SECOND QUARTER REPORT 2005

For the six month period ended
June 30, 2005

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Message to Shareholders

Uni-Select Inc. increased its net profits for the second quarter of 2005 by 44.6% to attain $10,267,000 or $0.52 per share on a diluted basis compared to $7,099,000 or $0.38 per share on a diluted basis for the corresponding period in the previous year. Net profits for the six-month period ended June 30, 2005 reached $15,661,000 or $0.80 per share on a diluted basis compared to $11,241,000 or $0.61 per share on a diluted basis in 2004. Sales improved to $312,828,000 for the second quarter of 2005, an increase of 61.3% over sales of $193,914,000 in 2004. During the first six months of 2005, sales amounted to $578,372,000, an increase of 56.4% compared to sales of $369,727,000 during the same period in 2004. Both the increase in sales and net profits is attributable to the expansion of the Company in the United States.

Automotive Group USA

Automotive Group USA increased its sales almost four-fold during the second quarter of 2005. Income increased from $39,861,000 during the second quarter of 2004 to $155,758,000 during the second quarter of 2005, a 290.8% increase. This increase results from the acquisition of Middle Atlantic Warehouse Distributor, Inc. ("MAWDI") completed on November 1, 2004. Without this acquisition, the Group's quarterly income would have diminished as a result of the negative impact of the exchange rate decrease of 8.2%. Excluding the impact of the exchange rate, the organic growth of Automotive Group USA during the second quarter was 2.3%. For the first six months of 2005, the Group increased its income by 272.0% from $78,230,000 in 2004 to $290,999,000 in 2005. This progression is also attributable to the acquisition made in November 2004. During the second quarter, the operating margin of the Group reached 6.3% compared to 3.8% during the second quarter of 2004. This progression is attributable to the realization of synergies resulting from the acquisition in 2004 and the improvement of performance by the entities present prior to the acquisition. In addition, increased seasonal sales volume of the Group's corporate stores combined with their relatively fixed cost structure also contributed to the improvement of the margin. For the year-to-date, the operating margin of the Group increased to 5.5% compared to 4.2% in 2004.

Automotive Group Canada

Automotive Group Canada increased its income by 3.0% during the second quarter of 2005. This increase is mainly of an organic nature. Income for the second quarter attained $139,354,000 compared to $135,249,000 during the same quarter in 2004. For the initial six-month period of 2005, the Group's income amounted to $254,488,000 compared to $257,067,000 in 2004, a slight decrease of 1.0%. During the second quarter, the operating margin of the Group remained unchanged compared to the same quarter of 2004, reaching 7.2%. For the year-to-date, the operating margin of the Group increased from 6.1% in 2004 to 6.2% in 2005.

Heavy Duty Group

Sales for the Heavy Duty Group decreased by 5.8% during the second quarter to $17,716,000 compared to $18,804,000 during the same quarter in 2004. This decrease is due in part to the transfer of sales of the automotive parts business acquired by Palmar from Batteries Électriques Gagnon and in part to a decrease in business activities of an organic nature of 3.3%. Merchant members of Automotive Group Canada are beneficiaries of the activities transferred by Palmar. For the first six months of 2005, the Group's income decreased by 4.5% from $34,430,000 to $32,885,000. During the second quarter, the operating margin of the Group is 2.1% compared to 3.9% during the same quarter in 2004. For the year-to-date, the operating margin of the Group was nil compared to a rate of 1.7% in 2004.

Outlook

We are satisfied with the evolution of our business in the United States. The integration is progressing and the results meet our most optimistic scenario. We are pleased to notice that our Canadian operations have experienced an increase in income of 3% after a difficult first quarter. The Canadian market remains, however, very competitive and we must aggressively pursue both our sales efforts and control of our costs.

Jacques Landreville
President & Chief Executive Officer

Management's Report

Profile

The activities of Uni-Select are segregated into three principal groups: AUTOMOTIVE GROUP CANADA, specializes in the distribution of automotive replacement parts and accessories across Canada, AUTOMOTIVE GROUP USA also distributes automotive parts and operates automotive stores in the United States, and HEAVY DUTY GROUP distributes and sells parts and accessories for heavy duty vehicles in Quebec, Ontario, the Maritimes and Alberta.

