



General Automotive Company Reports 11.06% Growth and 38.37% EBIT Improvement for Second Quarter of 2009

ORLANDO, Fla., Aug 24, 2009 (GlobeNewswire via COMTEX News Network) -- General Automotive Company (OTCBB:GNAU), a North American provider of aftermarket parts and advanced technology for the automotive industry, today announced financial results for its second quarter ended June 30, 2009, on form 10-Q, a complete copy of which can be found at www.sec.gov and on General Automotive Company's website at www.generalautomotive.com.

General Automotive achieved year-over-year improvements in most profitability metrics in the second quarter of 2009. Revenue in the second quarter of 2009 increased 11.06% to \$3,373,999 compared to \$3,037,883 in the three months ended June 30, 2008.

Gross margin improved 3.82 percentage points to 12.48% of revenue in the second quarter from 8.66% of revenue in the same quarter last year due to increased efficiencies in purchasing practices and product sourcing at its OE Source subsidiary. The Company reduced its operating expenses during the six months ended June 30, 2009 by 1.33%, lowering its total expense to \$1,059,240 from \$1,073,582.

Earnings before interest and taxes improved 38.37% for the three months ended June 30, 2009 to an operating loss of \$136,227 from an operating loss of \$221,027 for the three months ended June 30, 2008. Through improved gross margins the Company reported a reduced net loss of \$506,071, or \$0.03 per basic and diluted share for the six months ended June 30, 2009, versus a net loss of \$923,944, or \$0.09 per basic and diluted share, in the six months ended June 30, 2008. The year-ago net loss included \$287,807, or \$0.03 per basic and diluted share, related to discontinued operations.

"We're all very pleased with excellent growth and improvements in operation and financial performance achieved during the first half of 2009," said Joseph DeFrancisci, president and CEO of General Automotive. "Having identified, qualified and brought on line new and high quality sources in Asia, OE Source has been able to offer its customers a new dimension in value, service and supply chain efficiency."

About General Automotive Company

General Automotive Company ("GAC") is focused on expanding its operating growth platform through multiple and ongoing acquisitions of successful niche manufacturing companies in the automotive industry. General Automotive's wholly owned subsidiary, OE Source ("OES"), imports and sells hard-to-get auto parts from proprietary sources domestically and abroad, fulfilling critical portions of its customers' supply chain. These customers include large, multi-national distributors. OES specializes in engine management products such as O2 sensors, which is a rapidly growing and government mandated segment of the auto supply industry. General Automotive is also a partner in the Advance Composite Technology joint venture with SenCer Inc., the advanced ceramics research laboratory whose proprietary "Ultra-Temp" technology is a potential game changer in the fields of oxygen sensors and SOFC fuel cells for powering automobiles.

The General Automotive Company logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=6532>

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. Specifically, the Company's ability to raise additional capital, execute its business plan and strategy, sustain or increase gross margins, achieve profitability and build shareholder value are forward looking statements. 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.

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