3rd quarter

Period ended September 30, 2007

TABLE OF CONTENTS

Management Report

1.	Financial Highlights	3
2.	Description of the Activities of the Company	4
3.	Economic Conditions	4
4.	Non-GAAP Performance Measures	5
5.	Operating Results	6
6.	Discussion and Analysis of Consolidated Results	7
7.	Discussion and Analysis of Segmented Results	9
8.	Other Items and Amounts	14
9.	Cash Flows	15
10.	Financial Position	17
11.	Capital Resources	18
12.	Changes in Accounting Policies	19
13.	Future accounting changes	19
14.	Internal Control over Financial Reporting	20
15.	Subsequent Events	20
16.	Perspectives, signatures and date	20

Financial Statements 21
Notes to Financial Statements 26

Head Office
170 Industriel Boulevard
Boucherville
J4B 2X3
Tel: (450) 641-2440
Fax: (450) 449-4908
Internet : www.uni-select.com

Ticker Symbol:
UNS, Toronto Stock Exchange

Investor Relations
Mr. Denis Mathieu, CA,
Vice President and Chief Financial Officer
Tel : (450) 641-6905

MANAGEMENT REPORT

This Management Report on the operating results and cash flows of the Company for the period ended September 30, 2007 compared to the period ended September 30, 2006 and on its financial position for the period ended September 30, 2007 compared to December 31, 2006 should be read in conjunction with the consolidated financial statements and accompanying notes. The information contained in this Management Report takes into account any major event that occurred prior to November 13, 2007, on which date the financial statements and Management Report were approved by the Board of Directors of the Company. It presents the status and business context of the Company as they were, to management's best knowledge, at the time these lines were written.

Additional information on Uni-Select, including the audited financial statements as of December 31, 2006 and the Annual Information Form of the Company, is available on SEDAR's website at: www.sedar.com.

In this Management Report, "Uni-Select" or the "Company" designates, as the case may be, Uni-Select Inc., its subsidiaries, divisions or joint ventures. Unless otherwise indicated, all financial amounts appearing in this Management Report, including tabular amounts, are expressed in thousands of Canadian dollars, and all comparisons are made with the previous period.

Certain sections of this Management Report contain forward-looking statements which, by their very nature, include risks and uncertainties, such that actual results could differ from those indicated in these forward-looking statements. Unless required to do so pursuant to applicable securities legislation, management assumes no obligation as to the updating or revision of the forward-looking statements as a result of new information, future events or other changes.

The interim financial statements for the period ended September 30, 2007 have not been reviewed by the auditors of the Company.

SUMMARY

Uni-Select recorded sales of $298,756 for the third quarter of 2007, an increase of 1.8% compared to the same quarter of 2006. With respect to net earnings, Uni-Select reports a 9.1% increase compared to the same period a year ago, having reached $10,258 or $0.52 per share. These results take into account integration costs related to recent acquisitions, the effects of deflation as well as the increase of the Canadian dollar versus the US dollar. Excluding the impact of the increase in the Canadian dollar, the sales' increase would have been 5.2% and the earnings per share would have reached 0.54 $.

1. FINANCIAL HIGHLIGHTS OF THE THIRD QUARTER

(in thousands of dollars, except for per-share amounts and percentages)

	Quarters ended			Nine-month periods ended		
OPERATING RESULTS	**Sept. 30 2007**	Sept. 30 2006	**%**	**Sept. 30 2007**	Sept. 30 2006	**%**
Sales	**298,756**	293,421	1.8%	**885,178**	844,076	4.9%
Operating income (EBITDA)	**19,965**	18,800	6.2%	**56,505**	51,345	10.0%
EBITDA margin	***6.7%***	*6.4%*		***6.4%***	*6.1%*	
Earnings before income taxes and non-controlling interest	**16,243**	15,686	3.6%	**45,188**	42,833	5.5%
Net earnings	**10,258**	9,402	9.1%	**27,761**	25,587	8.5%
Net profit margin	***3.4%***	*3.2%*		***3.1%***	*3.0%*	
COMMON SHARE DATA						
Earnings per share	**0.52**	0.48		**1.41**	1.30	
Diluted earnings per share	**0.52**	0.48		**1.41**	1.30	
Dividend paid per share	**0.108**	0.10		**0.315**	0.28	
Number of shares issued and outstanding	**19,736,558**	19,699,334		**19,736,558**	19,699,334	
Weighted average number of outstanding shares	**19,736,558**	19,699,299		**19,724,742**	19,666,490	

FINANCIAL POSITION	**Sept. 30 2007**	Dec. 31 2006
Working capital	**321,560**	301,869
Working capital ratio	***2.8***	*2.7*
Total assets	**605,869**	572,535
Total net indebtedness	**127,600**	91,451
Long-term debt to shareholders' equity ratio	***34.1%***	*24.5%*
Book value per share	**14.95**	14.82

The financial highlights include acquisitions concluded in the US during the quarter which were financed by long-term debt. Notably, the acquisitions concluded at the end of August and the end of September, have not contributed to the results for the period in proportion to the increase in long-term debt in the balance sheet.

2. DESCRIPTION OF THE ACTIVITIES OF THE COMPANY

Founded in 1968, Uni-Select Inc. ("Uni-Select" or the "Company") is the second largest distributor of automotive replacement parts and accessories in Canada, and the eighth largest in the United States. Uni-Select's business is segmented into three distinct reportable sectors:

• **Automotive Group Canada**, comprised of various subsidiaries, joint ventures and divisions, specializes in the distribution of automotive replacement parts, tools and accessories across Canada. Its customer base consists primarily of 540 independent jobbers serving installers and collision repair centers, as well as large national chains of installers. Through its 13 distribution centres located in all of Canada's major regions, Automotive Group Canada manages some 350,000 different products, mainly national brands, which it sources from a pool of North American and international manufacturers. Besides distribution services, the group provides merchant members with a broad selection of services on a menu basis, including several differentiating marketing programs under distinctive banners, training activities, IT management tools, financing and various programs aimed at supporting its customers' operations and expansion. Automotive Group Canada also operates 28 corporate stores.

• **Automotive Group USA**, of which Uni-Select USA, Inc. is a subsidiary owned 85.9% by the Company, conducts similar operations in the United States. This group currently operates 31 distribution centres and 215 corporate stores in 25 different States. This network provides it with coverage of approximately 70% of the U.S. registered vehicle fleet. Automotive Group USA serves some 1,418 independent merchants to whom it offers a large selection of products and services.

• **Heavy Duty Group,** of which Uni-Select's wholly-owned subsidiary Palmar Inc. is a part of, is involved in the distribution and sale of replacement parts and accessories for heavy duty trucks, trailers and buses, as well as specialty tools and wheels for all types of vehicles. It operates two distribution centres, one in Quebec and the other in Alberta, along with 22 corporate stores in Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Ontario.

3. ECONOMIC CONDITIONS

Risks related to Industry and Economic Conditions
The replacement parts market depends upon new vehicle sales, but is not cyclical as vehicle repairs are not as discretionary as the purchase of a new vehicle. Nevertheless, the Heavy Duty Group is affected by external factors, such as the number of trucks in operation.