Preamble

General

This report of management on the operating results and cash flows for the period ended June 30, 2005 compared to the period ended June 30, 2004, as well as the financial situation of the Company for the period ended June 30, 2005 compared to the period ended December 31, 2004, should be read with the consolidated financial statements and the accompanying notes. Certain sections of this report of management include forward-looking statements which are inherently subject to risks and uncertainties and may cause the Company's actual performance to differ materially from that contemplated by the forward-looking statements.

EBITDA Performance Level

EBITDA represents operating earnings before depreciation, amortization, financial expenses (income), income taxes and non-controlling interest. This measure is presented as it is a widely accepted financial indicator of a company's ability to service and incur debt. EBITDA should not be considered by an investor as an alternative to operating income or net earning, an indicator of operating performance or of cash flows, or as a measure of liquidity. Because EBITDA is not a measurement determined in accordance with Canadian generally accepted accounting principles ("GAAP"), it may not be comparable to the EBITDA of other companies. In the statement of earnings of the Company, EBITDA is reported under item "Earnings before the following".

Operating Results

Sales

For the second quarter ended June 30, 2005, Uni-Select recorded sales of $312,828,000 compared with $193,914,000 for the quarter ended June 30, 2004, an increase of 61.3% or $118,914,000. The increase in sales is a direct result of the acquisition of Middle Atlantic Warehouse Distributor, Inc. ("MAWDI") completed in November 2004. The Company recorded sales of $578,372,000 for the six-month period ended June 30, 2005, an increase of 56.4% compared to the same period the previous year with sales of $369,727,000.

- Automotive Group USA sales reached $155,758,000 during the second quarter of 2005, an increase of 290.8% over the corresponding quarter of the preceding year, when sales were reported at $39,861,000. This increase is attributable to the acquisition of MAWDI completed in November 2004. Excluding the impact of the acquisition and the unfavourable fluctuation of the exchange rate, sales for the existing operations showed an increase of 2.3%. Automotive Group USA realized sales of $290,999,000 during the six-month period ended June 30, 2005, an increase of 272.0% over the sales of the same period last year which showed sales of $78,230,000.

- Automotive Group Canada sales reached $139,354,000 in the second quarter of 2005, an increase of 3.0% compared to the same quarter the previous year where sales reached $135,249,000. This increase is in part organic and in part due to the fact that the second quarter of 2005 had an additional business day compared to the same period the previous year. All the regions saw their sales improve. Automotive Group Canada realized sales of $254,488,000 during the six-month period ended June 30, 2005, a decrease of 1.0% over the same period of 2004 where sales amounted to $257,067,000.

- The Heavy Duty Group realized sales of $17,716,000 in the second quarter of 2005, a decrease of 5.8% compared to the corresponding quarter of the previous year when sales reached $18,804,000. This decrease is a result of the transfer of automotive sales acquired in 2004 to members of Automotive Group Canada as well as, a result of a decrease of an organic nature. The Heavy Duty Group realized sales of $32,885,000 during the six-month period ended June 30, 2005, a decrease of 4.5% over the same period in 2004 where sales reached $34,430,000.

EBITDA

Uni-Select's EDITDA reached $20,217,000 for the second quarter of 2005, compared to $11,935,000 during the corresponding period a year earlier. The operating margin for the second quarter was 6.5% compared to 6.2% last year. For the six-month period ended June 30, 2005, the operating earnings were $32,004,000 compared to $19,647,000 during the corresponding period a year earlier. The operating margin during the initial six months of 2005 was 5.5%, compared to 5.3% last year.

- The contribution of Automotive Group USA to the second quarter was established at $9,877,000 compared to $1,512,000 for the same quarter of the previous year. The operating margin for Automotive Group USA improved from 3.8% in the second quarter of 2004 to 6.3%. Notable, head office expenses previously charged entirely to Automotive Group Canada are now divided amongst the three groups of the Company. Without this allocation, the operating margin of Automotive Group USA would have been 6.8% compared to 4.9% for the second quarter of last year. This increase is attributable to the realization of synergies resulting from the acquisition of MAWDI together with the improvement in the performance of the American operations prior to the acquisition. In addition, increased seasonal sales volume of the Group's corporate stores together with their relatively fixed cost structure contributed to the improvement to the margin. The contribution of Automotive Group USA was $16,105,000 during the six-month period ended June 30, 2005, compared to $3,283,000 during the corresponding period of the previous year. The operating margin for the first six months of the year was 5.5% compared to 4.2% last year.

