

COOPER STANDARD REPORTS THIRD QUARTER RESULTS; CONTINUING LEAN INITIATIVES DELIVERING COST SAVINGS AS PLANNED

NORTHVILLE, Mich., Oct. 31, 2024 /PRNewswire/ -- Cooper-Standard Holdings Inc. (NYSE: CPS) today reported results for the third quarter 2024.

Third Quarter 2024 Summary

- Savings of \$24.5 million realized from lean operations and cost initiatives
- Net loss of \$11.1 million, or \$(0.63) per diluted share
- Adjusted net loss of \$12.0 million, or \$(0.68) per diluted share
- Adjusted EBITDA of \$46.1 million, or 6.7% of sales
- Net new business awards totaled \$44.0 million

"Our intense focus on lean initiatives and operating efficiency is driving cost savings as planned," said Jeffrey Edwards, chairman and CEO, Cooper Standard. "This is helping to offset the headwinds from lower production volume and unfavorable foreign exchange that have persisted during the first nine months of the year. We are pleased that continued operational excellence has enabled us to keep our full year outlook for profit and cash flow essentially in line with our original expectations, despite the weaker market conditions."

Consolidated Results

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
	(dollar amounts in millions except per share amounts)			
Sales	\$ 685.4	\$ 736.0	\$ 2,070.1	\$ 2,142.2
Net (loss) income	\$ (11.1)	\$ 11.4	\$ (119.0)	\$ (146.8)
Adjusted net (loss) income	\$ (12.0)	\$ 15.0	\$ (53.9)	\$ (51.2)
(Loss) income per diluted share	\$ (0.63)	\$ 0.65	\$ (6.78)	\$ (8.47)
Adjusted (loss) income per diluted share	\$ (0.68)	\$ 0.85	\$ (3.07)	\$ (2.95)
Adjusted EBITDA	\$ 46.1	\$ 79.1	\$ 126.4	\$ 139.5

The year-over-year change in third quarter sales was primarily attributable to the timing of commercial settlements that occurred in the third quarter of 2023, including approximately \$30 million of settlements that were related to the first and second quarters of 2023, that did not recur at the same level in the third quarter of 2024. Other factors included unfavorable foreign exchange and lower production volume and mix.

Net loss for the third quarter 2024 was \$11.1 million, including restructuring charges of \$1.5 million and a pension settlement credit of \$2.2 million. Net income for the third quarter 2023 was \$11.4 million, including restructuring charges of \$2.0 million and other special items. Excluding these special items and their related tax impact, adjusted net loss was \$12.0 million in the third quarter 2024 compared to adjusted net income of \$15.0 million in the third quarter of 2023. The year-over-year change was primarily due to the timing of commercial settlements in the third quarter of 2023, unfavorable foreign exchange, continuing general inflation and lower overall production volumes. These negative factors were partially offset by the savings generated from lean manufacturing and purchasing initiatives, and implemented restructuring actions.

Adjusted EBITDA for the third quarter of 2024 was \$46.1 million compared to \$79.1 million in the third quarter of 2023. The year-over-year change was primarily due to the timing of commercial settlements in the third quarter of 2023, unfavorable foreign exchange, continuing general inflation and lower overall production volumes. These negative factors were partially offset by the savings generated from lean manufacturing and purchasing initiatives, and implemented restructuring actions.

Adjusted net (loss) income, adjusted EBITDA and adjusted (loss) income per diluted share are non-GAAP measures. Reconciliations to the most directly comparable financial measures, calculated and presented in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"), are provided in the attached supplemental schedules.

New Business Awards

The Company continues to leverage its world-class engineering and manufacturing capabilities, its innovation programs and its reputation for quality and service to win new business awards with its OEM customers and capitalize on positive trends associated with hybrid and battery electric vehicles. During the third quarter of 2024, the Company received net new business awards totaling \$44.0 million in anticipated future annualized sales. This included \$32.3 million of net new business awards on battery electric vehicle platforms and \$7.9 million of net new business awards on hybrid vehicle platforms.

