



Q1 Conference Call Presentation

For Audio Only Dial in:

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Conference ID 8792067

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May 13, 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. 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. Content is protected by copyright and may not be reproduced or repurposed without express written consent by the Company.

COVID-19 Update



Pandemic Crisis Management

Assemble Team



Communicate



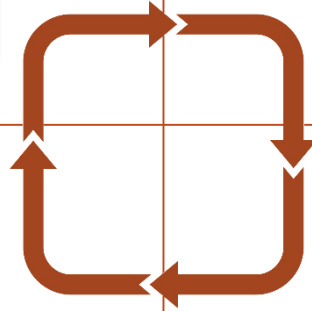
Employees



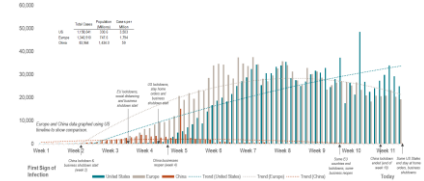
Investors



Customer



COVID-19 New Cases Reported: United States, Europe & China



Gather Data



Employees

Financially

Customers

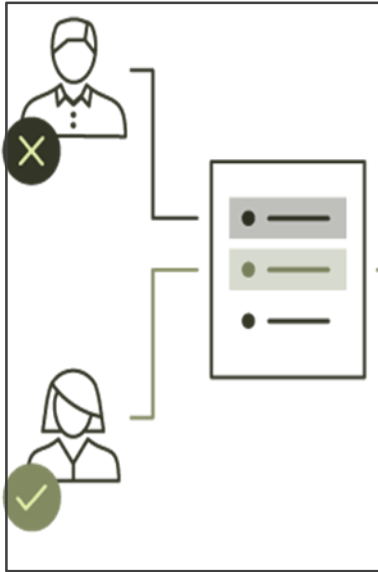
Community

Make a Plan & Execute

Current Focus on Recovery

- **Create a work environment where people feel and are as safe or safer coming to work than not coming to work**
 - Shift from fear to hope
- **Take lessons learned from other countries ahead of us on this curve**
 - Safe protocol
 - Economic impact
- **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
 - That lockdowns and isolation will end

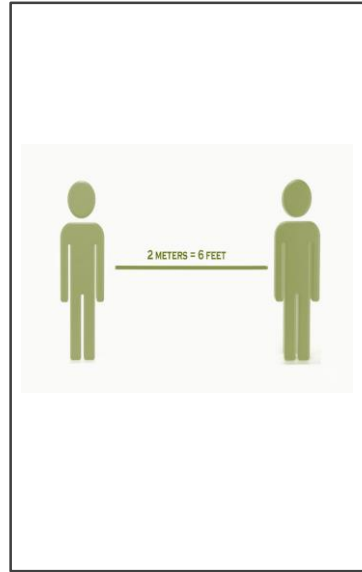
Key Principles of Safe Work Protocol



SCREENING



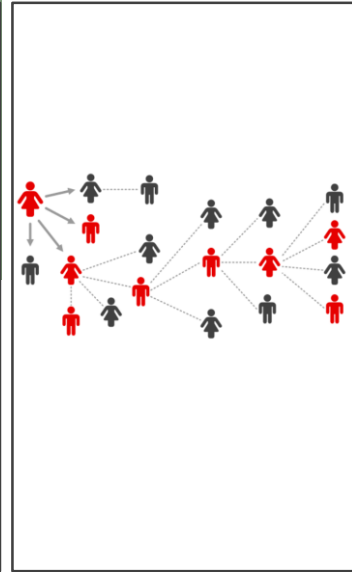
PPE



DISTANCING



CLEANING/
HYGIENE



TRACING

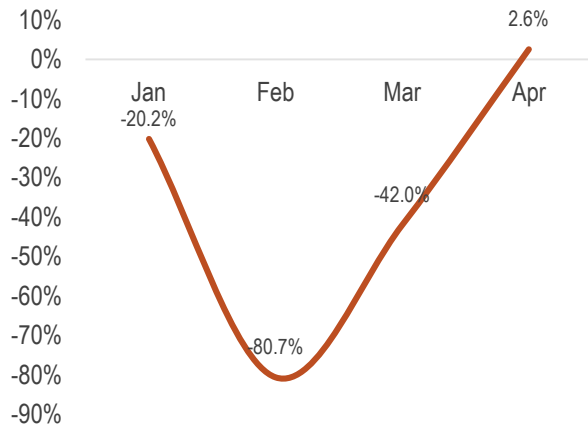
Current Plant Status



Consumer Demand: Light Vehicle

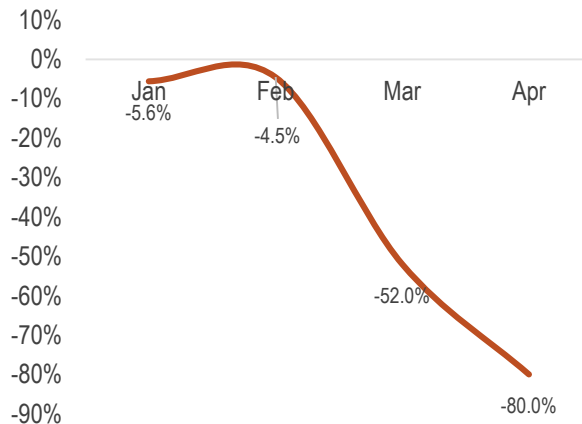
Signs of recovery in both US & China light vehicle markets

China Light Vehicle Sales
% Change YoY



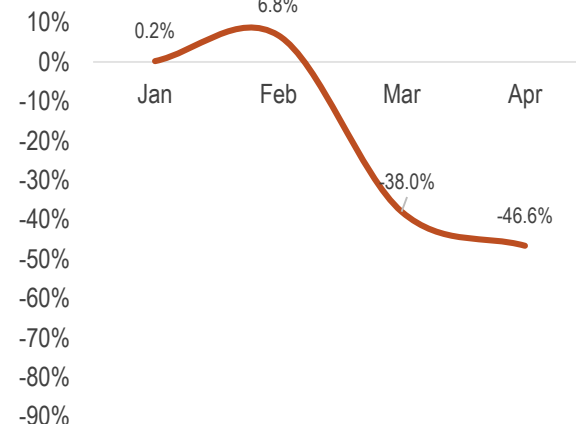
- China auto sales up 2.6% in April YoY after decline of 42% in March
- Government launching NEV incentives, releasing new license plates to spur auto sales

Europe Light Vehicle Sales
% Change YoY



- April sales down 80% YoY, but signs of restrictions being eased in some countries

