MAGNA
Forward. For all.

2026
Third Quarter Report

Magna International Inc.

MAGNA INTERNATIONAL INC.

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

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

This MD&A should be read in conjunction with the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2026 included in this Quarterly Report, and the audited consolidated financial statements and MD&A for the year ended December 31, 2025 included in our 2025 Annual Report to Shareholders.

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

This MD&A has been prepared as at October 29, 2026.

HIGHLIGHTS

Comparing the third quarters of 2026 and 2025:

- Global light vehicle production decreased 3%, reflecting lower production of 5% in North America and 7% in China, partially offset by 3% higher production in Europe.
- Total sales decreased 4% to $10.1 billion, largely reflecting lower global light vehicle production, the end of production of certain programs, the dispositions of our Lighting and Rooftop Systems businesses, and lower complete vehicle assembly sales, partially offset by the launch of new programs.
- Income from operations before income taxes increased 17% to $552 million, and Adjusted EBIT[(1)] increased 11% to $683 million, largely reflecting higher net favourable commercial items, the impact of productivity and efficiency improvements, and recoveries for tariffs and lower tariff costs incurred, partially offset by lower contribution on lower sales, higher commodity costs and net transactional foreign exchange losses.
- Adjusted EBIT as a percentage of sales[(1)] increased 90 basis points to 6.8%.
- Diluted earnings per share increased 33% to $1.44, and Adjusted EPS[(1)] was $1.83, up 38% from last year. The increase in Adjusted EPS was mainly due to the higher Adjusted EBIT, a 6% decrease in weighted average diluted shares outstanding as a result of share repurchases subsequent to the third quarter of 2025, lower interest expense and effective tax rate.
- Cash from operating activities increased 4% to $950 million, primarily driven by higher net income.

In addition, during the third quarter of 2026, we:

- Returned $658 million to shareholders through $529 million in share repurchases and $129 million paid in dividends;
- Were awarded new transfer case and rear drive module business with a North American-based global OEM and new latching business with another North American-based global OEM; and
- Completed the divestitures of our Lighting North America and Rooftop Systems businesses.

Subject to the approval by the Toronto Stock Exchange, our Board of Directors approved a new Normal Course Issuer Bid ["NCIB"] to purchase up to 25.8 million of our Common Shares, representing approximately 10% of our public float. This NCIB is expected to be effective on November 9, 2026 and will terminate no later than November 8, 2027.

[1] Adjusted EBIT, Adjusted EBIT as a percentage of sales, and Adjusted EPS are Non-GAAP financial measures. Refer to the section "Use of Non-GAAP Measures".

OVERVIEW

OUR BUSINESS

Magna is one of the world's largest automotive suppliers and a trusted partner to automakers in the industry's most critical markets globally. With operations in 27 countries, we combine global scale with trusted reliability and proven execution. Backed by nearly seven decades of experience, we bring together deep manufacturing expertise with innovative vehicle systems to deliver performance, safety, and quality. For further information about Magna (NYSE:MGA; TSX:MG), please visit www.magna.com or follow us on social.

INDUSTRY TRENDS & RISKS

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

Ordinarily, OEM production volumes are aligned with vehicle sales levels and thus affected by changes in such levels. Aside from vehicle sales levels, production volumes may be impacted by a range of factors, including: geopolitical factors, such as military conflicts and tariffs; supply chains, including disruption to supply of and/or increased costs of steel, aluminum, resins, and energy supplies, as well as semiconductor and memory (DRAM) chips; OEM, supplier or sub-supplier disruptions; relative currency values; commodity prices; infrastructure; labour disruptions, as well as the availability and relative cost of skilled labour; regulatory frameworks; and other factors.

Overall vehicle sales levels are significantly affected by changes in consumer confidence levels, which may in turn be impacted by consumer perceptions and general trends related to the job, housing, and stock markets, as well as other macroeconomic and political factors. Other factors which may impact vehicle sales levels and thus production volumes include: vehicle affordability; interest rates and/or availability of credit; fuel and energy prices; relative currency values; and considerations applicable to EVs, including EV range, charging infrastructure, electricity pricing, and availability of government rebates.

While the foregoing economic, political and other factors are part of the general context in which the global automotive industry operates, there are a number of significant industry trends that are shaping the future of the industry and creating opportunities and risks for automotive suppliers. We continue to implement a business strategy which is rooted in our best assessment as to the rate and direction of change in the automotive industry. Our short and medium-term operational success, as well as our ability to create long-term value through our business strategy, are subject to a number of risks and uncertainties. Significant industry trends, our business strategy and the major risks we face, are discussed in our Annual Information Form ["AIF"] and Annual Report on Form 40-F ["Form 40-F"] in respect of the year ended December 31, 2025, together with subsequent filings. Those industry trends and risk factors remain substantially unchanged in respect of the third quarter ended September 30, 2026.

USE OF NON-GAAP FINANCIAL MEASURES

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

RESULTS OF OPERATIONS

AVERAGE FOREIGN EXCHANGE

	For the three months ended September 30,				For the nine months ended September 30,			
	2026	2025	Change		**2026**	2025	Change	
1 Canadian dollar equals U.S. dollars	**0.715**	0.726	-	2%	**0.722**	0.715	+	1%
1 euro equals U.S. dollars	**1.152**	1.169	-	1%	**1.162**	1.118	+	4%
1 Chinese renminbi equals U.S. dollars	**0.148**	0.140	+	6%	**0.147**	0.139	+	6%

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

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

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

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

LIGHT VEHICLE PRODUCTION VOLUMES

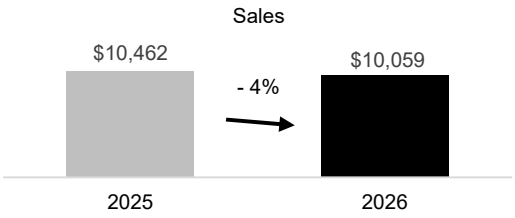
Our operating results are mostly dependent on light vehicle production in the regions reflected in the table below:

Light Vehicle Production Volumes *(thousands of units)*

	For the three months ended September 30,				For the nine months ended September 30,			
	2026	2025	Change		**2026**	2025	Change	
North America	**3,750**	3,933	-	5%	**11,453**	11,603	-	1%
Europe	**3,860**	3,761	+	3%	**12,533**	12,347	+	2%
China	**7,595**	8,143	-	7%	**21,370**	22,945	-	7%
Other	**6,759**	6,841	-	1%	**21,176**	20,703	+	2%
Global	**21,964**	22,678	-	3%	**66,532**	67,598	-	2%

RESULTS OF OPERATIONS – FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2026

SALES



Sales decreased 4%, or $403 million, to $10.06 billion for the third quarter of 2026 compared to $10.46 billion for the third quarter of 2025 primarily due to:

- lower global light vehicle production;
- the end of production of certain programs;
- the divestitures of our Lighting and Rooftop Systems businesses during 2026;
- net customer price concessions subsequent to the third quarter of 2025;
- lower engineering revenue, primarily in our Complete Vehicles segment; and
- the net weakening of foreign currencies against the U.S. dollar, which decreased reported U.S. dollar sales by $14 million.

These factors were partially offset by:

- the launch of new programs during or subsequent to the third quarter of 2025; and
- net commercial items, which had a favourable impact on a year-over-year basis.

COST OF GOODS SOLD

	For the three months ended September 30,		
	2026	2025	Change
Material	**$ 5,965**	$ 6,374	$ (409)
Direct labour	**709**	743	(34)
Overhead	**1,759**	1,856	(97)
Cost of goods sold	**$ 8,433**	$ 8,973	$ (540)

Cost of goods sold decreased $540 million to $8.43 billion for the third quarter of 2026 compared to $8.97 billion for the third quarter of 2025, primarily due to:

- lower material, direct labour, and overhead associated with lower organic sales;
- the divestitures of our Lighting and Rooftop Systems businesses during 2026;
- productivity and efficiency improvements, including the benefit of operational excellence initiatives and prior restructuring actions;
- recoveries for tariffs and lower tariff costs incurred;
- lower net engineering costs on lower engineering revenue, primarily in our Complete Vehicles segment; and
- the net weakening of foreign currencies against the U.S. dollar, which decreased reported U.S. dollar costs of goods sold by $16 million.

These factors were partially offset by:

- higher commodity costs; and
- higher pre-operating costs incurred at new facilities.

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

SG&A expense increased $60 million to $591 million for the third quarter of 2026 compared to $531 million for the third quarter of 2025, primarily as a result of:

- net transactional foreign exchange losses in the third quarter of 2026 compared to net transactional foreign exchange gains in the third quarter of 2025;
- higher implementation costs related to operational excellence initiatives;
- higher professional fees; and
- higher incentive compensation expense.

These factors were partially offset by:

- lower investments in research, development, and reduced spending in our new mobility business;
- the divestitures of our Lighting and Rooftop Systems businesses during 2026; and
- lower labour and benefit costs.

DEPRECIATION

Depreciation decreased $2 million to $387 million for the third quarter of 2026 compared to $389 million for the third quarter of 2025, primarily due to the divestitures of our Lighting and Rooftop Systems businesses during 2026, and the end of production of certain programs. These factors were partially offset by increased capital deployed at new and existing facilities, including to support the launch of programs.

AMORTIZATION OF ACQUIRED INTANGIBLE ASSETS

Amortization of acquired intangible assets decreased $10 million to $17 million for the third quarter of 2026 compared to $27 million for the third quarter of 2025 primarily due to the impairment of acquired intangible assets in our Electronics reporting unit in our Power & Vision segment during the fourth quarter of 2025.

INTEREST EXPENSE, NET

During the third quarter of 2026, we recorded net interest expense of $35 million compared to $65 million for the third quarter of 2025. The $30 million decrease was primarily a result of lower interest expense on decreased long-term debt and short-term borrowings, and interest incurred on a value-added tax ["VAT"] reassessment during the third quarter of 2025.

EQUITY INCOME

Equity income decreased $9 million to $35 million for the third quarter of 2026 compared to $44 million for the third quarter of 2025, primarily as a result of reduced earnings on lower sales and unfavourable product mix at certain equity-accounted entities, and higher income tax expense. These factors were partially offset by net commercial items, which had a favourable impact on a year-over-year basis, and lower depreciation expense, primarily due to the impairment of long-lived assets during the fourth quarter of 2025 at certain equity-accounted entities.

OTHER EXPENSE, NET

	For the three months ended September 30,	
	2026	2025
Restructuring activities [(1)]	**$ 83**	$ 46
Loss on assets held for sale [(2)]	**5**	—
Impacts related to Fisker [(3)]	**(4)**	—
Investments [(4)]	**(5)**	2
Other expense, net	**$ 79**	$ 48

(1) Restructuring activities

	For the three months ended September 30,	
	2026	2025
Power & Vision	**$ 76**	$ 34
Body Exteriors & Structures	**7**	—
Complete Vehicles	**—**	12
Other expense, net	**83**	46
Tax effect	**—**	—
Net loss attributable to Magna	**$ 83**	$ 46

During the third quarter of 2026, we recorded restructuring charges of $76 million [$76 million after tax] in our Power & Vision segment related to plant closures and significant rightsizing at facilities in Europe. In our Body Exteriors & Structures segment, we recorded restructuring charges of $7 million [$7 million after tax] related to rightsizing at a facility in Europe.

During the third quarter of 2025, we recorded $24 million [$24 million after tax] of charges related to significant rightsizing activities and plant consolidations at facilities primarily in Europe, as well as $10 million [$10 million after tax] of equity losses related to our share of restructuring activities at an equity method investee, each in our Power & Vision segment. In our Complete Vehicles segment, we recorded $12 million [$12 million after tax] of charges related to rightsizing activities at two facilities in Europe.

