

MAGNA INTERNATIONAL INC.

Management's Discussion and Analysis of Results of Operations and Financial Position

Unless otherwise noted, all amounts in this Management's Discussion and Analysis of Results of Operations and Financial Position ["MD&A"] are in U.S. dollars and all tabular amounts are in millions of U.S. dollars, except per share figures, which are in U.S. dollars. When we use the terms "we", "us", "our" or "Magna", we are referring to Magna International Inc. and its subsidiaries and jointly controlled entities, unless the context otherwise requires.

This MD&A should be read in conjunction with the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2025 included in this Quarterly Report, and the audited consolidated financial statements and MD&A for the year ended December 31, 2024 included in our 2024 Annual Report to Shareholders.

This MD&A may contain statements that are forward looking. Refer to the "Forward-Looking Statements" section in this MD&A for a more detailed discussion of our use of forward-looking statements.

This MD&A has been prepared as at October 30, 2025.

HIGHLIGHTS

Comparing the third quarters of 2025 and 2024:

- Global light vehicle production increased 3%, including 6%, 4% and 4% higher production in North America, Europe, and China, respectively.
- Total sales increased 2% to \$10.5 billion, largely reflecting the launch of new programs, net strengthening of currencies against the U.S. dollar, partially offset by the end of production of certain programs, including our complete vehicle assembly of the Jaguar I-Pace and E-Pace.
- In the third quarter of 2024 we recognized \$196 million in Other income of previously deferred revenue related to our Fisker Inc. ["Fisker"] warrants since our agreement for manufacturing of the Fisker Ocean SUV was terminated.
- Mainly as a result of the Other income item in the third quarter of 2024, income from operations before income taxes decreased to \$473 million, from \$700 million last year.
- Adjusted EBIT⁽¹⁾ increased 3% to \$613 million, largely reflecting continued productivity and efficiency improvements, including the benefit of operational excellence initiatives and recent restructuring activities, as well as higher equity income, partially offset by lower net favourable commercial items, and tariff costs not yet recovered from customers.
- Adjusted EBIT as a percentage of sales⁽¹⁾ increased 10 basis points to 5.9%.
- Diluted earnings per share were \$1.08 and adjusted diluted earnings per share⁽¹⁾ were \$1.33, an increase of 4%, mainly due to higher Adjusted EBIT and 2% lower average diluted shares outstanding as a result of share repurchases subsequent to the third quarter of 2024.
- Cash from operating activities increased \$185 million to \$912 million.

In addition, in the third quarter of 2025, we:

- paid \$136 million in dividends to shareholders;
- repaid \$650 million in Senior Notes scheduled to mature in October 2025; and
- launched the first of two electric vehicle models for XPENG, a China-based OEM in our Complete Vehicle assembly facility in Graz, Austria.

Subject to the approval by the Toronto Stock Exchange, our Board of Directors approved a new Normal Course Issuer Bid ["NCIB"] to purchase up to 25.3 million of our Common Shares, representing approximately 10% of our public float. This NCIB is expected to be effective on November 7, 2025 and will terminate no later than November 6, 2026.

OVERVIEW

OUR BUSINESS

Magna is one of the world's largest automotive suppliers and a trusted partner to automakers in the industry's most critical markets—North America, Europe, and China. With a global team and footprint spanning 28 countries, we bring unmatched scale, trusted reliability, and proven execution. Backed by nearly seven decades of experience, we combine deep manufacturing expertise with innovative vehicle systems to deliver performance, safety, and quality. For further information about Magna (NYSE:MGA; TSX:MG), please visit www.magna.com or follow us on social.

¹ Adjusted EBIT, Adjusted EBIT as a percentage of sales, and Adjusted diluted earnings per share are Non-GAAP financial measures. Refer to the section "Use of Non-GAAP Measures".

INDUSTRY TRENDS & RISKS

Our business and operating results are dependent on light vehicle production by our customers in three key regions – North America, Europe, and China. While we supply systems and components to many original equipment manufacturers ["OEMs"] globally, we do not supply systems and components for every vehicle, nor is the value of our content consistent from one vehicle to the next. As a result, customer and program mix relative to market trends, as well as the value of our content on specific vehicle production programs, are also important drivers of our results.

Ordinarily, OEM production volumes are aligned with vehicle sales levels and thus affected by changes in such levels. Aside from vehicle sales levels, production volumes are typically impacted by a range of factors, including: OEM, supplier or sub-supplier disruptions; free trade arrangements and tariffs; relative currency values; commodities prices; supply chains and infrastructure; labour disruptions and the availability and relative cost of skilled labour; regulatory frameworks; and other factors.

Overall vehicle sales levels are significantly affected by changes in consumer confidence levels, which may in turn be impacted by consumer perceptions and general trends related to the job, housing, and stock markets, as well as other macroeconomic and political factors. Other factors which typically impact vehicle sales levels and thus production volumes include: vehicle affordability; interest rates and/or availability of credit; fuel and energy prices; relative currency values; uncertainty as to the pace of EV adoption; and other factors.

While the foregoing economic, political and other factors are part of the general context in which the global automotive industry operates, there are a number of significant industry trends that are shaping the future of the industry and creating opportunities and risks for automotive suppliers. We continue to implement a business strategy which is rooted in our best assessment as to the rate and direction of change in the automotive industry, including with respect to the imposition of tariffs on vehicles and components or materials incorporated therein and trends related to vehicle electrification and advanced driver assistance systems. Our short and medium-term operational success, as well as our ability to create long-term value through our business strategy, are subject to a number of risks and uncertainties. Significant industry trends, our business strategy and the major risks we face, are discussed in our Annual Information Form ["AIF"] and Annual Report on Form 40-F ["Form 40-F"] in respect of the year ended December 31, 2024, together with subsequent filings. Those industry trends and risk factors remain substantially unchanged in respect of the third quarter ended September 30, 2025, except as follows:

- **Continuing Trade and Tariff Uncertainty:** The overall climate of trade and tariff uncertainty continues to present a number of challenges for the entire automotive supply chain, including:
 - **Planning, forecasting and efficient capital allocation** – US tariff and trade policies risk disrupting integrated global and regional automotive supply chains, given the stated aim of repatriating manufacturing to the US. Continuing uncertainty may impact OEM production/footprint decision-making and presents industry-wide challenges with planning, forecasting and efficient capital allocation.
 - **Input costs** – US tariffs, together with retaliatory measures, risk increasing our input costs, the prices paid by our customers for our products, as well as the price consumers pay for vehicles. Significant or sustained unmitigated tariff cost increases which are not recoverable from our customers could have a material adverse effect on our profitability.
 - **Vehicle affordability** – to the extent tariffs erode vehicle affordability, consumer demand for vehicles may decline, prompting a reduction in vehicle production volumes, which is a material driver of our operations, sales and profitability.

Other previously identified risks associated with an uncertain trade and tariff environment such as restructuring and impairment risks, have been detailed in our previous filings and remain relevant through the third quarter of 2025.

- **Product Recall and Extended Warranty Program:** Ford Motor Company ["Ford"] recently initiated recalls covering approximately 3.6 million vehicles equipped with rear-cameras supplied by us. Ford also recently announced a new 15-year extended warranty program for approximately 11.0 million other vehicles that were not the subject of these recalls but are also equipped with rear-cameras supplied by us. The rear-cameras were supplied across multiple vehicle programs, and as a result, additional recalls and/or extended warranty programs remain possible.

The initiation of a recall or warranty extension program does not on its own imply or allocate liability among an OEM, Tier 1 supplier, and any sub-suppliers. Liability for defective products is based on a root cause determination, which can be a complex process that takes into account respective OEM and supplier roles and responsibilities for component and system design, engineering, sub-component sourcing, system assembly, as well as integration of the system into the vehicle. At this time, root cause determinations have not been completed for the vehicles covered by Ford's recalls and warranty extension program.

Even after root causes have been determined, other challenges make it difficult to quantify our potential financial exposure, if any. In the case of the rear-camera recalls and warranty extension program, these challenges include: integration with other vehicle systems and non-camera components; the age of affected vehicles; duration of the original warranty; number of affected vehicles brought to Ford dealers for inspection; and dealer discretion to determine the nature of the remedy to be applied, which may range from software upgrades, inspection of the rear-camera and other components, repairs, or replacement of the rear-camera.

In the absence of certainty as to the scope of potentially affected vehicles, the root cause(s) of the alleged product failures, and/or the related costs of these service actions, we are unable to estimate our potential exposure, if any, for recall-related costs and the extension of product warranties by Ford to affected vehicle owners. If we are determined to be fully or partially responsible for defective rear-cameras, the related recall and extended warranty costs could have a material adverse effect on our profitability.

- **Production Disruption:** An aluminum supplier in the US experienced a fire at a facility which supplies approximately 40% of the aluminum sheet production used by the automotive industry. A number of our OEM customers have been impacted by the disruption – including Ford, which has paused production of certain vehicles. The inability of affected OEMs to mitigate the disruption by sourcing aluminum sheets from alternative suppliers may cause extended production disruptions to programs on which we have content, which in turn could have an adverse effect on our profitability.
- **Potential Supply Chain Disruption:** Nexperia, a global supplier of electronic components and semiconductor chips, is currently subject to export restrictions imposed by the Chinese government. These restrictions prevent Nexperia from supplying any finished components or subassemblies from China. As a purchaser of affected Nexperia components, we are directly impacted since we maintain limited inventories of such items. Similarly, many other automotive suppliers and multiple OEMs maintain limited inventories of impacted components purchased from Nexperia. If export restrictions affecting Nexperia are prolonged and/or alternative sources cannot be secured in a timely manner or for sufficient quantities, industry-wide production disruptions or supply constraints will occur. Any prolonged disruptions could have a material adverse effect on our operations and profitability.

