

SUBJECT TO COMPLETION
DATED JUNE 8, 2020

PRELIMINARY PROSPECTUS SUPPLEMENT
(To Prospectus Dated May 7, 2020)
New Issue

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This prospectus supplement together with the short form base shelf prospectus dated May 7, 2020 to which it relates, as amended or supplemented, and each document incorporated by reference into this prospectus supplement or the accompanying short form base shelf prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

Information has been incorporated by reference in this prospectus supplement and the accompanying short form base shelf prospectus from documents filed with the Ontario Securities Commission. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Magna International Inc. at 337 Magna Drive, Aurora, Ontario, Canada L4G 7K1, telephone: (905) 726-2462, and are also available at www.sedar.com.

\$



Magna International Inc.

% Senior Notes due

We are offering \$ _____ aggregate principal amount of _____ % Senior Notes due _____ (the “notes”). We will pay interest on the notes semi-annually on _____ and _____ of each year, beginning on _____, 2020. We may redeem the notes in whole or in part at any time and from time to time at the redemption prices described in this prospectus supplement under the caption “Description of the Notes—Optional Redemption.” We also have the right to redeem the notes, in whole but not in part, at 100% of the principal amount thereof, plus accrued and unpaid interest to, but excluding, the date of redemption, in certain circumstances in which we would become obligated to pay additional amounts under the notes as described under “Description of the Notes—Optional Tax Redemption.” If we experience a change of control triggering event, we will be required to offer to repurchase the notes from holders at 101% of the principal amount thereof plus accrued and unpaid interest to, but excluding, the repurchase date except as described under “Description of the Notes—Offer to Repurchase Upon Change of Control Triggering Event.”

The notes will be our senior unsecured obligations and will rank equally with all our other existing and future senior unsecured obligations. The notes will be structurally subordinated to all indebtedness and other liabilities of our subsidiaries and will be effectively subordinated to any secured indebtedness and other liabilities of ours to the extent of the assets securing the same.

Investing in the notes involves risks. See “Risk Factors” beginning on page S-18.

We are permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare this prospectus supplement and the accompanying prospectus in accordance with the disclosure requirements of Canada. Prospective investors should be aware that such requirements are different from those of the United States.

Prospective investors should be aware that the acquisition of the notes described herein may have tax consequences both in the United States and in Canada. Such consequences for investors who are resident in, or citizens of, the United States may not be fully described herein.

The enforcement by investors of civil liabilities under United States federal securities laws may be affected adversely by the fact that we are an Ontario corporation, that some of our officers and directors are residents of foreign countries, that some of the underwriters or experts named in the registration statement are residents of Canada and that a substantial portion of our assets and those of such persons may be located outside the United States.

These securities have not been approved or disapproved by the U.S. Securities and Exchange Commission (the “SEC”) or any U.S. state securities regulator nor has the SEC or any U.S. state securities regulator passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	<u>Per Note</u>	<u>Total</u>
Public offering price(1)	%	\$
Underwriting discount.....	%	\$
Proceeds to the Company (before expenses)(1)	%	\$

(1) Plus accrued interest, if any, from _____, 2020, if settlement occurs after that date.

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

The underwriters, as principals, conditionally offer the notes, subject to prior sale, if as and when issued by us, and accepted by the underwriters in accordance with the conditions contained in the underwriting agreement referred to under “Underwriting” in this prospectus supplement. The underwriters expect to deliver the notes to purchasers in book-entry only form through the facilities of The Depository Trust Company for the accounts of its participants, including Euroclear Bank SA/NV, as operator of the Euroclear System, and Clearstream Banking, S.A., on or about _____, 2020.

We will not apply to list the notes on any securities exchange or to include the notes on any automated quotation system. There is no market through which the notes may be sold and purchasers may not be able to resell the notes purchased under this prospectus supplement and the accompanying prospectus. This may affect the pricing of the notes in the secondary market, the transparency and availability of trading prices and the liquidity of the securities.

In connection with the offering of the notes, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the notes. Such transactions, if commenced, may be discontinued at any time. See “Underwriting.”

BofA Securities, Inc., Citigroup Global Markets Inc. and TD Securities (USA) LLC are affiliates of banks that are currently lenders under our unsecured revolving credit facility and our 364-day syndicated revolving credit facility, as amended and supplemented from time to time. Consequently, we may be considered to be a “connected issuer” of each of these underwriters under Canadian securities laws. See “Underwriting.”

Joint Book-Running Managers

BofA Securities

Citigroup

TD Securities

The date of this prospectus supplement is _____, 2020.

We have not, and the underwriters have not, authorized anyone to provide you with information other than the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectus we have authorized. We take no responsibility for and can make no assurance as to the reliability of any other information that others may give you. We are not, and the underwriters are not, making an offer of these notes in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or any free writing prospectus we have authorized is accurate as of any date other than the date on the front of that document. Our business, financial condition, results of operations and prospects may have changed since those dates.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the notes that we are offering and other matters relating to us and our financial condition. The second part is the accompanying short form base shelf prospectus dated May 7, 2020 (the “accompanying prospectus”), which gives more general information about securities we may offer from time to time, some of which does not apply to the notes we are offering. The description of the terms of the notes in this prospectus supplement supplements the description in the accompanying prospectus under “Description of the Debt Securities,” and to the extent it is inconsistent with that description, the information in this prospectus supplement replaces the information in the accompanying prospectus. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. If information in this prospectus supplement differs from information in the accompanying prospectus, you should rely on the information in this prospectus supplement.

Except as used in “Description of the Notes,” as the context otherwise requires, or as otherwise specified or used in this prospectus supplement or the accompanying prospectus, the terms “we,” “our,” “us,” “the Company” and “Magna International” refer to Magna International Inc. and its subsidiaries.

All amounts referred to in this prospectus supplement, the accompanying prospectus and in the documents incorporated by reference are presented in U.S. dollars, in each case, unless otherwise stated.

The distribution of this prospectus supplement, the accompanying prospectus and any free writing prospectus we have authorized and the offering of the notes in certain jurisdictions may be restricted by law. Persons who come into possession of this prospectus supplement, the accompanying prospectus and any free writing prospectus we have authorized should inform themselves about and observe any such restrictions. This prospectus supplement, the accompanying prospectus and any free writing prospectus we have authorized do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

You should not consider any information in this prospectus supplement, the accompanying prospectus or any free writing prospectus we have authorized to be investment, legal or tax advice. You should consult your own counsel, accountant and other advisors for legal, tax, business, financial and related advice regarding the purchase of the notes. We are not making any representation to you regarding the legality of an investment in the notes by you under applicable investment or similar laws.

You should read and consider all information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus we have authorized before making your investment decision.

Any distributor subject to Directive 2014/65/EU (as amended, “MiFID II”) subsequently offering, selling or recommending the notes is responsible for undertaking its own target market assessment in respect of the notes and determining the appropriate distribution channels for the purposes of the MiFID II product governance rules under Commission Delegated Directive (EU) 2017/593 (the “Delegated Directive”). Neither the issuer nor any of the underwriters make any representations or warranties as to a distributor's compliance with the Delegated Directive.

All references in this prospectus supplement to Regulations or Directives include, in relation to the United Kingdom (“UK”), those Regulations or Directives as they form part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 or have been implemented in UK domestic law, as appropriate.

Notice to Prospective Investors in the European Economic Area and in the United Kingdom

None of this prospectus supplement, the accompanying prospectus or any free writing prospectus is a prospectus for purposes of the Regulation (EU) 2017/1129 (as amended or superseded).

Each person in the European Economic Area (the “EEA”) or the United Kingdom (the “UK”) who receives any communication in respect of, or who acquires any notes under, the offers to the public contemplated in this

prospectus supplement, or to whom the notes are otherwise made available, will be deemed to have represented, warranted, acknowledged and agreed to and with each initial purchaser and the issuer that it and any person on whose behalf it acquires notes is: (1) a “qualified investor” within the meaning of Article 2(e) of the Prospectus Regulation; and (2) not a “retail investor” (as defined above).

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or in the UK. For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “IDD”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended or superseded, the “Prospectus Regulation”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

Notice to Prospective Investors in the United Kingdom

This prospectus supplement and any other material in relation to the notes described herein is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Financial Promotion Order”), (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This prospectus supplement and any other material in relation to the notes described herein is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

In connection with the offering of the notes, the underwriters are not acting for anyone other than the Company and will not be responsible to anyone other than the Company for providing the protections afforded to their clients nor for providing advice in relation to the offering of the notes.

BASIS OF PRESENTATION

The consolidated financial statements of Magna International Inc. have been prepared in U.S. dollars in accordance with U.S. generally accepted accounting principles (“GAAP”) and the accounting policies as set out in note 1 to the Audited Consolidated Financial Statements as at December 31, 2019 and 2018 and for each of the years in the two year period ended December 31, 2019.

This prospectus supplement contains references to certain measures that do not have a standardized meaning under GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. We have presented such non-GAAP measures as management believes they are relevant measures of our underlying operating performance. Non-GAAP measures should not be considered as alternatives to comparable metrics determined in accordance with GAAP as indicators of our performance, liquidity, cash flow and profitability. The non-GAAP measures are described in this prospectus supplement (excluding the documents incorporated by reference herein). Other non-GAAP measures are described in the documents incorporated by reference in this prospectus supplement.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents with respect to Magna International filed with the various securities commissions or similar authorities in each of the provinces and territories of Canada, are specifically incorporated by reference in and form an integral part of this prospectus supplement and the accompanying prospectus:

- (a) our Annual Information Form for the year ended December 31, 2019, dated March 27, 2020;
- (b) our Audited Consolidated Financial Statements as at December 31, 2019 and 2018 and for each of the years in the two year period ended December 31, 2019, together with the notes thereto and the auditors' report thereon;
- (c) Management's Discussion and Analysis of our results of operations and financial position for the year ended December 31, 2019;
- (d) our Unaudited Interim Consolidated Financial Statements for the three-month period ended March 31, 2020, together with the notes thereto;
- (e) Management's Discussion and Analysis of our results of operations and financial position for the three-month period ended March 31, 2020; and
- (f) our Management Proxy Circular in connection with the annual meeting of our shareholders held on May 7, 2020.

Any documents of the type referred to above, any annual information form, annual or interim financial statements and annual or interim management's discussion and analysis relating thereto, management proxy circular and any material change reports (excluding confidential material change reports) or business acquisition reports, all as filed by the Company with the various securities commissions or similar authorities in Canada pursuant to the requirements of applicable securities legislation after the date of this prospectus supplement and prior to the termination of the offering of the notes, shall be deemed to be incorporated by reference into this prospectus supplement and the accompanying prospectus. Any such documents of the type referred to in the preceding sentence incorporated by reference in this prospectus supplement and the accompanying prospectus contained in reports on Form 40-F or Form 6-K which we file with or furnish to the SEC after the date of this prospectus supplement and prior to the termination of the offering of the notes to which this prospectus supplement and accompanying prospectus relate shall be deemed to be incorporated by reference into this prospectus supplement and the accompanying prospectus and as an exhibit to the Registration Statement on Form F-10 of which this prospectus supplement and the accompanying prospectus form a part. In addition, any other documents contained in reports on Form 6-K, if and to the extent expressly provided in such reports on Form 6-K, which we furnish to the SEC after the date of this prospectus supplement and prior to the termination of the offering of the notes to which this prospectus supplement and accompanying prospectus relate shall be deemed to be incorporated as an exhibit to the Registration Statement on Form F-10 of which this prospectus supplement and the accompanying prospectus form a part.

Any statement contained in this prospectus supplement, the accompanying prospectus or in a document incorporated or deemed to be incorporated by reference herein and in the accompanying prospectus shall be deemed to be modified or superseded for the purposes of this prospectus supplement and the accompanying prospectus to the extent that a statement contained herein or in the accompanying prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein and in the accompanying prospectus modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement is not to be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus

supplement and the accompanying prospectus. Copies of the documents incorporated by reference herein may be obtained on request without charge from the Corporate Secretary of Magna International Inc. at 337 Magna Drive, Aurora, Ontario, Canada L4G 7K1, telephone: (905) 726-2462, and are also available electronically at www.sedar.com or on the SEC's Electronic Data Gathering and Retrieval System website at www.sec.gov.

