PRESS RELEASE

FOR IMMEDIATE RELEASE
MAY 1, 2025

MARTINREA INTERNATIONAL INC. REPORTS FIRST QUARTER RESULTS AND DECLARES DIVIDEND

Toronto, Ontario – Martinrea International Inc. (TSX : MRE), a diversified and global automotive supplier engaged in the design, development and manufacturing of highly engineered, value-added Lightweight Structures and Propulsion Systems, today announced the release of its financial results for the first quarter ended March 31, 2025, and declared a quarterly cash dividend of $0.05 per share.

FIRST-QUARTER HIGHLIGHTS

- Total sales of $1,168.2 million, production sales of $1,125.7 million.
- Diluted net earnings per share of $0.24 and Adjusted Net Earnings per Share(1) of $0.41.
- Adjusted EBITDA(1) of $140.9 million, 12.1% of total sales.
- Adjusted Operating Income Margin(1) of 5.3%, a notable improvement over 3.5% in the fourth quarter of 2024.
- Free Cash Flow(1) (excluding principal payments of IFRS 16 lease liabilities) was ($25.4) million, reflecting a typical seasonal build in non-cash working capital.
- Net Debt-to-Adjusted EBITDA(1) ratio, excluding the impact of IFRS 16, ended the first quarter at 1.64x.
- New business awards of approximately $60 million in annualized sales at mature volumes.
- Quarterly cash dividend of $0.05 per share declared.

OVERVIEW

Pat D'Eramo, Chief Executive Officer, stated: "Our first quarter financial results improved over the fourth quarter on higher production sales, and better margins. As we previously discussed, our fourth quarter results were impacted by an OEM vehicle inventory correction, which mainly affected the Detroit 3 customer base in North America. While we continued to see some impact from these adjustments in the first quarter, volumes improved, and inventories are now at a more normal level based on market demand. Looking forward, U.S. tariffs on automotive imports are clouding the outlook for our business and industry. These tariffs have already had a disruptive effect, with OEMs announcing temporary shutdowns of assembly plants and volume reductions on certain programs. Some of this is also related to continued weak demand for EV platforms. We are focusing on the factors that are within our control, including operational improvements, cost reductions (including $50 million in targeted annual SG&A savings), free cash flow generation, and preserving our strong balance sheet. We will navigate these challenges as we have managed other challenges in the past and emerge as a stronger supplier once the tide turns in our industry, as it always has."

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1 The Company prepares its financial statements in accordance with IFRS Accounting Standards ("IFRS"). However, the Company considers certain non-IFRS financial measures as useful additional information in measuring the financial performance and condition of the Company. These measures, which the Company believes are widely used by investors, securities analysts and other interested parties in evaluating the Company's performance, do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other publicly traded companies, nor should they be construed as an alternative to financial measures determined in accordance with IFRS. Non-IFRS measures, included anywhere in this press release, include "Adjusted Net Income", "Adjusted Net Earnings per Share (on a basic and diluted basis)", "Adjusted Operating Income", "Adjusted EBITDA", "Free Cash Flow", "Free Cash-Flow (after IFRS 16 lease payments)" and "Net Debt". The relevant IFRS financial measure, as applicable, and a reconciliation of certain non-IFRS financial measures to measures determined in accordance with IFRS are contained in the Company's Management Discussion and Analysis for the three months ended March 31, 2025 and in this press release.

He continued: “I am pleased to announce that we have been awarded new business representing approximately $60 million in annualized sales at mature volumes, consisting of $55 million in Lightweight Structures with General Motors and Mercedes, and $5 million in our Flexible Manufacturing Group with Volvo Truck. New business awards over the last four quarters total $260 million in annualized sales at mature volumes.”

