

MANAGEMENT DISCUSSION AND ANALYSIS

OF OPERATING RESULTS AND FINANCIAL POSITION

For the three and nine months ended September 30, 2025

The following management discussion and analysis ("MD&A") was prepared as of November 11, 2025 and should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2025 ("interim financial statements") as well as the Company's audited consolidated financial statements and MD&A for the year ended December 31, 2024 together with the notes thereto. All amounts in this MD&A 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 Annual Information Form ("AIF") dated March 6, 2025 for the year ended December 31, 2024, can be found at www.sedarplus.ca.

OVERVIEW

Martinrea International Inc. (TSX: MRE) ("Martinrea" or the "Company") is a diversified and global automotive supplier engaged in the design, development and manufacturing of highly engineered, value-added Lightweight Structures and Propulsion Systems. As at November 11, 2025, Martinrea employed approximately 17,000 skilled and motivated people in 57 locations (including sales and engineering centres) in Canada, the United States, Mexico, Brazil, Germany, Spain, South Africa, Slovakia, China, and Japan.

Martinrea's vision is to make people's lives better by being the best supplier we can be in the products we make and the services we provide. The Company's mission is to make people's lives better by: delivering outstanding quality products and services to our customers; providing meaningful opportunity, job satisfaction, and job security for our people; providing superior long-term investment returns to our stakeholders; and being positive contributors to our communities.

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 tables set out certain highlights of the Company's performance for the three and nine months ended September 30, 2025 and 2024. Refer to the Company's interim financial statements for the three and nine months ended September 30, 2025 for a detailed account of the Company's performance for the periods presented in the tables below.

	Three months ended September 30, 2025	Three months ended September 30, 2024	\$ Change	% Change
Sales	\$ 1,190,801	\$ 1,237,493	(46,692)	(3.8%)
Gross Margin	169,972	163,350	6,622	4.1%
Operating Income	62,485	65,879	(3,394)	(5.2%)
Net Income for the period	35,762	14,157	21,605	152.6%
Net Earnings per Share - Basic and Diluted	\$ 0.49	\$ 0.19	0.30	157.9%
<u>Non-IFRS Measures*</u>				
Adjusted Operating Income	\$ 64,996	\$ 65,879	(883)	(1.3%)
% of Sales	5.5 %	5.3 %		
Adjusted EBITDA	140,400	154,129	(13,729)	(8.9%)
% of Sales	11.8 %	12.5 %		
Adjusted Net Income	37,730	14,157	23,573	166.5%
Adjusted Net Earnings per Share - Basic and Diluted	\$ 0.52	\$ 0.19	0.33	173.7%

	Nine months ended September 30, 2025	Nine months ended September 30, 2024	\$ Change	% Change
Sales	\$ 3,634,567	\$ 3,863,199	(228,632)	(5.9%)
Gross Margin	506,106	519,517	(13,411)	(2.6%)
Operating Income	179,928	215,019	(35,091)	(16.3%)
Net Income for the period	91,327	98,786	(7,459)	(7.6%)
Net Earnings per Share - Basic and Diluted	\$ 1.25	\$ 1.30	(0.05)	(3.8%)
Non-IFRS Measures*				
Adjusted Operating Income	\$ 213,042	\$ 226,629	(13,587)	(6.0%)
% of Sales	5.9 %	5.9 %		
Adjusted EBITDA	446,707	483,098	(36,391)	(7.5%)
% of Sales	12.3 %	12.5 %		
Adjusted Net Income	115,005	106,637	8,368	7.8%
Adjusted Net Earnings per Share - Basic and Diluted	\$ 1.58	\$ 1.40	0.18	12.9%

***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 September 30, 2025	Three months ended September 30, 2024
Net Income	\$ 35,762	\$ 14,157
Adjustments, after tax*	1,968	-
Adjusted Net Income	\$ 37,730	\$ 14,157

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Net Income	\$ 91,327	\$ 98,786
Adjustments, after tax*	23,678	7,851
Adjusted Net Income	\$ 115,005	\$ 106,637

*Adjustments are explained in the "Adjustments to Net Income" section of this MD&A

	Three months ended September 30, 2025	Three months ended September 30, 2024
Net Income	\$ 35,762	\$ 14,157
Income tax expense	9,865	33,276
Other finance expense (income)	245	(1,084)
Share of loss of equity investments	662	690
Finance expense	15,951	18,840
Adjustments, before tax*	2,511	-
Adjusted Operating Income	\$ 64,996	\$ 65,879
Depreciation of property, plant and equipment and right-of-use assets	73,049	84,904
Amortization of development costs	2,179	3,084
Loss on disposal of property, plant and equipment	176	262
Adjusted EBITDA	\$ 140,400	\$ 154,129

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Net Income	\$ 91,327	\$ 98,786
Income tax expense	32,984	63,725
Other finance expense (income)	4,221	(8,140)
Share of loss of equity investments	1,997	2,147
Finance expense	49,399	58,501
Adjustments, before tax*	33,114	11,610
Adjusted Operating Income	\$ 213,042	\$ 226,629
Depreciation of property, plant and equipment and right-of-use assets	227,366	246,808
Amortization of development costs	5,988	8,172
Loss on disposal of property, plant and equipment	311	1,489
Adjusted EBITDA	\$ 446,707	\$ 483,098

*Adjustments are explained in the "Adjustments to Net Income" section of this MD&A

SALES

Three months ended September 30, 2025 to three months ended September 30, 2024 comparison

	Three months ended September 30, 2025	Three months ended September 30, 2024	\$ Change	% Change
North America	\$ 912,455	\$ 960,256	(47,801)	(5.0%)
Europe	247,552	250,499	(2,947)	(1.2%)
Rest of the World	34,866	33,638	1,228	3.7%
Eliminations	(4,072)	(6,900)	2,828	41.0%
Total Sales	\$ 1,190,801	\$ 1,237,493	(46,692)	(3.8%)

The Company's consolidated sales for the third quarter of 2025 decreased by \$46.7 million or 3.8% to \$1,190.8 million as compared to \$1,237.5 million for the third 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 third quarter of 2025 in the Company's North America operating segment decreased by \$47.8 million or 5.0% to \$912.5 million from \$960.3 million for the third quarter of 2024. The decrease was due to a decrease in tooling sales of \$37.1 million, which are typically dependent on the timing of tooling construction and final acceptance by the customer; lower year-over-year OEM production volumes on certain light vehicle platforms, including the Ford Escape and Maverick, and Mercedes' electric vehicle platform (EVA2); and programs that ended production during or subsequent to the third quarter of 2024, specifically the Chevrolet Malibu, and an aluminum engine block for Stellantis. These negative factors were partially offset by higher year-over-year production volumes of certain platforms, including the Jeep Grand Cherokee and Wagoneer, General Motors' electric vehicle platforms (BEV3/BET), General Motors' Equinox/Terrain, the Ford Mustang Mach E, and a transmission for the ZF Group; and the impact of foreign exchange on the translation of U.S. denominated production sales, which had a positive impact on overall sales for the third quarter of 2025 of \$1.3 million.

Sales for the third quarter of 2025 in the Company's Europe operating segment decreased by \$2.9 million or 1.2% to \$247.6 million from \$250.5 million for the third quarter of 2024. The decrease was due to a decrease in tooling sales of \$3.4 million, which are typically dependent of the timing of tooling construction and final acceptance by the customer; lower year-over-year OEM production volumes on certain platforms, including Jaguar Land Rover, and an aluminum engine block for Ford; and programs that ended production during or subsequent to the third quarter of 2024, specifically the BMW Mini. These negative factors were partially offset by higher year-over-year OEM production volumes on certain platforms, including a transmission for the ZF Group, the Stellantis' Fiat Mini platform, and Mercedes' electric vehicle platform (EVA2); the launch and ramp up of new programs during or subsequent to the third quarter of 2024, including Volkswagen's new electric vehicle platform (PPE), and a transmission for Audi; and the impact of foreign exchange on the translation of Euro denominated production sales, which had a positive impact on overall sales for the third quarter of 2025 of \$14.5 million.

