

Inter Cars S.A. Capital Group

**Opinion and Report
of Independent Auditor
for the financial year ending on
31 December 2013.**

The opinion contains 3 pages
Report supplementing the opinion contains 13 pages
Supplementary report to the opinion on audit
of separate financial statement for the financial year ending on
31 December 2013.

**OPINION OF THE INDEPENDENT CHARTERED
AUDITOR**



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OPINION OF THE INDEPENDENT CHARTERED AUDITOR

For General Meeting of Inter Cars S.A.

Opinion on the consolidated financial statements

We have audited the accompanying consolidated financial statement of Inter Cars S.A. Capital Group whose parent entity is Inter Cars S.A. with its registered seated in Warsaw, at ul.Powsinska 64 ("the Capital Group"), which comprise the consolidated statement of financial position as at 31 December 2013, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information..

Management's and Supervisory Board's Responsibility for the Financial Statements

Management of the Parent Entity is responsible for the accuracy of the accounting records and the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and with other applicable regulations and preparation of the report on the Company's activities. The Board of Directors of the Parent Entity is also responsible for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whatever due to fraud or error.

According to the Accounting Act dated 29 September 1994 (Official Journal from 2013, item 330 with amendments) ("the Accounting Act"), Management of the Parent Entity and members of the Supervisory Board are required to ensure that the financial statements and the report on the Group's activities are in compliance with the requirements set forth in the Accounting Act.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements and whether the financial statements are derived from properly maintained accounting records based on our audit. The consolidated financial statement was audited pursuant to the provisions of chapter 7 of the Act of 29 September 1994, the Accounting Act, National Standards on Auditing issued by the National Council of Certified Auditors and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement..

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management of the Parent Entity, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

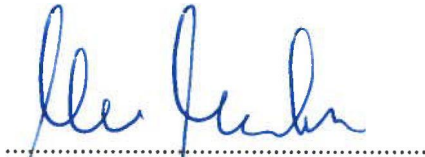
In our opinion, the accompanying consolidated financial statements of Inter Cars S.A. Group have been prepared and present fairly, in all material respects, the financial position of the Group as at 31 December 2014 and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union, and are in compliance with the respective regulations that apply to the consolidated financial statements, applicable to the Group..

Specific Comments on Other Legal and Regulatory Requirements

Report on the Group's Activities

As required under the Accounting Act, we report that the accompanying report on the Group's activities includes, in all material respects, the information required by Art. 49 of the Accounting Act and by the Decree of the Ministry of Finance dated 19 February 2009 on current and periodic information provided by issuers of securities and the conditions for recognition as equivalent information required by the law of a non-Member State (Official Journal from 2014, item 133) and the information is consistent with the consolidated financial statements.

On behalf of KPMG Audyt Spolka z ograniczona odpowiedzialnoscia sp.k. Registration No. 3546 ul. Chłodna 51 00-867 Warsaw Poland



.....
Mirosław Matusik
Kluczowy biegły rewident
Nr ewidencyjny 90048
Komandytariusz, Pełnomocnik

Key Certified Auditor Registration No. 90048 Limited Liability Partner with power of attorney
24 April 2014.

REPORT OF THE INDEPENDENT AUDITOR

Inter Cars S.A. Capital Group

**Supplementary report on the audit of the
consolidated financial statements
Financial Year ended
31 December 2013.**

Report supplementing the opinion contains 13 pages
Supplementary report to the opinion on audit
of consolidated financial statement
for the financial year ending on
31 December 2013.

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1. GENERAL

1.1. Identification of the Group

1.1.1. Name of the Group Inter Cars S.A. Capital Group

1.1.2. Registered office of the Parent Company of the Group

ul. Powsińska 64 02-903

Warszawa

1.1.3. Registration of the Parent Company in the register of entrepreneurs of the National Court Register

Registration court:	District Court for the Capital City of Warsaw in Warsaw, XIII Commercial Department of the National Court Register
Date:	23 April 2001.
Registration number:	KRS 0000008734
Share capital as at the end of reporting period:	28,336,200.00 zlotys

Management of the Parent Company

The Management Board is responsible for management of the Parent Company.

