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

	Note	2023					2024					2025			
		1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
VEHICLE VOLUME STATISTICS (in millions)															
North America		3.883	4.079	3.929	3.720	**15.611**	3.975	4.090	3.669	3.662	**15.396**	3.636	3.963	3.875	**11.474**
Europe		4.640	4.659	3.867	4.447	**17.613**	4.556	4.450	3.705	4.135	**16.846**	4.235	4.379	3.847	**12.461**
China		5.941	6.798	7.576	8.788	**29.103**	6.390	7.101	7.298	9.745	**30.534**	7.100	7.800	7.626	**22.526**
Other		6.927	6.693	6.959	7.114	**27.693**	6.659	6.643	6.748	7.037	**27.087**	6.944	6.971	6.820	**20.735**
Global		21.391	22.229	22.331	24.069	**90.020**	21.580	22.284	21.420	24.579	**89.863**	21.915	23.113	22.168	**67.196**
Magna Steyr vehicle assembly volumes		0.034	0.027	0.023	0.021	**0.105**	0.022	0.019	0.015	0.016	**0.072**	0.017	0.016	0.015	**0.048**
AVERAGE FOREIGN EXCHANGE RATES															
1 Canadian dollar equals U.S. dollars		0.740	0.745	0.746	0.735	**0.742**	0.741	0.731	0.733	0.715	**0.730**	0.697	0.723	0.726	**0.715**
1 euro equals U.S. dollars		1.073	1.089	1.088	1.076	**1.082**	1.085	1.076	1.099	1.066	**1.082**	1.053	1.134	1.169	**1.118**
1 Chinese renminbi equals U.S. dollars		0.146	0.143	0.138	0.138	**0.141**	0.139	0.138	0.140	0.139	**0.139**	0.138	0.138	0.140	**0.139**
CONSOLIDATED STATEMENTS OF INCOME (LOSS)															
Sales															
Body Exteriors & Structures		4,439	4,540	4,354	4,178	**17,511**	4,429	4,465	4,038	4,067	**16,999**	3,966	4,253	4,147	**12,366**
Power & Vision		3,323	3,462	3,745	3,775	**14,305**	3,842	3,926	3,837	3,786	**15,391**	3,646	3,857	3,854	**11,357**
Seating Systems		1,486	1,603	1,529	1,429	**6,047**	1,455	1,455	1,379	1,511	**5,800**	1,312	1,433	1,520	**4,265**
Complete Vehicles		1,626	1,526	1,185	1,201	**5,538**	1,383	1,242	1,159	1,402	**5,186**	1,276	1,226	1,085	**3,587**
Corporate & Other		(201)	(149)	(125)	(129)	**(604)**	(139)	(130)	(133)	(138)	**(540)**	(131)	(138)	(144)	**(413)**
		10,673	**10,982**	**10,688**	**10,454**	**42,797**	**10,970**	**10,958**	**10,280**	**10,628**	**42,836**	**10,069**	**10,631**	**10,462**	**31,162**
Costs and expenses															
Cost of goods sold		9,416	9,544	9,264	8,961	**37,185**	9,642	9,494	8,828	9,073	**37,037**	8,827	9,127	8,973	**26,927**
Selling, general and administrative		488	505	491	566	**2,050**	516	523	487	535	**2,061**	539	565	531	**1,635**
Equity income		(33)	(36)	(40)	(3)	**(112)**	(34)	(9)	(13)	(45)	**(101)**	(20)	(32)	(44)	**(96)**
Adjusted EBITDA		**802**	**969**	**973**	**930**	**3,674**	**846**	**950**	**978**	**1,065**	**3,839**	**723**	**971**	**1,002**	**2,696**
Depreciation		353	353	358	372	**1,436**	377	373	384	376	**1,510**	369	388	389	**1,146**
Adjusted EBIT		**449**	**616**	**615**	**558**	**2,238**	**469**	**577**	**594**	**689**	**2,329**	**354**	**583**	**613**	**1,550**
