Press Release

For immediate release

Uni-Select reports double-digit increases for sales, EBITDA [(1)] and EPS (compared to the same quarter last year), driven by The Parts Alliance contribution:

- **Sales up 35.6% to $461.6 million of which The Parts Alliance contribution represented $111.0 million or 32.6%;**
- **Positive organic growth [(1)] of 0.7% at FinishMaster US segment, 8.6% at The Parts Alliance on a stand-alone basis and negative organic growth of 3% for the Canadian Automotive Group;**
- **EBITDA [(1)] of $35.4 million up 20.0%; Adjusted EBITDA [(1)] of $35.6 million up 9.5%;**
- **EPS up 27.3% to $0.42, Adjusted EPS [(1)] up 12.8% to $0.44; and**
- **Free cash flows [(1)] of $27.7 million up 72.3%.**

Unless otherwise indicated in this press release, all amounts are expressed in thousands of US dollars, except per share amounts and percentages.

Boucherville (Québec), August 10, 2018 – Uni-Select Inc. (TSX:UNS) today reported its financial results for the second quarter ended June 30, 2018.

"We are very pleased by our results for the FinishMaster US segment (FinishMaster), as organic growth resumed, in line with our expectations. The Part Alliance UK segment (TPA) provided another solid quarter of sales growth and strong margins which fuelled adjusted EBITDA and free cash flows," said Henry Buckley, President and Chief Executive Officer of Uni-Select.

"We intensified our sales and marketing efforts at FinishMaster which translated in new business wins and a return to positive organic growth. TPA is exceeding our expectations supported by solid momentum in greenfield store openings and operational performance. However, the Canadian Automotive Group segment faced headwinds this quarter primarily as a result of soft market conditions. Given our overall performance and outlook, we are reiterating our annual consolidated guidance but have adjusted our segments to consider a stronger performance in TPA and a more conservative view for Canadian operations.

Looking forward, we are confident that we have turned the corner at FinishMaster and that our TPA acquisition represents a great asset on which we can build and grow our network. Furthermore, we are confident that the Canadian business strategy will gain momentum with the growing traction of the BUMPER TO BUMPER® brand," concluded Mr. Buckley.

For further information about the Corporation's use of the non-IFRS measures identified in this press release, refer to "Non-IFRS financial measures" section.

	SECOND QUARTERS		SIX-MONTH PERIODS	
	2018	**2017**	**2018**	**2017**
Sales	461,571	340,287	883,665	637,487
EBITDA [(1)]	35,443	29,544	62,445	52,717
EBITDA margin [(1)]	*7.7%*	*8.7%*	*7.1%*	*8.3%*
Adjusted EBITDA [(1)]	35,557	32,460	63,177	55,633
Adjusted EBITDA margin [(1)]	*7.7%*	*9.5%*	*7.1%*	*8.7%*
Net earnings	17,875	13,738	28,266	24,736
Adjusted earnings [(1)]	18,399	16,635	30,515	27,633
Earnings per share	0.42	0.33	0.67	0.59
Adjusted earnings per share [(1)]	0.44	0.39	0.72	0.65

(1) Non-IFRS financial measures. Refer to the "Non-IFRS financial measures" section for further details.

SECOND QUARTER RESULTS

Consolidated sales for the second quarter were $461.6 million, a 35.6% increase compared to the same quarter last year, driven by the sales generated from recent business acquisitions, adding sales of $115.4 million or 33.9%, of which The Parts Alliance UK segment represents $111.0 million or 32.6%. The FinishMaster US segment is reporting a positive organic growth of 0.7% and overcoming recent headwinds. The Canadian Automotive Group segment is reporting a negative organic growth for the quarter compared to a record organic growth in 2017, navigating through a softer market in 2018.

The Corporation generated an EBITDA and EBITDA margin of $35.4 million and 7.7%, respectively, compared to $29.5 million and 8.7% in 2017. Once adjusted for net transaction charges related to The Parts Alliance acquisition, EBITDA was $35.6 million (7.7% of sales) for the quarter, compared to $32.5 million (9.5% of sales) in 2017, an increase of 9.5%. The adjusted EBITDA margin decreased by 180 basis points and was affected by an evolving customer mix in the FinishMaster US segment, integration efforts to optimize the growing network of company-owned stores in the Canadian Automotive Group segment and losses on foreign exchange currencies. These impacts are partially compensated by savings resulting from the 20/20 initiative and an improved gross margin in the Canadian Automotive Group segment.