(2) Loss on assets held for sale

	Three months ended September 30,			Nine months ended September 30,		
	Lighting	**Rooftop Systems**	**Total**	**Lighting**	**Rooftop Systems**	**Total**
Total asset impairment	$ 3	$ —	$ 3	$ 424	$ 74	$ 498
Costs to sell incurred	—	1	1	2	2	4
Total impairment loss	**3**	**1**	**4**	**426**	**76**	**502**
Loss (gain) on divestiture	3	(2)	1	1	(2)	(1)
Other expense (income), net	**6**	**(1)**	**5**	**427**	**74**	**501**
Tax effect	6	—	6	(27)	—	(27)
Net loss (gain) attributable to Magna	**$ 12**	**$ (1)**	**$ 11**	**$ 400**	**$ 74**	**$ 474**

Sale of Lighting and Rooftop Systems Businesses

During the three and nine months ended September 30, 2026, we recognized an impairment loss of $4 million and $502 million related to the held for sale assets of our Lighting and Rooftop Systems businesses.

On June 29, 2026, we completed the sale of our Lighting Europe business to Mutares SE & Co. KGaA ["Mutares"] and provided the buyer with $18 million of funding, net of transaction costs. We recognized a gain on divestiture of $2 million upon closing.

On August 4, 2026, we completed the sale of our Rooftop Systems business to Mutares and provided the buyer with $19 million of funding, net of transaction costs. We recognized a gain on divestiture of $2 million upon closing.

On August 4, 2026, we completed the sale of our Lighting North America business to AURELIUS Investment Lux Alpha SARL ["AURELIUS"] for total consideration of $62 million, net of transaction costs. We recognized a loss on divestiture of $3 million upon closing.

(3) Impacts related to Fisker

During the third quarter of 2026, we recognized a gain of $4 million [$3 million after tax] related to the settlement of claims associated with Fisker's bankruptcy.

(4) Investments

	For the three months ended September 30,	
	2026	2025
Net revaluation gain on public and private equity investments	**$ (5)**	$ (1)
Non-cash impairment charge	**—**	2
Loss on sales of public equity investments	**—**	1
Other (income) expense, net	**(5)**	2
Tax effect	**1**	—
Net (gain) loss attributable to Magna	**$ (4)**	$ 2

INCOME FROM OPERATIONS BEFORE INCOME TAXES

Income from operations before income taxes was $552 million for the third quarter of 2026 compared to $473 million for the third quarter of 2025. The $79 million increase is a result of the following changes, each as discussed above:

	For the three months ended September 30,		
	2026	2025	Change [(i)]
Sales	**$ 10,059**	$ 10,462	$ (403)
Costs and expenses			
Cost of goods sold	**8,433**	8,973	540
Selling, general & administrative	**591**	531	(60)
Depreciation	**387**	389	2
Amortization of acquired intangible assets	**17**	27	10
Interest expense, net	**35**	65	30
Equity income	**(35)**	(44)	(9)
Other expense, net	**79**	48	(31)
Income from operations before income taxes	**$ 552**	$ 473	$ 79

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

INCOME TAXES

	For the three months ended September 30,			
	2026		2025	
Income taxes as reported	**$ 152**	**27.5%**	$ 140	29.6%
Tax effect on Other expense, net and Amortization of acquired intangible assets	**(7)**	**(5.1)**	5	(3.1)
Adjusted income taxes	**$ 145**	**22.4%**	$ 145	26.5%

Excluding the tax effect on Other expense, net and Amortization of acquired intangible assets, our effective income tax rate decreased to 22.4% for the third quarter of 2026, compared to 26.5% for the third quarter of 2025, primarily due to a change in mix of earnings and lower unfavourable changes in our reserves for uncertain tax positions.

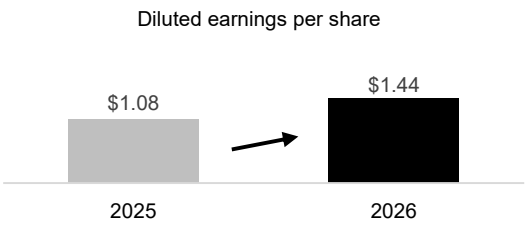
INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

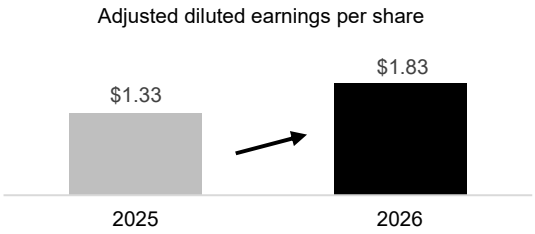
Income attributable to non-controlling interests was $17 million for the third quarter of 2026 compared to $28 million for the third quarter of 2025. The $11 million decrease was primarily due to lower income at certain entities in China, and the acquisition of the non-controlling 35% interest in a consolidated subsidiary, which had income during the third quarter of 2025, prior to the acquisition.

NET INCOME ATTRIBUTABLE TO MAGNA INTERNATIONAL INC.

Net income attributable to Magna International Inc. was $383 million for the third quarter of 2026 compared to $305 million for the third quarter of 2025. This $78 million increase was as a result of an increase in income from operations before income taxes of $79 million, and a decrease in income attributable to non-controlling interests of $11 million, partially offset by an increase in income taxes of $12 million.

EARNINGS PER SHARE





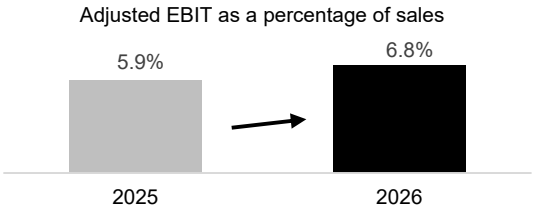
	For the three months ended September 30,		
	2026	2025	% Change
Earnings per Common Share			
Basic	**$ 1.45**	$ 1.08	+ 34%
Diluted	**$ 1.44**	$ 1.08	+ 33%
Weighted average number of Common Shares outstanding (millions)			
Basic	**263.7**	281.8	- 6%
Diluted	**266.0**	281.8	- 6%
Adjusted EPS	**$ 1.83**	$ 1.33	+ 38%

Diluted earnings per share was $1.44 for the third quarter of 2026, compared to diluted earnings per share of $1.08 for the third quarter of 2025. The $0.36 increase was driven primarily by higher net income attributable to Magna International Inc., as discussed above, and a decrease in the weighted average number of diluted shares outstanding. The decrease in the weighted average number of diluted shares outstanding was substantially due to the purchase and cancellation of Common Shares subsequent to the third quarter of 2025, pursuant to our normal course issuer bid, partially offset by the impact of equity-based compensation during the same period.

Other expense, net, and Amortization of acquired intangible assets, each after tax, negatively impacted diluted earnings per share by $0.39 in the third quarter of 2026 and $0.25 in the third quarter of 2025, respectively. Adjusted EPS, as reconciled in the "Non-GAAP Financial Measures Reconciliation" section, was $1.83 for the third quarter of 2026, compared to $1.33 for the third quarter of 2025, an increase of $0.50 or 38%.

NON-GAAP PERFORMANCE MEASURES – FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2026

ADJUSTED EBIT AS A PERCENTAGE OF SALES



The table below shows the change in Magna's Sales and Adjusted EBIT by segment, as well as the impact each segment's changes had on Magna's Adjusted EBIT as a percentage of sales, for the third quarter of 2026 compared to the third quarter of 2025:

	Sales	Adjusted EBIT	Adjusted EBIT as a percentage of sales
Third quarter of 2025	$ 10,462	$ 613	5.9%
Increase (decrease) related to:			
Body Exteriors & Structures	11	82	+ 0.8%
Power & Vision	(81)	51	+ 0.5%
Seating Systems	(273)	(34)	- 0.2%
Complete Vehicles	(89)	4	+ 0.1%
Corporate and Other	29	(33)	- 0.3%
Third quarter of 2026	**$ 10,059**	**$ 683**	**6.8%**

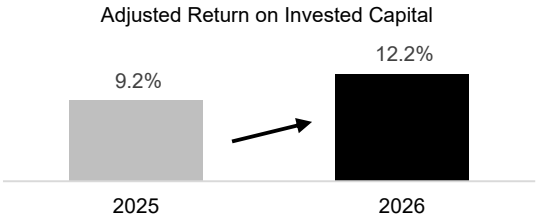
Adjusted EBIT as a percentage of sales increased to 6.8% for the third quarter of 2026 compared to 5.9% for the third quarter of 2025 primarily due to:

- net commercial items, which had a favourable impact on a year-over-year basis;
- productivity and efficiency improvements, including the benefit of operational excellence initiatives and prior restructuring actions, net of customer price concessions;
- recoveries for tariffs and lower tariff costs incurred; and
- the divestitures of our Lighting and Rooftop Systems businesses during 2026.

These factors were partially offset by:

- higher commodity costs partially offset by higher scrap recoveries;
- reduced earnings on lower organic sales, and related product mix impacts;
- net transactional foreign exchange losses in the third quarter of 2026 compared to net transactional foreign exchange gains in the third quarter of 2025;
- higher employee profit sharing and incentive compensation;
- lower equity income; and
- lower income on lower engineering revenue.

ADJUSTED RETURN ON INVESTED CAPITAL



Adjusted Return on Invested Capital increased to 12.2% for the third quarter of 2026, compared to 9.2% for the third quarter of 2025, as a result of an increase in Adjusted After-tax operating profits, and lower Average Invested Capital.

Average Invested Capital decreased $2.26 billion to $17.32 billion for the third quarter of 2026, compared to $19.58 billion for the third quarter of 2025, primarily due to:

- long-lived asset impairments during or subsequent to the third quarter of 2025;
- average depreciation expense on fixed assets in excess of average investment in fixed assets;
- a decrease in average operating assets and liabilities;
- the net weakening of foreign currencies against the U.S. dollar; and
- divestitures, net of acquisitions, during or subsequent to the third quarter of 2025.

These factors were partially offset by:

- higher net investments in public and private equity companies; and
- average amortization expense on operating lease right-of-use assets in excess of average investment in operating lease right-of-use assets.

SEGMENT ANALYSIS

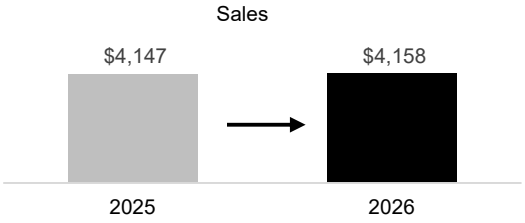
We are a global automotive supplier that has complete vehicle engineering and contract manufacturing expertise, as well as product capabilities which include body, chassis, exterior, seating, powertrain, active driver assistance, electronics, mechatronics, mirrors and lighting systems. We also have electronic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

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

	For the three months ended September 30,					
	Sales			Adjusted EBIT		
	2026	2025	Change	**2026**	2025	Change
Body Exteriors & Structures	**$ 4,158**	$ 4,147	$ 11	**$ 387**	$ 305	$ 82
Power & Vision	**3,773**	3,854	(81)	**287**	236	51
Seating Systems	**1,247**	1,520	(273)	**28**	62	(34)
Complete Vehicles	**996**	1,085	(89)	**33**	29	4
Corporate and Other	**(115)**	(144)	29	**(52)**	(19)	(33)
Total reportable segments	**$ 10,059**	$ 10,462	$ (403)	**$ 683**	$ 613	$ 70

BODY EXTERIORS & STRUCTURES

	For the three months ended September 30,			
	2026	2025	Change	
Sales	**$ 4,158**	$ 4,147	$ 11	—
Adjusted EBIT	**$ 387**	$ 305	$ 82	+ 27%
Adjusted EBIT as a percentage of sales	**9.3%**	7.4%		+ 1.9%



Sales – Body Exteriors & Structures

Sales increased $11 million, to $4.16 billion for the third quarter of 2026, compared to $4.15 billion for the third quarter of 2025, primarily due to:

- the launch of programs during or subsequent to the third quarter of 2025; and
- net commercial items, which had a favourable impact on a year-over-year basis.

