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**PRESS RELEASE**

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**UNI-SELECT INC. REPORTS AN INCREASE IN SALES OF 32% AND AN INCREASE OF MORE THAN 13% IN NET EARNINGS FOR THE FOURTH QUARTER OF 2008**

**Boucherville**, March 10 2009 – Uni-Select Inc. reports sales of \$373,873,000 for the fourth quarter of 2008, an increase of 32.1% compared to sales of \$283,111,000 \$ in 2007. The increase in sales for the Company is primarily due to the various acquisitions completed in recent quarters. Net earnings increased to \$14,816,000 in the fourth quarter of 2008 or \$0.75 per share compared to \$13,080,000 or \$0.66 per share last year, an increase of 13.3%.

For the year ended December 31, sales were \$1,316,930,000, an increase of \$148,641,000 or 12.7% over the same period last year. The consolidated operating margin has increased by \$12,479,000 to 7% compared to 6.8% in 2007. Net earnings increased 12.4%, to reach \$45,920,000 or \$2.33 per share compared to net earnings of \$40,841,000 or \$2.07 per share in 2007. Excluding the impact of non-recurring costs related to store closures in lesser performing markets, net earnings for the year would have been \$2.37 per share and 0.79\$ for the quarter.

(in millions of \$ except earnings per share)	4 <sup>th</sup> QUARTER		12-MONTH PERIOD	
	2008	2007	2008	2007
Sales	373.9	283.1	1 316.9	1 168.3
EBITDA	29.3	23.5	92.5	80.0
Net earnings	14.8	13.1	45.9	40.8
Earnings per share	0.75	0.66	2.33	2.07

“2008 was a good year performance wise as we were able to meet the objectives of increasing the net revenue, optimizing our asset base, reducing our expenses and successfully integrating the businesses acquired during the last few years. These objectives were met despite the challenging economic situation in North America” said Mr. Richard G. Roy, President and Chief Executive Officer of Uni-Select Inc. “In this 40<sup>th</sup> year of our foundation, we remain optimistic as to our results for 2009. We will benefit from a full year of sales and synergies derived from our acquisitions completed in 2008 and the continued improvement of our operating margins throughout our network. The closure of a few stores in 2008, in areas with lesser potential, is a reflection of our asset management guidelines. While, the reduction of the asset base and the disposal of specific stores will once again be on the agenda for 2009.

I would like to take this opportunity to thank our employees for their contribution throughout the year. Their dedication enabled us to pursue our growth in Canada as well as in the United States. Over 237 Parts Depot independent customers out of 242 have changed over to the Auto-Plus trademark and programs during the fourth quarter. This latest acquisition increased our customers to 2,550 and the number of stores serviced to more than 3,500” added Mr. Roy.

Sales for Automotive Group USA reached \$227,940,000 in the fourth quarter compared to \$149,740,000 in the fourth quarter of 2007, an increase of 52.2%. The acquisitions completed in recent quarters contributed \$57,196,000 to the increase in sales of the fourth quarter. The operating margin for the Group reached 5.8% in the fourth quarter. Excluding the latest two acquisitions whose integration is just underway, the margin is 7.2% an improvement compared

to 6.7% in 2007. This improvement is essentially the result of continued improvement programs on margins and cost reduction.

For the year ended December 31, 2008, sales for Automotive Group USA reached \$718,132,000, an increase of 18.3% compared to the same period of 2007. This increase essentially stems from the acquisitions completed during the course of the period which contributed \$143,317,000. The fluctuations in the exchange rate had a non-significant impact on the annual sales (the impact was favorable by \$35,569,000 for the fourth quarter). The operating margin of the Group reached 6.5% in 2008. Excluding the last two acquisitions whose integration started late 2008 the margin is 7.0% an improvement of nearly 1% compared to 6.2% in 2007

Automotive Group Canada reported an increase in sales of 9.6% in the fourth quarter of 2008 to reach \$125,081,000 compared to \$114,167,000 in the fourth quarter of 2007. The acquisitions completed in the recent quarters contributed \$7,072,000 to the increase in sales in the quarter. The operating margin of the Group was 11.6% compared to 10.4% in the fourth quarter last year.

For the year ended December 31, 2008, sales for Automotive Group Canada were \$529,420,000, an increase of 6.3% compared to the same period in 2007. This increase is essentially the result of the acquisitions completed during the period which contributed \$38,800,000 in sales. The operating margin remained stable at 8.5% compared to 2007.

