UNI-SELECT®

Press Release

For immediate distribution

Uni-Select Inc. Reports 2019 Fourth Quarter and Full Year Highlights and Financial Results:

- Sales down 1.5% in constant currency to $412.6 million in Q4 and up 1.1% in constant currency to $1,739.6 million for 2019, driven by the organic growth[(1)] from the Canadian Automotive Group of 2.4%;
- EBT[(1)] of $(51.5) million for Q4 and $(17.4) million for 2019; adjusted EBT[(1)] of $5.4 million for Q4 and of $40.7 million for 2019;
- EPS of $(1.17) for Q4 and of $(0.47) for 2019, adjusted EPS[(1)] of $0.11 for Q4 and $0.73 for 2019;
- $8.2 million and $31.9 million in annualized savings realized respectively during the fourth quarter and 2019 in relation to the Performance Improvement Plan ("PIP").

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

Boucherville (Québec), February 19, 2020 – Uni-Select Inc. (TSX:UNS) (**"Uni-Select"** or **"Corporation"**) today reported its financial results for the fourth quarter and the year ended December 31, 2019.

"2019 was a transformational year and we are on the right track. We are pleased with the outcome of the PIP realizing $31.9 million in annualized savings in 2019 and reaching a total of $50.6 million in annualized savings at the end of 2019. The transformational steps undertaken over-the past years have been necessary to stabilize the three business segments, enabling the Corporation to initiate a culture of continuous improvement in its operations and to capitalize on growth opportunities," said Brent Windom, President and Chief Executive Officer, Uni-Select Inc. and President and Chief Operating Officer, Canadian Automotive Group.

UPDATE ON THE PERFORMANCE IMPROVEMENT PLAN

During 2019, the Corporation realized annualized savings of $31.9 million, bringing the total annualized savings to $50.6 million since the inception of the plan in 2017, exceeding the targeted outcome.

During 2019, the Corporation streamlined its workforce and integrated 41 company-owned stores. In addition, to optimize its logistical processes, the Corporation integrated three smaller distribution centres into two larger ones, permitting increased competitiveness and efficiency. These new distribution centres were operational during the first quarter of 2019.

These initiatives resulted in the recognition of restructuring and other charges totalling $17.5 million for the year, of which $5.9 million was non-cash relating to the write-down of assets.

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

The following table summarizes the annualized impacts as at December 31, 2019:

	Expected	Realized		
	By the end of 2020	As at Dec. 2018	**During 2019**	**As at Dec. 2019**
Annualized cost savings	50,000	18,700	31,900	50,600
Restructuring and other charges:				
Restructuring charges[1]	11,000	5,055	4,605	9,660
Other charges as incurred[2]	10,000	1,214	6,953	8,167
Non-cash costs related to the write-down of assets[3]	4,000	-	5,945	5,945
	25,000	6,269	17,503	23,772
Net capital expenditures[4]	7,000	5,509	1,195	6,704

(1) Mainly severance and termination benefits.
(2) Primarily comprising consulting fees related to the optimization of the logistical processes and moving costs.
(3) Mainly impairment of property and equipment.
(4) Includes the proceeds from the sale of one building and tenant incentives.

FINANCIAL RESULTS

Adoption of IFRS 16 - Leases

On January 1, 2019, the Corporation applied, for the first time, IFRS 16 - Leases using the modified retrospective transition approach and did not restate comparative amounts of the year prior to its adoption as permitted. As a result, the 2019 consolidated financial statements present significant variances when compared to 2018. The 2019 consolidated statement of earnings includes reduced rent expenses from the elimination of the classification as operating leases, higher finance costs from the interest expense on lease obligations and higher depreciation of right-of-use assets. Consequently, the Corporation considers that EBT is the preferred comparative measure to explain its results and performance, rather than EBITDA as previously used.

