

LINAMAR CORPORATION ANNOUNCES ANOTHER SIGNIFICANT EARNINGS IMPROVEMENT OVER LAST QUARTER

**Guelph, Ontario,
August 2, 2000**

Linamar Corporation (TSE – LNR) announces its financial results for the three months ended June 30, 2000. Although start-up costs continue to restrict our earnings, the Company's earnings have almost trebled over the fourth quarter in 1999. Fully diluted earnings per share reached \$0.32 compared to \$0.11 in the fourth quarter of 1999 and \$0.23 in the first quarter of 2000.

Sales for the second quarter were \$358.9 million, bringing our total sales for the six month period ended June 30, 2000 to \$704.2 million. This compares favourably to sales of \$313.6 million and \$605.2 million for the corresponding periods of the previous year.

Net earnings for the quarter were \$22.1 million compared \$16.0 million for the quarter ended March 31, 2000 and \$23.5 million in the quarter ended June 30, 1999. Fully diluted earnings per share for the quarter were \$0.32, which compared to \$0.33 for the quarter ended June 30, 1999. To fulfill its goal of continuing to improve bottom line performance, during this quarter the Company continued to invest cash in the future, making payments for \$32.4 million of capital assets.

"I am very pleased to see earnings growth momentum picking up with our second quarter results. The improvements made since the fourth quarter 1999 are substantial, and all our people should be commended for their hard work." said , Linamar President Linda Hasenfratz. "Our training initiatives, cost attack teams and plant continuous improvement programs continue to strengthen the overall company's position, both technically and financially."

Linamar Corporation has declared a cash dividend on its common shares in the amount of \$0.04 per share. The dividend is payable on September 15, 2000, to shareholders of record at the close of business on August 25, 2000.

The Company is pleased to announce that its new order intake for the first half of 2000 has reached \$280 Million per year. The majority of this new business will commence in 2001 and 2002.

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 8,600 people in 29 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

original signed by Linda Hasenfratz/ab

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