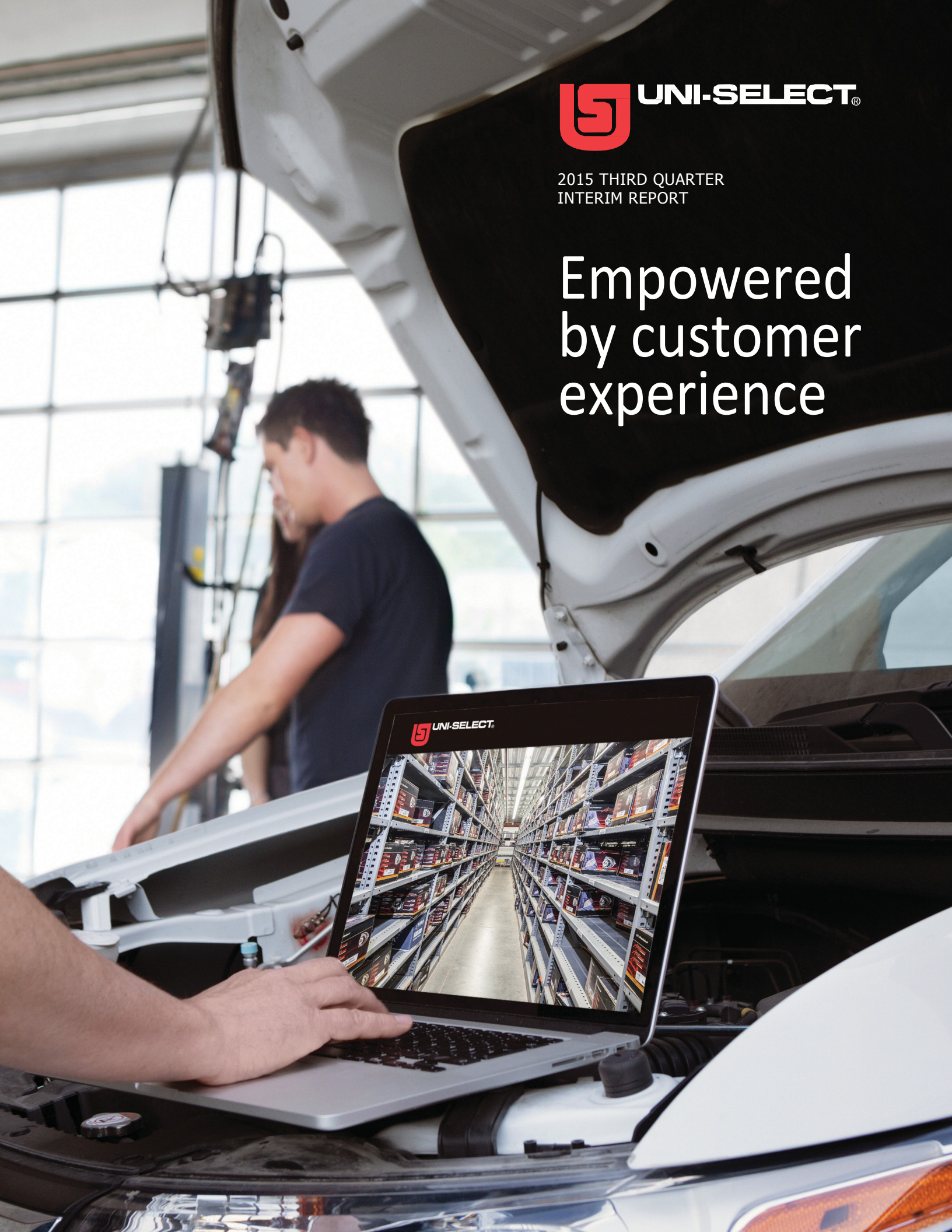




2015 THIRD QUARTER
INTERIM REPORT

Empowered by customer experience



Interim Management's Discussion and Analysis

as at September 30, 2015

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QUARTERLY HIGHLIGHTS

(In million of US dollars)

Sales \$276.2 million	EBITDA \$25.9 million	Net earnings \$15.7 million
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Note: On June 1, 2015, the Corporation closed the sale of substantially all the assets (“net assets”) of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc. As a result, the current quarter does not include results from the assets sold unlike the 2014 comparative figures.

- Overall, consolidated sales decreased by 40.6%, mainly due to the sale of net assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc. and to the declining Canadian dollar that were partially compensated by additional sales from recent acquisitions, organic growth and impact of sale of net assets. The automotive products segment reported organic growth of 4.4% and the paint and related products segment reported organic growth of 3.8%, for a consolidated organic growth of 4.0%.
- EBITDA is at \$25.9 million (including restructuring charges and others of \$0.1 million) compared to \$29.9 million last year. Adjusted EBITDA margin improved by 2.6% from 6.8% to 9.4%, benefiting from the sale of net assets, which had lower EBITDA margin than the ongoing operations. The performance of the ongoing operations and accretive business acquisitions also contributed to the improvement.
- Net earnings are \$15.7 million compared to \$14.8 million last year. Adjusted earnings slightly increased by 0.4% due to the performance of the ongoing operations offsetting the impact of the sale of the net assets.
- Free cash flows were \$22.4 million, similar to the same period last year at \$23.7 million.
- Net cash was principally used for business acquisitions (\$15.4 million), investment in inventory (\$14.1 million) and share redemption (\$7.6 million). As of September 30, 2015, the Corporation had \$49.9 million cash on hands and an unused credit facility of \$404 million to pursue its growth, notably by business acquisitions.

SELECTED CONSOLIDATED INFORMATION

(in thousands of US dollars, except per share amounts, percentages and number of shares)	Third quarter			Nine-month period		
	2015	2014	%	2015	2014	%
OPERATING RESULTS						
Sales	276,229	465,408	(40.6)	1,096,213	1,357,175	(19.2)
EBITDA ⁽¹⁾	25,938	29,906		(77,292)	78,189	
Restructuring and other charges	100	-		3,396	-	
Impairment and transaction charges related to the sale of net assets	-	-		147,596	-	
Adjusted EBITDA ^{(1) (2)}	26,038	31,434	(17.2)	76,580	83,576	(8.4)
Adjusted EBITDA margin	9.4%	6.8%		7.0%	6.2%	
Net earnings (loss)	15,747	14,842		(54,162)	38,762	
Adjusted earnings ⁽²⁾	15,808	15,755	0.4	45,795	41,948	9.2
Free cash flows	22,412	23,744		58,524	61,649	
COMMON SHARE DATA						
Net earnings (loss)	0.73	0.70		(2.53)	1.82	
Adjusted earnings	0.73	0.74	(1.4)	2.14	1.97	8.6
Dividend (C\$)	0.16	0.15		0.47	0.43	
Number of shares outstanding	21,436,499	21,256,269		21,436,499	21,256,269	
Weighted average number of outstanding shares	21,569,822	21,257,705		21,372,756	21,261,609	
				Sept. 30,	Dec. 31,	
				2015	2014	
FINANCIAL POSITION						
Working capital				153,140	343,934	
Total assets				764,909	1,190,305	
Total net debt				-	260,240	
Total equity				430,652	512,996	
Adjusted return on average total equity				11.8%	10.9%	
Book value per share				20.09	24.18	

⁽¹⁾ EBITDA represents net earnings excluding finance costs, depreciation and amortization, equity income and income taxes. (Refer to the "Non-IFRS financial measures" section for further details.)

⁽²⁾ EBITDA and net earnings have been adjusted for costs that the Corporation views as uncharacteristic of normal operations. These costs are therefore excluded to provide comparable measures. (Refer to the "Non-IFRS financial measures" section for further details.)

PRELIMINARY COMMENTS TO MANAGEMENT'S DISCUSSION AND ANALYSIS

BASIS OF PRESENTATION OF MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") discusses the Corporation's operating results and cash flows for the quarter and the nine-month period ended September 30, 2015 compared with those of the quarter and the nine-month period ended September 30, 2014, as well as its financial position as at September 30, 2015 compared with its financial position as at December 31, 2014. This report should be read in conjunction with the audited consolidated financial statements and accompanying notes included in the 2014 Annual Report. The information contained in this MD&A takes into account all major events that occurred up to October 28, 2015, the date at which the interim consolidated financial statements and MD&A were approved and authorized for issuance by the Corporation's Board of Directors. It presents the existing Corporation's status and business as per Management's best knowledge as at that date.

Additional information on Uni-Select, including the audited consolidated financial statements and the Corporation's Annual Information Form, is available on the SEDAR website at sedar.com.

In this MD&A, "Uni-Select" or the "Corporation" refers, as the case may be, to Uni-Select Inc., its subsidiaries, divisions and joint ventures.

Unless otherwise indicated, the financial data presented in this MD&A, including tabular information, is expressed in thousands of US dollars, except per share amounts, percentages and number of shares. Comparisons are presented in relation to the comparable periods of the prior year.

The financial statements contained in the present MD&A were prepared in accordance with International Financial Reporting Standards ("IFRS"). These financial reports have not been audited by the Corporation's external auditors.

FORWARD-LOOKING STATEMENTS

The MD&A is intended to assist investors in understanding the nature and importance of the results and trends, as well as the risks and uncertainties associated with Uni-Select's operations and financial position. Certain sections of this MD&A contain forward-looking statements within the meaning of security's legislation concerning the Corporation's objectives, projections, estimates, expectations or forecasts.

Forward-looking statements involve known and unknown risks and uncertainties, which may cause actual results in future periods to differ materially from forecasted results. Risks that could cause the results to differ materially from expectations are discussed in the "Risk Management" section of the 2014 Annual Report. Those risks include, among others, competitive environment, consumer purchasing habits, vehicle fleet trends, general economic conditions and the Corporation's financing capabilities.

There is no assurance as to the realization of the results, performance or achievements expressed or implied by forward-looking statements. Unless required to do so pursuant to applicable security's legislation, Management assumes no obligation as to the updating or revision of forward-looking statements as a result of new information, future events or other changes.

COMPLIANCE WITH IFRS

The information included in this report 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 considers that users of its MD&A may analyze its results based on these measurements. *(Refer to section "Non-IFRS financial measures" for further details.)*

PROFILE AND DESCRIPTION

Founded in Québec, Canada in 1968, Uni-Select is a leading distributor of replacement parts, equipment, tools, accessories, paint and related products in the Canadian wholesale automotive aftermarket. Through its FinishMaster subsidiary and its Canadian automotive operations, Uni-Select is also the leading independent automotive paint and related products' distributor in North America. Uni-Select's vast and efficient North American distribution network serves Canada from coast to coast and 29 US states. Its 13 warehouses and over 198 corporate stores cater to over 1,155 automotive product stores owned by independent wholesalers and countless auto service shops in Canada as well as numerous collision centres across both countries. Its Canadian banner programs made up of Auto Parts Plus®, Auto-Plus®, Bumper to Bumper®, Auto-Select®, Uni-Pro®, SAX and Carrossier ProColor® regroup over 3,900 shops and stores.

