

Safe Harbor – Forward Looking Statements

You should be aware that except for historical information, the matters discussed herein are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward looking statements, including projections and anticipated levels of future performance, are based on current information and assumptions and involve risks and uncertainties which may cause actual results to differ materially from those discussed herein. You are urged to review all of our filings with the SEC and our press releases from time to time for details of these risks and uncertainties.

In addition, please see our press release issued on February 22, 2023 for factors that could cause future performance to vary from the expectations expressed or implied by the forward-looking statements herein and for certain reconciliations of GAAP to non-GAAP results.

❖ Welcome & Introduction

Tony Cristello, VP Investor Relations

❖ Overview & Market Trends

Eric Sills, CEO

❖ Financial Results & Balance Sheet

Nathan Iles, CFO

❖ Segment Reporting Changes

Eric Sills, CEO

❖ Q&A

All

Q4 & YTD 2022 P&L Summary⁽¹⁾

(In millions, except per share amounts)

	THREE MONTHS ENDED DECEMBER 31,				TWELVE MONTHS ENDED DECEMBER 31,				
	2022		2021		2022		2021		
<u>Engine Management</u>									
Revenue	\$	242.4	\$	245.6	\$	975.2	\$	937.9	
Gross Margin		69.1	28.5%	67.8	27.6%	263.0	27.0%	267.3	28.5%
Selling, General & Administrative		42.6	17.6%	39.5	16.1%	165.4	17.0%	149.2	15.9%
Operating Income	\$	26.5	10.9%	28.3	11.5%	97.6	10.0%	118.1	12.6%
<u>Temperature Control</u>									
Revenue	\$	63.5		60.4		382.3		348.4	
Gross Margin		16.7	26.2%	16.7	27.6%	102.6	26.8%	95.1	27.3%
Selling, General & Administrative		14.5	22.7%	13.2	21.8%	68.6	17.9%	58.1	16.7%
Operating Income	\$	2.2	3.5%	3.5	5.8%	34.0	8.9%	37.0	10.6%
<u>Consolidated Results</u>									
Revenue	\$	308.2		309.9		1,371.8		1,298.8	
Gross Margin		89.6	29.1%	88.7	28.6%	382.5	27.9%	377.3	29.0%
Selling, General & Administrative		65.1	21.1%	64.2	20.7%	269.6	19.7%	246.2	19.0%
Operating Income	\$	24.5	7.9%	24.5	7.9%	112.9	8.2%	131.1	10.1%
Net Earnings from Continuing Operations	\$	15.1		20.3		79.4		100.7	
Diluted Earnings per Share	\$	0.69		0.90		3.59		4.45	
Adjusted EBITDA	\$	31.9	10.3%	32.9	10.6%	146.1	10.7%	161.8	12.5%

⁽¹⁾ All operating results provided except for revenues are on a non-GAAP basis. See financial statements in earnings release for complete GAAP results.

Balance Sheet & Cash Flow Highlights

(In millions)

