MANAGEMENT DISCUSSION AND ANALYSIS

OF OPERATING RESULTS AND FINANCIAL POSITION

For the three and nine months ended September 30, 2026

The following management discussion and analysis (“MD&A”) was prepared as of November 12, 2026 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, 2026 ("interim financial statements") as well as the Company's audited consolidated financial statements and MD&A for the year ended December 31, 2025 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 5, 2026 for the year ended December 31, 2025, can be found at www.sedarplus.ca. Certain industry, market and production data contained in this MD&A has been obtained from third-party sources, including Global Data Plc. While management believes such information to be reliable, it has not independently verified the accuracy or completeness of such information.

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 12, 2026, Martinrea employed approximately 15,000 skilled and motivated people in 53 locations (including sales and engineering centres) in Canada, the United States, Mexico, Germany, Spain, South Africa, Slovakia, 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, 2026 and 2025. Refer to the Company’s interim financial statements for the three and nine months ended September 30, 2026 for a detailed account of the Company’s performance for the periods presented in the tables below.

	Three months ended September 30, 2026	Three months ended September 30, 2025	$ Change	% Change
Sales	$ 1,181,949	$ 1,190,801	(8,852)	(0.7%)
Gross Margin	156,763	169,972	(13,209)	(7.8%)
Operating Income	64,243	62,485	1,758	2.8%
Net Income for the period	26,827	35,762	(8,935)	(25.0%)
Net Earnings per Share - Basic and Diluted	$ 0.38	$ 0.49	(0.11)	(22.4%)
Non-IFRS Measures*				
Adjusted Operating Income	$ 66,682	$ 64,996	1,686	2.6%
% of Sales	*5.6 %*	*5.5 %*		
Adjusted EBITDA	144,921	140,400	4,521	3.2%
% of Sales	*12.3 %*	*11.8 %*		
Adjusted Net Income	36,582	37,730	(1,148)	(3.0%)
Adjusted Net Earnings per Share - Basic and Diluted	$ 0.52	$ 0.52	-	0.0 %

	Nine months ended September 30, 2026	Nine months ended September 30, 2025	$ Change	% Change
Sales	$ 3,507,927	$ 3,634,567	(126,640)	(3.5%)
Gross Margin	474,987	506,106	(31,119)	(6.1%)
Operating Income	185,832	179,928	5,904	3.3%
Net Income for the period	97,807	91,327	6,480	7.1%
Net Earnings per Share - Basic and Diluted	$ 1.38	$ 1.25	0.13	10.4%
Non-IFRS Measures*				
Adjusted Operating Income	$ 199,039	$ 213,042	(14,003)	(6.6%)
% of Sales	*5.7 %*	*5.9 %*		
Adjusted EBITDA	429,818	446,707	(16,889)	(3.8%)
% of Sales	*12.3 %*	*12.3 %*		
Adjusted Net Income	112,294	115,005	(2,711)	(2.4%)
Adjusted Net Earnings per Share - Basic and Diluted	$ 1.59	$ 1.58	0.01	0.6%

***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, 2026	Three months ended September 30, 2025
Net Income	$ 26,827	$ 35,762
Adjustments, after tax*	9,755	1,968
Adjusted Net Income	$ 36,582	$ 37,730

	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Net Income	$ 97,807	$ 91,327
Adjustments, after tax*	14,487	23,678
Adjusted Net Income	$ 112,294	$ 115,005

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

	Three months ended September 30, 2026	Three months ended September 30, 2025
Net Income	$ 26,827	$ 35,762
Income tax expense	13,539	9,865
Other finance expense	848	245
Share of loss of equity investments	496	662
Finance expense	13,351	15,951
Adjustments, before tax*	11,621	2,511
Adjusted Operating Income	$ 66,682	$ 64,996
Depreciation of property, plant and equipment and right-of-use assets	76,250	73,049
Amortization of development costs	2,193	2,179
Loss (gain) on disposal of property, plant and equipment	(204)	176
Adjusted EBITDA	$ 144,921	$ 140,400

	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Net Income	$ 97,807	$ 91,327
Income tax expense	35,935	32,984
Other finance expense	1,153	4,221
Share of loss of equity investments	2,208	1,997
Finance expense	41,445	49,399
Adjustments, before tax*	20,491	33,114
Adjusted Operating Income	$ 199,039	$ 213,042
Depreciation of property, plant and equipment and right-of-use assets	224,491	227,366
Amortization of development costs	6,550	5,988
Loss (gain) on disposal of property, plant and equipment	(262)	311
Adjusted EBITDA	$ 429,818	$ 446,707

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

SALES

Three months ended September 30, 2026 to three months ended September 30, 2025 comparison

	Three months ended September 30, 2026	Three months ended September 30, 2025	$ Change	% Change
North America	$ 936,385	$ 912,455	23,930	2.6%
Europe	232,091	247,552	(15,461)	(6.2%)
Rest of the World	16,871	34,866	(17,995)	(51.6%)
Eliminations	(3,398)	(4,072)	674	16.6%
Total Sales	$ 1,181,949	$ 1,190,801	(8,852)	(0.7%)

The Company’s consolidated sales for the third quarter of 2026 decreased by $8.9 million or 0.7% to $1,181.9 million as compared to $1,190.8 million for the third quarter of 2025. The total decrease in sales was driven by year-over-year decreases in the Europe and Rest of the World operating segments, partially offset by a year-over-year increase in North America.

Sales for the third quarter of 2026 in the Company’s North America operating segment increased by $23.9 million or 2.6% to $936.4 million from $912.5 million for the third quarter of 2025. The operations acquired from Lyseon North America Inc. ("Lyseon"), which have been consolidated with the Company's results since October 20, 2025, contributed $15.8 million of year-over-year sales to the North America operating segment. Excluding the acquired operations, third quarter sales in North America increased by $8.1 million or 0.9%. The increase was attributed to an increase in tooling sales of $65.9 million, which are typically dependent on the timing of tooling construction and final acceptance by the customer; 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 2026 of $16.4 million; higher year-over-year OEM production volumes on certain platforms, including General Motors' large pick-up truck and SUV platforms, an aluminum engine block for Ford, a transmission for the ZF Group, the Toyota Tacoma, Nissan Pathfinder and Rogue, and General Motors' Equinox/Terrain; and the launch

and ramp up of new programs, including General Motors' new electric vehicle platform (Chevrolet Bolt), and Volvo's new electric vehicle platform (EX90). These positive factors were partially offset by lower year-over-year OEM production volumes on certain light vehicle platforms, including the Jeep Grand Cherokee and Wagoneer, General Motors' electric vehicle platforms (BEV3/BET), the Lucid Air, the Ford Mustang Mach E, and Mercedes' electric vehicle platform (EVA2); and programs that ended production during or subsequent to the third quarter of 2025, specifically the Ford Escape, and a program with Mercedes. Overall third quarter industry-wide OEM light vehicle production volumes in North America decreased by approximately 3% year-over-year.