Uni-Select partners with its customers by offering them a unique value proposition anchored by superior customer experience as well as customized tools, complete solutions and a wide scope and quality of product offering. Uni-Select plays a critical role in the aftermarket supply chain by distributing over 2 million automotive products and almost 30,000 paint products and related collision repair accessories.

Uni-Select is headquartered in Boucherville and its shares are traded on the Toronto Stock Exchange (TSX) under the symbol UNS.

IMPACT OF SALE OF NET ASSETS

On February 9, 2015, the Corporation entered into an agreement for the sale of substantially all the assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc.

The Corporation recognized impairment and transaction charges related to the sale of net assets of \$147,546 in connection with this agreement. The charges include write-off of intangibles assets (mainly software and customer relationships) for an amount of \$65,398 and an impairment of a portion of the goodwill for an amount of \$57,715. The Corporation has also recorded transaction-related costs of \$24,433.

On June 1, 2015, the Corporation closed the sale of the net assets. As of September 30, 2015, net cash proceeds amounted to \$325,502, comprising a balance of the sale price payable of \$4,970. Prior to the disposal, the net assets were included in the automotive products group for segmented reporting.

Following the announcement of the agreement and in order to rightsize its corporate operations, the Corporation recognized restructuring and other charges consisting of severance charges of \$4,660 and onerous contract charges of \$1,202. The Corporation also recognized \$440 to relocate certain locations for a total of restructuring and other charges of \$6,302.

As at September 30, 2015, \$3,157 of these charges are presented as current liabilities within "Provision for restructuring and other charges" in the Corporation's consolidated statements of financial position. *(Refer to note 4 in the interim consolidated financial statements for further details.)*

ACTION PLAN

The Action Plan ceased upon the closing of the sale of net assets mentioned above. As a result, the Corporation reversed its remaining provision and reflected the following changes of estimates: a decrease of \$1,056 for building decommissioning and a decrease of \$1,850 for future rent obligations, resulting in a reduction of the restructuring and other charges of \$2,906 in the consolidated statements of earnings.

ANALYSIS OF CONSOLIDATED RESULTS

The 2015 results in dollars vary compared to last year's figures, since the 2015 nine-month period includes only five months of operations of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc. sold on June 1, 2015. The explanations are provided based on percentage of sales.

SALES

	Third quarter		Nine-month period	
	2015	2014	2015	2014
United States	162,040	339,501	764,520	993,225
Canada	114,189	125,907	331,693	363,950
Sales	276,229	465,408	1,096,213	1,357,175
Sales from net assets sold	-	(190,602)	(299,267)	(561,674)
Sales net of sales from net assets sold	276,229	274,806	796,946	795,501
		%		%
Sales variance	1,423	0.5	1,445	0.2
Effect of declining Canadian dollar	22,026	8.0	48,886	6.1
Closed or sold locations	111	0.0	144	0.0
Impact of net assets sold ⁽¹⁾	(3,065)	(1.1)	(4,209)	(0.5)
Acquisitions and others	(9,373)	(3.4)	(20,639)	(2.6)
Consolidated organic growth	11,122	4.0	25,627	3.2

⁽¹⁾ Represents sales variance from customers belonging to net assets sold that was eliminated for consolidation purposes before June 1, 2015.

THIRD QUARTER	NINE-MONTH PERIOD
Excluding sales from net assets sold, sales increased by 0.5% compared to the corresponding period last year. Organic growth, sales from recent acquisitions and impact of net assets sold exceeded the impact of the declining Canadian dollar that penalized sales by 8.0%. Consolidated organic growth of 4.0% is derived from the recruitment of new customers in the paint and related products segment combined with the development of a customer centric strategy in the automotive products segment and pricing increases.	Excluding sales from net assets sold, sales increased by 0.2% compared to the corresponding period last year and reflect the same factors as those mentioned in the quarter. The declining Canadian dollar had an impact of \$48,886 or 6.1%. Consolidated organic growth of 3.2% is also derived from the same factors as those mentioned in the quarter.

GROSS MARGIN

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Gross margin	78,483	136,665	325,085	401,822
<i>In % of sales</i>	28.4%	29.4%	29.7%	29.6%

THIRD QUARTER

The 1.0% decrease in gross margin, in percentage of sales, compared to the same quarter of 2014, is mainly explained by the sale of net assets, with higher gross margin in percentage of sales than the remaining operations, and unfavorable customer mix in the paint and related products segment.

These factors have been in part compensated by:

- Additional profits from both segments from purchases made in advance of pricing increases;
- Improved buying conditions in the paint and related products segment; and
- Accretive business acquisitions in both segments.

NINE-MONTH PERIOD

Gross margin increased by 0.1%, in percentage of sales, compared to the same period of 2014.

The positive factors, as mentioned in the quarter, have been offset by the sale of net assets with higher gross margin in percentage of sales than the remaining operations and unfavorable customer mix in the paint and related products.

EMPLOYEE BENEFITS

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Employee benefits	38,656	70,293	171,394	212,395
<i>In % of sales</i>	14.0%	15.1%	15.6%	15.6%

THIRD QUARTER

Employee benefits, in percentage of sales, improved by 1.1% compared to the same quarter of 2014, in line with the sale of the net assets as well as the leverage provided by the organic growth. Increase in the stock-based compensation, related to the stock price increase during the third quarter, partially offset the enhancement.

NINE-MONTH PERIOD

Employee benefits, in percentage of sales, remained unchanged compared to the same period of 2014.

The positive impact of the sale of net assets has been offset by:

- Lower productivity, mainly in the operations sold during the second quarter; and
- Increase in the stock-based compensation, in line with the stock price increase notably during the first and the third quarter.

OTHER OPERATING EXPENSES

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Other operating expenses	13,789	36,466	80,041	111,238
<i>In % of sales</i>	5.0%	7.8%	7.3%	8.2%

THIRD QUARTER

Other operating expenses, in percentage of sales, decreased by 2.8% compared to the same quarter of 2014. This improvement is mainly related to the sale of net assets, which had higher expenses in percentage of sales than the remaining operations and to improved expense leverage, a direct result of the organic growth in both operational segments. These factors were partly offset by additional expenses related to recent business acquisitions.

NINE-MONTH PERIOD

Other operating expenses, in percentage of sales, decreased by 0.9% compared to the same period of 2014. This improvement is mainly related to the same factors as those mentioned in the quarter. Delivery reengineering and lower fuel costs from sold assets during their five months of operations also contributed to the reduction.

RESTRUCTURING AND OTHER CHARGES

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Restructuring and other charges	100	-	3,396	-

THIRD QUARTER

The Corporation recorded additional restructuring and other charges of \$100 in relation to the relocation of certain locations.

NINE-MONTH PERIOD

The Corporation recorded \$6,302 in relation to the rightsizing of the corporate operations, that were partially compensated by a reversal of \$2,906 related to the Action Plan having ceased upon the closing of the sale of net assets.

(Refer to the previous section "Impact of sale of net assets" and note 4 in the interim consolidated financial statements for further details.)

IMPAIRMENT AND TRANSACTION CHARGES RELATED TO THE SALE OF NET ASSETS

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Impairment and transaction charges related to the sale of net assets	-	-	147,546	-

These charges are related to the sale of net assets. The charges include write-off of intangibles assets (mainly software and customer relationships) for an amount of \$65,398 and an impairment of a portion of the goodwill for an amount of \$57,715. The Corporation has also recorded transaction-related costs of \$24,433.

(Refer to the previous section "Impact of sale of net assets" and note 10 in the interim consolidated financial statements for further details.)

EBITDA

	Third quarter			Nine-month period		
	2015	2014	%	2015	2014	%
Net earnings (loss)	15,747	14,842		(54,162)	38,762	
Income tax expense (recovery)	6,703	4,482		(38,027)	8,529	
Equity loss (income)	14	(433)		(96)	(1,729)	
Depreciation and amortization	2,979	7,983		9,840	23,330	
Finance costs, net	495	3,032		5,153	9,297	
EBITDA	25,938	29,906		(77,292)	78,189	
Restructuring and other charges	100	-		3,396	-	
Impairment and transaction charges related to the sale of net assets	-	-		147,546	-	
Expenses related to the development and deployment of the enterprise resource planning system (ERP) ⁽¹⁾	-	-		-	414	
Expenses related to the network optimization and to the closure and disposal of stores ⁽²⁾	-	1,528		2,930	4,973	
Adjusted EBITDA	26,038	31,434	(17.2)	76,580	83,576	(8.4)
Adjusted EBITDA margin	9.4%	6.8%		7.0%	6.2%	

⁽¹⁾ Include costs mainly related to data conversion, employee training and deployment to various sites.

⁽²⁾ Consist primarily of handling and freight expenses required to relocate inventory.

THIRD QUARTER	NINE-MONTH PERIOD
Adjusted EBITDA margin enhancement of 2.6% is a combination of:	The adjusted EBITDA margin improvement of 0.8% reflects essentially the same factors as those mentioned in the
<ul style="list-style-type: none"> - The sale of net assets, which had lower EBITDA margin than the ongoing operations; - Improved gross profit margin from ongoing operations; - Improved expense leverage resulting from the organic growth; and - Accretive business acquisitions. 	

FINANCE COSTS, NET

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Finance costs, net	495	3,032	5,153	9,297

THIRD QUARTER

The decrease in finance costs compared to the same quarter of 2014 is mainly explained by:

- A lower average debt, related to the debt reimbursement following the sale of the net assets;
- The redemption of the convertible debentures for cancellation on February 1, 2015; and
- An interest rate reduction following the amendment of the long-term revolving credit facility and the letter of credit facility, both signed during the last quarter of 2014.

NINE-MONTH PERIOD

The decrease in finance costs compared to the same period of 2014 refers to the aforementioned factors in the quarter.

(Refer to note 5 in the interim consolidated financial statements for further details.)

DEPRECIATION AND AMORTIZATION

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Depreciation and amortization	2,979	7,983	9,840	23,330

THIRD QUARTER

The decrease in depreciation and amortization for the quarter is mainly related to:

- The assets sold on June 1, 2015, related to Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc.; and
- A portion of intangible assets related to the FinishMaster acquisition, in January 2011, that is now fully amortized.

NINE-MONTH PERIOD

The decrease in depreciation and amortization compared to the same period of 2014 refers to the aforementioned factors in the quarter.

(Refer to note 6 in the interim consolidated financial statements for further details.)