- The contribution of Automotive Group Canada to the second quarter was established at $9,968,000 compared to $9,691,000 for the same quarter of the previous year. The operating margin of Automotive Group Canada remained unchanged at 7.2% compared to the same quarter last year. The allocation of head office expenses improved the margin yielded compared to the second quarter of 2004. Without this allocation, the operating margin would have been 6.6% in the current quarter when compared to 6.8% yielded in the second quarter of last year. The contribution of Automotive Group Canada was established at $15,896,000 during the six-month period ended June 30, 2005, compared to $15,771,000 during the corresponding period of the previous year. The operating margin, for the first six months of the year was 6.2% compared to 6.1% last year.

- The contribution of the Heavy Duty Group to the second quarter was $372,000 compared to $732,000 during the same quarter of the previous year. The operating margin for the Heavy Duty Group was 2.1% compared to 3.9% for the corresponding quarter last year. The allocation of head office expenses reduced the reported margin. Without the allocation, the operating margin would have been 2.6% for the current quarter compared to 4.1% reported for the second quarter of last year. This decrease is primarily explained by weak sales during the quarter. The contribution of the Heavy Duty Group was $3,000 during the six-month period ended June 30, 2005 compared to $593,000 for the same period last year. The operating margin for the Heavy Duty Group during the six-month period ended June 30, 2005 was nil compared to a rate of 1.7% last year.

Financial, Depreciation and Amortization Expenses

During the second quarter of 2005, short-term borrowing costs, net of interest income from cash, cash equivalents and temporary investments, were $65,000 compared to $22,000 for 2004, principally due to an average cash and cash equivalent level inferior to last year. For the initial period of six months, short-term borrowing costs, net of interest income from cash, cash equivalents and temporary investments, increased to $143,000 compared to income of $53,000 the previous year.

Long-term borrowing costs for the second quarter were $769,000 compared to $4,000. The increase of $765,000 is primarily explained by the interest paid on the debt contracted at the time of the acquisition of MAWDI. For the initial six-month period, costs increased from $9,000 to $1,384,000.

Interest paid on the members' deposits in guarantee funds for the second quarter increased, going from $62,000 to $66,000. For the first six-month period, interest paid remained stable at $131,000.

Interest income received from merchant members for the second quarter was $94,000 compared to $75,000. This is primarily explained by the higher level of loans to merchant members compared to the previous year. This income was $186,000 for the initial six-month period compared to $154,000 last year.

For the second quarter, depreciation costs reached $2,090,000 compared to $1,223,000 for the previous year due principally to the acquisition of MAWDI and, to a lesser extent, from investments related to the implementation of the information technology master plan. For the initial six-month period, depreciation cost reached $4,188,000 compared to $2,451,000 last year.

Therefore, total financial, depreciation and amortization expenses increased by $1,660,000 to reach $2,896,000 for the second quarter of 2005. For the initial six-month period, total financial, depreciation and amortization expenses increased by $3,276,000 to reach $5,660,000. Consequently, for the second quarter, Uni-Select recorded earnings before taxes and non-controlling interest (minority shareholders) of $17,321,000, an increase of 61.9% over the previous year. For the initial six-month period, the recorded earnings before taxes and non-controlling interest (minority shareholders) was $26,344,000, an increase of 52.6% compared to the previous year.

Net Profitability

In the second quarter of 2005, the effective tax rate was 35.9% compared to 32.1% in 2004. For the year-to-date, the effective tax rate was 35.4% compared to 32.9% during the same period last year. We do not expect the effective tax rate of 28.2% obtained for the second half of 2004 to repeat for 2005. The increase in the rate is attributable to the greater proportion of income generated out of the United States whose rates are higher than the Canadian rates.

After deducting income taxes and the $842,000 non-controlling interest (minority shareholders) in the earnings of the American subsidiary ($161,000 in 2004), Uni-Select posted, for the second quarter, net earnings of $10,267,000 compared to $7,099,000 for the previous year. The increase in net earnings was 44.6% for the second quarter of 2005 when compared to the same period of the previous year. For the year-to-date, net earnings were $15,661,000, an increase of 39.3% compared to last year. The net profit margin in relation to sales for the quarter went from 3.7% in 2004 to 3.3% in 2005. For the six-month period, the net profit margin in relation to sales went from 3.0% in 2004 to 2.7% in 2005.