US Light Vehicle Sales
% Change YoY

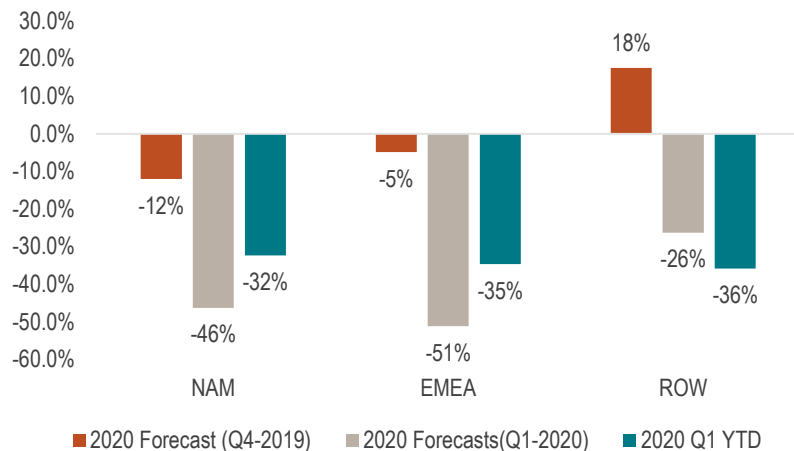


- April sales decline of 46.6% (expectation was decline of 70-80%, similar to China & Europe)
- Last week of April saw 56% increase in registrations, marking third week in a row of w/w improvements

Consumer Demand: Access & Agriculture

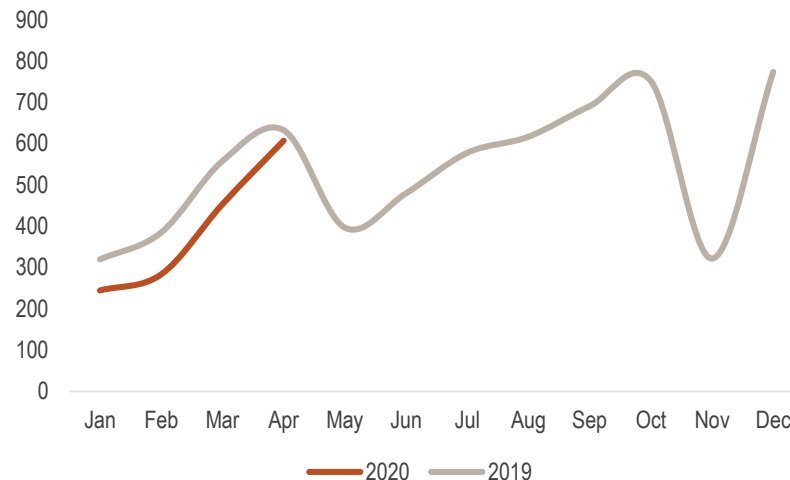
2020 Mobile Elevated Work Platform Industry Forecast

% Change vs. Prior Year



- 2020 access markets expected to be down double digits in all regions globally.
- Significant deterioration in forecast versus prior quarter due to COVID-19 pandemic.

NA Combine Retails



- NA combine retails down 22% Mar YTD, 16% April YTD
 - Canada down 37% Mar YTD, US 18%
- COVID-19 pandemic expected to 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%

Financial Action Plan

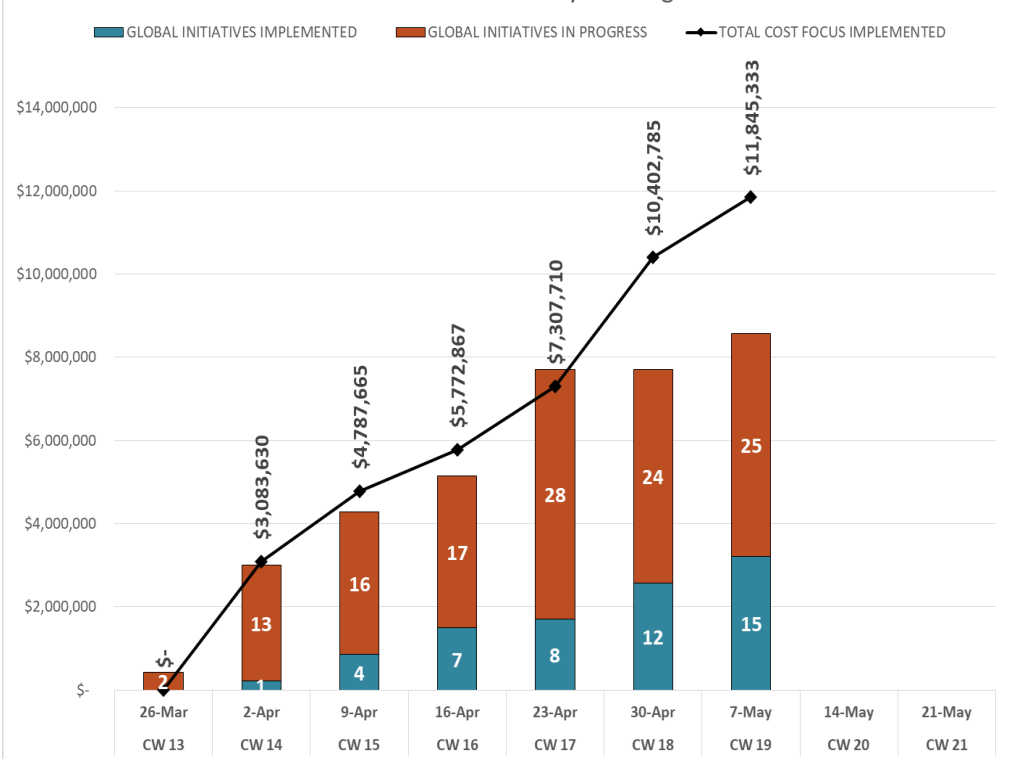
Cash and Cost

- 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 25% in Q1, target down at least 1/3 vs 2019 for full year
 - 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 have a system in place for efficiently adjusting financial forecasts on a weekly basis with our global team giving us excellent up to the minute visibility