Segment Results of Operations

Sales

	Three Months Ended September 30,			Variance Due To:		
	2024	2023	Change	Volume/Mix*	Foreign Exchange	Divestitures
(dollar amounts in thousands)						
Sales to external customers						
Sealing systems	\$ 353,365	\$ 370,958	\$ (17,593)	(15,279)	\$ (2,314)	\$ —
Fluid handling systems	313,739	341,817	(28,078)	(26,795)	(1,283)	—
Total for reportable segments	\$ 667,104	\$ 712,775	\$ (45,671)	\$ (42,074)	\$ (3,597)	\$ —
Corporate, eliminations and other	18,249	23,263	(5,014)	62	—	(5,076)
Consolidated	\$ 685,353	\$ 736,038	\$ (50,685)	\$ (42,012)	\$ (3,597)	\$ (5,076)

* Net of customer price adjustments, including recoveries.

Adjusted EBITDA

	Three Months Ended September 30,			Variance Due To:		
	2024	2023	Change	Volume/Mix*	Foreign Exchange	Cost Decreases/ (Increases)**
(dollar amounts in thousands)						
Segment adjusted EBITDA						
Sealing systems	\$ 29,904	\$ 39,620	\$ (9,716)	\$ (16,863)	\$ (6,578)	\$ 13,725
Fluid handling systems	23,089	41,292	(18,203)	(25,670)	(2,746)	10,213
Total for reportable segments	\$ 52,993	\$ 80,912	\$ (27,919)	\$ (42,533)	\$ (9,324)	\$ 23,938
Corporate, eliminations and other	(6,848)	(1,809)	(5,039)	92	(1,687)	(3,444)
Consolidated	\$ 46,145	\$ 79,103	\$ (32,958)	\$ (42,441)	\$ (11,011)	\$ 20,494

* Net of customer price adjustments, including recoveries.

** Net of divestitures and restructuring savings.

Additional detail on our quarterly segment variance analyses is available in our periodic filings with the Securities and Exchange Commission.

Cash and Liquidity

As of September 30, 2024, Cooper Standard had cash and cash equivalents totaling \$107.7 million. Total liquidity, including availability under the Company's amended senior asset-based revolving credit facility, was \$280.8 million at the end of the third quarter of 2024.

Based on current expectations for light vehicle production and customer demand for our products, the Company believes it has sufficient financial resources to support ongoing operations and the execution of planned strategic initiatives for the foreseeable future. These financial resources include current cash on hand, continuing access to flexible credit facilities, and expected future positive cash generation.

Outlook

Industry projections for full-year global light vehicle production in 2024 have been softening since the beginning of the year and are now slightly lower than levels realized in 2023. While the Company expects to continue leveraging new program launches and enhanced commercial agreements to drive growth, inflation and unfavorable foreign exchange are expected to continue as headwinds. Despite this continued slow growth environment, the Company expects the savings from implemented aggressive lean cost structure initiatives will help drive improvements in profit margins and cash flow in the fourth quarter of 2024 and continuing into 2025.

Reflecting these market dynamics, the Company has updated its full-year 2024 guidance as follows:

	Initial 2024 Guidance ¹	Current 2024 Guidance ¹
Sales	\$2.8 - \$2.9 billion	\$2.70 - \$2.75 billion
Adjusted EBITDA ²	\$180 - \$210 million	\$180 - \$195 million
Capital Expenditures	\$75 - \$85 million	\$45 - \$50 million
Cash Restructuring	\$15 - \$20 million	\$25 - \$30 million
Net Cash Interest	\$70 - \$75 million	\$95 - \$100 million
Net Cash Taxes	\$20 - \$25 million	\$20 - \$25 million
Key Light Vehicle Productions Assumptions (Units)		
North America	million 15.8	million 15.5
Europe	million 17.4	million 17.1
Greater China	million 28.9	million 29.3
South America	million 3.0	million 2.9

¹ Guidance is representative of management's estimates and expectations as of the date it is published. Initial guidance was first presented in our earnings press release published on February 15, 2024. Current guidance as presented in this press release considers October 2024 S&P Global (IHS Markit) production forecasts for relevant light vehicle platforms and models, customers' planned production schedules and other internal assumptions.