The multiplicity of vehicle models, combined with increased longevity, translates into a proliferation of replacement parts, which forces distributors and merchants to supply a larger range of products in order to meet demands. In addition, the increase in import nameplate vehicles of Asian origin and technological developments that require a constant adaptation to the market are barriers to effective penetration of the market.

The Canada/US exchange rate may affect the Company's consolidated sales and profits. The Company is of the opinion that the increase in the value of the Canadian dollar over the last few years has resulted in deflation in the value of replacement parts sold in Canada and has had a negative impact on the sales and on the profit margin.

Management has, nevertheless, taken measures to lessen the effects of these risks.

Risks Relating to the Business Model and Strategic Plan of Uni-Select
Uni-Select's business model which is based more on serving its merchant members than on having a network of stores, requires special measures to ensure the loyalty and longevity of these relationships. Uni-Select has implemented different programs to so ensure and remains proactive and open to the needs of its members (increased product range, marketing services, financial support, etc.).

The Company's strategy of growth through acquisitions has its own risks. Nonetheless, Uni-Select has fine-tuned its expertise in this domain. To limit risks, the Company applies a targeted and selective strategy, conducts stringent due diligence reviews and develops detailed integration plans.

4. NON GAAP PERFORMANCE MEASURES

The information contained in this report also includes some figures that are not performance measures consistent with Canadian generally accepted accounting principles ("GAAP").

For instance, the Company uses "EBITDA", which represents operating income before interests, amortization, income taxes and non-controlling interest, because this measure is a widely accepted financial indicator of a company's ability to service and incur debt. It should not be considered by an investor as an alternative to operating income or net earnings, as an indicator of operating performance or cash flows, nor as a measure of liquidity, but as complementary information. As EBITDA is not a measurement defined by Canadian GAAP, it may not be comparable to the EBITDA of other companies. In the Company's statement of earnings, EBITDA corresponds to *"Earnings before the following items"*. The EBITDA margin corresponds to the percentage of EBITDA divided by sales.

The Company also uses the "organic growth" measure, which consists in quantifying the increase in consolidated and segmented sales between two given periods, excluding the impact of acquisitions, strategic alliances and exchange rate fluctuations and, if applicable, the different number of billing days between the periods. Uni-Select uses this measure because it enables the Company to judge the intrinsic trend in the sales generated by its operational base in comparison with the rest of the market. The determination of the organic growth rate, which is based on reasonable findings according to management, could differ from actual organic growth rates. This measure may also not correspond to similarly titled measures used by other companies.

Finally, the Company uses "total net indebtedness", which consists of bank indebtedness, long-term debt and merchant members' deposits in a guarantee fund (including current portions), net of cash and cash equivalents and temporary investment. It also uses the total net debt to total invested capital ratio, which corresponds to the percentage of total net debt divided by the sum of total net debt and shareholders' equity. These measurements are not defined by Canadian GAAP and may therefore not be comparable to similarly titled measures used by other companies. They are used by Uni-Select because they are widely accepted indicators of a company's short and long-term financial health.

5. CONSOLIDATED QUARTERLY OPERATING RESULTS

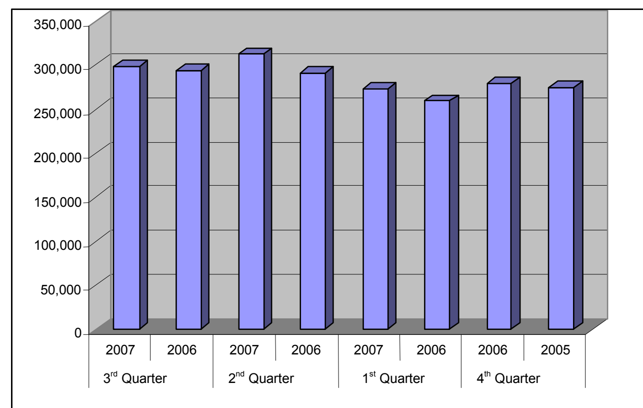
The following table summarizes the main financial information contained in the consolidated interim financial statements for each of the last eight quarters.

(in thousands of dollars, except for per-share amounts and percentages)

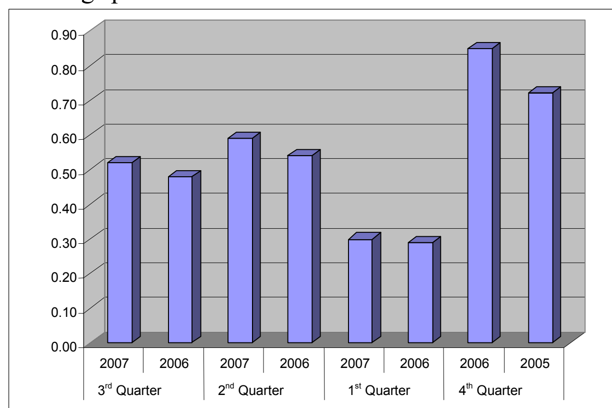
	3rd Quarter		2nd Quarter		1st Quarter		4th Quarter	
	2007	2006	2007	2006	2007	2006	2006	2005
Sales [1]	**298,756**	293,421	313,258	291,013	273,165	259,642	279,827	274,928
Operating income (EBITDA)[1]	**19,965**	18,800	23,138	20,112	13,401	12,433	30,479	24,527
EBITDA margin	***6.7%***	*6.4%*	*7.4%*	*6.9%*	*4.9%*	*4.8%*	*10.9%*	*8.9%*
Net earnings	**10,258**	9,402	11,675	10,539	5,828	5,646	16,677	14,186
Net profit margin	***3.4%***	*3.2%*	*3.7%*	*3.6%*	*2.1%*	*2.2%*	*6.0%*	*5.2%*
Earnings per share	**0.52**	0.48	0.59	0.54	0.30	0.29	0.85	0.72
Diluted earnings per share	**0.52**	0.48	0.59	0.53	0.30	0.29	0.84	0.72
Dividend per share	**0.108**	0.10	0.108	0.10	0.10	0.08	0.10	0.08

[1] Certain figures have been reclassified to reflect the application of EIC-156 in 2006. *Accounting by a vendor for consideration to a customer (including a reseller of the Vendor's products)* and according to the new presentation adopted during the course of the period.

Sales



Earnings per share



6. DISCUSSION AND ANALYSIS OF CONSOLIDATED RESULTS

(in thousands of dollars, except for percentages)

	Quarter			Year-to-Date		
	2007	2006	**%**	**2007**	2006	**%**
Sales	**298,756**	293,421	1.8%	**885,178**	844,076	4.9%
EBITDA	**19,965**	18,800	6.2%	**56,505**	51,345	10.0%
EBITDA margin	***6.7%***	*6.4%*		***6.4%***	*6.1%*	

QUARTERLY ANALYSIS:

Sales

The increase by 1.8% in sales in the third quarter (5.2% excluding the impact of the increase in the Canadian dollar versus the US dollar) is attributable to the following:

- Sales generated by acquisitions completed in the last twelve months for a contribution of 5.5%;
- The opening of new corporate stores as well as new branches by jobbers;

Partially offset by:

- The decrease in sales of certain national accounts due to a decrease in number of franchisees;
- A change in the wheels' sales conditions resulting in customers decreasing the size of orders so as to reduce eventual returns.

