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PRESS RELEASE

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UNI-SELECT INC. 20.4% INCREASE IN NET EARNINGS IN THE THIRD QUARTER OF 2008

Boucherville, November 11, 2008 – Uni-Select Inc. reported sales of \$328,728,000 in the third quarter of 2008, an increase of 10.0% compared to sales of \$298,756,000 in 2007. The increase in sales for the Company is primarily due to the various acquisitions completed in recent quarters. Net earnings increased to \$12,354,000 in the third quarter of 2008 or \$0.63 per share compared to \$10,258,000 or \$0.52 per share last year which represents a 20.4% increase over last year. Contrary to the situation prevalent in the first semester, the fluctuations in the exchange rates had no significant impact on results for the quarter.

For the nine-month period ended September 30, 2008, sales were \$943,057,000, an increase of \$57,879,000 or 6.5% compared to the same period last year. Net earnings, increased 12.0%, to reach \$31,104,000 or \$1.58 per share compared to the net earnings of \$27,761,000 or \$1.41 per share attained in the first nine months of 2007.

(in millions except earnings per share)	3 rd QUARTER		9-MONTH PERIOD	
	2008	2007	2008	2007
Sales	328.7	298.8	943.1	885.2
Net earnings	12.4	10.3	31.1	27.8
Earnings per share	0.63	0.52	1.58	1.41

Sales for Automotive Group USA reached \$172,092,000 in the third quarter compared to \$150,077,000 in the third quarter of 2007, an increase of 14.7%. The acquisitions completed in recent quarters contributed \$31,584,000 to the increase in sales of the third quarter. The operating margin for the Group improved from 6.2% in the third quarter of 2007 to 7.0% this quarter as a result of continued improvement programs on margins and cost reduction.

For the nine-month period ended September 30, 2008, sales were \$490,192,000, a 7.2% increase over the same period a year earlier. The fluctuation in exchange rates had a negative impact on the year-to-date sales (whereas there was no impact for the third quarter). Excluding this item, sales for the Group increased by 14.7%. As for the operating margin, it increased from 6.1% to 6.8% in 2008.

Automotive Group Canada reported an increase in sales of 1.9% in the third quarter of 2008 to reach \$136,070,000 compared to \$133,571,000 in the third quarter of 2007. The acquisitions completed in recent quarters contributed \$8,427,000 to the increase in sales for the quarter. The operating margin of the Group was 8.1% compared to 7.9% in the third quarter last year.

For the nine-month period ended September 30, 2008, sales were \$404,339,000, an increase of 5.4% over the same period of last year. The operating margin reached 7.5% in 2008 compared to 7.9% in 2007.

Sales for the Heavy Duty Group increased by 36.1% in the third quarter of 2008 to reach \$20,566,000 compared to \$15,108,000 in 2007. The operating margin of the Group was recorded at 4.7% in the third quarter of 2008 compared to 0.6% last year, primarily due to the significant increase in sales which is explained by a new supply agreement with a national retail chain.

For the nine-month period ended September 30, 2008, sales were \$48,526,000, an increase of 10.4% over the same period of last year. The operating margin was negative at (1.5%), an improvement compared to (3.9%) in 2007.

“The continued improvement, integration and reorganization programs put in place in 2007, combined with the contribution of recently-acquired businesses, allow us to counter the effects of the economic environment currently prevailing in North America” said Richard G. Roy, President and Chief Executive Officer of Uni-Select. “We are confident that these programs, together with sales efforts, will continue to improve our margins and profitability during the fourth quarter of 2008. The fourth quarter will also benefit from the contribution of the assets acquired from Parts Depot at the end of the third quarter.”

Finally, the Board of Directors of Uni-Select Inc. declared a quarterly dividend of \$0.1075 per common share payable on January 20, 2009 to shareholders of record as at December 31, 2008.

Uni-Select is Canada’s second largest distributor of automotive replacement parts, equipment, tools and accessories and, through Uni-Select USA, Inc., the Company also provides services to customers in the United States where it is the 7th largest distributor. Its subsidiary, Palmar Inc., sells replacement parts, tools and accessories for heavy-duty vehicles and wheels in Canada. The Uni-Select NetworkTM includes over 2,400 independent jobbers and services over 3,500 points of sale in North America. Uni-Select is headquartered in Montreal. Uni-Select shares (UNS) are traded on the TMX.