USE OF NON-GAAP FINANCIAL MEASURES

In addition to results presented in accordance with accounting principles generally accepted in the United States of America ["U.S. GAAP"], this report includes the use of Adjusted earnings before interest and taxes ["Adjusted EBIT"], Adjusted EBIT as a percentage of sales, Adjusted diluted earnings per share, and Adjusted Return on Invested Capital [collectively, the "Non-GAAP Measures"]. We believe these Non-GAAP financial measures provide additional information that is useful to investors in understanding our underlying performance and trends through the same financial measures employed by our management. Readers should be aware that Non-GAAP Measures have no standardized meaning under U.S. GAAP and accordingly may not be comparable to the calculation of similar measures by other companies. We believe that Adjusted EBIT, Adjusted EBIT as a percentage of sales, Adjusted diluted earnings per share, and Adjusted Return on Invested Capital provide useful information to our investors for measuring our operational performance as they exclude certain items that are not reflective of ongoing operating profit and facilitate a comparison with prior periods. The presentation of any Non-GAAP Measures should not be considered in isolation or as a substitute for our related financial results prepared in accordance with U.S. GAAP. Non-GAAP financial measures are presented together with the most directly comparable U.S. GAAP financial measure, and a reconciliation to the most directly comparable U.S. GAAP financial measure, can be found in the "Non-GAAP Financial Measures Reconciliation" section of this MD&A.

RESULTS OF OPERATIONS

AVERAGE FOREIGN EXCHANGE

	For the three months ended September 30,			For the nine months ended September 30,		
	2025	2024	Change	2025	2024	Change
1 Canadian dollar equals U.S. dollars	0.726	0.733	- 1%	0.715	0.735	- 3%
1 euro equals U.S. dollars	1.169	1.099	+ 6%	1.118	1.087	+ 3%
1 Chinese renminbi equals U.S. dollars	0.140	0.140	—	0.139	0.139	—

The preceding table reflects the average foreign exchange rates between the most common currencies in which we conduct business and our U.S. dollar reporting currency.

The results of operations for which the functional currency is not the U.S. dollar are translated into U.S. dollars using the average exchange rates for the relevant period. Throughout this MD&A, reference is made to the impact of translation of foreign operations on reported U.S. dollar amounts where relevant.

Our results can also be affected by the impact of movements in exchange rates on foreign currency transactions (such as raw material purchases or sales denominated in foreign currencies). However, as a result of hedging programs employed by us, foreign currency transactions in the current period have not been fully impacted by movements in exchange rates. We record foreign currency transactions at the hedged rate where applicable.

Finally, foreign exchange gains and losses on revaluation and/or settlement of monetary items denominated in a currency other than an operation's functional currency impact reported results. These gains and losses are recorded in selling, general and administrative expense.

LIGHT VEHICLE PRODUCTION VOLUMES

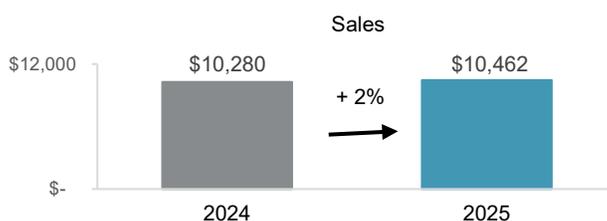
Our operating results are mostly dependent on light vehicle production in the regions reflected in the table below:

Light Vehicle Production Volumes (thousands of units)

	For the three months ended September 30,			For the nine months ended September 30,		
	2025	2024	Change	2025	2024	Change
North America	3,875	3,669	+ 6%	11,474	11,734	- 2%
Europe	3,847	3,705	+ 4%	12,461	12,711	- 2%
China	7,626	7,298	+ 4%	22,526	20,789	+ 8%
Rest of World	6,820	6,748	+ 1%	20,735	20,050	+ 3%
Global	22,168	21,420	+ 3%	67,196	65,284	+ 3%

RESULTS OF OPERATIONS – FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

SALES



Sales increased 2%, or \$182 million, to \$10.46 billion for the third quarter of 2025 compared to \$10.28 billion for the third quarter of 2024 primarily due to:

- the launch of new programs during or subsequent to the third quarter of 2024, including the Skoda Elroq, Ford Expedition and Lincoln Navigator, and Cadillac Vistiq; and
- the net strengthening of foreign currencies against the U.S. dollar, which increased reported U.S. dollar sales by \$210 million.

These factors were partially offset by:

- the end of production of certain programs, including the Chevrolet Malibu;
- lower complete vehicle assembly volumes, substantially due to the end of production of the Jaguar I-Pace and Jaguar E-Pace;
- net customer price concessions subsequent to the third quarter of 2024; and
- lower production on certain programs.

COST OF GOODS SOLD

	For the three months ended September 30,		Change
	2025	2024	
Material	\$ 6,374	\$ 6,157	\$ 217
Direct labour	743	757	(14)
Overhead	1,856	1,914	(58)
Cost of goods sold	\$ 8,973	\$ 8,828	\$ 145

Cost of goods sold increased \$145 million to \$8.97 billion for the third quarter of 2025, compared to \$8.83 billion for the third quarter of 2024, primarily due to:

- the net strengthening of foreign currencies against the U.S. dollar, which increased reported U.S. dollar costs of goods sold by \$187 million;
- higher material, direct labour, and overhead associated with higher production sales;
- higher tariff costs;
- commercial items in the third quarters of 2025 and 2024, which had a net unfavourable impact on a year-over-year basis;
- higher pre-operating costs incurred at new facilities; and
- higher production input costs net of customer recoveries, primarily for labour.

These factors were partially offset by:

- productivity and efficiency improvements, including the benefit of operational excellence initiatives and recent restructuring activities;
- lower net engineering costs; and
- a decrease in material, direct labour, and overhead associated with lower sales in our Complete Vehicle segment, which has a higher material content compared to our consolidated average.

SELLING, GENERAL AND ADMINISTRATIVE ["SG&A"]

SG&A expense increased \$44 million to \$531 million for the third quarter of 2025, compared to \$487 million for the third quarter of 2024, primarily as a result of:

- higher costs to accelerate our operational excellence initiatives;
- the net strengthening of foreign currencies against the U.S. dollar, which increased SG&A by \$13 million;
- higher stock-based compensation, incentive compensation, and employee profit sharing;
- higher consulting and legal costs; and
- higher investments in research, development and new mobility.

These factors were partially offset by net transactional foreign exchange gains in the third quarter of 2025 compared to net transactional foreign exchange losses in the third quarter of 2024.

DEPRECIATION

Depreciation increased \$5 million to \$389 million for the third quarter of 2025, compared to \$384 million for the third quarter of 2024, primarily due to increased capital deployed at new and existing facilities, including to support the launch of programs, and the net strengthening of foreign currencies against the U.S. dollar, which increased depreciation by \$8 million. These factors were partially offset by the end of production of certain programs.

AMORTIZATION OF ACQUIRED INTANGIBLE ASSETS

Amortization of acquired intangible assets decreased \$1 million to \$27 million for the third quarter of 2025, compared to \$28 million for the third quarter of 2024.

INTEREST EXPENSE, NET

During the third quarter of 2025, we recorded net interest expense of \$65 million compared to \$54 million for the third quarter of 2024. The \$11 million increase is primarily a result of interest incurred on a value added tax ("VAT") reassessment; and higher net interest expense on Senior Notes issued during the second quarter of 2025, compared to Senior notes repaid during the second and third quarters of 2025. These factors were partially offset by lower interest expense on decreased short term borrowings and term loan balances, each at lower interest rates.

EQUITY INCOME

Equity income increased \$31 million to \$44 million for the third quarter of 2025, compared to \$13 million for the third quarter of 2024, primarily as a result of:

- higher earnings due to higher sales and favourable product mix at certain equity-accounted entities;
- commercial items in the third quarters of 2025 and 2024, which had a net favourable impact on a year-over-year basis;
- productivity and efficiency improvements at certain equity-accounted entities; and
- lower launch costs at certain facilities.

These factors were partially offset by higher restructuring costs at an equity-accounted entity.

OTHER EXPENSE (INCOME), NET

	For the three months ended September 30,	
	2025	2024
Restructuring activities ⁽¹⁾	\$ 46	\$ —
Investments ⁽²⁾	2	1
Impacts related to Fisker Inc. ["Fisker"] ⁽³⁾	—	(189)
	\$ 48	\$ (188)

(1) Restructuring activities

	For the three months ended September 30,	
	2025	2024
Power & Vision ⁽ⁱ⁾	\$ 34	\$ —
Complete Vehicles ⁽ⁱⁱ⁾	12	—
Other expense, net	46	—
Tax effect	—	—
Net loss attributable to Magna	\$ 46	\$ —

⁽ⁱ⁾ During the third quarter of 2025, we recorded \$24 million [\$24 million after tax] of charges related to significant rightsizing activities and plant consolidations at facilities primarily in Europe, as well as \$10 million [\$10 million after tax] of equity losses related to our share of restructuring activities at an equity method investee.

⁽ⁱⁱ⁾ During the third quarter of 2025, we recorded \$12 million [\$12 million after tax] of charges related to rightsizing activities at two facilities in Europe.

(2) Investments

	For the three months ended September 30,	
	2025	2024
Non-cash impairment charge ⁽ⁱⁱⁱ⁾	\$ 2	\$ —
Loss on sales of public equity investments	1	—
Net revaluation (gain) loss on public and private equity investments	(1)	8
Revaluation gain on public company warrants	—	(7)
Other expense, net	2	1
Tax effect	—	2
Net loss attributable to Magna	\$ 2	\$ 3

⁽ⁱⁱⁱ⁾ The \$2 million [\$1 million after tax] non-cash impairment charge relates to the impairment of a private equity investment.