Amortization of acquired intangible assets		12	13	32	31	**88**	28	28	28	28	**112**	26	29	27	**82**
Other expense (income), net	1	142	86	(4)	164	**388**	356	68	(188)	228	**464**	53	6	48	**107**
Interest expense, net		20	34	49	53	**156**	51	54	54	52	**211**	50	52	65	**167**
Income from operations before income taxes		**275**	**483**	**538**	**310**	**1,606**	**34**	**427**	**700**	**381**	**1,542**	**225**	**496**	**473**	**1,194**
Income tax expense		58	129	121	12	**320**	8	99	192	147	**446**	72	102	140	**314**
Net income		**217**	**354**	**417**	**298**	**1,286**	**26**	**328**	**508**	**234**	**1,096**	**153**	**394**	**333**	**880**
Income attributable to non-controlling interests		(8)	(15)	(23)	(27)	**(73)**	(17)	(15)	(24)	(31)	**(87)**	(7)	(15)	(28)	**(50)**
Net income attributable to Magna International Inc.		**209**	**339**	**394**	**271**	**1,213**	**9**	**313**	**484**	**203**	**1,009**	**146**	**379**	**305**	**830**
Diluted earnings per common share		**$ 0.73**	**$ 1.18**	**$ 1.37**	**$ 0.94**	**$ 4.23**	**$ 0.03**	**$ 1.09**	**$ 1.68**	**$ 0.71**	**$ 3.52**	**$ 0.52**	**$ 1.35**	**$ 1.08**	**$ 2.94**
Weighted average number of Common Shares outstanding during the period (in millions):		**286.6**	**286.3**	**286.8**	**286.6**	**286.6**	**287.1**	**287.3**	**287.3**	**285.9**	**286.9**	**282.0**	**281.7**	**281.8**	**281.9**
NON-GAAP MEASURES															
Adjusted EBITDA		**802**	**969**	**973**	**930**	**3,674**	**846**	**950**	**978**	**1,065**	**3,839**	**723**	**971**	**1,002**	**2,696**
Adjusted EBIT	2	**449**	**616**	**615**	**558**	**2,238**	**469**	**577**	**594**	**689**	**2,329**	**354**	**583**	**613**	**1,550**
Adjusted return on invested capital	2	**8.7%**	**11.0%**	**10.3%**	**9.6%**	**9.9%**	**7.8%**	**9.4%**	**9.0%**	**11.8%**	**9.5%**	**5.7%**	**9.6%**	**9.2%**	**8.2%**
Adjusted net income attributable to Magna International Inc.	2	**329**	**441**	**419**	**383**	**1,572**	**311**	**389**	**369**	**482**	**1,551**	**219**	**407**	**375**	**1,001**
Adjusted Diluted earnings per common share	2	**$ 1.15**	**$ 1.54**	**$ 1.46**	**$ 1.33**	**$ 5.49**	**$ 1.08**	**$ 1.35**	**$ 1.28**	**$ 1.69**	**$ 5.41**	**$ 0.78**	**$ 1.44**	**$ 1.33**	**$ 3.55**
PROFITABILITY RATIOS															
Selling, general and administrative /Sales		4.6%	4.6%	4.6%	5.4%	**4.8%**	4.7%	4.8%	4.7%	5.0%	**4.8%**	5.4%	5.3%	5.1%	**5.2%**
Adjusted EBIT /Sales		4.2%	5.6%	5.8%	5.3%	**5.2%**	4.3%	5.3%	5.8%	6.5%	**5.4%**	3.5%	5.5%	5.9%	**5.0%**
Income (loss) from operations before income taxes /Sales		2.6%	4.4%	5.0%	3.0%	**3.8%**	0.3%	3.9%	6.8%	3.6%	**3.6%**	2.2%	4.7%	4.5%	**3.8%**
Effective tax rate															
Reported		21.1%	26.7%	22.5%	3.9%	**19.9%**	23.5%	23.2%	27.4%	38.6%	**28.9%**	32.0%	20.6%	29.6%	**26.3%**
Excluding Other expense (income) and amortization, net of taxes and valuation allowance adjustments		21.4%	21.6%	21.9%	18.8%	**21.0%**	21.5%	22.8%	27.2%	19.5%	**22.7%**	25.7%	20.5%	26.5%	**24.0%**

