

## Uni-Select reports double-digit growth in Q3 2016 for its sales, EBITDA and EPS

- \$318.5 million in sales, up 15.3%;
- EBITDA<sup>(1)</sup> of \$30.8 million, up 18.9%;
- EBITDA margin<sup>(1)</sup> at 9.7%;
- Net earnings of \$17.3 million, up 9.7%;
- EPS of \$0.41, up 10.8%.

Note: The foregoing numbers are compared with Q3 2015.

Unless otherwise indicated in this press release, all amounts are expressed in US dollars.

**Boucherville (Québec), October 26, 2016** – Uni-Select Inc. (TSX:UNS) today reported its financial results for the third quarter ended September 30, 2016.

“We are continuing to make very good progress in Q3 on multiple fronts, including earnings growth, acquisition and integration execution. Organic sales results were below our expectations, as a result of softer economic conditions in our Canadian business and a product line changeover in our US business,” said Henry Buckley, President and Chief Executive Officer of Uni-Select. “We remain highly focused on delivering profitable growth and extending our market share through our growth initiatives and by acquiring and integrating those select acquisitions. We have a sound strategy, a strong balance sheet and a terrific team providing an ideal platform for continued growth.”

(The 2016 results in dollars vary compared to last year’s figures, since the nine-month period of 2015 included five months of operations from the net assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc., sold on June 1, 2015 (“sale of the net assets”).)

**For further information about the Corporation’s use of the non-IFRS measures identified in this press release, refer to “Non-IFRS financial measures” and “Reconciliation of non-IFRS measures” sections.**

(In thousands of US dollars, except per share amounts and percentages)

	THIRD QUARTER		NINE-MONTH PERIOD	
	2016	2015	2016	2015
Sales	318,545	276,229	906,333	1,096,213
EBITDA <sup>(1)</sup>	30,836	25,938	82,278	(77,292)
Adjusted EBITDA <sup>(1)</sup>	30,836	26,038	82,278	76,580
Adjusted EBITDA margin <sup>(1)</sup>	9.7%	9.4%	9.1%	7.0%
Net earnings (loss)	17,281	15,747	45,570	(54,162)
Adjusted earnings <sup>(1)</sup>	17,281	15,808	45,570	45,795
Earnings (loss) per share <sup>(2)</sup>	0.41	0.37	1.07	(1.27)
Adjusted earnings per share <sup>(1) (2)</sup>	0.41	0.37	1.07	1.07

<sup>1</sup> Non-IFRS financial measures. Refer to the “Non-IFRS financial measures” and the “Reconciliation of non-IFRS measures” sections for further details.

<sup>2</sup> 2-for-1 stock split of common shares was effected on May 11, 2016 for shareholders of record as at May 6, 2016. To reflect the effect of the stock split, information pertaining to the number of common shares has been retroactively restated.

### **THIRD QUARTER RESULTS**

*(All percentage increases and decreases represent year-over-year variances for the third quarter of 2016 compared to the third quarter of 2015, unless otherwise noted.)*

Consolidated sales for the third quarter were \$318.5 million, a 15.3% increase, mainly driven by the sales generated from recent business acquisitions, for the most part in the US, representing an increase of 17.6%.

On an organic basis, consolidated sales decreased by 1.3%, mainly due to the soft economic conditions in the Automotive Products segment, and partially compensated by the net customer recruitment and existing customer growth in the Paint and Related Products segment.

The Corporation generated an EBITDA of \$30.8 million for the third quarter of 2016, compared to \$25.9 million last year. The EBITDA margin grew to 9.7%, up 30 points compared to 2015. EBITDA margin enhancement was driven by a combination of accretive business acquisitions and ongoing buying conditions improvement. These factors were partially offset by negative synergies following the sale of net assets, additional investments related to the corporate stores initiatives and lower organic sales.

Net earnings were \$17.3 million compared to \$15.7 million last year. Earnings per share were \$0.41 compared to \$0.37 in 2015.

#### Segmented Results

The Paint and Related Products segment recorded sales of \$202.2 million, up 24.8% from 2015, or up 0.7% organically, primarily from existing customer growth combined with net customer recruitment. The segment EBITDA margin and adjusted EBITDA margin were 13.2%, up 180 points from last year's adjusted EBITDA margin. Accretive business acquisitions, improved buying conditions and lower insurance claims were mainly offset by evolving revenue mix and acquisition and integration costs.

