LINAMAR

Q2 Conference Call Presentation

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August 6, 2020

Forward Looking Information, Risk and Uncertainties

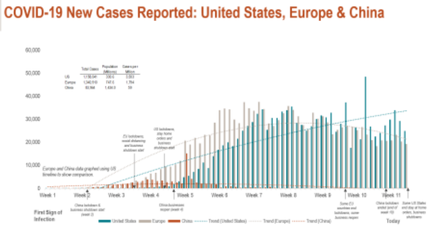
Certain information regarding Linamar set forth in this presentation and oral summary, including management's assessment of the Company's future plans and operations may constitute forward-looking statements. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. Actual results may differ materially from these anticipated in the forward-looking statements due to factors such as customer demand and timing of buying decisions, product mix, competitive products and pricing pressure. In addition, uncertainties and difficulties in domestic and foreign financial markets and economies could adversely affect demand from customers. These factors, as well as general economic and political conditions and public health threats, may in turn have a material adverse effect on the Company's financial results. Please also refer to Linamar's most current Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") and Annual Information Form ("AIF"), as replaced or updated by any of Linamar's subsequent regulatory filings, which set out the cautionary disclaimers, including the risk factors that could cause actual events to differ materially from these indicated by such forward looking statements. These documents are available at https://www.linamar.com/investors. The Company 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.

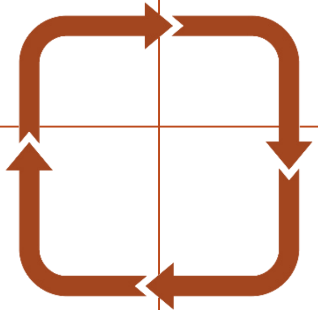
COVID-19 Update

Pandemic Crisis Management

Assemble Team

Gather Data





Communicate

Employees Investors Customer

Make a Plan & Execute

Health First

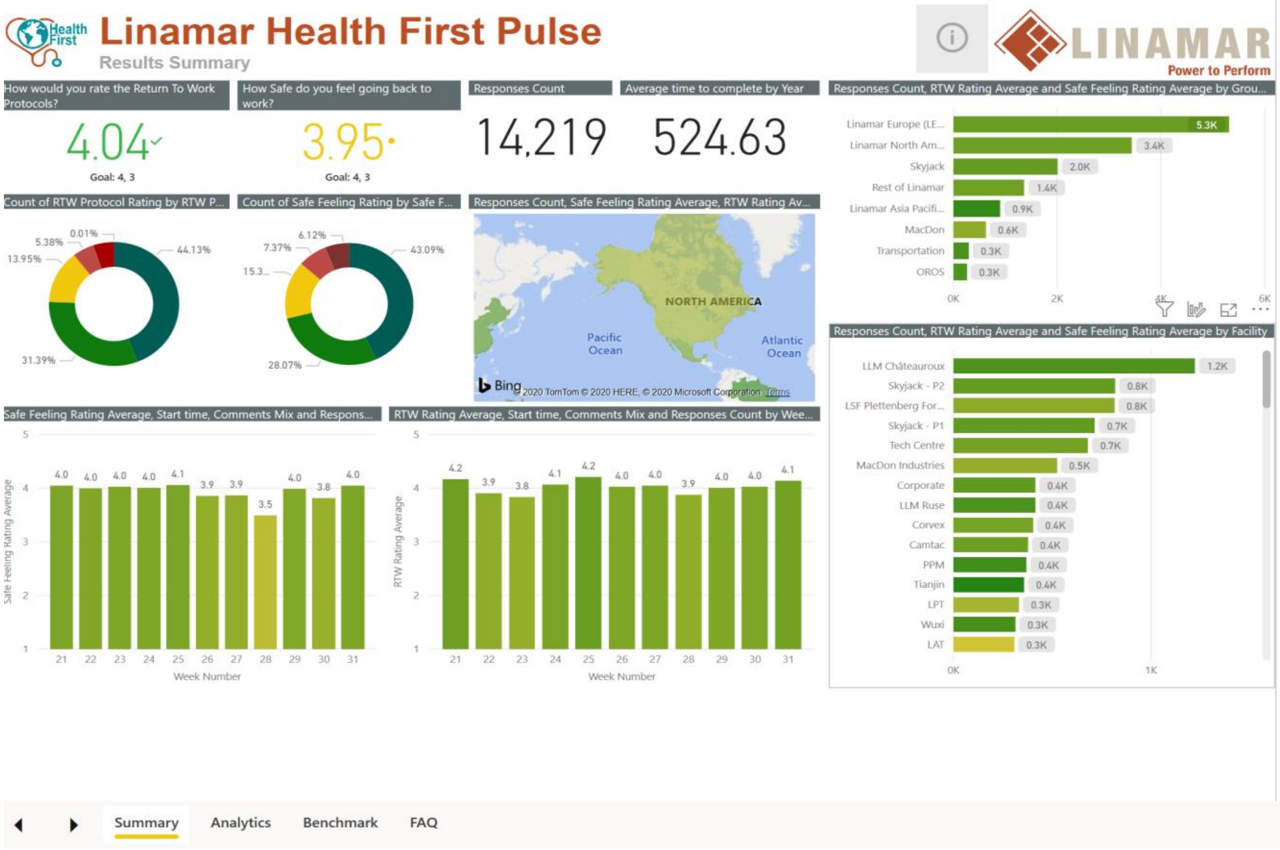
Employees Financially Customers Community

Current Focus - Restart, Rejuvenate and Recover

Restart
Rejuvenate
Recover

- **Create a work environment where people feel and are as safe or safer coming to work than not coming to work**
  - >90% of our employees are back to full time work
  - We have had sporadic cases popping up since Return to Work but are managing to contain such and stop transmission on site
  - We are adjusting safety protocols as necessary to continue to improve and create a very safe work environment
- **Focus on rebuilding confidence to spur economic recovery**
  - In ability to work safely
  - In economy to weather this storm
  - In governments to manage the debt incurred in trying to mitigate personal and economic impact

Employees are Feeling Safe and Confident in Protocols

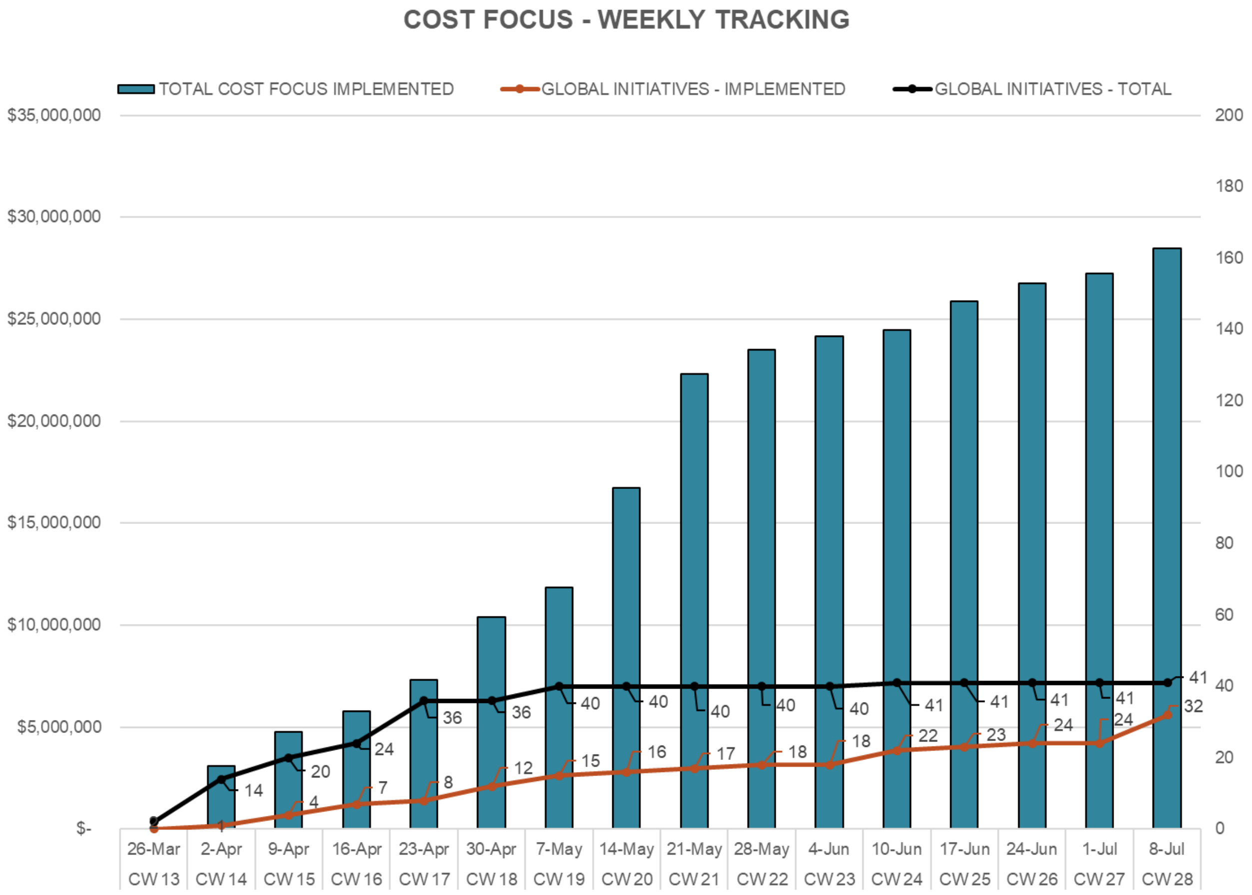


Financial Action Plan

Cash and Cost

- Cash Conservation and cost control are top of mind to mitigate loss of sales
- We have moved quickly to cut costs and capital spending
    - Capital spending down 81% in Q2, target down at least 1/3 vs 2019 for full year
    - Cost savings of >$30 mill realized in Q2 alone across a variety of initiatives
    - Workforce adjustments
    - Spending cutbacks in a variety of areas
        - Virtual global meetings, events and "offsites"
        - Scaled back travel plans for the balance of the year
        - Cut or deferred spending on a variety of non mission critical areas
    - Global cost team pursuing additional cost and waste reduction ideas and initiatives
- We have immediately implemented our highest level cash payment controls
- We efficiently adjust financial forecasts for sales, earnings and cash for next 2 quarters on a weekly basis with our global team giving us excellent up to the minute visibility

Global Cost Team Results



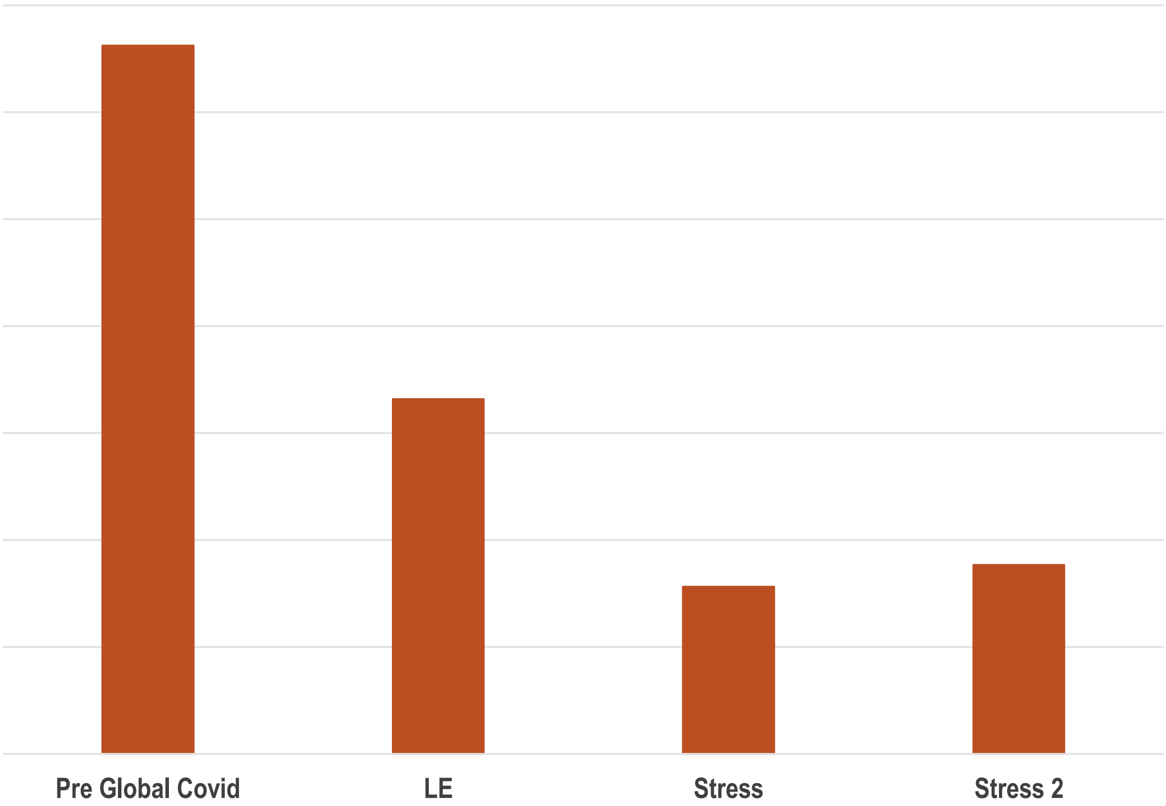
Financial Action Plan

Balance Sheet:

- Our balance sheet is strong and we are carefully stress testing to understand our limits; we remain confident that our focus and responsiveness in this area will see us through this situation financially even in the event of a longer shutdown period
- Financial models based on current knowledge and those stressed for extended shutdowns and slower ramp-ups, continue to show 2020 full year results profitable with positive FCF[1] and not breaching any covenants
  - Stress test models another 2 month shutdown in Aug & Sept
  - Second stress model run taking balance of year to 70% of original expectations based on lower consumer demand
- We have no debt maturing this year
  - Early payment on 2021 Private Placement Notes completed in Q2
- Predicting the outcome of this situation is impossible; the key is quick reaction which we are very much focused on with up to the minute forecasts and outcomes at hand

1 - For more information on the Free Cash Flow measure refer to section entitled "Non-GAAP and Additional GAAP Measures" in the Company's separately released Management Discussion and Analysis ("MD&A").