(3) Impacts related to Fisker

During 2024, Fisker filed for Chapter 11 bankruptcy protection in the United States and for similar protection in Austria. As a result, we recorded impairment charges on our Fisker related net assets, including our Fisker warrants, which were received in connection with the agreements with Fisker for platform sharing, engineering and manufacturing of the Fisker Ocean SUV. We also recorded additional restructuring charges during 2024 related to our Fisker related assembly operations. In the course of such bankruptcy proceedings, we terminated our manufacturing agreement for the Fisker Ocean SUV and recognized the remaining \$196 million of deferred revenue into income.

	For the three months ended September 30,	
	2025	2024
Recognition of deferred revenue	\$ —	\$ (196)
Impairment of Fisker related net assets	—	7
Other income, net	—	(189)
Tax effect	—	49
Net gain attributable to Magna	\$ —	\$ (140)

INCOME FROM OPERATIONS BEFORE INCOME TAXES

Income from operations before income taxes was \$473 million for the third quarter of 2025, compared to \$700 million for the third quarter of 2024. This \$227 million decrease is a result of the following changes, each as discussed above:

	For the three months ended September 30,		Change ⁽ⁱ⁾
	2025	2024	
Sales	\$ 10,462	\$ 10,280	\$ 182
Costs and expenses			
Cost of goods sold	8,973	8,828	145
Selling, general and administrative	531	487	44
Depreciation	389	384	5
Amortization of acquired intangible assets	27	28	(1)
Interest expense, net	65	54	11
Equity income	(44)	(13)	(31)
Other expense (income), net	48	(188)	236
Income from operations before income taxes	\$ 473	\$ 700	\$ (227)

(i) Change represents the increase (decrease) on Income from operations before income taxes.

INCOME TAXES

	For the three months ended September 30,			
	2025		2024	
Income Taxes as reported	\$ 140	29.6%	\$ 192	27.4%
Tax effect on Other expense (income), net and Amortization of acquired intangible assets	5	(3.1)	(45)	(0.2)
	\$ 145	26.5%	\$ 147	27.2%

Excluding the tax effect on Other expense (income), net and Amortization of acquired intangible assets, our effective income tax rate decreased to 26.5% for the third quarter of 2025, compared to 27.2% for the third quarter of 2024, primarily due to the net favourable impact of foreign exchange adjustments recognized for U.S. GAAP purposes on a year-over-year basis. This was partially offset by a change in mix of earnings, increases in our reserves for uncertain tax positions, and a decrease in the benefit of research and development credits.

On July 4, 2025, the US enacted H.R. 1 "A bill to provide for reconciliation pursuant to Title II of H. Con. Res. 14", commonly referred to as the One Big Beautiful Bill Act. The impact on Magna's consolidated financial statements was not material.

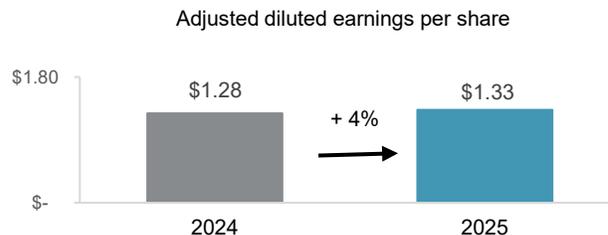
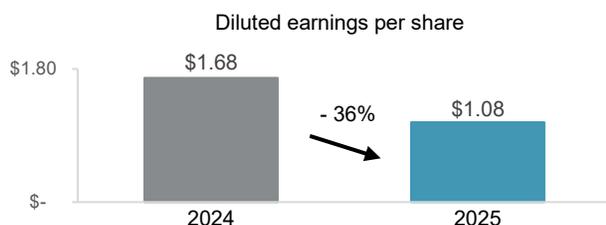
INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

Income attributable to non-controlling interests was \$28 million for the third quarter of 2025 compared to \$24 million for the third quarter of 2024. The \$4 million increase was primarily due to higher income at our non-wholly owned operations in China.

NET INCOME ATTRIBUTABLE TO MAGNA INTERNATIONAL INC.

Net income attributable to Magna International Inc. was \$305 million for the third quarter of 2025, compared to \$484 million for the third quarter of 2024. This \$179 million decrease was as a result of a decrease in income from operations before income taxes of \$227 million, an increase in income attributable to non-controlling interests of \$4 million, partially offset by a decrease in income taxes of \$52 million.

EARNINGS PER SHARE



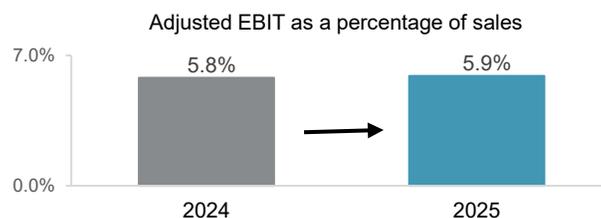
	For the three months ended September 30,		Change
	2025	2024	
Earnings per Common Share			
Basic	\$ 1.08	\$ 1.68	- 36%
Diluted	\$ 1.08	\$ 1.68	- 36%
Weighted average number of Common Shares outstanding (millions)			
Basic	281.8	287.3	- 2%
Diluted	281.8	287.3	- 2%
Adjusted diluted earnings per share	\$ 1.33	\$ 1.28	+ 4%

Diluted earnings per share was \$1.08 for the third quarter of 2025, compared to diluted earnings per share of \$1.68 for the third quarter of 2024. The \$0.60 decrease was substantially as a result of: lower net income attributable to Magna International Inc., as discussed above; partially offset by a decrease in the weighted average number of diluted shares outstanding. The decrease in the weighted average number of diluted shares outstanding was substantially due to the purchase and cancellation of Common Shares, subsequent to the third quarter of 2024, pursuant to our normal course issuer bid.

Other expense (income), net, and Amortization of acquired intangible assets, each after tax, negatively impacted diluted earnings per share by \$0.25 in the third quarter of 2025 and positively impacted diluted earnings per share by \$0.40 in the third quarter of 2024, respectively. Adjusted diluted earnings per share, as reconciled in the "Non-GAAP Financial Measures Reconciliation" section, was \$1.33 for the third quarter of 2025, compared to \$1.28 for the third quarter of 2024, an increase of \$0.05.

NON-GAAP PERFORMANCE MEASURES – FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

ADJUSTED EBIT AS A PERCENTAGE OF SALES



The table below shows the change in Magna's Sales and Adjusted EBIT by segment, as well as the impact each segment's changes had on Magna's Adjusted EBIT as a percentage of sales, for the third quarter of 2025 compared to the third quarter of 2024:

	Sales	Adjusted EBIT	Adjusted EBIT as a percentage of sales
Third quarter of 2024	\$ 10,280	\$ 594	5.8%
Increase (decrease) related to:			
Body Exteriors & Structures	109	32	+ 0.2%
Power & Vision	17	(43)	- 0.4%
Seating Systems	141	11	—
Complete Vehicles	(74)	2	+ 0.1%
Corporate and Other	(11)	17	+ 0.2%
Third quarter of 2025	\$ 10,462	\$ 613	5.9%

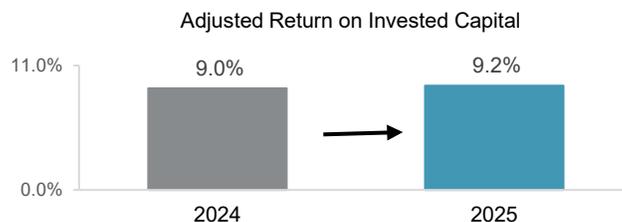
Adjusted EBIT as a percentage of sales increased to 5.9% for the third quarter of 2025 compared to 5.8% for the third quarter of 2024 primarily due to:

- productivity and efficiency improvements, including the benefit of operational excellence initiatives and recent restructuring activities;
- higher equity income;
- net transactional foreign exchange gains in the third quarter of 2025 compared to net transactional foreign exchange losses in the third quarter of 2024; and
- increased earnings on higher sales.

These factors were partially offset by:

- commercial items in the third quarters of 2025 and 2024, which had a net unfavourable impact on a year-over-year basis;
- higher tariff costs;
- higher production input costs net of customer recoveries, primarily for labour;
- higher employee profit sharing, stock-based compensation, and incentive compensation; and
- higher pre-operating costs incurred at new facilities.

ADJUSTED RETURN ON INVESTED CAPITAL



Adjusted Return on Invested Capital increased to 9.2% for the third quarter of 2025, compared to 9.0% for the third quarter of 2024, as a result of an increase in Adjusted After-tax operating profits, partially offset by higher Average Invested Capital.

Average Invested Capital increased \$335 million to \$19.58 billion for the third quarter of 2025, compared to \$19.24 billion for the third quarter of 2024, primarily due to:

- the net strengthening of foreign currencies against the U.S. dollar;
- average investment in operating lease right-of-use assets in excess of average amortization expense on operating lease right-of-use assets; and
- average investment in fixed assets in excess of average depreciation expense on fixed assets.

These factors were partially offset by:

- a decrease in average operating assets and liabilities;
- long-lived asset impairments recorded in the fourth quarter of 2024;
- divestitures during or subsequent to the third quarter of 2024; and
- lower net investments in public and private equity companies and public company warrants.

SEGMENT ANALYSIS

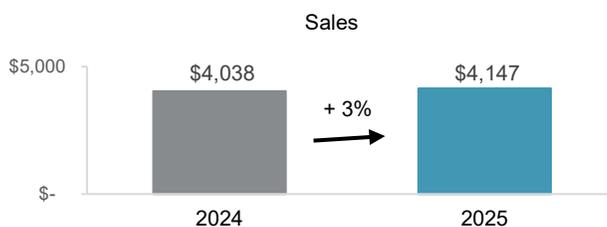
We are a global automotive supplier that has complete vehicle engineering and contract manufacturing expertise, as well as product capabilities which include body, chassis, exterior, seating, powertrain, active driver assistance, electronics, mechatronics, mirrors, lighting and roof systems. We also have electronic and software capabilities across many of these areas.