Upon a new annual information form and the related annual financial statements and accompanying management's discussion and analysis being filed by the Company with and, where required, accepted by, the applicable securities commissions or similar authorities in Canada during the term of this prospectus supplement and the accompanying prospectus, the previous annual information form, the previous annual financial statements and accompanying management's discussion and analysis and all interim financial statements and accompanying management's discussion and analysis, and all material change reports and business acquisition reports filed by the Company prior to the commencement of the then current fiscal year, shall be deemed no longer to be incorporated into this prospectus supplement and the accompanying prospectus for purposes of future offers and sales of notes hereunder. Upon an interim financial statement and accompanying management's discussion and analysis being filed by the Company with and, where required, accepted by, the applicable securities commissions or similar authorities in Canada during the term of this prospectus supplement and the accompanying prospectus, all interim financial statements and accompanying management's discussion and analysis filed prior to the new interim financial statements shall be deemed no longer to be incorporated into this prospectus supplement and the accompanying prospectus for purposes of future offers and sales of notes hereunder. Upon a new management proxy circular relating to an annual meeting of shareholders of the Company being filed by the Company with and, where required, accepted by, the applicable securities commissions or similar authorities in Canada during the term of this prospectus supplement and the accompanying prospectus, the management proxy circular for the preceding annual meeting of shareholders of the Company shall be deemed no longer to be incorporated by reference into this prospectus supplement and the accompanying prospectus for purposes of future offers and sales of notes hereunder.

FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus, including those documents incorporated by reference, may contain forward-looking information or forward-looking statements (collectively, "forward-looking statements") within the meaning of applicable securities legislation (including within the meaning of the Securities Act (Ontario) and within the meaning Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act")). These forward-looking statements include, but are not limited to, statements relating to:

- our use of proceeds of any offering of debt securities under this prospectus supplement and the accompanying prospectus;
- recent developments to our business related to the COVID-19 pandemic, including:
 - adjustments to our operations and actions to protect and safeguard the health of our employees, suppliers and visitors;
 - our expectations regarding the timing of a return to production in our European and North American facilities; and
 - taking further actions with respect to production, where required by law or determined by us to be in the best interests of our employees, customers, suppliers or other applicable stakeholders;
- implementation of our business strategy, including:
 - strategic initiatives relating to vehicle lightweighting, powertrain electrification, active aerodynamics, autonomous driving systems and smart mobility solutions;
 - the evolution of our product portfolio; and
 - our customer, geographic and innovation/research and development strategies;
- implementation of our financial strategy, including future returns of capital to our shareholders through dividends and share repurchases;

- implementation of our segment-specific strategic initiatives;
- implementation of our sustainability strategy; and
- estimates of future environmental clean-up and remediation costs.

The forward-looking statements in this prospectus and in the documents incorporated by reference herein are presented for the purpose of providing information about management’s current expectations and plans. Such forward-looking statements may not be appropriate for other purposes. Forward-looking statements may include financial and other projections, as well as statements regarding our future plans, objectives or economic performance, or the assumptions underlying any of the foregoing, and other statements that are not recitations of historical fact. We use words such as “may”, “would”, “could”, “should”, “will”, “likely”, “expect”, “anticipate”, “believe”, “intend”, “plan”, “aim”, “forecast”, “outlook”, “project”, “estimate” and similar expressions suggesting future outcomes or events to identify forward-looking statements. Any such forward-looking statements are based on information currently available to us, and are based on assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances. While we believe we have a reasonable basis for making such forward-looking statements, they are not a guarantee of future performance or outcomes. Whether actual results and developments conform to our expectations and predictions is subject to a number of risks, assumptions and uncertainties, many of which are beyond our control, and the effects of which can be difficult to predict, including, without limitation:

- risks related to the automotive industry
 - economic cyclicity;
 - regional production volume declines, including as a result of the COVID-19 (coronavirus) pandemic;
 - intense competition;
 - potential restrictions on free trade;
 - trade disputes/tariffs
- customer and supplier related risks
 - concentration of sales with six customers;
 - inability to significantly grow our business with Asian customers;
 - OEM consolidation and cooperation;
 - shifts in market shares among vehicles or vehicle segments;
 - shifts in consumer take rates for products we sell;
 - dependence on outsourcing;
 - quarterly sales fluctuations;
 - potential loss of any material purchase orders;
 - deterioration of the financial condition of our supply base
- manufacturing/operational risks
 - product and new facility launch risks;
 - operational underperformance;
 - restructuring costs;
 - impairment charges;
 - labour disruptions;
 - COVID-19 (Coronavirus) shutdowns;

- supply disruptions and applicable costs related to supply disruption mitigation initiatives, including as a result of the COVID-19 (coronavirus) pandemic;
 - climate change risks;
 - attraction/retention of skilled labour;
- IT security/cybersecurity risk
 - IT/cybersecurity breach;
 - product cybersecurity breach;
- pricing risks
 - pricing risks between time of quote and start of production;
 - price concessions;
 - commodity costs;
 - declines in scrap steel/aluminium prices;
- warranty risk
 - costs related to repair or replace defective products, including due to a recall;
 - warranty or recall costs that exceed warranty provision or insurance coverage limits;
 - product liability claims;
- acquisition risks
 - competition for strategic acquisition targets;
 - inherent merger and acquisition risks;
 - acquisition integration risk;
- other business risks
 - risks related to conducting business through joint ventures;
 - our ability to consistently develop and commercialize innovative products or processes;
 - our private equity investments in technology companies;
 - our changing business risk profile as a result of increased investment in electrification and autonomous/assisted driving, including higher research and development engineering costs, and challenges in quoting for profitable returns on products for which we may not have significant quoting experience;
 - risks of conducting business in foreign markets;
 - fluctuations in relative currency values;
 - an increase in our pension funding obligations;
 - tax risks;
 - reduced financial flexibility as a result of an economic shock;
 - inability to achieve future investment returns that equal or exceed past returns;
 - changes in credit ratings assigned to us;
 - the unpredictability of, and fluctuation in, the trading price of our common shares;
 - a reduction or suspension of our dividend;
- legal, regulatory and other risks

- antitrust risk;
- legal claims and/or regulatory actions against us;
- changes in laws and regulations, including those related to vehicle emissions;
- environmental compliance costs; and
- other factors set out in our most recent Annual Information Form filed with securities commissions in Canada and our most recent Annual Report on Form 40-F filed with the SEC, and subsequent filings.

In evaluating forward-looking statements, we caution readers not to place undue reliance on any forward-looking statements and readers should specifically consider the various factors which could cause actual events or results to differ materially from those indicated by such forward-looking statements. Unless otherwise required by applicable securities laws, we do not intend, nor do we undertake any obligation, to update or revise any forward-looking statements to reflect subsequent information, events, results or circumstances or otherwise.

SUMMARY

The following summary highlights information from this prospectus supplement, the accompanying prospectus and the documents incorporated by reference. It is not complete and may not contain all of the information that you should consider before investing in our notes. We encourage you to read this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in their entirety before making an investment decision, including the information set forth under the heading "Risk Factors."

Magna International Inc.

Overview

Magna is a mobility technology company that is helping pave the way to the future with innovative products and processes. We have more than 159,000 employees and 347 manufacturing operations and 94 product development, engineering and sales centres in 27 countries.

The Company is organized under four operating segments: Body Exteriors & Structures, Power & Vision, Seating Systems and Complete Vehicles.

Strategy

Our corporate strategy is driven by our assessment of the most effective way to achieve long-term growth within the context of the various macroeconomic factors and industry trends shaping the automotive industry and the future of mobility. Key elements of our overall strategy include: product portfolio; customer strategy; geographic footprint; innovation/R&D approach; capital allocation; and talent management.

Product Portfolio

Our product strategy is centred on our best understanding of future mobility. This represents our Board and Management's collective judgement regarding the automotive systems and services which will continue to be relevant and valued by OEM customers over the next 20 years. We intend to continue growing or maintaining our strong position in product areas:

- that have historically generated strong returns on capital;
- that are expected to grow and continue generating strong returns over the long-term; and
- in which we currently maintain, or can achieve, a top-three market position.

In addition, we continue to focus on acquisitions that fit our product strategy. We follow a disciplined and prudent approach in which we consider acquisition opportunities that would allow us to acquire innovative technologies and strengthen our position in priority product areas, or facilitate entry into new product areas, provided that any such acquisition meets our investment return criteria and falls within our risk tolerance.

In developing our product strategy, consideration has been given to various factors that are shaping how consumers view the car and the role of the car in their lives. While there are many trends influencing the evolution of the vehicle, we believe the three primary trends driving long term, structural changes in the industry are the demand for:

- product solutions addressing fuel efficiency and reduction of CO₂ emissions;
- advanced driver assistance features; and
- smart mobility services.

Additional details of our product strategy as it relates to fuel efficiency and CO₂ emissions reduction solutions; vehicle autonomy features; and smart mobility services is detailed on pages 12-14 of our Annual Information Form which is incorporated by reference in this prospectus supplement.

The development of innovative technologies and solutions which are responsive to the three trends above requires R&D spending, as well as capital investments and the acquisition of engineering talent with the necessary software expertise. We believe that the relatively stable profitability and cash generation from our “traditional” businesses, each of which operates in product areas of strategic importance to the “Car of the Future”, provide us with the ability to fund the R&D and capital investment required to realize the opportunities described above. Additionally, we believe that our comprehensive knowledge and understanding of the entire vehicle and the interaction of various complex vehicle systems provide us with unique advantages in executing our long term strategy.

Customer Strategy

Although sales to the three U.S.-based and three German-based OEMs represent 77% of our Total Sales, we continue to pursue diversification to increase our business with Japanese, Korean and Chinese OEMs, as well as credible new market entrants and “mobility-as-a-service”(MaaS) providers.

We monitor the financial health of our customers and potential customers and, in the case of new market entrants, assess their long-term viability to reduce the risk that any investments we make in support of that customer become unrecoverable if the customer fails.

Geographic Footprint

Due to the need to manufacture within a relatively short distance from OEM customers’ assembly facilities, our geographic footprint is aligned with the manufacturing footprints of our main customers. Since our six largest customers are North-American and German OEMs, North America and Europe are our largest geographic markets. Additionally, these six customers have significant production capacity in China, primarily through joint ventures with Chinese OEMs. Accordingly, we have a significant and growing presence in China.

We intend to continue to focus on our three core markets, while allocating capital for prudent growth in other geographic markets such as Morocco, Vietnam, Thailand and other ASEAN countries, provided that the business opportunities in such new markets meet our internal investment hurdles and key risks can be appropriately managed/mitigated. In markets such as Argentina, Brazil, Russia and South Korea, we are focused on careful management of our installed capital, rather than growth.

Innovation / R&D

We believe that product and process innovation are at the heart of our success to date, and will be the critical factors in our future success. R&D projects follow an “innovation development process” or “IDP” – a multi-stage process with a focus of transforming ideas into innovations that can eventually be commercialized and scaled. The phases of the IDP are:

- | | |
|-------------------------------|---|
| <i>Concept:</i> | product teams identify and analyze the impact of societal, demographic, technological, regulatory and other trends on future product needs, then develop concepts addressing these factors. |
| <i>Pre-production:</i> | ideas are scrutinized for “fit” with our product strategy, and assessed from the perspective of product, process and cost optimization. Our sales and marketing teams engage with our customers to better understand their product strategies and needs with a view to assessing those of our products that have realizable commercial potential. |
| <i>Production:</i> | ideas surviving analysis, consideration and review, and for which we |

have awarded contracts, will progress to production.

Capital Structure

Our approach to capital remains unchanged from recent years. We continue to prioritize investing in our business through organic growth and prudent acquisitions, as well as returning capital to shareholders. Our capital structure has been developed with the goal of maintaining the company's financial flexibility in order to withstand economic downturns such as the current COVID-19-induced downturn, and position the company to pursue strategic opportunities when prudent to do so, in light of market conditions and valuations. Accordingly, we are focused on:

- maintaining sufficient liquidity, including committed lines of credit, to support our needs;
- preserving a strong investment grade credit rating of BBB+ or better, and an Adjusted Debt to Adjusted EBITDA ratio of $\leq 2.0x$ based on the methodology of Moody's Investors Service;
- maintaining sufficient cash on our balance sheet to run our operations and continue investing in our business through organic growth, innovation spending, and acquisitions that fit our product strategy;
- growing dividends over time as earnings grow; and
- returning excess cash to shareholders in the form of share repurchases.