Sales for the third quarter of 2026 in the Company's Europe operating segment decreased by $15.5 million or 6.2% to $232.1 million from $247.6 million for the third quarter of 2025. The decrease was due to lower year-over-year OEM production volumes on certain platforms, including aluminum engine blocks for Ford and Mercedes, the Lucid Air, Mercedes' electric vehicle platform (EVA2), and a transmission for the ZF Group; and a decrease in tooling sales of $12.2 million, which are typically dependent on the timing of tooling construction and final acceptance by the customer. These negative factors were partially offset by higher year-over-year OEM production volumes on certain platforms, including Jaguar Land Rover; 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 2026 of $3.0 million. Overall third quarter industry-wide OEM light vehicle production volumes remained largely unchanged in Europe year-over-year.

Sales for the third quarter of 2026 in the Company's Rest of the World operating segment decreased by $18.0 million or 51.6% to $16.9 million from $34.9 million in the third quarter of 2025. The decrease was largely driven by lower year-over-year production volumes with BMW, and Jaguar Land Rover; the absence of sales from programs associated with the operations disposed of in China and Brazil; and a decrease in tooling sales of $2.1 million.

Overall tooling sales increased by $51.5 million (including outside segment sales eliminations) to $83.1 million for the third quarter of 2026 from $31.6 million for the third quarter of 2025.

Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison

	Nine months ended September 30, 2026	Nine months ended September 30, 2025	$ Change	% Change
North America	$ 2,729,125	$ 2,777,876	(48,751)	(1.8%)
Europe	725,885	771,557	(45,672)	(5.9%)
Rest of the World	73,877	100,433	(26,556)	(26.4%)
Eliminations	(20,960)	(15,299)	(5,661)	(37.0%)
Total Sales	$ 3,507,927	$ 3,634,567	(126,640)	(3.5%)

The Company's consolidated sales for the nine months ended September 30, 2026 decreased by $126.6 million or 3.5% to $3,507.9 million as compared to $3,634.6 million for the nine months ended September 30, 2025. The total decrease in sales was driven by year-over-year decreases across all operating segments.

Sales for the nine months ended September 30, 2026 in the Company's North America operating segment decreased by $48.8 million or 1.8% to $2,729.1 million from $2,777.9 million for the nine months ended September 30, 2025. The operations acquired from Lyseon, which have been consolidated with the Company's results since October 20, 2025, contributed $45.1 million of year-over-year sales to the North America operating segment. Excluding the acquired operations, sales for the nine months ended September 30, 2026 in North America decreased by $93.8 million or 3.4%. The decrease was due to programs that ended production during or subsequent to the corresponding period of 2025, specifically the Ford Escape, and a program with Mercedes; lower year-over-year OEM production volumes on certain light vehicle platforms, including General Motors' electric vehicle platforms (BEV3/BET), the Ford Mustang Mach E, Mercedes' electric vehicle platform (EVA2), and the Lucid Air; and the impact of foreign exchange on the translation of U.S. denominated production sales, which had a negative impact on overall sales for the nine months ended September 30, 2026 of $29.2 million. These negative factors were partially offset by an increase in tooling sales of $50.6 million, which are typically dependent on the timing of tooling construction and final acceptance by the customer; higher year-over-year OEM production volumes on certain platforms, including General Motors' large pick-up truck and SUV platforms, Nissan Pathfinder and Rogue, a transmission for the ZF Group, the Jeep Grand Cherokee and Wagoneer, General Motors' Equinox/Terrain, the Toyota Tacoma, and an aluminum engine block for Ford; and the launch and ramp up of new programs, including Volvo's new electric vehicle platform (EX90), and General Motors'

new electric vehicle platform (Chevrolet Bolt). Overall industry-wide OEM light vehicle production volumes during the nine months ended September 30, 2026 decreased in North America by approximately 2% year-over-year.

Sales for the nine months ended September 30, 2026 in the Company's Europe operating segment decreased by $45.7 million or 5.9% to $725.9 million from $771.6 million for the nine months ended September 30, 2025. The decrease was attributed to lower year-over-year OEM production volumes on certain platforms, including an aluminum engine block for Mercedes, the Lucid Air, Mercedes' electric vehicle platform (EVA2), Volkswagen's new electric vehicle platform (PPE), and a transmission for the ZF Group; and a decrease in tooling sales of $22.6 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 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, 2026 of $28.4 million; and higher year-over-year OEM production volumes of certain platforms, including Jaguar Land Rover, and an aluminum engine block for Ford. Overall industry-wide OEM light vehicle production volumes during the nine months ended September 30, 2026 increased in Europe by approximately 1% year-over-year.

Sales for the nine months ended September 30, 2026 in the Company's Rest of the World operating segment decreased by $26.6 million or 26.4% to $73.9 million from $100.4 million for the nine months ended September 30, 2025. The decrease was largely driven by lower year-over-year production volumes with BMW, Mercedes, and Jaguar Land Rover; the absence of sales from programs associated with the operations disposed of in China and Brazil; and a decrease in tooling sales of $8.7 million.

Overall tooling sales increased by $9.8 million (including outside segment sales eliminations) to $160.4 million for the nine months ended September 30, 2026 from $150.5 million for the nine months ended September 30, 2025.

GROSS MARGIN

Three months ended September 30, 2026 to three months ended September 30, 2025 comparison

	Three months ended September 30, 2026	Three months ended September 30, 2025	$ Change	% Change
Gross margin	$ 156,763	$ 169,972	(13,209)	(7.8%)
% of Sales	13.3 %	14.3 %		

The gross margin percentage for the third quarter of 2026 of 13.3% decreased as a percentage of sales by 1.0% as compared to the gross margin percentage for the third quarter of 2025 of 14.3%. The decrease in gross margin as a percentage of sales was generally due to overall lower production sales volume and corresponding contribution; partially offset by productivity and efficiency improvements at certain operating facilities and other improvements, and lower year-over-year indirect costs incurred in production.

Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison

	Nine months ended September 30, 2026	Nine months ended September 30, 2025	$ Change	% Change
Gross margin	$ 474,987	$ 506,106	(31,119)	(6.1%)
% of Sales	13.5%	13.9%		

The gross margin percentage for the nine months ended September 30, 2026 of 13.5% decreased as a percentage of sales by 0.4% as compared to the gross margin percentage for the nine months ended September 30, 2025 of 13.9%. The decrease in gross margin as a percentage of sales was generally due to overall lower production sales volume and corresponding contribution; partially offset by productivity and efficiency improvements at certain operating facilities and other improvements, and lower year-over-year indirect costs incurred in production.

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

Three months ended September 30, 2026 to three months ended September 30, 2025 comparison

	Three months ended September 30, 2026	Three months ended September 30, 2025	$ Change	% Change
Selling, general & administrative	$ 75,427	$ 89,583	(14,156)	(15.8%)
% of Sales	6.4 %	7.5 %		

SG&A expense for the third quarter of 2026 decreased by $14.2 million to $75.4 million as compared to SG&A expense for the third quarter of 2025 of $89.6 million. The decrease in SG&A expense can largely be attributed to a decrease in equity-based compensation expense related to deferred, restricted, and performance share units, lower year-over-year professional service fees, and overall lower employee levels and related costs as compared to the third quarter of 2025.