Net earnings and adjusted earnings were respectively $17.9 million and $18.4 million, compared to $13.7 million and $16.6 million in 2017. Adjusted earnings increased by 10.6% compared to the same quarter last year, resulting from The Parts Alliance UK segment's contribution and the reduction of the income tax rate for the US operations. These elements were partially offset by additional finance costs as well as depreciation and amortization, all related to recent business acquisitions and investments in capital.

Segmented Results

The FinishMaster US segment is rebuilding sales momentum with sales of $211.0 million, up 0.7% from the same quarter in 2017, entirely arising from organic growth. This performance is attributable to the sales team efforts on driving growth and business volume. EBITDA for this segment was $21.5 million, compared to $24.0 million in 2017. The EBITDA margin decrease of 130 basis points is impacted by a growing percentage of national and regional accounts, for which discounts are more significant. This segment is also aggressively reinforcing its leadership position against competition. These elements were partially compensated by savings arising from the 20/20 initiative, which include the integration of one store and the alignment of employee benefits to its evolving cost-to-serve model.

Sales for the Canadian Automotive Group segment were $139.6 million, compared to $130.8 million in 2017, an increase of 6.7%, the result of the impact of the Canadian dollar on its conversion to US dollar, the recent business acquisitions and the impact of billing days. This segment reported a negative organic growth of 3.0%, compared to a record second quarter in 2017 due, for the most part, to softness in the market. The EBITDA margin decrease of 140 basis points compared to the same quarter in 2017, is mainly due to the undertaken integration efforts to optimize the company-owned stores, including the 20/20 initiative, store rebranding, store processes and implementation of the new point of sales (POS) system. These elements are partially compensated by higher volume rebates and contribution from the acquired stores, improving the gross margin of the current quarter compared to the corresponding quarter last year.

The Parts Alliance UK segment recorded sales of $111.0 million and EBITDA of $8.6 million (7.8% of sales). The peak season of this segment, which typically covers the first and the second quarters, is enabling the leverage of its cost base. Further supported by cost actions taken during the last quarter of 2017, the result was an EBITDA margin of 7.8% for the current quarter, in contrast to the 4.0% recorded in the fourth quarter of 2017. As part of its growth strategy, 3 greenfields were opened during the quarter.

SIX-MONTH PERIOD RESULTS

Consolidated sales for the six-month period were $883.7 million, a 38.6% increase compared to the same period last year, driven by the sales generated from recent business acquisitions, adding sales of $237.0 million or 37.2%, of which The Parts Alliance UK segment represents $221.1 million or 34.7%. The Canadian Automotive Group segment delivered an organic growth of 1.1% compensating the performance of the FinishMaster US segment, which is reporting negative organic growth of 1.0%.

The Corporation generated an EBITDA and EBITDA margin of $62.4 million and 7.1%, respectively, compared to $52.7 million and 8.3% last year. Once adjusted for net transaction charges related to The Parts Alliance acquisition, EBITDA was $63.2 million (7.1% of sales) for the period, compared to $55.6 million (8.7% of sales) in 2017, an increase of 13.6%. The adjusted EBITDA margin decreased by 160 basis points and was affected by a customer mix impact and lower special buys in the FinishMaster US segment as well as by integration efforts to optimize the growing network of company-owned stores in the Canadian Automotive Group segment and losses on foreign exchange currencies. These impacts were partially compensated by an improved cost absorption at The Parts Alliance UK segment benefiting from its peak season.

Net earnings and adjusted earnings were respectively $28.3 million and $30.5 million, compared to $24.7 million and $27.6 million last year. Adjusted earnings increased by 10.4% compared to the same period last year and mainly resulted from The Parts Alliance UK segment's contribution and the reduction of the income tax rate for the US operations. These elements were partially offset by additional finance costs as well as depreciation and amortization, all related to recent business acquisitions and investments in capital.

