



May 6, 2019

Dear Fellow Shareholders,

Martinrea International Inc. (“Martinrea” or the “Company”) is pleased to announce its annual meeting of the shareholders of Martinrea (the “Meeting”) to be held at Paramount Conference and Event Centre, Eastwood Room, 222 Rowntree Dairy Road, Vaughan, Ontario at 10:00 a.m. on Tuesday, June 11, 2019. We invite all shareholders to attend and vote your shares.

You can read about each item of business in the management proxy circular provided with this letter.

The circular also provides important information about voting your shares, the nominated directors, our governance practices and director and executive compensation.

Many positive things have happened since our shareholder meeting last year, when you supported us as your directors to guide this Company through the balance of 2018 and through to this year’s Meeting. It has been a year full of achievements for Martinrea, and I would like to outline some highlights for you in advance of the Meeting. Indeed, it was a record year in many ways, as promised. Further, 2019 is off to a solid start for us in the face of a flatter automotive market.

Our Culture, our Vision, our Mission and our Principles

We talk about culture a lot at Martinrea. Why? Because it matters. It matters a lot. It matters to us, but most importantly, it matters to our people here at Martinrea. Earlier this year we reviewed the results of our employee surveys, and 91% of our employees, worldwide, reported that they know our vision, mission and principles! That is a telling statistic. The employees were from 45 plants and two major corporate offices in eight countries on four continents, and included recent hires and those who have been with us for many years. Our culture is having a profound impact on our company and our people, and on us. So we take it very seriously. Peter Drucker once said culture eats strategy for breakfast. And we think he is right.

So, we come to maybe the biggest highlight for us from 2018, and that is our development of culture. Working with our people at the leadership level and in other areas of our company, we updated our vision, which has been simplified and shortened to the following: Making lives better by being the best supplier we can be in the products we make and the services we provide. Our

people need a why, and that’s a “why” vision. Our mission was updated to Making People’s Lives Better by: (i) Delivering outstanding quality products and services to our customers; (ii) Providing meaningful opportunity, job satisfaction and job security for our people; (iii) Providing superior long term investment returns to our stakeholders; and (iv) Being positive contributors to our communities. And our Ten Guiding Principles remain the same:

1. We make great, high quality products
2. Every location must be a centre of excellence
3. Discipline is key
4. We attract, train and work with excellent people, and we motivate our people to perform well
5. We are a team
6. Challenges make us better
7. Think differently
8. Work hard, play hard
9. The Golden Rule – Treat everyone with dignity and respect
10. Our leadership team has to drive these messages consistently and simply.

We don’t stop with the Vision, Mission and Ten Guiding Principles, not any longer. In 2018, we articulated, in a cohesive yet simple way, our company culture, comprised of entrepreneurship, lean manufacturing principles and the Golden Rule philosophy core to our Ten Guiding Principles, as demonstrated in a picture.

MAKING PEOPLE’S LIVES BETTER



The Company has been entrepreneurial in nature since inception, a company that has embraced characteristics of encouraging executives, general managers and all employees to act and think like an owner with a stake in the enterprise; supporting a can do attitude; promoting an ability and willingness to urgently get things done; acting to avoid unnecessary bureaucracy; developing an

ability to learn from mistakes openly and constructively; and the trust of working in a team. As a Company, we embrace new initiatives every day, and we focus on new products, new technologies, new locations and new ways of doing things consistently.

The Company embraces lean thinking as part of its culture too. Simply stated, the lean thinking way is a focus on eliminating waste in all aspects of the Company's business and operations. The elimination of waste allows us to take out unnecessary cost, thereby making us competitive. It enables us to see problems that we can fix in our operations more easily. It allows us to simplify processes so that we can have safer, cleaner, more efficient and more sustainable workplaces. It is a culture of continuous improvement in whatever we do.

At the core of our One Martinrea culture is a Golden Rule philosophy, based on treating others the way we want to be treated, with dignity and respect, but more also. It means following our Ten Guiding Principles in our business and operations, and in how we deal with our customers, employees, suppliers, stakeholders (lenders and shareholders) and our communities. Being lean or being entrepreneurial is not enough. These cultural elements overlap but are tied together with our Golden Rule approach. We make people's lives better in what we do, and we can only do that with a service oriented approach to our work and our colleagues at work, and all those who we deal with in our work.

At Martinrea, we believe that our culture is and will be a sustainable competitive advantage for the Company over the long term, and we believe it has driven the improving financial, safety, and quality performance over the past several years.