These factors were partially offset by:

- lower global light vehicle production;
- the end of production of certain programs;
- net customer price concessions; and
- the net weakening of foreign currencies against the U.S. dollar, which decreased reported U.S. dollar sales by $13 million.



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

Adjusted EBIT increased $82 million to $387 million for the third quarter of 2026, compared to $305 million for the third quarter of 2025, and Adjusted EBIT as a percentage of sales increased to 9.3% from 7.4%. These increases were primarily due to:

- net commercial items, which had a favourable impact on a year-over-year basis;
- productivity and efficiency improvements, including the benefit of operational excellence initiatives and prior restructuring actions, net of customer price concessions; and
- recoveries for tariffs and lower tariff costs incurred.

These factors were partially offset by:

- reduced earnings on lower organic sales, and related product mix impacts; and
- higher commodity costs partially offset by higher scrap recoveries.

POWER & VISION

	For the three months ended September 30,		Change	
	2026	2025		
Sales	**$ 3,773**	$ 3,854	$ (81)	- 2%
Adjusted EBIT	**$ 287**	$ 236	$ 51	+ 22%
Adjusted EBIT as a percentage of sales	**7.6%**	6.1%		+ 1.5%



Sales – Power & Vision

Sales decreased 2%, or $81 million, to $3.77 billion for the third quarter of 2026, compared to $3.85 billion for the third quarter of 2025, primarily due to:

- lower global light vehicle production;
- the divestitures of our Lighting and Rooftop Systems businesses during 2026;
- the end of production of certain programs; and
- net customer price concessions.

These factors were partially offset by:

- the launch of programs during or subsequent to the third quarter of 2025;
- net commercial items, which had a favourable impact on a year-over-year basis; and
- the net strengthening of foreign currencies against the U.S. dollar, which increased reported U.S. dollar sales by $14 million.



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

Adjusted EBIT increased $51 million to $287 million for the third quarter of 2026, compared to $236 million for the third quarter of 2025, and Adjusted EBIT as a percentage of sales increased to 7.6% from 6.1%. These increases were primarily due to:

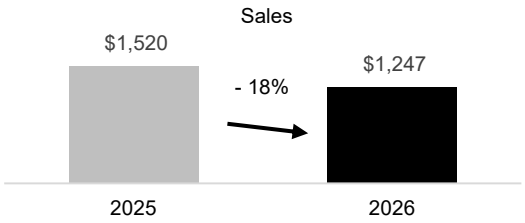
- productivity and efficiency improvements, including the benefit of operational excellence initiatives and prior restructuring actions, net of customer price concessions;
- net commercial items, which had a favourable impact on a year-over-year basis;
- recoveries for tariffs and lower tariff costs incurred;
- the divestitures of our Lighting and Rooftop Systems businesses during 2026;
- lower warranty costs of $6 million; and
- the net strengthening of foreign currencies against the U.S. dollar, which had a $5 million favourable impact on reported U.S. dollar Adjusted EBIT.

These factors were partially offset by:

- higher commodity costs;
- reduced earnings on higher organic sales, including the impact of product mix; and
- lower equity income.

SEATING SYSTEMS

	For the three months ended September 30,			
	2026	2025	Change	
Sales	**$ 1,247**	$ 1,520	$ (273)	- 18%
Adjusted EBIT	**$ 28**	$ 62	$ (34)	- 55%
Adjusted EBIT as a percentage of sales	**2.2%**	4.1%		- 1.9%

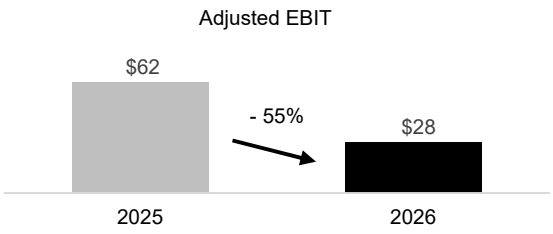


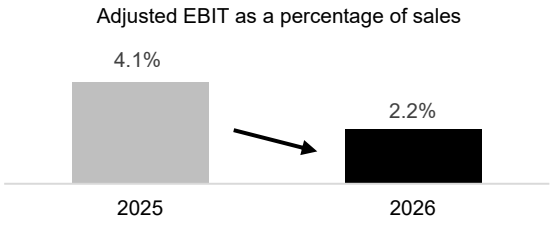
Sales – Seating Systems

Sales decreased 18%, or $273 million, to $1.25 billion for the third quarter of 2026, compared to $1.52 billion for the third quarter of 2025, primarily due to:

- lower global light vehicle production;
- the end of production of certain programs;
- the timing of a significant program in North America transitioning from the end of production to the launch of the related replacement program; and
- net customer price concessions.

These factors were partially offset by the launch of programs during or subsequent to the third quarter of 2025 and net commercial items, which had a favourable impact on a year-over-year basis.





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

Adjusted EBIT decreased $34 million to $28 million for the third quarter of 2026, compared to $62 million for the third quarter of 2025, and Adjusted EBIT as a percentage of sales decreased to 2.2% from 4.1%. These decreases were primarily due to:

- reduced earnings on lower organic sales;
- higher launch costs; and
- the benefit of government research and development incentives in the third quarter of 2025.

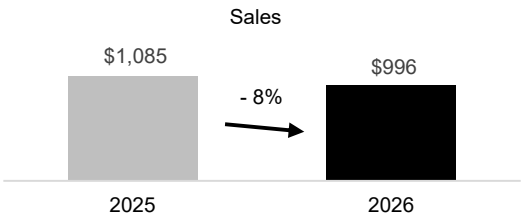
These factors were partially offset by:

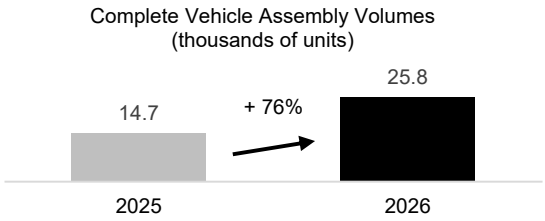
- net commercial items, which had a favourable impact on a year-over-year basis;
- lower tariff costs incurred; and
- productivity and efficiency improvements, including the benefit of operational excellence initiatives and prior restructuring actions, net of customer price concessions.

COMPLETE VEHICLES

	For the three months ended September 30,		Change	
	2026	2025		
Complete Vehicle Assembly Volumes *(thousands of units)*[(i)]	**25.8**	14.7	+ 11.1	+ 76%
Sales	**$ 996**	$ 1,085	$ (89)	- 8%
Adjusted EBIT	**$ 33**	$ 29	$ 4	+ 14%
Adjusted EBIT as a percentage of sales	**3.3%**	2.7%		+ 0.6%

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





Sales – Complete Vehicles

Sales decreased 8%, or $89 million, to $1.00 billion for the third quarter of 2026, compared to $1.09 billion for the third quarter of 2025, while complete vehicle assembly volumes increased 76%. The increase in volumes was primarily due to higher volumes with value-added contractual arrangements.

The decrease in sales is primarily a result of the end of production of certain programs with full-costed contractual arrangements, lower engineering revenue, and a $15 million decrease in reported U.S. dollar sales as a result of the weakening of the euro against the U.S. dollar. These factors were partially offset by the launch of programs with value-added contractual arrangements during the third quarter of 2025.



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

Adjusted EBIT increased $4 million to $33 million for the third quarter of 2026, compared to $29 million for the third quarter of 2025, and Adjusted EBIT as a percentage of sales increased to 3.3% from 2.7%. These increases were primarily due to higher earnings as a result of net favourable program mix.

This factor was partially offset by:

- net commercial items, which had an unfavourable impact on a year-over-year basis; and
- lower income on lower engineering revenue.

CORPORATE AND OTHER

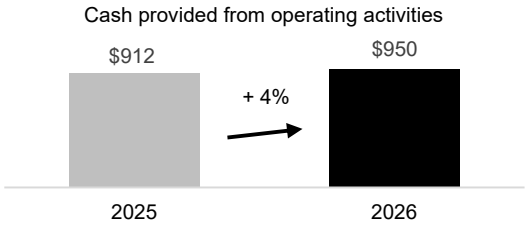
Adjusted EBIT was a loss of $52 million for the third quarter of 2026 compared to a loss of $19 million for the third quarter of 2025. The $33 million decrease was primarily due to:

- net transactional foreign exchange losses in the third quarter of 2026 compared to net transactional foreign exchange gains in the third quarter of 2025;
- higher incentive compensation expense; and
- higher professional fees.

These factors were partially offset by lower investments in research, development and reduced spending in our new mobility business.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

OPERATING ACTIVITIES



	For the three months ended September 30,		
	2026	2025	Change
Net income	**$ 400**	$ 333	
Items not involving current cash flows	**406**	454	
	806	787	$ 19
Changes in operating assets and liabilities	**144**	125	19
Cash provided from operating activities	**$ 950**	$ 912	$ 38

Cash provided from operating activities

Comparing the third quarter of 2026 to 2025, cash provided from operating activities increased by $38 million primarily as a result of higher net income, higher changes in operating assets and liabilities, offset by lower items not involving current cash flows. The key components of this increase were:

- a $95 million decrease in cash paid for labour;
- a $27 million decrease in cash interest paid;
- a $14 million increase in cash received from customers; and
- a $1 million increase in dividends received from equity investments.

These factors were partially offset by an $81 million increase in cash paid for materials and overhead and an $18 million increase in cash taxes.

Changes in operating assets and liabilities

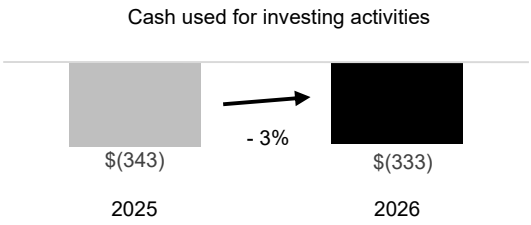
During the third quarter of 2026, we generated $144 million from operating assets and liabilities primarily consisting of:

- a $326 million decrease in production and other receivables;
- a $137 million increase in other accrued liabilities;
- a $72 million increase in accrued wages and salaries;
- a $22 million increase in taxes payable; and
- an $11 million decrease in prepaids and other.

These factors were partially offset by:

- a $249 million decrease in accounts payable;
- a $122 million increase in production inventory; and
- a $53 million increase in tooling investment for current and upcoming program launches.

INVESTING ACTIVITIES



	For the three months ended September 30,		
	2026	2025	Change
Fixed asset additions	**$ (307)**	$ (267)	
Increase in investments, other assets and intangible assets	**(75)**	(100)	
Proceeds from divestitures, net of funding provided	**33**	—	
Proceeds from dispositions of fixed assets, other assets and investments	**16**	27	
Increase in public and private equity investments	**—**	(2)	
Acquisitions	**—**	(1)	
Cash used for investing activities	**$ (333)**	$ (343)	$ 10

Cash used for investing activities in the third quarter of 2026 was $10 million lower compared to the third quarter of 2025. The change between the third quarter of 2026, and the third quarter of 2025, was primarily due to: $33 million of net proceeds from the sale of our Lighting North America and Rooftop Systems businesses, and a $25 million decrease in cash used for investments, other assets and intangible assets. These factors were partially offset by a $40 million increase in cash used for fixed assets, and an $11 million decrease in proceeds from dispositions of fixed assets, other assets and investments.