The following table presents selected consolidated information:

	FOURTH QUARTERS		TWELVE-MONTH PERIODS	
	2019	**2018**	**2019**	**2018**
Sales	412,602	419,455	1,739,572	1,751,965
EBITDA [1]	(27,997)	12,783	76,458	104,940
EBITDA margin [1]	*(6.8%)*	*3.0%*	*4.4%*	*6.0%*
Adjusted EBITDA [1]	27,930	21,428	129,931	119,529
Adjusted EBITDA margin [1]	*6.8%*	*5.1%*	*7.5%*	*6.8%*
EBT	(51,530)	(2,852)	(17,389)	44,677
EBT margin [1]	*(12.5%)*	*(0.7%)*	*(1.0%)*	*2.6%*
Adjusted EBT [1]	5,437	7,092	40,736	64,408
Adjusted EBT margin [1]	*1.3%*	*1.7%*	*2.3%*	*3.7%*
Special items	55,927	8,645	53,473	14,589
Net earnings (loss)	(49,447)	(2,363)	(19,845)	36,497
Adjusted earnings [1]	4,560	5,430	30,771	51,473
Earnings (loss) per share	(1.17)	(0.06)	(0.47)	0.86
Adjusted earnings per share [1]	0.11	0.13	0.73	1.22

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

FOURTH-QUARTER RESULTS

Consolidated sales of $412.6 million for the fourth quarter decreased by 1.6% compared to the same quarter last year, reflecting soft markets in all three segments and resulting in a negative consolidated organic growth of 1.1% for the quarter. Sales were also impacted by the erosion of sales arising from the integration of company-owned stores, which represented 0.8% of the decline. A total of 14 company-owned stores were integrated during the fourth quarter, bringing the total number of store integrations to 41 at December 31, 2019.

The Corporation generated a negative EBT of $51.5 million for the quarter, which was impacted by special items for the impairment loss on goodwill of $45.0 million related to its operations in the United Kingdom, restructuring and other charges related to the PIP of $5.0 million, as well as charges for the review of strategic alternatives. Once adjusted, EBT and EBT margin were $5.4 million and 1.3% respectively, compared to $7.1 million and 1.7% in 2018. The decrease of 40 basis points is mainly attributable to the contraction of the gross margin resulting from an evolving customer mix in the FinishMaster U.S. segment as well as a lower volume of sales recorded during the quarter impacting buying conditions and fixed costs absorption. The recent opening of greenfields in the U.K. also affected the adjusted EBT margin. However, overall savings realized from the PIP during the quarter, as well as lower professional fees, partially compensated for these unfavourable items.

The benefits from the PIP were more significant during the quarter, reducing the variance of the adjusted EBT margin when compared to last year and previous quarters.

Net loss and adjusted earnings were respectively $(49.4) million and $4.6 million, compared to $(2.4) million and $5.4 million in 2018. Adjusted earnings decreased by $0.8 million compared to the same quarter last year, mainly due to a lower adjusted EBT and a different income tax rate.

The Corporation generated free cash flows[(1)] of $24.1 million for the quarter, compared to $7.8 million for the same quarter last year, an increase of $16.3 million, mainly explained by a lower level of corporate tax instalments and investments in capital expenditures during the current quarter.

Segmented Fourth Quarter Results

The FinishMaster U.S. segment reported sales of $198.3 million, a decrease of 2.5% compared to 2018, affected by the erosion of sales resulting from the integration of company-owned stores and a negative organic growth of 1.2%. The segment experienced a softer quarter, facing an aggressive competitive landscape and softness in the refinish market. This segment reported an EBT of $7.4 million, and once adjusted for special items related to the PIP, EBT was $9.3 million, an improvement of 8.8% compared to 2018. The adjusted EBT margin increased by 50 basis points from 4.2% in 2018 to 4.7% for the current quarter, benefitting from significant savings realized from the PIP, as well as from lower professional fees and bad debt expenses, more than offsetting the gross margin unfavourable impact resulting from the evolving customer mix. The FinishMaster U.S. segment showed, for the first time in 2019, an improvement in EBT compared to 2018, reaping the benefits of the execution of the PIP.