Sales for the third quarter of 2025 in the Company's Rest of the World operating segment increased by \$1.2 million or 3.7% to \$34.9 million from \$33.6 million in the third quarter of 2024. The increase was largely driven by higher year-over-year production volumes with General Motors and Mercedes, and an increase in tooling sales of \$0.6 million; partially offset by lower volumes with Jaguar Land Rover.

Overall tooling sales decreased by \$38.6 million (including outside segment sales eliminations) to \$31.6 million for the third quarter of 2025 from \$70.2 million for the third quarter of 2024.

Nine months ended September 30, 2025 to nine months ended September 30, 2024 comparison

	Nine months ended September 30, 2025	Nine months ended September 30, 2024	\$ Change	% Change
North America	\$ 2,777,876	\$ 2,908,778	(130,902)	(4.5%)
Europe	771,557	871,469	(99,912)	(11.5%)
Rest of the World	100,433	102,600	(2,167)	(2.1%)
Eliminations	(15,299)	(19,648)	4,349	22.1%
Total Sales	\$ 3,634,567	\$ 3,863,199	(228,632)	(5.9%)

The Company's consolidated sales for the nine months ended September 30, 2025 decreased by \$228.6 million or 5.9% to \$3,634.6 million as compared to \$3,863.2 million for the nine months ended September 30, 2024. The total decrease in sales was driven by year-over-year decreases across all operating segments.

Sales for the nine months ended September 30, 2025 in the Company's North America operating segment decreased by \$130.9 million or 4.5% to \$2,777.9 million from \$2,908.8 million for the nine months ended September 30, 2024. The decrease was due generally to lower year-over-year OEM production volumes on certain light vehicle platforms, including the Jeep Grand Cherokee and Wagoneer, the Ford Escape and Maverick, Mercedes' electric vehicle platform (EVA2), Nissan Pathfinder and Rogue, and General Motors' large pick-up truck and SUV platforms; and programs that ended production during or subsequent to the corresponding period of 2024, specifically the Chevrolet Malibu, an aluminum engine block for Stellantis, and the Ford Edge. These negative factors were partially offset by higher year-over-year production volumes on certain platforms, including General Motors' electric vehicle platforms (BEV3/BET), Ford Mustang Mach E, the Toyota Tacoma, General Motors' Equinox/Terrain, the Lucid Air, and a transmission for the ZF Group; the impact of foreign exchange on the translation of U.S. denominated production sales, which had a positive impact on overall sales for the nine months ended September 30, 2025 of \$72.2 million; and an increase in tooling sales of \$21.2 million, which are typically dependent on the timing of tooling construction and final acceptance by the customer. Overall industry-wide OEM light vehicle production volumes during the nine months ended September 30, 2025 decreased in North America by approximately 1% year-over-year.

Sales for the nine months ended September 30, 2025 in the Company's Europe operating segment decreased by \$99.9 million or 11.5% to \$771.6 million from \$871.5 million for the nine months ended September 30, 2024. The decrease was due to lower year-over-year OEM production volumes on certain platforms, including aluminum engine blocks for Ford and Mercedes, Jaguar Land Rover, and the Mercedes' electric vehicle platform (EVA2); programs that ended production during or subsequent to the corresponding period of 2024, specifically the BMW Mini; and a decrease in tooling sales of \$45.4 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, including Volkswagen's new electric vehicle platform (PPE), and a transmission for Audi; higher year-over-year production volumes of certain platforms, including a transmission for the ZF Group, and 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 nine months ended September 30, 2025 of \$33.2 million. Overall industry-wide OEM light vehicle production volumes during the nine months ended September 30, 2025 decreased in Europe by approximately 2% year-over-year.

Sales for the nine months ended September 30, 2025 in the Company's Rest of the World operating segment decreased by \$2.2 million or 2.1% to \$100.4 million from \$102.6 million for the nine months ended September 30, 2024. The decrease was largely driven by a decrease in tooling sales of \$2.1 million, and lower year-over-year production volumes with Jaguar Land Rover and Mercedes; partially offset by higher year-over-year production volumes with General Motors.

Overall tooling sales decreased by \$24.2 million (including outside segment sales eliminations) to \$150.5 million for the nine months ended September 30, 2025 from \$174.7 million for the nine months ended September 30, 2024.

GROSS MARGIN

Three months ended September 30, 2025 to three months ended September 30, 2024 comparison

	Three months ended September 30, 2025	Three months ended September 30, 2024	\$ Change	% Change
Gross margin	\$ 169,972	\$ 163,350	6,622	4.1%
% of Sales	14.3 %	13.2 %		

The gross margin percentage for the third quarter of 2025 of 14.3% increased as a percentage of sales by 1.1% as compared to the gross margin percentage for the third quarter of 2024 of 13.2%. The increase in gross margin as a percentage of sales was generally due to:

- a decrease in tooling sales which typically earn low margin for the Company;
- productivity and efficiency improvements at certain operating facilities and other improvements; and
- lower year-over-year depreciation expense due to impairment charges recorded during the fourth quarter of 2024.

These factors were partially offset by:

- overall lower production sales volume and corresponding contribution; and
- operational inefficiencies at certain operating facilities.

Nine months ended September 30, 2025 to nine months ended September 30, 2024 comparison

	Nine months ended September 30, 2025	Nine months ended September 30, 2024	\$ Change	% Change
Gross margin	\$ 506,106	\$ 519,517	(13,411)	(2.6%)
% of Sales	13.9%	13.4%		

The gross margin percentage for the nine months ended September 30, 2025 of 13.9% increased as a percentage of sales by 0.5% as compared to the gross margin percentage for the nine months ended September 30, 2024 of 13.4%. The increase in gross margin as a percentage of sales was generally due to:

- productivity and efficiency improvements at certain operating facilities and other improvements;
- a decrease in tooling sales which typically earn low margin for the Company; and
- lower year-over-year depreciation expense due to impairment charges recorded during the fourth quarter of 2024.

These factors were partially offset by:

- overall lower production sales volume and corresponding contribution; 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 year-over-year.

SELLING, GENERAL & ADMINISTRATIVE ("SG&A")

Three months ended September 30, 2025 to three months ended September 30, 2024 comparison

	Three months ended September 30, 2025	Three months ended September 30, 2024	\$ Change	% Change
Selling, general & administrative	\$ 89,583	\$ 82,384	7,199	8.7%
% of Sales	7.5 %	6.7 %		

SG&A expense for the third quarter of 2025 increased by \$7.2 million to \$89.6 million as compared to SG&A expense for the third quarter of 2024 of \$82.4 million. The increase in SG&A expense can largely be attributed to an increase in equity-based compensation expense related to deferred, restricted, and performance share units and higher year-over-year professional services fees; partially offset by overall lower employee levels and related costs as compared to the third quarter of 2024.

SG&A expense as a percentage of sales increased to 7.5% for the third quarter of 2025 compared to 6.7% for the third quarter of 2024.

Nine months ended September 30, 2025 to nine months ended September 30, 2024 comparison

	Nine months ended September 30, 2025	Nine months ended September 30, 2024	\$ Change	% Change
Selling, general & administrative	\$ 247,949	\$ 247,132	817	0.3%
% of Sales	6.8%	6.4%		

SG&A expense for the nine months ended September 30, 2025 increased by \$0.8 million to \$247.9 million as compared to SG&A expense for the nine months ended September 30, 2024 of \$247.1 million. The increase in SG&A expense can largely be attributed to an increase in equity-based compensation expense related to deferred, restricted, and performance share units and higher year-over-year professional services fees; partially offset by overall lower employee levels and related costs as compared to the corresponding period of 2024.