FINANCING ACTIVITIES

	For the three months ended September 30,		
	2026	2025	Change
Repurchase of Common Shares	**$ (529)**	$ —	
Dividends	**(129)**	(136)	
Dividends paid to non-controlling interests	**(29)**	(15)	
Repayments of debt	**(5)**	(672)	
Issues of debt	**3**	1	
Increase in short-term borrowings	**—**	88	
Acquisitions of non-controlling interest	**—**	(40)	
Cash used for financing activities	**$ (689)**	$ (774)	$ 85

During the third quarter of 2026, we repurchased 7.9 million Common Shares under normal course issuer bids for aggregate cash consideration of $529 million.

Cash dividends paid per Common Share were $0.495 for the third quarter of 2026, compared to $0.485 for the third quarter of 2025.

FINANCING RESOURCES

	As at September 30, 2026	As at December 31, 2025	Change
Liabilities			
Long-term debt due within one year	**$ 709**	$ 27	
Current portion of operating lease liabilities	**318**	328	
Long-term debt	**3,921**	4,685	
Operating lease liabilities	**1,483**	1,649	
	$ 6,431	$ 6,689	$ (258)

Financial liabilities decreased $258 million to $6.43 billion as at September 30, 2026, primarily as a result of payments related to existing lease obligations in excess of operating leases agreements renewed and newly entered into, and the weakening of foreign currencies against the U.S. dollar.

CASH RESOURCES

In the third quarter of 2026, our cash resources, including restricted cash equivalents, decreased by $63 million to $1.4 billion, primarily as a result of cash used for investing and financing activities, partially offset by cash provided from operating activities. In addition to our cash resources at September 30, 2026, we had lines of credit totaling $3.7 billion, of which $3.5 billion was available.

MAXIMUM NUMBER OF SHARES ISSUABLE

The following table presents the maximum number of shares that would be outstanding if all the dilutive instruments outstanding at October 29, 2026 were exercised:

Common Shares	258,660,289
Stock options [(i)] and share awards	4,080,753
	262,741,042

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

CONTRACTUAL OBLIGATIONS

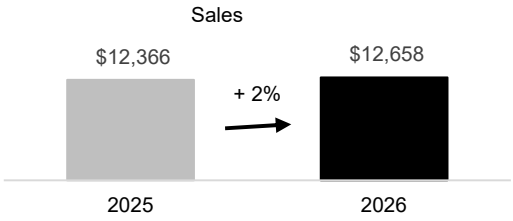
There have been no material changes with respect to the contractual obligations requiring annual payments during the third quarter of 2026 that are outside the ordinary course of our business. Refer to our MD&A included in our 2025 Annual Report.

RESULTS OF OPERATIONS – FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

	For the nine months ended September 30,					
	Sales			Adjusted EBIT		
	2026	2025	Change	**2026**	2025	Change
Body Exteriors & Structures	**$ 12,658**	$ 12,366	$ 292	**$ 1,021**	$ 882	$ 139
Power & Vision	**11,747**	11,357	390	**784**	522	262
Seating Systems	**4,035**	4,265	(230)	**104**	74	30
Complete Vehicles	**3,380**	3,587	(207)	**102**	101	1
Corporate and Other	**(400)**	(413)	13	**(93)**	(29)	(64)
Total reportable segments	**$ 31,420**	$ 31,162	$ 258	**$ 1,918**	$ 1,550	$ 368

BODY EXTERIORS & STRUCTURES

	For the nine months ended September 30,			
	2026	2025	Change	
Sales	**$ 12,658**	$ 12,366	$ 292	+ 2%
Adjusted EBIT	**$ 1,021**	$ 882	$ 139	+ 16%
Adjusted EBIT as a percentage of sales	**8.1%**	7.1%		+ 1.0%



Sales – Body Exteriors & Structures

Sales increased 2%, or $292 million, to $12.66 billion for the nine months ended September 30, 2026, compared to $12.37 billion for the nine months ended September 30, 2025, primarily due to:

- the launch of programs during or subsequent to the third quarter of 2025;
- the net strengthening of foreign currencies against the U.S. dollar, which increased reported U.S. dollar sales by $173 million; and
- net commercial items, which had a favourable impact on a year-over-year basis.

These factors were partially offset by:

- the end of production of certain programs;
- lower global light vehicle production; and
- net customer price concessions.



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

Adjusted EBIT increased $139 million to $1,021 million for the nine months ended September 30, 2026, compared to $882 million for the nine months ended September 30, 2025, and Adjusted EBIT as a percentage of sales increased to 8.1% from 7.1%. These increases were primarily due to:

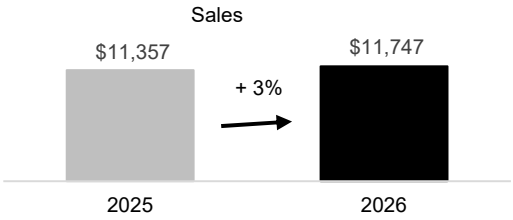
- net commercial items, which had a favourable impact on a year-over-year basis;
- productivity and efficiency improvements, including the benefit of operational excellence initiatives and prior restructuring actions, net of customer price concessions;
- net transactional foreign exchange gains in the first nine months of 2026, compared to net transactional foreign exchange losses in the first nine months of 2025;
- recoveries for tariffs and lower tariff costs incurred; and
- the net strengthening of foreign currencies against the U.S. dollar, which had an $8 million favourable impact on reported U.S. dollar Adjusted EBIT.

These factors were partially offset by:

- reduced earnings on lower organic sales, and related product mix impacts;
- higher commodity costs partially offset by higher scrap recoveries;
- higher employee profit sharing and incentive compensation; and
- higher pre-operating costs incurred at new facilities.

POWER & VISION

	For the nine months ended September 30,			
	2026	2025	Change	
Sales	**$ 11,747**	$ 11,357	$ 390	+ 3%
Adjusted EBIT	**$ 784**	$ 522	$ 262	+ 50%
Adjusted EBIT as a percentage of sales	**6.7%**	4.6%		+ 2.1%



Sales – Power & Vision

Sales increased 3%, or $390 million, to $11.75 billion for the nine months ended September 30, 2026, compared to $11.36 billion for the nine months ended September 30, 2025, primarily due to:

- the launch of programs during or subsequent to the first nine months of 2025; and
- the net strengthening of foreign currencies against the U.S. dollar, which increased reported U.S. dollar sales by $310 million.

These factors were partially offset by:

- the end of production of certain programs;
- the divestitures of our Lighting and Rooftop Systems businesses during 2026;
- lower global light vehicle production; and
- net customer price concessions.



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

Adjusted EBIT increased $262 million to $784 million for the nine months ended September 30, 2026, compared to $522 million for the nine months ended September 30, 2025, and Adjusted EBIT as a percentage of sales increased to 6.7% from 4.6%. These increases were primarily due to:

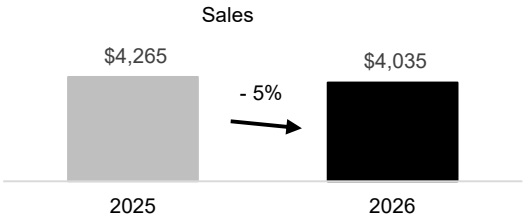
- productivity and efficiency improvements, including the benefit of operational excellence initiatives and prior restructuring actions, net of customer price concessions;
- higher equity income, including favourable commercial items during the first nine months of 2026;
- net transactional foreign exchange gains in the first nine months of 2026, compared to net transactional foreign exchange losses in the first nine months of 2025;
- the net strengthening of foreign currencies against the U.S. dollar, which had a $22 million favourable impact on reported U.S. dollar Adjusted EBIT;
- earnings on higher organic sales, net of product mix impacts; and
- the divestitures of our Lighting and Rooftop Systems businesses during 2026.

These factors were partially offset by:

- higher commodity costs; and
- higher employee profit sharing and incentive compensation.

SEATING SYSTEMS

	For the nine months ended September 30,			
	2026	2025	Change	
Sales	**$ 4,035**	$ 4,265	$ (230)	- 5%
Adjusted EBIT	**$ 104**	$ 74	$ 30	+ 41%
Adjusted EBIT as a percentage of sales	**2.6%**	1.7%		+ 0.9%



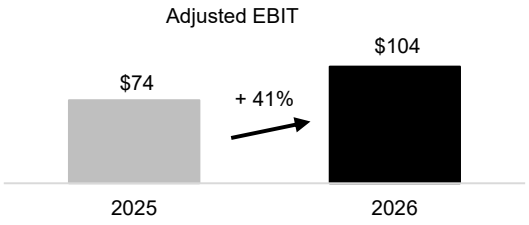
Sales – Seating Systems

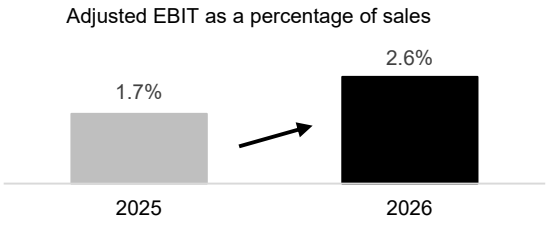
Sales decreased 5%, or $230 million, to $4.04 billion for the nine months ended September 30, 2026, compared to $4.27 billion for the nine months ended September 30, 2025, primarily due to:

- the end of production of certain programs;
- lower global light vehicle production; and
- net customer price concessions.

These factors were partially offset by:

- the launch of programs during or subsequent to the first nine months of 2025;
- the net strengthening of foreign currencies against the U.S. dollar, which increased reported U.S. dollar sales by $76 million; and
- net commercial items, which had a favourable impact on a year-over-year basis.





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

Adjusted EBIT increased $30 million to $104 million for the nine months ended September 30, 2026, compared to $74 million for the nine months ended September 30, 2025, and Adjusted EBIT as a percentage of sales increased to 2.6% from 1.7%. These increases were primarily due to:

- lower warranty costs of $31 million;
- productivity and efficiency improvements, including the benefit of operational excellence initiatives and prior restructuring actions, net of customer price concessions;
- recoveries for tariffs and lower tariff costs incurred;
- net commercial items, which had a favourable impact on a year-over-year basis;
- lower pre-operating costs incurred at new facilities;
- lower net transactional foreign exchange losses; and
- higher equity income.

These factors were partially offset by:

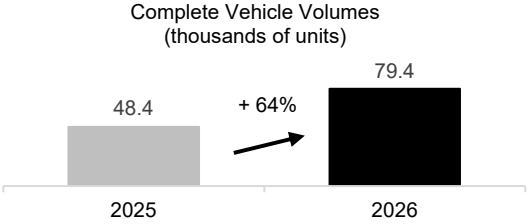
- reduced earnings on lower organic sales;
- higher launch costs; and
- the benefit of government research and development incentives in the third quarter of 2025.

