



*For Immediate Release*

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## **Standard Motor Products, Inc. Announces Second Quarter 2024 Results and Quarterly Dividend**

New York, NY, August 1, 2024.....Standard Motor Products, Inc. (NYSE: SMP), a leading automotive parts manufacturer and distributor, reported today its consolidated financial results for the three and six months ended June 30, 2024.

Net sales for the second quarter of 2024 were \$389.8 million, compared to consolidated net sales of \$353.1 million during the comparable quarter in 2023. Earnings from continuing operations for the second quarter of 2024 were \$18.0 million or \$0.81 per diluted share, compared to \$18.4 million or \$0.83 per diluted share in the second quarter of 2023. Excluding non-operational gains and losses identified on the attached reconciliation of GAAP and non-GAAP measures, earnings from continuing operations for the second quarter of 2024 were \$21.7 million or \$0.98 per diluted share, compared to \$18.6 million or \$0.84 per diluted share in the second quarter of 2023.

Consolidated net sales for the six months ended June 30, 2024, were \$721.2 million, compared to consolidated net sales of \$681.1 million during the comparable period in 2023. Earnings from

continuing operations for the six months ended June 30, 2024, were \$27.8 million or \$1.25 per diluted share, compared to \$31.1 million or \$1.40 per diluted share in the comparable period of 2023. Excluding non-operational gains and losses identified on the attached reconciliation of GAAP and non-GAAP measures, earnings from continuing operations for the six months ended June 30, 2024 and 2023 were \$31.7 million or \$1.42 per diluted share and \$31.9 million or \$1.44 per diluted share, respectively.

Mr. Eric Sills, Standard Motor Products' Chairman and Chief Executive Officer stated, "We are pleased with our second quarter results as sales increased 10.4% versus last year's second quarter, while year-to-date sales are up nearly 6% relative to 2023. We experienced solid top line results in all segments, setting records across the board, most notably within Temperature Control."

By segment, Vehicle Control sales improved 2.7% in the quarter, accelerating from the more modest growth seen in our first quarter. Year-to-date sales are up 1.6%, and we are pleased with the trajectory.

Temperature Control sales increased 28.2% versus last year's second quarter, representing an all-time quarterly sales record, as elevated heat persisted across much of the country. Year-to-date we are up nearly 16%, and temperatures remain hot, which should be positive for the third quarter.

Our Engineered Solutions segment sales increased 6.1% in the quarter and 5.3% for the year, attributable to strong demand from our existing customers as well as new business wins. We

continue to see positive results from our cross-selling efforts, and the pipeline of opportunities remains healthy.

Looking at profitability, our Adjusted EBITDA margin was 10.1% in the quarter vs. 10.0% last year. Excluding \$1.3 million of start-up costs related to our new distribution center in Shawnee, KS, Adjusted EBITDA was 10.4% in the quarter. During the quarter, our operating income was impacted by a roughly \$1.0 million increase in customer factoring program expense over last year mainly due to higher sales volumes, although it appears we are finally starting to see a leveling off from the impact of elevated interest rates.

Mr. Sills commented, “While we are pleased with our sales results, we continue to work on our profitability, as cost pressures persist. To address this, we chose to implement an early retirement program launched in the second quarter. Benefits of this program will phase in over the next few quarters, and once fully realized, we anticipate achieving an estimated \$10 million of annualized savings. We expect one-time severance costs of approximately \$6 million related to this program, of which \$2.6 million was incurred in the second quarter, and an additional \$3.1 million is expected to be incurred in the second half of 2024 as people retire.”

During the quarter, we announced a definitive agreement to acquire AX V Nissens III APS (“Nissens”), a leading European manufacturer and distributor of aftermarket engine cooling and air conditioning products with a growing array of vehicle control technologies, for approximately \$388 million (€360 million) in cash. Nissens has annual revenues of approximately \$260 million with a mid-teens EBITDA margin rate. The transaction is expected to be completed before the

end of 2024, and is subject to certain closing conditions, including receipt of applicable antitrust and other regulatory approvals. We are extremely excited about this major step forward for our company. For more details, please see our July 10, 2024 press release and investor presentation related to the Nissens acquisition located on our website [www.smpcorp.com](http://www.smpcorp.com).

As part of our commitment to return value to shareholders, the Board of Directors has approved payment of a quarterly dividend of 29 cents per share on the common stock outstanding, which will be paid on September 3, 2024 to stockholders of record on August 15, 2024. Additionally, we purchased \$7.8 million of common stock under our existing share repurchase authorization during the quarter, leaving our remaining authorization under the current program at \$19.6 million.

Regarding our sales and profit expectations for the full year of 2024, and excluding any impact from the Nissens acquisition, we anticipate sales growth will be in the low- to mid-single digits, up from prior projections, and Adjusted EBITDA will be in a range of 9.0-9.5%, consistent with what we noted previously. We expect to incur roughly \$3-4 million of additional start-up costs in 2024 as compared to 2023 for our new distribution center in Shawnee, KS, related to increased rent as well as duplicate expenses as we transition away from our Edwardsville, KS distribution center.

In closing, Mr. Sills commented “As we look towards the second half of the year, we are encouraged with the demand seen so far across all our segments. Aftermarket fundamentals remain positive, and our Engineered Solutions business is performing well. Lastly, we are excited about our planned acquisition of Nissens that expands our geographic presence, and

provides a meaningful global growth platform for many years to come. We want to thank all our employees for our current success and helping us achieve our goals for the future.”

### ***Conference Call***

Standard Motor Products, Inc. will hold a conference call at 11:00 AM, Eastern Time, on Thursday, August 1, 2024. This call will be webcast and can be accessed on the Investor Relations page of our website at [www.smpcorp.com](http://www.smpcorp.com) and clicking on the [SMP 2Q 2024](#) Earnings Webcast link. Investors may also listen to the call by dialing 800-343-4136 (domestic) or 203-518-9843 (international) and using conference ID SMP2Q2024. Our playback will be made available for dial in immediately following the call. For those choosing to listen to the replay by webcast, the link should be active on our website within 24 hours after the call. The playback number is 800-938-2490 (domestic) or 402-220-9028 (international).

*Under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, Standard Motor Products cautions investors that any forward-looking statements made by the company, including those that may be made in this press release, are based on management’s expectations at the time they are made, but they are subject to risks and uncertainties that may cause actual results, events or performance to differ materially from those contemplated by such forward looking statements. Among the factors that could cause actual results, events or performance to differ materially from those risks and uncertainties discussed in this press release are those detailed from time-to-time in prior press releases and in the company’s filings with the Securities and Exchange Commission, including the company’s annual report on Form*

*10-K and quarterly reports on Form 10-Q. By making these forward-looking statements, Standard Motor Products undertakes no obligation or intention to update these statements after the date of this release.*