

STANDARD MOTOR PRODUCTS, INC. Consolidated Statements of Operations

(In thousands, except per share amounts)

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2023 (Unaudited)	2022	2023 (Unaudited)	2022
NET SALES	\$ 353,075	\$ 359,412	\$ 681,103	\$ 682,243
COST OF SALES	<u>251,806</u>	<u>263,061</u>	<u>488,567</u>	<u>496,052</u>
GROSS PROFIT	101,269	96,351	192,536	186,191
SELLING, GENERAL & ADMINISTRATIVE EXPENSES	73,843	68,468	143,476	131,352
RESTRUCTURING AND INTEGRATION EXPENSES	294	3	1,206	44
OTHER INCOME, NET	<u>46</u>	<u>13</u>	<u>70</u>	<u>13</u>
OPERATING INCOME	27,178	27,893	47,924	54,808
OTHER NON-OPERATING INCOME, NET	802	1,927	1,027	3,376
INTEREST EXPENSE	<u>3,283</u>	<u>1,821</u>	<u>7,145</u>	<u>2,626</u>
EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	24,697	27,999	41,806	55,558
PROVISION FOR INCOME TAXES	<u>6,289</u>	<u>7,122</u>	<u>10,661</u>	<u>14,127</u>
EARNINGS FROM CONTINUING OPERATIONS	18,408	20,877	31,145	41,431
LOSS FROM DISCONTINUED OPERATION, NET OF INCOME TAXES	<u>(9,221)</u>	<u>(1,666)</u>	<u>(10,001)</u>	<u>(2,782)</u>
NET EARNINGS	9,187	19,211	21,144	38,649
NET EARNINGS ATTRIBUTABLE TO NONCONTROLLING INTEREST	<u>50</u>	<u>85</u>	<u>89</u>	<u>77</u>
NET EARNINGS ATTRIBUTABLE TO SMP (a)	<u>\$ 9,137</u>	<u>\$ 19,126</u>	<u>\$ 21,055</u>	<u>\$ 38,572</u>
<u>NET EARNINGS ATTRIBUTABLE TO SMP</u>				
EARNINGS FROM CONTINUING OPERATIONS	\$ 18,358	\$ 20,792	\$ 31,056	\$ 41,354
LOSS FROM DISCONTINUED OPERATION, NET OF INCOME TAXES	<u>(9,221)</u>	<u>(1,666)</u>	<u>(10,001)</u>	<u>(2,782)</u>
TOTAL	<u>\$ 9,137</u>	<u>\$ 19,126</u>	<u>\$ 21,055</u>	<u>\$ 38,572</u>
<u>NET EARNINGS PER COMMON SHARE ATTRIBUTABLE TO SMP</u>				
BASIC EARNINGS FROM CONTINUING OPERATIONS	\$ 0.85	\$ 0.96	\$ 1.43	\$ 1.89
DISCONTINUED OPERATION	<u>(0.43)</u>	<u>(0.08)</u>	<u>(0.46)</u>	<u>(0.13)</u>
NET EARNINGS PER COMMON SHARE - BASIC	<u>\$ 0.42</u>	<u>\$ 0.88</u>	<u>\$ 0.97</u>	<u>\$ 1.76</u>
DILUTED EARNINGS FROM CONTINUING OPERATIONS	\$ 0.83	\$ 0.93	\$ 1.40	\$ 1.85
DISCONTINUED OPERATION	<u>(0.42)</u>	<u>(0.07)</u>	<u>(0.45)</u>	<u>(0.13)</u>
NET EARNINGS PER COMMON SHARE - DILUTED	<u>\$ 0.41</u>	<u>\$ 0.86</u>	<u>\$ 0.95</u>	<u>\$ 1.72</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES	21,689,067	21,757,998	21,649,562	21,867,644
WEIGHTED AVERAGE NUMBER OF COMMON AND DILUTIVE SHARES	22,183,489	22,255,642	22,139,708	22,372,702

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

STANDARD MOTOR PRODUCTS, INC. Segment Revenues and Operating Profit

(In thousands)