Operating Income

The improvement of the EBITDA margin to 6.7% (6.8% excluding the impact of the increase in the Canadian dollar versus the US dollar) is mainly due to the following factors:

- A larger proportion of sales to installers, for which the margin is higher;
- Improved buying conditions and invoicing margins in Canada and the US;
- Price structure revision program and cost controls implemented in Spring for the Heavy Duty Group;

Offset by:

- An increase in operating expenses resulting notably from higher distribution costs to serve installers pursuant to acquisitions;
- Pressure on the gross margin caused by increased competition and deflation in certain product lines and increased purchasing power by certain members resulting from their growth;
- An increase in delivery expenses due to increased fuel prices;
- Integration and information technologies conversion costs in order to support acquisitions concluded in 2006 and the first half of 2007.

YEAR-TO-DATE ANALYSIS:

Sales

The 4.9% increase for the first nine months of the year (6.2% excluding the impact of the increase in the Canadian dollar versus the US dollar) is, for the most part, a result of the same events that have affected the quarter including the following precisions:

- Sales generated by acquisitions completed in the last twelve months have contributed by 6.9%;
- A decrease in organic sales by 0.7% and, added to the reasons mentioned for the quarter, unfavourable climatic conditions at the beginning of the year;

Operating Income

The improvement of the EBITDA margin to 6.4% is mainly as a result of the events that have affected the quarter adding the following factors:

- The added contribution, since June 1st, 2006, of 100% of the results of Uni-Select Prairies Inc. (previously a joint venture recorded at 50%);

Offset by:

- Accounting for the operating expenses of a subsidiary, Uni-Select Prairies Inc. at 100% since June 1, 2006;
- Predominantly semi-fixed operating expenses which could not be proportionately reduced to sales in the Heavy Duty Group.

7. DISCUSSION AND ANALYSIS OF SEGMENTED RESULTS

7.1 Automotive Group USA

(in thousands of dollars, except for percentages)

	Quarter			Year-to-Date		
	2007	2006	**%**	**2007**	2006	**%**
Sales	**150,077**	147,913	1.5%	**457,428**	426,390	7.3%
EBITDA	**9,336**	9,155	2.0%	**27,794**	25,794	7.8%
EBITDA margin	***6.2%***	*6.2%*		***6.1%***	*6.0%*	

The financial highlights include acquisitions concluded during the quarter. One of these acquisitions, concluded at the end of August, contributed to the results for one month only, whereas the others were concluded at the end of September and as such have not contributed to the results for the period.

QUARTERLY ANALYSIS:

Sales

Automotive Group USA realized a 1.5% increase in sales over the corresponding quarter of the previous year (8.2% excluding the impact of the increase in the Canadian dollar versus the US dollar). This increase is explained as follows:

- The increase of sales generated through acquisitions completed during the course of the last twelve months representing a 8.6% increase;
- The contribution by a large customer who, through a reorganization, also succeeded in adding further direct sales;
- The opening of corporate stores in regions where the Company was not formerly present;

In part offset by:

- Severe competition, particularly in the Southern regions;
- Tightening of credit policies over our customers, taking into account the difficult economic environment currently prevailing in the US.

Operating Income

The EBITDA margin of Automotive Group USA was stable at 6.2%. Excluding the impact of the exchange rate, the EBITDA margin would have been 6.3%. This 0.1% increase is explained by the following reasons:

- An increased proportion of sales to installers stemming from the purchase of stores with better gross margins;
- Improved buying conditions as well as the margin on invoicing in all regions and the favourable impact of the closure of non-profitable corporate stores in certain regions with lesser potential;

In part offset by:

- Higher operating costs required to service the larger proportion of sales to installers resulting from the acquisition of stores during the course of the year;
- An increase in delivery costs at the stores level due to increased fuel costs. Delivery routes are currently under review to improve efficiency;
- Integration costs incurred in order to provide for acquisitions concluded in 2006 and the first half of 2007.

YEAR-TO-DATE ANALYSIS:

Sales

Sales for Automotive Group USA increased by 7.3% compared to those of the corresponding period of the previous year (9.9% excluding the negative impact of the increase in the Canadian dollar versus the US dollar). This increase is explained as follows:

- The increase of sales generated through acquisitions completed during the course of the last twelve months representing a 10.8 % increase in sales;
- The opening of corporate stores in regions where the Company was not formerly present;

In part offset by:

- Severe competition, particularly in the Southern regions;
- Unfavourable weather at the beginning of the year in several regions.

Operating Income

The same trends as those observed in the current quarter being applicable, the EBITDA margin of Automotive Group USA increased to 6.1% for the nine-month period.

7.2 Automotive Group Canada

(in thousands of dollars, except for percentages)

	Quarter			Year-to-Date		
	2007	2006	**%**	**2007**	2006	**%**
Sales	**133,571**	127,738	4.6%	**383,788**	369,094	4.0%
EBITDA	**10,531**	9,978	5.5%	**30,418**	27,354	11.2%
EBITDA margin	***7.9%***	*7.8%*		***7.9%***	*7.4%*	

QUARTERLY ANALYSIS:

Sales

Automotive Group Canada's sales increased by 4.6% over those of the corresponding quarter of the previous year. This situation is principally due as a result of:

- Organic growth of 1.4% explained by, among other things, the opening of new branches by certain jobbers in the Pacific and Prairies regions as well as the effect of new product offerings;
- Purchase of jobbers' businesses during the course of the last twelve months, mainly in Quebec, in support of the succession and partnership programs of the Company;
- The transfer of certain automotive activities from the Heavy Duty Group during the course of the third quarter of 2006;

In part offset by:

- Decreased sales from national accounts partly as a result of a decrease in the number of their franchisees;
- Increased competition in Ontario;
- Deflation affecting certain product lines.

Operating Income

The contribution of Automotive Group Canada in the third quarter increased by 0.1%. This situation is explained by the following factors:

- A higher gross margin due to:
  - A larger proportion of sales to installers resulting from the acquisition of stores;
  - Improved buying conditions;

In part offset by:

- The increase in operating expenses in order to better serve our installer customers;
- Pressure on gross margin resulting from deflation on certain product lines and increased purchasing power by certain members resulting from their growth.

YEAR-TO-DATE ANALYSIS:

Sales

Automotive Group Canada's sales increased by 4.0% over those of the corresponding period of the previous year. This situation is principally due to the same factors as those that have affected the quarter and, in addition, the contribution of 100% of the results of Uni-Select Prairies Inc. (previously a joint venture recorded at 50% until June 1st, 2006 of the corresponding nine-month period in 2006).

Operating Income

The contribution of Automotive Group Canada in the first nine months of the year improved by 0.5%. The same trends as those in the current quarter prevail and, in addition to this, the contribution of 100% of the results of Uni-Select Prairies Inc. (previously a joint venture recorded at 50% until June 1st, 2006 of the corresponding nine-month period in 2006).

7.3 Heavy Duty Group

(in thousands of dollars, except for percentages)

	Quarter			Year-to-Date		
	2007	2006	%	**2007**	2006	%
Sales	**15,108**	17,770	(15.0%)	**43,962**	48,592	(9.5%)
EBITDA	**98**	(333)	-	**(1,707)**	(1,803)	5.3%
EBITDA margin	***0.6%***	*(1.9%)*		***(3.9%)***	*(3.7%)*	

QUARTERLY ANALYSIS:

Sales

A 15.0% decrease in sales for the Heavy Duty Group compared to the same quarter a year earlier is principally due to the following:

- Mild temperatures;
- A change in the wheels' sales conditions resulting in customers decreasing the size of orders so as to reduce eventual returns.
- The transfer of certain activities to Automotive Group Canada representing a 4.2% decrease.

