



PRESS RELEASE

FOR IMMEDIATE RELEASE

MARCH 5, 2026

MARTINREA INTERNATIONAL INC. REPORTS YEAR END AND FOURTH QUARTER RESULTS, ANNOUNCES DIVIDEND, AND ISSUES 2026 AND 2028 OUTLOOK

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

HIGHLIGHTS

Full Year 2025:

- Total sales of \$4,821.9 million, production sales of \$4,610.7 million.
- Adjusted Operating Income⁽¹⁾ of \$268.1 million.
- Adjusted Operating Income Margin⁽¹⁾ of 5.6%, up 30 basis points year over year.
- Free Cash Flow⁽¹⁾ (excluding principal payments of IFRS-16 lease liabilities) of \$199.0 million, a record for the Company.
- Diluted net earnings per share of \$1.47 and Adjusted Net Earnings per Share⁽¹⁾ of \$2.25 or \$1.83 at a normalized effective tax rate after adjusting for unusual foreign exchange movements between the Mexican peso and the U.S. dollar that do not impact cash (refer to “Overall Results” section for further details).
- Net debt-to-Adjusted EBITDA⁽¹⁾ (excluding IFRS 16 impact) ended the year at 1.35x, comfortably within the Company’s target of 1.5x or better.
- Improved safety performance with a Total Recordable Injury Frequency (TRIF) of 0.71, a 28% improvement over 2024 and a 92% improvement since 2014.

Fourth Quarter 2025:

- Total sales of \$1,187.3 million, production sales of \$1,126.7 million.
- Adjusted Operating Income⁽¹⁾ of \$55.1 million.
- Adjusted Operating Income Margin⁽¹⁾ of 4.6%, up 110 basis points year over year.
- Free Cash Flow⁽¹⁾ (excluding principal payments of IFRS-16 lease liabilities) of \$108.0 million.
- Diluted net earnings per share of \$0.22 and Adjusted Net Earnings per Share⁽¹⁾ of \$0.67, or \$0.37 at a normalized effective tax rate after adjusting for unusual foreign exchange movements between the Mexican peso and the U.S. dollar that do not impact cash.

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

- New business awards of approximately \$210 million in annualized sales at mature volumes.
- Quarterly cash dividend of \$0.05 per share declared.
- Resumed share buybacks under the Company's normal course issuer bid, repurchasing approximately 779,000 shares during the fourth quarter for \$8.0 million.
- Impairment charges totalling \$39.5 million recognized during the quarter, mainly due to the end of an OEM program.

OVERVIEW

Pat D'Eramo, Chief Executive Officer, stated: "Our Company had some notable achievements in 2025. We generated a record level of Free Cash Flow⁽¹⁾ and further strengthened our balance sheet. Our safety record continues to be world class, with a Total Recordable Injury Frequency of 0.71 – a 28% improvement over 2024, and notably better than the industry average. We won several quality awards from our customers. Our Advanced Manufacturing Team (AMT) made further progress with machine learning installations across our network, and we acquired a 10% equity stake in Polyalgorithm Machine Learning Inc. (PolyML), a provider of machine learning AI solutions used by Martinrea for adaptive welding and press health monitoring. In addition, we acquired the assets of Lyseon North America Inc., a manufacturer of metal parts and assemblies, primarily for school buses."

He continued: "We are pleased with our performance in the fourth quarter, both operationally and financially, as we continue to execute on sales, operating improvements, and commercial recoveries with our customers, largely for volume shortfalls on EV programs. We are navigating the impact of tariffs on our business, and I am pleased to report that we have been successful in negotiating the recovery of the vast majority of our tariff costs through agreements with our OEM customers. For the full year of 2025, we met our outlook for sales and Adjusted Operating Income Margin⁽¹⁾, which came in at 5.6%, above the midpoint of our 5.3%-5.8% outlook range."

Peter Cirulis, Chief Financial Officer, stated: "We are pleased with our Free Cash Flow⁽¹⁾ performance during 2025, which came in at \$199.0 million (excluding principal payments of IFRS 16 lease liabilities), a new record for the Company, and above the high end of our 2025 outlook range of \$125-\$175 million. This reflects our strong operating performance and capital discipline, including the optimization and reuse of existing assets. Net Debt-to-Adjusted EBITDA⁽¹⁾ (excluding IFRS 16 impact) ended the year at 1.35x, well within our target of 1.5x or better. We achieved this while resuming our share buyback activity under our normal course issuer bid, repurchasing approximately 779,000 shares for \$8.0 million in the fourth quarter. Looking at the fourth quarter, sales, excluding tooling sales of \$60.6 million, were \$1,126.7 million. Adjusted Operating Income Margin⁽¹⁾ of 4.6% was up 110 basis points year over year on production sales that were up about 7%, or 6% excluding approximately \$14 million in sales from the acquisition of Lyseon North America Inc.."

Fred Di Tosto, President, stated: "I am pleased to announce that we have been awarded new business representing \$210 million in annualized sales at mature volumes, consisting of approximately \$180 million in Lightweight Structures with Stellantis, Toyota, General Motors, Audi and others, \$20 million in Propulsion Systems with Stellantis and Ford, and \$10 million in our Flexible Manufacturing Group with Volvo Truck and JCB. Over the last twelve months, we have been awarded new business worth approximately \$340 million in annualized sales at mature volumes. Quoting activity is robust, and we have recently won several program extensions with a value of over \$1 billion in annualized sales."