Sales for the Automotive Products segment were \$116.3 million, from \$114.2 million in 2015, an increase of 1.9%, mainly derived from recent business acquisitions. Organic sales decreased by 4.1% due to a reduced volume from existing customers in relation to the softer economic conditions, delivery delays on some products and reduction in benefits from price increases compared to 2015. EBITDA for the Automotive Products segment amounted to \$7.6 million in the third quarter, compared to \$9.1 million last year. The EBITDA margin decreased to 6.5% from 8.0% in 2015, attributable to additional investments required in relation to the corporate stores initiatives, reduced fixed-cost absorption resulting from the negative organic growth, integration costs, net of synergies, pertaining to the recent business acquisitions and reduction in benefits from price increases compared to 2015.

### **NINE-MONTH PERIOD RESULTS**

*(All percentage increases and decreases represent year-over-year variances for the nine-month period of 2016 compared to the nine-month period of 2015, unless otherwise noted.)*

Consolidated sales for the nine-month period were \$906.3 million, a 17.3% decrease, mainly due to the sale of the net assets in 2015. Excluding sales from the net assets sold, consolidated sales grew 13.7% compared to last year. Sales generated from recent business acquisitions combined with organic growth and the effect of an additional billing day exceeded the impact of the declining Canadian dollar on its conversion to US dollar, which alone penalized sales by \$13.9 million or 1.7%.

On an organic basis, consolidated sales grew by 0.5%, supported by the net customer recruitment and existing customer growth in the Paint and Related Products segment, which was partially offset by the performance in the Automotive Products segment.

The Corporation generated an EBITDA and an adjusted EBITDA of \$82.3 million for the nine-month period of 2016, compared to a negative EBITDA of \$77.3 million and adjusted EBITDA of \$76.6 million last year.

The EBITDA margin and adjusted EBITDA margin grew to 9.1%, up 210 points when compared to the adjusted EBITDA margin of 2015. That enhancement was driven by the sale of net assets bearing a lower margin compared to the ongoing operations, accretive business acquisitions, improved ongoing buying conditions and lower stock-based compensation expenses. These factors were partially offset by negative synergies following the sale of net assets, additional investments related to the corporate stores initiatives and acquisitions and integration related costs.

Net earnings grew to \$45.6 million from a net loss of \$54.2 million last year, while adjusted earnings decreased by 0.5%. Earnings per share and adjusted earnings per share both were \$1.07 compared to a loss per share of \$1.27 and adjusted earnings per share of \$1.07 in 2015.

### Segmented Results

The Paint and Related Products segment recorded sales of \$572.1 million, up 23.0% from 2015, or up 2.2% organically, namely as a result of the existing customer growth and net customer recruitment. The segment EBITDA margin reached 12.5%, up 90 points from last year. This performance is notably attributable to improved buying conditions, accretive business acquisitions, and lower insurance claims, partially offset by evolving revenue mix and acquisition and integration costs.

Sales for the Automotive Products segment were \$334.2 million, from \$631.0 million in the prior year. Excluding the impact on sales related to the net assets sold, sales increased by 0.8% compared to 2015. Sales from recent business acquisitions, combined with the effect of additional billing days, exceeded the weaker Canadian dollar which had an impact, on its conversion to US dollar, of \$13.9 million on sales or 4.2%. Organic sales decreased by 1.8% in the nine-month period due to a reduced volume from existing customers in relation to the softer economic conditions, delivery delays on some products and reduction in benefits from price increases compared to 2015. EBITDA and adjusted EBITDA for the Automotive Products segment amounted to \$21.1 million for the nine-month period, compared to a negative EBITDA of \$116.9 million and adjusted EBITDA of \$29.8 million last year. The adjusted EBITDA margin reached 6.3%, a 160 points increase from 4.7% in 2015, a performance attributable to the weaker performance from the operations sold on June 1, 2015. The increase is partially offset by additional investments required in relation to the corporate stores initiatives, reduced fixed-cost absorption resulting from the negative organic growth, integration costs pertaining to the recent business acquisitions and reduction in benefits from price increases compared to 2015.