SG&A expense as a percentage of sales increased to 6.8% for the nine months ended September 30, 2025 compared to 6.4% for the nine months ended September 30, 2024 primarily as a result of lower year-over-year sales.

DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT ("PP&E"), RIGHT-OF-USE ASSETS AND AMORTIZATION OF INTANGIBLE ASSETS

Three months ended September 30, 2025 to three months ended September 30, 2024 comparison

	Three months ended September 30, 2025	Three months ended September 30, 2024	\$ Change	% Change
Depreciation of PP&E and right-of-use assets (production)	\$ 69,053	\$ 80,931	(11,878)	(14.7%)
Depreciation of PP&E and right-of-use assets (non-production)	3,996	3,973	23	0.6%
Amortization of development costs	2,179	3,084	(905)	(29.3%)
Total depreciation and amortization	\$ 75,228	\$ 87,988	(12,760)	(14.5%)

Total depreciation and amortization expense for the third quarter of 2025 decreased by \$12.8 million to \$75.2 million as compared to \$88.0 million for the third quarter of 2024. The decrease in depreciation and amortization expense was due to impairment charges recorded during the fourth quarter of 2024, partially offset by additional depreciation on PP&E assets relating to new and replacement business that commenced during or subsequent to the third quarter of 2024.

A significant portion of the Company's recent investments relates to various new programs that commenced during or subsequent to the third quarter of 2024 and new and replacement programs scheduled to launch over the next two to three years in all of the Company's various product offerings.

Total depreciation and amortization expense as a percentage of sales decreased year-over-over to 6.3% for the third quarter of 2025 from 7.1% for the third quarter of 2024 due mainly to the reasons noted.

Nine months ended September 30, 2025 to nine months ended September 30, 2024 comparison

		Nine months ended September 30, 2025		Nine months ended September 30, 2024	\$ Change	% Change
Depreciation of PP&E and right-of-use assets (production)	\$	215,745	\$	234,578	(18,833)	(8.0%)
Depreciation of PP&E and right-of-use assets (non-production)		11,621		12,230	(609)	(5.0%)
Amortization of development costs		5,988		8,172	(2,184)	(26.7%)
Total depreciation and amortization	\$	233,354	\$	254,980	(21,626)	(8.5%)

Total depreciation and amortization expense for the nine months ended September 30, 2025 decreased by \$21.6 million to \$233.4 million as compared to \$255.0 million for the nine months ended September 30, 2024. The decrease in depreciation and amortization expense was due to impairment charges recorded during the fourth quarter of 2024, partially offset by additional depreciation on PP&E assets relating to new and replacement business that commenced during or subsequent to the nine months ended September 30, 2024.

Total depreciation and amortization expense as a percentage of sales decreased year-over-year to 6.4% for the nine months ended September 30, 2025 from 6.6% for the nine months ended September 30, 2024 due mainly to the reasons noted.

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 September 30, 2025 to three months ended September 30, 2024 comparison

		Three months ended September 30, 2025		Three months ended September 30, 2024	\$ Change
NET INCOME	\$	35,762	\$	14,157	\$ 21,605
Adjustments:					
Restructuring costs (1)		2,511		-	2,511
ADJUSTMENTS, BEFORE TAX	\$	2,511	\$	-	\$ 2,511
Tax impact of adjustments		(543)		-	(543)
ADJUSTMENTS, AFTER TAX	\$	1,968	\$	-	\$ 1,968
ADJUSTED NET INCOME	\$	37,730	\$	14,157	\$ 23,573
Number of Shares Outstanding – Basic ('000)		72,788		74,629	
Adjusted Basic Net Earnings Per Share	\$	0.52	\$	0.19	
Number of Shares Outstanding – Diluted ('000)		72,788		74,630	
Adjusted Diluted Net Earnings Per Share	\$	0.52	\$	0.19	

TABLE B***Nine months ended September 30, 2025 to nine months ended September 30, 2024 comparison***

	Nine months ended September 30, 2025	Nine months ended September 30, 2024	\$ Change
NET INCOME	\$ 91,327	\$ 98,786	\$ (7,459)
Adjustments:			
Restructuring costs (1)	33,114	11,610	21,504
ADJUSTMENTS, BEFORE TAX	\$ 33,114	\$ 11,610	\$ 21,504
Tax impact of adjustments	(9,436)	(3,759)	(5,677)
ADJUSTMENTS, AFTER TAX	\$ 23,678	\$ 7,851	\$ 15,827
ADJUSTED NET INCOME	\$ 115,005	\$ 106,637	\$ 8,368
Number of Shares Outstanding – Basic ('000)	72,788	76,191	
Adjusted Basic Net Earnings Per Share	\$ 1.58	\$ 1.40	
Number of Shares Outstanding – Diluted ('000)	72,788	76,194	
Adjusted Diluted Net Earnings Per Share	\$ 1.58	\$ 1.40	

(1) Restructuring costs

Additions to the restructuring provision during the three and nine months ended September 30, 2025 totalled \$2.5 million and \$33.1 million, respectively, and represent employee-related severance resulting from the rightsizing of certain operations in Germany, Mexico, Canada, and the United States.

Additions to the restructuring provision during the nine months ended September 30, 2024 totalled \$11.6 million and represent employee-related severance resulting from the rightsizing of certain operations in Germany, Mexico Canada, and the United States.

NET INCOME***Three months ended September 30, 2025 to three months ended September 30, 2024 comparison***

	Three months ended September 30, 2025	Three months ended September 30, 2024	\$ Change	% Change
Net Income	\$ 35,762	\$ 14,157	21,605	152.6%
Adjusted Net Income	37,730	14,157	23,573	166.5%
Net Earnings per Share				
Basic and Diluted	\$ 0.49	\$ 0.19		
Adjusted Net Earnings per Share				
Basic and Diluted	\$ 0.52	\$ 0.19		

Net Income, before adjustments, for the third quarter of 2025 increased by \$21.6 million to \$35.8 million or \$0.49 per share, on a basic and diluted basis, from Net Income of \$14.2 million or \$0.19 per share, on a basic and diluted basis, for the third quarter of 2024. Excluding the adjustments explained in Table A under "Adjustments to Net Income", Adjusted Net Income for the third quarter of 2025 increased by \$23.6 million to \$37.7 million or \$0.52 per share, on a basic and diluted basis, from \$14.2 million or \$0.19 per share, on a basic and diluted basis, for the third quarter of 2024.

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

- a higher gross margin as previously explained;

- a \$2.9 million year-over-year decrease in finance expense as a result of decreased debt levels and lower borrowing rates on the Company's revolving bank debt; and
- a lower effective tax rate (21.6% for the third quarter of 2025 compared to 70.2% for the third quarter of 2024). The Company's effective tax rate is impacted by the IFRS accounting treatment of the fluctuations of the Mexican Peso against the U.S. dollar that does not impact cash.

These factors were partially offset by a year-over-year increase in SG&A expense, as previously explained.

Nine months ended September 30, 2025 to nine months ended September 30, 2024 comparison

	Nine months ended September 30, 2025	Nine months ended September 30, 2024	\$ Change	% Change
Net Income	\$ 91,327	\$ 98,786	(7,459)	(7.6%)
Adjusted Net Income	115,005	106,637	8,368	7.8%
Net Earnings per Share				
Basic and Diluted	\$ 1.25	\$ 1.30		
Adjusted Net Earnings per Share				
Basic and Diluted	\$ 1.58	\$ 1.40		

Net Income, before adjustments, for the nine months ended September 30, 2025 decreased by \$7.5 million to \$91.3 million or \$1.25 per share, on a basic and diluted basis, from Net Income of \$98.8 million or \$1.30 per share, on a basic and diluted basis, for the nine months ended September 30, 2024. Excluding the adjustments explained in Table B under "Adjustments to Net Income", Adjusted Net Income for the nine months ended September 30, 2025 increased by \$8.4 million to \$115.0 million or \$1.58 per share on a basic and diluted basis, from \$106.6 million or \$1.40 per share on a basic and diluted basis, for the nine months ended September 30, 2024.