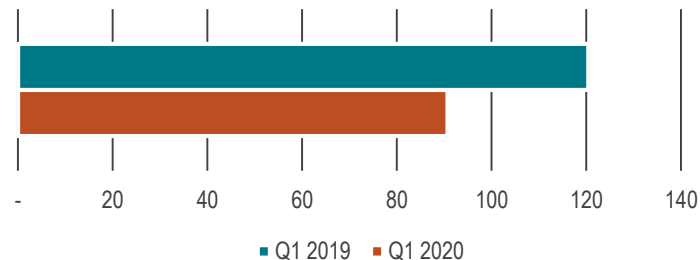
Cost & Cash

\$ 11,850,000 Cost Reductions Implemented by Global Cost Team

Cost Focus - Weekly tracking



CapEx Q1 Actual

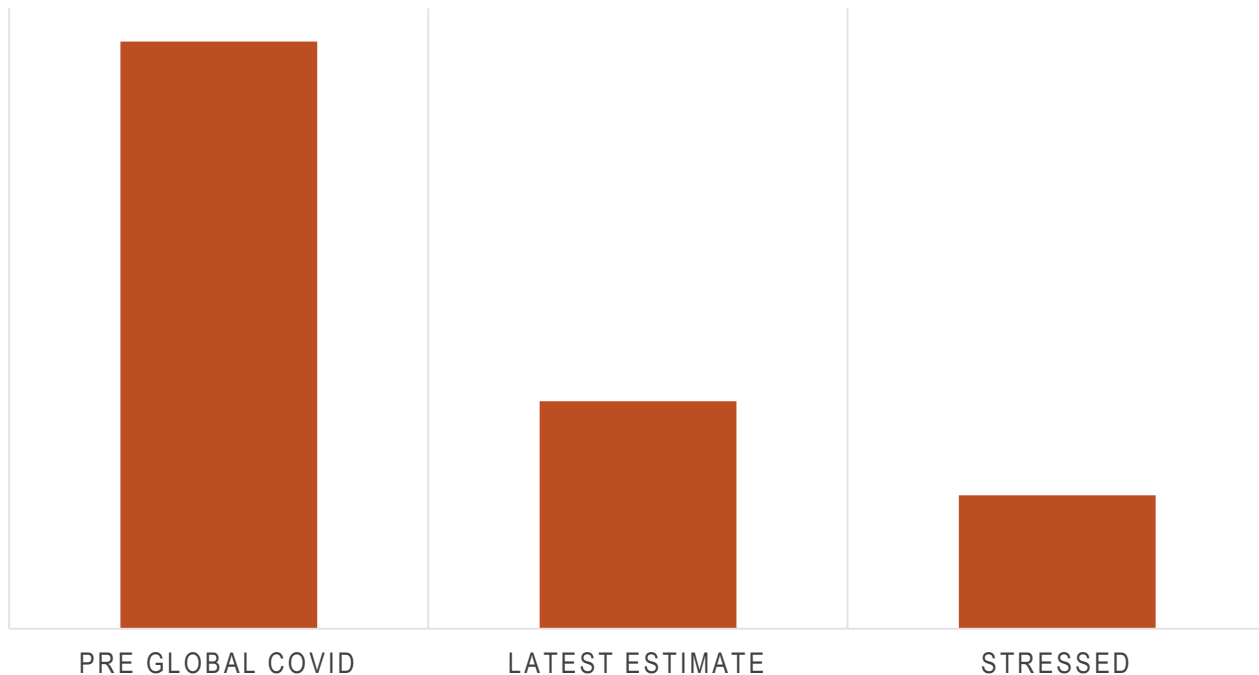


Financial Action Plan

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 and not breaching any covenants
- We have no debt maturing this year
- Predicting the outcome of this situation is impossible but our reaction is swift and we are keeping a close eye on all expected impacts

Stress Scenario



- Our latest estimate of earnings conservatively trimmed about half of pre global COVID forecasted earnings
- Our stress test trims another half of this estimate
- 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 maximums
- Customer outlook is changing constantly, the future right now is unfortunately very hard to predict
 - Key is keeping on top of the changes, revising outlook and taking required actions rapidly is the key and what we are doing weekly

Community Support



Thornhill Medical

Model: MOVES SLC
BOM: 1,700 Parts
Volume: >1,200 over 90 days
SOP: End of May

Description:

- Fully integrated ICU ventilator.
- Combines complete vital sign monitoring with a high tech ventilator, in a standalone battery powered unit.
- An ICU in a box.

Scope:

- Components, final assembly and supply chain



O-Two Medical

Model: eSeries e700

BOM: 150

Volume: >10,000

Description:

- Electronically controlled, pneumatically powered ventilator developed for patient transport and resuscitation.
- Designed to be a simple, easy to use, battery powered transport ventilator.

Scope: 43 machined components, possibly sub-assembly



GM Ventec

Model: VOCSN

Number of Parts: 170 - 230

Description:

- Integrated multifunction ventilator that combines several devices into one (ventilator, O2 concentrator, cough assist, etc.)

Scope:

Machining 15 different components, both metal and plastic.

Ventilator Delivery:

First ventilators delivered to hospitals Fri Apr 17th



Plants & Components

1. Comtech: Manifold Cover Front & Back
2. Eston: Mounting Adapter
3. Exkor: Cap, Cough Assist
4. Hastech: Interface Port
5. Linex: Bulkhead
6. Linex: Bulkhead VC
7. LPC: Push Rod
8. PowerCor: Bracket, Blower Mounting
9. Quadrad: End Cap
10. Roctel: Mounting Ring
11. Camcor: Radial Insufflation End Cap
12. Camcor: Radial Exsufflation End Cap
13. Linergy: Cough Assist Post
14. Traxle: Plug

Zoll | Dovetail Bracket

- Volume: 10,000 pcs
- Plant: Roctel



Clean Slate

Volume: Ramping to 40 per day, total
3,000 ordered so far

SOP: End May

Description:

- UV based disinfection unit to rapidly clean mobile phones, tablets and other electronic equipment



Community Support



Guelph Team donates masks, sources additional for Guelph hospitals



LLM, LSF, LME Donated PPE to health care workers in the Europe



Sending PPE to China

McLaren donated PPE to first responders & hospitals in Michigan



Linamar helped deliver basic necessities to vulnerable people in our community

The Centre provided much needed storage and inventory mgmt for local hospital PPE supplies



MacDon printed 3D ear savers for nurses and doctors



McLaren Engineering, MacDon & the Centre print 3D PPE for health care workers – N95 masks and Face Shields



Skyjack donated 400 Neck Tubes to health workers in Guelph and surrounding area.



Linamar iHub, Light Metals develop touchless door openers – easy to manufacture, easy to install, easy to use

Sales, Normalized¹ 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)

	Q1 2020	Q1 2019	% Δ
Sales	1,549.8	1,974.5	(21.5%)
EBITDA – Normalized ²	213.9	296.8	(27.9%)
EBITDA – Normalized Margin	13.8%	15.0%	
Industrial OE – Normalized ¹	31.4	77.9	(59.7%)
Industrial OE – Normalized Margin	10.5%	16.7%	
Transportation OE – Normalized ¹	72.1	119.8	(39.8%)
Transportation OE – Normalized Margin	5.8%	7.9%	
OE – Normalized ¹	103.5	197.7	(47.6%)
OE – Normalized Margin	6.7%	10.0%	
NE – Normalized ³	67.9	139.4	(51.3%)
NE – Normalized Margin	4.4%	7.1%	
EPS – Normalized ⁴	1.04	2.11	(50.7%)

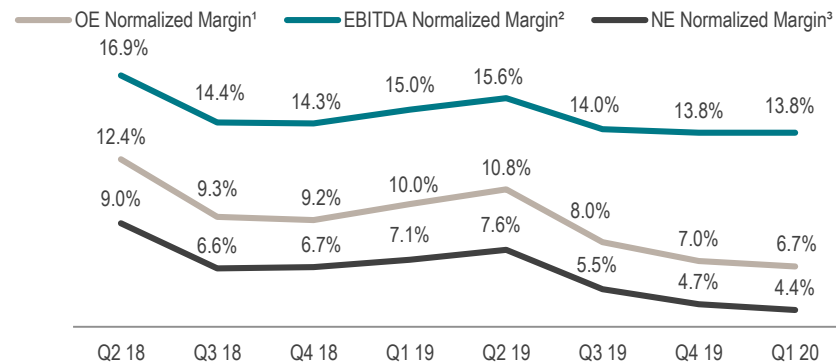
Q1 2020

- COVID-19 shutdowns single biggest impact to Q1 in both segments
 - \$275 million impact to sales
 - \$80 million impact to OE
 - Decremental margins at OE level of 29%
- Partially offset by pockets of growth
 - Strong launches in Transportation adding volume and improving underlying margins pre shutdown
 - International sales growth at MacDon notably in Europe
- EBITDA margins consistent to Q4 19 despite sales declines

- Adjusting out COVID-19 Impact vs 2019:
 - Sales down \$150 million
 - OE down \$11.6 million
 - Decremental margin of 7.7%

Adjusted declines related to markets already expected to decline ie ag, access as well as unfavorable f/x changes

Margin improvement driving out of cost reduction initiatives and higher volumes on launching programs



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.