COMPLETE VEHICLES

	For the nine months ended September 30,			
	2026	2025	Change	
Complete Vehicle Assembly Volumes *(thousands of units)*[(i)]	**79.4**	48.4	+ 31.0	+ 64%
Sales	**$ 3,380**	$ 3,587	$ (207)	- 6%
Adjusted EBIT	**$ 102**	$ 101	$ 1	+ 1%
Adjusted EBIT as a percentage of sales	**3.0%**	2.8%		+ 0.2%

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





Sales – Complete Vehicles

Sales decreased 6%, or $207 million, to $3.38 billion for the nine months ended September 30, 2026, compared to $3.59 billion for the nine months ended September 30, 2025, while complete vehicle assembly volumes increased 64%. The increase in volumes was primarily due to higher volumes with value-added contractual arrangements.

The decrease in sales is primarily a result of the end of production of certain programs with full-costed contractual arrangements, lower engineering revenue and lower complete vehicle assembly volumes with full-costed contractual arrangements. These factors were partially offset by a $134 million increase in reported U.S. dollar sales as a result of the strengthening of the euro against the U.S. dollar, and the launch of programs with value-added contractual arrangements during the third quarter of 2025.



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

Adjusted EBIT increased $1 million to $102 million for the nine months ended September 30, 2026, compared to $101 million for the nine months ended September 30, 2025, and Adjusted EBIT as a percentage of sales increased to 3.0% from 2.8%. These increases were primarily due to:

- higher earnings due to net favourable program mix;
- productivity and efficiency improvements, including the benefit of operational excellence initiatives and prior restructuring actions; and
- the net strengthening of foreign currencies against the U.S. dollar, which had a $3 million favourable impact on reported U.S. dollar Adjusted EBIT.

These factors were partially offset by:

- lower income on lower engineering revenue; and
- net commercial items, which had an unfavourable impact on a year-over-year basis.

CORPORATE AND OTHER

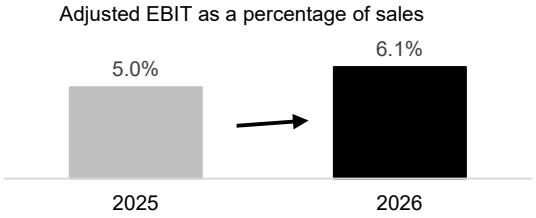
Adjusted EBIT was a loss of $93 million for the nine months ended September 30, 2026, compared to a loss of $29 million for the nine months ended September 30, 2025. The $64 million decrease was primarily due to:

- lower net transactional foreign exchange gains in the first nine months of 2026 compared to the first nine months of 2025;
- higher professional fees;
- higher incentive compensation expense;
- higher costs to accelerate our operational excellence initiatives; and
- higher restructuring costs.

These factors were partially offset by lower investments in research, development and reduced spending in our new mobility business.

NON-GAAP PERFORMANCE MEASURES - FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2026

ADJUSTED EBIT AS A PERCENTAGE OF SALES



The table below shows the change in Magna's Sales and Adjusted EBIT by segment, as well as the impact each segment's changes have on Magna's Adjusted EBIT as a percentage of sales, for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025:

	Sales	Adjusted EBIT	Adjusted EBIT as a percentage of sales
Nine months ended September 30, 2025	$ 31,162	$ 1,550	5.0%
Increase (decrease) related to:			
Body Exteriors & Structures	292	139	+ 0.4%
Power & Vision	390	262	+ 0.8%
Seating Systems	(230)	30	+ 0.1%
Complete Vehicles	(207)	1	—
Corporate and Other	13	(64)	- 0.2%
Nine months ended September 30, 2026	**$ 31,420**	**$ 1,918**	**6.1%**

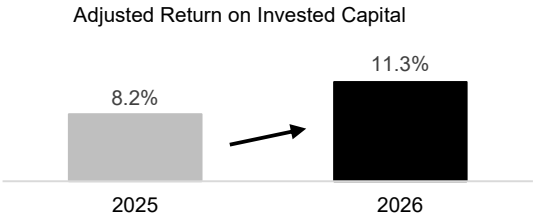
Adjusted EBIT as a percentage of sales increased to 6.1% for the nine months ended September 30, 2026, compared to 5.0% for the nine months ended September 30, 2025, primarily due to:

- productivity and efficiency improvements, including the benefit of operational excellence initiatives and prior restructuring actions, net of customer price concessions;
- net commercial items, which had a favourable impact on a year-over-year basis;
- higher equity income, including favourable commercial items during the first nine months of 2026;
- recoveries for tariffs and lower tariff costs incurred;
- higher net transactional foreign exchange gains in the first nine months of 2026, compared to the first nine months of 2025; and
- lower warranty costs.

These factors were partially offset by:

- higher commodity costs partially offset by higher scrap recoveries;
- higher employee profit sharing and incentive compensation;
- reduced earnings on lower organic sales;
- lower income on lower engineering revenue; and
- higher professional fees.

ADJUSTED RETURN ON INVESTED CAPITAL



Adjusted Return on Invested Capital increased to 11.3% for the nine months ended September 30, 2026, compared to 8.2% for the nine months ended September 30, 2025, as a result of an increase in Adjusted After-tax operating profits, and lower Average Invested Capital.

Average Invested Capital decreased $1.41 billion to $17.67 billion for the nine months ended September 30, 2026, compared to $19.08 billion for the nine months ended September 30, 2025, primarily due to:

- long-lived asset impairments during or subsequent to the first nine months of 2025;
- average depreciation expense on fixed assets in excess of average investment in fixed assets; and
- divestitures, net of acquisitions, during or subsequent to the third quarter of 2025.

These factors were partially offset by:

- the net strengthening of foreign currencies against the U.S. dollar;
- higher net investments in public and private equity companies; and
- an increase in average operating assets and liabilities.

NON-GAAP FINANCIAL MEASURES RECONCILIATION

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

ADJUSTED EBIT

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	**2026**	2025
Net income	**$ 400**	$ 333	**$ 878**	$ 880
Add:				
Amortization of acquired intangible assets	**17**	27	**53**	82
Interest expense, net	**35**	65	**109**	167
Other expense, net	**79**	48	**518**	107
Income taxes	**152**	140	**360**	314
Adjusted EBIT	**$ 683**	$ 613	**$ 1,918**	$ 1,550

ADJUSTED EBIT AS A PERCENTAGE OF SALES

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	**2026**	2025
Sales	**$ 10,059**	$ 10,462	**$ 31,420**	$ 31,162
Adjusted EBIT	**$ 683**	$ 613	**$ 1,918**	$ 1,550
Adjusted EBIT as a percentage of sales	**6.8%**	5.9%	**6.1%**	5.0%

ADJUSTED EPS

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	**2026**	2025
Net income attributable to Magna International Inc.	**$ 383**	$ 305	**$ 840**	$ 830
Add (deduct):				
Amortization of acquired intangible assets	**17**	27	**53**	82
Other expense, net	**79**	48	**518**	107
Tax effect on Amortization of acquired intangible assets and Other expense, net	**7**	(5)	**(31)**	(18)
Adjusted net income attributable to Magna International Inc.	**$ 486**	$ 375	**$ 1,380**	$ 1,001
Diluted weighted average number of Common Shares outstanding during the period (millions)	**266.0**	281.8	**273.0**	281.9
Adjusted EPS	**$ 1.83**	$ 1.33	**$ 5.06**	$ 3.55

ADJUSTED RETURN ON INVESTED CAPITAL

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	**2026**	2025
Net income	**$ 400**	$ 333	**$ 878**	$ 880
Add (deduct):				
Amortization of acquired intangible assets	**17**	27	**53**	82
Interest expense, net	**35**	65	**109**	167
Other expense, net	**79**	48	**518**	107
Tax effect on Interest expense, net, Amortization of acquired intangible assets and Other expense, net	**(1)**	(22)	**(55)**	(59)
Adjusted After-tax operating profits	**$ 530**	$ 451	**$ 1,503**	$ 1,177

	As at September 30,	
	2026	2025
Total Assets	**$ 30,985**	$ 32,907
Excluding:		
Cash and cash equivalents	**(1,378)**	(1,327)
Deferred tax assets	**(894)**	(920)
Less Current Liabilities	**(12,532)**	(12,059)
Excluding:		
Short-term borrowing	**—**	433
Long-term debt due within one year	**709**	33
Current portion of operating lease liabilities	**318**	323
Invested Capital	**$ 17,208**	$ 19,390

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	**2026**	2025
Adjusted After-tax operating profits	**$ 530**	$ 451	**$ 1,503**	$ 1,177
Average Invested Capital	**$ 17,317**	$ 19,575	**$ 17,669**	$ 19,077
Adjusted Return on Invested Capital	**12.2%**	9.2%	**11.3%**	8.2%

SUBSEQUENT EVENT

NORMAL COURSE ISSUER BID

Subsequent to September 30, 2026, we purchased 1,273,234 Common Shares for cancellation under our existing normal course issuer bid for cash consideration of $82 million.

Subject to approval by the Toronto Stock Exchange ["TSX"], our Board of Directors approved a new normal course issuer bid to purchase up to 25.8 million of our Common Shares, representing approximately 10% of our public float. The primary purposes of the normal course issuer bid are purchases for cancellation as well as purchases to fund our stock-based compensation awards and programs. The normal course issuer bid is expected to be effective on November 9, 2026 and will terminate no later than November 8, 2027. All purchases of Common Shares will be made at the market price at the time of purchase in accordance with the rules and policies of the TSX or on the New York Stock Exchange ["NYSE"] in compliance with Rule 10b-18 under the U.S. Securities Exchange Act of 1934.

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

COMMITMENTS AND CONTINGENCIES

From time to time, we may be contingently liable for litigation, legal and/or regulatory actions and proceedings, and other claims. Refer to Note 16, "Contingencies" of our unaudited interim consolidated financial statements for the three and nine months ended September 30, 2026.

For a discussion of risk factors relating to legal and other claims/actions against us, refer to "Risk Factors" in our Annual Information Form, filed with the securities commissions in Canada, our Annual Report on Form 40-F, filed with the United States Securities and Exchange Commission, each in respect of the year ended December 31, 2025, and updated in our subsequent quarterly filings.

CONTROLS AND PROCEDURES

There have been no changes in our internal controls over financial reporting that occurred during the three months ended September 30, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A may constitute "forward-looking information" or "forward-looking statements" (collectively, "forward-looking statements"). Any such forward-looking statements are intended to provide information about management's current expectations and plans and may not be appropriate for other purposes. Forward-looking statements may include financial and other projections, as well as statements regarding our future plans, strategic objectives or economic performance, or the assumptions underlying any of the foregoing, and other statements that are not recitations of historical fact. We use words such as "may", "would", "could", "should", "will", "likely", "expect", "anticipate", "assume", "believe", "intend", "plan", "aim", "forecast", "outlook", "project", "potential", "estimate", "target" and similar expressions suggesting future outcomes or events to identify forward-looking statements.

