MAGNA INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF INCOME
[Unaudited]
[U.S. dollars in millions, except per share figures]

		Three months ended September 30,		Nine months ended September 30,	
	Note	**2025**	2024	**2025**	2024
Sales	16	**$ 10,462**	$ 10,280	**$ 31,162**	$ 32,208
Costs and expenses					
Cost of goods sold		**8,973**	8,828	**26,927**	27,964
Selling, general and administrative		**531**	487	**1,635**	1,526
Depreciation		**389**	384	**1,146**	1,134
Amortization of acquired intangible assets		**27**	28	**82**	84
Interest expense, net		**65**	54	**167**	159
Equity income		**(44)**	(13)	**(96)**	(56)
Other expense (income), net	2	**48**	(188)	**107**	236
Income from operations before income taxes		**473**	700	**1,194**	1,161
Income taxes	11	**140**	192	**314**	299
Net income		**333**	508	**880**	862
Income attributable to non-controlling interests		**(28)**	(24)	**(50)**	(56)
Net income attributable to Magna International Inc.		**$ 305**	$ 484	**$ 830**	$ 806
Earnings per Common Share:	3				
Basic		**$ 1.08**	$ 1.68	**$ 2.94**	$ 2.81
Diluted		**$ 1.08**	$ 1.68	**$ 2.94**	$ 2.81
Cash dividends paid per Common Share		**$ 0.485**	$ 0.475	**$ 1.455**	$ 1.425
Weighted average number of Common Shares outstanding during the period [in millions]:	3				
Basic		**281.8**	287.3	**281.9**	287.2
Diluted		**281.8**	287.3	**281.9**	287.2

See accompanying notes

MAGNA INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
[Unaudited]
[U.S. dollars in millions]

	Note	Three months ended September 30,		Nine months ended September 30,	
		2025	2024	**2025**	2024
Net income		**$ 333**	$ 508	**$ 880**	$ 862
Other comprehensive income (loss), net of tax:	13				
Net unrealized (loss) gain on translation of net investment in foreign operations		**(41)**	296	**527**	(12)
Net unrealized gain (loss) on cash flow hedges		**15**	3	**162**	(16)
Reclassification of net (gain) loss on cash flow hedges to net income		**(6)**	4	**17**	(42)
Reclassification of net loss on pensions to net income		**1**	1	**3**	2
Other comprehensive (loss) income		**(31)**	304	**709**	(68)
Comprehensive income		**302**	812	**1,589**	794
Comprehensive income attributable to non-controlling interests		**(29)**	(37)	**(57)**	(56)
Comprehensive income attributable to Magna International Inc.		**$ 273**	$ 775	**$ 1,532**	$ 738

See accompanying notes

MAGNA INTERNATIONAL INC.
CONSOLIDATED BALANCE SHEETS
[Unaudited]
[U.S. dollars in millions]

	Note	**As at September 30, 2025**	As at December 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents	4	**$ 1,327**	$ 1,247
Accounts receivable		**8,406**	7,376
Inventories	6	**4,233**	4,151
Prepaid expenses and other		**316**	344
		14,282	13,118
Investments	7	**1,098**	1,045
Fixed assets, net		**9,707**	9,584
Operating lease right-of-use assets		**2,024**	1,941
Intangible assets, net		**707**	738
Goodwill		**2,875**	2,674
Deferred tax assets		**920**	819
Other assets	8	**1,294**	1,120
		$ 32,907	$ 31,039
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Short-term borrowings	10	**$ 433**	$ 271
Accounts payable		**7,261**	7,194
Other accrued liabilities	9	**2,906**	2,572
Accrued salaries and wages		**994**	867
Income taxes payable		**109**	192
Long-term debt due within one year		**33**	708
Current portion of operating lease liabilities		**323**	293
		12,059	12,097
Long-term debt	10	**4,967**	4,134
Operating lease liabilities		**1,722**	1,662
Long-term employee benefit liabilities		**573**	533
Other long-term liabilities	2	**298**	396
Deferred tax liabilities		**353**	277
		19,972	19,099
Shareholders' equity			
Capital stock			
Common Shares			
[issued: 281,814,257; December 31, 2024 – 282,875,928]	12	**3,363**	3,359
Contributed surplus		**141**	149
Retained earnings		**9,975**	9,598
Accumulated other comprehensive loss	13	**(880)**	(1,584)
		12,599	11,522
Non-controlling interests	5	**336**	418
		12,935	11,940
		$ 32,907	$ 31,039

See accompanying notes

MAGNA INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
[Unaudited]
[U.S. dollars in millions]