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	2023				2024				2025		
	1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q
CONSOLIDATED BALANCE SHEETS											
FUNDS EMPLOYED											
Current assets:											
Accounts receivable	7,959	8,556	8,477	7,881	8,379	8,219	8,377	7,376	8,198	8,258	8,406
Inventories	4,421	4,664	4,751	4,606	4,511	4,466	4,592	4,151	4,184	4,207	4,233
Prepaid expenses and other	367	455	387	352	399	314	303	344	358	333	316
	12,747	**13,675**	**13,615**	**12,839**	**13,289**	**12,999**	**13,272**	**11,871**	**12,740**	**12,798**	**12,955**
Current liabilities:											
Accounts payable	7,731	7,984	7,911	7,842	7,855	7,639	7,608	7,194	7,376	7,127	7,261
Accrued salaries and wages	822	858	900	912	883	862	962	867	893	917	994
Other accrued liabilities	2,526	2,637	2,537	2,626	2,728	2,650	2,642	2,572	2,723	2,845	2,906
Income taxes payable (receivable)	9	(14)	33	125	132	79	176	192	152	88	109
	11,088	**11,465**	**11,381**	**11,505**	**11,598**	**11,230**	**11,388**	**10,825**	**11,144**	**10,977**	**11,270**
Working capital	**1,659**	**2,210**	**2,234**	**1,334**	**1,691**	**1,769**	**1,884**	**1,046**	**1,596**	**1,821**	**1,685**
Investments	1,390	1,287	1,311	1,273	1,195	1,161	1,165	1,045	1,062	1,129	1,098
Fixed assets, net	8,304	8,646	8,778	9,618	9,545	9,623	9,836	9,584	9,650	9,853	9,707
Goodwill, other assets and intangible assets	3,640	4,733	4,726	4,962	4,646	4,709	4,865	4,532	4,669	4,896	4,876
Operating lease right-of-use assets	1,638	1,667	1,696	1,744	1,733	1,688	1,780	1,941	2,032	2,061	2,024
Funds employed	**16,631**	**18,543**	**18,745**	**18,931**	**18,810**	**18,950**	**19,530**	**18,148**	**19,009**	**19,760**	**19,390**
FINANCING											
Straight debt:											
Cash and cash equivalents	(2,429)	(1,281)	(1,022)	(1,198)	(1,517)	(999)	(1,061)	(1,247)	(1,059)	(1,536)	(1,327)
Short-term borrowings	4	150	2	511	838	848	828	271	614	349	433
Long-term debt due within one year	668	1,426	1,398	819	824	65	65	708	1,005	706	33
Long-term debt	4,500	4,159	4,135	4,175	4,549	4,863	4,916	4,134	3,892	4,984	4,967
Current portion of operating lease liabilities	285	303	384	399	306	306	319	293	305	318	323
Operating lease liabilities	1,318	1,345	1,289	1,319	1,407	1,378	1,458	1,662	1,742	1,759	1,722
	4,346	**6,102**	**6,186**	**6,025**	**6,407**	**6,461**	**6,525**	**5,821**	**6,499**	**6,580**	**6,151**
Long-term employee benefit liabilities	563	579	564	591	584	564	571	533	552	574	573
Other long-term liabilities	451	448	453	475	471	507	339	396	349	267	298
Deferred tax assets, net	(218)	(242)	(210)	(437)	(576)	(592)	(592)	(542)	(557)	(564)	(567)
	796	**785**	**807**	**629**	**479**	**479**	**318**	**387**	**344**	**277**	**304**
Shareholders' equity	11,489	11,656	11,752	12,277	11,924	12,010	12,687	11,940	12,166	12,903	12,935
	16,631	**18,543**	**18,745**	**18,931**	**18,810**	**18,950**	**19,530**	**18,148**	**19,009**	**19,760**	**19,390**
ASSET UTILIZATION RATIOS											
Days in accounts receivable	67.1	70.1	71.4	67.8	68.7	67.5	73.3	62.5	73.3	69.9	72.3
Days in accounts payable	73.9	75.3	76.9	78.8	73.3	72.4	77.6	71.4	75.2	70.3	72.8
Inventory turnover - cost of goods sold	8.5	8.2	7.8	7.8	8.5	8.5	7.7	8.7	8.4	8.7	8.5
Working capital turnover	25.7	19.9	19.1	31.3	25.9	24.8	21.8	40.6	25.2	23.4	24.8
Total asset turnover	2.6	2.4	2.3	2.2	2.3	2.3	2.1	2.3	2.1	2.2	2.2
CAPITAL STRUCTURE											
Straight debt	26.1%	32.9%	33.0%	31.8%	34.1%	34.1%	33.4%	32.1%	34.2%	33.3%	31.7%
Long-term employee benefit liabilities, other long-term liabilities & deferred tax liabilities, net	4.8%	4.2%	4.3%	3.3%	2.5%	2.5%	1.6%	2.1%	1.8%	1.4%	1.6%
Shareholders' equity	69.1%	62.9%	62.7%	64.9%	63.4%	63.4%	65.0%	65.8%	64.0%	65.3%	66.7%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Adjusted Debt to Adjusted EBITDA [2]	2.19x	2.19x	2.02x	1.85x	1.98x	1.91x	1.93x	1.75x	1.92x	2.03x	1.88x
Debt to total capitalization	37.1%	38.8%	38.0%	37.0%	39.9%	38.3%	37.4%	37.2%	38.3%	38.6%	36.6%

