

REBUILDING THE NORTH AMERICAN SUPPLIER SECTOR



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2008 and 2009 Crisis



Served as a wake up call for suppliers, government and shareholders

Suppliers:

- Expensive acquisitions
- Too much debt
- Under quoting to build order book to flip the company

Government, OEMs, Suppliers – all play a role in the future success of the supply base



A True Global Player



Locations in all key markets

○ 263 Manufacturing ○ 84 Engineering, R&D, Sales ○ 102* Employees



•As of May 2011

* Rounded to the nearest thousand

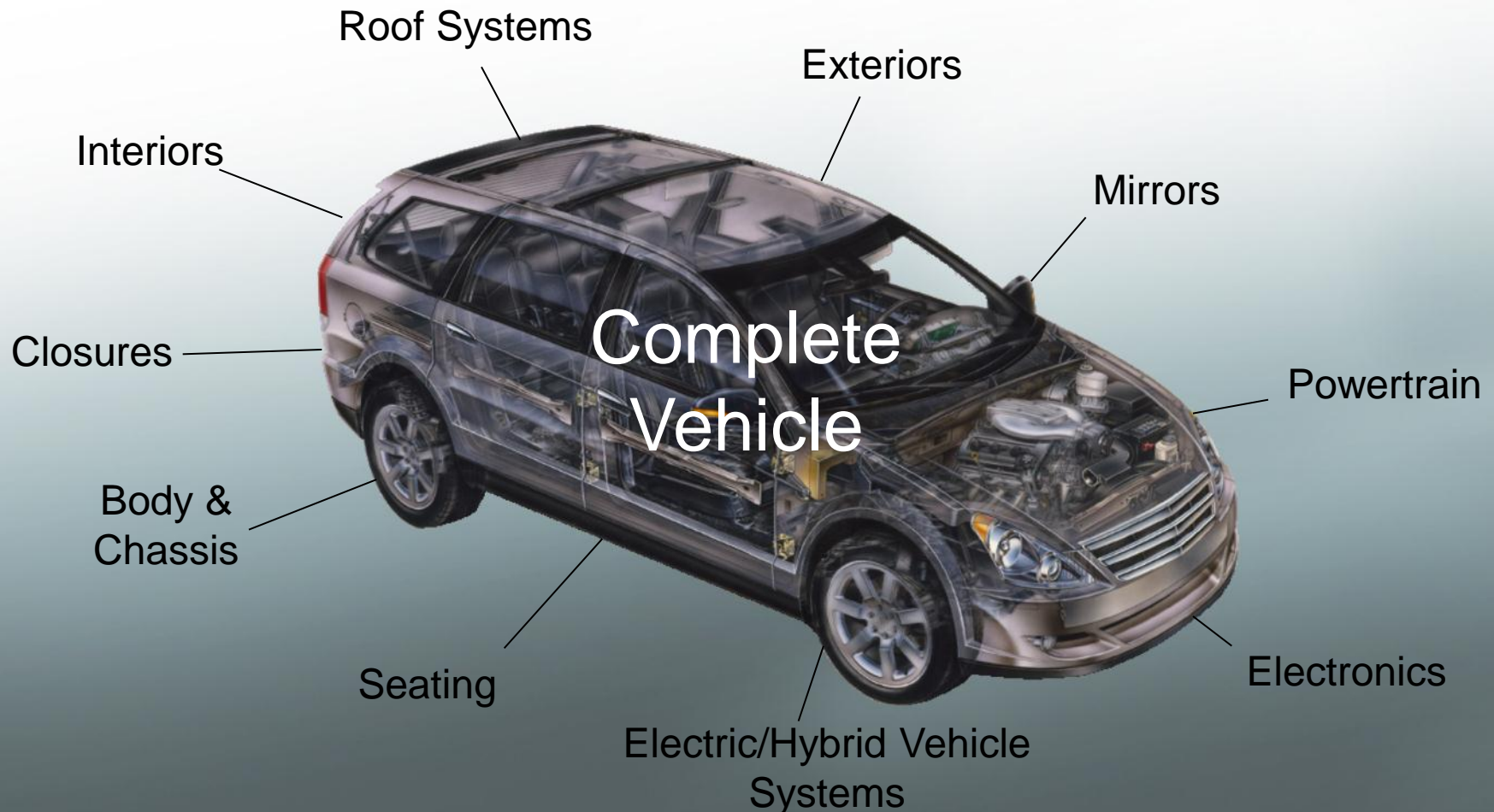
~ 102,000 People | 26 Countries | Global Facilities 338 | \$24.1 Billion (2010 Sales)

Broad Product Capabilities



Continue developing these capabilities

- Positions us to seek new opportunities in new markets



Continued Strong Balance Sheet*



Cash:	\$1.6B
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Net Cash:	\$1.4B
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Available Credit:	\$2.25B
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* As at March 31, 2011

Significant Greenfield Activities



Region	New Facilities				
	2010	2011	2012	2013	Total
Canada / U.S.	2	2	1	2	7
Mexico	0	1	1	2	4
W. Europe	0	1	0	0	1
E. Europe (Russia)	2	1	5	2	10
South America	0	2	3	0	5
China	0	4	4	2	10
ROW	5	2	2	1	10
TOTAL	9	13	16	9	47

Industry Rebuilding



OEMs:

- Expected volumes
- Global platforms
- OEM of choice
- Long-term view

Supplier:

- Tier 1 Consolidation
- Continued outsourcing
- Cost, quality, delivery and innovation—key factors in supplier competitiveness

“Where will the assembly plants be?”



Government strategy regarding automotive industry

- Understanding the impact it has on other areas
- Level the playing field to maintain and grow manufacturing sector
- Automotive is high-tech industry

Assembly plants need to stay!



Magna Priorities



- **World class manufacturing**
- **Innovation**
- **Focus on People**



Supplier of Choice



We want to do business with those who:

- We can build a long-term alignment with
- Are successful
- Have a win-win attitude



North American Automotive Industry Future



“What does an industry that’s been to hell and back know about prosperity?”

More than most.....

- Our experience gives us added incentive
- Prosperity happens when industry continues to innovate
- The future is ours to make





MBS— Rebuilding the North American Supplier Sector

