



Unipart Announces Financial Results for 2007

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Unipart Group, Europe's leading private logistics company, has announced its financial results for the year ended 31 December 2007.

Turnover for the Group was £1.143 billion (2006 - £1.139 billion). Profit before tax for continuing operations was £19.2m (2006 - £19.4m). Unipart also disposed of its paint distribution operations and invested £6.6 million in the reorganisation and business improvement of its automotive aftermarket operations.

The results reflect continued strong performance for the Group. Commenting on the results, Group Chief Executive John Neill said that the growth in new clients and opportunities was a direct result of the Group's continuing focus on developing people to achieve expert levels of knowledge in The Unipart Way – the company's proprietary philosophy and practice for implementing 'lean'.

"Unipart has been pioneering the implementation of lean in our factories, distribution centres and offices for nearly 20 years. Last year we challenged all our senior managers to double their efforts to develop our people to an even higher level of knowledge and skill.

"That focus on enabling all our people to achieve beyond their recognised potential has resulted in significant performance improvements and innovations across our company. For instance, we opened a "Teaching Factory" and a "Teaching Distribution Centre" to share the very best thinking and practice within our own company and with some of our clients.

"The result has been a range of new relationships to add to the growing portfolio of blue chip clients of the Group, across a wide range of client market sectors.

"This was followed by a new contract with Habitat, one of the UK's most prestigious home furnishing retailers, for the provision of warehousing and distribution services across its UK stores business, and a five-year contract with Floors-2-Go, the laminate and wood flooring specialists, for warehousing and distribution services to its 136-strong UK stores business.

"In the rail market sector, Unipart has again demonstrated strong performance in new contract wins worth over £70m. A two-year contract to provide parts to support all of London Overground's fleets was one of a range of new contracts with rail companies such as South West Trains, National Express East Coast, Porterbrook, English Welsh & Scottish and Arriva Trains Wales.

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“Our involvement in the public sector continued to expand with consulting projects in the John Radcliffe Hospital in Oxford and with nine Primary Care Trusts within the South Central Region. Unipart’s work in implementing lean in partnership with Her Majesty’s Revenue and Customs was estimated to save taxpayers more than £400m by the Government spending watchdog, the National Audit Office. We have expanded our consultancy relationship with global manufacturing clients such as ESAB and established offices in China to address the growing opportunities for lean manufacturing expertise and other sourcing opportunities.

“We also saw significant growth with our existing customers. In the technology market sector, for instance, additional contracts with Apple and Vodafone UK, worth over £230 million, have created hundreds of new jobs at our logistics centres in the Midlands.

“Although the Group’s performance was adversely impacted by difficult conditions in the independent automotive parts and accessories market, the realignment of the aftermarket operations and a disposal of the paint distribution operations has reshaped the UK network operations to deliver improved performance to its customers. Very positive results in our recent customer satisfaction surveys coupled with improved year-on-year sales indicates that the investment the Group has made is having a positive impact.

“In a difficult climate, we’ve seen continued growth in operations in Europe, Asia, and North America and to support the widespread application of The Unipart Way in these locations and to accelerate learning across the Group, we launched Unipart Way Online.

“This provides a comprehensive web-based training facility that has codified our world-class body of knowledge in a format that can be easily accessed and used.

“We have shown the critical importance of creating a different kind of business culture that encourages all our people to achieve great things through hard work, deliberate practice and coaching by real experts.

“In 2008, we also celebrate the 20th anniversary of our employee recognition programme, Mark In Action. The longevity of this programme is a good example of our continuing commitment to creating a culture where our people strive to deliver outstanding personal customer service, harnessing both their creativity and the innovative thinking that comes from practice of The Unipart Way.”

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Notes to editors

Unipart Group employs more than 9,000 worldwide and has a annual turnover of more than £1.1billion. Unipart provides a wide spectrum of logistics services to its customers across a range of customer market sectors.

Unipart Group is a major force in logistics for blue-chip customers such as Jaguar, Vodafone UK, 3, BSkyB, Halfords, Homebase, Fujitsu and Airbus and is the UK’s leading provider of logistics, parts distribution and supply chain solutions to the independent motor trade, national fast fit and commercial vehicle sectors.

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