

INTER CARS GROUP

*Extended
Consolidated Quarterly Report
Q4 2009*

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PART I

CONSOLIDATED FINANCIAL STATEMENTS FOR THE FOUR QUARTERS OF 2009

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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.
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02-903 Warsaw
Poland

Central Warehouse:

ul. Gdańska 15
05-152 Czosnów near Warsaw
Poland

Contact Data

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Supervisory Board

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

Management Board

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
Piotr Kraska

Auditor

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



Inter Cars' Subsidiary Undertakings Included in Consolidation as at December 31st 2009

Inter Cars Ukraine

29009 Khmelnytsky, Tolstogo 1/1
Ukraine

Feber Sp. z o.o.

ul. Powsińska 64, 02-903 Warsaw
Poland

Inter Cars Česká Republika s.r.o.

Novodvorská 1010/14, Prague 4
The Czech Republic

Q-Service Sp. z o.o.

ul. Gdańska 15, 05-152 Częstoków Mazowiecki
Poland

Lauber Sp. z o.o.

ul. Braci Staniuków 40, 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 Sp. z o.o.)
ul. Dorodna 33 03-195 Warsaw
Poland

JC Auto s.r.l.

Viale A. Doria 48/A, 20124 Milan
Italy

Armatus Sp. z o.o.

ul. Burakowska 60, 01-794 Warsaw
Poland

Inter Cars d.o.o.

Radnička cesta 27, 1000 Zagreb
Croatia

Inter Cars Hungária Kft

Klapka Utca 4
H-1134 Budapest, Hungary

JC Auto S.A.

Rue du Parc Industriel 3D 1440 Brain-le-Chateau,
Belgium

JC Auto s.r.o.

Lazensky park 10, c.p. 329,
735 03 Karvina-Darkom
The Czech Republic

5 Sterne Fahrwerkstechnik GmbH

Storkower Str. 175, 10369 Berlin
Germany

Inter Cars Romania s.r.l.

Corneliu Coposu 167A, 400235 Cluj-Napoca
Romania

SMiOC FRENOPLAST Bułhak i Cieślowski S.A.

Korpele 75, 12-100 Szczytno
Poland

Listing

Shares of Inter Cars S.A. (the Parent Undertaking) are listed in the continuous trading system at the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.)

2. Financial and Operational Highlights of the Inter Cars Group

	<i>12 months ended</i>		<i>12 months ended</i>	
	Dec 31 2009	Dec 31 2008	Dec 31 2009	Dec 31 2008
(PLN '000)	PLN	PLN	EUR	EUR
Data on growth and profit				
Sales margin	33.8%	30.8%		
EBITDA	149,168	103,078	34,366	29,183
EBITDA as % of sales	7.2%	5.9%		
EBITDA (cumulative for 12 months)	149,168			
Net debt/EBITDA	2.99			
Basic earnings per share	4.95	1.90	1.20	0.54
Diluted earnings per share	4.95	1.87	1.20	0.53
Operating profit (loss)	119,100	75,369	27,423	21,338
Net profit (loss)	68,269	25,417	15,728	7,196
Cash flows				
Net cash provided by (used in) operating activities	116,049	69,871	26,735	19,782
Net cash provided by (used in) investing activities	(25,067)	(55,627)	(5,775)	(15,749)
Net cash provided by (used in) financing activities	(88,405)	(12,201)	(20,367)	(3,454)
Employment and number of branches as at				
	Dec 31 2009	Dec 31 2008		
Number of employees				
Parent undertaking	1,274	1,303		
Subsidiary undertakings	755	738		
Branches				
Parent undertaking	123	115		
Subsidiary undertakings	62	51		
Statement of financial position (as at)				
	Dec 31 2009	Dec 31 2008	Dec 31 2009	Dec 31 2008
Balance-sheet total	1,253,257	1,227,722	305,062	294,248
Loans, borrowings, finance lease liabilities	474,451	538,586	115,489	129,083
Equity attributable to owners of the parent	498,914	418,125	121,443	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 December 31st 2009: EUR 1 = PLN 4.1082 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 four quarters of 2009 and 2008: EUR 1 = PLN 4.3406 and EUR 1 = PLN 3.5321, respectively.

3. Statement of Financial Position

(PLN '000)

	Dec 31 2009	Dec 31 2008 (restated)
ASSETS		
Non-current assets		
Property, plant and equipment	198,746	181,295
Investment property	53,592	57,328
Intangible assets	147,955	152,321
Investments in related undertakings	4,070	3,770
Investments available for sale	43	43
Receivables	7,275	6,027
Deferred tax asset	350	282
	412,031	401,066
Current assets		
Inventories	554,283	587,900
Trade and other receivables	258,651	213,477
Income tax receivable	793	357
Cash and cash equivalents	27,499	24,922
	841,226	826,656
TOTAL ASSETS	1,253,257	1,227,722
EQUITY AND LIABILITIES		
Share capital	28,336	27,472
Share premium account	259,530	247,785
Statutory reserve funds	130,960	104,595
Other capital reserves	5,935	5,935
Currency translation differences	1,137	1,226
Retained earnings and current year profit	73,016	31,112
Equity attributable to owners of the parent	498,914	418,125
Minority interests	-	-
Total equity	498,914	418,125
Non-current liabilities		
Loans, borrowings and finance lease liabilities	385,895	113,462
Deferred tax liability	2,234	5,182
Other non-current liabilities	219	155
	388,348	118,799
Current liabilities		
Trade and other payables	272,452	262,122
Loans, borrowings and finance lease liabilities	88,556	425,124
Employee benefits	2,974	2,573
Income tax expense	2,013	979
	365,995	690,798
TOTAL EQUITY AND LIABILITIES	1,253,257	1,227,722