For the second quarter, earnings per share amounted to $0.53 ($0.52 diluted), representing a 35.9% growth on earnings per share of $0.39 ($0.38 diluted) over the previous year. For the year-to-date, the earnings per share amounted to $0.80 ($0.80 diluted) compared to earnings per share of $0.61 ($0.61 diluted) last year. For the second quarter, the weighted average number of outstanding shares went from 18.4 million in 2004 (18.6 million on a diluted basis), to 19.5 million in 2005 (19.6 million on a diluted basis), mainly due to shares issued at the time of the acquisition of MAWDI. The share dilution reflects the impact of the eventual exercise of stock options held by officers.

Principal Cash Flows

Cash Flows from Operating Activities

Cash generated from operations before changes in working capital items amounted to $14,314,000 during the second quarter of 2005, compared to $8,441,000 for the previous year. Changes in working capital items generated $17,721,000 of liquid assets during the second quarter compared to $14,534,000 last year. After changes to working capital items, operating activities generated cash flows from operating activities04/08/2005 10:42:29 AM04/08/2005 10:42:29 AM in the amount of $32,035,000 during the second quarter compared to $22,975,000 generated last year.

During the period of six months, cash generated from operations before changes in working capital items amounted to $22,201,000, compared to $13,899,000 the previous year. The changes in working capital items generated $6,284,000 of liquid assets whereas it used $23,297,000 last year. This is explained primarily by the disbursement of $29 million of taxes due in 2004. After changes to working capital items, operating activities generated net liquid assets of $28,485,000 whereas it used $9,398,000 last year.

Cash Flow Used by Investing Activities

During the quarter, investment activities used cash inflow of $7,225,000. For the first six months, investment activities used liquid assets of $9,604,000. The following are the principal elements thereof:

Uni-Select purchased various fixes assets for $2,694,000 ($1,468,000 in 2004), notably to continue the modernization of its information systems, as well as for warehouse equipment mainly for its Automotive Group USA and for the Heavy Duty Group. The capital investments reached $4,626,000 after six months ($3,131,000 in 2004);

The Company paid out $4,645,000 in cash mainly for the settlement of the purchase price for the business of Motor Parts Warehouse, Inc., a distributor operating two distribution centers in St.-Louis, MO acquired on March 31, 2005 as well as, the settlement of the purchase price for the shares of Triline Auto Parts Inc., a jobber operating a store in the automotive sector in the GTA acquired on April 30, 2005. The sums paid for business acquisitions amounted to $5,708,000 for the year-to-date ($10,274,000 in 2004);

Finally, reimbursements, net of advances to merchant members, generated liquid assets of $94,000 during the quarter and $710,000 during the first six months of the year.

Cash Flow Used by Financing Activities

During the quarter, financing activities used cash in the amount of $11,415,000 ($7,229,000 for the year-to-date), as follows:

- The reimbursement of bank debts used $7,382,000 of liquid assets. This reimbursement amounted to $1,804,000 for the first six months of 2005;
- An amount of $2,500,000 was used to pay an advance to a joint venture partner;
- $1,559,000 was used to pay dividends on common shares, after six months, $2,987,000 was used;
- Uni-Select received proceeds of $384,000 ($1,304,000 for six months) on the issue of 28,000 (97,000 for the six months) common shares as part of the exercise of stock options held by officers;
- $314,000 was used for the repayment of the long-term debt. For the first six months, the increase, net of the repayments, of the long-term debts generated cash inflow of $2,968,000;
- $44,000 ($106,000 for the six months) was used to repay merchant members' deposits in the guarantee fund.

Lastly, an amount of $4,104,000 was used for the payment of the balance of the purchase price of MAWDI during the first quarter of 2005.

Taking into account the various cash inflows of the second quarter of 2005, the Company's cash and cash equivalents increased by $13,395,000 to reach $21,573,000 as at June 30, 2005 compared to $9,921,000 as at December 2004.

Financial Positions

The Company's total assets amounted to $522,214,000 as at June 30, 2005, compared to $496,005,000 as at March 31, 2005 and $482,450,000 for the end of 2004.

Accounts receivable increased by 7.2% to reach $149,910,100 at the end of June 2005 compared to $139,856,000 as at March 31, 2005 and $134,584,000 at the end of December 2004. The increases are explained by the seasonality of the operations of the Company.

Inventory decreased by 0.4% to reach $266,015,000 at the end of June 2005 compared to $267,154,000 as at March 31, 2005 and $261,413,000 as at December 31, 2004.

Long-term investments, comprised mostly of advances granted to merchant members to facilitate their expansion, totalled $9,766,000 as at June 30, 2005 compared to $8,234,000 as at March 31, 2005 and $8,309,000 as at December 31, 2004.