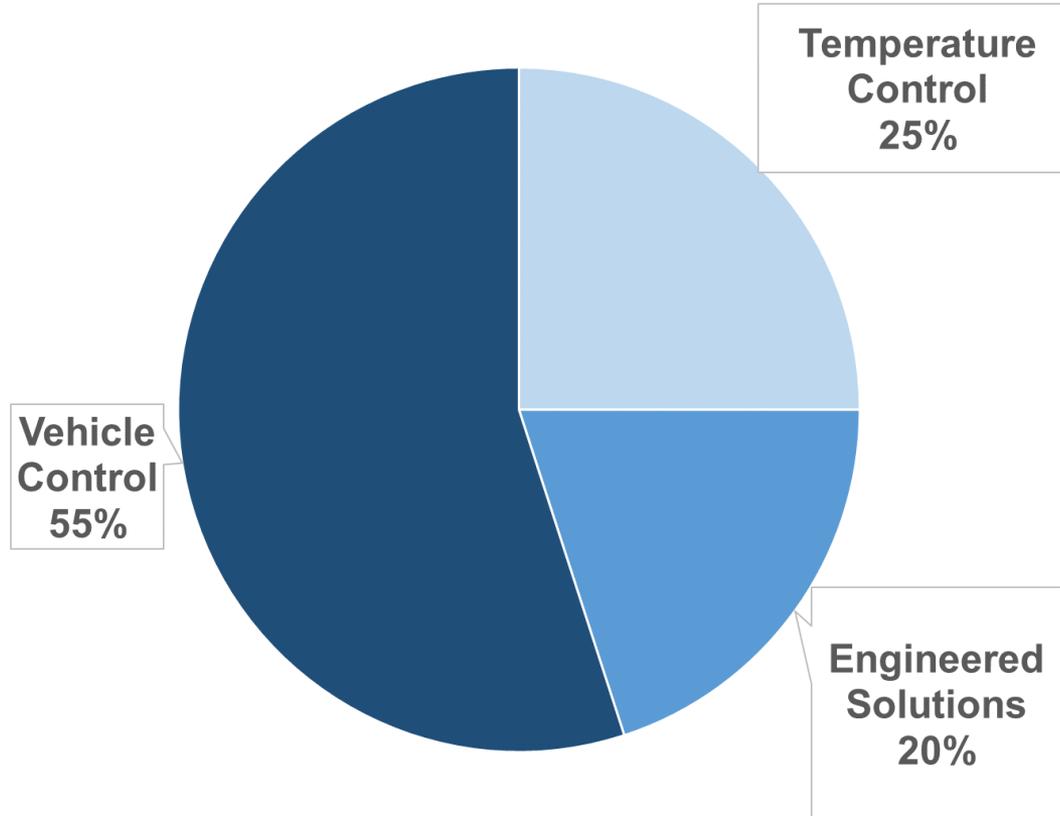
	DECEMBER 31,	
	2022	2021
<u>Working Capital Stats</u>		
Accounts Receivable, Net	\$ 167.6	\$ 180.6
Inventories	\$ 528.7	\$ 468.8
<u>Cash Flow Stats (YTD)</u>		
Operating cash flows	\$ (27.5)	\$ 85.6
Capex	\$ (26.0)	\$ (25.9)
M&A	\$ (1.9)	\$ (125.4)
Dividends	\$ (23.4)	\$ (22.2)
Share repurchases	\$ (29.7)	\$ (26.9)
Net Change in Debt	\$ 111.3	\$ 118.3
<u>Debt & Leverage</u>		
Total debt	\$ 239.6	\$ 128.4
Cash	\$ 21.2	\$ 21.8
Net debt	\$ 218.4	\$ 106.6
LTM Adjusted EBITDA	\$ 146.1	\$ 161.8
Leverage ratio	1.5x	0.7x
Remaining borrowing capacity	\$ 255.6	\$ 122.1
Total Liquidity	\$ 276.8	\$ 143.9