We don't profess to understand the stock market or how investors make their decisions, and frankly we are not sure we are alone in that. But we do believe one thing. Sustainable companies with great cultures will be around for a long time. We believe we have a company poised to excel over the next decade and beyond, and we, and our people, are committed to that.

Highlights of the Year Just Past

Martinrea had a great year under the guidance of your Board, CEO Pat D'Eramo and executive team since our last meeting. To use a hockey analogy, we are putting pucks in the net.

The past year was a year of highlights for Martinrea (as detailed in our public disclosure at www.sedar.com), and let's summarize some of them:

Strong Revenues:

We recorded revenues of \$3.66 billion, similar to 2017 revenues. Excluding a change in certain customer contracts in 2017, moving from a pass through model to a value added model, our business increased year over year. Our first quarter also saw revenues increase year over year.

Record Earnings:

For the tenth year in a row, we improved earnings, and achieved a record earnings performance in 2018, with adjusted net earnings of approximately \$193 million, up 17% from 2017, or fully diluted adjusted net earnings per share of \$2.22, the best EPS performance in our history.

Improved Margins:

Our adjusted operating income margins increased to 7.8% for the year, up from 6.4% last year, 5% in 2016, 4.6% in 2015 and 4.1% in 2014. We more than met our 2017 target of 6% by the end of 2017, and we are well on our way to meeting our 8% target for 2019 with a strong year in 2018. Not only have these margins increased steadily, our operating margins have been increasing at a faster rate than virtually any other company in the sector. On an absolute basis, our operating margins are now higher than many of our direct competitors in the areas in which we compete and in terms of general automotive parts suppliers.

Record Cash Flow:

Once again, we achieved record adjusted EBITDA performance in 2018, of \$461 million, up from \$401 million in 2017, a 15% increase year over year. Our company is becoming a significant cash flow generator, and we will see free cash flow this year and going forward.

Strong Balance Sheet:

Our balance sheet remains very strong, and we ended 2018 with a net debt:adjusted EBITDA ratio at 1.45:1, about the same as at the end of 2017, despite an increased dividend and significant share repurchases in 2018. We also renewed and expanded our credit facilities with our banking syndicate, giving us a record level of liquidity to finance our growth and investments.

Capital Returned to Shareholders:

We returned significant cash to our shareholders in 2018 and 2019 to date. We increased the dividend by 50% in early 2018 and we commenced a normal course issuer bid in the third quarter. We have now repurchased approximately 5% of our outstanding common shares, returning approximately \$65 million to shareholders, inclusive of our dividend.

Improved Safety:

We continued to focus on improving our safety metrics, as we look to provide our employees with a safe work environment. Overall, we are significantly better than industry average, covering our customers and other parts manufacturers. Our internal objective was to be in the top quartile of our industry for safety performance, and now it is to be in the top decile. We will get there. Our ultimate goal is to be the industry leader. We note that this has been a journey for many of our plants, which we bought while they were in financial distress and safety was not good.

Improved Quality:

Quality is critical for us, and 2018 was a year in which we continued to receive multiple quality awards from multiple customers. We have also received supplier diversity awards.

Growth in New Business Awards:

We quoted much new business, and achieved new business awards since the beginning of 2018 approaching \$1 billion in annualized revenue when fully launched. A record year of new business wins for us. This work will launch over the next three years and will support revenue growth for us.

Project Breakthrough Launched:

We have renewed our sales and marketing strategy to take advantage of opportunities created because of current lightweighting and electrification trends and also our capabilities to build systems, launched to our customers in early 2019. In addition to our historical portfolio of products and capabilities, we will be delivering lightweight structures and propulsion systems using advanced materials in steel, aluminum, or a combination, as well as other materials.

In sum, we had a record year despite some of the industry headwinds and the broader geopolitical, trade and economic environment.

Last year we stated we want to delight our shareholders with our performance. Based on very positive feedback from many of you, it seems we have been doing that.

Governance

Martinrea remains committed to having a strong and diverse board to carry out our duties and responsibilities. We implemented a board diversity policy in 2015 and undertook a rigorous review of our skills matrix to make sure we assemble the right mix of skills, experience and good qualities, as described in our Circular. The following are the independent directors, who you supported strongly last year with your ballots:

- Scott Balfour brings financial, operational, M&A and public company chief executive and chief financial officer and director experience.
- Roman Doroniuk brings financial and audit expertise and a strong understanding of strategy and risk, garnered through a variety of senior internal and external roles with many large companies.
- Terry Lyons brings a broad range of operational, financial and governance experience.
- Fred Olson brings a deep knowledge of the automotive and automotive supplier industry, having been a senior executive and director of a major automotive parts supplier as well as having roles at various suppliers and OEMs during his automotive career.