Segmented Results

The FinishMaster US segment recorded sales of $412.3 million, up 0.8% from the same period in 2017, supported by recent business acquisitions representing a growth of $7.3 million or 1.8%. The momentum of sales emerging during the second quarter partially compensated headwinds faced until recently, reducing the negative organic growth to 1.0%. These wins combined with ongoing growth initiatives are expected to progressively offset the impact of the first quarter and generate organic growth by the end of the year. EBITDA for this segment was $41.3 million, compared to $47.3 million in 2017. The EBITDA margin decrease of 160 basis points is the result of an evolving customer mix and lower special buys for the period. These elements were partially compensated by savings arising from the 20/20 initiative, with the integration of 4 stores and the alignment of employee benefits to its evolving cost-to-serve model.

Sales for the Canadian Automotive Group segment were $250.2 million, compared to $228.3 million in 2017, an increase of 9.6%, the result of the impact of the Canadian dollar on its conversion to US dollar and the recent business acquisitions. The organic growth of 1.1% for the period is principally from sales to current and new independent customers and onboarding our Canadian banners, programs and logos. The EBITDA margin decrease of 90 basis points is mainly due to the integration efforts undertaken to optimize its growing network of company-owned stores and the internalization of the servers, which was a favorable one-time saving in 2017. These elements were partially compensated by higher volume rebates, improving the gross margin of the current period compared to the corresponding period last year.

The Parts Alliance UK segment recorded sales of $221.1 million and EBITDA of $18.2 million (8.2% of sales). The peak season of this segment, which typically covers the first semester, is enabling the leverage of its cost base. Further supported by cost actions taken during the last quarter of 2017, the result was an EBITDA margin of 8.2% for the six-month period, in contrast to the 4.0% recorded for the five-month period in 2017, which included August and December, the two weakest months of the year. As part of its growth strategy, this segment opened 7 greenfields since the beginning of the year, expanding the footprint in the UK and fostering a better service, notably for national accounts. In addition, The Parts Alliance UK segment is in the process of integrating the operations of its acquired stores and of maximizing their contribution with undertakings as part of the ongoing 20/20 initiative.

DIVIDENDS

On August 10, 2018, the Uni-Select Board of Directors declared a quarterly dividend of C$0.0925 per share payable on October 16, 2018 to shareholders of record as at September 30, 2018. This dividend is an eligible dividend for income tax purposes.

OUTLOOK

The information included within this section contains guidance for Uni-Select in 2018:

Uni-Select	
Consolidated adjusted EBITDA margin	7.2% - 8.2%
Consolidated organic sales growth	2.25% - 4.0%
Consolidated effective tax rate	22.0% - 24.0%

Segment	Organic Sales Growth
FinishMaster US	2.0% - 4.0%
Canadian Automotive Group	0.0% - 2.0%
The Parts Alliance UK	5.0% - 7.0%

The above-mentioned information is related to the 2018 financial year and may differ from quarter to quarter due to seasonality.

Other

As well, Uni-Select anticipates investments between $26.0 million and $29.0 million on vehicle fleet, hardware equipment, software and others.

CONFERENCE CALL

Uni-Select will host a conference call to discuss its second quarter results for 2018 on August 10, 2018 at 8:00 AM Eastern. To join the conference, dial 1 866 865-3087 (or 1 647 427-7450 for International calls).

A recording of the conference call will be available from 11:00 AM Eastern on August 10, 2018 until 11:59 PM Eastern on September 10, 2018. To access the replay, dial 1 855 859-2056 followed by 6373029.

A live webcast of the quarterly results conference call will also be accessible through the "Investors" section of our website at uniselect.com where a replay will also be archived. Listeners should allow ample time to access the webcast and supporting slides.

ABOUT UNI-SELECT

Uni-Select is a leader in the distribution of automotive refinish and industrial paint and related products in North America, as well as a leader in the automotive aftermarket parts business in Canada and in the UK. Uni-Select is headquartered in Boucherville, Québec, Canada, and its shares are traded on the Toronto Stock Exchange (TSX) under the symbol UNS.

In Canada, Uni-Select supports over 16,000 automotive repair and collision repair shops through a growing national network of more than 1,100 independent customers and over 60 company-owned stores, many of which operate under the Uni-Select BUMPER TO BUMPER®, AUTO PARTS PLUS® AND FINISHMASTER® store banner programs. It also supports over 3,900 shops and stores through its automotive repair/installer shop banners, as well as through its automotive refinish banners.

In the United States, Uni-Select, through its wholly-owned subsidiary FinishMaster, Inc., operates a national network of over 200 automotive refinish company-owned stores under the FINISHMASTER banner which services a network of over 30,000 customers annually, of which it is the primary supplier to over 6,800 collision repair centre customers.

