FINANCIAL REVIEW OF MAGNA INTERNATIONAL INC.
(United States dollars in millions, except per share figures) (Unaudited)
Prepared in accordance with U.S. GAAP

	Note	2024 1st Q	2nd Q	3rd Q	4th Q	TOTAL	2025 1st Q	2nd Q	3rd Q	4th Q	TOTAL	2026 1st Q	2nd Q	3rd Q	TOTAL
VEHICLE VOLUME STATISTICS (in millions)															
North America		3.975	4.101	3.713	3.721	**15.510**	3.689	3.981	3.933	3.700	**15.303**	3.641	4.062	3.750	**11.453**
Europe		4.556	4.450	3.705	4.133	**16.844**	4.220	4.366	3.761	4.382	**16.729**	4.219	4.454	3.860	**12.533**
China		6.357	7.073	7.272	9.703	**30.405**	7.057	7.745	8.143	10.095	**33.040**	6.289	7.486	7.595	**21.370**
Rest of World		6.625	6.607	6.684	6.969	**26.885**	7.024	6.838	6.841	7.651	**28.354**	7.122	7.295	6.759	**21.176**
Global		21.513	22.231	21.374	24.526	**89.644**	21.990	22.930	22.678	25.828	**93.426**	21.271	23.297	21.964	**66.532**
Magna Steyr vehicle assembly volumes		0.022	0.019	0.015	0.016	**0.072**	0.017	0.016	0.015	0.023	**0.071**	0.025	0.029	0.026	**0.080**
AVERAGE FOREIGN EXCHANGE RATES															
1 Canadian dollar equals U.S. dollars		0.741	0.731	0.733	0.715	**0.730**	0.697	0.723	0.726	0.717	**0.716**	0.730	0.723	0.715	**0.722**
1 euro equals U.S. dollars		1.085	1.076	1.099	1.066	**1.082**	1.053	1.134	1.169	1.164	**1.130**	1.171	1.163	1.152	**1.162**
1 Chinese renminbi equals U.S. dollars		0.139	0.138	0.140	0.139	**0.139**	0.138	0.138	0.140	0.141	**0.139**	0.144	0.147	0.148	**0.147**
CONSOLIDATED STATEMENTS OF INCOME (LOSS)															
Sales															
Body Exteriors & Structures		4,429	4,465	4,038	4,067	**16,999**	3,966	4,253	4,147	4,252	**16,618**	4,079	4,421	4,158	**12,658**
Power & Vision		3,842	3,926	3,837	3,786	**15,391**	3,646	3,857	3,854	3,841	**15,198**	3,881	4,093	3,773	**11,747**
Seating Systems		1,455	1,455	1,379	1,511	**5,800**	1,312	1,433	1,520	1,633	**5,898**	1,340	1,448	1,247	**4,035**
Complete Vehicles		1,383	1,242	1,159	1,402	**5,186**	1,276	1,226	1,085	1,261	**4,848**	1,224	1,160	996	**3,380**
Corporate & Other		(139)	(130)	(133)	(138)	**(540)**	(131)	(138)	(144)	(139)	**(552)**	(143)	(142)	(115)	**(400)**
		10,970	**10,958**	**10,280**	**10,628**	**42,836**	**10,069**	**10,631**	**10,462**	**10,848**	**42,010**	**10,381**	**10,980**	**10,059**	**31,420**
Costs and expenses															
Cost of goods sold		9,642	9,494	8,828	9,073	**37,037**	8,827	9,127	8,973	9,094	**36,021**	8,958	9,368	8,433	**26,759**
Selling, general and administrative		516	523	487	535	**2,061**	539	565	531	586	**2,221**	557	585	591	**1,733**
Equity income		(34)	(9)	(13)	(45)	**(101)**	(20)	(32)	(44)	(47)	**(143)**	(95)	(45)	(35)	**(175)**
Adjusted EBITDA		**846**	**950**	**978**	**1,065**	**3,839**	**723**	**971**	**1,002**	**1,215**	**3,911**	**961**	**1,072**	**1,070**	**3,103**
Depreciation		377	373	384	376	**1,510**	369	388	389	401	**1,547**	403	395	387	**1,185**
Adjusted EBIT		**469**	**577**	**594**	**689**	**2,329**	**354**	**583**	**613**	**814**	**2,364**	**558**	**677**	**683**	**1,918**
Amortization of acquired intangible assets		28	28	28	28	**112**	26	29	27	29	**111**	19	17	17	**53**
Other expense (income), net	1	356	68	(188)	228	**464**	53	6	48	629	**736**	415	24	79	**518**
Interest expense, net		51	54	54	52	**211**	50	52	65	42	**209**	37	37	35	**109**
Income from operations before income taxes		**34**	**427**	**700**	**381**	**1,542**	**225**	**496**	**473**	**114**	**1,308**	**87**	**599**	**552**	**1,238**
Income tax expense		8	99	192	147	**446**	72	102	140	111	**425**	88	120	152	**360**
Net (loss) income		**26**	**328**	**508**	**234**	**1,096**	**153**	**394**	**333**	**3**	**883**	**(1)**	**479**	**400**	**878**
Income attributable to non-controlling interests		(17)	(15)	(24)	(31)	**(87)**	(7)	(15)	(28)	(4)	**(54)**	(11)	(10)	(17)	**(38)**
Net (loss) income attributable to Magna International Inc.		**9**	**313**	**484**	**203**	**1,009**	**146**	**379**	**305**	**(1)**	**829**	**(12)**	**469**	**383**	**840**
Diluted (loss) earnings per common share		**$ 0.03**	**$ 1.09**	**$ 1.68**	**$ 0.71**	**$ 3.52**	**$ 0.52**	**$ 1.35**	**$ 1.08**	**$ -**	**$ 2.93**	**$ (0.04)**	**$ 1.72**	**$ 1.44**	**$ 3.08**
Weighted average number of Common Shares outstanding during the period (in millions):		**287.1**	**287.3**	**287.3**	**285.9**	**286.9**	**282.0**	**281.7**	**281.8**	**281.2**	**282.5**	**278.1**	**273.2**	**266.0**	**273.0**
NON-GAAP MEASURES															
Adjusted EBITDA		**846**	**950**	**978**	**1,065**	**3,839**	**723**	**971**	**1,002**	**1,215**	**3,911**	**961**	**1,072**	**1,070**	**3,103**
Adjusted EBIT	2	**469**	**577**	**594**	**689**	**2,329**	**354**	**583**	**613**	**814**	**2,364**	**558**	**677**	**683**	**1,918**
Adjusted Return on Invested Capital	2	**7.8%**	**9.4%**	**9.0%**	**11.8%**	**9.5%**	**5.7%**	**9.6%**	**9.2%**	**13.9%**	**9.7%**	**9.4%**	**12.5%**	**12.2%**	**11.3%**
Adjusted net income attributable to Magna International Inc.	2	**311**	**389**	**369**	**482**	**1,551**	**219**	**407**	**375**	**617**	**1,618**	**386**	**508**	**486**	**1,380**
Adjusted EPS	2	**$ 1.08**	**$ 1.35**	**$ 1.28**	**$ 1.69**	**$ 5.41**	**$ 0.78**	**$ 1.44**	**$ 1.33**	**$ 2.18**	**$ 5.73**	**$ 1.38**	**$ 1.86**	**$ 1.83**	**$ 5.06**
Adjusted weighted average number of Common Shares outstanding during the period (in millions):	2	**287.1**	**287.3**	**287.3**	**285.9**	**286.9**	**282.0**	**281.7**	**281.8**	**282.7**	**282.5**	**279.9**	**273.2**	**266.0**	**273.0**
PROFITABILITY RATIOS															
Selling, general and administrative /Sales		4.7%	4.8%	4.7%	5.0%	**4.8%**	5.4%	5.3%	5.1%	5.4%	**5.3%**	5.4%	5.3%	5.9%	**5.5%**
Adjusted EBIT /Sales		4.3%	5.3%	5.8%	6.5%	**5.4%**	3.5%	5.5%	5.9%	7.5%	**5.6%**	5.4%	6.2%	6.8%	**6.1%**
Income (loss) from operations before income taxes /Sales		0.3%	3.9%	6.8%	3.6%	**3.6%**	2.2%	4.7%	4.5%	1.1%	**3.1%**	0.8%	5.5%	5.5%	**3.9%**
Effective tax rate															
Reported		23.5%	23.2%	27.4%	38.6%	**28.9%**	32.0%	20.6%	29.6%	97.4%	**32.5%**	101.1%	20.0%	27.5%	**29.1%**
Excluding Other expense (income) and amortization, net of taxes and valuation allowance adjustments		21.5%	22.8%	27.2%	19.5%	**22.7%**	25.7%	20.5%	26.5%	19.6%	**22.4%**	23.8%	19.1%	22.4%	**21.6%**