	Note	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Cash provided from (used for):					
OPERATING ACTIVITIES					
Net income		**$ 333**	$ 508	**$ 880**	$ 862
Items not involving current cash flows	4	**454**	277	**1,216**	1,195
		787	785	**2,096**	2,057
Changes in operating assets and liabilities	4	**125**	(58)	**(480)**	(333)
Cash provided from operating activities		**912**	727	**1,616**	1,724
INVESTMENT ACTIVITIES					
Fixed asset additions		**(267)**	(476)	**(781)**	(1,469)
Acquisitions	5	**(1)**	—	**(1)**	(86)
Increase in investments, other assets and intangible assets		**(100)**	(115)	**(342)**	(410)
Increase in public and private equity investments		**(2)**	(1)	**(6)**	(22)
Proceeds from dispositions		**27**	38	**67**	182
Net cash inflow from disposal of facilities		**—**	78	**—**	82
Cash used for investing activities		**(343)**	(476)	**(1,063)**	(1,723)
FINANCING ACTIVITIES					
Issues of debt		**1**	9	**1,047**	767
Increase (decrease) in short-term borrowings		**88**	(36)	**119**	324
Repayments of debt		**(672)**	(20)	**(1,086)**	(797)
Issue of Common Shares on exercise of stock options		**—**	—	**—**	30
Tax withholdings on vesting of equity awards		**—**	—	**(4)**	(5)
Repurchase of Common Shares	12	**—**	—	**(51)**	(5)
Acquisition of non-controlling interest	5	**(40)**	—	**(40)**	—
Dividends paid to non-controlling interests		**(15)**	(10)	**(40)**	(36)
Dividends		**(136)**	(138)	**(409)**	(406)
Cash used for financing activities		**(774)**	(195)	**(464)**	(128)
Effect of exchange rate changes on cash and cash equivalents		**(4)**	6	**(9)**	(10)
Net (decrease) increase in cash, cash equivalents during the period		**(209)**	62	**80**	(137)
Cash and cash equivalents, beginning of period		**1,536**	999	**1,247**	1,198
Cash and cash equivalents, end of period	4	**$ 1,327**	$ 1,061	**$ 1,327**	$ 1,061

See accompanying notes

MAGNA INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
[Unaudited]
[U.S. dollars in millions]

		Nine months ended September 30, 2025						
		Common Shares						
	Note	Number	Stated Value	Contri-buted Surplus	Retained Earnings	AOCL[i]	Non-controlling Interest	Total Equity
		[in millions]						
Balance, December 31, 2024		**282.9**	**$ 3,359**	**$ 149**	**$ 9,598**	**$ (1,584)**	**$ 418**	**$ 11,940**
Net income					830		50	880
Other comprehensive income						702	7	709
Release of stock and stock units		0.2	18	(18)				—
Tax withholdings on vesting of equity rewards		(0.1)	(1)		(3)			(4)
Repurchase and cancellation under normal course issuer bid	12	(1.3)	(16)		(38)	2		(52)
Stock-based compensation expense				45				45
Acquisition of non-controlling interest				(35)			(99)	(134)
Dividends paid to non-controlling interests							(40)	(40)
Dividends paid		0.1	3		(412)			(409)
Balance, September 30, 2025		**281.8**	**$ 3,363**	**$ 141**	**$ 9,975**	**$ (880)**	**$ 336**	**$ 12,935**

		Three months ended September 30, 2025						
		Common Shares						
	Note	Number	Stated Value	Contri-buted Surplus	Retained Earnings	AOCL[i]	Non-controlling Interest	Total Equity
		[in millions]						
Balance, June 30, 2025		**281.7**	**$ 3,363**	**$ 161**	**$ 9,806**	**$ (848)**	**$ 421**	**$ 12,903**
Net income					305		28	333
Other comprehensive (loss) income						(32)	1	(31)
Stock-based compensation expense				15				15
Acquisition of non-controlling interest				(35)			(99)	(134)
Dividends paid to non-controlling interests							(15)	(15)
Dividends paid		0.1			(136)			(136)
Balance, September 30, 2025		**281.8**	**$ 3,363**	**$ 141**	**$ 9,975**	**$ (880)**	**$ 336**	**$ 12,935**

[i] AOCL is Accumulated Other Comprehensive Loss.

See accompanying notes

MAGNA INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
[Unaudited]
[U.S. dollars in millions]

	Note	Common Shares Number	Common Shares Stated Value	Contri-buted Surplus	Retained Earnings	AOCL[i]	Non-controlling Interest	Total Equity
		Nine months ended September 30, 2024						
		[in millions]						
Balance, December 31, 2023		**286.6**	**$ 3,354**	**$ 125**	**$ 9,303**	**$ (898)**	**$ 393**	**$ 12,277**
Net income					806		56	862
Other comprehensive loss						(68)		(68)
Shares issued on exercise of stock options		0.7	36	(6)				30
Release of stock and stock units		0.2	12	(12)				—
Tax withholdings on vesting of equity rewards		(0.2)	(1)		(4)			(5)
Repurchase and cancellation under normal course issuer bid		(0.1)	(1)		(4)			(5)
Stock-based compensation expense				38				38
Dividends paid to non-controlling interests							(36)	(36)
Dividends paid		0.1	4		(410)			(406)
Balance, September 30, 2024		**287.3**	**$ 3,404**	**$ 145**	**$ 9,691**	**$ (966)**	**$ 413**	**$ 12,687**

	Note	Common Shares Number	Common Shares Stated Value	Contri-buted Surplus	Retained Earnings	AOCL[i]	Non-controlling Interest	Total Equity
		Three months ended September 30, 2024						
		[in millions]						
Balance, June 30, 2024		**287.3**	**$ 3,404**	**$ 132**	**$ 9,345**	**$ (1,257)**	**$ 386**	**$ 12,010**
Net income					484		24	508
Other comprehensive income						291	13	304
Stock-based compensation expense				13				13
Dividends paid to non-controlling interests							(10)	(10)
Dividends paid					(138)			(138)
Balance, September 30, 2024		**287.3**	**$ 3,404**	**$ 145**	**$ 9,691**	**$ (966)**	**$ 413**	**$ 12,687**

[i] AOCL is Accumulated Other Comprehensive Loss.