The Company's Board of Directors as at 31 December 2013 consisted of the following members:

- Robert Kierzek - President of the Management Board,
- Krzysztof Soszyński - Vice-President of the Management Board,
- Krzysztof Oleksowicz - Member of the Management Board,,
- Witold Kmieciak - Member of the Management Board,,
- Wojciech Twaróg - Member of the Management Board..

On 25 April 2015. Mr Wojciech Milewski resigned from his function as a Member of the Board

On the basis of a resolution of the Supervisory Board of 16 July 2013, Mr Wojciech Twaróg was appointed a Member of the Management Board.

1.2. Information about companies comprising the Group

1.2.1. Companies included in the consolidated financial statements

As at 31 December 2013, the following companies were consolidated by the Group:

Parent Company:

- Inter Cars S.A.

Subsidiaries consolidated on the full consolidation basis::

- Inter Cars Ukraine LLC,
- 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 Hungaria Kft,
- JC Auto S.A.,
- Inter Cars d.o.o.,
- JC Auto s.r.l.,
- Inter Cars Romania s.r.l.,
- Inter Cars Latvija SIA,
- Inter Cars Cyprus Limited,
- Cleverlog Autoteile GmbH,
- Inter Cars Bułgaria Ltd,
- Inter Cars Marketing Services Sp. z o.o.,
- ILSSp. zo.o.,
- Inter Cars Malta Holding Limited,
- Inter Cars Malta Limited,
- Q-Service Truck Sp. z o.o.,
- InterMeko Sp. z o.o.

The following subsidiaries were consolidated for the first time during the year ended 31 December 2013, as a result of the Parent Company acquiring a controlling interest:

- Inter Cars Malta Holding Limited - subject to consolidation for the period from 27 February to 31 December 2013.
- Inter Cars Malta Limited - subject to consolidation for the period from 27 February to 31 December 2013.
- Q-Service Truck Sp. z o.o. - subject to consolidation for the period from 13 December to 31 December 2013..
- InterMeko Sp. z o.o. - - subject to consolidation for the period from 23 December to 31 December 2013.

1.3. Key Certified Auditor and Audit Firm Information

1.3.1. Key Certified Auditor information

Name and surname: Mirosław Matusik
Registration number: 90048

1.3.2. Audit Firm information

Company: KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. ul.
Address: Chłodna 51, 00-867 Warszawa KRS 0000339379
Registration number: Sąd Rejonowy dla m.st. Warszawy w Warszawie,
XII Wydział Gospodarczy Krajowego Rejestru Sądowego 527-26-15-362
Sąd rejestrowy: 362

NIP number: KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. is entered into the register of audit firms, maintained by the National Council of Certified Auditors, under number 3546.

1.4. Prior period consolidated financial statements

The consolidated financial statements for the financial year ended 31 December 2013 were audited by KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. and received an unmodified opinion.

The consolidated financial statements were approved at the General Meeting of the Parent Entity on 11 June 2013.

The consolidated financial statements were submitted to the Registry Court on 27 June 2013.

1.5. Audit scope and responsibilities

This report was prepared for the General Meeting of Inter Cars S.A. with its registered office in Warsaw, ul. Powsinska 64 and relates to the consolidated financial statements comprising: the consolidated statement of financial position as at 31 December 2013, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

The consolidated financial statements were audited in accordance with the contract dated 24 July 2013, concluded on the basis of the resolution of the Supervisory Board dated 27 May 2013 on the appointment of the auditor.

We conducted the audit in accordance with section 7 of the Accounting Act dated 29 September 1994 (Official Journal from 2013, item 330 with amendments) ("the Accounting Act"), National Standards on Auditing issued by the National Council of Certified Auditors, and International Standards on Auditing.

We audited the consolidated financial statements at the Group entities during the period from 3 March 2014 to 14 March 2014.

Management of the Parent Company is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with other applicable regulations and preparation of the report on the Group's activities.

Our responsibility is to express an opinion and to prepare a supplementary report on the audit of the financial statements.

The Management Board of the Parent Company submitted a statement, dated as at the same date as this report, as to the true and fair presentation of the accompanying consolidated financial statements, which confirmed that there were no undisclosed matters which could significantly influence the information presented in the consolidated financial statements.