EQUITY INCOME

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Equity income (loss)	(14)	433	96	1,729

THIRD QUARTER

Income generated from joint venture investments has decreased, compared to the same quarter last year, since the Corporation acquired the remaining equity interest of a joint venture in 2015.

NINE-MONTH PERIOD

Income generated from joint venture investments has decreased, compared to the same period of 2014, since the Corporation acquired the remaining equity interest of a joint venture in 2015 and disposed of a partnership in 2014.

INCOME TAX EXPENSES (RECOVERY)

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Income tax expenses (recovery)	6,703	4,482	(38,027)	8,529

THIRD QUARTER

The income tax variance, compared to the same quarter of 2014, is mainly attributable to the improved earnings before tax and lower savings from the financing structure following the sale of the net assets.

NINE-MONTH PERIOD

The income tax variance, compared to the same period of 2014 is mainly attributable to the impairment and transaction charges related to the sale of net assets.

(Refer to note 7 in the interim consolidated financial statements for further details.)

EARNINGS AND EARNINGS PER SHARE

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

	Third quarter			Nine-month period		
	2015	2014	%	2015	2014	%
Net earnings (loss) attributable to shareholders, as reported	15,747	14,842		(54,162)	38,762	
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 development and deployment of the ERP system, net of taxes	-	-		-	247	
Expenses related to the network optimization and to the closure and disposal of stores, net of taxes	-	913		1,750	2,939	
Adjusted net earnings	15,808	15,755	0.4	45,795	41,948	9.2
Net earnings (loss) per share attributable to shareholders, as reported	0.73	0.70		(2.53)	1.82	
Restructuring and other charges, net of taxes	0.00	-		0.12	-	
Impairment and transaction charges related to the sale of net assets, net of taxes	-	-		4.47	-	
Expenses related to the development and deployment of the ERP system, net of taxes	-	-		-	0.01	
Expenses related to the network optimization and to the closure and disposal of stores, net of taxes	-	0.04		0.08	0.14	
Adjusted earnings per share	0.73	0.74	(1.4)	2.14	1.97	8.6

The effect of the declining Canadian dollar was \$0.04 on earnings per share for the quarter compared to the same period of 2014, while the effect for the nine-month period was \$0.08 compared to the same period last year.

CONSOLIDATED QUARTERLY OPERATING RESULTS

The Corporation records earnings in each quarter. Historically, the Corporation's sales are typically stronger during the second and third quarters compared to the first and fourth quarters. However, it should be noted that in the specific following quarters, net earnings were impacted by non recurring items:

- Second quarter of 2015: impairment and transaction charges related to the sale of net assets in the amount of \$13,544 (\$8,911 net of income taxes), as well as restructuring provision reversal for \$1,730 (\$1,109 net of income taxes);
- First quarter of 2015: impairment and transaction charges related to the sale of net assets as well as restructuring and other charges in the amount of respectively \$134,002 (\$86,676 net of income taxes) and \$5,026 (\$3,668 net of income taxes).

The following table summarizes the main financial information drawn from the consolidated interim financial reports for each of the last eight quarters.

	2015			2014			2013	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Sales								
United States ⁽¹⁾	162,040	281,227	321,253	311,467	339,501	343,127	310,597	304,907
Canada	114,189	127,072	90,432	115,717	125,907	135,563	102,480	120,673
	276,229	408,299	411,685	427,184	465,408	478,690	413,077	425,580
EBITDA	25,938	19,035	(122,265)	27,267	29,906	29,681	18,602	19,818
Adjusted EBITDA	26,038	31,051	19,491	27,866	31,434	31,306	20,836	24,475
<i>Adjusted EBITDA margin</i>	9.4%	7.6%	4.7%	6.5%	6.8%	6.5%	5.0%	5.8%
Restructuring and other charges	100	(1,730)	5,026	(1,931)	-	-	-	-
Impairment and transaction charges related to the sale of net assets	-	13,544	134,002	-	-	-	-	-
Net earnings (loss)	15,747	12,373	(82,282)	11,363	14,842	15,532	8,388	10,199
Adjusted earnings	15,808	19,954	10,033	13,323	15,755	16,470	9,723	13,117
Basic earnings (loss) per share	0.73	0.58	(3.88)	0.54	0.70	0.73	0.39	0.48
Adjusted basic earnings per share	0.73	0.94	0.47	0.63	0.74	0.77	0.46	0.62
Diluted earnings (loss) per share	0.73	0.58	(3.84)	0.53	0.69	0.72	0.39	0.48
<i>Dividends paid per share (C\$)</i>	0.16	0.16	0.15	0.15	0.15	0.15	0.13	0.13
<i>Average exchange rate for earnings</i>	0.76:\$1	0.81:\$1	0.81:\$1	0.88:\$1	0.92:\$1	0.92:\$1	0.91:\$1	0.95:\$1

⁽¹⁾ Impacted by the sale of net assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc. on June 1, 2015.

ANALYSIS OF RESULTS BY SEGMENT

SEGMENTED INFORMATION

Following the announcement of the agreement for the sale of substantially all the assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc. on February 9, 2015, the Corporation has revised its operational structure and is therefore providing information on three reportable segments:

- 1) Automotive products: distribution of automotive products through Canadian and US networks, including Beck/Arnley Worldparts, Inc., until the closing of the transaction on June 1, 2015.
- 2) Paint and related products: distribution of paint products representing FinishMaster, Inc.
- 3) Corporate and others: correspond to head office expenses and other expenses mainly related to the financing structure.

In accordance with IFRS 8 "Operating segments", the corresponding comparative figures were provided for the three reportable segments to the best of the Corporation's knowledge.

OPERATING RESULTS –AUTOMOTIVE PRODUCTS

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Sales	114,189	316,508	630,960	925,623
Sales from net assets sold	-	(190,602)	(299,267)	(561,674)
Sales net of sales from net assets sold	114,189	125,906	331,693	363,949
		%		%
Sales variance	(11,717)	(9.3)	(32,256)	(8.9)
Effect of declining Canadian dollar	22,026	17.5	48,886	13.4
Closed or sold locations	111	0.1	144	0.0
Acquisitions and others	(4,909)	(3.9)	(11,043)	(2.9)
Consolidated organic growth	5,511	4.4	5,731	1.6

THIRD QUARTER

Excluding the sales from the net assets sold, the sales decrease was 9.3%, compared to the same quarter of 2014. The sales were impacted by 17.5% in relation to the declining Canadian dollar. Positive organic growth of 4.4% combined with sales from recent acquisitions partly compensated the decrease.

The organic growth is mainly derived from customer centric strategy: focus on customer needs by regions, enhance product offering and pricing increases.

NINE-MONTH PERIOD

Excluding the sales from net assets sold, the sales decrease of 8.9%, compared to the same period of 2014, is mainly related to an impact of 13.4% from the declining Canadian dollar that was partly compensated by the organic growth and sales from recent acquisitions.

	Third quarter			Nine-month period		
	2015	2014	%	2015	2014	%
EBITDA	9,120	15,806		(116,936)	39,442	
Restructuring and other charges	-	-		(2,906)	-	
Impairment and transaction charges related to the sale of net assets	-	-		146,737	-	
Expenses related to the development and deployment of the enterprise resource planning system (ERP) ⁽¹⁾	-	-		-	414	
Expenses related to the network optimization and to the closure and disposal of stores ⁽²⁾	-	1,528		2,930	4,973	
Adjusted EBITDA	9,120	17,334	(47.4)	29,825	44,829	(33.5)
Adjusted EBITDA margin	8.0%	5.5%		4.7%	4.8%	

⁽¹⁾ Include costs mainly related to data conversion, employee training and deployment to various sites.

⁽²⁾ Consist primarily of handling and freight expenses required to relocate inventory.

THIRD QUARTER

NINE-MONTH PERIOD

The adjusted EBITDA margin improvement of 2.5%, compared to the same quarter of 2014, is mainly related to the benefits from the sale of net assets, as well as:

- Additional profit from purchases made in advance of pricing increase from ongoing operations; and
- Accretive business acquisitions.

Adjusted EBITDA margin decreased by 0.1%. The benefits from the sale of assets as well as the third quarter performance of the ongoing operations were more than offset by the five months of results from the net assets sold that had lower productivity and vendor incentives than 2014.

OPERATING RESULTS – PAINT AND RELATED PRODUCTS

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Sales before intersegment sales	162,040	152,372	470,343	441,103
Intersegment sales	-	(3,472)	(5,090)	(9,551)
Sales	162,040	148,900	465,253	431,552
		%		%
Sales variance	13,140	8.8	33,701	7.8
Impact of net assets sold ⁽¹⁾	(3,065)	(2.0)	(4,209)	(1.0)
Acquisitions and others	(4,464)	(3.0)	(9,597)	(2.2)
Organic growth	5,611	3.8	19,895	4.6

⁽¹⁾ Represents sales variance from customers belonging to net assets sold that was eliminated for consolidation purposes before June 1, 2015.

THIRD QUARTER

NINE-MONTH PERIOD

The organic growth of 3.8%, compared to the same quarter of 2014, stems from the recruitment of new customers.

The organic growth of 4.6%, compared to the same period of 2014, stems from the recruitment of new customers.

	Third quarter			Nine-month period		
	2015	2014	%	2015	2014	%
EBITDA	18,318	15,918		53,613	45,163	
Restructuring and other charges	100	-		440	-	
Adjusted EBITDA	18,418	15,918	15.7	54,053	45,163	19.7
<i>Adjusted EBITDA margin</i>	11.4%	10.7%		11.6%	10.5%	

THIRD QUARTER

The EBITDA margin improvement of 0.7%, compared to the same period of 2014, is mainly attributable to:

- Enhanced gross margin resulting from constant efforts to improve buying conditions and additional profits from purchases made in advance of pricing increases, partially offset by an unfavorable customer mix due to the growth of large national accounts with larger discounts;
- Improved fixed expenses coverage, in relation to the organic growth; and
- Accretive business acquisitions.

NINE-MONTH PERIOD

The EBITDA margin improvement of 1.1%, compared to the same period of 2014, is mainly attributable to the sales leverage and accretive business acquisitions. Improved buying conditions and additional profit from purchases made in advance of pricing increases were offset by the unfavorable customer mix.

OPERATING RESULTS – CORPORATE AND OTHERS

	Third quarter			Nine-month period		
	2015	2014	%	2015	2014	%
EBITDA	(1,500)	(1,818)		(13,969)	(6,416)	
Restructuring and other charges	-	-		5,862	-	
Impairment and transaction charges related to the sale of net assets	-	-		809	-	
Adjusted EBITDA	(1,500)	(1,818)	17.5	(7,298)	(6,416)	(13.7)

THIRD QUARTER

The variance is mainly related to the positive impact of the declining Canadian dollar on expenses offsetting the additional expenses related to the stock-based compensation.