See accompanying notes

1. SIGNIFICANT ACCOUNTING POLICIES

[a] Basis of Presentation

The unaudited interim consolidated financial statements of Magna International Inc. and its subsidiaries [collectively "Magna" or the "Company"] have been prepared in U.S. dollars in accordance with accounting principles generally accepted in the United States of America ["GAAP"]. The unaudited interim consolidated financial statements do not conform in all respects to the requirements of GAAP for annual financial statements. Accordingly, these unaudited interim consolidated financial statements should be read in conjunction with the December 31, 2024 audited consolidated financial statements and notes thereto included in the Company's 2024 Annual Report.

The unaudited interim consolidated financial statements reflect all adjustments, which consist only of normal and recurring adjustments, necessary to present fairly the financial position as at September 30, 2025 and the results of operations, changes in equity, and cash flows for the three and nine-month periods ended September 30, 2025 and 2024.

[b] Use of Estimates

The preparation of the unaudited interim consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported and disclosed in the interim consolidated financial statements and accompanying notes. Due to the inherent uncertainty involved in making estimates, actual results could ultimately differ from those estimates.

The Company continues to closely monitor the two reporting units within its Body Exteriors & Structures and Power & Vision segments identified as having a heightened risk of impairment as at December 31, 2024 and March 31, 2025. As at September 30, 2025, no new indicators of impairment were identified.

[All amounts in U.S. dollars and all tabular amounts in millions unless otherwise noted]

2. OTHER EXPENSE (INCOME), NET

		Three months ended September 30,		Nine months ended September 30,	
		2025	2024	**2025**	2024
Restructuring activities	[a]	**$ 46**	$ —	**$ 103**	$ 93
Investments	[b]	**2**	1	**4**	6
Impacts related to Fisker Inc. [“Fisker”]	[c]	**—**	(189)	**—**	146
Gain on business combination	[d]	**—**	—	**—**	(9)
		$ 48	$ (188)	**$ 107**	$ 236

[a] Restructuring activities

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	**2025**	2024
Power & Vision [i]	**$ 34**	$ —	**$ 58**	$ 55
Complete Vehicles[ii]	**12**	—	**45**	26
Body Exteriors & Structures	**—**	—	**—**	12
Other expense, net	**46**	—	**103**	93
Tax effect	**—**	—	**(4)**	(16)
Net loss attributable to Magna	**$ 46**	$ —	**$ 99**	$ 77

[i] During the third quarter of 2025, the Company 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 the Company’s share of restructuring activities at an equity method investee.

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

[b] Investments

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	**2025**	2024
Non-cash impairment charge [iii]	**$ 2**	$ —	**$ 2**	$ —
Loss (gain) on sales of public equity investments	**1**	—	**(3)**	—
Net revaluation (gain) loss on public and private equity investments	**(1)**	8	**(3)**	12
Revaluation (gain) loss on public company warrants	**—**	(7)	**8**	(6)
Other expense, net	**2**	1	**4**	6
Tax effect	**—**	2	**1**	—
Net loss attributable to Magna	**$ 2**	$ 3	**$ 5**	$ 6

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

[All amounts in U.S. dollars and all tabular amounts in millions unless otherwise noted]

2. OTHER EXPENSE (INCOME), NET (CONTINUED)

[c] 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, the Company recorded impairment charges on its Fisker related net assets, including its Fisker warrants, which were received in connection with the agreements with Fisker for platform sharing, engineering and manufacturing of the Fisker Ocean SUV. The Company also recorded additional restructuring charges during 2024 related to its Fisker related assembly operations. In the course of such bankruptcy proceedings, the Company terminated its manufacturing agreement for the Fisker Ocean SUV and recognized the remaining $196 million of deferred revenue into income.

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	**2025**	2024
Recognition of deferred revenue	**$ —**	$ (196)	**$ —**	$ (196)
Impairment of Fisker related net assets	**—**	7	**—**	287
Impairment of Fisker warrants	**—**	—	**—**	33
Additional restructuring related to Complete Vehicles	**—**	—	**—**	22
Other (income) expense, net	**—**	(189)	**—**	146
Tax effect	**—**	49	**—**	(24)
Net (gain) loss attributable to Magna	**$ —**	$ (140)	**$ —**	$ 122

[d] Gain on business combination

During the second quarter of 2024, the Company acquired a business in the Body Exteriors & Structures segment for $5 million, resulting in a bargain purchase gain of $9 million [$9 million after tax].

3. EARNINGS PER SHARE

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	**2025**	2024
Basic earnings per Common Share:				
Net income attributable to Magna International Inc.	**$ 305**	$ 484	**$ 830**	$ 806
Weighted average number of Common Shares outstanding	**281.8**	287.3	**281.9**	287.2
Basic earnings per Common Share	**$ 1.08**	$ 1.68	**$ 2.94**	$ 2.81
Diluted earnings per Common Share [a]:				
Net income attributable to Magna International Inc.	**$ 305**	$ 484	**$ 830**	$ 806
Weighted average number of Common Shares outstanding	**281.8**	287.3	**281.9**	287.2
Diluted earnings per Common Share	**$ 1.08**	$ 1.68	**$ 2.94**	$ 2.81

[a] For the three and nine months ended September 30, 2025, diluted earnings per Common Share excluded 4.8 million [2024 – 6.1 million] and 5.4 million [2024 – 5.0 million] Common Shares, respectively, issuable under the Company's Incentive Stock Option Plan because these options were not "in-the-money". The dilutive effect of participating securities using the two-class method was excluded from the calculation of earnings per share because the effect would be immaterial.