Certain statements made in this press release contain forward-looking statements which, by their very nature, include risks and uncertainties, such that actual results could differ from those indicated in those forward-looking statements. For additional information with respect to the risks and uncertainties, refer to the Annual Report filed by Uni-Select and available on SEDAR. Unless required to do so pursuant to applicable securities legislation, Uni-Select assumes no obligation as to the updating or revision of the forward-looking statements as a result of new information, future events or other changes.

CONSOLIDATED EARNINGS**THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2008 AND 2007**

(in thousands of dollars, except earnings per share, unaudited)

	3 rd QUARTER		9 MONTHS	
	2008	2007	2008	2007
	\$	\$	\$	\$
SALES	328,728	298,756	943,057	885,178
Earnings before the following items	24,160	19,965	63,144	56,505
Interest (Note 4)	1,672	1,390	5,162	4,345
Amortization (Note 4)	2,587	2,332	7,962	6,972
	4,259	3,722	13,124	11,317
Earnings before income taxes and non-controlling interest	19,901	16,243	50,020	45,188
Income taxes				
Current	1,983	4,750	11,471	15,874
Future	4,588	584	4,879	(536)
	6,571	5,334	16,350	15,338
Earnings before non-controlling interest	13,330	10,909	33,670	29,850
Non-controlling interest	976	651	2,566	2,089
Net earnings	12,354	10,258	31,104	27,761
Basic earnings and diluted earnings per share (Note 5)	0.63	0.52	1.58	1.41
Number of issued and outstanding shares	19,727,958	19,736,558	19,727,958	19,736,558

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED RETAINED EARNINGS
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2008 AND 2007
(in thousands of dollars, unaudited)

	9 MONTHS	
	2008	2007
	\$	\$
Balance, beginning of period	287,712	255,355
Net earnings	31,104	27,761
	318,816	283,116
Redemption of common shares ^(a)	176	-
Dividends	6,364	6,363
Balance, end of period	312,276	276,753

^(a) During the second quarter, the Company redeemed 8,600 common shares for a cash consideration of \$197 including a share redemption premium of \$176.

CONSOLIDATED COMPREHENSIVE INCOME
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2008 AND 2007
(in thousands of dollars, unaudited)

	3 rd QUARTER		9 MONTHS	
	2008	2007	2008	2007
	\$	\$	\$	\$
Net earnings	12,354	10,258	31,104	27,761
Other comprehensive income:				
Unrealized losses on derivative financial instruments designated as cash flow hedges, net of income taxes of \$218 and \$224 for the three-month and the nine-month periods respectively	(468)	-	(481)	-
Reclassification of realized gains (losses) to net earnings on derivative financial instruments designated as cash flow hedges, net of income taxes of (\$53) and (\$120) for the three-month and the nine-month periods respectively (\$20 and \$62 in 2007)	113	(45)	257	(134)
Unrealized gains (losses) on translating financial statements of self-sustaining foreign operations	5,413	(8,440)	10,206	(18,879)
Other comprehensive income	5,058	(8,485)	9,982	(19,013)
Comprehensive income	17,412	1,773	41,086	8,748

The accompanying notes are an integral part of the interim consolidated financial statements

CONSOLIDATED CASH FLOWS
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2008 AND 2007

(in thousands of dollars, except dividends paid per share, unaudited)

	3 rd QUARTER		9 MONTHS	
	2008	2007	2008	2007
	\$	\$	\$	\$
OPERATING ACTIVITIES				
Net earnings	12,354	10,258	31,104	27,761
Non-cash items				
Amortization	2,587	2,332	7,962	6,972
Amortization of deferred gain on a sale-leaseback arrangement	(61)	(57)	(169)	(122)
Future income taxes	4,588	584	4,879	(536)
Non-controlling interest	976	651	2,566	2,089
	20,444	13,768	46,342	36,164
Changes in working capital items	(5,517)	(10,622)	(2,600)	(10,547)
CASH FLOWS FROM OPERATING ACTIVITIES	14,927	3,146	43,742	25,617
INVESTING ACTIVITIES				
Temporary investments	-	-	-	6,897
Business acquisitions (Note 6)	(87,844)	(55,279)	(117,469)	(71,335)
Non-controlling interest	-	-	-	(178)
Investments	(1,094)	-	(1,419)	-
Advances to merchant members	(679)	(388)	(2,692)	(1,535)
Receipts on advances to merchant members	890	938	3,221	2,795
Fixed assets	(3,129)	(2,656)	(9,295)	(6,643)
Disposal of fixed assets	121	27	297	7,583
CASH FLOWS FROM INVESTING ACTIVITIES	(91,735)	(57,358)	(127,357)	(62,416)
FINANCING ACTIVITIES				
Bank indebtedness	7,348	16,913	6,091	3,025
Balance of purchase price	837	(108)	837	(1,006)
Financing costs	-	-	(414)	-
Long-term debt	71,349	39,890	84,977	41,708
Repayment of long-term debt	(615)	(321)	(1,587)	(1,807)
Merchant members' deposits in guarantee fund	(19)	(19)	142	(333)
Issuance of shares	-	-	-	528
Share redemption	-	-	(197)	-
Dividends paid	(2,121)	(2,122)	(6,364)	(6,211)
CASH FLOWS FROM FINANCING ACTIVITIES	76,779	54,233	83,485	35,904
Increase (decrease) in cash and cash equivalents	(29)	21	(130)	(895)
Cash and cash equivalents, beginning of period	498	214	599	1,130
Cash and cash equivalents, end of period	469	235	469	235
Dividends paid per share	0.108	0.108	0.323	0.315

