

Linamar Announces Another Record Year, 9th Consecutive of Double Digit Earnings Growth

March 11, 2019, Guelph, Ontario, Canada (TSX: LNR)

- Sales increased 10% over the fourth quarter of 2017 ("Q4 2017") to reach \$1.7 billion;
- Operating Earnings increased 8.2% over Q4 2017 to reach \$171.1 million;
- Free cash flow continues to bring net debt levels down;
- Record year of New Business Wins, launch book at nearly \$4.4 billion;
- Industrial segment sales up 69.7% and operating earnings up 119.1% thanks to the acquisition of MacDon and market share gains at Skyjack;
- Transportation segment sales up on strong launch activity despite key customer production cuts in Europe and Asia; and
- Strong content per vehicle growth in North America and Europe.

| (in millions of dollars, except earnings per share figures) | Three Months Ended December 31 | | Twelve Months Ended December 31 | |
|--|-----------------------------------|------------|------------------------------------|------------|
| | 2018 \$ | 2017 \$ | 2018 \$ | 2017 \$ |
| Sales | 1,732.0 | 1,574.5 | 7,620.6 | 6,546.5 |
| Operating Earnings (Loss) | | | | |
| Industrial | 63.1 | 28.8 | 346.2 | 162.4 |
| Transportation | 108.0 | 129.4 | 473.7 | 545.5 |
| Operating Earnings (Loss) ¹ | 171.1 | 158.2 | 819.9 | 707.9 |
| Net Earnings (Loss) | 124.5 | 135.1 | 591.5 | 549.4 |
| Net Earnings (Loss) per Share – Diluted | 1.88 | 2.04 | 8.94 | 8.32 |
| Earnings before interest, taxes and amortization ("EBITDA") ¹ | 258.9 | 238.0 | 1,186.9 | 1,036.6 |
| Operating Earnings (Loss) – Normalized ¹ | 158.9 | 160.8 | 807.6 | 728.9 |
| Net Earnings (Loss) – Normalized ¹ | 115.4 | 122.0 | 583.8 | 551.5 |
| Net Earnings (Loss) per Share – Diluted – Normalized ¹ | 1.75 | 1.85 | 8.82 | 8.35 |
| EBITDA – Normalized ¹ | 247.6 | 240.7 | 1,176.9 | 1,058.6 |

Operating Highlights

Sales for the fourth quarter of 2018 ("Q4 2018") were \$1,732.0 million, up \$157.5 million from \$1,574.5 million in Q4 2017.

The Industrial segment ("Industrial") product sales increased 69.7%, or \$145.2 million, to \$353.4 million in Q4 2018 from Q4 2017. The sales increase was due to:

- increased sales related to the acquisition of MacDon;
- strong market share gains for scissors; and
- a favourable impact on sales from the changes in foreign exchange rates from Q4 2017.

Sales for the Transportation segment ("Transportation") increased by \$12.3 million, or 0.9% in Q4 2018 compared with Q4 2017. The sales in Q4 2018 were impacted by:

- additional sales from programs that are currently launching;
- a favourable impact on sales from the changes in foreign exchange rates from Q4 2017; partially offset by
- market declines in Europe related to both the Worldwide Harmonized Light Vehicles Test Procedure ("WLTP") issues in addition to the impact of consumer sentiment for diesel engines which is impacting volumes with key customers; and
- market declines in Asia which are impacting certain key customers.

The Company's operating earnings for Q4 2018 were \$171.1 million. This compares to \$158.2 million in Q4 2017, an increase of \$12.9 million.