Sales for the Heavy Duty Group increased by 8.6% in the fourth quarter of 2008 to reach \$20,852,000 compared to \$19,204,000 in 2007. The operating margin for the Heavy Duty Group was 7.4% in the fourth quarter of 2008 compared to 8.0% last year. This decrease in the margin stems essentially from the effects of the current economic situation which affects the heavy duty transport industry and the strong competition in that business segment.

For the year ended December 31 2008, sales for the Heavy Duty Group were \$69,378,000, an increase of 9.8% compared to the same period in 2007. The operating margin was 1.2% an improvement of 1.5% compared to (0.3%) recorded in 2007.

During the fourth quarter, the company generated more than \$60,000,000 in cash flow resulting from operating activities with more than \$43,000,000 used to reduce the bank indebtedness. Uni-Select benefits from a strong balance sheet and its long term credit facility is not up for renewal before October 2011 allowing for room to pursue its development plan.

In closing, the Board of Directors of Uni-Select Inc. declared a quarterly dividend of \$0.1165 per common share payable on April 21, 2009 to shareholders of record as at 31 mars 2009. This dividend is eligible. The annual shareholders meeting will be held in Montreal on May 5, 2009.

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 7<sup>th</sup> largest distributor. Its subsidiary, Palmar Inc., sells replacement parts, tools and accessories for heavy-duty vehicles and wheels in Canada. The Uni-Select Network<sup>TM</sup> includes over 2,500 independent jobbers and services 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.

**Uni-Select Inc.**

**Consolidated Interim Financial Statements  
December 31, 2008 and 2007**



**UNI-SELECT®**

Financial Statements

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**Notice related to the review of interim financial statements**

The consolidated interim financial statements for the period ended December 31, 2008 have not been reviewed by the auditors of the Company.

**CONSOLIDATED EARNINGS**  
**THREE-MONTH AND TWELVE-MONTH PERIODS ENDED DECEMBER 31, 2008 AND 2007**  
(in thousands of dollars, except earnings per share, unaudited)

	4 <sup>th</sup> QUARTER		12 MONTHS	
	2008	2007	2008	2007
	\$	\$	\$	\$
<b>SALES</b>	<b>373 873</b>	283 111	<b>1 316 930</b>	1 168 289
<b>Earnings before the following items</b>	<b>29 345</b>	23 505	<b>92 489</b>	80 010
Interest (Note 4)	2 845	1 910	8 007	6 255
Amortization (Note 4)	3 653	2 209	11 615	9 181
	<b>6 498</b>	4 119	<b>19 622</b>	15 436
<b>Earnings before income taxes and non-controlling interest</b>	<b>22 847</b>	19 386	<b>72 867</b>	64 574
Income taxes				
Current	1 447	10 352	12 918	26 226
Future	5 648	(4 808)	10 527	(5 344)
	<b>7 095</b>	5 544	<b>23 445</b>	20 882
<b>Earnings before non-controlling interest</b>	<b>15 752</b>	13 842	<b>49 422</b>	43 692
Non-controlling interest	936	762	3 502	2 851
<b>Net earnings</b>	<b>14 816</b>	13 080	<b>45 920</b>	40 841
<b>Basic earnings and diluted earnings per share (Note 5)</b>	<b>0,75</b>	0,66	<b>2,33</b>	2,07
Number of issued and outstanding shares	<b>19 694 358</b>	19 736 558	<b>19 694 358</b>	19 736 558

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

**CONSOLIDATED RETAINED EARNINGS**  
**THREE-MONTH AND TWELVE-MONTH PERIODS ENDED DECEMBER 31, 2008 AND 2007**  
(in thousands of dollars, unaudited)

	12 MONTHS	
	2008	2007
	\$	\$
<b>Balance, beginning of period</b>	<b>287 712</b>	255 355
Net earnings	45 920	40 841
	<b>333 632</b>	296 196
Redemption of common shares <sup>(a)</sup>	903	-
Dividends	8 488	8 484
<b>Balance, end of period</b>	<b>324 241</b>	287 712

<sup>(a)</sup> During the year, the Company redeemed 48,200 common shares for a cash consideration of \$1,025 including a share redemption premium of \$903.