FINANCIAL REVIEW OF MAGNA INTERNATIONAL INC.
(United States dollars in millions) (Unaudited)
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		2024				2025				2026		
		1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q
CONSOLIDATED BALANCE SHEETS												
FUNDS EMPLOYED												
Current assets:												
Accounts receivable		8,379	8,219	8,377	7,376	8,198	8,258	8,406	7,593	8,215	8,376	8,298
Inventories		4,511	4,466	4,592	4,151	4,184	4,207	4,233	4,126	3,964	4,009	4,161
Prepaid expenses and other		399	314	303	344	358	333	316	407	405	371	364
Held for sale assets		-	-	-	-	-	-	-	-	316	252	38
		13,289	**12,999**	**13,272**	**11,871**	**12,740**	**12,798**	**12,955**	**12,126**	**12,900**	**13,008**	**12,861**
Current liabilities:												
Accounts payable		7,855	7,639	7,608	7,194	7,376	7,127	7,261	6,895	7,216	7,262	7,080
Accrued salaries and wages		883	862	962	867	893	917	994	888	920	924	995
Other accrued liabilities		2,728	2,650	2,642	2,572	2,723	2,845	2,906	2,745	2,878	3,038	3,259
Income taxes payable (receivable)		132	79	176	192	152	88	109	106	129	121	141
Held for sale liabilities		-	-	-	-	-	-	-	-	296	195	30
		11,598	**11,230**	**11,388**	**10,825**	**11,144**	**10,977**	**11,270**	**10,634**	**11,439**	**11,540**	**11,505**
Working capital		**1,691**	**1,769**	**1,884**	**1,046**	**1,596**	**1,821**	**1,685**	**1,492**	**1,461**	**1,468**	**1,356**
Investments		1,195	1,161	1,165	1,045	1,062	1,129	1,098	1,103	1,289	1,248	1,287
Fixed assets, net		9,545	9,623	9,836	9,584	9,650	9,853	9,707	9,507	9,012	8,851	8,781
Goodwill, other assets and intangible assets		4,646	4,709	4,865	4,532	4,669	4,896	4,876	4,277	4,108	4,054	4,018
Operating lease right-of-use assets		1,733	1,688	1,780	1,941	2,032	2,061	2,024	1,928	1,865	1,805	1,766
Funds employed		**18,810**	**18,950**	**19,530**	**18,148**	**19,009**	**19,760**	**19,390**	**18,307**	**17,735**	**17,426**	**17,208**
FINANCING												
Net debt and leases:												
Cash and cash equivalents		(1,517)	(999)	(1,061)	(1,247)	(1,059)	(1,536)	(1,327)	(1,612)	(1,605)	(1,430)	(1,378)
Short-term borrowings		838	848	828	271	614	349	433	-	136	-	-
Long-term debt due within one year		824	65	65	708	1,005	706	33	27	20	20	709
Long-term debt		4,549	4,863	4,916	4,134	3,892	4,984	4,967	4,685	4,643	4,608	3,921
Current portion of operating lease liabilities		306	306	319	293	305	318	323	328	328	321	318
Operating lease liabilities		1,407	1,378	1,458	1,662	1,742	1,759	1,722	1,649	1,573	1,520	1,483
		6,407	**6,461**	**6,525**	**5,821**	**6,499**	**6,580**	**6,151**	**5,077**	**5,095**	**5,039**	**5,053**
Long-term employee benefit liabilities		584	564	571	533	552	574	573	554	530	519	521
Other long-term liabilities		471	507	339	396	349	267	298	399	426	385	362
Deferred tax assets, net		(576)	(592)	(592)	(542)	(557)	(564)	(567)	(562)	(588)	(625)	(640)
		479	**479**	**318**	**387**	**344**	**277**	**304**	**391**	**368**	**279**	**243**
Shareholders' equity		11,924	12,010	12,687	11,940	12,166	12,903	12,935	12,839	12,272	12,108	11,912
		18,810	**18,950**	**19,530**	**18,148**	**19,009**	**19,760**	**19,390**	**18,307**	**17,735**	**17,426**	**17,208**
ASSET UTILIZATION RATIOS												
Days in accounts receivable		68.7	67.5	73.3	62.5	73.3	69.9	72.3	63.0	71.2	68.7	74.2
Days in accounts payable		73.3	72.4	77.6	71.4	75.2	70.3	72.8	68.2	72.5	69.8	75.6
Inventory turnover - cost of goods sold		8.5	8.5	7.7	8.7	8.4	8.7	8.5	8.8	9.0	9.3	8.1
Working capital turnover		25.9	24.8	21.8	40.6	25.2	23.4	24.8	29.1	28.4	29.9	29.7
Total asset turnover		2.3	2.3	2.1	2.3	2.1	2.2	2.2	2.4	2.3	2.5	2.3
CAPITAL STRUCTURE												
Net debt and leases		34.1%	34.1%	33.4%	32.1%	34.2%	33.3%	31.7%	27.7%	28.7%	28.9%	29.4%
Long-term employee benefit liabilities, other long-term liabilities & deferred tax liabilities, net		2.5%	2.5%	1.6%	2.1%	1.8%	1.4%	1.6%	2.1%	2.1%	1.6%	1.4%
Shareholders' equity		63.4%	63.4%	65.0%	65.8%	64.0%	65.3%	66.7%	70.1%	69.2%	69.5%	69.2%
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Adjusted Debt to Adjusted EBITDA	2	1.98x	1.91x	1.93x	1.75x	1.92x	2.03x	1.88x	1.59x	1.50x	1.42x	1.40x
Debt to total capitalization		39.9%	38.3%	37.4%	37.2%	38.3%	38.6%	36.6%	34.3%	35.3%	34.8%	35.1%

