

Genuine Parts Company Enters Into Definitive Agreement To Complete Acquisition Of Leading Industrial Distributor In Australasia

Inenco Group to Provide Accretive Industrial Expansion

ATLANTA, May 22, 2019 /PRNewswire/ -- Genuine Parts Company (NYSE: GPC) announced today that it has entered into a definitive agreement to acquire the remaining 65% stake of Inenco Group (Inenco), headquartered in Sydney, Australia.

The Company previously purchased a 35% stake in Inenco on April 3, 2017, and held the opportunity to acquire the remaining stake at a later date, subject to certain conditions being satisfied. The Company expects to finance the balance of the purchase price using a combination of cash and borrowings. Subject to the satisfaction of customary closing conditions, the acquisition is expected to close on July 1, 2019.

Inenco Group, founded in 1954, is one of Australasia's leading industrial distributors of key product categories such as bearings, power transmission and seals. It has more than 160 locations across Australia and New Zealand as well as an emerging presence in Asia and generates estimated annual revenues of approximately \$400 million.

Paul Donahue, Chairman and Chief Executive Officer of Genuine Parts Company, stated, "We are very pleased to enter the final phase of our Inenco Group acquisition. Given our successful partnership with Inenco over the last two years, we believe that 100% ownership of the company best positions us to participate in the large and growing industrial marketplace in Australasia. Inenco is a market leader with an experienced and talented management team and significant growth potential and makes for a tremendous addition to our global industrial portfolio. We want to welcome the Inenco team to the GPC family, and we look forward to their many future contributions."

Roger Jowett, Chief Executive Officer of Inenco, commented, "As we complete the sale of our company, we are excited to join the GPC family and further build on our already strong relationship. The combination of GPC and Inenco is an excellent cultural and strategic fit, and we look forward to growing our business together."

Mitchel Martin-Weber, Director of Inenco, added, "On behalf of the Directors, we are delighted for Inenco and its employees to join GPC. The business and people will be in very good hands under GPC's ownership."

Forward Looking Statements

Some statements in this press release, as well as in other materials we file with the Securities and Exchange Commission ("SEC") or otherwise release to the public and in materials that we make available on our website, constitute forward-looking statements that are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Senior officers may also make verbal statements to analysts, investors, the media and others that are forward-looking. Forward-looking statements may relate, for example, to the anticipated strategic benefits, synergies and other attributes resulting from this and other acquisitions, as well as future operations, prospects, strategies, financial condition, economic performance (including growth and earnings), industry conditions and demand for our products and services. The Company cautions that its forward-looking statements involve risks and uncertainties, and while we believe that our expectations for the future are reasonable in view of currently available information, you are cautioned not to place undue reliance on our forward-looking statements. Actual results or events may differ materially from those indicated as a result of various important factors. Such factors may include, among other things, the Company's ability to successfully integrate Inenco and prior acquisitions into the Company and to realize the anticipated synergies and benefits; changes in the automotive aftermarket or changes in the industrial or business products markets; the Company's ability to successfully implement its business initiatives in each of its three business segments; slowing demand for the Company's products; changes in national and international legislation or government regulations or policies, including new import tariffs and data security policies and requirements; changes in general economic conditions, including unemployment, inflation (including the impact of potential tariffs) or deflation and the United Kingdom's referendum to exit from the European Union, commonly known as Brexit; changes in tax policies; volatile exchange rates; volatility in oil prices; significant cost increases, such as rising fuel and freight expenses; labor shortages; uncertain credit markets and other macroeconomic conditions; competitive product, service and pricing pressures; the ability to maintain favorable vendor arrangements and relationships; disruptions in our vendors' operations, including the impact of tariffs and trade considerations on their operations and output, as required to meet product demand; failure or weakness in our disclosure controls and procedures and internal controls over financial reporting; the uncertainties and costs of litigation; disruptions caused by a failure or breach of the Company's information systems, as well as other risks and uncertainties discussed in the Company's Annual Report on Form 10-K for 2018 and from time to time in the Company's subsequent filings with the SEC.

Forward-looking statements are only as of the date they are made, and the Company undertakes no duty to update its forward-looking statements except as required by law. You are advised, however, to review any further disclosures we make on related subjects in our subsequent Forms 10-K, 10-Q, 8-K and other reports to the SEC.

About Genuine Parts Company

Genuine Parts Company is a distributor of automotive replacement parts in the U.S., Canada, Mexico, Australasia, France, the U.K., Germany and Poland. The Company also distributes industrial replacement parts and electrical specialty materials in the U.S., Canada and Mexico through its Industrial Products Group. S.P. Richards Company, the Business Products Group, distributes a variety of business products in the U.S. and Canada. Genuine Parts Company had 2018 revenues of \$18.7 billion. Further information is available at www.genpt.com.

About Inenco Group

Founded in 1954, Inenco Group is a leading industrial distributor of bearings, power transmission and seals in Australia. Headquartered in Sydney, Australia, Inenco has more than 160 locations with distribution coverage across Australia and New Zealand, as well as an emerging presence in Asia. Inenco offers more than 350,000 products to over 55,000 diverse customers in key end markets, including the mining, manufacturing, agriculture and food and beverage industries. Further information is available at www.inencogroup.com.au.

SOURCE Genuine Parts Company

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