**CONSOLIDATED COMPREHENSIVE INCOME**  
**THREE-MONTH AND TWELVE-MONTH PERIODS ENDED DECEMBER 31, 2008 AND 2007**  
(in thousands of dollars, unaudited)

	4 <sup>th</sup> QUARTER		12 MONTHS	
	2008	2007	2008	2007
	\$	\$	\$	\$
<b>Net earnings</b>	<b>14 816</b>	13 080	<b>45 920</b>	40 841
<b>Other comprehensive income:</b>				
Unrealized losses on derivative financial instruments designated as cash flow hedges, net of income taxes of \$2,677 and \$2,900 for the three-month and the twelve-month periods respectively	(5 741)	-	(6 221)	-
Gain on a derivative financial instrument designated as cash flow hedges prior to January 1, 2007, transferred to net earnings in the current period (net of income taxes of \$19 and \$81 for the three-month and the twelve-month periods respectively)		(39)		(173)
Reclassification of realized gains (losses) to net earnings on derivative financial instruments designated as cash flow hedges, net of income taxes of (\$40) and (\$159) for the three-month and the twelve-month periods respectively	85		342	
Unrealized losses on translation of bank indebtedness incurred in 2008 and designated as hedges of net investments in self-sustaining foreign subsidiaries	-	-	2 717	-
Unrealized gains (losses) on translating financial statements of self-sustaining foreign operations	24 362	(1 366)	34 568	(20 245)
Other comprehensive income	18 706	(1 405)	31 406	(20 418)
<b>Comprehensive income</b>	<b>33 522</b>	11 675	<b>77 326</b>	20 423

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

**CONSOLIDATED CASH FLOWS**  
**THREE-MONTH AND TWELVE-MONTH PERIODS ENDED DECEMBER 31, 2008 AND 2007**

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

	4 <sup>th</sup> QUARTER		12 MONTHS	
	2008	2007	2008	2007
	\$	\$	\$	\$
<b>OPERATING ACTIVITIES</b>				
Net earnings	14 816	13 080	45 920	40 841
Non-cash items				
Amortization	3 653	2 209	11 615	9 181
Amortization of deferred gain on a sale-leaseback arrangement	(88)	(54)	(257)	(176)
Future income taxes	5 648	(4 808)	10 527	(5 344)
Compensation cost relating to stock option plans	227		227	-
Non-controlling interest	935	762	3 501	2 851
	25 191	11 189	71 533	47 353
Changes in working capital items	38 624	(10 557)	36 024	(21 104)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>63 815</b>	<b>632</b>	<b>107 557</b>	<b>26 249</b>
<b>INVESTING ACTIVITIES</b>				
Temporary investments	-	-	-	6 897
Business acquisitions (Note 6)	(2 409)	(9 350)	(119 878)	(80 685)
Non-controlling interest	-	(50)	-	(228)
Investments	63	-	(1 356)	-
Advances to merchant members	(2 130)	(2 218)	(4 822)	(3 753)
Receipts on advances to merchant members	1 494	1 035	4 715	3 830
Fixed assets	(5 169)	(3 528)	(14 464)	(10 171)
Disposal of fixed assets	381	102	678	7 685
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(7 770)</b>	<b>(14 009)</b>	<b>(135 127)</b>	<b>(76 425)</b>
<b>FINANCING ACTIVITIES</b>				
Bank indebtedness	(43 126)	8 716	(37 035)	11 741
Balance of purchase price	(578)	429	259	(577)
Non-controlling interest contribution		7 008		7 008
Financing costs	-	-	(414)	-
Long-term debt	137	991	85 114	42 699
Repayment of long-term debt	(429)	(1 078)	(2 016)	(2 885)
Merchant members' deposits in guarantee fund	32	(203)	174	(536)
Issuance of shares	88	-	88	528
Share redemption	(828)	-	(1 025)	-
Dividends paid	(2 128)	(2 122)	(8 492)	(8 333)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(46 832)</b>	<b>13 741</b>	<b>36 653</b>	<b>49 645</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>9 213</b>	<b>364</b>	<b>9 083</b>	<b>(531)</b>
Cash and cash equivalents, beginning of period	469	235	599	1 130
<b>Cash and cash equivalents, end of period</b>	<b>9 682</b>	<b>599</b>	<b>9 682</b>	<b>599</b>
Dividends paid per share	0,108	0,108	0,431	0,424

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

**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2008 AND 2007**

(in thousands of dollars, unaudited)