Sales for the Canadian Automotive Group segment were $122.3 million, a similar level than the corresponding quarter of 2018, with the contribution of business acquisitions and the promotion of private brand sales compensating for the negative organic growth of 1.4% due to timing differences in sales of paint, body and equipment. Special items recorded in relation to the PIP negatively impacted profitability. Once adjusted for these special items, EBT and EBT margin were respectively $3.6 million and 3.0%, compared to $6.5 million and 5.3% in 2018. The decline of the adjusted EBT margin, compared to the same quarter in 2018, is due to a higher level of annual performance rebates and reversal of short-term and long-term compensation that were recorded last year. However, the current quarter benefitted from savings related to the PIP.

Sales for The Parts Alliance U.K. segment were $92.0 million. Once adjusted for the effect of the British pound on its conversion to the US dollar, sales decreased by 1.3% compared to the same quarter last year. This performance is mainly attributable to an erosion of sales of 0.8% resulting from the integration of six company-owned stores during the quarter, as well as to a challenging macroeconomic climate and a

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

prolonged period of uncertainty surrounding Brexit. Once adjusted for special items related to the PIP of $0.1 million, EBT for this segment was $0.3 million or 0.3% of sales, compared to $1.2 million or 1.2% of sales for the same quarter last year. The variance is mainly due to a lower volume of sales, reducing the absorption of fixed costs. In addition, the adjusted EBT margin was affected by recent investments in the expansion and optimization of the network, which are expected to reach their optimal productivity levels within 12 to 24 months after their openings. The accretive initiatives, as part of the PIP, optimizing the network of company-owned stores and streamlining the organizational structure, are providing more flexibility to face softness in the market.

TWELVE-MONTH PERIOD RESULTS

Consolidated sales were $1,739.6 million for the twelve-month period, representing an increase of 1.1% on a constant currency basis, when compared to the same period last year. This growth is principally attributable to the contribution of business acquisitions of 0.8% and organic growth of 0.5%. For the twelve-month period, the Canadian Automotive Group and the FinishMaster U.S. segments, respectively reported organic growth of 2.4% and 0.5%, offsetting the negative organic growth of 1.9% at The Parts Alliance U.K. segment.

Consolidated EBT of $(17.4) million for the twelve-month period of 2019 was impacted by special items for the impairment loss on goodwill of $45.0 million related to the U.K., a net gain on the disposal of the ProColor program of $18.8 million, restructuring and other charges related to the PIP of $17.5 million and charges related to the review of strategic alternatives of $9.8 million. Once adjusted, consolidated EBT and EBT margin were $40.7 million and 2.3% respectively, compared to $64.4 million and 3.7% in 2018. This variance is mainly explained by pricing pressure and evolving customer mix in the FinishMaster U.S. segment, the opening of greenfields in the U.K., as well as higher borrowing costs, in relation to the debt level. These elements were partially compensated by overall savings related to the PIP.

A net loss of $(19.8) million was recorded for the year 2019, affected by the special items mentioned above. Once adjusted, earnings were $30.8 million, compared to $51.5 million in 2018.

The Corporation generated free cash flows of $105.7 million for the year, an increase of $25.8 million compared to last year, resulting from a lower level of corporate tax instalments, partially offset by larger payments of interest on long-term debt.

Segmented Twelve-Month Period Results

The FinishMaster U.S. segment reported sales of $830.8 million, similar to last year and reflecting organic growth of 0.5%, attributable to increased national business and price increases which offset the erosion of sales resulting from the integration of company-owned stores. Once adjusted for special items of $9.4 million related to the PIP, EBT and EBT margin were $43.3 million and 5.2%, compared to $57.8 million and 7.0% for the corresponding period of 2018. The decrease of the adjusted EBT margin is mainly related to the gross margin affected by an evolving customer mix and pricing pressure. These factors were partially compensated by savings realized from initiatives as part of the PIP and a lower bad debt expense, a direct effect of continuous collection efforts.

