

Linamar Records Another Quarter of Double Digit Sales and Earnings Growth, with Margin and Return on Capital Improvement

March 6, 2012, Guelph, Ontario, Canada (TSX:LNR)

- Sales increase 21% over the fourth quarter of 2010 (“Q4 2010”);
- Adjusted EPS is up 23% over Q4 2010;
- Adjusted operating earnings up 39% over Q4 2010;
- Net debt levels reduced by \$35.5 million from the third quarter of 2011 (“Q3 2011”);
- New business wins continue to be strong, launch book at \$2.5 billion;
- Industrial segment sales up 104% over Q4 2010;
- Powertrain/Driveline segment sales up 15.8% and adjusted operating earnings up 34%; and
- Return on Capital Employed reached double digits and improved by 14% from Q4 2010.

(in millions of dollars, except earnings per share figures)	Three Months Ended December 31		Year Ended December 31	
	2011	2010	2011	2010
Sales	\$ 718.0	\$ 593.7	\$ 2,861.4	\$ 2,229.2
Operating Earnings (Loss)				
Powertrain/Driveline	37.5	35.3	163.8	152.5
Industrial	(3.9)	(9.9)	(6.8)	(26.6)
Operating Earnings (Loss)	\$ 33.6	\$ 25.4	\$ 157.0	\$ 125.9
Unusual Items	9.8	5.9	7.6	5.90
Operating Earnings (Loss) – Adjusted	\$ 43.4	\$ 31.3	\$ 164.6	\$ 131.8
Net Earnings Attributable to Shareholders of the Company	\$ 27.0	\$ 21.4	\$ 101.4	\$ 90.6
Unusual Items	0.9	1.0	4.6	(2.3)
Net Earnings (Loss) Attributable to Shareholders of the Company – Adjusted	\$ 27.9	\$ 22.4	\$ 106.0	\$ 88.3
Earnings per Share	\$ 0.42	\$ 0.33	\$ 1.57	\$ 1.40
Earnings (Loss) per Share - Adjusted	0.43	0.35	1.64	1.36
Unusual Items				
Taxable Items before Tax				
1) Exchange loss (gain) on the 2017 and 2021 Private Placement Notes	(4.1)	(4.5)	3.9	(9.1)
2) Change in key accounting estimates	-	5.9	-	5.9
3) SES Cancellation	9.8	-	9.8	-
Tax Impact	(1.5)	(0.4)	(3.6)	0.9
Non-Taxable Items				
4) Bargain purchase gain on Famer acquisition	-	-	(2.2)	-
5) Lower than expected effective tax rate	(3.3)	-	(3.3)	-
Total Unusual Items	0.9	1.0	4.6	(2.3)

Operating Highlights

Sales for Q4 2011 were \$718.0 million, up \$124.3 million from \$593.7 million from Q4 2010.

Sales for the Powertrain/Driveline segment increased by \$88.1 million, or 15.8% in Q4 2011 to \$647.0 million compared to \$558.9 million in Q4 2010. The sales increase in the fourth quarter was impacted by:

- significant levels of newly launched programs from the Company’s substantial book of launch business;
- higher volumes on increased consumer demand in the US; and
- higher sales from new and expanded facilities such as the acquisition in France of the Famer Group, the Company’s new German facility and expanded facilities in Mexico and Hungary.

Industrial segment sales increased 104.0%, or \$36.2 million from Q4 2010 to \$71.0 million. The sales increase was:

- primarily due to significant increases in demand in the access equipment markets resulting from fleet replacement initiatives; and

- to a lesser extent due to increases in demand in the agricultural equipment markets serviced by the European Fabrication Division;
- as well as increases due to the energy programs that were awarded and now have started to launch.

The company's adjusted operating earnings for Q4 2011 were \$43.4 million. This compares to \$31.3 million in Q4 2010, an increase of \$12.1 million.

Q4 2011 adjusted operating earnings of \$47.3 million for the Powertrain/Driveline segment were higher by \$12.0 million from the operating earnings of \$35.3 million in Q4 2010. The segment experienced the following in Q4 2011:

- improved margins as production volumes increased on launching and mature programs; and
- a lower amount of start-up costs in comparison to the level of start-up activity in Q4 2010.

The Q4 2011 adjusted operating losses for the Industrial segment improved slightly from Q4 2010 to \$3.9 million. The Industrial operating losses were predominantly driven by:

- margin improvements on the increased volumes in the access equipment market; partially offset by
- launch costs associated with the energy programs; and
- margin reductions as a result of continued investment in labour and fixed overhead costs at Skyjack to support the future growth in the market.

"We are very pleased with our fourth quarter and full year results for 2011, a record sales year for Linamar," said Linamar CEO Linda Hasenfratz. "Sales and earnings are up substantially again in excess of company goals of 15% annually despite slow growth in global markets, margins are expanding, and we continue to see great opportunities in the marketplace that are driving our continued growth in the future. I have never felt more positive about our outlook."

Dividends

The Board of Directors today declared an eligible dividend in respect to the quarter ended December 31, 2011 of CDN\$0.08 per share on the common shares of the company, payable on or after April 16, 2012 to shareholders of record on April 2, 2012.

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 cyclicality, 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 cash flows are denominated in foreign currencies. The movement of foreign currency exchange rates against 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.

Q4 Conference Call Information

Linamar will hold a conference call on March 6, 2012 at 5:00 p.m. EST to discuss its fourth quarter/year end results. The numbers for this call are (647) 427-3383 (local/overseas) or (888) 424-9894 (North America) confirmation number 46324403, 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/year end financial statements, including the Management's Discussion & Analysis will be available on the company's website after 4 p.m. EST on March 6, 2012 and at www.sedar.com by the start of business on March 7, 2012. A taped replay of the conference call will also be made available starting at 6:00 p.m. on March 6, 2012 for seven days. The number for replay is (855) 859-2056, Conference ID 46324403. 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.

Audio only streaming of the conference call available at <http://www.meetview.com/linamar20120306/index.php>

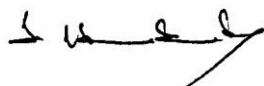
Q1 2012 Conference Call Information

Linamar will hold a conference call on May 9, 2012 at 5:00 p.m. EST to discuss its first quarter results. The numbers for this call are (647) 427-3383 (local/overseas) or (888) 424-9894 (North America) confirmation number 47891230, 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/year end financial statements, including the Management's Discussion & Analysis will be available on the company's website after 4 p.m. EST on May 9, 2012 and at www.sedar.com by the start of business on May 10, 2012. A taped replay of the conference call will also be made available starting at 6:00 p.m. on May 9, 2012 for seven days. The number for replay is (855) 859-2056, Conference ID 47891230. 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.

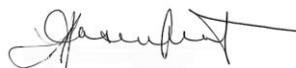
Audio only streaming of the conference call will be available. Please go to our website (www.linamar.com) and follow the link.

* * * * *

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
March 6, 2012