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2008 AND 2007 AND DECEMBER 31, 2007

(in thousands of dollars, unaudited)

	SEPT. 30, 2008	SEPT. 30, 2007	DEC. 31, 2007 Audited
	\$	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	469	235	599
Accounts receivable	187,540	151,831	141,043
Income taxes receivable	8,526	7,533	1,370
Inventory (Note 7)	429,756	325,496	341,545
Prepaid expenses	5,382	5,705	4,959
Derivative financial instrument	-	58	-
Future income taxes	6,122	6,628	8,671
	<u>637,795</u>	<u>497,486</u>	<u>498,187</u>
Investments and volume discounts receivable	8,431	6,311	7,406
Fixed assets	49,372	40,033	41,526
Financing costs	759	560	488
Covenants not to compete	230	372	330
Goodwill	86,907	59,301	64,858
Future income taxes	2,781	1,806	2,778
	<u>786,275</u>	<u>605,869</u>	<u>615,573</u>
LIABILITIES			
CURRENT LIABILITIES			
Bank indebtedness (Note 8)	43,823	27,097	35,887
Accounts payable	163,181	146,105	132,660
Dividends payable	2,122	2,122	2,122
Instalments on long-term debt and on merchant members' deposits in guarantee fund	36	101	577
Future income taxes	1,275	501	-
	<u>210,437</u>	<u>175,926</u>	<u>171,246</u>
Deferred gain on a sale-leaseback arrangement	2,339	2,429	2,338
Long-term debt	182,152	92,854	91,786
Merchant members' deposits in guarantee fund	7,783	7,783	7,294
Derivative financial instrument	328	-	-
Future income taxes	4,470	4,817	3,838
Non-controlling interest	39,669	27,041	34,498
	<u>447,178</u>	<u>310,850</u>	<u>311,000</u>
SHAREHOLDERS' EQUITY			
Capital stock	49,850	49,872	49,872
Retained earnings	312,276	276,753	287,712
Accumulated other comprehensive income (Note 9)	(23,029)	(31,606)	(33,011)
	<u>289,247</u>	<u>245,147</u>	<u>254,701</u>
	<u>339,097</u>	<u>295,019</u>	<u>304,573</u>
	<u>786,275</u>	<u>605,869</u>	<u>615,573</u>

The accompanying notes are an integral part of the interim consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2008 AND 2007

(in thousands of dollars, except for per share amounts, unaudited)

1. BASIS OF PRESENTATION

The accompanying unaudited interim consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles for interim financial statements and do not include all disclosures required for complete financial statements. They are also consistent with the accounting policies outlined in the audited financial statements of the Company for the year ended December 31, 2007. The interim financial statements and related notes should be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2007. When necessary, the financial statements include amounts based on informed estimates and the best judgment of management. The operating results for the interim periods reported are not necessarily indicative of results to be expected for the year.

2. CHANGES IN ACCOUNTING POLICIES

Financial instruments

On January 1, 2008, in accordance with the applicable transitional provisions, the Company adopted the new recommendations of the CICA Handbook included in Section 3862 *Financial Instruments - Disclosures* and Section 3863 *Financial Instruments - Presentation*. Section 3862 describes the required disclosures related to the significance of financial instruments on the financial position and performance of the Company and the nature and extent of risks arising from financial instruments to which the Company is exposed and how the Company manages those risks. Section 3863 establishes standards for presentation of financial instruments and non-financial derivatives.