Stress Scenario



- Our latest estimate of earnings trimmed about half of pre global COVID forecasted earnings
- Our stress tests again trim half or more of the latest estimate (LE) OE out
- In both our latest estimate and stress scenarios we continue to drive a profit in 2020, generate free cash flow and remain within debt covenant limits

Updated Q2 2020

Community Support

Manufacturing Flexibility Supports our Communities

Rapid Shift to Ventilator Production Saving Lives

- In March, Linamar was awarded 5 production contracts on fully assembled ventilators, ventilator subassemblies or individual ventilator components, as well as full assembly of a UV based disinfectant unit
  - Part production within 2 weeks of order for component work
  - Assembly ready for UV disinfection unit in 4 weeks
  - Assembly ready for “ICU in a box” complex ventilator assembly of 1,700 different components in 6 weeks
- Our organizational culture, agility and manufacturing expertise has enabled us to rapidly respond to public needs during this pandemic through expedited & complicated production launches
  - Our equipment is flexible and can make a variety of types of parts
  - **Our team is responsive, technically excellent and can adapt to make new products quickly and capably**

Thornhill Medical MOVES SLC
Full Integrated ICU Ventilator

CleanSlate
UV Based disinfectant unit

Zoll Ventilator

GM Ventec VOCSN
Integrated
Multifunction Ventilator

O-Two Medical
eSeries e700Ventilator

Manufacturing Flexibility Supports our Communities

Rapid Shift to Ventilator Production Saving Lives

Thornhill Medical MOVES SLC Full Integrated ICU Ventilator

- ~100 units complete or nearing completion
- Full order of >1,000 complete by Nov
- Potential for additional volume required

CleanSlate UV Based disinfectant unit

- 100 units built
- Aug schedule 200
- Sept schedule 500

Zoll Ventilator

Order Complete

GM Ventec VOCSN Integrated Multifunction Ventilator

Order Complete

O-Two Medical eSeries e700Ventilator

- Order Complete for 42 of 43 component groups
- Final component order complete mid Aug

Sales, Normalized[1] Earnings and CPV

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”).

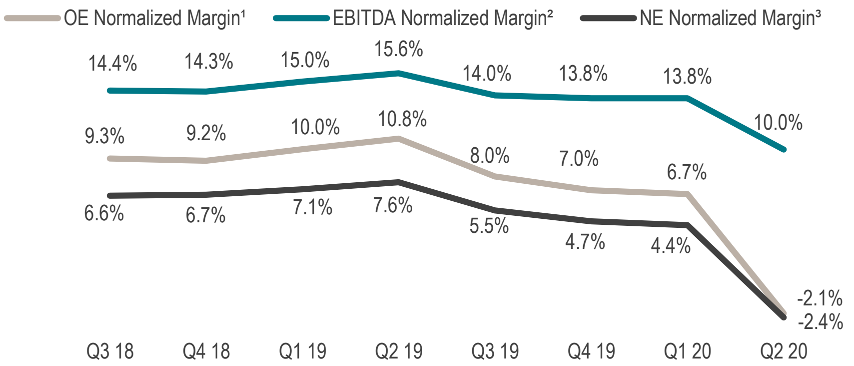
Sales, Normalized Earnings, and Margins (in millions CAD)

	Q2 2020	Q2 2019	% Δ
Sales	923.6	2,086.1	(55.7%)
EBITDA – Normalized[2]	92.1	326.2	(71.8%)
EBITDA – Normalized Margin	10.0%	15.6%	
Industrial OE – Normalized[1]	36.5	107.5	(66.0%)
Industrial OE – Normalized Margin	14.1%	17.9%	
Transportation OE – Normalized[1]	(55.9)	117.8	(147.5%)
Transportation OE – Normalized Margin	(8.4%)	7.9%	
OE – Normalized[1]	(19.4)	225.3	(108.6%)
OE – Normalized Margin	(2.1%)	10.8%	
NE – Normalized[3]	(22.0)	158.3	(113.9%)
NE – Normalized Margin	(2.4%)	7.6%	
EPS – Normalized[4]	(0.34)	2.40	(114.2%)

Q2 2020

- COVID-19 shutdowns single biggest impact to Q2 in both segments
  - $1.13 billion estimated impact to sales
  - $345 million estimated impact to OE
  - Decremental margins at OE level of 31%
- Slower ag sales in NA due to trade and harvest issues also a factor offset by continued growth internationally
- Partially offset by
  - Excellent cost savings efforts by the global team
  - Launching business in Transportation
  - Government support programs

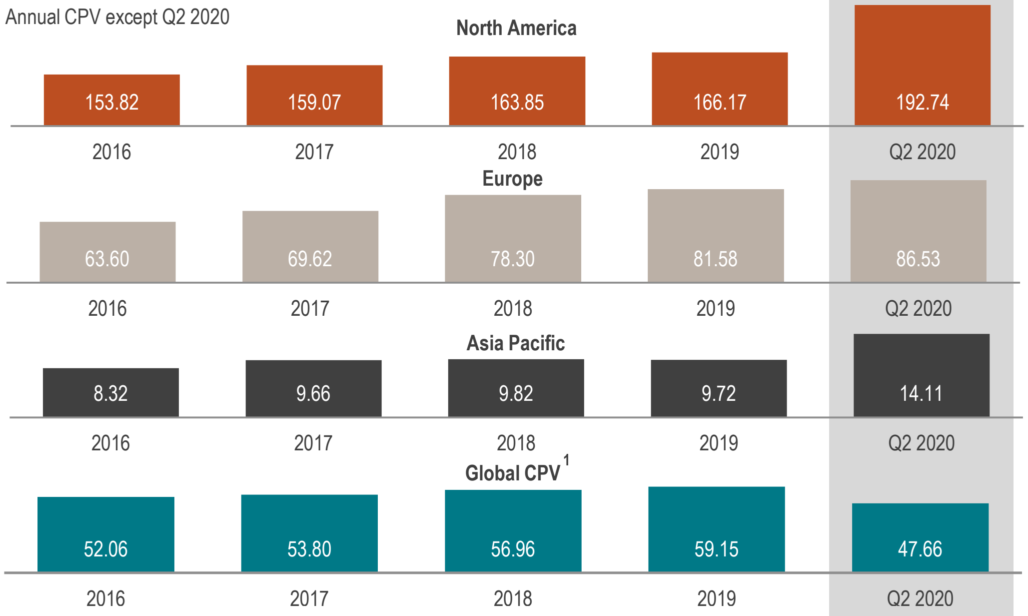
- Removing COVID-19 impact (including government support) vs 2019
  - Transportation segment OE margins up vs prior year
  - Overall OE margins up vs prior year
- Overall EBITDA positive with double digit margins despite pressures



1 – Operating Earnings before unusual items and foreign exchange impacts from revaluation of the balance sheet.
2 – EBITDA before unusual items and foreign exchange impacts from revaluation of the balance sheet.
3 – Net Earnings before unusual items and foreign exchange impacts from revaluation of the balance sheet, tax affected.
4 – Earnings per share (EPS) before unusual items, and foreign exchange impacts from revaluation of the balance sheet, tax affected.

Automotive Sales & Content Per Vehicle (CPV)

	CPV Q2 2020	CPV Q2 2019	CPV % Change	Vehicle Production Units % Change	Automotive Sales Q2 2020 (CAD Millions)	Automotive Sales Q2 2019 (CAD Millions)	Automotive Sales % Change
North America	192.74	166.09	16.0%	(68.5%)	267.1	732.3	(63.5%)
Europe	86.53	81.07	6.7%	(62.2%)	183.1	454.9	(59.7%)
Asia Pacific	14.11	9.85	43.2%	(23.0%)	118.9	107.9	10.2%
Global CPV[1]	47.66	61.76	(22.8%)	(43.1%)	569.1	1,295.1	(56.1%)
Other Automotive Sales	-	-	-	-	37.8	101.9	(62.9%)



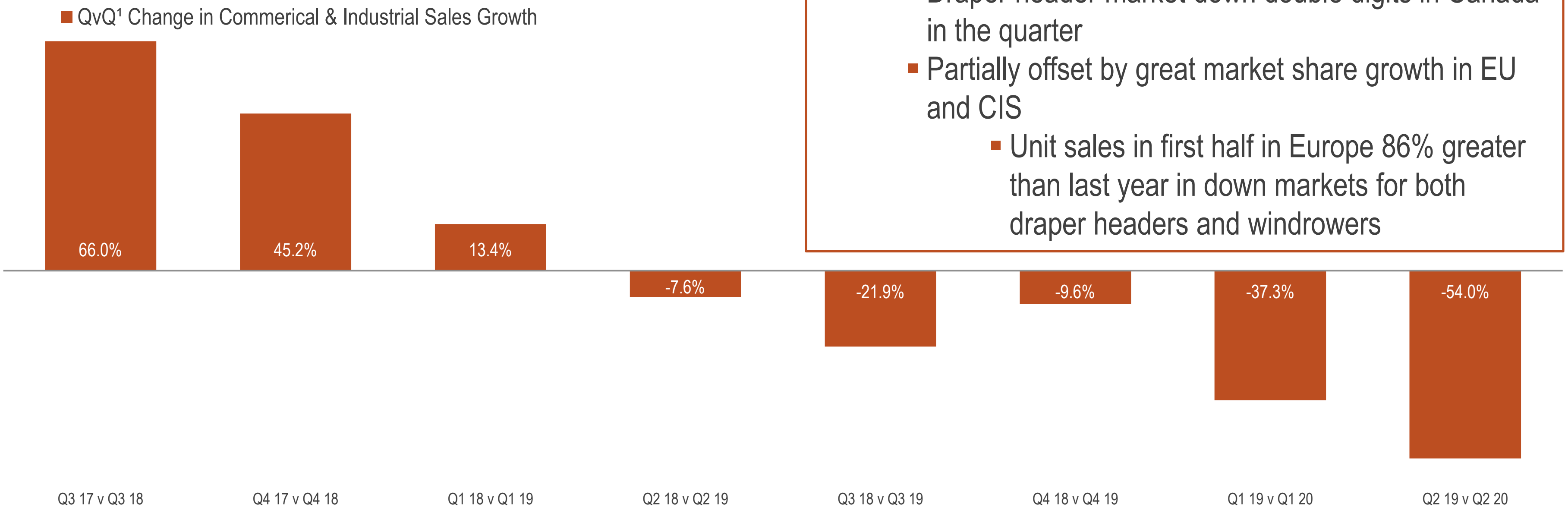
- CPV up in each region with strongest vehicle production levels seen at our most significant customers
- Global CPV down a little re our heavy weighting in NA/EU where production most significantly affected

1 – Global CPV includes only the markets that Linamar serves of North America, Europe, and Asia Pacific. Source: IHS Markit, July 16, 2020

Commercial & Industrial Sales (in millions CAD)

	Q2 2020	Q2 2019	% Change
Sales	316.7	689.2	(54.0%)

- Skyjack
  - Global markets down nearly 50% in Q2 driving significant sales declines
- MacDon
  - Draper header market down double digits in Canada in the quarter
  - Partially offset by great market share growth in EU and CIS
    - Unit sales in first half in Europe 86% greater than last year in down markets for both draper headers and windrowers

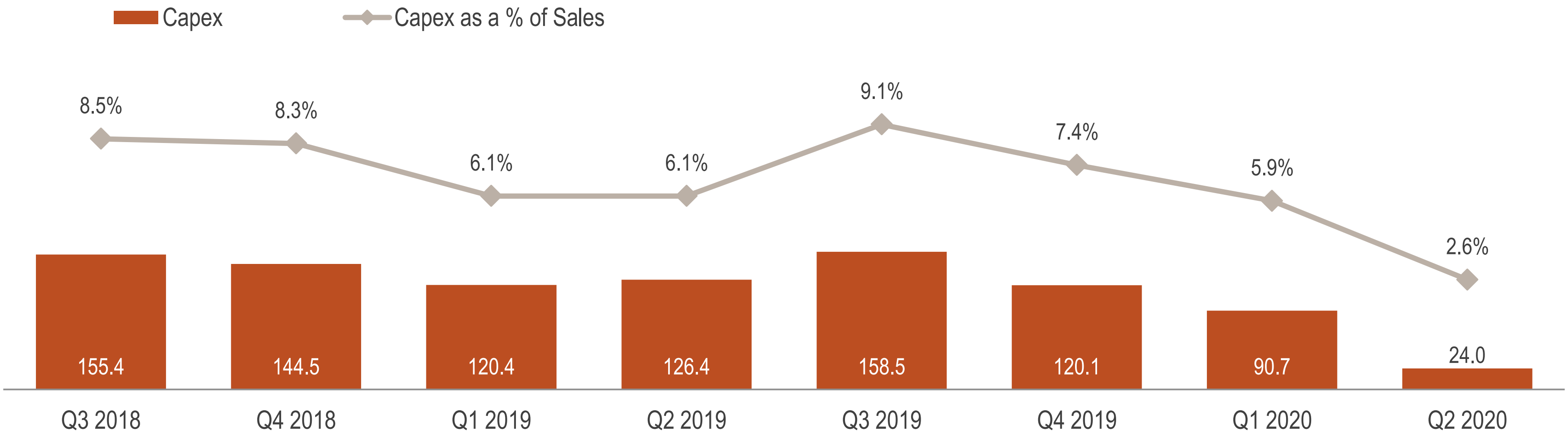


1 – Quarter versus quarter ("QVQ") indicates year over year comparison of two of the same quarters.