Peter Cirulis, Chief Financial Officer, stated: “Overall, we are pleased with our first quarter financial performance, which was a good start to the year. We are executing well in a tough market. Sales for the first quarter, excluding tooling sales of $42.6 million, were $1,125.7 million. Adjusted Operating Income[(1)] was $61.9 million, and Adjusted Operating Income Margin[(1)] of 5.3% was up 180 basis points over the fourth quarter of 2024, as we began recovering from the OEM vehicle inventory correction noted earlier. Free Cash Flow[(1)] (excluding principal payments of IFRS 16 lease liabilities) was ($25.4) million, reflecting a normal seasonal build in non-cash working capital. Free Cash Flow[(1)] is expected to improve as the year progresses, based on the typical seasonal pattern, excluding any tariff impacts.”

Rob Wildeboer, Executive Chairman, stated: “We are executing well operationally and financially, and allocating capital with a view to preserving a strong balance sheet and maximizing long-term returns for our stakeholders. Balancing capital allocation between share buybacks and debt reduction continues to be a priority. In light of the current trade uncertainty, we have elected to temporarily pause share buybacks under our normal course issuer bid until we have more clarity on the impact that tariffs are likely to have on our business. In the meantime, Free Cash Flow[(1)] will primarily go towards debt repayment. On behalf of the executive management team, we would like to thank our people for their hard work and flexibility in these dynamic times, as well as our shareholders and other stakeholders for their ongoing support.”

RESULTS OF OPERATIONS

All amounts in this press release are in Canadian dollars, unless otherwise stated; and all tabular amounts are in thousands of Canadian dollars, except earnings per share and number of shares.

Additional information about the Company, including the Company’s Management Discussion and Analysis of Operating Results and Financial Position for the three months ended March 31, 2025 (“MD&A”), the Company’s interim condensed consolidated financial statements for the three months ended March 31, 2025 (the “interim financial statements”) and the Company’s Annual Information Form for the year ended December 31, 2024 can be found on the Company’s profile at www.sedarplus.ca.

OVERALL RESULTS

Results of operations may include certain items which have been separately disclosed, where appropriate, in order to provide a clear assessment of the underlying Company results. In addition to IFRS Accounting Standards ("IFRS") measures, management uses non-IFRS measures in the Company’s disclosures that it believes provide the most appropriate basis on which to evaluate the Company’s results.

The following table sets out certain highlights of the Company’s performance for the three months ended March 31, 2025 and 2024. Refer to the Company’s interim financial statements for the three months ended March 31, 2025 for a detailed account of the Company’s performance for the periods presented in the table below.

	Three months ended March 31, 2025		Three months ended March 31, 2024	$ Change	% Change
Sales	$	1,168,231	$ 1,323,913	(155,682)	(11.8%)
Gross Margin		151,599	172,537	(20,938)	(12.1%)
Operating Income		45,105	72,932	(27,827)	(38.2%)
Net Income for the period		17,474	43,650	(26,176)	(60.0%)
Net Earnings per Share - Basic and Diluted	$	0.24	$ 0.56	(0.32)	(57.1%)
Non-IFRS Measures*					
Adjusted Operating Income	$	61,942	$ 79,187	(17,245)	(21.8%)
% of Sales		*5.3 %*	*6.0 %*		
Adjusted EBITDA		140,921	162,830	(21,909)	(13.5%)
% of Sales		*12.1 %*	*12.3 %*		
Adjusted Net Income		29,520	48,097	(18,577)	(38.6%)
Adjusted Net Earnings per Share - Basic and Diluted	$	0.41	$ 0.62	(0.21)	(33.9%)

***Non-IFRS Measures**

The Company prepares its interim financial statements in accordance with IFRS. However, the Company considers certain non-IFRS financial measures as useful additional information in measuring the financial performance and condition of the Company. These measures, which the Company believes are widely used by investors, securities analysts and other interested parties in evaluating the Company's performance, do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other publicly traded companies, nor should they be construed as an alternative to financial measures determined in accordance with IFRS. Non-IFRS measures include "Adjusted Net Income", "Adjusted Net Earnings per Share (on a basic and diluted basis)", "Adjusted Operating Income", "Adjusted EBITDA", "Free Cash Flow", "Free Cash Flow (after IFRS 16 lease payments)", and "Net Debt".