	THREE MONTHS ENDED JUNE 30,				SIX MONTHS ENDED JUNE 30,			
	2023		2022		2023		2022	
	(Unaudited)				(Unaudited)			
<u>Revenues</u>								
Engine Management (Ignition, Emissions and Fuel Delivery)	\$ 113,589		\$ 111,581		\$ 229,672		\$ 220,730	
Electrical and Safety	52,867		57,054		104,671		109,311	
Wire sets and other	17,333		17,136		34,023		32,994	
Vehicle Control	183,789		185,771		368,366		363,035	
AC System Components	74,449		81,608		120,201		128,982	
Other Thermal Components	22,625		24,029		49,279		49,713	
Temperature Control	97,074		105,637		169,480		178,695	
Commercial Vehicle	26,742		19,503		46,599		40,954	
Construction / Agriculture	8,103		11,222		20,898		22,206	
Light Vehicle	23,548		23,039		46,514		49,114	
All Other	13,819		14,240		29,246		28,239	
Engineered Solutions	72,212		68,004		143,257		140,513	
Revenues	\$ 353,075		\$ 359,412		\$ 681,103		\$ 682,243	
<u>Gross Margin</u>								
Vehicle Control	\$ 60,109	32.7%	\$ 53,728	28.9%	\$ 118,581	32.2%	\$ 109,152	30.1%
Temperature Control	26,512	27.3%	29,315	27.8%	45,667	26.9%	48,803	27.3%
Engineered Solutions	14,648	20.3%	13,308	19.6%	28,288	19.7%	28,236	20.1%
All Other	-		-		-		-	
Gross Margin	\$ 101,269	28.7%	\$ 96,351	26.8%	\$ 192,536	28.3%	\$ 186,191	27.3%
<u>Selling, General & Administrative</u>								
Vehicle Control	\$ 40,720	22.2%	\$ 37,679	20.3%	\$ 81,556	22.1%	\$ 72,718	20.0%
Temperature Control	20,584	21.2%	18,792	17.8%	37,112	21.9%	34,118	19.1%
Engineered Solutions	8,481	11.7%	8,199	12.1%	16,390	11.4%	16,839	12.0%
All Other	4,058		3,798		8,418		7,677	
Selling, General & Administrative	\$ 73,843	20.9%	\$ 68,468	19.1%	\$ 143,476	21.1%	\$ 131,352	19.3%
<u>Operating Income</u>								
Vehicle Control	\$ 19,389	10.5%	\$ 16,049	8.6%	\$ 37,025	10.1%	\$ 36,434	10.0%
Temperature Control	5,928	6.1%	10,523	10.0%	8,555	5.0%	14,685	8.2%
Engineered Solutions	6,167	8.5%	5,109	7.5%	11,898	8.3%	11,397	8.1%
All Other	(4,058)		(3,798)		(8,418)		(7,677)	
Subtotal	\$ 27,426	7.8%	\$ 27,883	7.8%	\$ 49,060	7.2%	\$ 54,839	8.0%
Restructuring & Integration	(294)	-0.1%	(3)	0.0%	(1,206)	-0.2%	(44)	0.0%
Other Income, Net	46	0.0%	13	0.0%	70	0.0%	13	0.0%
Operating Income	\$ 27,178	7.7%	\$ 27,893	7.8%	\$ 47,924	7.0%	\$ 54,808	8.0%

STANDARD MOTOR PRODUCTS, INC.

Reconciliation of GAAP and Non-GAAP Measures

(In thousands, except per share amounts)

