

**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					2025					2026
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q
<b>VEHICLE VOLUME STATISTICS (in millions)</b>											
North America	3,979	4,105	3,716	3,723	15,523	3,696	3,983	3,936	3,702	15,317	3,542
Europe	4,556	4,451	3,705	4,133	16,845	4,233	4,376	3,771	4,391	16,771	4,067
China	6,355	7,065	7,268	9,732	30,420	7,060	7,749	8,151	10,075	33,035	6,225
Rest of World	6,456	6,557	7,540	6,350	26,903	7,027	6,845	6,854	7,603	28,329	6,653
Global	21,346	22,178	22,229	23,938	89,691	22,016	22,953	22,712	25,771	93,452	20,487
Magna Steyr vehicle assembly volumes	0.034	0.027	0.023	0.021	0.105	0.022	0.019	0.015	0.016	0.072	0.025
<b>AVERAGE FOREIGN EXCHANGE RATES</b>											
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
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 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
<b>CONSOLIDATED STATEMENTS OF INCOME (LOSS)</b>											
<b>Sales</b>											
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
Power & Vision	3,842	3,926	3,837	3,786	15,391	3,646	3,857	3,854	3,841	15,198	3,881
Seating Systems	1,455	1,455	1,379	1,511	5,800	1,312	1,433	1,520	1,633	5,898	1,340
Complete Vehicles	1,383	1,242	1,159	1,402	5,186	1,276	1,226	1,085	1,261	4,848	1,224
Corporate & Other	(139)	(130)	(133)	(138)	(540)	(131)	(138)	(144)	(139)	(552)	(143)
	<b>10,970</b>	<b>10,958</b>	<b>10,280</b>	<b>10,628</b>	<b>42,836</b>	<b>10,069</b>	<b>10,631</b>	<b>10,462</b>	<b>10,848</b>	<b>42,010</b>	<b>10,381</b>
<b>Costs and expenses</b>											
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
Selling, general and administrative	516	523	487	535	2,061	539	565	531	586	2,221	557
Equity income	(34)	(9)	(13)	(45)	(101)	(20)	(32)	(44)	(47)	(143)	(95)
Adjusted EBITDA	<b>846</b>	<b>950</b>	<b>978</b>	<b>1,065</b>	<b>3,839</b>	<b>723</b>	<b>971</b>	<b>1,002</b>	<b>1,215</b>	<b>3,911</b>	<b>961</b>
Depreciation	377	373	384	376	1,510	369	388	389	401	1,547	403
Adjusted EBIT	<b>469</b>	<b>577</b>	<b>594</b>	<b>689</b>	<b>2,329</b>	<b>354</b>	<b>583</b>	<b>613</b>	<b>814</b>	<b>2,364</b>	<b>558</b>
Amortization of acquired intangible assets	28	28	28	28	112	26	29	27	29	111	19
Other expense (income), net	356	68	(188)	228	464	53	6	48	629	736	415
Interest expense, net	51	54	54	52	211	50	52	65	42	209	37
Income from operations before income taxes	<b>34</b>	<b>427</b>	<b>700</b>	<b>381</b>	<b>1,542</b>	<b>225</b>	<b>496</b>	<b>473</b>	<b>114</b>	<b>1,308</b>	<b>87</b>
Income tax expense	8	99	192	147	446	72	102	140	111	425	88
Net (loss) income	<b>26</b>	<b>328</b>	<b>508</b>	<b>234</b>	<b>1,096</b>	<b>153</b>	<b>394</b>	<b>333</b>	<b>3</b>	<b>883</b>	<b>(1)</b>
Income attributable to non-controlling interests	(17)	(15)	(24)	(31)	(87)	(7)	(15)	(28)	(4)	(54)	(11)
Net (loss) income attributable to Magna International Inc.	<b>9</b>	<b>313</b>	<b>484</b>	<b>203</b>	<b>1,009</b>	<b>146</b>	<b>379</b>	<b>305</b>	<b>(1)</b>	<b>829</b>	<b>(12)</b>
Diluted (loss) earnings per common share	<b>\$ 0.03</b>	<b>\$ 1.09</b>	<b>\$ 1.68</b>	<b>\$ 0.71</b>	<b>\$ 3.52</b>	<b>\$ 0.52</b>	<b>\$ 1.35</b>	<b>\$ 1.08</b>	<b>\$ -</b>	<b>\$ 2.93</b>	<b>\$ (0.04)</b>
<b>Weighted average number of Common Shares outstanding during the period (in millions):</b>											
	<b>287.1</b>	<b>287.3</b>	<b>287.3</b>	<b>285.9</b>	<b>286.9</b>	<b>282.0</b>	<b>281.7</b>	<b>281.8</b>	<b>281.2</b>	<b>282.5</b>	<b>278.1</b>
<b>NON-GAAP MEASURES</b>											
Adjusted EBITDA	846	950	978	1,065	3,839	723	971	1,002	1,215	3,911	961
Adjusted EBIT	469	577	594	689	2,329	354	583	613	814	2,364	558
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%
Adjusted net income attributable to Magna International Inc.	311	389	369	482	1,551	219	407	375	617	1,618	386
Adjusted EPS	\$ 1.08	\$ 1.35	\$ 1.28	\$ 1.69	\$ 5.41	\$ 0.78	\$ 1.44	\$ 1.33	\$ 2.18	\$ 5.73	\$ 1.38
Adjusted 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
<b>PROFITABILITY RATIOS</b>											
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%
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%
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%
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%
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%