Other core elements of our approach to capital structure and strategy include:

- lowering our capital spending as a percentage of sales, thereby increasing free cash flow generation; and
- delivering strong Return on Invested Capital.

We have returned significant amounts of capital to our shareholders in recent years in the form of dividends and share repurchases and have also made significant levels of investment in our business. As a result, we had an Adjusted Debt ratio of 1.25 times Adjusted EBITDA¹ by the end of 2019 and aim to maintain such ratio in the range of 1.0 – 1.5 times Adjusted EBITDA, which is in line with our above noted target.

Talent

Our talent management strategy is based on our current business objectives and strategy and our understanding of the transformation taking place in the automotive industry. Given that an effective workforce will increasingly be required to be lean and digitally adept, we are focused on building such a workforce through attraction and recruitment, professional development, succession planning, promoting diversity and inclusion and preservation of our fair enterprise culture:

Recent Developments – COVID-19

The resumption of operations in our facilities continues following COVID-19-related shutdowns in the early months of 2020. In China and Europe, substantially all of our facilities have resumed operation. In Canada and the U.S., a significant majority of our facilities have resumed operations. All of our plants in Mexico have received governmental approval to restart production and substantially all are now operational. We continue to actively

¹ Adjusted Debt is calculated by taking our long and short term debt and operating lease liabilities and adding pension obligations and certain other Moody's adjustments. Adjusted EBITDA is calculated by taking our Earnings before Interest, Taxes, Depreciation and Amortization, as well as operating lease expense, interest income, and adding adjustments relating to pension obligation expenses and unusual items. In each case, such adjustments reflect a methodology for calculating such ratios used by Moody's.

monitor the situation and adjust our plans in accordance with governmental orders and legal requirements in each of the markets in which we operate.

Corporate Information

We were originally incorporated under the laws of the Province of Ontario, Canada on November 16, 1961. Our charter documents currently consist of restated articles of incorporation dated December 31, 2017, which were issued pursuant to the *Business Corporations Act* (Ontario).

Our registered and head office is located at 337 Magna Drive, Aurora, Ontario, Canada L4G 7K1. Our common shares are listed and posted for trading on the Toronto Stock Exchange under the trading symbol “MG” and on the New York Stock Exchange under the trading symbol “MGA”.

The Offering

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The “Description of the Notes” section of this prospectus supplement and the “Description of the Debt Securities” section of the accompanying prospectus contain a more detailed description of the terms and conditions of the notes. As used in this section, “we,” “our” and “us” refer to Magna International Inc. and not to its subsidiaries.

Issuer	Magna International Inc.
Securities Offered	\$ aggregate principal amount of % Senior Notes due .
Maturity Date	The notes will mature on .
Interest Rate	The notes will bear interest at a rate of % per year.
Interest Payment Dates	Interest on the notes will be payable semi-annually in arrears on and of each year, beginning on , 2020.
Denominations	The notes will be issued only in denominations of \$2,000 and any integral multiple of \$1,000 in excess thereof.
Optional Redemption	We may redeem the notes in whole or in part at any time and from time to time at the redemption prices described in this prospectus supplement under the caption “Description of the Notes—Optional Redemption.”
Additional Amounts	In the event that certain taxes are payable in respect of payments on the notes, we will, subject to certain exceptions, pay such additional amounts as will result, after deduction or withholding of such taxes, in the payment of the amounts which would have been payable in respect of the notes had no such withholding or deduction been required. Our obligation to pay additional amounts to any holder that is not a U.S. holder will be limited to the amounts that we would be required to pay as described above to such holder if, at all relevant times, such holder were a U.S. holder entitled to the benefits of the Canadian-U.S. Income Tax Convention (1980), as amended, including any existing protocols thereto, all as in effect as of the date the notes are issued. See “Description of the Notes—Payment of Additional Amounts” in this prospectus supplement.
Optional Tax Redemption	The notes may be redeemed at our option, in whole but not in part, at a redemption price equal to 100%

of the principal amount thereof, plus accrued and unpaid interest to, but excluding, the date of redemption, in certain circumstances in which we would become obligated to pay additional amounts under the notes as described under “Description of the Notes—Optional Tax Redemption” in this prospectus supplement.

Offer to Repurchase Upon

Change of Control Triggering Event.....

If we experience a “Change of Control Triggering Event” (as defined in this prospectus supplement) with respect to the notes, unless we have exercised our right to redeem the notes, each holder of notes will have the right to require us to repurchase all or a portion of such holder’s notes at a price equal to 101% of the principal amount of the notes repurchased plus accrued and unpaid interest to, but excluding, the date of repurchase as described more fully under “Description of the Notes—Offer to Repurchase Upon Change of Control Triggering Event.”

Ranking

The notes will be our senior unsecured obligations and will rank equally with all our existing and future senior unsecured obligations.

The notes will be structurally subordinated to all indebtedness and other liabilities of our subsidiaries and will be effectively subordinated to any secured indebtedness and other liabilities of ours to the extent of the assets securing the same. At March 31, 2020, on a consolidated basis, we had outstanding approximately \$14.789 billion of indebtedness and other liabilities, substantially all of which were indebtedness and other liabilities of our subsidiaries to which the notes would have been structurally subordinated. As of the date of this prospectus supplement we had no secured debt outstanding.

Certain Covenants.....

The indenture governing the notes will, among other things, limit our and our restricted subsidiaries’ ability to:

- incur secured indebtedness;
- enter into certain sale and leaseback transactions; and
- enter into certain mergers, amalgamations, consolidations and transfers of substantially all our assets.

The above restrictions are subject to significant exceptions. See “Description of the Notes—Covenants Applicable to the Notes” in this

prospectus supplement and “Description of the Debt Securities—Merger” in the accompanying prospectus.

Use of Proceeds We estimate that the net proceeds from this offering will be approximately \$ million, after deducting the underwriting discount and our estimated expenses of the offering. We intend to use the net proceeds for general corporate purposes, which may include capital expenditures and acquisitions. See “Use of Proceeds.”

Form of Notes We will issue the notes in the form of one or more fully registered global notes registered in the name of the nominee of The Depository Trust Company (“DTC”). See “Forms of the Debt Securities” and “Book-Entry Procedures and Settlement” in the accompanying prospectus.

Governing Law The notes and the indenture under which they will be issued will be governed by the laws of the State of New York.

Trustee, Registrar and Paying Agent The Bank of New York Mellon.

Risk Factors You should consider carefully all the information set forth and incorporated by reference in this prospectus supplement and the accompanying prospectus and, in particular, you should evaluate the specific factors set forth under “Risk Factors” in this prospectus supplement before deciding whether to invest in the notes.

Selected Consolidated Financial Data

The following table sets forth our selected consolidated financial data, which has been prepared in accordance with GAAP.

As more fully described in the “Basis of Presentation” section of this prospectus supplement, income statement data for each of the years in the two year period ended December 31, 2019 and financial position data as of December 31, 2019 and 2018 are derived from our audited consolidated financial statements. The income statement data for the three-month periods ended March 31, 2020 and 2019 and financial position data as of March 31, 2020 and 2019 are derived from our unaudited interim consolidated financial statements.

Our historical results are not necessarily indicative of our future operating results, and interim results for the three months ended March 31, 2020 are not projections for the results to be expected for the year ending December 31, 2020. You should read the following information in conjunction with our financial statements and notes thereto and the other financial information included or incorporated by reference in this prospectus supplement.

	Three Months Ended March 31,		Year Ended December 31,	
	2020	2019	2019	2018
(in millions, except for per share data)				
Income Statement Data:				
Vehicle Production Volumes:				
North America	3.688	4.250	16.353	17.041
Europe	4.655	5.737	21.388	22.133
China	3.369	6.039	24.714	26.389
Sales	\$ 8,657	\$ 10,591	\$ 39,431	\$ 40,827
Net income attributable to Magna International Inc.				
	\$ 261	\$ 1,106	\$ 1,765	\$ 2,296
Earnings per Common Share attributable to Magna International Inc.				
Basic	\$ 0.86	\$ 3.40	\$ 5.61	\$ 6.65
Diluted	\$ 0.86	\$ 3.39	\$ 5.59	\$ 6.61
Cash dividends paid per Common Share	\$ 0.40	\$ 0.365	\$ 1.46	\$ 1.32
Financial Position Data:				
Cash and equivalents	1,146	925	1,276	684
Working capital (1)	1,903	2,167	2,216	1,530
Total assets	\$ 25,331	\$ 27,980	\$ 25,790	\$ 25,945
Financing Resources Liabilities				
Short-term borrowings	-	335	-	1,098
Long-term debt due within one year	93	122	106	201
Long-term debt	3,021	3,062	3,062	3,084
Current portion of operating lease liabilities	218	176	225	-
Operating lease liabilities	1,586	1,566	1,601	-
	4,918	5,261	4,994	4,383
Non-controlling interests	282	467	300	458

Shareholders' equity	10,260	11,480	10,831	10,701
Total Capitalization	\$15,460	\$17,208	\$ 16,125	\$15,542

(1) Working capital represents current assets less current liabilities as presented in our consolidated balance sheet.

	Year Ended December 31, 2019	
	(in millions)	
Other financial information:		
EBITDA(1)	\$	3,890
Adjusted EBITDA(1)	\$	4,196
Adjusted Debt(2)	\$	5,231
Adjusted Debt to Adjusted EBITDA ratio		1.25x

(1) Adjusted EBITDA is calculated by taking our Earnings before Interest, Taxes, Depreciation and Amortization, as well as operating lease expense, interest income, and adding adjustments relating to pension obligation expenses and unusual items. In each case, such adjustments reflect a methodology for calculating such ratios used by Moody's.

(2) Adjusted Debt is calculated by taking our long and short term debt and operating lease liabilities and adding pension obligations and certain other Moody's adjustments.

The following tables present a reconciliation of Adjusted EBITDA to the most directly comparable GAAP financial measure and Adjusted Debt to GAAP Debt.

	Year Ended December 31, 2019	
	(in millions)	
Reconciliation of EBITDA and Adjusted EBITDA to Earnings		
Net income attributable to Magna	\$	1,765
Income (loss) attributable to non-controlling interests		(133)
Income taxes		591
Other expenses, net		240
Interest expense, net		82
Depreciation & amortization		1,345
EBITDA	\$	3,890
Lease adjustment		316
Interest Income		22
LTM other income / (Expense)		-
Unusual Items(1)		(37)
Pension Adjustment (2)		5
Adjusted EBITDA	\$	4,196

(1) Unusual Items consist of restructuring and investment losses deemed non-standard by Moody's.

(2) Pension Adjustment calculated as Net Periodic Pension Benefit Cost less Current Service Cost for defined benefit pension plans.

	Year Ended December 31, 2019
	(in millions)
Reconciliation of Adjusted Debt to GAAP Debt	
Debt per balance sheet	3,168
Lease adjustment	1,826
Pension adjustment	204
Other(1)	33
Adjusted Debt	\$ 5,231

(1) Other debt adjustments consist of non-standard Moody's adjustments.

RISK FACTORS

Investing in the notes involves a high degree of risk. In addition to the other information contained in this prospectus supplement, the accompanying prospectus and the information incorporated by reference herein and in the accompanying prospectus, you should consider carefully the information set forth under the caption “Description of the Business—Risk Factors” in our Annual Information Form for the year ended December 31, 2019 incorporated by reference in this prospectus supplement and the accompanying prospectus as well as the following factors relating to us and the notes before making an investment in the notes offered hereby. If any of the following events actually occur, our business, results of operations, financial condition, cash flows or prospects could be materially adversely affected, which in turn could adversely affect the trading price of the notes. You may lose all or part of your original investment.

We conduct a majority of our operations through our subsidiaries; the notes are effectively junior to the existing and future liabilities of our subsidiaries and to our secured debt to the extent of the assets securing the same.

The notes are the Company’s obligations exclusively and are not guaranteed by any of our subsidiaries. We conduct a majority of our operations through our subsidiaries and substantially all of our revenues are generated by our subsidiaries. Accordingly, our ability to service our debt, including the notes, depends on the results of operations of our subsidiaries and upon the ability of such subsidiaries to provide us with cash, whether in the form of dividends, loans or otherwise, to pay amounts due on our obligations, including the notes. Our subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to make payments on the notes or to make any funds available for that purpose. In addition, dividends, loans or other distributions to us from such subsidiaries may be subject to contractual and other restrictions and are subject to other business considerations.