### **DIVIDENDS**

On October 26, 2016, the Uni-Select Board of Directors declared a dividend of C\$0.085 per share payable on January 17, 2017 to shareholders of record on December 31, 2016. This dividend is an eligible dividend for tax purposes.

### **CONFERENCE CALL**

Uni-Select will host a conference call to discuss its third quarter and nine-month period results for 2016 on October 27, 2016 at 8:00 AM (EDT). To join the conference, dial 1 866 696-5910 followed by 9180682.

A recording of the conference call will be available from 10:00 AM (EDT) on October 27, 2016 until 11:59 PM (EDT) on November 7, 2016. To access the replay, dial 1 800 408-3053 followed by 2596890.

A live webcast of the quarterly results conference call will also be accessible through the [Investors' section](#) of our website 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. In Canada, Uni-Select supports over 3,900 automotive repair and collision repair shops through a growing national

network of more than 1,150 independent customers and corporate stores, many of which operating under Uni-Select store banner programs, Bumper to Bumper®, Auto Parts Plus® and FinishMaster®. In the United States, Uni-Select, through its wholly-owned subsidiary FinishMaster, Inc., operates a national network of automotive refinish corporate stores under the FinishMaster banner and supports more than 6,000 collision repair centre customers. Uni-Select is headquartered in Boucherville, Québec, Canada, and its shares are traded on the Toronto Stock Exchange (TSX) under the symbol UNS.

#### **FORWARD-LOOKING INFORMATION**

The information provided in this press release may include some forward-looking information, which could include certain risks and uncertainties, which may cause the final results to be significantly different from those listed or implied within this news release. For additional information with respect to risks and uncertainties, refer to the Annual Report filed by Uni-Select with the Canadian securities commissions. 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.

#### **ADDITIONAL INFORMATION**

The Management's Discussion and Analysis (MD&A), interim consolidated financial statements and related notes for the third quarter and nine-month period of 2016 are available in the "Investors" section on the Corporation's website at [uniselect.com](http://uniselect.com) as well as on SEDAR at [sedar.com](http://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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#### **CONTACT INFORMATION**

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## NON-IFRS FINANCIAL MEASURES

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The information included in this press release contains certain 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.

**Organic growth** – This measure consists of quantifying the increase in pro forma consolidated sales between two given periods, excluding the impact of acquisitions, sales and disposals of stores, net assets sold, 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, equity income 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 are more representative of the Corporation's operational performance and more appropriate in providing additional information. These adjustments include, among other things, restructuring and other charges, impairment and transaction charges related to the sale of net assets and costs related to the closure and disposal of stores. 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.

**Total net debt** – This measure consists of long-term debt, including the portion due within a year, net of cash.

## RECONCILIATION OF NON-IFRS MEASURES

The following table presents a reconciliation of organic growth.

	Third quarter		Nine-month period	
	2016	2015	2016	2015
<i>United States</i>	202,215	162,040	572,105	764,520
<i>Canada</i>	116,330	114,189	334,228	331,693
<b>Sales</b>	<b>318,545</b>	<b>276,229</b>	<b>906,333</b>	<b>1,096,213</b>
Sales from net assets sold	-	-	-	(299,267)
<b>Sales net of sales from net assets sold</b>	<b>318,545</b>	<b>276,229</b>	<b>906,333</b>	<b>796,946</b>
		%		%
<b>Sales variance</b>	<b>42,316</b>	<b>15.3</b>	<b>109,387</b>	<b>13.7</b>
Conversion effect of the Canadian dollar	(273)	(0.1)	13,880	1.7
Number of billing days	-	-	(4,759)	(0.6)
Impact of net assets sold	3,082	1.1	4,025	0.5
Acquisitions and others	(48,702)	(17.6)	(118,389)	(14.8)
<b>Consolidated organic growth</b>	<b>(3,577)</b>	<b>(1.3)</b>	<b>4,144</b>	<b>0.5</b>