² Adjusted EBITDA is a non-GAAP financial measure. The Company has not provided a reconciliation of projected adjusted EBITDA to projected net income (loss) because full-year net income (loss) will include special items that have not yet occurred and are difficult to predict with reasonable certainty prior to year-end. Due to this uncertainty, the Company cannot reconcile projected adjusted EBITDA to U.S. GAAP net income (loss) without unreasonable effort.

Conference Call Details

Cooper Standard management will host a conference call and webcast on November 1, 2024 at 9 a.m. ET to discuss its third quarter 2024 results, provide a general business update and respond to investor questions. Investors and other interested parties may listen to the call by accessing the online, real-time webcast at <https://ir.cooperstandard.com/events>.

To participate by phone, callers in the United States and Canada can dial toll-free at 800-836-8184 (international callers dial 646-357-8785) and ask to be connected to the Cooper Standard conference call. Representatives of the investment community will have the opportunity to ask questions during Q&A. Participants should dial-in at least five minutes prior to the start of the call.

A replay of the webcast will be available on the investors' portion of the Cooper Standard website (<https://ir.cooperstandard.com>) shortly after the live event.

About Cooper Standard

Cooper Standard, headquartered in Northville, Mich., with locations in 21 countries, is a leading global supplier of sealing and fluid

handling systems and components. Utilizing our materials science and manufacturing expertise, we create innovative and sustainable engineered solutions for diverse transportation and industrial markets. Cooper Standard's approximately 22,000 employees are at the heart of our success, continuously improving our business and surrounding communities. Learn more at www.cooperstandard.com or follow us on [LinkedIn](#), [X](#), [Facebook](#), [Instagram](#) or [YouTube](#).

Forward Looking Statements

This press release includes "forward-looking statements" within the meaning of U.S. federal securities laws, and we intend that such forward-looking statements be subject to the safe harbor created thereby. Our use of words "estimate," "expect," "anticipate," "project," "plan," "intend," "believe," "outlook," "guidance," "forecast," or future or conditional verbs, such as "will," "should," "could," "would," or "may," and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements are based upon our current expectations and various assumptions. Our expectations, beliefs, and projections are expressed in good faith and we believe there is a reasonable basis for them. However, we cannot assure you that these expectations, beliefs and projections will be achieved. Forward-looking statements are not guarantees of future performance and are subject to significant risks and uncertainties that may cause actual results or achievements to be materially different from the future results or achievements expressed or implied by the forward-looking statements. Among other items, such factors may include: volatility or decline of the Company's stock price, or absence of stock price appreciation; impacts and disruptions related to the wars in Ukraine and the Middle East; our ability to achieve commercial recoveries and to offset the adverse impact of higher commodity and other costs through pricing and other negotiations with our customers; work stoppages or other labor disruptions with our employees or our customers' employees; prolonged or material contractions in automotive sales and production volumes; our inability to realize sales represented by awarded business; escalating pricing pressures; loss of large customers or significant platforms; our ability to successfully compete in the automotive parts industry; availability and increasing volatility in costs of manufactured components and raw materials; disruption in our supply base; competitive threats and commercial risks associated with our diversification strategy; possible variability of our working capital requirements; risks associated with our international operations, including changes in laws, regulations, and policies governing the terms of foreign trade such as increased trade restrictions and tariffs; foreign currency exchange rate fluctuations; our ability to control the operations of our joint ventures for our sole benefit; our substantial amount of indebtedness and variable rates of interest; our ability to obtain adequate financing sources in the future; operating and financial restrictions imposed on us under our debt instruments; the underfunding of our pension plans; significant changes in discount rates and the actual return on pension assets; effectiveness of continuous improvement programs and other cost savings plans; significant costs related to manufacturing facility closings or consolidation; our ability to execute new program launches; our ability to meet customers' needs for new and improved products; the possibility that our acquisitions and divestitures may not be successful; product liability, warranty and recall claims brought against us; laws and regulations, including environmental, health and safety laws and regulations; legal and regulatory proceedings, claims or investigations against us; the potential impact of any future public health events on our financial condition and results of operations; the ability of our intellectual property to withstand legal challenges; cyber-attacks, data privacy concerns, other disruptions in, or the inability to implement upgrades to, our information technology systems; the possible volatility of our annual effective tax rate; the possibility of a failure to maintain effective controls and procedures; the possibility of future impairment charges to our goodwill and long-lived assets; our ability to identify, attract, develop and retain a skilled, engaged and diverse workforce; our ability to procure insurance at reasonable rates; and our dependence on our subsidiaries for cash to satisfy our obligations.; and other risks and uncertainties, including those detailed from time to time in the Company's periodic reports filed with the Securities and Exchange Commission.