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,		LAST TWELVE MONTHS ENDED JUNE 30,		YEAR ENDED DECEMBER 31,
	2023	2022	2023	2022			
	(Unaudited)		(Unaudited)		(Unaudited)		
<u>EARNINGS FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u>							
GAAP EARNINGS FROM CONTINUING OPERATIONS	\$ 18,358	\$ 20,792	\$ 31,056	\$ 41,354			
RESTRUCTURING AND INTEGRATION EXPENSES	294	3	1,206	44			
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	(77)	-	(314)	(11)			
NON-GAAP EARNINGS FROM CONTINUING OPERATIONS	<u>\$ 18,575</u>	<u>\$ 20,795</u>	<u>\$ 31,948</u>	<u>\$ 41,387</u>			
<u>DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u>							
GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	\$ 0.83	\$ 0.93	\$ 1.40	\$ 1.85			
RESTRUCTURING AND INTEGRATION EXPENSES	0.01	-	0.05	-			
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	-	-	(0.01)	-			
NON-GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	<u>\$ 0.84</u>	<u>\$ 0.93</u>	<u>\$ 1.44</u>	<u>\$ 1.85</u>			
<u>OPERATING INCOME</u>							
GAAP OPERATING INCOME	\$ 27,178	\$ 27,893	\$ 47,924	\$ 54,808			
RESTRUCTURING AND INTEGRATION EXPENSES	294	3	1,206	44			
OTHER INCOME, NET	(46)	(13)	(70)	(13)			
NON-GAAP OPERATING INCOME	<u>\$ 27,426</u>	<u>\$ 27,883</u>	<u>\$ 49,060</u>	<u>\$ 54,839</u>			
<u>EBITDA WITHOUT SPECIAL ITEMS</u>							
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 24,697	\$ 27,999	\$ 41,806	\$ 55,558	\$ 84,580	\$ 119,011	\$ 98,332
DEPRECIATION AND AMORTIZATION	7,047	6,941	14,129	13,893	28,534	28,036	28,298
INTEREST EXPENSE	3,283	1,821	7,145	2,626	15,136	3,950	10,617
EBITDA	<u>35,027</u>	<u>36,761</u>	<u>63,080</u>	<u>72,077</u>	<u>128,250</u>	<u>150,997</u>	<u>137,247</u>
RESTRUCTURING AND INTEGRATION EXPENSES	294	3	1,206	44	3,053	436	1,891
CUSTOMER BANKRUPTCY CHARGE	-	-	-	-	7,002	-	7,002
ONE-TIME ACQUISITION COSTS	-	-	-	-	-	956	-
SPECIAL ITEMS	294	3	1,206	44	10,055	1,392	8,893
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 35,321</u>	<u>\$ 36,764</u>	<u>\$ 64,286</u>	<u>\$ 72,121</u>	<u>\$ 138,305</u>	<u>\$ 152,389</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 JUNE 30, 2023				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
OPERATING INCOME					
GAAP OPERATING INCOME	\$ 19,273	\$ 5,800	\$ 6,163	\$ (4,058)	\$ 27,178
RESTRUCTURING AND INTEGRATION EXPENSES	154	128	12	-	294
OTHER INCOME, NET	(38)	-	(8)	-	(46)
NON-GAAP OPERATING INCOME	<u>\$ 19,389</u>	<u>\$ 5,928</u>	<u>\$ 6,167</u>	<u>\$ (4,058)</u>	<u>\$ 27,426</u>
EBITDA WITHOUT SPECIAL ITEMS					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 17,235	\$ 5,259	\$ 6,247	\$ (4,044)	\$ 24,697
DEPRECIATION AND AMORTIZATION	3,373	768	2,486	420	7,047
INTEREST EXPENSE	2,304	842	637	(500)	3,283
EBITDA	<u>22,912</u>	<u>6,869</u>	<u>9,370</u>	<u>(4,124)</u>	<u>35,027</u>
RESTRUCTURING AND INTEGRATION EXPENSES	154	128	12	-	294
SPECIAL ITEMS	154	128	12	-	294
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 23,066</u>	<u>\$ 6,997</u>	<u>\$ 9,382</u>	<u>\$ (4,124)</u>	<u>\$ 35,321</u>
<i>% of Net Sales</i>	12.6%	7.2%	13.0%		10.0%

(In thousands)

	THREE MONTHS ENDED JUNE 30, 2022				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
OPERATING INCOME					
GAAP OPERATING INCOME	\$ 16,059	\$ 10,523	\$ 5,109	\$ (3,798)	\$ 27,893
RESTRUCTURING AND INTEGRATION EXPENSES	3	-	-	-	3
OTHER INCOME, NET	(13)	-	-	-	(13)
NON-GAAP OPERATING INCOME	<u>\$ 16,049</u>	<u>\$ 10,523</u>	<u>\$ 5,109</u>	<u>\$ (3,798)</u>	<u>\$ 27,883</u>
EBITDA WITHOUT SPECIAL ITEMS					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 14,928	\$ 12,064	\$ 4,950	\$ (3,943)	\$ 27,999
DEPRECIATION AND AMORTIZATION	3,491	742	2,295	413	6,941
INTEREST EXPENSE	1,353	406	139	(77)	1,821
EBITDA	<u>19,772</u>	<u>13,212</u>	<u>7,384</u>	<u>(3,607)</u>	<u>36,761</u>
RESTRUCTURING AND INTEGRATION EXPENSES	3	-	-	-	3
SPECIAL ITEMS	3	-	-	-	3
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 19,775</u>	<u>\$ 13,212</u>	<u>\$ 7,384</u>	<u>\$ (3,607)</u>	<u>\$ 36,764</u>
<i>% of Net Sales</i>	10.6%	12.5%	10.9%		10.2%

