

# Standard Motor Products, Inc.

Gabelli Funds 45<sup>th</sup> Annual Automotive Symposium

November 2, 2021



## 102 Years in Business



- Founded 1919
- \$1.1 Billion 2020 Sales
- 5,500 Employees Worldwide



**LAWRENCE I. SILLS**  
*Chairman of the Board*



**ERIC P. SILLS**  
*Director, CEO and President*



**JAMES J. BURKE**  
*Chief Operating Officer*

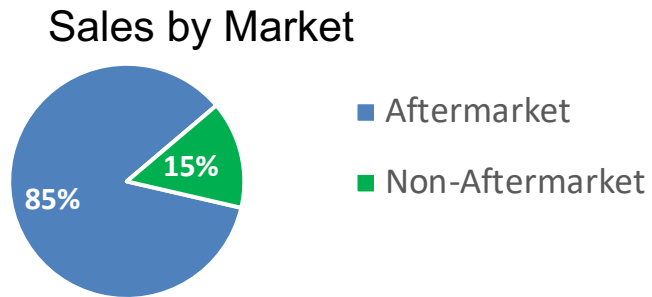


**DALE BURKS**  
*EVP and Chief Commercial Officer*

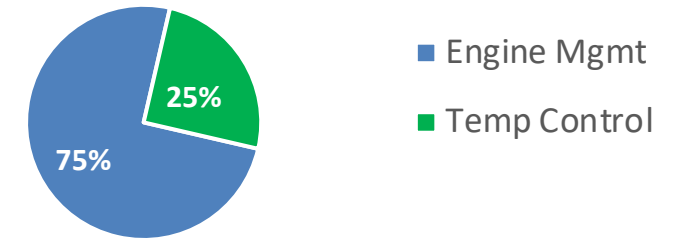


**NATHAN ILES**  
*Chief Financial Officer*

## 2020 Sales Breakdown



## Sales by Product Line



## Major Product Categories

### Engine Management

- Ignition / Emissions Products
- Fuel Delivery
- Vehicle Safety Systems
- Vehicle Electronics
- Wire & Cable

### Temperature Control

- A/C Compressors
- Other A/C System Components
- Engine Cooling Products
- Blower & Radiator Fan Motors
- Window Lift Motors

# Strategic Objectives

## Core Value Proposition

- ***External programs that provide real value to our customers***
  - Best-in-class full-line, full-service supplier of premium aftermarket engine management and temperature control products

## Successful Growth Programs

- ***Strategic expansion of our business***
  - Growth in complementary specialized OE market
  - Complementary products, markets, geographies and channels
  - Strategic acquisitions