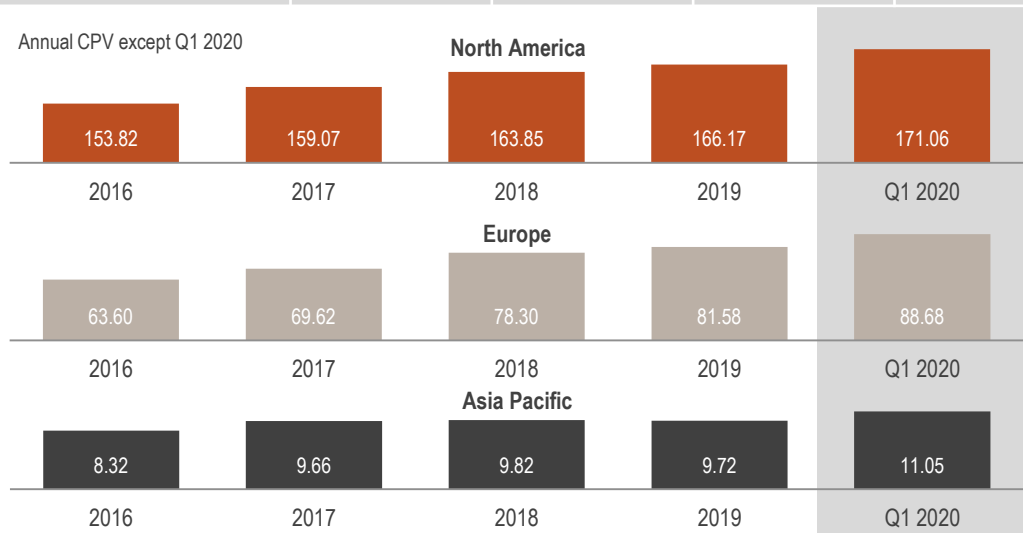
3 – Net Earnings before unusual items and foreign exchange impacts from revaluation of the balance sheet, tax affected.

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)

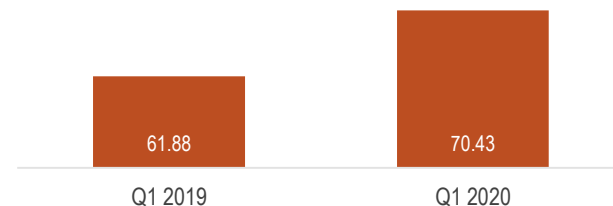
	CPV Q1 2020	CPV Q1 2019	CPV % Change	Vehicle Production Units % Change	Automotive Sales Q1 2020 (CAD Millions)	Automotive Sales Q1 2019 (CAD Millions)	Automotive Sales % Change
North America	171.06	174.14	(1.8%)	(11.2%)	666.4	763.7	(12.7%)
Europe	88.68	84.60	4.8%	(20.5%)	399.0	478.5	(16.6%)
Asia Pacific	11.05	9.00	22.8%	(32.0%)	88.2	105.6	(16.5%)
Global CPV ¹	70.43	61.88	13.8%	(24.8%)	1,153.6	1,347.8	(14.4%)
Other Automotive Sales	-	-	-	-	45.7	66.7	(31.5%)

Annual CPV except Q1 2020



- 14% Growth in Global CPV in quarter
 - CPV growth in Europe and Asia thanks to launching business
 - NA CPV down a little from last year but up from 2019 full year levels

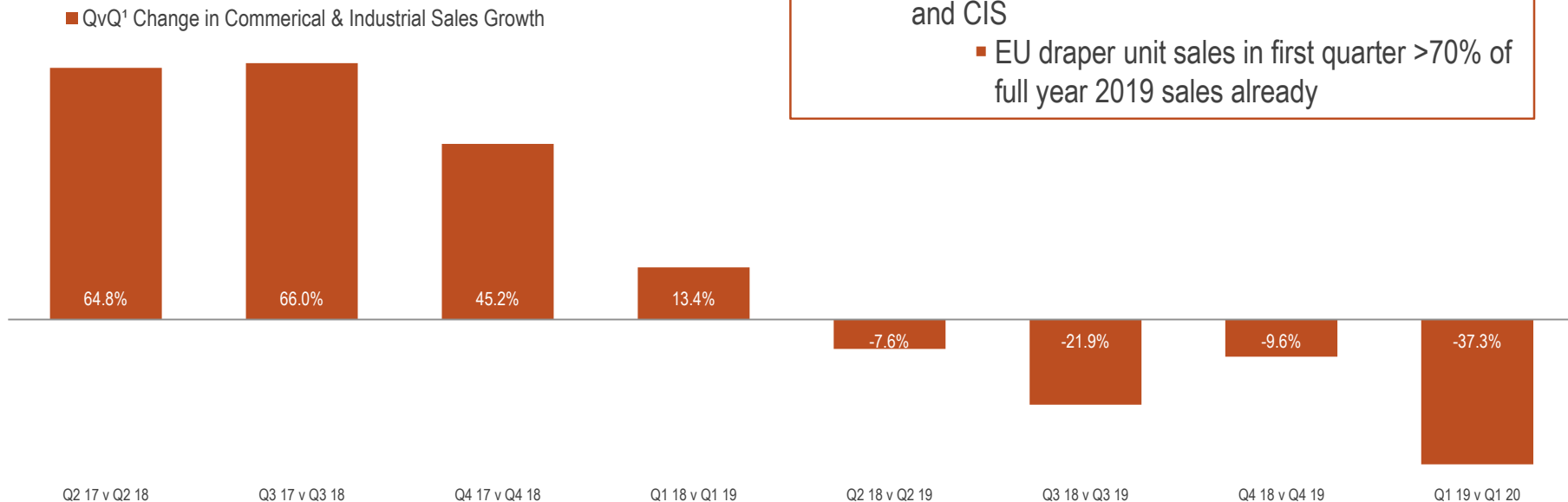
Global CPV¹



Commercial & Industrial Sales (in millions CAD)

	Q1 2020	Q1 2019	% Change
Sales	350.4	559.2	(37.3%)