[All amounts in U.S. dollars and all tabular amounts in millions unless otherwise noted]

4. DETAILS OF CASH FLOWS

[a] Cash, and cash equivalents:

	September 30, 2025	December 31, 2024
Cash	**$ 753**	$ 750
Bank term deposits and bankers' acceptances	**574**	497
	$ 1,327	$ 1,247

[b] Items not involving current cash flows:

	Three months ended September 30,		**Nine months ended September 30,**	
	2025	2024	**2025**	2024
Depreciation	**$ 389**	$ 384	**$ 1,146**	$ 1,134
Amortization of acquired intangible assets	**27**	28	**82**	84
Other asset amortization	**58**	68	**164**	160
Deferred revenue amortization	**(54)**	(35)	**(188)**	(191)
Dividends received (less than) in excess of equity income	**(3)**	29	**10**	51
Deferred tax recovery	**(2)**	(13)	**(44)**	(165)
Other non-cash charges	**26**	4	**31**	1
Non-cash portion of other expense (income), net *[note 2]*	**13**	(188)	**15**	121
	$ 454	$ 277	**$ 1,216**	$ 1,195

[c] Changes in operating assets and liabilities:

	Three months ended September 30,		**Nine months ended September 30,**	
	2025	2024	**2025**	2024
Accounts receivable	**$ (168)**	$ (11)	**$ (662)**	$ (463)
Inventories	**(34)**	(68)	**136**	(116)
Prepaid expenses and other	**40**	11	**79**	(16)
Accounts payable	**143**	(181)	**(255)**	(209)
Accrued salaries and wages	**81**	81	**71**	55
Other accrued liabilities	**47**	(12)	**310**	317
Income taxes payable	**16**	122	**(159)**	99
	$ 125	$ (58)	**$ (480)**	$ (333)

[All amounts in U.S. dollars and all tabular amounts in millions unless otherwise noted]

5. ACQUISITION OF NON-CONTROLLING INTEREST

On August 29, 2025, the Company acquired the non-controlling 35% interest in a consolidated subsidiary, increasing the Company's 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. The acquisition was accounted for as an equity transaction, and resulted in a reduction to the Company's non-controlling interest of $99 million and contributed surplus of $35 million.

6. INVENTORIES

Inventories consist of:

	September 30, 2025	December 31, 2024
Raw materials and supplies	**$ 1,733**	$ 1,672
Work-in-process	**486**	446
Finished goods	**655**	664
Tooling and engineering	**1,359**	1,369
	$ 4,233	$ 4,151

Tooling and engineering inventory represents costs incurred on tooling and engineering services contracts in excess of billed and unbilled amounts included in accounts receivable.

7. INVESTMENTS

	September 30, 2025	December 31, 2024
Equity method investments	**$ 850**	$ 794
Public and private equity investments	**219**	206
Debt investments	**29**	31
Warrants	**—**	14
	$ 1,098	$ 1,045

Cumulative unrealized gains and losses on equity securities held as at September 30, 2025 were both $19 million [$29 million and $18 million as at December 31, 2024, respectively].

8. OTHER ASSETS

Other assets consist of:

	September 30, 2025	December 31, 2024
Preproduction costs related to long-term supply agreements	**$ 769**	$ 697
Long-term receivables [i]	**307**	310
Unrealized gain on cash flow hedges	**81**	11
Pension overfunded status	**58**	57
Other, net [i]	**79**	45
	$ 1,294	$ 1,120

[i] Certain amounts in the prior period have been reclassified to conform with current period presentation.

[All amounts in U.S. dollars and all tabular amounts in millions unless otherwise noted]

9. WARRANTY

The following is a continuity of the Company's warranty accruals, included in Other accrued liabilities:

	2025	2024
Balance, beginning of year	**$ 309**	$ 270
Expense, net	**55**	33
Settlements	**(51)**	(18)
Foreign exchange and other	**5**	(1)
Balance, March 31	**318**	284
Expense, net	**31**	39
Settlements	**(28)**	(21)
Foreign exchange and other	**10**	(4)
Balance, June 30	**331**	298
Expense, net	**23**	28
Settlements	**(40)**	(26)
Foreign exchange and other	**(1)**	5
Balance, September 30	**$ 313**	$ 305

10. DEBT

Short-term borrowings

[a] Commercial Paper Program

As at September 30, 2025, $210 million [$271 million as at December 31, 2024] of notes were outstanding under the U.S. commercial paper program, with a weighted average interest rate of 4.46% [4.74% as at December 31, 2024] and $222 million [no amounts outstanding as at December 31, 2024] of notes were outstanding under the euro-commercial paper program, with a weighted average interest rate of 2.09%. The U.S. and euro notes are backstopped by the Company's global credit facility.

[b] Credit Facilities

On March 21, 2025, the Company extended the maturity date of its $800 million 364-day syndicated revolving credit facility from June 24, 2025, to June 24, 2026. The facility can be drawn in U.S. dollars or Canadian dollars. As of September 30, 2025, no amounts are outstanding under this credit facility.