## Drive for Continuous Improvement

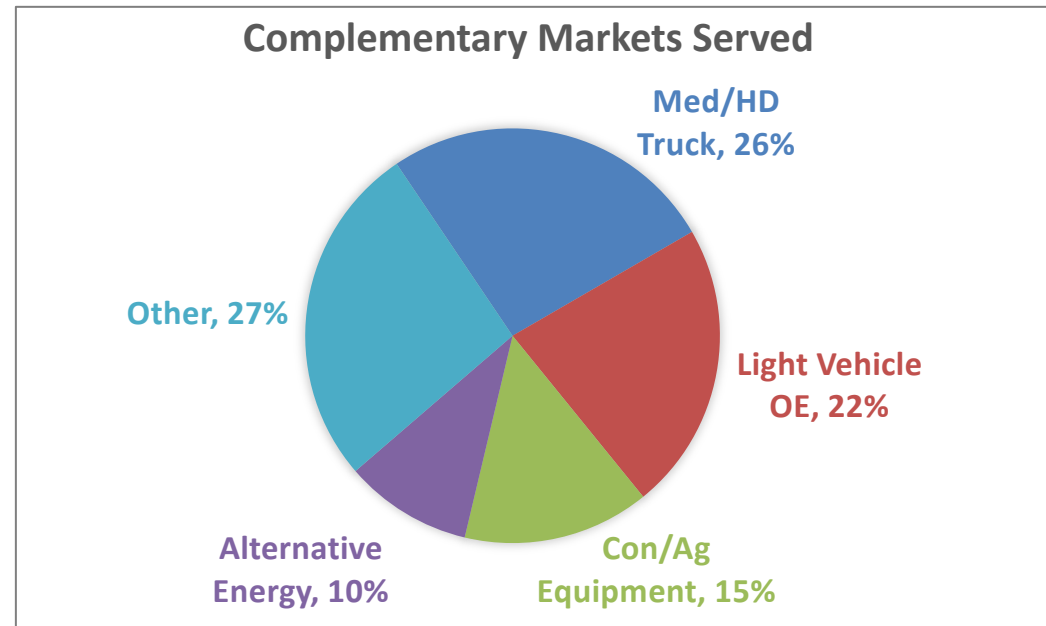
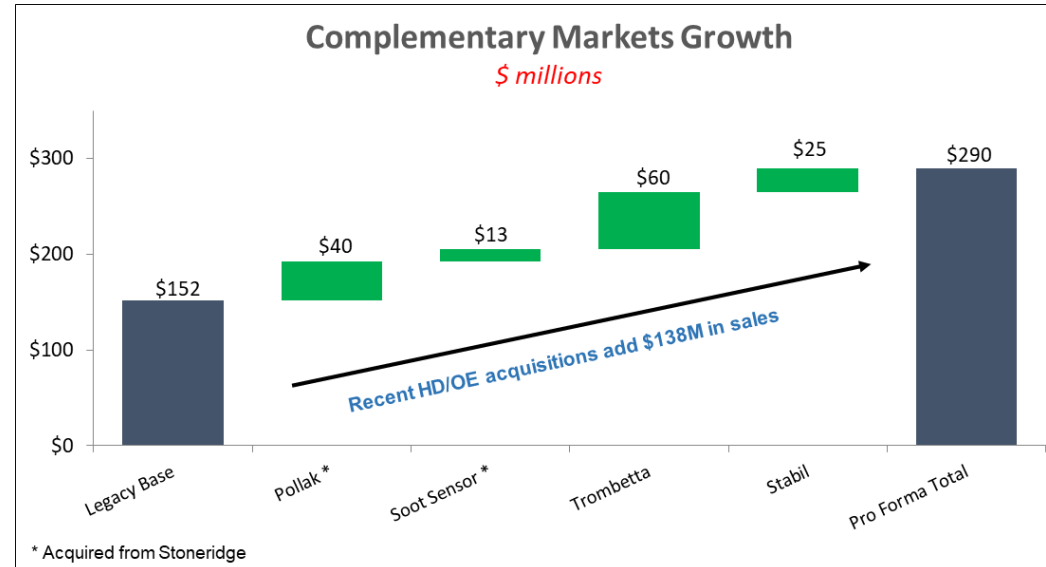
- ***Internal programs that make us a stronger company***
  - Investment in increased manufacturing
  - Optimization of supply chain footprint
  - Commitment to ongoing ESG and DE&I initiatives

## Return to Shareholders

- Quarterly dividends
- Treasury stock buyback program

# Growth in Complementary Markets

- Complementary growth
  - Focus on niche markets
  - Products and technologies will be used in the aftermarket
- Strategic Diversification
  - Recent acquisitions double our revenue
  - Channel will be > 20% of total sales by 2022
  - Scale better leverages existing footprint for growth
- Product Portfolio Enhancement
  - Non-powertrain related products
  - Parts for electric vehicles
  - Alternative energy programs