4. Consolidated Statement of Comprehensive Income

(PLN '000)

	<i>3 months ended</i>		<i>12 months ended</i>	
	<u>Dec 31 2009</u>	<u>Dec 31 2008</u> <i>(restated)</i>	<u>Dec 31 2009</u>	<u>Dec 31 2008</u> <i>(restated)</i>
Sales revenue	543,330	444,993	2,065,744	1,737,956
Cost of sales	(381,357)	(303,347)	(1,367,504)	(1,202,945)
Gross profit on sales	161,973	141,646	698,240	535,011
Other operating income	7,696	6,357	11,745	25,183
Selling costs, general and administrative expenses	(85,493)	(83,611)	(328,756)	(273,582)
Cost of distribution services	(58,256)	(56,835)	(243,217)	(195,566)
Cost of management stock option plan	-	(147)	-	(743)
Other operating expenses	(8,809)	4,772	(18,912)	(14,934)
Operating profit	17,111	12,182	119,100	75,369
Financial income	249	(317)	1,488	1,658
Foreign exchange gains/(losses)	868	(7,624)	(4,373)	(9,043)
Financial expenses	(8,818)	(10,769)	(32,362)	(33,477)
Profit/(loss) on interests in associated undertakings	-	(106)	300	(106)
Profit before tax	9,410	(6,634)	84,153	34,401
Corporate income tax	(1,358)	(2,123)	(15,884)	(8,984)
Net profit	8,052	(8,757)	68,269	25,417
OTHER COMPREHENSIVE INCOME				
Currency translation differences	(751)	3,174	(89)	3,146
Management stock option plan	-	147	-	743
Total other comprehensive income, net	(751)	3,321	(89)	3,889
COMPREHENSIVE INCOME	7,301	(5,436)	68,180	29,306
Net profit attributable to:				
- owners of the parent	7,582	(4,965)	67,799	28,716
- minority interests	470	(3,792)	470	(3,299)
	8,052	(8,757)	68,269	25,417
Comprehensive income attributable to:				
- owners of the parent	6,831	(1,644)	67,710	32,605
- minority interests	470	(3,792)	470	(3,299)
	7,301	(5,436)	68,180	29,306
Net profit	8,052	(8,757)	68,269	25,417
Weighted-average number of ordinary shares	13,829,715	13,736,100	13,800,198	13,400,267
Earnings per ordinary share (PLN)	0.58	(0.64)	4.95	1.90
Weighted-average diluted number of ordinary shares	13,829,715	14,003,814	13,800,198	13,667,584
Diluted earnings per ordinary share (PLN)	0.58	(0.63)	4.95	1.86

5. Statement of Changes in Consolidated Equity

For the period from January 1st to December 31st 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	-	-	-	-	-	68,269	68,269	-	68,269
Other comprehensive income									
Currency translation differences	-	-	-	(89)	-	-	662	-	662
Transactions with owners									
Share issue in connection with exercise of management stock options	864	11,745	-	-	-	-	12,609	-	12,609
Distribution of retained earnings – transfer to statutory reserve funds	-	-	26,365	-	-	(26,365)	-	-	-
As at December 31st 2009	28,336	259,530	130,960	1,137	5,935	73,016	498,914	-	498,914

For the period from January 1st to December 31st 2008

<i>(PLN '000)</i>	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	-	-	-	-	-	26,568	26,568	(1,151)	25,417
Other comprehensive income									
Currency translation differences	-	-	-	3,146	-	-	3,146	-	3,146
Transactions with owners									
Share issue in connection with merger with JC Auto	3,750	225,000	-	-	-	-	228,750	-	228,750
Share issue in connection with exercise of management stock options	80	1,370	-	-	-	-	1,450	-	1,450
2007 adjustments	-	-	-	-	-	6	6	-	6
Capital reserve created in connection with implementation of management stock option plan	-	-	-	-	743	-	743	-	743
Distribution of retained earnings – transfer to statutory reserve funds	-	-	38,620	-	-	(38,620)	-	-	-
Distribution of retained earnings – dividend	-	-	-	-	-	(9,450)	(9,450)	-	(9,450)
As at December 31st 2008	27,472	247,785	104,595	1,226	5,935	31,112	418,125	-	418,125

6. Consolidated Statement of Cash Flows

(PLN '000)