The Canadian Automotive Group segment reported sales of $516.1 million, a growth of $24.5 million or 4.8% on a constant currency basis, compared to the same period in 2018, supported by organic growth of 2.4% and the contribution of business acquisitions of 2.2%. Organic growth is attributable to initiatives focused on customer service and additional volume from current growing customers. EBT for this segment was $39.2 million, compared to $16.5 million in 2018, benefitting, in particular, from the net gain on the disposal of the ProColor program amounting to $18.8 million. Excluding this net gain and other special items related to the PIP, EBT increased by 27.8% to $25.3 million for 2019, from $19.8 million in 2018. As well, the adjusted EBT margin increased by 100 basis points to 4.9% from 3.9% last year, benefitting from an improved performance of company-owned stores, stimulated by the optimization of initiatives recently implemented as part of the PIP, as well as additional volume of sales.

Sales for The Parts Alliance U.K. segment were $392.7 million for the twelve-month period. Once adjusted for the effect of the British pound on its conversion to the US dollar, sales decreased by 1.6% compared to the same period last year. This variance is mainly attributable to a negative organic growth of 1.9%, affected by a challenging macroeconomic climate, a prolonged period of uncertainty surrounding Brexit and the loss of a sales contract, offsetting the contribution of business acquisitions. EBT for this segment was affected by special items recorded during the year in relation to the PIP. Excluding these special items, adjusted EBT was $3.1 million or 0.8% of sales, compared to $19.2 million or 4.6% of sales for the same period last year. The variance is mainly related to a lower volume of sales, impacting rebates and the absorption of fixed costs. In addition, the adjusted EBT margin was impacted by recent investments in the expansion and network optimization, which are expected to reach their optimal productivity levels within 12 to 24 months after their openings. These factors were partially compensated by savings realized from initiatives as part of the PIP.

DIVIDENDS

On February 19, 2020, the Corporation declared the first quarterly dividend of 2020 of C$0.0925 per share, payable on April 21, 2020, to shareholders of record as of March 31, 2020. This dividend is an eligible dividend for income tax purposes. During the year 2019, the Corporation paid dividends of C$0.37 per share or $11.9 million.

CONFERENCE CALL

Uni-Select will host a conference call to discuss its 2019 fourth-quarter results on February 19, 2020, 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 11:30 AM Eastern on February 19, 2020, until 11:59 PM Eastern on March 26, 2020. To access the replay, dial 1-855-859-2056 followed by 8894534.

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

With over 6,000 employees in Canada, the U.S. and the U.K., Uni-Select is a leader in the distribution of automotive refinish and industrial coatings and related products in North America, as well as a leader in the automotive aftermarket parts business in Canada and in the U.K. Uni-Select is headquartered in Boucherville, Québec, Canada, and its shares are traded on the Toronto Stock Exchange (UNS).

In Canada, Uni-Select supports over 16,000 automotive repair and collision repair shops and more than 4,000 shops through its automotive repair/installer shop banners and automotive refinish banners. Its national network includes over 1,000 independent customer locations and more than 75 company-owned stores, many of which operate under the Uni-Select BUMPER TO BUMPER®, AUTO PARTS PLUS® and FINISHMASTER® store banner programs.

In the United States, Uni-Select, through its wholly-owned subsidiary FinishMaster, Inc., operates a national network of over 175 automotive refinish company-owned stores under the FINISHMASTER® banner, which supports over 30,000 customers annually and is the primary supplier to more than 5,500 collision repair centre customers.

In the U.K. and Ireland, Uni-Select, through its Parts Alliance group of subsidiaries, is a major distributor of automotive parts supporting over 23,000 customer accounts with a network of over 175 company-owned stores.
www.uniselect.com

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 outlook (including, without limitation, adjusted EBITDA margins, adjusted EBT margins and consolidated organic growth) 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 financial results, as well as our objectives, strategic priorities and business outlook, 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 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 outlook, are listed below. The realization of our forward-looking statements, including our ability to achieve our outlook, 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 the 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 latest 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 fourth quarter and twelve-month period of 2019 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 latest Annual Report may also be found on these websites as well as other information related to Uni-Select, including its Annual Information Form.

