

## STANDARD MOTOR PRODUCTS, INC. Consolidated Statements of Operations

(In thousands, except per share amounts)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2023	2022	2023	2022
	(Unaudited)		(Unaudited)	
NET SALES	\$ 386,413	\$ 381,373	\$ 1,067,516	\$ 1,063,616
COST OF SALES	<u>271,653</u>	<u>274,589</u>	<u>760,220</u>	<u>770,641</u>
GROSS PROFIT	114,760	106,784	307,296	292,975
SELLING, GENERAL & ADMINISTRATIVE EXPENSES	79,781	73,199	223,257	204,551
RESTRUCTURING AND INTEGRATION EXPENSES	177	-	1,383	44
OTHER INCOME, NET	<u>4</u>	<u>30</u>	<u>74</u>	<u>43</u>
OPERATING INCOME	34,806	33,615	82,730	88,423
OTHER NON-OPERATING INCOME, NET	1,732	1,513	2,759	4,889
INTEREST EXPENSE	<u>3,621</u>	<u>3,656</u>	<u>10,766</u>	<u>6,282</u>
EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	32,917	31,472	74,723	87,030
PROVISION FOR INCOME TAXES	<u>7,995</u>	<u>8,280</u>	<u>18,656</u>	<u>22,407</u>
EARNINGS FROM CONTINUING OPERATIONS	24,922	23,192	56,067	64,623
LOSS FROM DISCONTINUED OPERATION, NET OF INCOME TAXES	<u>(18,200)</u>	<u>(14,294)</u>	<u>(28,201)</u>	<u>(17,076)</u>
NET EARNINGS	6,722	8,898	27,866	47,547
NET EARNINGS ATTRIBUTABLE TO NONCONTROLLING INTEREST	<u>63</u>	<u>52</u>	<u>152</u>	<u>129</u>
NET EARNINGS ATTRIBUTABLE TO SMP (a)	<u>\$ 6,659</u>	<u>\$ 8,846</u>	<u>\$ 27,714</u>	<u>\$ 47,418</u>
<u>NET EARNINGS ATTRIBUTABLE TO SMP</u>				
EARNINGS FROM CONTINUING OPERATIONS	\$ 24,859	\$ 23,140	\$ 55,915	\$ 64,494
LOSS FROM DISCONTINUED OPERATION, NET OF INCOME TAXES	<u>(18,200)</u>	<u>(14,294)</u>	<u>(28,201)</u>	<u>(17,076)</u>
TOTAL	<u>\$ 6,659</u>	<u>\$ 8,846</u>	<u>\$ 27,714</u>	<u>\$ 47,418</u>
<u>NET EARNINGS PER COMMON SHARE ATTRIBUTABLE TO SMP</u>				
BASIC EARNINGS FROM CONTINUING OPERATIONS	\$ 1.14	\$ 1.08	\$ 2.58	\$ 2.97
DISCONTINUED OPERATION	<u>(0.83)</u>	<u>(0.67)</u>	<u>(1.30)</u>	<u>(0.79)</u>
NET EARNINGS PER COMMON SHARE - BASIC	<u>\$ 0.31</u>	<u>\$ 0.41</u>	<u>\$ 1.28</u>	<u>\$ 2.18</u>
DILUTED EARNINGS FROM CONTINUING OPERATIONS	\$ 1.12	\$ 1.06	\$ 2.52	\$ 2.91
DISCONTINUED OPERATION	<u>(0.82)</u>	<u>(0.66)</u>	<u>(1.27)</u>	<u>(0.77)</u>
NET EARNINGS PER COMMON SHARE - DILUTED	<u>\$ 0.30</u>	<u>\$ 0.40</u>	<u>\$ 1.25</u>	<u>\$ 2.14</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES	21,727,119	21,427,393	21,675,699	21,719,281
WEIGHTED AVERAGE NUMBER OF COMMON AND DILUTIVE SHARES	22,253,723	21,847,602	22,198,131	22,153,348

(a) "SMP" refers to Standard Motor Products, Inc. and subsidiaries.