The following tables provide a reconciliation of IFRS "Net Income" to Non-IFRS "Adjusted Net Income", "Adjusted Operating Income" and "Adjusted EBITDA":

	Three months ended March 31, 2025	Three months ended March 31, 2024
Net Income	$ 17,474	$ 43,650
Adjustments, after tax*	12,046	4,447
Adjusted Net Income	$ 29,520	$ 48,097

**Adjustments are explained in the "Adjustments to Net Income" section of this Press Release*

	Three months ended March 31, 2025	Three months ended March 31, 2024
Net Income	$ 17,474	$ 43,650
Income tax expense	7,915	13,918
Other finance expense (income)	2,231	(5,443)
Share of loss of equity investments	797	634
Finance expense	16,688	20,173
Adjustments, before tax*	16,837	6,255
Adjusted Operating Income	$ 61,942	$ 79,187
Depreciation of property, plant and equipment and right-of-use assets	77,135	81,037
Amortization of development costs	1,795	2,494
Loss on disposal of property, plant and equipment	49	112
Adjusted EBITDA	$ 140,921	$ 162,830

**Adjustments are explained in the "Adjustments to Net Income" section of this Press Release*

SALES

Three months ended March 31, 2025 to three months ended March 31, 2024 comparison

	Three months ended March 31, 2025	Three months ended March 31, 2024	$ Change	% Change
North America	$ 885,060	$ 963,943	(78,883)	(8.2%)
Europe	255,338	334,010	(78,672)	(23.6%)
Rest of the World	33,749	31,762	1,987	6.3%
Eliminations	(5,916)	(5,802)	(114)	(2.0%)
Total Sales	$ 1,168,231	$ 1,323,913	(155,682)	(11.8%)

The Company’s consolidated sales for the first quarter of 2025 decreased by $155.7 million or 11.8% to $1,168.2 million as compared to $1,323.9 million for the first quarter of 2024. The total decrease in sales was driven by year-over-year decreases in the North America and Europe operating segments, partially offset by a year-over-year increase in the Rest of the World.

Sales for the first quarter of 2025 in the Company’s North America operating segment decreased by $78.9 million or 8.2% to $885.1 million from $963.9 million for the first quarter of 2024. The decrease was due to programs that ended production during or subsequent to the first quarter of 2024, specifically the Ford Edge, Chevrolet Malibu, and an aluminum engine block for Stellantis; and lower year-over-year OEM production volumes on certain light vehicle platforms, including the Jeep Grand Cherokee and Wagoneer, General Motors' large pick-up truck and SUV platform, the Ford Escape and Maverick, and Mercedes' new electric vehicle platform (EVA2). These negative factors were partially offset by the launch and ramp up of new programs, including General Motors' new electric vehicle platforms (BEV3/BET), and the Toyota Tacoma; higher year-over-year production volumes of certain light vehicle platforms including the Ford Mustang Mach E, and Lucid Air; the impact of foreign exchange on the translation of U.S. denominated production sales, which had a positive impact on overall sales for the first quarter of 2025 of $44.3 million; and an increase in tooling sales of $10.0 million which are typically dependent on the timing of tooling construction and final acceptance by the customer. Overall first quarter industry-wide OEM light vehicle production volumes in North America decreased by approximately 5% year-over-year.

Sales for the first quarter of 2025 in the Company’s Europe operating segment decreased by $78.7 million or 23.6% to $255.3 million from $334.0 million for the first quarter of 2024. The decrease was due to lower year-over-year OEM production volumes on certain platforms, including aluminum engine blocks for Ford and Mercedes, and the Mercedes' new electric vehicle platform (EVA2); programs that ended production during or subsequent to the first quarter of 2024, specifically the BMW Mini; and a decrease in tooling sales of $32.2 million which are typically dependent on the timing of tooling construction and final acceptance by the customer. These negative factors were partially offset by the launch and ramp up of new programs during or subsequent to the first quarter of 2024, including Volkswagen's new electric vehicle platform (PPE); higher year-over-year OEM production volumes on certain platforms, including the Lucid Air; and the impact of foreign exchange on the translation of Euro denominated production sales, which had a positive impact on overall sales for the first quarter of 2025 of $4.3 million. Overall first quarter industry-wide OEM light vehicle production volumes in Europe decreased by approximately 7% year-over-year.