Long-term borrowings

[a] Senior Notes

The Company issued the following Senior Notes during 2025:

	Settlement Date	**Net Cash Proceeds [i]**	**Maturity Date**
€575 million Senior Notes at 3.625%	May 21, 2025	€569 million	May 21, 2031
$400 million Senior Notes at 5.875%	May 22, 2025	$397 million	June 1, 2035

[i] Net cash proceeds represent the public offering price less the underwriting discount, before expenses.

The Senior Notes were issued for general corporate purposes, including the repayment on May 23, 2025 of the $300 million Senior Notes, which were due March 2026, and the repayment on September 24, 2025 of the $650 million Senior Notes, which were due October 2025.

The Senior Notes are unsecured obligations and do not include any financial covenants. The Company may redeem the notes in whole or in part at any time, and from time to time, at specified redemption prices determined in accordance with the terms of the indenture governing the Senior Notes.

[All amounts in U.S. dollars and all tabular amounts in millions unless otherwise noted]

10. DEBT (CONTINUED)

[b] Global Credit Facility

On March 21, 2025, the Company extended the maturity date of its $2.7 billion syndicated revolving credit facility from June 25, 2029 to June 25, 2030. As at September 30, 2025, no amounts are outstanding under this credit facility.

[c] Term Loan Facilities

On May 30, 2025, the Company repaid $100 million of the 3-year tranche Term Loan.

As at September 30, 2025, the Company had $300 million outstanding under the 5-year tranche of the Term Loan. The Term Loan is for general corporate purposes.

On March 21, 2025, the Company amended its syndicated, unsecured, delayed draw term loan facility with an additional 3-year tranche of $650 million. On July 8, 2025, the Company reduced the 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 under this 3-year tranche.

11. INCOME TAX

For the three months ended September 30, 2025, the Company's effective income tax rate is higher than the customary rate due to an unfavourable change in the mix of earnings and an increase in reserves for uncertain tax positions.

For the nine months ended September 30, 2025, the Company's effective income tax rate is higher than the customary rate due to an unfavourable change in the mix of earnings and higher losses not benefited in Europe, partially offset by a decrease in reserves for uncertain tax positions.

For the three and nine months ended September 30, 2024, the Company's effective income tax rate is higher than the customary rate due to unfavourable foreign exchange adjustments recognized for U.S. GAAP purposes. The three-month rate is also adversely affected by an increase in reserves for uncertain tax positions.

12. CAPITAL STOCK

[a] During the nine-month period ended September 30, 2025, the Company repurchased 1.3 million shares under a normal course issuer bid for cash consideration of $51 million.

[b] The following table presents the maximum number of shares that would be outstanding if all the dilutive instruments outstanding at October 30, 2025 were exercised or converted:

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 the Company's stock option plans.

[All amounts in U.S. dollars and all tabular amounts in millions unless otherwise noted]

13. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following is a continuity schedule of accumulated other comprehensive loss:

	2025	2024
Accumulated net unrealized loss on translation of net investment in foreign operations		
Balance, beginning of year	**$ (1,368)**	$ (836)
Net unrealized gain (loss)	**186**	(235)
Repurchase of shares under normal course issuer bid	**2**	—
Balance, March 31	**(1,180)**	(1,071)
Net unrealized gain (loss)	**376**	(60)
Balance, June 30	**(804)**	(1,131)
Net unrealized (loss) gain	**(42)**	283
Balance, September 30	**(846)**	(848)
Accumulated net unrealized (loss) gain on cash flow hedges [i]		
Balance, beginning of year	**(113)**	43
Net unrealized gain (loss)	**49**	(13)
Reclassifications to net income	**16**	(29)
Balance, March 31	**(48)**	1
Net unrealized gain (loss)	**98**	(6)
Reclassifications to net income	**7**	(17)
Balance, June 30	**57**	(22)
Net unrealized gain	**15**	3
Reclassifications to net income	**(6)**	4
Balance, September 30	**66**	(15)
Accumulated net unrealized loss on other long-term liabilities		
Balance, beginning of year	**(103)**	(105)
Reclassifications to net income	**1**	1
Balance, March 31	**(102)**	(104)
Reclassifications to net income	**1**	—
Balance, June 30	**(101)**	(104)
Reclassifications to net income	**1**	1
Balance, September 30	**(100)**	(103)
Total accumulated other comprehensive loss	**$ (880)**	$ (966)

[i] The amount of income tax recovery (expense) that has been netted in the accumulated net unrealized loss (gain) on cash flow hedges is as follows:

	2025	2024
Balance, beginning of year	**$ 44**	$ (16)
Net unrealized (loss) gain	**(17)**	4
Reclassifications to net income	**(7)**	10
Balance, March 31	**20**	(2)
Net unrealized (loss) gain	**(39)**	2
Reclassifications to net income	**(3)**	7
Balance, June 30	**(22)**	7
Net unrealized loss	**(8)**	(1)
Reclassifications to net income	**3**	(1)
Balance, September 30	**$ (27)**	$ 5

The amount of other comprehensive gain that is expected to be reclassified to net income over the next 12 months is $42 million.