	Jan 1 2009 – Dec 31 2009	Jan 1 2009 – Dec 31 2008 restated
Cash flows from operating activities		
Profit before tax	84,153	34,401
Total adjustments, including:		
Depreciation and amortisation	30,070	27,709
Foreign exchange (gains)/losses	(4,373)	11,672
(Gain)/loss on disposal of property, plant and equipment	316	(4,464)
Net interest	28,407	28,164
(Profit)/loss on revaluation of investment property	(2,026)	(7,078)
Other adjustments, net	(88)	3,905
Operating profit before changes in working capital	136,459	94,309
Change in inventories	33,617	(91,448)
Change in receivables	(47,065)	(39,349)
Change in current liabilities	10,468	124,279
Cash generated by operating activities	133,479	87,791
Corporate income tax paid	(17,430)	(17,920)
Net cash provided by/(used in) operating activities	116,049	69,871
Cash flows from investing activities		
Sale of intangible assets and property, plant and equipment	16,008	17,628
Acquisition of intangible assets and property, plant and equipment	(40,948)	(70,889)
Acquisition of equity interests in associated undertakings	-	(3,676)
Repayment of loans advanced	696	3,676
Loans advanced	(1,283)	(5,893)
Interest received	760	727
Cash taken over from JC Auto S.A. less cost of share purchase	-	2,800
Other spending	(300)	-
Net cash provided by/(used in) investing activities	(25,067)	(55,627)
Cash flows from financing activities		
Proceeds from share issue	12,609	1,450
Increase in loans, borrowings and debt securities	25,000	89,261
Decrease in loans and borrowings, redemption of debt securities	(84,736)	(54,832)
Interest paid	(29,101)	(29,022)
Decrease in finance lease liabilities	(12,177)	(9,608)
Dividends	-	(9,450)
Net cash provided by/(used in) financing activities	(88,405)	12,201
Change in cash resulting from foreign exchange gains/(losses)	-	-
Net change in cash and cash equivalents	2,577	2,043
Cash and cash equivalents at beginning of period	24,922	22,879
Cash and cash equivalents at end of period	27,499	24,922

7. Reporting Entity

Inter Cars S.A., the parent company (“the Company”), is registered in Poland. These interim financial statements for the period ended December 31st 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 is available at www.intercars.com.pl.

The consolidated financial statements comprised the accounts of the following undertakings (together: “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%).

8. Compliance with the International Financial Reporting Standards („IFRS”)

These consolidated interim financial statements of the Inter Cars Group cover the period of twelve months ended December 31st 2009.

These condensed consolidated interim financial statements for the four quarters 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 four quarters 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 15.

These condensed consolidated interim financial statements and condensed non-consolidated interim financial statements were approved for publication by the Management Board on February 26th 2009.

9. Basis of Accounting

With the exception of changes presented in „Changes in the Accounting Policies” below and changes in presentation described in Note 12, 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 September 30th 2009.

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.

10. 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 17.

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.

11. Foreign Exchange Rates Used to Translate the Financial Figures for the Four Quarters of 2009

All figures presented in these financial statements in EUR were translated at the following exchange rates:

	2009	2008
Exchange rate prevailing on December 31st.....	4.1082	4.1724
Average exchange rate in the period January 1st – December 31st.....	4.3406	3.5321

The following rules were followed when translating the figures presented under the financial highlights in EUR '000:

- for the items of the statement of comprehensive income – the average rate was used, defined as the arithmetic mean of the rates prevailing on the last day of each month within the reporting period, as quoted by the National Bank of Poland;
- for the items of the statement of financial position – the rate prevailing on December 31st was used, that is the mid exchange rate for the euro prevailing on that date, as quoted by the National Bank of Poland;
- for the translation of the share capital – the mid exchange rates for the euro were used, as prevailing on the dates on which share capital increases following issues of consecutive share series were registered.

12. Changes in the Presentation of Financial Data

In these condensed consolidated interim financial statements prepared as at December 31st 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 Dec 31 2008	Change	Restated 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

PART II

REPORT ON THE OPERATIONS OF THE INTER CARS GROUP

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13. The Group's Operations, Consolidated and Non-consolidated Financial Results for the Four Quarters of 2009 – Summary

Financial Results of the Inter Cars Group

- In 2009, the Group saw record-breaking profits, including operating profit, profit before tax and net profit. After the four quarters of 2009, the Group earned a net profit higher than the net profit for the full year 2006, which had been the highest net profit to that date.
- In Q4 2009, operating profit increased by 40% relative to the corresponding period of the previous year.
- In Q4 2009, gross profit on sales improved by 14% relative to the corresponding period of the previous year.
- The Group recorded an increase of 19% in sales revenue compared with the corresponding period of 2008. Sales of the foreign distribution companies (stated in PLN, after consolidation eliminations) went up by 30% year on year. The export revenue growth was due to the substantial improvement in the revenues of the Slovakian, Lithuanian, and Croatian companies and of the recently established subsidiary in Romania. At the same time the sales revenue of the Group was affected by a 62% drop in sales recorded by Feber.
- Inter Cars' sales revenue generated in Poland accounted for approximately 75% of the Group's total sales revenue (after consolidation eliminations). The Polish market remains the key sales market for the Group.
- Cash generated by operating activities was PLN 116.0m.
- In Q4 2009, the sales margin was 29.81%.

Revenue went up in all geographical segments. The Company is consistent in its policy of geographical expansion in the area of Central and Eastern Europe. The CEE markets offer significant growth potential and higher net margins for the industry than the domestic market. The highest year-on-year growth in sales in the four quarters of 2009 (restated in PLN, after consolidation eliminations) was reported by the following operations: Italy (102%), Lithuania (79%), Croatia (68%). The subsidiary undertakings which generated the highest revenue for the Group were: Slovakia (60%), the Czech Republic (40%), and Ukraine (3%).