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

	Third quarter			Nine-month period		
	2016	2015	%	2016	2015	%
<b>Net earnings (loss)</b>	<b>17,281</b>	15,747		<b>45,570</b>	(54,162)	
Income tax expense (recovery)	8,153	6,703		22,650	(38,027)	
Equity loss (income)	-	14		-	(96)	
Depreciation and amortization	4,116	2,979		10,738	9,840	
Finance costs, net	1,286	495		3,320	5,153	
<b>EBITDA</b>	<b>30,836</b>	25,938		<b>82,278</b>	(77,292)	
Restructuring and other charges	-	100		-	3,396	
Impairment and transaction charges related to the sale of net assets	-	-		-	147,546	
Expenses related to the network optimization and to the closure and disposal of stores <sup>(1)</sup>	-	-		-	2,930	
<b>Adjusted EBITDA</b>	<b>30,836</b>	26,038	18.4	<b>82,278</b>	76,580	7.4
<i>Adjusted EBITDA margin</i>	<b>9.7%</b>	9.4%		<b>9.1%</b>	7.0%	

<sup>(1)</sup> Consist primarily of handling and freight expenses required to relocate inventory.

## RECONCILIATION OF NON-IFRS MEASURES (CONTINUED)

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

	Third quarter			Nine-month period		
	2016	2015	%	2016	2015	%
Net earnings (loss) attributable to shareholders, as reported	17,281	15,747		45,570	(54,162)	
Restructuring and other charges, net of taxes	-	61		-	2,620	
Impairment and transaction charges related to the sale of net assets, net of taxes	-	-		-	95,587	
Expenses related to the network optimization and to the closure and disposal of stores, net of taxes	-	-		-	1,750	
<b>Adjusted earnings</b>	<b>17,281</b>	<b>15,808</b>	<b>9.3</b>	<b>45,570</b>	<b>45,795</b>	<b>(0.5)</b>
Earnings (loss) per share attributable to shareholders, as reported	0.41	0.37		1.07	(1.27)	
Restructuring and other charges, net of taxes	-	-		-	0.06	
Impairment and transaction charges related to the sale of net assets, net of taxes	-	-		-	2.24	
Expenses related to the network optimization and to the closure and disposal of stores, net of taxes	-	-		-	0.04	
<b>Adjusted earnings per share</b>	<b>0.41</b>	<b>0.37</b>	<b>10.8</b>	<b>1.07</b>	<b>1.07</b>	<b>-</b>

The effect of the declining Canadian dollar on its conversion to US dollar was nil on earnings per share for the quarter compared to the same period of 2015, while the effect for the nine-month period was \$(0.01) compared to the same period last year.

# UNI-SELECT INC.

## CONSOLIDATED STATEMENTS OF EARNINGS

(In thousands of US dollars, except per share amounts, unaudited)	Quarter		Nine-month period	
	ended Sept. 30,		ended Sept. 30,	
	2016	2015	2016	2015
<b>Sales</b>	<b>318,545</b>	276,229	<b>906,333</b>	1,096,213
Purchases, net of changes in inventories	<b>220,741</b>	197,746	<b>632,375</b>	771,128
Gross margin	<b>97,804</b>	78,483	<b>273,958</b>	325,085
Employee benefits	<b>45,063</b>	38,656	<b>130,647</b>	171,394
Other operating expenses	<b>21,905</b>	13,789	<b>61,033</b>	80,041
Restructuring and other charges	-	100	-	3,396
Impairment and transaction charges related to the sale of net assets	-	-	-	147,546
Earnings (loss) before finance costs, depreciation and amortization, equity income and income taxes	<b>30,836</b>	25,938	<b>82,278</b>	(77,292)
Finance costs, net	<b>1,286</b>	495	<b>3,320</b>	5,153
Depreciation and amortization	<b>4,116</b>	2,979	<b>10,738</b>	9,840
Earnings (loss) before equity income and income taxes	<b>25,434</b>	22,464	<b>68,220</b>	(92,285)
Equity income (loss)	-	(14)	-	96
Earnings (loss) before income taxes	<b>25,434</b>	22,450	<b>68,220</b>	(92,189)
Income tax expense (recovery)	<b>8,153</b>	6,703	<b>22,650</b>	(38,027)
<b>Net earnings (loss) attributable to shareholders</b>	<b>17,281</b>	15,747	<b>45,570</b>	(54,162)
<b>Earnings (loss) per share</b>				
Basic	<b>0.41</b>	0.37	<b>1.07</b>	(1.27)
Diluted	<b>0.41</b>	0.36	<b>1.07</b>	(1.27)
<b>Weighted average number of common shares outstanding (in thousands)</b>				
Basic	<b>42,231</b>	43,140	<b>42,507</b>	42,746
Diluted	<b>42,496</b>	43,439	<b>42,767</b>	42,746