Capital Expenditures (in millions CAD)

	Q2 2020	Q2 2019
Capital Expenditures (Capex)	24.0	126.4
Capex as a % of Sales	2.6%	6.1%

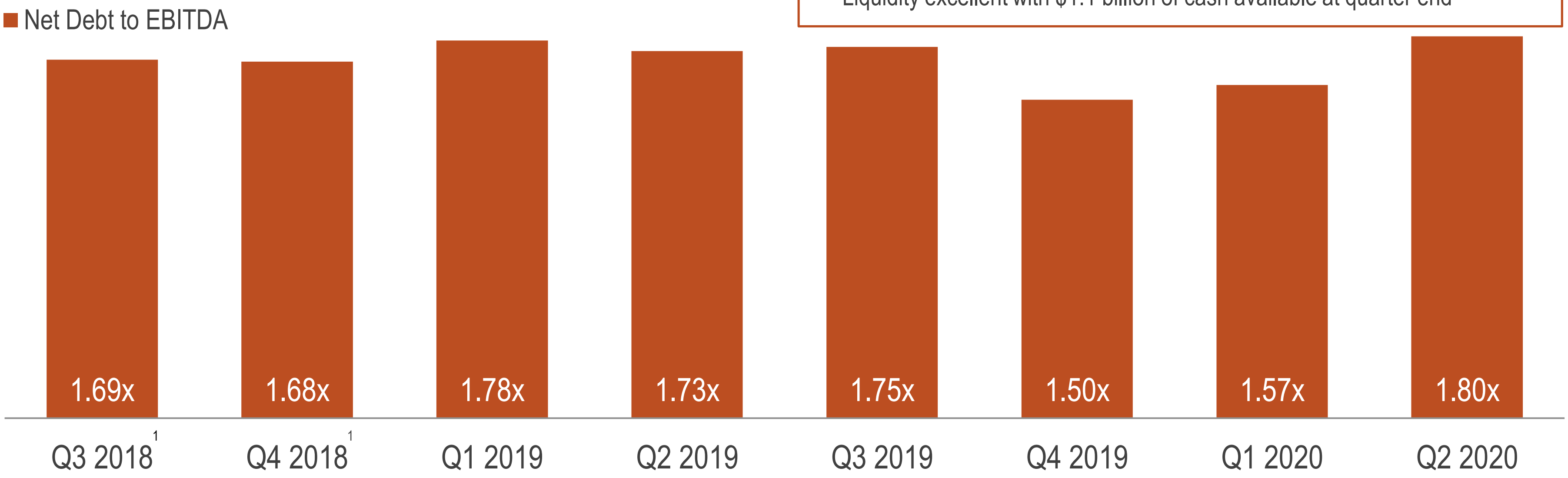
- Capex down 81% from Q2 2019 as part of our cash conservation program
- Full year down at least 1/3 from 2019
- Using disciplined approach to spending given economic situation



Leverage (in millions CAD)

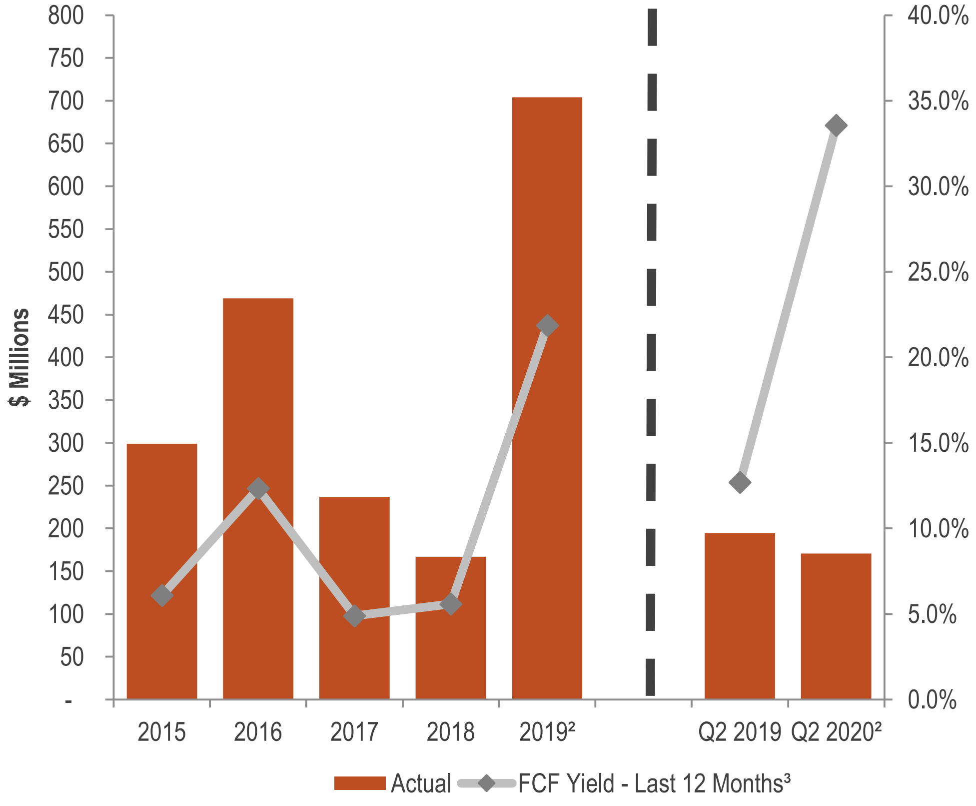
	Q2 2020	Q1 2020	Q2 2019
Net Debt	1,342.1	1,539.3	1,931.7
Net Debt to EBITDA	1.80x	1.57x	1.73x

- Another strong quarter of FCF[2] of $170 million in quarter for further reductions to debt
  - Net debt down nearly $600 mill from a year ago despite market pressures
- Leverage up somewhat to 1.80x re soft EBITDA
  - Q2 should be peak with deleveraging starting in Q3 under current forecasts
- Liquidity excellent with $1.1 billion of cash available at quarter end



1 - EBITDA includes rolling last 12 month EBITDA on acquisitions.
2 - For more information on the Free Cash Flow measure refer to section entitled "Non-GAAP and Additional GAAP Measures" in the Company's separately released Management Discussion and Analysis ("MD&A").

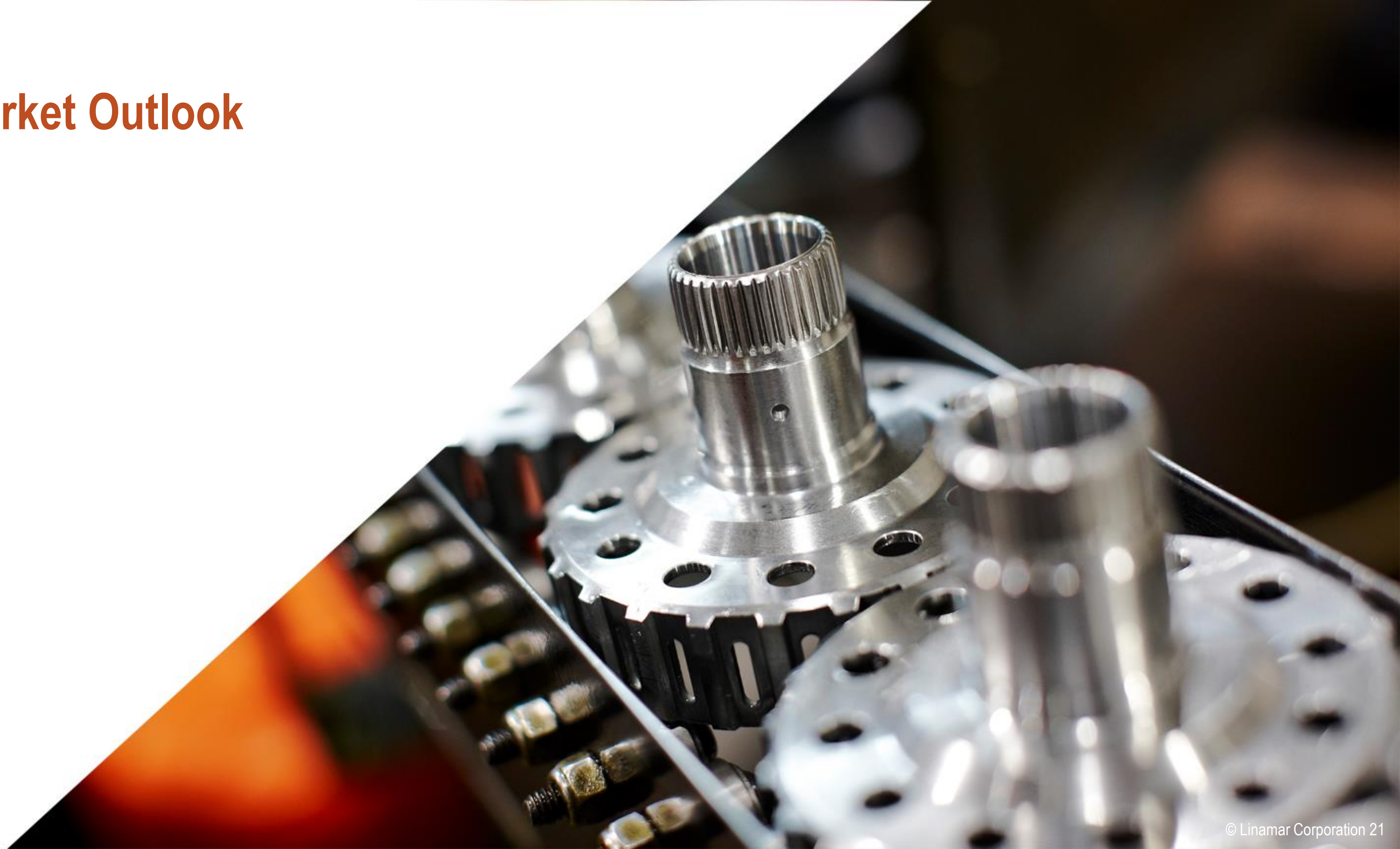
Cash Flow Continues to be a Key Priority



- We have generated FCF yearly for 5 years running and expect to do so in 2020 as well
- FCF Yield is strong and has been for the last 2 years
- Solid liquidity and balance sheet positions us well for takeover and acquisition opportunities sure to arise in coming months

1 - For more information on the Free Cash Flow measure refer to section entitled “Non-GAAP and Additional GAAP Measures” in the Company’s separately released Management Discussion and Analysis (“MD&A”).
2 - Free cash flow has been adjusted for additions of property, plant and equipment related to the dissolution of a joint venture.
3 - Free cash flow yield is calculated as free cash flow divided by fully diluted shares divided by share price.

Market Outlook



Market Snapshot

2020	Light Vehicle	Commercial Truck	Agriculture	Access
North America	▼ 22.6%	▼ 37.7%	▼ 10%	▼ 51.6%
Europe	▼ 25.0%	▼ 22.1%	▼ 7.5%	▼ 45.5%
Asia	▼ 19.3%	▼ 22.6%	-	▲ 0.4%

Above projections are external industry expert estimates for total market % Unit Changes as a whole vs. prior Year in each of the respective market segments. They are not internal expectations of Linamar's results.