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		2023					2024					2025			
CONSOLIDATED STATEMENTS OF CASH FLOWS	**Note**	**1st Q**	**2nd Q**	**3rd Q**	**4th Q**	**TOTAL**	**1st Q**	**2nd Q**	**3rd Q**	**4th Q**	**TOTAL**	**1st Q**	**2nd Q**	**3rd Q**	**TOTAL**
Operating activities															
Net income		217	354	417	298	**1,286**	26	328	508	234	**1,096**	153	394	333	**880**
Items not involving current cash flows		351	525	404	362	**1,642**	565	353	277	662	**1,857**	394	368	454	**1,216**
		568	**879**	**821**	**660**	**2,928**	**591**	**681**	**785**	**896**	**2,953**	**547**	**762**	**787**	**2,096**
Changes in operating assets and liabilities		(341)	(332)	(24)	918	**221**	(330)	55	(58)	1,014	**681**	(470)	(135)	125	**(480)**
Cash provided from operating activities		**227**	**547**	**797**	**1,578**	**3,149**	**261**	**736**	**727**	**1,910**	**3,634**	**77**	**627**	**912**	**1,616**
Investment activities															
Fixed asset additions		(424)	(502)	(630)	(944)	**(2,500)**	(493)	(500)	(476)	(709)	**(2,178)**	(268)	(246)	(267)	**(781)**
Increase in investments, other assets and intangible assets		(101)	(96)	(176)	(189)	**(562)**	(125)	(170)	(115)	(207)	**(617)**	(148)	(94)	(100)	**(342)**
Net cash (outflow) inflow from disposal of facilities	**1(f), 1(g)**	(25)	-	(23)	-	**(48)**	4	-	78	-	**82**	-	-	-	**-**
Investment in Public and Private Equity Investments		-	(3)	(7)	(1)	**(11)**	(23)	2	(1)	10	**(12)**	(1)	(3)	(2)	**(6)**
Proceeds from disposition		19	44	32	27	**122**	87	57	38	37	**219**	26	14	27	**67**
Business combinations		-	(1,475)	-	(29)	**(1,504)**	(30)	(56)	-	-	**(86)**	(4)	4	(1)	**(1)**
Cash used for investment activities		**(531)**	**(2,032)**	**(804)**	**(1,136)**	**(4,503)**	**(580)**	**(667)**	**(476)**	**(869)**	**(2,592)**	**(395)**	**(325)**	**(343)**	**(1,063)**
Financing activities															
Net issues (repayments) of debt		1,636	544	(135)	(119)	**1,926**	757	(416)	(47)	(513)	**(219)**	322	341	(583)	**80**
Common Shares issued on exercise of stock options		6	-	8	6	**20**	30	-	-	-	**30**	-	-	-	**-**
Repurchase of Common Shares		(9)	(2)	-	(2)	**(13)**	(3)	(2)	-	(202)	**(207)**	(51)	-	-	**(51)**
Tax withholdings on vesting of equity awards		(9)	(1)	-	(1)	**(11)**	(4)	(1)	-	(3)	**(8)**	(4)	-	-	**(4)**
Contributions to subsidiaries by non-controlling interests		-	-	-	11	**11**	-	-	-	-	**-**	-	-	-	**-**
Acquisition of non-controlling interest		-	-	-	-	**-**	-	-	-	-	**-**	-	-	(40)	**(40)**
Dividends paid to non-controlling interests		(7)	(24)	(18)	(25)	**(74)**	-	(26)	(10)	(10)	**(46)**	-	(25)	(15)	**(40)**
Dividends paid		(132)	(129)	(128)	(133)	**(522)**	(134)	(134)	(138)	(133)	**(539)**	(136)	(137)	(136)	**(409)**
Cash provided from (used for) financing activities		**1,485**	**388**	**(273)**	**(263)**	**1,337**	**646**	**(579)**	**(195)**	**(861)**	**(989)**	**131**	**179**	**(774)**	**(464)**
Effect of exchange rate changes on cash and cash equivalents		14	(51)	21	(3)	**(19)**	(8)	(8)	6	6	**(4)**	(1)	(4)	(4)	**(9)**
Net increase (decrease) in cash and cash equivalents, during the period		**1,195**	**(1,148)**	**(259)**	**176**	**(36)**	**319**	**(518)**	**62**	**186**	**49**	**(188)**	**477**	**(209)**	**80**
Cash and cash equivalents, beginning of period		1,234	2,429	1,281	1,022	1,234	1,198	1,517	999	1,061	1,198	1,247	1,059	1,536	1,247
Cash and cash equivalents, end of period		**2,429**	**1,281**	**1,022**	**1,198**	**1,198**	**1,517**	**999**	**1,061**	**1,247**	**1,247**	**1,059**	**1,536**	**1,327**	**1,327**