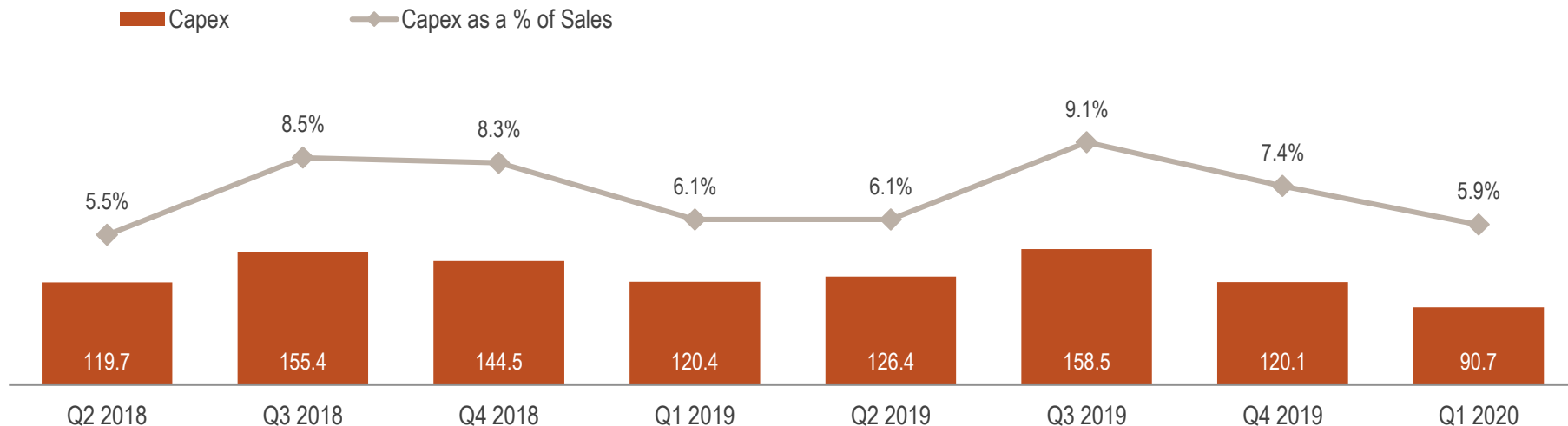
- Skyjack
 - Global markets down in double digits
- MacDon
 - Draper header market down double digits in NA, Canada hardest hit, as well as CIS
 - Partially offset by great market share growth in EU and CIS
 - EU draper unit sales in first quarter >70% of full year 2019 sales already



Capital Expenditures (in millions CAD)

	Q1 2020	Q1 2019
Capital Expenditures (Capex)	90.7	120.4
Capex as a % of Sales	5.9%	6.1%

- Capex down 25% from Q1 2019
- Target full year to be down at least 1/3 from 2019
- Using disciplined approach to spending given economic situation

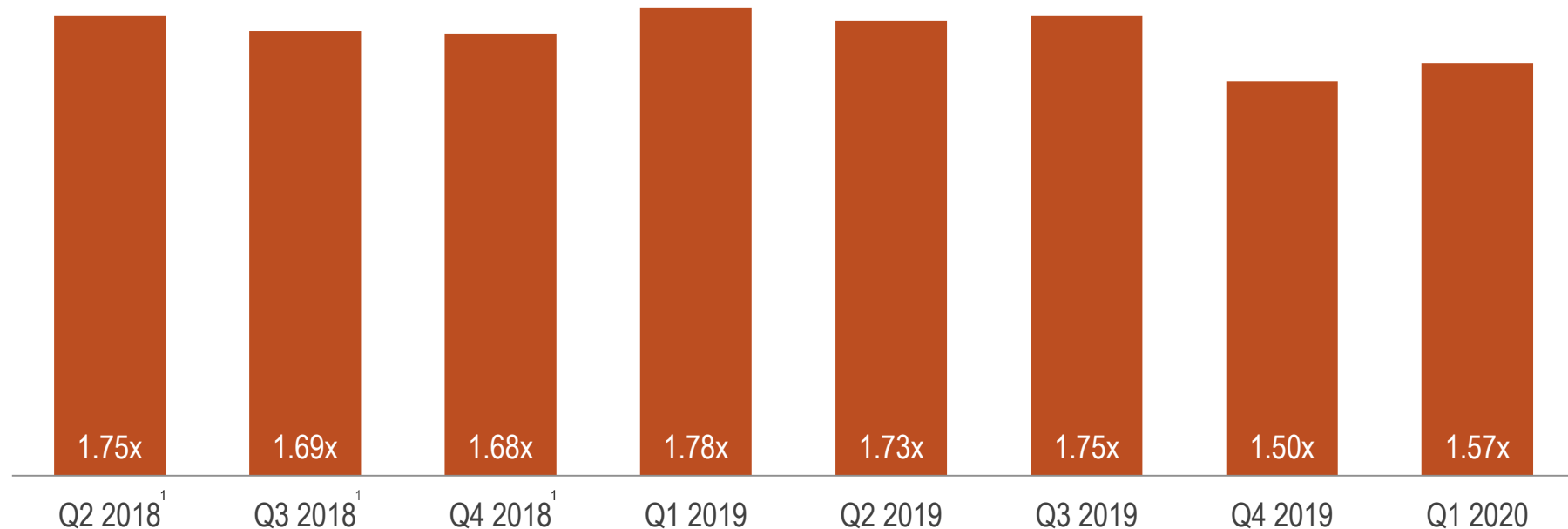


Leverage (in millions CAD)

	Q1 2020	Q4 2019	Q1 2019
Net Debt	1,539.3	1,559.5	2,084.8
Net Debt to EBITDA	1.57x	1.50x	1.78x

■ Net Debt to EBITDA

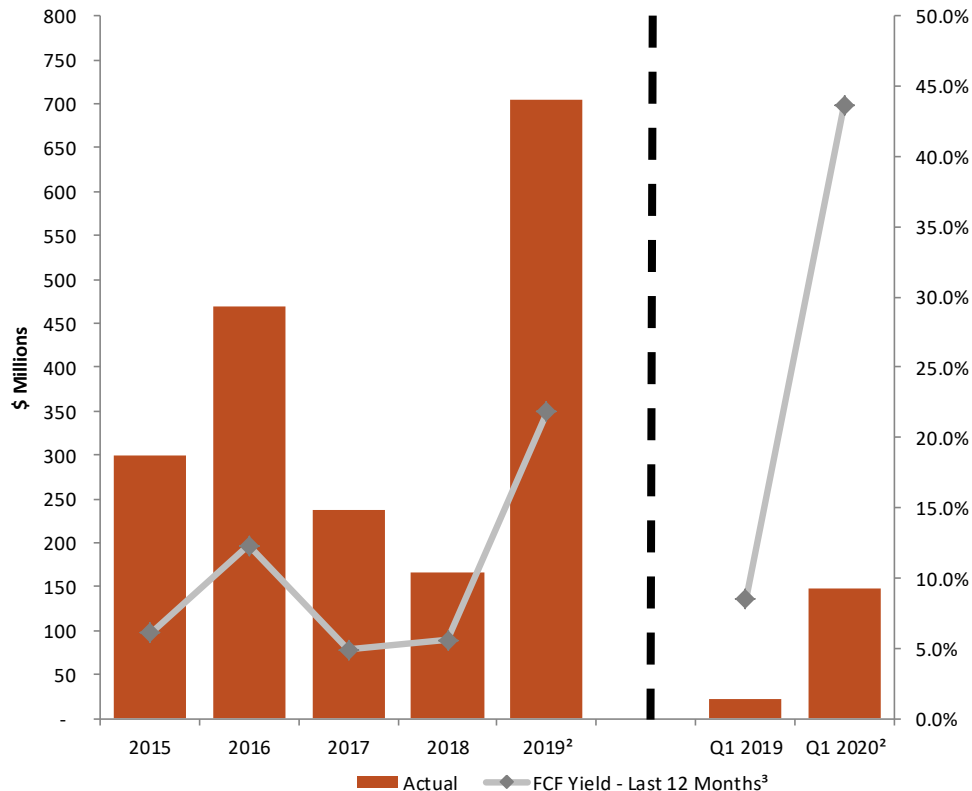
- Another strong quarter of FCF² of \$147 million in quarter for further reductions to debt
- Leverage strong at 1.57x
- Liquidity excellent with \$1.2 billion of cash available at quarter end



