

Dear Shareholders,

“From the very beginning of Inter Cars we are working to make operations and actions of our company as predictable as possible – we do not take any surprising decisions and we are always trying to explain our most important steps. Thanks to such strategy, for many years we have been able to constantly develop the Company, without taking unnecessary risk and bothering our business partners.

Within continuation of transparent information policy, we have prepared for you the new reference book. We hope that information it includes will help you know our company better and our plans, and also better understand our business environment in which we are operating.” - with these words CEO of Inter Cars S.A. began the reference book for investors.

In publication you will be able to find financial results, as well as plans of development of the Company and the support of business environment. You are more than welcome to get familiar with our Reference Book for Investors.



*Robert Kierzek
President of the Board
Inter Cars SA*

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Inter Cars S.A. Financial results

Inter Cars S.A. Financial results 4Q 2012 r.

Consolidated sales revenue of Inter Cars Capital Group after 4Q 2012 reached over 3 billion PLN, an increase of 8.6% year-on-year. Net profit after four quarters was 100.5 million PLN, a decrease of 3.7% year-on-year.

	2012	2011		2012	2011	
(PLN '000)	(PLN '000)		Change %	euro		Change %
Revenue	3 002 740	2 764 514	8,6%	719 460	667 741	7,7%
Operating profit	149 254	160 998	-7,3%	35 761	38 887	-8,0%
EBITDA	184 116	195 386	-5,8%	44 114	47 194	-6,5%
Gross profit	119 647	130 265	-8,2%	28 668	31 464	-8,9%
Net profit	100 508	104 376	-3,7%	24 082	25 211	-4,5%
Net profitability	3,34%	3,77%		3,35%	3,78%	
Receivables	450 240	538 867				
Current liabilities	296 473	356 262				

Revenue realized in each four quarters of 2012:

Q1 - 670 mln zł (+13%)






Q2 - 752 mln zł (+4%)

Q3 - 795 mln zł (+9%)

Q4 - 785 mln zł (+7,7%)

Results of foreign daughter distribution companies

The biggest foreign subsidiaries by revenue:

	Romania	149 mln zł (+52,5%)	35,8 mln EUR (+51,3%)
	Lithuania	120 mln zł (+33,5%)	28,9 mln EUR (+32,5%)
	Ukraine	115 mln zł (+34,9%)	27,6 mln EUR (+33,9%)
	Slovakia	111 mln zł (-0,15%)	26,6 mln EUR (-0,9%)
	Czech Republic	109 mln zł (+2,4%)	26,1 mln EUR (+1,5%)

Revenue of foreign distribution companies in 2012 were about 23.5% of revenue of the whole Inter Cars Group, an increase of 3.2% in comparison to previous year.

See also:

[Extended consolidated quarterly report for IV quarter 2012 \(PDF\)](#)

[Monthly sales report of Inter Cars Capital Group in March 2013 \(PDF\)](#)

Sales revenue of foreign daughter companies of Inter Cars after 4Q 2012 amounted to 751 million PLN, an increase of over 25% year-on-year.

Development of basic activities

Premium brands and budget brands

Offer of Inter Cars currently includes over one million automotive spare parts. Our product range includes premium brand products, from suppliers who deliver their products for the first assembly to car makers, as well as cheaper products of so called budget brands.

Thanks to such construction of our offer we are able to meet very different demands of the market: customers demanding top quality of products, can find in Inter Cars product range a wide range of premium brand products, which are an attractive alternative for usually more expensive OE spare parts available in Authorised Servicing Garages. Whereas Customers looking for savings very willingly take advantage of products with comparable quality made by budget brands, which are a reasonable choice in case of servicing older vehicles.

Such construction of product range makes Inter Cars resistant in some way to changes in car fleet and falls in sales caused by preferences of Customers and general financial condition of them. When the drivers are looking for savings, the demand for more expensive parts is decreasing, but it is compensated by increased demand for cheaper products.



Krzysztof Soszyński
Vice-President of the Management Board
Inter Cars SA

New product groups

The aim of Inter Cars is having the most complex product range – in a word, everything that can be necessary in the work of a modern automotive repair garage. Currently our product range is the biggest in Middle-Eastern Europe, but this does not mean that we should stop further development of our company, because there are still product groups, which Inter Cars can add to product range and increase its market share.

