

Linamar Delivers Another Outstanding Quarter of Record Results and Market Share Gains

August 5, 2015, Guelph, Ontario, Canada (TSX: LNR)

- Sales increase 23.8% over the second quarter of 2014 (“Q2 2014”) to reach record levels of \$1.37 billion on global vehicle markets up 0.3% and access markets up 13%;
- Operating earnings up 33.2% over Q2 2014 to reach record levels of 165.6 million;
- Net earnings and earnings per share up 33% over Q2 2014 reaching record levels of \$120.1 million and \$1.84 respectively;
- Continued business wins drive launch book to nearly \$3.7 billion;
- Industrial segment delivers excellent growth and margin improvements from Q2 2014 with operating earnings up 43.7% to \$54.6 million on a sales increase of 29%;
- Powertrain/Driveline delivers excellent growth and margin improvements with operating earnings up 28.6% to \$111.0 million from Q2 2014 on a sales increase of 22.5%; and
- Content per vehicle growth in every market and market share growth on scissors and booms globally.

	Three Months Ended		Six Months Ended	
	2015	2014	2015	2014
(in millions of dollars, except earnings per share figures)	\$	\$	\$	\$
Sales	1,368.1	1,105.1	2,645.6	2,147.9
Operating Earnings (Loss)				
Powertrain/Driveline	111.0	86.3	222.5	168.1
Industrial	54.6	38.0	98.9	68.3
Operating Earnings (Loss)	165.6	124.3	321.4	236.4
Net Earnings (Loss)	120.1	89.7	233.8	169.4
Net Earnings (Loss) per Share	1.84	1.38	3.59	2.61

Operating Highlights

Sales for the second quarter of 2015 (“Q2 2015”) were \$1,368.1 million, up \$263.0 million from \$1,105.1 million in Q2 2014.

Sales for the Powertrain/Driveline segment (“Powertrain/Driveline”) increased by \$199.3 million, or 22.5% in Q2 2015 compared with Q2 2014. The sales increase in Q2 2015 was impacted by:

- the acquisition of our new forging businesses in Europe and North America in Q1 2015 and Q4 2014 respectively;
- significant levels of newly launched programs in North America;
- higher sales resulting from favourable changes in foreign exchange rates; and
- the ramp up of launching programs in Europe and Asia.

The Industrial segment (“Industrial”) product sales increased 28.9% or \$63.7 million to \$284.1 million in Q2 2015 from Q2 2014. The sales increase was due to:

- increased North American, Asian and European sales from higher market demand for access equipment;
- higher sales resulting from favourable changes in foreign exchange rates;
- market share growth for booms in North America, Europe and Asia; and
- market share growth for scissor lifts in North America, Europe and Asia.

The company’s operating earnings for Q2 2015 were \$165.6 million. This compares to \$124.3 million in Q2 2014, an increase of \$41.3 million.

Q2 2015 operating earnings for Powertrain/Driveline were higher by \$24.7 million or 28.6% over Q2 2014. The Powertrain/Driveline segment experienced the following in Q2 2015:

- improved margins as production volumes increased on launching programs;
- better margins as a result of productivity and efficiency improvements;
- earnings related to the acquisition of our new forging businesses in Europe and North America in Q1 2015 and Q4 2014 respectively; and

- higher margins as a result of a favourable sales mix to highly capital intensive programs, which inherently have higher margins to meet return expectations; partially offset by
- increased management and sales costs supporting growth.

Industrial segment operating earnings in Q2 2015 increased \$16.6 million or 43.7% over Q2 2014. The increase in Industrial operating earnings was predominantly driven by:

- increased demand and market share growth in the access equipment markets; and
- higher margins resulting from favourable changes in foreign exchange rates; partially offset by
- lower margins due to a less favourable customer and product mix of the units sold in the quarter; and
- increased management and sales costs supporting growth.

“We have completed another outstanding quarter at Linamar with solid market share gains again driving record levels of sales and earnings,” said Linamar CEO Linda Hasenfratz. “Financially we saw double digit sales and earnings growth in line with goals and have once more improved our margin performance. Strategically, we initiated our light metal casting strategy with our announced global partnership with GF Automotive. Our diversification strategy continues to deliver outstanding opportunities in a variety of markets, processes and products driving consistent sustainable growth for us. We are excited by what our team is achieving and what the future holds.”

Dividends

The Board of Directors today declared an eligible dividend in respect to the quarter ended June 30, 2015 of CDN\$0.10 per share on the common shares of the company, payable on or after September 11, 2015 to shareholders of record on August 25, 2015.

Forward Looking Information, Risk and Uncertainties

Linamar no longer provides a financial outlook.