The adoption of these Sections resulted in the Company presenting additional disclosure regarding risk management arising from financial instruments and a sensitivity analysis regarding interest rate risk. Comparative information about the nature and extent of risks arising from financial instruments is not required in the year those Sections are adopted.

Capital disclosures

On January 1, 2008, in accordance with the applicable transitional provisions, the Company adopted the new recommendations of the CICA Handbook included in Section 1535 *Capital Disclosures*. This Section establishes standards for disclosing information about the capital of the Company and how it is managed to enable users of financial statements to evaluate the objectives, policies and procedures of the Company for managing capital.

Inventories

On January 1, 2008, in accordance with the applicable transitional provisions, the Company adopted the new recommendations of the CICA Handbook included in Section 3031 *Inventories*. This Section provides new guidance on the determination of cost and its subsequent recognition as an expense, including any write-downs to the net realizable value as well as on the cost formulas that are used to assign costs to inventories. The Section also requires additional disclosure.

3. ACCOUNTING POLICIES

Cost of inventory

Cost of inventory recognized as an expense includes cost of goods sold for distribution centres and corporate stores and warehouse expenses, delivery expenses and occupancy costs for distribution centres.

Comparative figures

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year.

4. INFORMATION INCLUDED IN THE CONSOLIDATED EARNINGS

Interest	3rd QUARTER		9 MONTHS	
	2008	2007	2008	2007
	\$	\$	\$	\$
Interest on bank indebtedness	553	628	2,078	2,013
Interest on long-term debt	1,183	1,070	3,261	3,042
Interest on merchant members' deposits in guarantee fund	86	91	268	298
	1,822	1,789	5,607	5,353
Interest income on cash and cash equivalents	(11)	(226)	(32)	(603)
Interest income from merchant members	(139)	(173)	(413)	(405)
	1,672	1,390	5,162	4,345
Amortization				
Amortization of fixed assets	2,485	2,206	7,663	6,572
Amortization of other assets	102	126	299	400
	2,587	2,332	7,962	6,972

5. EARNINGS PER SHARE

Weighted average number of shares for the calculation of basic earnings per share is 19,727,958 for the three-month period ended September 30, 2008 (19,736,558 in 2007) and 19,732,080 for the nine-month period ended September 30, 2008 (19,724,742 in 2007). Impact of stock options exercised is 18,644 shares for the three-month period ended September 30, 2008 (27,346 in 2007) and 20,554 for the nine-month period ended September 30, 2008 (33,533 in 2007) which total a weighted average number of shares of 19,746,602 for the three-month period ended September 30, 2008 (19,763,904 in 2007) and 19,752,634 for the nine-month period ended September 30, 2008 (19,758,275 in 2007) for calculation of diluted earnings per share.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2008 AND 2007

(in thousands of dollars, except for per share amounts, unaudited)

6. BUSINESS ACQUISITIONS

In 2008, the Company acquired the shares of two companies in the Automotive Canada segment as well as a portion of the assets and liabilities of one company operating in the Automotive Canada segment and four companies in the Automotive USA segment, one of which is Parts Depot.

In addition, the Company increased its interest by 3.85% in its joint venture, Uni-Select Pacific Inc. Following this transaction, the Company's interest in the joint venture increased from 65.38% to 69.23%. This transaction was carried out at the carrying amount.

The operating results are consolidated in the statement of earnings since the acquisition date.

The preliminary purchase price is allocated as follows, including acquisition costs of \$361:

	Parts Depot ⁽¹⁾	Other	Total
			\$
Current assets	72,010	32,388	104,398
Fixed assets	4,288	1,178	5,466
Other long-term assets	676	22	698
Goodwill	11,423	8,217	19,640
Current liabilities	(914)	(11,488)	(12,402)
Long-term liabilities	-	(48)	(48)
	87,483	30,269	117,752
Cash of companies acquired	31	249	280
Total consideration paid less cash acquired	87,452	30,017	117,469
Balance of purchase price payable	-	3	3

⁽¹⁾ Acquisition of a portion of the assets on September 15, 2008.

7. INVENTORY

Cost of inventory recognized as an expense for the three-month period ended September 30, 2008 is \$248,619 (\$234,679 in 2007) and \$722,748 for the nine-month period ended September 30, 2008 (\$694,559 in 2007).