The table below sets forth the financial highlights of the Inter Cars Group for Q4 2009:

	12 months ended		12 months ended	
	Dec 31 2009	Dec 31 2008	Dec 31 2009	Dec 31 2008
	PLN	PLN	EUR	EUR
(‘000)				
Statement of comprehensive income (for period)				
Sales revenue	2,065,744	1,737,956	475,912	492,046
Gross profit (loss) on sales	698,240	535,011	160,863	151,471
Cost of management stock option plan	-	(743)	-	(210)
Net financial income/(expenses)	(35,247)	(40,862)	(8,120)	(11,569)
Operating profit (loss)	119,098	75,369	27,438	21,338
Net profit (loss)	68,267	25,417	15,728	7,196
Other financial data				
Net cash provided by (used in) operating activities	116,049	69,871	26,736	19,782
Net cash provided by (used in) investing activities	(25,067)	(55,627)	(5,775)	(15,749)
Net cash provided by (used in) financing activities	(88,405)	(12,201)	(20,367)	(3,454)
Earnings per share	4.95	1.90	1.20	0.54
Sales margin (1)	33.8%	30.8%		
EBITDA margin (2)	7.2%	5.9%		

Statement of financial position (as at)	Dec 31 2009	Dec 31 2008	Dec 31 2009	Dec 31 2008
Cash and cash equivalents	27,499	24,922	6,694	5,973
Balance-sheet total	1,253,257	1,227,722	305,062	294,248
Loans, borrowings and finance lease liabilities	474,451	538,586	115,489	129,083
Equity attributable to owners of the parent	498,914	418,125	121,443	100,212
Minority interests	-	-	-	-

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

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

('000)	12 months ended		12 months ended	
	Dec 31 2009	Dec 31 2008	Dec 31 2009	Dec 31 2008
	PLN	PLN	EUR	EUR
Statement of comprehensive income (for period)				
Sales revenue	1,858,784	1,507,416	428,232	426,776
Gross profit/(loss) on sales	580,119	453,557	133,649	128,410
Cost of management stock option plan	-	(743)	-	(210)
Net financial income/expenses	(30,142)	(35,550)	(6,944)	(10,065)
Operating profit/(loss)	103,513	62,580	23,848	17,718
Net profit/(loss)	60,437	22,912	13,924	6,487

Other financial data

Net cash provided by (used in) operating activities	102,946	74,696	23,717	21,148
Net cash provided by (used in) investing activities	(34,500)	(58,690)	(7,948)	(16,616)
Net cash provided by (used in) financing activities	(69,595)	(16,400)	(16,033)	(4,643)
Earnings per share	4.38	1.71	1.01	0.48
Sales margin (1)	31.2%	30.1%		
EBITDA margin (2)	7.0%	5.7%		

Statement of financial position (as at)	Dec 31 2009	Dec 31 2008	Dec 31 2009	Dec 31 2008
Cash and cash equivalents	11,631	12,780	2,831	3,063
Balance-sheet total	1,201,347	1,185,592	292,427	284,151
Loans, borrowings and finance lease liabilities	470,670	514,234	114,568	123,247
Equity	479,958	406,912	116,829	97,525

Sales revenue after the four quarters of 2009 was 23% higher than in the corresponding period of 2008.

Gross profit on sales was 28% higher compared with 2008. **Sales margin** went up to 31.2% in 2009, from 30.1% 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 effected 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 28,242 thousand. As at December 31st

2009, liabilities under loans, borrowings, debt securities and finance leases totalled PLN 470,670 thousand.

14. 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

- Q4 2009 saw a 12% improvement in the inventory cycle relative to Q3 2009.
- The consolidated EBITDA for the period of 12 months ended December 31st 2009 was PLN 149,170 thousand (operating profit plus depreciation/amortisation).
- In Q4 2009, trade receivables were broadly flat relative to the end of September.

The structure of the key items comprising trade and other receivables as at December 31st 2009 and September 30th 2009 is presented in the table below:

	As at Dec 31 2009	As at Sep 30 2009	Change
Trade receivables	171,728	172,489	(761)
Tax receivables	68,463	61,994	6,469
Loans advanced	7,306	6,298	1,008
Prepayments and accrued income	10,932	12,465	(1,533)

The rise in total trade receivables, which amounted to PLN 258,651 thousand in the statement of financial position as at December 31st 2009, relative to PLN 254,999 thousand as at September 30th 2009, was attributable to increased tax receivables and principally related to the VAT.

- As at the end of December 2009, the inventories decreased by PLN 49m relative to the end of September 2009, with the inventory cycle for Q4 and Q3 2009 improving by 17 days (11%), from 148 days to 131 days.
- In the sector of truck manufacturers, the declines of global manufacturers' sales reach 70%. A strong decrease (61%) 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 sales revenue no sooner than in 2010.
- 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.

15. 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.

16. Seasonality

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

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

17. Business Segments

The Inter Cars Group's structure has been shaped by the strategy of geographical expansion adopted for distribution of spare parts (Inter Cars Ukraine, Inter Cars Ceska Republika, Inter Cars Slovenska Republika, Inter Cars Lietuva, JC Auto s.r.o., Inter Cars Hungaria Kft, Inter Cars d.o.o., JC Auto s.r.l., JC Auto S.A. and Inter Cars Romania s.r.l.) and development of projects supporting the Group's core business (Lauber Sp. z o.o., Feber Sp. z o.o., Q-Service Sp. z o.o., Armatus Sp. z o.o. and IC Development & Finance Sp. z o.o.).

