

Inter Cars Group

**Report Supplementing the
Audit Opinion on the
Consolidated Financial
Statements
for the financial year ended
December 31st 2008**

Report Supplementing the Audit Opinion consists of 17 pages
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on the Consolidated Financial Statements
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1. General

1.1. Details of the Group

1.1.1. Name of the Group

Grupa Kapitałowa Inter Cars S.A. (The Inter Cars Group).

1.1.2. Registered Office of the Parent Undertaking

ul. Powsińska 64
02-903 Warsaw, Poland

1.1.3. Registration of the Parent Undertaking in the National Court Register

Registry court:	District Court for the Capital City of Warsaw in Warsaw, XIII Commercial Division of the National Court Register
Date:	April 23rd 2001
Entry number:	KRS 0000008734

1.1.4. Registration of the Parent Undertaking with the Tax Office and the Provincial Statistics Office

NIP (Tax Identification Number):	118-14-52-946
REGON (Industry Identification Number):	014992887

1.2. Undertakings Comprising the Group

1.2.1. Undertakings Included in the Consolidated Financial Statements

As at December 31st 2008, the following undertakings of the Group were consolidated.

Parent undertaking:

- Inter Cars S.A.

Subsidiary undertakings consolidated with the full method:

- Inter Cars Ukraine (a limited-liability company)
- Lauber Sp. z o.o.
- Q-Service Sp. z o.o.
- Inter Cars Česká Republika s.r.o.
- Feber Sp. z o.o.
- Inter Cars Slovenska Republika s.r.o.
- Inter Cars Lietuva UAB
- IC Development & Finance Sp. z o.o.
- Armatus Sp. z o.o.
- JC Auto s.r.o.
- Inter Cars Hungária Kft
- JC Auto S.A.

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- Inter Cars d.o.o.
- JC Auto s.r.l.
- Inter Cars Romania s.r.l.

The following undertakings were consolidated for the first time in the financial year ended December 31st 2008, following the acquisition of control by the parent undertaking:

- Armatus Sp. z o.o. – undertaking included in the consolidated financial statements for the period March 1st – December 31st 2008,
- JC Auto s.r.o. – undertaking included in the consolidated financial statements for the period March 1st – December 31st 2008,
- Inter Cars Hungária Kft – undertaking included in the consolidated financial statements for the period March 1st – December 31st 2008,
- JC Auto S.A. – undertaking included in the consolidated financial statements for the period March 1st – December 31st 2008,
- Inter Cars d.o.o. – undertaking included in the consolidated financial statements for the period March 1st – December 31st 2008,
- JC Auto s.r.l. – undertaking included in the consolidated financial statements for the period March 1st – December 31st 2008,
- Inter Cars Romania s.r.l. – undertaking included in the consolidated financial statements for the period July 16th – December 31st 2008.

1.3. Details of the Auditor [Qualified Auditor of Financial Statements]

Name:	KPMG Audyt Sp. z o.o.
City of registered office:	Warsaw, Poland
Registered address:	ul. Chłodna 51, 00-867 Warsaw, Poland
Number in the National Court Register:	KRS 0000104753
Registry court:	District Court for the Capital City of Warsaw in Warsaw, XII Commercial Division of the National Court Register
Share capital:	PLN 125,000
NIP (Tax Identification Number):	526-10-24-841

KPMG Audyt Sp. z o.o. is entered in the list of qualified auditors of financial statements under entry number 458.

1.4. Legal Basis

1.4.1. Share Capital

The parent undertaking was established for an unspecified duration by virtue of the Articles of Association of June 2nd 1999.

As at December 31st 2008, the parent undertaking's share capital, as specified in its National Court Register entry, amounted to PLN 27,472,200.00 and was divided into 13,736,100 shares with a par value of PLN 2.00 per share.

In 2008, the parent undertaking's share capital was increased by an aggregate amount of PLN 3,830,000.00, to PLN 27,472,200.00, by way of the following share issues:

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- an increase of PLN 3,750,000.00 following from issue of shares connected with the merger with JC Auto S.A. (entered in the National Court Register on March 18th 2008),

- an increase of PLN 80,000.00 resulting from the exercise of an option by Mr Tomasz Zadroga (entered in the National Court Register on December 3rd 2008).

As at December 31st 2008, the ownership structure of the parent undertaking was as follows:

Shareholder	Number of shares	Percentage of total vote held	Par value of shares (PLN '000)	Percentage of share capital held
Krzysztof Oleksowicz	4,972,271	36.20%	9,944.5	36.2%
Andrzej Oliszewski	1,544,370	11.24%	3,088.7	11.2%
AIG Otwarty Fundusz Emerytalny	1,062,770	7.74%	2,125.5	7.7%
ING Otwarty Fundusz Emerytalny	745,342	5.43%	1,490.7	5.4%
Other shareholders	5,411,347	39.40%	10,822.7	39.4%
	13,736,100	100.00%	27,472.2	100.0%

1.4.2. Management Body of the Parent Undertaking

The management body of the parent undertaking is its Management Board.