Our reporting segments are: Body Exteriors & Structures; Power & Vision; Seating Systems; and Complete Vehicles.

	For the three months ended September 30,					
	Sales			Adjusted EBIT		
	2025	2024	Change	2025	2024	Change
Body Exteriors & Structures	\$ 4,147	\$ 4,038	\$ 109	\$ 305	\$ 273	\$ 32
Power & Vision	3,854	3,837	17	236	279	(43)
Seating Systems	1,520	1,379	141	62	51	11
Complete Vehicles	1,085	1,159	(74)	29	27	2
Corporate and Other	(144)	(133)	(11)	(19)	(36)	17
Total reportable segments	\$ 10,462	\$ 10,280	\$ 182	\$ 613	\$ 594	\$ 19

BODY EXTERIORS & STRUCTURES

	For the three months ended September 30,			Change
	2025	2024		
Sales	\$ 4,147	\$ 4,038	\$ 109	+ 3%
Adjusted EBIT	\$ 305	\$ 273	\$ 32	+ 12%
Adjusted EBIT as a percentage of sales	7.4%	6.8%		+ 0.6%



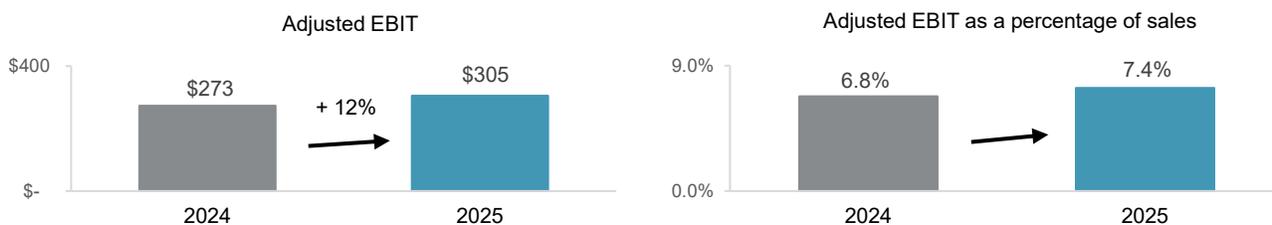
Sales – Body Exteriors & Structures

Sales increased 3%, or \$109 million, to \$4.15 billion for the third quarter of 2025, compared to \$4.04 billion for the third quarter of 2024 primarily due to:

- higher light vehicle production;
- the launch of programs during or subsequent to the third quarter of 2024, including the:
 - Ford Expedition and Lincoln Navigator;
 - BMW X3; and
 - Skoda Elroq; and
- the net strengthening of foreign currencies against the U.S. dollar, which increased reported U.S. dollar sales by \$45 million.

These factors were partially offset by:

- the end of production of certain programs, including the Chevrolet Malibu; and
- net customer price concessions subsequent to the third quarter of 2024.



Adjusted EBIT and Adjusted EBIT as a percentage of sales – Body Exteriors & Structures

Adjusted EBIT increased \$32 million to \$305 million for the third quarter of 2025, compared to \$273 million for the third quarter of 2024, and Adjusted EBIT as a percentage of sales increased to 7.4% from 6.8%. These increases were primarily due to:

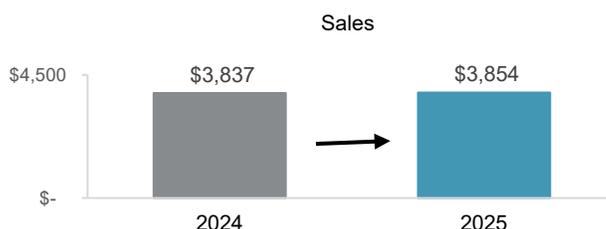
- productivity and efficiency improvements, including the benefit of operational excellence initiatives and recent restructuring activities;
- supply chain premiums in 2024, partially as a result of a supplier bankruptcy; and
- increased earnings on higher sales.

These factors were partially offset by:

- higher pre-operating costs incurred at new facilities;
- higher tariff costs; and
- lower net transactional foreign exchange gains in the third quarter of 2025 compared to the third quarter of 2024.

POWER & VISION

	For the three months ended September 30,		Change
	2025	2024	
Sales	\$ 3,854	\$ 3,837	\$ 17 —
Adjusted EBIT	\$ 236	\$ 279	\$ (43) - 15%
Adjusted EBIT as a percentage of sales	6.1%	7.3%	- 1.2%



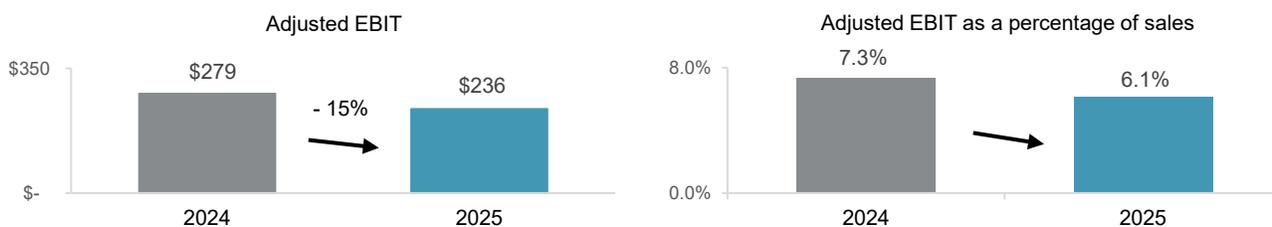
Sales – Power & Vision

Sales increased \$17 million to \$3.85 billion for the third quarter of 2025, compared to \$3.84 billion for the third quarter of 2024 primarily due to:

- the launch of programs during or subsequent to the third quarter of 2024, including the:
 - Jetour T1;
 - BMW 1-Series; and
 - BMW X3; and
- the net strengthening of foreign currencies against the U.S. dollar, which increased reported U.S. dollar sales by \$85 million.

These factors were partially offset by:

- net customer price concessions subsequent to the third quarter of 2024;
- lower production on certain programs;
- the end of production of certain programs, including the Subaru Legacy; and
- commercial items in the third quarters of 2025 and 2024, which had a net unfavourable impact on a year-over-year basis.



Adjusted EBIT and Adjusted EBIT as a percentage of sales – Power & Vision

Adjusted EBIT decreased \$43 million to \$236 million for the third quarter of 2025, compared to \$279 million for the third quarter of 2024, and Adjusted EBIT as a percentage of sales decreased to 6.1% from 7.3%. These decreases were primarily due to:

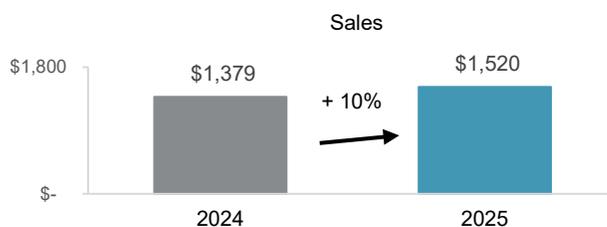
- commercial items in the third quarters of 2025 and 2024, which had a net unfavourable impact on a year-over-year basis;
- reduced earnings due to unfavourable product mix;
- higher tariff costs; and
- higher production input costs net of customer recoveries, primarily for labour.

These factors were partially offset by:

- productivity and efficiency improvements, including the benefit of operational excellence initiatives and recent restructuring activities;
- higher equity income; and
- lower launch costs.

SEATING SYSTEMS

	For the three months ended September 30,		Change	
	2025	2024		
Sales	\$ 1,520	\$ 1,379	\$ 141	+ 10%
Adjusted EBIT	\$ 62	\$ 51	\$ 11	+ 22%
Adjusted EBIT as a percentage of sales	4.1%	3.7%		+ 0.4%



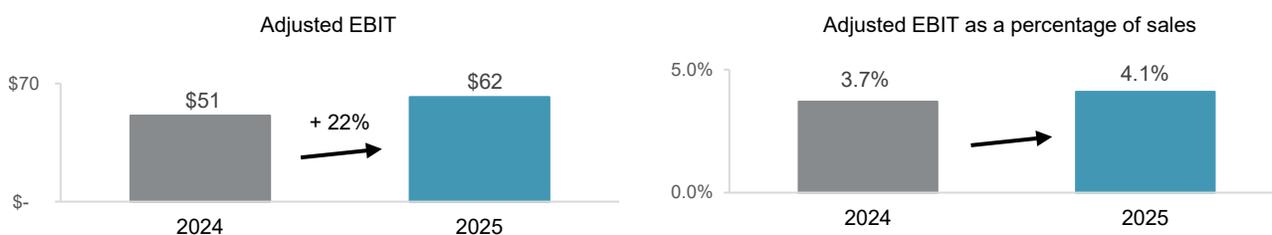
Sales – Seating Systems

Sales increased 10%, or \$141 million, to \$1.52 billion for the third quarter of 2025, compared to \$1.38 billion for the third quarter of 2024 primarily due to:

- the launch of programs during or subsequent to the third quarter of 2024, including the:
 - Skoda Elroq;
 - Cadillac Vistiq; and
 - Ford Expedition and Lincoln Navigator; and
- the net strengthening of foreign currencies against the U.S. dollar, which increased reported U.S. dollar sales by \$22 million.

These factors were partially offset by:

- lower production on certain programs;
- the end of production of certain programs;
- net customer price concessions subsequent to the third quarter of 2024; and
- commercial items in the third quarters of 2025 and 2024, which had a net unfavourable impact on a year-over-year basis.