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	Note	2024 1st Q	2024 2nd Q	2024 3rd Q	2024 4th Q	2024 TOTAL	2025 1st Q	2025 2nd Q	2025 3rd Q	2025 4th Q	2025 TOTAL	2026 1st Q	2026 2nd Q	2026 3rd Q	2026 TOTAL
CONSOLIDATED STATEMENTS OF CASH FLOWS															
Operating activities															
Net income		26	328	508	234	**1,096**	153	394	333	3	**883**	(1)	479	400	**878**
Items not involving current cash flows		565	353	277	662	**1,857**	394	368	454	1,152	**2,368**	638	382	406	**1,426**
		591	**681**	**785**	**896**	**2,953**	**547**	**762**	**787**	**1,155**	**3,251**	**637**	**861**	**806**	**2,304**
Changes in operating assets and liabilities		(330)	55	(58)	1,014	**681**	(470)	(135)	125	827	**347**	40	93	144	**277**
Cash provided from operating activities		**261**	**736**	**727**	**1,910**	**3,634**	**77**	**627**	**912**	**1,982**	**3,598**	**677**	**954**	**950**	**2,581**
Investment activities															
Fixed asset additions		(493)	(500)	(476)	(709)	**(2,178)**	(268)	(246)	(267)	(532)	**(1,313)**	(219)	(269)	(307)	**(795)**
Increase in investments, other assets and intangible assets		(125)	(170)	(115)	(207)	**(617)**	(148)	(94)	(100)	(157)	**(499)**	(168)	(77)	(75)	**(320)**
Proceeds from dispositions		87	57	38	37	**219**	26	14	27	54	**121**	82	9	16	**107**
Investment in Public and Private Equity Investments		(23)	2	(1)	10	**(12)**	(1)	(3)	(2)	(2)	**(8)**	(1)	(4)	-	**(5)**
Proceeds from divestitures, net of funding provided	1(f), 1(g)	4	-	78	-	**82**	-	-	-	-	**-**	-	(31)	33	**2**
Business combinations		(30)	(56)	-	-	**(86)**	(4)	4	(1)	-	**(1)**	-	-	-	**-**
Cash used for investment activities		**(580)**	**(667)**	**(476)**	**(869)**	**(2,592)**	**(395)**	**(325)**	**(343)**	**(637)**	**(1,700)**	**(306)**	**(372)**	**(333)**	**(1,011)**
Financing activities															
Net issues (repayments) of debt		757	(416)	(47)	(513)	**(219)**	322	341	(583)	(747)	**(667)**	135	(141)	(2)	**(8)**
Common Shares issued on exercise of stock options		30	-	-	-	**30**	-	-	-	2	**2**	86	21	-	**107**
Repurchase of Common Shares		(3)	(2)	-	(202)	**(207)**	(51)	-	-	(86)	**(137)**	(440)	(465)	(529)	**(1,434)**
Tax withholdings on vesting of equity awards		(4)	(1)	-	(3)	**(8)**	(4)	-	-	(1)	**(5)**	(9)	(3)	-	**(12)**
Acquisition of non-controlling interest		-	-	-	-	**-**	-	-	(40)	(82)	**(122)**	-	-	-	**-**
Dividends paid to non-controlling interests		-	(26)	(10)	(10)	**(46)**	-	(25)	(15)	(19)	**(59)**	-	(32)	(29)	**(61)**
Dividends paid		(134)	(134)	(138)	(133)	**(539)**	(136)	(137)	(136)	(135)	**(544)**	(135)	(133)	(129)	**(397)**
Cash provided from (used for) financing activities		**646**	**(579)**	**(195)**	**(861)**	**(989)**	**131**	**179**	**(774)**	**(1,068)**	**(1,532)**	**(363)**	**(753)**	**(689)**	**(1,805)**
Effect of exchange rate changes on cash, cash equivalents and restricted cash equivalents		(8)	(8)	6	6	**(4)**	(1)	(4)	(4)	8	**(1)**	8	(4)	9	**13**
Net increase (decrease) in cash, cash equivalents and restricted cash equivalents during the period		**319**	**(518)**	**62**	**186**	**49**	**(188)**	**477**	**(209)**	**285**	**365**	**16**	**(175)**	**(63)**	**(222)**
Cash, cash equivalents and restricted cash equivalents, beginning of period	4	1,198	1,517	999	1,061	1,198	1,247	1,059	1,536	1,327	1,247	1,612	1,628	1,453	1,612
Cash, cash equivalents and restricted cash equivalents, end of period		**1,517**	**999**	**1,061**	**1,247**	**1,247**	**1,059**	**1,536**	**1,327**	**1,612**	**1,612**	**1,628**	**1,453**	**1,390**	**1,390**
NON-GAAP MEASURES															
Free Cash Flow	2	**(270)**	**123**	**174**	**1,031**	**1,058**	**(313)**	**301**	**572**	**1,347**	**1,907**	**372**	**617**	**584**	**1,573**

