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**For Immediate Release**

## **LINAMAR CREATES FLUID PRODUCTS DIVISION TO SERVE INDUSTRIAL MARKETS**

**GUELPH, Ontario, Canada, December 20, 2006** – Linamar Corporation (TSX:LNR) announced today the launch of its Fluid Products Division. The new division will become a part of Linamar's Industrial Group and strengthen its offerings for customers in the agricultural, drilling/mining, material handling, construction and industrial equipment markets.

The Fluid Products Division will initially concentrate on the design, development and manufacturing of hydraulic cylinders and manifold systems. By internally supplying Linamar subsidiary Skyjack – a world leader in aerial work platforms – with these products for the past several years, Linamar has cultivated engineering and manufacturing expertise within the fluid products area.

"The expansion of our Industrial Group to include the Fluid Products Division marks a natural progression for our business," said Jim Jarrell, President and COO, Linamar Corporation. "It allows us to utilize our lean techniques, existing expertise and current infrastructure to continue to strengthen, diversify and grow our company."

The company also named Ken McDougall Group President of Linamar's Industrial Group. McDougall previously was Vice President of operations for Skyjack. Lloyd Spalding will continue to serve as President of Skyjack. Together, Skyjack and the Fluid Products Division make up Linamar's Industrial Group.

Based in Guelph, Ontario, Canada, Linamar (TSX:LNR) is a global manufacturer and supplier of leading edge solutions to automotive and industrial markets. In 2005, Linamar's sales reached \$2.16 billion CDN and the company is focused on growing business to \$10 billion in sales by the year 2020.

Linamar designs, develops and manufactures precision machined components, modules and systems for engine, transmission and chassis systems primarily for the North American and European marketplace. The company's industrial division is a world leader in aerial lift platform products. The company has over 10,000 employees in 36 manufacturing locations, five research and development centers and nine sales offices in Canada, United States, Mexico, Germany, Hungary, China, Korea and Japan.

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 these anticipated in the forward-looking statements due to factors such as customer demand and timing of buying decisions; product mix; competitive products; the cost, timing and effectiveness of cost reduction initiatives; 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 market, 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.

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