Adjusted Net Income for the nine months ended September 30, 2025, as compared to the nine months ended September 30, 2024, was positively impacted by the following:

- a \$9.1 million year-over-year decrease in finance expense as a result of decreased debt levels and lower borrowing rates on the Company's revolving bank debt; and
- a lower effective tax rate (26.9% for the nine months ended September 30, 2025 compared to 38.8% for the nine months ended September 30, 2024). The Company's effective tax rate is impacted by the IFRS accounting treatment of the fluctuations of the Mexican Peso against the U.S. dollar that does not impact cash.

These factors were partially offset by the following:

- lower gross margin from lower year-over-year sales volume;
- a net foreign exchange loss of \$3.9 million for the nine months ended September 30, 2025 compared to a gain of \$8.1 million for the nine months ended September 30, 2024; and
- a \$1.1 million year-over-year increase in research and development costs driven generally by increased new product and process development activity.

ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT

Three months ended September 30, 2025 to three months ended September 30, 2024 comparison

	Three months ended September 30, 2025	Three months ended September 30, 2024	\$ Change	% Change
Additions to PP&E	\$ 56,800	\$ 73,375	(16,575)	(22.6%)

Additions to PP&E decreased by \$16.6 million to \$56.8 million or 4.8% of sales for the third quarter of 2025 as compared to \$73.4 million or 5.9% of sales in the third quarter of 2024.

Nine months ended September 30, 2025 to nine months ended September 30, 2024 comparison

	Nine months ended September 30, 2025	Nine months ended September 30, 2024	\$ Change	% Change
Additions to PP&E	\$ 139,534	\$ 172,595	(33,061)	(19.2%)

Additions to PP&E decreased by \$33.1 million to \$139.5 million or 3.8% of sales for the nine months ended September 30, 2025 compared to \$172.6 million or 4.5% of sales for the nine months ended September 30, 2024.

General timing of expenditures makes quarterly additions to PP&E quite volatile by nature. Capital additions for the nine months ended September 30, 2025 and 2024 include new program capital and incremental investments required in equipment related to customer-driven engineering changes on new program launches. The Company continues to make investments in the business including in various sales and margin growth projects and in new and replacement business in all its various product offerings, while continuing to apply a measured and prudent approach to capital investment.

SEGMENT ANALYSIS

The Company defines its operating segments as components of its business where separate financial information is available and routinely evaluated by the Company's chief operating decision maker, which is the Chief Executive Officer. Given the differences between the regions in which the Company operates, Martinrea's operations are segmented and aggregated on a geographic basis among North America, Europe and the Rest of the World. The Company measures segment operating performance based on operating income (loss).

Three months ended September 30, 2025 to three months ended September 30, 2024 comparison

	SALES		OPERATING INCOME (LOSS)*	
	Three months ended September 30, 2025	Three months ended September 30, 2024	Three months ended September 30, 2025	Three months ended September 30, 2024
North America	\$ 912,455	\$ 960,256	\$ 62,869	\$ 65,273
Europe	247,552	250,499	240	625
Rest of the World	34,866	33,638	1,887	(19)
Eliminations	(4,072)	(6,900)	-	-
Adjusted Operating Income			\$ 64,996	\$ 65,879
Adjustments*	-	-	(2,511)	-
Total	\$ 1,190,801	\$ 1,237,493	\$ 62,485	\$ 65,879

*Operating Income (Loss) for the operating segments has been adjusted for certain items as explained in Table A under "Adjustments to Net Income". Of the \$2.5 million adjustment for the third quarter of 2025, \$1.9 million was recognized in North America and \$0.6 million in Europe.

North America

Adjusted Operating Income in North America decreased by \$2.4 million to \$62.9 million or 6.9% of sales for the third quarter of 2025 from \$65.3 million or 6.8% of sales for the third quarter of 2024. The increase in Adjusted Operating Income as a percentage of sales was generally due to a decrease in tooling sales which typically earn low margin for the Company; productivity and efficiency improvements at certain operating facilities and other improvements; higher year-over-year favourable commercial settlements; and lower year-over-year depreciation expense due to impairment charges recorded during the fourth quarter of 2024. These positive factors were partially offset by the negative impact on margins from lower year-over-year production sales; and operational inefficiencies at certain other operating facilities.

Europe

Adjusted Operating Income in Europe decreased by \$0.4 million to \$0.2 million or 0.1% of sales for the third quarter of 2025 from \$0.6 million or 0.2% of sales for the third quarter of 2024. The decrease in Adjusted Operating Income was generally due to operational inefficiencies at certain operating facilities; partially offset by a decrease in tooling sales, productivity and efficiency improvements at

certain other operating facilities and other improvements; and lower year-over-year depreciation expense due to impairment charges recorded during the fourth quarter of 2024.

Rest of the World

Adjusted Operating Income (Loss) in the Rest of the World increased by \$1.9 million to an income of \$1.9 million or 5.4% of sales for the third quarter of 2025 from being essentially breakeven for the third quarter of 2024 due to incremental contribution from the higher year-over-year production sales.

Nine months ended September 30, 2025 to nine months ended September 30, 2024 comparison

	SALES		OPERATING INCOME (LOSS)*	
	Nine months ended September 30, 2025	Nine months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
North America	\$ 2,777,876	\$ 2,908,778	\$ 207,512	\$ 201,576
Europe	771,557	871,469	260	25,607
Rest of the World	100,433	102,600	5,270	(554)
Eliminations	(15,299)	(19,648)	-	-
Adjusted Operating Income			\$ 213,042	\$ 226,629
Adjustments*	-	-	(33,114)	(11,610)
Total	\$ 3,634,567	\$ 3,863,199	\$ 179,928	\$ 215,019

*Operating Income (Loss) for the operating segments has been adjusted for certain items as explained in Table B under "Adjustments to Net Income". Of the \$33.1 million adjustment for the nine months ended September 30, 2025, \$8.0 million was recognized in North America and \$25.1 million in Europe. Of the \$11.6 million adjustment for the nine months ended September 30, 2024, \$6.6 million was recognized in North America and \$5.0 million in Europe.

North America

Adjusted Operating Income in North America increased by \$5.9 million to \$207.5 million or 7.5% of sales for the nine months ended September 30, 2025 from \$201.6 million or 6.9% of sales for the nine months ended September 30, 2024. The increase in Adjusted Operating Income as a percentage of sales was generally due to productivity and efficiency improvements at certain operating facilities and other improvements; higher year-over-year favourable commercial settlements; and lower year-over-year depreciation expense due to impairment charges recorded during the fourth quarter of 2024. These positive factors were partially offset by the negative impact on margins from lower year-over-year production sales; an increase in tooling sales, which typically earn low margin for the Company; and operational inefficiencies at certain other operating facilities.

Europe

Adjusted Operating Income in Europe decreased by \$25.3 million to \$0.3 million for the nine months ended September 30, 2025 from \$25.6 million or 2.9% of sales for the nine months ended September 30, 2024, due to the negative impact on margins from lower year-over-year production sales, contribution from certain tooling sales which positively impacted prior year operating income, and lower favourable commercial settlements; partially offset by lower year-over-year depreciation expense due to impairment charges recorded during the fourth quarter of 2024.