The book value of the Company's fixed assets was $34,645,000 as at June 30, 2005 compared to $33,746,000 as at March 31, 2005 and $33,585,000 as at December 31, 2004. Goodwill went from $18,306,000 at the end of March 2005 to $18,314,000 at the end of June 2005. It amounted to $18,273,000 in December of 2004.

Accounts payable stood at $165,508,000 at the end of the second quarter of 2005 compared to $145,527,000 as at March 31, 2005 and $135,541,000 as at December 31, 2004. This variation is essentially due to the seasonality of the current operations of the Company.

Long-term debt (including members' deposits in guarantee funds and the portion coming to term in less than one year) increased by $488,000 to reach $75,188,000 during the second quarter of 2005, compared to $74,700,000 as at March 31, 2005. The long-term debt reached $71,159,000 as at December 31, 2004. The long-term debt/equity ration slightly decreased to reach 31.4% compared to 32.6% as at March 31, 2005 and 31.8% as at December 31, 2004. On the other hand, bank indebtedness went from $8,771,000 as at March 31, 2005 to $1,390,000 at the end of the second quarter. It reached $3,193,000 as at December 31, 2004. Cash and cash equivalents totalled $21,573,000 as at June 30, 2005 compared to $8,178,000 as at March 31, 2005 and $9,921,000 as at December 31, 2004.

Shareholders' equity increased by 4.5% to reach $239,459,000 ($12.27 per common share), compared to $229,069,000 ($11.75 per common share) as at March 31, 2005, on account of the year's net earnings and payment of dividends. At the end of the financial year 2004, shareholders' equity reached $223,866,000 ($11.53 per common share). As at July 28, 2005, the Company had 19,519,900 shares and 266,000 options outstanding.

Working capital of the Company stood at $278,296,000 for a ratio of 2.6:1 at the end of the second quarter of 2005 compared to $268,670,000 for a ratio of 2.7:1 as at March 31, 2005. As at December 31, 2004, working capital was $258,422,000 for a ratio of 2.6:1.

Perspectives

Automotive Group USA benefits from the contribution of the acquisition of Middle Atlantic Warehouse Distributor, Inc. for a complete six-month period. This group presently represents about fifty percent of Uni-Select's sales. The market conditions in the United States were positive during the quarter although competition is very strong. The Company expect's that this positive environment will be maintained for 2005. Lastly, Uni-Select will continue its consolidation efforts in the U.S. market.

Automotive Group Canada has achieved good growth during the second quarter. The market remains very competitive. In addition, current trends seem to favour direct shipments of parts from suppliers to merchants to the detriment of warehouse activities whose contribution to earnings is greater; as a result, the Company must aggressively pursue its sales efforts and control its costs.

Additional Information

The reader will find other information related to Uni-Select, including the Annual Information Form, on the SEDAR site at: www.sedar.com.

Notice Related to the Audit of Quarterly Financial Statements

The quarterly financial statements for the period ended June 30, 2005 have not been audited.

UNI-SÉLECT INC.
CONSOLIDATED EARNINGS

THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2005 AND 2004 UNAUDITED

(IN THOUSANDS OF DOLLARS, EXCEPT NET EARNINGS PER SHARE)	2ND QUARTER 2005	2ND QUARTER 2004	6 MONTHS 2005	6 MONTHS 2004
	$	**$**	**$**	**$**
SALES	**312,828**	193,914	**578,372**	369,727
Earnings before the following items :	**20,217**	11,935	**32,004**	19,647
Interest on bank indebtedness	**118**	113	**207**	253
Interest on long-term debt	**769**	4	**1 384**	9
Interest on merchant members' deposits in guarantee funds	**66**	62	**131**	131
Interest income from cash, cash equivalent and temporary investments	**(53)**	(91)	**(64)**	(306)
Interest income from merchant members	**(94)**	(75)	**(186)**	(154)
Amortization (Note 3)	**2,090**	1,223	**4,188**	2,451
	2,896	1,236	**5,660**	2,384
Earnings before income taxes and non-controlling interest	**17,321**	10,699	**26,344**	17,263
Income taxes				
Current	**5,097**	3,481	**8,331**	5,815
Future	**1,115**	(42)	**987**	(137)
	6,212	3,439	**9,318**	5,678
Earnings before non-controlling interest	**11,109**	7,260	**17,026**	11,585
Non-controlling interest	**842**	161	**1,365**	344
Net earnings	**10,267**	7,099	**15,661**	11,241
Basic earnings per share (Note 5)	**0,53**	0,39	**0,80**	0,61
Diluted earnings per share (Note 5)	**0,52**	0,38	**0,80**	0,61
Weighted number of outstanding shares	**19,498,411**	**18,370,271**	**19,479,763**	**18,363,721**
Number of issued and outstanding common shares	**19,519,900**	**18,372,139**	**19,519,900**	**18,372,139**