	DECEMBER 31 2008	DECEMBER 31 2007
	\$	Audited \$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	9 682	599
Accounts receivable	180 308	141 043
Income taxes receivable	9 051	1 370
Inventory (Note 7)	482 340	341 545
Prepaid expenses	6 742	4 959
Future income taxes	10 172	8 671
	<u>698 295</u>	<u>498 187</u>
Investments and volume discounts receivable	8 710	7 406
Fixed assets	54 939	41 526
Financing costs	785	488
Intangible assets (Note 8)	8 147	330
Goodwill	99 501	64 858
Future income taxes	3 707	2 778
	<u>874 084</u>	<u>615 573</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Bank indebtedness (Note 9)	-	35 887
Accounts payable	212 581	132 660
Dividends payable	2 118	2 122
Instalments on long-term debt and on merchant members' deposits in guarantee fund	327	577
Future income taxes	5 676	-
	<u>220 702</u>	<u>171 246</u>
Deferred gain on a sale-leaseback arrangement	2 641	2 338
Long-term debt	209 907	91 786
Merchant members' deposits in guarantee fund	7 724	7 294
Derivative financial instruments	8 620	-
Future income taxes	5 013	3 838
Non-controlling interest	46 776	34 498
	<u>501 383</u>	<u>311 000</u>
<b>SHAREHOLDERS' EQUITY</b>		
Capital stock	49 838	49 872
Contributed surplus	227	
Retained earnings	324 241	287 712
Accumulated other comprehensive income (Note 10)	(1 605)	(33 011)
	<u>322 863</u>	<u>254 701</u>
	<u>372 701</u>	<u>304 573</u>
	<u>874 084</u>	<u>615 573</u>

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 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, 2008. 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, 2008. 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 replaces Section 3861 - "Financial Instruments - Disclosure and Presentation" which the Company adopted on January 1st 2007. Section 3862 describes the required disclosures related to the significance of financial instruments on the Company's financial position and performance and the nature and extent of risks arising from financial instruments to which the Company is exposed and how the Company manages those risks. This Section complements the principles of recognition, measurement and presentation of financial instruments of Section 3855, "Financial Instruments - Recognition and Measurement", 3865, "Hedges" which the Company adopted on January 1st, 2007 as well as Section 3863 "Financial Instruments - Presentation".

Section 3863 replaces Section 3861 "Financial Instruments - Disclosure and Presentation" which the Company adopted on January 1st 2007. This Section 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.

The adoption of this Section implied that information is now included in the notes to the consolidated financial statements (Note 13).

**Inventories**

On January 1, 2008, in accordance with the applicable transitional provisions, the Company prospectively 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. The adoption of this Section did not have significant impact on the consolidated financial statements.

**3. ACCOUNTING POLICIES**

**Evaluation of inventory**

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first in, first out method.

**Amortization**

Customer relationships are amortized per straight-line method over periods from 16 to 20 years.

**Impairment of long-lived assets**

Fixed assets and amortizable intangible assets are tested for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. The carrying amount of a long-lived asset is not recoverable when it exceeds the sum of the undiscounted cash flows expected from its use and eventual disposal. In such a case, an impairment loss must be recognized and is equivalent to the excess of the carrying amount of a long-lived asset over its fair value.

**Goodwill and unamortizable trademarks**

Goodwill is the excess of the cost of acquired enterprises over the net of the amounts assigned to assets acquired and liabilities assumed. Goodwill is not amortized and is tested for impairment annually or more frequently if events or changes in circumstances indicate that it is impaired. The impairment test consists of a comparison of the fair value of the Company's reporting units with their carrying amount. When the carrying amount of a reporting unit exceeds the fair value, the Company compares the fair value of goodwill related to the reporting unit to its carrying value and recognizes an impairment loss equal to the excess. The fair value of a reporting unit is calculated based on evaluations of discounted cash flows.

Unamortizable trademarks are also tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the future undiscounted cash flows expected from the asset. The loss is determined by comparing the fair value of the asset to its carrying value. The fair value is calculated based on evaluations of discounted cash flows.

**Foreign currency translation**

Monetary items on the balance sheet excluding those related to self-sustaining foreign subsidiaries are translated at the exchange rates in effect at year-end, while non-monetary items are translated at the historical rates of exchange. Revenues and expenses are translated at the rate of exchange in effect on the transaction date or at the average exchange rates for the period. Gains or losses resulting from the translation are included in earnings for the year except for the unrealized gains or losses on translation of US\$16,600 bank indebtedness (presented in reduction of cash and cash equivalents) designated as hedges of net investments in self-sustaining foreign subsidiaries which are included in other comprehensive income.

