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For Immediate Release

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LINAMAR ANNOUNCES EXPANSION OF ITS GEAR FACILITY

GUELPH, Ontario – Linamar Corporation is adding 100,000 square feet of manufacturing space to its existing Linamar Gear facility to accommodate new and future gear manufacturing programs resulting from the company's investment in gear product and process innovations.

Linamar will perform advanced gear processing development work in the expanded space in conjunction with its new research and development and training centre, to be announced later this year, and comes on the heels of Canada's New Government's announcement of a repayable loan specifically for gear technology.

"We are thrilled to announce this 100,000 square foot addition to our Linamar Gear facility to accommodate business won based on our proven gear capability and new gear technology advancements," said Linda Hasenfratz, Linamar CEO. "Ultimately we would expect additional employment for Linamar Gear of up to 300 people in this new space."

The expansion of Linamar Gear is supported by investments from Linamar Corporation, the Government of Canada, and the Provincial Government through the Ontario Automotive Investment Strategy.

"Canada's New Government is committed to creating the right economic conditions to help companies like Linamar invest in research and development. Through *Advantage Canada*, our strategic economic plan, we are lowering taxes, cutting red tape, and creating the best-educated and most-skilled workforce in the world. These measures are encouraging companies to invest in new technologies, and will ensure that the government gets the highest value from its investment," said Maxime Bernier, Canada's Minister of Industry.

"The automotive industry is vital to Ontario and our investment in research and technology at Linamar supports job creation and growth in this globally competitive industry," said Sandra Pupatello, Ontario Minister of Economic Development and Trade.

Construction of the Linamar Gear facility will begin in the spring of 2007 and is expected to be completed by the end of the year.

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Linamar Corporation

Linamar Corporation (TSX: LNR) is a diversified global manufacturing company of highly engineered products. The company's Powertrain and Driveline focused divisions are world leaders in the collaborative design, development and manufacture of precision metallic components, modules and systems for global vehicle markets. The company's Industrial division is a world leader in the design and production of innovative mobile industrial products, notably its class-leading aerial work platforms. With over 11,000 employees in 36 manufacturing locations, 5 R&D centers and 9 sales offices in Canada, the US, Mexico, Germany, Hungary, China, Korea and Japan Linamar generated sales of \$2.2 Billion in 2005. For more information about Linamar Corporation and its industry leading products and services, visit www.linamar.com

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