At as December 31st 2008, the Management Board of the parent undertaking was composed of the following persons:

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

By virtue of the Supervisory Board's decision, two new members were appointed to the Management Board of Inter Cars S.A.: Mr Jerzy Józefiak and Mr Szymon Getka. The terms of office of the new Management Board members commenced on the day on which the a record of the merger between the Company and JC Auto S.A. was entered in the Register of Entrepreneurs. On April 21st 2008, Mr Jerzy Józefiak and Mr Szymon Getka tendered resignations from their positions as members of the Management Board.

Mr Tomasz Zadroga resigned from his position as member of the Management Board with effect as of July 31st 2008.

1.4.3. Scope of Business

The scope of the parent undertaking's business, as per the Articles of Association, includes in particular:

- manufacture of parts and accessories for motor vehicles and their engines
- maintenance and repair of motor vehicles
- sale of motor vehicle parts and accessories
- wholesale of machinery, equipment and supplies
- other retail sale of new goods in specialized stores
- letting of own property
- data processing
- wholesale of motor vehicles
- retail sale of motor vehicles

The business scopes of the Group's subsidiary undertakings, as per the Articles of Association, include in particular:

- Inter Cars Ukraine – sale and distribution of spare parts
- Lauber Sp. z o.o. – renovation of spare parts
- Q – Service Sp. z o.o. – advisory activities, training courses and packaging of goods
- Inter Cars Česká Republika s.r.o. – sale and distribution of spare parts
- Feber Sp. z o.o. – manufacture of trailers, semi-trailers and structures on trucks
- Inter Cars Slovenska Republika s.r.o. – sale and distribution of spare parts
- Inter Cars Lietuva UAB – sale and distribution of spare parts
- IC Development & Finance Sp. z o.o. – letting of property (a workshop building located in the Białołęka district of Warsaw)
- Armatus Sp. z o.o. – sale and distribution of spare parts
- JC Auto s.r.o. – sale and distribution of spare parts
- Inter Cars Hungária Kft – sale and distribution of spare parts
- JC Auto S.A. – sale and distribution of spare parts
- Inter Cars d.o.o. – sale and distribution of spare parts
- JC Auto s.r.l. – sale and distribution of spare parts
- Inter Cars Romania s.r.l. – sale and distribution of spare parts

1.5. *Information on the Consolidated Financial Statements for the Previous Financial Year*

The consolidated financial statements for the financial year ended December 31st 2007 were audited by KPMG Audyt Sp. z o.o., which issued an unqualified opinion on the financial statements

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The consolidated financial statements were approved by the General Shareholders Meeting on July 18th 2008.

The closing balance as at December 31st 2007 was correctly presented in the consolidation documentation as the opening balance for the audited financial year.

The consolidated financial statements were filed with the Registry Court on January 29th 2009 and submitted for publication in *Monitor Polski B* on February 27th 2009.

1.6. Scope of Work and Responsibility

This report was prepared for the General Shareholders Meeting of Inter Cars S.A., registered office at ul. Powsińska 64, Warsaw, Poland, and concerns the consolidated financial statements, comprising the consolidated balance sheet as at December 31st 2008, showing a balance-sheet total of PLN 1,233,498 thousand, consolidated income statement for the year ended December 31st 2008, showing a net profit of PLN 25,417 thousand, statement of changes in consolidated equity for the year ended December 31st 2008, showing an increase in equity of PLN 250,062 thousand, consolidated cash-flow statement for the financial year ended December 31st 2008, showing a net increase in cash of PLN 2,043 thousand, as well as notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information

The Parent Undertaking prepares consolidated financial statements in accordance with the International Financial Reporting Standards as endorsed by the European Union, pursuant to the decision of the General Shareholders Meeting of January 21st 2005.

The audit of the consolidated financial statements was performed under the agreement of September 3rd 2008, concluded pursuant to a Resolution of the Supervisory Board regarding appointment of qualified auditor of financial statements, dated June 30th 2008.

We have audited the consolidated financial statements in accordance with Chapter 7 of the Polish Accountancy Act, the professional auditing standards issued by the National Council of Auditors (*Krajowa Rada Biegłych Rewidentów*) and the International Standards on Auditing.

The audit of the consolidated financial statements was performed at the registered office of the Parent Undertaking in the following periods: August 20th–22nd 2008, August 25th–29th 2008, March 2nd–6th 2009, and March 9th–13th 2009.

The Parent Undertaking's Management Board was responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards endorsed by the European Union and other applicable laws.

The Management Board of the Parent Undertaking and members of the Supervisory Board are responsible for ensuring that the consolidated financial statements and the Director's Report on the Group's operations meet the requirements stipulated in the Polish Accountancy Act.

Our responsibility was to issue an opinion and prepare a report on the consolidated financial statements based on our audit.