One of these groups are e.g. automotive body parts. This market is dominated by car makers, but thanks to binding in Poland, so called Repair Clause, aftermarket independent companies operate on the market with success, offering cross references of body parts. Because of this fact, two years ago we decided to introduce into our offer body parts of top quality under **BLIC brand**. Lately Inter Cars product range has also been broaden with car safety glass windows made by **Saint-Gobain Sekurit**. Thanks to this we are now able to offer car windows for 95% of cars driving on Polish roads.



Broadening the product range with new product groups is a direction in which we are planning to go, because such activities allow us to gain higher revenue and profits.

Development of basic activities

Spare parts for trucks



*Witold Kmiecik
Member of Management Board Inter Cars SA*

For many years now Inter Cars have been an unquestioned leader of Polish aftermarket of automotive spare parts for passenger cars. We estimate that in market segment of spare parts for commercial vehicles, regarding revenue level we currently take the second place. Our ambition is however, in about two years' time, to become a leader also in this market segment.

In order to realize this ambitious plan, we systematically focus on development of our product range for commercial vehicles. We have also improved our personal competence – for development of this area of activity Witold Kmiecik is now responsible, previously he was responsible for restructuring our daughter company – Feber. At the end of August last year Mr

Kmiecik also joined the Board of Managers of Inter Cars S.A. In line with development of our truck offer we are also working on development of sales support programs for this industry.

Currently Inter Cars has the widest in the market offer of technical trainings for mechanics repairing trucks and commercial vehicles. Our experience is that increase of technical knowledge of mechanics results in increase in sales of spare parts. For instance, after launching training program about servicing transmission in trucks, we have recorded a substantial increase in demand for products which are necessary for performing those repair and maintenance services. Moreover, lately we have launched for our truck repairing Customers a new website: **www.truck.intercars.com.pl** and also created a printed quarterly magazine called **Inter Truck**, which is a source of precious technical knowledge for our Customers.

Agro and Industry market

Agro parts and industry parts market is another area of activity in which there is a potential growth possibility for Inter Cars. Dynamic growth of agro market in Poland caused changes in structure of vehicle fleet and increased demand for spare parts and running materials for agricultural vehicles and machines made in Western Europe.

We are constantly increasing our product range and sales in this area. Right now Inter Cars offer include filters, belts, clutches, batteries and many more running parts for harvesters and agro tractors. We also have diagnostic devices for those technologically advanced vehicles.



Development of basic activities

Garage equipment

Bigger and bigger role in sales of Inter Cars is played by garage equipment elements. Our offer include practically all necessary in a modern garage tools and devices – beginning with simple hand tools, ending on most complex and complicated devices, e.g. for diagnosing modern diesel fuel injection systems.

Also this product range is constantly developed in Inter Cars, but we are also working on solutions which will make it much more easier for our Customers to easily browse through our offer.



Lately we have launched a new website: www.warsztat.intercars.com.pl, which provides easy access and browsing the whole garage equipment offer available in Inter Cars. The webpage is also compatible with mobile devices, thanks to this fact our sales representatives, when visiting Customers, in an easy and fast way can present particular products.

Traditionally during Inter Cars Trade Fair a large part of the exhibition is taken by garage equipment, and every year this part of Fair is visited by a great number of guests.

The most expensive and the most complicated devices need sales support through the whole year. For this purpose we have created in Kajetany Logistic Centre a special Showroom, in which our Customers can check the work of before mentioned devices for diagnostics and repair of Diesel fuel injection systems. In order to find out more about this project, please watch a **short commercial movie**.

Bike spare parts and accessories.

Bike market in Poland is constantly growing, but still it is not saturated as opposed to Southern and Western Europe markets. Despite all, the number of bikers is bigger and bigger every year, this in turn results in bigger demand for spare parts, running parts and accessories necessary for safe riding, what we are also trying to take advantage of.

Our bike offer is currently available in Inter Motors distribution chain, and also in all branches of Inter Cars S.A. in Poland. We are constantly improving availability of garage equipment for bike servicing garages. This year Inter Cars training offer included for the first time trainings for motorbike servicing garages. At the same time we are also working on development of Q-Service Moto garage chain.