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This Analyst should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2025.

Note 1: OTHER EXPENSE (INCOME), NET

Other expense (income), net consists of significant items such as: impairment charges; restructuring costs generally related to significant plant closures or consolidations; net losses (gains) on investments; gains or losses on disposal of facilities or businesses; and other items not reflective of on-going operating profit or loss. Other expense (income), net consists of:

		2024					2025					2026			
		1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Loss on assets held for sale	[a]	-	-	-	-	**-**	-	-	-	-	**-**	485	11	5	**501**
Restructuring activities	[b]	38	55	-	94	**187**	44	13	46	15	**118**	26	15	83	**124**
Impacts related to Fisker Inc. [“Fisker”]	[c]	316	19	(189)	52	**198**	-	-	-	-	**-**	-	(2)	(4)	**(6)**
Investment revaluations, (gains) losses on sales, and impairments	[d]	2	3	1	3	**9**	9	(7)	2	(1)	**3**	(96)	-	(5)	**(101)**
Impairments	[e]	-	-	-	79	**79**	-	-	-	615	**615**	-	-	-	**-**
Gain on business combination	[f]	-	(9)	-	-	**(9)**	-	-	-	-	**-**	-	-	-	**-**
		356	**68**	**(188)**	**228**	**464**	**53**	**6**	**48**	**629**	**736**	**415**	**24**	**79**	**518**

[a] Loss on assets held for sale

The Company concluded that the assets and liabilities of the Lighting and Rooftop Systems businesses met the criteria to be classified as held for sale as of March 31, 2026, and recognized an impairment loss of $485 million in the first quarter. In the second quarter, the loss of $11 million comprised an impairment loss of $13 million, partially offset by a $2 million gain on the sale of the Lighting Europe business, which closed on June 29, 2026. In the third quarter, the loss of $5 million comprised an impairment loss of $4 million and a $3 million loss on the sale of the Lighting North America business, partially offset by a $2 million gain on the sale of the Rooftop Systems business. Both third-quarter sales closed on August 4, 2026.