As a holder of equity of our subsidiaries, our right to receive any assets of any of our subsidiaries upon their bankruptcy, liquidation or reorganization, and therefore the right of the holders of the notes to participate in those assets, will be effectively subordinated to the claims of that subsidiary’s creditors. The indenture does not limit the amount of indebtedness or other liabilities that our subsidiaries may incur. At March 31, 2020, on a consolidated basis, we had outstanding approximately \$14.789 billion of indebtedness and other liabilities, substantially all of which were indebtedness and other liabilities of our subsidiaries to which the notes would have been structurally subordinated.

The notes are our unsecured obligations and will rank equally in right of payment with all of our other existing and future unsecured, unsubordinated obligations. The notes are not secured by any of our assets. Claims of secured lenders with respect to assets securing their loans will be prior to any claim of the holders of the notes with respect to those assets. As of the date of this prospectus supplement we had no secured debt outstanding.

Our business and financial condition have been, and may continue to be, adversely affected by the impact of COVID-19.

Our business is subject to risks associated with public health issues, including pandemics such as COVID-19. COVID-19 has disrupted global economic markets and has led to significant reductions in global automotive production volumes. As a result of COVID-19, governmental and public health officials in substantially all of the locations in which we operate have mandated certain precautions to mitigate the spread of the disease, including shelter-in-place orders or similar measures. As such, we have temporarily suspended production, or experienced a significant reduction in production volumes, in substantially all of our manufacturing facilities.

Our results of operations and financial condition have been, and may continue to be, adversely impacted by the actions taken to contain the impact of COVID-19, and the ultimate extent of such impact will depend on future developments, such as the duration and extent of the pandemic, its impact on: consumers and sales of the vehicles we support, our customers and our and their suppliers, how quickly normal economic conditions and our and our customers’ operations can resume, and whether the pandemic leads to recessionary conditions. In addition, government sponsored economic stimulus programs in response to the pandemic may not be available to our customers, our suppliers or us or achieve their economic goals. Our supply chain also may be disrupted due to

supplier closures or bankruptcies. Our operations may also be impacted by interruptions due to the direct impact of, or precautionary measures associated with, COVID-19 at our locations or those of our customers or suppliers.

Further, COVID-19 could exacerbate other risks disclosed in our Annual Information Form for the year ended December 31, 2019 under the caption “Risk Factors” and under the caption “Forward-Looking Statements.” These risks include, but are not limited to, dependency on certain customers, dependency on certain global automotive market segments, risks and uncertainties associated with our company’s global operations, dependency on certain key manufacturing facilities, cyclicalities in the automotive industry, and disruptions in our supply chain and our customers’ supply chain.

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our indebtedness.

Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness, including the notes, depends on our future performance, which is subject in part to our customers’ production volumes, as well as economic, financial, competitive and other factors both within and beyond our control, such as the impact of COVID-19. Some of these risks and uncertainties, including the impact of COVID-19 on our liquidity, are described in our Annual Information Form for the year ended December 31, 2019 under the caption “Risk Factors” and under the caption “Forward-Looking Statements” in this prospectus supplement and in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt or make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

The notes do not restrict our ability to incur additional debt or prohibit us from taking other action that could negatively impact holders of the notes.

We are not restricted under the terms of the indenture or the notes from incurring additional indebtedness. The terms of the indenture limit our ability to secure additional debt without also securing the notes and to enter into sale and leaseback transactions. However, these limitations are subject to significant exceptions. See “Description of the Notes—Covenants Applicable to the Notes” in this prospectus supplement. In addition, the notes do not require us to achieve or maintain any minimum financial results relating to our financial position or results of operations. Our ability to recapitalize, incur additional debt, secure existing or future debt or take a number of other actions that are not limited by the terms of the indenture and the notes, including repurchasing subordinated indebtedness or common stock or to transfer assets to our parent if we were to form a holding company, could have the effect of diminishing our ability to make payments on the notes when due, causing a loss in the trading value of your notes, if any, and increasing the risk that the credit rating of the notes is lowered or withdrawn.

We may not have sufficient cash to repurchase the notes upon the occurrence of a “Change of Control Triggering Event.”

Upon the occurrence of a Change of Control Triggering Event as described under “Description of the Notes—Offer to Repurchase upon Change of Control Triggering Event,” we will be required to offer to repurchase all the notes at a purchase price of 101% of the principal amount of the notes to be repurchased plus accrued and unpaid interest to, but excluding, the date of repurchase. We may not, however, have sufficient cash at that time or have the ability to arrange necessary financing on acceptable terms to repurchase the notes under such circumstances. If we are unable to repurchase the notes upon the occurrence of a Change of Control Triggering Event, it would result in an event of default under the indenture. A default under the indenture could also lead to a default under the agreements governing our existing or future indebtedness. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the notes.

We cannot assure you that active trading markets will develop for the notes.

The notes are a new issue of securities for which there is currently no established trading market. We do not intend to apply for listing of the notes on any securities exchange or to arrange for quotation on any interdealer quotation system. We have been informed by the underwriters that they intend to make a market in the notes after the offering is completed. However, the underwriters may cease their market-making at any time without notice. In addition, the liquidity of any trading market in the notes, and the market prices quoted for the notes, may be adversely affected by changes in the overall market for this type of security and by changes in our financial performance or prospects or in the prospects for companies in our industry generally. As a result, we cannot assure you that active trading markets will develop for the notes. If an active trading market does not develop or is not maintained, the market price and liquidity of the notes may be adversely affected. In that case you may not be able to sell your notes at a particular time or you may not be able to sell your notes at favorable prices.

Ratings of the notes may not reflect all risks of an investment in the notes.

The notes will be rated by at least one nationally recognized statistical rating organization. Any rating is not a recommendation to purchase, sell or hold any particular security, including the notes. These ratings do not comment as to market price or suitability for a particular investor. In addition, ratings at any time may be lowered or withdrawn in their entirety. The ratings of the notes may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading values of, your notes.

Our management will have broad discretion in allocating the net proceeds of this offering.

Our management has significant flexibility in applying the net proceeds we expect to receive in this offering. We intend to use the net proceeds from this offering for general corporate purposes, which may include capital expenditures and acquisitions. Because the net proceeds are not required to be allocated to any specific investment or transaction, you cannot determine at this time the value or propriety of our application of the proceeds, and you may not agree with our decisions. In addition, our use of the proceeds from this offering may not yield a significant return or any return at all. The failure by our management to apply these funds effectively could have a negative impact on our business, results of operations or financial condition. See “Use of Proceeds.”

An increase in market interest rates could result in a decrease in the value of the notes.

In general, as market interest rates rise, notes bearing interest at a fixed rate generally decline in value because the premium, if any, over market interest rates will decline. Consequently, if you purchase notes and market interest rates increase, the market values of your notes may decline. We cannot predict the future level of market interest rates.

If you are able to resell your notes, many other factors may affect the price you receive, which may be lower than you believe to be appropriate.

If you are able to resell your notes, the price you receive will depend on many other factors that may vary over time, including:

- our financial performance;
- the amount of indebtedness we have outstanding;
- the market for similar securities;
- market interest rates;
- the liquidity of the market in which the notes trade;
- the redemption and repayment features of the notes to be sold;
- the time remaining to maturity of your notes; and

- the ratings assigned to the notes or any other of our indebtedness by any credit rating agencies.

As a result of these factors, you may be able to sell your notes only at prices below those you believe to be appropriate, including prices below the price you paid for them.

U.S. investors in the notes may have difficulty enforcing civil liabilities.

We are a corporation existing under the laws of the Province of Ontario. A majority of our directors and executive officers, and some of the experts named in this document, are resident outside the United States, and a majority of our assets and a majority of the assets of such persons are located outside the United States. As a result, it may be difficult for you to effect service of process within the United States upon such persons to enforce against them judgments of the courts of the United States predicated upon, among other things, the civil liability provisions of the federal securities laws of the United States. In addition, it may be difficult for you to enforce, in original actions brought in courts in jurisdictions located outside the United States, among other things, civil liabilities predicated upon such securities laws.

EARNINGS COVERAGE RATIOS

The following earnings coverage ratios have been prepared in accordance with Canadian securities law requirements and are included in this prospectus supplement in accordance with Canadian disclosure requirements.

Based on GAAP, our interest requirements on all indebtedness amounted to approximately \$102 million for the twelve months ended December 31, 2019 and approximately \$94 million for the twelve months ended March 31, 2020. Our reported net income, before interest on debt and income taxes, was \$2,458 million for the twelve months ended December 31, 2019 and \$1.472 million for the twelve months ended March 31, 2020, which was approximately 24 and 16 times our interest requirements for the respective periods.

After giving effect to the offering of the notes under this prospectus supplement as if the offering had occurred on the first day of such 12 month periods respectively, based on GAAP, our interest requirements on all indebtedness would have amounted to approximately \$ million for the twelve months ended December 31, 2019 and approximately \$ million for the twelve months ended March 31, 2020. Our reported net income, before interest on debt and income taxes, for the twelve months ended December 31, 2019 and March 31, 2020 set forth above would have been and times our interest requirements for the respective periods.

USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately \$ _____ million, after deducting the underwriting discount and our estimated expenses of the offering. We intend to use the net proceeds for general corporate purposes, which may include capital expenditures and acquisitions.

CAPITALIZATION

The following table sets forth our consolidated cash and cash equivalents and capitalization as at March 31, 2020, on a historical basis and as adjusted to give effect to the offering of the notes and the application of the estimated net proceeds therefrom, as described under “Use of Proceeds.” This table should be read in conjunction with our Unaudited Interim Consolidated Financial Statements for the three-month period ended March 31, 2020 and the related notes thereto, respectively, incorporated by reference in this prospectus supplement and the accompanying prospectus.

	As at	
	March 31, 2020	
	Actual	As Adjusted
	(in millions)	
Cash and cash equivalents	\$ 1,146	\$
Debt:		
Long-term debt due within one year	\$ 93	\$ 93
Long-term debt	3,021	3,021
Current Portion of operating lease liabilities	218	218
Operating lease liabilities	1,586	1,586
Notes offered hereby	—	
Total debt	4,918	
Shareholders' equity	\$ 10,260	\$ 10,260
Non-controlling interests	282	282
Total capitalization	\$ 15,460	\$

DESCRIPTION OF THE NOTES

For purposes of the accompanying prospectus, the notes are “debt securities.” We refer you to the “Description of the Debt Securities” in the accompanying prospectus, which you should read carefully. The following description of the particular terms of the notes offered by this prospectus supplement supplements, and to the extent inconsistent with the description in the accompanying prospectus replaces, that description. The notes will be issued under a base indenture, dated as of June 16, 2014, between us and The Bank of New York Mellon (the “trustee”), as supplemented by a fifth supplemental indenture, to be dated as of _____, 2020, establishing the terms of the notes. We refer to the base indenture, as so supplemented, as the “indenture.” The following summary of certain provisions of the indenture and the notes does not purport to be complete and is qualified in its entirety by reference to the actual provisions of the indenture and the notes.

Except as otherwise defined in this prospectus supplement, capitalized definitional terms used in this prospectus supplement have the meanings specified in the accompanying prospectus. The notes will be issued in the form of one or more fully registered global securities which will be deposited with, or on behalf of, The Depository Trust Company, or DTC, as the depository, and registered in the name of the depository’s nominee. See “Forms of the Debt Securities” and “Book-Entry Procedures and Settlement” in the accompanying prospectus. As used in this section, “we,” “our” and “us” refer to Magna International Inc. and not to its subsidiaries.

General

The notes will mature on _____. We will issue the notes in an initial aggregate principal amount of \$ _____. If any interest payment date or the maturity date or any date of earlier redemption or repayment for the notes falls on a day that is not a business day, the related payment will be made on the next business day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next business day. As used in this prospectus supplement, “business day” means any day, other than a Saturday or a Sunday that is not a day on which banking institutions or trust companies are generally authorized or required by law, regulation or executive order to close in The City of New York.

The notes are issuable only in registered form without coupons in denominations of \$2,000 and any integral multiples of \$1,000 in excess thereof.

We may, without the consent of the holders of the notes, “reopen” the notes and issue additional debt securities that have the same terms as the notes being offered by this prospectus supplement (except for the issue date and, in some cases, the public offering price and the first interest payment date). These additional debt securities, together with the notes offered by this prospectus supplement, would constitute a single series of debt securities under the indenture; provided that if any such additional notes are not fungible with the notes initially offered hereby for U.S. federal income tax purposes, such additional notes will have one or more separate CUSIP or ISIN numbers.