Sales for the first quarter of 2025 in the Company’s Rest of the World operating segment increased by $2.0 million or 6.3% to $33.7 million from $31.8 million for the first quarter of 2024. The increase was largely driven by the launch and ramp up of new programs, specifically the BMW 5-series in China; partially offset by lower year-over-year production volumes with Jaguar Land Rover, and a decrease in tooling sales of $1.1 million.

Overall tooling sales decreased by $23.8 million (including outside segment sales eliminations) to $42.6 million for the first quarter of 2025 from $66.4 million for the first quarter of 2024.

GROSS MARGIN

Three months ended March 31, 2025 to three months ended March 31, 2024 comparison

	Three months ended March 31, 2025	Three months ended March 31, 2024	$ Change	% Change
Gross margin	$ 151,599	$ 172,537	(20,938)	(12.1%)
% of Sales	13.0%	13.0%		

The gross margin percentage for the first quarter of 2025 of 13.0% was in-line with the first quarter of 2024. The positive impacts from a decrease in tooling sales, which typically earn low margin for the Company, and productivity and efficiency improvements at certain operating facilities and other improvements, were essentially offset by lower contribution from overall lower sales volume, and operational inefficiencies at certain other operating facilities.

Overall market related inflationary pressures on labour, material and energy costs, along with offsetting commercial settlements, were generally stable for the quarter on a year-over-year basis.

ADJUSTMENTS TO NET INCOME

Adjusted Net Income excludes certain items as set out in the following tables and described in the notes thereto. Management uses Adjusted Net Income as a measurement of operating performance of the Company and believes that, in conjunction with IFRS measures, it provides useful information about the financial performance and condition of the Company.

TABLE A

Three months ended March 31, 2025 to three months ended March 31, 2024 comparison

	Three months ended March 31, 2025	Three months ended March 31, 2024	$ Change
NET INCOME	**$ 17,474**	**$ 43,650**	**$ (26,176)**
Adjustments:			
Restructuring costs (1)	16,837	6,255	10,582
ADJUSTMENTS, BEFORE TAX	**$ 16,837**	**$ 6,255**	**$ 10,582**
Tax impact of adjustments	(4,791)	(1,808)	(2,983)
ADJUSTMENTS, AFTER TAX	**$ 12,046**	**$ 4,447**	**$ 7,599**
ADJUSTED NET INCOME	**$ 29,520**	**$ 48,097**	**$ (18,577)**
Number of Shares Outstanding – Basic (‘000)	72,788	77,900	
Adjusted Basic Net Earnings Per Share	$ 0.41	$ 0.62	
Number of Shares Outstanding – Diluted (‘000)	72,788	77,960	
Adjusted Diluted Net Earnings Per Share	$ 0.41	$ 0.62	

(1) Restructuring costs

Additions to the restructuring provision during the first quarter of 2025 totalled $16.8 million and represent employee-related severance resulting from the rightsizing of certain operations in Germany ($12.8 million), Mexico ($1.9 million), Canada ($1.3 million), and the United States ($0.8 million).

Additions to the restructuring provision during the first quarter of 2024 totalled $6.3 million and represent employee-related severance resulting from the rightsizing of certain operations in Mexico ($2.8 million), Germany ($1.7 million), Canada ($1.2 million), and the United States ($0.6 million).

NET INCOME

Three months ended March 31, 2025 to three months ended March 31, 2024 comparison.

		Three months ended March 31, 2025		Three months ended March 31, 2024	$ Change	% Change
Net Income	$	17,474	$	43,650	(26,176)	(60.0%)
Adjusted Net Income		29,520		48,097	(18,577)	(38.6%)
Net Earnings per Share						
Basic and Diluted	$	0.24	$	0.56		
Adjusted Net Earnings per Share						
Basic and Diluted	$	0.41	$	0.62		

Net Income, before adjustments, for the first quarter of 2025 decreased by $26.2 million to $17.5 million or $0.24 per share, on a basic and diluted basis, from Net Income of $43.7 million or $0.56 per share, on a basic and diluted basis, for the first quarter of 2024. Excluding the adjustments explained in Table A under "Adjustments to Net Income", Adjusted Net Income for the first quarter of 2025 decreased by $18.6 million to $29.5 million or $0.41 per share on a basic and diluted basis, from $48.1 million or $0.62 per share, on a basic and diluted basis, for the first quarter of 2024.