Adjusted EBIT and Adjusted EBIT as a percentage of sales – Seating Systems

Adjusted EBIT increased \$11 million to \$62 million for the third quarter of 2025, compared to \$51 million for the third quarter of 2024, and Adjusted EBIT as a percentage of sales increased to 4.1% from 3.7%. These increases were primarily due to:

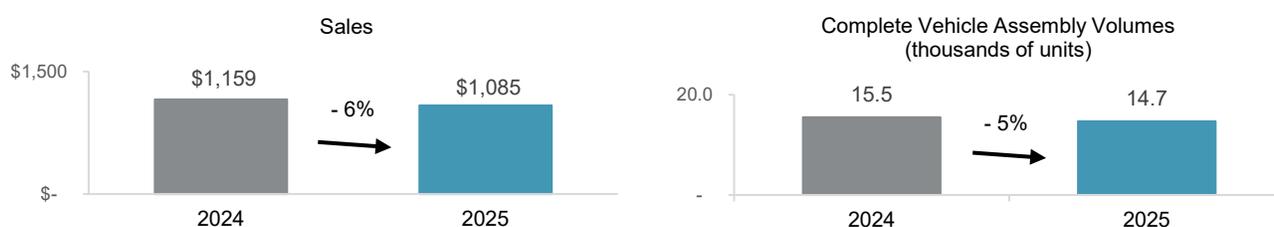
- increased earnings on higher sales;
- higher equity income; and
- the benefit of government research and development incentives in the third quarter of 2025.

These factors were partially offset by commercial items in the third quarters of 2025 and 2024, which had a net unfavourable impact on a year-over-year basis, and higher tariff costs.

COMPLETE VEHICLES

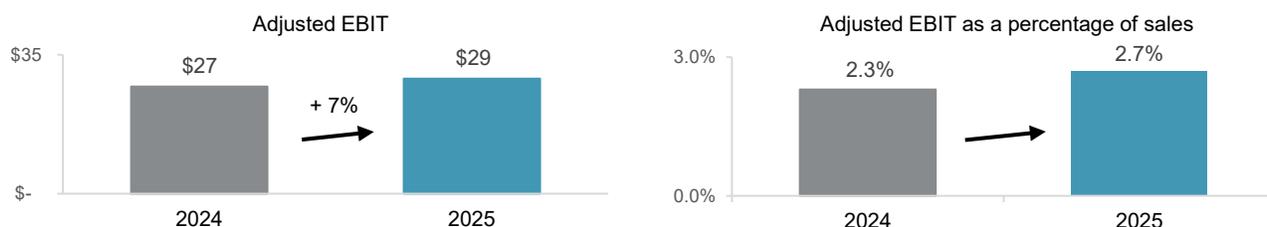
	For the three months ended September 30,		Change	
	2025	2024		
Complete Vehicle Assembly Volumes (thousands of units)⁽ⁱ⁾	14.7	15.5	(0.8)	- 5%
Sales	\$ 1,085	\$ 1,159	\$ (74)	- 6%
Adjusted EBIT	\$ 29	\$ 27	\$ 2	+ 7%
Adjusted EBIT as a percentage of sales	2.7%	2.3%		+ 0.4%

(i) Vehicles produced at our Complete Vehicle operations are included in Europe Light Vehicle Production volumes.



Sales – Complete Vehicles

Sales decreased 6%, or \$74 million, to \$1.09 billion for the third quarter of 2025, compared to \$1.16 billion for the third quarter of 2024, and assembly volumes decreased 5%. The decrease in sales is primarily a result of: lower assembly volumes including the end of production of the Jaguar I-Pace and Jaguar E-Pace; and lower engineering revenue. These factors were partially offset by: the launch of the electric version of the Mercedes-Benz G-Class during fourth quarter of 2024; and a \$64 million increase in reported U.S. dollar sales as a result of the strengthening of the euro against the U.S. dollar.



Adjusted EBIT and Adjusted EBIT as a percentage of sales – Complete Vehicles

Adjusted EBIT increased \$2 million to \$29 million for the third quarter of 2025, compared to \$27 million for the third quarter of 2024, and Adjusted EBIT as a percentage of sales increased to 2.7% from 2.3%. These increases were primarily due to:

- productivity and efficiency improvements, including the benefit of operational excellence initiatives and recent restructuring activities;
- higher earnings due to favourable program mix; and
- commercial items in the third quarters of 2025 and 2024, which had a net favourable impact on a year-over-year basis.

These factors were partially offset by:

- lower engineering sales;
- higher restructuring costs; and
- reduced earnings on lower assembly volumes.

CORPORATE AND OTHER

Adjusted EBIT was a loss of \$19 million for the third quarter of 2025 compared to a loss of \$36 million for the third quarter of 2024. The \$17 million improvement was primarily the result of:

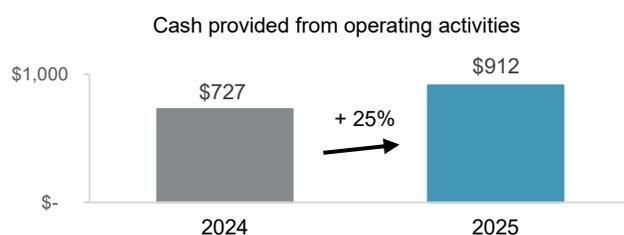
- net transactional foreign exchange gains in the third quarter of 2025, compared to net transactional foreign exchange losses in the third quarter of 2024; and
- an increase in fees received from our divisions.

These factors were partially offset by:

- higher consulting and legal costs;
- higher investments in research, development and new mobility; and
- higher stock-based compensation.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

OPERATING ACTIVITIES



	For the three months ended September 30,		Change
	2025	2024	
Net income	\$ 333	\$ 508	
Items not involving current cash flows	454	277	
	787	785	\$ 2
Changes in operating assets and liabilities	125	(58)	183
Cash provided from operating activities	\$ 912	\$ 727	\$ 185

Cash provided from operating activities

Comparing the third quarter of 2025 to 2024, cash provided from operating activities increased by \$185 million primarily as a result of:

- a \$360 million decrease in cash paid for materials and overhead; and
- a \$6 million increase in cash received from customers.

These factors were partially offset by:

- a \$127 million increase in cash paid for labour;
- a \$43 million increase in cash taxes;
- an \$8 million increase in cash interest paid; and
- lower dividends received from equity investments of \$1 million.

Changes in operating assets and liabilities

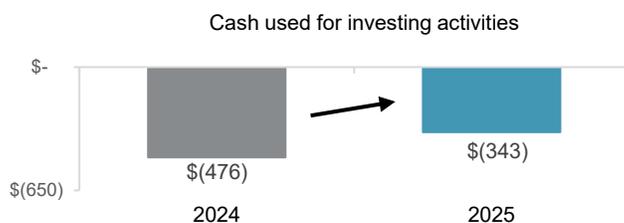
During the third quarter of 2025, we generated \$125 million for operating assets and liabilities primarily consisting of:

- a \$158 million increase in accounts payable;
- an \$81 million increase in accrued wages and salaries;
- a \$48 million increase in other accrued liabilities;
- a \$40 million decrease in prepaids and other; and
- a \$16 million increase in taxes payable.

These factors were partially offset by:

- a \$105 million increase in production inventory;
- a \$76 million increase in production and other receivables; and
- a \$37 million increase in tooling investment for current and upcoming program launches.

INVESTING ACTIVITIES



	For the three months ended September 30,		Change
	2025	2024	
Fixed asset additions	\$ (267)	\$ (476)	
Increase in investments, other assets and intangible assets	(100)	(115)	
Increase in public and private equity investments	(2)	(1)	
Acquisitions	(1)	—	
Proceeds from dispositions	27	38	
Net cash inflow from disposal of facilities	—	78	
Cash used for investing activities	\$ (343)	\$ (476)	\$ 133

Cash used for investing activities in the third quarter of 2025 was \$133 million lower compared to the third quarter of 2024. The change between the third quarter of 2025, and the third quarter of 2024, was primarily due to: a \$209 million decrease in cash used for fixed assets; and a \$15 million decrease in cash used for investments, other assets and intangible assets. These factors were partially offset by: the net cash inflow from the disposal of our Body Exteriors & Structures operations in India during the third quarter of 2024 and lower proceeds from dispositions.

FINANCING ACTIVITIES

	For the three months ended September 30,		Change
	2025	2024	
Repayments of debt	\$ (672)	\$ (20)	
Dividends paid	(136)	(138)	
Acquisition of non-controlling interest	(40)	—	
Dividends paid to non-controlling interests	(15)	(10)	
Increase (decrease) in short-term borrowings	88	(36)	
Issues of debt	1	9	
Cash used for financing activities	\$ (774)	\$ (195)	\$ 579

On September 24, 2025, we repaid \$650 million in Senior Notes, which were due in October 2025.

Cash dividends paid per Common Share were \$0.485 for the third quarter of 2025, compared to \$0.475 for the third quarter of 2024.

During the third quarter of 2025, we acquired the non-controlling 35% interest in a consolidated subsidiary, increasing our interest to 100%. The total purchase price was \$134 million, of which \$40 million was paid through a dividend distribution during the third quarter of 2025. The remaining \$94 million is expected to be paid during the fourth quarter of 2025.

Short-term borrowings increased \$88 million during the third quarter of 2025, primarily due to a \$139 million increase in notes outstanding under the euro-commercial paper program. This was partially offset by a \$51 million decrease in notes outstanding under the U.S. commercial paper program.

FINANCING RESOURCES

	As at September 30, 2025	As at December 31, 2024	Change
Liabilities			
Short-term borrowings	\$ 433	\$ 271	
Long-term debt due within one year	33	708	
Current portion of operating lease liabilities	323	293	
Long-term debt	4,967	4,134	
Operating lease liabilities	1,722	1,662	
	\$ 7,478	\$ 7,068	\$ 410

Financial liabilities increased \$410 million to \$7.48 billion as at September 30, 2025, primarily as a result of the issuance of €575 million and \$400 million of Senior Notes during the second quarter of 2025; an increase in notes outstanding under the euro commercial paper program; the strengthening of foreign currencies against the U.S. dollar; and renewing existing and entering into new operating lease agreements. These increases were partially offset by the repayments of \$300 million and \$650 million in Senior Notes during the second and third quarters of 2025, respectively, repayment of \$100 million of the 3-year tranche Term Loan during the second quarter of 2025 and a decrease in notes outstanding under the U.S. commercial paper program.