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 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

Industry
▼ 25.4%

Industry
▼ 19.9%

Industry
▼ 13.7%

Industry
▼ 46.3%

Europe

Industry
▼ 24.8%

Industry
▼ 3.4%

Industry
▼ 5.0%

Industry
▼ 51.2%

Asia




Industry
▼ 18.9%

Industry
▼ 12.8%

Industry
-

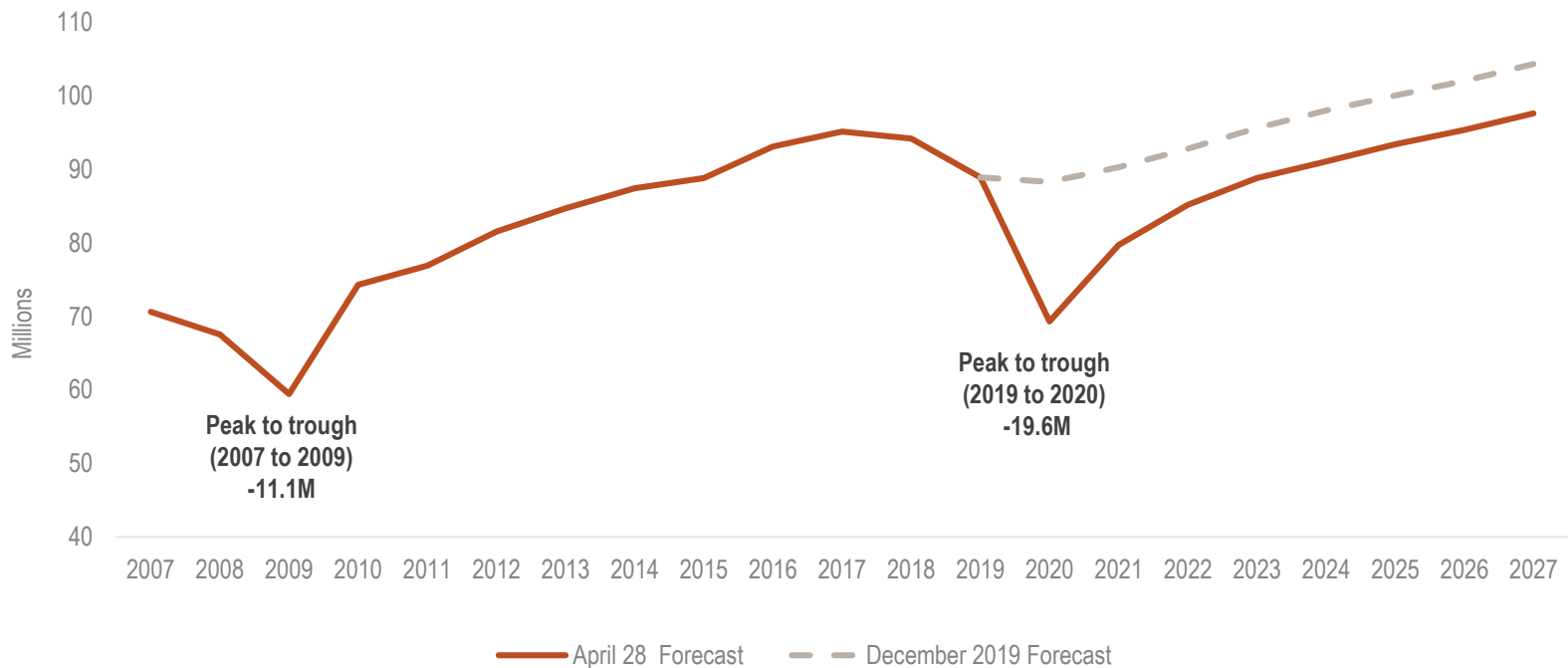
Industry
▼ 26.3%

Market Snapshot

2021			
	Light Vehicle	Commercial Truck	Access
North America	Industry ▲ 22.7%	Industry ▲ 4.3%	Industry ▲ 1.5%
Europe	Industry ▲ 15.2%	Industry ▲ 6.8%	Industry ▼ 8.4%
Asia	Industry ▲ 11.7%	Industry ▼ 10.2%	Industry ▲ 5.3%

Global Light Vehicle Production

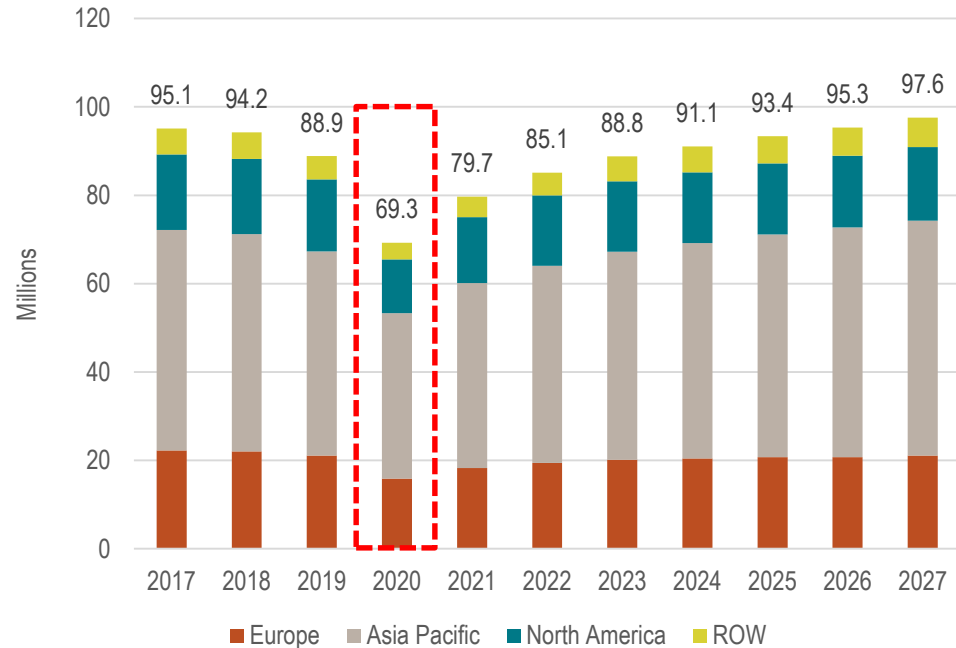
COVID-19 has caused major reduction in global light vehicle production forecast, greater in magnitude than 2008/9 financial crisis. But production is expected return to growth in 2021 with an increase of 15% YoY.