On the date of this report, the Management Board of the Parent Undertaking made a representation on accuracy and clarity of the consolidated financial statements presented for the audit and assured that there occurred no events which could materially affect the figures disclosed in the consolidated financial statements for the year under analysis.

In the course of the audit of the consolidated financial statements, the Management Board of the Parent Undertaking provided us with all documents and information necessary to issue the opinion or prepare the report.

Information on the Inter Cars Group*(PLN '000)*

KPMG Audyty Sp. z o.o., members of its Management Board or supervisory staff, and other persons participating in the audit of the consolidated financial statements of the Group meet the requirement of being independent of any member of the Group. The scope of the planned and performed audit was not limited in any way whatsoever. The scope and manner of carrying out the audit follow from the audit documentation prepared by us and held at the registered office of KPMG Audyty Sp. z o.o.

1.7. Audits of Financial Statements of Consolidated Undertakings**1.7.1. Parent Undertaking**

The Parent Undertaking's financial statements for the financial year ended December 31st 2008 have been audited by KPMG Audyty Sp. z o.o., qualified auditor of financial statements registered under Reg. No. 458, which issued an unqualified opinion thereon.

1.7.2. Other Consolidated Undertakings

Company	Entity qualified to audit financial statements	Balance-sheet date	Auditor's opinion
Feber Sp. z o.o.	KPMG Audyty Sp. z o.o.	December 31st 2008	unqualified
Inter Cars Ukraina	n/a	December 31st 2008	n/a
Lauber Sp. z o.o.	n/a	December 31st 2008	n/a
Q-Service Sp. z o.o.	n/a	December 31st 2008	n/a
Inter Cars Česká Republika s.r.o.	n/a	December 31st 2008	n/a
Inter Cars Slovenská Republika s.r.o.	n/a	December 31st 2008	n/a
Inter Cars Lietuva UAB	n/a	December 31st 2008	n/a
IC Development & Finance Sp. z o.o.	n/a	December 31st 2008	n/a
Armatus Sp. z o.o.	n/a	December 31st 2008	n/a
JC Auto s.r.o.	n/a	December 31st 2008	n/a
Inter Cars Hungária Kft	n/a	December 31st 2008	n/a
JC Auto S.A.	n/a	December 31st 2008	n/a
Inter Cars d.o.o.	n/a	December 31st 2008	n/a
JC Auto s.r.l.	n/a	December 31st 2008	n/a
Inter Cars Romania s.r.l.	n/a	December 31st 2008	n/a

Except for Feber Sp. z o.o., the consolidated entities were not required by law to have their financial statements audited.

As at December 31st 2008, the balance-sheet totals of the non-audited members of the Group represented 15% of the consolidated balance-sheet total of the Group before intra-Group eliminations. The total share of these undertakings' sales revenue for the financial year ended December 31st 2008 in the Group's sales revenue before elimination of intra-Group transactions was 15%.

Information on the Inter Cars Group

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2. Financial Performance of the Inter Cars Group**2.1. General Analysis of the Consolidated Financial Statements**

Consolidated Balance Sheet

ASSETS	As at Dec 31 2008 PLN '000	% of the balance sheet total	As at Dec 31 2007 PLN '000	% of the balance sheet total
Non-current assets				
Property, plant and equipment	181,295	14.7	90,596	11.1
Investment property	57,328	4.7	43,319	5.3
Intangible assets	158,097	12.8	7,789	1.0
Investments in related undertakings	3,770	0.3	-	-
Investments available for sale	43	0.0	43	0.0
Receivables	4,547	0.4	2,367	0.3
Prepayments	1,480	0.1	1,473	0.2
Deferred tax asset	282	0.0	7,591	0.9
Total non-current assets	406,842	33.0	153,178	18.8
Current assets				
Inventories	587,900	47.7	482,693	59.2
Trade and other receivables	210,405	17.1	154,503	18.9
Income tax receivable	357	0.0	-	-
Prepayments	3,072	0.2	2,457	0.3
Cash and cash equivalents	24,922	2.0	22,879	2.8
Total current assets	826,656	67.0	662,532	81.2
TOTAL ASSETS	1,233,498	100.0	815,710	100.0

EQUITY AND LIABILITIES	As at Dec 31 2008 PLN '000	% of the balance sheet total	As at Dec 31 2007 PLN '000	% of the balance sheet total
Equity				
Share capital	27,472	2.2	23,642	2.9
Share premium account	247,785	20.1	21,415	2.6
Statutory reserve funds	104,595	8.5	65,975	8.1
Other capital reserves	5,935	0.5	5,192	0.6
Currency translation differences on consolidation	1,226	0.1	(1,920)	0.2
Retained earnings and current year profit	31,112	2.5	52,608	6.5
Equity attributable to equity holders of the parent	418,125	33.9	166,912	20.5
Minority interests	-	-	1,151	0.1
Total equity	418,125	33.9	168,063	20.6
Liabilities				
Liabilities under loans, bonds and finance lease	113,462	9.2	38,794	4.8
Provisions	148	0.0	-	-
Deferred tax liability	10,958	0.9	8,568	1.0