UNI-SÉLECT INC.
CONSOLIDATED CASH FLOWS

UNAUDITED

THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2005 AND 2004

(IN THOUSANDS OF DOLLARS)	**2ND QUARTER**		**6 MONTHS**	
	2005	**2004**	**2005**	**2004**
	$	**$**	**$**	**$**
OPERATING ACTIVITIES				
NET EARNINGS	**10,267**	7,099	**15,661**	11,241
NON-CASH ITEMS				
Amortization	**2,090**	1,223	**4,188**	2,451
Future income taxes	**1,115**	(42)	**987**	(137)
Non-controlling interest	**842**	161	**1,365**	344
	14,314	8,441	**22,201**	13,899
Changes in working capital items	**17,721**	14,534	**6,284**	(23,297)
CASH FLOWS FROM OPERATING ACTIVITIES	**32,035**	22,975	**28,485**	(9,398)
INVESTING ACTIVITIES				
Temporary investments	**-**	7,981	**-**	32,359
Business acquisitions (Note 6)	**(4,645)**	(27)	**(5,708)**	(10,274)
Disposal of assets	**-**	740	**-**	742
Advances to joint venture	**-**	(1 211)	**-**	2,500
Advances to merchant members	**(1,103)**	(2,122)	**(1,584)**	(3,466)
Cash advance to merchant members	**1,197**	716	**2,294**	1,461
Company Shares	**20**	-	**20**	-
Disposal of property, plant and equipment	**-**	78	**-**	78
Property, plant and equipment	**(2,694)**	(1,468)	**(4,626)**	(3,131)
CASH FLOWS FROM INVESTING ACTIVITIES	**(7,225)**	4 687	**(9,604)**	20,269
FINANCING ACTIVITIES				
Bank indebtedness	**(7,382)**	(10,459)	**(1,804)**	(1,704)
Balance of purchase price	**(2,500)**	-	**(2,500)**	-
Balance of sale price receivable	**-**	167	**-**	208
Balance of purchase price	**-**	-	**(4,104)**	(36)
Long-term debt	**247**	-	**3,634**	-
Repayment of long-term debt	**(561)**	(27)	**(666)**	(74)
Merchant members' deposits in guarantee funds	**(44)**	105	**(106)**	220
Issuance of shares	**384**	42	**1,304**	331
Dividends paid	**(1,559)**	(2,250)	**(2,987)**	(3,479)
CASH FLOWS FROM FINANCING ACTIVITIES	**(11,415)**	(12,422)	**(7,229)**	(4,534)
Net Increase in cash and cash equivalents	**13,395**	15,240	**11,652**	6,337
Cash and cash equivalents, beginning of period	**8,178**	4,734	**9,921**	13,637
Cash and cash equivalents, end of year	**21,573**	19,974	**21,573**	19,974

Cash and cash equivalents include cash and temporary investments maturing less than three months for the acquisition date.

Dividends paid on common shares	**0,080**	0,123	**0,154**	0,190

CONSOLIDATED RETAINED EARNINGS

UNAUDITED

SIX-MONTH PERIODS ENDED JUNE 30, 2005 AND 2004

(IN THOUSANDS OF DOLLARS)	**2005**	**2004**
	$	**$**
Balance, beginning of year	**188,159**	164,591
Changes in accounting policies	**-**	(955)
	188,159	163,636
Net earnings	**15,661**	11,241
	203,820	174,877
Dividends	**3,121**	3,600
Balance, end of year	**200,699**	171,277

UNI-SELECT INC.
CONSOLIDATED BALANCE SHEET

(IN THOUSANDS OF DOLLARS)