Adjusted Net Income for the first quarter of 2025, as compared to the first quarter of 2024, was negatively impacted by the following:

- lower gross margin from lower year-over-year sales volume;
- a net foreign exchange loss of $2.1 million for the first quarter of 2025 compared to a gain of $4.9 million for the first quarter of 2024; and
- a higher effective tax rate (30.1% for the first quarter of 2025 compared to 24.6% for the first quarter of 2024).

These factors were partially offset by the following:

- a year-over-year decrease in SG&A expense, as previously explained; and
- a $3.5 million year-over-year decrease in finance expense as a result of lower borrowing rates on the Company's revolving bank debt.

DIVIDEND

A cash dividend of $0.05 per share has been declared by the Board of Directors payable to shareholders of record on June 30, 2025, on or about July 15, 2025.

ABOUT MARTINREA

Martinrea International Inc. is a leader in the development and production of quality metal parts, assemblies and modules, fluid management systems, and complex aluminum products focused primarily on the automotive sector. Martinrea currently operates in 56 locations in Canada, the United States, Mexico, Brazil, Germany, Slovakia, Spain, China, South Africa, and Japan. Martinrea's vision is making lives better by being the best supplier we can be in the products we make and the services we provide. For more information on Martinrea, please visit www.martinrea.com. Follow Martinrea on X and Facebook.

CONFERENCE CALL DETAILS

A conference call to discuss the financial results will be held on Thursday, May 1, 2025 at 5:30 p.m. Eastern Time. To participate, please dial 416-641-6104 (Toronto area) or 800-952-5114 (toll free Canada and US) and enter participant code 9082769#. Please call 10 minutes prior to the start of the conference call.

The conference call will also be webcast live in listen-only mode and archived for twelve months. The webcast and accompanying presentation can be accessed at: https://www.martinrea.com/investor-relations/events-presentations/.

There will also be a rebroadcast of the call available by dialing 905-694-9451 or toll free 800-408-3053 (Conference ID – 3278480#). The rebroadcast will be available until June 2, 2025 at 5:00 p.m.

If you have any teleconferencing questions, please call Ganesh Iyer at 416-749-0314.

FORWARD-LOOKING INFORMATION

Special Note Regarding Forward-Looking Statements

This Press Release and the documents incorporated by reference therein contains forward-looking statements within the meaning of applicable Canadian securities laws including those related to the Company's expectations as to, or its views or beliefs in or on, the impact of, or duration of, or factors affecting, or expected response to or growth of, improvements in, expansion of and/or guidance or outlook (including for 2025) as to future results, revenue, sales, margin, gross margin, earnings, and earnings per share, adjusted earnings per share, free cash flow, volumes, adjusted net earnings per share, operating income margins, operating margins, adjusted operating income margins, leverage ratios, net debt to adjusted EBITDA(1), debt repayment, Adjusted EBITDA(1), capex levels, working capital levels, cash tax levels, progress on commercial negotiations, the growth of the Company and pursuit of, and belief in, its strategies, the strength, recovery and growth of the automotive industry and continuing challenges, the use of the NCIB, the impact and uncertainty of tariffs and trade issues in the Company's business and its industry, as well as other forward-looking statements. The words "continue", "expect", "anticipate", "estimate", "may", "will", "should", "views", "intend", "believe", "plan" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on estimates and assumptions made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate in the circumstances, such as expected sales and industry production estimates, current foreign exchange rates, timing of product launches and operational improvement during the period, and current Board approved budgets. Many factors could cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors, some of which are discussed in detail in the Company's AIF and MD&A for the year ended December 31, 2024 and other public filings which can be found on the Company's profile at www.sedarplus.ca:

- North American and Global Economic and Political Conditions (including war) and Consumer Confidence
- Automotive Industry Risks
- Trade Restrictions or Disputes
- Changes in Laws and Governmental Regulations
- Dependence Upon Key Customers
- Pandemics and Epidemics, Force Majeure Events, Natural Disasters, Terrorist Activities, Political and Civil Unrest or War, and Other Outbreaks
- Russia and Ukraine War and Middle East Tensions
- Inflationary Pressures
- Regional Energy Shortages
- Customer Consolidation and Cooperation
- Emergence of Potentially Disruptive EV OEMs
- Outsourcing and Insourcing Trends
- Financial Viability of Suppliers and Key Suppliers and Supply Disruptions (Material Availability or Disruption)
- Semiconductor Chip Shortages and Price Increases
- Competition
- Customer Pricing Pressures, Contractual Arrangements, Cost and Risk Absorption and Purchase Orders
- Potential Volatility of Share Prices
- Fluctuations in Operating Results
- Material and Commodity Prices and Volatility
- Scrap Steel/Aluminum Price Volatility
- Quote/Pricing Assumptions
- Launch Costs, Operational Costs and Issues and Cost Structure
- Potential Rationalization Costs, Turnaround Costs and Impairment Charges
- Product Warranty, Repair/Replacement Costs, Recall, Product Liability and Liability Risk
- Product Development and Technological Change (Including Artificial Intelligence and Electrification)
- A Shift Away from Technologies in Which the Company is Investing

- Dependence Upon Key Personnel
- Limited Financial Resources/Uncertainty of Future Financing/Banking
- Cybersecurity Threats
- Acquisitions
- Joint Ventures
- Private or Public Equity Investments in Technology Companies
- Potential Tax Exposures
- Labour Relations Matters
- Sustainability (ESG) Regulation, Including Environmental Regulation and Climate Change and Human Rights and Supply Chain Issues
- Litigation and Regulatory Compliance and Investigations
- Risks of Conducting Business in Foreign Countries, Including China, Brazil, Mexico and Other Growing Markets
- Currency Risk
- Internal Controls Over Financial Reporting and Disclosure Controls and Procedures
- Loss of Use of Key Manufacturing Facilities
- Intellectual Property
- Availability of Consumer Credit or Cost of Borrowing
- Evolving Business Risk Profile
- Competition with Low-Cost Countries
- The Company's Ability to Shift its Manufacturing Footprint to Take Advantage of Opportunities in Growing Markets
- Change in the Company's Mix of Earnings Between Jurisdictions with Lower Tax Rates and Those with Higher Tax Rates
- Pension Plans and Other Post-Employment Benefits
- Dividends
- Lease Obligations

These factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. The Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

The common shares of Martinrea trade on The Toronto Stock Exchange under the symbol "MRE".

For further information, please contact:

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Martinrea International Inc.

Interim Condensed Consolidated Balance Sheets

(in thousands of Canadian dollars) (unaudited)

	Note	March 31, 2025	December 31, 2024
ASSETS			
Cash and cash equivalents		$ 148,548	$ 167,951
Trade and other receivables	2	731,849	613,505
Inventories	3	522,229	508,231
Prepaid expenses and deposits		29,806	33,599
Income taxes recoverable		18,239	12,784
TOTAL CURRENT ASSETS		1,450,671	1,336,070
Property, plant and equipment	4	1,919,048	1,949,004
Right-of-use assets	5	215,623	215,802
Deferred tax assets		197,927	199,512
Intangible assets		37,327	37,535
Investments	6	65,471	65,378
Pension assets		18,342	17,493
TOTAL NON-CURRENT ASSETS		2,453,738	2,484,724
TOTAL ASSETS		$ 3,904,409	$ 3,820,794
LIABILITIES			
Trade and other payables		$ 1,062,433	$ 1,024,716
Provisions	7	19,104	6,862
Income taxes payable		16,724	25,332
Current portion of long-term debt	8	16,122	10,445
Current portion of lease liabilities	9	55,936	54,235
TOTAL CURRENT LIABILITIES		1,170,319	1,121,590
Long-term debt	8	997,363	970,969
Lease liabilities	9	185,984	189,176
Pension and other post-retirement benefits		40,754	40,384
Deferred tax liabilities		27,987	31,653
TOTAL NON-CURRENT LIABILITIES		1,252,088	1,232,182
TOTAL LIABILITIES		2,422,407	2,353,772
EQUITY			
Capital stock	11	601,188	601,188
Contributed surplus		46,229	46,052
Accumulated other comprehensive income		211,168	210,821
Retained earnings		623,417	608,961
TOTAL EQUITY		1,482,002	1,467,022
TOTAL LIABILITIES AND EQUITY		$ 3,904,409	$ 3,820,794