For the three-month and nine-month periods ended September 30, 2008 and 2007, net earnings were not affected by write-downs of inventories.

8. CREDIT FACILITY

The Company has a credit facility in the amount of \$325,000. This credit facility is composed of a \$235,000 revolving credit expiring in October 2011. The credit facility also includes a \$90,000 operating credit which is also used for the issuance of letters of guarantee and is renewable annually in October. As at September 30, 2008, the issued letters of guarantee totalled \$5,639 (\$5,010 as at December 31, 2007).

The interest rates vary according to the type of loan and the financial ratios achieved by the Company and are set each quarter. As at September 30, 2008, interest rates vary between 3.81% and 5.50% (5.35% and 7.75% as at December 31, 2007).

9. ACCUMULATED OTHER COMPREHENSIVE INCOME

	SEPTEMBER 30, 2008	DEC. 31, 2007
	\$	\$
Balance, beginning of period	(33,011)	-
Balance, as previously reported	-	(12,766)
Cumulative impact of accounting changes relating to financial instruments (net of income taxes of \$81)	-	173
Balance, as restated	(33,011)	(12,593)
Other comprehensive income for the period	9,982	(20,418)
Balance, end of period	(23,029)	(33,011)

10. EMPLOYEE FUTURE BENEFITS

As at September 30, 2008, the Company's pension plans are defined benefit and contribution plans.

For the three-month period ended September 30, 2008, the total expense for the defined contribution pension plans was \$241 ((\$33) in 2007) and \$601 (\$575 in 2007) for the defined benefit pension plans.

For the nine-month period ended September 30, 2008, the total expense for the defined contribution pension plans was \$758 (\$879 in 2007) and \$1,802 (\$1,780 in 2007) for the defined benefit pension plans.

11. GUARANTEES

As per inventory repurchase agreements, the Company has made a commitment to financial institutions to repurchase inventories from some of its customers at a rate of 60% to 75% of the value of inventories for a maximum amount of \$66,751 (\$61,870 as at December 31, 2007). In the event of proceedings, the inventories would be liquidated in the normal course of the Company's operations. These agreements are for an undetermined period of time. In management's opinion, the likelihood of major payments being made and losses being absorbed is low, since the value of the assets held in guarantee is significantly higher than the Company's commitments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2008 AND 2007

(in thousands of dollars, except for per share amounts, unaudited)

12. CAPITAL MANAGEMENT

Guided by its low-asset-base-high-utilization philosophy, the Company's objectives when managing capital are:

- Maintain a maximum total net debt / invested capital ratio of 40% to 45%;
- Grant shareholders a growth of the value of their shares by maintaining a return on shareholders' equity of 15% on a long-term basis and paying an annual dividend representing about 20% of the net earnings of the previous year;
- Maintain a maximum funded debt / EBITDA ratio of 3.0 to 3.5.

In the management of capital, the Company includes shareholders' equity, long-term debt, merchant members deposits in guarantee funds and bank indebtedness net of cash and cash equivalents.

The Company manages the capital structure and makes adjustments to it in light of the changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company has several tools, notably a share repurchase-for-cancellation program pursuant to normal course issuer bids and a flexible credit facility allowing it to react quickly to business opportunities. Also, the Company constantly analyzes working capital levels, notably inventory, to ensure that the optimal level is maintained and regularly adjusts quantity to satisfy demand as well as the level of diversification required by customers.

The Company monitors capital on a number of bases, including: total net debt / invested capital ratio, long-term debt / equity ratio, funded debt / EBITDA ratio and return on shareholders' equity ratio.

For the first nine months of 2008, the results of the Company regarding its objectives when managing capital are the following:

	SEPTEMBER 30, 2008	DEC. 31, 2007
Total net debt / invested capital ratio ^{(2) (3)}	40.8%	30.7%
Long-term debt / equity ratio ^{(2) (3)}	56.0%	32.7%
Funded debt / EBITDA ratio ^{(1) (2) (3)}	2.77	1.76
Return on shareholders' equity ratio ^{(1) (3)}	13.9%	13.9%

⁽¹⁾ These ratios are calculated over the last 12 months.

⁽²⁾ Increase in debt ratios comes directly from the increase of long-term debt due to the acquisitions in the last quarters. Further to the acquisition of a portion of the assets of Parts Depot, the debt has increased temporarily until current liabilities have rebuilt.