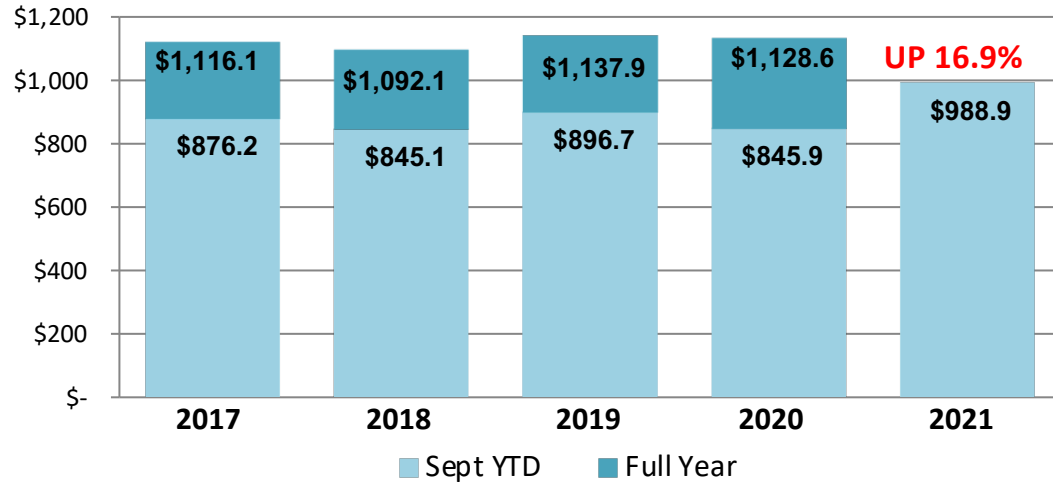
# Growth through Strategic Acquisitions

- 15 Acquisitions in Recent Years
- Primary Focus
  - Competitors or suppliers
  - Complementary markets
  - Non-ICE / powertrain-neutral products
- Rationale
  - Aids aftermarket Full-Line, Full-Service model
  - Strategic diversification of products and markets
  - Rapid entry into new technologies

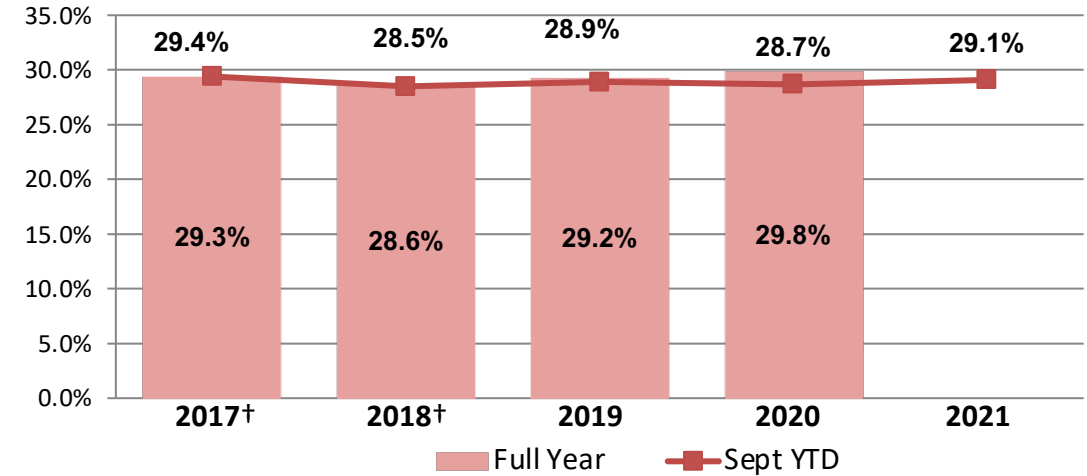
			2011	
			2012	
			2013	
				2014
			2016	
			2017	
			2019	
				2021

# Year-Over-Year Performance Measures

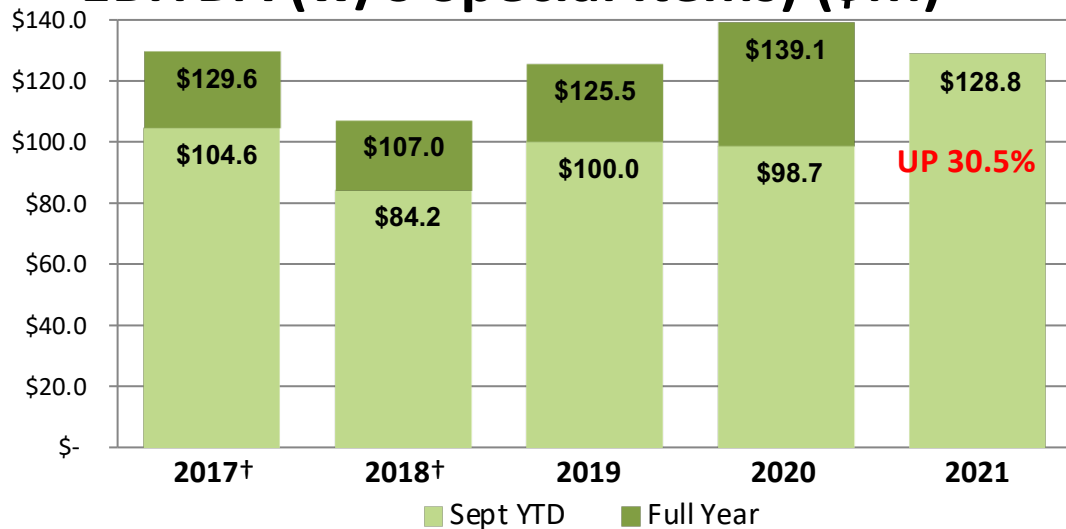
## Consolidated Net Sales (\$M)