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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
<b>CONSOLIDATED BALANCE SHEETS</b>									
<b>FUNDS EMPLOYED</b>									
<b>Current assets:</b>									
Accounts receivable	8,379	8,219	8,377	7,376	8,198	8,258	8,406	7,593	8,215
Inventories	4,511	4,466	4,592	4,151	4,184	4,207	4,233	4,126	3,964
Prepaid expenses and other	399	314	303	344	358	333	316	407	405
Held for sale assets	-	-	-	-	-	-	-	-	316
	<b>13,289</b>	<b>12,999</b>	<b>13,272</b>	<b>11,871</b>	<b>12,740</b>	<b>12,798</b>	<b>12,955</b>	<b>12,126</b>	<b>12,900</b>
<b>Current liabilities:</b>									
Accounts payable	7,855	7,639	7,608	7,194	7,376	7,127	7,261	6,895	7,216
Accrued salaries and wages	883	862	962	867	893	917	994	888	920
Other accrued liabilities	2,728	2,650	2,642	2,572	2,723	2,845	2,906	2,745	2,878
Income taxes payable (receivable)	132	79	176	192	152	88	109	106	129
Held for sale liabilities	-	-	-	-	-	-	-	-	296
	<b>11,598</b>	<b>11,230</b>	<b>11,388</b>	<b>10,825</b>	<b>11,144</b>	<b>10,977</b>	<b>11,270</b>	<b>10,634</b>	<b>11,439</b>
Working capital	<b>1,691</b>	<b>1,769</b>	<b>1,884</b>	<b>1,046</b>	<b>1,596</b>	<b>1,821</b>	<b>1,685</b>	<b>1,492</b>	<b>1,461</b>
Investments	1,195	1,161	1,165	1,045	1,062	1,129	1,098	1,103	1,289
Fixed assets, net	9,545	9,623	9,836	9,584	9,650	9,853	9,707	9,507	9,012
Goodwill, other assets and intangible assets	4,646	4,709	4,865	4,532	4,669	4,896	4,876	4,277	4,108
Operating lease right-of-use assets	1,733	1,688	1,780	1,941	2,032	2,061	2,024	1,928	1,865
Funds employed	<b>18,810</b>	<b>18,950</b>	<b>19,530</b>	<b>18,148</b>	<b>19,009</b>	<b>19,760</b>	<b>19,390</b>	<b>18,307</b>	<b>17,735</b>
<b>FINANCING</b>									
<b>Net debt and leases:</b>									
Cash and cash equivalents	(1,517)	(999)	(1,061)	(1,247)	(1,059)	(1,536)	(1,327)	(1,612)	(1,605)
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
Long-term debt	4,549	4,863	4,916	4,134	3,892	4,984	4,967	4,685	4,643
Current portion of operating lease liabilities	306	306	319	293	305	318	323	328	328
Operating lease liabilities	1,407	1,378	1,458	1,662	1,742	1,759	1,722	1,649	1,573
	<b>6,407</b>	<b>6,461</b>	<b>6,525</b>	<b>5,821</b>	<b>6,499</b>	<b>6,580</b>	<b>6,151</b>	<b>5,077</b>	<b>5,095</b>
Long-term employee benefit liabilities	584	564	571	533	552	574	573	554	530
Other long-term liabilities	471	507	339	396	349	267	298	399	426
Deferred tax assets, net	(576)	(592)	(592)	(542)	(557)	(564)	(567)	(562)	(588)
	<b>479</b>	<b>479</b>	<b>318</b>	<b>387</b>	<b>344</b>	<b>277</b>	<b>304</b>	<b>391</b>	<b>368</b>
Shareholders' equity	11,924	12,010	12,687	11,940	12,166	12,903	12,935	12,839	12,272
	<b>18,810</b>	<b>18,950</b>	<b>19,530</b>	<b>18,148</b>	<b>19,009</b>	<b>19,760</b>	<b>19,390</b>	<b>18,307</b>	<b>17,735</b>
<b>ASSET UTILIZATION RATIOS</b>									
Days in accounts receivable	68.7	67.5	73.3	62.5	73.3	69.9	72.3	63.0	71.2
Days in accounts payable	73.3	72.4	77.6	71.4	75.2	70.3	72.8	68.2	72.5
Inventory turnover - cost of goods sold	8.5	8.5	7.7	8.7	8.4	8.7	8.5	8.8	9.0
Working capital turnover	25.9	24.8	21.8	40.6	25.2	23.4	24.8	29.1	28.4
Total asset turnover	2.3	2.3	2.1	2.3	2.1	2.2	2.2	2.4	2.3
<b>CAPITAL STRUCTURE</b>									
Net debt and leases	34.1%	34.1%	33.4%	32.1%	34.2%	33.3%	31.7%	27.7%	28.7%
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%
Shareholders' equity	63.4%	63.4%	65.0%	65.8%	64.0%	65.3%	66.7%	70.1%	69.2%
	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Adjusted Debt to Adjusted EBITDA	1.98x	1.91x	1.93x	1.75x	1.92x	2.03x	1.88x	1.59x	1.50x
Debt to total capitalization	39.9%	38.3%	37.4%	37.2%	38.3%	38.6%	36.6%	34.3%	35.3%