⁽³⁾ Notably, acquisitions in the last quarters such as the acquisition of a portion of the assets of Parts Depot did not contribute to the results of the last 12-month period ended September 30, 2008 proportionally to the increase in long-term debt.

Regarding the credit facility, the Company is required to comply with certain financial ratios which it has done as at September 30, 2008 and December 31, 2007.

13. FINANCIAL INSTRUMENTS

Classification of financial instruments, carrying amount and fair value

Classification of financial instruments as well as their carrying amount and fair value at September 30, 2008 are summarized in the following table:

	Derivative financial instruments	Held-for-trading	Loans and receivables ⁽¹⁾	Other financial liabilities	Carrying amount Total	Fair value
	\$	\$	\$	\$	\$	\$
Financial Assets						
Cash and cash equivalents	-	469	-	-	469	469
Accounts receivable	-	-	187,540	-	187,540	187,540
Investments and volume discounts receivable	-	-	8,431	-	8,431	8,431
	-	469	195,971	-	196,440	196,440
Financial Liabilities						
Bank indebtedness	-	-	-	43,823	43,823	43,823
Accounts payable	-	-	-	163,181	163,181	163,181
Dividends payable	-	-	-	2,122	2,122	2,122
Derivative financial instrument	328	-	-	-	328	328
Long-term debt	-	-	-	182,188	182,188	182,188
Merchant members' deposits in guarantee fund	-	-	-	7,783	7,783	7,783
	328	-	-	399,097	399,425	399,425

⁽¹⁾ Interest income on loans and receivables for the three-month period ended September 30, 2008 represents \$385 (\$364 in 2007) and \$1,023 for the nine-month period ended September 30, 2008 (\$979 in 2007).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2008 AND 2007

(in thousands of dollars, except for per share amounts, unaudited)

13. FINANCIAL INSTRUMENTS (Continued)

The fair value of accounts receivable, volume discounts receivable, bank indebtedness, accounts payable and dividends payable approximates their carrying amount given the short-term nature of the instruments.

The fair value of investments, long-term debt and merchant members' deposits in guarantee fund is equivalent to their carrying amount since they substantially bear interest at a rate that fluctuates with changes in the prevailing rate.

Derivative financial instruments

During the first quarter of 2008, the Company entered into agreements to swap variable interest rates for a nominal amount of \$60,000 for fixed rates (\$0 at fixed rates against variable rates at December 31, 2007). The swap agreements, at a rate of 3.94%, expire in three equal portions of \$20,000 on January 2011, 2012 and 2013. The fair value of the interest rate swaps is calculated using quotes for similar instruments on the balance sheet date obtained by the Company's financial institution and represents an amount receivable by the Company of \$328 (\$0 at December 31, 2007) (see Note 16).

Management of risks arising from financial instruments

In the normal course of business, the Company has market exposure primarily consisting of credit risk, liquidity risk, foreign exchange risk and interest rate risk. The Company manages these risk exposures on an ongoing basis. In order to limit the effects of changes in interest rates on its revenues, expenses and cash flows, the Company avails itself of derivative financial instruments.

Credit risk

Credit risk stems primarily from the potential inability of clients to discharge their obligations. The maximum credit risk to which the Company is exposed as at September 30, 2008 represents the carrying amount of accounts receivable and investments and volume discounts receivable.

No account represents more than 10% of total accounts receivable. In order to manage its risk, specific credit limits are determined for certain accounts and reviewed regularly by the Company. Also, the Company holds in guarantee personal property as well as assets of certain customers and those customers are required to contribute to a fund to guarantee a portion of their amounts due to the Company, being the merchant members deposits in guarantee funds. Finally, customers' financial health is examined regularly and monthly analysis are presented to management to ensure that past due amounts are collectible and, if necessary, that measures are taken to limit credit risk. Historically, the Company has never made any significant write-off of its accounts receivable as proven by the average bad debt on sales rate of 0.1% for the last three years.

As at September 30, 2008, past-due accounts receivable represent \$11,521 and an allowance for doubtful accounts of \$3,882 is provided.

Allowance for doubtful accounts and accounts receivable are reviewed at least quarterly and a bad-debt expense is recognized only for accounts receivable for which collection is uncertain.

	\$
Balance at December 31, 2007	2,924
Bad-debt expense	1,652
Write-off	(694)
Balance at September 30, 2008	3,882

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations on time or at a reasonable cost. The Company manages its liquidity risk on a consolidated basis by using financing sources to maintain its maneuverability, taking into account its operating needs, tax situation and capital requirements. The Company prepares budget cash forecasts to ensure that it has sufficient funds to meet its obligations.