Information on the Inter Cars Group*(PLN '000)*

Non-current accruals and deferred income	7	0.0	-	-
Total non-current liabilities	124,575	10.1	47,362	5.8
Trade and other payables	247,684	20.1	261,412	32.0
Liabilities under loans, bonds and finance lease	425,124	34.5	318,574	39.1
Employee benefits	2,573	0.2	818	0.1
Income tax expense	979	0.1	10,063	1.2
Provisions	1,621	0.1	851	0.1
Current accruals and deferred income	12,817	1.0	8,567	1.1
Total current liabilities	690,798	56.0	600,285	73.6
Total liabilities	815,373	66.1	647,647	79.4
TOTAL EQUITY AND LIABILITIES	1,233,498	100.0	815,710	100.0

Information on the Inter Cars Group

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2.1.1. Consolidated Income Statement

	Jan 1–Dec 31 2008 PLN '000	% of sales revenue	Jan 1–Dec 31 2007 PLN '000	% of sales revenue
<i>restated</i>				
CONTINUED OPERATIONS				
Sales revenue	1,737,956	100.0	1,326,894	100.0
Cost of sales	(1,202,945)	69.2	(958,287)	72.2
Gross profit on sales	535,011	30.8	368,607	27.8
Other operating income	25,183	1.4	19,651	1.5
Selling costs, general and administrative expenses	(273,582)	15.7	(154,609)	11.7
Cost of distribution services	(195,566)	11.3	(127,292)	9.6
Cost of management stock option plan	(743)	0.0	(3,330)	0.2
Other operating expenses	(14,934)	0.9	(15,348)	1.2
Operating profit	75,369	4.3	87,679	6.6
Financial income	1,658	0.1	939	0.1
Foreign exchange gains/(losses)	(9,043)	0.5	38	0.0
Financial expenses	(33,477)	1.9	(14,996)	1.1
Loss on interests in associated undertakings	(106)	0.0	-	-
Profit before tax	34,401	2.0	73,660	5.6
Corporate income tax	(8,984)	0.5	(15,696)	1.2
Net profit	25,417	1.5	57,964	4.4
Attributable to:				
equity holders of the parent	26,568	1.5	58,608	4.4
minority interests	(1,151)	0.1	(644)	0.0
Net profit	25,417		57,964	
- basic (PLN)	1.90	0.0	4.90	0.0
- diluted (PLN)	1.87	0.0	4.85	0.0

2.2. Selected Financial Ratios

	2008	2007	2006
1. Net margin net profit x 100% / net sales revenue	1.5%	4.4%	1.9%
2. Return on equity net profit x 100% / equity - net profit	6.5%	52.6%	21.2%
3. Average collection period average gross trade receivables x 365 days / net sales revenue	28 days	26 days	26 days
4. Debt ratio liabilities x 100% / total equity and liabilities	66.1%	79.4%	74.8%
5. Liquidity ratio current assets / current liabilities	1.2	1.1	1.1

- Net sales revenue includes net revenue on sales of products, goods for resale and materials.
- Average gross trade receivables represent the arithmetic mean of the opening and closing balances of trade receivables before impairment charges.

2.1. Interpretation of the Ratios

The net margin decreased compared with the previous year due to the lower net profit generated by the Group in the audited financial year. The main causes of the declining net profit included more rapid growth of selling costs and general and administrative expenses as compared to the growth rate of the sales revenue, which was mainly attributable to the merger with JC Auto. Moreover, in the audited year, the Inter Cars Group reported significant foreign exchange losses related to the considerable weakening of the Polish zloty against the euro.

Return on equity was lower due to the drop in net profit for 2008 and, more importantly, to the significant growth in equity, caused mainly by the issue of shares in connection with the merger with JC Auto.

The liquidity ratios and the average collection period remained at levels comparable to those reported in the previous years.

The debt ratio fell relative to 2007, mainly due to the considerable rise in equity related to the merger with JC Auto.

The Inter Cars Group finances its activities using mainly bank loans and borrowings (chiefly short-term instruments).

3. Detailed Information

3.1. Accounting Policies

The Parent Undertaking maintains up-to-date records on the accounting policies adopted by the Parent Undertaking's Management Board and applied by the Inter Cars Group.

An overview of the adopted accounting policies – to the extent required under the International Financial Reporting Standards endorsed by the European Union – is presented in the notes to the consolidated financial statements.

Since not all of the undertakings comprising the Inter Cars Group apply the same accounting policies as the Parent Undertaking, for the purposes of preparing the consolidated financial statements, the data in the financial statements of these undertakings was restated so as to conform to the accounting policies applied by the Parent Undertaking.

The financial statements of the consolidated undertakings were prepared as at the same balance-sheet date as those of the Parent Undertaking.