CONTACT INFORMATION

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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, the erosion of sales from the integration of company-owned 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, adjusted EBITDA and proforma adjusted EBITDA – EBITDA 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 excludes certain adjustments, which may affect the comparability of the Corporation's financial results. These adjustments include, among other things, impairment loss on goodwill, net gain on business disposal, restructuring and other charges, charges related to the review of strategic alternatives as well as net transaction charges related to The Parts Alliance acquisition.

Proforma adjusted EBITDA subtracts from adjusted EBITDA the rent expenses included in the measurement of lease obligations. It represents adjusted EBITDA pre-adoption of IFRS 16 – Leases.

EBITDA margin, adjusted EBITDA margin and proforma adjusted EBITDA margin – EBITDA margin is a percentage corresponding to the ratio of EBITDA to sales. Adjusted EBITDA margin is a percentage corresponding to the ratio of adjusted EBITDA to sales. Proforma adjusted EBITDA margin is a percentage corresponding to the ratio of proforma adjusted EBITDA to sales.

Adjusted EBT, adjusted earnings and adjusted earnings per share – Management uses adjusted EBT, adjusted earnings and adjusted earnings per share to assess EBT, 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, following the adoption of IFRS 16 - Leases. The intent of these measures is to provide additional information.

These adjustments include, among other things, impairment loss on goodwill, net gain on business disposal, restructuring and other charges, charges related to the review of strategic alternatives as well as 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.

EBT margin and adjusted EBT margin – EBT margin is a percentage corresponding to the ratio of EBT to sales. Adjusted EBT margin is a percentage corresponding to the ratio of adjusted EBT 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.

Total net debt – This measure consists of long-term debt (excluding convertible debentures presented as equity), including the portion due within a year, net of cash. Starting January 1, 2019, the total net debt includes new lease obligations arising from the adoption of IFRS 16 - Leases, for which the initial amount recorded was $97,003.

Funded debt to adjusted EBITDA ratio – This ratio corresponds to total net debt to adjusted EBITDA.

NON-IFRS FINANCIAL MEASURES (CONTINUED)

The following table presents a reconciliation of organic growth.

	Fourth quarters				Twelve-month periods			
	2019		2018		**2019**		2018	
FinishMaster U.S.	**198,271**		203,440		**830,765**		829,982	
Canadian Automotive Group	**122,321**		122,460		**516,112**		503,829	
The Parts Alliance U.K.	**92,010**		93,555		**392,695**		418,154	
Sales	**412,602**		419,455		**1,739,572**		1,751,965	
				%				%
Sales variance		**(6,853)**		***(1.6)***		**(12,393)**		***(0.7)***
Conversion effect of the Canadian dollar and the British pound		**560**		***0.1***		**30,931**		***1.8***
Number of billing days		**(223)**		***(0.0)***		**(1,013)**		***(0.1)***
Erosion of sales from the integration of company-owned stores		**3,392**		***0.8***		**4,417**		***0.3***
Acquisitions		**(1,611)**		***(0.4)***		**(13,330)**		***(0.8)***
Consolidated organic growth		**(4,735)**		***(1.1)***		**8,612**		***0.5***

The following table presents a reconciliation of EBITDA and adjusted EBITDA as well as proforma adjusted EBITDA, which is prepared for illustrative and informative purposes only.

	Fourth quarters			Twelve-month periods		
	2019	2018	%	**2019**	2018	%
Net earnings (loss)	**(49,447)**	(2,363)		**(19,845)**	36,497	
Income tax expense	**(2,083)**	(489)		**2,456**	8,180	
Depreciation and amortization	**16,042**	10,265		**64,187**	39,702	
Finance costs, net	**7,491**	5,370		**29,660**	20,561	
EBITDA	**(27,997)**	12,783	*(319.0)*	**76,458**	104,940	*(27.1)*
EBITDA margin	***(6.8%)***	*3.0%*		***4.4%***	*6.0%*	
Special items	**55,927**	8,645		**53,473**	14,589	
Adjusted EBITDA	**27,930**	21,428	*30.3*	**129,931**	119,529	*8.7*
Adjusted EBITDA margin	***6.8%***	*5.1%*		***7.5%***	*6.8%*	
Rent expenses included in the measurement of lease obligations (1)	**(7,582)**	-		**(28,921)**	-	
Proforma adjusted EBITDA	**20,348**	21,428	*(5.0)*	**101,010**	119,529	*(15.5)*
Proforma adjusted EBITDA margin	***4.9%***	*5.1%*		***5.8%***	*6.8%*	