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This Analyst should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2024.

Note 1: OTHER EXPENSE (INCOME), NET

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

		2023					2024					2025			
		1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Restructuring activities	[a]	118	(35)	(1)	66	**148**	38	55	-	94	**187**	44	13	46	**103**
Investment revaluations, (gains) losses on sales, and impairments	[b]	2	85	(1)	5	**91**	2	3	1	3	**9**	9	(7)	2	**4**
Impacts related to Fisker Inc. ["Fisker"]	[c]	22	13	(18)	93	**110**	316	19	(189)	52	**198**	-	-	-	**-**
Impairments	[d]	-	-	-	-	**-**	-	-	-	79	**79**	-	-	-	**-**
Gain on business combination	[e]	-	-	-	-	**-**	-	(9)	-	-	**(9)**	-	-	-	**-**
Veoneer AS transaction costs	[f]	-	23	-	-	**23**	-	-	-	-	**-**	-	-	-	**-**
Operations in Russia	[g]	-	-	16	-	**16**	-	-	-	-	**-**	-	-	-	**-**
		142	**86**	**(4)**	**164**	**388**	**356**	**68**	**(188)**	**228**	**464**	**53**	**6**	**48**	**107**

[a] Restructuring activities

	2023					2024					2025			
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Power & Vision	105	(44)	(1)	57	**117**	-	55	-	49	**104**	11	13	34	**58**
Complete Vehicles	-	-	-	-	**-**	26	-	-	29	**55**	33	-	12	**45**
Body Exteriors & Structures	13	9	-	9	**31**	12	-	-	16	**28**	-	-	-	**-**
	118	**(35)**	**(1)**	**66**	**148**	**38**	**55**	**-**	**94**	**187**	**44**	**13**	**46**	**103**

Restructuring charges generally related to significant plant closures and consolidations primarily in Europe and to a lesser extent in North America and Asia Pacific. During the third quarter of 2025, the Company's Power & Vision segment recorded $10 million of equity losses associated with its share of significant rightsizing activities at an equity method investee. During the second quarters of 2025 and 2024, the Company recorded $6 million and $35 million, respectively, of restructuring charges associated with its acquisition of the Veoneer Active Safety Business ["Veoneer AS"]; during the second and third quarters of 2023, the Company's Power & Vision segment recorded a $10 million and $8 million gain on the sale of a building as a result of restructuring activities, respectively; during the second quarter of 2023, the Company's Power & Vision segment reversed $39 million of charges due to a change in the restructuring plans related to a plant closure.

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

	2023					2024					2025			
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Gains and losses related to revaluation and disposition	2	-	(1)	-	**1**	2	3	1	(10)	**(4)**	9	(7)	-	**2**
Non-cash impairment charges	-	85	-	5	**90**	-	-	-	13	**13**	-	-	2	**2**
	2	**85**	**(1)**	**5**	**91**	**2**	**3**	**1**	**3**	**9**	**9**	**(7)**	**2**	**4**

The Company revalues its public and private equity investments and certain public company warrants every quarter. The gains and losses related to this revaluation, as well as gains and losses on disposition, are primarily recorded in Corporate. The non-cash impairment charges on private equity investments are primarily recorded in Corporate. During the second quarter of 2023, the non-cash impairment included a charge with respect to related long-term receivables within Other Assets. During the fourth quarter of 2023, the non-cash impairment charges were recorded in the Company's Power & Vision segment.

[c] Impacts related to Fisker Inc. ["Fisker"]

During 2023 and 2024, the Company recorded impairment charges on its Fisker related net assets, including its Fisker warrants, which were received in connection with the agreements with Fisker for platform sharing, engineering and manufacturing of the Fisker Ocean SUV. The Company also recorded additional restructuring charges during the first quarter of 2024 related to its Fisker related assembly operations. In the course of such bankruptcy proceedings, the Company terminated its manufacturing agreement for the Fisker Ocean SUV and recognized the remaining $196 million of deferred revenue into income.

	2023					2024					2025			
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Impairment of Fisker related net assets	-	-	-	-	**-**	261	19	7	43	**330**	-	-	-	**-**
Impairment of Fisker warrants	22	13	(18)	93	**110**	33	-	-	-	**33**	-	-	-	**-**
Additional restructuring related to Complete Vehicles	-	-	-	-	**-**	22	-	-	9	**31**	-	-	-	**-**
Recognition of related deferred revenue	-	-	-	-	**-**	-	-	(196)	-	**(196)**	-	-	-	**-**
	22	**13**	**(18)**	**93**	**110**	**316**	**19**	**(189)**	**52**	**198**	**-**	**-**	**-**	**-**

[d] Impairments

During 2024, the Company recorded an impairment charge of $79 million on fixed assets, right of use assets and intangible assets at two European facilities in its Power & Vision segment.