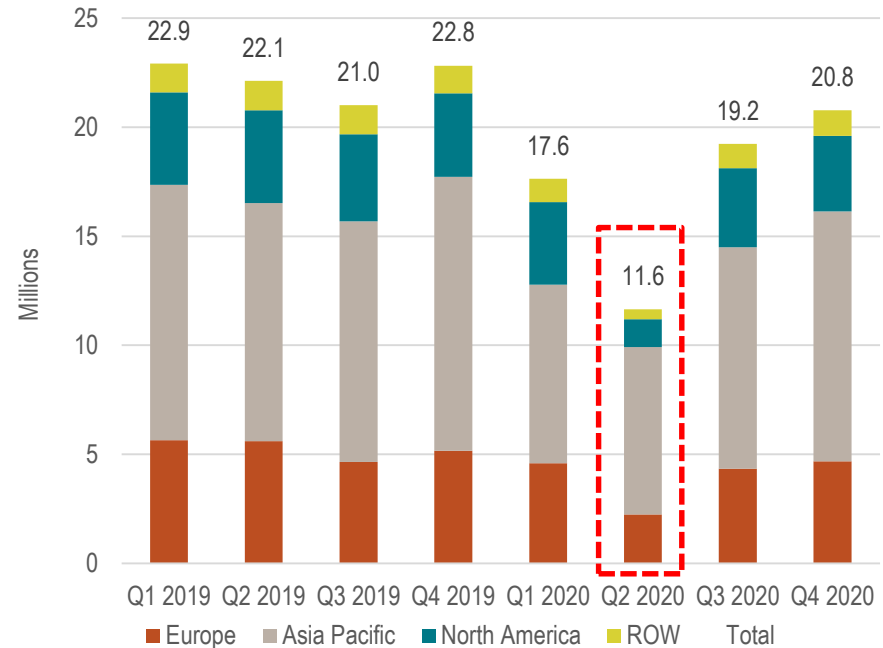
IHS Light Vehicle Production Forecast

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

Global Light Vehicle Production Forecast by Year



Global Light Vehicle Production Forecast by Quarter

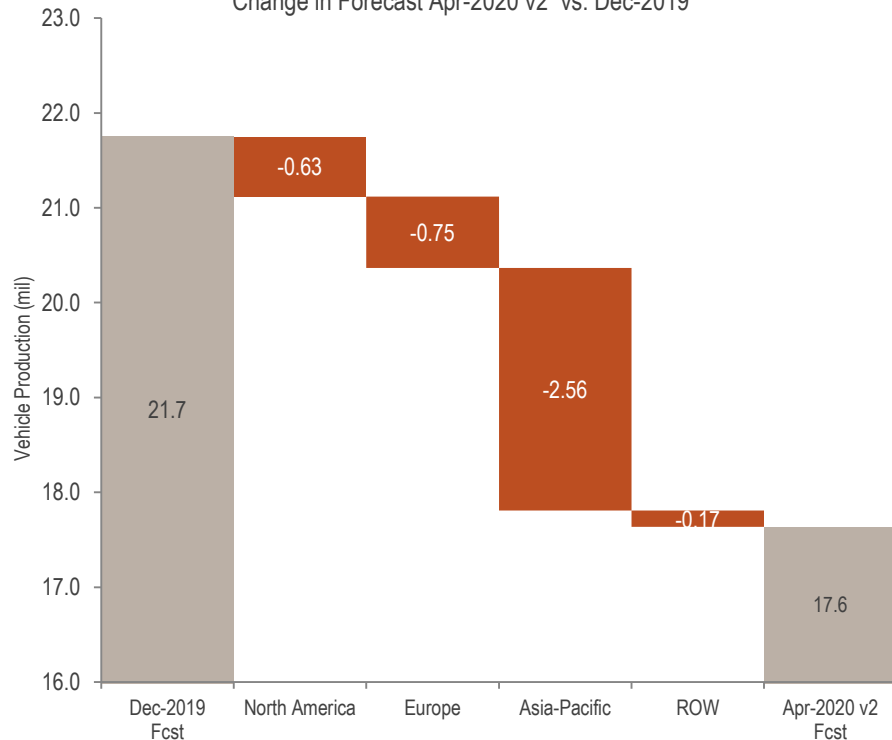


Global LV Auto Market: Q1 & Q2, 2020

Q1 Production down 4.1M, Q2 Production Forecast down 10.5M Units vs. Prior Quarter Forecast

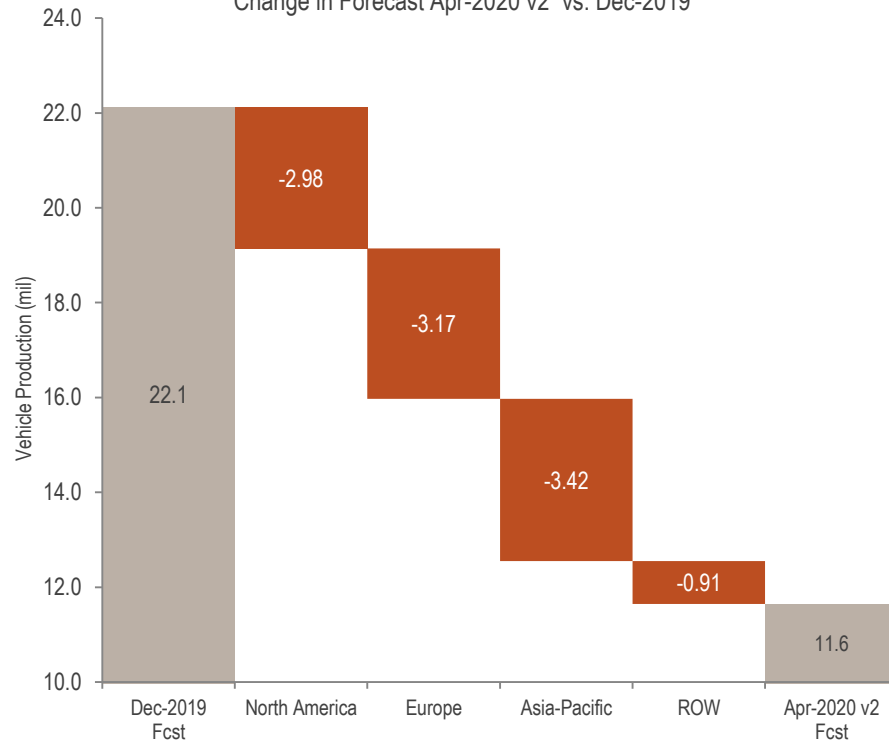
Q1-2020 Global Vehicle Production Forecast By Region