Forward-looking statements are based on information currently available to us and are based on assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances. While we believe we have a reasonable basis for making any such forward-looking statements, they are not a guarantee of future performance or outcomes. Whether actual results and developments conform to our expectations and predictions is subject to a number of risks, assumptions, and uncertainties, many of which are beyond our control, and the effects of which can be difficult to predict, including, without limitation:

Macroeconomic, Geopolitical and Other Risks

- geopolitical crises and military conflicts;
- threats to free trade agreements;
- international trade disputes;
- planning and forecasting challenges;
- interest rate levels;

Risks Related to the Automotive Industry

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

Strategic Risks

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

Customer-Related Risks

- customer concentration;
- market shifts;
- evolving OEM competitive landscape;
- dependence on outsourcing;
- consumer take rate shifts;
- nature of customer blanket purchase orders;
- potential OEM production-related disruptions;

Supply Chain Risks

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

Manufacturing/Operational Risks

- product launch;
- operational underperformance;
- restructuring costs;
- impairments;
- skilled labour attraction/retention;

Pricing Risks

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

Warranty/Recall Risks

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

IT Security/Cybersecurity Risks

- IT/cybersecurity breach;
- product cybersecurity breach;
- risks related to the use of artificial intelligence;

Merger and Acquisition Risks

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

Other Business Risks

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

Legal and Regulatory Risks

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

In evaluating forward-looking statements, we caution readers not to place undue reliance on any forward-looking statement. Additionally, readers should specifically consider the various factors which could cause actual events or results to differ materially from those indicated by such forward-looking statements, including the risks, assumptions and uncertainties above which are:

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

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

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

	Note	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Sales	17	**$ 10,059**	$ 10,462	**$ 31,420**	$ 31,162
Costs and expenses					
Cost of goods sold		**8,433**	8,973	**26,759**	26,927
Selling, general and administrative		**591**	531	**1,733**	1,635
Depreciation		**387**	389	**1,185**	1,146
Amortization of acquired intangible assets		**17**	27	**53**	82
Interest expense, net		**35**	65	**109**	167
Equity income		**(35)**	(44)	**(175)**	(96)
Other expense, net	3	**79**	48	**518**	107
Income from operations before income taxes		**552**	473	**1,238**	1,194
Income taxes	12	**152**	140	**360**	314
Net income		**400**	333	**878**	880
Income attributable to non-controlling interests		**(17)**	(28)	**(38)**	(50)
Net income attributable to Magna International Inc.		**$ 383**	$ 305	**$ 840**	$ 830
Earnings per Common Share:	4				
Basic		**$ 1.45**	$ 1.08	**$ 3.10**	$ 2.94
Diluted		**$ 1.44**	$ 1.08	**$ 3.08**	$ 2.94
Cash dividends paid per Common Share		**$ 0.495**	$ 0.485	**$ 1.485**	$ 1.455
Weighted average number of Common Shares outstanding during the period [in millions]:	4				
Basic		**263.7**	281.8	**270.9**	281.9
Diluted		**266.0**	281.8	**273.0**	281.9

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,	
		2026	2025	**2026**	2025
Net income		**$ 400**	$ 333	**$ 878**	$ 880
Other comprehensive income (loss), net of tax:	14				
Net unrealized gain (loss) on translation of net investment in foreign operations		**83**	(41)	**4**	527
Net unrealized gain on cash flow hedges		**14**	15	**4**	162
Reclassification of net (gain) loss on cash flow hedges to net income		**(11)**	(6)	**(39)**	17
Reclassification of net loss on pensions to net income		**1**	1	**1**	3
Pension and post retirement benefits		**—**	—	**(1)**	—
Other comprehensive income (loss)		**87**	(31)	**(31)**	709
Comprehensive income		**487**	302	**847**	1,589
Comprehensive income attributable to non-controlling interests		**(20)**	(29)	**(48)**	(57)
Comprehensive income attributable to Magna International Inc.		**$ 467**	$ 273	**$ 799**	$ 1,532

See accompanying notes

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

	Note	As at September 30, 2026	As at December 31, 2025
ASSETS			
Current assets			
Cash and cash equivalents	5	**$ 1,378**	$ 1,612
Accounts receivable		**8,298**	7,593
Inventories	7	**4,161**	4,126
Prepaid expenses and other	5,6	**364**	407
Assets held for sale	2	**38**	—
		14,239	13,738
Investments	8	**1,287**	1,103
Fixed assets, net		**8,781**	9,507
Operating lease right-of-use assets		**1,766**	1,928
Intangible assets, net		**407**	490
Goodwill		**2,453**	2,512
Other assets	9	**1,158**	1,275
Deferred tax assets		**894**	864
		$ 30,985	$ 31,417
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Long-term debt due within one year	11	**$ 709**	$ 27
Accounts payable		**7,080**	6,895
Other accrued liabilities	10	**3,259**	2,745
Accrued salaries and wages		**995**	888
Income taxes payable		**141**	106
Current portion of operating lease liabilities		**318**	328
Liabilities held for sale	2	**30**	—
		12,532	10,989
Long-term debt	11	**3,921**	4,685
Operating lease liabilities		**1,483**	1,649
Long-term employee benefit liabilities		**521**	554
Other long-term liabilities		**362**	399
Deferred tax liabilities		**254**	302
		19,073	18,578
Shareholders' equity			
Common Shares [issued: 259,656,733; December 31, 2025 – 280,242,006]	13	**3,228**	3,352
Contributed surplus		**139**	142
Retained earnings		**8,982**	9,765
Accumulated other comprehensive loss	14	**(770)**	(766)
		11,579	12,493
Non-controlling interests	6	**333**	346
		11,912	12,839
		$ 30,985	$ 31,417

See accompanying notes

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

	Note	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Cash provided from (used for):					
OPERATING ACTIVITIES					
Net income		**$ 400**	$ 333	**$ 878**	$ 880
Items not involving current cash flows	5	**406**	454	**1,426**	1,216
		806	787	**2,304**	2,096
Changes in operating assets and liabilities	5	**144**	125	**277**	(480)
Cash provided from operating activities		**950**	912	**2,581**	1,616
INVESTMENT ACTIVITIES					
Fixed asset additions		**(307)**	(267)	**(795)**	(781)
Acquisitions		**—**	(1)	**—**	(1)
Increase in investments, other assets and intangible assets		**(75)**	(100)	**(320)**	(342)
Increase in public and private equity investments		**—**	(2)	**(5)**	(6)
Proceeds from dispositions of fixed assets, other assets and investments		**16**	27	**107**	67
Proceeds from divestitures, net of funding provided	2	**33**	—	**2**	—
Cash used for investing activities		**(333)**	(343)	**(1,011)**	(1,063)
FINANCING ACTIVITIES					
Issues of debt		**3**	1	**6**	1,047
Increase in short-term borrowing		**—**	88	**6**	119
Repayments of debt		**(5)**	(672)	**(20)**	(1,086)
Issue of Common Shares on exercise of stock options		**—**	—	**107**	—
Tax withholdings on vesting of equity awards		**—**	—	**(12)**	(4)
Repurchase of Common Shares	13	**(529)**	—	**(1,434)**	(51)
Acquisition of non-controlling interest	6	**—**	(40)	**—**	(40)
Dividends paid to non-controlling interests		**(29)**	(15)	**(61)**	(40)
Dividends		**(129)**	(136)	**(397)**	(409)
Cash used for financing activities		**(689)**	(774)	**(1,805)**	(464)
Effect of exchange rate changes on cash and cash equivalents		**9**	(4)	**13**	(9)
Net (decrease) increase in cash and cash equivalents including restricted cash during the period		**(63)**	(209)	**(222)**	80
Cash and cash equivalents including restricted cash, beginning of period		**1,453**	1,536	**1,612**	1,247
Cash and cash equivalents including restricted cash, end of period	5	**$ 1,390**	$ 1,327	**$ 1,390**	$ 1,327

See accompanying notes

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

		Nine months ended September 30, 2026						
		Common Shares		Contri-buted			Non-controlling	
	Note	Number	Stated Value	Surplus	Retained Earnings	AOCL[i]	Interest	Total Equity
		[in millions]						
Balance, December 31, 2025		**280.3**	**$ 3,352**	**$ 142**	**$ 9,765**	**$ (766)**	**$ 346**	**$ 12,839**
Net income					840		38	878
Other comprehensive (loss) income						(41)	10	(31)
Shares issued on exercise of stock options		2.1	133	(26)				107
Release of stock and stock units		0.4	25	(25)				—
Tax withholdings on vesting of equity awards		(0.2)	(2)		(10)			(12)
Repurchase and cancellation under normal course issuer bid	13	(23.0)	(285)		(1,211)	37		(1,459)
Stock-based compensation expense				51				51
Acquisition of non-controlling interest				(3)				(3)
Dividends paid to non-controlling interests							(61)	(61)
Dividends paid		0.1	5		(402)			(397)
Balance, September 30, 2026		**259.7**	**$ 3,228**	**$ 139**	**$ 8,982**	**$ (770)**	**$ 333**	**$ 11,912**

		Three months ended September 30, 2026						
		Common Shares		Contri-buted			Non-controlling	
	Note	Number	Stated Value	Surplus	Retained Earnings	AOCL[i]	Interest	Total Equity
		[in millions]						
Balance, June 30, 2026		**267.5**	**$ 3,325**	**$ 126**	**$ 9,183**	**$ (868)**	**$ 342**	**$ 12,108**
Net income					383		17	400
Other comprehensive income						84	3	87
Shares issued on exercise of stock options			1	(1)				—
Repurchase and cancellation under normal course issuer bid	13	(7.9)	(100)		(453)	14		(539)
Stock-based compensation expense				14				14
Dividends paid to non-controlling interests							(29)	(29)
Dividends paid		0.1	2		(131)			(129)
Balance, September 30, 2026		**259.7**	**$ 3,228**	**$ 139**	**$ 8,982**	**$ (770)**	**$ 333**	**$ 11,912**

[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]

		Nine months ended September 30, 2025						
		Common Shares		Contri-buted			Non-controlling	
	Note	Number	Stated Value	Surplus	Retained Earnings	AOCL[i]	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 awards		(0.1)	(1)		(3)			(4)
Repurchase and cancellation under normal course issuer bid	13	(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		Contri-buted			Non-controlling	
	Note	Number	Stated Value	Surplus	Retained Earnings	AOCL[i]	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

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, 2025 audited consolidated financial statements and notes thereto included in the Company's 2025 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, 2026 and the results of operations, changes in equity, and cash flows for the three and nine-month periods ended September 30, 2026 and 2025.

[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. Actual results could differ materially from those estimates.

2. ASSETS AND LIABILITIES HELD FOR SALE

Sale of Lighting and Rooftop Systems Businesses

During the first quarter of 2026, the Company entered into definitive agreements to sell its Lighting Europe business and its Rooftop Systems business to Mutares SE & Co. KGaA ("Mutares"). As of March 31, 2026, the Company committed to a plan to sell its Lighting North America, South America, and China business, and in the second quarter of 2026, entered into a definitive agreement with AURELIUS Investment Lux Alpha SARL ("AURELIUS") to sell the business.

Held for sale classification and impairment

The Company determined that the assets and liabilities of its Lighting and Rooftop Systems businesses met the criteria to be classified as held for sale as of March 31, 2026. Accordingly, the assets and liabilities of the Lighting and Rooftop Systems businesses were reclassified in the consolidated balance sheet at March 31, 2026 to current assets held for sale or current liabilities held for sale, respectively, as the sale of such assets and liabilities was expected within one year. These businesses were reported within the Company's Power & Vision segment and did not meet the criteria to be classified as discontinued operations.

Upon classification as held for sale during the three months ended March 31, 2026, the Company recorded a pretax impairment charge of $485 million to write down the disposal groups to their estimated fair value less costs to sell. This impairment is recorded within Other expense, net *[Note 3]*. During the three months ended June 30, 2026 and September 30, 2026, the Company recorded additional pretax impairment charges of $13 million and $4 million, respectively, within Other expense, net, resulting from changes in the estimated fair value less costs to sell and changes in the carrying value of the disposal groups.