Rob Wildeboer, Executive Chairman, stated: "Our financial performance in 2026 is expected to be broadly consistent with 2025, as the end of the Ford Escape program is expected to be offset by continued operating and other improvements. Our 2026 outlook calls for total sales of \$4.5 to \$4.9 billion, an Adjusted Operating Income Margin⁽¹⁾ of 5.5% to 6.0%, and continued solid Free Cash Flow⁽¹⁾, in a range of \$125 to \$175 million (excluding principal payments of IFRS 16 lease liabilities)."

He continued: "Looking further out, we see a lot of opportunity for our business, including inquiries from our customers asking us to look at taking over business from distressed suppliers. We also see opportunities from the rebalancing of global trade that should result in meaningful volumes being reshored to the U.S., increased quoting activity, and potential acquisitions. The cadence of our launches should contribute meaningful organic sales growth over the next few years. Based on our Board-approved budgets, we expect total sales of between \$5.3 and \$5.5 billion in 2028, assuming no major acquisitions. This should help drive Adjusted Operating Income Margin⁽¹⁾ to a range of 6.5% to 7.0%. To our shareholders and all our stakeholders, thank you for your continued support."

RESULTS OF OPERATIONS

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

Additional information about the Company, including the Company's Management Discussion and Analysis of Operating Results and Financial Position for the year ended December 31, 2025 ("MD&A"), the Company's audited consolidated financial statements for the year ended December 31, 2025 (the "audited consolidated financial statements") and the Company's Annual Information Form for the year ended December 31, 2025 can be found at www.sedarplus.ca.

OVERALL RESULTS

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

The following tables set out certain highlights of the Company's performance for the three months and years ended December 31, 2025 and 2024. Refer to the Company's consolidated financial statements for the year ended December 31, 2025 for a detailed account of the Company's performance for the periods presented in the tables below.

	Year ended		Year ended		\$ Change	% Change
	December 31, 2025		December 31, 2024			
Sales	\$	4,821,851	\$	5,014,127	(192,276)	(3.8%)
Gross Margin		647,061		648,557	(1,496)	(0.2%)
Operating Income		192,474		124,608	67,866	54.5%
Net Income (Loss) for the period		106,985		(34,546)	141,531	409.7%
Net Earnings (Loss) per Share - Basic and Diluted	\$	1.47	\$	(0.46)	1.93	419.6%
<u>Non-IFRS Measures**</u>						
Adjusted Operating Income	\$	268,108	\$	266,698	1,410	0.5%
<i>% of Sales</i>		5.6 %		5.3 %		
Adjusted EBITDA		582,744		614,758	(32,014)	(5.2%)
<i>% of Sales</i>		12.1 %		12.3 %		
Adjusted Net Income*		163,328		91,041	72,287	79.4%
Adjusted Net Earnings per Share - Basic*	\$	2.25	\$	1.21	1.04	86.0%
Adjusted Net Earnings per Share - Diluted*	\$	2.25	\$	1.20	1.05	87.5%

	Three months ended		Three months ended		\$	
	December 31, 2025		December 31, 2024		Change	% Change
Sales	\$	1,187,284	\$	1,150,928	36,356	3.2%
Cost of sales (excluding depreciation)		(972,365)		(937,527)	(34,838)	(3.7%)
Depreciation of property, plant and equipment and right-of-use assets (production)		(73,964)		(84,361)	10,397	12.3%
Gross Margin		140,955		129,040	11,915	9.2%
Research and development costs		(8,707)		(10,194)	1,487	14.6%
Selling, general and administrative		(72,467)		(74,445)	1,978	2.7%
Depreciation of property, plant and equipment and right-of-use assets (non-production)		(3,507)		(4,310)	803	18.6%
Loss on disposal of property, plant and equipment		(1,208)		(22)	(1,186)	(5,390.9%)
Restructuring costs		(3,004)		(1,034)	(1,970)	(190.5%)
Impairment of assets		(39,516)		(129,446)	89,930	69.5%
Operating Income (Loss)	\$	12,546	\$	(90,411)	102,957	113.9%
Share of loss of equity investments		(929)		(757)	(172)	(22.7%)
Finance expense		(14,843)		(17,513)	2,670	15.2%
Other finance income (expense)		843		(1,227)	2,070	168.7%
Loss before income taxes	\$	(2,383)	\$	(109,908)	107,525	97.8%
Income tax recovery (expense)		18,041		(23,424)	41,465	177.0%
Net Income (Loss) for the period		15,658		(133,332)	148,990	111.7%
Net Earnings (Loss) per Share - Basic and Diluted	\$	0.22	\$	(1.82)	2.04	112.1%
Non-IFRS Measures**						
Adjusted Operating Income	\$	55,066	\$	40,069	14,997	37.4%
% of Sales		4.6 %		3.5 %		
Adjusted EBITDA		136,037		131,660	4,377	3.3%
% of Sales		11.5 %		11.4 %		
Adjusted Net Income (Loss)*		48,323		(15,596)	63,919	409.8%
Adjusted Net Earnings (Loss) per Share - Basic and Diluted*	\$	0.67	\$	(0.21)	0.88	419.0%

*Adjusted Net Income and Adjusted Net Earnings per Share for the three months and year ended December 31, 2025 were positively impacted by an unusually low effective tax rate. This was driven primarily by the magnitude and pace of the appreciation of the Mexican Peso against the U.S. dollar, which is the functional currency of the Company's Mexican operations. In situations where the local and functional currencies differ, IFRS, contrary to US GAAP, requires the tax value of assets and liabilities denominated in local currency to be revalued to the operations' functional currency at the reporting date, with the related foreign exchange movements impacting the tax expense for the period. These foreign exchange movements are non-cash in nature, do not impact cash taxes and tend to balance out over time. Including this, and other foreign exchange related items, the effective tax rate for the year ended December 31, 2025 was 17.3%. Excluding these foreign exchange items, the effective tax rate for the year would have been 32.6%. Using this normalized tax rate of 32.6%, Adjusted Net Earnings per Share would have been \$0.37 for the three months ended December 31, 2025, and \$1.83 for the year ended December 31, 2025.