All required statements, explanations and information were provided to us by Management of the Group and all our requests for additional documents and information necessary for expressing our opinion and preparing the report have been fulfilled.

The scope of the work planned and performed has not been limited in any way.

The method and scope of our audit is detailed in working papers prepared by us and retained in the offices of the Audit Firm

The Key Certified Auditor and the Audit Firm fulfil the independence requirements as described in Art. 56 points 3 and 4 of the Act on Certified Auditors and their Self-Governance, Audit Firms authorized to Audit Financial Statements and Public Oversight dated 7 May 2009 (Official Journal from 2009 No. 77, item 649 with amendments).

6.1 Information on audits of the financial statements of the consolidated companies

6.1.1 Parent company

The separate financial statements of the Parent Company for the year ended 31 December 2013 were audited by KPMG Audyty Spółka z ograniczoną odpowiedzialnością sp.k., certified auditor number 3546, and received an unmodified opinion.

6.1.2 Other consolidated entities

<u>Entity's name</u>	<u>Authorised auditor</u>	<u>Financial year ended on</u>	<u>Type of auditor's opinion</u>
Feber Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31-12-2013	unmodified
Inter Cars Ukrainę LLC	not audited*	31-12-2013	not audited*
Lauber Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp k	31-12-2013	audit in progress
Q-Service Sp. z o o .	-	31-12-2013	audit in progress
Inter Cars Ceska Republika s r.o.	AVK spoi. s.r.o	31-12-2013	unmodified
Inter Cars Slovenska Republika s.r o.	Anna Bachrata	31-12-2013	unmodified
Inter Cars Lietuva UAB	UAB Revizorius	31-12-2013	modified opinion
IC Development & Finance Sp. z o.o.	not audited*	31-12-2013	not audited*
Armatus Sp. z o.o.	not audited*	31-12-2013	not audited*
JC Auto s.r.o.	not audited*	31-12-2013	not audited*
Inter Cars Hungaria Kft	T/K. 96 Kft.	31-12-2013	audit in progress
JC Auto S.A.	not audited*	31-12-2013	not audited*
Inter Cars d.o.o.	KPMG Chorwacja	31-12-2013	audit in progress
JC Auto s.r.l.	not audited*	31-12-2013	not audited*
Inter Cars Romania s.r.l.	Duhanes Octavian	31-12-2013	audit in progress
Inter Cars Latvija SIA	SIA Audits 55	31-12-2013	unmodified
Inter Cars Cyprus Limited	KPMG Cyprus	31-12-2013	audit in progress
Cleverlog Autoteile GmbH	not audited*	31-12-2013	not audited*
Inter Cars Bułgaria Ltd.	Veritas Audit EOOD	31-12-2013	audit in progress
Inter Cars Marketing Services Sp. z o o .	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k	30-09-2013	unmodified
ILS Sp z o o	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp k	31-12-2013	unmodified
Inter Cars Malta Limited	PriceWaterhouseCoopers Malta	31-12-2013	audit in progress
Inter Cars Malta Holding Limited	PriceWaterhouseCoopers Malta	31-12-2013	audit in progress
InterMeko Sp. z o.o	not audited**	31-12-2013	not audited**
Q-Service Truck Sp z o o	not audited**	31-12-2013	not audited**