Operating Income

Despite the above-mentioned decrease in sales, the Heavy Duty Group recorded a margin of 0.6%, compared to a negative margin of 1.9% for the corresponding period in 2006. The improvement to the operating margin stems mainly from the continued review of the price structure program and cost controls implemented in the Spring.

YEAR-TO-DATE ANALYSIS:

Sales

A 9.5% decrease in sales for the Heavy Duty Group compared to the same period a year earlier is partly due to the transfer of certain activities to Automotive Group Canada that account for a 5.9% decrease for the period. Furthermore, lower wheel sales for the above-mentioned reasons, also affected sales for the same period.

Operating Income

The Heavy Duty Group recorded a negative margin of 3.9%, compared to a negative margin of 3.7% for the corresponding period in 2006. The deterioration of the operating margin stems mainly from the fact that operating expenses being for the large part semi-fixed, they could not be proportionately reduced with decreasing sales levels. Nevertheless, the cost reduction and margin improvement programs put into place in the Spring are beginning to bear fruit.

8. DISCUSSION AND ANALYSIS OF OTHER ITEMS AND AMOUNTS RELATING TO CONSOLIDATED RESULTS

(in thousands of dollars, except for percentages)

	Quarter			Year-to-Date		
	2007	2006	**%**	**2007**	2006	**%**
Interest	**1,390**	1,041	33.5%	**4,345**	2,525	72.1%
Amortization	**2,332**	2,073	12.5%	**6,972**	5,987	16.5%
Income taxes	**5,334**	5,538	(3.7%)	**15,338**	15,090	1.6%
Tax rate	***32.8%***	*35.3%*		***33.9%***	*35.2%*	

8.1 Interests

The increase in interest expense is explained as follows:

- A $251 increase for the quarter ($1,533 year-to-date) in interest expense on bank debt net of cash, cash equivalents and temporary investments, due to an average level of indebtedness superior to that of the preceding year resulting, in large part, from financing of acquisitions and fixed assets in 2006 and the beginning of 2007 combined with an increase in interest rates;

- Interest on long-term debt increased slightly during the course of the third quarter at $90 ($251 year-to-date), pursuant to the financing of acquisitions.

8.2 Amortization

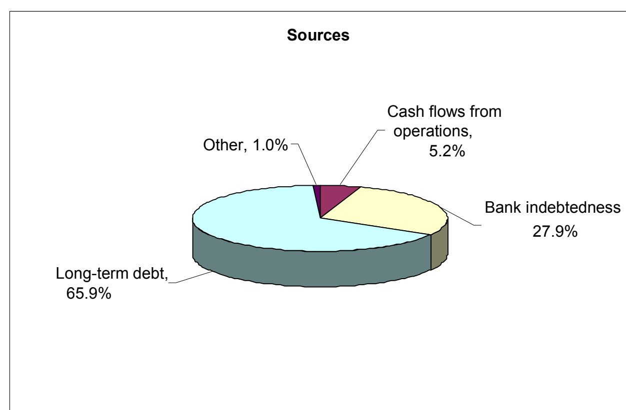
The increase in amortization expenses by 12.5% in the third quarter (16.5% year-to-date) is due to the acquisition of businesses in 2006 and during the course of the current period as well as to the acquisition of significant fixed assets in 2006, principally for the modernization of management systems.

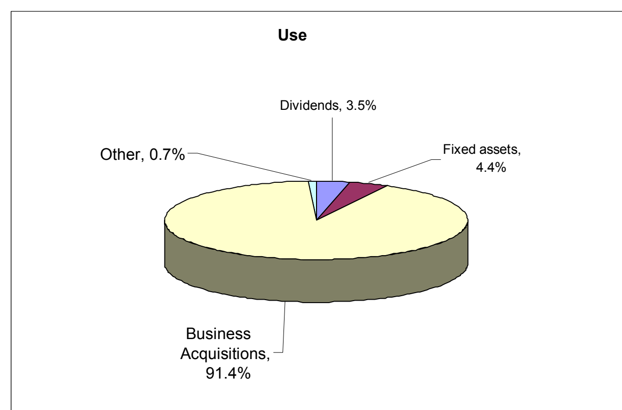
8.3 Income Taxes

In the third quarter of 2007, the effective tax rate decreased by 2.5% compared to the corresponding quarter in 2006 (1.3% year-to-date). The decrease in the tax rate is largely explained by the geographical weighting of profit before taxes and by previous years' gains.

9. CASH FLOWS

The following graphs depict the main source and use of funds:





The following table summarizes cash flows.

(in thousands of dollars)

	Quarter		Year-to-Date	
	2007	2006	**2007**	2006
Cash flows from operating activities before working capital items	**13,768**	12,001	**36,164**	33,643
Working capital items	**(10,622)**	2,121	**(10,547)**	12,897
Operating activities	**3,146**	14,122	**25,617**	46,540
Investing activities	**(57,358)**	(5,883)	**(62,416)**	(58,964)
Financing activities	**54,233**	(15,510)	**35,904**	(6,238)
Changes in cash and cash equivalents	**21**	(7,271)	**(895)**	(18,662)

9.1 Cash Flows from Operating Activities

In addition to cash flows generated by operations, operating activities for the quarter varied mainly as a result of the use of working capital items. The use of working capital items of $10,622 is explained by a seasonal fluctuation in inventory as well as by an increase in volume rebates receivable arising from augmented Company activities pursuant to acquisitions. The variation in working capital items for the quarter compared to the corresponding quarter in 2006 is explained by an increase in volume rebates receivable, as explained above, and by significant income tax refunds in 2006 partly offset by improved inventory management in 2007.

Year-to-date, the use of working capital items of $10,547 is substantiated by an increase in volume rebates receivable arising from augmented Company activities pursuant to acquisitions and income taxes paid for the previous period at the beginning of the year partly offset by improved inventory management. Year-to-date compared to the corresponding period in 2006, changes are essentially explained in the same manner.

9.2 Cash Flows from Investing Activities

The main investing activities were the following:

- In order to pursue its expansion, the Company used $55,279 in cash in the quarter ($4,971 in 2006) for the acquisition of some assets and liabilities in the US and Canada. Year-to-date, the Company used $71,335 ($61,349 in 2006). For further details, please refer to the accompanying notes to the quarterly financial statements;

- The Company purchased fixed assets for $2,656 in the quarter ($1,766 in 2006). These purchases for the current period will allow, amongst other things, the pursuit of the modernization of the management systems as well as the integration of various businesses acquired in the US in recent quarters. Year-to-date, the Company used $6,643 ($4,796 in 2006) for the purchase of fixed assets;

- Year-to-date, the disposal of fixed assets for $7,583 ($262 in 2006) is mainly from the sale and leaseback of the Memphis and Mason City warehouses in order to optimize the asset base. Uni-Select recorded a deferred gain of $2,883 which will be amortized over the course of the leases. For the quarter, disposal of fixed assets was reported at $27 ($26 in 2006).