****Non-IFRS Measures**

The Company prepares its consolidated 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 (Loss)", "Adjusted Net Earnings (Loss) 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 (Loss)” to Non-IFRS “Adjusted Net Income (Loss)”, “Adjusted Operating Income” and “Adjusted EBITDA”:

	Three months ended December 31, 2025	Three months ended December 31, 2024
Net Income (Loss)	\$ 15,658	\$ (133,332)
Adjustments, after tax*	32,665	117,736
Adjusted Net Income (Loss)	\$ 48,323	\$ (15,596)

	Year ended December 31, 2025	Year ended December 31, 2024
Net Income (Loss)	\$ 106,985	\$ (34,546)
Adjustments, after tax*	56,343	125,587
Adjusted Net Income	\$ 163,328	\$ 91,041

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

	Three months ended December 31, 2025	Three months ended December 31, 2024
Net Income (Loss)	\$ 15,658	\$ (133,332)
Income tax expense (recovery)	(18,041)	23,424
Other finance expense (income)	(843)	1,227
Share of loss of equity investments	929	757
Finance expense	14,843	17,513
Adjustments, before tax*	42,520	130,480
Adjusted Operating Income	\$ 55,066	\$ 40,069
Depreciation of property, plant and equipment and right-of-use assets	77,471	88,671
Amortization of development costs	2,292	2,898
Loss on disposal of property, plant and equipment	1,208	22
Adjusted EBITDA	\$ 136,037	\$ 131,660

	Year ended December 31, 2025	Year ended December 31, 2024
Net Income (Loss)	\$ 106,985	\$ (34,546)
Income tax expense	14,943	87,149
Other finance expense (income)	3,378	(6,913)
Share of loss of equity investments	2,926	2,904
Finance expense	64,242	76,014
Adjustments, before tax*	75,634	142,090
Adjusted Operating Income	\$ 268,108	\$ 266,698
Depreciation of property, plant and equipment and right-of-use assets	304,837	335,479
Amortization of development costs	8,280	11,070
Loss on disposal of property, plant and equipment	1,519	1,511
Adjusted EBITDA	\$ 582,744	\$ 614,758

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

SALES

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

	Three months ended December 31, 2025	Three months ended December 31, 2024	\$ Change	% Change
North America	\$ 900,483	\$ 881,043	19,440	2.2%
Europe	262,859	243,554	19,305	7.9%
Rest of the World	26,520	31,855	(5,335)	(16.7%)
Eliminations	(2,578)	(5,524)	2,946	53.3%
Total Sales	\$ 1,187,284	\$ 1,150,928	36,356	3.2%

The Company's consolidated sales for the fourth quarter of 2025 increased by \$36.4 million or 3.2% to \$1,187.3 million as compared to \$1,150.9 million for the fourth quarter of 2024. The total increase in sales was driven by year-over-year increases in the North America and Europe operating segments, partially offset by a year-over-year decrease in the Rest of the World.

Sales for the fourth quarter of 2025 in the Company's North America operating segment increased by \$19.4 million or 2.2% to \$900.5 million from \$881.0 million for the fourth quarter of 2024. The operations acquired from Lyseon North America, Inc. ("Lyseon"), results for which were consolidated with those of the Company effective October 20, 2025, contributed \$14.2 million of year-over-year sales to the North America operating segment. Excluding the acquired operations, fourth quarter sales in North America increased by \$5.2 million or 0.6%. The increase was due to higher 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), General Motors' large pick-up truck and SUV platforms, Nissan Pathfinder and Rogue, and General Motors' Equinox/Terrain; the impact of foreign exchange on the translation of U.S. denominated production sales, which had a positive impact on overall sales for the fourth quarter of 2025 of \$12.3 million; 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). These positive factors were partially offset by a decrease in tooling sales of \$43.1 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, the Lucid Air, the Ford Mustang Mach E, and Mercedes' electric vehicle platform (EVA2); and programs that ended production during or subsequent to the fourth quarter of 2024, specifically the Chevrolet Malibu.

Sales for the fourth quarter of 2025 in the Company's Europe operating segment increased by \$19.3 million or 7.9% to \$262.9 million from \$243.6 million for the fourth quarter of 2024. The increase was due to a higher year-over-year OEM production volumes on certain platforms, including aluminum engine blocks for Ford and Mercedes, a transmission for the ZF Group, and the Stellantis' Fiat Mini platform; the impact of foreign exchange on the translation of Euro denominated production sales, which had a positive impact on overall sales for the fourth quarter of 2025 of \$18.0 million; an increase in tooling sales of \$7.7 million, which are typically dependent of the timing of tooling construction and final acceptance by the customer; and the launch and ramp up of new programs during or subsequent to the fourth quarter of 2024, including a transmission for Audi. These positive factors were partially offset by lower year-over-year OEM production volumes on certain platforms, including the Lucid Air, Jaguar Land Rover, and Mercedes' electric vehicle platform (EVA2).

