



## **General Automotive Announces Third Quarter 2008 Results**

### **The Company's Nine-Month Revenues Top \$10.2 Million, Up 25%**

ORLANDO, Fla., Nov 20, 2008 (BUSINESS WIRE) --

General Automotive Company (OTCBB:GNAU), a North American provider of parts, accessories and advanced technology for the automotive industry, is pleased to report financial results for the third quarter ended September 30, 2008.

Revenues for the 2008 third quarter totaled \$3,600,926 compared to \$3,403,109 in the third quarter of 2007. Gross profit for the 2008 third quarter was \$321,187 compared to \$421,377 in the corresponding 2007 period. The company recorded a net loss of \$1,492,080, or \$0.10 per diluted share, compared to a net loss of \$446,812, or \$0.91 per diluted share in the 2007 third quarter. The results for the three month period ended September 30, 2008, included a non cash, non-recurring expense of \$1,263,462 from certain discontinued operations or (\$0.08) per diluted share.

For the nine months ended September 30, 2008, the Company reported a revenue increase of 24.9%, to \$10,216,808 compared to \$8,178,431 for the same period in 2007.

The company reported a net loss for this 2008 nine month period of \$2,416,024, or \$0.20 per diluted share, compared to a net loss of \$1,148,736, or \$2.62 per diluted share, in the corresponding 2007 period. The results for the nine month period ended September 30, 2008, included a net loss from discontinued operations of \$1,551,263 or (\$0.13) per diluted share.

In November 2008 the Company's board of directors agreed to discontinue the operations of Global Parts Direct, Inc. through a sale of selected assets, which was closed on November 14th. This sale was fundamentally at liquidation value resulting in the need to record a loss on disposal of \$1,228,899 during the current quarter.

With declining demand for the type of electronic products provided by Global Parts Direct (GDP) during 2008 coupled with the subsidiaries' lack of profitability and substantial reduction in revenues from 2007, Company executives determined that not only did GDP not meet their strategic growth profile but that the sale of select assets of GDP would immediately strengthen General Automotive's active pursuit of substantial growth by acquisition.

Reflecting the majority of the Company's stated revenues above and revenue percentage growth numbers through the 3<sup>rd</sup> quarter ending September 30, 2008, the Company's wholly-owned subsidiary OE Source (OES) is focused on increasing revenues through meeting the growing demand for automotive engine management replacement parts, generating larger customer orders and establishing new domestic dealer and Asian product sourcing, which should also further reductions in their operating expenses.

General Automotive CEO Joseph DeFrancisci commented, "We are very confident that the new Asian suppliers we have identified will provide the Company's OE Source subsidiary with significant cost savings and allows us to offer reduced prices to our current customer base for larger quantity orders and most importantly, greater profit margins as well."

Mr. DeFrancisci continued, "Although GNAU shareholders should note our positive revenue growth during the first nine months of 2008, even before we eliminated our underperforming GDP subsidiary this month, I remind all shareholders that your management team at General Automotive remains highly focused on growth through multiple, potentially significant acquisition targets."

#### **About General Automotive**

General Automotive Company ("GA") is a North American provider of parts, accessories and advanced technology for the automotive industry. GA, which is focused on expanding its growth platform through the acquisition of successful niche manufacturing companies in the automotive industry, also has a wholly owned subsidiary, OE Source. General Automotive uses its relationships with manufacturers in China, Korea and Japan to bring state-of-the-art parts and accessories to automobile manufacturers and major parts distributors in the U.S.

**Safe Harbor Statement** This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are based on current plans and expectations of management and are subject to a number of uncertainties and risks that could significantly affect the company's current plans and expectations, as well as future results of operations and financial condition. A more extensive listing of risks and factors that may affect the company's business prospects and cause actual results to differ materially from those described in the forward-looking statements can be found in the reports and other documents filed by the company with the Securities and Exchange Commission. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

SOURCE: General Automotive Company

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