3.2. Basis for the Preparation of the Consolidated Financial Statements

The consolidated financial statements of the Inter Cars Group were prepared in compliance with the International Financial Reporting Standards as endorsed by the European Union and other applicable laws and regulations.

The consolidated financial statements were prepared based on consolidation documents, which comply with the requirements laid down in the Regulation of the Minister of Finance, dated December 12th 2001, on detailed rules governing preparation of financial statements of related undertakings by entities other than banks or insurance companies (Dz. U. of 2001, No. 152, item 1729).

3.3. Consolidation Method

The applied consolidation method is presented in Note 1 to the consolidated financial statements.

3.4. Consolidation Goodwill

The method for determining the consolidation goodwill is presented in Note 33 to the consolidated financial statements.

3.5. Equity Consolidation and Computation of Minority Interests

The share capital of the Parent Undertaking is the share capital of the Group.

The other components of the Group's equity are calculated by adding the particular components of the equity of the consolidated subsidiary undertakings, corresponding to the Parent Undertaking's percentage share in the subsidiary undertakings' equity as at the balance-sheet date, to the relevant components of the Parent Undertaking's equity.

The Group's equity aggregates only those components of the subsidiary undertakings' equity which were created after the Parent Undertaking took control over the subsidiaries.

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The minority shareholders' equity in the consolidated subsidiary undertakings was computed based on the shareholders' percentage share in the subsidiaries' equity as at the balance-sheet date.

3.6. Consolidation Eliminations

Consolidation eliminations were made with respect to intra-Group payables and receivables.

During consolidation, eliminations were made with respect to sales between the Group companies, and other intra-Group operating income and expenses and financial income and expenses.

The data for the eliminations was sourced from the accounting records of Inter Cars S.A. and reconciled with the data obtained from subsidiary undertakings.

3.7. Notes to the Consolidated Financial Statements

The data contained in the notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, was presented in a complete and correct manner in all material respects. The data forms an integral part of the consolidated financial statements.

3.8. Directors' Report on the Group's Activities

The Directors' Report on the Inter Cars Group's activities contains, in all material respects, the information referred to in Art. 49 of the Polish Accountancy Act and the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz.U. of 2009, No. 33, item 259), and the information contained therein is consistent with the consolidated financial statements.

3.9. Auditor's Opinion

Based on the audit of the consolidated financial statements of the Inter Cars Group as at December 31st 2008, we have issued an unqualified opinion.

.....
Qualified Auditor Reg. No. 11505/8222
Jędrzej Szalacha

.....
For KPMG Audyt Sp. z o.o.
ul. Chłodna 51, 00-867 Warsaw
Qualified Auditor Reg. No.
90048/7421
Mirosław Matusik, Member of the
Management Board

April 30th 2009
Warsaw, Poland

INDEPENDENT AUDITOR'S OPINION

For the General Shareholders Meeting of Inter Cars S.A.

We have audited the accompanying consolidated financial statements of the Inter Cars Group, registered office at ul. Powsińska 64, Warsaw, Poland (“the Inter Cars Group”), including the consolidated balance sheet as at December 31st 2008, showing a balance-sheet total of PLN 1,227,722 thousand, consolidated income statement for the year ended December 31st 2008, showing a net profit of PLN 25,417 thousand, statement of changes in consolidated equity for the year ended December 31st 2008, showing an increase in consolidated equity of PLN 250,062 thousand, consolidated cash-flow statement for the financial year ended December 31st 2008, showing a net increase in cash of PLN 2,043 thousand, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

Responsibility of the Management Board

The preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards, as endorsed by the European Union, and other applicable laws is the responsibility of the Parent Undertaking's Management Board. This responsibility includes the planning, implementation and maintenance of internal control mechanisms supporting the preparation and fair presentation of financial statements which are free from misstatements, whether caused by fraud or error, the selection and application of appropriate accounting policies, and making accounting estimates which are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to present an opinion on the consolidated financial statements based on our audit. We carried out the audit in line with the provisions of Chapter 7 of the Polish Accountancy Act of September 29th 1994 (Dz. U. of 2002, No. 76, item 694, as amended), the professional auditing standards issued by the National Council of Auditors (*Krajowa Rada Biegłych Rewidentów*) and the International Standards on Auditing. These regulations require that we proceed in compliance with the principles of ethics and that we plan and carry out our audit in such a manner as to obtain reasonable assurance that the financial statements are free from material misstatements.

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An audit involves the execution of audit procedures to obtain evidence relevant to the amounts and disclosures in the financial statements. The choice of the audit procedures depends on the auditor's judgement, including an assessment of the risk that the financial statements may include material misstatements, whether caused by fraud or error. When estimating this risk, the auditor takes into consideration the internal control mechanisms related to the preparation and fair presentation of the financial statements, in order to plan appropriate audit procedures under the circumstances rather than to express an opinion on the effectiveness of the company's internal control system. An audit also includes an assessment whether the applied accounting policies were appropriate and the estimates made by the Management Board reasonable, as well as an assessment of the overall presentation of the financial statements.