In the UK and Ireland, Uni-Select, through its Parts Alliance group of subsidiaries, is a leading distributor of automotive parts supporting over 23,000 customer accounts with a network of close to 200 locations including over 170 company-owned stores.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain statements made in this press release are forward-looking statements. These statements include, without limitation, statements relating to our 2018 financial guidance (including, without limitation, adjusted EBITDA margin and organic sales by business unit) and other statements that are not historical facts. Forward-looking statements are typically identified by the words *assumption, goal, guidance, objective, outlook, project, strategy, target* and other similar expressions or future or conditional verbs such as *aim, anticipate, believe, could, expect, intend, may, plan, seek, should, strive* and *will.* All such forward-looking statements are made pursuant to the “safe harbour” provisions of applicable Canadian securities laws.

Forward-looking statements are, by their very nature, subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which may cause expressed expectations to be significantly different from those listed or implied within this press release and our business outlook, objectives, plans and strategic priorities may not be achieved. As a result, we cannot guarantee that any forward-looking statement will materialize and we caution you against relying on any of these forward-looking statements. The forward-looking information contained herein is made as of the date of this press release, and Uni-Select does not undertake to publicly update such forward-looking information to reflect new information, subsequent or otherwise, unless required by applicable securities laws. Forward-looking statements are presented in this press release for the purpose of assisting investors and others in understanding certain key elements of our expected 2018 financial results, as well as our objectives, strategic priorities and business outlook for 2018, and in obtaining a better understanding of our anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes.

MATERIAL ASSUMPTIONS

A number of economic, market, operational and financial assumptions were made by Uni-Select in preparing its forward-looking statements contained in this press release, including, but not limited to:

Economic Assumptions:

- Economic conditions in Canada, the United States and the United Kingdom will remain stable;
- The current negotiations for the exit of the United Kingdom from European Union do not result in economic uncertainty;
- Interest rates expected to slightly increase in 2018;
- Canadian dollar and the British pound are expected to remain at, or around, near current levels. Further fluctuations may be impacted by the degree of strength of the US dollar, interest rates and changes in commodity prices.

Market Assumptions:

Our 2018 forward-looking statements also reflect various market assumptions, in particular:

- New-car sales in the three business segments are expected to be similar in 2018 to those of 2017;
- For all 3 operational segments, fuel costs at the pump are not expected to increase significantly beyond current levels; distance travelled and accident rates to remain within those experienced in 2017;
- No material, operational or competitive consequence resulting from changes in regulations or the insurance market affecting the automotive aftermarket businesses.

Operational and Financial Assumptions:
The 2018 forward-looking statements are also based on various internal operational and financial assumptions, including, but not limited to:

- Maintaining market share in the 3 operational segments;
- Uni-Select will be able to realize efficiency gains in its cost structure to support the profitability and cash flow generation expected from its 20/20 initiative;
- The revenue mix between Uni-Select's operations and within its 3 operational segments will not materially change from anticipated levels;
- No introduction of disruptive technologies during the year;
- No significant change in the buying conditions beyond current levels;
- It is important to note that organic sales and EBITDA margin of the business segments are affected by seasonality and are impacting the consolidated results:
    - **FinishMaster US** tends to have softer first and fourth quarters, with its third quarter being the strongest;
    - **Canadian Automotive Group** tends to have softer first and fourth quarters than second and third quarters; and
    - **The Parts Alliance UK** tends to have softer third and fourth quarters than first and second quarters;
- No significant acquisition; and
- Guidance is based on current accounting standards and policies including Uni-Select non-IFRS measures.

The foregoing assumptions, although considered reasonable by Uni-Select on the date of this press release, may prove to be inaccurate. Accordingly, our actual results could differ materially from our expectations set forth in this press release.

MATERIAL RISKS
Important risk factors that could cause our assumptions and estimates to be inaccurate and actual results of events to differ materially from those expressed in, or implied by, our forward-looking statements, including our 2018 financial guidance, are listed below. The realization of our forward-looking statements, including our ability to meet our 2018 financial guidance, essentially depends on our business performance which, in turn, is subject to many risks. Accordingly, readers are cautioned that any of the following risks could have a material adverse effect on our forward-looking statements. These risks include, but are not limited to economic climate, changes in legislation or government regulations or policies, inflation, distance travelled, growth in vehicle fleet, products supply and inventory management, distribution by the manufacturer directly to consumers, technology, environmental risks, legal and tax risks, risks related to Uni-Select's business model and strategy, integration of acquired business, competition, business and financial systems, human resources, liquidity risk, credit risk, foreign exchange risk and interest rates.