Industrial segment operating earnings in Q4 2018 increased \$34.3 million, or 119.1% from Q4 2017. The Industrial operating earnings results were predominantly driven by:

- increased earnings related to the acquisition of MacDon;
- a favourable foreign exchange impact from the revaluation of the operating balances on the balance sheet from Q3 2018;
- a net increase in access equipment volumes; and
- a favourable impact on sales and expenses from the changes in foreign exchange rates from Q4 2017; partially offset by

¹ Management uses certain non-GAAP financial measures including normalized earnings which exclude foreign exchange impacts and the impact of unusual items when analyzing consolidated and segment underlying operational performance. For more information refer to the section entitled "Non-GAAP and Additional GAAP Measures" in the Company's separately released Management's Discussion and Analysis ("MD&A").

- increased material costs as a result of rising commodity prices.

Q4 2018 operating earnings for Transportation were lower by \$21.4 million, or 16.5% compared to Q4 2017. The Transportation segment's earnings were impacted by the following:

- the impact of the lower mature volumes related to the market declines in Europe and Asia which naturally have higher margins than volumes from new launching programs;
- additional costs related to heavy launch activity globally; and
- one-time restructuring costs incurred in Q4 2018; partially offset by
- the impact of additional sales from launching programs; and
- a favourable impact on sales and expenses from the changes in foreign exchange rates from Q4 2017.

"We are thrilled to deliver another record year at Linamar," said Linamar CEO Linda Hasenfratz. "2018 was our 9th consecutive year of double digit earnings growth, a record we are very proud of! We continue to see record levels of opportunity and market share growth in our transportation business thanks to evolving technologies so well aligned to our capabilities, Skyjack continues to grow through product and geographic expansion, and MacDon is performing strongly as well. We are confident in our ability to continue to drive growth at Linamar as we have so consistently done over the past decade."

Dividends

The Board of Directors today declared an eligible dividend in respect to the quarter ended December 31, 2018 of CDN\$0.12 per share on the common shares of the company, payable on or after April 17, 2019 to shareholders of record on April 3, 2019.

Adoption of Advance Notice By-Law

Linamar announced today that its Board of Directors approved the adoption of an advance notice by-law (the Advance Notice By-Law), establishing a reasonable framework for advance notice of nominations of directors by shareholders of the Company. Among other things, the Advance Notice By-Law fixes deadlines by which shareholders must submit a notice of director nominations to the Company prior to any annual or special meeting of shareholders where directors are to be elected and sets out the information that a shareholder must include in the notice. The Advance Notice By-Law has been prepared to meet the guidelines of proxy advisory firms, including Institutional Shareholder Services Inc. (ISS), and the requirements of the Toronto Stock Exchange, and is similar to the advance notice by-law adopted by many other Canadian public companies in recent years.

Pursuant to the By-Law and in the case of an annual shareholder meeting, notice to the Company must be given not less than 30 days prior to the date of the annual meeting. In the event that the annual meeting is to be held on a date that is less than 50 days after the first public announcement of the meeting's date, notice may be given not later than the close of business on the 10th day following such announcement.

The Advance Notice By-Law will be placed before shareholders for confirmation at the next annual meeting of shareholders scheduled to be held on May 30, 2019. If shareholders do not approve the ordinary resolution confirming the adoption of the Advance Notice By-Law, it will no longer be valid. A copy of the Advance Notice By-Law will be available under the Company's profile at www.sedar.com, on the Company's website and a copy and a summary of the Advance Notice By-Law will be included in the management information circular which will be sent to shareholders in due course.

Forward Looking Information, Risk and Uncertainties

Certain information provided by Linamar in this press release, MD&A, the consolidated financial statements and other documents published throughout the year which are not recitation of historical facts may constitute forward-looking statements. The words "may", "would", "could", "will", "likely", "estimate", "believe", "expect", "plan", "forecast" and similar expressions are intended to identify forward-looking statements. Readers 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 of the factors and risks and uncertainties that cause results to differ from current expectations include, but are not limited to, changes in the competitive environment in which Linamar operates, OEM outsourcing and insourcing; sources and availability of raw materials; labour markets and dependence on key personnel; dependence on certain customers and product programs; technological change in the sectors in which the Company operates and by Linamar's competitors; delays in or operational issues with product launches; foreign currency risk; long-term contracts that are not guaranteed; acquisition and expansion risk; foreign business risk; cyclicity and seasonality; weather; capital and liquidity risk; legal proceedings and insurance coverage; credit risk; emission standards; tax laws; securities laws compliance and corporate governance

standards; fluctuations in interest rates; environmental emissions and safety regulations; trade and labour disruptions; world political events; pricing concessions to customers; and governmental, environmental and regulatory policies.