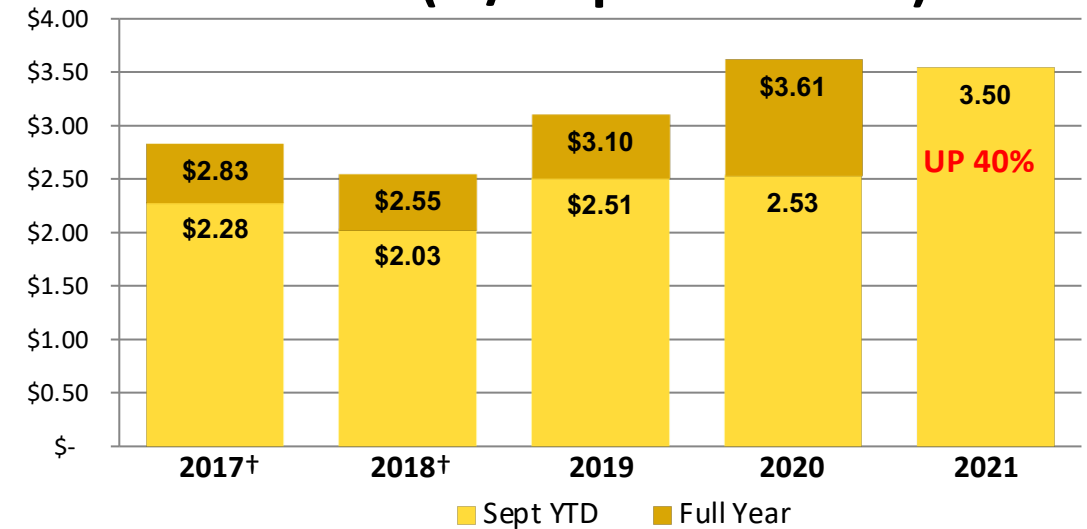
## Gross Margin



## EBITDA (w/o Special Items) (\$M)

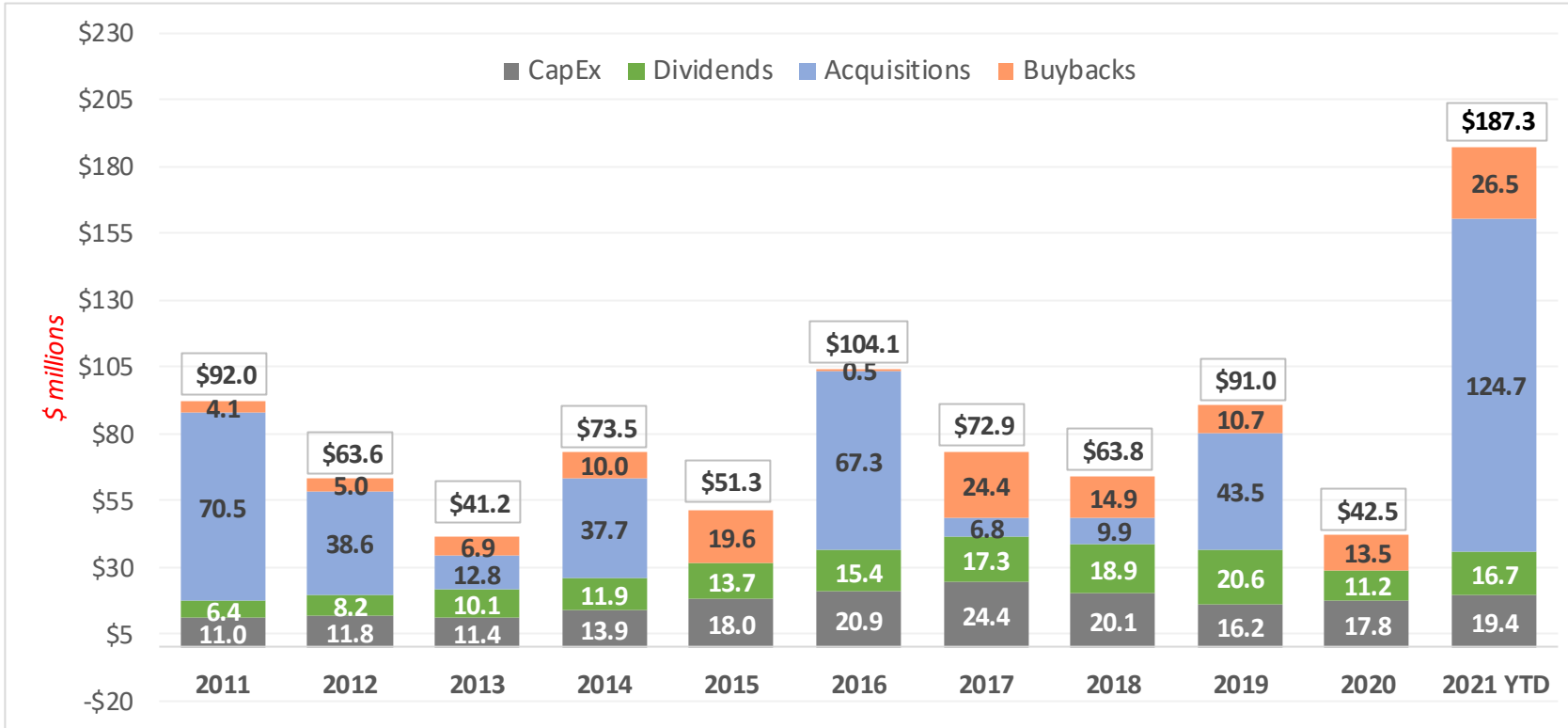


## Diluted EPS (w/o Special Items)

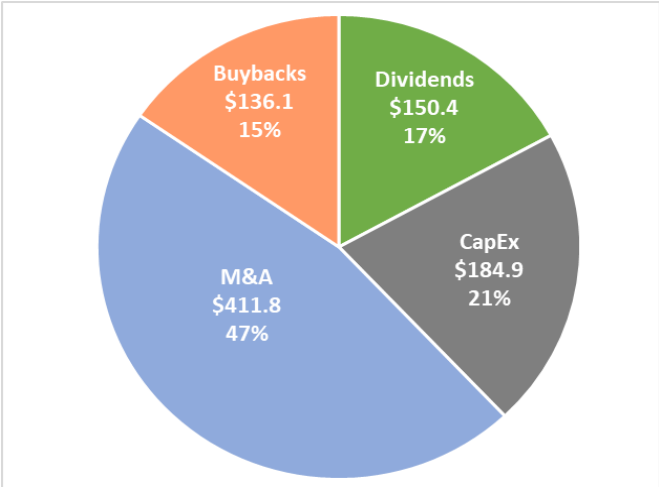


† Includes Wire Integration Costs Incurred From Nogales to Reynosa Move

# SMP Cash Utilization



**Total Utilization = \$883 million**



**Total invested for:**  
**Growth = 68%**  
**Shareholder Returns = 32%**

<u>Cash Allocation %</u>		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Invest for Growth</b> <i>(Capex / M&amp;A)</i>		89%	79%	59%	70%	35%	85%	43%	47%	66%	42%	77%
<b>Shareholder Return</b> <i>(Dividends / Buybacks)</i>		11%	21%	41%	30%	65%	15%	57%	53%	34%	58%	23%