

# **LINAMAR CORPORATION ANNOUNCES SIGNIFICANT EARNINGS IMPROVEMENT OVER LAST QUARTER**

**Guelph, Ontario,  
May 4, 2000**

Linamar Corporation (TSE – LNR) announces its financial results for the three months ended March 31, 2000. Although start-up costs continue to restrict our earnings, the Company's earnings have more than doubled over the fourth quarter in 1999. Fully diluted earnings per share reached \$0.23 compared to \$0.11 in the fourth quarter of 1999.

Sales for the quarter ended March 31, 2000 totaled \$345.4 million, compared to \$291.6 million for the quarter ended March 31, 1999.

Net earnings for the quarter were \$16.0 million compared \$7.6 million for the quarter ended December 31, 1999 and \$20.9 million in the quarter ended March 31, 1999. Fully Diluted earnings per share for the quarter were \$0.23, which compared to \$0.29 for the quarter ended March 31, 1999. To fulfill its goal of continuing to improve bottom line performance during the first quarter of 2000 the Company aggressively invested cash in the future, making payments directly for \$55.6 million of capital assets, and investing \$16.5 million in non-cash working capital. Under its outstanding issuer bid ,during the quarter, the Company bought back 1,352,300 shares for \$15.3 million.

"I am very pleased to see earnings achieved in line with expectations for the first quarter of 2000. The improvements made since the fourth quarter 1999 are substantial, and all our people should be commended for their hard work. Our training initiatives, cost attack teams and plant continuous improvement programs are really keeping the earnings momentum going."

Linamar Corporation has declared a cash dividend on its common shares in the amount of \$0.04 per share. The dividend is payable on May 30, 2000, to shareholders of record at the close of business on May 16, 2000.

The Company is pleased to announce that its new order intake for the first quarter reached \$129 Million per year. The majority of this new business will commence in 2001 and 2002.

Linamar is a global manufacturer of precision-machined components, assemblies and castings, primarily for the automotive industry. The Company is focussed primarily on the highly engineered systems of the vehicle such as engine, transmission, brake, steering and suspension. Linamar employs more than 8,600 people in 28 manufacturing facilities and 1 product development centre in Canada, the US, Mexico and Hungary.

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 under applicable securities law and necessarily involve risks as a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

LINAMAR CORPORATION

***original signed by Linda Hasenfratz/ag***

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