



General Automotive Company Signs Letter of Intent to Acquire Europacific Parts International in All Stock Transaction

- **Positions Company to capitalize on downturn in automotive industry**
- **Cornerstone transaction in aggressive acquisition strategy**

ORLANDO, FL, May 05, 2009 (MARKET WIRE 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 it has signed a non-binding letter of intent to acquire privately held Europacific Parts International Inc. (EPI) for stock. The transaction is expected to further position the Company to capitalize on growing consumer preferences for extending the life of their vehicles in the current economic downturn.

EPI, based in Irvine, CA, is a major U.S. importer and distributor of high quality auto parts for European- and Asian-manufactured automobiles. EPI, which reported unaudited revenue of approximately \$29 million in 2008, will operate as a wholly owned subsidiary of General Automotive. Additionally, key EPI executives will be retained to ensure smooth integration and operational continuity.

Joseph DeFrancisci, president and CEO of General Automotive, said the proposed acquisition is a critical milestone in the Company's strategy to acquire established businesses with strong growth and profit potential in the \$265 billion automotive aftermarket parts industry.

"We expect the EPI acquisition to help establish General Automotive as a major, diversified player in the automotive aftermarket industry -- an industry estimated at \$265 billion annually and growing," said DeFrancisci. "EPI is a premier domestic distributor of quality new parts for most of the leading automakers in Germany, Sweden, Japan and Korea. The Company has a large and varied customer base, which is supported by a solid sales infrastructure and an advanced supply chain management system. Post acquisition, we expect to leverage this growth platform with a series of initiatives designed to enhance EPI's revenue and profitability. In the meantime, we continue to evaluate additional acquisition targets."

Additional EPI highlights:

- 28,000 customers in database, including 8,000 active.
- 50-person call/sales center.
- Superior interactive cross-referenced parts database and web based selling platform, unique in the industry.
- Catalog covers Acura, Audi, BMW, Honda, Hyundai, Mazda, Mercedes-Benz, Mitsubishi, Nissan, Porsche, Saab, Subaru, Toyota, Volkswagen and Volvo.
- Nationwide sales coverage.

DeFrancisci added, "The automotive aftermarket parts industry is showing strong gains in recent quarters due to the economic downturn that has car owners electing to extend the life of their vehicles while delaying new car purchases. This presents General Automotive with an extraordinary growth opportunity -- to acquire and operate growing businesses with high profit potential in select automotive segments capable of thriving no matter what the prevailing economic conditions."

Under terms of the non-binding letter of intent, General Automotive will issue four million shares of restricted common stock to the current owners of EPI. EPI's stockholders can earn an additional four million shares over the next six years based on the achievement of certain revenue and profitability milestones.

Closing of the EPI transaction is subject to completion of due diligence and other conditions. In connection with the acquisition and with its overall growth plan, General Automotive expects to raise additional capital in 2009.

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 Advanced 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.

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 close and integrate the acquisition, enhance EPI's operations and profitability, leverage EPI's growth platform, raise additional capital, and make additional acquisitions 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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