Sales for the fourth quarter of 2025 in the Company's Rest of the World operating segment decreased by \$5.3 million or 16.7% to \$26.5 million from \$31.9 million in the fourth quarter of 2024. The decrease was largely driven by a decrease in tooling sales of \$6.3 million, and lower year-over-year production volumes with General Motors and Mercedes; partially offset by higher volumes with BMW.

Overall tooling sales decreased by \$41.7 million (including outside segment sales eliminations) to \$60.6 million for the fourth quarter of 2025 from \$102.3 million for the fourth quarter of 2024.

Year ended December 31, 2025 to year ended December 31, 2024 comparison

	Year ended		Year ended		\$ Change	% Change
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024		
North America	\$	3,678,359	\$	3,789,821	(111,462)	(2.9%)
Europe		1,034,416		1,115,023	(80,607)	(7.2%)
Rest of the World		126,953		134,455	(7,502)	(5.6%)
Eliminations		(17,877)		(25,172)	7,295	29.0%
Total Sales	\$	4,821,851	\$	5,014,127	(192,276)	(3.8%)

The Company's consolidated sales for the year ended December 31, 2025 decreased by \$192.3 million or 3.8% to \$4,821.9 million as compared to \$5,014.1 million for the year ended December 31, 2024. The total decrease in sales was driven by year-over-year decreases across all operating segments.

Sales for the year ended December 31, 2025 in the Company's North America operating segment decreased by \$111.5 million or 2.9% to \$3,678.4 million from \$3,789.8 million for the year ended December 31, 2024. The operations acquired from Lyseon, results for which were consolidated with those of the Company effective October 20, 2025, contributed \$14.2 million of year-over-year sales to the North America operating segment. Excluding the acquired operations, sales for the year ended December 31, 2025 in North America decreased by \$125.7 million or 3.3%. The decrease was due to 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; lower year-over-year OEM production volumes on certain light vehicle platforms, including the Ford Escape and Maverick, Mercedes' electric vehicle platform (EVA2), the Jeep Grand Cherokee and Wagoneer, Nissan Pathfinder and Rogue, and General Motors' large pick-up truck and SUV platforms; and a decrease in tooling sales of \$21.9 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 General Motors' electric vehicle platforms (BEV3/BET), the Toyota Tacoma, Ford Mustang Mach E, General Motors' Equinox/Terrain, a transmission for the ZF Group, and the Lucid Air; the impact of foreign exchange on the translation of U.S. denominated production sales, which had a positive impact on overall sales for the year ended December 31, 2025 of \$84.3 million; 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 year ended December 31, 2025 decreased in North America by approximately 1% year-over-year.

Sales for the year ended December 31, 2025 in the Company's Europe operating segment decreased by \$80.6 million or 7.2% to \$1,034.4 million from \$1,115.0 million for the year ended December 31, 2024. The decrease was due to lower year-over-year OEM production volumes on certain platforms, including Jaguar Land Rover, aluminum engine blocks for Ford and Mercedes, and the Mercedes' electric vehicle platform (EVA2); a decrease in tooling sales of \$37.6 million, which are typically dependent on the timing of tooling construction and final acceptance by the customer; and programs that ended production during or subsequent to the corresponding period of 2024, specifically the BMW Mini. 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 year ended December 31, 2025 of \$51.7 million; higher year-over-year OEM production volumes of certain platforms, including a transmission for the ZF Group, the Lucid Air, and the Stellantis' Fiat Mini platform; and the launch and ramp up of new programs, including Volkswagen's new electric vehicle platform (PPE), and a transmission for Audi. Overall industry-wide OEM light vehicle production volumes during the year ended December 31, 2025 decreased in Europe by approximately 1% year-over-year.

Sales for the year ended December 31, 2025 in the Company's Rest of the World operating segment decreased by \$7.5 million or 5.6% to \$127.0 million from \$134.5 million for the year ended December 31, 2024. The decrease was largely driven by lower year-over-year production volumes with Jaguar Land Rover and Mercedes, and a decrease in tooling sales of \$8.4 million; partially offset by higher year-over-year production volumes with General Motors and BMW.

Overall tooling sales decreased by \$65.9 million (including outside segment sales eliminations) to \$211.2 million for the year ended December 31, 2025 from \$277.1 million for the year ended December 31, 2024.

GROSS MARGIN

Three months ended December 31, 2024 to three months ended December 31, 2023

	Three months ended December 31, 2025	Three months ended December 31, 2024	\$ Change	% Change
Gross margin	\$ 140,955	\$ 129,040	11,915	9.2%
% of Sales	11.9 %	11.2 %		

The gross margin percentage for the fourth quarter of 2025 of 11.9% increased as a percentage of sales by 0.7% as compared to the gross margin percentage for the fourth quarter of 2024 of 11.2%. The increase in gross margin as a percentage of sales was generally due to:

- overall higher production sales and corresponding contribution;
- a decrease in tooling sales which typically earn lower 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 operational inefficiencies at certain other operating facilities.

Year ended December 31, 2025 to year ended December 31, 2024 comparison

	Year ended December 31, 2025	Year ended December 31, 2024	\$ Change	% Change
Gross margin	\$ 647,061	\$ 648,557	(1,496)	(0.2%)
% of Sales	13.4%	12.9%		

The gross margin percentage for the year ended December 31, 2025 of 13.4% increased as a percentage of sales by 0.5% as compared to the gross margin percentage for the year ended December 31, 2024 of 12.9%. 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 lower 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.