You should not place undue reliance on these forward-looking statements. Our forward-looking statements speak only as of the date of this press release and we undertake no obligation to publicly update or otherwise revise any forward-looking statement, whether as a result of new information, future events or otherwise, except where we are expressly required to do so by law.

This press release also contains estimates and other information that is based on industry publications, surveys and forecasts. This information involves a number of assumptions and limitations, and we have not independently verified the accuracy or completeness of the information.

Contact for Analysts:	Contact for Media:
Roger Hendriksen	Chris Andrews
Cooper Standard	Cooper Standard
(248) 596-6465	(248) 596-6217

roger.hendriksen@cooperstandard.com candrews@cooperstandard.com

Financial statements and related notes follow:

COOPER-STANDARD HOLDINGS INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(Dollar amounts in thousands except per share and share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Sales	\$ 685,353	\$ 736,038	\$ 2,070,140	\$ 2,142,236
Cost of products sold	609,041	629,504	1,849,245	1,916,160
Gross profit	76,312	106,534	220,895	226,076
Selling, administration & engineering expenses	49,698	49,834	157,472	156,528
Loss on sale of businesses, net	—	334	—	334
Amortization of intangibles	1,628	1,662	4,894	5,141
Restructuring charges	1,516	2,046	20,430	12,924
Impairment charges	—	—	—	654
Operating income	23,470	52,658	38,099	50,495
Interest expense, net of interest income	(29,125)	(33,803)	(87,041)	(98,057)
Equity in earnings of affiliates	1,258	682	4,830	1,140
Loss on refinancing and extinguishment of debt	—	—	—	(81,885)
Pension settlement credit (charge)	2,216	—	(44,571)	—
Other expense, net	(5,851)	(3,816)	(14,629)	(10,381)
(Loss) income before income taxes	(8,032)	15,721	(103,312)	(138,688)
Income tax expense	2,861	4,338	15,072	9,461
Net (loss) income	(10,893)	11,383	(118,384)	(148,149)
Net (income) loss attributable to noncontrolling interests	(164)	(20)	(576)	1,316
Net (loss) income attributable to Cooper-Standard Holdings Inc.	\$ (11,057)	\$ 11,363	\$ (118,960)	\$ (146,833)
Weighted average shares outstanding:				
Basic	17,612,001	17,427,082	17,546,292	17,331,199
Diluted	17,612,001	17,560,221	17,546,292	17,331,199
(Loss) income per share:				
Basic	\$ (0.63)	\$ 0.65	\$ (6.78)	\$ (8.47)
Diluted	\$ (0.63)	\$ 0.65	\$ (6.78)	\$ (8.47)

COOPER-STANDARD HOLDINGS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollar amounts in thousands except share amounts)