- Sandra Pupatello brings tremendous international experience, having led investment and trade missions to industrial capitals on five continents and, as the former Minister of Economic Development for Ontario with oversight of the automotive portfolio, has strong connections with many automotive OEMs.

Last year, you also elected Frank Macher as a director. Frank Macher brings a deep knowledge of the automotive and automotive supplier industry, having had vast international experience as a senior executive and director at several major automotive supplier companies during a career spanning over 45 years. Frank is retiring as a director this year, and will not put his name forward for nomination. We wish Frank the best in the future. He has served as an outstanding director since joining the Board in March 2014, and has been involved in all our committees and board work, including on our CEO Search Committee in 2014. We will maintain a relationship with Frank, as he will be available to Pat D'Eramo and me on some special projects we are working on.

In addition to the directors that have been presented to shareholders for election before, there are two other independent director candidates, David Schoch and Molly Shoichet. David has been a director since last August when appointed by the Board, and Molly is a new director nominee. Detailed descriptions of their backgrounds and qualifications are found in the proxy materials. To summarize briefly:

- David Schoch brings to the Board a deep and intricate knowledge of the automotive industry, financial, operational, public company chief financial officer and senior executive experience, as well as knowledge of global markets. He has spent the bulk of his career at very senior levels at Ford Motor Company, in North America, Asia, South America and Europe, all areas in which the Company has operations. He has served and serves on a variety of public, private and non-profit boards, along with guest lecturing on global leadership at several universities.
- Molly Shoichet brings to the Board a deep knowledge of science, technology and innovation, previous board, corporate and public policy experience and an entrepreneurial spirit. She brings a fresh perspective to the Board, building on her interdisciplinary research at the intersection of engineering, science and medicine where she is able to bring diverse groups together to solve common problems. Having started three companies and provided strategic advice to federal and provincial governments, Dr. Shoichet understands the importance of good governance.

We are an automotive parts company, for the most part, as we have an industrial group also, and our directors as a group have significant expertise in this challenging industry, from a variety of perspectives. We address corporate strategy and risk oversight, which are critical aspects of our responsibility. Our Board members are dedicated, knowledgeable and all focused on the best interests of Martinrea. All the independent directors sat on the three standing committees—Audit, Human Resources and Compensation, and Corporate Governance and Nominating in 2018, to ensure the Board had full independent director input. In 2019, we have reduced the size of our

standing committees given the increased size of the Board, but note that all directors are invited to and typically attend committee meetings. Today, the Chair of the Audit Committee is Terry Lyons, the Chair of the Human Resources and Compensation Committee is Roman Doroniuk and the Chair of the Corporate Governance and Nomination Committee is Sandra Pupatello. Fred Olson is our lead director.

Our directors are fully engaged in regular meetings, but also in a broad range of activities listed in the proxy materials, ranging from industry events to facilities visits to conferences.

We conduct board assessments to increase the effectiveness of our board, committees and directors. We are all stakeholders, and will continue to build our equity ownership. In 2016, we introduced an annual retainer for compensating directors, with a minimum of half the amount payable in DSUs, to increase director ownership. There were no changes in 2017 or 2018.

In addition to the independent directors, Pat D'Eramo and I will be nominees. Pat D'Eramo is leading our team in developing and fulfilling our strategy, and driving operational excellence throughout the Company. I have been with Martinrea since it was formed. We are both proud to serve on this Board and for this Company and our 15,000 people that work hard for us all every day.

To close, Martinrea continues to have a great future, and we are seeing it unfold every day. Our One Martinrea culture, making people's lives better, is driving us forward. It is driving operational and financial performance, which in turn reinforces the culture. It is becoming a sustainable competitive advantage for us. And we are just getting started. We have a highly experienced and dedicated management team and a strong independent board of directors, dedicated to creating shareholder value for years to come. On behalf of the Board, we would like to thank our shareholders for your ongoing support as we move forward together to building a stronger Martinrea.

Please help us continue with this positive momentum.

Sincerely,



Rob Wildeboer

Questions or Requests for Assistance may be Directed to the Proxy Solicitor:



**North America Toll Free
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416-304-0211
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