Contingencies (note 16)

See accompanying notes to the interim condensed consolidated financial statements.

On behalf of the Board:

"Robert Wildeboer"	Director
"Terry Lyons"	Director

Martinrea International Inc.

Interim Condensed Consolidated Statements of Operations

(in thousands of Canadian dollars, except per share amounts) (unaudited)

	Note	Three months ended March 31, 2025	Three months ended March 31, 2024
SALES		$ 1,168,231	$ 1,323,913
Cost of sales (excluding depreciation of property, plant and equipment and right-of-use assets)		(943,269)	(1,074,409)
Depreciation of property, plant and equipment and right-of-use assets (production)		(73,363)	(76,967)
Total cost of sales		(1,016,632)	(1,151,376)
GROSS MARGIN		151,599	172,537
Research and development costs		(10,561)	(10,977)
Selling, general and administrative		(75,275)	(78,191)
Depreciation of property, plant and equipment and right-of-use assets (non-production)		(3,772)	(4,070)
Loss on disposal of property, plant and equipment		(49)	(112)
Restructuring costs	7	(16,837)	(6,255)
OPERATING INCOME		45,105	72,932
Share of loss of equity investments	6	(797)	(634)
Finance expense	13	(16,688)	(20,173)
Other finance income (expense)	13	(2,231)	5,443
INCOME BEFORE INCOME TAXES		25,389	57,568
Income tax expense	10	(7,915)	(13,918)
NET INCOME FOR THE PERIOD		$ 17,474	$ 43,650
Basic earnings per share	12	$ 0.24	$ 0.56
Diluted earnings per share	12	$ 0.24	$ 0.56

See accompanying notes to the interim condensed consolidated financial statements.

Martinrea International Inc.

Interim Condensed Consolidated Statements of Comprehensive Income

(in thousands of Canadian dollars) (unaudited)

	Three months ended March 31, 2025	Three months ended March 31, 2024
NET INCOME FOR THE PERIOD	$ 17,474	$ 43,650
Other comprehensive income (loss), net of tax:		
Items that may be reclassified to net income		
Foreign currency translation differences for foreign operations	495	31,391
Items that will not be reclassified to net income		
Share of other comprehensive loss of equity investments (note 6)	(148)	(12)
Remeasurement of defined benefit plans	621	(1,028)
Other comprehensive income, net of tax	968	30,351
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 18,442	$ 74,001

See accompanying notes to the interim condensed consolidated financial statements.

Martinrea International Inc.

Interim Condensed Consolidated Statements of Changes in Equity

(in thousands of Canadian dollars) (unaudited)