As at December 31st 2009, the abovementioned undertakings were consolidated with the full method, excluding FRENOPLAST, which was consolidated with the equity method. Since June 30th 2009, the date of preparation of the most recently published Inter Cars Group's consolidated financial statements, i.e. the financial statements for the first half of 2009, no changes have occurred in the composition of the Group.

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.

Business Segments

	Sale of spare parts		Other		Eliminations		Total	
	Jan 1– Dec 31 2009	Jan 1– Dec 31 2008	Jan 1– Dec 31 2009	Jan 1– Dec 31 2008	Jan 1– Dec 31 2009	Jan 1– Dec 31 2008	Jan 1– Dec 31 2009	Jan 1– Dec 31 2008
Segment's revenue from external customers:	2,016,251	1,632,893	49,493	105,064	-	-	2,065,744	1,737,957
Inter-segment revenue	230,664	118,040	65,141	44,427	(295,805)	(162,467)	-	-
Profit before tax	85,135	36,304	(664)	7,685	(318)	(2,954)	84,153	41,035

	Sale of spare parts		Other		Eliminations		Total	
	Jan 1– Dec 31 2009	Jan 1– Dec 31 2008	Jan 1– Dec 31 2009	Jan 1– Dec 31 2008	Jan 1– Dec 31 2009	Jan 1– Dec 31 2008	Jan 1– Dec 31 2009	Jan 1– Dec 31 2008
Total assets	1,359,051	1,357,202	176,563	161,410	(284,357)	(290,890)	1,253,257	1,227,722

18. 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

Syndicated Credit Facility Agreement

On July 29th 2009, a syndicated credit facility agreement 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. In Q4 2009 the agreement was also joined by Polbank.

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.

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.

Bank loans	Amount as per agreement (limit)	Carrying amount as at Dec 31 2009		Repayment date
	PLN '000	PLN '000		
Banking syndicate	480,000	350,262	non-current portion	Jul 29 2011
		55,000	current portion	Dec 31 2010
		405,262		

The current portion comprises four instalments of PLN 55m in total, payable on a quarterly basis until December 31st 2010.

In the first three quarters of 2009, Inter Cars issued debt securities. On February 1st 2007 Inter Cars and ING Bank Śląski S.A. signed an agreement on a note issue programme. The notes are offered pursuant to Art. 9.3 of the Bond Act of June 29th 1995, without carrying out a public offering within the meaning of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of July 29th 2005 (Dz.U. No. 184, item 1539, as amended) or any regulations that may replace it. Pursuant to the above agreement, the Company may issue short-term notes with maturities ranging from seven days to one year, and medium-term notes with maturities ranging from one to three years. The term of the programme is five years, and its maximum amount was set at PLN 150,000,000 (one hundred and fifty million zloty).

Table I presents information on notes issued until the balance-sheet date.

Table I

Tranche No.	Date of acquisition	Maturity date	Proceeds from the issue of notes
89	May 29 2009	Jul 17 2009	25,000
90	Jul 7 2009	Aug 7 2009	11,700
91	Jul 17 2009	Aug 31 2009	25,000

Table II presents information on notes issued and outstanding as at the balance-sheet date.

Table II

Tranche No.	Date of acquisition	Maturity date	Proceeds from the issue of notes
92	Aug 31 2009	May 31 2010	25,000

The purpose of the notes issue is to reduce the costs of financing of the Group's operations. The notes are denominated in the Polish złoty and are issued in the form of unsecured, discount (zero-coupon) bearer securities in entry-form. The notes will be redeemed at par value at the registered offices of the issue agent.

20. Contingent Liabilities and Sureties

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

Sureties issued by Inter Cars S.A.:

<i>(PLN '000)</i>	valid until	as at	
		Dec 31 2009	Sep 30 2009
For the benefit of			
Inter Cars Hungaria Kft.	Feb 20 2016	4,065	4,186
Lauber Sp. z o.o.	Sep 26 2011	197	197
Inter Cars Česká Republika, Inter Cars Slovenská Republika, Inter Cars Hungária, Inter Cars d.o.o., Inter Cars Romania	Dec 31 2010	4,108	4,222
Inter Cars Slovenská Republika	24 Jun 2010	4,396	4,518
		12,766	13,123

21. 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.

22. List of Shareholders Holding 5% or More of the Total Vote as at the Date of Releasing 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	35.09%	35.09%
Andrzej Oliszewski	1,502,370	3,088,740	10.60%	10.60%
AIG OFE (Open-Ended Pension Fund)	1,122,802	2,245,604	7.92%	7.92%
ING OFE (Open-Ended Pension Fund)	745,342	1,490,684	5.26%	5.26%
AVIVA OFE (Open-Ended Pension Fund)	696,107	1,392,214	4.91%	4.91%

There were no changes in the ownership of major holdings of the Company shares from the date of the previous quarterly report. However, there was a change in interests in the share capital increased in connection with the exercise of management stock options.

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

23. Overview of 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 7,258,581 shares, conferring the right to 51.23% of the total vote at the General Shareholders Meeting of Inter Cars S.A.