For additional information with respect to risks and uncertainties, refer to the Annual Report filed by Uni-Select with the Canadian securities commissions.

ADDITIONAL INFORMATION

The Management's Discussion and Analysis (MD&A), consolidated financial statements and related notes for the second quarter and six-month period of 2018 are available in the "Investors" section on the Corporation's website at uniselect.com as well as on SEDAR at sedar.com. The Corporation's Annual Report may also be found on these websites as well as other information related to Uni-Select, including its Annual Information Form.

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NON-IFRS FINANCIAL MEASURES

The information included in this Press release contains certain financial measures that are inconsistent with IFRS. Non-IFRS financial measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other entities. The Corporation is of the opinion that users of its Press release may analyze its results based on these measurements. The following presents performance measures used by the Corporation which are not defined by IFRS.

Organic growth – This measure consists of quantifying the increase in consolidated sales between two given periods, excluding the impact of acquisitions, sales and disposals of stores, exchange-rate fluctuations and when necessary, the variance in the number of billing days. This measure enables Uni-Select to evaluate the intrinsic trend in the sales generated by its operational base in comparison with the rest of the market. Determining the rate of organic growth, based on findings that Management regards as reasonable, may differ from the actual rate of organic growth.

EBITDA – This measure represents net earnings excluding finance costs, depreciation and amortization and income taxes. This measure is a financial indicator of a corporation's ability to service and incur debt. It should not be considered by an investor as an alternative to sales or net earnings, as an indicator of operating performance or cash flows, or as a measure of liquidity, but as additional information.

Adjusted EBITDA, adjusted earnings and adjusted earnings per share – Management uses adjusted EBITDA, adjusted earnings and adjusted earnings per share to assess EBITDA, net earnings and net earnings per share from operating activities, excluding certain adjustments, net of income taxes (for adjusted earnings and adjusted earnings per share), which may affect the comparability of the Corporation's financial results. Management considers that these measures facilitate the analysis and provide a better understanding of the Corporation's operational performance. The intent of these measures is to provide additional information.

These adjustments include, among other things, restructuring and other charges as well as net transaction charges, amortization of the premium on foreign currency options and amortization of intangible assets related to The Parts Alliance acquisition. Management considers The Parts Alliance acquisition as transformational. The exclusion of these items does not indicate that they are non-recurring.

EBITDA margin and adjusted EBITDA margin – The EBITDA margin is a percentage corresponding to the ratio of the EBITDA to sales. The adjusted EBITDA margin is a percentage corresponding to the ratio of adjusted EBITDA to sales.

Free cash flows - This measure corresponds to the cash flows from operating activities according to the consolidated statements of cash flows adjusted for the following items: changes in working capital items, acquisitions of property and equipment and difference between amounts paid for post-employment benefits and current period expenses. Uni-Select considers the free cash flows to be a good indicator of financial strength and of operating performance because it shows the amount of funds available to manage growth in working capital, pay dividends, repay debt, reinvest in the Corporation and capitalize on various market opportunities that arise.

The free cash flows exclude certain variances in working capital items (such as trade and other receivables, inventory and trade and other payables) and other funds generated and used according to the consolidated statements of cash flows. Therefore, it should not be considered as an alternative to the consolidated statements of cash flows, or as a measure of liquidity, but as additional information.

The following table presents a reconciliation of organic growth.

	Second quarters		**Six-month periods**	
	2018	2017	**2018**	2017
FinishMaster US	**210,954**	209,486	**412,333**	409,188
Canadian Automotive Group	**139,572**	130,801	**250,241**	228,299
The Parts Alliance UK	**111,045**	-	**221,091**	-
Sales	**461,571**	340,287	**883,665**	637,487
		%		*%*
Sales variance	**121,284**	***35.6***	**246,178**	***38.6***
Conversion effect of the Canadian dollar	**(5,493)**	***(1.6)***	**(10,346)**	***(1.6)***
Number of billing days	**(2,826)**	***(0.8)***	**(473)**	***(0.1)***
Acquisitions	**(115,409)**	***(33.9)***	**(237,044)**	***(37.2)***
Consolidated organic growth	**(2,444)**	***(0.7)***	**(1,685)**	***(0.3)***

NON-IFRS FINANCIAL MEASURES (CONTINUED)

The following table presents a reconciliation of EBITDA and adjusted EBITDA.