It is worth adding that Inter Cars is also an importer of legendary Triumph and Ducati brands, which are more and more popular among Polish riders.



Development of basic activities

Motointegrator.pl

During last year's 12th Inter Cars EXPO there was an official premiere of new version of Motointegrator.pl website. We managed to create first so professional e-commerce service in automotive industry in Poland.

Motointegrator.pl is a website which makes it possible for the drivers to purchase spare parts in a very intuitive way online, and moreover to connect it with ordering an assembly of them in one of 1,000 service garages cooperating with Inter Cars. Thanks to well developed distribution

chain we are able to deliver ordered goods to the garage within 24h, and this fact gives our offer a very competitive advantage. No other e-shop can compete with us regarding availability and size of product range. Inter Cars brand is providing security of transactions online, what is much appreciated by the Customers. Our project is not only advantageous for the drivers and innovative, but also provides advantages for our business partners.

Our suppliers, whose products are presented on **Motointegrator.pl** webpa-

ge gained a possibility of modern promotion of their goods online, whereas cooperation with garages provides new customers for them. Advantages for Inter Cars is bigger sales of products – right now sales of tyre via Motointegrator has already exceeded all our expectations.



Today we are working on increasing brand recognition and popularity of Motointegrator. This task is supported by endorsement of a well known racing driver, Krzysztof Hołowczyc, who became an ambassador of Motointegrator brand, and this year he will support us in promotion of the project among drivers.

Development of daughter companies

Foreign distribution companies

The biggest growth dynamics and the biggest profitability from among all Inter Cars daughter companies was recorded by foreign daughters specialising in distribution of automotive spare parts.

In previous year we have recorded revenue increase on all geographical markets, on which we have our operations, and this has to be considered as a very big success.

Year by year the share of foreign daughter companies in revenue generated by whole Inter Cars Capital Group is getting bigger, and this is considered as a positive trend.



In 2012 almost quarter of revenue generated by Inter Cars group came from foreign daughters. Such income diversification makes our business safer, because this makes the revenue of the company independent from situation only on one single market.

WThis year the company which generated the biggest revenue among foreign branches was Inter Cars Romania. Within the year the company almost doubled its revenue, reaching the amount of 149 million PLN. The border of 100 million revenue this year was also exceeded by dynamic growing Daughters in Lithuania and Ukraine. This data shows the potential for Middle-Eastern Europe markets.



Foreign daughter companies of Inter Cars work in compliance with framework realized by Polish parent company. They organize their own home exhibitions, publish information newsletters and also perform trainings for employees of repair garages – including trainings performed in Show Car trucks.

Soon, in markets where we have our daughter companies, we are planning to introduce and develop Motointegrator project, and we hope that it will additionally make our position there stronger and improve our results.

Photos – Inter Cars Romania

Development of basic activities

Feber

The market of semitrailers is full of competing companies, so in order to fight for the Customer, Feber (a part of Inter Cars S.A. Capital Group) constantly needs to improve their products. Our target is reached more and more efficiently, and as a proof we can take increasing export of our vehicles to Sweden, Norway, Germany and Belgium. In 2012 every fourth semitrailer was sold abroad.

New basic model of semitrailer for 2013 undergone a lifting – it is now better equipped, better protected from corrosion and more friendly for the drivers. What is noticeable – new model is equipped with most modern lamps Hella EasyConn Next Generation with LED technology.

We have also prepared new Feber webpage – www.feber.pl. We are also constantly developing semitrailer rental system. Feber is also a distributor of special vehicles manufactured by Legras and Cometto.



Lauber

Lauber company, a part of Inter Cars Capital Group deals in factory remanufacturing of automotive spare parts. It is a very prospective segment of the market, and remanufactured spare parts are becoming more and more popular, also because of a much lower price, even by 80%, but also because of a 25-month guarantee. Lately Lauber has launched a new line for remanufacturing Common Rail injectors. The company also realizes core buy-back program (www.skuprdzeni.pl), thanks to which representatives of garages can get rid of used broken parts remaining in their garages, and at the same time earn some money on this.



Click the photo, to see a movie presenting the process of remanufacturing common rail injectors in Lauber Company.

Support for business environment (corporate social responsibility)

Trainings for independent garages

Core operations of Inter Cars S.A. largely depend on financial condition of independent servicing garages, which are main purchasers of goods offered by our company.