## STANDARD MOTOR PRODUCTS, INC.

### Segment Revenues and Operating Profit

(In thousands)

	THREE MONTHS ENDED SEPTEMBER 30,				NINE MONTHS ENDED SEPTEMBER 30,					
	2023	(Unaudited)		2022	2023	(Unaudited)		2022		
<b><u>Revenues</u></b>										
Engine Management (Ignition, Emissions and Fuel Delivery)	\$ 113,188			\$ 117,750	\$ 342,860			\$ 338,480		
Electrical and Safety	62,049			63,867	166,720			173,178		
Wire sets and other	15,700			16,082	49,723			49,076		
<b>Vehicle Control</b>	<b>190,937</b>			<b>197,699</b>	<b>559,303</b>			<b>560,734</b>		
AC System Components	96,794			90,341	216,995			219,323		
Other Thermal Components	26,849			27,080	76,128			76,793		
<b>Temperature Control</b>	<b>123,643</b>			<b>117,421</b>	<b>293,123</b>			<b>296,116</b>		
Commercial Vehicle	16,253			19,299	62,852			60,253		
Construction / Agriculture	13,643			10,971	34,541			33,177		
Light Vehicle	24,667			21,409	71,181			70,523		
All Other	17,270			14,574	46,516			42,813		
<b>Engineered Solutions</b>	<b>71,833</b>			<b>66,253</b>	<b>215,090</b>			<b>206,766</b>		
<b>Revenues</b>	<b>\$ 386,413</b>			<b>\$ 381,373</b>	<b>\$ 1,067,516</b>			<b>\$ 1,063,616</b>		
<b><u>Gross Margin</u></b>										
Vehicle Control	\$ 60,865	31.9%		\$ 60,350	30.5%		\$ 179,446	32.1%	\$ 169,502	30.2%
Temperature Control	37,785	30.6%		35,105	29.9%		83,452	28.5%	83,908	28.3%
Engineered Solutions	16,110	22.4%		11,329	17.1%		44,398	20.6%	39,565	19.1%
All Other	-			-			-		-	
<b>Gross Margin</b>	<b>\$ 114,760</b>	<b>29.7%</b>		<b>\$ 106,784</b>	<b>28.0%</b>		<b>\$ 307,296</b>	<b>28.8%</b>	<b>\$ 292,975</b>	<b>27.5%</b>
<b><u>Selling, General &amp; Administrative</u></b>										
Vehicle Control	\$ 42,752	22.4%		\$ 39,229	19.8%		\$ 124,308	22.2%	\$ 111,947	20.0%
Temperature Control	24,624	19.9%		21,716	18.5%		61,736	21.1%	55,834	18.9%
Engineered Solutions	8,832	12.3%		8,027	12.1%		25,222	11.7%	24,866	12.0%
All Other	3,573			4,227			11,991		11,904	
<b>Selling, General &amp; Administrative</b>	<b>\$ 79,781</b>	<b>20.6%</b>		<b>\$ 73,199</b>	<b>19.2%</b>		<b>\$ 223,257</b>	<b>20.9%</b>	<b>\$ 204,551</b>	<b>19.2%</b>
<b><u>Operating Income</u></b>										
Vehicle Control	\$ 18,113	9.5%		\$ 21,121	10.7%		\$ 55,138	9.9%	\$ 57,555	10.3%
Temperature Control	13,161	10.6%		13,389	11.4%		21,716	7.4%	28,074	9.5%
Engineered Solutions	7,278	10.1%		3,302	5.0%		19,176	8.9%	14,699	7.1%
All Other	(3,573)			(4,227)			(11,991)		(11,904)	
<b>Subtotal</b>	<b>\$ 34,979</b>	<b>9.1%</b>		<b>\$ 33,585</b>	<b>8.8%</b>		<b>\$ 84,039</b>	<b>7.9%</b>	<b>\$ 88,424</b>	<b>8.3%</b>
Restructuring & Integration	(177)	0.0%		-	0.0%		(1,383)	-0.1%	(44)	0.0%
Other Income, Net	4	0.0%		30	0.0%		74	0.0%	43	0.0%
<b>Operating Income</b>	<b>\$ 34,806</b>	<b>9.0%</b>		<b>\$ 33,615</b>	<b>8.8%</b>		<b>\$ 82,730</b>	<b>7.7%</b>	<b>\$ 88,423</b>	<b>8.3%</b>