The notes will be our senior unsecured obligations and will rank equally with all our existing and future senior unsecured obligations. The notes will be structurally subordinated to all indebtedness and other liabilities of our subsidiaries and will be effectively subordinated to any secured indebtedness and other liabilities of ours to the extent of the assets securing the same. At March 31, 2020, on a consolidated basis, we had outstanding approximately \$14.789 billion of indebtedness and other liabilities, substantially all of which were indebtedness and other liabilities of our subsidiaries to which the notes would have been structurally subordinated. As of the date of this prospectus supplement we had no secured debt outstanding.

At the time of repayment of the notes, whether at maturity, or upon earlier repayment or redemption as described below, we may designate one or more of our subsidiaries to acquire the notes for its own account and to pay to holders a cash purchase price for the notes that is equal to the amounts otherwise due upon maturity or such earlier repayment or redemption. Notwithstanding the foregoing, we will remain the sole obligor under the notes and holders will continue to be entitled to look solely to us for payment of all amounts due under the notes. For greater

certainty, in addition to the foregoing, either we or one or more of our subsidiaries may also purchase outstanding notes at any time and from time to time at prevailing market prices or at such price as the holder of the notes being purchased may agree.

Interest

The notes will bear interest at a rate of _____ % per year. Interest will accrue from _____, 2020. Interest is payable semi-annually on _____ and _____ of each year to the holders of record at the close of business on _____ and _____ (whether or not that date is a business day), as the case may be, immediately preceding such interest payment date. Interest on the notes will be computed on the basis of a 360-day year of twelve 30-day months. The first interest payment date will be _____, 2020.

Optional Redemption

We may redeem the notes, in whole or in part, at any time and from time to time, prior to _____ (three months prior to the maturity date of the notes) (the “*Par Call Date*”) at our option, at a redemption price equal to the greater of:

- (1) 100% of the principal amount of the notes being redeemed; and
- (2) the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed assuming for this purpose that the notes were to mature on the Par Call Date (not including any portion of such payments of interest accrued to the date of redemption), discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined below), plus _____ basis points,

plus, in each case, accrued and unpaid interest on the notes being redeemed to, but excluding, the redemption date.

In addition, at any time on or after _____ (three months prior to the maturity date of the notes), we may redeem the notes, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the notes being redeemed, plus accrued and unpaid interest on the notes being redeemed to, but excluding, the redemption date.

“*Comparable Treasury Issue*” means the U.S. Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term (the “*Remaining Life*”) of the notes to be redeemed (assuming for this purpose the notes matured on the Par Call Date) that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such notes to the Par Call Date.

“*Comparable Treasury Price*” means, with respect to any redemption date, (1) the average of five Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

“*Independent Investment Banker*” means one of the Reference Treasury Dealers appointed by us.

“*Reference Treasury Dealer*” means (1) each of BofA Securities, Inc., Citigroup Global Markets Inc. and TD Securities (USA) LLC (or in each case an affiliate thereof that is a Primary Treasury Dealer (as defined below)), and (2) two other Primary Treasury Dealers selected by us; provided that if any of the foregoing or their affiliates shall cease to be a primary U.S. government securities dealer in The City of New York (a “*Primary Treasury Dealer*”), we will substitute therefor another Primary Treasury Dealer.

“*Reference Treasury Dealer Quotations*” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to

the Independent Investment Banker at 3:30 p.m., New York City time, on the third business day preceding such redemption date.

“*Treasury Rate*” means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date. The Treasury Rate will be calculated on the third business day preceding the redemption date.

Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the notes or portions thereof called for redemption on such date. Holders of notes to be redeemed will receive notice thereof by first-class mail at least 15 and not more than 45 days prior to the date fixed for redemption. If fewer than all the notes are to be redeemed, the trustee will select, not more than 45 days prior to the redemption date, the particular notes or portions thereof for redemption from the notes outstanding not previously called by such method as the trustee deems fair and appropriate or in accordance with the procedures of the depository.

Payment of Additional Amounts

All payments made by or on behalf of us under or with respect to the notes shall be made free and clear of and without withholding or deduction for or on account of any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) imposed or levied by or on behalf of the Government of Canada or any province or territory thereof or by any authority or agency therein or thereof having power to tax (hereinafter “Canadian Taxes”), unless we are required to withhold or deduct Canadian Taxes by law or by the interpretation or administration thereof by the relevant government authority or agency. If we are so required to withhold or deduct any amount for or on account of Canadian Taxes from any payment made under or with respect to the notes, then, subject to the provisions of the indenture described in the immediately following paragraph, we will pay to each holder or beneficial owner of notes as additional interest such additional amounts (“Additional Amounts”) as may be necessary so that the net amount received by each such holder or beneficial owner after such withholding or deduction (and after deducting any Canadian Taxes on such Additional Amounts) will not be less than the amount such holder or beneficial owner would have received if such Canadian Taxes had not been withheld or deducted. However, no Additional Amounts will be payable with respect to a payment made to a holder or beneficial owner of notes:

- (1) with which we do not deal at arm’s length (for the purposes of the Income Tax Act (Canada)) at the time of the making of such payment;
- (2) which is subject to such Canadian Taxes by reason of the holder or beneficial owner of notes being a resident, domicile or national of, or engaged in business or maintaining a permanent establishment or other physical presence in or otherwise having some connection with Canada or any province or territory thereof otherwise than by the mere holding of the notes or the receipt of payments thereunder;
- (3) which is subject to such Canadian Taxes by reason of the failure of the holder or beneficial owner of the notes to comply with any certification, identification, documentation or other reporting requirements if compliance is required by law, regulation, administrative practice or an applicable treaty as a precondition to exemption from, or a reduction in the rate of deduction or withholding of, such Canadian Taxes;
- (4) which is subject to any estate, inheritance, gift, sales, transfer, capital gains, excise or personal property or similar tax, assessment or governmental charge;
- (5) which is subject to any Canadian Taxes that are imposed with respect to any payment on a note to any holder or beneficial owner who is a fiduciary, partnership, limited liability company or any person other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or limited liability company or the beneficial owner of such payment would not have been entitled to the Additional Amounts had

such beneficiary, settlor, member or beneficial owner been the actual holder or beneficial owner of such note;

- (6) who is a “specified shareholder” of ours or who does not deal at arm’s length with a “specified shareholder” of ours as defined in subsection 18(5) of the Income Tax Act (Canada);
- (7) which is subject to any tax, assessment, withholding or deduction required by sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (“FATCA”), any current or future Treasury Regulations or rulings promulgated thereunder, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA, any intergovernmental agreement between the United States and any other jurisdiction to implement FATCA, or any agreement with the U.S. Internal Revenue Service under FATCA; or
- (8) which is subject to Canadian Taxes by reason of any combination of (1) through (7) above.

No Additional Amounts will be payable under the provisions above in respect of any notes in excess of the Additional Amounts which would be required to be paid if, at all relevant times, the holder or beneficial owner of such notes were a resident of the United States for purposes of and was entitled to the benefits of the Canadian-U.S. Income Tax Convention (1980), as amended, including any existing protocols thereto. As a result of the limitation on the payment of Additional Amounts discussed above, the Additional Amounts received by certain holders or beneficial owners of the notes may be less than the amount of Canadian Taxes withheld or deducted or the amount of Canadian Taxes (and related amounts) levied or imposed giving rise to the obligation to pay the Additional Amounts and, accordingly, the net amount received by such holders or beneficial owners of the notes will be less than the amount such holders or beneficial owners would have received had there been no such withholding or deduction in respect of Canadian Taxes or had such Canadian Taxes (and related amounts) not been levied or imposed.

As soon as practicable after we pay the amount withheld or deducted to the relevant governmental authority in accordance with applicable law, we will provide the trustee with official receipts or other documentation satisfactory to the trustee evidencing the payment of the Canadian Taxes with respect to which Additional Amounts are paid.

We will pay any present or future stamp, court or documentary taxes or any other excise or property taxes, charges or similar levies that arise from the execution, delivery, enforcement or registration of the notes, the indenture or any other document or instrument in relation thereof, or the receipt of any payments with respect to the notes.

Wherever in this “Description of the Notes” or in the accompanying prospectus under the caption “Description of the Debt Securities” there is mentioned, in any context, the payment of principal (and premium, if any), interest, if any, or any other amount payable under or with respect to a note, such mention will be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The foregoing obligations will survive termination, defeasance or discharge of the indenture.

Optional Tax Redemption

We may redeem the notes at our option, at any time as a whole but not in part, at a redemption price equal to the principal amount thereof together with accrued and unpaid interest to the date fixed for redemption, upon the giving of a notice as described below, if we determine that:

- (1) as a result of (A) any change in or amendment to the laws (or any regulations or rulings promulgated thereunder) of Canada or of any political subdivision or taxing authority thereof or therein affecting taxation, or (B) any change in the official position regarding the application or interpretation of such laws, regulations or rulings by any legislative body, court, governmental agency or regulatory

authority (including a holding by a court of competent jurisdiction), which change or amendment is announced or becomes effective on or after the date of this prospectus supplement, we have or will become obligated to pay, on the next succeeding date on which interest is due, Additional Amounts with respect to the notes to any holder or beneficial owner thereof; or

- (2) on or after the date of this prospectus supplement, any action has been taken by any taxing authority of, or any decision has been rendered by a court of competent jurisdiction in Canada, including any of those actions specified in (1), whether or not such action was taken or such decision was rendered with respect to us, or any change, amendment, application or interpretation has been officially proposed, which, in any such case, will result in us becoming obligated to pay, on the next succeeding date on which interest is due, Additional Amounts with respect to the notes, and, in any such case, we, in our business judgment, determine that such obligation cannot be avoided by the use of reasonable measures available to us.

In the event that we elect to redeem the notes pursuant to the provisions set forth in the preceding paragraph, we will deliver to the trustee an opinion of independent legal counsel of recognized standing stating that we would be obligated to pay Additional Amounts as a result of a change in tax laws or regulations or the application or interpretation of such laws or regulations.

Notice of intention to redeem the notes as described above will be given not more than 45 nor less than 15 days prior to the date fixed for redemption and will specify the date fixed for redemption.

No Sinking Fund

The notes will not be entitled to any sinking fund.

Offer to Repurchase Upon Change of Control Triggering Event

Upon the occurrence of a Change of Control Triggering Event with respect to the notes, unless we have exercised our right to redeem the notes in whole as described under “—Optional Redemption” above by giving irrevocable notice to the trustee in accordance with the indenture, each holder of notes will have the right to require us to purchase all or a portion of such holder’s notes pursuant to the offer described below (the “*Change of Control Offer*”), at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest to, but excluding, the date of purchase (the “*Change of Control Payment*”).

Within 30 days following the date upon which the Change of Control Triggering Event occurs or, at our option, prior to any Change of Control but after the public announcement of the pending Change of Control, we will be required to send, by first class mail, a notice to each holder of notes, with a copy to the trustee, which notice will govern the terms of the Change of Control Offer. Such notice will state, among other things, the purchase date, which must be no earlier than 30 days nor later than 60 days from the date such notice is mailed, other than as may be required by law (the “*Change of Control Payment Date*”). The notice, if mailed prior to the date of consummation of the Change of Control, will state that the Change of Control Offer is conditioned on the Change of Control being consummated on or prior to the Change of Control Payment Date. Holders of notes electing to have notes purchased pursuant to a Change of Control Offer will be required to surrender their notes to the paying agent at the address specified in the notice, or transfer their notes to the paying agent by book-entry transfer pursuant to the applicable procedures of the paying agent, prior to the close of business on the third business day prior to the Change of Control Payment Date.

On the Change of Control Payment Date, we will, to the extent lawful:

- accept or cause a third party to accept for payment all notes or portions of notes properly tendered pursuant to the Change of Control Offer;

- at or prior to 10:00 a.m., New York City time, deposit or cause a third party to deposit with the paying agent an amount equal to the Change of Control Payment in respect of all notes or portions of notes properly tendered; and
- deliver or cause to be delivered to the trustee the notes properly accepted together with an officers' certificate stating the aggregate principal amount of notes or portions of notes being repurchased.

We will not be required to make a Change of Control Offer with respect to the notes if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for such an offer made by us and such third party purchases all the notes properly tendered and not withdrawn under its offer. In addition, we will not repurchase any notes if there has occurred and is continuing on the Change of Control Payment Date an event of default under the indenture, other than a default in the payment of the Change of Control Payment on the Change of Control Payment Date.

