

Appendix to Resolution No. 5/2015 of the Supervisory Board of INTER CARS S.A. of May 12th 2015

Report of the Supervisory Board of Inter Cars S.A.

on activities of the Supervisory Board as the Company's governing body in 2014

Pursuant to the provisions of the Commercial Companies Code and the Company's Articles of Association, the Supervisory Board submits to the General Meeting a report on its activities in the period from **January 1st 2014 to December 31st 2014**.

I. Composition of the Supervisory Board

In the reporting period, the composition of the Supervisory Board was as follows:

- Andrzej Oliszewski – Chairman of the Supervisory Board,
- Jacek Klimczak – Member of the Supervisory Board,
- Michał Marczak – Member of the Supervisory Board,
- Maciej Oleksowicz – Member of the Supervisory Board,
- Piotr Płoszajski – Member of the Supervisory Board.

On May 26th 2014, the Annual General Meeting resolved that the Company's Supervisory Board of the fifth term of office would consist of five members. On the same day, the Annual General Meeting reappointed the following persons to the Supervisory Board of the new term: Andrzej Oliszewski, Jacek Klimczak, Michał Marczak, Maciej Oleksowicz and Piotr Płoszajski. The Annual General Meeting named Andrzej Oliszewski as Chairman of the Supervisory Board.

II. Meetings of the Supervisory Board

In the reporting period, the Supervisory Board held five meetings, during which it adopted resolutions required under the applicable laws and regulations, and took positions on matters included in the agenda of the meetings. The meetings were held on March 14th, May 13th, June 17th, October 9th and December 11th. All members of the Supervisory Board were present at the meetings of the Supervisory Board, except for the meeting on June 17th, when four out of five members of the Supervisory Board were present. The Supervisory Board meetings were also attended by invited members of the Management Board and other representatives of the Company, which enabled the Supervisory Board to obtain comprehensive answers and explanations on matters covered by the meetings' agendas.

During the meetings, the Supervisory Board passed a number of resolutions, including resolutions to appoint Management Board members for another term of office, and to approve the new Rules of Procedure for the Management Board. In the reporting period, the Supervisory Board also adopted a resolution by written ballot to grant consent to the disposal to ILS Sp. z o.o. (a wholly-owned subsidiary of the Company) of a real property located in Zakroczym.

III. Information on the performance of the obligations under the Commercial Companies Code, other laws and regulations, and the Company's Articles of Association

In the reporting period, the Supervisory Board exercised ongoing supervision over the Company's activities in each area of its business, remaining in direct contact with the Management Board. The Supervisory Board assessed, among other things, the Company's economic standing, financial liquidity and ability to settle liabilities. The Supervisory Board also considered opportunities for and methods of further development of the Company. As part of the supervision over the Inter Cars Group, the Supervisory Board analysed development prospects and current financial results of the Group companies. The Board issued opinions on the Group's business plans, budgets and strategic objectives, analysed the management methods and current financial condition of the Company, and discussed the implementation and delivery of the budget and material projects.

Within the prescribed deadline, the Supervisory Board assessed the Directors' Report on the Company's and the Inter Cars Group's operations in 2013, the Management Board's proposal concerning distribution of profit for 2013, as well as the separate and consolidated financial statements for the financial year 2013, and submitted a written report on results and findings of the assessment to the General Meeting.

The Supervisory Board also adopted a brief assessment of the Company's standing in accordance with the corporate governance policy applied by the Company.

In the reporting period, the Supervisory Board did not exercise its powers under Art. 383 of the Commercial Companies Code, i.e. it did not suspend, for good reason, any or all members of the Management Board, nor did it delegate Supervisory Board members to temporarily perform the duties of Management Board members. In the reporting period, there were no separate committees of advisory or consultative nature within the Supervisory Board. Pursuant to the provisions of Art. 86.3 of the Act on Qualified Auditors and Their Self-Government, Entities Qualified to Audit Financial Statements and Public Supervision, dated May 7th 2009, as long as the Supervisory Board consists of not more than five members, the entire Supervisory Board performs tasks of the Audit Committee within the meaning of the Act; these tasks include: (i) monitoring the financial reporting process; (ii) monitoring the effectiveness of internal control, internal audit, and risk management systems; (iii) monitoring the performance of financial auditing activities; (iv) monitoring the independence of the qualified auditor and the entity qualified to audit financial statements, also where they provided the services referred to in Art. 48.2 of the Act.

IV. Corporate Governance

The Supervisory Board operates in accordance with the corporate governance rules set out in the Code of Best Practice for WSE Listed Companies. In 2014, there were no instances of non-compliance of the Supervisory Board with the corporate governance policy applied by the Company.

V. Assessment of the Supervisory Board's activities

In the financial year from January 1st 2014 to December 31st 2014, the Supervisory Board, acting conscientiously and with due diligence, performed its duties stipulated in the Articles of Association and the Rules of Procedure for the Supervisory Board.

The role of the Supervisory Board is to exercise ongoing supervision over the Company's activities in each area of its business, in accordance with the Commercial Companies Code, the Company's Articles of Association and the Rules of Procedure for the Supervisory Board adopted by the General Meeting. Other key objectives of the Supervisory Board's efforts are to supervise the Company's Management Board and monitor its activities, and to ensure stability of the Company, its controlled development and strengthening of its market position.

Taking into account its activities and involvement in the Company's business, the Board is of the opinion that in the reporting period the Supervisory Board fulfilled its statutory duties in a proper manner and for the benefit of the Company. Therefore, we move that the members of the Supervisory Board be granted discharge in respect of performance of their duties in the reporting period.

Supervisory Board of Inter Cars S.A.