	Capital stock	Contributed surplus	Accumulated other comprehensive income	Retained earnings	Total equity
BALANCE AT DECEMBER 31, 2023	$ 645,256	$ 45,903	$ 95,753	$ 678,269	$ 1,465,181
Net income for the period	-	-	-	43,650	43,650
Compensation expense related to stock options	-	42	-	-	42
Dividends ($0.05 per share)	-	-	-	(3,839)	(3,839)
Repurchase of common shares (note 11)	(11,177)	-	-	(4,733)	(15,910)
Other comprehensive income (loss) net of tax					
Remeasurement of defined benefit plans	-	-	-	(1,028)	(1,028)
Foreign currency translation differences	-	-	31,391	-	31,391
Share of other comprehensive loss of equity investments	-	-	(12)	-	(12)
BALANCE AT MARCH 31, 2024	634,079	45,945	127,132	712,319	1,519,475
Net loss for the period	-	-	-	(78,196)	(78,196)
Compensation expense related to stock options	-	187	-	-	187
Dividends ($0.15 per share)	-	-	-	(11,082)	(11,082)
Exercise of employee stock options	350	(80)	-	-	270
Repurchase of common shares (note 11)	(33,241)	-	-	(13,346)	(46,587)
Other comprehensive income (loss) net of tax					
Remeasurement of defined benefit plans	-	-	-	(734)	(734)
Foreign currency translation differences	-	-	83,693	-	83,693
Share of other comprehensive loss of equity investments	-	-	(4)	-	(4)
BALANCE AT DECEMBER 31, 2024	601,188	46,052	210,821	608,961	1,467,022
Net income for the period	-	-	-	17,474	17,474
Compensation expense related to stock options	-	177	-	-	177
Dividends ($0.05 per share)	-	-	-	(3,639)	(3,639)
Other comprehensive income (loss) net of tax					
Remeasurement of defined benefit plans	-	-	-	621	621
Foreign currency translation differences	-	-	495	-	495
Share of other comprehensive loss of equity investments	-	-	(148)	-	(148)
BALANCE AT MARCH 31, 2025	$ 601,188	$ 46,229	$ 211,168	$ 623,417	$ 1,482,002

See accompanying notes to the interim condensed consolidated financial statements.

Martinrea International Inc.

Interim Condensed Consolidated Statements of Cash Flows

(in thousands of Canadian dollars) (unaudited)

	Three months ended March 31, 2025	Three months ended March 31, 2024
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES:		
Net income for the period	$ 17,474	$ 43,650
Adjustments for:		
Depreciation of property, plant and equipment and right-of-use assets	77,135	81,037
Amortization of development costs	1,795	2,494
Unrealized gain on foreign exchange forward contracts	(452)	(796)
Finance expense	16,688	20,173
Income tax expense	7,915	13,918
Loss on disposal of property, plant and equipment	49	112
Deferred and restricted share units benefit	(3,086)	(184)
Stock options expense	177	42
Share of loss of equity investments	797	634
Pension and other post-retirement benefits expense	603	564
Contributions made to pension and other post-retirement benefits	(589)	(568)
	118,506	161,076
Changes in non-cash working capital items:		
Trade and other receivables	(115,682)	(118,212)
Inventories	(12,090)	18,607
Prepaid expenses and deposits	3,839	1,983
Trade, other payables and provisions	77,833	21,396
	72,406	84,850
Interest paid	(18,117)	(20,678)
Income taxes paid	(25,873)	(25,118)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 28,416	$ 39,054
FINANCING ACTIVITIES:		
Increase in long-term debt (net of deferred financing fees)	38,514	49,464
Equipment loan repayments	(3,147)	(2,710)
Principal payments of lease liabilities	(14,099)	(12,324)
Dividends paid	(3,639)	(3,907)
Repurchase of common shares	-	(15,910)
NET CASH PROVIDED BY FINANCING ACTIVITIES	$ 17,629	$ 14,613
INVESTING ACTIVITIES:		
Purchase of property, plant and equipment (excluding capitalized interest)*	(62,230)	(58,273)
Capitalized development costs	(1,660)	(1,045)
Increase in investments	(1,059)	(8,130)
Proceeds on disposal of property, plant and equipment	36	978
NET CASH USED IN INVESTING ACTIVITIES	$ (64,913)	$ (66,470)
Effect of foreign exchange rate changes on cash and cash equivalents	(535)	(307)
DECREASE IN CASH AND CASH EQUIVALENTS	(19,403)	(13,110)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	167,951	186,804
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 148,548	$ 173,694

*As at March 31, 2025, $48,503 (December 31, 2024 - $78,547) of purchases of property, plant and equipment remain unpaid and are recorded in trade and other payables.

See accompanying notes to the interim condensed consolidated financial statements.