	Three months ended September 30, 2026			Nine months ended September 30, 2026		
	Lighting	Rooftop Systems	Total	Lighting	Rooftop Systems	Total
Accounts receivable	$ —	$ —	$ —	$ 76	$ 16	$ 92
Inventories	—	—	—	52	25	77
Fixed assets, net	3	—	3	237	13	250
Operating lease, right-of-use asset	—	—	—	22	7	29
Intangibles, net	—	—	—	3	4	7
Goodwill[i]	—	—	—	21	—	21
Other Assets	—	—	—	13	9	22
Total asset impairment	**$ 3**	**$ —**	**$ 3**	**$ 424**	**$ 74**	**498**
Costs to sell incurred	—	1	1	2	2	4
Total impairment loss	**$ 3**	**$ 1**	**$ 4**	**$ 426**	**$ 76**	**$ 502**

[i] $21 million of goodwill was allocated to the Lighting business in North America, South America, and China from the Mechatronics, Mirrors and Lighting reporting unit based on its relative fair value.

2. ASSETS AND LIABILITIES HELD FOR SALE (CONTINUED)

Divestiture

On June 29, 2026, the Company completed the sale of its Lighting Europe business to Mutares ("Lighting Europe Agreement"). Under the terms of the Lighting Europe Agreement, the Company provided the buyer with $18 million of funding, net of transaction costs.

On August 4, 2026, the Company completed the sale of its Rooftop Systems business to Mutares ("Rooftop Systems Agreement"). Under the terms of the Rooftop Systems Agreement, the Company provided the buyer with $19 million of funding, net of transaction costs.

On August 4, 2026, the Company completed the sale of its Lighting North America business to AURELIUS for total consideration of $62 million, net of transaction costs. 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.

The Company recognized (losses) gains on the sales within other expense, net as follows:

	Three months ended September 30, 2026			Nine months ended September 30, 2026		
	Lighting	Rooftop Systems	Total	Lighting	Rooftop Systems	Total
Proceeds received (funding provided)	$ 48	$ (15)	$ 33	$ 17	$ (15)	$ 2
Estimated purchase price adjustments, net of transaction costs	14	(4)	10	27	(4)	23
Consideration, net of transaction costs	62	(19)	43	44	(19)	25
Net assets (liabilities) divested	65	(21)	44	45	(21)	24
(Loss) gain on divestiture	**$ (3)**	**$ 2**	**$ (1)**	**$ (1)**	**$ 2**	**$ 1**

Consideration associated with the sale remains subject to further adjustments, primarily related to working capital.

Assets and Liabilities held for sale

The following table summarizes the carrying value of the major classes of assets and liabilities of the Lighting business which were classified as held for sale as of September 30, 2026, after giving effect to the impairment on assets held for sale recorded during the nine months ended September 30, 2026 and the divestiture of the Lighting Europe and Lighting North America businesses. Refer to Note 3[b] Other Expense, net for additional information.

	September 30, 2026
Accounts receivable	$ 14
Inventories	9
Prepaid expenses and other	4
Deferred tax assets	11
Assets held for sale	**$ 38**
Accounts payable	$ 16
Accrued salaries and wages	4
Other accrued liabilities	6
Current lease liabilities	1
Long-term lease liabilities	3
Liabilities held for sale	**$ 30**

3. OTHER EXPENSE, NET

		Three months ended September 30,		Nine months ended September 30,	
		2026	2025	**2026**	2025
Restructuring activities	[a]	**$ 83**	$ 46	**$ 124**	$ 103
Loss on assets held for sale	[b]	**5**	—	**501**	—
Impacts related to Fisker	[c]	**(4)**	—	**(6)**	—
Investments	[d]	**(5)**	2	**(101)**	4
		$ 79	$ 48	**$ 518**	$ 107

[a] Restructuring activities

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	**2026**	2025
Power & Vision	**$ 76**	$ 34	**$ 86**	$ 58
Body Exteriors & Structures	**7**	—	**7**	—
Complete Vehicles	**—**	12	**21**	45
Seating Systems	**—**	—	**10**	—
Other expense, net	**83**	46	**124**	103
Tax effect	**—**	—	**(2)**	(4)
Net loss attributable to Magna	**$ 83**	$ 46	**$ 122**	$ 99

During the third quarter of 2026, the Company recorded restructuring charges of $76 million [$76 million after tax] in its Power & Vision segment related to plant closures and significant rightsizing at facilities in Europe. In its Body Exteriors & Structures segment, the Company recorded restructuring charges of $7 million [$7 million after tax] related to rightsizing at a facility in Europe.

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 in its Power & Vision segment. In its Complete Vehicles segment, the Company recorded $12 million [$12 million after tax] of charges related to rightsizing activities at two facilities in Europe.

3. OTHER EXPENSE, NET (CONTINUED)

[b] Loss on assets held for sale

	Three months ended September 30, 2026			Nine months ended September 30, 2026		
	Lighting	**Rooftop Systems**	**Total**	**Lighting**	**Rooftop Systems**	**Total**
Total asset impairment	$ 3	$ —	$ 3	$ 424	$ 74	$ 498
Costs to sell incurred	—	1	1	2	2	4
Total impairment loss	**$ 3**	**$ 1**	**$ 4**	**$ 426**	**$ 76**	**502**
Loss (gain) on divestiture	3	(2)	1	1	(2)	(1)
Other expense (income), net	**$ 6**	**$ (1)**	**$ 5**	**$ 427**	**$ 74**	**$ 501**
Tax effect	6	—	6	(27)	—	(27)
Net loss (gain) attributable to Magna	**$ 12**	**$ (1)**	**$ 11**	**$ 400**	**$ 74**	**$ 474**

Sale of Lighting and Rooftop Systems Businesses

During the three and nine months ended September 30, 2026, the Company recognized an impairment loss of $4 million and $502 million related to the held for sale assets of its Lighting and Rooftop Systems businesses.

On June 29, 2026, the Company completed the sale of its Lighting Europe business to Mutares and provided the buyer with $18 million of funding, net of transaction costs. The Company recognized a gain on divestiture of $2 million upon closing.

On August 4, 2026, the Company completed the sale of its Rooftop Systems business to Mutares and provided the buyer with $19 million of funding, net of transaction costs. The Company recognized a gain on divestiture of $2 million upon closing.

On August 4, 2026, the Company completed the sale of its Lighting North America business to AURELIUS for total consideration of $62 million, net of transaction costs. The Company recognized a loss on divestiture of $3 million upon closing.

[c] Impacts related to Fisker

During the third quarter of 2026, the Company recognized a gain of $4 million [$3 million after tax] related to the settlement of claims associated with Fisker's bankruptcy.

[d] Investments

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	**2026**	2025
Net revaluation gain on public and private equity investments	**$ (5)**	$ (1)	**$ (115)**	$ (3)
Non-cash impairment charge	**—**	2	**14**	2
Loss (gain) on sales of public equity investments	**—**	1	**—**	(3)
Revaluation loss on public company warrants	**—**	—	**—**	8
Other (income) expense, net	**(5)**	2	**(101)**	4
Tax effect	**1**	—	**1**	1
Net (gain) loss attributable to Magna	**$ (4)**	$ 2	**$ (100)**	$ 5

4. EARNINGS PER SHARE

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	**2026**	2025
Basic earnings per Common Share:				
Net income attributable to Magna International Inc.	**$ 383**	$ 305	**$ 840**	$ 830
Weighted average number of Common Shares outstanding	**263.7**	281.8	**270.9**	281.9
Basic earnings per Common Share	**$ 1.45**	$ 1.08	**$ 3.10**	$ 2.94
Diluted earnings per Common Share [a]:				
Net income attributable to Magna International Inc.	**$ 383**	$ 305	**$ 840**	$ 830
Weighted average number of Common Shares outstanding	**266.0**	281.8	**273.0**	281.9
Diluted earnings per Common Share	**$ 1.44**	$ 1.08	**$ 3.08**	$ 2.94

[a] For the three and nine months ended September 30, 2026, diluted earnings per Common Share excluded 1.4 million [2025 – 4.8 million] and 1.4 million [2025 – 5.4 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.

5. DETAILS OF CASH FLOWS FROM OPERATING ACTIVITIES

[a] Cash and cash equivalents including restricted cash, consist of:

	September 30, 2026	December 31, 2025
Cash	**$ 547**	$ 960
Bank term deposits and bankers' acceptances	**831**	652
Cash and cash equivalents	**$ 1,378**	$ 1,612
Restricted cash equivalents included in prepaid expenses and other *[note 6]*	**12**	—
	$ 1,390	$ 1,612

[b] Items not involving current cash flows:

	Three months ended September 30,		**Nine months ended September 30,**	
	2026	2025	**2026**	2025
Depreciation	**$ 387**	$ 389	**$ 1,185**	$ 1,146
Amortization of acquired intangible assets	**17**	27	**53**	82
Amortization of other assets and intangible assets included in cost of goods sold	**57**	58	**180**	164
Deferred revenue amortization	**(76)**	(54)	**(289)**	(188)
Other non-cash charges	**23**	26	**37**	31
Deferred tax recovery	**(14)**	(2)	**(93)**	(44)
Dividends received in excess of (less than) equity income	**7**	(3)	**(52)**	10
Non-cash portion of Other expense, net *[note 3]*	**5**	13	**405**	15
	$ 406	$ 454	**$ 1,426**	$ 1,216

[c] Changes in operating assets and liabilities:

	Three months ended September 30,		**Nine months ended September 30,**	
	2026	2025	**2026**	2025
Accounts receivable	**$ 271**	$ (168)	**$ (624)**	$ (662)
Inventories	**(147)**	(34)	**(248)**	136
Prepaid expenses and other	**11**	40	**50**	79
Accounts payable	**(222)**	143	**376**	(255)
Accrued salaries and wages	**72**	81	**154**	71
Other accrued liabilities	**137**	47	**546**	310
Income taxes payable (receivable)	**22**	16	**23**	(159)
	$ 144	$ 125	**$ 277**	$ (480)

6. 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 $144 million, of which $12 million remains in escrow and is included in prepaid expenses and other. 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 $45 million.

7. INVENTORIES

Inventories consist of:

	September 30, 2026	December 31, 2025
Raw materials and supplies	**$ 1,668**	$ 1,647
Work-in-process	**479**	484
Finished goods	**639**	661
Tooling and engineering	**1,375**	1,334
	$ 4,161	$ 4,126

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

8. INVESTMENTS

	September 30, 2026	December 31, 2025
Equity method investments	**$ 959**	$ 846
Public and private equity investments	**310**	225
Debt investments	**18**	32
	$ 1,287	$ 1,103

Cumulative unrealized gains and losses on equity securities held as at September 30, 2026 were $126 million and $10 million [$19 million and $18 million as at December 31, 2025], respectively.

9. OTHER ASSETS

Other assets consist of:

	September 30, 2026	December 31, 2025
Preproduction costs recoverable under long-term supply agreements	**$ 730**	$ 759
Long-term receivables	**230**	286
Pension overfunded status	**74**	75
Unrealized gain on cash flow hedges	**64**	83
Other, net	**60**	72
	$ 1,158	$ 1,275

10. WARRANTY

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

	2026	2025
Balance, beginning of period	**$ 383**	$ 309
Expense, net	**28**	55
Settlements	**(36)**	(51)
Transfer to liabilities held for sale *[note 2]*	**(5)**	—
Foreign exchange and other	**—**	5
Balance, March 31	**370**	318
Expense, net	**31**	31
Settlements	**(30)**	(28)
Foreign exchange and other	**(35)**	10
Balance, June 30	**336**	331
Expense, net	**14**	23
Settlements	**(34)**	(40)
Foreign exchange and other	**—**	(1)
Balance, September 30	**$ 316**	$ 313

11. DEBT

Short-term borrowings

[a] Commercial Paper Program

As at September 30, 2026, no notes were outstanding under either the U.S. commercial paper program or the euro-commercial paper program [no amounts outstanding as at December 31, 2025]. The U.S. notes and euro notes are backstopped by the Company's existing global credit facility.

