s.r.l.	4,058	771
Armatus sp. z o.o.	5	3
	166,328	**137,781**

Liabilities to subsidiary undertakings		
Q-Service Sp. z o.o.	13,889	8,759
Lauber Sp. z o.o.	1,289	-
Inter Cars Ceska Republika	27,200	23,826
Inter Cars Slovenska Republika	115	378
Inter Cars Litwa	231	-
IC Development & Finance Sp. z o.o.	-	122
JC Auto s.r.l.	37	92
Inter Cars d.o.o.	40	17
JC Auto S.A.	299	416
INTER CARS Hungária Kft.	411	383
JC Auto s.r.o.	3,845	3,589
	47,356	**37,582**

Sales revenue	**Jan 1 – Jun 30 2009**	**Jan 1 – Jun 30 2008**
Inter Cars Ukraina	8,800	7,787
Q-Service Sp. z o.o.	-	-
Lauber Sp. z o.o.	1,057	945
Inter Cars Ceska Republika	15,040	10,615
Inter Cars Slovenska Republika	19,139	12,768
Feber Sp. z o.o.	30	938
Inter Cars Litwa	7,244	3,912
IC Development & Finance Sp. z o.o.	2	3
JC Auto s.r.l.	3,495	891
Inter Cars d.o.o.	5,879	3,501
JC Auto S.A.	1,060	394
INTER CARS Hungária Kf.	5,568	1,995
JC Auto s.r.o.	-	-
Inter Cars Romania s.r.l.	4,050	-
Armatus sp. z o.o.	-	1
	71,364	**43,750**

(PLN'000)

Purchase of goods and services	Jan 1 – Jun 30 2009	Jan 1 – Jun 30 2008
Inter Cars Ukraina	-	-
Q-Service Sp. z o.o.	23,208	1,537
Lauber Sp. z o.o.	5,989	2,911
Inter Cars Ceska Republika	1,629	9,699
Inter Cars Slovenska Republika	112	50
Feber Sp. z o.o.	1,240	1
Inter Cars Litwa	292	209
IC Development & Finance Sp. z o.o.	105	20
JC Auto s.r.l.	15	763
Inter Cars d.o.o.	20	-
JC Auto S.A.	204	1,137
INTER CARS Hungária Kf.	15	-
JC Auto s.r.o.	-	-
Inter Cars Romania s.r.l.	-	-
Armatus sp. z o.o.	-	-
	32,829	**16,327**

38. Change in the Presentation of Financial Data in the Condensed Non-Consolidated Financial Statements

In the condensed non-consolidated interim financial statements prepared as at June 30th 2009, the presentation of provisions, accruals and deferrals, and prepayments was changed. The restatements are presented in the table below.

Selected data from the statement of financial position	Approved report	Change	Restated
	Dec 31 2008		**Dec 31 2008**
ASSETS			
Trade and other receivables	305,582	1,858	307,440
Prepayments	1,858	(1,858)	-
	307,440	**-**	**307,440**
EQUITY AND LIABILITIES			
Provisions (non-current)	35	(35)	-
Trade and other payables	246,307	12,975	259,282
Provisions	1,341	(1,341)	-
Current accruals and deferred income	11,599	(11,599)	,-
	259,282	**0**	**259,282**

(PLN'000)

To ensure comparability of the statement of comprehensive income, the comparable data for the period January 1st – June 30th 2008 was restated as in the financial statements for the period ended December 31st 2008.

Selected data from the statement of financial position

	Jan 1 – Jun 30 2008		**Jan 1 – Jun 30 2008**
Cost of sales	(513,924)	(2,836)	(516,760)
Currency translation differences	(2,836)	2,836	-
	(516,760)	**-**	**(516,760)**

Warsaw, August 20th 2009

Krzysztof Oleksowicz	*Robert Kierzek*
President of the Management Board	*Vice-President of the Management Board*
Krzysztof Soszyński	*Piotr Kraska*
Vice-President of the Management Board	*Member of the Management Board*
Wojciech Milewski	*Julita Pałyska*
Member of the Management Board	*Chief Accountant*