## STANDARD MOTOR PRODUCTS, INC.

### Reconciliation of GAAP and Non-GAAP Measures

(In thousands, except per share amounts)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,				
	2023	2022	2023	2022			
	(Unaudited)		(Unaudited)				
<b><u>EARNINGS FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u></b>							
GAAP EARNINGS FROM CONTINUING OPERATIONS	\$ 24,859	\$ 23,140	\$ 55,915	\$ 64,494			
RESTRUCTURING AND INTEGRATION EXPENSES	177	-	1,383	44			
CERTAIN TAX CREDITS AND PRODUCTION DEDUCTIONS FINALIZED IN PERIOD	(312)	(249)	(312)	(249)			
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	(46)	-	(360)	(11)			
NON-GAAP EARNINGS FROM CONTINUING OPERATIONS	<u>\$ 24,678</u>	<u>\$ 22,891</u>	<u>\$ 56,626</u>	<u>\$ 64,278</u>			
<b><u>DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u></b>							
GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	\$ 1.12	\$ 1.06	\$ 2.52	\$ 2.91			
RESTRUCTURING AND INTEGRATION EXPENSES	-	-	0.06	-			
CERTAIN TAX CREDITS AND PRODUCTION DEDUCTIONS FINALIZED IN PERIOD	(0.01)	(0.01)	(0.01)	(0.01)			
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	-	-	(0.02)	-			
NON-GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	<u>\$ 1.11</u>	<u>\$ 1.05</u>	<u>\$ 2.55</u>	<u>\$ 2.90</u>			
<b><u>OPERATING INCOME</u></b>							
GAAP OPERATING INCOME	\$ 34,806	\$ 33,615	\$ 82,730	\$ 88,423			
RESTRUCTURING AND INTEGRATION EXPENSES	177	-	1,383	44			
OTHER INCOME, NET	(4)	(30)	(74)	(43)			
NON-GAAP OPERATING INCOME	<u>\$ 34,979</u>	<u>\$ 33,585</u>	<u>\$ 84,039</u>	<u>\$ 88,424</u>			
<b><u>EBITDA WITHOUT SPECIAL ITEMS</u></b>							
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 32,917	\$ 31,472	\$ 74,723	\$ 87,030	\$ 86,025	\$ 111,817	\$ 98,332
DEPRECIATION AND AMORTIZATION	7,332	7,002	21,461	20,895	28,864	27,978	28,298
INTEREST EXPENSE	3,621	3,656	10,766	6,282	15,101	6,954	10,617
EBITDA	<u>43,870</u>	<u>42,130</u>	<u>106,950</u>	<u>114,207</u>	<u>129,990</u>	<u>146,749</u>	<u>137,247</u>
RESTRUCTURING AND INTEGRATION EXPENSES	177	-	1,383	44	3,230	270	1,891
CUSTOMER BANKRUPTCY CHARGE	-	-	-	-	7,002	-	7,002
ONE-TIME ACQUISITION COSTS	-	-	-	-	-	105	-
SPECIAL ITEMS	177	-	1,383	44	10,232	375	8,893
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 44,047</u>	<u>\$ 42,130</u>	<u>\$ 108,333</u>	<u>\$ 114,251</u>	<u>\$ 140,222</u>	<u>\$ 147,124</u>	<u>\$ 146,140</u>

MANAGEMENT BELIEVES THAT NON-GAAP EARNINGS FROM CONTINUING OPERATIONS AND NON-GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS WHICH ARE ATTRIBUTABLE TO SMP, AND NON-GAAP OPERATING INCOME AND EBITDA WITHOUT SPECIAL ITEMS, EACH OF WHICH ARE NON-GAAP MEASUREMENTS AND ARE ADJUSTED FOR SPECIAL ITEMS, ARE MEANINGFUL TO INVESTORS BECAUSE THEY PROVIDE A VIEW OF THE COMPANY WITH RESPECT TO ONGOING OPERATING RESULTS. SPECIAL ITEMS REPRESENT SIGNIFICANT CHARGES OR CREDITS THAT ARE IMPORTANT TO AN UNDERSTANDING OF THE COMPANY'S OVERALL OPERATING RESULTS IN THE PERIODS PRESENTED. SUCH NON-GAAP MEASUREMENTS ARE NOT RECOGNIZED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND SHOULD NOT BE VIEWED AS AN ALTERNATIVE TO GAAP MEASURES OF PERFORMANCE.