CASH RESOURCES

In the third quarter of 2025, our cash resources decreased by \$209 million to \$1.3 billion, primarily as a result of cash used for financing and investing activities, partially offset by cash provided from operating activities. In addition to our cash resources at September 30, 2025, we had term and operating lines of credit totaling \$4.4 billion, of which \$3.5 billion was unused and available.

On July 8, 2025, we amended our syndicated, unsecured, delayed draw term loan (the "Term Loan") to reduce the 3-year tranche amount from \$650 million to \$350 million and extended the draw expiration date from July 12, 2025 to January 12, 2026. As at September 30, 2025, no amounts had been drawn.

MAXIMUM NUMBER OF SHARES ISSUABLE

The following table presents the maximum number of shares that would be outstanding if all of the outstanding options at October 30, 2025 were exercised:

Common Shares	281,814,257
Stock options ⁽ⁱ⁾	6,012,349
	287,826,606

(i) Options to purchase Common Shares are exercisable by the holder in accordance with the vesting provisions and upon payment of the exercise price as may be determined from time to time pursuant to our stock option plans.

CONTRACTUAL OBLIGATIONS

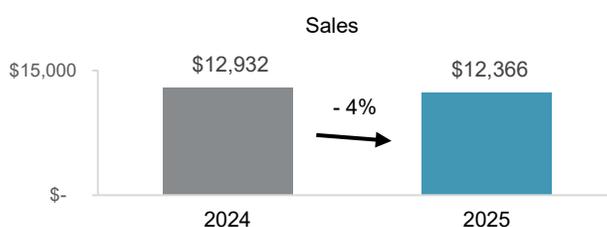
There have been no material changes with respect to the contractual obligations requiring annual payments during the third quarter of 2025 that are outside the ordinary course of our business. Refer to our MD&A included in our 2024 Annual Report.

RESULTS OF OPERATIONS – FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

	For the nine months ended September 30,					
	Sales			Adjusted EBIT		
	2025	2024	Change	2025	2024	Change
Body Exteriors & Structures	\$ 12,366	\$ 12,932	\$ (566)	\$ 882	\$ 912	\$ (30)
Power & Vision	11,357	11,605	(248)	522	575	(53)
Seating Systems	4,265	4,289	(24)	74	156	(82)
Complete Vehicles	3,587	3,784	(197)	101	74	27
Corporate and Other	(413)	(402)	(11)	(29)	(77)	48
Total reportable segments	\$ 31,162	\$ 32,208	\$ (1,046)	\$ 1,550	\$ 1,640	\$ (90)

BODY EXTERIORS & STRUCTURES

	For the nine months ended September 30,			Change
	2025	2024		
Sales	\$ 12,366	\$ 12,932	\$ (566)	- 4%
Adjusted EBIT	\$ 882	\$ 912	\$ (30)	- 3%
Adjusted EBIT as a percentage of sales	7.1%	7.1%		—



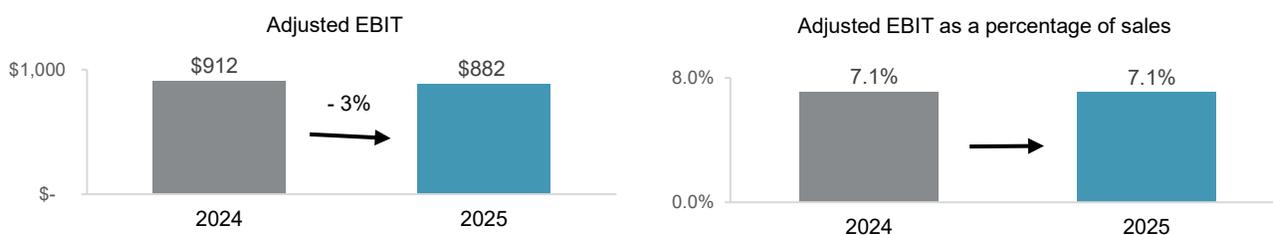
Sales – Body Exteriors & Structures

Sales decreased 4%, or \$566 million, to \$12.37 billion for the nine months ended September 30, 2025, compared to \$12.93 billion for the nine months ended September 30, 2024, primarily due to:

- lower light vehicle production in North America and Europe;
- the end of production of certain programs, including the:
 - Chevrolet Malibu;
 - Ford Edge; and
 - Citroen C3;
- the divestiture of our operations in India subsequent to the first nine months of 2024, which decreased sales by \$119 million; and
- net customer price concessions subsequent to the first nine months of 2024.

These factors were partially offset by:

- the launch of programs during or subsequent to the first nine months of 2024, including the:
 - GMC Acadia, Chevrolet Traverse and Buick Enclave;
 - Skoda Elroq; and
 - Jeep Wagoneer S;
- commercial items in the first nine months of 2025 and 2024, which had a net favourable impact on a year-over-year basis; and
- the net strengthening of foreign currencies against the U.S. dollar, which increased reported U.S. dollar sales by \$10 million.



Adjusted EBIT and Adjusted EBIT as a percentage of sales – Body Exteriors & Structures

Adjusted EBIT decreased \$30 million to \$882 million for the nine months ended September 30, 2025, compared to \$912 million for the nine months ended September 30, 2024, and Adjusted EBIT as a percentage of sales was 7.1% in both periods. Factors decreasing Adjusted EBIT and impacting Adjusted EBIT as a percentage of sales included:

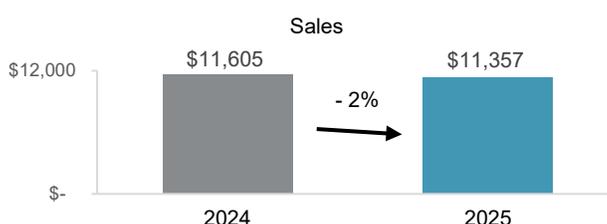
- reduced earnings on lower sales;
- higher pre-operating costs incurred at new facilities;
- net transactional foreign exchange losses in the first nine months of 2025, compared to net transactional foreign exchange gains in the first nine months of 2024;
- higher tariff costs;
- higher launch costs; and
- higher production input costs net of customer recoveries, primarily for labour.

These factors were partially offset by:

- productivity and efficiency improvements, including the benefit of operational excellence initiatives and recent restructuring activities;
- commercial items in the first nine months of 2025 and 2024, which had a net favourable impact on a year-over-year basis; and
- supply chain premiums in 2024, partially as a result of a supplier bankruptcy.

POWER & VISION

	For the nine months ended September 30,		Change
	2025	2024	
Sales	\$ 11,357	\$ 11,605	\$ (248) - 2%
Adjusted EBIT	\$ 522	\$ 575	\$ (53) - 9%
Adjusted EBIT as a percentage of sales	4.6%	5.0%	- 0.4%



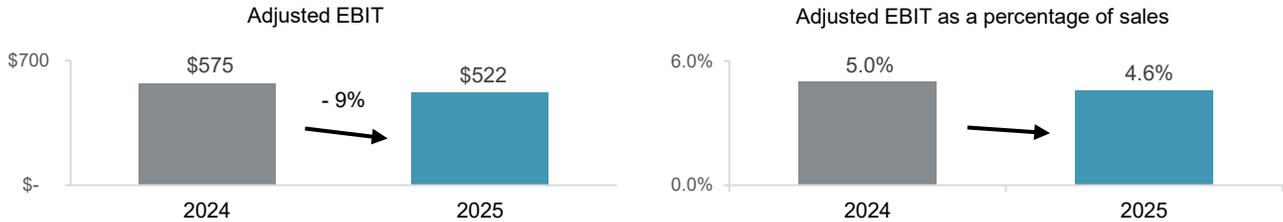
Sales – Power & Vision

Sales decreased 2%, or \$248 million, to \$11.36 billion for the nine months ended September 30, 2025, compared to \$11.61 billion for the nine months ended September 30, 2024, primarily due to:

- lower light vehicle production in North America and Europe;
- the end of production of certain programs, including the:
 - Jeep Compass; and
 - Subaru Legacy; and
- net customer price concessions subsequent to the first nine months of 2024.

These factors were partially offset by:

- the launch of programs during or subsequent to the first nine months of 2024, including the:
 - GMC Acadia, Chevrolet Traverse and Buick Enclave;
 - Mercedes-Benz G-Class; and
 - Jetour T1; and
- the net strengthening of foreign currencies against the U.S. dollar, which increased reported U.S. dollar sales by \$93 million.



Adjusted EBIT and Adjusted EBIT as a percentage of sales – Power & Vision

Adjusted EBIT decreased \$53 million to \$522 million for the nine months ended September 30, 2025, compared to \$575 million for the nine months ended September 30, 2024, and Adjusted EBIT as a percentage of sales decreased to 4.6% from 5.0%. These decreases were primarily due to:

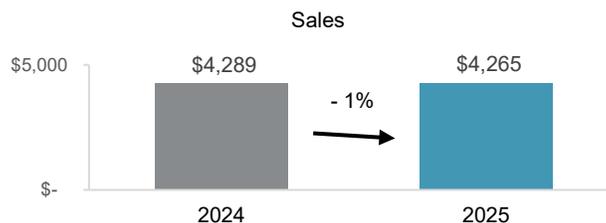
- reduced earnings on lower sales;
- higher tariff costs;
- net transactional foreign exchange losses in the first nine months of 2025, compared to net transactional foreign exchange gains in the first nine months of 2024; and
- commercial items in the first nine months of 2025 and 2024, which had a net unfavourable impact on a year-over-year basis.