	September 30, 2024	December 31, 2023
	(unaudited)	
<u>Assets</u>		
Current assets:		
Cash and cash equivalents	\$ 107,734	\$ 154,801
Accounts receivable, net	386,225	380,562
Tooling receivable, net	72,712	80,225
Inventories	177,245	146,846
Prepaid expenses	33,253	28,328
Value added tax receivable	54,753	69,684
Other current assets	40,114	40,140
Total current assets	872,036	900,586
Property, plant and equipment, net	565,380	608,431
Operating lease right-of-use assets, net	90,244	91,126
Goodwill	140,727	140,814
Intangible assets, net	35,758	40,568
Other assets	93,393	90,774
Total assets	\$ 1,797,538	\$ 1,872,299

Liabilities and Equity

Current liabilities:		
Debt payable within one year	\$ 49,167	\$ 50,712
Accounts payable	332,233	334,578
Payroll liabilities	111,453	132,422
Accrued liabilities	135,904	116,954
Current operating lease liabilities	19,433	18,577
Total current liabilities	648,190	653,243
Long-term debt	1,058,004	1,044,736
Pension benefits	100,882	100,578
Postretirement benefits other than pensions	28,147	28,940
Long-term operating lease liabilities	74,437	76,482
Other liabilities	50,928	58,053
Total liabilities	1,960,588	1,962,032

Equity:

Common stock, \$0.001 par value, 190,000,000 shares authorized; 19,392,340 shares issued and 17,326,531 shares outstanding as of September 30, 2024, and 19,263,288 shares issued and 17,197,479 shares outstanding as of December 31, 2023

	17	17
Additional paid-in capital	515,927	512,164
Retained deficit	(510,776)	(391,816)
Accumulated other comprehensive loss	(160,272)	(201,665)
Total Cooper-Standard Holdings Inc. equity	(155,104)	(81,300)
Noncontrolling interests	(7,946)	(8,433)
Total equity	(163,050)	(89,733)
	\$	\$
Total liabilities and equity	1,797,538	1,872,299

COOPER-STANDARD HOLDINGS INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

(Dollar amounts in thousands)

	Nine Months Ended September 30,	
	2024	2023
Operating activities:		
Net loss	\$ (118,384)	\$ (148,149)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	73,358	77,876
Amortization of intangibles	4,894	5,141
Loss on sale of businesses, net	—	334
Impairment charges	—	654
Pension settlement charge	44,571	—
Share-based compensation expense	7,057	4,071
Equity in (earnings) losses of affiliates, net of dividends related to earnings	(1,199)	1,159
Loss on refinancing and extinguishment of debt	—	81,885
Payment-in-kind interest	12,367	44,019
Deferred income taxes	1,889	(586)
Other	4,036	3,606
Changes in operating assets and liabilities	(26,942)	(32,394)
Net cash provided by operating activities	1,647	37,616

Investing activities:

Capital expenditures	(39,014)	(63,184)
Proceeds from sale of businesses, net of cash divested	—	15,351
Other	287	358
Net cash used in investing activities	(38,727)	(47,475)

Financing activities:

Proceeds from issuance of long-term debt, net of debt issuance costs	—	924,299
Repayment and refinancing of long-term debt	—	(927,046)
Principal payments on long-term debt	(1,901)	(1,613)
Borrowings on revolving credit facility, net	—	120,000
Decrease in short-term debt, net	(2,356)	(1,241)
Debt issuance costs and other fees	(1,921)	(74,376)
Taxes withheld and paid on employees' share-based payment awards	(612)	(214)
Other	—	(439)
Net cash (used in) provided by financing activities	(6,790)	39,370

Effects of exchange rate changes on cash, cash equivalents and restricted cash	(2,569)	(8,307)
Changes in cash, cash equivalents and restricted cash	(46,439)	21,204
Cash, cash equivalents and restricted cash at beginning of period	163,061	192,807
Cash, cash equivalents and restricted cash at end of period	\$ 116,622	\$ 214,011

Reconciliation of cash, cash equivalents and restricted cash to the condensed consolidated balance sheets:

	Balance as of	
	September 30, 2024	December 31, 2023
Cash and cash equivalents	\$ 107,734	\$ 154,801
Restricted cash included in other current assets	7,176	7,244
Restricted cash included in other assets	1,712	1,016
Total cash, cash equivalents and restricted cash	\$ 116,622	\$ 163,061

Non-GAAP Financial Measures

EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income (loss), adjusted earnings (loss) per share and free cash flow are measures not recognized under U.S. GAAP and which exclude certain non-cash and special items that may obscure trends and operating performance not indicative of the Company's core financial activities. Net new business is a measure not recognized under U.S. GAAP which is a representation of potential incremental future revenue but which may not fully reflect all external impacts to future revenue. Management considers EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income (loss), adjusted earnings (loss) per share, free cash flow and net new business to be key indicators of the Company's operating performance and believes that these and similar measures are widely used by investors, securities analysts and other interested parties in evaluating the Company's performance. In addition, similar measures are utilized in the calculation of the financial covenants and ratios contained in the Company's financing arrangements and management uses these measures for developing internal budgets and forecasting purposes. EBITDA is defined as net income (loss) adjusted to reflect income tax expense (benefit), interest expense net of interest income, depreciation and amortization, and adjusted EBITDA is defined as EBITDA further adjusted to reflect certain items that management does not consider to be reflective of the Company's core operating performance. Adjusted net income (loss) is defined as net income (loss) adjusted to reflect

certain items that management does not consider to be reflective of the Company's core operating performance. Adjusted EBITDA margin is defined as adjusted EBITDA as a percentage of sales. Adjusted basic and diluted earnings (loss) per share is defined as adjusted net income (loss) divided by the weighted average number of basic and diluted shares, respectively, outstanding during the period. Free cash flow is defined as net cash provided by operating activities minus capital expenditures and is useful to both management and investors in evaluating the Company's ability to service and repay its debt. Net new business reflects anticipated sales from formally awarded programs, less lost business, discontinued programs and replacement programs and is based on S&P Global (IHS Markit) forecast production volumes. The calculation of "net new business" does not reflect customer price reductions on existing programs and may be impacted by various assumptions embedded in the respective calculation, including actual vehicle production levels on new programs, foreign exchange rates and the timing of major program launches.

When analyzing the Company's operating performance, investors should use EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income (loss), adjusted earnings (loss) per share, free cash flow and net new business as supplements to, and not as alternatives for, net income (loss), operating income, or any other performance measure derived in accordance with U.S. GAAP, and not as an alternative to cash flow from operating activities as a measure of the Company's liquidity. EBITDA, adjusted EBITDA, adjusted net income (loss), adjusted earnings (loss) per share, free cash flow and net new business have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of the Company's results of operations as reported under U.S. GAAP. Other companies may report EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income (loss), adjusted earnings (loss) per share, free cash flow and net new business differently and therefore the Company's results may not be comparable to other similarly titled measures of other companies. In addition, in evaluating adjusted EBITDA and adjusted net income (loss), it should be noted that in the future the Company may incur expenses similar to or in excess of the adjustments in the below presentation. This presentation of adjusted EBITDA and adjusted net income (loss) should not be construed as an inference that the Company's future results will be unaffected by special items. Reconciliations of EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income (loss) and free cash flow follow.

Reconciliation of Non-GAAP Financial Measures

EBITDA and Adjusted EBITDA (Unaudited) (Dollar amounts in thousands)