# STANDARD MOTOR PRODUCTS, INC.

## Reconciliation of GAAP and Non-GAAP Measures by Segments

(In thousands)

	THREE MONTHS ENDED SEPTEMBER 30, 2023				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
<b>OPERATING INCOME</b>					
GAAP OPERATING INCOME	\$ 18,071	\$ 13,054	\$ 7,254	\$ (3,573)	\$ 34,806
RESTRUCTURING AND INTEGRATION EXPENSES	45	107	25	-	177
OTHER INCOME, NET	(3)	-	(1)	-	(4)
NON-GAAP OPERATING INCOME	<u>\$ 18,113</u>	<u>\$ 13,161</u>	<u>\$ 7,278</u>	<u>\$ (3,573)</u>	<u>\$ 34,979</u>
<b>EBITDA WITHOUT SPECIAL ITEMS</b>					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 15,702	\$ 12,780	\$ 8,078	\$ (3,643)	\$ 32,917
DEPRECIATION AND AMORTIZATION	3,482	908	2,450	492	7,332
INTEREST EXPENSE	2,563	942	620	(504)	3,621
EBITDA	<u>21,747</u>	<u>14,630</u>	<u>11,148</u>	<u>(3,655)</u>	<u>43,870</u>
RESTRUCTURING AND INTEGRATION EXPENSES	45	107	25	-	177
SPECIAL ITEMS	45	107	25	-	177
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 21,792</u>	<u>\$ 14,737</u>	<u>\$ 11,173</u>	<u>\$ (3,655)</u>	<u>\$ 44,047</u>
% of Net Sales	11.4%	11.9%	15.6%		11.4%

(In thousands)

	THREE MONTHS ENDED SEPTEMBER 30, 2022				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
<b>OPERATING INCOME</b>					
GAAP OPERATING INCOME	\$ 21,151	\$ 13,389	\$ 3,302	\$ (4,227)	\$ 33,615
RESTRUCTURING AND INTEGRATION EXPENSES	-	-	-	-	-
OTHER INCOME, NET	(30)	-	-	-	(30)
NON-GAAP OPERATING INCOME	<u>\$ 21,121</u>	<u>\$ 13,389</u>	<u>\$ 3,302</u>	<u>\$ (4,227)</u>	<u>\$ 33,585</u>
<b>EBITDA WITHOUT SPECIAL ITEMS</b>					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 18,745	\$ 12,351	\$ 4,650	\$ (4,274)	\$ 31,472
DEPRECIATION AND AMORTIZATION	3,511	661	2,424	406	7,002
INTEREST EXPENSE	2,748	788	202	(82)	3,656
EBITDA	<u>25,004</u>	<u>13,800</u>	<u>7,276</u>	<u>(3,950)</u>	<u>42,130</u>
RESTRUCTURING AND INTEGRATION EXPENSES	-	-	-	-	-
SPECIAL ITEMS	-	-	-	-	-
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 25,004</u>	<u>\$ 13,800</u>	<u>\$ 7,276</u>	<u>\$ (3,950)</u>	<u>\$ 42,130</u>
% of Net Sales	12.6%	11.8%	11.0%		11.0%

MANAGEMENT BELIEVES THAT NON-GAAP OPERATING INCOME AND EBITDA WITHOUT SPECIAL ITEMS, EACH OF WHICH ARE NON-GAAP MEASUREMENTS AND ARE ADJUSTED FOR SPECIAL ITEMS, ARE MEANINGFUL TO INVESTORS BECAUSE THEY PROVIDE A VIEW OF THE COMPANY WITH RESPECT TO ONGOING OPERATING RESULTS. SPECIAL ITEMS REPRESENT SIGNIFICANT CHARGES OR CREDITS THAT ARE IMPORTANT TO AN UNDERSTANDING OF THE COMPANY'S OVERALL OPERATING RESULTS IN THE PERIODS PRESENTED. SUCH NON-GAAP MEASUREMENTS ARE NOT RECOGNIZED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND SHOULD NOT BE VIEWED AS AN ALTERNATIVE TO GAAP MEASURES OF PERFORMANCE.

# STANDARD MOTOR PRODUCTS, INC.

## Reconciliation of GAAP and Non-GAAP Measures by Segments

(In thousands)