	Second quarters			Six-month periods		
	2018	2017	%	**2018**	2017	%
Net earnings	**17,875**	13,738		**28,266**	24,736	
Income tax expense	**3,167**	6,324		**4,881**	12,111	
Depreciation and amortization	**9,472**	6,613		**19,406**	11,415	
Finance costs, net	**4,929**	2,869		**9,892**	4,455	
EBITDA	**35,443**	29,544	*20.0*	**62,445**	52,717	*18.5*
EBITDA margin	***7.7%***	*8.7%*		***7.1%***	*8.3%*	
Net transaction charges related to The Parts Alliance acquisition	**114**	2,916		**732**	2,916	
Adjusted EBITDA	**35,557**	32,460	*9.5*	**63,177**	55,633	*13.6*
Adjusted EBITDA margin	***7.7%***	*9.5%*		***7.1%***	*8.7%*	

The following table presents a reconciliation of adjusted earnings and adjusted earnings per share.

	Second quarters			Six-month periods		
	2018	2017	*%*	**2018**	2017	*%*
Net earnings	**17,875**	13,738	*30.1*	**28,266**	24,736	*14.3*
Net transaction charges related to The Parts Alliance acquisition, net of taxes, including a gain resulting from 2017 tax true-up	**(371)**	2,107		**184**	2,107	
Amortization of the premium on foreign currency options, net of taxes	**-**	790		**-**	790	
Amortization of intangible assets related to the acquisition of The Parts Alliance, net of taxes	**895**	-		**2,065**	-	
Adjusted earnings	**18,399**	16,635	*10.6*	**30,515**	27,633	*10.4*
Earnings per share	**0.42**	0.33	*27.3*	**0.67**	0.59	*13.6*
Net transaction charges related to The Parts Alliance acquisition, net of taxes, including a gain resulting from 2017 tax true-up	**(0.01)**	0.05		**-**	0.05	
Amortization of the premium on foreign currency options, net of taxes	**-**	0.02		**-**	0.02	
Amortization of intangible assets related to the acquisition of The Parts Alliance, net of taxes	**0.02**	-		**0.05**	-	
Adjusted earnings per share	**0.44**	0.39	*12.8*	**0.72**	0.65	*10.8*

The following table presents a reconciliation of free cash flows.

	Second quarters		Six-month periods	
	2018	2017	**2018**	2017
Cash flows from operating activities	**38,865**	20,978	**8,581**	23,103
Changes in working capital	**(8,302)**	(2,223)	**32,833**	18,069
	30,563	18,755	**41,414**	41,172
Acquisitions of property and equipment	**(2,698)**	(2,562)	**(6,627)**	(3,779)
Difference between amounts paid for post-employment benefits and current period expenses	**(116)**	(86)	**(317)**	(192)
Free cash flows	**27,749**	16,107	**34,470**	37,201

UNI-SELECT INC.
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

(In thousands of US dollars, except per share amounts, unaudited)	Quarters ended June 30,		Six-month periods ended June 30,	
	2018	2017	**2018**	2017
Sales	**461,571**	340,287	**883,665**	637,487
Purchases, net of changes in inventories	**310,009**	237,594	**589,334**	440,877
Gross margin	**151,562**	102,693	**294,331**	196,610
Employee benefits	**77,297**	47,648	**157,183**	96,213
Other operating expenses	**38,708**	22,585	**73,971**	44,764
Net transaction charges related to The Parts Alliance acquisition	**114**	2,916	**732**	2,916
Earnings before finance costs, depreciation and amortization and income taxes	**35,443**	29,544	**62,445**	52,717
Finance costs, net	**4,929**	2,869	**9,892**	4,455
Depreciation and amortization	**9,472**	6,613	**19,406**	11,415
Earnings before income taxes	**21,042**	20,062	**33,147**	36,847
Income tax expense	**3,167**	6,324	**4,881**	12,111
Net earnings	**17,875**	13,738	**28,266**	24,736
Earnings per share				
Basic	**0.42**	0.33	**0.67**	0.59
Diluted	**0.42**	0.32	**0.67**	0.58
Weighted average number of common shares outstanding (in thousands)				
Basic	**42,230**	42,251	**42,252**	42,249
Diluted	**42,282**	42,422	**42,319**	42,418