* not required to be audited ** no activity in the year 2013

2. Financial analysis of Capital Group

2.1. Summary analysis of the consolidated financial statements

2.1.1. Consolidated statement of financial position

ASSETS	31.12.2013 PLN *000	% assets	31.12.2012 PLN '000	% assets
Non-current assets				
Property, plant and equipment	219446	12,9	226 030	14,6
Intangible assets	160 861	9,5	141 845	9,2
Investments in associates	45	-	3 795	0,2
Investments available for sale	301	■	301	■
Investment property	25 825	1,5	27 229	1,8
Receivables	11 722	0,7	13 050	0,8
Deferred tax assets	26 922	1,6	19771	1,3
Total assets	445 122	26,2	432 021	27,9
Current assets				
Current assets	818513	48,2	734 967	47,4
Trade and other receivables	377 002	22,2	343 522	22,2
Income tax receivables	5 778	0,3	933	0,1
Cash and cash equivalents	50 197	3,0	36 948	2,4
Total current assets	1 251 490	73,8	1 116 370	72,1
TOTAL ASSETS	1.696.612	100,0	1.548391	100,0
EQUITY AND LIABILITIES				
	31.12.2013 PLN '000	% assets	31.12.2012 PLN'000	% assets
Equity				
Share capital	28 336	1,7	28 336	1,8
Share premium	259 530	15,3	259 530	16,8
Reserve capital	446 251	26,3	373 750	24,2
Other reserve capital	5 935	0,4	5 935	0,4
Foreign exchange gains /losses	(3 718)	0,2	(2 400)	0,2
Retained earnings	167 432	9,9	92 096	5,9
Total equity	903 766	53,3	757 247	48,9
Liabilities				
Interest-bearing loans, borrowings and finance lease	41 040	2,4	34 997	2,3
Other long-term liabilities	284	-	322	-
Deferred tax liabilities	8 750	0,5	6 130	0,4
Total non-current liabilities	50 074	2,9	41 449	2,7
Trade and other liabilities	285 670	16,8	277 876	17,9
Interest-bearing loans and borrowings, debt securities and leasing	438 686	25,8	460 386	29,7
Employee benefits	11 949	0,7	5 716	0,4
Income tax liabilities	6 467	0,4	5 717	0,4
Short-term liabilities in total	742 772	43,7	749 695	48,4
Total liabilities	1.696.612	100,0	1.548391	100,0

2.1.2. Consolidated statement of comprehensive income

Sales revenues	3.512.647	100,0	3 003 106	100,0
Cost of sales	(2402.524)	68,4	(2.074.992)	69,1
<i>Gross profit on sales</i>	<u>1 110 123</u>	<u>31,6</u>	<u>928.114</u>	<u>30,9</u>
Other operating income	6.290	0,2	10.713	0,3
Sales and general administrative expenses	(505.764)	14,4	(441.491)	14,7
Costs of distribution service	(387.428)	11,0	(316.149)	10,5
Other operating expenses	(29.939)	0,9	(31.256)	1,0
<i>Operating profit</i>	<u>193.282</u>	<u>5,5</u>	<u>149.931</u>	<u>5,0</u>
Financial income	1.882	0,1	2.386	0,1
Exchange differences	192	•	(292)	■
Finance costs	(24.238)	0,7	(32.381)	u
Profit (loss) from associated companies	(13)	-	-	-
<i>Profit before tax</i>	<u>171.105</u>	<u>4,9</u>	<u>119.644</u>	<u>4,0</u>
Income tax	(23.268)	0,7	(19.469)	0,7
<i>Net profit from continuing operations</i>	<u>147.837</u>	<u>4,2</u>	<u>100.175</u>	<u>3,3</u>
OTHER COMPREHENSIVE INCOME				
Foreign exchange gains / losses	0.318	-	(1.562)	-
<i>Other comprehensive income, net of income tax</i>	<u>(1318)</u>		<u>(1.562)</u>	<u>*</u>
<i>Total comprehensive income in the reporting period</i>	<u>146.519</u>	<u>4,2</u>	<u>98.613</u>	<u>3,3</u>
Net profit attributable to:				
shareholders of the parent company	147.837	4,2	100.790	3,3
Non-controlling shareholders	-	-	(615)	-
	<u>147.837</u>	<u>4,2</u>	<u>100.175</u>	<u>3,3</u>
Comprehensive income attributable to:				
shareholders of the parent company	146.519	4,2	99.228	3,3
Non-controlling interest	-	-	(615)	-
	<u>146.519</u>	<u>4,2</u>	<u>98.613</u>	<u>3,3</u>
Net profit	147.837		100.175	
Average weighted number of own shares	14 168.100		14.168.100	
Basic and diluted profit per one share (in PLN)	10,43		7,07	

2.2. Selected financial ratios

1. Return on sales

4,2%	3,3%	3,8%
2013	2012	2011

$\frac{\text{net profit} \times 100\%}{\text{net revenue}}$

2. Return on equity

19,6%	15,2%	18,6%
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$\frac{\text{net profit} \times 100\% \text{ own equity} - \text{net profit}}{\text{equity and liabilities}}$