	NINE MONTHS ENDED SEPTEMBER 30, 2023				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
<b>OPERATING INCOME</b>					
GAAP OPERATING INCOME	\$ 54,719	\$ 20,938	\$ 19,064	\$ (11,991)	\$ 82,730
RESTRUCTURING AND INTEGRATION EXPENSES	484	778	121	-	1,383
OTHER INCOME, NET	(65)	-	(9)	-	(74)
NON-GAAP OPERATING INCOME	<u>\$ 55,138</u>	<u>\$ 21,716</u>	<u>\$ 19,176</u>	<u>\$ (11,991)</u>	<u>\$ 84,039</u>
<b>EBITDA WITHOUT SPECIAL ITEMS</b>					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 47,994	\$ 19,144	\$ 19,611	\$ (12,026)	\$ 74,723
DEPRECIATION AND AMORTIZATION	10,267	2,439	7,417	1,338	21,461
INTEREST EXPENSE	7,608	2,677	1,616	(1,135)	10,766
EBITDA	<u>65,869</u>	<u>24,260</u>	<u>28,644</u>	<u>(11,823)</u>	<u>106,950</u>
RESTRUCTURING AND INTEGRATION EXPENSES	484	778	121	-	1,383
SPECIAL ITEMS	484	778	121	-	1,383
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 66,353</u>	<u>\$ 25,038</u>	<u>\$ 28,765</u>	<u>\$ (11,823)</u>	<u>\$ 108,333</u>
<i>% of Net Sales</i>	<i>11.9%</i>	<i>8.5%</i>	<i>13.4%</i>		<i>10.1%</i>

(In thousands)

	NINE MONTHS ENDED SEPTEMBER 30, 2022				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
<b>OPERATING INCOME</b>					
GAAP OPERATING INCOME	\$ 57,554	\$ 28,074	\$ 14,699	\$ (11,904)	\$ 88,423
RESTRUCTURING AND INTEGRATION EXPENSES	44	-	-	-	44
OTHER INCOME, NET	(43)	-	-	-	(43)
NON-GAAP OPERATING INCOME	<u>\$ 57,555</u>	<u>\$ 28,074</u>	<u>\$ 14,699</u>	<u>\$ (11,904)</u>	<u>\$ 88,424</u>
<b>EBITDA WITHOUT SPECIAL ITEMS</b>					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 54,039	\$ 28,895	\$ 16,178	\$ (12,082)	\$ 87,030
DEPRECIATION AND AMORTIZATION	10,419	2,083	7,177	1,216	20,895
INTEREST EXPENSE	4,676	1,354	487	(235)	6,282
EBITDA	<u>69,134</u>	<u>32,332</u>	<u>23,842</u>	<u>(11,101)</u>	<u>114,207</u>
RESTRUCTURING AND INTEGRATION EXPENSES	44	-	-	-	44
SPECIAL ITEMS	44	-	-	-	44
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 69,178</u>	<u>\$ 32,332</u>	<u>\$ 23,842</u>	<u>\$ (11,101)</u>	<u>\$ 114,251</u>
<i>% of Net Sales</i>	<i>12.3%</i>	<i>10.9%</i>	<i>11.5%</i>		<i>10.7%</i>

MANAGEMENT BELIEVES THAT NON-GAAP OPERATING INCOME AND EBITDA WITHOUT SPECIAL ITEMS, EACH OF WHICH ARE NON-GAAP MEASUREMENTS AND ARE ADJUSTED FOR SPECIAL ITEMS, ARE MEANINGFUL TO INVESTORS BECAUSE THEY PROVIDE A VIEW OF THE COMPANY WITH RESPECT TO ONGOING OPERATING RESULTS. SPECIAL ITEMS REPRESENT SIGNIFICANT CHARGES OR CREDITS THAT ARE IMPORTANT TO AN UNDERSTANDING OF THE COMPANY'S OVERALL OPERATING RESULTS IN THE PERIODS PRESENTED. SUCH NON-GAAP MEASUREMENTS ARE NOT RECOGNIZED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND SHOULD NOT BE VIEWED AS AN ALTERNATIVE TO GAAP MEASURES OF PERFORMANCE.

# STANDARD MOTOR PRODUCTS, INC.

## Condensed Consolidated Balance Sheets

(In thousands)