The following table provides a reconciliation of EBITDA and adjusted EBITDA from net (loss) income:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net (loss) income attributable to Cooper-Standard Holdings Inc.	\$ (11,057)	\$ 11,363	\$ (118,960)	\$ (146,833)
Income tax expense	2,861	4,338	15,072	9,461
Interest expense, net of interest income	29,125	33,803	87,041	98,057
Depreciation and amortization	25,916	27,219	78,252	83,017
EBITDA	\$ 46,845	\$ 76,723	\$ 61,405	\$ 43,702
Restructuring charges	1,516	2,046	20,430	12,924
Impairment charges ⁽¹⁾	—	—	—	654
Loss on sale of businesses, net ⁽²⁾	—	334	—	334
Loss on refinancing and extinguishment of debt ⁽³⁾	—	—	—	81,885
Pension settlement (credit) charge ⁽⁴⁾	(2,216)	—	44,571	—
Adjusted EBITDA	\$ 46,145	\$ 79,103	\$ 126,406	\$ 139,499
Sales	\$ 685,353	\$ 736,038	\$ 2,070,140	\$ 2,142,236
Net (loss) income margin	(1.6) %	1.5 %	(5.7) %	(6.9) %
Adjusted EBITDA margin	6.7 %	10.7 %	6.1 %	6.5 %

(1) Non-cash impairment charges in 2023 related to certain assets in Asia Pacific.

(2) Loss on sale of businesses related to divestitures in 2023.

(3) Loss on refinancing and extinguishment of debt relating to refinancing transactions in 2023.

(4) Pension credit and one-time, non-cash pension settlement charge and administrative fees incurred related to the termination of the Company's U.S. pension plan.

Adjusted Net (Loss) Income and Adjusted (Loss) Income Per Share

(Unaudited)

(Dollar amounts in thousands except per share and share amounts)

The following table provides a reconciliation of net (loss) income to adjusted net (loss) income and the respective (loss) income per share amounts:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net (loss) income attributable to Cooper-Standard Holdings Inc.	\$ (11,057)	\$ 11,363	\$ (118,960)	\$ (146,833)
Restructuring charges	1,516	2,046	20,430	12,924
Impairment charges ⁽¹⁾	—	—	—	654
Loss on sale of businesses, net ⁽²⁾	—	334	—	334
Loss on refinancing and extinguishment of debt ⁽³⁾	—	—	—	81,885
Pension settlement (credit) charge ⁽⁴⁾	(2,216)	—	44,571	—
Tax impact of adjusting items ⁽⁵⁾	(255)	1,210	68	(145)
Adjusted net (loss) income	\$ (12,012)	\$ 14,953	\$ (53,891)	\$ (51,181)
Weighted average shares outstanding:				
Basic	17,612,001	17,427,082	17,546,292	17,331,199
Diluted	17,612,001	17,560,221	17,546,292	17,331,199
(Loss) income per share:				
Basic	\$ (0.63)	\$ 0.65	\$ (6.78)	\$ (8.47)
Diluted	\$ (0.63)	\$ 0.65	\$ (6.78)	\$ (8.47)
Adjusted (loss) income per share:				
Basic	\$ (0.68)	\$ 0.86	\$ (3.07)	\$ (2.95)
Diluted	\$ (0.68)	\$ 0.85	\$ (3.07)	\$ (2.95)

(1) Non-cash impairment charges in 2023 related to certain assets in Asia Pacific.

(2) Loss on sale of businesses related to divestitures in 2023.

(3) Loss on refinancing and extinguishment of debt relating to refinancing transactions in 2023.

(4) Pension credit and one-time, non-cash pension settlement charge and administrative fees incurred related to the termination of the Company's U.S. pension plan.

(5) Represents the elimination of the income tax impact of the above adjustments by calculating the income tax impact of these adjusting items using the appropriate tax rate for the jurisdiction where the charges were incurred and other discrete tax expense.

Free Cash Flow
(Unaudited)
(Dollar amounts in thousands)

The following table defines free cash flow:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net cash provided by operating activities	\$ 27,859	\$ 20,466	\$ 1,647	\$ 37,616
Capital expenditures	(10,937)	(16,424)	(39,014)	(63,184)
Free cash flow	\$ 16,922	\$ 4,042	\$ (37,367)	\$ (25,568)

SOURCE Cooper Standard

<https://ir.cooperstandard.com/2024-10-31-Cooper-Standard-Reports-Third-Quarter-Results-Continuing-Lean-Initiatives-Delivering-Cost-Savings-as-Planned>