Rest of the World

Adjusted Operating Income (Loss) in the Rest of the World increased by \$5.8 million to an income of \$5.3 million or 5.2% of sales for the nine months ended September 30, 2025 from a loss of \$0.6 million or (0.5)% of sales for the nine months ended September 30, 2024, due mainly to costs related to the ramp-up of new business with BMW which negatively impacted prior year operating income.

SUMMARY OF QUARTERLY RESULTS

(unaudited)

	2025			2024				2023
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Sales	\$1,190,801	\$1,275,535	\$1,168,231	\$1,150,928	\$1,237,493	\$1,301,793	\$1,323,913	\$1,296,121
Gross Margin	169,972	184,535	151,599	129,040	163,350	183,630	172,537	153,228
Operating Income (Loss)	62,485	72,338	45,105	(90,411)	65,879	76,208	72,932	28,486
Adjusted Operating Income	64,996	86,104	61,942	40,069	65,879	81,563	79,187	56,647
Net Income (Loss) for the period	35,762	38,091	17,474	(133,332)	14,157	40,979	43,650	1,850
Adjusted Net Income (Loss)	37,730	47,755	29,520	(15,596)	14,157	44,383	48,097	29,251
Basic and Diluted Net Earnings (Loss) per Share	0.49	0.52	0.24	(1.82)	0.19	0.54	0.56	0.02
Adjusted Basic and Diluted Net Earnings (Loss) per Share	0.52	0.66	0.41	(0.21)	0.19	0.58	0.62	0.37

LIQUIDITY AND CAPITAL RESOURCES

On February 23, 2024, the Company's banking facility was amended to extend its maturity and enhance certain provisions of the facility. The primary terms of the amended banking facility, with now a syndicate of ten banks (down from eleven), include the following:

- an unaltered unsecured credit structure, with a \$100 million increase in total borrowing capacity;
- unchanged financial covenants, including a maximum net debt to trailing twelve months EBITDA ratio of 3.0x (excluding the impact of IFRS 16, Leases);
- a new non-amortizing term loan of \$250 million at variable interest rates;
- available revolving credit lines of \$350 million (down from \$500 million) and US \$520 million (similar to the previous facility);
- available asset based financing capacity of \$300 million, similar to the previous facility;
- accordion feature which provides the Company with the ability to increase the revolving credit facility by up to US \$300 million, similar to the previous facility;
- pricing terms at market rates including transitioning the interest rate benchmark of the Canadian revolving credit line from Bankers' Acceptance ("BA") to the Canadian Overnight Repo Rate Average ("CORRA");
- a maturity date extended to February 2027 (from April 2025); and
- no mandatory principal repayment provisions for the revolving credit lines, including the new non-amortizing term loan, similar to the previous facility.

On March 27, 2024, Martinrea entered into an accounts receivable program agreement to sell up to \$100 million in trade receivables without recourse and on an uncommitted basis, subject to predetermined limits for certain customers. Under the agreement, the receivables are sold on a fully serviced basis, so that the Company continues to administer the collection of such receivables. As at September 30, 2025, \$55.0 million (US \$39.5 million) (December 31, 2024 - \$33.0 million or US \$22.9 million) of receivables were sold under the program, of which \$15.4 million (US \$11.1 million) (December 31, 2024 - \$9.2 million or US \$6.4 million) was held back from the sale proceeds, to be settled when the funds are received from the customers, in accordance with the provisions of the program, with the net proceeds being used primarily to support the Company's supply base.

As at September 30, 2025, the Company had drawn US \$296 million (December 31, 2024 - US \$386 million) on the U.S. revolving credit line, \$185 million (December 31, 2024 - \$160 million) on the Canadian revolving credit line, and \$250 million (December 31, 2024 - \$250 million) on the Canadian non-amortizing term loan. As at September 30, 2025, the Company had total liquidity of \$613 million, including cash and cash equivalents and availability under the Company's banking facility. In addition, the Company's credit facility includes a \$300 million allowance for asset based financing that the Company can use for additional financing, of which approximately \$235 million was available as at September 30, 2025. At September 30, 2025, the weighted average effective interest rate of the

banking facility was 5.3% (December 31, 2024 - 5.9%). The facility requires the maintenance of certain financial ratios with which the Company was in compliance as at September 30, 2025.

On March 4, 2025, the Company finalized a five-year equipment loan in the amount of \$35.0 million, repayable in monthly installments commencing in 2025 at a fixed annual interest rate of 4.79%.

On May 8, 2025, the Company finalized an eleven-year equipment loan with total borrowing capacity of €0.9 million (\$1.4 million), repayable in bi-annual installments commencing in 2028 at a fixed annual interest rate of 2.41%.

On September 10, 2025, the Company finalized a five-year equipment loan in the amount of US \$17.2 million (\$23.9 million), repayable in quarterly installments commencing in 2025 at a fixed annual interest rate of 4.61%.

The principal sources of liquidity available for the Company's future cash requirements are expected to be cash flow from operations, cash and cash equivalents, borrowings from its revolving credit lines, and asset based financing. Management believes that the Company's overall liquidity and operating cash flow will be sufficient to meet the Company's anticipated cash requirements for capital expenditures, working capital, debt obligations and other commitments. The Company's ability to fund its anticipated cash requirements, and to comply with financial covenants under the Company's banking facility, depend on the Company's future operating performance and cash flows and many factors outside of its control, including the cost of material, energy and other input costs, the state of the overall automotive industry and financial and economic conditions, including the impact of supply chain disruptions, and other factors.

Debt leverage ratios:

Excluding the impact of IFRS 16:	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Long-term debt	\$ 911,056	\$ 952,381	\$ 1,013,485	\$ 981,414	\$ 997,353
Less: Cash and cash equivalents	(142,987)	(160,030)	(148,548)	(167,951)	(177,267)
Net Debt	\$ 768,069	\$ 792,351	\$ 864,937	\$ 813,463	\$ 820,086
Trailing 12-month Adjusted EBITDA	\$ 512,106	\$ 526,652	\$ 527,971	\$ 551,503	\$ 560,648
Net Debt to Adjusted EBITDA ratio	1.50x	1.50x	1.64x	1.47x	1.46x

Including the impact of IFRS 16:	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Long-term debt	\$ 911,056	\$ 952,381	\$ 1,013,485	\$ 981,414	\$ 997,353
Lease liabilities	241,624	225,382	241,920	243,411	244,410
	1,152,680	1,177,763	1,255,405	1,224,825	1,241,763
Less: Cash and cash equivalents	(142,987)	(160,030)	(148,548)	(167,951)	(177,267)
Net Debt	\$ 1,009,693	\$ 1,017,733	\$ 1,106,857	\$ 1,056,874	\$ 1,064,496
Trailing 12-month Adjusted EBITDA	\$ 578,367	\$ 592,096	\$ 592,849	\$ 614,758	\$ 623,178
Net Debt to Adjusted EBITDA ratio	1.75x	1.72x	1.87x	1.72x	1.71x

The following table provides a reconciliation of Trailing 12-month Adjusted EBITDA including the impact of IFRS 16 to Trailing 12-month Adjusted EBITDA excluding the impact of IFRS 16.

	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Trailing 12-month Adjusted EBITDA - including the impact of IFRS 16	\$ 578,367	\$ 592,096	\$ 592,849	\$ 614,758	\$ 623,178
Principal payments of lease liabilities	(55,665)	(54,706)	(54,105)	(52,330)	(51,324)
Interest on lease liabilities	(10,596)	(10,738)	(10,773)	(10,925)	(11,206)
Trailing 12-month Adjusted EBITDA - excluding the impact of IFRS 16	\$ 512,106	\$ 526,652	\$ 527,971	\$ 551,503	\$ 560,648

The Company's Net Debt (excluding the impact of IFRS 16) decreased by \$24.3 million during the third quarter of 2025 to \$768.1 million from \$792.4 million at the end of the second quarter of 2025 due largely to positive Free Cash Flow (after IFRS 16 lease payments) generated during the quarter; partially offset by foreign exchange translation, cash restructuring costs of \$4.0 million, and \$3.6 million in dividends paid during the quarter. The Company's Net Debt to Adjusted EBITDA ratio (excluding the impact of IFRS 16) at the end of the third quarter of 2025 of 1.50x was in-line as compared to the end of the second quarter of 2025.