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

Name	No. of shares	Aggregate par value (PLN)	Share capital held (%)	Total vote held (%)
Krzysztof Oleksowicz	4,972,271	9,944,542	35.09%	35.09%
Andrzej Oliszewski	1,502,370	3,004,740	10.60%	10.60%
Maciej Oleksowicz	-	-	0.00%	0.00%
Jolanta Oleksowicz – Bugajewska	499,272	988,544	3.52%	3.52%
Robert Kierzek	74,834	149,668	0.53%	0.53%
Krzysztof Soszyński	74,834	149,668	0.53%	0.53%
Wojciech Milewski	67,500	135,000	0.48%	0.48%
Piotr Kraska	67,500	135,000	0.48%	0.48%
Total	7,258,581	14,517,162	51.23%	51.23%

Changes in the ownership of the Company shares held by the management and supervisory staff after the release of the previous quarterly report:

Name	No. of shares as at Nov 6 2009	Increases in the exercise of management stock option	Decreases	No. of shares as at March 1 2010
Krzysztof Oleksowicz	4,972,271	-	-	4,972,271
Andrzej Oliszewski	1,544,370	-	42,000	1,502,370
Maciej Oleksowicz	20,000	-	20,000	-
Jolanta Oleksowicz – Bugajewska	524,272	-	25,000	499,272
Robert Kierzek	-	74,834	-	74,834
Krzysztof Soszyński	-	74,834	-	74,834
Wojciech Milewski	-	67,500	-	67,500
Piotr Kraska	-	67,500	-	67,500
Total	7,060,913	284,668	87,000	7,258,581

Management Stock Option Plan

On February 6th 2006, the Extraordinary General Shareholders Meeting of Inter Cars S.A. resolved to adopt an incentive scheme dedicated to members of its management bodies, other members of the management staff, and employees with a key role from the point of view of the Group's strategy. On December 8th 2006, the Extraordinary General Shareholders Meeting introduced changes to the incentive scheme, announced in Current Report No. 31/2006 of December 8th 2006.

In August 2009, as a result of eligible persons' subscription for Series F1 shares, 147,332 Series A1 subscription warrants expired.

147,332 Series F1 shares were subscribed for in exchange for the warrants. The basis for the change of rights was resolution of February 6th 2006 of the Extraordinary General Shareholders Meeting of Inter Cars S.A. concerning issue of Series A subscription warrants conferring the right to subscribe for Inter Cars S.A. shares and waiver of pre-emptive rights to Series A subscription warrants.

In December 2009, as a result of eligible persons' subscription for Series F2 and F3 shares, 284,668 Series A2 and A3 subscription warrants expired.

The exercise price of an option was tied to the initial exercise price specified in the rules of the incentive scheme (PLN 24.81), as well as to movements of the WIG index in relation to the reference value set forth in the rules (37,221.99 points). The exercise price was increased/decreased by a percentage growth/decline in the value of the WIG index up to the date of the options vesting (i.e. to January 1st 2007, 2008 and 2009, as appropriate).

The incentive scheme had four participants who are members of the Company's Management Board. The persons covered by the first tranche acquired the right to purchase the total of 157,333 shares in Inter Cars S.A. at the price of PLN 33.59 per share. Under the second tranche, they acquired the right to purchase further 157,333 shares at the price of PLN 37.13 per share. Under the third tranche, they acquired the right to acquire 157,334 shares at the price of PLN 18.15 per share.

The fair value of the management stock options is measured using a three-step binomial model. The model requires the following input data: the exercise price and the value of the WIG index (which the rules of the incentive scheme set at PLN 24.81 and 37,221.99 points, respectively) volatility of return on the shares and the WIG index (at the respective levels of 33.97% and 16.77%), and the interest rate for the period ending December 31st 2007, set at 4.43%. In 2006, the Company recognised the cost of the management stock option plan of PLN 1,862 thousand, assuming full exercise of the options by all eligible persons. In 2007, the Company recognised the cost of the management stock option plan of PLN 3,330 thousand, assuming full exercise of the options by all eligible persons. In 2008, the Company recognised the cost of the

management stock option plan of PLN 743 thousand, assuming full exercise of the options by all eligible persons. The total cost of the stock option plan amounted to PLN 5,935 thousand.

24. Information on Court, Arbitration and Administrative Proceedings

In 2009, no proceedings had been brought before any court or administrative body with respect to any liabilities or claims of Inter Cars S.A. or its subsidiary undertakings whose aggregate value would represent 10% or more of the Company's equity.

Moreover, no proceedings are pending before any court or administrative body with respect to any liabilities or claims of Inter Cars S.A. or its subsidiary undertakings whose aggregate value would represent 10% or more of the Company's equity.

25. Related-Party Transactions

(PLN '000)

	<u>Jan 1–Dec 31 2009</u>	<u>Jan 1–Dec 31 2008</u>
<i>Remuneration of the members of the Supervisory and Management Boards</i>		
Remuneration of the Supervisory Board members	208	167
Remuneration of the Management Board members	<u>2,650</u>	<u>2,460</u>
	2,858	2,627
	<u>Jan 1–Dec 31 2009</u>	<u>Jan 1–Dec 31 2008</u>
<i>Related-party transactions</i>		
Revenue on sales to related parties	1,667	1,305
Goods and services purchased from related parties	8,807	7,960
	<u>Dec 31 2009</u>	<u>Dec 31 2008</u>
<i>Balance of settlements with related parties</i>		
Receivables from related parties	330	423
Liabilities to related parties	254	445

26. 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

In 2009, no material factors occurred which could have a bearing on the assessment of the Company's personnel, assets and financial position and its net profit (loss).

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

No such events occurred.