Resegmentation Discussion

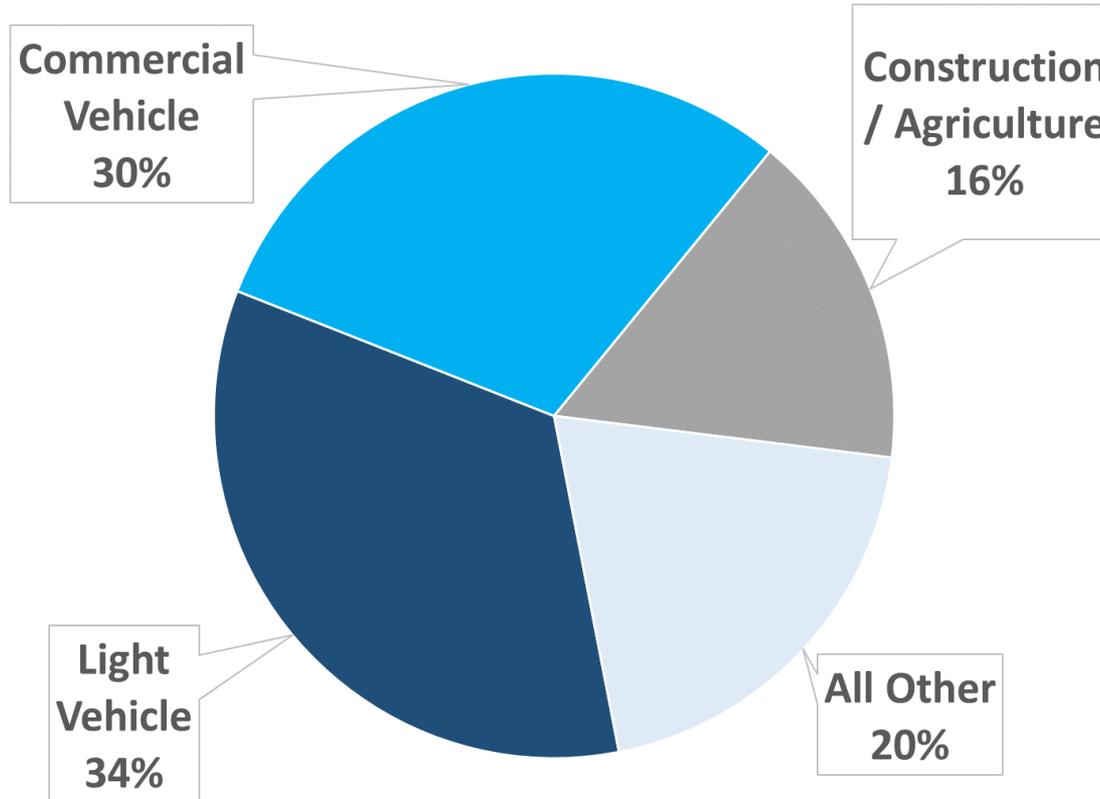
SMP Sales by New Segments

2022 Sales Mix by Segment



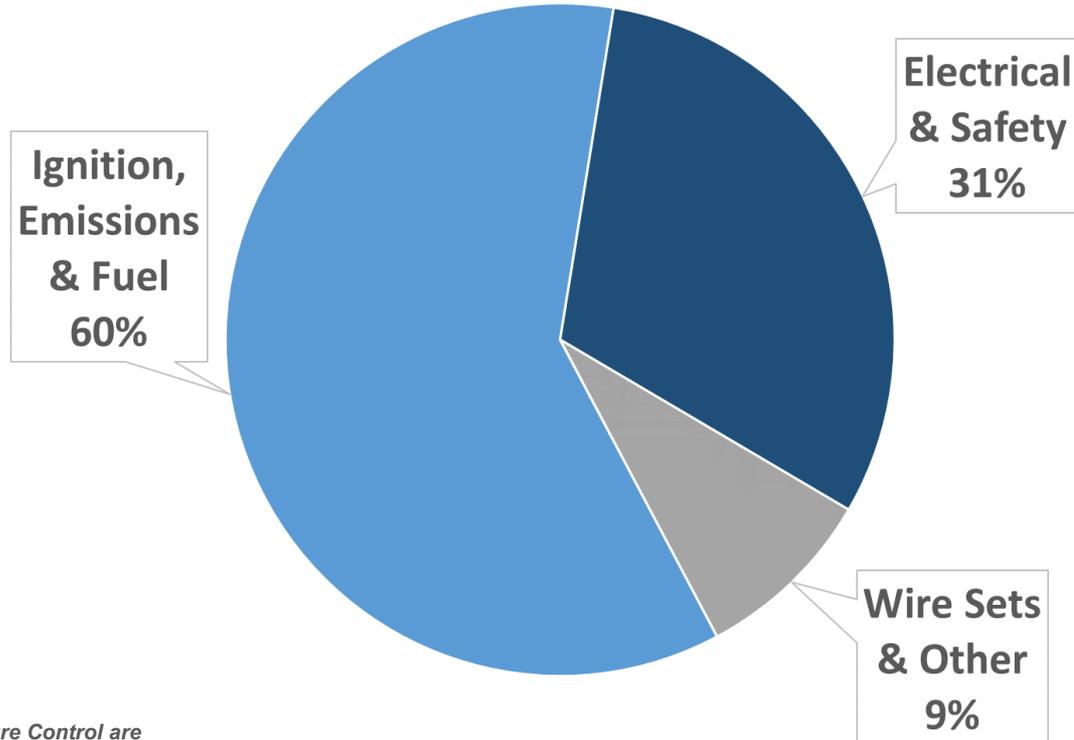
SMP Engineered Solutions Segment

Engineered Solutions- 20% Total Sales Mix



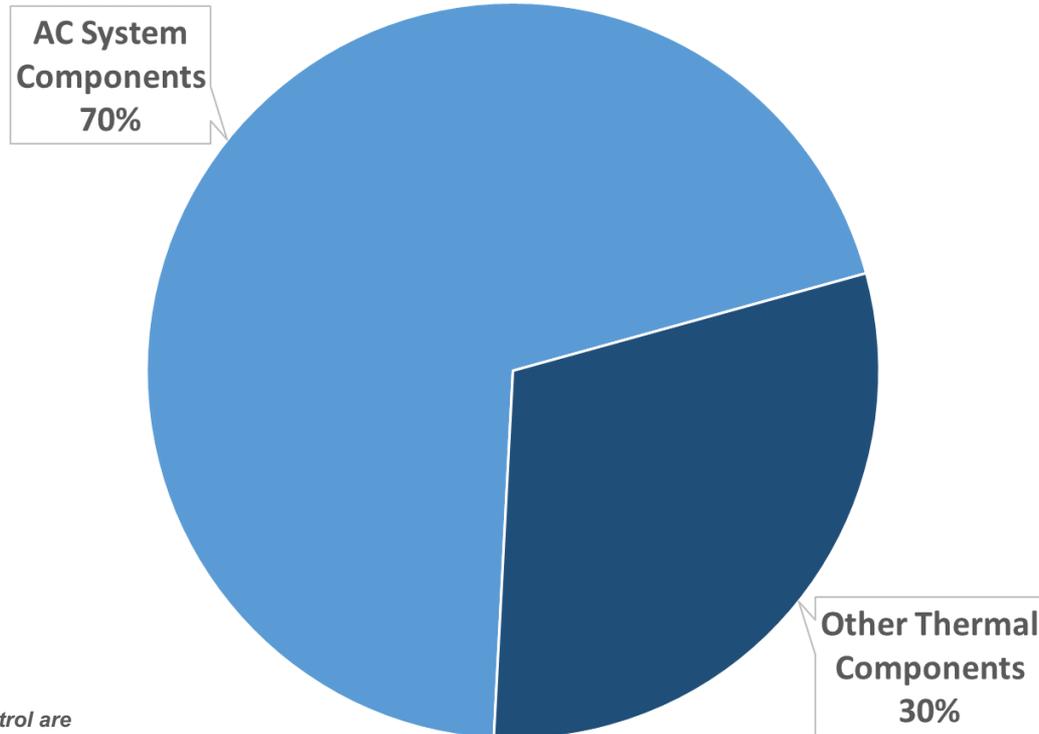
SMP Vehicle Control Segment

Vehicle Control- 55% Total Sales Mix



*Vehicle Control and Temperature Control are
Aftermarket Only*

Temperature Control- 25% Total Sales Mix



*Vehicle Control and Temperature Control are
Aftermarket Only*



Q&A Session

Appendix

Reconciliation of GAAP and Non-GAAP Measures

(In thousands, except per share amounts)