The Company was in compliance with its debt covenants as at September 30, 2025. The Company's debt covenants are based on leverage ratios excluding the impact of IFRS 16.

Dividends

In the second quarter of 2013, Martinrea's Board of Directors (the "Board") approved, for the first time, a dividend to be paid to all holders of Martinrea common shares. Annual dividends were \$0.12 per share, paid in four quarterly payments of \$0.03 per share. The first quarterly dividend payment of \$0.03 per share was paid on July 11, 2013; with successive quarterly dividends paid thereafter.

In 2018, in view of the Company's financial performance, and its future outlook and cash needs at the time, the Board decided to increase the annual dividends by 50% to \$0.18 per share, to be paid in four quarterly payments of \$0.045 per share, commencing with the release of the first quarter results of 2018. The first such increased dividend was paid on July 15, 2018.

On March 5, 2020, in view of the Company's financial performance, and its future outlook and cash needs at that time, the Board decided to increase the annual dividends by another 11% to \$0.20 per share, to be paid in four quarterly payments of \$0.05 per share commencing at the beginning of 2020. The first such increased quarterly dividend was paid on April 14, 2020, and continues to this date. The Company maintained its dividend throughout the COVID-19 pandemic, semiconductor chip shortage, and other supply chain disruptions. The Board will assess future dividend payment levels from time to time, in light of market conditions, the current supply chain situation, the Company's financial performance and anticipated needs at that time.

Cash flow

	Three months ended September 30, 2025	Three months ended September 30, 2024	\$ Change	% Change
Cash provided by operations before changes in non-cash working capital items	\$ 148,111	\$ 153,849	(5,738)	(3.7%)
Change in non-cash working capital items	(14,482)	1,728	(16,210)	(938.1%)
	133,629	155,577	(21,948)	(14.1%)
Interest paid	(17,540)	(21,839)	4,299	19.7%
Income taxes paid	(8,561)	(1,849)	(6,712)	(363.0%)
Cash provided by operating activities	107,528	131,889	(24,361)	(18.5%)
Cash used in financing activities	(67,414)	(56,733)	(10,681)	(18.8%)
Cash used in investing activities	(56,459)	(78,149)	21,690	27.8%
Effect of foreign exchange rate changes on cash and cash equivalents	(698)	(1,178)	480	40.7%
Decrease in cash and cash equivalents	\$ (17,043)	\$ (4,171)	(12,872)	(308.6%)

Cash provided by operating activities during the third quarter of 2025 was \$107.5 million, compared to \$131.9 million in the corresponding period of 2024. The components for the third quarter of 2025 primarily include the following:

- cash provided by operations before changes in non-cash working capital items of \$148.1 million;
- working capital use of cash of \$14.5 million comprised of an increase in inventories of \$36.2 million, and an increase in prepaid expenses and deposits of \$8.5 million; partially offset by a decrease in trade and other receivables of \$18.4 million, and an increase in trade, other payables and provisions of \$11.9 million;
- interest paid of \$17.5 million; and
- income taxes paid of \$8.6 million.

Cash used in financing activities during the third quarter of 2025 was \$67.4 million, compared to \$56.7 million in the corresponding period of 2024. The components for the third quarter of 2025 primarily include the following:

- a \$49.7 million net decrease in long-term debt;
- principal payments of lease liabilities of \$14.1 million; and
- \$3.6 million in dividends paid.

Cash used in investing activities during the third quarter of 2025 was \$56.5 million, compared to \$78.1 million in the corresponding period of 2024. The components for the third quarter of 2025 primarily include the following:

- cash additions to PP&E of \$55.9 million; and
- capitalized development costs relating to upcoming new program launches of \$0.8 million.

Taking into account the opening cash balance of \$160.0 million at the beginning of the third quarter of 2025, and the activities described above, the cash and cash equivalents balance at September 30, 2025 was \$143.0 million.

	Nine months ended September 30, 2025	Nine months ended September 30, 2024	\$ Change	% Change
Cash provided by operations before changes in non-cash working capital items	\$ 421,697	\$ 485,148	(63,451)	(13.1%)
Change in non-cash working capital items	(36,072)	(90,032)	53,960	59.9%
	385,625	395,116	(9,491)	(2.4%)
Interest paid	(54,168)	(65,306)	11,138	17.1%
Income taxes paid	(63,014)	(50,533)	(12,481)	(24.7%)
Cash provided by operating activities	268,443	279,277	(10,834)	(3.9%)
Cash used in financing activities	(104,045)	(86,516)	(17,529)	(20.3%)
Cash used in investing activities	(185,259)	(199,101)	13,842	7.0%
Effect of foreign exchange rate changes on cash and cash equivalents	(4,103)	(3,197)	(906)	(28.3%)
Decrease in cash and cash equivalents	\$ (24,964)	\$ (9,537)	(15,427)	(161.8%)

Cash provided by operating activities during the nine months ended September 30, 2025 was \$268.4 million, compared to \$279.3 million in the corresponding period of 2024. The components for the nine months ended September 30, 2025 primarily include the following:

- cash provided by operations before changes in non-cash working capital items of \$421.7 million;
- working capital use of cash of \$36.1 million comprised of an increase in trade and other receivables of \$148.0 million, an increase in inventories of \$11.5 million, and an increase in prepaid expenses and deposits of \$11.2 million; partially offset by an increase in trade, other payables and provisions of \$134.7 million;
- income taxes paid of \$63.0 million; and
- interest paid of \$54.2 million.

Cash used in financing activities during the nine months ended September 30, 2025 was \$104.0 million, compared to \$86.5 million in the corresponding period of 2024. The components for the nine months ended September 30, 2025 primarily include the following:

- a \$50.9 million net decrease in long-term debt;
- principal payments of lease liabilities of \$42.2 million; and
- \$10.9 million in dividends paid.

Cash used in investing activities during the nine months ended September 30, 2025 was \$185.3 million, compared to \$199.1 million in the corresponding period of 2024. The components for the nine months ended September 30, 2025 primarily include the following:

- cash additions to PP&E of \$177.5 million; and
- capitalized development costs relating to upcoming new program launches of \$7.4 million.

Taking into account the opening cash balance of \$168.0 million at the beginning of 2025, and the activities described above, the cash and cash equivalents balance at September 30, 2025 was \$143.0 million.

Free Cash Flow

	Three months ended September 30, 2025	Three months ended September 30, 2024	\$ Change
Adjusted EBITDA	\$ 140,400	\$ 154,129	(13,729)
Add (deduct):			
Change in non-cash working capital items	(14,482)	1,728	(16,210)
Remove impact of restructuring provision	1,145	3,007	(1,862)
Purchase of property, plant and equipment (excluding capitalized interest)	(55,872)	(80,814)	24,942
Cash proceeds on disposal of property, plant and equipment	189	4,122	(3,933)
Capitalized development costs	(754)	(1,457)	703
Interest paid	(17,540)	(21,839)	4,299
Income taxes paid	(8,561)	(1,849)	(6,712)
Free Cash Flow	44,525	57,027	(12,502)
Principal payments of IFRS 16 lease liabilities	(14,055)	(13,096)	(959)
Free Cash Flow (after IFRS 16 lease payments)	\$ 30,470	\$ 43,931	(13,461)

Free cash flow for the third quarter of 2025 decreased year-over-year due largely to an increase in non-cash working capital, net of the change in the restructuring provision which is included in working capital, lower Adjusted EBITDA, higher income taxes paid, and lower cash proceeds on disposal of property, plant and equipment; partially offset by a decrease in cash purchases of property, plant and equipment, and lower interest paid on long-term debt.

