

Linamar Records Double Digit Sales and Earnings Growth, Industrial Segment Profitable

August 10, 2011, Guelph, Ontario, Canada

- Sales increase 30.7% over the second quarter of 2010 ("Q2 2010");
- Gross margin up 15.2% over Q2 2010;
- Net Earnings up 11.6% over Q2 2010;
- Launch book accelerates to more than \$2.5 billion;
- Industrial segment sales up 125.7% over Q2 2010;
- Industrial segment returns to profitability after 9 quarters of losses; and
- Additional \$130 million of long-term debt secured to further strengthen balance sheet.

	Three Months Ended June 30		Six Months Ended June 30	
(in millions of dollars, except earnings per share figures)	2011	2010	2011	2010
Sales	\$ 742.7	\$ 568.4	\$ 1,417.9	\$ 1,079.1
Operating Earnings (Loss)				
Powertrain/Driveline	43.3	45.5	81.5	84.6
Industrial	0.5	(3.3)	(1.5)	(9.6)
Operating Earnings (Loss)	\$ 43.8	\$ 42.2	\$ 80.0	\$ 75.0
Net Earnings attributable to shareholders of the Company	\$ 28.0	\$ 25.1	\$ 52.9	\$ 48.5
Earnings per Share	\$ 0.43	\$ 0.39	\$ 0.82	\$ 0.75

Operating Highlights

Sales for the second quarter of 2011 ("Q2 2011") were \$742.7 million, up \$174.3 million from \$568.4 million from Q2 2010:

Sales for the Powertrain/Driveline segment increased by \$118.6 million, or 22.6% in Q2 2011 to \$642.7 million compared to \$524.1 million in Q2 2010. The sales increase in the second quarter was impacted by:

- significant levels of newly launched programs from the Company's substantial book of launch business;
- higher volumes on platforms for customers gaining market share; and
- higher sales from business related to the acquisition of the assets of the Famer Group.

Industrial segment sales increased 125.7%, or \$55.7 million from Q2 2010 to \$100.0 million. The sales increase was due to:

- significant increases in demand in the access equipment markets resulting from fleet replacement initiatives; and
- increases in demand in the agricultural equipment markets serviced by the European Fabrication Division.

The company's operating earnings for Q2 2011 were \$43.8 million. This compares to \$42.2 million operating profit for Q2 2010, an increase of \$1.6 million.

Q2 2011 operating earnings of \$43.3 million for the Powertrain/Driveline segment were slightly lower by \$2.2 million from the operating earnings of \$45.5 million in Q2 2010. The segment experienced the following in Q2 2011:

- improved margins as production volumes increased on launching and mature programs; offset by
- increased start-up and program acceleration costs on the significant number of programs that were in launch during the quarter; and

- increased investment in labour and fixed overhead costs to support growth compared to Q2 2010 which was at the beginning of the recovery and as such the Company had not yet begun this re-investment process.

The operating earnings for the Industrial segment were \$0.5 million in Q2 2011, an increase of \$3.8 million from Q2 2010. The improvement in Industrial operating earnings was predominantly driven by:

- margin improvements on the increased volumes in the access equipment market and the European Fabrication Division; partially offset by
- 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 extremely pleased with our second quarter results which are driving us towards a record year in 2011," said Linamar CEO Linda Hasenfratz. "Sales and earnings are up substantially again in double digits despite flat global vehicle markets, content per vehicle is growing in every global centre and we continue to see great opportunities in the vehicle market place as evidenced by our considerable launch book that just keeps growing. And of course we couldn't be more pleased to see our Industrial segment at long last reach a profitable position after a long period of losses."

Dividends

The Board of Directors today declared an eligible dividend in respect to the quarter ended June 30, 2011 of CDN\$0.08 per share on the common shares of the Company, payable on or after September 14, 2011 to shareholders of record on August 26, 2011.

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.

Conference Call Information

Q2 Conference Call Information

Linamar will hold a conference call on August 10, 2011 at 5:00 p.m. EST to discuss its second quarter results. The numbers for this call are (647) 427-3420 (local/overseas) or (888) 300-0053 (North America) confirmation number 64036479, 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 4:00 p.m. EST on August 10, 2011 and at www.sedar.com by the start of business on August 11, 2011. A taped replay of the conference call will also be made available starting at 6:00 p.m. EST on August 10, 2011 for seven days. The number for replay is (800) 642-1687, Conference ID 64036479. 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 seven day period.

AUDIO ONLY STREAMING:

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The audio for this event will be streamed via your computer speakers. NOTE: Please test your connection prior to joining to ensure a successful user experience.

Connection Test: <http://test.meeting-stream.com>

Q3 Conference Call Information

Linamar will hold a conference call on November 9, 2011 at 5:00 p.m. EST to discuss its third quarter results. The numbers for this call are (647) 427-3420 (local/overseas) or (888) 300-0053 (North America) confirmation number 64044743, 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 4:00 p.m. EST on November 9, 2011 and at www.sedar.com by the start of business on November 10, 2011. A taped replay of the conference call will also be made available starting at 6:00 p.m. EST on November 9, 2011 for seven days. The number for replay is (800) 642-1687, Conference ID 64044743. 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 seven day period.

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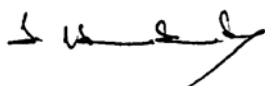
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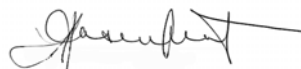
Linamar Corporation (TSX:LNR) is a diversified global manufacturing company of highly engineered products powering vehicles, motion, work and lives. The Company is made up of 4 key divisions – Manufacturing, Driveline, Industrial Commercial Energy (“ICE”) and Skyjack, all world leaders in the design, development and production of highly engineered products. The Company’s Manufacturing and Driveline divisions focus on precision metallic components, modules and systems for engine, transmission and driveline systems designed for passenger vehicle markets. The ICE group concentrates on similar products for on and off highway vehicle, energy and other industrial markets. The Company’s Skyjack division is noted for their innovative, high quality mobile industrial equipment, notably its class-leading aerial work platforms and telehandlers. With more than 14,900 employees in 39 manufacturing locations, 5 R&D centers and 13 sales offices in 11 countries in North America, Europe and Asia, Linamar generated sales of more than \$2.2 Billion in 2010. For more information about Linamar Corporation and its industry leading products and services, visit www.linamar.com.

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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
August 10, 2011