The sale of the Lighting South America and China business is expected to close during the fourth quarter of 2026, subject to customary closing conditions and regulatory approvals.

[b] Restructuring activities

	2024					2025					2026			
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Power & Vision	-	55	-	49	**104**	11	13	34	(7)	**51**	5	5	76	**86**
Complete Vehicles	26	-	-	29	**55**	33	-	12	13	**58**	21	-	-	**21**
Seating Systems	-	-	-	-	**-**	-	-	-	-	**-**	-	10	-	**10**
Body Exteriors & Structures	12	-	-	16	**28**	-	-	-	9	**9**	-	-	7	**7**
	38	**55**	**-**	**94**	**187**	**44**	**13**	**46**	**15**	**118**	**26**	**15**	**83**	**124**

Restructuring charges generally related to significant plant closures and consolidations primarily in Europe and to a lesser extent in North America and Asia Pacific. During the third quarter of 2025 and the second quarter of 2026, the Company's Power & Vision segment recognized equity losses of $10 million and $3 million, respectively, associated with its share of significant rightsizing activities at an equity method investee. During the second quarters of 2025 and 2024, the Company recorded $6 million and $35 million, respectively, of restructuring charges associated with its acquisition of the Veoneer Active Safety Business [“Veoneer AS”].

[c] Impacts related to Fisker Inc. [“Fisker”]

During 2023 and 2024, 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 the first quarter of 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.

During the second and third quarter of 2026, the Company recognized a gain of $2 million and $4 million, respectively, related to the settlement of claims associated with Fisker's bankruptcy.

	2024					2025					2026			
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Impairment of Fisker related net assets	261	19	7	43	**330**	-	-	-	-	**-**	-	(2)	(4)	**(6)**
Impairment of Fisker warrants	33	-	-	-	**33**	-	-	-	-	**-**	-	-	-	**-**
Additional restructuring related to Complete Vehicles	22	-	-	9	**31**	-	-	-	-	**-**	-	-	-	**-**
Recognition of related deferred revenue	-	-	(196)	-	**(196)**	-	-	-	-	**-**	-	-	-	**-**
	316	**19**	**(189)**	**52**	**198**	**-**	**-**	**-**	**-**	**-**	**-**	**(2)**	**(4)**	**(6)**

[d] Investment revaluations, (gains) losses on sales, and impairments

	2024					2025					2026			
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
(Gains) and losses related to revaluation and disposition	2	3	1	(10)	**(4)**	9	(7)	-	(1)	**1**	(110)	-	(5)	**(115)**
Non-cash impairment charges	-	-	-	13	**13**	-	-	2	-	**2**	14	-	-	**14**
	2	**3**	**1**	**3**	**9**	**9**	**(7)**	**2**	**(1)**	**3**	**(96)**	**-**	**(5)**	**(101)**

The Company revalues its public and private equity investments and certain public company warrants every quarter. The gains and losses related to this revaluation, as well as gains and losses on disposition, are primarily recorded in Corporate. The non-cash impairment charges on private equity investments are primarily recorded in Corporate. During the first quarter of 2026, the Company recorded an unrealized gain of $108 million resulting from the revaluation of its existing private equity investment in Waymo LLC ("Waymo") following Waymo's completion of a new financing round.

[e] Impairments

During 2025, the Company concluded that indicators of impairment were present for finite-lived intangible assets and goodwill in the Electronics reporting unit within the Power & Vision segment and recorded $591 million impairment. During 2025, the Company also recorded an impairment charge of $24 million on fixed assets and other assets at a European facility in its Body Exteriors & Structures segment. During 2024, the Company recorded an impairment charge of $79 million on fixed assets, right of use assets and intangible assets at two European facilities in its Power & Vision segment.

[f] Gain on business combination

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

Note 2: NON-GAAP MEASURES

The Company presents Adjusted EBIT (Earnings before interest, taxes, Other expense (income), net and amortization of acquired intangible assets); Adjusted Net Income (Net Income before Other expense (income), net, net of tax excluding significant income tax valuation allowance adjustments, and amortization of acquired intangible assets); Adjusted Diluted Earnings per Share ("Adjusted EPS"); Adjusted EBIT as a percentage of sales; Free Cash Flow; Adjusted Return on Invested Capital; and Adjusted Debt to Adjusted EBITDA. The Company presents these financial figures because such measures are widely used by analysts and investors in evaluating the operating performance of the Company. However, such measures do not have any standardized meaning under U.S. generally accepted accounting principles and may not be comparable to the calculation of similar measures by other companies.