	THREE MONTHS ENDED DECEMBER 31,		TWELVE MONTHS ENDED DECEMBER 31,	
	2022	2021	2022	2021
	(Unaudited)		(Unaudited)	
<u>EARNINGS FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u>				
GAAP EARNINGS FROM CONTINUING OPERATIONS	\$ 8,548	\$ 20,022	\$ 73,042	\$ 99,353
RESTRUCTURING AND INTEGRATION EXPENSES	1,847	226	1,891	392
CUSTOMER BANKRUPTCY CHARGE	7,002	-	7,002	-
ONE-TIME ACQUISITION COSTS	-	105	-	1,711
CERTAIN TAX CREDITS AND PRODUCTION DEDUCTIONS FINALIZED IN PERIOD	-	-	(249)	(259)
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	(2,301)	(86)	(2,312)	(547)
NON-GAAP EARNINGS FROM CONTINUING OPERATIONS	<u>\$ 15,096</u>	<u>\$ 20,267</u>	<u>\$ 79,374</u>	<u>\$ 100,650</u>
<u>DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO SMP</u>				
GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	\$ 0.39	\$ 0.89	\$ 3.30	\$ 4.39
RESTRUCTURING AND INTEGRATION EXPENSES	0.08	0.01	0.08	0.02
CUSTOMER BANKRUPTCY CHARGE	0.32	-	0.32	-
ONE-TIME ACQUISITION COSTS	-	-	-	0.07
CERTAIN TAX CREDITS AND PRODUCTION DEDUCTIONS FINALIZED IN PERIOD	-	-	(0.01)	(0.01)
INCOME TAX EFFECT RELATED TO RECONCILING ITEMS	(0.10)	-	(0.10)	(0.02)
NON-GAAP DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS	<u>\$ 0.69</u>	<u>\$ 0.90</u>	<u>\$ 3.59</u>	<u>\$ 4.45</u>

Reconciliation of GAAP and Non-GAAP Measures

	THREE MONTHS ENDED DECEMBER 31,		TWELVE MONTHS ENDED DECEMBER 31,	
	2022	2021	2022	2021
	(Unaudited)		(Unaudited)	
<u>OPERATING INCOME</u>				
GAAP OPERATING INCOME	\$ 15,712	\$ 24,212	\$ 104,135	\$ 128,999
RESTRUCTURING AND INTEGRATION EXPENSES	1,847	226	1,891	392
CUSTOMER BANKRUPTCY CHARGE	7,002	-	7,002	-
ONE-TIME ACQUISITION COSTS	-	105	-	1,711
OTHER (INCOME) EXPENSE, NET	(70)	1	(113)	(7)
NON-GAAP OPERATING INCOME	<u>\$ 24,491</u>	<u>\$ 24,544</u>	<u>\$ 112,915</u>	<u>\$ 131,095</u>
<u>EBITDA WITHOUT SPECIAL ITEMS</u>				
GAAP EARNINGS FROM CONTINUING OPERATIONS BEFORE TAXES	\$ 11,302	\$ 24,787	\$ 98,332	\$ 130,465
DEPRECIATION AND AMORTIZATION	7,403	7,083	28,298	27,243
INTEREST EXPENSE	4,335	672	10,617	2,028
EBITDA	<u>23,040</u>	<u>32,542</u>	<u>137,247</u>	<u>159,736</u>
RESTRUCTURING AND INTEGRATION EXPENSES	1,847	226	1,891	392
CUSTOMER BANKRUPTCY CHARGE	7,002	-	7,002	-
ONE-TIME ACQUISITION COSTS	-	105	-	1,711
SPECIAL ITEMS	<u>8,849</u>	<u>331</u>	<u>8,893</u>	<u>2,103</u>
EBITDA WITHOUT SPECIAL ITEMS	<u>\$ 31,889</u>	<u>\$ 32,873</u>	<u>\$ 146,140</u>	<u>\$ 161,839</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.