9.3 Cash Flows used in Financing Activities

The principal financing activities were as follows:

- The Company used long-term credit facilities for an additional $39,890 ($616 in 2006) essentially to partially finance acquisitions in the US. Year-to-date, the Company used $41,708 ($1,516 in 2006).
- The Company increased bank indebtedness by $16,913 during the quarter (($13,286) in 2006). This debt was used to finance another portion of the acquisitions, in addition to the long-term credit facility, as well as the increase in working capital items resulting therefrom. Year-to-date, the Company increased bank indebtedness by $3,025 (($1,016) in 2006).
- The payment of dividends for $2,122 for the quarter ($1,970 in 2006) to holders of common shares, being $0.1075 per share for the quarter compared to $0.10 in 2006, representing a 7.5% increase for the quarter. Year-to-date, the payment of dividends was $6,211 ($5,503 in 2006), being $0.315 per share ($0.28 in 2006), representing a 12.5% increase.

Considering the total cash flows for the third quarter of 2007, cash and cash equivalents of the Company increased by $21 (($895) year-to-date) for a total of $235 as at September 30, 2007.

10. FINANCIAL POSITION

Analysis of the main items of the consolidated balance sheet.

(in thousands of dollars)

	Sept. 30, 2007	Dec. 31 2006	Variance	Impact from acquisitions	Impact from exchange rate	Residual variance	Explanation for residual variance
Working capital items	**321,560**	301,869	19,691	49,430	(32,378)	2,639	Increase in volume rebates receivable arising from increased Company activities pursuant to acquisitions and by the payment at the beginning of the year of income taxes for the previous period, partly offset by improved inventory management in 2007 and the proceeds of a temporary investment.
Fixed assets	**40,033**	41,714	(1,681)	5,228	(2,297)	(4,612)	Sale and leaseback of the Mason City and Memphis warehouses for $4,343 (refer to the cash flows analysis), by the amortization of $6,572 and by acquisitions during the period of $6,643.
Goodwill	**59,301**	44,257	15,044	18,780	(3,714)	(22)	Conclusion of an acquisition completed in 2006.
Long-term debt	**92,854**	63,275	29,579	39,910	(10,823)	492	Regular increases.

11. CAPITAL RESOURCES

Cash flows generated by operations, together with credit facilities available to the Company, are sufficient to meet the needs of the Company with respect to acquisitions, mergers, strategic alliances, affiliations and partnerships, purchase of fixed assets (approximately $10,000 planned for 2007 mainly for the development of information systems) and the payment of dividends in keeping with its policy.

As at September 30, 2007, the Company had $109,000 in unused credit facilities available for its development ($129,000 as at December 31, 2006).

The Company has long-term credit facilities in place in the total amount of $165M, which expire no earlier than October 2011.

11.1 Indebtedness

(in thousands of dollars except for percentages)

	Sept. 30 2007	Dec. 31 2006	%
Shareholders' equity	**295,019**	291,933	1.1%
Total net indebtedness	**127,600**	91,451	39.5%
Total net debt to total invested capital ratio	***30.2%***	*23.9%*	
Total long-term debt to shareholders' equity ratio	***34.1%***	*24.5%*	

The increase is essentially due to acquisitions concluded in the US during the quarter which were financed by long-term debt. Notably, these acquisitions concluded at the end of August and the end of September, have not contributed to the results for the period in proportion to the increase in long-term debt in the balance sheet. Uni-Select continues to benefit from a solid financial position to pursue its current operations and expansion projects.

11.2 Capital stock

(in thousands of shares)

	Quarter		Year-to-Date	
	2007	2006	**2007**	2006
Number of shares issued and outstanding	**19,737**	19,699	**19,737**	19,699
Weighted average number of outstanding shares	**19,737**	19,699	**19,725**	19,666

For the third quarter, no shares were issued. Year-to-date, 37,224 shares were issued, essentially upon the exercise of stock options by management. The share dilution takes into account the eventual exercise of share options held by management.

As at November 13, 2007, the Company's capital stock consists of 19,736,558 issued and outstanding shares and options to purchase 51,928 shares are outstanding but not exercised.

12. CHANGES IN ACCOUNTING POLICIES

Financial Instruments, Hedges, Comprehensive Income and Shareholders Equity

On January 1, 2007, in accordance with the applicable transitional provisions, the Company retroactively adopted, without restatement of prior periods, the new recommendations of CICA Handbook included in Section 3855 Financial Instruments - Recognition and Measurement, 3865 Hedges, 1530 Comprehensive Income, 3861 Financial Instruments - Disclosure and Presentation and 3251 Equity. Sections 3855 and 3861 establish standards for the classification, recognition, measurement and identification of information that should be disclosed about financial instruments (including derivatives) and non-financial derivatives in financial statements. Section 3865 describes when and how hedge accounting may be applied. Section 1530 establishes standards for reporting and display of comprehensive income and its components including net income and accumulated other comprehensive income and Section 3251 establishes standards for the presentation of equity and changes in equity during the reporting period.

As stipulated in Section 3855 - Financial Instruments - Recognition and Measurement, the Company elected to apply hedge accounting on an interest rate swap as a cash flow hedge. This derivative is measured at fair value at the end of each period and the gains or losses resulting from remeasurement are recognized in other comprehensive income when the hedge is deemed effective. Any ineffective portion is recognized in net income.

The adjustments related to the adoption of the new standards described above translated into an increase of balance sheet accounts as of January 1, 2007 as follows:

Derivative financial instrument	$254
Current future income taxes	81
Accumulated other comprehensive income	173

Accounting Changes

On January 1, 2007, in accordance with the applicable transitional provisions, the Company adopted the new recommendations of CICA Handbook included in Section 1506, Accounting Changes. Section 1506 establishes standards for disclosure of changes in accounting policies, changes in accounting estimates and corrections of errors.

13. FUTURE ACCOUNTING CHANGES

Financial Instruments – Disclosures

In December 2006, CICA issued Section 3862, Financial Instruments - Disclosures. This Section applies to fiscal years beginning on or after October 1, 2007. It describes the required disclosures related to the significance of financial instruments on the entity's financial position and performance and the nature and extent of risks arising for financial instruments to which the entity is exposed and how the entity manages those risks. This Section complements the principles of recognition, measurement and presentation of financial instruments of Sections 3855 Financial Instruments - Recognition and Measurement, 3863 Financial instruments - Presentation and 3865 Hedges. The Company is currently evaluating the impact of the adoption of this new Section on the consolidated financial statements.

Financial Instruments - Presentation

In December 2006, CICA issued Section 3863 Financial Instruments - Presentation. This Section applies to fiscal years beginning on or after October 1, 2007. It establishes standards for presentation of financial instruments and non-financial derivatives. It complements standards of Section 3861 Financial Instruments - Disclosure and Presentation. The Company is currently evaluating the impact of the adoption of this new Section on the consolidated financial statements.

Capital Disclosures

In December 2006, CICA issued Section 1535 Capital Disclosures. This Section applies to fiscal years beginning on or after October 1, 2007. It establishes standards for disclosing information about an entity's capital and how it is managed to enable users of financial statements to evaluate the entity's objectives, policies and procedures for managing capital. The Company is currently evaluating the impact of the adoption of this new Section on the consolidated financial statements.