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

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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
Loss on assets held for sale	-	-	-	-	-	-	-	-	-	-	485
Restructuring activities	38	55	-	94	187	44	13	46	15	118	26
Investment revaluations, (gains) losses on sales, and impairments	2	3	1	3	9	9	(7)	2	(1)	3	(96)
Impairments	-	-	-	79	79	-	-	-	615	615	-
Impacts related to Fisker Inc. ["Fisker"]	316	19	(189)	52	198	-	-	-	-	-	-
Gain on business combination	-	(9)	-	-	(9)	-	-	-	-	-	-
	<b>356</b>	<b>68</b>	<b>(188)</b>	<b>228</b>	<b>464</b>	<b>53</b>	<b>6</b>	<b>48</b>	<b>629</b>	<b>736</b>	<b>415</b>

**[a] Loss on assets held for sale**

During the first quarter of 2026, the Company entered into definitive agreements to divest its European Lighting and Rooftop Systems businesses. Subsequent to March 31, 2026, the Company entered into a definitive agreement to divest its Lighting business in North America, South America, and China. 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. These businesses are reported within the Company's Power & Vision segment.

The Company determined that the carrying amount of the disposal groups exceeded its fair value less costs to sell and recognized an impairment loss of \$485 million. All three transactions are expected to close during the second half 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
Complete Vehicles	26	-	-	29	55	33	-	12	13	58	21
Power & Vision	-	55	-	49	104	11	13	34	(7)	51	5
Body Exteriors & Structures	12	-	-	16	28	-	-	-	9	9	-
	<b>38</b>	<b>55</b>	<b>-</b>	<b>94</b>	<b>187</b>	<b>44</b>	<b>13</b>	<b>46</b>	<b>15</b>	<b>118</b>	<b>26</b>

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, the Company's Power & Vision segment recorded \$10 million of equity losses 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] 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
(Gains) and losses related to revaluation and disposition	2	3	1	(10)	(4)	9	(7)	-	(1)	1	(110)
Non-cash impairment charges	-	-	-	13	13	-	-	2	-	2	14
	<b>2</b>	<b>3</b>	<b>1</b>	<b>3</b>	<b>(9)</b>	<b>9</b>	<b>(7)</b>	<b>2</b>	<b>(1)</b>	<b>3</b>	<b>(96)</b>

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.