[All amounts in U.S. dollars and all tabular amounts in millions unless otherwise noted]

14. FINANCIAL INSTRUMENTS

[a] Financial assets and liabilities

The Company's financial assets and financial liabilities consist of the following:

	September 30, 2025	December 31, 2024
Financial assets		
Cash and cash equivalents	**$ 1,327**	$ 1,247
Accounts receivable	**8,406**	7,376
Public and private equity investments	**219**	206
Debt investments	**29**	31
Long-term receivables included in other assets [i]	**307**	310
Warrants	**—**	14
	$ 10,288	$ 9,184
Financial liabilities		
Short-term borrowings	**$ 433**	$ 271
Long-term debt (including current portion)	**5,000**	4,842
Operating lease liabilities (including current portion)	**2,045**	1,955
Accounts payable	**7,261**	7,194
	$ 14,739	$ 14,262
Derivatives designated as effective hedges, measured at fair value		
Foreign currency contracts		
Prepaid expenses	**$ 79**	$ 33
Other assets	**80**	10
Other accrued liabilities	**(32)**	(107)
Other long-term liabilities	**(29)**	(83)
	$ 98	$ (147)

[i] Certain amounts in the prior period have been reclassified to conform with current period presentation.

[b] Supplier financing program

The Company has supplier financing programs with third-party financial institutions that provide financing to suppliers that provide tooling related materials. These arrangements allow these suppliers to elect to be paid by a financial institution at a discount earlier than the maturity date of the receivable, which may extend from 6 to 18 months. The Company pays the full amount owing to the financial institution on the maturity dates. Amounts outstanding under these programs as at September 30, 2025 were $103 million [$86 million as at December 31, 2024] and are presented within accounts payable.

[c] Fair value

The Company determined the estimated fair values of its financial instruments based on valuation methodologies it believes are appropriate; however, considerable judgment is required to develop these estimates. Accordingly, these estimated fair values are not necessarily indicative of the amounts the Company could realize in a current market exchange. The estimated fair value amounts can be materially affected by the use of different assumptions or methodologies. The methods and assumptions used to estimate the fair value of financial instruments are described below:

Cash and cash equivalents, accounts receivable, accounts payable and short-term borrowings

Due to the short period to maturity of the instruments, the carrying values as presented in the consolidated balance sheets are reasonable estimates of fair values.

14. FINANCIAL INSTRUMENTS (CONTINUED)

Publicly traded and private equity securities

The fair value of the Company’s investments in publicly traded equity securities is determined using the closing price on the measurement date, as reported on the stock exchange on which the securities are traded [Level 1 input based on the GAAP fair value hierarchy]. As a result, the Company’s public equity securities are subject to market price risk due to the risk of loss in value that would result from a decline in the market price of the common shares or underlying common shares.

Term Loans

The Company’s Term Loans consist of advances in the form of 1, 3 or 6-month loans that may be rolled over until the end of the 3 and 5-year terms. Due to the short-term maturity of each loan, the carrying value as presented in the consolidated balance sheets is a reasonable estimate of its fair value.

Senior Notes

At September 30, 2025, the net book value of the Company's Senior Notes was $4.6 billion and the estimated fair value was $4.7 billion. The fair value of the Senior Notes are classified as Level 1 when quoted prices in active markets are available and Level 2 when the quoted prices are from less active markets or when other observable inputs are used to determine fair value.

[d] Credit risk

The Company's financial assets that are exposed to credit risk consist primarily of cash and cash equivalents, accounts receivable, debt investments, and foreign exchange and commodity forward contracts with positive fair values. Cash and cash equivalents, which consist of short-term investments, are only invested in bank term deposits and bank commercial paper with an investment grade credit rating. Credit risk is further reduced by limiting the amount which is invested in certain major financial institutions.

The Company is also exposed to credit risk from the potential default by any of its counterparties on its foreign exchange forward contracts. The Company mitigates this credit risk by dealing with counterparties who are major financial institutions that the Company anticipates will satisfy their obligations under the contracts.

In the normal course of business, the Company is exposed to credit risk from its customers, substantially all of which are in the automotive industry and are subject to credit risks associated with the automotive industry. For the three and nine months ended September 30, 2025, sales to the Company's six largest customers represented 77% and 76% of the Company's total sales; and substantially all of its sales are to customers with which the Company has ongoing contractual relationships. The Company conducts business with newer electric vehicle-focused customers, which poses incremental credit risk due to their relatively short operating histories; limited financial resources; less mature product development and validation processes; uncertain market acceptance of their products/services; and untested business models. These factors may elevate the Company’s risks in dealing with such customers, particularly with respect to recovery of: pre-production (including tooling, engineering, and launch) and production receivables; inventory; fixed assets and capitalized preproduction expenditures; as well as other third party obligations related to such items. As at September 30, 2025, the Company’s balance sheet exposure related to newer electric vehicle-focused customers was approximately $275 million [$300 million as at December 31, 2024] and sales to these customers represented less than 5% of the Company’s total sales. In determining the allowance for expected credit losses, the Company considers changes in customers’ credit ratings, liquidity, customers’ historical payments and loss experience, current economic conditions, and the Company's expectations of future economic conditions.

[e] Interest rate risk

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary current assets and current liabilities. In particular, the amount of interest income earned on cash and cash equivalents is impacted more by investment decisions made and the demands to have available cash on hand than by movements in interest rates over a given period.

[All amounts in U.S. dollars and all tabular amounts in millions unless otherwise noted]

14. FINANCIAL INSTRUMENTS (CONTINUED)

The Company is exposed to interest rate risk on its Term Loans as the interest rate is variable, however the Company is not exposed to interest rate risk on Senior Notes as the interest rates are fixed.

