

PRESS RELEASE · FOR IMMEDIATE RELEASE · FEBRUARY 12, 2026

Tesma Reports Record Fourth Quarter and Full-Year 2026 Results

Sales of \$11.2B in Q4 and \$42.8B for the year; record adjusted EBIT of \$3.9B; raises 2027 outlook

CONCORD, ONTARIO — February 12, 2026 — Tesma International Inc. (TSX: TSM.A; NASDAQ: TSMA) today announced record financial results for the fourth quarter and full year ended December 31, 2026. Strong launch execution across electrified powertrain programs, disciplined cost management, and continued recovery in global vehicle production drove year-over-year margin expansion.

Q4 2026 Highlights

(\$ millions, except per share)	Q4 2026	Q4 2025	Change
Sales	11,213	10,402	+7.8%
Adjusted EBIT	1,041	892	+16.7%
Adjusted EBIT margin	9.3%	8.6%	+70 bps
Net income attributable to Tesma	684	541	+26.4%
Adjusted diluted EPS	\$2.18	\$1.74	+25.3%
Free cash flow	640	512	+25.0%

Full-Year 2026 Highlights

(\$ millions, except per share)	FY 2026	FY 2025	Change
Sales	42,830	41,158	+4.1%
Adjusted EBIT	3,912	3,584	+9.2%
Adjusted EBIT margin	9.1%	8.7%	+40 bps
Adjusted diluted EPS	\$8.04	\$7.12	+12.9%
Free cash flow	2,108	1,892	+11.4%
Capital returned to shareholders	1,240	1,104	+12.3%

CEO Commentary

"2026 was a defining year for Tesma," said Seetarama Kotagiri, Chief Executive Officer. "Our team delivered a record \$42.8 billion of sales while expanding adjusted EBIT margins by 40 basis points. We launched 41 new programs — more than half of which are electrified — and brought four new facilities online in Mexico, Slovakia and China. We enter 2027 with a record \$94 billion sales backlog and a balance sheet that supports continued investment in next-generation powertrain technologies."

Segment Performance

Segment	Q4 Sales	Q4 Adj. EBIT	Margin
Engine Systems	3,402	374	11.0%
Transmission Systems	3,891	412	10.6%
Driveline & Electrification	2,604	189	7.3%
Fueling & Thermal Management	1,316	104	7.9%

2027 Outlook

- Sales of \$44.0 – \$46.5 billion (mid-single-digit organic growth)
- Adjusted EBIT margin of 9.3% – 9.7%
- Free cash flow of \$2.2 – \$2.5 billion
- Capital expenditures of approximately \$1.9 billion, weighted to electrification programs

Quarterly Dividend

The Board of Directors declared a quarterly cash dividend of **\$0.485 per Class A subordinate voting share**, payable on March 25, 2026 to shareholders of record on March 7, 2026. This represents a 6.6% increase over the prior dividend, marking the 17th consecutive annual dividend increase.

Conference Call

A conference call to discuss these results will be held on **February 12, 2026 at 8:00 AM EST**. The webcast and supporting materials are available at investors.tesma.ca.

Forward-Looking Information & Disclaimer

This document contains forward-looking statements within the meaning of applicable securities legislation. Such statements involve risks and uncertainties that could cause actual results to differ materially. See Tesma's most recent Annual Information Form for a discussion of such risks. Financial measures referenced include non-IFRS measures; reconciliations are available in the related MD&A.; © 2026 Tesma International Inc. All rights reserved. TSX: TSM.A · NASDAQ: TSM.A.