Tooling-related working capital accounts, including inventory, trade and other receivables, and trade and other payables on a net basis, amounted to (\$7.9) million as at September 30, 2025, a decrease from \$3.3 million as at June 30, 2025 and from (\$5.6) million as at September 30, 2024.

Reconciliation of IFRS "Cash provided by operating activities" to Non-IFRS "Free Cash Flow", and "Free Cash Flow (after IFRS 16 lease payments)" for the three months ended September 30, 2025 and 2024:

	Three months ended September 30, 2025	Three months ended September 30, 2024
Cash provided by operating activities	\$ 107,528	\$ 131,889
Add (deduct):		
Purchase of property, plant and equipment (excluding capitalized interest)	(55,872)	(80,814)
Cash proceeds on disposal of property, plant and equipment	189	4,122
Capitalized development costs	(754)	(1,457)
Restructuring costs	2,511	-
Remove impact of restructuring provision	1,145	3,007
Unrealized gain (loss) on foreign exchange contracts	(482)	4,382
Deferred and restricted share units expense	(9,984)	(2,893)
Stock options expense	(177)	(43)
Pension and other post-employment benefits expense	(612)	(571)
Contributions made to pension and other post-retirement benefits	788	489
Net unrealized foreign exchange loss (gain) and other expense (income)	245	(1,084)
Free Cash Flow	44,525	57,027
Principal payments of IFRS 16 lease liabilities	(14,055)	(13,096)
Free Cash Flow (after IFRS 16 lease payments)	\$ 30,470	\$ 43,931

	Nine months ended September 30, 2025	Nine months ended September 30, 2024	\$ Change
Adjusted EBITDA	\$ 446,707	\$ 483,098	(36,391)
Add (deduct):			
Change in non-cash working capital items	(36,072)	(90,032)	53,960
Remove impact of restructuring provision	(18,406)	21,103	(39,509)
Purchase of property, plant and equipment (excluding capitalized interest)	(177,476)	(191,681)	14,205
Cash proceeds on disposal of property, plant and equipment	839	5,311	(4,472)
Capitalized development costs	(7,351)	(4,601)	(2,750)
Interest paid	(54,168)	(65,306)	11,138
Income taxes paid	(63,014)	(50,533)	(12,481)
Free Cash Flow	91,059	107,359	(16,300)
Principal payments of IFRS 16 lease liabilities	(42,187)	(38,852)	(3,335)
Free Cash Flow (after IFRS 16 lease payments)	\$ 48,872	\$ 68,507	(19,635)

Free cash flow for the nine months ended September 30, 2025 decreased year-over-year due largely to lower Adjusted EBITDA, higher income taxes paid, lower cash proceeds on disposal of property, plant and equipment; and an increase in capitalized development costs; partially offset by a decrease in cash used in non-cash working capital, net of the change in the restructuring provision which is included in working capital, a decrease in cash purchases of property, plant and equipment, and lower interest paid on long-term debt.

Reconciliation of IFRS "Cash provided by operating activities" to Non-IFRS "Free Cash Flow", and "Free Cash Flow (after IFRS 16 lease payments)" for the nine months ended September 30, 2025 and 2024:

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Cash provided by operating activities	\$ 268,443	\$ 279,277
Add (deduct):		
Purchase of property, plant and equipment (excluding capitalized interest)	(177,476)	(191,681)
Cash proceeds on disposal of property, plant and equipment	839	5,311
Capitalized development costs	(7,351)	(4,601)
Restructuring costs	33,114	11,610
Remove impact of restructuring provision	(18,406)	21,103
Unrealized gain on foreign exchange contracts	192	913
Deferred and restricted share units expense	(12,111)	(6,261)
Stock options expense	(531)	(127)
Pension and other post-employment benefits expense	(1,827)	(1,702)
Contributions made to pension and other post-retirement benefits	1,952	1,657
Net unrealized foreign exchange loss (gain) and other expense (income)	4,221	(8,140)
Free Cash Flow	91,059	107,359
Principal payments of IFRS 16 lease liabilities	(42,187)	(38,852)
Free Cash Flow (after IFRS 16 lease payments)	\$ 48,872	\$ 68,507

RISKS AND UNCERTAINTIES AND TRENDS

The reader is referred to the detailed discussion on "Automotive Industry Highlights and Trends" and "Risk Factors" as outlined in the AIF available through SEDAR+ at www.sedarplus.ca which are incorporated herein by reference. The disclosure in this MD&A and, in particular under "Recent Developments" supplements those risk factors described in the AIF.

RECENT DEVELOPMENTS

Trade restrictions or disputes

The global growth of the automotive industry has been aided by the free movement of goods, services, people and capital through bilateral and regional trade agreements, particularly in North America and Europe. The introduction of measures which impede free

trade, including new or increased tariffs and other trade barriers, could have a material adverse effect on the Company's operations and profitability, and the automotive industry. The imposition of tariffs and countervailing restrictions and/or retaliatory tariffs between the United States and Canada and Mexico, and with other countries, such as China, is a fluid and rapidly evolving situation. Current international trade disputes or trade wars could, among other things, reduce demand for and production of vehicles including impeding our ability to sell products to customers located in the United States, disrupt global supply chains including the Company's ability to procure inputs and equipment for its operations, distort commodity pricing, impact the profitability of the Company or its suppliers and/or customers and their financial stability, impair the ability of automotive suppliers and vehicle manufacturers to make efficient long-term investment decisions, create volatility in relative foreign exchange rates, and contribute to stock market volatility or result in a shutdown of the automotive industry.

In addition, one of the most material risks stemming from trade disruptions is the potential shutdown of vehicle production, either at our own facilities or at OEM assembly plants. The automotive industry relies heavily on just-in-time delivery systems and tightly synchronized supply chains. Any delay or blockage in the movement of goods - whether due to tariffs, regulatory inspections, border slowdowns, or retaliatory trade actions - can result in halted production lines, missed delivery windows, and increased operating costs. A prolonged disruption could lead to cascading effects throughout the supply chain, including inventory shortages, contractual penalties, and strained relationships with OEM customers. Furthermore, some OEMs may relocate production to different OEM assembly plants because of tariffs, which may impact production at one or more of the Company's facilities.

The Company's products may also be subject to tariffs that do not apply to automotive suppliers based in other countries which could result in changes to our customer base and disrupt our usual sales process. Any disruption to current trade practices could have a material impact on the Company's ability to market its products and procure inputs for its operations.

Supply chain issues

The Company has seen a recovery in overall production volumes and improved production stability. However, ongoing supply chain disruptions could continue to negatively impact the global automotive supply chain and OEM light vehicle production, especially within the current tariff environment. Despite these improvements, some OEM customers are still taking measures to address these disruptions, such as unplanned shutdowns of production lines and plants, reductions in vehicle production plans, and changes to their product mix.

Late in the third quarter of 2025, a significant event occurred when a major U.S. aluminum supplier experienced a fire at its facility, which supplies a large portion of the aluminum sheet used in the automotive industry. This incident led to some production interruptions for several OEMs. Some of the Company's programs are affected by this supply chain disruption.

Recent Chinese export restrictions on Nexperia, a global semiconductor supplier, have disrupted the supply of electronic components from China. While ongoing negotiations show signs of potential resolution, our supply chain is not directly affected by these restrictions. We continue to monitor potential indirect impacts on automotive industry supply chains and our operations.