Certain information provided by Linamar in this MD&A, the unaudited interim financial statements and other documents published throughout the year which are not recitation of historical facts may constitute forward-looking statements. The words “may”, “would”, “could”, “will”, “likely”, “estimate”, “believe”, “expect”, “plan”, “forecast” and similar expressions are intended to identify forward-looking statements. Readers are cautioned that such statements are only predictions and the actual events or results may differ materially. In evaluating such forward-looking statements, readers should specifically consider the various factors that could cause actual events or results to differ materially from those indicated by such forward-looking statements.

Such forward-looking information may involve important risks and uncertainties that could materially alter results in the future from those expressed or implied in any forward-looking statements made by, or on behalf of, Linamar. Some of the factors and risks and uncertainties that cause results to differ from current expectations include, but are not limited to, changes in the various economies in which Linamar operates, fluctuations in interest rates, environmental emission and safety regulations, the extent of OEM outsourcing, industry cyclicality, trade and labour disruptions, world political events, pricing concessions and cost absorptions, delays in program launches, the Company’s dependence on certain engine and transmission programs and major OEM customers, currency exposure, technological developments by Linamar’s competitors, governmental, environmental and regulatory policies and changes in the competitive environment in which Linamar operates.

The foregoing is not an exhaustive list of the factors that may affect Linamar’s forwarding looking statements. These and other factors should be considered carefully and readers should not place undue reliance on Linamar’s forward-looking statements. Linamar 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.

Conference Call Information

Q2 2015 Conference Call Information

Linamar will hold a conference call on August 5, 2015 at 5:00 p.m. EST to discuss its second quarter results. The numbers for this call are (647) 427-3383 (local/overseas) or (888) 424-9894 (North America) confirmation number 12322880, with a call-in required 10 minutes prior to the start of the conference call. The conference call will be chaired by Linda Hasenfratz, Linamar's Chief Executive Officer. A copy of the company's quarterly financial statements, including the Management's Discussion & Analysis will be available on the company's website after 4 p.m. EST on August 5, 2015 and at www.sedar.com by the start of business on August 6, 2015. A taped replay of the conference call will also be made available starting at 7:45 p.m. on August 5, 2015 for ten days. The number for replay is (855) 859-2056, Conference ID 12322880. The conference call can also be accessed by web cast at www.linamar.com, by accessing the investor relations/events menu.

Audio only streaming of the conference call available at <http://www.media-server.com/m/p/4ue3o9zi>

Q3 2015 Conference Call Information

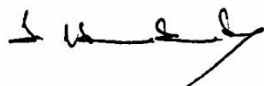
Linamar will hold a conference call on November 4, 2015 at 5:00 p.m. EST to discuss its third quarter results. The numbers for this call are (647) 427-3383 (local/overseas) or (888) 424-9894 (North America) confirmation number 12325574, with a call-in required 10 minutes prior to the start of the conference call. The conference call will be chaired by Linda Hasenfratz, Linamar's Chief Executive Officer. A copy of the company's quarterly financial statements, including the Management's Discussion & Analysis will be available on the company's website after 4 p.m. EST on November 4, 2015 and at www.sedar.com by the start of business on November 5, 2015. A taped replay of the conference call will also be made available starting at 7:45 p.m. on November 4, 2015 for ten days. The number for replay is (855) 859-2056, Conference ID 12325574. The conference call can also be accessed by web cast at www.linamar.com, by accessing the investor relations/events menu.

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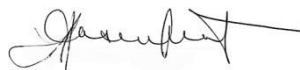
Linamar Corporation (TSX:LNR) is a diversified global manufacturing Company of highly engineered products powering vehicles, motion, work and lives. The Company is made up of 2 operating segments – the Powertrain/Driveline segment and the Industrial segment, which are further divided into 4 operating groups – Machining & Assembly, Forging, Light Metal Castings and Skyjack, all world leaders in the design, development and production of highly engineered products. The Company's Machining and Assembly, Forging and Casting operating groups focus on precision metallic components, modules and systems for engine, transmission and driveline systems designed to drive lightweight, fuel efficient function in global vehicle and industrial markets. The Company's Skyjack operating group is noted for its innovative, high quality mobile industrial equipment, notably its class-leading aerial work platforms and telehandlers. With more than 19,500 employees in 48 manufacturing locations, 5 R&D centers and 15 sales offices in 14 countries in North and South America, Europe and Asia, Linamar generated sales of \$4.2 billion in 2014. For more information about Linamar Corporation and its industry leading products and services, visit www.linamar.com.

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For further information regarding this release please contact Linda Hasenfratz at (519) 836-7550.



Frank Hasenfratz
Chairman of the Board



Linda Hasenfratz
Chief Executive Officer

Guelph, Ontario
August 5, 2015