Assets and liabilities of the U.S. subsidiaries classified as self-sustaining from a financial and operational standpoint are translated into Canadian dollars at the exchange rate in effect at the balance sheet date. Revenues and expenses are translated at rates of exchange in effect on the transaction date. Unrealized gains and losses are included in other comprehensive income and are included in earnings only when a reduction in the net investment in these foreign subsidiaries is realized.

Weighted average exchange rate for the earnings of the year is 1.07 for 2008 and 2007. Assets and liabilities of the self-sustaining U.S. subsidiaries are translated at a rate of 1.22 (0.99 in 2007).

**Comparative figures**

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008 AND 2007**

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

**4. INFORMATION INCLUDED IN THE CONSOLIDATED EARNINGS**

<b>Other financial liabilities</b>	<b>4<sup>th</sup> QUARTER</b>		<b>12 MONTHS</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Interest on bank indebtedness	914	613	2 680	2 626
Interest on long-term debt	2 009	1 359	5 582	4 401
Interest on merchant members' deposits in guarantee fund	37	95	305	393
	<b>2 960</b>	<b>2 067</b>	<b>8 567</b>	<b>7 420</b>
<b>Held-for-trading financial assets</b>				
Interest income on cash and cash equivalents	(36)	(28)	(68)	(631)
<b>Loans and receivables</b>				
Interest income from merchant members	(79)	(129)	(492)	(534)
	<b>2 845</b>	<b>1 910</b>	<b>8 007</b>	<b>6 255</b>
<b>Amortization</b>				
Amortization of fixed assets	3 538	2 102	11 201	8 674
Amortization of other assets	115	107	414	507
	<b>3 653</b>	<b>2 209</b>	<b>11 615</b>	<b>9 181</b>

**5. EARNINGS PER SHARE**

Weighted average number of shares for the calculation of basic earnings per share is 19,701,596 for the three-month period ended December 31, 2008 (19,736,558 in 2007) and 19,724,417 for the twelve-month period ended December 31, 2008 (19,727,720 in 2007). Impact of stock options exercised is 16,076 shares for the three-month period ended December 31, 2008 (25,958 in 2007) and 19,268 for the twelve-month period ended December 31, 2008 (31,590 in 2007) which total a weighted average number of shares of 19,717,671 for the three-month period ended December 31, 2008 (19,762,516 in 2007) and 19,743,685 for the twelve-month period ended December 31, 2008 (19,759,310 in 2007) for calculation of diluted earnings per share.

**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 as stated in the shareholders' agreement.

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:

	<b>Parts Depot <sup>(1)</sup></b>	<b>Other</b>	<b>Total</b>
			<b>\$</b>
Current assets	66 437	32 058	98 495
Fixed assets	4 608	1 184	5 792
Customer relationships	4 616	1 600	6 216
Trademark	-	945	945
Other long-term assets	1 210	1 248	2 458
Goodwill	13 730	10 485	24 215
Current liabilities	(2 490)	(15 779)	(18 269)
Long-term liabilities	-	(47)	(47)
	<b>88 111</b>	<b>31 694</b>	<b>119 805</b>
Cash of companies acquired	31	249	280
Total consideration paid less cash acquired	<b>88 080</b>	<b>31 798</b>	<b>119 878</b>
Balance of purchase price receivable	-	(353)	(353)

<sup>(1)</sup> Acquisition of a portion of the assets on September 15, 2008.

The company estimates that an amount of \$2,731 will reduce the deductible portion of goodwill for tax purposes.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008 AND 2007**

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

**7. INVENTORY**

Cost of inventory recognized as an expense for the three-month period ended December 31, 2008 is \$255,382 and \$925,688 for the twelve-month period ended December 31, 2008.