The foregoing is not an exhaustive list of the factors that may affect Linamar's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on Linamar's forward-looking statements. 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

Q4 2018 Conference Call Information

Linamar will hold a webcast call on March 11, 2019 at 5:00 p.m. EST to discuss its fourth quarter and year end results. The numbers for this call are (647) 427-3383 (local/overseas) or (888) 424-9894 (North America) conference ID 6839576, with a call-in required 10 minutes prior to the start of the conference call. The URL for the webcast is <https://linamar2020.webex.com/linamar2020/j.php?MTID=mdbc3c817cd34c48c54c0f5c6db621fff>. The password for the meeting is 2018Q4. The conference call will be chaired by Linda Hasenfratz, Linamar's Chief Executive Officer. A copy of the Company's annual financial statements, including the Management's Discussion & Analysis will be available on the Company's website after 4 p.m. EST on March 11, 2019 and at www.sedar.com by the start of business on March 12, 2019. A taped replay of the conference call will also be made available starting at 8:00 p.m. on March 11, 2019 for ten days. The number for replay is (855) 859-2056, Conference ID 6839576. In addition a recording of the call will be posted on the company's website under Investor Relations.

Q1 2019 Conference Call Information

Linamar will hold a webcast call on May 2, 2019 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) conference ID 5899778, with a call-in required 10 minutes prior to the start of the conference call. The URL for the webcast is <https://linamar2020.webex.com/linamar2020/j.php?MTID=m62ef8f5182ae716aa60ea993a1371526>. The password for the meeting is 2019Q1. The conference call will be chaired by Linda Hasenfratz, Linamar's Chief Executive Officer. A copy of the Company's quarterly financial statements, including the Management's Discussion & Analysis will be available on the Company's website after 4 p.m. EST on May 2, 2019 and at www.sedar.com by the start of business on May 3, 2019. A taped replay of the conference call will also be made available starting at 8:00 p.m. on May 2, 2019 for ten days. The number for replay is (855) 859-2056, Conference ID 5899778. In addition a recording of the call will be posted on the company's website under Investor Relations.

Linamar Corporation (TSX:LNR) is an advanced manufacturing company where the intersection of leading edge technology and deep manufacturing expertise is creating solutions that power vehicles, motion, work and lives for the future. The Company is made up of 2 operating segments – the Industrial segment and the Transportation segment, which are further divided into 5 operating groups – Skyjack, Agriculture, Machining & Assembly, Light Metal Casting and Forging, all world leaders in the design, development and production of highly engineered products. The Company's Skyjack and MacDon companies are noted for their innovative, high quality mobile industrial and harvesting equipment, notably class-leading aerial work platforms, telehandlers, draper headers and self-propelled windrowers. The Company's Machining & Assembly, Light Metal Casting and Forging operating groups focus on precision metallic components, modules and systems for powertrain, driveline and body systems designed for global electrified and traditionally powered vehicle and industrial markets. Linamar has more than 29,000 employees in 60 manufacturing locations, 8 R&D centres and 25 sales offices in 17 countries in North and South America, Europe and Asia which generated sales of \$7.6 billion in 2018. For more information about Linamar Corporation and its industry leading products and services, visit www.linamar.com or follow us on Twitter at @LinamarCorp.

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For further information regarding this release please contact Linda Hasenfratz at (519) 836-7550.

Guelph, Ontario
March 11, 2019