Inventories

In June 2007, the CICA issued Section 3031, Inventories. This standard is effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008. The new standard provides guidance on the determination of cost and requires inventories to be measured at the lower of cost and net realizable value. The Company is currently evaluating the impact of adopting this standard on the consolidated financial statements.

14. INTERNAL CONTROL OVER FINANCIAL REPORTING

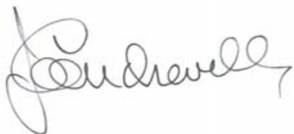
Management is responsible for establishing and maintaining adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The President and Chief Executive Officer and the Vice President and Chief Financial Officer have evaluated whether there were changes to internal controls over financial reporting during the quarter ended September 30, 2007 that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting. No such changes were identified through their evaluation.

15. SUBSEQUENT EVENTS

On October 25, 2007, the Company entered into an agreement for the intended purchase, expected to occur on January 3, 2007, of all of the assets of Replacement Parts Depot. This company operates a distribution center in the Automotive Group Canada sector whose sales total $25,000.

16. PERSPECTIVES

The Company intends to continue with both its sales efforts and cost controls in the fourth quarter. The last three months of the year will also benefit from the two most recent acquisitions concluded in August and September. Furthermore, management will continue to examine various expansion projects in the US in order to benefit, amongst other things, from the strength of the Canadian dollar over the US dollar. Our most recent analysis shows that the fluctuation of the foreign currencies will likely negatively affect the fourth quarter by an amount that is estimated at $0.05 per share. This impact, strictly accounting in nature, does not affect the confidence of the Company in pursuing the expansion of its US operations.



Jacques Landreville
President and Chief Executive Officer

Denis Mathieu, CA
Vice President and Chief Financial Officer

Approved by the Audit Committee on November 12, 2007 and by the Board of Directors on November 13, 2007.

Uni-Select Inc.

Consolidated Interim Financial Statements
September 30, 2007 and 2006

Financial Statements

Consolidated Earnings	22
Consolidated Retained Earnings	23
Consolidated Comprehensive Income	23
Consolidated Cash Flows	24
Consolidated Balance Sheets	25
Notes to Consolidated Financial Statements	26 - 30

Notice related to the review of interim financial statements

The consolidated interim financial statements for the period ended September 30, 2007 have not been reviewed by the auditors of the Company.

CONSOLIDATED EARNINGS
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2007 AND 2006
(in thousands of dollars, except earnings per share, unaudited)

	3RD QUARTER		9 MONTHS	
	2007	2006	2007	2006
	$	$	$	$
SALES	**298,756**	293,421	**885,178**	844,076
Earnings before the following items	**19,965**	18,800	**56,505**	51,345
Interests (Note 4)	**1,390**	1,041	**4,345**	2,525
Amortization (Note 4)	**2,332**	2,073	**6,972**	5,987
	3,722	3,114	**11,317**	8,512
Earnings before income taxes and non-controlling interest	**16,243**	15,686	**45,188**	42,833
Income taxes				
Current	**4,750**	5,758	**15,874**	15,177
Future	**584**	(220)	**(536)**	(87)
	5,334	5,538	**15,338**	15,090
Earnings before non-controlling interest	**10,909**	10,148	**29,850**	27,743
Non-controlling interest	**651**	746	**2,089**	2,156
Net earnings	**10,258**	9,402	**27,761**	25,587
Basic earnings per share (Note 5)	**0.52**	0.48	**1.41**	1.30
Diluted earnings per share (Note 5)	**0.52**	0.48	**1.41**	1.30
Number of issued and outstanding shares	**19,736,558**	19,699,334	**19,736,558**	19,699,334

CONSOLIDATED RETAINED EARNINGS
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2007 AND 2006
(in thousands of dollars, unaudited)

	9 MONTHS	
	2007	**2006**
	$	**$**
Balance, beginning of period	**255,355**	220,966
Net earnings	**27,761**	25,587
	283,116	246,553
Dividends	**6,363**	5,905
Balance, end of period	**276,753**	240,648

CONSOLIDATED COMPREHENSIVE INCOME
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2007 AND 2006
(in thousands of dollars, unaudited)

	3RD QUARTER		9 MONTHS	
	2007	**2006**	**2007**	**2006**
	$	**$**	**$**	**$**
Net earnings	**10,258**	9,402	**27,761**	25,587
Other comprehensive income:				
Gain on a derivative financial instrument designated as cash flow hedges prior to January 1, 2007, transferred to net earnings in the current period (net of income taxes of $20 and $62 for the three-month and the nine-month periods respectively)	**(45)**	-	**(134)**	-
Unrealized losses on translating financial statements of self-sustaining foreign operations	**(8,440)**	33	**(18,879)**	(4,193)
	(8,485)	33	**(19,013)**	(4,193)
Comprehensive income for the period	**1,773**	9,435	**8,748**	21,394

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

CONSOLIDATED CASH FLOWS
THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2007 AND 2006
(in thousands of dollars, except dividends paid per share, unaudited)

	3RD QUARTER		9 MONTHS	
	2007	**2006**	**2007**	**2006**
	$	**$**	**$**	**$**
OPERATING ACTIVITIES				
Net earnings	**10,258**	9,402	**27,761**	25,587
Non-cash items				
Amortization	**2,332**	2,073	**6,972**	5,987
Amortization of deferred gain	**(57)**	-	**(122)**	-
Future income taxes	**584**	(220)	**(536)**	(87)
Non-controlling interest	**651**	746	**2,089**	2,156
	13,768	12,001	**36,164**	33,643
Changes in working capital items	**(10,622)**	2,121	**(10,547)**	12,897
CASH FLOWS FROM OPERATING ACTIVITIES	**3,146**	14,122	**25,617**	46,540
INVESTING ACTIVITIES				
Temporary investments	-	-	**6,897**	4,942
Business acquisitions (Note 6)	**(55,279)**	(4,971)	**(71,335)**	(61,349)
Non-controlling interest	-	-	**(178)**	-
Advances to merchant members	**(388)**	(979)	**(1,535)**	(4,136)
Receipts on advances to merchant members	**938**	1,807	**2,795**	6,113
Fixed assets	**(2,656)**	(1,766)	**(6,643)**	(4,796)
Disposal of fixed assets	**27**	26	**7,583**	262
CASH FLOWS FROM INVESTING ACTIVITIES	**(57,358)**	(5,883)	**(62,416)**	(58,964)
FINANCING ACTIVITIES				
Bank indebtedness	**16,913**	(13,286)	**3,025**	(1,016)
Balance of purchase price	**(108)**	-	**(1,006)**	-
Long-term debt	**39,890**	616	**41,708**	1,516
Repayment of long-term debt	**(321)**	(813)	**(1,807)**	(2,389)
Merchant members' deposits in guarantee fund	**(19)**	(67)	**(333)**	(134)
Issuance of shares	**–**	10	**528**	1,288
Dividends paid	**(2,122)**	(1,970)	**(6,211)**	(5,503)
CASH FLOWS FROM FINANCING ACTIVITIES	**54,233**	(15,510)	**35,904**	(6,238)
Increase (decrease) in cash and cash equivalents	**21**	(7,271)	**(895)**	(18,662)
Cash and cash equivalents, beginning of period	**214**	7,717	**1,130**	19,108
Cash and cash equivalents, end of period	**235**	446	**235**	446
Dividends paid per share	**0.108**	0.100	**0.315**	0.280