We believe that the evidence obtained during the audit provided us with a sufficient and appropriate basis to issue an opinion.

Opinion

In our opinion, the accompanying consolidated financial statements of the Inter Cars Group give a true and fair view of the assets and financial position of the Inter Cars Group as at December 31st 2008, and of its financial result and cash flows for the financial year ended December 31st 2008. The financial statements were prepared, in all material respects, as required by the International Financial Reporting Standards endorsed by the European Union and in compliance with the laws and regulations applicable to the Group and consolidated financial statements.

Other Issues

Moreover, as required by the provisions of the Polish Accountancy Act, we state that the Directors' Report on the Inter Cars Group's activities contains, in all material respects, the information referred to in Art. 49 of the Polish Accountancy Act and the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz.U. of 2009, No. 33, item 259), and the information contained therein is consistent with the consolidated financial statements.

.....
Qualified Auditor Reg. No. 11505/8222
Jędrzej Szalacha

.....
For KPMG Audyt Sp. of o.o.
ul. Chłodna 51, 00-867 Warsaw
Qualified Auditor No. 90048/7421
Mirosław Matusik, Member of the
Management Board

April 27th 2009
Warsaw, Poland

INFORMATION ON INTER CARS S.A.

1. 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 passenger cars and other motor vehicles.

2. 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

3. Contact Data

Phone No. (+48-22) 714 19 16
Fax No. (+49-22) 714 19 18
bzarzadu@intercars.com.pl
relacje.inwestorskie@intercars.com.pl
www.intercars.com.pl

4. Supervisory Board

Andrzej Oliszewski, Chairman
Jolanta Oleksowicz-Bugajewska
Maciej Oleksowicz
Michał Marczak
Jacek Klimczak

5. Management Board

Krzysztof Oleksowicz, President
Robert Kierzek, Vice-President
Krzysztof Soszyński, Vice-President
Wojciech Milewski, Member
Piotr Kraska, Member

6. Auditor

KPMG Audyt Sp. z o.o.
ul. Chłodna 51
00-867 Warsaw

(PLN '000)

7. Legal Advisors

W. Olewniczak i Doradcy Kancelaria Prawna Spółka Komandytowa
ul. Marszałkowska 115
Warsaw
Joanna Wasilewska & Partnerzy, Kancelaria Radców Prawnych,
ul. Źródłana 11 a
Poznań

8. Banks (as at the date of approval of the financial statements)

Bank Pekao S.A. ul. Grzybowska 53/57 00-950 Warsaw	ABN Amro S.A. ul. 1-go Sierpnia 8A 02-134 Warsaw
Bank Handlowy w Warszawie S.A. ul. Senatorska 16 00-923 Warsaw	BRE Bank S.A. ul. Senatorska 18 00-950 Warsaw
ING Bank Śląski S.A. Pl. Trzech Krzyży 10/14 00-499 Warsaw	Fortis Bank S.A. ul. Postępu 15 02-676 Warsaw
Kredyt Bank S.A. ul. Kasprzaka 2/8 01-211 Warsaw	Raiffeisen Bank Polska S.A. ul. Piękna 20 00-549 Warsaw
Bank Zachodni WBK S.A. ul. Rynek 9/11 50-950 Wrocław	

9. Inter Cars' Subsidiary Undertakings Included in Consolidation as at December 31st 2008

Inter Cars Ukraina 29009 Khmelnytsky, Tolstogo 1/1 Ukraine	Feber Sp. z o.o. ul. Powsińska 64, 02-903 Warsaw Poland
Inter Cars Česká republika Novodvorská 1010/14 142 01 Prague, the Czech Republic	Q-Service Sp. z o.o. ul. Gdańska 15, 05-152 Cząstków Mazowiecki Poland
Lauber Sp. z o.o. (formerly Eltek) ul. Portowa 35A, 76-200 Słupsk Poland	Inter Cars Slovenská Republika s.r.o. Ivánska cesta 2, Bratislava Slovakia
Inter Cars Lietuva UAB J. Kubiliaus g. 18, Vilnius Lithuania	IC Development & Finance Sp. z o.o. (formerly R-J) ul. Dorodna 33 03-195 Warsaw Poland
Inter Cars Romania s.r.l. Calea Baciului 87 400230 Cluj-Napoca, Romania	

As a result of the merger with the JC Auto Group, on February 29th 2008, the Inter Cars Group was expanded to include the following companies:

ARMATUS Sp. z o.o. ul. Powsińska 64 02-903 Warsaw	JC Auto s.r.o. Lazensky park 10, c.p. 329 735 03 Karvina- Darkom, the Czech Republic
----------------------------------------------------------------	---------------------------------------------------------------------------------------------------

Information on the Inter Cars Group

(PLN '000)

Inter Cars Hungaria Kft. (formerly JC Auto Kereskedelmi Kft.) Klapka Utca 4 H-1134 Budapest, Hungary	JC Auto S.A. Rue du Parc Industriel 3D 1440 Brain-le-Chateau, Belgium
Inter Cars d.o.o. (formerly JC Auto d.o.o.) Radnička cesta 27 1000 Zagreb, Croatia	JC Auto s.r.l. Viale A.Doria 48/A 20124 Milan, Italy
5 STERNE FAHWERKSTECHNIK GMBH Storkower Str 175 10369 Berlin, Germany	

Since October 30th 2008, Inter Cars has held shares in **SMiOC FRENOPLAST Bułhak i Cieślowski S.A.**, Korpele 75, 12-100 Szczytno.

