



## **LINAMAR CORPORATION ANNOUNCES AGREEMENT TO BUY ASSETS OF THREE AUTOMOTIVE COMPONENTS BUSINESSES FROM FAMER GROUP OF FRANCE**

**Guelph, Ontario – February 1, 2011.** Linamar Corporation (TSX: LNR) (“Linamar” or the “Corporation”) today announced that, pursuant to a conciliation proceeding under French law, subsidiaries of Linamar have agreed with the Famer Group of companies and Famer’s principal creditors to acquire the assets of Famer’s three commercial and industrial components businesses and that the Commercial Court in Lyon, France has approved the agreement. The Famer Group is made up of 3 facilities which manufacture cylinder heads, blocks, gears and other engine and transmission parts for large engines, off-highway and automotive applications, are located in St Romain en Gier, St Etienne and Montfaucon, France and are owned by Famer Industrie, Famer Transmissions and Famer Rivoire. Total revenue is approximately €50 million today. Pursuant to the proposed acquisition, the approximately 300 full-time employees and other temporary employees of the businesses will be transferred to the relevant Linamar subsidiaries. The agreement continues to be subject to the satisfaction of conditions precedent. Closing is expected to occur in February.

Linda Hasenfratz, Linamar’s CEO, stated that “We look forward to the completion of this transaction which will add the Famer companies to the Linamar family. Their experienced, highly skilled work force, customer base, products and strategic location within Europe add another great building block for our European growth particularly with targeted customers.”

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Linamar Corporation (TSX:LNR) is a diversified global manufacturing company of highly engineered products powering vehicles, motion, work and lives. The company is made up of 4 key divisions – Industrial Commercial Energy, Manufacturing, Driveline and Skyjack. The company’s Manufacturing and Driveline divisions are world leaders in the collaborative design, development and manufacture of precision metallic components, modules and systems for engine, transmission and driveline systems for global passenger vehicle markets. The ICE division is globally respected for the manufacture of similar products for on and off highway, energy and other industrial markets. The company’s Industrial division is a world leader in the design and production of innovative mobile industrial equipment, notably its class-leading aerial work platforms and telehandlers. With more than 12,500 employees in 38 manufacturing locations, 5 R&D centers and 11 sales offices in Canada, the US, Mexico, Germany, Hungary, the UK, China, Korea and Japan, Linamar generated sales of close to \$1.7 Billion in 2009. For more information about Linamar Corporation and its industry leading products and services, visit [www.linamar.com](http://www.linamar.com).

Certain information regarding Linamar set forth in this document, including management’s assessment of the Company’s future plans and operations may constitute forward-looking statements. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. Actual results may differ materially from these anticipated in the forward-looking statements due to factors such as customer demand and timing of buying decisions; product mix; competitive products; the cost, timing and effectiveness of cost reduction initiatives; and pricing pressure. In addition, uncertainties and difficulties in domestic and foreign financial markets and economies could adversely affect demand from customers. These factors, as well as general market, economic and political conditions, may in turn have a material adverse effect on the Company’s financial results. The Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements.

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