**[d] 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.

**[e] 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.

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

**[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
Income from operations before income taxes	34	427	700	381	1,542	225	496	473	114	1,308	87
Exclude:											
Amortization of acquired intangible assets	28	28	28	28	112	26	29	27	29	111	19
Other expense (income), net	356	68	(188)	228	464	53	6	48	629	736	415
Interest expense, net	51	54	54	52	211	50	52	65	42	209	37
<b>Adjusted EBIT</b>	<b>469</b>	<b>577</b>	<b>594</b>	<b>689</b>	<b>2,329</b>	<b>354</b>	<b>583</b>	<b>613</b>	<b>814</b>	<b>2,364</b>	<b>558</b>

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
Net (loss) income	26	328	508	234	1,096	153	394	333	3	883	(1)
Add (deduct):											
Interest expense, net	51	54	54	52	211	50	52	65	42	209	37
Amortization of acquired intangible assets	28	28	28	28	112	26	29	27	29	111	19
Other expense (income), net	356	68	(188)	228	464	53	6	48	629	736	415
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)
Adjustments to Deferred Tax Valuation Allowances	-	-	-	51	51	-	-	-	-	-	-
<b>Adjusted After-tax operating profits</b>	<b>368</b>	<b>446</b>	<b>432</b>	<b>555</b>	<b>1,801</b>	<b>263</b>	<b>463</b>	<b>451</b>	<b>655</b>	<b>1,832</b>	<b>425</b>
<b>Total Assets</b>	<b>32,678</b>	<b>31,986</b>	<b>32,790</b>	<b>31,039</b>		<b>32,074</b>	<b>33,175</b>	<b>32,907</b>	<b>31,417</b>		<b>31,660</b>
Excluding:											
Cash and cash equivalents	(1,517)	(999)	(1,061)	(1,247)		(1,059)	(1,536)	(1,327)	(1,612)		(1,605)
Deferred tax assets	(753)	(807)	(811)	(819)		(862)	(902)	(920)	(864)		(881)
<b>Less Current Liabilities</b>	<b>(13,566)</b>	<b>(12,449)</b>	<b>(12,600)</b>	<b>(12,097)</b>		<b>(13,068)</b>	<b>(12,350)</b>	<b>(12,059)</b>	<b>(10,989)</b>		<b>(11,923)</b>
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
Current portion of operating lease liabilities	306	306	319	293		305	318	323	328		328
<b>Invested Capital</b>	<b>18,810</b>	<b>18,950</b>	<b>19,530</b>	<b>18,148</b>		<b>19,009</b>	<b>19,760</b>	<b>19,390</b>	<b>18,307</b>		<b>17,735</b>
Adjusted After-tax operating profits	368	446	432	555	1,801	263	463	451	655	1,832	425
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
<b>Adjusted Return on Invested Capital</b>	<b>7.8%</b>	<b>9.4%</b>	<b>9.0%</b>	<b>11.8%</b>	<b>9.5%</b>	<b>5.7%</b>	<b>9.6%</b>	<b>9.2%</b>	<b>13.9%</b>	<b>9.7%</b>	<b>9.4%</b>

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
<b>Net (loss) income attributable to Magna International Inc.</b>	<b>9</b>	<b>313</b>	<b>484</b>	<b>203</b>	<b>1,009</b>	<b>146</b>	<b>379</b>	<b>305</b>	<b>(1)</b>	<b>829</b>	<b>(12)</b>
<b>Exclude:</b>											
Amortization of acquired intangible assets	22	23	22	22	89	21	24	22	26	93	17
Loss on assets held for sale	-	-	-	-	-	-	-	-	-	-	452
Impairments	-	-	-	79	79	-	-	-	578	578	-
Restructuring activities	32	45	-	82	159	44	9	46	15	114	25
Investment revaluations, (gains) losses on sales, and impairments	1	2	3	6	12	8	(5)	2	(1)	4	(96)
Impacts related to Fisker Inc. ["Fisker"]	247	15	(140)	39	161	-	-	-	-	-	-
Gain on business combination	-	(9)	-	-	(9)	-	-	-	-	-	-
Adjustments to Deferred Tax Valuation Allowance	-	-	-	51	51	-	-	-	-	-	-
<b>Adjusted net income attributable to Magna International Inc.</b>	<b>311</b>	<b>389</b>	<b>369</b>	<b>482</b>	<b>1,551</b>	<b>219</b>	<b>407</b>	<b>375</b>	<b>617</b>	<b>1,618</b>	<b>386</b>

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
<b>Diluted (loss) earnings per common share</b>	<b>\$ 0.03</b>	<b>\$ 1.09</b>	<b>\$ 1.68</b>	<b>\$ 0.71</b>	<b>\$ 3.52</b>	<b>\$ 0.52</b>	<b>\$ 1.35</b>	<b>\$ 1.08</b>	<b>\$ -</b>	<b>\$ 2.93</b>	<b>\$ (0.04)</b>
<b>Exclude:</b>											
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
Loss on assets held for sale	-	-	-	-	-	-	-	-	-	-	1.61
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
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)
Impacts related to Fisker Inc. ["Fisker"]	0.86	0.05	(0.49)	0.14	0.56	-	-	-	-	-	-
Gain on business combination	-	(0.03)	-	-	(0.03)	-	-	-	-	-	-
Adjustments to Deferred Tax Valuation Allowance	-	-	-	0.18	0.18	-	-	-	-	-	-
<b>Adjusted EPS</b>	<b>\$ 1.08</b>	<b>\$ 1.35</b>	<b>\$ 1.28</b>	<b>\$ 1.69</b>	<b>\$ 5.41</b>	<b>\$ 0.78</b>	<b>\$ 1.44</b>	<b>\$ 1.33</b>	<b>\$ 2.18</b>	<b>\$ 5.73</b>	<b>\$ 1.38</b>