SG&A expense as a percentage of sales decreased to 6.4% for the third quarter of 2026 compared to 7.5% for the third quarter of 2025 due mainly to the reasons noted above.

Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison

	Nine months ended September 30, 2026	Nine months ended September 30, 2025	$ Change	% Change
Selling, general & administrative	$ 230,332	$ 247,949	(17,617)	(7.1%)
% of Sales	6.6%	6.8%		

SG&A expense for the nine months ended September 30, 2026 decreased by $17.6 million to $230.3 million as compared to SG&A expense for the nine months ended September 30, 2025 of $247.9 million. The decrease in SG&A expense can largely be attributed to overall lower employee levels and related costs as compared to the corresponding period of 2025, a decrease in equity-based compensation expense related to deferred, restricted, and performance share units, and lower year-over-year professional service fees.

SG&A expense as a percentage of sales decreased to 6.6% for the nine months ended September 30, 2026 compared to 6.8% for the nine months ended September 30, 2025 due mainly to the reasons noted above.

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

Three months ended September 30, 2026 to three months ended September 30, 2025 comparison

	Three months ended September 30, 2026	Three months ended September 30, 2025	$ Change	% Change
Depreciation of PP&E and right-of-use assets (production)	$ 72,017	$ 69,053	2,964	4.3%
Depreciation of PP&E and right-of-use assets (non-production)	4,233	3,996	237	5.9%
Amortization of development costs	2,193	2,179	14	0.6%
Total depreciation and amortization	$ 78,443	$ 75,228	3,215	4.3%

Total depreciation and amortization expense for the third quarter of 2026 increased by $3.2 million to $78.4 million as compared to $75.2 million for the third quarter of 2025. The increase in depreciation and amortization expense was due to additional depreciation on PP&E assets relating to new and replacement business that commenced during or subsequent to the third quarter of 2025, partially offset by impairment charges recorded during the fourth quarter of 2025.

A significant portion of the Company's recent investments relates to various new programs that commenced during or subsequent to the third quarter of 2025 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 increased year-over-year to 6.6% for the third quarter of 2026 from 6.3% for the third quarter of 2025 due mainly to the reasons noted above.

Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison

	Nine months ended September 30, 2026	Nine months ended September 30, 2025	$ Change	% Change
Depreciation of PP&E and right-of-use assets (production)	$ 212,128	$ 215,745	(3,617)	(1.7%)
Depreciation of PP&E and right-of-use assets (non-production)	12,363	11,621	742	6.4%
Amortization of development costs	6,550	5,988	562	9.4%
Total depreciation and amortization	$ 231,041	$ 233,354	(2,313)	(1.0%)

Total depreciation and amortization expense for the nine months ended September 30, 2026 decreased by $2.3 million to $231.0 million as compared to $233.4 million for the nine months ended September 30, 2025. The decrease in depreciation and amortization expense was due to impairment charges recorded during the fourth quarter of 2025, 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, 2025.

Total depreciation and amortization expense as a percentage of sales increased year-over-year to 6.6% for the nine months ended September 30, 2026 from 6.4% for the nine months ended September 30, 2025 due to lower year-over-year sales.

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, 2026 to three months ended September 30, 2025 comparison

	Three months ended September 30, 2026	Three months ended September 30, 2025	$ Change
NET INCOME	**$ 26,827**	**$ 35,762**	**$ (8,935)**
Adjustments:			
Restructuring costs (1)	2,439	2,511	(72)
Loss on disposal of foreign operations (2)	9,182	-	9,182
ADJUSTMENTS, BEFORE TAX	**$ 11,621**	**$ 2,511**	**$ 9,110**
Tax impact of adjustments (2)	(1,866)	(543)	(1,323)
ADJUSTMENTS, AFTER TAX	**$ 9,755**	**$ 1,968**	**$ 7,787**
ADJUSTED NET INCOME	**$ 36,582**	**$ 37,730**	**$ (1,148)**
Number of Shares Outstanding – Basic (‘000)	69,697	72,788	
Adjusted Net Earnings Per Share - Basic	$ 0.52	$ 0.52	
Number of Shares Outstanding – Diluted (‘000)	69,702	72,788	
Adjusted Net Earnings Per Share - Diluted	$ 0.52	$ 0.52	

TABLE B

Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison

	Nine months ended September 30, 2026	Nine months ended September 30, 2025	$ Change
NET INCOME	**$ 97,807**	**$ 91,327**	**$ 6,480**
Adjustments:			
Restructuring costs (1)	13,207	33,114	(19,907)
Loss on disposal of foreign operations (2)	7,284	-	7,284
ADJUSTMENTS, BEFORE TAX	**$ 20,491**	**$ 33,114**	**$ (12,623)**
Tax impact of adjustments (2)	(6,004)	(9,436)	3,432
ADJUSTMENTS, AFTER TAX	**$ 14,487**	**$ 23,678**	**$ (9,191)**
ADJUSTED NET INCOME	**$ 112,294**	**$ 115,005**	**$ (2,711)**
Number of Shares Outstanding – Basic and Diluted (‘000)	70,640	72,788	
Adjusted Net Earnings Per Share - Basic and Diluted	$ 1.59	$ 1.58	

(1) Restructuring costs

Additions to the restructuring provision during the three and nine months ended September 30, 2026 totalled $2.4 million and $13.2 million, respectively, and represent employee-related severance resulting from the rightsizing of certain operations in North America ($1.1 million and $10.2 million), and Europe ($1.3 million and $3.0 million).

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 North America ($1.9 million and $8.0 million), and Europe ($0.6 million and $25.1 million).

(2) Disposal of foreign operations

On June 1, 2026, the Company disposed 85% of its equity interest in one of its plants in China for CNY ¥5.5 million ($1.1 million). Subsequent to this transaction, the Company derecognized the net assets of the disposed entity and recognized a total gain on disposal of $1.6 million, including a $0.2 million loss that represents the difference between the aggregate fair value of the proceeds to be received and the carrying amount of the net assets disposed of, including costs related to the sale; and $1.8 million reclassification of cumulative foreign currency translation gains from accumulated other comprehensive income to profit or loss. This disposal of foreign operation resulted in a tax impact of $1.6 million that was recognized during the nine months ended September 30, 2026.

On August 24, 2026, the Company sold 100% of its equity interest in its plant in Brazil for proceeds of BRL $55.0 million ($11.8 million). As a result of the transaction, the Company derecognized the net assets of the entity and recognized a total loss on disposal of $8.9 million, including a $10.9 million gain that represents the difference between the aggregate fair value of total consideration and the carrying amount of the net assets disposed of, including costs related to the sale; and $19.8 million reclassification of cumulative foreign currency translation losses from accumulated other comprehensive income to profit or loss. This disposal of foreign operation resulted in a tax impact of $1.3 million that was recognized during the three and nine months ended September 30, 2026.

