



## PRESS RELEASE

### Linamar Announces Third Quarter Results

November 4, 2008, Guelph, Ontario, Canada –Linamar Corporation (TSX: LNR), a diversified global manufacturing company of highly engineered products, today announced its financial results for the third quarter ended September 30, 2008. The company's Powertrain and Driveline divisions ("Powertrain/Driveline") 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 ("Industrial") is a world leader in the design and production of innovative mobile industrial products, notably its class-leading aerial work platforms. With close to 12,000 employees in 37 manufacturing locations, 5 R&D centres and 11 sales offices in Canada, the US, Mexico, the UK, Germany, Hungary, China, Korea and Japan, Linamar generated sales in excess of \$2.3 billion in 2007. For more information about Linamar Corporation and its industry leading products and services, visit [www.linamar.com](http://www.linamar.com).

(CDN dollars in thousands except per share figures)

	Three Months Ended Sept 30		Nine Months Ended Sept 30	
	2008	2007	2008	2007
	\$	\$	\$	\$
Sales	<b>540,360</b>	581,559	<b>1,780,314</b>	1,785,371
Gross Margin	<b>40,188</b>	75,677	<b>207,057</b>	235,417
Selling, general and administrative	<b>32,957</b>	28,193	<b>97,552</b>	88,259
Operating Earnings <sup>1</sup>	<b>7,231</b>	47,484	<b>109,505</b>	147,158
Earnings from Continuing Operations	<b>3,345</b>	25,850	<b>64,806</b>	83,924
Net Earnings	<b>11,484</b>	25,850	<b>72,945</b>	83,924
Diluted Earnings per Share from Continuing Operations	<b>0.05</b>	0.37	<b>0.96</b>	1.20
Diluted Earnings per Share	<b>0.17</b>	0.37	<b>1.08</b>	1.20

#### Third Quarter Operating Highlights

Sales for the third quarter of 2008 at \$540.4 million were down \$41.2 million compared to \$581.6 million for the third quarter of 2007. Sales for the Powertrain/Driveline Segment ("Powertrain/Driveline") decreased by \$12.1 million, or 2.7% in the third quarter compared with 2007. The decrease was driven by significant volume reductions by North American OEMs notably GM, Chrysler and Ford. The Industrial Segment ("Industrial") product sales decreased 21.3% or \$29.2 million for the quarter. The sales for the third quarter of 2008 differed from the corresponding period in 2007 due to significant volume reductions due to uncertainty in the market and the restricted credit availability, particularly in Europe.

The company's operating earnings decreased to \$7.3 million for the third quarter of 2008 compared to \$47.5 million for the third quarter of 2007, a decrease of 40.2 million. Third quarter operating earnings for Powertrain/Driveline were lower by \$27.1 million or 84.7% over the same quarter of 2007. Operating Earnings for Industrial decreased \$13.1 million or 84.5% over the third quarter of 2007 to \$2.4 million. The decrease in both segments were driven by under absorption of fixed costs due to the significant volume reductions.

<sup>1</sup> "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. 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.

Earnings from continuing operations for the quarter were \$3.3 million (0.6% of sales) versus \$25.9 million (4.5% of sales) in 2007, a decrease of 87.3%.

### **Dividends**

The Board of Directors today declared an eligible dividend in respect to the quarter ended September 30, 2008 of CDN\$0.06 per share on the common shares of the company, payable on or after December 12, 2008 to shareholders of record on November 26, 2008.

### **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 cashflows 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.

**Conference Call Information**

*Q3 Conference Call Information:*

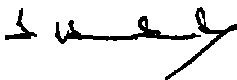
Linamar will hold a conference call on November 4, 2008 at 5:00 p.m. EST to discuss its third quarter results. The numbers for this call are (416) 642-5212 (local/overseas) or (866) 321-6651 (North America) confirmation number 3022641, with a call-in required 10 minutes prior to the start of the conference 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 November 4, 2008 and at [www.sedar.com](http://www.sedar.com) by the start of business on November 5, 2008. A taped replay of the conference call will also be made available starting at 11:00 p.m. on November 4, 2008 for seven days. The number for replay is (647) 436-0148 or (888) 203-1112, Conference ID 3022641. The conference call can also be accessed by web cast at [www.linamar.com](http://www.linamar.com), by accessing the investor relations/events menu, and will be available for a seven day period.

*Q4 Conference Call Information*

Linamar will hold a conference call on March 5, 2009 at 5:00 p.m. EST to discuss its fourth quarter and year end results. The numbers for this call are (416) 642-5212 (local/overseas) or (866) 321-6651 (North America) confirmation number 2204708, 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 March 5, 2009 and at [www.sedar.com](http://www.sedar.com) by the start of business on March 6, 2009. A taped replay of the conference call will also be made available starting at 11:00 p.m. on March 5, 2009 for seven days. The number for replay is (647) 436-0148 or (888) 203-1112, Conference ID 2204708. The conference call can also be accessed by web cast at [www.linamar.com](http://www.linamar.com), by accessing the investor relations/events menu, and will be available for a seven 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  
November 4, 2008