ADJUSTMENTS TO NET INCOME (LOSS)

Adjusted Net Income (Loss) excludes certain items as set out in the following tables and described in the notes thereto. Management uses Adjusted Net Income (Loss) 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 December 31, 2025 to three months ended December 31, 2024 comparison*

	Three months ended December 31, 2025	Three months ended December 31, 2024	\$ Change
NET INCOME (LOSS)	\$ 15,658	\$ (133,332)	\$ 148,990
Adjustments:			
Impairment of assets (1)	39,516	129,446	(89,930)
Restructuring costs (2)	3,004	1,034	1,970
ADJUSTMENTS, BEFORE TAX	\$ 42,520	\$ 130,480	\$ (87,960)
Tax impact of adjustments	(9,855)	(14,226)	4,371
Writedown of deferred tax asset (1)	-	1,482	(1,482)
ADJUSTMENTS, AFTER TAX	\$ 32,665	\$ 117,736	\$ (85,071)
ADJUSTED NET INCOME (LOSS)	\$ 48,323	\$ (15,596)	\$ 63,919
Number of Shares Outstanding – Basic ('000)	72,489	73,446	
Adjusted Basic Net Earnings (Loss) Per Share	\$ 0.67	\$ (0.21)	
Number of Shares Outstanding – Diluted ('000)	72,490	73,446	
Adjusted Diluted Net Earnings (Loss) Per Share	\$ 0.67	\$ (0.21)	

TABLE B*Year ended December 31, 2025 to year ended December 31, 2024 comparison*

	Year ended December 31, 2025	Year ended December 31, 2024	\$ Change
NET INCOME (LOSS)	\$ 106,985	\$ (34,546)	\$ 141,531
Adjustments:			
Impairment of assets (1)	39,516	129,446	(89,930)
Restructuring costs (2)	36,118	12,644	23,474
ADJUSTMENTS, BEFORE TAX	\$ 75,634	\$ 142,090	\$ (66,456)
Tax impact of adjustments	(19,291)	(17,985)	(1,306)
Writedown of deferred tax asset (1)	-	1,482	(1,482)
ADJUSTMENTS, AFTER TAX	\$ 56,343	\$ 125,587	\$ (69,244)
ADJUSTED NET INCOME	\$ 163,328	\$ 91,041	\$ 72,287
Number of Shares Outstanding – Basic ('000)	72,713	75,501	
Adjusted Basic Net Earnings Per Share	\$ 2.25	\$ 1.21	
Number of Shares Outstanding – Diluted ('000)	72,713	75,561	
Adjusted Diluted Net Earnings Per Share	\$ 2.25	\$ 1.20	

(1) Impairment of assets

During the fourth quarter of 2025, the Company recorded impairment charges on property, plant and equipment of \$30.4 million, inventories of \$8.5 million, and development costs of \$0.6 million, totalling \$39.5 million. Of this amount, \$36.2 million relates to impairment charges resulting from the end of production of a certain OEM light vehicle platform which

led to the decision to close a facility in the North America operating segment. The remaining amount of \$3.4 million relates to impairment charges on property, plant and equipment in the Europe operating segment where the carrying amount of the assets exceeded their estimated recoverable amounts.

During the fourth quarter of 2024, in conjunction with its annual business planning cycle, the Company recorded impairment charges on property, plant and equipment of \$102.1 million, right-of-use assets of \$6.6 million, intangible assets of \$1.3 million, and inventories of \$0.4 million, totaling \$110.4 million. Of this amount, \$65.3 million relates to Cash Generating Units ("CGUs") in the Europe operating segment, \$25.8 million relates to a CGU in the North America operating segment, and \$19.3 million relates to CGUs in Brazil, China and South Africa, included in the Rest of the World operating segment. As at December 31, 2024, the Company's CGUs were recorded at carrying values that did not exceed their recoverable amounts determined using an income approach to determine fair value less costs to sell. Discount rates used in the determination of the recoverable amounts of these CGUs ranged between 9.3% to 13.5%.

The Company also separately identified specific assets for which no further use was identified, and recorded impairment charges on property, plant and equipment of \$14.9 million, intangible assets of \$3.0 million relating to development costs, and inventories of \$1.1 million, totaling \$19.0 million. Of this amount, \$9.8 million were in the North America operating segment, and \$9.2 million were in the Rest of the World operating segment.

The impairment charges resulted from lower than expected production volumes on certain OEM light vehicle platforms, largely electric vehicles due to the significantly lower than expected adoption rate of such vehicles in the marketplace, and the cancellation of certain OEM light vehicle platforms before the end of their expected life cycles. In conjunction with this and as a result of lower production volumes, the Company has decided to close an operating facility in the Rest of the World during 2025. A lack of future income stream contributed to a writedown of deferred tax assets of \$1.5 million.

The impairment charges were recorded where the carrying amount of the assets exceeded their estimated recoverable amounts. Reasonably possible changes in key assumptions could result in material changes to the carrying amounts of the CGUs.

(2) Restructuring costs

Additions to the restructuring provision for the year ended December 31, 2025 totalled \$36.1 million, of which \$3.0 million was recognized during the fourth quarter of 2025, and represent employee-related severance resulting from the rightsizing of certain operations in Germany, Mexico, Canada, and the United States, and the closure of an operating facility in the North America operating segment, resulting from the end of production of a certain OEM light vehicle platform.

Additions to the restructuring provision for the year ended December 31, 2024 totalled \$12.6 million, of which \$1.0 million was recognized during the fourth quarter of 2024, and represent employee-related severance resulting from the rightsizing of certain operations in Germany, Mexico, Canada, and the United States.