NET INCOME

Three months ended September 30, 2026 to three months ended September 30, 2025 comparison

	Three months ended September 30, 2026	Three months ended September 30, 2025	$ Change	% Change
Net Income	$ 26,827	$ 35,762	(8,935)	(25.0%)
Adjusted Net Income	36,582	37,730	(1,148)	(3.0%)
Net Earnings per Share				
Basic and Diluted	$ 0.38	$ 0.49		
Adjusted Net Earnings per Share				
Basic and Diluted	$ 0.52	$ 0.52		

Net Income, before adjustments, for the third quarter of 2026 decreased by $8.9 million to $26.8 million or $0.38 per share, on a basic and diluted basis, from Net Income of $35.8 million or $0.49 per share, on a basic and diluted basis, for the third quarter of 2025. Excluding the adjustments explained in Table A under "Adjustments to Net Income", Adjusted Net Income for the third quarter of 2026 decreased by $1.1 million to $36.6 million or $0.52 per share, on a basic and diluted basis, from $37.7 million or $0.52 per share, on a basic and diluted basis, for the third quarter of 2025.

Adjusted Net Income for the third quarter of 2026, as compared to the third quarter of 2025, was negatively impacted by the following:

- a lower gross margin from lower year-over-year sales volume;
- a higher effective tax rate (29.6% for the third quarter of 2026 compared to 21.6% for the third quarter of 2025) primarily reflecting changes in the geographic mix of earnings among jurisdictions with differing tax rates, the impact of valuation allowances in certain jurisdictions, and certain tax benefits derived in foreign jurisdictions; and
- the absence of margins from programs associated with the operations disposed of in China and Brazil.

These factors were partially offset by the following:

- a year-over-year decrease in SG&A expense, as previously explained; and
- a $2.6 million year-over-year decrease in finance expense as a result of lower borrowing rates on the Company's revolving bank debt.

Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison

	Nine months ended September 30, 2026	Nine months ended September 30, 2025	$ Change	% Change
Net Income	$ 97,807	$ 91,327	6,480	7.1%
Adjusted Net Income	112,294	115,005	(2,711)	(2.4%)
Net Earnings per Share				
Basic and Diluted	$ 1.38	$ 1.25		
Adjusted Net Earnings per Share				
Basic and Diluted	$ 1.59	$ 1.58		

Net Income, before adjustments, for the nine months ended September 30, 2026 increased by $6.5 million to $97.8 million or $1.38 per share, on a basic and diluted basis, from Net Income of $91.3 million or $1.25 per share, on a basic and diluted basis, for the nine months ended September 30, 2025. Excluding the adjustments explained in Table B under “Adjustments to Net Income”, Adjusted Net Income for the nine months ended September 30, 2026 decreased by $2.7 million to $112.3 million or $1.59 per share on a basic and diluted basis, from $115.0 million or $1.58 per share on a basic and diluted basis, for the nine months ended September 30, 2025.

Adjusted Net Income for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, was negatively impacted by the following:

- a lower gross margin from lower year-over-year sales volume;

- a higher effective tax rate (27.2% for the nine months ended September 30, 2026 compared to 26.9% for the nine months ended September 30, 2025) primarily reflecting changes in the geographic mix of earnings among jurisdictions with differing tax rates, the impact of valuation allowances in certain jurisdictions, and certain tax benefits derived in foreign jurisdictions; and
- the absence of margins from programs associated with the operations disposed of in China and Brazil.

These factors were partially offset by the following:

- a year-over-year decrease in SG&A expense, as previously explained;
- an $8.0 million year-over-year decrease in finance expense as a result of lower borrowing rates on the Company's revolving bank debt; and
- a net foreign exchange loss of $0.7 million for the nine months ended September 30, 2026 compared to $3.9 million for the nine months ended September 30, 2025.

ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT

Three months ended September 30, 2026 to three months ended September 30, 2025 comparison

	Three months ended September 30, 2026	Three months ended September 30, 2025	$ Change	% Change
Additions to PP&E	$ 76,312	$ 56,800	19,512	34.4%

Additions to PP&E increased by $19.5 million to $76.3 million or 6.5% of sales for the third quarter of 2026 as compared to $56.8 million or 4.8% of sales in the third quarter of 2025.

Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison

	Nine months ended September 30, 2026	Nine months ended September 30, 2025	$ Change	% Change
Additions to PP&E	$ 177,930	$ 139,534	38,396	27.5%

Additions to PP&E increased by $38.4 million to $177.9 million or 5.1% of sales for the nine months ended September 30, 2026 compared to $139.5 million or 3.8% of sales for the nine months ended September 30, 2025.

General timing of expenditures makes quarterly additions to PP&E quite volatile by nature. Capital additions for the nine months ended September 30, 2026 and 2025 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). The following tables present Operating Income (Loss) and Adjusted Operating Income (Loss), a non-IFRS measure, for the three and nine months ended September 30, 2026 and 2025. The discussion of Adjusted Operating Income (Loss) should be read together with the corresponding IFRS Operating Income (Loss) amounts presented below and the reconciliation of Adjusted Operating Income to Net Income included in the “*Overall Results*” section of this MD&A.

Three months ended September 30, 2026 to three months ended September 30, 2025 comparison

	SALES		OPERATING INCOME (LOSS)*	
	Three months ended September 30, 2026	Three months ended September 30, 2025	Three months ended September 30, 2026	Three months ended September 30, 2025
North America	$ 936,385	$ 912,455	$ 66,518	$ 62,869
Europe	232,091	247,552	1,208	240
Rest of the World	16,871	34,866	(1,044)	1,887
Eliminations	(3,398)	(4,072)	-	-
Adjusted Operating Income			$ 66,682	$ 64,996
Adjustments*	-	-	(2,439)	(2,511)
Total	$ 1,181,949	$ 1,190,801	$ 64,243	$ 62,485

**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 $2.4 million adjustment for the third quarter of 2026, $1.1 million was recognized in North America and $1.3 million in Europe. 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 increased by $3.6 million to $66.5 million or 7.1% of sales for the third quarter of 2026 from $62.9 million or 6.9% of sales for the third quarter of 2025. The increase in Adjusted Operating Income as a percentage of sales was generally due to lower SG&A expense as a percentage of sales, and productivity and efficiency improvements at certain operating facilities and other improvements; partially offset by the negative impact of lower year-over-year production sales on margins, lower year-over-year commercial settlements, and operational inefficiencies at certain other operating facilities.

Europe

Adjusted Operating Income in Europe increased by $1.0 million to $1.2 million or 0.5% of sales for the third quarter of 2026 from $0.2 million or 0.1% of sales for the third quarter of 2025 due to lower year-over-year indirect costs incurred in production; partially offset by lower year-over-year commercial settlements, and the negative impact of lower year-over-year production sales on margins.

Rest of the World

Adjusted Operating Income (Loss) in the Rest of the World decreased by $2.9 million to a loss of $1.0 million or (6.2%) of sales for the third quarter of 2026 from an income of $1.9 million or 5.4% of sales for the third quarter of 2025 due to the negative impact of lower year-over-year production sales on margins, including the absence of sales from programs associated with the operations disposed of in China and Brazil.

Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison

	SALES		OPERATING INCOME (LOSS)*	
	Nine months ended September 30, 2026	Nine months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
North America	$ 2,729,125	$ 2,777,876	$ 208,499	$ 207,512
Europe	725,885	771,557	(8,450)	260
Rest of the World	73,877	100,433	(1,010)	5,270
Eliminations	(20,960)	(15,299)	-	-
Adjusted Operating Income			$ 199,039	$ 213,042
Adjustments*	-	-	(13,207)	(33,114)
Total	$ 3,507,927	$ 3,634,567	$ 185,832	$ 179,928

**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 $13.2 million adjustment for the nine months ended September 30, 2026, $10.2 million was recognized in North America and $3.0 million in Europe. 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.*

North America

Adjusted Operating Income in North America increased by $1.0 million to $208.5 million or 7.6% of sales for the nine months ended September 30, 2026 from $207.5 million or 7.5% of sales for the nine months ended September 30, 2025. The increase in Adjusted Operating Income as a percentage of sales was attributed to lower SG&A expense as a percentage of sales, and operational efficiencies at certain operating facilities; partially offset by the negative impact of lower year-over-year production sales on margins, and operational inefficiencies at certain other operating facilities.

Europe

Adjusted Operating Income (Loss) in Europe decreased by $8.7 million to a loss of $8.5 million or (1.2%) for the nine months ended September 30, 2026 from an income of $0.3 million for the nine months ended September 30, 2025, due to the negative impact of lower year-over-year production sales on margins, and lower commercial settlements; partially offset by lower year-over-year indirect costs incurred in production.

Rest of the World

Adjusted Operating Income (Loss) in the Rest of the World decreased by $6.3 million to a loss of $1.0 million or (1.4%) for the nine months ended September 30, 2026 from an income of $5.3 million or 5.2% of sales for the nine months ended September 30, 2025, due to the negative impact of lower year-over-year production sales on margins, including the absence of sales from programs associated with the operations disposed of in China and Brazil, and lower commercial settlements.

SUMMARY OF QUARTERLY RESULTS
(unaudited)

	2026			2025				2024
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Sales	$1,181,949	$1,200,549	$1,125,429	$1,187,284	$1,190,801	$1,275,535	$1,168,231	$1,150,928
Gross Margin	156,763	168,996	149,228	140,955	169,972	184,535	151,599	129,040
Operating Income (Loss)	64,243	66,163	55,426	12,546	62,485	72,338	45,105	(90,411)
Adjusted Operating Income	66,682	70,735	61,622	55,066	64,996	86,104	61,942	40,069
Net Income (Loss) for the period	26,827	43,126	27,854	15,658	35,762	38,091	17,474	(133,332)
Adjusted Net Income (Loss)	36,582	43,243	32,469	48,323	37,730	47,755	29,520	(15,596)
Basic and Diluted Net Earnings (Loss) per Share	0.38	0.61	0.39	0.22	0.49	0.52	0.24	(1.82)
Adjusted Basic and Diluted Net Earnings (Loss) per Share	0.52	0.61	0.45	0.67	0.52	0.66	0.41	(0.21)

LIQUIDITY AND CAPITAL RESOURCES

On February 27, 2026, 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 twelve banks (up from ten), include the following:

- unchanged financial covenants, including a maximum net debt to trailing twelve months EBITDA ratio of 3.0x (excluding the impact of IFRS 16, Leases);
- available non-amortizing term loan of $200 million (down from $250 million) at variable interest rates;
- available revolving credit lines of $400 million (up from $350 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 $400 million, up from US $300 million;
- pricing terms at market rates, similar to the previous facility;

- a maturity date extended to February 2030 (from February 2027); 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, 2026, $51.9 million (US $36.7 million) (December 31, 2025 - $33.6 million or US $24.5 million) of receivables were sold under the program, of which $10.9 million (US $7.7 million) (December 31, 2025 - $9.4 million or US $6.9 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, 2026, the Company had drawn US $220 million (December 31, 2025 - US $256 million) on the U.S. revolving credit line, $315 million (December 31, 2025 - $210 million) on the Canadian revolving credit line, and $200 million (December 31, 2025 - $250 million) on the Canadian non-amortizing term loan. As at September 30, 2026, the Company had total liquidity of $611 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 $244 million was available as at September 30, 2026. At September 30, 2026, the weighted average effective interest rate of the banking facility was 4.9% (December 31, 2025 - 4.9%). The facility requires the maintenance of certain financial ratios with which the Company was in compliance as at September 30, 2026.

On July 31, 2026, the Company finalized a six-year equipment loan in the amount of €4.4 million ($7.0 million), repayable in monthly installments commencing in 2027 at a fixed annual interest rate of 3.60%.

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. This expectation is based on current business forecasts, available borrowing capacity under the Company's banking facilities, anticipated capital expenditure requirements, and continued compliance with applicable financial covenants. 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, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Long-term debt	$ 878,009	$ 910,410	$ 948,317	$ 868,809	$ 911,056
Less: Cash and cash equivalents	(108,451)	(109,586)	(129,626)	(174,144)	(142,987)
Net Debt	$ 769,558	$ 800,824	$ 818,691	$ 694,665	$ 768,069
Trailing 12-month Adjusted EBITDA	$ 493,264	$ 490,371	$ 510,493	$ 515,055	$ 512,106
Net Debt to Adjusted EBITDA ratio	1.56x	1.63x	1.60x	1.35x	1.50x

Including the impact of IFRS 16:	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Long-term debt	$ 878,009	$ 910,410	$ 948,317	$ 868,809	$ 911,056
Lease liabilities	229,172	237,933	243,929	251,156	241,624
	1,107,181	1,148,343	1,192,246	1,119,965	1,152,680
Less: Cash and cash equivalents	(108,451)	(109,586)	(129,626)	(174,144)	(142,987)
Net Debt	$ 998,730	$ 1,038,757	$ 1,062,620	$ 945,821	$ 1,009,693
Trailing 12-month Adjusted EBITDA	$ 565,855	$ 561,334	$ 579,553	$ 582,744	$ 578,367
Net Debt to Adjusted EBITDA ratio	1.76x	1.85x	1.83x	1.62x	1.75x

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, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Trailing 12-month Adjusted EBITDA - including the impact of IFRS 16	$ 565,855	$ 561,334	$ 579,553	$ 582,744	$ 578,367
Principal payments of lease liabilities	(61,513)	(59,972)	(58,110)	(56,889)	(55,665)
Interest on lease liabilities	(11,078)	(10,991)	(10,950)	(10,800)	(10,596)
Trailing 12-month Adjusted EBITDA - excluding the impact of IFRS 16	$ 493,264	$ 490,371	$ 510,493	$ 515,055	$ 512,106

The Company's Net Debt (excluding the impact of IFRS 16) decreased by $31.3 million during the third quarter of 2026 to $769.6 million from $800.8 million at the end of the second quarter of 2026 due largely to positive Free Cash Flow (after IFRS 16 lease payments) generated during the quarter, net proceeds from the disposal of foreign operations, and foreign exchange translation; partially offset by share repurchases of $9.3 million, cash restructuring costs of $5.8 million, and $3.5 million in dividends paid during the quarter. The Company's Net Debt to Adjusted EBITDA ratio (excluding the impact of IFRS 16) decreased to 1.56x from 1.63x at the end of the second quarter of 2026, due largely to the quarter-over-quarter decrease in net debt.

