

# **LINAMAR CORPORATION ANNOUNCES EARNINGS IN LINE WITH EXPECTATIONS**

**Guelph, Ontario,  
May 3, 2001**

Linamar Corporation (TSE – LNR) announces its financial results for the quarter ended March 31, 2001. As previously announced, the earnings were depressed by a translation exchange loss of \$5 million after tax on its US denominated debt in addition to the effects of a 13.7% reduction in sales. Diluted earnings per share were \$0.12 compared to \$0.23 in the first quarter of 2000.

Sales for the quarter ended March 31, 2001 totaled \$298.1 million, compared to \$345.4 million for the quarter ended March 31, 2000. This level of sales represents an increase in market share of greater than 5% as determined by content per vehicle.

Net earnings for the quarter were \$8.2 million compared to \$16.0 million for the quarter ended March 31, 2000. Diluted earnings per share for the quarter were \$0.12, compared to \$0.23 for the quarter ended March 31, 2000. To fulfill its goal of continuing to improve bottom line performance during the first quarter of 2000 the Company made payments directly for \$29.5 million of capital assets, and invested \$14.5 million in non-cash working capital.

“Earnings of \$8.2 million are significantly in excess of where reduced sales would imply, indicating excellent underlying operational improvement,” said Linda Hasenfratz, Linamar’s President. “We need to continue focusing on cost improvement while continuing our aggressive approach on the marketing side to position ourselves for significant sales and earnings growth in the future.”

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, 2001, to shareholders of record at the close of business on May 16, 2001.

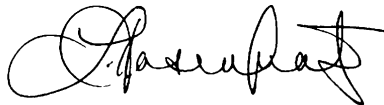
The Company is pleased to announce that its new order intake for the first quarter reached \$156 Million per year compared to \$129 million for the same period last year, another record quarter for new business. The majority of this new business will commence in 2004 and 2005.

Linamar will hold a conference call to discuss this press release on Friday, May 4, 2001 at 10:00 a.m. EST. The numbers for this call are 416-641-6693 (local/overseas), with call-in required 10 minutes prior to the start of the conference call. The conference call will be chaired by Linda Hasenfratz, Linamar’s President. A taped replay of the conference call will also be made available from 11:00 a.m. on May 4, 2001 until midnight on May 9, 2001. The numbers for the replay are 416-626-4100, reference number 18690862 (local/overseas).

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 8,250 people in 30 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

A handwritten signature in black ink, appearing to read "L. Hasenfratz", written in a cursive style.

Linda Hasenfratz  
President, Linamar Corporation  
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