	SEPTEMBER 2023 <u>(Unaudited)</u>	SEPTEMBER 2022 <u>(Unaudited)</u>	DECEMBER 2022 <u></u>
<b><u>ASSETS</u></b>			
CASH AND CASH EQUIVALENTS	\$ 28,485	\$ 17,525	\$ 21,150
ACCOUNTS RECEIVABLE, GROSS	213,925	236,342	173,013
ALLOWANCE FOR EXPECTED CREDIT LOSSES	5,872	5,900	5,375
ACCOUNTS RECEIVABLE, NET	<u>208,053</u>	<u>230,442</u>	<u>167,638</u>
INVENTORIES	479,788	534,310	528,715
UNRETURNED CUSTOMER INVENTORY	21,847	21,485	19,695
OTHER CURRENT ASSETS	24,240	25,911	25,241
TOTAL CURRENT ASSETS	<u>762,413</u>	<u>829,673</u>	<u>762,439</u>
PROPERTY, PLANT AND EQUIPMENT, NET	113,012	104,199	107,148
OPERATING LEASE RIGHT-OF-USE ASSETS	99,067	47,168	49,838
GOODWILL	134,382	130,727	132,087
OTHER INTANGIBLES, NET	94,324	99,756	100,504
DEFERRED INCOME TAXES	36,455	34,484	33,658
INVESTMENT IN UNCONSOLIDATED AFFILIATES	22,909	42,648	41,745
OTHER ASSETS	37,368	30,071	27,510
TOTAL ASSETS	<u>\$ 1,299,930</u>	<u>\$ 1,318,726</u>	<u>\$ 1,254,929</u>
<b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>			
CURRENT PORTION OF REVOLVING CREDIT FACILITY	\$ 47,400	\$ 52,100	\$ 50,000
CURRENT PORTION OF TERM LOAN AND OTHER DEBT	5,026	6,036	5,031
ACCOUNTS PAYABLE	103,237	103,894	89,247
ACCRUED CUSTOMER RETURNS	48,556	53,857	37,169
ACCRUED CORE LIABILITY	19,778	23,845	22,952
ACCRUED REBATES	46,329	42,378	37,381
PAYROLL AND COMMISSIONS	31,718	37,539	31,361
SUNDRY PAYABLES AND ACCRUED EXPENSES	71,298	54,215	49,990
TOTAL CURRENT LIABILITIES	<u>373,342</u>	<u>373,864</u>	<u>323,131</u>
LONG-TERM DEBT	95,170	211,400	184,589
NONCURRENT OPERATING LEASE LIABILITY	88,186	38,618	40,709
ACCRUED ASBESTOS LIABILITIES	73,962	63,820	63,305
OTHER LIABILITIES	23,797	20,637	22,157
TOTAL LIABILITIES	<u>654,457</u>	<u>708,339</u>	<u>633,891</u>
TOTAL SMP STOCKHOLDERS' EQUITY	629,348	599,387	610,020
NONCONTROLLING INTEREST	16,125	11,000	11,018
TOTAL STOCKHOLDERS' EQUITY	<u>645,473</u>	<u>610,387</u>	<u>621,038</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 1,299,930</u>	<u>\$ 1,318,726</u>	<u>\$ 1,254,929</u>

**STANDARD MOTOR PRODUCTS, INC.**  
**Condensed Consolidated Statements of Cash Flows**

(In thousands)

	NINE MONTHS ENDED SEPTEMBER 30,	
	2023	2022
	(Unaudited)	
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
NET EARNINGS	\$ 27,866	\$ 47,547
ADJUSTMENTS TO RECONCILE NET EARNINGS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
DEPRECIATION AND AMORTIZATION	21,461	20,895
LOSS FROM DISCONTINUED OPERATIONS, NET OF TAXES	28,201	17,076
OTHER	4,701	8,828
CHANGE IN ASSETS AND LIABILITIES:		
ACCOUNTS RECEIVABLE	(38,850)	(51,887)
INVENTORY	54,286	(75,300)
ACCOUNTS PAYABLE	15,852	(31,844)
PREPAID EXPENSES AND OTHER CURRENT ASSETS	2,916	(6,270)
SUNDRY PAYABLES AND ACCRUED EXPENSES	12,345	3,807
OTHER	4,115	(8,327)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	132,893	(75,475)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
ACQUISITIONS OF AND INVESTMENTS IN BUSINESSES	(3,954)	-
CASH ACQUIRED IN STEP ACQUISITION	6,779	-
CAPITAL EXPENDITURES	(17,977)	(19,499)
OTHER INVESTING ACTIVITIES	95	12
NET CASH USED IN INVESTING ACTIVITIES	(15,057)	(19,487)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
NET CHANGE IN DEBT	(92,149)	141,457
PURCHASE OF TREASURY STOCK	-	(29,656)
DIVIDENDS PAID	(18,846)	(17,602)
PAYMENTS OF DEBT ISSUANCE COSTS	-	(2,128)
OTHER FINANCING ACTIVITIES	(2)	(54)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(110,997)	92,017
EFFECT OF EXCHANGE RATE CHANGES ON CASH	496	(1,285)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,335	(4,230)
CASH AND CASH EQUIVALENTS at beginning of period	21,150	21,755
CASH AND CASH EQUIVALENTS at end of period	\$ 28,485	\$ 17,525