The Company was in compliance with its debt covenants as at September 30, 2026. 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, EV volume shortfalls, rapidly changing trade policies, including tariffs or threatened tariffs between the United States, Canada and Mexico, and other supply chain disruptions. The Board will continue to 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, 2026	Three months ended September 30, 2025	$ Change	% Change
Cash provided by operations before changes in non-cash working capital items	$ 144,758	$ 148,111	(3,353)	(2.3%)
Change in non-cash working capital items	(2,841)	(14,482)	11,641	80.4%
	141,917	133,629	8,288	6.2%
Interest paid	(15,120)	(17,540)	2,420	13.8%
Income taxes paid	(518)	(8,561)	8,043	93.9%
Cash provided by operating activities	126,279	107,528	18,751	17.4%
Cash used in financing activities	(58,646)	(67,414)	8,768	13.0%
Cash used in investing activities	(68,722)	(56,459)	(12,263)	(21.7%)
Effect of foreign exchange rate changes on cash and cash equivalents	(46)	(698)	652	93.4%
Decrease in cash and cash equivalents	$ (1,135)	$ (17,043)	15,908	93.3%

Cash provided by operating activities during the third quarter of 2026 was $126.3 million, compared to $107.5 million in the corresponding period of 2025. The components for the third quarter of 2026 primarily include the following:

- cash provided by operations before changes in non-cash working capital items of $144.8 million;
- working capital use of cash $2.8 million comprised of a decrease in trade, other payables and provisions of $22.7 million, an increase in inventories of $5.3 million, and an increase in prepaid expenses and deposits of $0.9 million; partially offset by a decrease in trade and other receivables of $26.0 million;
- interest paid of $15.1 million; and
- income taxes paid of $0.5 million.

Cash used in financing activities during the third quarter of 2026 was $58.6 million, compared to $67.4 million in the corresponding period of 2025. The components for the third quarter of 2026 primarily include the following:

- a $30.3 million net decrease in long-term debt;
- principal payments of lease liabilities of $15.6 million;
- repurchase of common shares under the normal course issuer bid ("NCIB") (as described in note 11 of the interim financial statements) of $9.3 million; and
- $3.5 million in dividends paid.

Cash used in investing activities during the third quarter of 2026 was $68.7 million, compared to $56.5 million in the corresponding period of 2025. The components for the third quarter of 2026 primarily include the following:

- cash additions to PP&E of $68.5 million; and
- capitalized development costs relating to upcoming new program launches of $3.0 million; partially offset by
- net proceeds from the disposal of foreign operations of $2.8 million.

Taking into account the opening cash balance of $109.6 million at the beginning of the third quarter of 2026, and the activities described above, the cash and cash equivalents balance at September 30, 2026 was $108.5 million.

	Nine months ended September 30, 2026	Nine months ended September 30, 2025	$ Change	% Change
Cash provided by operations before changes in non-cash working capital items	$ 424,678	$ 421,697	2,981	0.7%
Change in non-cash working capital items	(102,960)	(36,072)	(66,888)	(185.4%)
	321,718	385,625	(63,907)	(16.6%)
Interest paid	(46,126)	(54,168)	8,042	14.8%
Income taxes paid	(32,383)	(63,014)	30,631	48.6%
Cash provided by operating activities	243,209	268,443	(25,234)	(9.4%)
Cash used in financing activities	(89,033)	(104,045)	15,012	14.4%
Cash used in investing activities	(179,942)	(185,259)	5,317	2.9%
Effect of foreign exchange rate changes on cash and cash equivalents	3,754	(4,103)	7,857	191.5%
Decrease in cash and cash equivalents	$ (22,012)	$ (24,964)	2,952	11.8%

Cash provided by operating activities during the nine months ended September 30, 2026 was $243.2 million, compared to $268.4 million in the corresponding period of 2025. The components for the nine months ended September 30, 2026 primarily include the following:

- cash provided by operations before changes in non-cash working capital items of $424.7 million;
- working capital use of cash of $103.0 million comprised of an increase in trade and other receivables of $123.6 million, an increase in inventories of $36.4 million, and an increase in prepaid expenses and deposits of $2.9 million; partially offset by and an increase in trade, other payables and provisions of $59.9 million;
- interest paid of $46.1 million; and
- income taxes paid of $32.4 million.

Cash used in financing activities during the nine months ended September 30, 2026 was $89.0 million, compared to $104.0 million in the corresponding period of 2025. The components for the nine months ended September 30, 2026 primarily include the following:

- principal payments of lease liabilities of $46.8 million;
- repurchase of common shares under the NCIB (as described in note 11 of the interim financial statements) of $30.1 million;
- $10.6 million in dividends paid; and
- a $1.5 million net decrease in long-term debt.

Cash used in investing activities during the nine months ended September 30, 2026 was $179.9 million, compared to $185.3 million in the corresponding period of 2025. The components for the nine months ended September 30, 2026 primarily include the following:

- cash additions to PP&E of $178.6 million; and
- capitalized development costs relating to upcoming new program launches of $4.8 million; partially offset by
- net proceeds from the disposal of foreign operations of $2.8 million.

Taking into account the opening cash balance of $130.5 million at the beginning of 2026 (as described in note 1d of the interim financial statements), and the activities described above, the cash and cash equivalents balance at September 30, 2026 was $108.5 million.

Free Cash Flow

	Three months ended September 30, 2026	Three months ended September 30, 2025	$ Change
Adjusted EBITDA	$ 144,921	$ 140,400	4,521
Add (deduct):			
Change in non-cash working capital items	(2,841)	(14,482)	11,641
Remove impact of restructuring provision	3,342	1,145	2,197
Purchase of property, plant and equipment (excluding capitalized interest)	(68,549)	(55,872)	(12,677)
Cash proceeds on disposal of property, plant and equipment	224	189	35
Capitalized development costs	(2,992)	(754)	(2,238)
Interest paid	(15,120)	(17,540)	2,420
Income taxes paid	(518)	(8,561)	8,043
Free Cash Flow	58,467	44,525	13,942
Principal payments of IFRS 16 lease liabilities	(15,596)	(14,055)	(1,541)
Free Cash Flow (after IFRS 16 lease payments)	$ 42,871	$ 30,470	12,401

Free cash flow for the third quarter of 2026 increased year-over-year due largely to a decrease in non-cash working capital, net of the change in the restructuring provision which is included in working capital, lower income taxes paid, higher Adjusted EBITDA, and lower interest paid on long-term debt; partially offset by an increase in cash purchases of property, plant and equipment, and an increase in capitalized development costs.

Tooling-related working capital accounts, including inventory, trade and other receivables, and trade and other payables on a net basis, amounted to $2.5 million as at September 30, 2026, an increase from ($17.7) million as at June 30, 2026 and from ($7.9) million as at September 30, 2025.