The following table reconciles Income from operations before income taxes to Adjusted EBIT:

	2024					2025					2026			
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Income from operations before income taxes	**34**	**427**	**700**	**381**	**1,542**	**225**	**496**	**473**	**114**	**1,308**	**87**	**599**	**552**	**1,238**
Exclude:														
Amortization of acquired intangible assets	28	28	28	28	**112**	26	29	27	29	**111**	19	17	17	**53**
Other expense (income), net	356	68	(188)	228	**464**	53	6	48	629	**736**	415	24	79	**518**
Interest expense, net	51	54	54	52	**211**	50	52	65	42	**209**	37	37	35	**109**
Adjusted EBIT	**469**	**577**	**594**	**689**	**2,329**	**354**	**583**	**613**	**814**	**2,364**	**558**	**677**	**683**	**1,918**

The following table shows the calculation of Adjusted Return on Invested Capital:

	2024					2025					2026			
	1st Q	2nd Q	3rd Q	4th Q	FY	1st Q	2nd Q	3rd Q	4th Q	FY	1st Q	2nd Q	3rd Q	TOTAL
Net (loss) income	**26**	**328**	**508**	**234**	**1,096**	**153**	**394**	**333**	**3**	**883**	**(1)**	**479**	**400**	**878**
Add (deduct):														
Interest expense, net	51	54	54	52	211	50	52	65	42	209	37	37	35	109
Amortization of acquired intangible assets	28	28	28	28	112	26	29	27	29	111	19	17	17	53
Other expense (income), net	356	68	(188)	228	464	53	6	48	629	736	415	24	79	518
Tax effect on Interest expense, net, Amortization of acquired intangible assets and Other expense, net	(93)	(32)	30	(38)	(133)	(19)	(18)	(22)	(48)	(107)	(45)	(9)	(1)	(55)
Adjustments to Deferred Tax Valuation Allowances	-	-	-	51	51	-	-	-	-	-	-	-	-	-
Adjusted After-tax operating profits	**368**	**446**	**432**	**555**	**1,801**	**263**	**463**	**451**	**655**	**1,832**	**425**	**548**	**530**	**1,503**
Total Assets	**32,678**	**31,986**	**32,790**	**31,039**		**32,074**	**33,175**	**32,907**	**31,417**		**31,660**	**31,292**	**30,985**	
Excluding:														
Cash and cash equivalents	(1,517)	(999)	(1,061)	(1,247)		(1,059)	(1,536)	(1,327)	(1,612)		(1,605)	(1,430)	(1,378)	
Deferred tax assets	(753)	(807)	(811)	(819)		(862)	(902)	(920)	(864)		(881)	(896)	(894)	
Less Current Liabilities	(13,566)	(12,449)	(12,600)	(12,097)		(13,068)	(12,350)	(12,059)	(10,989)		(11,923)	(11,881)	(12,532)	
Excluding:														
Short-term borrowing	838	848	828	271		614	349	433	-		136	-	-	
Long-term debt due within one year	824	65	65	708		1,005	706	33	27		20	20	709	
Current portion of operating lease liabilities	306	306	319	293		305	318	323	328		328	321	318	
Invested Capital	**18,810**	**18,950**	**19,530**	**18,148**		**19,009**	**19,760**	**19,390**	**18,307**		**17,735**	**17,426**	**17,208**	
Adjusted After-tax operating profits	368	446	432	555	1,801	263	463	451	655	1,832	425	548	530	1,503
Average Invested Capital	18,871	18,880	19,240	18,839	18,875	18,579	19,385	19,575	18,849	18,923	18,021	17,581	17,317	17,669
Adjusted Return on Invested Capital	**7.8%**	**9.4%**	**9.0%**	**11.8%**	**9.5%**	**5.7%**	**9.6%**	**9.2%**	**13.9%**	**9.7%**	**9.4%**	**12.5%**	**12.2%**	**11.3%**

Note 2: NON-GAAP MEASURES (Continued)

The following table reconciles Net income attributable to Magna International Inc. to Adjusted net income attributable to Magna International Inc.:

		2024					2025					2026			
		1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Net (loss) income attributable to Magna International Inc.		**9**	**313**	**484**	**203**	**1,009**	**146**	**379**	**305**	**(1)**	**829**	**(12)**	**469**	**383**	**840**
Exclude:															
Amortization of acquired intangible assets		22	23	22	22	**89**	21	24	22	26	**93**	17	16	16	**49**
Loss on assets held for sale		-	-	-	-	**-**	-	-	-	-	**-**	452	11	11	**474**
Impairments		-	-	-	79	**79**	-	-	-	578	**578**	-	-	-	**-**
Restructuring activities		32	45	-	82	**159**	44	9	46	15	**114**	25	14	83	**122**
Investment revaluations, (gains) losses on sales, and impairments		1	2	3	6	**12**	8	(5)	2	(1)	**4**	(96)	-	(4)	**(100)**
Impacts related to Fisker Inc. ["Fisker"]		247	15	(140)	39	**161**	-	-	-	-	**-**	-	(2)	(3)	**(5)**
Gain on business combination		-	(9)	-	-	**(9)**	-	-	-	-	**-**	-	-	-	**-**
Adjustments to Deferred Tax Valuation Allowance	[i]	-	-	-	51	**51**	-	-	-	-	**-**	-	-	-	**-**
Adjusted net income attributable to Magna International Inc.		**311**	**389**	**369**	**482**	**1,551**	**219**	**407**	**375**	**617**	**1,618**	**386**	**508**	**486**	**1,380**