Source: IHS Market Estimates for LV, CV Production. Industrial and Agriculture Markets utilize, 3rd party industry analysts as well as internal forecasts . Asia Access Market includes ROW. Updated July 30, 2020.

Market Snapshot

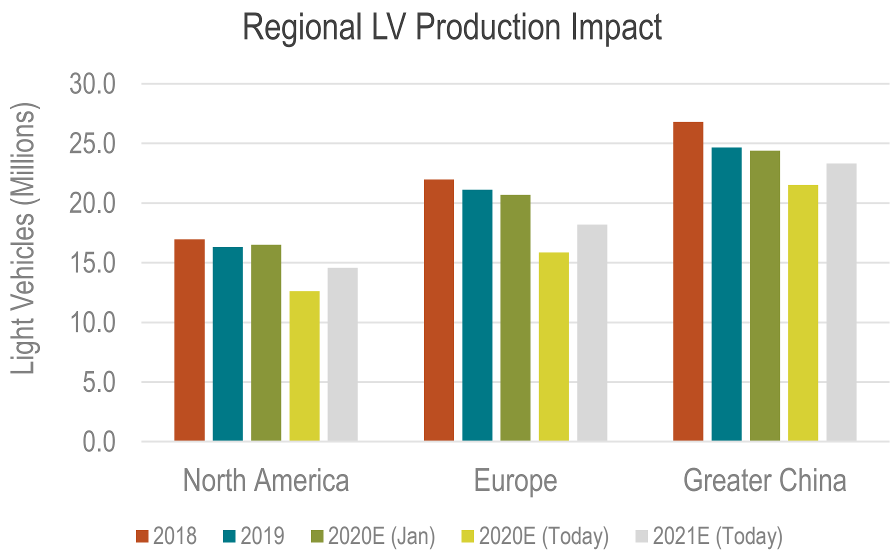
2021	Light Vehicle	Commercial Truck	Access
North America	▲ 15.6%	▲ 16.8%	▲ 20.4%
Europe	▲ 14.8%	▲ 17.5%	▲ 11.5%
Asia	▲ 11.7%	▼ 5.9%	▲ 7.4%

Above projections are external industry expert estimates for total market % Unit Changes as a whole vs. prior Year in each of the respective market segments. They are not internal expectations of Linamar's results.

Source: IHS Market Estimates for LV, CV Production. Industrial and Agriculture Markets utilize, 3rd party industry analysts as well as internal forecasts . Asia Access Market includes ROW. Updated July 30, 2020.

Regional LV Auto Production Update

COVID-19 Related Impact vs. Prior Forecast and Expected Recovery



Outlook Comments

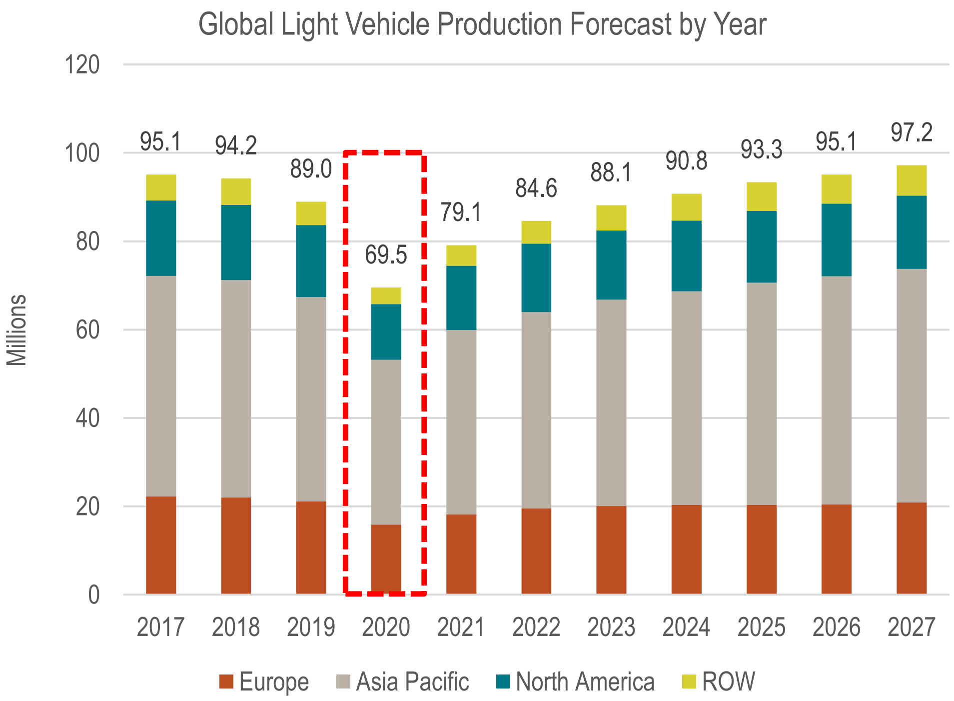
- ***Global:*** At the time of latest publication on July 16th, global light vehicle 2020 production forecast stood at 69.5M, a reduction of 18.8M units compared to the IHS Markit January 2020 forecast. Current industry expert expectations are for volumes to recover in 2021 with a YoY increase of 14%, and 3-7% growth from 2022-2024.

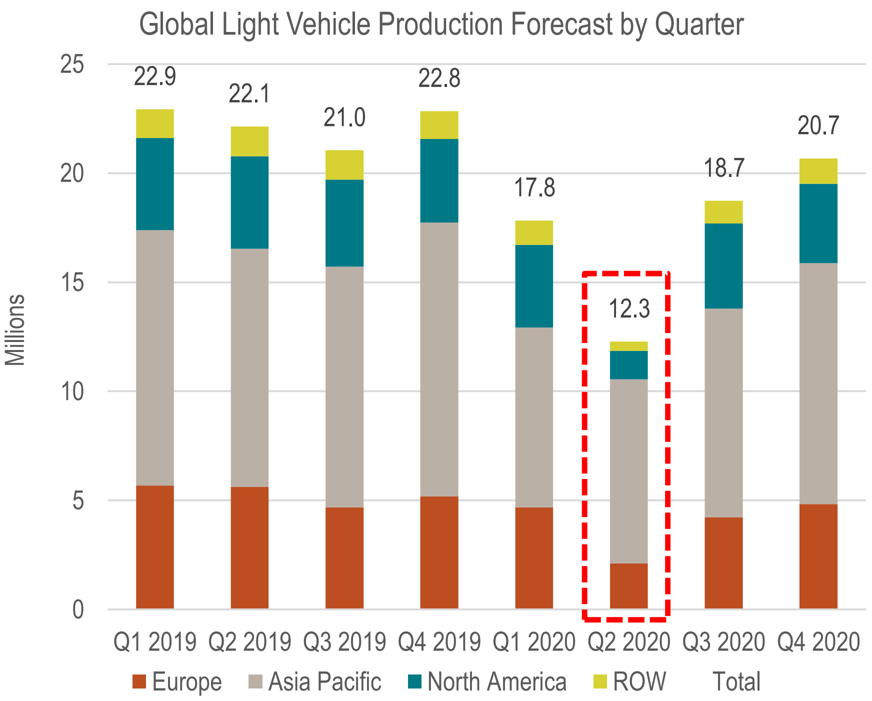
- ***US:*** Latest industry expert 2020 US full year LV sales forecast now estimated at 13.3M (-22% YOY), rebounding with an expected 10% YOY increase for 2021.

Source of Chart and Stats Commentary: IHS Markit, July 2020

IHS Light Vehicle Production Forecast

Global light vehicle production trough in 2020. Lowest quarterly production to occur in Q2-2020.

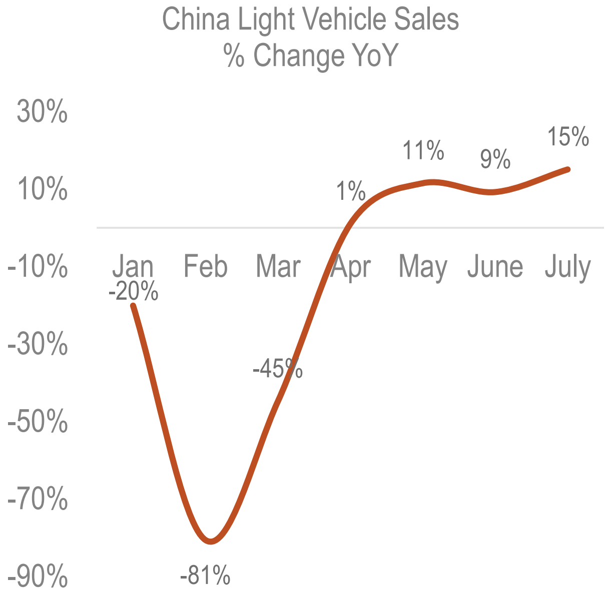




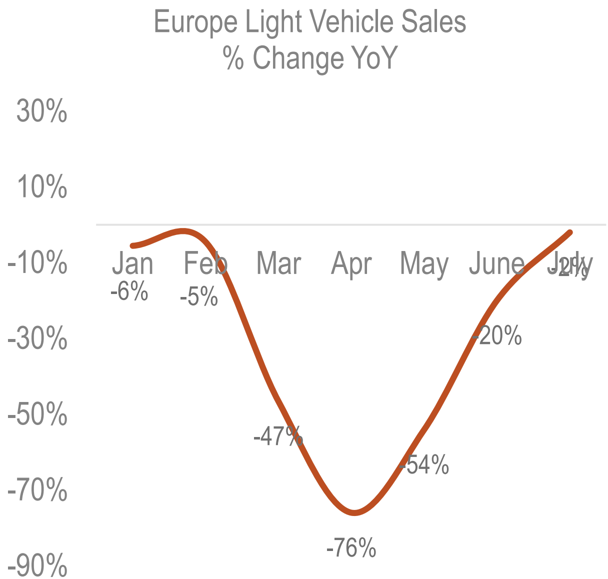
Source: IHS, July, 2020

Light Vehicle Sales

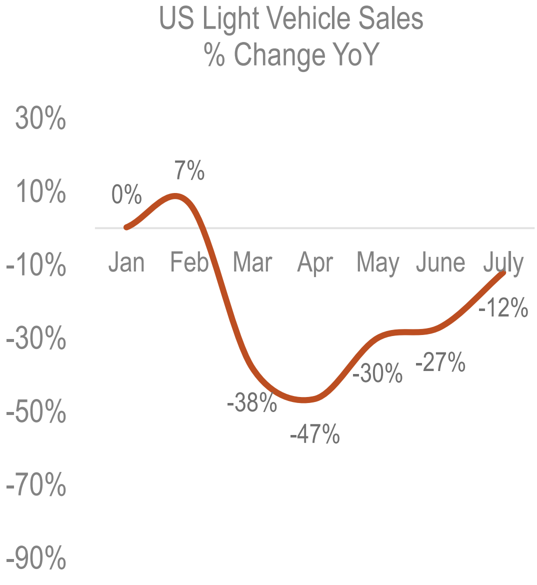
Signs of recovery in global light vehicle markets



- *China auto sales up 9% YOY in June, helped by heavy marketing promotions, incentives and pent-up demand*
- *July monthly sales YOY up 15%*
- *Government has launched NEV incentives, tax breaks, cash incentives to spur auto sales*



- *June sales down 20% YOY, but lockdowns and restrictions being eased / ended in most countries*
- *July monthly sales YOY down 2%*
- *Governments in Germany, UK, France, Italy and Spain have implemented incentives to boost auto sales*



- *July sales declined 12% YOY after falling 27% in June*
- *US market did not experience ~80% decline seen in China and Europe, but recovery has been more gradual*

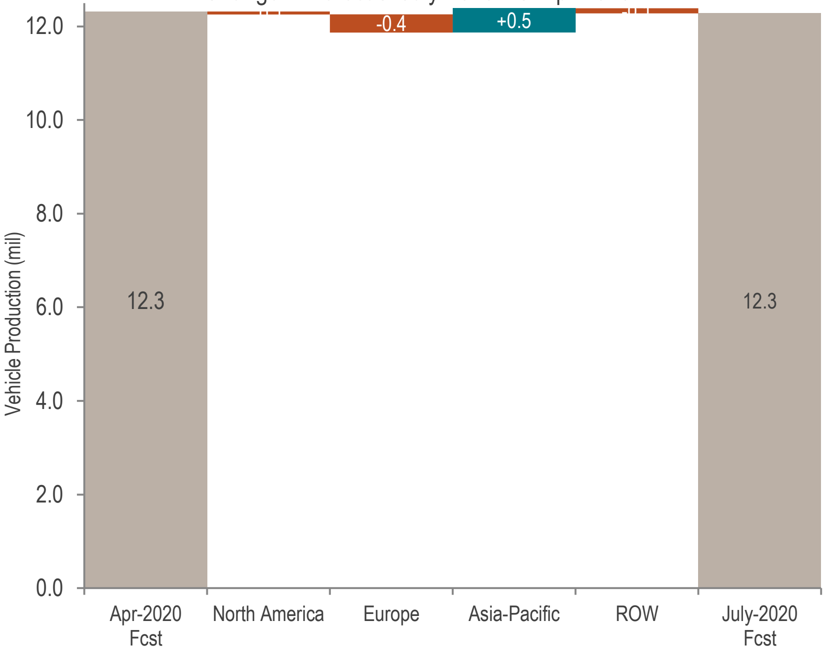
Source: IHS Markit, Autonews & Wards Auto, August 4, 2020

Global LV Auto Market: Q2 & 2020FY

Q2 global light vehicle production forecast down 40,000 vs. prior forecast. Q3 forecast down 80,000 units.