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

CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2007 AND 2006 AND DECEMBER 31, 2006
(in thousands of dollars, unaudited)

	SEPT. 30, 2007	SEPT. 30, 2006	DEC. 31, 2006
	$	$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	**235**	446	**1,130**
Temporary investment	**-**	-	**6,897**
Accounts receivable	**151,831**	147,180	**136,834**
Income taxes receivable	**7,533**	1,839	**7,398**
Inventory	**325,496**	300,385	**313,384**
Prepaid expenses	**5,705**	5,230	**4,737**
Derivative financial instrument	**58**	-	**-**
Future income taxes	**6,628**	2,768	**6,332**
	497,486	457,848	**476,712**
Investments and volume discounts receivable	**6,311**	7,250	**6,575**
Fixed assets	**40,033**	38,137	**41,714**
Financing costs	**560**	965	**893**
Covenants not to compete	**372**	-	**578**
Goodwill	**59,301**	36,044	**44,257**
Future income taxes	**1,806**	2,094	**1,806**
	605,869	542,338	**572,535**
LIABILITIES			
CURRENT LIABILITIES			
Bank indebtedness	**27,097**	2,588	**27,860**
Accounts payable	**146,105**	163,042	**136,197**
Income taxes payable	**-**	-	**8,268**
Dividends payable	**2,122**	1,970	**1,970**
Instalments on long-term debt and on merchant members' deposits in guarantee fund	**101**	166	**529**
Future income taxes	**501**	-	**19**
	175,926	167,766	**174,843**
Deferred gain on a sale-leaseback arrangement (Note 3)	**2,429**	-	**-**
Deferred government grants	**-**	368	**-**
Long-term debt	**92,854**	60,838	**63,275**
Merchant members' deposits in guarantee funds	**7,783**	8,266	**7,814**
Future income taxes	**4,817**	4,773	**5,082**
Non-controlling interest	**27,041**	27,933	**29,588**
	310,850	269,944	**280,602**
SHAREHOLDERS' EQUITY			
Capital stock	**49,872**	49,344	**49,344**
Retained earnings	**276,753**	240,648	**255,355**
Accumulated other comprehensive income (Note 7)	**(31,606)**	(17,598)	**(12,766)**
	295,019	272,394	**291,933**
	605,869	542,338	**572,535**

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2007 AND 2006
(in thousands of dollars, except for per share amounts, unaudited)

1. BASIS OF PRESENTATION

The accompanying unaudited interim consolidated 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 accounting policies outlined in the Company's audited financial statements for the year ended December 31, 2006. 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, 2006. When necessary, the financial statements include amounts based on informed estimates and management's best judgements. The operating results for the interim periods reported are not necessarily indicative of results to be expected for the year.

2. CHANGES IN ACCOUNTING POLICIES

Financial instruments, hedges, comprehensive income and equity

On January 1, 2007, in accordance with the applicable transitional provisions, the Company retroactively adopted, without restatement of prior periods, the new recommandations of CICA Handbook included in Section 3855 *Financial Instruments - Recognition and Measurement* , 3865 *Hedges* , 1530 *Comprehensive Income* , 3861 *Financial Instruments - Disclosure and Presentation* and 3251 *Equity* . Sections 3855 and 3861 establish standards for the classification, recognition, measurement and identification of information that should be disclosed about financial instruments (including derivatives) and non-financial derivatives in financial statements. Section 3865 describes when and how hedge accounting may be applied. Section 1530 establishes standards for reporting and display of comprehensive income and its components including net income and accumulated other comprehensive income and Section 3251 establishes standards for the presentation of equity and changes in equity during the reporting period.

The adoption of these new standards translated into the following changes on classification and measurement of financial instruments of the Company which were previously recorded at cost.

- Cash and cash equivalents are classified as assets held for trading. They are measured at fair value and fair value variations are accounted for in net income.

- The temporary investment is classified as held-to-maturity investment. It is measured at cost, which upon its initial measurement is equal to its fair value. Subsequent measurements are recorded at amortized cost using the effective interest method less impairment.

- Accounts receivable, investments and volume discounts receivable are classified as loans and receivables. Accounts receivable are recorded at cost, which upon their initial measurement is equal to their fair value. Subsequent measurements are recorded at amortized cost, which is generally equal to the initial measurement less allowance for doubtful accounts. Investments and volume discounts receivable are recorded at cost, which upon their initial measurement is equal to its fair value. Subsequent measurements are recorded at amortized cost using the effective interest method less impairment.

- Bank indebtedness, accounts payable, dividends payable, long-term debt and merchant members' deposits in guarantee fund are classified as other financial liabilities. They are initially measured at their fair value. Subsequent measurements are recorded at amortized cost using effective interest method.

- As stipulated in Section 3855 - *Financial Instruments - Recognition and Measurement* , the Company elected to apply hedge accounting on an interest rate swap as cash flow hedge. This derivative is measured at fair value at the end of each period and the gains or losses resulting from remeasurement are recognized in other comprehensive income when the hedge is deemed effective. Any ineffective portion is recognized in net income.

The adjustments related to the adoption of the new standards described above translated into an increase of balance sheet accounts as of January 1, 2007 as follows:

Derivative financial instrument	$254
Current future income taxes	81
Accumulated other comprehensive income	173

Accounting changes (Note 11)

On January 1, 2007, in accordance with the applicable transitional provisions, the Company adopted the new recommandations of CICA Handbook included in Section 1506, *Accounting Changes* . Section 1506 establishes standards for disclosure of changes in accounting policies, changes in accounting estimates and corrections of errors.

3. ACCOUNTING POLICIES

Deferred gain on a sale-leaseback arrangement
This gain is amortized on a straight-line basis over the lease term.

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

4. INFORMATION INCLUDED IN THE CONSOLIDATED STATEMENT OF EARNINGS

	3RD QUARTER		9 MONTHS	
Interests	**2007**	**2006**	**2007**	**2006**
	$	**$**	**$**	**$**
Interests on bank indebtedness	**628**	331	**2,013**	665
Interests on long-term debt	**1,070**	980	**3,042**	2,791
Interests on merchant members' deposits in guarantee funds	**91**	85	**298**	241
Interest income on cash and cash equivalents	**-226**	-180	**-603**	-788
Interest income from merchant members	**-173**	-175	**-405**	-384
	1,390	1,041	**4,345**	2,525
Amortization				
Amortization of fixed assets	**2,206**	1,973	**6,572**	5,667
Amortization of other assets	**126**	100	**400**	320
	2,332	2,073	**6,972**	5,987

5. EARNINGS PER SHARE

The following table presents a reconciliation of basic and diluted earnings per share:

	3RD QUARTER					
	2007			2006		
	Net earnings	Weighted average number of shares	Earnings per share	Net earnings	Weighted average number of shares	Earnings per share
	$		$	$		$
Basic earnings per share	10,258	19,736,558	0.52	9,402	19,699,299	0.48
Impact of stock options exercised		27,346			46,967	
Diluted earnings per share	10,258	19,763,904	0.52	9,402	19,746,266	0.48

	9 MONTHS					
	2007			2006		
	Net earnings	Weighted average number of shares	Earnings per share	Net earnings	Weighted average number of shares	Earnings per share
	$		$	$		$
Basic earnings per share	27,761	19,724,742	1.41	25,587	19,666,490	1.30
Impact of stock options exercised		33,533			66,678	
Diluted earnings per share	27,761	19,758,275	1.41	25,587	19,733,168	1.30

6. BUSINESS ACQUISITIONS

During the year 2007, the Company acquired the assets and assumed a portion of the liabilities of ten companies operating in the Automotive USA segment and three companies in the Automotive Canada segment as well as the shares of two companies in the Automotive Canada segment.