# UNI-SELECT INC.

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands of US dollars, unaudited)	Quarter ended Sept. 30,		Nine-month period ended Sept. 30,	
	2016	2015	2016	2015
<b>Net earnings (loss)</b>	<b>17,281</b>	15,747	<b>45,570</b>	(54,162)
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 \$29 in 2015 for the nine-month period)	-	-	-	(78)
Net change in the fair value of derivative financial instruments designated as cash flow hedges transferred to earnings (net of income tax of \$167 in 2015 for the nine-month period)	-	-	-	452
Unrealized exchange gains (losses) on the translation of financial statements to the presentation currency	<b>(1,303)</b>	(14,717)	<b>10,729</b>	(12,962)
Unrealized exchange losses on the translation of debt designated as a hedge of net investments in foreign operations	-	-	-	(10,257)
	<b>(1,303)</b>	(14,717)	<b>10,729</b>	(22,845)
Items that will not subsequently be reclassified to net earnings (loss):				
Remeasurements of long-term employee benefit obligations (net of income tax of \$129 and \$469 for the quarter and the nine-month period (\$256 and \$343 in 2015))	<b>334</b>	(691)	<b>(1,224)</b>	926
Total other comprehensive income (loss)	<b>(969)</b>	(15,408)	<b>9,505</b>	(21,919)
<b>Comprehensive income (loss) attributable to shareholders</b>	<b>16,312</b>	339	<b>55,075</b>	(76,081)

# UNI-SELECT INC.

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In thousands of US dollars, unaudited)	Attributable to shareholders					
	Share capital	Contributed surplus	Equity component of the convertible debentures	Retained earnings	Accumulated other comprehensive income (loss)	Total equity
<b>Balance, December 31, 2014</b>	87,238	2,424	1,687	428,497	(6,850)	512,996
Net loss	-	-	-	(54,162)	-	(54,162)
Other comprehensive income (loss)	-	-	-	926	(22,845)	(21,919)
Comprehensive loss	-	-	-	(53,236)	(22,845)	(76,081)
Contributions by and distributions to shareholders:						
Repurchase of shares	(674)	-	-	(6,921)	-	(7,595)
Issuance of shares	8,546	-	-	-	-	8,546
Convertible debentures redemption	-	-	(1,687)	1,687	-	-
Dividends	-	-	-	(8,006)	-	(8,006)
Stock-based compensation	-	792	-	-	-	792
	7,872	792	(1,687)	(13,240)	-	(6,263)
<b>Balance, September 30, 2015</b>	95,110	3,216	-	362,021	(29,695)	430,652
<b>Balance, December 31, 2015</b>	97,864	3,588	-	371,997	(36,471)	436,978
Net earnings	-	-	-	45,570	-	45,570
Other comprehensive income (loss)	-	-	-	(1,224)	10,729	9,505
Comprehensive income	-	-	-	44,346	10,729	55,075
Contributions by and distributions to shareholders:						
Repurchase of shares	(1,997)	-	-	(19,684)	-	(21,681)
Issuance of shares	1,090	-	-	-	-	1,090
Dividends	-	-	-	(8,075)	-	(8,075)
Stock-based compensation	-	538	-	-	-	538
	(907)	538	-	(27,759)	-	(28,128)
<b>Balance, September 30, 2016</b>	96,957	4,126	-	388,584	(25,742)	463,925