	JUNE 30, 2005 UNAUDITED	JUNE 30, 2004 UNAUDITED	DEC. 31, 2004 AUDITED
	$	$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	**21,573**	19,974	9,921
Accounts receivable	**149,910**	111,634	134,584
Income taxes receivable	**6,703**	6,353	2,941
Inventory	**266,015**	134,278	261,413
Prepaid expenses	**6,328**	3,314	3,496
Future income taxes	**4,548**	1,663	5,488
	455,077	277,216	417,843
Investments and volume discounts receivable, at cost	**9,766**	7,124	8,309
Property, plant and equipment	**34,645**	28,664	33,585
Financing costs	**1,245**	-	1,384
Goodwill	**18,314**	13,603	18,273
Future income taxes	**3,167**	1,726	3,056
	522,214	328,333	482,450
LIABILITIES			
CURRENT LIABILITIES			
Bank indebtedness	**1,390**	7,220	3,193
Accounts payable	**165,508**	115,743	135,541
Income taxes payable	**8,023**	1,450	18,782
Dividends payable	**1,562**	1,350	1,428
Installments on long-term debt and merchant members' deposits in guarantee fund	**298**	89	477
	176,781	125,852	159,421
Deferred government grants	**422**	476	421
Long-term debt	**67,363**	227	63,230
Merchant members' deposits in guarantee funds	**7,527**	8,105	7,452
Future income taxes	**4,046**	3,429	3,935
Non-controlling interest	**26,616**	7,150	24,125
	282,755	145,239	258,584
SHAREHOLDERS' EQUITY			
Capital stock (Note 4)	**46,905**	17,289	45,601
Cumulative translation adjustments	**(8,145)**	(5,472)	(9,894)
Retained earnings	**200,699**	171,277	188,159
	239,459	183,094	223,866
	522,214	328,333	482,450

Uni-Select Inc.

Notes to consolidated financial statements (in thousands of dollars with the exception of amount per share)

1. Basis of presentation

The accompanying unaudited financial statements are in accordance with Canadian generally accepted accounting principles for interim financial statements and do not include all the information required for complete financial statements. They are also consistent with the policies outlined in the Company's audited financial statements for the year ended December 31, 2004, except where stated below. The interim financial statements and related notes should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2004. Where required, the financial statements include amounts based on informed estimates and best judgements of management. The operating results for the interim period reported are not necessarily indicative of results to be expected for the year.

Certain comparative figures have been reclassified to conform with the current year's presentation

2. Changes in accounting policies

Consolidation of the entities with variable rights

During the first quarter, the Company adopted the *Consolidation of variable interest entities* (AcG-15) of which the final version was published on January 30, 2005. This convention requires the consolidation of certain entities to holders of variable rights (VIE). The VIE extends throughout the judicial structure which is not controlled by a participation of voting rights, but rather by contractual rights or other financial interests. The application of the AcG-15 did not affect the consolidated financial statements of the Company.

3. Information on results

For the six-month period ended June, 2005 and 2004

	2005	2004
Amortization of fixed assets	**4,029**	2,451
Amortization on financing costs	**159**	-
	4,188	2,451

4. Capital Stock

Authorized

Unlimited number of shares

Preferred shares, issuable in series

Common shares

	Six months ended June 30, 2005	Twelve months ended December 31, 2004
	(unaudited)	(audited)
Issued and fully paid		
Balance, beginning of year : 19,423,289 common shares (18,347,758 in 2004)	**45,601**	16,958
Issue of 96,611 common shares on the exercise of stock options (75,166 in 2004)	**1,304**	980
Issue of 0 common share for cash (1,000,365 in 2004)	**0**	27,663
Balance, end of period: 19,519,900 common shares (19,423,289 in 2004)	**46,905**	45,601

5. Earnings per share

The following table presents basic and diluted earnings per share:

For the three month period ended June 30, 2005 and 2004

			2005			**2004**
	Net earnings	**Weighted average number of shares**	**Earnings per share**	Net earnings	Weighted average number of shares	Earnings per share
	$		**$**	$		$
Basic earnings per share	**10,267**	**19,498,411**	**0,53**	7,099	18,370,271	0,39
Impact of stock options exercised		**147,464**			180,976	
Diluted earnings per share	**10,267**	**19,645,875**	**0,52**	7,099	18,551,247	0,38

For the six-month period ended June 30, 2005 and 2004

			2005			**2004**
	Net earnings	**Weighted average number of shares**	**Earnings per share**	Net earnings	Weighted average number of shares	Earnings per share
	$		**$**	$		$
Basic earnings per share	**15,661**	**19,479,763**	**0,80**	11,241	18,363,721	0,61
Impact of stock options exercised		**159,823**			178,644	
Diluted earnings per share	**15,661**	**19,639,586**	**0,80**	11,241	18,542,635	0,61

6. Business acquisitions

In 2005, the Company acquired the following businesses :

- *Action Automotive Distributing, Inc. (“ ADI”)*
  On February 3, the Company acquired the assets and assumed a portion of the liability of ADI. This Company operates a store in the Automotive USA segment.