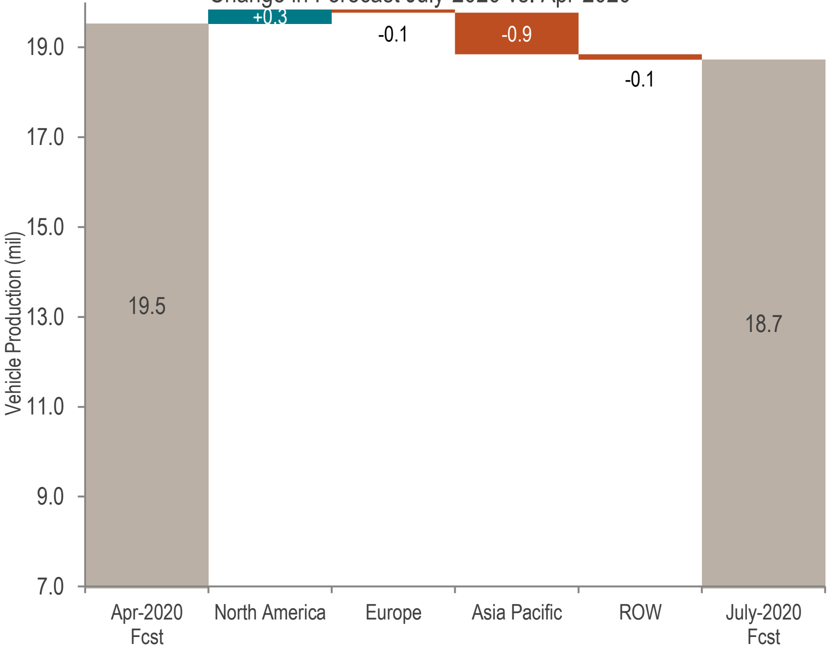
Q2-2020 Global Vehicle Production Forecast By Region

Change in Forecast July-2020 vs. Apr-2020



Q3-2020 Global Vehicle Production Forecast By Region

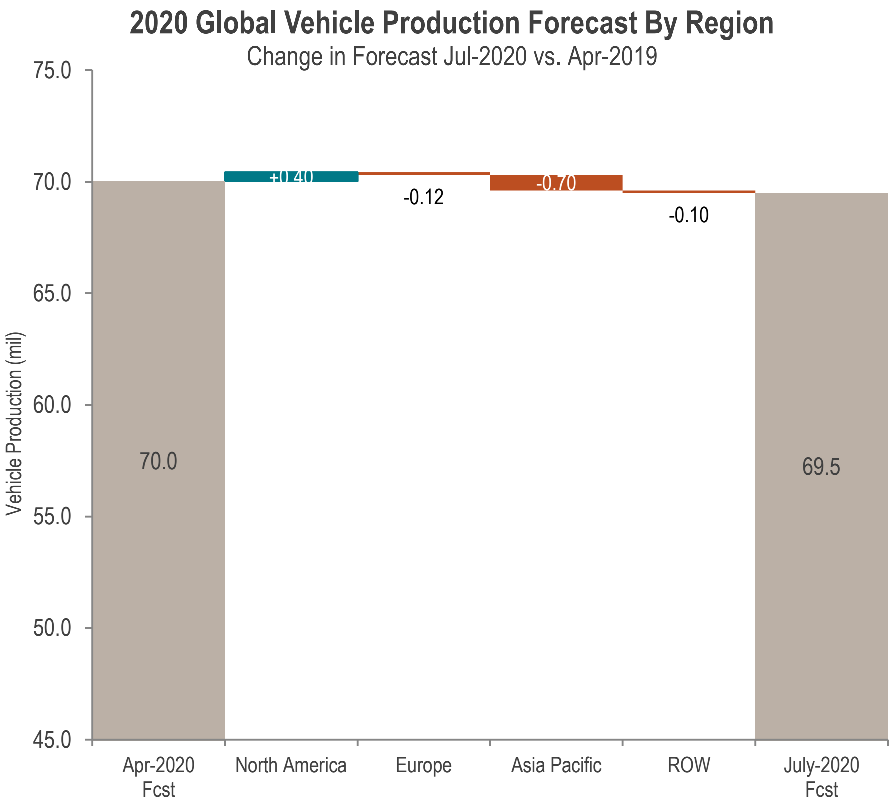
Change in Forecast July-2020 vs. Apr-2020

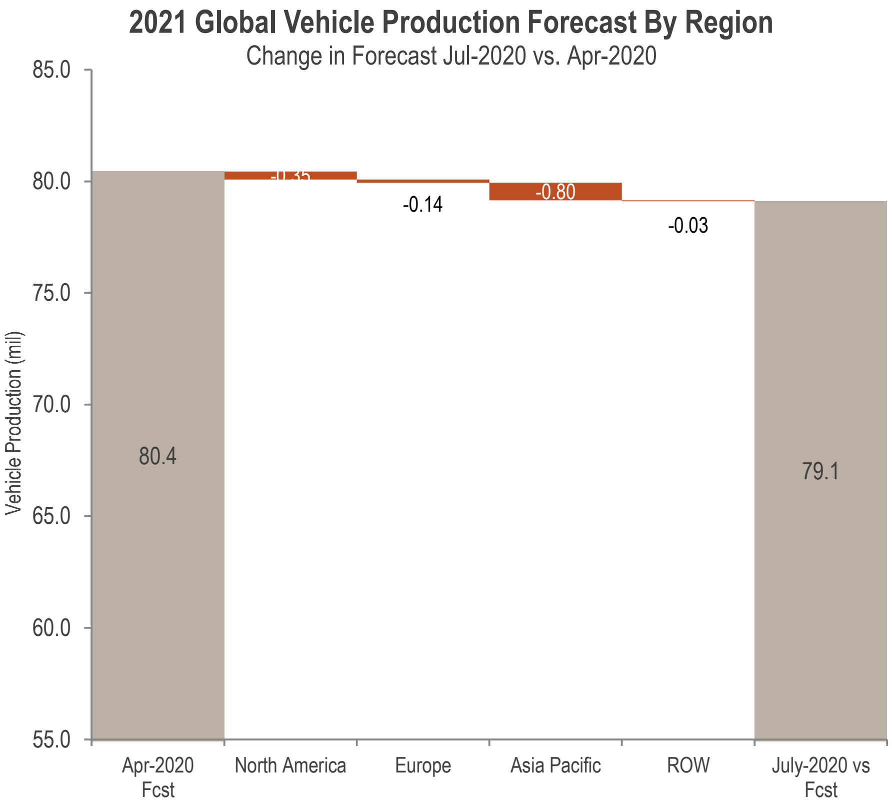


Source: IHS Markit, July 2020. Comparison of global light vehicle production forecast at end of Q1 vs latest forecast. Please note that prior period data may change as IHS makes retroactive adjustments to actuals data.

Global LV Auto Market: 2020, 2021

2020 annual forecast down 520,000 units vs. prior quarter forecast. 2021 forecast down 1.32M units.



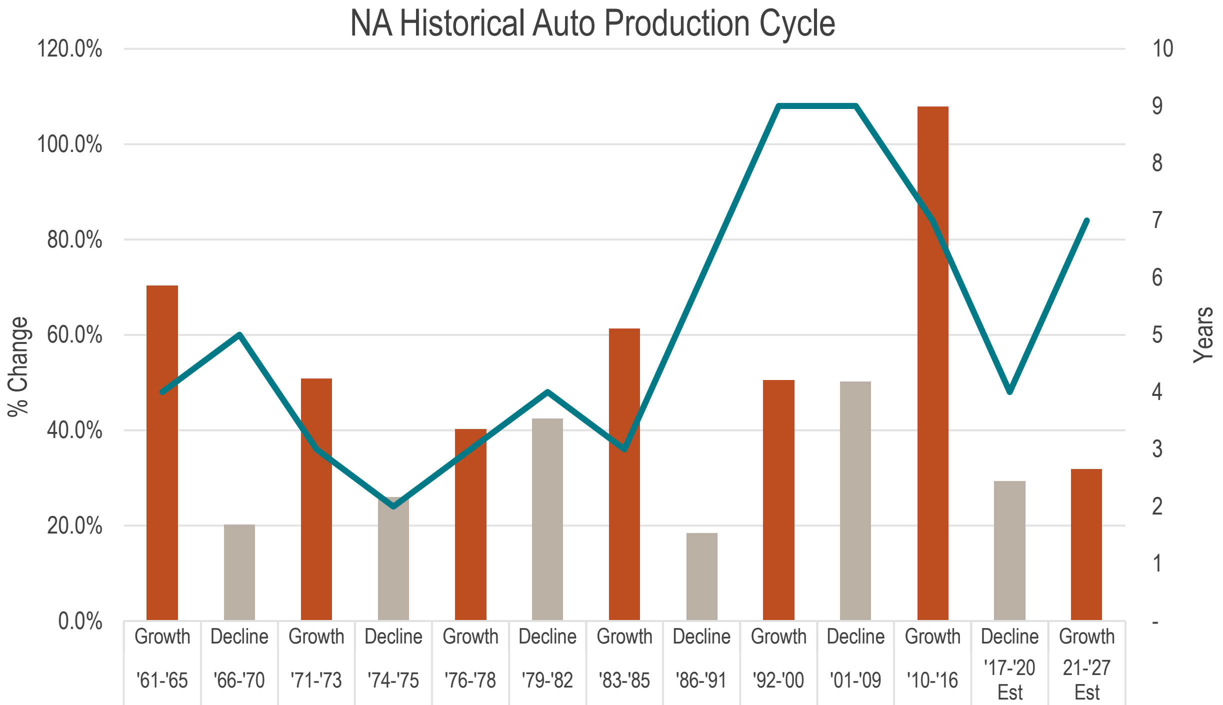


Source: IHS Markit, July 2020. Comparison of global light vehicle production forecast at end of Q1 vs latest forecast. Please note that prior period data may change as IHS makes retroactive adjustments to actuals data.

Historical NA Auto Cycles

Conclusions

- ‘Normal' cycle is 1% to 5% drops ie low single digit each year for on average 4 years, then growth resumes



	Growth '61-'65	Decline '66-'70	Growth '71-'73	Decline '74-'75	Growth '76-'78	Decline '79-'82	Growth '83-'85	Decline '86-'91	Growth '92-'00	Decline '01-'09	Growth '10-'16	Decline '17-'20 Est	Growth 21-'27 Est
Change from Last Trough/Peak	70.3%	20.2%	50.8%	25.9%	40.2%	42.4%	61.4%	18.5%	50.5%	50.1%	107.8%	29.2%	31.9%
Duration of Cycle	4	5	3	2	3	4	3	6	9	9	7	4	7

Change from Last Trough/Peak   Duration of Cycle

Source IHS Markit, July 2020

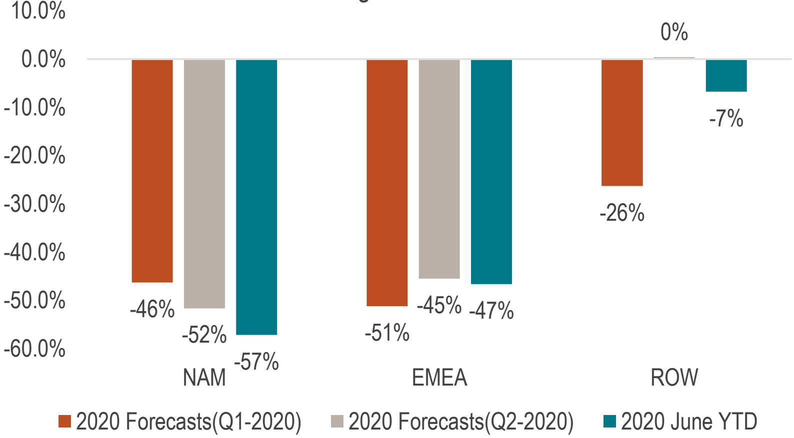
Industrial Segment Impacts - Skyjack

Access Equipment Market Commentary

- With rental customers delaying CapEx spend and construction activities slowed, the AWP market has experienced steep declines in the first 5 months of the year, much worse than originally expected for 2020
- On the positive side equipment utilization levels are up in NA, in fact they are at 93% in June 2020 of what they were in June 2019 although we have seen softening in July numbers re resurgence in US