Because of the fact that modern cars are more and more complicated in repairing and servicing, independent garages, in order not to lose customers, must have suitable tools and diagnostic devices, but first of all must constantly invest in development of professional skills of their employees.

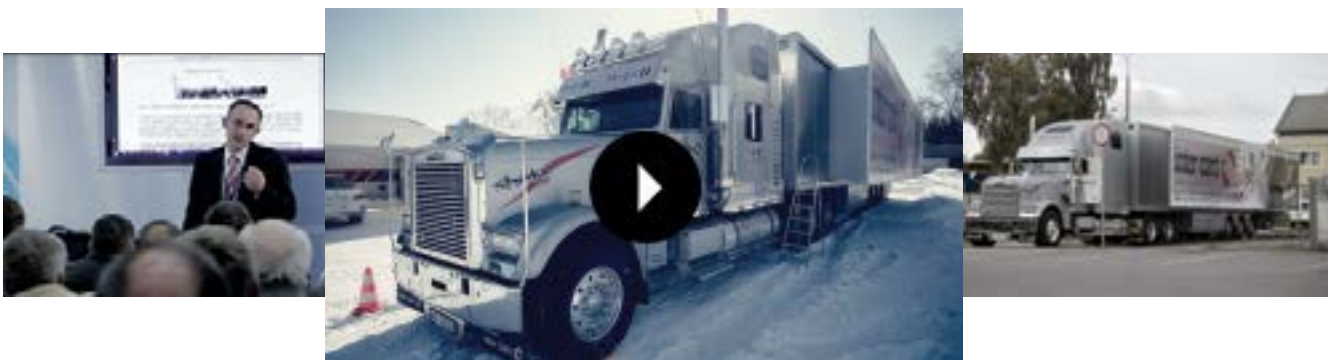
Inter Cars supports program of development of independent garages, by e.g. organizing professional technical trainings. Currently we have the widest offer of trainings not only for garages repairing passenger cars, but also for garages specialising in repairs

of trucks and commercial vehicles. Truck trainings are performed using a special MAN TGA 18.430 truck tractor, which is adapted for performing practical trainings on it.

Our offer, besides charged trainings, also include trainings which are free of charge, organized by our suppliers. In order not to limit access to technical knowledge, we are also realizing a loyalty programme, gathering points for purchases in Inter Cars, and points can later be changed for participation in trainings. In order to en-



courage mechanics even more to participate in trainings, on the base of American Freightliner trucks we have built two Show Cars, which are used as mobile training centres. Thanks to such innovative solution the mechanics don't have to cover vast distances to take part in trainings – it is enough for them just to go to the branch of Inter Cars in which an event with Show Car is being realized.



Broadening technical knowledge of the garages is a very important and responsible task. Being engaged in training programs we are constantly looking after development of the whole industry, but we also need to remember that Inter Cars trainings are also a very efficient sales support tool.

More information about our activities to be found at www.szkolonia.intercars.com.pl.

Support for business environment (corporate social responsibility)

Young HR Programme, thinking about the future.

Support delivered by us to independent garages is a very important investment in development of automotive aftermarket. But as a socially responsible business we have to look further into the future and look after our business environment also in a far longer perspective.

Having this in mind, in cooperation with our business partners we have launched a Young HR programme, which is aimed to support the youth, namely future automotive mechanics. By delivering most modern devices and garage equipment to schools, we make it much easier for the students to start their work career.



This year we have already opened three regional training centres of Young HR: in Częstochowa, Białystok and Nowy Sącz.



- „We would like pupils to graduate these schools with up-to-date knowledge, experience and being able to use the most modern tools and devices. We want to create natural environment, so that the students at school work on the same devices as they will meet when they start their work career. “ – said Wojciech Milewski, Member of the Management Board of Inter Cars S.A.

- “We look after every customer in the same way, each school gets within cooperation, besides devices, also help in launching those devices and technical trainings regarding their use, performed by our technical department.” - added Tomasz Bińkowski from Bosch Company, which is one of the Strategic Partners of our programme.

In June 2012 our Company became a member of **Coalition for Responsible Business**. More information about Young HR programme can be found at: www.szkolonia.intercars.com.pl



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