Addressing Tier 2 and 3 supply chain issues can sometimes lead to the incurrence of premium costs. As a result, OEM responses to these disruptions have caused several consequences for Tier 1 suppliers like Martinrea, including lower sales, production inefficiencies due to unexpected stops and restarts of production lines based on OEMs' production priorities, and premium costs to expedite shipments.

Any of these factors could have an adverse effect on the Company's business and operational results.

Significant industry trends, the Company's business strategy and all other major risks the Company faces are discussed further in "Description of the Business and Trends" and "Risk Factors" in the Company's AIF available through SEDAR+ at www.sedarplus.ca.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at November 11, 2025, the Company had 72,787,848 common shares outstanding. The Company's common shares constitute its only class of voting securities. As at November 11, 2025, options to acquire 1,995,000 common shares were outstanding.

On April 29, 2024, the Company renewed the NCIB receiving approval from the TSX to acquire for cancellation up to an additional 6,435,000 common shares of the Company. The renewed bid commenced on May 2, 2024 and spans a 12-month period.

During 2024, the Company purchased for cancellation an aggregate of 5,378,592 common shares for an aggregate purchase price of \$62.5 million resulting in a reduction to capital stock of \$44.4 million and a decrease to retained earnings of \$18.1 million. The shares were purchased and cancelled directly under the NCIB.

On May 23, 2025, the Company renewed the NCIB receiving approval from the TSX to acquire for cancellation up to an additional 7,110,571 common shares of the Company. The renewed bid commenced on May 27, 2025 and spans a 12-month period. As at September 30, 2025, no common shares were purchased and cancelled under the NCIB.

CONTRACTUAL OBLIGATIONS AND OFF-BALANCE SHEET FINANCING

During the nine months ended September 30, 2025, there has been no material change in the table of contractual obligations specified in the Company's MD&A for the fiscal year ended December 31, 2024.

Guarantees

The Company has negotiated tool financing facilities that provide direct financing for specific programs. The tool financing program involves a third party that provides tooling suppliers with financing subject to a Company guarantee. Payments from the third party to the tooling supplier are approved by the Company prior to the funds being advanced. The amounts loaned to tooling suppliers through this financing arrangement do not appear on the Company's balance sheet unless the sale on the corresponding tooling project has been recognized, at which point a tooling trade payable on the project is recorded. At September 30, 2025, the amount of the off-balance sheet program financing was \$10.7 million (December 31, 2024 - \$9.9 million) representing the maximum amount of undiscounted future payments the Company could be required to make under the guarantee. The Company would be required to perform under the guarantee in cases where a tooling supplier could not meet its obligation to the third party. Since the amount advanced to the tooling supplier is required to be repaid generally when the Company receives reimbursement from the final customer, and at this point the Company will in turn repay the tooling supplier, the Company views the likelihood of a tooling supplier default as remote. Moreover, if such an instance were to occur, the Company would obtain the tool inventory as collateral. The term of the guarantee will vary from program to program, but typically ranges up to twenty-four months.

Financial Instruments

The Company's foreign exchange risk management includes the use of foreign currency forward contracts to fix the exchange rates on certain foreign currency exposures. It is the Company's policy to not utilize financial instruments for trading or speculative purposes.

At September 30, 2025, the Company had committed to the following foreign exchange contracts:

Foreign exchange forward contracts not accounted for as hedges and fair valued through profit or loss

Currency - Buy/Sell	For U.S. dollars			For Canadian dollars		
	Amount of U.S. dollars	Weighted average exchange rates		Amount of CAD	Weighted average exchange rates	Maximum period in months
Buy Mexican Peso	\$ 16,063	\$ 18.6762	\$	-	\$ -	1
Sell Euro	-	-		13,010	1.6263	1
Sell Chinese Yuan	8,000	0.1400		-	-	1
Sell Brazilian Real	4,000	0.1849		-	-	1

The aggregate value of these forward contracts as at September 30, 2025 was a pre-tax gain of \$0.2 million and was recorded in trade and other receivables (December 31, 2024 - pre-tax gain of \$2.3 million recorded in trade and other receivables).

INVESTMENTS

	September 30, 2025	December 31, 2024
Investment in common shares of NanoXplore Inc.	\$ 49,438	\$ 51,462
Investment in shares of AlumaPower Corporation.	4,036	4,036
Investment in shares of Equispheres Inc.	9,030	9,030
Other	2,121	850
	\$ 64,625	\$ 65,378

As at September 30, 2025, the Company held a 22.5%, 11.8%, and 6.8% equity interest (on a non-diluted basis) in NanoXplore Inc. ("NanoXplore"), AlumaPower Corporation ("AlumaPower"), and Equispheres Inc. ("Equispheres"), respectively. NanoXplore is a publicly listed company on the Toronto Stock Exchange trading under the ticker symbol GRA. It is a manufacturer and supplier of high-volume graphene powder for use in transportation and industrial markets providing customers with standard and custom graphene-enhanced plastic and composite products. NanoXplore is also a silicon-graphene-enhanced Li-ion battery manufacturer for the electric vehicle and grid storage markets. AlumaPower is a private company developing aluminum air battery technology for a variety of end markets, including automotive. Equispheres is a private company developing technologies for the production and use of advanced materials in additive manufacturing.

The Company applies equity accounting to its equity investment in NanoXplore based on their most recently available financial statements, adjusted for any significant transactions that occur thereafter and up to the Company's reporting date, which represents a reasonable estimate of the change in the Company's interest. The shares in AlumaPower and Equispheres are classified as fair value through other comprehensive income. Accordingly, the shares are recorded at their fair value at the end of each reporting period, with the change in fair value recorded in other comprehensive income (loss).

Movement in equity-accounted investments is summarized as follows:

	Investment in common shares of NanoXplore
Net as of December 31, 2023	\$ 54,384
Share of loss for the period	(2,904)
Share of other comprehensive loss for the period	(18)
Net as of December 31, 2024	\$ 51,462
Share of loss for the period	(1,997)
Share of other comprehensive loss for the period	(27)
Net as of September 30, 2025	\$ 49,438

As at September 30, 2025, the market value of the shares held in NanoXplore by the Company was \$110.4 million.

Subsequent to September 30, 2025, on October 30, 2025, the Company acquired an additional 2,343,750 common shares in NanoXplore pursuant to a private placement offering at a price of \$2.40 per common share for an aggregate purchase price of \$5.6 million. The Company is currently assessing the accounting impact of this transaction.

ACQUISITIONS

On October 20, 2025, the Company acquired certain assets and assumed certain liabilities of Lyseon North America, Inc. ("Lyseon") for a net cash outflow of US \$1.3 million. Lyseon operated a plant in Tulsa, Oklahoma, and was engaged primarily in manufacturing metal parts and assemblies for the bus market. The Company is currently assessing the accounting impact of this transaction.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

There have been no changes in the Company's internal controls over financial reporting during the most recent interim period that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

FORWARD-LOOKING INFORMATION

Special Note Regarding Forward-Looking Statements

This MD&A and the documents incorporated by reference therein contains forward-looking statements within the meaning of applicable Canadian securities laws, including, but not limited to, statements related to the outlook and growth of the automotive industry, the future investments in leading edge technology, opportunities to increase sales, expand the customer base and growth of the Company and pursuit of and belief in its strategies, the impact and duration of supply chain issues (including the statement relating to the impact of Nexperia export restrictions and the fire at a major US aluminum supplier), global trade and tariff issues, and other statements under Recent Developments, including potential impact on the business, the Company's ability to be a consistent Free Cash Flow generator and its belief in the sufficiency of its liquidity of operating cash flow to meet its needs and other related statements, the execution of the Company's strategy. 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, which are discussed in greater detail in the Company's AIF and MD&A for the year ended December 31, 2024 and other public filings which can be found 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.