NINE-MONTH PERIOD

The variance is mainly attributable to the stock-based compensation, in line with the stock price increase, notably during the first and the third quarters that was partly compensated by the positive impact of the declining Canadian dollar on expenses.

CASH FLOWS

CASH FROM OPERATING ACTIVITIES

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Cash flows from operating activities	14,754	49,499	34,647	103,664

THIRD QUARTER

Operating activities generated lower cash inflows compared to the same period last year. The decrease of \$34,745 is mainly explained by:

- Increased utilization of the vendor financing program in 2014;
- Inventory investments in 2015, notably to improve fill rate; and
- Additional purchases to take advantage of expected pricing increases in 2015.

NINE-MONTH PERIOD

Operating activities generated lower cash inflows of \$69,017 compared to the same period of 2014. This variance is explained by:

- Increased utilization of the vendor financing program in 2014;
- Large return of inventory in 2014, in relation to the Action Plan;
- Inventory investments in 2015, notably to improve fill rate; and
- Additional purchases to take advantage of expected pricing increases in 2015.

These impacts on cash flows were partially compensated by the cash generated from accounts receivable.

CASH FROM INVESTING ACTIVITIES

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Cash flows from (used in) investing activities	(27,141)	(6,599)	269,221	(37,988)

THIRD QUARTER

Additional cash flows were required for business acquisitions and for the payment of balance of the purchase price.

NINE-MONTH PERIOD

Cash inflows in 2015, are related to the sale of net assets and were used for higher level of business acquisitions and capital expenditures compared to last year.

CASH FROM FINANCING ACTIVITIES

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Cash flows used in financing activities	(11,226)	(42,926)	(248,640)	(65,703)

THIRD QUARTER

The variance is mainly explained by debt reimbursement in 2014, while in 2015, the Corporation is in a cash position. In 2015, the Corporation used cash flows for the redemption of shares as per its new normal course issuer bid announced during the quarter.

NINE-MONTH PERIOD

The variance is mainly explained by the reimbursement of the revolving credit facility following the sale of net assets. The issuance of common shares in the exercise of stock options in 2015 compensated the cash required for the redemption of shares during the third quarter.

FREE CASH FLOWS

	Third quarter		Nine-month period	
	2015	2014	2015	2014
Cash flows from operating activities	14,754	49,499	34,647	103,664
Changes in working capital	12,452	(19,836)	38,477	(32,126)
	27,206	29,663	73,124	71,538
Equity loss (income)	14	(433)	(96)	(1,729)
Acquisitions of property and equipment	(4,788)	(5,029)	(14,156)	(8,493)
Difference between amounts paid for post-employment benefits and current year expenses	(20)	(457)	(348)	333
Free cash flows	22,412	23,744	58,524	61,649

THIRD QUARTER

NINE-MONTH PERIOD

As the sale of net assets had no impact on earnings, the free cash flows are similar. The higher level of capital expenditures explains the variance.

FINANCING

SOURCES OF FINANCING

The Corporation is diversifying its sources of financing in order to manage and mitigate liquidity risk.

CREDIT FACILITIES

On May 19, 2015, the Corporation amended the terms of its \$400,000 unsecured long-term revolving credit facility and extended its maturity to June 30, 2019. The Corporation has total credit facilities available for its needs of \$420,000.

As at September 30, 2015, the unused portion amounted to \$404,000 (\$191,000 as at December 31, 2014). *(Refer to note 13 in the interim consolidated financial statements for further details.)*

VENDOR FINANCING PROGRAM

The Corporation benefits from a vendor financing program. Under this program, financial institutions make discounted accelerated payments to suppliers and the Corporation makes full payment to the financial institutions according to the new extended payment term agreements with the suppliers.

As at September 30, 2015, Uni-Select benefited from additional deferred payments of accounts payable in the amount of \$89,358 and used \$136,863 of the program (\$100,280 and \$167,811 respectively as at December 31, 2014). The authorized limit with the financial institutions is \$222,500. These amounts are presented in the "Trade and other payables" in the consolidated statements of financial position. This program is available upon request and may be modified by either party.

CONVERTIBLE DEBENTURES

On February 1, 2015, the Corporation redeemed its convertible debentures for cancellation, at par, for an aggregate principal amount of C\$51,750. *(Refer to note 13 in the interim consolidated financial statements for further details.)*

INTEREST SWAP

In 2011, the Corporation entered into swap agreements to hedge the variable interest cash flows related to forecasting transactions beginning in 2012 on a portion of the Corporation's revolving credit facility for a nominal amount at inception of \$80,000. These interest rate swaps fixed the interest cash flows at 0.97% until their maturity in 2016. On June 8, 2015, the Corporation unwound the swap agreements at a cost of \$352. *(Refer to note 15 in the interim consolidated financial statements for further details.)*

CAPITAL STRUCTURE

The Corporation's capital management strategy optimizes the capital structure to enable the Corporation to benefit from strategic opportunities that may arise while minimizing related costs and maximizing returns to shareholders. The Corporation adapts capital management to the changing business conditions and the risks related to the underlying assets.

LONG-TERM FINANCIAL POLICIES AND GUIDELINES

The strategy of the Corporation is to maintain the following policies and guidelines to ensure flexibility in the capital structure:

- Total net debt to total net debt and total equity of less than 45%;
- Long-term debt to total equity ratio of less than 125%;
- Funded debt to adjusted EBITDA ratio at a maximum of 3.50;
- Adjusted return on average total equity of at least 9% greater than the risk-free interest rate; and
- Dividend payout ratio target between 20% and 25% of the adjusted earnings of the previous year converted in Canadian dollars.

		Sept. 30, 2015	Dec. 31, 2014
Components of debt ratios:			
Long-term debt		8,066	260,348
Total net debt		-	260,240
Total equity		430,652	512,996
Debt ratios⁽¹⁾:	Objectives:		
<i>Total net debt to total net debt and total equity ratio</i>	<i>Less than 45%</i>	<i>N/A</i>	33.7%
<i>Long-term debt to total equity ratio</i>	<i>Less than 125%</i>	<i>1.9%</i>	50.8%
<i>Funded debt to adjusted EBITDA ratio</i>	<i>Maximum 3.50</i>	<i>N/A</i>	2.34
<i>Adjusted return on average total equity</i>	<i>At least 9% greater than the risk free interest rate</i>	<i>11.8%</i>	10.9%
<i>Dividend payout ratio</i>	<i>Between 20% and 25% of the adjusted earnings of the previous year</i>	<i>21.6%</i>	23.6%

⁽¹⁾ These ratios are not required for banking commitments but represent the ones that the Corporation considers pertinent to monitor and to ensure flexibility in the capital structure.

The Corporation's Management continuously monitors to improve its working capital items.

The variances of the total net debt to total net debt and total equity ratio, the long-term debt to total equity ratio as well as the funded debt to adjusted EBITDA ratio are explained by the debt repayment following the sale of net assets.

The adjusted return on average total equity increase is mainly related to a reduced total equity resulting from the impairment and transaction charges in relation to the sale of net assets recorded during the period.

(For further details on how the Corporation calculates those ratios, see the section on "Non-IFRS financial measures".)

BANK COVENANTS

For purposes of compliance, the Corporation regularly monitors the requirements of its bank covenants to ensure they are met. As at September 30, 2015, the Corporation met all the requirements.

DIVIDENDS

On July 29, 2015, the Corporation declared the third quarterly dividend of 2015 of C\$0.16, paid on October 20, 2015 to shareholders of record as at September 30, 2015.

On October 28, 2015, the Corporation declared the fourth quarterly dividend of 2015 of C\$0.16, payable on January 19, 2016 to shareholders of record as at December 31, 2015.

These dividends are eligible dividends for income tax purposes.

INFORMATION ON CAPITAL STOCK

At September 30, 2015, 21,436,499 shares of the Corporation were outstanding.

Issuance of common shares

During the nine-month period ended September 30, 2015, the Corporation issued 397,935 (nil for 2014) common shares on the exercise of stock options for a cash consideration of \$8,546. The weighted average price of the exercise of stock options was C\$26.55 for the nine-month period.

Redemption of common shares

On August 13, 2015, the Corporation announced that it received approval from the TSX to renew its intention to purchase by way of a new normal course issuer bid ("NCIB"), for cancellation purposes, up to 1,000,000 common shares, representing 4.6% of its 21,613,694 issued and outstanding common shares as of August 1, 2015 over a twelve-month period beginning on August 17, 2015 and ending on August 16, 2016. In connection with the NCIB, the Corporation established an Automatic Purchase Plan ("APP"), enabling itself to provide standard instructions regarding the redemption of common shares during self-imposed blackout periods. Such redemptions will be determined by the broker in its sole discretion based on the Corporation's parameters.

During the nine-month period ended September 30, 2015, 177,195 common shares (7,400 for 2014) were repurchased for a cash consideration of \$7,595 (\$192 for 2014) including a share repurchase premium of \$674 (\$159 for 2014) applied as a reduction of retained earnings. As at September 30, 2015, 21,436,499 (21,256,269 for 2014) common shares were outstanding.

STOCK-BASED COMPENSATION

Common share stock option plan for management employees and officers

For the nine-month period ended September 30, 2015, 257,339 options were granted to management employees and officers of the Corporation (203,243 for 2014), with an average exercise price of C\$30.64 (C\$28.76 in 2014). During the period, 397,935 options were exercised (nil for 2014) and 45,227 were forfeited (nil for 2014). As at September 30, 2015, options granted for the issuance of 328,038 common shares (524,066 as at September 30, 2014) were outstanding under the Corporation's stock option plan. For the quarter and nine-month period ended September 30, 2015, compensation expense of \$108 and \$792 (\$209 and \$883 respectively for 2014) was recorded in the "Net earnings (loss)", with the corresponding amounts recorded in "Contributed surplus".

Deferred share unit plan

For the nine-month period ended September 30, 2015, the Corporation granted 26,953 deferred share units ("DSUs") (37,113 DSUs for 2014). Compensation expense of \$764 and \$2,379 (\$70 and \$842 in 2014) was recorded during the quarter and the nine-month period, and 95,134 DSUs were outstanding as at September 30, 2015 (79,631 as at September 30, 2014) for which the compensation liability was \$3,974 (\$2,009 as at December 31, 2014).

Performance share unit plan

For the nine-month period ended September 30, 2015, the Corporation granted 111,615 performance share units ("PSUs") (92,419 PSUs for 2014). Compensation expense of \$139 and \$1,339 was recorded during the quarter and the nine-month period (\$272 and \$967 in 2014), and 130,866 PSUs were outstanding as at September 30, 2015 (177,434 PSUs as at September 30, 2014) for which the compensation liability was \$2,638 (\$1,612 as at December 31, 2014).