10. Listing

The shares of Inter Cars S.A. (the Parent Undertaking) are listed in the continuous trading system on the Warsaw Stock Exchange.

11. Management Board Statement

1) To the best of our knowledge, the annual consolidated financial statements and the comparable data have been prepared in compliance with the International Financial Reporting Standards as endorsed by the European Union, and give a true, fair and clear view of the Group's assets, financial standing and financial results, and the annual consolidated Directors' Report on the operations of the Group presents a fair view of its development, achievements and standing, including a description of the key risks and threats.

2) The qualified auditor of financial statements which audited the annual consolidated financial statements was appointed in compliance with applicable laws and regulations. Both the auditing firm and the qualified auditors who performed the audit met the conditions required to issue an impartial and independent report on the audited financial statements, in accordance with the applicable national laws.

Krzysztof Oleksowicz

President of the
Management Board

Robert Kierzek

Vice-President of the
Management Board

Krzysztof Soszyński

Vice-President of the
Management Board

Piotr Kraska

Member of the
Management Board

Wojciech Milewski

Member of the
Management Board

Warsaw, April 27th 2009

Balance Sheet*(PLN '000)***BALANCE SHEET**

<i>(PLN '000)</i>	note	<u>Dec 31 2008</u>	<u>Dec 31 2007</u>
ASSETS			
Non-current assets			
Property, plant and equipment	3	181,295	90,596
Investment property	4	57,328	43,319
Intangible assets	5	152,321	7,789
Investments in related undertakings	6	3,770	-
Investments available for sale	7	43	43
Receivables	10	4,547	2,367
Prepayments	12	1,480	1,473
Deferred tax asset	8	282	7,591
		401,066	153,178
Current assets			
Inventories	9	587,900	482,693
Trade and other receivables	10 11	210,405	154,503
Income tax receivable	10	357	-
Prepayments	12	3,072	2,457
Cash and cash equivalents	13	24,922	22,879
		826,656	662,532
TOTAL ASSETS		<u>1,227,722</u>	<u>815,710</u>

Notes form an integral part of the financial statements.

Balance Sheet*(PLN '000)*

EQUITY AND LIABILITIES	note	Dec 31 2008	Dec 31 2007
Equity			
Share capital	14	27,472	23,642
Share premium account		247,785	21,415
Statutory reserve funds		104,595	65,975
Other capital reserves		5,935	5,192
Currency translation differences on consolidation		1,226	(1,920)
Retained earnings and current year profit		31,112	52,608
Equity attributable to equity holders of the parent		418,125	166,912
Minority interests	15	-	1,151
Total equity		418,125	168,063
Non-current liabilities			
Long-term loans, borrowings and finance lease liabilities	16	113,462	38,794
Provisions	17	148	-
Deferred tax liability	8	5,182	8,568
Non-current accruals and deferred income	12	7	-
		118,799	47,362
Current liabilities			
Trade and other payables	18	247,684	261,412
Liabilities under loans, bonds and finance lease	16	425,124	318,574
Employee benefits	19	2,573	818
Income tax expense	28	979	10,063
Provisions	17	1,621	851
Current accruals and deferred income	12	12,817	8,567
		690,798	600,285
TOTAL EQUITY AND LIABILITIES		1,227,722	815,710

Notes form an integral part of the financial statements.

Income Statement*(PLN '000)***INCOME STATEMENT**

<i>(PLN '000)</i>	note	Jan 1 – Dec 31 2008	Jan 1 – Dec 31 2007 <i>restated</i>
Sales revenue	21	1,737,956	1,326,894
Cost of sales	22	(1,202,945)	(961,638)
Gross profit on sales		535,011	365,256
Other operating income	24	25,183	19,651
Selling costs, general and administrative expenses	23	(273,582)	(154,609)
Cost of distribution services	23	(195,566)	(127,292)
Cost of management stock option plan	23	(743)	(3,330)
Other operating expenses	25	(14,934)	(15,348)
Operating profit		75,369	84,328
Financial income	26	1,658	939
Foreign exchange gains/(losses)	26	(9,043)	3,389
Financial expenses	26	(33,477)	(14,996)
Profit/(loss) on interests in associated undertakings	6	(106)	-
Profit before tax		34,401	73,660
Corporate income tax	27	(8,984)	(15,696)
Net profit		25,417	57,964
Attributable to:			
equity holders of the parent		26,568	58,608
minority interests		(1,151)	(644)
		25,417	57,964
Earnings per share (PLN)	29		
- basic		1.90	4.90
- diluted		1.86	4.81

Notes form an integral part of the financial statements.