**8. INTANGIBLE ASSETS**

	<b>2008</b>		
	<b>Cost</b>	<b>Accumulated depreciation</b>	<b>Unamortized cost</b>
Trademark	1 164		1 164
Customer relationships	6 866	100	6 766
Covenants not to compete	689	472	217
	<u>8 719</u>	<u>572</u>	<u>8 147</u>
	<b>2007</b>		
	<b>Cost</b>	<b>Accumulated depreciation</b>	<b>Unamortized cost</b>
Covenants not to compete	635	305	330
	<u>635</u>	<u>305</u>	<u>330</u>

**9. CREDIT FACILITY**

The Company has a credit facility in the amount of \$325,000 (\$225,000 in 2007). This credit facility is composed of a \$235,000 (\$165,000 in 2007) revolving credit expiring in October 2011. The credit facility also includes a \$90,000 operating credit (\$60,000 in 2007) maturing in October 2009 which is also used for the issuance of letters of guarantee and is renewable annually in October. As at December 31, 2008, the issued letters of guarantee totalled \$6,515 (\$5,010 as at December 31, 2007). This facility can be drawn either in Canadian dollars or U.S. dollars.

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 December 31, 2008, interest rates vary between 1.4% and 3.75% (5.35% and 7.75% as at December 31, 2007).

**10. ACCUMULATED OTHER COMPREHENSIVE INCOME**

	<b>DECEMBER 31, 2008</b>	<b>DECEMBER 31, 2007</b>
	<b>\$</b>	<b>\$</b>
<b>Balance, beginning of period</b>	<b>(33 011)</b>	-
Balance, as previously reported	-	(12 766)
Cumulative impact of accounting changes relating to financial instruments (net of income taxes of \$81)	-	173
<b>Balance, as restated</b>	<b>(33 011)</b>	(12 593)
Other comprehensive income for the period	<b>31 406</b>	(20 418)
<b>Balance, end of period</b>	<b>(1 605)</b>	(33 011)

**11. EMPLOYEE FUTURE BENEFITS**

As at December 31, 2008, the Company's pension plans are defined benefit and contribution plans.

For the three-month period ended December 31, 2008, the total expense for the defined contribution pension plans was \$601 (\$228 in 2007) and \$645 (\$51 in 2007) for the defined benefit pension plans.

For the twelve-month period ended December 31, 2008, the total expense for the defined contribution pension plans was \$1,359 (\$1,107 in 2007) and \$2,447 (\$2,272 in 2007) for the defined benefit pension plans.

**12. 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 \$65,525 (\$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.

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**13. 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 (net of cash and cash equivalents) on total net debt plus equity of less than 45%;
- Maintain a long term debt on equity ratio less than 125 %;
- 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 on earnings before interest, taxes, depreciation and amortization and non-controlling interest (EBITDA) ratio of 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 on total net debt plus equity ratio, long-term debt on equity ratio, return on shareholders' equity ratio and funded debt on EBITDA ratio.

	DECEMBER 31, 2008	DECEMBER 31, 2007
Total net debt on total net debt plus equity ratio <sup>(1)(2)</sup>	35.8 %	30,7%
Long-term debt on equity ratio <sup>(1)(2)</sup>	58.4 %	32,7%
Return on shareholders' equity ratio <sup>(2)</sup>	13,6%	13,7%
Funded debt on EBITDA ratio <sup>(1)(2)</sup>	2.01	1,76

<sup>(1)</sup> Increase in debt ratios comes directly from the increase of long-term debt due to the acquisitions in the last quarters.

<sup>(2)</sup> 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 December 31, 2008 proportionally to the increase in long-term debt.

Regarding its \$325,000 credit facility, the Company is required to comply with certain financial ratios as funded debt on EBITDA and funded debt on total net debt plus equity which it has done as at December 31, 2008 and December 31, 2007.

**14. 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 December 31, 2008 are summarized in the following table:

	Carrying amount \$	Fair value \$
<b>Held-for-trading financial assets</b>		
Cash and cash equivalents	9 682	9 682
<b>Loans and receivable</b>	-	-
Accounts receivable	180 308	180 308
Investments and volume discounts receivable	8 710	8 710
	<b>198 700</b>	<b>198 700</b>
<b>Financial liabilities</b>		
<b>Other financial liabilities</b>		
Accounts payable	212 581	212 581
Dividends payable	2 118	2 118
Long-term debt	210 026	198 513
Merchant members' deposits in guarantee fund	7 932	7 932
<b>Derivative financial instruments</b>	8 620	8 620
	<b>441 277</b>	<b>429 764</b>

Interest income on loans and receivables for the three-month period ended December 31, 2008 represents \$629 (\$328 in 2007) and \$1,652 for the twelve-month period ended December 31, 2008 (\$1,307 in 2007).

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**14. FINANCIAL INSTRUMENTS (Continued)**

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

The fair value of shares of company was not determined given that the shares are not publicly traded.