Source: Industry and Internal Management Reports

2020 Mobile Aerial Work Platform (AWP) Industry Forecast & YTD Results
% Change vs. Prior Year



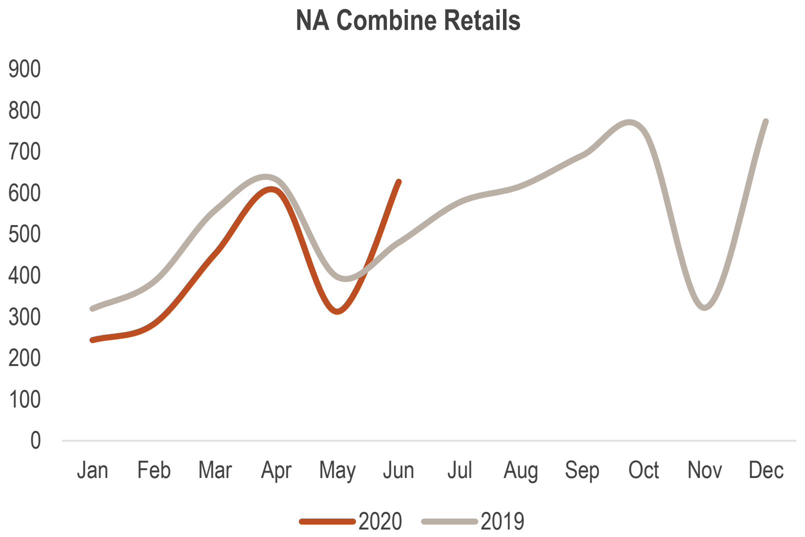
- 2020 AWP markets expected to be down double digits in NA and Europe. ROW is expected to be flat (+0.4% YOY)
- ROW results better than expected in Q2 (+14.3% YOY) due to strong demand in China

Updated 7/31/2020

Agricultural Market

Agriculture Market Commentary

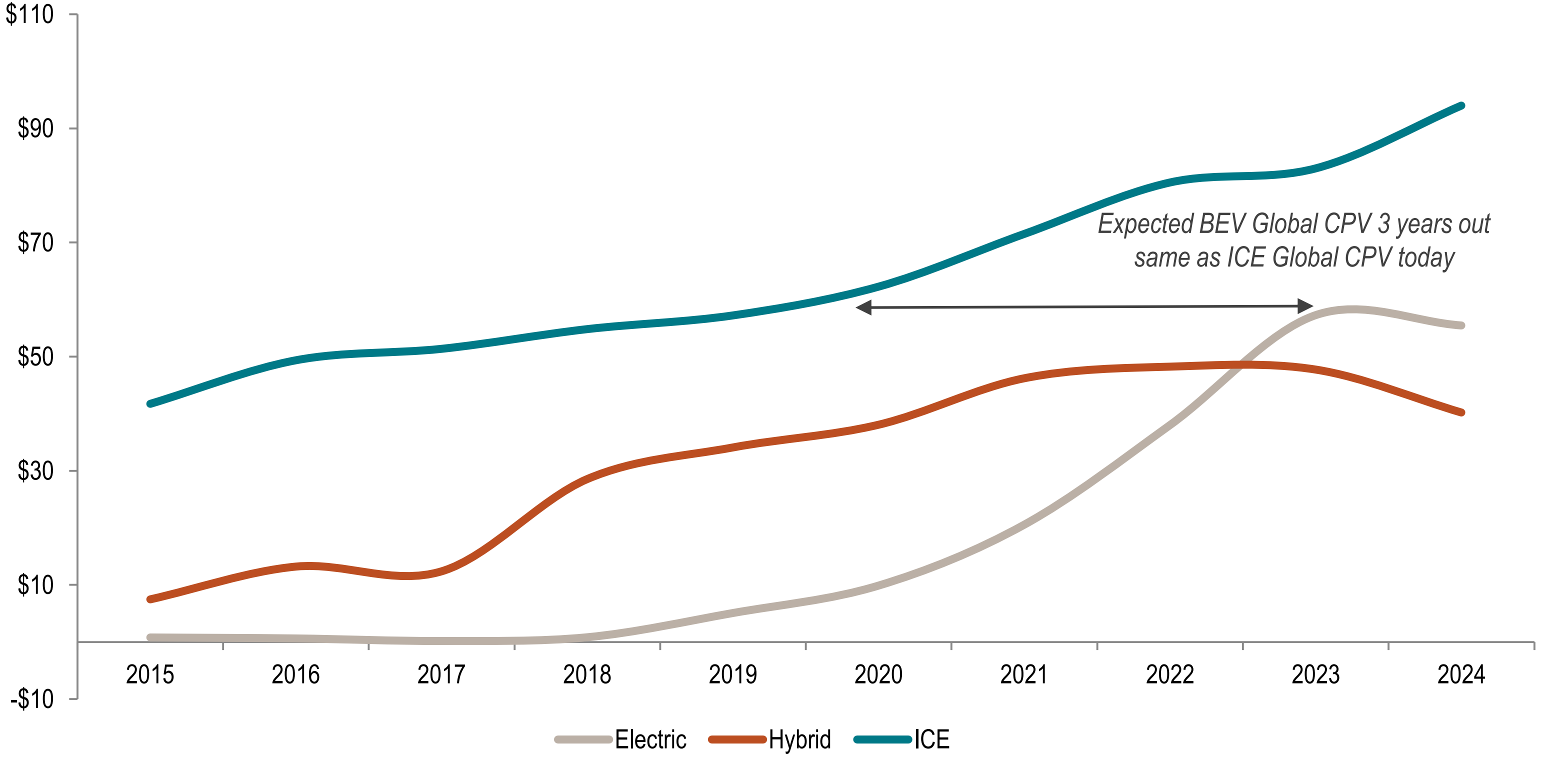
- North American Combine retails increased by 2.5% in Q2 vs. Q2 2019, but are down 9% June YTD
  - Canada down 31% June YTD (down 26% Q2) , US down 2% YTD
- MacDon's sales were not materially impacted by COVID-19 related issues, operations did shut down beginning April 1st, but the workforce has since returned to work and operations have restarted
- COVID-19 pandemic could have negative impact on commodity prices, resulting in lower net farm income
  - Crop prices expected to decline 5-10%
  - Livestock prices expected to decline 8-12%



Source: AEM, July 2020 | Food & Agricultural Policy Research Institute, April 2020

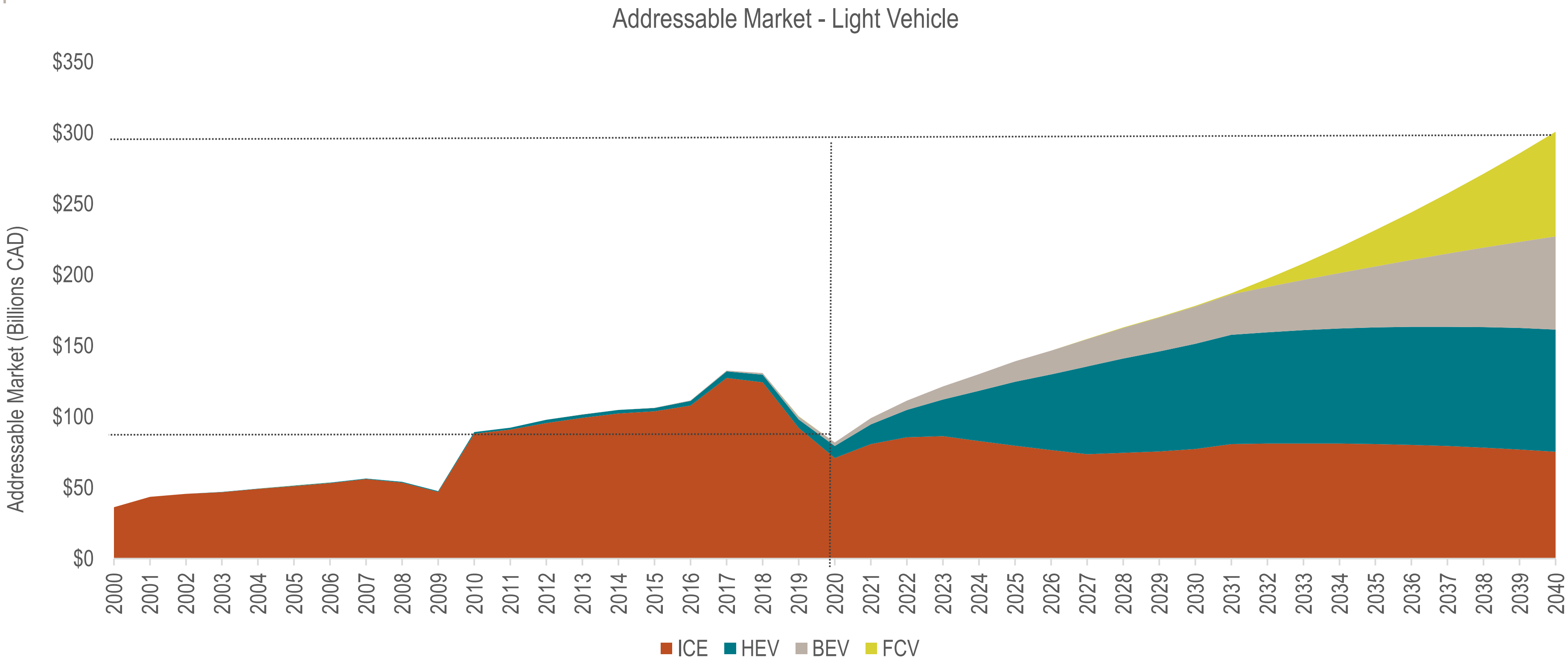
Growth Update and Outlook

Electrified Vehicles Key Growth Opportunity for Linamar



Updated: July 31, 2020. Estimates based on current projections and EV applications in market.

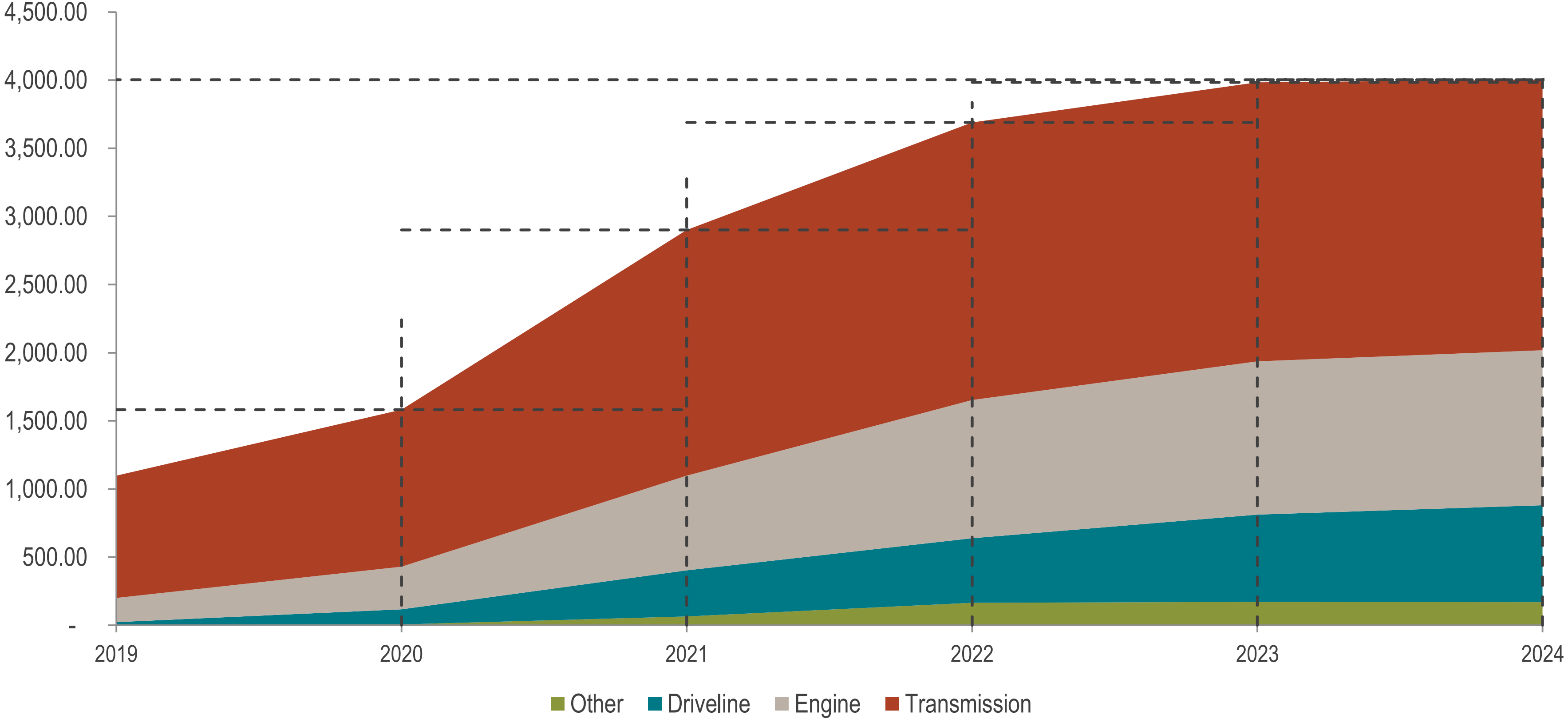
Global Addressable Market Grows More Than 3X in 20 Years



