



**For Immediate Release
October 18, 2007**

**LINAMAR CORPORATION SIGNS MEMORANDUM OF UNDERSTANDING WITH VISTEON FOR
PLANT IN UK**

Guelph, Ontario, October 18, 2007 - Linamar Corporation announces it has signed a Memorandum of Understanding setting forth a preliminary understanding regarding the purchase by Linamar of Visteon Corporation's Swansea plant located in Wales, United Kingdom.

Visteon's Swansea Plant currently produces power transfer units, transfer cases and axles which would extend Linamar's presence in the driveline business and complement Linamar's recent acquisition of Ford's PTU business in Nuevo Laredo, Mexico, finalized in August. Ford is the key customer of the Swansea operations.

"The plant in Swansea offers us unique opportunities to service potential UK and other European customers from a new strategic location," said Linda Hasenfratz, Linamar Corporation's Chief Executive Officer.

"We continue to work closely with the labour force, Visteon and other key stakeholders to build a solid business case for this potential acquisition," said Hasenfratz.

The proposed transaction is subject to, among other things, due diligence, certain third party agreements being reached, negotiation of remaining business terms and the negotiation and approval of mutually satisfactory agreements.

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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 close to 11,000 employees in 37 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 close to \$2.3 Billion in 2006. For more information about Linamar Corporation and its industry leading products and services, visit www.linamar.com

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. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. Actual results may differ materially from those anticipated in the forward-looking statements due to factors such as whether the proposed transaction will proceed based on substantially the proposed terms or at all, customer demand and timing of buying decisions, product mix, competitive products and pricing pressure. In addition, uncertainties and difficulties in domestic and foreign financial markets and economies could adversely affect demand from customers. These factors, as well as general economic and political conditions, may in turn have a material adverse effect on the Company's financial results. The Company 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.