# UNI-SELECT INC.

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of US dollars, unaudited)	Quarter		Nine-month period	
	ended Sept. 30,		ended Sept. 30,	
	2016	2015	2016	2015
<b>OPERATING ACTIVITIES</b>				
Net earnings (loss)	17,281	15,747	45,570	(54,162)
Non-cash items:				
Restructuring and other charges	-	100	-	3,396
Impairment and transaction charges related to the sale of net assets	-	-	-	147,546
Finance costs, net	1,286	495	3,320	5,153
Depreciation and amortization	4,116	2,979	10,738	9,840
Income tax expense (recovery)	8,153	6,703	22,650	(38,027)
Amortization of incentives granted to customers	4,118	3,356	10,754	9,113
Other non-cash items	1,030	1,164	255	5,221
Changes in working capital items	12,451	(10,623)	(10,802)	(36,648)
Interest paid	(1,051)	(227)	(2,487)	(4,771)
Income taxes recovery (paid)	4,092	(3,111)	1,976	(10,185)
Cash flows from operating activities	51,476	16,583	81,974	36,476
<b>INVESTING ACTIVITIES</b>				
Business acquisitions	(5,899)	(15,369)	(146,284)	(26,097)
Net cash proceeds from sale of net assets	-	1,898	-	325,502
Net balance of purchase price	(3)	(5,293)	(2,025)	(5,575)
Cash held in escrow	2,736	(1,829)	(11,753)	(1,829)
Advances to merchant members and incentives granted to customers	(7,519)	(4,168)	(17,331)	(10,622)
Reimbursement of advances to merchant members	447	1,256	1,356	3,365
Dividends received from equity investments	-	263	-	664
Net acquisitions of property and equipment	(1,460)	(4,612)	(4,899)	(13,942)
Acquisitions and development of intangible assets	(983)	(1,116)	(2,763)	(4,074)
Cash flows from (used in) investing activities	(12,681)	(28,970)	(183,699)	267,392
<b>FINANCING ACTIVITIES</b>				
Increase in long-term debt	11,028	13,466	131,761	109,891
Repayment of long-term debt	(38,507)	(14,427)	(72,342)	(309,880)
Convertible debenture redemption	-	-	-	(41,713)
Net increase (decrease) in merchant members' deposits in the guarantee fund	111	(6)	(192)	42
Repurchase of shares	-	(7,595)	(21,681)	(7,595)
Issuance of shares	-	-	1,090	8,546
Dividends paid	(2,765)	(2,664)	(7,802)	(7,931)
Cash flows from (used in) financing activities	(30,133)	(11,226)	30,834	(248,640)
Effects of fluctuations in exchange rates on cash	(66)	(5,014)	441	(5,435)
Net increase (decrease) in cash	8,596	(28,627)	(70,450)	49,793
Cash, beginning of period	12,386	78,527	91,432	107
Cash, end of period	20,982	49,900	20,982	49,900

# UNI-SELECT INC.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In thousands of US dollars, unaudited)

Sept. 30, Dec. 31,

2016 2015

### ASSETS

#### Current assets:

Cash	20,982	91,432
Cash held in escrow	14,900	3,790
Trade and other receivables	153,064	123,612
Income taxes receivable	14,747	11,053
Inventory	299,743	269,900
Prepaid expenses	8,757	12,671
Total current assets	512,193	512,458
Investments and advances to merchant members	24,797	14,082
Property and equipment	38,942	30,304
Intangible assets	90,064	65,355
Goodwill	243,506	157,270
Derivative financial instruments	125	-
Deferred tax assets	27,156	55,681
<b>TOTAL ASSETS</b>	<b>936,783</b>	<b>835,150</b>

### LIABILITIES

#### Current liabilities:

Trade and other payables	264,324	267,995
Balance of purchase price, net	21,781	6,517
Provision for restructuring and other charges	2,158	3,983
Dividends payable	2,740	2,485
Current portion of long-term debt and merchant members' deposits in the guarantee fund	3,594	2,704
Total current liabilities	294,597	283,684
Long-term employee benefit obligations	20,569	18,033
Long-term debt	150,999	87,722
Merchant members' deposits in the guarantee fund	5,644	5,531
Deferred tax liabilities	1,049	3,202
<b>TOTAL LIABILITIES</b>	<b>472,858</b>	<b>398,172</b>

### EQUITY

Share capital	96,957	97,864
Contributed surplus	4,126	3,588
Retained earnings	388,584	371,997
Accumulated other comprehensive loss	(25,742)	(36,471)
<b>TOTAL EQUITY</b>	<b>463,925</b>	<b>436,978</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>936,783</b>	<b>835,150</b>