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, 2026 and 2025:

	Three months ended September 30, 2026	Three months ended September 30, 2025
Cash provided by operating activities	$ 126,279	$ 107,528
Add (deduct):		
Purchase of property, plant and equipment (excluding capitalized interest)	(68,549)	(55,872)
Cash proceeds on disposal of property, plant and equipment	224	189
Capitalized development costs	(2,992)	(754)
Restructuring costs	2,439	2,511
Remove impact of restructuring provision	3,342	1,145
Unrealized loss on foreign exchange contracts	(341)	(482)
Deferred and restricted share units expense	(2,769)	(9,984)
Stock options expense	(99)	(177)
Pension and other post-employment benefits expense	(547)	(612)
Contributions made to pension and other post-retirement benefits	632	788
Net unrealized foreign exchange loss and other expense	848	245
Free Cash Flow	58,467	44,525
Principal payments of IFRS 16 lease liabilities	(15,596)	(14,055)
Free Cash Flow (after IFRS 16 lease payments)	$ 42,871	$ 30,470

	Nine months ended September 30, 2026	Nine months ended September 30, 2025	$ Change
Adjusted EBITDA	$ 429,818	$ 446,707	(16,889)
Add (deduct):			
Change in non-cash working capital items	(102,960)	(36,072)	(66,888)
Remove impact of restructuring provision	10,220	(18,406)	28,626
Purchase of property, plant and equipment (excluding capitalized interest)	(178,566)	(177,476)	(1,090)
Cash proceeds on disposal of property, plant and equipment	874	839	35
Capitalized development costs	(4,797)	(7,351)	2,554
Interest paid	(46,126)	(54,168)	8,042
Income taxes paid	(32,383)	(63,014)	30,631
Free Cash Flow	76,080	91,059	(14,979)
Principal payments of IFRS 16 lease liabilities	(46,811)	(42,187)	(4,624)
Free Cash Flow (after IFRS 16 lease payments)	$ 29,269	$ 48,872	(19,603)

Free cash flow for the nine months ended September 30, 2026 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, and lower Adjusted EBITDA; partially offset by lower income taxes paid, lower interest paid on long-term debt, and a decrease in capitalized development costs.

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, 2026 and 2025:

	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Cash provided by operating activities	$ 243,209	$ 268,443
Add (deduct):		
Purchase of property, plant and equipment (excluding capitalized interest)	(178,566)	(177,476)
Cash proceeds on disposal of property, plant and equipment	874	839
Capitalized development costs	(4,797)	(7,351)
Restructuring costs	13,207	33,114
Remove impact of restructuring provision	10,220	(18,406)
Unrealized gain (loss) on foreign exchange contracts	(275)	192
Deferred and restricted share units expense	(8,832)	(12,111)
Stock options expense	(299)	(531)
Pension and other post-employment benefits expense	(1,634)	(1,827)
Contributions made to pension and other post-retirement benefits	1,820	1,952
Net unrealized foreign exchange loss and other expense	1,153	4,221
Free Cash Flow	76,080	91,059
Principal payments of IFRS 16 lease liabilities	(46,811)	(42,187)
Free Cash Flow (after IFRS 16 lease payments)	$ 29,269	$ 48,872

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 evolving situation. In 2026, the United States declined to extend the USMCA at its first joint review, and the agreement is now subject to annual review. The U.S. President has also announced that tariffs on Canadian vehicles, automotive parts and steel will increase to 50% effective January 1, 2027, although negotiations are ongoing. 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

Although the Company has seen a recovery in overall production volumes and improved production stability, global light vehicle production continues to be affected by supply chain disruptions. 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.

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.

Geopolitical conflicts and energy price volatility

Ongoing geopolitical conflicts, including the conflict in the Middle East and related attacks on commercial shipping and energy infrastructure, have contributed to increased volatility in global energy markets, particularly oil and fuel prices. Escalations or further instability in the region could disrupt global energy supply routes, increase transportation and logistics costs, and contribute to broader inflationary pressures.

Elevated or volatile fuel and energy prices may adversely affect the Company's operations and financial results in several ways, including by increasing the cost of inbound materials and outbound logistics, raising utility and operating costs at manufacturing facilities, and impacting the cost structures of the Company's suppliers. While the Company seeks to mitigate certain cost increases through commercial arrangements with customers and operational efficiencies, there can be no assurance that such costs can be fully recovered or mitigated in a timely manner.

In addition, sustained increases in fuel and energy costs may impact consumer demand for certain vehicle categories and influence OEM production volumes, product mix decisions, and the timing of customer programs. Any resulting reduction in global light vehicle production, changes in platform demand, or delays in customer launches could adversely affect the Company's sales, margins, and operating results.

The situation remains fluid and unpredictable, and further developments related to geopolitical conflicts or energy market disruptions could have a material adverse effect on the Company, the automotive industry, or global economic conditions.

Operations in emerging markets

The Company has historically maintained certain operations in emerging markets, including China and Brazil. During 2026, the Company disposed of its operations in Brazil and substantially reduced its presence in China, as described under “Disposal of Foreign Operations” and “Assets and Liabilities Held for Sale”. The Company no longer has operations in China and Brazil and its exposure to emerging markets is therefore more limited than in prior periods. Investments in these jurisdictions may nevertheless be subject to jurisdiction-specific risks, including changes in laws and regulations, foreign investment and ownership requirements, government approvals, currency controls, taxation, economic and political conditions and the enforceability of contractual rights. Management monitors these risks through its corporate oversight, financial reporting, compliance and risk management processes. See “Risks of Conducting Business in Foreign Countries, Including China, Brazil, Mexico and Other Growing Markets”' in the Company's AIF.

Artificial intelligence

The Company continues to use and evaluate artificial intelligence, machine learning and related technologies in its manufacturing operations, including in areas such as manufacturing efficiency, quality control and predictive maintenance. These technologies remain at varying stages of development and implementation across the Company's operations. There have been no material changes during the period to the Company's use of these technologies or the related risks described in the Company's AIF.

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 12, 2026, the Company had 69,033,630 common shares outstanding. The Company’s common shares constitute its only class of voting securities. As at November 12, 2026, options to acquire 1,995,000 common shares were outstanding.

On May 23, 2025, the Company renewed the NCIB receiving approval from the Toronto Stock Exchange ("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 spanned a 12-month period.

During 2025, the Company purchased for cancellation an aggregate of 778,698 common shares for an aggregate purchase price of $8.2 million resulting in a reduction to capital stock of $6.4 million and a decrease to retained earnings of $1.7 million. The shares were purchased and cancelled directly under the NCIB.

On May 25, 2026, the Company renewed its NCIB receiving approval from the TSX to acquire for cancellation up to an additional 6,874,272 common shares of the Company. The renewed bid commenced on May 27, 2026 and spans a 12-month period.

During the nine months ended September 30, 2026, the Company purchased for cancellation an aggregate of 2,975,520 common shares for an aggregate purchase price of $31.2 million resulting in a reduction to capital stock of $24.6 million and a decrease to retained earnings of $6.6 million. The shares were purchased and cancelled directly under the NCIB.

CONTRACTUAL OBLIGATIONS AND OFF-BALANCE SHEET FINANCING

During the nine months ended September 30, 2026, 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, 2025.