[b] Credit Facilities

On April 22, 2026, the Company extended the maturity date of its $800 million 364-day syndicated revolving credit facility from June 24, 2026, to June 24, 2027. The facility can be drawn in U.S. dollars or Canadian dollars. As at September 30, 2026, no amounts are outstanding under this credit facility.

Long-term borrowings

On April 22, 2026, the Company extended the maturity date of its $2.7 billion syndicated revolving credit facility from June 25, 2030 to June 25, 2031. As at September 30, 2026, no amounts are outstanding under this credit facility.

As at September 30, 2026, the Company reclassified its €600 million Senior Notes due September 2027 from long-term debt to long-term debt due within one year.

12. INCOME TAXES

For the three months ended September 30, 2026, the Company’s effective income tax rate does not reflect the customary rate primarily due to higher losses not benefited in Europe and loss on assets held for sale described in note 3.

For the nine months ended September 30, 2026, the Company’s effective income tax rate does not reflect the customary rate primarily due to the loss on assets held for sale and revaluations of investments described in note 3.

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.

13. CAPITAL STOCK

[a] During the nine-month period ended September 30, 2026, the Company repurchased 23.0 million shares under a normal course issuer bid for cash consideration of $1.4 billion.

[b] The following table presents the maximum number of shares that would be outstanding if all the dilutive instruments outstanding at October 29, 2026 were exercised or converted:

Common Shares	258,660,289
Stock options [i] and share awards	4,080,753
	262,741,042

[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.

14. ACCUMULATED OTHER COMPREHENSIVE LOSS

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

	2026	2025
Accumulated net unrealized loss on translation of net investment in foreign operations		
Balance, beginning of year	**$ (802)**	$ (1,368)
Net unrealized (loss) gain	**(56)**	186
Repurchase of shares under normal course issuer bid	**9**	2
Balance, March 31	**(849)**	(1,180)
Net unrealized (loss) gain	**(30)**	376
Repurchase of shares under normal course issuer bid	**14**	—
Balance, June 30	**(865)**	(804)
Net unrealized gain (loss)	**80**	(42)
Repurchase of shares under normal course issuer bid	**14**	—
Balance, September 30	**(771)**	(846)
Accumulated net unrealized gain (loss) on cash flow hedges [i]		
Balance, beginning of year	**99**	(113)
Net unrealized (loss) gain	**(6)**	49
Reclassifications to net income	**(13)**	16
Balance, March 31	**80**	(48)
Net unrealized (loss) gain	**(4)**	98
Reclassifications to net income	**(15)**	7
Balance, June 30	**61**	57
Net unrealized gain	**14**	15
Reclassifications to net income	**(11)**	(6)
Balance, September 30	**64**	66
Accumulated net unrealized loss on other long-term liabilities		
Balance, beginning of year	**(65)**	(103)
Revaluation	**(1)**	—
Reclassifications to net income	**—**	1
Balance, March 31	**(66)**	(102)
Reclassifications to net income	**—**	1
Balance, June 30	**(66)**	(101)
Reclassifications to net income	**1**	1
Balance, September 30	**(65)**	(100)
Accumulated net unrealized gain on available-for-sale investments		
Balance, beginning of year through September 30	**2**	—
Total accumulated other comprehensive loss	**$ (770)**	$ (880)

14. ACCUMULATED OTHER COMPREHENSIVE LOSS (CONTINUED)

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

	2026	2025
Balance, beginning of year	*$ (39)*	*$ 44*
Net unrealized gain (loss)	*3*	*(17)*
Reclassifications to net income	*4*	*(7)*
Balance, March 31	*(32)*	*20*
Net unrealized loss	*(1)*	*(39)*
Reclassifications to net income	*5*	*(3)*
Balance, June 30	*(28)*	*(22)*
Net unrealized loss	*(7)*	*(8)*
Reclassifications to net income	*4*	*3*
Balance, September 30	*$ (31)*	*$ (27)*

The amount of other comprehensive gain that is expected to be reclassified to net income over the next 12 months is $74 million.

15. FINANCIAL INSTRUMENTS

[a] Financial assets and liabilities

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

	September 30, 2026	December 31, 2025
Financial assets		
Cash and cash equivalents	**$ 1,378**	$ 1,612
Restricted cash equivalents included in prepaid expenses and other *[note 6]*	**12**	—
Accounts receivable	**8,298**	7,593
Public and private equity investments	**310**	225
Debt investments	**18**	32
Long-term receivables included in other assets	**230**	286
Financial assets held for sale *[note 2]*		
Accounts receivable held for sale	**14**	—
	$ 10,260	$ 9,748
Financial liabilities		
Long-term debt (including current portion)	**$ 4,630**	$ 4,712
Operating lease liability (including current portion)	**1,801**	1,977
Accounts payable	**7,080**	6,895
Financial liabilities held for sale *[note 2]*		
Accounts payable held for sale	**16**	—
	$ 13,527	$ 13,584
Foreign currency contracts designated as effective hedges, measured at fair value		
Prepaid expenses	**$ 105**	$ 98
Other assets	**63**	83
Other accrued liabilities	**(40)**	(19)
Other long-term liabilities	**(42)**	(19)
	$ 86	$ 143

15. FINANCIAL INSTRUMENTS (CONTINUED)

[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, 2026 were $100 million [$116 million as at December 31, 2025] and are presented within accounts payable.

[c] Fair value

The Company determines 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, restricted 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.

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].

The Company estimates the value of its private equity securities based on valuation methods using the observable transaction price at the transaction date and other observable inputs including rights and obligations of the securities held by the Company [Level 3 input based on the GAAP fair value hierarchy].

Senior Notes

At September 30, 2026, the net book value of the Company's Senior Notes was $4.6 billion and the estimated fair value was $4.5 billion. The fair value of our 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.

15. FINANCIAL INSTRUMENTS (CONTINUED)

[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 months ended September 30, 2026, sales to the Company's six largest customers represented 74% 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, 2026, the Company’s balance sheet exposure related to newer electric vehicle-focused customers was approximately $150 million [$200 million as at December 31, 2025] 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.

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.

15. FINANCIAL INSTRUMENTS (CONTINUED)

[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, 2026, 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	Mexican Peso amount	Weighted average rate	U.S. dollar amount	Weighted average rate	Czech Koruna amount	Weighted average rate
Buy	163	1.34770	21,821	0.04975	1,294	0.84153	12,148	0.03983
(Sell)	(1,497)	0.74322	(104)	20.31602	(1,482)	1.18431	—	—

Forward contracts mature at various dates through 2030. Foreign currency exposures are reviewed quarterly.

16. 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 judgements 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 third quarter of 2025, Ford initiated recalls covering approximately 3.8 million vehicles equipped with rearview cameras or image processing modules supplied by the Company. Ford also announced a new 15-year extended warranty program for up to approximately 14.9 million vehicles also equipped with rearview cameras supplied by us. Ford is now claiming approximately $236 million in costs related to these recalls and warranty claims, as the image processing module claim was settled in the third quarter of 2026. Additional recalls and/or extended warranty programs remain possible. The Company is in technical and commercial discussions with Ford, however, at this time, root cause determinations have not been made and/or confirmed for the vehicles covered by Ford's recalls and warranty extension program. Even after root cause(s) have been determined, other challenges make it difficult to fully 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 rearview camera and other components, repairs, or replacement of the rearview 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 fully 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 rearview cameras, any recall and extended warranty costs in excess of amounts accrued could be material to the Company's profitability in the period(s) in which such costs are recognized or provided for.

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. The Company has insufficient information to determine the existence or extent of potential liability, if any, related to this matter at this time.

17. 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, mechatronics, mirrors and lighting 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, 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, 2026					
	Total sales	**External sales**	**Adjusted EBIT [ii]**	**Depreciation**	**Equity income**	**Fixed asset additions**
Body Exteriors & Structures	**$ 4,158**	**$ 4,107**	**$ 387**	**$ 202**	**$ —**	**$ 137**
Power & Vision	**3,773**	**3,708**	**287**	**134**	**(19)**	**123**
Seating Systems	**1,247**	**1,247**	**28**	**24**	**(15)**	**29**
Complete Vehicles	**996**	**990**	**33**	**17**	**(1)**	**15**
Corporate & Other [i]	**(115)**	**7**	**(52)**	**10**	**—**	**3**
Total Reportable Segments	**$ 10,059**	**$ 10,059**	**$ 683**	**$ 387**	**$ (35)**	**$ 307**

	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

17. SEGMENTED INFORMATION (CONTINUED)

	Nine months ended September 30, 2026					
	Total sales	**External sales**	**Adjusted EBIT [ii]**	**Depreciation**	**Equity income**	**Fixed asset additions**
Body Exteriors & Structures	**$ 12,658**	**$ 12,489**	**$ 1,021**	**$ 617**	**$ (3)**	**$ 340**
Power & Vision	**11,747**	**11,519**	**784**	**414**	**(133)**	**329**
Seating Systems	**4,035**	**4,028**	**104**	**73**	**(37)**	**72**
Complete Vehicles	**3,380**	**3,362**	**102**	**54**	**(2)**	**41**
Corporate & Other [i]	**(400)**	**22**	**(93)**	**27**	**—**	**13**
Total Reportable Segments	**$ 31,420**	**$ 31,420**	**$ 1,918**	**$ 1,185**	**$ (175)**	**$ 795**

	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

[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,**	
	2026	2025	**2026**	2025
Net income	**$ 400**	$ 333	**$ 878**	$ 880
Add:				
Amortization of acquired intangible assets	**17**	27	**53**	82
Interest expense, net	**35**	65	**109**	167
Other expense, net	**79**	48	**518**	107
Income taxes	**152**	140	**360**	314
Adjusted EBIT	**$ 683**	$ 613	**$ 1,918**	$ 1,550

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.

17. SEGMENTED INFORMATION (CONTINUED)

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

	September 30, 2026			December 31, 2025		
	Goodwill	**Investments**	**Net Assets**	Goodwill	Investments	Net Assets
Body Exteriors & Structures	**$ 459**	**$ 13**	**$ 8,293**	$ 461	$ 24	$ 8,725
Power & Vision [i]	**1,599**	**636**	**6,303**	1,654	524	6,699
Seating Systems	**264**	**225**	**1,190**	260	226	1,372
Complete Vehicles	**112**	**120**	**543**	116	115	471
Corporate & Other	**19**	**293**	**935**	21	214	1,029
Total Reportable Segments	**$ 2,453**	**$ 1,287**	**$ 17,264**	$ 2,512	$ 1,103	$ 18,296

[i] Includes $8 million of net assets held for sale.

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

	September 30, 2026	December 31, 2025
Total Assets	**$ 30,985**	$ 31,417
Deduct assets not included in segment net assets:		
Cash and cash equivalents	**(1,378)**	(1,612)
Deferred tax assets	**(894)**	(864)
Long-term receivables from joint venture partners	**(85)**	(117)
Deduct liabilities included in segment net assets:		
Accounts payable	**(7,080)**	(6,895)
Accrued salaries and wages	**(995)**	(888)
Other accrued liabilities	**(3,259)**	(2,745)
Liabilities held for sale	**(30)**	—
Segment Net Assets	**$ 17,264**	$ 18,296

18. SUBSEQUENT EVENT

Normal Course Issuer Bid

Subsequent to September 30, 2026, the Company purchased 1,273,234 Common Shares for cancellation under its existing normal course issuer bid for cash consideration of $82 million.

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 25.8 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 9, 2026 and will terminate no later than November 8, 2027. 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.