[f] Currency risk and foreign exchange contracts

The Company is exposed to fluctuations in foreign exchange rates when manufacturing facilities have committed to the delivery of products for which the selling price has been quoted in currencies other than the facilities' functional currency, and when materials and equipment are purchased in currencies other than the facilities' functional currency. In an effort to manage this net foreign exchange exposure, the Company employs hedging programs, primarily through the use of foreign exchange forward contracts.

At September 30, 2025, the Company had outstanding foreign exchange forward contracts representing commitments to buy and sell various foreign currencies. Significant commitments are as follows:

	For Canadian dollars		For U.S. dollars		For Euros			
	U.S. dollar amount	Weighted average rate	Peso amount	Weighted average rate	U.S. dollar amount	Weighted average rate	Czech Koruna amount	Weighted average rate
Buy	172	1.35045	23,289	0.04779	595	0.85238	11,462	0.03957
(Sell)	(1,548)	0.74501	(72)	20.53800	(689)	1.16148	(50)	25.27000

Forward contracts mature at various dates through 2029. Foreign currency exposures are reviewed quarterly.

15. CONTINGENCIES

From time to time, the Company may become involved in regulatory proceedings, or become liable for legal, contractual and other claims by various parties, including customers, suppliers, former employees, class action plaintiffs and others. On an ongoing basis, the Company attempts to assess the likelihood of any adverse judgments or outcomes to these proceedings or claims, together with potential ranges of probable costs and losses. A determination of the provision required, if any, for these contingencies is made after analysis of each individual issue. The required provision may change in the future due to new developments in each matter or changes in approach such as a change in settlement strategy in dealing with these matters.

In the first quarter of 2025, management identified a potential exposure related to the reassessment of certain prior tax periods. This was a result of the proposed retroactive application of a 2023 judicial decision to tax periods prior to the date of the ruling within a jurisdiction in which the Company operates. This exposure pertained to previously claimed refundable value added tax ("VAT") amounts, as well as associated interest, penalties, and other charges. During the quarter, the Company negotiated a resolution to this matter and recognized a provision for the estimated amount to settle, which is not considered material.

As a result of the bankruptcy of Fisker, Inc., owners of Fisker Ocean SUVs have asserted claims for alleged vehicle defects and breaches of state "lemon laws" against J.P. Morgan Chase, N.A. ["Chase"], the direct financer of approximately 2,000 such vehicles in the United States. Chase has indicated that it will seek indemnification from the Company, as contract manufacturer, for damages and legal costs incurred with the resolution of these claims. As the number, details and amount of these claims are all currently unknown, it is too early to determine the Company's potential liability, if any, at this time.

In December 2023, the Company received a notification [the "Notification Letter"] from Ford Motor Company ["Ford"] informing the Company as to its initial determination that one of the Company's operating groups bears responsibility for costs totaling $352 million related to two product recalls. The Notification Letter triggered a negotiation period regarding financial allocation of the total costs for the two recalls, which remains ongoing. In the event such negotiations are not concluded successfully, Ford has discretion under its Terms and Conditions to debit Magna up to 50% of the parts and labour costs actually incurred related to the recalls. The Company believes that the product in question met Ford's specifications, and accordingly, is vigorously contesting Ford's determination. Magna does not currently anticipate any material liabilities in relation to this claim.

[All amounts in U.S. dollars and all tabular amounts in millions unless otherwise noted]

15. CONTINGENCIES (CONTINUED)

In the third quarter of 2025, Ford initiated recalls covering approximately 3.6 million vehicles equipped with rear-cameras supplied by the Company. Ford also 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. 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 the Company's potential financial exposure, if any. 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 service actions, the Company is unable to estimate its potential exposure, if any, for recall-related costs and the extension of product warranties by Ford to affected vehicle owners. If the Company is determined to be fully or partially responsible for defective rear-cameras, the related recall and extended warranty costs could be material.

16. SEGMENTED INFORMATION

Magna is a global automotive supplier which has complete vehicle engineering and contract manufacturing expertise, as well as product capabilities which include body, chassis, exterior, seating, powertrain, active driver assistance, electronics, mirrors & lighting, mechatronics, and roof systems.

The Company is organized under four operating segments: Body Exteriors & Structures, Power & Vision, Seating Systems, and Complete Vehicles. These segments have been determined on the basis of technological opportunities, product similarities, market and operating factors, and are also the Company's reportable segments.

The Company's chief operating decision maker is the Chief Executive Officer. The chief operating decision maker uses Adjusted Earnings before Interest and Income Taxes ["Adjusted EBIT"] as the measure of segment profit or loss, since management believes Adjusted EBIT is the most appropriate measure of operational profitability or loss for its reporting segments. The chief operating decision maker uses Adjusted EBIT to assess operating performance, allocate resources, and to help plan the Company's long-term strategic direction and future global growth. Adjusted EBIT is calculated by taking Net income and adding back Amortization of acquired intangible assets, Income taxes, Interest expense, net and Other expense (income), net.

