

## Unipart Announces 2006 Financial Results

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Unipart Group, Europe's leading private logistics and automotive parts company, has announced its financial results for the year ending 31 December 2006.

Turnover for the Group was £1.138 billion (2005 - £1.157 billion). Profits before taxation were £19.5m (2005 - £50.2m). The Group also contributed £9m towards reducing its pension scheme deficit and the Group's pension deficit has now nearly halved (on an FRS17 basis). The results reflect continued strong performance in the Group's logistics businesses which have been adversely impacted by difficult conditions in the automotive parts and accessories market.

Commenting on the results, Group Chief Executive John Neill said that nearly twenty years of investment in building a unique capability through the Unipart Way has resulted in all Unipart companies winning new business and delivering benchmark performance for their customers. A massive new logistics development with Vodafone and new contracts with Play.com, Apple Computers and Fujitsu are clear examples of the company's growth in its client portfolio.

"There are dozens of stories across our Group that indicate how the Unipart Way has transformed Unipart into a company with capability to deliver outstanding performance for our clients," said Mr Neill.

"Our new logistics centre in the Midlands, which we created with Vodafone, will enable Unipart Technology Logistics to become the biggest mobile telephone repair business in the UK by the end of this summer. ASOS, one of our major retail customers, delivered its best ever Christmas sales and pointed to its partnership with Unipart Consumer Logistics as a key strength. Our consultants in Unipart Expert Practices have successfully implemented Lean in a wide range of enterprises from huge central government departments to financial services organisations and worldwide in a global manufacturing client.

"In manufacturing, Unipart now produces for a significant part of the British motor industry with clients ranging from the Mini to Rolls Royce, and has achieved global benchmark standards in productivity.

"During the year, HRH Prince Andrew visited our Coventry site in his role as the Government's Special Representative for International Trade and Investment. During his visit he came to understand how the Unipart Way has been deployed to provide high quality products and create a competitive edge for a British manufacturer. When we told him we couldn't explain the Unipart Way, but he could see it, he walked the shop floor talking to employees who showed how our Teaching Factory is used to create a cadre of people with deep knowledge of Lean production.

"That manufacturing expertise has extended into our rail companies. In Doncaster, we've used the Unipart Way to grow our facility for reconditioning, repair and manufacturing that was opened in 2005. Unipart Rail has also broadened its product offer with state of the art signalling equipment and increased services to Network Rail.

“All that took place against a background of continued strong performance for Unipart’s existing logistics clients like Jaguar, Homebase, Halfords and Vodafone. But in the automotive sector, where the entire industry has gone through wrenching change with large numbers of manufacturers leaving the UK, our business has been challenging. In an increasingly tough market, we have put in a new management team who are now achieving like-for-like sales growth.

“In a difficult climate, our companies have continued to grow their portfolio of clients and increase our relationships with existing clients. Every part of our business is using the Unipart Way to help us form deeper relationships with clients who need to deliver additional value better, faster and cheaper than they could on their own for their customers.”

***Ends***

### **Notes to editors**

Unipart Group employs more than 9,000 worldwide and has a annual turnover of more than £1.1billion.

As well as being the UK’s largest independent supplier of car and truck parts, bodyshop parts and workshop consumables through its Unipart Automotive division, Unipart Group is a major force in logistics for blue-chip customers.

The Unipart Logistics division provides technology logistics for Vodafone UK, 3 and BSkyB, retail logistics for, Halfords and Homebase and aerospace logistics for Airbus as well as managing worldwide logistics for all Jaguar aftermarket parts.

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