(1) Includes new leases contracted over the last 12 months for the expansion of company-owned stores and distribution centres.

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

	Fourth quarters			Twelve-month periods		
	2019	2018	%	**2019**	2018	%
Net earnings (loss)	**(49,447)**	(2,363)		**(19,845)**	36,497	
Income tax expense	**(2,083)**	(489)		**2,456**	8,180	
EBT	**(51,530)**	(2,852)	*(1,706.8)*	**(17,389)**	44,677	*(138.9)*
EBT margin	***(12.5%)***	*(0.7%)*		***(1.0%)***	*2.6%*	
Special items	**55,927**	8,645		**53,473**	14,589	
Amortization of intangible assets related to the acquisition of The Parts Alliance	**1,040**	1,299		**4,652**	5,142	
Adjusted EBT	**5,437**	7,092	*(23.3)*	**40,736**	64,408	*(36.8)*
Adjusted EBT margin	***1.3%***	*1.7%*		***2.3%***	*3.7%*	

NON-IFRS FINANCIAL MEASURES (CONTINUED)

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

	Fourth quarters			Twelve -month periods		
	2019	2018	%	**2019**	2018	%
Net earnings (loss)	**(49,447)**	(2,363)	*(1,992.6)*	**(19,845)**	36,497	*(154.4)*
Special items, net of taxes	**53,144**	6,741		**46,755**	10,811	
Amortization of intangible assets related to the acquisition of The Parts Alliance, net of taxes	**863**	1,052		**3,861**	4,165	
Adjusted earnings	**4,560**	5,430	*(16.0)*	**30,771**	51,473	*(40.2)*
Earnings (loss) per share	**(1.17)**	(0.06)	*(1,850.0)*	**(0.47)**	0.86	*(154.7)*
Special items, net of taxes	**1.26**	0.16		**1.11**	0.26	
Amortization of intangible assets related to the acquisition of The Parts Alliance, net of taxes	**0.02**	0.03		**0.09**	0.10	
Adjusted earnings per share	**0.11**	0.13	*(15.4)*	**0.73**	1.22	*(40.2)*

The following table presents a reconciliation of free cash flows.

	Fourth quarters		Twelve-month periods	
	2019	2018	**2019**	2018
Cash flows from operating activities	**3,520**	13,398	**33,332**	94,579
Changes in working capital	**26,060**	3,009	**93,980**	5,163
	29,580	16,407	**127,312**	99,742
Acquisitions of property and equipment	**(5,379)**	(8,675)	**(21,649)**	(19,391)
Difference between amounts paid for post-employment benefits and current period expenses	**(137)**	41	**(5)**	(449)
Free cash flows	**24,064**	7,773	**105,658**	79,902

UNI-SELECT INC.
CONSOLIDATED STATEMENTS OF EARNINGS (LOSS)

(In thousands of US dollars, except per share amounts)	Years ended December 31,	
	2019	2018
Sales	**1,739,572**	1,751,965
Purchases, net of changes in inventories	**1,189,236**	1,176,796
Gross margin	**550,336**	575,169
Employee benefits	**309,270**	315,166
Other operating expenses	**111,135**	140,474
Special items	**53,473**	14,589
Earnings before finance costs, depreciation and amortization and income taxes	**76,458**	104,940
Finance costs, net	**29,660**	20,561
Depreciation and amortization	**64,187**	39,702
Earnings (loss) before income taxes	**(17,389)**	44,677
Income tax expense	**2,456**	8,180
Net earnings (loss)	**(19,845)**	36,497
Earnings (loss) per share		
Basic and diluted	**(0.47)**	0.86
Weighted average number of common shares outstanding (in thousands)		
Basic	**42,387**	42,254
Diluted	**42,387**	42,419

