



Motorcar Parts of America Provides Clarification of the Delay in Filing its Fiscal Second Quarter 10-Q

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LOS ANGELES, Nov. 12, 2018 (GLOBE NEWSWIRE) -- **Motorcar Parts of America, Inc.** (Nasdaq: MPAA) today announced the company is continuing to evaluate its accounting policies related to new business contracts.

As announced on Friday, the company has delayed the filing of its fiscal second quarter Form 10-Q while it reviews its accounting practices primarily related to the timing of recognizing certain expenses incurred in connection with new business. These expenses are primarily allowances for core inventory purchase obligations at the start of a new business relationship.

Notwithstanding the delay in filing its Form 10-Q for the fiscal 2019 second quarter, the company expects to report record adjusted net sales for the first half. In addition, orders for the current fiscal third quarter are strong and the company anticipates record adjusted net sales for the second half. Adjusted net sales include adjustments for customer allowances and initial return accruals related to new business. The company is currently unable to reconcile adjusted net sales to GAAP net sales due to the issues discussed above.

The company does not believe this review of the accounting for new business contracts will affect its liquidity, operations or strong growth momentum.

About Motorcar Parts of America

Motorcar Parts of America, Inc. is a remanufacturer, manufacturer and distributor of automotive aftermarket parts -- including alternators, starters, wheel bearing and hub assemblies, brake master cylinders, brake power boosters, rotors, brake pads and turbochargers utilized in imported and domestic passenger vehicles, light trucks and heavy-duty applications. In addition, the company designs and manufactures test equipment for performance, endurance and production testing of alternators, starters, electric motors, inverters and belt starter generators for both the OE and aftermarket. Motorcar Parts of America's products are sold to automotive retail outlets and the professional repair market throughout the United States and Canada, with facilities located in California, Mexico, Malaysia and China, and administrative offices located in California, Tennessee, Mexico, Singapore, Malaysia and Canada. Additional information is available at www.motorcarparts.com

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for certain forward-looking statements. The statements contained in this press release that are not historical facts are forward-looking statements based on the company's current expectations and beliefs concerning future developments and their potential effects on the company. These forward-looking statements involve significant risks and uncertainties (some of which are beyond the control of the company) and are subject to change based upon various factors. Reference is also made to the Risk Factors set forth in the company's Form 10-K Annual Report filed with the Securities and Exchange Commission (SEC) in June 2018 and in its Forms 10-Q filed with the SEC for additional risks and uncertainties facing the company. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as the result of new information, future events or otherwise.

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Source: Motorcar Parts of America, Inc.