FINANCIAL POSITION

During the period, the financial position, when compared to December 31, 2014, has been impacted by the sale of the net assets, business acquisitions or disposals and the declining Canadian dollar.

The following table shows an analysis of the main variances in the consolidated statements of financial position:

	Sept. 30, 2015	Dec. 31, 2014	Sale of net assets ⁽¹⁾	Impact of business acquisitions or disposals	Exchange rate impact	Net variance ⁽²⁾
Cash	49,900	107	-	(26,097)	(5,435)	81,325
Trade and other receivables	133,333	224,910	(89,577)	5,486	(11,505)	4,019
Inventory	243,550	529,575	(301,683)	9,144	(17,452)	23,966
Trade and other payables	(289,359)	(373,690)	75,871	(9,410)	17,317	553
Other working capital items	23,222	13,025	497	-	(690)	10,390
Working capital (excluding cash and current portion of long-term debt, convertible debentures and merchant members' deposits in the guarantee fund)	110,746	393,820	(314,892)	5,220	(12,330)	38,928
Equity investments, other investments and advances to merchant members	16,799	21,743	(1,722)	(3,166)	(1,607)	1,551
Property and equipment	29,029	51,924	(33,084)	2,712	(1,974)	9,451
Intangible assets	66,435	133,556	(62,610)	4,050	(2,172)	(6,389)
Goodwill	146,786	192,496	(57,715)	17,282	(5,277)	-
Long-term debt (including short-term portion)	8,066	260,348	(326,408)	-	468	73,658

⁽¹⁾ Related to the sale of the net assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc.

⁽²⁾ Explanations for net variance:

Cash: Resulting from the sale of net assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc., and cash from operations, net of cash used in investing and financing activities.

Trade and other receivables: Increase is mainly related to seasonality.

Inventory: Due to the usual seasonality requiring a higher level of inventory, additional purchases in advance of pricing increase and investment to improve fill rate and maximize buying conditions.

Trade and other payables: Timing of payment for some large accounts payable in relation to the vendor program offsets the additional payables resulting from the seasonality.

Property and equipment: Acquisitions were higher than the depreciation.

Intangible assets: Amortization was higher than the investments.

Long-term debt (including short-term portion): The Corporation reimbursed the debt following the closing of the sale of net assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc. and is now in a cash position.

RELATED PARTIES

For the quarter and nine-month period ended September 30, 2015, the Corporation incurred rental expenses of \$38 and \$1,241 (\$755 and \$2,306 for 2014) to the benefit of Clarit Realty, Ltd., a company controlled by a related party. The associated lease payments were concluded in the Corporation's normal course of business.

RISK MANAGEMENT

In the normal course of business, the Corporation is exposed to a variety of risks that may have a material impact on its business activities, operating results, cash flows and financial position. The Corporation continuously maintains and updates its system of analysis and controls on operational, strategic and financial risks to continuously manage and implement activities with the objective of mitigating the main risks mentioned in the 2014 Annual Report.

Other than a lower exposure on interest rate fluctuations following the debt repayment, no significant change occurred during the nine-month period of 2015 with respect to these risks.

CHANGE IN ACCOUNTING POLICIES

FUTURE ACCOUNTING CHANGES

Information on new standards, amendments and interpretations that are expected to be relevant to the Corporation's interim consolidated financial statements is provided in the Corporation's audited consolidated financial statements for the year ended December 31, 2014. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Corporation's interim consolidated financial statements.

Accounting standards and amendments to existing standards issued in 2015 but not yet adopted

In July 2015, the International Accounting Standards Board ("IASB") confirmed a deferral of the effective date of IFRS 15 "Revenues from contracts with customers" by one year to January 1, 2018, with earlier application permitted. As mentioned in the audited consolidated financial statements for the year ended December 31, 2014, the Corporation has not yet assessed the impact of this standard or determined whether it will adopt it earlier.

NON-IFRS FINANCIAL MEASURES

The information included in this report 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 view that users of its MD&A may analyze its results based on these measurements.

The following table presents performance measures used by the Corporation which are not defined by IFRS.

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	<p>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.</p> <p>These adjustments include, among other things, restructuring and other charges, impairment and transaction charges related to the sale of net assets, the non-capitalizable costs related to the development and implementation of the ERP system and costs related to the closure and disposal of stores.</p> <p>The exclusion of these items does not indicate that they are non-recurring.</p>
Adjusted EBITDA margin	<p>The adjusted EBITDA margin is a percentage corresponding to the ratio of adjusted EBITDA to sales.</p>
Free cash flows	<p>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, equity income, acquisitions of property and equipment and difference between amounts paid for post-employment benefits and current year 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.</p> <p>The free cash flows exclude certain variations 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 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.</p>
Total net debt	<p>This measure consists of long-term debt, including the portion due within a year (<i>as shown in note 13 to interim consolidated financial statements</i>), net of cash.</p>
Total net debt to total net debt and total equity ratio	<p>This ratio corresponds to total net debt divided by the sum of total net debt and total equity.</p>
Long-term debt to total equity ratio	<p>This ratio corresponds to long-term debt, including the portion due within a year (<i>as shown in note 13 to interim consolidated financial statements</i>) divided by the total equity.</p>
Funded debt to adjusted EBITDA	<p>This ratio corresponds to total net debt to adjusted EBITDA.</p>
Adjusted return on average total equity	<p>This ratio corresponds to net earnings adjusted for restructuring and other charges, impairment and transaction charges related to the sale of net assets as well as the non-recurring expenses related to the Action Plan and to the closure and disposal of stores, divided by average total equity.</p>

EXCHANGE RATE DATA

The following table sets forth information about exchange rates based upon rates expressed as US dollars per C\$1.00:

	Third quarter		Nine-month period	
	Sept. 30, 2015	Sept. 30, 2014	Sept. 30, 2015	Sept. 30, 2014
Average for the period				
For statement of earnings	0.76	0.92	0.79	0.91
			Sept. 30, 2015	Dec. 31, 2014
Period end				
For statement of financial position			0.75	0.86

As the Corporation uses the US dollar as its reporting currency, in its consolidated financial statements and in this document, unless otherwise indicated, results from its Canadian operations are translated into US dollars using the average rate for the period. Variances and explanations related to variations in the foreign exchange rate, and the volatility of the Canadian dollar are therefore related to the translation in US dollars of the Corporation's results for its Canadian operations and do not have an economic impact on its performance since most of the Corporation's consolidated sales, and expenses are received or denominated in the functional currency of the markets in which it does business. Accordingly, the sensitivity of the Corporation's results to variations in foreign exchange rates is economically limited.

EFFECTIVENESS OF DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management plans and performs an audit of the Corporation's internal controls related to the Canadian Securities Authorities National Instrument 52-109 "Certification of Disclosure in Issuer's Annual and Interim Filings" (NI 52-109).

DISCLOSURE CONTROLS AND PROCEDURES

Uni-Select has pursued its evaluation of disclosure controls and procedures in accordance with the NI 52-109 guidelines. As at September 30, 2015, the President and Chief Executive Officer and the Vice President, Finance and Control (in his capacity as an officer performing similar functions to those of a Chief Financial Officer) concluded that the Corporation's disclosure controls and procedures are properly designed and effective.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Uni-Select has continued its evaluation of the effectiveness of internal controls over financial reporting as at September 30, 2015, in accordance with the NI 52-109 guidelines. This evaluation enabled the President and Chief Executive Officer and the Vice President, Finance and Control to conclude that internal controls over financial reporting were designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

During the nine-month period ended September 30, 2015, no change in the Corporation's internal controls over financial reporting occurred that materially affected, or is reasonably likely to materially affect, the Corporation's internal controls over financial reporting.

OUTLOOK

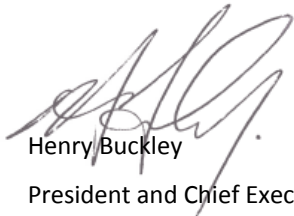
Uni-Select is focusing on growing its core business units to strengthen its leadership positions.

The Corporation will continue to foster a customer-centric culture providing superior customer experience. It will accelerate organic growth by leveraging business opportunities: reinforcing customer loyalty, recruiting customers, intensifying enrolment to its banner programs, and enhancing its product offering of national and private labels. It will also accelerate its growth by selectively seizing acquisition opportunities in both markets.

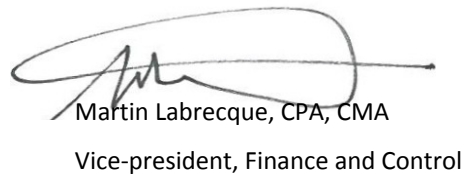
Uni-Select will continue to optimize its operations for superior productivity by pursuing the improvement of replenishment process and warehouse workflow and inaugurating a new distribution centre on the East Coast for FinishMaster. Uni-Select will also capitalize on the additional operational and administrative information generated by its systems and continue to improve its overall buying and selling conditions to generate a higher EBITDA margin.

The Corporation is expected to generate, on an annual basis, sales in excess of \$1.1 billion and adjusted EBITDA margin in the range of 7.5% to 8.5%.

Management is confident that these initiatives will contribute to position Uni-Select as an undisputed leader in its business sectors.



Henry Buckley
President and Chief Executive Officer



Martin Labrecque, CPA, CMA
Vice-president, Finance and Control

Approved by the Board of Directors on October 28, 2015.

Interim Consolidated financial statements

as at September 30, 2015 (unaudited)

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Notice related to the review of the interim consolidated financial statements

The interim consolidated financial statements for the quarter and nine-month period ended September 30, 2015 have not been reviewed by the independent auditors of the Corporation.