UNI-SELECT INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In thousands of US dollars)	Years ended December 31,	
	2019	2018
Net earnings (loss)	**(19,845)**	36,497
Other comprehensive income (loss)		
Items that will subsequently be reclassified to net earnings (loss):		
Effective portion of changes in the fair value of cash flow hedges (net of income tax of $281 ($208 in 2018))	**(790)**	603
Net change in the fair value of derivative financial instruments designated as cash flow hedges transferred to net earnings (loss) (net of income tax of $54 ($15 in 2018))	**(152)**	44
Unrealized exchange gains (losses) on the translation of financial statements to the presentation currency	**5,966**	(7,376)
Unrealized exchange gains (losses) on the translation of debt designated as a hedge of net investments in foreign operations	**6,976**	(15,831)
	12,000	(22,560)
Items that will not subsequently be reclassified to net earnings (loss):		
Remeasurements of long-term employee benefit obligations (net of income tax of $802 ($620 in 2018))	**(2,226)**	1,801
Total other comprehensive income (loss)	**9,774**	(20,759)
Comprehensive income (loss)	**(10,071)**	15,738

UNI-SELECT INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

						Attributable to shareholders
(In thousands of US dollars)	Share capital	Contributed surplus	Equity component of the convertible debentures	Retained earnings	Accumulated other comprehensive income (loss)	**Total equity**
Balance, December 31, 2017	97,585	5,184	-	432,470	(17,262)	517,977
Net earnings	-	-	-	36,497	-	36,497
Other comprehensive income (loss)	-	-	-	1,801	(22,560)	(20,759)
Comprehensive income (loss)	-	-	-	38,298	(22,560)	15,738
Contributions by and distributions to shareholders:						
Repurchase and cancellation of common shares	(190)	-	-	(1,232)	-	(1,422)
Issuance of common shares	2,331	-	-	-	-	2,331
Transfer upon exercise of stock options	518	(518)	-	-	-	-
Dividends	-	-	-	(12,081)	-	(12,081)
Stock-based compensation	-	1,339	-	-	-	1,339
	2,659	821	-	(13,313)	-	(9,833)
Balance, December 31, 2018	100,244	6,005	-	457,455	(39,822)	523,882
IFRS 16 adjustment	-	-	-	**(4,944)**	**992**	**(3,952)**
Balance, January 1, 2019	**100,244**	**6,005**	**-**	**452,511**	**(38,830)**	**519,930**
Net loss	**-**	**-**	**-**	**(19,845)**	**-**	**(19,845)**
Other comprehensive income (loss)	**-**	**-**	**-**	**(2,226)**	**12,000**	**9,774**
Comprehensive income (loss)	**-**	**-**	**-**	**(22,071)**	**12,000**	**(10,071)**
Contributions by and distributions to shareholders:						
Issuance of convertible debentures (net of income taxes of $2,968)	**-**	**-**	**8,232**	**-**	**-**	**8,232**
Dividends	**-**	**-**	**-**	**(11,816)**	**-**	**(11,816)**
Stock-based compensation	**-**	**719**	**-**	**-**	**-**	**719**
	-	**719**	**8,232**	**(11,816)**	**-**	**(2,865)**
Balance, December 31, 2019	**100,244**	**6,724**	**8,232**	**418,624**	**(26,830)**	**506,994**