[e] Gain on business combination

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

[f] Veoneer AS transaction costs

During 2023, the Company incurred $23 million of transaction costs related to the acquisition of the Veoneer Active Safety Business.

[g] Operations in Russia

As a result of the expected lack of future cashflows and the continuing uncertainties connected with the Russian economy, during 2023, the Company completed the sale of all of its investments in Russia resulting in a final loss of $16 million including a net cash outflow of $23 million.

Note 2: NON-GAAP MEASURES

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

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

	2023					2024					2025			
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Income from operations before income taxes	**275**	**483**	**538**	**310**	**1,606**	**34**	**427**	**700**	**381**	**1,542**	**225**	**496**	**473**	**1,194**
Exclude:														
Amortization of acquired intangible assets	12	13	32	31	**88**	28	28	28	28	**112**	26	29	27	**82**
Other expense (income), net	142	86	(4)	164	**388**	356	68	(188)	228	**464**	53	6	48	**107**
Interest expense, net	20	34	49	53	**156**	51	54	54	52	**211**	50	52	65	**167**
Adjusted EBIT	**449**	**616**	**615**	**558**	**2,238**	**469**	**577**	**594**	**689**	**2,329**	**354**	**583**	**613**	**1,550**

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

	2023					2024					2025			
	1st Q	2nd Q	3rd Q	4th Q	FY	1st Q	2nd Q	3rd Q	4th Q	FY	1st Q	2nd Q	3rd Q	TOTAL
Net income	**217**	**354**	**417**	**298**	**1,286**	**26**	**328**	**508**	**234**	**1,096**	**153**	**394**	**333**	**880**
Add (deduct):														
Interest expense, net	20	34	49	53	156	51	54	54	52	211	50	52	65	167
Amortization of acquired intangible assets	12	13	32	31	88	28	28	28	28	112	26	29	27	82
Other expense (income), net	142	86	(4)	164	388	356	68	(188)	228	464	53	6	48	107
Tax effect on Interest expense, net, Amortization of acquired intangible assets and Other expense, net	(38)	(4)	(14)	(46)	(103)	(93)	(32)	30	(38)	(133)	(19)	(18)	(22)	(59)
Adjustments to Deferred Tax Valuation Allowances	-	-	-	(47)	(47)	-	-	-	51	51	-	-	-	-
Adjusted After-tax operating profits	**353**	**483**	**480**	**453**	**1,768**	**368**	**446**	**432**	**555**	**1,801**	**263**	**463**	**451**	**1,177**
Total Assets	**30,654**	**31,837**	**31,675**	**32,255**		**32,678**	**31,986**	**32,790**	**31,039**		**32,074**	**33,175**	**32,907**	
Excluding:														
Cash and cash equivalents	(2,429)	(1,281)	(1,022)	(1,198)		(1,517)	(999)	(1,061)	(1,247)		(1,059)	(1,536)	(1,327)	
Deferred tax assets	(506)	(535)	(527)	(621)		(753)	(807)	(811)	(819)		(862)	(902)	(920)	
Less Current Liabilities	(12,045)	(13,358)	(13,165)	(13,234)		(13,566)	(12,449)	(12,600)	(12,097)		(13,068)	(12,350)	(12,059)	
Excluding:														
Short-term borrowing	4	150	2	511		838	848	828	271		614	349	433	
Long-term debt due within one year	668	1,426	1,398	819		824	65	65	708		1,005	706	33	
Current portion of operating lease liabilities	285	303	384	399		306	306	319	293		305	318	323	
Invested Capital	**16,631**	**18,542**	**18,745**	**18,931**		**18,810**	**18,950**	**19,530**	**18,148**		**19,009**	**19,760**	**19,390**	
Adjusted After-tax operating profits	353	483	480	453	1,768	368	446	432	555	1,801	263	463	451	1,177
Average Invested Capital	16,318	17,587	18,644	18,838	17,771	18,871	18,880	19,240	18,839	18,875	18,579	19,385	19,575	19,077
Adjusted Return on Invested Capital	**8.7%**	**11.0%**	**10.3%**	**9.6%**	**9.9%**	**7.8%**	**9.4%**	**9.0%**	**11.8%**	**9.5%**	**5.7%**	**9.6%**	**9.2%**	**8.2%**