CONSOLIDATED STATEMENTS OF EARNINGS

(In thousands of US dollars, except per share amounts, unaudited)	Note	Quarter ended Sept. 30,		Nine-month period ended Sept. 30,	
		2015	2014	2015	2014
Sales		276,229	465,408	1,096,213	1,357,175
Purchases, net of changes in inventories		197,746	328,743	771,128	955,353
Gross margin		78,483	136,665	325,085	401,822
Employee benefits		38,656	70,293	171,394	212,395
Other operating expenses		13,789	36,466	80,041	111,238
Restructuring and other charges	4	100	-	3,396	-
Impairment and transaction charges related to the sale of net assets	10	-	-	147,546	-
Earnings (loss) before finance costs, depreciation and amortization, equity income and income taxes		25,938	29,906	(77,292)	78,189
Finance costs, net	5	495	3,032	5,153	9,297
Depreciation and amortization	6	2,979	7,983	9,840	23,330
Earnings (loss) before equity income and income taxes		22,464	18,891	(92,285)	45,562
Equity income (loss)		(14)	433	96	1,729
Earnings (loss) before income taxes		22,450	19,324	(92,189)	47,291
Income tax expense (recovery)	7				
Current		1,490	1,686	(599)	9,889
Deferred		5,213	2,796	(37,428)	(1,360)
		6,703	4,482	(38,027)	8,529
Net earnings (loss) attributable to shareholders		15,747	14,842	(54,162)	38,762
Earnings (loss) per share	8				
Basic		0.73	0.70	(2.53)	1.82
Diluted		0.73	0.69	(2.53)	1.81
Weighted average number of common shares outstanding (in thousands)	8				
Basic		21,570	21,258	21,373	21,262
Diluted		21,720	22,544	21,373	22,557

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands of US dollars, unaudited)	Quarter ended Sept. 30,		Nine-month period ended Sept. 30,	
	2015	2014	2015	2014
Net earnings (loss)	15,747	14,842	(54,162)	38,762
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 nil and \$29 for the quarter and nine-month period (\$3 and \$56 in 2014))	-	8	(78)	(150)
Net change in the fair value of derivative financial instruments designated as cash flow hedges transferred to earnings (net of income tax of nil and \$167 for the quarter and nine-month period (\$46 and \$134 in 2014))	-	124	452	362
Unrealized exchange gains (losses) on the translation of financial statements to the presentation currency	(14,717)	6,371	(12,962)	6,334
Unrealized exchange losses on the translation of debt designated as a hedge of net investments in foreign operations	-	(11,728)	(10,257)	(11,428)
	(14,717)	(5,225)	(22,845)	(4,882)
Items that will not subsequently be reclassified to net earnings (loss):				
Remeasurements of long-term employee benefit obligations (net of income tax of \$256 and \$343 for the quarter and nine-month period (\$39 and \$1,232 in 2014))	(691)	(107)	926	(3,329)
Total other comprehensive loss	(15,408)	(5,332)	(21,919)	(8,211)
Comprehensive income (loss) attributable to shareholders	339	9,510	(76,081)	30,551

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In thousands of US dollars, unaudited)	Note	Attributable to shareholders					Total equity
		Share capital	Contributed surplus	Equity component of the convertible debentures	Retained earnings	Accumulated other comprehensive income (loss)	
Balance, December 31, 2013		87,271	1,332	1,687	394,716	3,749	488,755
Net earnings		-	-	-	38,762	-	38,762
Other comprehensive loss		-	-	-	(3,329)	(4,882)	(8,211)
Comprehensive income (loss)		-	-	-	35,433	(4,882)	30,551
Contributions by and distributions to shareholders:							
Share repurchases	14	(33)	-	-	(159)	-	(192)
Dividends		-	-	-	(8,332)	-	(8,332)
Stock-based compensation	11	-	883	-	-	-	883
		(33)	883	-	(8,491)	-	(7,641)
Balance, September 30, 2014		87,238	2,215	1,687	421,658	(1,133)	511,665
Balance, December 31, 2014		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:							
Shares repurchases	14	(674)	-	-	(6,921)	-	(7,595)
Issuance of shares	14	8,546	-	-	-	-	8,546
Convertible debentures redemption	13	-	-	(1,687)	1,687	-	-
Dividends		-	-	-	(8,006)	-	(8,006)
Stock-based compensation	11	-	792	-	-	-	792
		7,872	792	(1,687)	(13,240)	-	(6,263)
Balance, September 30, 2015		95,110	3,216	-	362,021	(29,695)	430,652

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of US dollars, unaudited)	Note	Quarter ended Sept. 30,		Nine-month period ended Sept. 30,	
		2015	2014	2015	2014
OPERATING ACTIVITIES					
Net earnings (loss)		15,747	14,842	(54,162)	38,762
Non-cash items:					
Restructuring and other charges	4	100	-	3,396	-
Impairment and transaction charges related to the sale of net assets	10	-	-	147,546	-
Finance costs, net	5	495	3,032	5,153	9,297
Depreciation and amortization	6	2,979	7,983	9,840	23,330
Income tax expense (recovery)	7	6,703	4,482	(38,027)	8,529
Amortization of incentives granted to customers		3,356	3,363	9,113	8,406
Other non-cash items		1,164	432	5,221	680
Changes in working capital items		(12,452)	19,836	(38,477)	32,126
Interest paid		(227)	(2,899)	(4,771)	(8,186)
Income taxes paid		(3,111)	(1,572)	(10,185)	(9,280)
Cash flows from operating activities		14,754	49,499	34,647	103,664
INVESTING ACTIVITIES					
Net business acquisitions	9	(15,369)	(40)	(26,097)	(17,617)
Net cash proceeds from sale of net assets	10	1,898	-	325,502	-
Net balance of purchase price		(5,293)	(19)	(5,575)	17
Advances to merchant members and incentives granted to customers		(4,168)	(1,854)	(10,622)	(12,350)
Reimbursement of advances to merchant members		1,256	1,856	3,365	5,850
Dividends received from equity investments		263	-	664	-
Net acquisitions of property and equipment		(4,612)	(5,237)	(13,942)	(8,340)
Net acquisitions and development of intangible assets		(1,116)	(1,305)	(4,074)	(5,548)
Cash flows from (used in) investing activities		(27,141)	(6,599)	269,221	(37,988)
FINANCING ACTIVITIES					
Increase in long-term debt		13,466	14,825	109,891	58,859
Repayment of long-term debt		(14,427)	(54,618)	(309,880)	(116,332)
Convertible debenture redemption		-	-	(41,713)	-
Net increase (decrease) in merchant members' deposits in the guarantee fund		(6)	(135)	42	(40)
Share repurchases	14	(7,595)	(44)	(7,595)	(192)
Issuance of shares	14	-	-	8,546	-
Dividends paid		(2,664)	(2,954)	(7,931)	(7,998)
Cash flows used in financing activities		(11,226)	(42,926)	(248,640)	(65,703)
Effects of fluctuations in exchange rates on cash		(5,014)	(1)	(5,435)	(1)
Net increase (decrease) in cash		(28,627)	(27)	49,793	(28)
Cash, beginning of period		78,527	56	107	57
Cash, end of period		49,900	29	49,900	29

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In thousands of US dollars, unaudited)	Note	Sept. 30,	Dec. 31,
		2015	2014
ASSETS			
Current assets:			
Cash		49,900	107
Trade and other receivables		133,333	224,910
Income taxes receivable		17,787	10,663
Inventory		243,550	529,575
Prepaid expenses		11,149	11,829
Total current assets		455,719	777,084
Equity investments, other investments and advances to merchant members		16,799	21,743
Property and equipment		29,029	51,924
Intangible assets		66,435	133,556
Goodwill		146,786	192,496
Deferred tax assets		50,141	13,502
TOTAL ASSETS		764,909	1,190,305
LIABILITIES			
Current liabilities:			
Trade and other payables		289,359	373,690
Provision for restructuring and other charges	4	3,157	6,724
Dividends payable		2,557	2,743
Current portion of long-term debt, convertible debentures and merchant members' deposits in the guarantee fund		2,723	49,993
Total current liabilities		297,796	433,150
Long-term employee benefit obligations	11, 12	25,150	25,233
Long-term debt	13	5,424	210,462
Merchant members' deposits in the guarantee fund		5,592	6,388
Derivative financial instruments	15	-	511
Deferred tax liabilities		295	1,565
TOTAL LIABILITIES		334,257	677,309
EQUITY			
Share capital		95,110	87,238
Contributed surplus		3,216	2,424
Equity component of the convertible debentures	13	-	1,687
Retained earnings		362,021	428,497
Accumulated other comprehensive loss		(29,695)	(6,850)
TOTAL EQUITY		430,652	512,996
TOTAL LIABILITIES AND EQUITY		764,909	1,190,305

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

1 - GOVERNING STATUTE AND NATURE OF OPERATIONS

Uni-Select Inc. (“Uni-Select”) is a corporation domiciled in Canada and duly incorporated and governed by the Business Corporations Act (Québec). Uni-Select is the parent company of a group of entities, which includes Uni-Select and its subsidiaries (collectively, the “Corporation”). The Corporation is a major distributor of automotive products and paint and related products for motor vehicles. The Corporation’s registered office is located at 170 Industriel Blvd., Boucherville, Québec, Canada.

These interim consolidated financial statements present the operations and financial position of the Corporation and all of its subsidiaries as well as the Corporation’s interests in jointly controlled entities.

The Corporation’s shares are listed on the Toronto Stock Exchange (“TSX”) under the symbol UNS.

2 - BASIS OF PRESENTATION

Statement of compliance

These interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements. As permitted under IAS 34 “Interim Financial Reporting”, these interim consolidated financial statements constitute a condensed set of financial statements, as the Corporation does not present all the notes to financial statements included in its annual report. To avoid repetition of previously reported information, the Corporation deemed it unnecessary to include such information. These interim consolidated financial statements are intended to provide an update on the latest complete set of annual financial statements and should therefore be read in conjunction with the Corporation’s audited annual consolidated financial statements for the year ended December 31, 2014.

The significant accounting policies followed in these interim consolidated financial statements are the same as those applied in the audited annual consolidated financial statements of the Corporation for the year ended December 31, 2014, except for the changes in accounting policies as described in note 3. The Corporation has consistently applied the same accounting policies for all the periods presented.

The Board of Directors approved and authorized for issuance these interim consolidated financial statements on October 28, 2015.

Basis of measurement

These interim consolidated financial statements have been prepared on the historical cost basis except for derivative financial instruments, which are measured at fair value, provisions, which are measured based on the best estimates of the expenditures required to settle the obligation and the post-employment benefit obligations, which are measured at the present value of the defined-benefit obligation, adjusted for unrecognized past service costs and reduced by the net value of plan assets.

Functional and presentation currency

Items included in the financial statements of each of the Corporation’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The Corporation’s functional currencies are the Canadian dollar for entities located in Canada, and the US dollar for entities located in the United States. These interim consolidated financial statements are presented in US dollars, which is the Corporation’s presentation currency.

Use of accounting estimates and judgments

The most significant uses of judgment, estimates and assumptions are described in the Corporation’s audited consolidated financial statements for the year ended December 31, 2014.

3 - FUTURE ACCOUNTING CHANGES

Information on new standards, amendments and interpretations that are expected to be relevant to the Corporation's interim consolidated financial statements is provided in the Corporation's audited consolidated financial statements for the year ended December 31, 2014. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Corporation's interim consolidated financial statements.

Accounting standards and amendments to existing standards issued in 2015 but not yet adopted

In July 2015, the International Accounting Standards Board ("IASB") confirmed a deferral of the effective date of IFRS 15 "Revenues from contracts with customers" by one year to January 1, 2018, with earlier application permitted. As mentioned in the audited consolidated financial statements for the year ended December 31, 2014, the Corporation has not yet assessed the impact of this standard or determined whether it will adopt it earlier.