[a] The following tables show segment information for the Company's reporting segments and a reconciliation of Adjusted EBIT to the Company's consolidated net income:

	Three months ended September 30, 2025					
	Total sales	**External sales**	**Adjusted EBIT [ii]**	**Depreciation**	**Equity income**	**Fixed asset additions**
Body Exteriors & Structures	**$ 4,147**	**$ 4,086**	**$ 305**	**$ 191**	**$ (1)**	**$ 120**
Power & Vision	**3,854**	**3,769**	**236**	**146**	**(27)**	**112**
Seating Systems	**1,520**	**1,518**	**62**	**27**	**(16)**	**20**
Complete Vehicles	**1,085**	**1,077**	**29**	**17**	**—**	**12**
Corporate & Other [i]	**(144)**	**12**	**(19)**	**8**	**—**	**3**
Total Reportable Segments	**$ 10,462**	**$ 10,462**	**$ 613**	**$ 389**	**$ (44)**	**$ 267**

[All amounts in U.S. dollars and all tabular amounts in millions unless otherwise noted]

16. SEGMENTED INFORMATION (CONTINUED)

	Three months ended September 30, 2024					
	Total sales	External sales	Adjusted EBIT [ii]	Depreciation	Equity income	Fixed asset additions
Body Exteriors & Structures	$ 4,038	$ 3,981	$ 273	$ 186	$ (1)	$ 285
Power & Vision	3,837	3,769	279	145	(4)	139
Seating Systems	1,379	1,376	51	25	(6)	27
Complete Vehicles	1,159	1,150	27	20	(2)	17
Corporate & Other [i]	(133)	4	(36)	8	—	8
Total Reportable Segments	$ 10,280	$ 10,280	$ 594	$ 384	$ (13)	$ 476

	Nine months ended September 30, 2025					
	Total sales	**External sales**	**Adjusted EBIT [ii]**	**Depreciation**	**Equity income**	**Fixed asset additions**
Body Exteriors & Structures	**$ 12,366**	**$ 12,185**	**$ 882**	**$ 566**	**$ (4)**	**$ 353**
Power & Vision	**11,357**	**11,128**	**522**	**427**	**(57)**	**323**
Seating Systems	**4,265**	**4,259**	**74**	**78**	**(30)**	**56**
Complete Vehicles	**3,587**	**3,562**	**101**	**52**	**(3)**	**36**
Corporate & Other [i]	**(413)**	**28**	**(29)**	**23**	**(2)**	**13**
Total Reportable Segments	**$ 31,162**	**$ 31,162**	**$ 1,550**	**$ 1,146**	**$ (96)**	**$ 781**

	Nine months ended September 30, 2024					
	Total sales	External sales	Adjusted EBIT [ii]	Depreciation	Equity (income) loss	Fixed asset additions
Body Exteriors & Structures	$ 12,932	$ 12,745	$ 912	$ 548	$ (2)	$ 902
Power & Vision	11,605	11,416	575	431	(37)	443
Seating Systems	4,289	4,278	156	73	(15)	65
Complete Vehicles	3,784	3,760	74	63	(5)	38
Corporate & Other [i]	(402)	9	(77)	19	3	21
Total Reportable Segments	$ 32,208	$ 32,208	$ 1,640	$ 1,134	$ (56)	$ 1,469

[i] Included in Corporate and Other Adjusted EBIT are intercompany fees charged to the automotive segments.

[ii] The following table reconciles Net income to Adjusted EBIT:

	Three months ended September 30,		**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

Other segment items constitute the difference between External sales by segment and Adjusted EBIT by segment, and are comprised of cost of goods sold, selling, general, and administrative expenses, depreciation, and equity income. No significant expense categories are being provided to the chief operating decision maker on a regular basis.

[All amounts in U.S. dollars and all tabular amounts in millions unless otherwise noted]

16. SEGMENTED INFORMATION (CONTINUED)

[b] The following table shows segment information for Goodwill, Investments, and Net Assets for the Company's reporting segments:

	September 30, 2025			December 31, 2024		
	Goodwill	**Investments**	**Net Assets**	Goodwill	Investments	Net Assets
Body Exteriors & Structures	**$ 457**	**$ 24**	**$ 9,337**	$ 435	$ 24	$ 8,727
Power & Vision	**2,024**	**545**	**7,436**	1,868	525	6,982
Seating Systems	**257**	**213**	**1,249**	250	193	1,401
Complete Vehicles	**115**	**110**	**425**	102	105	439
Corporate & Other	**22**	**206**	**936**	19	198	724
Total Reportable Segments	**$ 2,875**	**$ 1,098**	**$ 19,383**	$ 2,674	$ 1,045	$ 18,273

[c] The following table reconciles Total Assets to Net Assets:

	September 30, 2025	December 31, 2024
Total Assets	**$ 32,907**	$ 31,039
Deduct assets not included in segment net assets:		
Cash and cash equivalents	**(1,327)**	(1,247)
Deferred tax assets	**(920)**	(819)
Long-term receivables from joint venture partners	**(116)**	(67)
Deduct liabilities included in segment net assets:		
Accounts payable	**(7,261)**	(7,194)
Accrued salaries and wages	**(994)**	(867)
Other accrued liabilities	**(2,906)**	(2,572)
Segment Net Assets	**$ 19,383**	$ 18,273

17. SUBSEQUENT EVENT

Normal Course Issuer Bid

Subject to approval by the Toronto Stock Exchange ["TSX"], the Company's Board of Directors approved a new normal course issuer bid to purchase up to 25.3 million Common Shares of the Company, representing approximately 10% of the Company's public float. The primary purposes of the normal course issuer bid are purchases for cancellation as well as purchases to fund the Company's 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.