- *Motor Parts Warehouse, Inc. (“MPW”)*
  On March 31, the Company acquired the assets of Motor Parts Warehouse, Inc. The Company did not assume any of the liabilities for this transaction. This Company operates two distribution centers in the Automotive USA segment.

- *Triline Auto Parts Inc. (“Triline”)*
  On April 30, the Company acquired the shares of Triline Auto Parts Inc. This Company operates a store in the Automotive Canada segment.

- *Les Batteries Électriques Gagnon Inc. (“Gagnon”)*
  During the second quarter, following the reevaluation of the acquisition value, the Company received a reimbursement from Gagnon related to the January 30, 2004 acquisition. This Company operates a store in the Heavy Duty segment.

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

The purchase prices are allocated as follows :

	ADI	MPW	TRILINE	GAGNON	TOTAL
	$	$	$	$	$
Current assets	1,175	4,285	682	-	6,142
Property, plant and equipment	99	73	11	-	183
Other long-term assets	1,242	-	22	-	1,264
Goodwill	-	-	173	(250)	(77)
Total assets acquired	2,516	4,358	888	(250)	7,512
Current liabilities	(1,453)	-	(146)	-	(1,599)
Long-term debt	-	-	(8)	-	(8)
Total liabilities assumed	(1,453)	-	(154)	-	(1,607)
Net assets acquired	1,063	4,358	734	(250)	5,905
Cash of company acquired	-	-	(139)	-	(139)
Net acquisition	1,063	4,358	595	(250)	5,766
Total consideration paid cash less cash acquired	1,063	4,358	537	(250)	5,708
Balance of purchase price payable	-	-	58	-	58

7. Employee future benefits

As at June 30, 2005, the Company's pension plans are defined benefit and contributions plans.

For the three-month period ended June 30, 2005, the total expense for the defined contribution plan was of $283 ($194 in 2004) and of $418 ($334 in 2004) for the defined benefit plans.

For the six-month period ended June 30, 2005, the total expense for the defined contribution plan was of $513 ($382 in 2004) and of $835 ($668 in 2004) for the defined benefit plans.

8. Segmented information

UNI-SÉLECT INC.
Segmented information *(1)*

THREE-MONTH PERIODS ENDED JUNE 30, 2005 AND 2004
(IN THOUSANDS OF DOLLARS)

	Automotive Canada		Automotive USA		Heavy Duty		Consolidated	
	2005	2004	2005	2004	2005	2004	2005	2004
	$	$	$	$	$	$	$	$
SALES	**139,354**	135,249	**155,758**	39,861	**17,716**	18,804	**312,828**	193,914
Earnings before interest, amortization, income taxes and non-controlling interest	**9,968**	9,691	**9,877**	1,512	**372**	732	**20,217**	11,935
ASSETS	**201,002**	218,431	**282,560**	70,056	**38,652**	39,846	**522,214**	328,333
Expenses in property, plant and equipment	**989**	1,203	**1,344**	219	**372**	75	**2,705**	1,497
Goodwill	**173**	37	**-**	-	**-**	36	**173**	73

UNI-SÉLECT INC.
Segmented information *(1)*

SIX-MONTH PERIODS ENDED JUNE 30 2005 AND 2004
(IN THOUSANDS OF DOLLARS)

	Automotive Canada		Automotive USA		Heavy Duty		Consolidated	
	2005	**2004**	**2005**	**2004**	**2005**	**2004**	**2005**	**2004**
	$	$	**$**	$	**$**	$	**$**	$
SALES	**254,488**	257,067	**290,999**	78,230	**32,885**	34,430	**578,372**	369,727
Earnings before interest, amortization, income taxes and non-controlling interest	**15,896**	15,771	**16,105**	3,283	**3**	593	**32,004**	19,647
ASSETS	**201,002**	218,431	**282,560**	70,056	**38,652**	39,846	**522,214**	328,333
Expenses in property, plant and equipment	**1,956**	2,841	**2,355**	285	**498**	411	**4,809**	3,537
Goodwill	**173**	537	**-**	-	**-**	3,936	**173**	4,473

(1) The Company applied on a retroactive basis changes in its reportable segments determination The head office expenses which were previously entirely assumed by Automotive Group Canada are now divided amongst the three groups of the Company.