4 - RESTRUCTURING AND OTHER CHARGES

The Corporation's Board of Directors approved, in 2013, an internal strategic and operational plan (the "Action Plan"), which complemented the distribution network consolidation plan announced in 2012. The Action Plan included the closure and rightsizing of certain stores and warehouses, as well as the addition of two new facilities, among other initiatives. The plan ceased on June 1, 2015, when the Corporation concluded the sale of substantially all the assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc. announced on February 9, 2015.

Following the announcement of the agreement for the sale of these assets concluded on June 1, 2015 and in order to rightsize its corporate operations, the Corporation recognized restructuring and other charges consisting of severance charges of \$4,660 and onerous contract charges of \$1,202. The Corporation also recognized \$440 to relocate certain locations for a total of restructuring and other charges of \$6,302.

As at September 30, 2015 and December 31, 2014, the variations in the provision for restructuring and other charges are detailed as follows:

	Nine-month period ended Sept. 30,	Year ended Dec. 31,
	2015	2014
Balance, beginning of period	6,724	15,185
Restructuring and other charges recognized during the period	6,302	-
Provision used during the period	(4,782)	(8,716)
Change in estimate ⁽¹⁾	(2,906)	255
Sale of net assets	(1,902)	-
Effects of fluctuations in exchange rates	(279)	-
Balance, end of period	3,157	6,724

⁽¹⁾ In June 2015, the Corporation reviewed its remaining provisions and reflected the following changes of estimates: a decrease of \$1,056 for building decommissioning and a decrease of \$1,850 for future rent obligations, resulting in a reduction of the restructuring and other charges in the consolidated statements of earnings of \$2,906. In December 2014, the Corporation reviewed its remaining provisions and reflected the following changes of estimates: a partial reversal of write-down of certain assets of \$2,528, an increase in the reserve for redundant inventory of \$342 and a net increase of the provision for restructuring charges of \$255.

5 - FINANCE COSTS, NET

	Quarter ended Sept. 30,		Nine-month period ended Sept. 30,	
	2015	2014	2015	2014
Interest on long-term debt	332	1,630	3,068	5,247
Interest on convertible debentures	-	702	211	2,094
Accreted interest on convertible debentures	-	106	41	315
Amortization of financing costs	128	303	450	904
Net interest expense on the long-term employee benefit obligations	217	223	675	665
Interest on merchant members' deposits in the guarantee fund and others	22	37	82	107
Reclassification of realized losses on derivative financial instruments designated as cash flow hedges to net earnings, and cancellation of swap	-	170	971	496
Total finance costs	699	3,171	5,498	9,828
Interest income from merchant members and others	(204)	(139)	(345)	(531)
Total finance costs, net	495	3,032	5,153	9,297

6 - DEPRECIATION AND AMORTIZATION

	Quarter ended Sept. 30,		Nine-month period ended Sept. 30,	
	2015	2014	2015	2014
Depreciation of property and equipment	1,444	4,828	4,704	12,079
Amortization of intangible assets	1,535	3,155	5,136	11,251
Total depreciation and amortization	2,979	7,983	9,840	23,330

7 - INCOME TAXES

Reconciliation of the income tax expense (recovery)

The following table presents a reconciliation of income taxes at the combined Canadian statutory income tax rates applicable in the jurisdictions in which the Corporation operates to the amount of reported income taxes in the consolidated statements of earnings (loss):

	Quarter ended Sept. 30,		Nine-month period ended Sept. 30,	
	2015	2014	2015	2014
Income taxes at the Corporation's statutory tax rate – 26.90% (26.90% in 2014)	5,872	5,201	(25,146)	12,721
Effect of tax rates in foreign jurisdictions	2,055	2,136	(7,314)	2,755
Tax benefit from a financing structure	(962)	(2,154)	(4,790)	(6,462)
Non-deductible expenses and others	(262)	(701)	(777)	(485)
Income tax expense (recovery) reported in the consolidated statements of earnings (loss)	6,703	4,482	(38,027)	8,529

8 - EARNINGS (LOSS) PER SHARE

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

	Quarter ended Sept. 30,		Nine-month period ended Sept. 30,	
	2015	2014	2015	2014
Net earnings (loss) attributable to shareholders considered for basic earnings (loss) per share	15,747	14,842	(54,162)	38,762
Impact of the convertible debentures ⁽¹⁾	-	658	-	1,984
Net earnings (loss) attributable to shareholders considered for diluted earnings (loss) per share	15,747	15,500	(54,162)	40,746
Weighted average number of common shares outstanding for basic earnings (loss) per share	21,569,822	21,257,705	21,372,756	21,261,609
Impact of the convertible debentures ⁽¹⁾	-	1,239,224	-	1,239,224
Impact of the stock options ⁽²⁾	149,690	47,565	-	56,542
Weighted average number of common shares outstanding for diluted earnings (loss) per share	21,719,512	22,544,494	21,372,756	22,557,375
Earnings (loss) per share basic	0.73	0.70	(2.53)	1.82
Earnings (loss) per share diluted	0.73	0.69	(2.53)	1.81

⁽¹⁾ For the quarter and nine-month period ended September 30, 2014, 1,239,224 weighted average common shares issuable on the conversion of convertible debentures were included in the calculation of diluted earnings per share as the conversion impact was dilutive. For the quarter and nine-month period ended September 30, 2015, there was no impact on Earnings per share as the Corporation redeemed its convertible debentures for cancellation on February 1, 2015. Refer to note 13 for more information.

⁽²⁾ For the quarter and nine-month period ended September 30, 2015, nil and 316,060 weighted average common shares issuable on the exercise of stock options were excluded from the calculation of diluted earnings (loss) per share as their inclusion would have had an anti-dilutive effect (253,243 and 50,000 in 2014 were respectively excluded from the calculation of diluted earnings per share as the exercise price of the options was higher than the average market price of the shares).

9 - BUSINESS COMBINATIONS

During the nine-month period ended September 30, 2015, the Corporation acquired assets and liabilities of 7 companies operating in the United States (4 companies in 2014), 3 companies operating in Canada (nil in 2014) and repurchased its partnership in a joint venture operating in Canada (nil in 2014). Total cost of these acquisitions of \$35,790 (\$28,330 in 2014), net of the cash of the acquired businesses amounting to \$1,626 (nil in 2014), was preliminarily allocated to the acquired assets and liabilities based on their fair value. Those companies were acquired in the normal course of business and the Corporation incurred \$224 (nil in 2014) of acquisition costs. These acquisitions have contributed a total of \$19,223 and \$1,501 to sales and net earnings, respectively.

The aggregate fair value amounts recognized for each class of the acquirees' assets and liabilities at the acquisition dates was as follows:

	Sept. 30,	
	2015	2014
Trade and other receivables	5,486	3,564
Inventory	9,144	8,514
Property and equipment	2,712	318
Intangible assets	4,050	3,920
Goodwill ⁽¹⁾	17,282	11,530
Other non-current assets	635	484
Trade and other payables	(3,519)	-
Total cost	35,790	28,330
Balance of purchase price	(2,426)	(332)
Fair value of non-controlling equity interest in the acquiree that was held immediately before obtaining control	(7,267)	-
Net disbursement	26,097	27,998

⁽¹⁾ Expected to be deductible for tax purposes.

10 - SALE OF NET ASSETS

On February 9, 2015, the Corporation entered into an agreement for the sale of substantially all the assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc. During the first quarter of 2015, the Corporation reclassified the assets and liabilities related to the transaction as assets held for sale and liabilities related to assets held for sale. The Corporation also recognized impairment and transaction charges of \$147,546 in connection with the agreement for the sale of the net assets of the business activities. The charges include write-off of assets (mainly software and customer relationships) for an amount of \$65,398 and an impairment of a portion of the goodwill for an amount of \$57,715. The Corporation has also recorded transaction-related costs of \$24,433. On June 1, 2015, the Corporation closed the sale of the net assets. As of September 30, 2015, net cash proceeds amounted to \$325,502, comprising a balance of sale price payable of \$4,970.

The aggregate fair value amounts of the net assets that were sold is detailed as follows:

	Sept. 30,	
	2015	
Trade and other receivables	89,577	
Inventory	301,683	
Prepaid expenses	5,336	
Advances to merchant members	1,722	
Property and equipment	30,296	
Trade and other payables	(100,305)	
Provision for restructuring and other charges	(1,902)	
Finance leases	(5,875)	
Total sale price	320,532	
Balance of sale price payable	4,970	
Net cash proceeds from sale of net assets	325,502	

11 - STOCK-BASED COMPENSATION

Common share stock option plan for management employees and officers

For the nine-month period ended September 30, 2015, 257,339 options were granted to management employees and officers of the Corporation (203,243 for 2014), with an average exercise price of C\$30.64 (C\$28.76 in 2014). During the period, 397,935 options were exercised (nil for 2014) and 45,227 were forfeited (nil for 2014). As at September 30, 2015, options granted for the issuance of 328,038 common shares (524,066 as at September 30, 2014) were outstanding under the Corporation's stock option plan. For the quarter and nine-month period ended September 30, 2015, compensation expense of \$108 and \$792 (\$209 and \$883 respectively for 2014) was recorded in the "Net earnings (loss)", with the corresponding amounts recorded in "Contributed surplus".

Deferred share unit plan

For the nine-month period ended September 30, 2015, the Corporation granted 26,953 deferred share units ("DSUs") (37,113 DSUs for 2014). Compensation expense of \$764 and \$2,379 (\$70 and \$842 in 2014) was recorded during the quarter and the nine-month period, and 95,134 DSUs were outstanding as at September 30, 2015 (79,631 as at September 30, 2014) for which the compensation liability was \$3,974 (\$2,009 as at December 31, 2014).

Performance share unit plan

For the nine-month period ended September 30, 2015, the Corporation granted 111,615 performance share units ("PSUs") (92,419 PSUs for 2014). Compensation expense of \$139 and \$1,339 was recorded during the quarter and the nine-month period (\$272 and \$967 in 2014), and 130,866 PSUs were outstanding as at September 30, 2015 (177,434 PSUs as at September 30, 2014) for which the compensation liability was \$2,638 (\$1,612 as at December 31, 2014).

12 - POST-EMPLOYMENT BENEFIT OBLIGATIONS

For the quarter ended September 30, 2015, the employee benefits expense related to the Corporation's defined-benefit pension plans was \$774 (\$751 for 2014), and the net interest expense of \$217 (\$223 for 2014) was recorded in "Finance costs, net". Employee benefits expense of \$331 (\$566 for 2014) related to the Corporation's defined-contribution pension plans was also recognized for the same period.