28. 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 Q1 2010 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.

PART III

Q1-Q4 2009 NON-CONSOLIDATED QUARTERLY FINANCIAL STATEMENTS OF INTER CARS S.A.

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29. Statement of Financial Position

(PLN '000)

	<u>Dec 31 2009</u>	<u>Dec 31 2008</u> <i>(restated)</i>
ASSETS		
Non-current assets		
Property, plant and equipment	147,912	138,571
Intangible assets	145,090	149,916
Investment property	2,768	2,768
Investments in subordinated undertakings	37,240	37,240
Investments available for sale	43	43
Receivables	80,673	65,522
Deferred tax asset	-	-
	413,726	394,060
Current assets		
Inventories	416,361	471,098
Trade and other receivables	359,629	307,440
Income tax receivable	-	214
Cash and cash equivalents	11,631	12,780
	787,621	791,532
TOTAL ASSETS	1,201,347	1,185,592
EQUITY AND LIABILITIES		
Equity		
Share capital	28,336	27,472
Share premium account	259,530	247,785
Statutory reserve funds	125,397	102,485
Other capital reserves	5,935	5,935
Retained earnings and current year profit	60,760	23,235
	479,958	406,912
Non-current liabilities		
Long-term loans, borrowings and finance lease liabilities	383,471	110,276
Deferred tax liability	3,192	3,692
	386,663	113,968
Current liabilities		
Trade and other payables	244,326	259,282
Short-term loans, borrowings, debt securities and finance lease liabilities	87,199	403,958
Employee benefits	1,646	1,472
Income tax expense	1,555	-
	334,726	664,712
TOTAL EQUITY AND LIABILITIES	1,201,347	1,185,592

30. Statement of Comprehensive Income

(PLN '000)

	<i>3 months ended</i>		<i>12 months ended</i>	
	<u>Dec 31 2009</u>	<u>Dec 31 2008</u> <i>(restated)</i>	<u>Dec 31 2009</u>	<u>Dec 31 2008</u> <i>(restated)</i>
Sales revenue	497,208	392,881	1,858,784	1,507,416
Cost of sales	(359,148)	(261,771)	(1,278,665)	(1,053,859)
Gross profit on sales	138,060	131,110	580,119	453,557
Other operating income	1,180	(2,241)	1,224	14,483
Selling costs, general and administrative expenses	(68,137)	(63,425)	(256,265)	(218,202)
Cost of distribution services	(50,230)	(48,986)	(211,010)	(174,213)
Cost of management stock option plan	-	(147)	-	(743)
Other operating expenses	(2,655)	(344)	(10,555)	(12,302)
Operating profit	18,218	15,967	103,513	62,580
Financial income	1,879	(1,600)	5,674	4,707
Foreign exchange gains/(losses)	868	(6,076)	(4,314)	(8,655)
Financial expenses	(9,412)	(6,311)	(31,502)	(31,602)
Profit before tax	11,553	1,980	73,371	27,030
Corporate income tax	(2,245)	(550)	(12,934)	(4,118)
Net profit	9,308	1,430	60,437	22,912
OTHER COMPREHENSIVE INCOME				
Management stock option plan	-	147	-	743
Total other comprehensive income, net	-	147	-	743
COMPREHENSIVE INCOME	9,308	1,577	60,437	23,655
Net profit	9,308	1,430	60,437	22,912
Weighted average number of ordinary shares	13,892,715	13,736,100	13,800,198	13,400,267
Earnings per ordinary share (PLN)	0.67	0.10	4.38	1.71
Weighted average diluted number of ordinary shares	13,892,715	13,943,927	13,800,198	13,667,585
Diluted earnings per ordinary share (PLN)	0.67	0.10	4.38	1.68

31. Statement of Changes in Equity

For the period from January 1st to December 31st 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	-	-	-	-	60,437	60,437
Transactions with owners						
Share issue in connection with exercise of management stock options	864	11,745	-	-	-	12,609
Distribution of retained earnings – transfer to statutory reserve funds	-	-	22,912	-	(22,912)	-
As at Dec 31 2009	28,336	259,530	125,397	5,935	60,760	479,958

For the period from January 1st 2008 to December 31st 2008

(PLN '000)

	Share capital	Share premium account	Statutory reserve funds	Other capital reserves	Retained earnings and current year profit	Total
As at Jan 1 2008	23,642	21,415	65,163	5,192	47,095	162,507
Statement of comprehensive income						
Profit for period	-	-	-	-	22,912	22,912
Transactions with owners						
Share issue in connection with exercise of management stock options	80	1,370	-	-	-	1,450
Share issue in connection with merger with JC Auto	3,750	225,000	-	-	-	228,750
Distribution of retained earnings – dividend	-	-	-	-	(9,450)	(9,450)
Distribution of retained earnings – transfer to statutory reserve funds	-	-	37,322	-	(37,322)	-
Capital reserve created in connection with implementation of management stock option plan	-	-	-	743	-	743
As at Sep 30 2008	27,472	247,785	102,485	5,935	23,235	406,912

32. Statement of Cash Flows

(PLN '000)