3. Debtors' days

35 days	38 days	35 days
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$\frac{\text{average trade receivables (gross)} \times 365 \text{ days}}{\text{net revenue}}$

4. Debt ratio

46,7%	51,1%	57,0%
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$\frac{\text{liabilities} \times 100\%}{\text{equity and liabilities}}$

5. Current ratio

1,7	1,5	1,8
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$\frac{\text{current assets}}{\text{current liabilities}}$

- Revenue includes revenue from sales of finished products, merchandise and raw materials.
- Average trade receivables represent the average of trade receivables at the beginning and at the end of the period, with no deduction made for allowances.

3. Detailed report

3.1. Accounting principles

The parent company has current documentation describing the accounting principles used in the Capital Group, adopted by the parent company's Board of Directors.

The adopted accounting principles have been presented in the additional information to the consolidated financial statement, in the scope required by International Financial Reporting Standards which have been approved by the European Union.

Entities included in the Group apply common accounting principles consistent with the accounting principles applied by the Parent Company.

The financial statements of the entities included in the consolidated financial statements were prepared at the end of the same reporting period as the financial statements of the Parent Company.

3.2. Basis of preparation of the consolidated financial statements

The consolidated financial statements of the Inter Cars S.A. Group were prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with other applicable regulations.

The consolidated financial statements were prepared on the basis of the consolidation documentation prepared in accordance with the requirements the Decree of the Ministry of Finance dated 25 September 2009 on principles for the preparation of consolidated financial statements of a capital group by companies other than banks and insurance companies (Official Journal from 2009 No. 169, item 1327).

3.3. Consolidation method

The method of consolidation is described in note 2.5 of the notes to the consolidated financial statements.

3.4. Goodwill arising on consolidation

The method of calculating goodwill arising on consolidation is described in note 3.3 b of the notes to the consolidated financial statements.

3.5. Consolidation of equity and calculation of non-controlling interest

The share capital of the Group is equal to the share capital of the Parent Company.

Other equity items of the Group are determined by adding the equity balances of subsidiaries included in the consolidated financial statements in the proportion reflecting the Parent Company's share in the subsidiaries' equity as at the end of the reporting period to the corresponding positions of the equity of the Parent Company.

Only equity of subsidiaries arising after the Parent Company obtained control of the subsidiary is included in the equity of the Group.

Non-controlling interests in subsidiaries included in the consolidated financial statements were determined based on the non-controlling interests' share in the subsidiaries' equity as at the end of the reporting period.

3.6. Consolidation eliminations

Intercompany balances within the Group were eliminated on consolidation.

Sales between entities and other intercompany operating revenues and expenses and financial revenues and expenses were eliminated on consolidation.

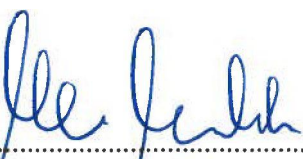
The consolidation eliminations were based on the accounting records of Inter Cars S.A. (or subsidiary entities) and agreed with information received from the subsidiaries.

3.7. Notes to the consolidated financial statements

All information included in the notes to the consolidated financial statements, comprising of a summary of significant accounting policies and other explanatory information, is, in all material respects, presented correctly and completely. This information should be read in conjunction with the consolidated financial statements.

3.8. Report of the Management Board of the Parent Company on the Group's activities

The report of the Management Board of the Parent Company on the Group's activities includes, in all material respects, the information required by Art. 49 of the Accounting Act and by the Decree of the Ministry of Finance dated 19 February 2009 on current and periodic information provided by issuers of securities and the conditions for recognition as equivalent information required by the law of a non-Member State (Official Journal from 2014, item 133) and the information is consistent with the consolidated financial statements.



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On behalf of KPMG Audyt Spolka z ograniczona odpowiedzialnoscia sp.k.
Registration No. 3546 ul. Chłodna 51 00-867 Warsaw Poland
Mirosław Matusik Key Certified Auditor Registration No. 90048 Limited
Liability Partner with power of attorney

24 April 2014.