For the nine-month period ended September 30, 2015, the employee benefits expense related to the Corporation's defined-benefit pension plans was \$2,412 (\$2,243 for 2014), and the net interest expense of \$675 (\$665 for 2014) was recorded in "Finance costs, net". Employee benefits expense of \$1,271 (\$1,700 for 2014) related to the Corporation's defined-contribution pension plans was also recognized for the same period.

13 - CREDIT FACILITIES, LONG-TERM DEBT AND CONVERTIBLE DEBENTURES

Revolving credit facilities

On May 19, 2015, the Corporation amended the terms of its \$400,000 unsecured long-term revolving credit facility and extended its maturity to June 30, 2019. This facility is available in Canadian or US dollars and can be repaid at any time without penalty. The variable interest rates are based on the LIBOR in US dollars, bankers' acceptances and prime rates plus the applicable margins.

Following the closing of the sale of substantially all the assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc., the Corporation reimbursed the revolving credit facility, on June 8, 2015, for an aggregate principal amount of \$277,500.

Letter of credit facilities

On December 23, 2014, the Corporation signed an unsecured letter of credit facility maturing on June 30, 2016 with an authorized amount of \$20,000. This facility is available for the issuance of Canadian and US dollars letters of credit. The variable interest rates are based on the LIBOR in US dollars, bankers' acceptances and prime rates plus the applicable margins. As at September 30, 2015, \$15,517 were drawn under this facility.

13 - CREDIT FACILITIES, LONG-TERM DEBT AND CONVERTIBLE DEBENTURES (CONTINUED)

Long-term debt

	Maturity	Current portion	Sept. 30, 2015	Dec. 31, 2014
Revolving credit facility, variable rates – nil (\$215,800 as at December 31, 2014)	2019		-	199,551
Finance leases, variable rates	-	2,638	8,043	16,242
Others	2020	4	23	29
		2,642	8,066	215,822
Instalments due within a year			2,642	5,360
Long-term debt			5,424	210,462

Convertible debentures

On February 1, 2015, the Corporation redeemed its convertible debentures for cancellation, at par, for an aggregate principal amount of C\$51,750. The equity component of the debentures amounting to \$1,687 was reclassified to retained earnings during the first quarter.

14 - SHARE CAPITAL

Redemption of Common Shares

On August 13, 2015, the Corporation announced that it received approval from the TSX to renew its intention to purchase by way of a new normal course issuer bid (“NCIB”), for cancellation purposes, up to 1,000,000 common shares, representing 4.6% of its 21,613,694 issued and outstanding common shares as of August 1, 2015 over a twelve-month period beginning on August 17, 2015 and ending on August 16, 2016. In connection with the NCIB, the Corporation established an Automatic Purchase Plan (“APP”), enabling itself to provide standard instructions regarding the redemption of common shares during self-imposed blackout periods. Such redemptions will be determined by the broker in its sole discretion based on the Corporation’s parameters.

During the nine-month period ended September 30, 2015, 177,195 common shares (7,400 for 2014) were repurchased for a cash consideration of \$7,595 (\$192 for 2014) including a share repurchase premium of \$674 (\$159 for 2014) applied as a reduction of retained earnings. As at September 30, 2015, 21,436,499 (21,256,269 for 2014) common shares were outstanding.

Issuance of Common Shares

During the nine-month period ended September 30, 2015, the Corporation issued 397,935 (nil for 2014) common shares on the exercise of stock options for a cash consideration of \$8,546. The weighted average price of the exercise of stock options was C\$26.55 for the nine-month period.

Dividends

Total of C\$0.16 per common share was declared by the Corporation for the quarter ended September 30, 2015 (C\$0.15 for 2014). A total of C\$0.47 per common share was declared by the Corporation for the nine-month period (C\$0.43 for 2014).

15 - FINANCIAL INSTRUMENTS

The classification of financial instruments as well as their carrying amounts and fair values, are summarized as follows:

	September 30, 2015		December 31, 2014			
	Carrying amount	Fair value	Carrying amount	Fair value		
Financial assets classified as loans and receivables						
Cash	Level 1	49,900	49,900	Level 1	107	107
Trade receivables	Level 1	121,122	121,122	Level 1	208,083	208,083
Shares of companies	Level 3	617	617	Level 3	675	675
Advances to merchant members	Level 3	2,947	2,947	Level 3	7,520	7,520
Financial liabilities carried at amortized cost						
Trade and other payables	Level 2	274,411	274,411	Level 2	348,282	348,282
Dividend payables	Level 1	2,557	2,557	Level 1	2,743	2,743
Long-term debt (except finance leases)	Level 2	23	23	Level 2	199,580	199,580
Convertible debentures	Level 1	-	-	Level 1	44,525	43,557
Merchant members' deposits in the guarantee fund	Level 3	5,674	n/a	Level 3	6,496	n/a
Financial liabilities carried at fair value						
Derivative financial instruments	Level 2	-	-	Level 2	511	511
Other liabilities						
Finance leases	Level 2	8,043	8,043	Level 2	16,242	16,242

Financial assets classified as loans and receivables

The fair value of the cash and trade receivables approximate their carrying amount given that they will mature shortly.

The fair value of the shares of companies and advances to merchant members was determined based on discounted cash flows using effective interest rates available to the Corporation at the end of the reporting period for similar instruments.

Financial liabilities carried at amortized cost

The fair value of the trade and other payables, and dividends payable approximate their carrying amount given that they will mature shortly.

The fair value of the long-term debt (except finance leases) has been determined by calculating the present value of the interest rate spread that exists between the actual credit facilities and the rate that would be negotiated with the economic conditions at the reporting date. The fair value of long-term debt approximates its carrying value as the effective interest rates applicable to the Corporation's credit facilities reflect current market conditions.

The fair value of the convertible debentures, as set out above, was determined using their bid price at the end of the period.

The fair value of the merchant members' deposits in the guarantee fund could not be determined given that they result from transactions not observable in the market.

Financial liabilities carried at fair value

The fair value of the interest rate swaps was determined using quoted prices for similar assets or liabilities.

Other liabilities

The fair value of the finance leases has been determined by calculating the present value of the interest rate spread that exists between the actual credit facilities and the rate that would be negotiated with the economic conditions at the reporting date. As at September 30, 2015, the fair value of the finance leases approximates their carrying value as the effective interest rates applicable to the Corporation's finance leases reflect current market conditions.

Fair value hierarchy

Financial instruments measured at fair value in the statements of financial position are classified according to the following hierarchy:

- Level 1: consists of measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: consists of measurement techniques mainly based on inputs, other than quoted prices (included within Level 1), that are observable either directly or indirectly in the market, and;
- Level 3: consists of measurement techniques that are not mainly based on observable market data.

15 - FINANCIAL INSTRUMENTS (CONTINUED)

Derivative financial instruments used in cash flow hedges

In 2011, the Corporation entered into swap agreements to hedge the variable interest cash flows related to forecasting transactions beginning in 2012 on a portion of the Corporation's revolving credit facility for a nominal amount at inception of \$80,000. These interest rate swaps fixed the interest cash flows at 0.97% until their maturity in 2016. The cash flows related to the interest rate swaps are expected to occur in the same periods as they are expected to affect the net earnings (loss).

These swap agreements were designated as cash flow hedges until June 8, 2015 when the Corporation unwound the swap agreements at a cost of \$352.

The fair values of the interest rate swaps are calculated using quotes for similar instruments at the reporting date.

16 - RELATED PARTIES

For the quarter and nine-month period ended September 30, 2015, the Corporation incurred rental expenses of \$38 and \$1,241 (\$755 and \$2,306 for 2014) to the benefit of Clarit Realty, Ltd., a company controlled by a related party. The associated lease payments were concluded in the Corporation's normal course of business.

17 - SEGMENTED INFORMATION

Following the announcement of the agreement for the sale of substantially all the assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc. on February 9, 2015, the Corporation has revised its operational structure and is therefore providing information on three reportable segments: automotive products, paint and related products, and corporate office and others. In accordance with IFRS 8 "Operating segments", the corresponding comparative figures were provided for the three reportable segments to the best of the Corporation's knowledge. The profitability measure employed by the Corporation for assessing segment performance is operating income (representing gross margin less employee benefits and other operating expenses per consolidated statements of earnings).

								Quarter ended Sept. 30,
	Automotive products		Paint and related products		Corporate office and others		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
Sales before intersegment sales	114,189	316,508	162,040	152,372	-	-	276,229	468,880
Intersegment sales	-	-	-	(3,472)	-	-	-	(3,472)
Sales	114,189	316,508	162,040	148,900	-	-	276,229	465,408
Operational income	9,120	15,806	18,418	15,918	(1,500)	(1,818)	26,038	29,906
Restructuring and other charges	-	-	100	-	-	-	100	-
Impairment and transaction charges related to the sale of net assets	-	-	-	-	-	-	-	-
Operational income reported ⁽¹⁾	9,120	15,806	18,318	15,918	(1,500)	(1,818)	25,938	29,906

⁽¹⁾ Per consolidated statements of earnings, correspond to "Earnings (loss) before finance costs, depreciation and amortization, equity income and income taxes".

17 - SEGMENTED INFORMATION (CONTINUED)

	Automotive products		Paint and related products		Corporate office and others		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	Nine-month period ended Sept. 30,							
Sales before intersegment sales	630,960	925,623	470,343	441,103	-	-	1,101,303	1,366,726
Intersegment sales	-	-	(5,090)	(9,551)	-	-	(5,090)	(9,551)
Sales	630,960	925,623	465,253	431,552	-	-	1,096,213	1,357,175
Operational income	26,895	39,442	54,053	45,163	(7,298)	(6,416)	73,650	78,189
Restructuring and other charges	(2,906)	-	440	-	5,862	-	3,396	-
Impairment and transaction charges related to the sale of net assets	146,737	-	-	-	809	-	147,546	-
Operational income reported ⁽¹⁾	(116,936)	39,442	53,613	45,163	(13,969)	(6,416)	(77,292)	78,189

⁽¹⁾ Per consolidated statements of earnings, correspond to "Earnings (loss) before finance costs, depreciation and amortization, equity income and income taxes".

The Corporation operates in Canada and the United States. The primary financial information per geographic location is as follows:

	Quarter ended Sept. 30,		Nine-month period ended Sept. 30,	
	2015	2014	2015	2014
Sales				
United States	162,040	339,501	764,520	993,225
Canada	114,189	125,907	331,693	363,950
Total	276,229	465,408	1,096,213	1,357,175

September 30, 2015

	United States	Canada	Total
Property and equipment	15,338	13,691	29,029
Intangible assets	51,857	14,578	66,435
Goodwill	110,164	36,622	146,786

December 31, 2014

	United States	Canada	Total
Property and equipment	38,390	13,534	51,924
Intangible assets	119,012	14,544	133,556
Goodwill	155,470	37,026	192,496