	Jan 1– Dec 31 2009	Jan 1– Dec 31 2008 <i>(restated)</i>
Cash flows from operating activities		
Profit (loss) before tax	73,371	27,030
Adjustments, including:		
Depreciation and amortisation	26,373	23,574
Foreign exchange (gains)/losses	410	10,899
(Gain)/loss on disposal of property, plant and equipment	333	(4,347)
Net interest	23,190	23,471
(Gain)/loss on revaluation of investment property	-	(212)
Other adjustments, net	(616)	743
Operating profit before changes in working capital	123,061	81,158
Change in inventories	54,736	(56,878)
Change in receivables	(47,127)	(78,537)
Change in current liabilities	(14,782)	143,577
Cash generated by operating activities	115,888	88,320
Corporate income tax paid	(12,093)	(13,623)
Net cash provided by (used in) operating activities	103,795	74,697
Cash flows from investing activities		
Sale of intangible assets and property, plant and equipment	6,711	16,501
Acquisition of intangible assets and property, plant and equipment	(26,078)	(37,133)
Acquisition of shares in subordinated undertakings	-	(5,691)
Repayment of loans advanced	10,896	12,487
Loans advanced	(27,657)	(46,465)
Interest received	2,010	1,110
Cash taken over from JC Auto less acquisition cost	-	501
Net cash provided by (used in) investing activities	(34,118)	(58,690)
Cash flows from financing activities		
Increase in loans, borrowings and debt securities	25,000	83,745
Proceeds from issue of shares	12,609	1,450
Finance lease payments	(11,086)	(9,635)
Decrease in loans and borrowings, redemption of debt securities	(69,107)	(54,832)
Interest paid	(28,242)	(27,678)
Dividends paid	-	(9,450)
Net cash provided by (used in) financing activities	(70,826)	(16,400)
Net change in cash and cash equivalents	(1,149)	(393)
Cash and cash equivalents at beginning of period	12,780	13,173
Cash and cash equivalents at end of period	11,631	12,780

Accounting Policies

The accounting policies applied by Inter Cars S.A. are the same as those applied by the Group, except that shares in subsidiary undertakings are measured at historical cost less valuation allowances.

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

	Jan 1– Dec 31 2009	Jan 1– Dec 31 2008
<i>sales revenue</i>		
Inter Cars Ukraine	17,209	15,425
Q-Service Sp. z o.o.	-	2
Lauber Sp. z o.o.	4,012	2,233
Inter Cars Ceska Republika	32,083	21,673
Inter Cars Slovenska Republika	40,294	26,920
Feber Sp. z o.o.	-	1,117
Inter Cars Lietuva	18,682	9,376
IC Development & Finance Sp. z o.o.	6	173
JC Auto s.r.l.	6,349	1,757
Inter Cars d.o.o.	13,628	9,208
JC Auto S.A.	1,822	958
INTER CARS Hungária Kft.	9,904	4,349
JC AUTO s.r.o.	-	-
Inter Cars Romania s.r.l.	11,567	667
Armatus Sp. z o.o.	103	2
	155,659	93,860
<i>purchase of goods and services</i>		
Inter Cars Ukraine	-	33,131
Q-Service Sp. z o.o.	49,871	10,324
Lauber Sp. z o.o.	12,544	16,880
Inter Cars Ceska Republika	2,380	191
Inter Cars Slovenska Republika	271	1
Feber Sp. z o.o.	-	772
Inter Cars Litwa	221	305
IC Development & Finance Sp. z o.o.	316	1,455
JC Auto s.r.l.	11	23
Inter Cars d.o.o.	19	2,796
Inter Cars Romania s.r.l.	-	-
JC Auto S.A.	340	-
JC Auto s.r.o.	-	32
	65,973	65,910
<i>receivables</i>		
Inter Cars Ukraine	26,699	25,308
Lauber Sp. z o.o.	2,150	1,093
Inter Cars Ceska Republika	27,645	46,257
Inter Cars Slovenska Republika	8,113	9,397
Feber Sp. z o.o.	7,331	7,082
Inter Cars Litwa	8,166	7,195
IC Development & Finance Sp. z o.o.	215	210
JC Auto s.r.l.	7,632	3,759
Inter Cars d.o.o.	20,725	15,932
JC Auto S.A.	5,644	4,810
INTER CARS Hungária Kft.	13,131	7,587
JC Auto s.r.o.	8,246	8,377
Inter Cars Romania s.r.l.	8,039	771
Armatus Sp. z o.o.	89	3
	143,825	137,781

**Related-Party Transactions in the Condensed Non-Consolidated Financial Statements
(continued)**

<i>liabilities</i>	Jan 1– Dec 31 2009	Jan 1– Dec 31 2008
Inter Cars Ukraine	1	-
Q-Service Sp. z o.o.	11,944	8,759
Lauber Sp. z o.o.	1,491	-
Inter Cars Ceska Republika	117	23,826
Inter Cars Slovenska Republika	63	378
Inter Cars Litwa	1	-
IC Development & Finance Sp. z o.o.	59	122
JC Auto s.r.l.	-	92
Inter Cars d.o.o.	53	17
JC Auto S.A	896	416
INTER CARS Hungária Kft.	377	383
JC Auto s.r.o.	3,534	3,589
Inter Cars Romania s.r.l.	61	-
	<u>18,597</u>	<u>37,582</u>

34. 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 December 31st 2009, the presentation of provisions, accruals and deferrals, and prepayments for comparable periods 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)	-
	<u>307,440</u>	<u>-</u>	<u>307,440</u>
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)	-
	<u>259,282</u>	<u>-</u>	<u>259,282</u>