

# **Genuine Parts Company Completes Acquisition Of Leading Industrial Distributor In Australasia**

## **Inenco Group Provides Accretive Industrial Expansion and Opportunities for Synergies Across Businesses**

ATLANTA, July 10, 2019 /PRNewswire/ -- Genuine Parts Company (NYSE: GPC) announced today that Inenco Group (Inenco), headquartered in Sydney, Australia, has satisfied the terms and conditions of its agreement with the Company, allowing GPC to purchase the remaining 65% stake of Inenco, effective July 1, 2019. 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.

Inenco, 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 AU\$550 million (US\$400 million). Inenco, combined with the Company's automotive business in Australasia, acquired in 2013, provides GPC with annual revenues of approximately AU\$2.2 billion (US\$1.6 billion) in this key region.

Paul Donahue, Chairman and Chief Executive Officer of Genuine Parts Company, stated, "We are very pleased to complete the Inenco acquisition and move forward with 100% ownership of this outstanding organization. Inenco and its talented management team have consistently exceeded our expectations throughout our two-year partnership and represent a significant addition to our global industrial portfolio. In addition, this business operates in the large and growing Australasian marketplace and presents synergistic opportunities via world class supplier partners and an extensive and diverse customer base, which align with Motion Industries, our industrial business in North America. Likewise, we expect to realize additional cost-related synergies associated with our automotive business in Australasia."

Roger Jowett, Chief Executive Officer of Inenco, commented, "We are excited to join the GPC family and grow our business together. GPC's understanding of the industrial markets and commitment to future growth fits well with the goals and values at Inenco. There is tremendous opportunity related to the product and service capabilities at Motion Industries, which we can introduce to the Australasian markets. Additionally, we look forward to capitalizing on the many resources provided by GPC's existing operations in Australasia."

The Company will provide more details associated with this acquisition and its contribution to future earnings in its second quarter conference call on July 18, 2019.

### **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, Poland, the Netherlands and Belgium. 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](http://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](http://www.inencogroup.com.au).

SOURCE Genuine Parts Company

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