



PRESS RELEASE

Linamar Announces Second Quarter Results

August 7, 2007, Guelph, Ontario, Canada – Linamar Corporation (TSX: LNR), a diversified global manufacturing company of highly engineered products, today announced its financial results for the second quarter ended June 30, 2007. The company's Powertrain and Driveline 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 centres and 9 sales offices in Canada, the US, Mexico, Germany, Hungary, China, Korea and Japan, Linamar generated sales of close to \$2.3 billion in 2006. For more information about Linamar Corporation and its industry leading products and services, visit www.linamar.com.

(CDN dollars in thousands except per share figures)

	Three Months Ended June 30		Six Months Ended June 30	
	2007	2006	2007	2006
	\$	\$	\$	\$
Sales	624,393	607,091	1,203,812	1,190,439
Gross Margin	88,977	79,438	159,740	155,391
Operating Earnings ¹	54,847	49,171	99,674	94,793
Earnings from Continuing Operations	31,332	32,268	58,074	58,306
Net Earnings	31,332	32,268	58,074	58,106
Diluted Earnings per Share from Continuing Operations	0.45	0.45	0.83	0.81
Diluted Earnings per Share	0.45	0.45	0.83	0.81

¹ “**Operating earnings**”, as used by the chief operating decision makers and management, monitors the performance of the business specifically at the segmented level. Operating earnings is calculated by the company as gross margin less selling, general and administrative expenses.

	Three Months Ended June 30		Six Months Ended June 30	
	2007	2006	2007	2006
	\$	\$	\$	\$
Gross margin	88,977	79,438	159,740	155,391
Selling, general and administrative	34,130	30,267	60,066	60,598
Operating earnings	54,847	49,171	99,674	94,793

Under Canadian generally accepted accounting principles (“GAAP”), this financial measure does not have a standardized meaning and is unlikely to be comparable to similar measures presented by other issuers.

Certain unusual items impacted earnings in both 2007 and 2006. The following table summarizes these items.

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	2007	2006	2007	2006
Earnings from Continuing Operations	\$31,332	\$32,268	\$58,074	\$58,306
Foreign Exchange loss on Hungarian Forints held in Escrow	3,383		1,650	
Reduction in Tax Expense		(3,500)		(3,500)
Adjusted Earnings From Continuing Operations	\$34,715	\$28,768	\$59,724	\$54,806
As a percentage of Sales	5.6%	4.7%	5.0%	4.6%
Change over Prior Year	20.7%		9.0%	
Earnings per Share	\$0.50	\$0.40	\$0.86	\$0.76

Second Quarter Operating Highlights

Sales for the second quarter of 2007 grew 2.8% to \$624.4 million, compared to \$607.1 million for the second quarter of 2006. First half 2007 sales increased \$13.4 million to \$1,203.8 million compared to \$1,190.4 million for the same period in 2006. Sales for the Powertrain/Driveline segment were down \$14.7 million, 3.0% for the quarter and \$45.6 million, 4.7% for the first half of 2007. This decline was largely attributable to the sales decrease in the medium/heavy duty vehicle volumes. Industrial sales increased \$32.0 million for the quarter and \$59.0 million for the first half of 2007, reflecting the continued strong market demand for aerial work platforms produced by Skyjack.

Operating earnings in the second quarter increased 11.4% to \$54.8 million, compared to \$49.2 million for the same period last year. Year to date operating earnings of \$99.7 million represent an increase of 5.2% to 2006 year to date operating earnings of \$94.8 million. Powertrain/Driveline operating earnings were relatively flat for the second quarter at \$34.9 million, or 7.4% of total segment sales as compared to \$35.8 million, or 7.3% of total segment sales for the same quarter of 2006. For the first half of 2007 operating earnings for Powertrain/Driveline were down \$14.0 million, or 20.0% compared to the same period in 2006. Operating earnings were \$56.1 million, or 6.1% of total segment sales for the first half of 2007 compared to \$70.1 or 7.2% of total segment sales for 2006. The reduction in Powertrain/Driveline operating earnings is largely driven by the decline in sales related to the decrease in medium/heavy duty vehicle volumes offset by sales and earnings related to new programs. The Powertrain/Driveline operating earnings for the second quarter 2007 were up \$13.8 million or 65.2% over the first quarter 2007 operating earnings as a result of these programs. The strong demand for aerial work platforms from the industrial segment led to operating earnings of \$19.9 million for the quarter compared to \$13.4 million for the same period in 2006, and \$43.6 million for the first half of 2007 compared to \$24.7 million for the same period in 2006.

Dividends

The Board of Directors today declared an **ELIGIBLE** dividend in respect to the quarter ended June 30, 2007 of CDN\$0.06 per share on the common shares of the company, payable on or after September 14, 2007 to shareholders of record on August 24, 2007.

Risk and Uncertainties (forward looking statements)

Linamar no longer provides a financial outlook.

Certain information provided by Linamar in these unaudited interim financial statements, MD&A and other documents published throughout the year that are not recitation of historical facts may constitute forward looking statements. The words "estimate", "believe", "expect" and similar expressions are intended to identify forward-looking statements. Persons reading this report 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 risks and uncertainties may cause results to differ from current expectations. The factors which are expected to have the greatest impact on Linamar include but are not limited to (in the various economies in which Linamar operates): the extent of OEM outsourcing, industry cyclicalities, trade and labour disruptions, 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, and technological developments by Linamar's competitors.

A large proportion of the company's sales are denominated in U.S. dollars and the company also purchases a significant amount of raw materials, supplies and equipment in U.S. dollars. The strengthening of the Canadian dollar has the potential to have a negative impact on financial results. The company has employed a hedging strategy as appropriate to attempt to mitigate the impact but cannot be completely assured that the entire exchange effect has been offset.

Other factors and risks and uncertainties that could cause results to differ from current expectations are discussed in the MD&A and include, but are not limited to: fluctuations in interest rates, environmental emission and safety regulations, governmental, environmental and regulatory policies, and changes in the competitive environment in which Linamar operates. 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

Linamar will hold a conference call on August 7, 2007 at 5:00 pm. EST to discuss its results for the second quarter ended June 30, 2007. The numbers for this call are (416) 642-5212 (local/overseas) or (866) 321-6651 (North America), 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 full quarterly financial statements, including the Management's Discussion & Analysis will be available on the company's website after 4 p.m. EST on Tuesday, August 7, 2007 and at www.sedar.com by the start of business on August 8, 2007. A taped replay of the conference call will also be made available starting at 11:00 p.m. on August 7, 2007 for seven days. The number for replay is (416) 915-1028 or (866) 244-4494, Conference ID 380810. The conference call can also be accessed by web cast at www.linamar.com, by accessing the investor relations/events menu, and will be available for a 7 day period.

Linamar will hold a conference call on November 7, 2007 at 5:00 p.m. EST to discuss its third quarter results. The numbers for this call are (416) 642-5212 (local/overseas) or (866) 321-6651 (North America), 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 full quarterly financial statements, including the Management's Discussion & Analysis will be available on the company's website after 4 p.m. EST on Wednesday, November 7, 2007 and at www.sedar.com by the start of business on November 8, 2007. A taped replay of the conference call will also be made available starting at 11:00 p.m. on November 7, 2007 for seven days. The number for replay is (416) 915-1028 or (866) 244-4494, Conference ID 269235. The conference call can also be accessed by web cast at www.linamar.com, by accessing the investor relations/events menu, and will be available for a 7 day period.

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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 7, 2007