The Company has a renewable credit facility in the amount of \$325,000 (Note 8). As at September 30, 2008, the Company benefits from an unused credit facility of approximately \$95,000.

Because of cash flows generated by operations and financial resources available, management believes that the liquidity risk is minimal.

Foreign exchange risk

The Company is exposed to foreign exchange risk due to cash held in currency other than that of the reporting entity and due to merchandise and equipment purchased in U.S. dollars. Management considers that fluctuations in the U.S. dollar versus the Canadian dollar will have a minimal impact on net earnings.

Interest rate risk

The Company is exposed to interest rate fluctuations, primarily due to its variable rate debts. The Company manages its interest rate exposure by maintaining an adequate balance of fixed versus variable rate debt by concluding swap agreements to exchange variable rates for fixed rates. As at September 30, 2008, the fixed rate portion of financial debt represents 29% of the total, while the variable rate portion represents 71% (see Note 16).

A 25 basis points rise or fall in interest rates, assuming that all other variables remain the same, would have resulted in a \$38 decrease or increase, respectively, in the Company's net earnings for the three-month period ended September 30, 2008 and \$125 for the nine-month period, whereas other comprehensive income would have resulted in a \$311 increase or decrease, respectively for both the three-month and nine-month periods.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2008 AND 2007

(in thousands of dollars, except for per share amounts, unaudited)

14. SEGMENTED INFORMATION

	3 rd QUARTER							
	Automotive Canada		Automotive USA		Heavy Duty		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$	\$	\$
Sales	136 070	133 571	172 092	150 077	20 566	15 108	328 728	298 756
Earnings before interests, amortization, income taxes and non-controlling interest	11 071	10 531	12 124	9 336	965	98	24 160	19 965
Assets	260 679	230 637	483 676	339 029	41 920	36 203	786 275	605 869
Acquisition of fixed assets	1 037	1 720	6 184	5 380	30	22	7 251	7 122
Acquisition of goodwill	103	(42)	11 597	15 720	-	-	11 700	15 678

	9 MONTHS							
	Automotive Canada		Automotive USA		Heavy Duty		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$	\$	\$
Sales	404,339	383,788	490,192	457,428	48,526	43,962	943,057	885,178
Earnings before interest, amortization, income taxes and non-controlling interest	30,519	30,418	33,338	27,794	(713)	(1,707)	63,144	56,505
Assets	260,679	230,637	483,676	339,029	41,920	36,203	786,275	605,869
Acquisition of fixed assets	4,440	3,648	10,209	8,142	112	81	14,761	11,871
Acquisition of goodwill	7,751	1,464	11,889	17,316	-	-	19,640	18,780

The Automotive USA segment includes fixed assets for an amount of \$23,818 (\$16,273 as at September 30, 2007) and goodwill for an amount of \$49,006 (\$31,487 as at September 30, 2007).

15. FUTURE ACCOUNTING STANDARDS

International Financial Reporting Standards

In February 2008, the Canadian Accounting Standards Board confirmed that the use of International Financial Reporting Standards ("IFRS") established by the International Accounting Standards Board will be required for fiscal years beginning January 1st, 2011 for publicly accountable profit-oriented enterprises. IFRS will replace Canada's current GAAP for those enterprises.

The Company is currently establishing a convergence plan and evaluating the impact of the adoption of IFRS on its consolidated financial statements.

Goodwill and intangible assets

In February 2008, the CICA issued Handbook Section 3064 *Goodwill and intangible assets* in replacement of Section 3062 *Goodwill and other intangible assets*. Various changes have been made to other sections of the CICA Handbook for consistency purposes. This new standard is applicable to fiscal years beginning on or after October 1st, 2008. The new Section establishes standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets subsequent to their initial recognition. The Company will implement this standard in its first quarter of fiscal year 2009 and is currently evaluating the impact of its adoption on its consolidated financial statements.

16. SUBSEQUENT EVENT

On October 27, 2008, the Company entered into two interest rate swap agreements for the nominal amount of \$30,000 each as part of the Company's program to manage the floating interest rate, the whole as set out in Note 13. These agreements bear interest at rates of 3.50% and 3.35% and expire in three equal portions of \$20,000 in 2011, 2012 and 2013.