NET INCOME (LOSS)

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

	Three months ended December 31, 2025	Three months ended December 31, 2024	\$ Change	% Change
Net Income (Loss)	\$ 15,658	\$ (133,332)	148,990	111.7%
Adjusted Net Income (Loss)*	48,323	(15,596)	63,919	409.8%
Net Earnings (Loss) per Share				
Basic and Diluted	\$ 0.22	\$ (1.82)		
Adjusted Net Earnings (Loss) per Share*				
Basic and Diluted	\$ 0.67	\$ (0.21)		

Net Income (Loss), before adjustments, for the fourth quarter of 2025 increased by \$149.0 million to a Net Income of \$15.7 million or \$0.22 per share, on a basic and diluted basis, from a Net Loss of \$133.3 million or (\$1.82) per share, on a basic and diluted basis, for the fourth quarter of 2024. Excluding the adjustments explained in Table A under "Adjustments to Net Income (Loss)", Adjusted Net Income (Loss) for the fourth quarter of 2025 increased by \$63.9 million to Adjusted Net Income of \$48.3

million or \$0.67 per share, on a basic and diluted basis, from an Adjusted Net Loss of (\$15.6) million or (\$0.21) per share, on a basic and diluted basis, for the fourth quarter of 2024.

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

- a higher gross margin as previously explained;
- a \$2.7 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;
- a year-over-year decrease in SG&A expense, as previously explained; and
- a lower effective tax rate ((20.4)% for the fourth quarter of 2025 compared to 175.8% for the fourth quarter of 2024), which was driven primarily by the magnitude and pace of the appreciation of the Mexican Peso against the U.S. dollar, as explained below.

Year ended December 31, 2025 to year ended December 31, 2024 comparison

	Year ended December 31, 2025	Year ended December 31, 2024	\$ Change	% Change
Net Income (Loss)	\$ 106,985	\$ (34,546)	141,531	409.7%
Adjusted Net Income*	163,328	91,041	72,287	79.4%
Net Earnings (Loss) per Share				
Basic and Diluted	\$ 1.47	\$ (0.46)		
Adjusted Net Earnings per Share*				
Basic	\$ 2.25	\$ 1.21		
Diluted	\$ 2.25	\$ 1.20		

Net Income (Loss), before adjustments, for the year ended December 31, 2025 increased by \$141.5 million to a Net Income of \$107.0 million or \$1.47 per share, on a basic and diluted basis, from a Net Loss of \$34.5 million or (\$0.46) per share, on a basic and diluted basis, for the year ended December 31, 2024. Excluding the adjustments explained in Table B under "Adjustments to Net Income (Loss)", Adjusted Net Income for the year ended December 31, 2025 increased by \$72.3 million to \$163.3 million or \$2.25 per share on a basic and diluted basis, from \$91.0 million or \$1.21 per share on a basic basis, and \$1.20 on a diluted basis, for the year ended December 31, 2024.

Adjusted Net Income for the year ended December 31, 2025, as compared to the year ended December 31, 2024, was positively impacted by the following:

- an \$11.8 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 (17.3% for the year ended December 31, 2025 compared to 53.2% for the year ended December 31, 2024).
- These factors were partially offset by the following:
- a net foreign exchange loss of \$3.1 million for the year ended December 31, 2025 compared to a gain of \$5.9 million for the year ended December 31, 2024; and
- lower gross margin from lower year-over-year sales volume.

*Adjusted Net Income and Adjusted Net Earnings per Share for the three months and year ended December 31, 2025 were positively impacted by an unusually low effective tax rate. This was driven primarily by the magnitude and pace of the appreciation of the Mexican Peso against the U.S. dollar, which is the functional currency of the Company's Mexican operations. In situations where the local and functional currencies differ, IFRS, contrary to US GAAP, requires the tax value of assets and liabilities denominated in local currency to be revalued to the operations' functional currency at the reporting date, with the related foreign exchange movements impacting the tax expense for the period. These foreign exchange movements are non-cash in nature, do not impact cash taxes and tend to balance out over time. Including this, and other foreign exchange related items, the effective tax rate for the year ended December 31, 2025 was 17.3%. Excluding these foreign exchange items, the effective tax rate for the year would have been 32.6%. Using this normalized tax rate of 32.6%,

Adjusted Net Earnings per Share would have been \$0.37 for the three months ended December 31, 2025, and \$1.83 for the year ended December 31, 2025.

DIVIDEND

A cash dividend of \$0.05 per share has been declared by the Board of Directors payable to shareholders of record on March 31, 2026, on or about April 15, 2026.

ABOUT MARTINREA

Martinrea International Inc. is a leader in the development and production of quality metal parts, assemblies and modules, fluid management systems, and complex aluminum products focused primarily on the automotive sector. Martinrea currently operates in 57 locations in Canada, the United States, Mexico, Brazil, Germany, Slovakia, Spain, China, South Africa, and Japan. Martinrea's vision is making lives better by being the best supplier we can be in the products we make and the services we provide. For more information on Martinrea, please visit www.martinrea.com. Follow Martinrea on [X](#) and [Facebook](#).

CONFERENCE CALL DETAILS

A conference call to discuss the financial results will be held on Thursday, March 5, 2026 at 5:00 p.m. Eastern Time. To participate, please dial 416-855-9085 (Toronto area) or 800-990-2777 (toll free Canada and US) and enter participant code 29412#. Please call 10 minutes prior to the start of the conference call.

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

There will also be a rebroadcast of the call available by dialing 289-819-1325 or toll free 800-660-6264 (Conference ID – 29412#). The rebroadcast will be available until June 3, 2026.