The following table reconciles diluted (loss) earnings per common share to Adjusted EPS [iv]:

		2024					2025					2026			
		1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Diluted (loss) earnings per common share		**$ 0.03**	**$ 1.09**	**$ 1.68**	**$ 0.71**	**$ 3.52**	**$ 0.52**	**$ 1.35**	**$ 1.08**	**$ -**	**$ 2.93**	**$ (0.04)**	**1.72**	**1.44**	**$ 3.08**
Exclude:															
Amortization of acquired intangible assets		0.08	0.08	0.08	0.08	**0.31**	0.08	0.08	0.08	0.09	**0.34**	0.06	0.06	0.06	**0.18**
Loss on assets held for sale		-	-	-	-	**-**	-	-	-	-	**-**	1.61	0.04	0.04	**1.74**
Impairments		-	-	-	0.28	**0.28**	-	-	-	2.04	**2.05**	-	-	-	**-**
Restructuring activities		0.11	0.15	-	0.29	**0.55**	0.15	0.03	0.16	0.05	**0.40**	0.09	0.05	0.32	**0.45**
Investment revaluations, (gains) losses on sales, and impairments		-	0.01	0.01	0.01	**0.04**	0.03	(0.02)	0.01	-	**0.01**	(0.34)	-	(0.02)	**(0.37)**
Impacts related to Fisker Inc. ["Fisker"]		0.86	0.05	(0.49)	0.14	**0.56**	-	-	-	-	**-**	-	(0.01)	(0.01)	**(0.02)**
Gain on business combination		-	(0.03)	-	-	**(0.03)**	-	-	-	-	**-**	-	-	-	**-**
Adjustments to Deferred Tax Valuation Allowance	[i]	-	-	-	0.18	**0.18**	-	-	-	-	**-**	-	-	-	**-**
Adjusted EPS		**$ 1.08**	**$ 1.35**	**$ 1.28**	**$ 1.69**	**$ 5.41**	**$ 0.78**	**$ 1.44**	**$ 1.33**	**$ 2.18**	**$ 5.73**	**$ 1.38**	**$ 1.86**	**$ 1.83**	**$ 5.06**

[i] Adjustments to Deferred Tax Valuation Allowance

The Company records quarterly adjustments to the valuation allowance against its deferred tax assets and liabilities in continents like North America, Europe, Asia, and South America. The net effect of these adjustments is an increase to income tax expense in the fourth quarter of 2024.

The following table reconciles Diluted weighted average number of Common Shares outstanding to Adjusted Diluted weighted average number of Common Shares outstanding:

		2024					2025					2026			
		1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Diluted weighted average number of Common Shares outstanding during the period (in millions):		**287.1**	**287.3**	**287.3**	**285.9**	**286.9**	**282.0**	**281.7**	**281.8**	**281.2**	**282.5**	**278.1**	**273.2**	**266.0**	**273.0**
Adjusted Dilutive impact of stock option and share awards	[ii]	-	-	-	-	**-**	-	-	-	1.5	**-**	1.8	-	-	**-**
Adjusted Diluted weighted average number of Common Shares outstanding during the period (in millions):		**287.1**	**287.3**	**287.3**	**285.9**	**286.9**	**282.0**	**281.7**	**281.8**	**282.7**	**282.5**	**279.9**	**273.2**	**266.0**	**273.0**

[ii] For the first quarter of 2026 and fourth quarter of 2025, the Company generated Adjusted Net Income attributable to Magna International Inc. while reporting a net loss attributable to Magna International Inc. As a result, certain stock-based compensation awards have a dilutive effect for adjusted EPS and are included in the adjusted diluted weighted average number of Common Shares.

Note 2: NON-GAAP MEASURES (Continued)

The following table shows the calculation of Rating Agency Adjusted Debt to Adjusted EBITDA:

		2024				2025				2026		
		1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q
Debt and leases per balance sheet		7,924	7,460	7,586	7,068	7,558	8,116	7,478	6,689	6,700	6,469	6,431
Long-Term Employee Benefit Liabilities	[iii]	125	125	125	127	127	127	127	131	131	131	131
Adjusted Debt	**[A]**	**8,049**	**7,585**	**7,711**	**7,195**	**7,685**	**8,243**	**7,605**	**6,820**	**6,831**	**6,600**	**6,562**
Rolling four quarter Adjusted EBITDA		3,718	3,699	3,704	3,839	3,716	3,737	3,761	3,911	4,149	4,250	4,318
Capitalized operating lease expense	[iii]	353	353	353	410	410	410	410	428	428	428	428
Pension adjustment	[iii], [iv]	4	4	4	(20)	(20)	(20)	(20)	2	2	2	2
Interest income	[iii]	86	86	86	98	98	98	98	66	66	66	66
Rolling four quarter cash portion of other expense, net		(94)	(161)	(149)	(219)	(203)	(161)	(196)	(106)	(90)	(88)	(127)
	[B]	**4,067**	**3,981**	**3,998**	**4,108**	**4,001**	**4,064**	**4,053**	**4,301**	**4,555**	**4,658**	**4,687**
Adjusted Debt to Adjusted EBITDA	**[A] / [B]**	**1.98x**	**1.91x**	**1.93x**	**1.75x**	**1.92x**	**2.03x**	**1.88x**	**1.59x**	**1.50x**	**1.42x**	**1.40x**

[iii] The long-term employee benefit liabilities, capitalized operating lease expense, interest income and pension adjustment figures included in the Adjusted EBITDA calculations are based on the annual figures for the years ended December 31, 2025, December 31, 2024, and December 31, 2023, respectively.