Source
IHS Forecasting 2000-2027 Advanced Consensus Projection 2028-2040
ii) Production Share of Technologies by 2040 of ICE 26%, HEV 34%, BEV 30%, Fuel Cell 10%. (Based on Consensus Average of External Industry Expert Forecasts for BEV adoption, Updated July 31, 2020)

Launches

Launching more than $4.3 billion of new work today



Updated: July, 2020

Outlook

Q3 Expectations

- **Auto**
  - **COVID-19 outbreak continues to impact Q3 but seeing steady improvements**
    - China & NA nearly back to pre global Covid-19 forecast levels*
    - EU improved from Q2 but not yet at pre Covid-19 forecast levels
- **Ag**
  - **Demand at levels expected for 2020 pre-Covid noting to expect normal seasonal slowdowns vs Q2**
- **Access**
  - **Possibility for modest increases from Q2 lows although market has not yet shown signs of bouncing back**
- **Cash**
  - **Continued positive free cash flow**
- **General**
  - **Impacts from the Covid-19 outbreak are currently not fully understood or determinable in terms of their impact to all segments at this point**
    - **There is risk of market declines or additional shutdowns not currently predicted**
  - **If current market conditions persist Q3 should see a meaningful improvement back towards Q1 levels for Sales and Earnings**

* Internal Management Sales Forecasts

Consolidated	Normal Ranges	2019 Actuals	Expectations 2020	Expectations 2021
Sales Growth		(2.7%)	Significant Double Digit Declines in both Sales and Earnings	Strong growth in sales and earnings driving from market rallies
Normalized Earnings Growth				
EPS		(20%)		
EBITDA		(8%)		
Normalized Net Margin	7.0% - 9.0%	6.3%	Above 0	Solid Expansion
Capex (% of Sales)	6.0% - 8.0%	525m 7.1%	Down at least 1/3 from prior year	Within normal range
Leverage Net Debt: EBITDA		1.50x	Well Under 2X	Significantly improved
Free Cash Flow		$ 703 m	Strongly Positive	Continued positive

Industrial				
Sales Growth				
Skyjack			Significant Double Digit Declines	Growth
MacDon			Double Digit Declines	Growth
Normalized Operating Margin	14.0% - 18.0%	14.5%	Above 0	Expansion

Transportation				
Factors Influencing Sales Growth				
Launch Book $4.3 Billion Driving Incremental Sales Of:		$586m	Launching programs continue to mitigate market declines despite some delays	Launches accelerating
Business Leaving (% Consolidated Sales)	5.0% - 10.0%			
Normalized Operating Margin	7.0% - 10.0%	7.3%	Above 0	Solid Expansion

New Business

New Business Win

Package of BEV Gearbox Components

Average Annual Volume

50,000 / year

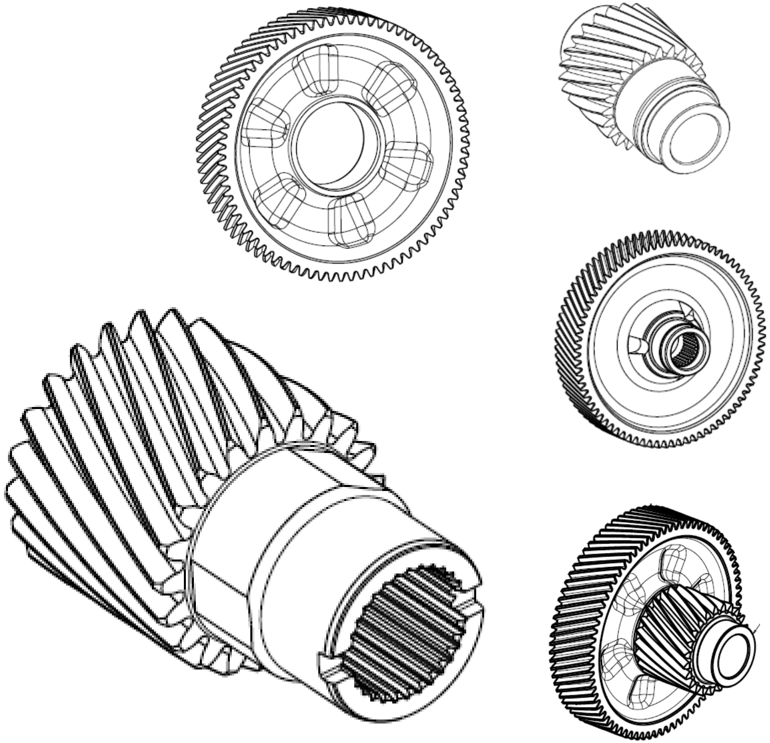
SOP Year

2021

Peak Volume Year

2026

Production Location



New Business Win

Sliding Camshaft Assembly for Next Generation Fuel Efficient Engines

Average Annual Volume

130,000 / year

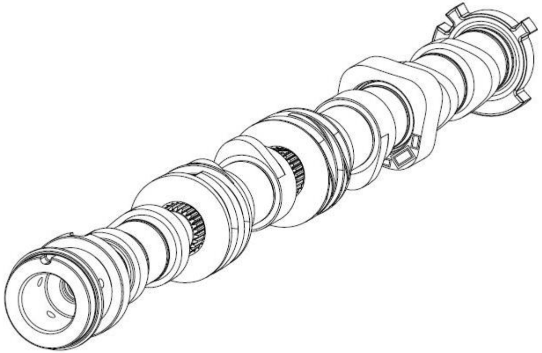
SOP Year

2021

Peak Volume Year

2023

Production Location



New Business Win

Balance Shaft Module For Next Generation Hybrid-Electric Vehicles

Average Annual Volume

183,000 / year

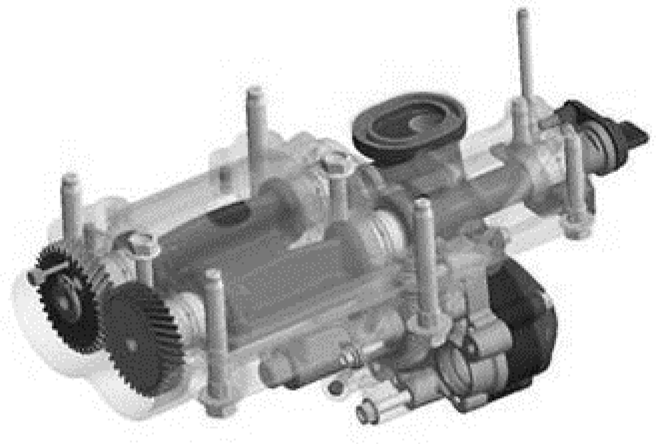
SOP Year

2023

Peak Volume Year

2026

Production Location



Financial Review

Dale Schneider

Sales, Normalized Earnings, and Margins (in millions CAD)

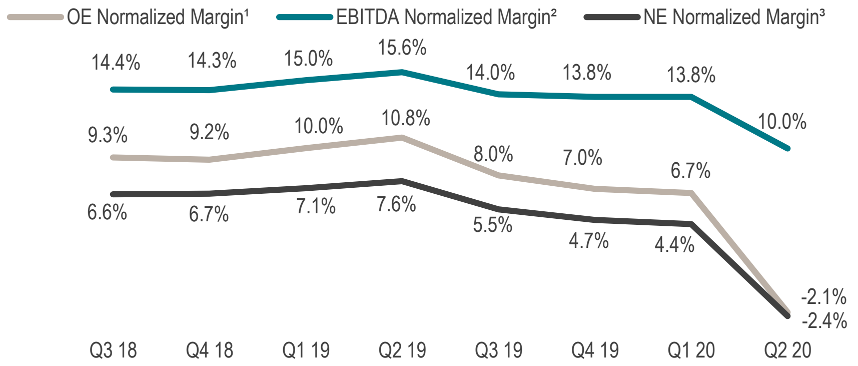
	Q2 2020	Q2 2019	% Δ
Sales	923.6	2,086.1	(55.7%)
EBITDA – Normalized[2]	92.1	326.2	(71.8%)
EBITDA – Normalized Margin	10.0%	15.6%	
Industrial OE – Normalized[1]	36.5	107.5	(66.0%)
Industrial OE – Normalized Margin	14.1%	17.9%	
Transportation OE – Normalized[1]	(55.9)	117.8	(147.5%)
Transportation OE – Normalized Margin	(8.4%)	7.9%	
OE – Normalized[1]	(19.4)	225.3	(108.6%)
OE – Normalized Margin	(2.1%)	10.8%	
NE – Normalized[3]	(22.0)	158.3	(113.9%)
NE – Normalized Margin	(2.4%)	7.6%	
EPS – Normalized[4]	(0.34)	2.40	(114.2%)

Q2 2020

- COVID-19 shutdowns single biggest impact to Q2 in both segments
  - $1.13 billion estimated impact to sales
  - $345 million estimated impact to OE
  - Decremental margins at OE level of 31%
- Removing COVID-19 Impact including government support vs 2019 Transportation segment and overall OE margins up vs prior year
- Overall EBITDA positive with double digit margins despite pressures

Unusual Items

- Prepayment of the 2021 Notes
  - High level of uncertainty around OEM restarting operations and production schedules
  - 30 day notice period requirement
  - Mitigate any potential capital or liquidity risk
  - Fully funded with cash on hand
  - Benefit of lower interest rates over the next 15 months
  - Payback is expected to be just over 15 months at current market rates
  - Impacted EPS by 11 cents



1 – Operating Earnings before unusual items and foreign exchange impacts from revaluation of the balance sheet.
2 – EBITDA before unusual items and foreign exchange impacts from revaluation of the balance sheet.
3 – Net Earnings before unusual items and foreign exchange impacts from revaluation of the balance sheet, tax affected.
4 – Earnings per share (EPS) before unusual items, and foreign exchange impacts from revaluation of the balance sheet, tax affected.

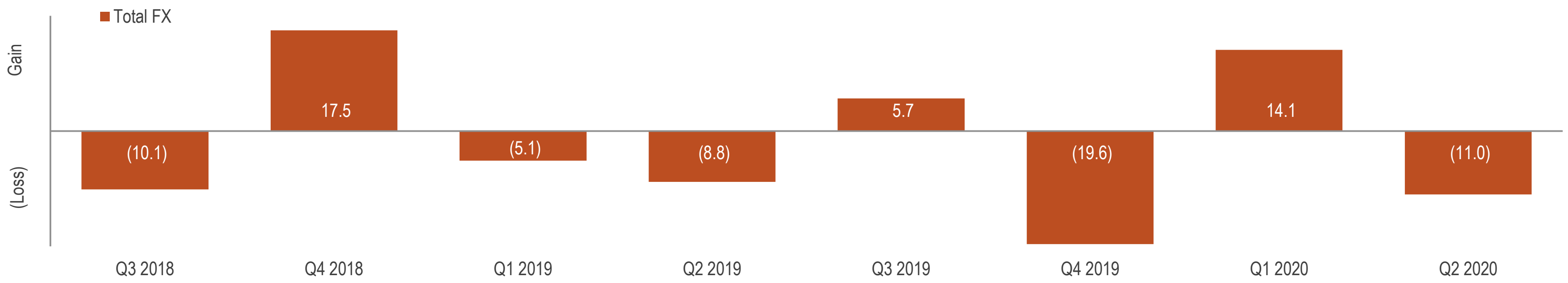
Foreign Exchange Gain/Loss (in millions CAD)

	Q2 2020	Q2 2019	+/-
FX Gain/(Loss) – Operating[1]	(5.9)	(8.3)	2.4
FX Gain/(Loss) – Financing	(5.1)	(0.5)	(4.6)
Total FX Gain/(Loss)	(11.0)	(8.8)	(2.2)

Operating Margin	(2.7%)	10.3%
Operating Margin – Normalized[2]	(2.1%)	10.8%

FX Gain/(Loss) – Impact on EPS FD[3]	(0.13)	(0.10)

- Net FX Loss of $11.0
- FX Loss – Operating was $5.9
  - Industrial FX Loss was $12.0
  - Transportation FX Gain was $6.1
- FX Loss impacted EPS by 13 cents in the quarter



1 – Foreign Exchange as a result of the revaluation of operating balances due to changes in foreign exchange rates.
2 – Operating Earnings before unusual items and foreign exchange impacts from revaluation of the balance sheet.
3 – The impact on Earnings Per Share Fully Diluted from FX is a non-GAAP financial measure that divides the tax effected foreign exchange impact by the Company's diluted number of shares.