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

FORWARD-LOOKING INFORMATION

Special Note Regarding Forward-Looking Statements

This Press Release and the documents incorporated by reference therein contains forward-looking statements within the meaning of applicable Canadian securities laws including those related to the Company's expectations as to, or its views or beliefs in or on, the impact of, or duration of, or factors affecting, or expected response to or growth of, improvements in, expansion of and/or guidance or outlook (including for 2026 and 2028) as to future results, revenue, sales, margin, gross margin, earnings, and earnings per share, adjusted earnings per share, free cash flow, volumes, adjusted net earnings per share, operating income margins, operating margins, adjusted operating income margins, leverage ratios, net debt to adjusted EBITDA⁽¹⁾, debt repayment, Adjusted EBITDA⁽¹⁾, operational improvements, trade and tariffs, inflation, the growth of the Company and pursuit of, and belief in, its strategies (including expected improvements in Global Trade, reshoring to North America, increased quoting activity and potential acquisitions), investments in technology and expectations of benefits, the strength, recovery and growth of the automotive industry and continuing challenges, as well as other forward-looking statements. The words "continue", "expect", "anticipate", "estimate", "may", "will", "should", "views", "intend", "believe", "plan" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on estimates and assumptions made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate in the circumstances, such as expected sales and industry production estimates, current foreign exchange rates, timing of product launches and operational improvement during the period, and current Board approved budgets. Many factors could cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors, some of which are discussed in detail in the Company's AIF and MD&A for the year ended December 31, 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.

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

For further information, please contact:

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Martinrea International Inc.
3210 Langstaff Road
Vaughan, Ontario L4K 5B2
Tel: 416-749-0314
Fax: 289-982-3001

Martinrea International Inc.

Consolidated Balance Sheets

(in thousands of Canadian dollars)

	Note	December 31, 2025	December 31, 2024
ASSETS			
Cash and cash equivalents		\$ 174,144	\$ 167,951
Trade and other receivables	3	591,586	613,505
Inventories	4	474,224	508,231
Prepaid expenses and deposits		40,707	33,599
Income taxes recoverable		42,205	12,784
TOTAL CURRENT ASSETS		1,322,866	1,336,070
Property, plant and equipment	5	1,847,262	1,949,004
Right-of-use assets	6	229,084	215,802
Deferred tax assets	15	211,405	199,512
Intangible assets	7	36,650	37,535
Investments	8	71,975	65,378
Pension assets	14	18,537	17,493
TOTAL NON-CURRENT ASSETS		2,414,913	2,484,724
TOTAL ASSETS		\$ 3,737,779	\$ 3,820,794
LIABILITIES			
Trade and other payables	10	\$ 1,010,928	\$ 1,024,716
Provisions	11	20,110	6,862
Income taxes payable		9,873	25,332
Current portion of long-term debt	12	13,424	10,445
Current portion of lease liabilities	13	59,237	54,235
TOTAL CURRENT LIABILITIES		1,113,572	1,121,590
Long-term debt	12	855,385	970,969
Lease liabilities	13	191,919	189,176
Pension and other post-retirement benefits	14	37,874	40,384
Deferred tax liabilities	15	26,543	31,653
TOTAL NON-CURRENT LIABILITIES		1,111,721	1,232,182
TOTAL LIABILITIES		2,225,293	2,353,772
EQUITY			
Capital stock	16	594,756	601,188
Contributed surplus		46,760	46,052
Accumulated other comprehensive income		168,628	210,821
Retained earnings		702,342	608,961
TOTAL EQUITY		1,512,486	1,467,022
TOTAL LIABILITIES AND EQUITY		\$ 3,737,779	\$ 3,820,794

Commitments and contingencies (note 23)

Subsequent events (notes 12 and 27)

See accompanying notes to the consolidated financial statements.

On behalf of the Board:

"Robert Wildeboer"	Director
"Terry Lyons"	Director

Martinrea International Inc.
Consolidated Statements of Operations
(in thousands of Canadian dollars, except per share amounts)

	Note	Year ended December 31, 2025	Year ended December 31, 2024
SALES		\$ 4,821,851	\$ 5,014,127
Cost of sales (excluding depreciation of property, plant and equipment and right-of-use assets)		(3,885,081)	(4,046,631)
Depreciation of property, plant and equipment and right-of-use assets (production)		(289,709)	(318,939)
Total cost of sales		(4,174,790)	(4,365,570)
GROSS MARGIN		647,061	648,557
Research and development costs	18	(41,890)	(42,231)
Selling, general and administrative		(320,416)	(321,577)
Depreciation of property, plant and equipment and right-of-use assets (non-production)		(15,128)	(16,540)
Loss on disposal of property, plant and equipment		(1,519)	(1,511)
Restructuring costs	11	(36,118)	(12,644)
Impairment of assets	9	(39,516)	(129,446)
OPERATING INCOME		192,474	124,608
Share of loss of equity investments	8	(2,926)	(2,904)
Finance expense	20	(64,242)	(76,014)
Other finance income (expense)	20	(3,378)	6,913
INCOME BEFORE INCOME TAXES		121,928	52,603
Income tax expense	15	(14,943)	(87,149)
NET INCOME (LOSS) FOR THE PERIOD		\$ 106,985	\$ (34,546)
Basic earnings (loss) per share	17	\$ 1.47	\$ (0.46)
Diluted earnings (loss) per share	17	\$ 1.47	\$ (0.46)

See accompanying notes to the consolidated financial statements.

Martinrea International Inc.