[iv] Pension adjustment calculated as Net Periodic Pension Benefit Cost less Current Service Cost for defined benefit pension plans.

The following table reconciles cash provided from operating activities to Free Cash Flow:

	2024					2025					2026			
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Cash provided from operating activities	**261**	**736**	**727**	**1,910**	**3,634**	**77**	**627**	**912**	**1,982**	**3,598**	**677**	**954**	**950**	**2,581**
Add (deduct):														
Fixed asset additions	(493)	(500)	(476)	(709)	**(2,178)**	(268)	(246)	(267)	(532)	**(1,313)**	(219)	(269)	(307)	**(795)**
Increase in investments, other assets and intangible assets	(125)	(170)	(115)	(207)	**(617)**	(148)	(94)	(100)	(157)	**(499)**	(168)	(77)	(75)	**(320)**
Proceeds from dispositions	87	57	38	37	**219**	26	14	27	54	**121**	82	9	16	**107**
Free Cash Flow	**(270)**	**123**	**174**	**1,031**	**1,058**	**(313)**	**301**	**572**	**1,347**	**1,907**	**372**	**617**	**584**	**1,573**

Note 3: SEGMENTED INFORMATION

	2024					2025					2026			
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Body Exteriors & Structures														
Sales	4,429	4,465	4,038	4,067	**16,999**	3,966	4,253	4,147	4,252	**16,618**	4,079	4,421	4,158	**12,658**
Adjusted EBIT	298	341	273	371	**1,283**	230	347	305	465	**1,347**	274	360	387	**1,021**
Adjusted EBIT as a percentage of sales	6.7%	7.6%	6.8%	9.1%	**7.5%**	5.8%	8.2%	7.4%	10.9%	**8.1%**	6.7%	8.1%	9.3%	**8.1%**
Power & Vision														
Sales	3,842	3,926	3,837	3,786	**15,391**	3,646	3,857	3,854	3,841	**15,198**	3,881	4,093	3,773	**11,747**
Adjusted EBIT	98	198	279	235	**810**	124	162	236	166	**688**	252	245	287	**784**
Adjusted EBIT as a percentage of sales	2.6%	5.0%	7.3%	6.2%	**5.3%**	3.4%	4.2%	6.1%	4.3%	**4.5%**	6.5%	6.0%	7.6%	**6.7%**
Seating Systems														
Sales	1,455	1,455	1,379	1,511	**5,800**	1,312	1,433	1,520	1,633	**5,898**	1,340	1,448	1,247	**4,035**
Adjusted EBIT	52	53	51	67	**223**	(30)	42	62	136	**210**	25	51	28	**104**
Adjusted EBIT as a percentage of sales	3.6%	3.6%	3.7%	4.4%	**3.8%**	-2.3%	2.9%	4.1%	8.3%	**3.6%**	1.9%	3.5%	2.2%	**2.6%**
Complete Vehicles														
Sales	1,383	1,242	1,159	1,402	**5,186**	1,276	1,226	1,085	1,261	**4,848**	1,224	1,160	996	**3,380**
Adjusted EBIT	27	20	27	56	**130**	44	28	29	50	**151**	32	37	33	**102**
Adjusted EBIT as a percentage of sales	2.0%	1.6%	2.3%	4.0%	**2.5%**	3.4%	2.3%	2.7%	4.0%	**3.1%**	2.6%	3.2%	3.3%	**3.0%**
Corporate and other														
Intercompany eliminations	(139)	(130)	(133)	(138)	**(540)**	(131)	(138)	(144)	(139)	**(552)**	(143)	(142)	(115)	**(400)**
Adjusted EBIT	(6)	(35)	(36)	(40)	**(117)**	(14)	4	(19)	(3)	**(32)**	(25)	(16)	(52)	**(93)**
Total														
Sales	10,970	10,958	10,280	10,628	**42,836**	10,069	10,631	10,462	10,848	**42,010**	10,381	10,980	10,059	**31,420**
Adjusted EBIT	469	577	594	689	**2,329**	354	583	613	814	**2,364**	558	677	683	**1,918**
Adjusted EBIT as a percentage of sales	4.3%	5.3%	5.8%	6.5%	**5.4%**	3.5%	5.5%	5.9%	7.5%	**5.6%**	5.4%	6.2%	6.8%	**6.1%**

Note 4: CASH, CASH EQUIVALENTS AND RESTRICTED CASH EQUIVALENTS

A reconciliation of Cash and cash equivalents and Restricted cash equivalents (included in prepaid expenses) to Total cash, cash equivalents and restricted cash equivalents is as follows:

	2024				2025				2026		
	1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q
Cash and cash equivalents	1,517	999	1,061	1,247	1,059	1,536	1,327	1,612	1,605	1,430	1,378
Restricted cash equivalents included in prepaid expenses	-	-	-	-	-	-	-	-	23	23	12
Total cash, cash equivalents and restricted cash equivalents	1,517	999	1,061	1,247	1,059	1,536	1,327	1,612	1,628	1,453	1,390