We must comply in all material respects with the requirements of Rule 14e-1 under the Exchange Act, and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any such securities laws or regulations conflict with the Change of Control Offer provisions of the notes, we will be required to comply with those securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control Offer provisions of the notes by virtue of any such conflict.

For purposes of the foregoing discussion of a Change of Control Offer, the following definitions are applicable:

“Change of Control” means the occurrence of any of the following after the date of issuance of the notes:

- (1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger, amalgamation or consolidation), in one or a series of related transactions, of all or substantially all our assets and the assets of our subsidiaries taken as a whole to any “person” or “group” (as those terms are used in Section 13(d)(3) of the Exchange Act) other than to us or one of our subsidiaries;
- (2) the consummation of any transaction (including, without limitation, any merger, amalgamation or consolidation) the result of which is that any “person” or “group” (as those terms are used in Section 13(d)(3) of the Exchange Act) (other than Magna International or one of its subsidiaries) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of our Voting Stock representing a majority of the voting power of our outstanding Voting Stock;
- (3) we consolidate or amalgamate with, or merge with or into, any Person, or any Person consolidates with, or merges or amalgamates with or into, us, in any such event pursuant to a transaction in which any of our outstanding Voting Stock or Voting Stock of such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where our Voting Stock outstanding immediately prior to such transaction constitutes, or is converted into or exchanged for, Voting Stock representing a majority of the voting power of the Voting Stock of the surviving Person immediately after giving effect to such transaction;
- (4) the first day on which the majority of the members of the board of directors of the Company cease to be Continuing Directors; or
- (5) the adoption by our shareholders of a plan relating to our liquidation or dissolution.

Notwithstanding the foregoing, a transaction will not be deemed to involve a change of control under clause (2) above if (1) we become a direct or indirect wholly-owned subsidiary of a holding company and (2)(A) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are

substantially the same as the holders of our Voting Stock immediately prior to that transaction or (B) immediately following that transaction no person (as that term is used in Section 13(d)(3) of the Exchange Act) (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company.

“*Change of Control Triggering Event*” means the notes cease to be rated Investment Grade by each of the Rating Agencies on any date during the period (the “*Trigger Period*”) commencing 60 days prior to the first public announcement by us of any Change of Control (or pending Change of Control) and ending 60 days following consummation of such Change of Control (which Trigger Period will be extended following consummation of a Change of Control for so long as any of the Rating Agencies has publicly announced that it is considering a possible ratings change). However, a Change of Control Triggering Event otherwise arising by virtue of a particular reduction in rating shall be deemed not to have occurred in respect of a particular Change of Control (and thus shall not be deemed a Change of Control Triggering Event for purposes of the definition of Change of Control Triggering Event) if the Rating Agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the trustee in writing at our request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control shall have occurred at the time of the Change in Control Triggering Event). If a Rating Agency is not providing a rating for the notes at the commencement of any Trigger Period, the notes will be deemed to have ceased to be rated Investment Grade by such Rating Agency during that Trigger Period.

Notwithstanding the foregoing, no Change of Control Triggering Event will be deemed to have occurred in connection with any particular Change of Control unless and until such Change of Control has actually been consummated.

“*Continuing Director*” means, as of any date of determination, any member of our board of directors who:

- (1) was a member of our board of directors on the date of the issuance of the notes; or
- (2) was nominated for election or elected or appointed to our board of directors with the approval of a majority of the Continuing Directors who were members of our board of directors at the time of such nomination, election or appointment (either by a specific vote or by approval of our proxy statement in which such member was named as a nominee for election as a director, without objection to such nomination).

“*Investment Grade*” means a rating of Baa3 or better by Moody’s (or its equivalent under any successor rating category of Moody’s) and a rating of BBB– or better by S&P (or its equivalent under any successor rating category of S&P), and the equivalent investment grade credit rating from any replacement rating agency or rating agencies selected by us under the circumstances permitting us to select a replacement rating agency and in the manner for selecting a replacement rating agency, in each case as set forth in the definition of “*Rating Agency*.”

“*Moody’s*” means Moody’s Investors Service, Inc., a subsidiary of Moody’s Corporation, and its successors.

“*Person*” means any individual, corporation, partnership, limited liability company, business trust, association, joint-stock company, joint venture, trust, incorporated or unincorporated organization or other entity or government or any agency or political subdivision thereof.

“*Rating Agency*” means each of Moody’s and S&P; *provided*, that if any of Moody’s or S&P ceases to provide rating services to issuers or investors, we may appoint another “nationally recognized statistical rating organization” as defined under Section 3(a)(62) of the Exchange Act as a replacement for such Rating Agency; *provided*, that we shall give notice of such appointment to the trustee.

“*S&P*” means S&P Global Ratings Services, a business unit of Standard & Poor’s Financial Services, LLC, and its successors.

“*Voting Stock*” of any specified Person as of any date means the capital stock of such Person that is at the time entitled to vote generally in the election of the board of directors of such Person.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of “all or substantially all” the properties or assets of Magna International and its subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise, established definition of the phrase under applicable law. Accordingly, the applicability of the requirement that we offer to repurchase the notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all the assets of Magna International and its subsidiaries taken as a whole to another “person” or “group” (as those terms are used in Section 13(d)(3) of the Exchange Act) may be uncertain.

Covenants Applicable to the Notes

The following covenants will be applicable to the notes.

Restrictions on Secured Debt

We may not, and may not permit our restricted subsidiaries to, create, assume, or guarantee any indebtedness for borrowed money secured by mortgages, pledges, liens, encumbrances, conditional sale or title retention agreements or other security interests, which we refer to collectively as security interests, on any principal properties or any shares of capital stock or other equity interests or indebtedness (held as an asset) of any of our restricted subsidiaries without making effective provision for securing the notes equally and ratably with the secured debt. Notwithstanding this limitation on secured debt, we and our restricted subsidiaries may have debt secured by:

- (a) any security interest on any property hereafter acquired or constructed by us or a restricted subsidiary (including any improvement on an existing property) to secure or provide for the payment of all or any part of the purchase price or construction cost of such property, including, but not limited to, any indebtedness incurred by us or a restricted subsidiary prior to, at the time of, or within 365 days after the later of the acquisition, the completion of construction (including any improvements on an existing property) or the commencement of commercial operation of such property, which indebtedness is incurred for the purpose of financing or refinancing all or any part of the purchase price thereof or construction or improvements thereon; or (b) any security interest upon property existing at the time of acquisition thereof, whether or not assumed by us or such restricted subsidiary; or (c) any security interest existing on the property or on the outstanding shares of capital stock or other equity interests or indebtedness of a person at the time such person or an affiliate of such person shall become a restricted subsidiary (including any such security interest to secure or provide for the payment of all or any part of the purchase price of or consideration for any such transaction); or (d) a security interest on property or shares of capital stock or other equity interests in or indebtedness of a person existing at the time such person or an affiliate of such person is merged into or consolidated or amalgamated with us or a restricted subsidiary or at the time of a sale, lease or other disposition of the properties of a person as an entirety or substantially as an entirety to us or a restricted subsidiary (including any such security interest to secure or provide for the payment of all or any part of the purchase price of or consideration for any such merger, consolidation, amalgamation, lease or other acquisition); *provided, however*, that no such security interest shall extend to any other principal property of ours or such restricted subsidiary prior to such acquisition or to the other principal property thereafter acquired other than additions or improvements to such acquired property;
- security interests in property of ours or a restricted subsidiary in favor of the United States of America or any State thereof, or any department, agency or instrumentality or political subdivision of the United States of America or any State thereof, or in favor of Canada or any province thereof, or any other country, or any department, agency or instrumentality or political subdivision of Canada or any province thereof or such other country (including, without limitation, security interests to secure indebtedness of the pollution control or industrial revenue bond type), in order to permit us or a restricted subsidiary to perform any contract or subcontract made by us or it with or at the request of any of the foregoing, or to secure partial, progress, advance or other payments pursuant to any contract

or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of constructing or improving the property subject to such security interests;

- any security interest existing at the date of original issuance of the notes;
- any security interest on any property or assets of any restricted subsidiary to secure indebtedness owing by it to us or to a restricted subsidiary;
- mechanics', materialmen's, carriers' or other like liens arising in the ordinary course of business (including construction of facilities) in respect of obligations which are not due or which are being contested in good faith;
- any security interest arising by reason of deposits with, or the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulations, which is required by law or governmental regulation as a condition to the transaction of any business, or the exercise of any privilege, franchise or license;
- security interests for taxes, assessments or governmental charges or levies not yet delinquent, or the security interests for taxes, assessments or government charges or levies already delinquent but the validity of which is being contested in good faith;
- security interests (including judgment liens) arising in connection with legal proceedings so long as such proceedings are being contested in good faith and, in the case of judgment liens, execution thereon is stayed;
- landlords' liens on fixtures located on premises leased by us or a restricted subsidiary in the ordinary course of business; or
- any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any security interest permitted by the indenture.

In addition to these exceptions, we or a restricted subsidiary may issue, assume or guarantee other secured debt without securing the notes if the total amount of secured debt outstanding (not including secured debt permitted by the exceptions set forth in the bullets above) and the aggregate value of sale and leaseback transactions (not including sale and leaseback transactions the proceeds of which have been applied in accordance with the last sentence under “—Restrictions on Sale and Leaseback Transaction” below) at the time does not exceed 10% of Consolidated Shareholders' Equity, determined as of a date not more than 90 days prior thereto.

“*Consolidated Shareholders' Equity*” means, at any date, our shareholders' equity and that of our consolidated subsidiaries determined on a consolidated basis as of such date in accordance with United States generally accepted accounting principles; *provided that*, our consolidated shareholders' equity and that of our consolidated subsidiaries is to be calculated without giving effect to (i) the application of ASC 715-Compensation-Retirement Benefits or (ii) the cumulative foreign currency translation adjustment. The term “*consolidated subsidiary*” means, as to any person, each subsidiary of such person (whether now existing or hereafter created or acquired) the financial statements of which shall be (or should have been) consolidated with the financial statements of such person in accordance with United States generally accepted accounting principles.

The term “*value*” means as at any particular time with respect to a sale and leaseback transaction, an amount equal to the present value (discounted at the rate of interest implicit in the terms of the lease) of the obligations of the lessee under such lease for net rental payments during the remaining term of the lease (including any period for which such lease has been extended). For purposes of the foregoing, “net rental payments” under any lease for any period means the sum of the rental and other payments required to be paid in such period by the lessee thereunder, not including, however, any amounts required to be paid by such lessee (whether or not designated as rental or additional rental) on account of maintenance and repairs, insurance, taxes, assessments or similar charges.

Restrictions on Sale and Leaseback Transactions

We and our restricted subsidiaries may not engage in sale and leaseback transactions (excluding such transactions between us and our restricted subsidiaries or between our restricted subsidiaries) whereby a principal property that is owned by us or one of our restricted subsidiaries and that has been in full operation for more than 365 days is sold or transferred with the intention of taking back a lease of such property (except a lease for a term of no more than three years entered into with the intent that the use by us or such restricted subsidiary of such property will be discontinued on or before the expiration of such term).

The sale and leaseback of a principal property is not prohibited, however, if we and the applicable restricted subsidiary would be permitted under the indenture to incur secured debt equal in amount to the amount realized or to be realized upon the sale or transfer secured by a lien on the principal property to be leased without equally and ratably securing the notes. We and our restricted subsidiaries may also engage in an otherwise prohibited sale and leaseback transaction if an amount equal to the value of the principal property so leased is applied, subject to credits for delivery by us to the trustee of debt securities issued under the base indenture (including the notes) we have previously purchased or otherwise acquired and specified voluntary redemptions of debt securities issued under the base indenture (including the notes), to the retirement (other than mandatory retirement), within 365 days of the effective date of the arrangement, of indebtedness for borrowed money incurred or assumed by us or a restricted subsidiary, as shown on our most recent consolidated balance sheet and, in the case of our indebtedness, the indebtedness is not subordinated to the notes.