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)

	SIX MONTHS ENDED JUNE 30, 2023				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
OPERATING INCOME					
GAAP OPERATING INCOME	\$ 36,648	\$ 7,884	\$ 11,810	\$ (8,418)	\$ 47,924
RESTRUCTURING AND INTEGRATION EXPENSES	439	671	96	-	1,206
OTHER INCOME, NET	(62)	-	(8)	-	(70)
NON-GAAP OPERATING INCOME	<u>\$ 37,025</u>	<u>\$ 8,555</u>	<u>\$ 11,898</u>	<u>\$ (8,418)</u>	<u>\$ 49,060</u>
EBITDA WITHOUT SPECIAL ITEMS					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 32,292	\$ 6,364	\$ 11,533	\$ (8,383)	\$ 41,806
DEPRECIATION AND AMORTIZATION	6,785	1,531	4,967	846	14,129
INTEREST EXPENSE	5,045	1,735	996	(631)	7,145
EBITDA	<u>44,122</u>	<u>9,630</u>	<u>17,496</u>	<u>(8,168)</u>	<u>63,080</u>
RESTRUCTURING AND INTEGRATION EXPENSES	439	671	96	-	1,206
SPECIAL ITEMS	439	671	96	-	1,206
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 44,561</u>	<u>\$ 10,301</u>	<u>\$ 17,592</u>	<u>\$ (8,168)</u>	<u>\$ 64,286</u>
% of Net Sales	12.1%	6.1%	12.3%		9.4%

(In thousands)

	SIX MONTHS ENDED JUNE 30, 2022				
	Vehicle Control	Temperature Control	Engineered Solutions (Unaudited)	All Other	Consolidated
OPERATING INCOME					
GAAP OPERATING INCOME	\$ 36,403	\$ 14,685	\$ 11,397	\$ (7,677)	\$ 54,808
RESTRUCTURING AND INTEGRATION EXPENSES	44	-	-	-	44
OTHER INCOME, NET	(13)	-	-	-	(13)
NON-GAAP OPERATING INCOME	<u>\$ 36,434</u>	<u>\$ 14,685</u>	<u>\$ 11,397</u>	<u>\$ (7,677)</u>	<u>\$ 54,839</u>
EBITDA WITHOUT SPECIAL ITEMS					
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 35,294	\$ 16,544	\$ 11,528	\$ (7,808)	\$ 55,558
DEPRECIATION AND AMORTIZATION	6,908	1,422	4,753	810	13,893
INTEREST EXPENSE	1,928	566	285	(153)	2,626
EBITDA	<u>44,130</u>	<u>18,532</u>	<u>16,566</u>	<u>(7,151)</u>	<u>72,077</u>
RESTRUCTURING AND INTEGRATION EXPENSES	44	-	-	-	44
SPECIAL ITEMS	44	-	-	-	44
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 44,174</u>	<u>\$ 18,532</u>	<u>\$ 16,566</u>	<u>\$ (7,151)</u>	<u>\$ 72,121</u>
% of Net Sales	12.2%	10.4%	11.8%		10.6%

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)