UNI-SELECT INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of US dollars)	Years ended December 31, 2019	2018
OPERATING ACTIVITIES		
Net earnings (loss)	**(19,845)**	36,497
Non-cash items:		
Special items	**53,473**	14,589
Finance costs, net	**29,660**	20,561
Depreciation and amortization	**64,187**	39,702
Income tax expense	**2,456**	8,180
Amortization and reserves related to incentives granted to customers	**20,784**	17,193
Other non-cash items	**1,038**	(2,884)
Changes in working capital items	**(93,980)**	(5,163)
Interest paid	**(27,918)**	(18,681)
Income taxes recovered (paid)	**3,477**	(15,415)
Cash flows from operating activities	**33,332**	94,579
INVESTING ACTIVITIES		
Business acquisitions	**(294)**	(23,670)
Business disposals	**19,528**	-
Net balance of purchase price	**(643)**	(7,082)
Cash held in escrow	**-**	(1,670)
Advances to merchant members and incentives granted to customers	**(16,645)**	(38,858)
Reimbursement of advances to merchant members	**6,237**	6,282
Acquisitions of property and equipment	**(21,649)**	(19,391)
Proceeds from disposal of property and equipment	**3,025**	1,589
Acquisitions and development of intangible assets	**(3,475)**	(3,269)
Other provisions paid	**(138)**	(124)
Cash flows used in investing activities	**(14,054)**	(86,193)
FINANCING ACTIVITIES		
Increase in long-term debt	**245,909**	271,541
Repayment of long-term debt	**(321,179)**	(291,126)
Issuance of convertible debentures	**95,026**	-
Net increase (decrease) in merchant members’ deposits in the guarantee fund	**(82)**	328
Repurchase and cancellation of common shares	**-**	(1,422)
Issuance of common shares	**-**	2,331
Dividends paid	**(11,855)**	(12,246)
Cash flows from (used in) financing activities	**7,819**	(30,594)
Effects of fluctuations in exchange rates on cash	**575**	(428)
Net increase (decrease) in cash	**27,672**	(22,636)
Cash, beginning of year	**8,036**	30,672
Cash, end of year	**35,708**	8,036

UNI-SELECT INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In thousands of US dollars)	Dec. 31, 2019	Jan. 1, 2019	Dec. 31, 2018
ASSETS			
Current assets:			
Cash	**35,708**	8,036	8,036
Cash held in escrow	**1,654**	3,591	3,591
Trade and other receivables	**250,861**	248,507	247,732
Income taxes receivable	**2,712**	16,789	16,789
Inventory	**516,169**	524,335	524,335
Prepaid expenses	**10,331**	10,502	10,502
Derivative financial instruments	**-**	442	442
Total current assets	**817,435**	812,202	811,427
Investments and advances to merchant members	**36,831**	46,039	46,039
Property and equipment	**171,420**	171,584	83,956
Intangible assets	**197,751**	210,331	210,331
Goodwill	**333,030**	372,007	372,007
Derivative financial instruments	**-**	940	940
Deferred tax assets	**29,927**	17,506	15,870
TOTAL ASSETS	**1,586,394**	1,630,609	1,540,570
LIABILITIES			
Current liabilities:			
Trade and other payables	**448,530**	531,380	532,676
Balance of purchase price, net	**97**	3,580	4,062
Provision for restructuring charges	**3,227**	2,939	4,173
Income taxes payable	**8,603**	3,987	3,987
Dividends payable	**3,002**	2,876	2,876
Current portion of long-term debt and merchant members' deposits in the guarantee fund	**28,678**	26,768	4,230
Derivative financial instruments	**3,328**	3,058	3,058
Total current liabilities	**495,465**	574,588	555,062
Long-term employee benefit obligations	**16,902**	12,799	12,799
Long-term debt	**456,173**	497,068	422,603
Convertible debentures	**84,505**	-	-
Merchant members' deposits in the guarantee fund	**5,587**	5,424	5,424
Balance of purchase price	**477**	1,212	1,212
Other provisions	**1,503**	1,424	1,424
Derivative financial instruments	**315**	-	-
Deferred tax liabilities	**18,473**	18,164	18,164
TOTAL LIABILITIES	**1,079,400**	1,110,679	1,016,688
TOTAL EQUITY	**506,994**	519,930	523,882
TOTAL LIABILITIES AND EQUITY	**1,586,394**	1,630,609	1,540,570