These factors were partially offset by:

- productivity and efficiency improvements, including the benefit of operational excellence initiatives and recent restructuring activities;
- lower launch costs; and
- higher equity income.

SEATING SYSTEMS

	For the nine months ended September 30,		Change
	2025	2024	
Sales	\$ 4,265	\$ 4,289	\$ (24) - 1%
Adjusted EBIT	\$ 74	\$ 156	\$ (82) - 53%
Adjusted EBIT as a percentage of sales	1.7%	3.6%	- 1.9%



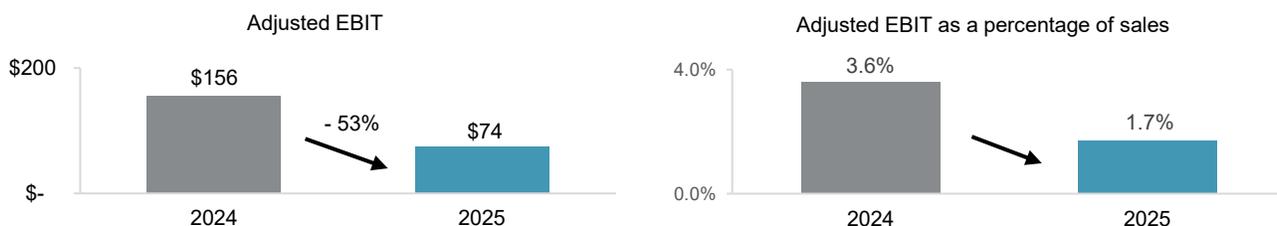
Sales – Seating Systems

Sales decreased 1%, or \$24 million, to \$4.27 billion for the nine months ended September 30, 2025, compared to \$4.29 billion for the nine months ended September 30, 2024, primarily due to:

- lower light vehicle production in North America and Europe;
- the end of production of certain programs, including the:
 - Ford Edge; and
 - Volkswagen Transporter; and
- net customer price concessions subsequent to the first nine months of 2024.

These factors were partially offset by:

- the launch of programs during or subsequent to the first nine months of 2024, including the:
 - Audi A5;
 - Skoda Elroq; and
 - GMC Acadia, Chevrolet Traverse and Buick Enclave; and
- the net strengthening of foreign currencies against the U.S. dollar, which increased reported U.S. dollar sales by \$21 million.



Adjusted EBIT and Adjusted EBIT as a percentage of sales – Seating Systems

Adjusted EBIT decreased \$82 million to \$74 million for the nine months ended September 30, 2025, compared to \$156 million for the nine months ended September 30, 2024, and Adjusted EBIT as a percentage of sales decreased to 1.7% from 3.6%. These decreases were primarily due to:

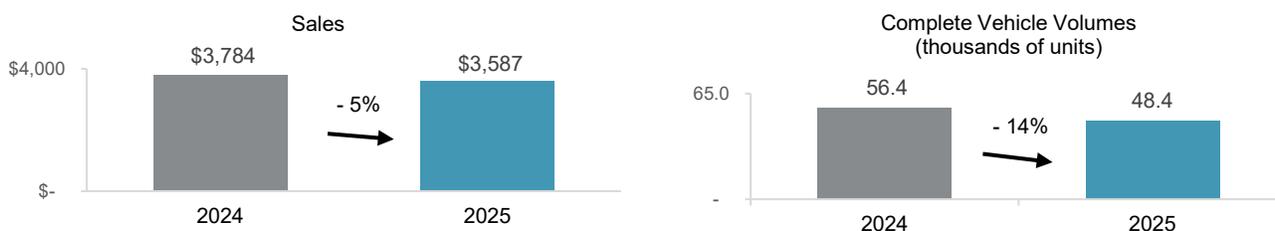
- higher tariff costs;
- higher net warranty costs of \$28 million;
- net transactional foreign exchange losses in the first nine months of 2025, compared to net transactional foreign exchange gains in the first nine months of 2024;
- higher production input costs net of customer recoveries, primarily relating to labour and certain commodities;
- commercial items in the first nine months of 2025 and 2024, which had a net unfavourable impact on a year-over-year basis; and
- reduced earnings on lower sales.

These factors were partially offset by higher equity income, and the benefit of government research and development incentives in the third quarter of 2025.

COMPLETE VEHICLES

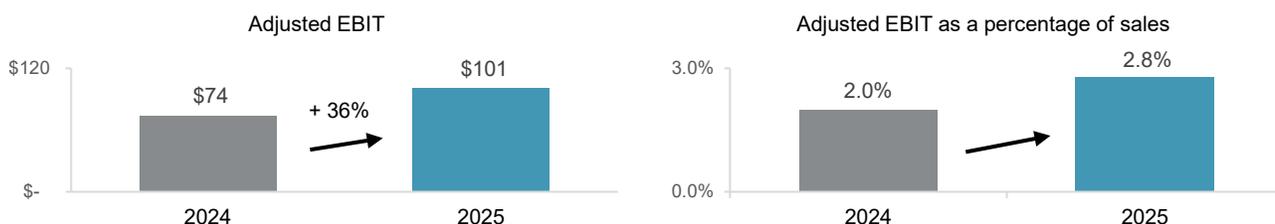
	For the nine months ended September 30,		Change	
	2025	2024		
Complete Vehicle Assembly Volumes (thousands of units)⁽ⁱ⁾	48.4	56.4	(8.0)	- 14%
Sales	\$ 3,587	\$ 3,784	\$ (197)	- 5%
Adjusted EBIT	\$ 101	\$ 74	\$ 27	+ 36%
Adjusted EBIT as a percentage of sales	2.8%	2.0%		+ 0.8%

(i) Vehicles produced at our Complete Vehicle operations are included in Europe Light Vehicle Production volumes.



Sales – Complete Vehicles

Sales decreased 5%, or \$197 million, to \$3.59 billion for the nine months ended September 30, 2025, compared to \$3.78 billion for the nine months ended September 30, 2024, and assembly volumes decreased 14%. The decrease in sales is primarily a result of: lower assembly volumes, including the end of production of the Jaguar I-Pace and Jaguar E-Pace; and lower engineering revenue. These factors were partially offset by: the launch of the electric version of the Mercedes-Benz G-Class during the fourth quarter of 2024; and a \$85 million increase in reported U.S. dollar sales as a result of the strengthening of the euro against the U.S. dollar.



Adjusted EBIT and Adjusted EBIT as a percentage of sales – Complete Vehicles

Adjusted EBIT increased \$27 million to \$101 million for the nine months ended September 30, 2025, compared to \$74 million for the nine months ended September 30, 2024, and Adjusted EBIT as a percentage of sales increased to 2.8% from 2.0%. These increases were primarily due to:

- productivity and efficiency improvements, including the benefit of operational excellence initiatives and recent restructuring activities; and
- higher earnings due to favourable program mix.

These factors were partially offset by reduced earnings on lower assembly volumes.

CORPORATE AND OTHER

Adjusted EBIT was a loss of \$29 million for the nine months ended September 30, 2025, compared to a loss of \$77 million for the nine months ended September 30, 2024. The \$48 million improvement was primarily the result of:

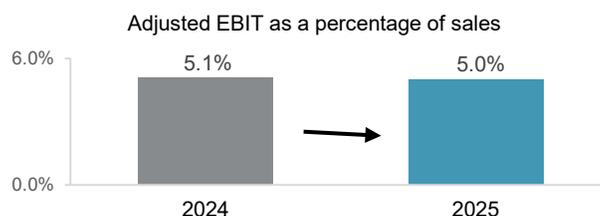
- net transactional foreign exchange gains in the first nine months of 2025, compared to net transactional foreign exchange losses in the first nine months of 2024;
- an increase in fees received from our divisions; and
- higher equity income.

These factors were partially offset by

- higher incentive and stock-based compensation;
- a gain on the sale of an equity-method investment during the first nine months of 2024;
- higher consulting and legal costs; and
- higher costs to accelerate operational excellence initiatives.

NON-GAAP PERFORMANCE MEASURES - FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

ADJUSTED EBIT AS A PERCENTAGE OF SALES



The table below shows the change in Magna's Sales and Adjusted EBIT by segment, as well as the impact each segment's changes have on Magna's Adjusted EBIT as a percentage of sales, for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024:

	Sales	Adjusted EBIT	Adjusted EBIT as a percentage of sales
Nine months ended September 30, 2024	\$ 32,208	\$ 1,640	5.1%
Increase (decrease) related to:			
Body Exteriors & Structures	(566)	(30)	—
Power & Vision	(248)	(53)	- 0.1%
Seating Systems	(24)	(82)	- 0.3%
Complete Vehicles	(197)	27	+ 0.1%
Corporate and Other	(11)	48	+ 0.2%
Nine months ended September 30, 2025	\$ 31,162	\$ 1,550	5.0%

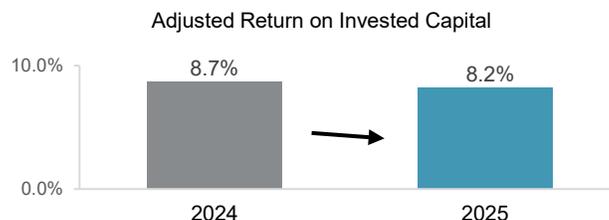
Adjusted EBIT as a percentage of sales decreased to 5.0% for the nine months ended September 30, 2025, compared to 5.1% for the nine months ended September 30, 2024, primarily due to:

- reduced earnings on lower sales;
- higher tariff costs;
- higher pre-operating costs incurred at new facilities;
- higher employee profit sharing, stock-based and incentive compensation;
- lower net transactional foreign exchange gains in the first nine months of 2025 compared to the first nine months of 2024;
- higher production input costs net of customer recoveries, primarily for labour; and
- reduced earnings on lower assembly volumes.