Industrial Sales, Earnings, and Margins (in millions CAD)

	Q2 2020	Q2 2019
Sales	259.2	599.1
Operating Earnings	24.5	99.6
Foreign Exchange[1] (Gain)/Loss	12.0	7.9
Operating Earnings – Normalized[2]	36.5	107.5
Operating Earnings Margin	9.5%	16.6%
Operating Earnings Margin – Normalized[2]	14.1%	17.9%

- Industrial sales decreased by 56.7% or $339.9 to $259.2
- The sales were hurt by:
  - sales declines associated with the global COVID-19 pandemic; and
  - the expected agricultural sales declines due to the ongoing issues in the market such as the poor crop conditions, stagnant commodity prices, and the ongoing trade disputes.
- Normalized Industrial OE decreased $71 or 66% to $36.5
- The Normalized OE was primarily hurt by:
  - the lower sales volumes in both of our Access Equipment and Agriculture business.
- The Normalized OE was helped by:
  - The various global government support programs that were available in the Quarter.

1 – Foreign Exchange as a result of the revaluation of operating balances due to changes in foreign exchange rates.
2 – Operating Earnings before unusual items and foreign exchange impacts from revaluation of the balance sheet.

Transportation Sales, Earnings, and Margins (in millions CAD)

	Q2 2020	Q2 2019
Sales	664.4	1,487.0
Operating Earnings	(49.8)	115.5
Unusual Item	-	1.9
Foreign Exchange[1] (Gain)/Loss	(6.1)	0.4
Operating Earnings – Normalized[2]	(55.9)	117.8
Operating Earnings Margin	(7.5%)	7.8%
Operating Earnings Margin – Normalized[2]	(8.4%)	7.9%

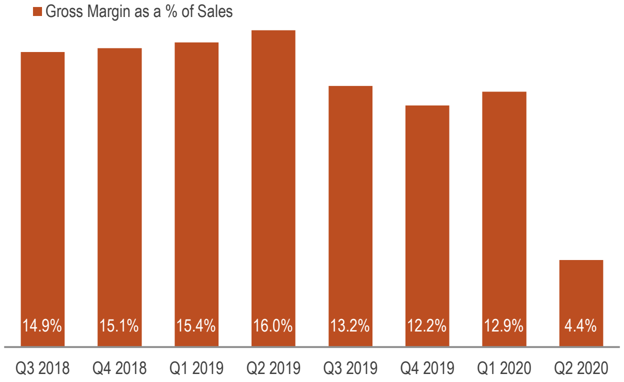
- Transportation sales decreased by $822.6 to $664.4.
- The sales were hurt by:
  - the impact of COVID-19 due to customer shutdowns.
- The sales were helped by:
  - a favourable FX impact due to the changes in rates since last year.
- Q2 normalized operating earnings were lower by $173.7 to a loss of $55.9.
- Transportation normalized earnings were helped by:
  - Targeted costs savings achieved in the quarter;
  - The various global government support programs; and
  - a favourable FX impact due to the changes in rates since last year.
- Transportation normalized earnings were hurt by:
  - The loss of sales volume due to the COVID-19 shutdowns.

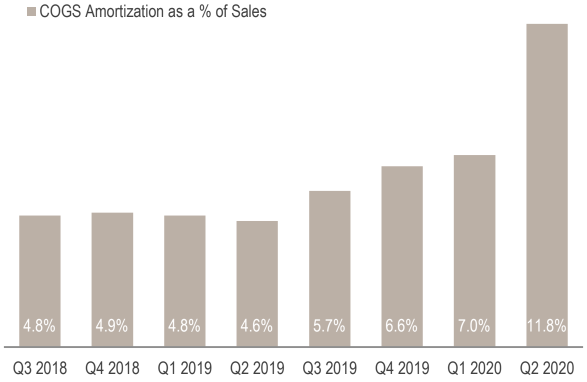
1 – Foreign Exchange as a result of the revaluation of operating balances due to changes in foreign exchange rates.
2 – Operating Earnings before unusual items and foreign exchange impacts from revaluation of the balance sheet.

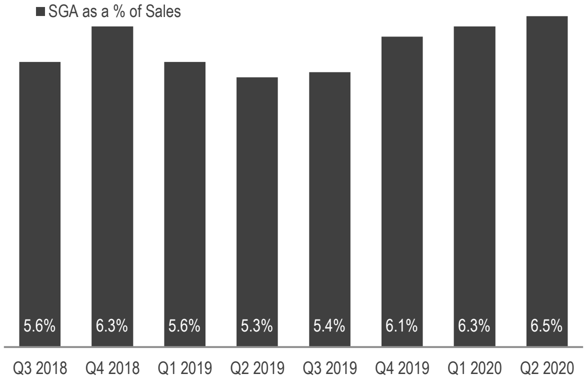
Operating Expenses (in millions CAD)

	Q2 2020	Q2 2019	+/-	%
Sales	923.6	2,086.1	(1,162.5)	(55.7%)
Cost of Goods Sold	882.6	1,751.7	(869.1)	(49.6%)
Gross Margin	41.0	334.4	(293.4)	(87.7%)
Gross Margin as a % of Sales	4.4%	16.0%		
Cost of Goods Sold Amortization	109.4	96.9	12.5	12.9%
COGS Amortization as a % of Sales	11.8%	4.6%		
Selling, General, and Administrative	60.4	111.0	(50.6)	(45.6%)
SGA as a % of Sales	6.5%	5.3%		

- Gross Margin was $41.0 in the quarter and was impacted by:
  - the lower sales volumes in both segments; partially offset by
  - the focus on cost reductions in the quarter; and
  - the various global government support programs that were available.
- Amortization increased to 11.8% mainly due to the significant decline in sales revenue.
- SG&A improved by $50.6 as a result of the focus on cost reductions; and government support programs.



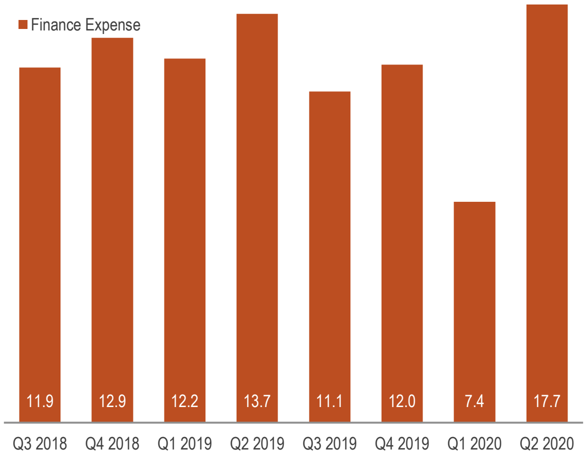


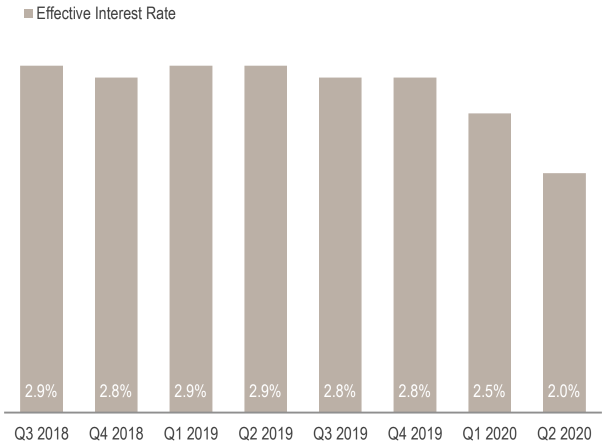


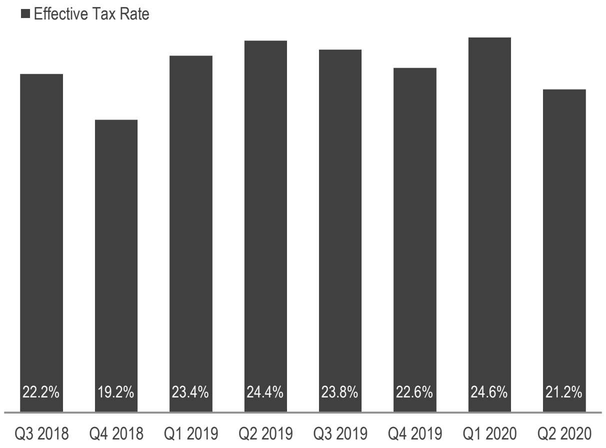
Finance Expenses & Income Tax (in millions CAD)

	Q2 2020	Q2 2019	+/-
Finance Expense	17.7	13.7	4.0
Effective Interest Rate	2.0%	2.9%	(0.9%)
Effective Tax Rate	21.2%	24.4%	(3.2%)

- Finance expenses increased $4.0
- Finance expenses were helped by:
    - the impact of lower interest rates; and
    - lower debt levels
- Finance expenses were hurt by the prepayment of the 2021 Notes.
- The effective interest rate declined to 2.0%
- The tax rate decreased to 21.2%.
- Full year 2020 tax rate expected to be in the high end of our range of 23% to 25%.



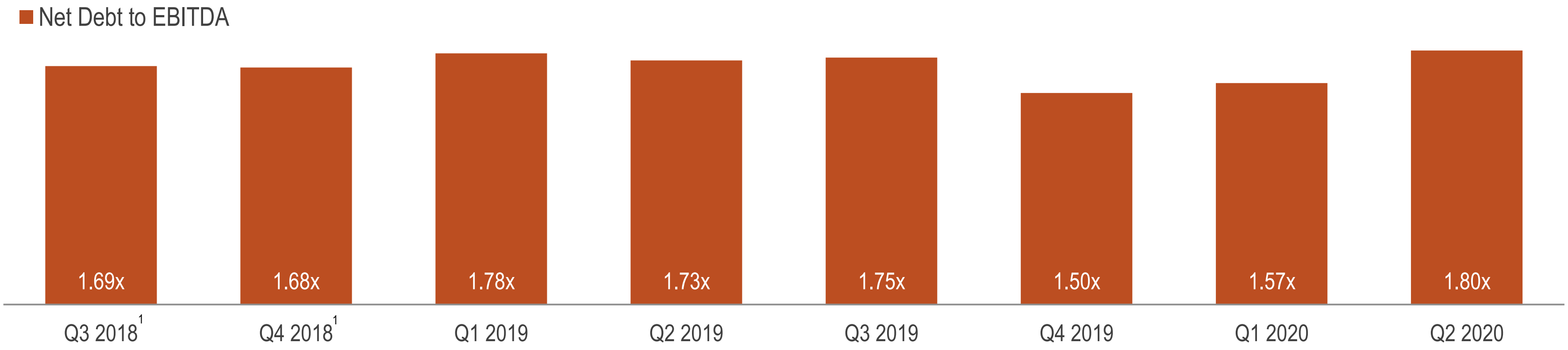




Leverage (in millions CAD)

	Q2 2020	Q2 2019
Cash Position	375.6	437.6
Available Cash on Credit Facilities	754.0	774.4
Net Debt to EBITDA	1.80x	1.73x
Debt to Capitalization	30.1%	38.1%

- Cash position at the end of the quarter was $375.6
- Generated $193.5 in Cash from Operating Activities
- Generated more than $170 of Free Cash Flow[2] in the quarter
- Net Debt to EBITDA was increased slightly to 1.80x
- Goal is to remain well under 2.0x Net Debt to EBITDA by the end of the year
- Liquidity remains strong at Dec 31, 2019 levels of $1.1 billion



1 - EBITDA includes rolling last 12 month EBITDA on acquisitions.
2 - For more information on the Free Cash Flow measure refer to the section entitled “Non-GAAP and Additional GAAP Measures” in the Company’s separately released Management’s Discussion and Analysis (“MD&A”).

Conclusion

- COVID has a significant impact on Sales and Earnings
- Operations have restarted and volumes continue to strengthen
- Excellent Cash Generation in the Quarter
- Free Cash Flow[1] generation of over $170 million
- Available Liquidity at $1.1 billion

1 - For more information on the Free Cash Flow measure refer to the section entitled “Non-GAAP and Additional GAAP Measures” in the Company’s separately released Management’s Discussion and Analysis (“MD&A”).

Question and Answer

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Outlook

Q3 Expectations

- **Auto**
  - **COVID-19 outbreak continues to impact Q3 but seeing steady improvements**
    - China & NA nearly back to pre global Covid-19 forecast levels*
    - EU improved from Q2 but not yet at pre Covid-19 forecast levels
- **Ag**
  - **Demand at levels expected for 2020 pre-Covid noting to expect normal seasonal slowdowns vs Q2**
- **Access**
  - **Possibility for modest increases from Q2 lows although market has not yet shown signs of bouncing back**
- **Cash**
  - **Continued positive free cash flow**
- **General**
  - **Impacts from the Covid-19 outbreak are currently not fully understood or determinable in terms of their impact to all segments at this point**
    - **There is risk of market declines or additional shutdowns not currently predicted**
  - **If current market conditions persist Q3 should see a meaningful improvement back towards Q1 levels for Sales and Earnings**

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Key Messages

$170 Million Cash Generation

> $30 Million Costs Cut

$1.1 Billion Liquidity & Debt Reduction

Outstanding Operational Execution in Tough Conditions

Thank You

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