Restrictions on Transfer of Principal Properties to Some Subsidiaries

The indenture provides that, so long as the notes are outstanding, we will not, and will not cause or permit any of our restricted subsidiaries to, transfer (whether by merger, consolidation, amalgamation or otherwise) principal property that has a gross book value (without deduction for any depreciation reserves) at the date as of which the determination is being made in excess of two percent of the consolidated net tangible assets of us and our restricted subsidiaries to any unrestricted subsidiary, unless we or a restricted subsidiary shall apply within one year after the effective date of the transaction, or shall have committed within one year of the effective date to apply, an amount equal to the fair value of the principal property at the time of transfer:

- to the acquisition, construction, development or improvement of properties, facilities or equipment which are, or upon the acquisition, construction, development or improvement will be, a principal property or properties or a part thereof;
- to the redemption of debt securities issued under the base indenture (including the notes);
- to the repayment of indebtedness for borrowed money of us or any of our restricted subsidiaries, other than any indebtedness owed to any restricted subsidiary or our subordinated indebtedness; or
- in part to an acquisition, construction, development or improvement and in part to redemption and/or repayment, in each case as described above.

The fair value of any principal property for purposes of this paragraph will be as determined by our board of directors or an authorized committee thereof. In lieu of applying all or any part of any amount to redemption of debt securities issued under the base indenture, we may, within one year of the transfer, deliver to the trustee under the indenture debt securities of any series, other than debt securities made the basis of a reduction in a mandatory sinking fund payment, for cancellation and thereby reduce the amount to be applied to the redemption of debt securities by an amount equivalent to the aggregate principal amount of the debt securities so delivered.

Certain Definitions

The following are the meanings of terms that are important in understanding the covenants previously described:

“*person*” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, limited liability company, unincorporated organization or other entity or government or any agency or political subdivision thereof.

“*principal property*” means any manufacturing plant, warehouse, office building or parcel of real property located in Canada, the United States, its territories and possessions, Puerto Rico or Mexico, including fixtures and manufacturing machinery and equipment but excluding leases and other contract rights which might otherwise be deemed real property, owned by us or any restricted subsidiary, whether owned on the date of original issuance of the notes or thereafter, other than such plant, warehouse, office building or parcel of real property or portion thereof (including fixtures and manufacturing machinery and equipment) which, in the opinion of our board of directors or an authorized committee thereof (evidenced by a certified board resolution thereof delivered to the trustee), is not of material importance to the business conducted by us and our restricted subsidiaries taken as a whole.

“*restricted subsidiary*” means any subsidiary other than an unrestricted subsidiary, and any subsidiary which is an unrestricted subsidiary but which is designated by our board of directors to be a restricted subsidiary. Our board of directors may not designate any subsidiary to be a restricted subsidiary if we would thereby breach any covenant or agreement contained in the indenture, assuming for the purpose of determining whether such a breach would occur that any secured debt of that subsidiary was incurred at the time of the designation and that any sale and leaseback transaction to which the subsidiary is then a party was entered into at the time of the designation.

“*secured debt*” means indebtedness for money borrowed that is secured by a security interest in (a) any principal property or (b) any shares of capital stock or other equity interests or indebtedness (held as an asset) of any restricted subsidiary.

“*subsidiary*” means any person of which we, or we and one or more of our subsidiaries, or any one or more subsidiaries, directly or indirectly own more than 50% of the voting stock or other voting equity interests of such person and that, by virtue of such ownership, is controlled by us or by us and one or more of our subsidiaries or any one or more subsidiaries. For purposes of the foregoing, the term “control” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person.

“*unrestricted subsidiary*” means:

- any subsidiary acquired or organized after the date of original issuance of the notes, other than any subsidiary acquired or organized after that date that is a successor, directly or indirectly, to any restricted subsidiary (whether by merger, consolidation or amalgamation of such restricted subsidiary with, or transfer of all or substantially all assets of such restricted subsidiary to, such subsidiary or otherwise);
- any subsidiary whose principal business or assets are located outside Canada, the United States, its territories and possessions, Puerto Rico or Mexico;
- any subsidiary the principal business of which consists of financing or assisting in financing of customer construction projects or the acquisition or disposition of products of dealers, distributors or other customers;
- any subsidiary whose principal business is the ownership, leasing, purchasing, selling or development of real property; or
- any subsidiary substantially all the assets of which consist of stock or other securities of a subsidiary or subsidiaries referred to above in this sentence, unless and until that subsidiary is designated by our board of directors to be a restricted subsidiary.

Defeasance

The defeasance provisions described under “Description of the Debt Securities—Defeasance and Covenant Defeasance” in the accompanying prospectus will be applicable to the notes. If we exercise this option, we may be discharged from certain of our obligations with respect to the notes, including those described under “—Covenants Applicable to the Notes” in this prospectus supplement.

CREDIT RATINGS

The following table discloses the credit ratings and credit ratings outlooks expected to be accorded to the notes by the rating agencies indicated:

<u>Rating Agency</u>	<u>Rating</u>	<u>Trend/Outlook</u>
<i>S&P</i>	<i>A-</i>	<i>Negative Watch</i>
<i>Moody's</i>	<i>A3</i>	<i>Negative</i>

S&P's credit ratings are on a long-term debt rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. A rating of A- is the third highest of ten major categories used by S&P. According to the S&P rating system, debt securities rated A- exhibit strong capacity to meet financial commitments, but are somewhat susceptible to adverse economic conditions and changes in circumstances. The ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

Moody's credit ratings are on a long-term debt rating scale that ranges from Aaa to C, which represents the range from highest to lowest quality of such securities rated. A rating of A3 is the third highest of nine major categories used by Moody's. According to the Moody's rating system, debt securities rated A3 are subject to low credit risk. They are considered upper-medium grade obligations. Moody's applies numerical modifiers 1, 2 and 3 in each generic rating classification from Aa through Caa in its corporate bond rating system. The modifier 1 indicates that the issue ranks in the higher end of its generic rating category, the modifier 2 indicates a mid-range ranking and the modifier 3 indicates that the issue ranks in the lower end of its generic rating category.

The credit ratings accorded to the notes by these rating agencies are not recommendations to buy, hold or sell the notes since such ratings do not comment as to their market price or suitability for a particular investor. Credit ratings are intended to provide investors with an independent measure of the credit quality of an issue of securities and are intended to be indicators of the likelihood of payment and of the capacity and willingness of the issuer to meet its financial commitment on obligations in accordance with the terms of those securities. However, the credit ratings accorded to the notes may not reflect the potential impact of all risks on the value of the notes, including risks related to structure, market or the other factors discussed in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference herein and therein.

We have made payments to Moody's and S&P in connection with the assignment of ratings to our long-term debt and will make payments to Moody's and S&P in connection with the confirmation of such ratings for purposes of the offering of the notes under this prospectus supplement. In addition, we have made payments in respect of certain other services provided to us by each of Moody's and S&P during the last two years.

There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant and, if any such rating is so revised or withdrawn, we are under no obligation to update this prospectus supplement. Real or anticipated changes in the credit ratings assigned to the notes will generally affect the market price of the notes and may also affect the cost at which we can access the capital markets. See "*Risk Factors - The notes do not restrict our ability to incur additional debt or prohibit us from taking other action that could negatively impact holders of the notes and Risk Factors - if you are able to resell your notes, many other factors may affect the price you receive, which may be lower than you believe to be appropriate.*"

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion describes the material U.S. federal income tax consequences of the acquisition, ownership and disposition of the notes to initial U.S. Holders (as defined below) purchasing a note at its “issue price”. The “issue price” of the notes in this offering will equal the first price at which a substantial amount of the notes are sold to the public (not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) for money. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the “Code”), final, temporary and proposed Treasury regulations, revenue rulings, administrative pronouncements and judicial decisions, all as currently in effect and all as of the date hereof, any of which are subject to change, possibly on a retroactive basis. Moreover, this summary applies only to purchasers who hold notes as “capital assets”, within the meaning of Section 1221 of the Code, and it does not describe all of the tax consequences that may be relevant to holders in light of their special circumstances, including alternative minimum tax and Medicare contribution tax consequences, or to holders subject to special rules, such as financial institutions, regulated investment companies, real estate investment trusts, partnerships or other entities or arrangements classified as partnerships for U.S. federal income tax purposes (or investors in such entities), dealers or traders in securities, persons holding notes as a hedge or integrated transaction, tax-exempt entities, qualified retirement plans, individual retirement accounts or other tax deferred accounts or U.S. Holders whose functional currency is not the U.S. dollar.

As used herein, the term “U.S. Holder” means a beneficial owner of a note that is, for U.S. federal income tax purposes, (i) a citizen or individual resident of the United States, (ii) a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any State thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust if (A) a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have authority to control all substantial decisions of the trust, or (B) that has a valid election in effect under applicable Treasury regulations to be treated as a U.S. Person.

The following discussion is for general information only and is not intended to be, nor should it be construed to be, legal or tax advice to any holder or prospective holder of notes and no opinion or representation with respect to the U.S. federal income tax consequences to any such holder or prospective holder is made. You are urged to consult your own tax adviser regarding the application of U.S. federal, state and local tax laws, as well as any applicable non-U.S. tax laws, to your particular situation.

Certain Contingent Payments. We will be obligated to make payments of additional amounts in excess of the principal amount of the notes if we repurchase all or any part of the notes upon the occurrence of a “Change of Control Triggering Event,” as described under “Description of the Notes— Offer to Repurchase Upon Change of Control Triggering Event” in this prospectus supplement or in excess of stated interest as described under “Description of the Debt Securities—Payment of Additional Amounts” in the accompanying prospectus. We intend to take the position that these provisions should not cause the notes to be treated as contingent payment debt instruments under U.S. federal income tax law. Our position is not binding on the U.S. Internal Revenue Service (“IRS”). If the IRS takes a contrary position, a U.S. Holder may be required (i) to accrue interest income at a rate higher than the stated interest rate on the notes, and (ii) to treat as ordinary income, rather than capital gain, any gain on the sale, exchange or retirement of the notes. You should consult your tax adviser about the risk of the notes being treated as contingent payment debt instruments. The remainder of this discussion assumes that the notes are not contingent payment debt instruments.

Interest on the Notes. Interest accrued or received in respect of a note generally will be included in gross income as ordinary interest income at the time the interest accrues or is received in accordance with your usual method of accounting for U.S. federal income tax purposes. Interest income earned with respect to a note will constitute foreign-source income for U.S. federal income tax purposes and will generally be considered “passive category income,” which may be relevant in calculating the U.S. foreign tax credit limitation. The rules governing foreign tax credits are complex and, therefore, you should consult your tax adviser regarding the availability of foreign tax credits in your particular circumstances.

Sale, Exchange or Retirement of the Notes. Upon the sale, exchange or retirement of a note, you generally will recognize gain or loss equal to the difference between the amount realized (not including any amounts attributable to accrued and unpaid interest, which will be taxed as described under “Interest on the Notes” above) and your tax basis in the note. Your tax basis in a note generally will be equal to the cost of the note. Gain or loss generally will be U.S.-source income for purposes of computing your U.S. foreign tax credit limitation. In addition, this gain or loss will be long-term capital gain or loss if at the time of sale, exchange or retirement, you have held the notes for more than one year. Under current law, long-term capital gain of a non-corporate U.S. Holder, including an individual, is generally taxed at reduced rates. The deductibility of capital losses is subject to certain limitations.

Information Reporting and Backup Withholding. Information returns may be filed with the IRS in connection with payments on the notes and the proceeds from a sale, exchange or retirement of the notes. You may be subject to U.S. backup withholding on these payments if you fail to (i) provide your taxpayer identification number and comply with certain certification procedures or (ii) otherwise establish an exemption from backup withholding. Backup withholding is not an additional tax and the amount of any backup withholding will be allowed as a credit against your federal income tax liability and may entitle you to a refund; provided that the required information is furnished to the IRS in a timely manner.

Information Reporting for Foreign Financial Assets. Certain individuals that own “specified foreign financial assets” with an aggregate value in excess of \$50,000 on the last day of the taxable year (or \$75,000 at any time during the taxable year) may be required to file an information report with respect to such assets with their tax returns. “Specified foreign financial assets” include any financial accounts maintained by certain foreign financial institutions, as well as any of the following, but only if they are not held in accounts maintained by financial institutions: (i) stocks and securities issued by non-U.S. persons (such as the notes), (ii) financial instruments and contracts held for investment that have non-U.S. issuers or counterparties, and (iii) interests in foreign entities. U.S. Holders that are individuals are urged to consult their tax advisers regarding the application of this reporting requirement to their ownership of the notes.

