

STANDARD MOTOR PRODUCTS INC
Form 10-Q
October 30, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended September 30, 2018

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

Commission file number: 1-4743

Standard Motor Products, Inc.

(Exact name of registrant as specified in its charter)

New York

(State or other jurisdiction of incorporation or organization)

11-1362020

(I.R.S. Employer Identification No.)

37-18 Northern Blvd., Long Island City, N.Y. 11101

(Address of principal executive offices) (Zip Code)

(718) 392-0200

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of the close of business on October 26, 2018, there were 22,431,618 outstanding shares of the registrant's Common Stock, par value \$2.00 per share.

STANDARD MOTOR PRODUCTS, INC. AND SUBSIDIARIES

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PART I – FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

STANDARD MOTOR PRODUCTS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except share and per share data)	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2018	2017	2018	2017
	(Unaudited)		(Unaudited)	
Net sales	\$296,619	\$281,058	\$845,081	\$876,165
Cost of sales	209,313	198,523	603,897	618,854
Gross profit	87,306	82,535	241,184	257,311
Selling, general and administrative expenses	60,137	54,963	175,604	172,726
Restructuring and integration expenses	6	1,132	3,073	3,914
Other income, net	15	316	328	946
Operating income	27,178	26,756	62,835	81,617
Other non-operating income, net	351	482	800	2,372
Interest expense	1,254	595	3,137	1,785
Earnings from continuing operations before taxes	26,275	26,643	60,498	82,204
Provision for income taxes	7,002	9,535	15,801	30,468
Earnings from continuing operations	19,273	17,108	44,697	51,736
Loss from discontinued operations, net of income taxes	(3,524)	(3,983)	(5,014)	(5,113)
Net earnings	\$15,749	\$13,125	\$39,683	\$46,623
<u>Per Share Data:</u>				
Net earnings per common share – Basic:				
Earnings from continuing operations	\$0.86	\$0.75	\$1.99	\$2.27
Discontinued operations	(0.16)	(0.17)	(0.22)	(0.22)
Net earnings per common share – Basic	\$0.70	\$0.58	\$1.77	\$2.05
Net earnings per common share – Diluted:				
Earnings from continuing operations	\$0.84	\$0.74	\$1.95	\$2.22
Discontinued operations	(0.15)	(0.17)	(0.22)	(0.22)
Net earnings per common share – Diluted	\$0.69	\$0.57	\$1.73	\$2.00
Dividend declared per share	\$0.21	\$0.19		