Substantially all advances and guarantee deposits result from transactions with merchant-members. The fair-value has not been determined since these transactions are conducted to maintain and develop markets and do not necessarily reflect the terms and conditions that would be negotiated with third parties.

The fair value of the long-term debt has been determined by calculating the present value of the interest rate spread that exists between the actual credit facility and the rate that would be renegotiated with the actual economic conditions.

**Derivative financial instruments**

During the first quarter of 2008, the Company entered into agreements to swap variable interest rates (Note 9) for a nominal amount of US\$ 120,000 for fixed rates.

Nominal amount	Rate	Expiration		
		2011	2012	2013
US\$		US\$	US\$	US\$
60 000	3,94%	20 000	20 000	20 000
30 000	3,50%	10 000	10 000	10 000
30 000	3,35%	10 000	10 000	10 000

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 payable by the Company of \$8,620 (\$0 at December 31, 2007).

**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 December 31, 2008 represents the carrying amount of accounts receivable and investments and volume discounts receivable.

No account represents more than 5% 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 December 31, 2008, past-due accounts receivable represent \$8,747 (7,107 in 2007) and an allowance for doubtful accounts of \$3,748 (2,924 in 2007) 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	2 653
Amounts recovered	(1 829)
Balance at December 31, 2008	3 748

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 December 31, 2008, the Company benefits from an unused credit facility of approximately \$116,000.

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 on its financial instruments 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 December 31, 2008, the fixed rate portion of financial debt represents 74% of the total, while the variable rate portion represents 26% (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 \$67 decrease or increase, respectively, in the Company's net earnings for the three-month period ended December 31, 2008 and \$203 for the twelve-month period, whereas other comprehensive income would have resulted in a \$795 increase or decrease, respectively for both the three-month and twelve-month periods.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**15. SEGMENTED INFORMATION**

	4 <sup>th</sup> QUARTER							
	Automotive Canada		Automotive USA		Heavy Duty Canada		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Sales</b>	<b>125 081</b>	114 167	<b>227 940</b>	149 740	<b>20 852</b>	19 204	<b>373 873</b>	283 111
Earnings before interests, amortization, income taxes and non-controlling interest	<b>14 475</b>	11 904	<b>13 333</b>	10 073	<b>1 537</b>	1 528	<b>29 345</b>	23 505
Assets	<b>243 257</b>	228 930	<b>598 629</b>	353 122	<b>32 198</b>	33 521	<b>874 084</b>	615 573
Acquisition of fixed assets	<b>1 778</b>	1 954	<b>3 664</b>	1 740	<b>53</b>	38	<b>5 495</b>	3 732
Acquisition of intangible assets	<b>1 600</b>	-	<b>5 561</b>	-	-	-	<b>7 161</b>	-
Acquisition of goodwill	<b>1 710</b>	2 313	<b>2 865</b>	3 749	-	-	<b>4 575</b>	6 062

	12 MONTHS							
	Automotive Canada		Automotive USA		Heavy Duty Canada		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Sales</b>	<b>529 420</b>	497 955	<b>718 132</b>	607 168	<b>69 378</b>	63 166	<b>1 316 930</b>	1 168 289
Earnings before interest, amortization, income taxes and non-controlling interest	<b>44 994</b>	42 322	<b>46 671</b>	37 867	<b>824</b>	(179)	<b>92 489</b>	80 010
Assets	<b>243 257</b>	228 930	<b>598 629</b>	353 122	<b>32 198</b>	33 521	<b>874 084</b>	615 573
Acquisition of fixed assets	<b>6 218</b>	5 602	<b>13 873</b>	9 882	<b>165</b>	119	<b>20 256</b>	15 603
Acquisition of intangible assets	<b>1 600</b>	-	<b>5 561</b>	-	-	-	<b>7 161</b>	-
Acquisition of goodwill	<b>9 461</b>	3 777	<b>14 754</b>	21 065	-	-	<b>24 215</b>	24 842

The Automotive USA segment includes fixed assets for an amount of \$28,658 (\$16,591 as at December 31, 2007) and goodwill for an amount of \$59,891 (\$34,709 as at December 31, 2007).

**16. 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.

In 2008, the Company has done the preliminary analysis of the impact at the transition date.

In 2009, the Company will proceed with the detailed analysis and continue the training of the employees involved in the project.

**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 has determined that the adoption of this new recommendation will not have a material impact on the Company's financial statements.