	JUNE 2023 <u>(Unaudited)</u>	JUNE 2022 <u>(Unaudited)</u>	DECEMBER 2022 <u></u>
<u>ASSETS</u>			
CASH	\$ 23,019	\$ 14,186	\$ 21,150
ACCOUNTS RECEIVABLE, GROSS	223,862	235,669	173,013
ALLOWANCE FOR EXPECTED CREDIT LOSSES	5,757	6,012	5,375
ACCOUNTS RECEIVABLE, NET	<u>218,105</u>	<u>229,657</u>	<u>167,638</u>
INVENTORIES	499,134	551,415	528,715
UNRETURNED CUSTOMER INVENTORY	19,722	21,405	19,695
OTHER CURRENT ASSETS	27,903	26,198	25,241
TOTAL CURRENT ASSETS	<u>787,883</u>	<u>842,861</u>	<u>762,439</u>
PROPERTY, PLANT AND EQUIPMENT, NET	107,590	104,931	107,148
OPERATING LEASE RIGHT-OF-USE ASSETS	73,093	39,827	49,838
GOODWILL	132,391	131,125	132,087
OTHER INTANGIBLES, NET	96,291	101,649	100,504
DEFERRED INCOME TAXES	33,905	34,086	33,658
INVESTMENT IN UNCONSOLIDATED AFFILIATES	41,557	44,885	41,745
OTHER ASSETS	29,435	27,188	27,510
TOTAL ASSETS	<u>\$ 1,302,145</u>	<u>\$ 1,326,552</u>	<u>\$ 1,254,929</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>			
CURRENT PORTION OF REVOLVING CREDIT FACILITY	\$ 53,700	\$ 56,000	\$ 50,000
CURRENT PORTION OF TERM LOAN AND OTHER DEBT	5,028	7,954	5,031
ACCOUNTS PAYABLE	94,657	140,082	89,247
ACCRUED CUSTOMER RETURNS	43,664	55,725	37,169
ACCRUED CORE LIABILITY	20,187	23,117	22,952
ACCRUED REBATES	43,781	41,647	37,381
PAYROLL AND COMMISSIONS	28,346	35,985	31,361
SUNDRY PAYABLES AND ACCRUED EXPENSES	59,126	49,710	49,990
TOTAL CURRENT LIABILITIES	<u>348,489</u>	<u>410,220</u>	<u>323,131</u>
LONG-TERM DEBT	164,488	203,500	184,589
NONCURRENT OPERATING LEASE LIABILITY	64,271	30,039	40,709
ACCRUED ASBESTOS LIABILITIES	59,565	48,025	63,305
OTHER LIABILITIES	24,917	22,119	22,157
TOTAL LIABILITIES	<u>661,730</u>	<u>713,903</u>	<u>633,891</u>
TOTAL SMP STOCKHOLDERS' EQUITY	629,673	601,586	610,020
NONCONTROLLING INTEREST	10,742	11,063	11,018
TOTAL STOCKHOLDERS' EQUITY	<u>640,415</u>	<u>612,649</u>	<u>621,038</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 1,302,145</u>	<u>\$ 1,326,552</u>	<u>\$ 1,254,929</u>

STANDARD MOTOR PRODUCTS, INC.

Condensed Consolidated Statements of Cash Flows

(In thousands)

	SIX MONTHS ENDED JUNE 30,	
	2023	2022
	(Unaudited)	
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
NET EARNINGS	\$ 21,144	\$ 38,649
ADJUSTMENTS TO RECONCILE NET EARNINGS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
DEPRECIATION AND AMORTIZATION	14,129	13,893
LOSS FROM DISCONTINUED OPERATIONS, NET OF TAXES	10,001	2,782
OTHER	5,835	8,049
CHANGE IN ASSETS AND LIABILITIES:		
ACCOUNTS RECEIVABLE	(48,271)	(49,659)
INVENTORY	30,924	(87,744)
ACCOUNTS PAYABLE	4,323	1,591
PREPAID EXPENSES AND OTHER CURRENT ASSETS	(468)	(7,102)
SUNDRY PAYABLES AND ACCRUED EXPENSES	2,776	(5,020)
OTHER	(1,023)	(10,772)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>39,370</u>	<u>(95,333)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
CAPITAL EXPENDITURES	(9,507)	(13,203)
OTHER INVESTING ACTIVITIES	66	-
NET CASH USED IN INVESTING ACTIVITIES	<u>(9,441)</u>	<u>(13,203)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
NET CHANGE IN DEBT	(16,547)	139,319
PURCHASE OF TREASURY STOCK	-	(25,605)
DIVIDENDS PAID	(12,544)	(11,822)
PAYMENTS OF DEBT ISSUANCE COSTS	-	(2,128)
OTHER FINANCING ACTIVITIES	3	1,903
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	<u>(29,088)</u>	<u>101,667</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH	1,028	(700)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,869	(7,569)
CASH AND CASH EQUIVALENTS at beginning of period	21,150	21,755
CASH AND CASH EQUIVALENTS at end of period	<u>\$ 23,019</u>	<u>\$ 14,186</u>