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

		2023				2024				2025		
		1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q
Debt per balance sheet		6,775	7,383	7,208	7,223	7,924	7,460	7,586	7,068	7,558	8,116	7,478
Long-Term Employee Benefit Liabilities	[i]	148	148	148	125	125	125	125	127	127	127	127
Adjusted Debt	**[A]**	**6,923**	**7,531**	**7,356**	**7,348**	**8,049**	**7,585**	**7,711**	**7,195**	**7,685**	**8,243**	**7,605**
Rolling four quarter Adjusted EBITDA		3,007	3,258	3,449	3,674	3,718	3,699	3,704	3,839	3,716	3,737	3,761
Capitalized operating lease expense	[i]	344	344	344	353	353	353	353	410	410	410	410
Pension adjustment	[i], [ii]	(6)	(6)	(6)	4	4	4	4	(20)	(20)	(20)	(20)
Interest income	[i]	45	45	45	86	86	86	86	98	98	98	98
Rolling four quarter cash portion of other expense, net		(227)	(200)	(198)	(152)	(94)	(161)	(149)	(219)	(203)	(161)	(196)
	[B]	**3,163**	**3,441**	**3,634**	**3,965**	**4,067**	**3,981**	**3,998**	**4,108**	**4,001**	**4,064**	**4,053**
Adjusted Debt to Adjusted EBITDA	**[A] / [B]**	**2.19x**	**2.19x**	**2.02x**	**1.85x**	**1.98x**	**1.91x**	**1.93x**	**1.75x**	**1.92x**	**2.03x**	**1.88x**

[i] The long-term employee benefit liabilities, capitalized operating lease expense, interest income and pension adjustment figures included in the Adjusted EBITDA calculations are based on the annual figures for the years ended December 31, 2024, December 31, 2023 and December 31, 2022, respectively.

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

Note 2: NON-GAAP MEASURES (Continued)

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

	2023					2024					2025			
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Net income attributable to Magna International Inc.	**209**	**339**	**394**	**271**	**1,213**	**9**	**313**	**484**	**203**	**1,009**	**146**	**379**	**305**	**830**
Exclude:														
Amortization of acquired intangible assets	10	11	25	25	**71**	22	23	22	22	**89**	21	24	22	**67**
Restructuring activities	92	(26)	(2)	60	**124**	32	45	-	82	**159**	44	9	46	**99**
Investment revaluations, (gains) losses on sales, and impairments	2	85	(1)	4	**90**	1	2	3	6	**12**	8	(5)	2	**5**
Impacts related to Fisker Inc. ["Fisker"]	16	10	(13)	70	**83**	247	15	(140)	39	**161**	-	-	-	**-**
Impairments	-	-	-	-	**-**	-	-	-	79	**79**	-	-	-	**-**
Gain on business combination	-	-	-	-	**-**	-	(9)	-	-	**(9)**	-	-	-	**-**
Veoneer AS transaction costs	-	22	-	-	**22**	-	-	-	-	**-**	-	-	-	**-**
Operations in Russia	-	-	16	-	**16**	-	-	-	-	**-**	-	-	-	**-**
Adjustments to Deferred Tax Valuation Allowance [iii]	-	-	-	(47)	**(47)**	-	-	-	51	**51**	-	-	-	**-**
Adjusted net income attributable to Magna International Inc.	**329**	**441**	**419**	**383**	**1,572**	**311**	**389**	**369**	**482**	**1,551**	**219**	**407**	**375**	**1,001**

The following table reconciles diluted earnings per common share to Adjusted diluted earnings per common share:

	2023					2024					2025			
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Diluted earnings per common share	**$ 0.73**	**$ 1.18**	**$ 1.37**	**$ 0.94**	**$ 4.23**	**$ 0.03**	**$ 1.09**	**$ 1.68**	**$ 0.71**	**$ 3.52**	**$ 0.52**	**1.35**	**1.08**	**$ 2.94**
Exclude:														
Amortization of acquired intangible assets	0.04	0.04	0.09	0.09	**0.25**	0.08	0.08	0.08	0.08	**0.31**	0.08	0.08	0.08	**0.24**
Restructuring activities	0.31	(0.09)	-	0.20	**0.43**	0.11	0.15	-	0.29	**0.55**	0.15	0.03	0.16	**0.35**
Investment revaluations, (gains) losses on sales, and impairments	0.01	0.30	(0.01)	0.01	**0.31**	-	0.01	0.01	0.01	**0.04**	0.03	(0.02)	0.01	**0.02**
Impacts related to Fisker Inc. ["Fisker"]	0.06	0.03	(0.05)	0.25	**0.29**	0.86	0.05	(0.49)	0.14	**0.56**	-	-	-	**-**
Impairments	-	-	-	-	**-**	-	-	-	0.28	**0.28**	-	-	-	**-**
Gain on business combination	-	-	-	-	**-**	-	(0.03)	-	-	**(0.03)**	-	-	-	**-**
Veoneer AS transaction costs	-	0.08	-	-	**0.08**	-	-	-	-	**-**	-	-	-	**-**
Operations in Russia	-	-	0.06	-	**0.06**	-	-	-	-	**-**	-	-	-	**-**
Adjustments to Deferred Tax Valuation Allowance [iii]	-	-	-	(0.16)	**(0.16)**	-	-	-	0.18	**0.18**	-	-	-	**-**
Adjusted diluted earnings per common share	**$ 1.15**	**$ 1.54**	**$ 1.46**	**$ 1.33**	**$ 5.49**	**$ 1.08**	**$ 1.35**	**$ 1.28**	**$ 1.69**	**$ 5.41**	**$ 0.78**	**$ 1.44**	**$ 1.33**	**$ 3.55**