[iii] 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
<b>Diluted weighted average number of Common Shares outstanding during the period (in millions):</b>	<b>287.1</b>	<b>287.3</b>	<b>287.3</b>	<b>285.9</b>	<b>286.9</b>	<b>282.0</b>	<b>281.7</b>	<b>281.8</b>	<b>281.2</b>	<b>282.5</b>	<b>278.1</b>
Adjusted Dilutive impact of stock option and share awards	-	-	-	-	-	-	-	-	1.5	-	1.8
<b>Adjusted Diluted weighted average number of Common Shares outstanding during the period (in millions):</b>	<b>287.1</b>	<b>287.3</b>	<b>287.3</b>	<b>285.9</b>	<b>286.9</b>	<b>282.0</b>	<b>281.7</b>	<b>281.8</b>	<b>282.7</b>	<b>282.5</b>	<b>279.9</b>

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

[i] 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.

[ii] 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
<b>Cash provided from operating activities</b>	<b>261</b>	<b>736</b>	<b>727</b>	<b>1,910</b>	<b>3,634</b>	<b>77</b>	<b>627</b>	<b>912</b>	<b>1,982</b>	<b>3,598</b>	<b>677</b>
<b>Add (deduct):</b>											
Fixed asset additions	(493)	(500)	(476)	(709)	(2,178)	(268)	(246)	(267)	(532)	(1,313)	(219)
Increase in investments, other assets and intangible assets	(125)	(170)	(115)	(207)	(617)	(148)	(94)	(100)	(157)	(499)	(168)
Proceeds from disposition	87	57	38	37	219	26	14	27	54	121	82
<b>Free Cash Flow</b>	<b>(270)</b>	<b>123</b>	<b>174</b>	<b>1,031</b>	<b>1,058</b>	<b>(313)</b>	<b>301</b>	<b>572</b>	<b>1,347</b>	<b>1,907</b>	<b>372</b>

**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
<b>Body Exteriors &amp; Structures</b>											
Sales	4,429	4,465	4,038	4,067	16,999	3,966	4,253	4,147	4,252	16,618	4,079
Adjusted EBIT	298	341	273	371	1,283	230	347	305	465	1,347	274
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%
<b>Power &amp; Vision</b>											
Sales	3,842	3,926	3,837	3,786	15,391	3,646	3,857	3,854	3,841	15,198	3,881
Adjusted EBIT	98	198	279	235	810	124	162	236	166	688	252
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%
<b>Seating Systems</b>											
Sales	1,455	1,455	1,379	1,511	5,800	1,312	1,433	1,520	1,633	5,898	1,340
Adjusted EBIT	52	53	51	67	223	(30)	42	62	136	210	25
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%
<b>Complete Vehicles</b>											
Sales	1,383	1,242	1,159	1,402	5,186	1,276	1,226	1,085	1,261	4,848	1,224
Adjusted EBIT	27	20	27	56	130	44	28	29	50	151	32
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%
<b>Corporate and other</b>											
Intercompany eliminations	(139)	(130)	(133)	(138)	(540)	(131)	(138)	(144)	(139)	(552)	(143)
Adjusted EBIT	(6)	(35)	(36)	(40)	(117)	(14)	4	(19)	(3)	(32)	(25)
<b>Total</b>											
Sales	10,970	10,958	10,280	10,628	42,836	10,069	10,631	10,462	10,848	42,010	10,381
Adjusted EBIT	469	577	594	689	2,329	354	583	613	814	2,364	558
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%

**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
Cash and cash equivalents	1,517	999	1,061	1,247	1,059	1,536	1,327	1,612	1,605
Restricted cash equivalents included in prepaid expenses	-	-	-	-	-	-	-	-	23
<b>Total cash, cash equivalents and restricted cash equivalents</b>	<b>1,517</b>	<b>999</b>	<b>1,061</b>	<b>1,247</b>	<b>1,059</b>	<b>1,536</b>	<b>1,327</b>	<b>1,612</b>	<b>1,628</b>