UNI-SELECT INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands of US dollars, unaudited)	Quarters ended June 30,		Six-month periods ended June 30,	
	2018	2017	**2018**	2017
Net earnings	**17,875**	13,738	**28,266**	24,736
Other comprehensive income (loss)				
Items that will subsequently be reclassified to net earnings:				
Effective portion of changes in the fair value of cash flow hedges (net of income tax of $99 and $254 for the quarter and the six-month period ($26 for both the quarter and six-month period in 2017))	**(287)**	(69)	**740**	(69)
Net change in the fair value of derivative financial instruments designated as cash flow hedges transferred to earnings (net of income tax of $3 and $39 for the quarter and the six-month period ($5 for both the quarter and six-month period in 2017))	**8**	13	**112**	13
Unrealized exchange gains (losses) on the translation of financial statements to the presentation currency	**(13,073)**	1,067	**2,471**	2,929
Unrealized exchange gains (losses) on the translation of debt designated as a hedge of net investments in foreign operations (no income tax for the quarter and the six-month period (net of income tax of $226 for both the quarter and six-month period in 2017))	**(88)**	1,401	**(11,543)**	1,401
	(13,440)	2,412	**(8,220)**	4,274
Items that will not subsequently be reclassified to net earnings:				
Remeasurements of long-term employee benefit obligations (net of income tax of $294 and $257 for the quarter and the six-month period ($1,194 and $1,178 respectively in 2017))	**864**	(3,111)	**746**	(3,043)
Total other comprehensive income (loss)	**(12,576)**	(699)	**(7,474)**	1,231
Comprehensive income	**5,299**	13,039	**20,792**	25,967

UNI-SELECT INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

				Attributable to shareholders	
(In thousands of US dollars, unaudited)	Share capital	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss)	**Total equity**
Balance, December 31, 2016	96,924	4,260	401,420	(30,242)	472,362
Net earnings	-	-	24,736	-	24,736
Other comprehensive income (loss)	-	-	(3,043)	4,274	1,231
Comprehensive income	-	-	21,693	4,274	25,967
Contributions by and distributions to shareholders:					
Issuance of common shares	661	-	-	-	661
Dividends	-	-	(5,620)	-	(5,620)
Stock-based compensation	-	278	-	-	278
	661	278	(5,620)	-	(4,681)
Balance, June 30, 2017	97,585	4,538	417,493	(25,968)	493,648
Balance, December 31, 2017	**97,585**	**5,184**	**432,470**	**(17,262)**	**517,977**
Net earnings	**-**	**-**	**28,266**	**-**	**28,266**
Other comprehensive income (loss)	**-**	**-**	**746**	**(8,220)**	**(7,474)**
Comprehensive income (loss)	**-**	**-**	**29,012**	**(8,220)**	**20,792**
Contributions by and distributions to shareholders:					
Repurchase and cancellation of common shares	**(190)**	**-**	**(1,232)**	**-**	**(1,422)**
Issuance of common shares	**138**	**-**	**-**	**-**	**138**
Transfer upon exercise of stock option	**32**	**(32)**	**-**	**-**	**-**
Dividends	**-**	**-**	**(6,122)**	**-**	**(6,122)**
Stock-based compensation	**-**	**805**	**-**	**-**	**805**
	(20)	**773**	**(7,354)**	**-**	**(6,601)**
Balance, June 30, 2018	**97,565**	**5,957**	**454,128**	**(25,482)**	**532,168**