[iii] Adjustments to Deferred Tax Valuation Allowance

The Company records quarterly adjustments to the valuation allowance against its deferred tax assets and liabilities in continents like North America, Europe, Asia, and South America. The net effect of these adjustments is an increase to income tax expense in the fourth quarter of 2024 and a reduction in the fourth quarter of 2023.

Note 3: SEGMENTED INFORMATION

	2023					2024					2025			
	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	4th Q	TOTAL	1st Q	2nd Q	3rd Q	TOTAL
Body Exteriors & Structures														
Sales	4,439	4,540	4,354	4,178	**17,511**	4,429	4,465	4,038	4,067	**16,999**	3,966	4,253	4,147	**12,366**
Adjusted EBIT	272	394	358	280	**1,304**	298	341	273	371	**1,283**	230	347	305	**882**
Adjusted EBIT as a percentage of sales	6.1%	8.7%	8.2%	6.7%	**7.4%**	6.7%	7.6%	6.8%	9.1%	**7.5%**	5.8%	8.2%	7.4%	**7.1%**
Power & Vision														
Sales	3,323	3,462	3,745	3,775	**14,305**	3,842	3,926	3,837	3,786	**15,391**	3,646	3,857	3,854	**11,357**
Adjusted EBIT	92	124	221	231	**668**	98	198	279	235	**810**	124	162	236	**522**
Adjusted EBIT as a percentage of sales	2.8%	3.6%	5.9%	6.1%	**4.7%**	2.6%	5.0%	7.3%	6.2%	**5.3%**	3.4%	4.2%	6.1%	**4.6%**
Seating Systems														
Sales	1,486	1,603	1,529	1,429	**6,047**	1,455	1,455	1,379	1,511	**5,800**	1,312	1,433	1,520	**4,265**
Adjusted EBIT	37	67	70	44	**218**	52	53	51	67	**223**	(30)	42	62	**74**
Adjusted EBIT as a percentage of sales	2.5%	4.2%	4.6%	3.1%	**3.6%**	3.6%	3.6%	3.7%	4.4%	**3.8%**	-2.3%	2.9%	4.1%	**1.7%**
Complete Vehicles														
Sales	1,626	1,526	1,185	1,201	**5,538**	1,383	1,242	1,159	1,402	**5,186**	1,276	1,226	1,085	**3,587**
Adjusted EBIT	52	34	(5)	43	**124**	27	20	27	56	**130**	44	28	29	**101**
Adjusted EBIT as a percentage of sales	3.2%	2.2%	-0.4%	3.6%	**2.2%**	2.0%	1.6%	2.3%	4.0%	**2.5%**	3.4%	2.3%	2.7%	**2.8%**
Corporate and other														
Intercompany eliminations	(201)	(149)	(125)	(129)	**(604)**	(139)	(130)	(133)	(138)	**(540)**	(131)	(138)	(144)	**(413)**
Adjusted EBIT	(4)	(3)	(29)	(40)	**(76)**	(6)	(35)	(36)	(40)	**(117)**	(14)	4	(19)	**(29)**
Total														
Sales	10,673	10,982	10,688	10,454	**42,797**	10,970	10,958	10,280	10,628	**42,836**	10,069	10,631	10,462	**31,162**
Adjusted EBIT	449	616	615	558	**2,238**	469	577	594	689	**2,329**	354	583	613	**1,550**
Adjusted EBIT as a percentage of sales	4.2%	5.6%	5.8%	5.3%	**5.2%**	4.3%	5.3%	5.8%	6.5%	**5.4%**	3.5%	5.5%	5.9%	**5.0%**