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, 2026, the amount of the off-balance sheet program financing was $3.4 million (December 31, 2025 - $9.8 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, 2026, 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

	For U.S. dollars		
Currency - Buy/Sell	**Amount of U.S. dollars**	**Weighted average exchange rates**	**Maximum period in months**
Buy Mexican Peso	$ 11,454	$ 17.4618	1
Sell Chinese Yuan	4,000	0.1496	1
Sell Brazilian Real	11,592	0.2696	1

The aggregate value of these forward contracts as at September 30, 2026 was a pre-tax loss of $0.3 million and was recorded in trade and other payables (December 31, 2025 - pre-tax gain of $0.8 million recorded in trade and other receivables).

DISPOSAL OF FOREIGN OPERATIONS

On February 5, 2026, the Company entered into an agreement to dispose 85% of its equity interest in one of its plants in China, included in the Rest of the World operating segment, for proceeds of CNY ¥5.5 million ($1.1 million). The transaction closed on June 1, 2026, resulting in the transfer of control of the entity to the third party purchaser.

Upon transfer of control, the Company derecognized the net assets of the entity and recognized a total gain on disposal of $1.6 million in the consolidated statements of operations. The gain includes a $0.2 million loss that represents the difference between the aggregate fair value of the sale consideration and the carrying amount of the net assets disposed of as of the closing date, including costs related to the sale. The net gain represents the reclassification of cumulative foreign currency translation gains of $1.8 million from accumulated other comprehensive income to profit or loss upon closing of the transaction.

On August 24, 2026, the Company sold 100% of its equity interest in its plant in Brazil, included in the Rest of the World operating segment, for proceeds of BRL $55.0 million ($11.8 million). The proceeds consist of BRL $10.0 million ($2.6 million) received at closing, BRL $20.0 million ($5.5 million) to be received in ten equal monthly installments over the 12-month period following closing, and a long-term receivable of BRL $25.0 million ($3.9 million), measured at its discounted present value at the disposal date, to be received within 36 months of closing. Management assessed the timing and collectability of the deferred consideration and recorded it at fair value on the date of disposal.

As a result of the transaction, the Company derecognized the net assets of the entity and recognized a total loss on disposal of $8.9 million in the consolidated statements of operations. The loss includes a $10.9 million gain that represents the difference between the aggregate fair value of total consideration and the carrying amount of the net assets disposed of as of the closing date, including costs

related to the sale. The net loss represents the reclassification of cumulative foreign currency translation losses of $19.8 million from accumulated other comprehensive income to profit or loss upon closing of the transaction.

	Nine months ended September 30, 2026		
	China Plant	**Brazil Plant**	**Total**
Fair value of consideration	$ 1,107	$ 11,817	$ 12,924
Less:			
Carrying amount of net assets sold	(1,052)	(617)	(1,669)
Cost related to sale	(255)	(325)	(580)
	(200)	10,875	10,675
Cumulative translation adjustment balance	1,843	(19,802)	(17,959)
Gain (Loss) on disposal	$ 1,643	$ (8,927)	$ (7,284)

ASSETS AND LIABILITIES HELD FOR SALE

On September 1, 2026, the Company entered into a definitive agreement to sell 95% of its equity interest in its remaining plant in China, included in the Rest of the World operating segment. The Company expects to receive gross proceeds of approximately CNY ¥237.5 million ($50.0 million) upon closing. Completion of the transaction remains subject to customary closing conditions, including final steps of local government approval in China, and the Company expects this approval process to be completed in Q4 2026. As at September 30, 2026, management concluded that the transaction is considered highly probable and, accordingly, the related assets and liabilities were classified as held for sale.

Subsequent to September 30, 2026, the transaction closed on October 15, 2026, resulting in the transfer of control of the entity to the third party purchaser.

On May 8, 2026, the Company entered into a purchase and sale agreement (“PSA”) for the disposition of the capital assets of its plant in Shelbyville, Kentucky, included in the North America operating segment. The capital assets comprised of land, buildings and equipment as outlined in the PSA, and had an aggregate carrying amount of US $10.5 million ($14.8 million) as of September 30, 2026. These capital assets are expected to be sold for proceeds of US$30.1 million ($42.6 million). During the third quarter of 2026, the Company made significant progress toward satisfying the remaining closing conditions under the PSA and, as at September 30, 2026, management concluded that the transaction was highly probable. Accordingly, the related capital assets were classified as held for sale at September 30, 2026.

Subsequent to September 30, 2026, the transaction closed on October 15, 2026.

The assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of disposal. The Company determined the fair value less cost of disposal based on management's best estimate of the expected proceeds of the transaction, net of estimated selling costs. At September 30, 2026, the Company determined that the carrying amount of the assets are recoverable.

The assets and liabilities included in the held for sale categories as at September 30, 2026 are summarized below:

		September 30, 2026
Assets		
Trade and other receivables	$	5,456
Inventories		5,783
Prepaid expenses and deposits		598
Property, plant and equipment*		57,830
Right-of-use assets		7,651
Intangible assets		547
Total assets held for sale	$	77,865
Liabilities		
Trade and other payables	$	3,772
Lease liabilities		7,778
Total liabilities associated with assets held for sale	$	11,550

*Of the total property, plant and equipment balance of $57.8 million, $14.8 million is attributable to the capital assets located in Shelbyville, Kentucky.

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, global trade and tariff issues, geopolitical conflicts and energy price volatility, operations in emerging markets, artificial intelligence 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, customer production schedules and release, industry production estimates, current foreign exchange rates, timing of product launches, awarded business proceeding substantially in accordance with expectations, operational improvement during the period, current and anticipated trade policy frameworks, general economic and industry conditions, and current Board approved budgets. Although customer supply arrangements generally do not provide minimum volume commitments and may be terminable under certain circumstances, management's planning and forecasting assumptions reflect the Company's historical experience that awarded business generally continues for the life of the applicable vehicle program. These assumptions form an important part of management's assessment of future production volumes, revenues and operating performance. In preparing forward-looking information, management also considers third-party industry production forecasts, expected vehicle production volumes in key markets, current sourcing levels, awarded business and the Company's expected operational performance. 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, this MD&A, and the MD&A for the year ended December 31, 2025 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
- Financial Viability of Suppliers and Key Suppliers and Supply Disruptions (Material Availability or Disruption)
- Semiconductor Chip Shortages and Price Increases
- Inflationary Pressures
- Regional Energy Shortages
- Russia and Ukraine War and Middle East War
- Customer Consolidation and Cooperation
- Emergence of Potentially Disruptive EV OEMs
- Outsourcing and Insourcing Trends
- 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
- Return on Capital Investment
- Product Warranty, Repair/Replacement Costs, Recall, Product Liability and Liability Risk
- Product Development and Technological Change (Including Artificial Intelligence and Electrification)
- Cybersecurity Threats
- A Shift Away from Technologies in Which the Company is Investing
- Dependence Upon Key Personnel
- Limited Financial Resources/Uncertainty of Future Financing/Banking
- 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
- Anti-Trust and Competition Law Enforcement
- 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.