In addition, the Company increased its interest by 1.92 % in its joint venture, Uni-Select Pacific Inc.. Following this transaction, the interest of the Company in its joint venture increased to 65.38 %.

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

The following purchase price allocation is preliminary and is subject to changes based on the finalization of acquired assets' valuation and on the final determination of direct costs associated with the transaction.

	Total
	$
Current assets	57,592
Fixed assets	5,228
Other long-term assets	9
Goodwill	18,780
Assumed current liabilities	(8,162)
Assumed long-term liabilities	(554)
	72,893
Settlement of accounts receivable of companies acquired	(1,515)
Balance of purchase price payable	(43)
Total consideration paid	**71,335**

Uni-Select USA Inc.

The Company acquired a non-controlling interest for a cash consideration of $178. Following this acquisition, the Company's interest in its U.S. subsidiary increased by 0.09%, from 85.86% to 85.95%.

7. ACCUMULATED OTHER COMPREHENSIVE INCOME

	SEPT. 30, 2007	**DEC. 31, 2006**
	$	**$**
Balance, beginning of period	**–**	–
Unrealized losses on translation of financial statements of self-sustaining foreign operations	**(12,766)**	(13,405)
Cumulative impact of accounting changes relating to financial instruments (net of income taxes of $81) (Note 2)	**173**	–
Adjusted balance, beginning of period	**(12,593)**	(13,405)
Other comprehensive income for the period	**(19,013)**	639
Balance, end of period	**(31,606)**	(12,766)

8. EMPLOYEE FUTURE BENEFITS

As at September 30, 2007, the Company's pension plans are defined benefit and defined contributions plans.

For the three-month period ended September 30, 2007, the total expense for the defined contribution pension plans was ($33) ($330 in 2006) and $575 ($545 in 2006) for the defined benefit pension plans.

For the nine-month period ended September 30, 2007, the total expense for the defined contribution pension plans was $879 ($959 in 2006) and $1,780 ($1,567 in 2006) for the defined benefit pension plans.

9. GUARANTEES

The Company has made a commitment to financial institutions to repurchase inventories from some of its customers at a rate of 60% to 75% of the value of cost of the inventories for a maximum amount of $64,571 ($68,286 as at December 31, 2006). In the event of proceedings, the inventories would be liquidated in the normal course of the Company's business. These agreements are for an undetermined period of time. In management's opinion, the likelihood of major payments being made and losses being incurred is low, since the value of the assets held in guarantee is significantly higher than the Company's commitments.

As at September 30, 2007, the Company was contingently liable for letters of credit issued in the aggregate amount of $4,722 ($5,118 in 2006).

10. SEGMENTED INFORMATION

	3RD QUARTER							
	Automotive Canada		Automotive USA		Heavy Duty		Consolidated	
	2007	2006	**2007**	2006	**2007**	2006	**2007**	2006
	$	$	**$**	$	**$**	$	**$**	$
Sales	**133,571**	127,738	**150,077**	147,913	**15,108**	17,770	**298,756**	293,421
Earnings before interests, amortization, income taxes and non-controlling interest	**10,531**	9,978	**9,336**	9,155	**98**	(333)	**19,965**	18,800
Assets	**230,637**	221,053	**339,029**	274,094	**36,203**	47,191	**605,869**	542,338
Acquisition of fixed assets	**1,720**	1,515	**5,380**	1,451	**22**	65	**7,122**	3,031
Acquisition of goodwill	**(42)**	2,814	**15,720**	200	-	(2,890)	**15,678**	124

	9 MONTHS							
	Automotive Canada		Automotive USA		Heavy Duty		Consolidated	
	2007	2006	**2007**	2006	**2007**	2006	**2007**	2006
	$	$	**$**	$	**$**	$	**$**	$
Sales	**383,788**	369,094	**457,428**	426,390	**43,962**	48,592	**885,178**	844,076
Earnings before interest, amortization, income taxes and non-controlling interest	**30,418**	27,354	**27,794**	25,794	**(1,707)**	(1,803)	**56,505**	51,345
Assets	**230,637**	221,053	**339,029**	274,094	**36,203**	47,191	**605,869**	542,338
Acquisition of fixed assets	**3,648**	3,818	**8,142**	4,388	**81**	171	**11,871**	8,377
Acquisition of goodwill	**1,464**	16,240	**17,316**	4,909	**-**	(2,890)	**18,780**	18,259

The Automotive USA segment includes fixed assets for an amount of $16,273 ($16,142 as at September 30, 2006) and goodwill for an amount of $31,487 ($10,910 as at September 30, 2006).

11. FUTURE ACCOUNTING CHANGES

Financial Instruments - Disclosures

In December 2006, CICA issued Section 3862, *Financial Instruments - Disclosures* . This Section applies to fiscal years beginning on or after October 1, 2007. It describes the required disclosures related to the significance of financial instruments on the entity's financial position and performance and the nature and extent of risks arising for financial instruments to which the entity is exposed and how the entity manages those risks. This Section complements the principles of recognition, measurement and presentation of financial instruments of Sections 3855 *Financial Instruments - Recognition and Measurement* , 3863 *Financial instruments - Presentation* and 3865 *Hedges* . The Company is currently evaluating the impact of the adoption of this new Section on the consolidated financial statements.

Financial Instruments - Presentation

In December 2006, CICA issued Section 3863 *Financial Instruments - Presentation* . This Section applies to fiscal years beginning on or after October 1, 2007. It establishes standards for presentation of financial instruments and non-financial derivatives. It complements standards of Section 3861 *Financial Instruments - Disclosure and Presentation* . The Company is currently evaluating the impact of the adoption of this new Section on the consolidated financial statements.

Capital Disclosures

In December 2006, CICA issued Section 1535 *Capital Disclosures* . This Section applies to fiscal years beginning on or after October 1, 2007. It establishes standards for disclosing information about an entity's capital and how it is managed to enable users of financial statements to evaluate the entity's objectives, policies and procedures for managing capital. The Company is currently evaluating the impact of the adoption of this new Section on the consolidated financial statements.

Inventory

In June 2007, CICA issued Section 3031 *Inventories* . This Section applies to fiscal years beginning on or after January 1, 2008. It is providing guidance on the determination of cost and its subsequent recognition as an expense, including any write-down to the net realizable value as well as on the cost formulas that are used to assign costs to inventories. The Company is currently evaluating the impact of the adoption of this new Section on the consolidated financial statements.

12. SUBSEQUENT EVENT

On October 25, 2007, the Company has entered into an agreement to purchase on January 3, 2008, the assets of Replacement Parts Depot Limited. This company operates one distribution center in the Automotive Canada segment, totalling sales of $25,000.