Consolidated Statements of Comprehensive Income

(in thousands of Canadian dollars)

	Year ended December 31, 2025	Year ended December 31, 2024
NET INCOME (LOSS) FOR THE PERIOD	\$ 106,985	\$ (34,546)
Other comprehensive income (loss), net of tax:		
Items that may be reclassified to net income (loss)		
Foreign currency translation differences for foreign operations	(42,157)	115,084
Items that will not be reclassified to net income (loss)		
Share of other comprehensive loss of equity investments (note 8)	(36)	(16)
Remeasurement of defined benefit plans	2,651	(1,762)
Other comprehensive income (loss), net of tax	(39,542)	113,306
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	\$ 67,443	\$ 78,760

See accompanying notes to the consolidated financial statements.

Martinrea International Inc.

Consolidated Statements of Changes in Equity

(in thousands of Canadian dollars)

	Capital stock	Contributed surplus	Accumulated other comprehensive income	Retained earnings	Total equity
BALANCE AT DECEMBER 31, 2023	\$ 645,256	\$ 45,903	\$ 95,753	\$ 678,269	\$ 1,465,181
Net loss for the period	-	-	-	(34,546)	(34,546)
Compensation expense related to stock options	-	229	-	-	229
Dividends (\$0.20 per share)	-	-	-	(14,921)	(14,921)
Exercise of employee stock options	350	(80)	-	-	270
Repurchase of common shares (note 16)	(44,418)	-	-	(18,079)	(62,497)
<u>Other comprehensive income (loss) net of tax</u>					
Remeasurement of defined benefit plans	-	-	-	(1,762)	(1,762)
Foreign currency translation differences	-	-	115,084	-	115,084
Share of other comprehensive loss of equity investments	-	-	(16)	-	(16)
BALANCE AT DECEMBER 31, 2024	601,188	46,052	210,821	608,961	1,467,022
Net income for the period	-	-	-	106,985	106,985
Compensation expense related to stock options	-	708	-	-	708
Dividends (\$0.20 per share)	-	-	-	(14,519)	(14,519)
Repurchase of common shares (note 16)	(6,432)	-	-	(1,736)	(8,168)
<u>Other comprehensive income (loss) net of tax</u>					
Remeasurement of defined benefit plans	-	-	-	2,651	2,651
Foreign currency translation differences	-	-	(42,157)	-	(42,157)
Share of other comprehensive loss of equity investments	-	-	(36)	-	(36)
BALANCE AT DECEMBER 31, 2025	\$ 594,756	\$ 46,760	\$ 168,628	\$ 702,342	\$ 1,512,486

See accompanying notes to the consolidated financial statements.

Martinrea International Inc.
Consolidated Statements of Cash Flows
(in thousands of Canadian dollars)

	Note	Year ended December 31, 2025	Year ended December 31, 2024
CASH PROVIDED BY (USED IN):			
OPERATING ACTIVITIES:			
Net income (loss) for the period		\$ 106,985	\$ (34,546)
Adjustments for:			
Depreciation of property, plant and equipment and right-of-use assets		304,837	335,479
Amortization of development costs		8,280	11,070
Impairment of assets	9	39,516	129,446
Unrealized gain on foreign exchange forward contracts		(839)	(2,286)
Finance expense	20	64,242	76,014
Income tax expense	15	14,943	87,149
Loss on disposal of property, plant and equipment		1,519	1,511
Deferred and restricted share units expense	16	12,908	4,367
Stock options expense	16	708	229
Share of loss of equity investments	8	2,926	2,904
Pension and other post-retirement benefits expense	14	2,475	1,903
Contributions made to pension and other post-retirement benefits	14	(2,552)	(3,734)
		555,948	609,506
Changes in non-cash working capital items:			
Trade and other receivables		14,479	130,338
Inventories		21,293	90,588
Prepaid expenses and deposits		(7,542)	1,776
Trade, other payables and provisions		(7,081)	(246,418)
		577,097	585,790
Interest paid		(70,442)	(85,902)
Income taxes paid		(76,170)	(66,603)
NET CASH PROVIDED BY OPERATING ACTIVITIES		\$ 430,485	\$ 433,285
FINANCING ACTIVITIES:			
Decrease in long-term debt (net of deferred financing fees)		(69,337)	(24,917)
Equipment loan repayments		(16,685)	(13,990)
Principal payments of lease liabilities		(56,889)	(52,330)
Dividends paid		(14,558)	(15,188)
Exercise of employee stock options		-	270
Repurchase of common shares		(8,008)	(61,279)
NET CASH USED IN FINANCING ACTIVITIES		\$ (165,477)	\$ (167,434)
INVESTING ACTIVITIES:			
Purchase of property, plant and equipment (excluding capitalized interest)*		(237,713)	(275,521)
Acquisition	26	(1,754)	-
Capitalized development costs		(9,184)	(7,228)
Increase in investments	8	(9,564)	(8,130)
Proceeds on disposal of property, plant and equipment		869	5,383
NET CASH USED IN INVESTING ACTIVITIES		\$ (257,346)	\$ (285,496)
Effect of foreign exchange rate changes on cash and cash equivalents		(1,469)	792
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		6,193	(18,853)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		167,951	186,804
CASH AND CASH EQUIVALENTS, END OF PERIOD		\$ 174,144	\$ 167,951

*As at December 31, 2025, \$51,215 (December 31, 2024 - \$78,547) of purchases of property, plant and equipment remain unpaid and are recorded in trade and other payables.

See accompanying notes to the consolidated financial statements.