MATERIAL CANADIAN INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires notes, including entitlement to all payments thereunder, at the issue price as a beneficial owner pursuant to this offering and who, at all relevant times, for purposes of the application of the Income Tax Act (Canada) and the Income Tax Regulations (collectively, the “Tax Act”), (1) is not, and is not deemed to be, resident in Canada, (2) deals at arm’s length with us and with any transferee resident (or deemed to be resident) in Canada to whom the purchaser disposes of the notes, (3) does not use or hold the notes in a business carried on in Canada and (4) is not a “specified non-resident shareholder” of us for purposes of the Tax Act or a non-resident person not dealing at arm’s length with a “specified shareholder” (within the meaning of Subsection 18(5) of the Tax Act) of us, (a “Holder”). Special rules, which are not discussed in this summary, may apply to a non-Canadian holder that is an insurer that carries on an insurance business in Canada and elsewhere. This summary assumes that no interest paid on the notes will be in respect of a debt or other obligation to pay an amount to a person with whom we do not deal at arm’s length within the meaning of the Tax Act.

This summary is based on the current provisions of the Tax Act and on our understanding of the current administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “Proposed Amendments”) and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policy or assessing practice whether by legislative, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary is of a general nature only and is not, and is not intended to be, legal or tax advice to any particular holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective purchasers of notes should consult their own tax advisers having regard to their own particular circumstances.

No Canadian withholding tax will apply to interest, principal or premium paid or credited to a Holder by us on a note or to the proceeds received by a Holder on the disposition of a note including a redemption, repurchase or payment on maturity.

No other tax on income or gains will be payable by a Holder on interest, principal or premium on a note or on the proceeds received by a Holder on the disposition of a note including a redemption, repurchase or payment on maturity.

UNDERWRITING

We intend to offer the notes through the underwriters. BofA Securities, Inc., Citigroup Global Markets Inc. and TD Securities (USA) LLC are acting as representatives of the underwriters named below. Subject to the terms and conditions contained in an underwriting agreement, dated the date of this prospectus supplement, among us and the underwriters, we have agreed to sell to the underwriters and the underwriters severally have agreed to purchase from us, the principal amount of the notes listed opposite their names below:

Underwriter	Principal Amount of Notes
BofA Securities, Inc.	\$
Citigroup Global Markets Inc.	
TD Securities (USA) LLC	
Total.....	\$

The underwriters have agreed to purchase all of the notes sold pursuant to the underwriting agreement if any of the notes are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the non-defaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the several underwriters and their controlling persons against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the notes, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the notes, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer’s certificates and legal opinions. The underwriting agreement provides that the obligations of the underwriters to purchase the notes included in this offering may be terminated at their discretion if there is a material adverse change in the financial markets which makes it impracticable to proceed with the offering and may also be terminated upon the occurrence of certain stated events. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part. The offering price and the other terms of the notes have been determined by negotiation between us and the underwriters.

We have agreed that, until settlement of this notes offering, we will not, without the prior written consent of BofA Securities, Inc., Citigroup Global Markets Inc. and TD Securities (USA) LLC, offer, sell, or contract to sell, or otherwise dispose of, directly or indirectly, or announce the offering of, any debt securities similar to the notes issued or guaranteed by us. BofA Securities, Inc., Citigroup Global Markets Inc. and TD Securities (USA) LLC in their sole discretion may release any of the securities subject to these lock-up agreements at any time without notice.

Discounts

The underwriters have advised us that they propose to initially offer the notes at the price indicated on the cover of this prospectus supplement plus accrued interest from the original issue date of such notes, if any, and may offer notes to dealers at such prices less a concession not in excess of _____ % of the principal amount of the notes. The underwriters may allow, and dealers may reallow, a concession not in excess of _____ % of the principal amount of the notes on sales to other dealers.

After the initial offering of the notes, the public offering price, selling concessions and reallowances or any other term of the offering may be changed.

The expenses of the offering, not including the underwriting discount, are estimated to be \$ _____ million and are payable by us.

New Issue of Notes

The notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the notes on any national securities exchange or for inclusion of the notes on any automated dealer quotation system. We have been advised by the underwriters that they presently intend to make a market in the notes after completion of the offering. However, they are under no obligation to do so and may discontinue any market-making activities at any time without any notice. We cannot assure the liquidity of the trading market for the notes or that an active public market for the notes will develop. If an active public trading market for the notes does not develop, the market price and liquidity of the notes may be adversely affected. If the notes are traded, they may trade at a discount from their initial public offering price, depending on prevailing interest rates, the market for similar securities, our performance and other factors.

Settlement

It is expected that delivery of the notes will be made against payment therefor on or about _____, 2020, which will be the _____ New York City business day following the date of pricing of the notes (this settlement cycle being referred to as “T+ _____”). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to a trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes prior to the second business day before the settlement date will be required, by virtue of the fact that the notes initially will settle in T+ _____, to specify alternative settlement arrangements to prevent a failed settlement.

Price Stabilization and Short Positions

In connection with the offering of the notes, the underwriters (or persons acting on their behalf) may over-allot notes or effect transactions with a view to supporting the market price of the notes at a level higher than that which might otherwise prevail. However, stabilization may not necessarily occur. Any stabilization may begin on or after the date of adequate public disclosure of the final price of the notes and, if begun, may cease at any time, but it must end no later than 30 days after the date on which the issuer received the proceeds of the issue, or no later than 60 calendar days after the date of allotment of the notes, whichever is earlier. Any stabilization action or over-allotment must be conducted by the relevant underwriters (or persons acting on their behalf) in accordance with all applicable laws and will be undertaken at the offices of the underwriters (or persons acting on their behalf).

Stabilization transactions consist of bids or purchases to peg, fix or maintain the price of the notes.

If the underwriters create a short position in the notes in connection with the offering, i.e., if they sell more notes than are on the cover page of this prospectus supplement, the underwriters may reduce that short position by purchasing notes in the open market. Purchases of notes to stabilize the price or to reduce a short position could cause the price of the notes to be higher than it might be in the absence of such purchases.

Neither we nor any of the underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the notes. In addition, neither we nor any of the underwriters makes any representation that the underwriters will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Other Relationships

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us and our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. Certain of the underwriters or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, such underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the notes offered hereby. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Each of BofA Securities, Inc., Citigroup Global Markets Inc. and TD Securities (USA) LLC are affiliates of banks which are members of a syndicate of lenders that has made available to us a \$2.75 billion unsecured revolving credit facility and a \$1 billion 364-day syndicated revolving credit facility, as amended and supplemented from time to time. Consequently, we may be considered to be a “connected issuer” of each of these underwriters under Canadian securities laws. As at March 31, 2020, approximately \$20 million was outstanding under our \$2.75 billion unsecured revolving credit facility and no amounts were outstanding under our 364-day syndicated revolving credit facility. Our \$2.75 billion unsecured revolving credit facility also acts as a backstop to our commercial paper programs, on a dollar for dollar basis, and as of March 31, 2020, we had no commercial paper outstanding. We are in compliance with the terms of, and the lenders have not waived any breach of, the agreements governing the credit facility since their respective dates of execution. The decision to distribute the notes, including the determination of the terms of this offering, has been made through negotiations between us and the underwriters. The affiliated lenders of the underwriters did not have any involvement in that decision or determination. Our financial position has not changed substantially and adversely since the indebtedness under the credit facility was incurred. The proceeds of the offering will not be applied for the benefit of the underwriters or their affiliates.

This prospectus supplement does not qualify the distribution of the notes for sale in the Province of Ontario or any of the other provinces or territories of Canada. Any sales of notes in any province or territory of Canada may only be made pursuant to an exemption from the prospectus requirements of Canadian securities laws.

Selling Restrictions

Notice to Prospective Investors in the European Economic Area and in the United Kingdom

This prospectus supplement has been prepared on the basis that any offer of the notes in any Member State of the European Economic Area (the “EEA”) or in the United Kingdom (the “UK”) will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of the notes. Accordingly any person making or intending to make an offer in that Member State or in the UK of notes which are the subject of the offering contemplated in this prospectus supplement may only do so to legal entities which are qualified investors as defined in the Prospectus Regulation, provided that no such offer of notes shall require the issuer or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case in relation to such offer.

Neither the issuer nor the underwriter have authorised, nor do they authorise, the making of any offer of notes to any legal entity which is not a qualified investor as defined in the Prospectus Regulation. Neither the issuer nor the underwriters have authorised, nor do they authorise, the making of any offer of notes through any financial intermediary, other than offers made by the underwriters, which constitute the final placement of the notes contemplated in this prospectus.

The expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (as amended or superseded).

Each person in the EEA or in the UK who receives any communication in respect of, or who acquires any notes under, the offers to the public contemplated in this prospectus supplement, or to whom the notes are otherwise made available, will be deemed to have represented, warranted, acknowledged and agreed to and with each initial

purchaser and the issuer that it and any person on whose behalf it acquires notes is: (1) a “qualified investor” within the meaning of Article 2(e) of the Prospectus Regulation; and (2) not a "retail investor" (as defined above).

Notice to Prospective Investors in the United Kingdom

This prospectus supplement and any other material in relation to the notes described herein is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This prospectus supplement and any other material in relation to the notes described herein is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Each underwriter has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (as amended, the “FSMA”)) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to us;
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

Notice to Prospective Investors in Hong Kong

The notes may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Notice to Prospective Investors in Japan

The notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, each of the underwriters, on behalf of itself and each of its affiliates that participates in the initial distribution of the notes, has undertaken that it has not offered or sold and will not offer or sell any notes, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person (as defined below) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person except pursuant to an exemption from the registration requirements of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended), and under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental

and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Notice to Prospective Investors in Singapore

This prospectus supplement has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to compliance with conditions set forth in the SFA.

Where the notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the notes pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than \$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;
- (b) where no consideration is or will be given for the transfer; or
- (c) where the transfer is by operation of law.

Notice to Prospective Investors in Switzerland

This prospectus supplement does not constitute an issue prospectus pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations and the notes will not be listed on the SIX Swiss Exchange. Therefore, this prospectus supplement may not comply with the disclosure standards of the listing rules (including any additional listing rules or prospectus schemes) of the SIX Swiss Exchange. Accordingly, the notes may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors who do not subscribe to the notes with a view to distribution. Any such investors will be individually approached by the initial purchasers from time to time.

Notice to Prospective Investors in Taiwan

The notes have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the notes in Taiwan.

Notice to Prospective Investors in the United Arab Emirates

The offering of the notes has not been approved or licensed by the UAE Central Bank, the UAE Securities and Commodities Authority (“SCA”), the Dubai Financial Services Authority (“DFSA”) or any other relevant licensing authorities in the UAE, and the notes may not be offered to the public in the UAE (including the DIFC). This prospectus supplement is being issued to a limited number of institutional and individual investors:

- (a) who meet the criteria of a “Qualified Investor” as defined in the SCA Board of Directors Decision No. 3 R.M. of 2017 (but excluding subparagraph 1(d) in the “Qualified Investor” definition relating to natural persons);
- (b) upon their request and confirmation that they understand that the Bonds have not been approved or licensed by or registered with the UAE Central Bank, the SCA, DFSA or any other relevant licensing authorities or governmental agencies in the UAE; and
- (c) upon their confirmation that they understand that the prospectus supplement must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose.

LEGAL MATTERS

Certain legal matters will be passed upon for the Company by Osler, Hoskin & Harcourt LLP, Toronto, Ontario, with respect to matters of Canadian federal and Ontario laws. The validity of the notes will be passed upon for the Company by Sidley Austin LLP, New York, New York. The underwriters have been represented by Shearman & Sterling LLP, New York, New York with respect to United States legal matters.

INDEPENDENT AUDITORS

The consolidated financial statements as at December 31, 2019 and 2018, and for each of the two years in the period ended December 31, 2019, incorporated by reference in this prospectus supplement and the accompanying prospectus, and the effectiveness of the Company's internal control over financial reporting, have been audited by Deloitte LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference. Such consolidated financial statements have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing. Deloitte LLP is independent with respect to the Company in accordance with the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario, and within the meaning of the Exchange Act and the applicable rules and regulations thereunder adopted by the SEC and the Public Company Accounting Oversight Board (United States).

\$



% Senior Notes due

**PROSPECTUS SUPPLEMENT
, 2020**

Joint Book-Running Managers

**BofA Securities
Citigroup
TD Securities**