These factors were partially offset by:

- productivity and efficiency improvements, including the benefit of operational excellence initiatives and recent restructuring activities;
- higher equity income; and
- supply chain premiums in 2024, partially as a result of a supplier bankruptcy.

ADJUSTED RETURN ON INVESTED CAPITAL



Adjusted Return on Invested Capital decreased to 8.2% for the nine months ended September 30, 2025, compared to 8.7% for the nine months ended September 30, 2024, as a result of a decrease in Adjusted After-tax operating profits and higher Average Invested Capital.

Average Invested Capital increased \$22 million to \$19.08 billion for the nine months ended September 30, 2025, compared to \$19.06 billion for the nine months ended September 30, 2024, primarily due to:

- average investment in operating lease right-of-use assets in excess of average amortization expense on operating lease right-of-use assets; and
- average investment in fixed assets in excess of average depreciation expense on fixed assets.

These factors were partially offset by:

- a decrease in average operating assets and liabilities;
- long-lived asset impairments during or subsequent to the first nine months of 2024;
- the net weakening of foreign currencies against the U.S. dollar;
- divestitures, net of acquisitions, during or subsequent to the first nine months of 2024; and
- lower net investments in public and private equity companies and public company warrants.

NON-GAAP FINANCIAL MEASURES RECONCILIATION

The reconciliation of Non-GAAP financial measures is as follows:

ADJUSTED EBIT

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Net income	\$ 333	\$ 508	\$ 880	\$ 862
Add (deduct):				
Amortization of acquired intangible assets	27	28	82	84
Interest expense, net	65	54	167	159
Other expense (income), net	48	(188)	107	236
Income taxes	140	192	314	299
Adjusted EBIT	\$ 613	\$ 594	\$ 1,550	\$ 1,640

ADJUSTED EBIT AS A PERCENTAGE OF SALES

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Sales	\$ 10,462	\$ 10,280	\$ 31,162	\$ 32,308
Adjusted EBIT	\$ 613	\$ 594	\$ 1,550	\$ 1,640
Adjusted EBIT as a percentage of sales	5.9%	5.8%	5.0%	5.1%

ADJUSTED DILUTED EARNINGS PER SHARE

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Net income attributable to Magna International Inc.	\$ 305	\$ 484	\$ 830	\$ 806
Add (deduct):				
Amortization of acquired intangible assets	27	28	82	84
Other expense (income), net	48	(188)	107	236
Tax effect on Amortization of acquired intangible assets and Other expense (income), net	(5)	45	(18)	(57)
Adjusted net income attributable to Magna International Inc.	375	369	1,001	1,069
Diluted weighted average number of Common Shares outstanding during the period (millions)	281.8	287.3	281.9	287.2
Adjusted diluted earnings per share	\$ 1.33	\$ 1.28	\$ 3.55	\$ 3.72

ADJUSTED RETURN ON INVESTED CAPITAL

Adjusted Return on Invested Capital is calculated as annualized Adjusted After-tax operating profits divided by Average Invested Capital for the period. Average Invested Capital for the three month period is averaged on a two-fiscal quarter basis and for the nine month period is averaged on a four-fiscal quarter basis.

	<u>For the three months ended September 30,</u>		<u>For the nine months ended September 30,</u>	
	2025	2024	2025	2024
Net income	\$ 333	\$ 508	\$ 880	\$ 862
Add (deduct):				
Amortization of acquired intangible assets	27	28	82	84
Interest expense, net	65	54	167	159
Other expense (income), net	48	(188)	107	236
Tax effect on Interest expense, net, Amortization of acquired intangible assets and Other expense (income), net	(22)	30	(59)	(95)
Adjusted After-tax operating profits	\$ 451	\$ 432	\$ 1,177	\$ 1,246
			<u>As at September 30,</u>	
			2025	2024
Total Assets			\$ 32,907	\$ 32,790
Excluding:				
Cash and cash equivalents			(1,327)	(1,061)
Deferred tax assets			(920)	(811)
Less Current Liabilities			(12,059)	(12,600)
Excluding:				
Short-term borrowings			433	828
Long-term debt due within one year			33	65
Current portion of operating lease liabilities			323	319
Invested Capital			\$ 19,390	\$ 19,530
	<u>For the three months ended September 30,</u>		<u>For the nine months ended September 30,</u>	
	2025	2024	2025	2024
Adjusted After-tax operating profits	\$ 451	\$ 432	\$ 1,177	\$ 1,246
Average Invested Capital	\$ 19,575	\$ 19,240	\$ 19,077	\$ 19,055
Adjusted Return on Invested Capital	9.2%	9.0%	8.2%	8.7%

SUBSEQUENT EVENT

NORMAL COURSE ISSUER BID

Subject to approval by the Toronto Stock Exchange ["TSX"], our Board of Directors approved a new normal course issuer bid to purchase up to 25.3 million of our Common Shares, representing approximately 10% of our public float. The primary purposes of the normal course issuer bid are purchases for cancellation as well as purchases to fund our stock-based compensation awards and programs. The normal course issuer bid is expected to be effective on November 7, 2025 and will terminate no later than November 6, 2026. All purchases of Common Shares will be made at the market price at the time of purchase in accordance with the rules and policies of the TSX or on the New York Stock Exchange ["NYSE"] in compliance with Rule 10b-18 under the U.S. Securities Exchange Act of 1934.

Purchases may also be made through alternative trading systems in Canada and the U.S., or by such other means permitted by the TSX, including by private agreement or specific share repurchase program at a discount to the prevailing market price, pursuant to an issuer bid exemption order issued by a securities regulatory authority.

COMMITMENTS AND CONTINGENCIES

From time to time, we may be contingently liable for litigation, legal and/or regulatory actions and proceedings, and other claims. Refer to Note 15, "Contingencies" of our unaudited interim consolidated financial statements for the three and nine months ended September 30, 2025.

For a discussion of risk factors relating to legal and other claims/actions against us, refer to "Item 5. Risk Factors" in our Annual Information Form, filed with the securities commissions in Canada, our Annual Report on Form 40-F, filed with the United States Securities and Exchange Commission, each in respect of the year ended December 31, 2024, and updated in our subsequent quarterly filings.

CONTROLS AND PROCEDURES

There have been no changes in our internal controls over financial reporting that occurred during the three months ended September 30, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A may constitute "forward-looking information" or "forward-looking statements" (collectively, "forward-looking statements"). Any such forward-looking statements are intended to provide information about management's current expectations and plans and may not be appropriate for other purposes. Forward-looking statements may include financial and other projections, as well as statements regarding our future plans, strategic 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", "assume", "believe", "intend", "plan", "aim", "forecast", "outlook", "project", "potential", "estimate", "target" and similar expressions suggesting future outcomes or events to identify forward-looking statements.

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 any 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:

Macroeconomic, Geopolitical and Other Risks

- unpredictable tariff and trade environment;
- trade disputes and threats to free trade agreements;
- consumer confidence levels;
- increasing economic uncertainty;
- interest rates and availability of consumer credit;
- geopolitical risks;

Risks Related to the Automotive Industry

- program deferrals, cancellations and volume reductions;
- economic cyclicality;
- regional production volume declines;
- deteriorating vehicle affordability;
- uncertain pace of EV adoption, including North American electric vehicle program deferrals, cancellations and volume reductions;
- intense competition;

Strategic Risks

- planning and forecasting challenges;
- evolution of the vehicle;
- evolving business risk profile;
- technology and innovation;
- investments in mobility and technology companies;

Customer-Related Risks

- customer concentration;
- market shifts;
- growth of EV-focused OEMs, particularly Chinese OEMs;
- risks of conducting business with newer EV-focused OEMs;
- dependence on outsourcing;
- customer cooperation and consolidation;
- consumer take rate shifts;
- customer purchase orders;
- potential OEM production-related disruptions;

Supply Chain Risks

- supply base;
- supplier claims;
- supply chain disruptions;
- regional energy supply and pricing;

Manufacturing/Operational Risks

- product launch;
- operational underperformance;
- restructuring costs and impairment charges, including due to 'reshoring' of production to the U.S.;
- skilled labour attraction/retention;
- leadership expertise and succession;

Pricing Risks

- quote/pricing assumptions;
- customer pricing pressure/contractual arrangements;
- commodity cost volatility;
- scrap steel/aluminum price volatility;

Warranty/Recall Risks

- repair/replace costs;
- warranty provisions;
- product liability;

Climate Change Risks

- transition risks and physical risks;
- strategic and other risks;

IT Security/Cybersecurity Risks

- IT/cybersecurity breach;
- product cybersecurity;

Acquisition Risks

- inherent merger and acquisition risks;
- acquisition integration and synergies;

Other Business Risks

- joint ventures;
- intellectual property;
- risks of doing business in foreign markets;
- relative foreign exchange rates;
- pension risks;
- tax risks;
- returns on capital investments;
- financial flexibility;
- credit ratings changes;
- stock price fluctuation;

Legal, Regulatory and Other Risks

- legal and regulatory proceedings;
- changes in laws; and
- environmental compliance.

In evaluating forward-looking statements, we caution readers not to place undue reliance on any forward-looking statement. Additionally, 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, including the risks, assumptions and uncertainties above which are:

- discussed under the "Industry Trends and Risks" heading of our Management's Discussion and Analysis; and
- set out in our Annual Information Form filed with securities commissions in Canada, our annual report on Form 40-F filed with the United States Securities and Exchange Commission, and subsequent filings.

Readers should also consider discussion of our risk mitigation activities with respect to certain risk factors, which can also be found in our Annual Information Form. Additional information about Magna, including our Annual Information Form, is available through the System for Electronic Data Analysis and Retrieval+ (SEDAR+) at www.sedarplus.ca, as well as on the United States Securities and Exchange Commission's Electronic Data Gathering, Analysis and Retrieval System (EDGAR), which can be accessed at www.sec.gov.