UNI-SELECT INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of US dollars, unaudited)	Quarters ended June 30,		Six-month periods ended June 30,	
	2018	2017	**2018**	2017
OPERATING ACTIVITIES				
Net earnings	**17,875**	13,738	**28,266**	24,736
Non-cash items:				
Finance costs, net	**4,929**	2,869	**9,892**	4,455
Depreciation and amortization	**9,472**	6,613	**19,406**	11,415
Income tax expense	**3,167**	6,324	**4,881**	12,111
Amortization and reserves related to incentives granted to customers	**3,877**	4,108	**7,985**	7,651
Other non-cash items	**412**	946	**(527)**	921
Changes in working capital items	**8,302**	2,223	**(32,833)**	(18,069)
Interest paid	**(4,879)**	(1,597)	**(9,250)**	(2,826)
Premium on foreign currency options paid	**-**	(6,631)	**-**	(6,631)
Income taxes paid	**(4,290)**	(7,615)	**(19,239)**	(10,660)
Cash flows from operating activities	**38,865**	20,978	**8,581**	23,103
INVESTING ACTIVITIES				
Business acquisitions	**-**	(1,249)	**-**	(67,331)
Net balance of purchase price	**(3,102)**	(725)	**(5,798)**	(4,130)
Cash held in escrow	**-**	2,966	**-**	(5,511)
Advances to merchant members and incentives granted to customers	**(18,240)**	(7,508)	**(27,170)**	(15,112)
Reimbursement of advances to merchant members	**2,191**	2,196	**3,035**	3,524
Acquisitions of property and equipment	**(2,698)**	(2,562)	**(6,627)**	(3,779)
Proceeds from disposal of property and equipment	**283**	242	**583**	240
Acquisitions and development of intangible assets	**(761)**	(912)	**(1,312)**	(1,741)
Other provisions paid	**(108)**	-	**(108)**	-
Cash flows used in investing activities	**(22,435)**	(7,552)	**(37,397)**	(93,840)
FINANCING ACTIVITIES				
Increase in long-term debt	**29,392**	24,995	**97,913**	141,489
Repayment of long-term debt	**(37,009)**	(28,311)	**(69,624)**	(68,492)
Net increase (decrease) in merchant members’ deposits in the guarantee fund	**182**	82	**446**	(114)
Repurchase and cancellation of shares	**(1,422)**	-	**(1,422)**	-
Issuance of shares	**138**	281	**138**	661
Dividends paid	**(3,108)**	(2,705)	**(6,258)**	(5,431)
Cash flows from (used in) financing activities	**(11,827)**	(5,658)	**21,193**	68,113
Effects of fluctuations in exchange rates on cash	**(583)**	81	**(19)**	92
Net increase (decrease) in cash	**4,020**	7,849	**(7,642)**	(2,532)
Cash, beginning of period	**19,010**	11,944	**30,672**	22,325
Cash, end of period	**23,030**	19,793	**23,030**	19,793

UNI-SELECT INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In thousands of US dollars, unaudited)	June 30, 2018	Dec. 31, 2017
ASSETS		
Current assets:		
Cash	**23,030**	30,672
Cash held in escrow	**2,045**	8,147
Trade and other receivables	**269,034**	236,811
Income taxes receivable	**32,570**	29,279
Inventory	**458,588**	458,354
Prepaid expenses	**12,928**	10,196
Total current assets	**798,195**	773,459
Investments and advances to merchant members	**41,988**	30,628
Property and equipment	**74,366**	78,644
Intangible assets	**215,134**	231,365
Goodwill	**370,882**	372,119
Derivative financial instruments	**1,551**	-
Deferred tax assets	**10,420**	10,174
TOTAL ASSETS	**1,512,536**	1,496,389
LIABILITIES		
Current liabilities:		
Trade and other payables	**449,780**	446,370
Balance of purchase price, net	**4,192**	15,469
Income taxes payable	**6,473**	16,831
Dividends payable	**2,970**	3,110
Current portion of long-term debt and merchant members’ deposits in the guarantee fund	**28,813**	37,098
Total current liabilities	**492,228**	518,878
Long-term employee benefit obligations	**16,534**	20,985
Long-term debt	**444,427**	411,585
Merchant members’ deposits in the guarantee fund	**5,753**	5,543
Balance of purchase price, net	**2,046**	2,944
Other provisions	**1,179**	1,331
Derivative financial instruments	**2,757**	1,041
Deferred tax liabilities	**15,444**	16,105
TOTAL LIABILITIES	**980,368**	978,412
EQUITY		
Share capital	**97,565**	97,585
Contributed surplus	**5,957**	5,184
Retained earnings	**454,128**	432,470
Accumulated other comprehensive loss	**(25,482)**	(17,262)
TOTAL EQUITY	**532,168**	517,977
TOTAL LIABILITIES AND EQUITY	**1,512,536**	1,496,389