

**Inter Cars S.A. – corporate governance code in 2007.**

**Declaration of the Management Board of Inter Cars S.A. regarding the COMPANY'S COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE IN 2007**

**I. Pursuant to § 29 of the Warsaw Stock Exchange Rules, the Management Board of Inter Cars S.A. hereby declares that the corporate governance code adopted by the Ordinary General Meeting of Shareholders of the Company on 15 April 2005 was complied with in 2007. The Company abandoned rules no. 20, 28 and 43 due to the following reasons:**

- 1)rule no. 20 – according to the Company's Bylaws, the Supervisory Board is composed of 5 members appointed by the General Meeting of Shareholders, where three of the members are selected from among the candidates designated by the Founding Shareholders. Currently none of the shareholders holds more than 50% of voting power;
- 2)rule no. 28 – the current Rules of the Supervisory Board do not provide for setting up of committees;
- 3)rule no. 43 – a certified auditor is appointed by the Company's Supervisory Board on the basis of recommendations provided by the Management Board.

**II. The Management Board of Inter Cars S.A. hereby informs that the General Meeting of Shareholders is convened and held in compliance with the Company's Bylaws, the Code of Commercial Companies and the Rules of the General Meeting of Shareholders published on the company's corporate website.**

III.As at 31.12.2007, the Company's bodies were composed of the following persons: **the**

**Management Board:**

Krzysztof Oleksowicz – President of the Management Board, Robert Kierzek – Vice-President of the Management Board, Krzysztof Soszyński – Member of the Management Board, Wojciech Milewski – Member of the Management Board, Tomasz Zadroga – Member of the Management Board, Piotr Kraska – Member of the Management Board.

**The Supervisory Board:**

Andrzej Oliszewski – President of the Supervisory Board, Maciej Oleksowicz, Jolanta Oleksowicz-Bugajewska, Wanda Oleksowicz, Michał Marczak.

The rules of operation of the managing and supervisory bodies of the Company are described in the Bylaws and in the Rules of the Supervisory Board, published on the Company's corporate website.

IV.The Company's financial statements and periodical reports are prepared by the Chief Accountant in compliance with the existing law and the Company's current accounting policy, and verified by the Management Board, which is responsible for reliability and accuracy of information included in the above-mentioned documents.

**Financial statements are prepared solely by persons having access to confidential information constituting their basis. These persons obliged to keep such information secret until its publication.**

The financial data constituting the basis for financial statements and periodical reports originates from the accounting and financial system in which all transactions are recorded in accordance with the Company's accounting policy (approved by the Management Board) based on the International Accountancy Standards and International Financial Reporting Standards. The Company follows any changes required by the external regulations regarding the stock exchange accounting and prepares their implementation in advance.

Financial statements approved by the Management Board are subject to verification by an independent certified auditor appointed by the Company's Supervisory Board from among renowned audit companies.

The Financial Division keeps in touch with the certified auditor and attempts to define recommendations regarding the possibilities of improving the internal audit system identified during a financial statements audit in order to implement them, if necessary.

The Financial Division and Directors of other Divisions prepare periodical reports for the Management Board including analyses of the key financial data and operating indicators of business segments.