Statement of Changes in Consolidated Equity

(PLN '000)

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY
Statement of Changes in Consolidated Equity for the Period January 1st – December 31st 2008

(PLN '000)	Share capital	Share premium account	Statutory reserve funds	Currency translation differences	Other capital reserves	Retained earnings	Equity attributable to equity holders of the parent	Minority interests	Total equity
Equity as at Jan 1 2007	23,642	21,415	49,303	(554)	1,862	14,691	110,359	1,795	112,154
Profit for period	-	-	-	-	-	58,608	58,608	(644)	57,964
Currency translation differences	-	-	-	(1,366)	-	-	(1,366)	-	(1,366)
Capital reserve created in connection with implementation of management stock option plan	-	-	-	-	3,330	-	3,330	-	3,330
Distribution of retained earnings - dividend	-	-	-	-	-	(4,019)	(4,019)	-	(4,019)
Distribution of retained earnings – transfer to statutory reserve funds	-	-	16,672	-	-	(16,672)	-	-	-
As at Dec 31 2007	23,642	21,415	65,975	(1,920)	5,192	52,608	166,912	1,151	168,063
Profit for period	-	-	-	-	-	26,568	26,568	(1,151)	25,417
Shares issued to JC Auto S.A. shareholders	3,750	225,000	-	-	-	-	228,750	-	228,750
2007 adjustment	-	-	-	-	-	6	6	-	6
Capital reserve created in connection with implementation of management stock option plan	-	-	-	-	743	-	743	-	743
Shares issued in connection with exercise of management stock options	80	1,370	-	-	-	-	1,450	-	1,450
Distribution of retained earnings - dividend	-	-	-	-	-	(9,450)	(9,450)	-	(9,450)
Distribution of retained earnings – transfer to statutory reserve funds	-	-	38,620	-	-	(38,620)	-	-	-
Currency translation differences	-	-	-	3,146	-	-	3,146	-	3,146
Equity as at Dec 31 2008	27,472	247,785	104,595	1,226	5,935	31,112	418,125	-	418,125

Statement of Changes in Consolidated Equity

(PLN '000)

Auditor's Opinion on the Annual Consolidated Financial Statements*(PLN '000)***25. CASH-FLOW STATEMENT***(PLN '000)*

	Jan 1 – Dec 31 2008	Jan 1 – Dec 31 2007
Cash flows from operating activities		
Profit before tax	34,401	73,661
Adjustments, including:		
Depreciation and amortisation	27,709	14,786
Foreign exchange losses	11,672	150
(Gain) on disposal of property, plant and equipment	(4,464)	(2,249)
Net interest	28,164	10,280
(Gain) on revaluation of investment property	(7,078)	(4,650)
Other items, net	3,905	(6,602)
Operating profit before changes in working capital	94,309	85,376
Change in inventories	(91,448)	(226,725)
Change in receivables	(39,721)	(62,242)
Change in current liabilities	120,865	160,886
Change in accruals and deferrals	3,786	(3,717)
Cash generated by operating activities	87,791	(46,422)
Corporate income tax paid	(17,920)	(5,926)
Net cash provided by/(used in) operating activities	69,871	(52,348)
Cash flows from investing activities		
Sale of intangible assets and property, plant and equipment	17,628	-
Acquisition of intangible assets and property, plant and equipment	(70,889)	(65,439)
Acquisition of shares in associated undertakings	(3,676)	-
Cash acquired from JC Auto S.A. less acquisition cost of shares	2,800	-
Repayment of loans advanced	3,676	1,304
Loans advanced	(5,893)	(5,869)
Interest received	727	25
Net cash provided by/(used in) investing activities	(55,627)	(69,979)

Auditor's Opinion on the Annual Consolidated Financial Statements*(PLN '000)*

(PLN '000)	Jan 1 – Dec 31 2008	Jan 1 – Dec 31 2007
Cash flows from financing activities		
Proceeds from issue of shares	1,450	-
Increase/decrease in working capital loans and overdraft facilities	89,261	148,884
Interest paid	(29,022)	(10,525)
Decrease in finance lease liabilities	(9,608)	(3,511)
Redemption of debt securities	(54,832)	-
Dividends	(9,450)	(4,019)
Net cash provided by/(used in) financing activities	(12,201)	130,829
Net cash flows		
Change in cash resulting from foreign exchange gains/(losses)	-	(150)
Net change in cash and cash equivalents	2,043	8,502
Cash and cash equivalents at beginning of period	22,879	14,527
Cash and cash equivalents at end of period	24,922	22,879

Notes form an integral part of the financial statements.