Change in Forecast Apr-2020 v2 vs. Dec-2019



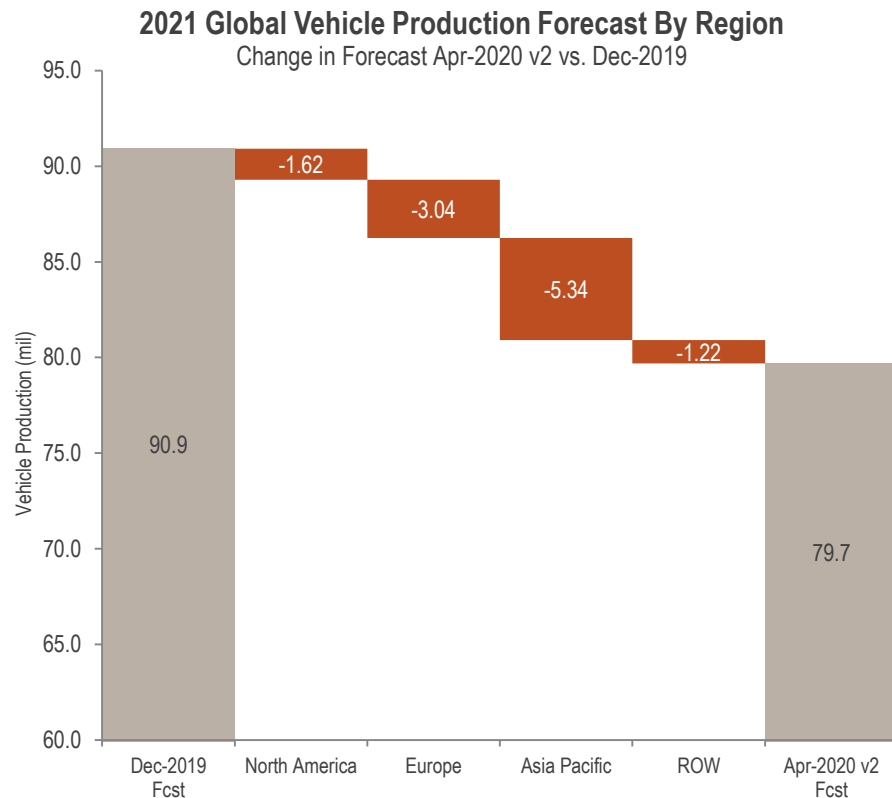
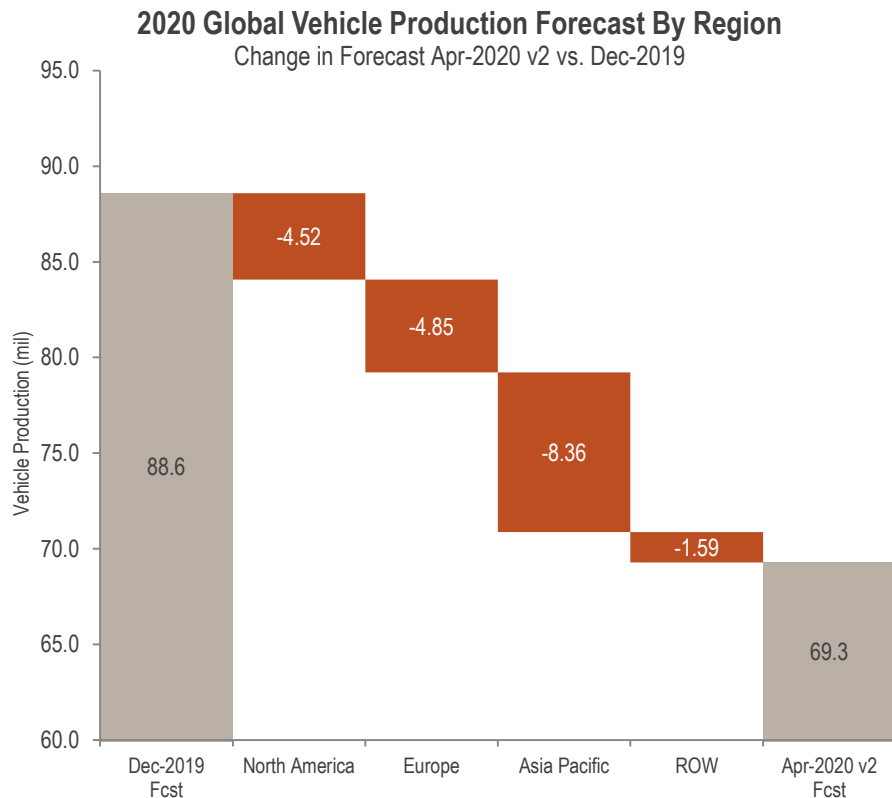
Q2-2020 Global Vehicle Production Forecast By Region

Change in Forecast Apr-2020 v2 vs. Dec-2019



Global LV Auto Market: 2020, 2021

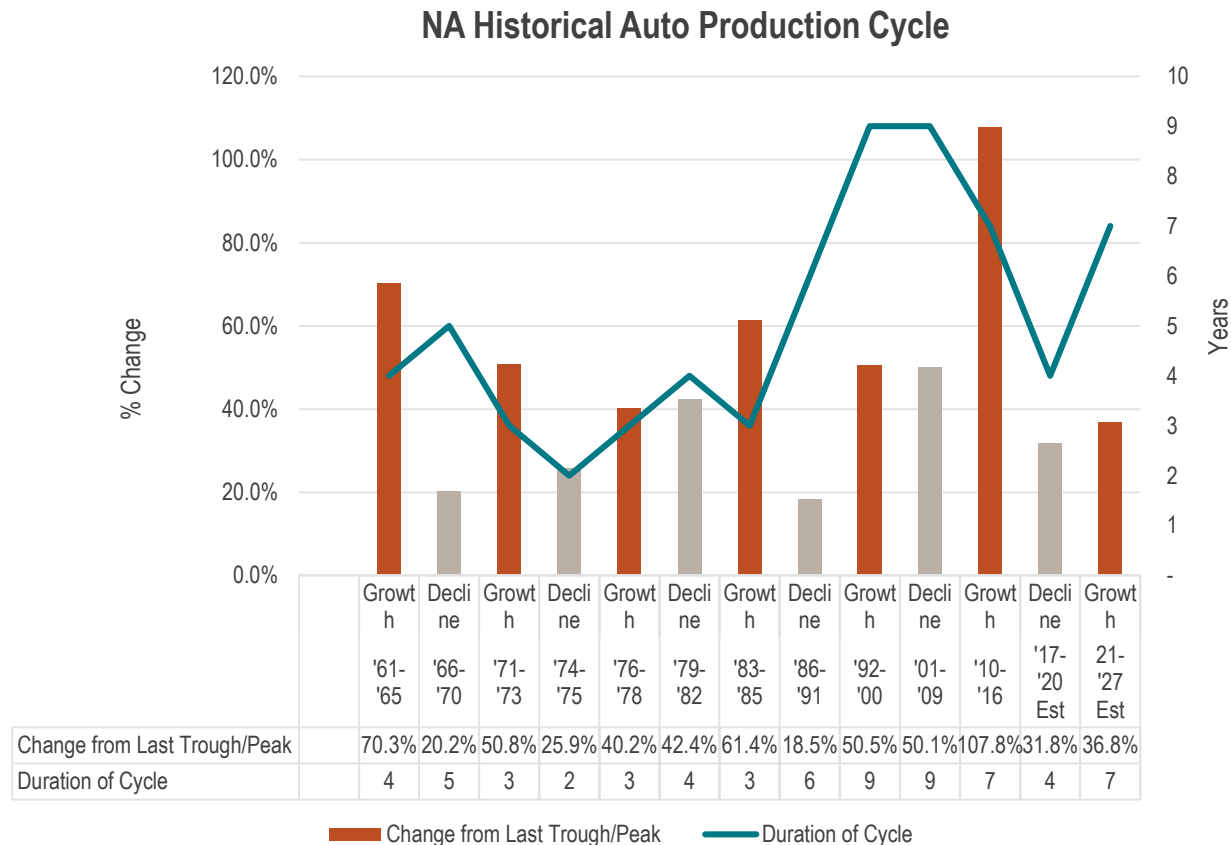
2020 Annual Forecast down 19.3M Units vs. Prior Quarter Forecast, 2021 Forecast Down 11.2M Units.



Historical NA Auto Cycles

Conclusions

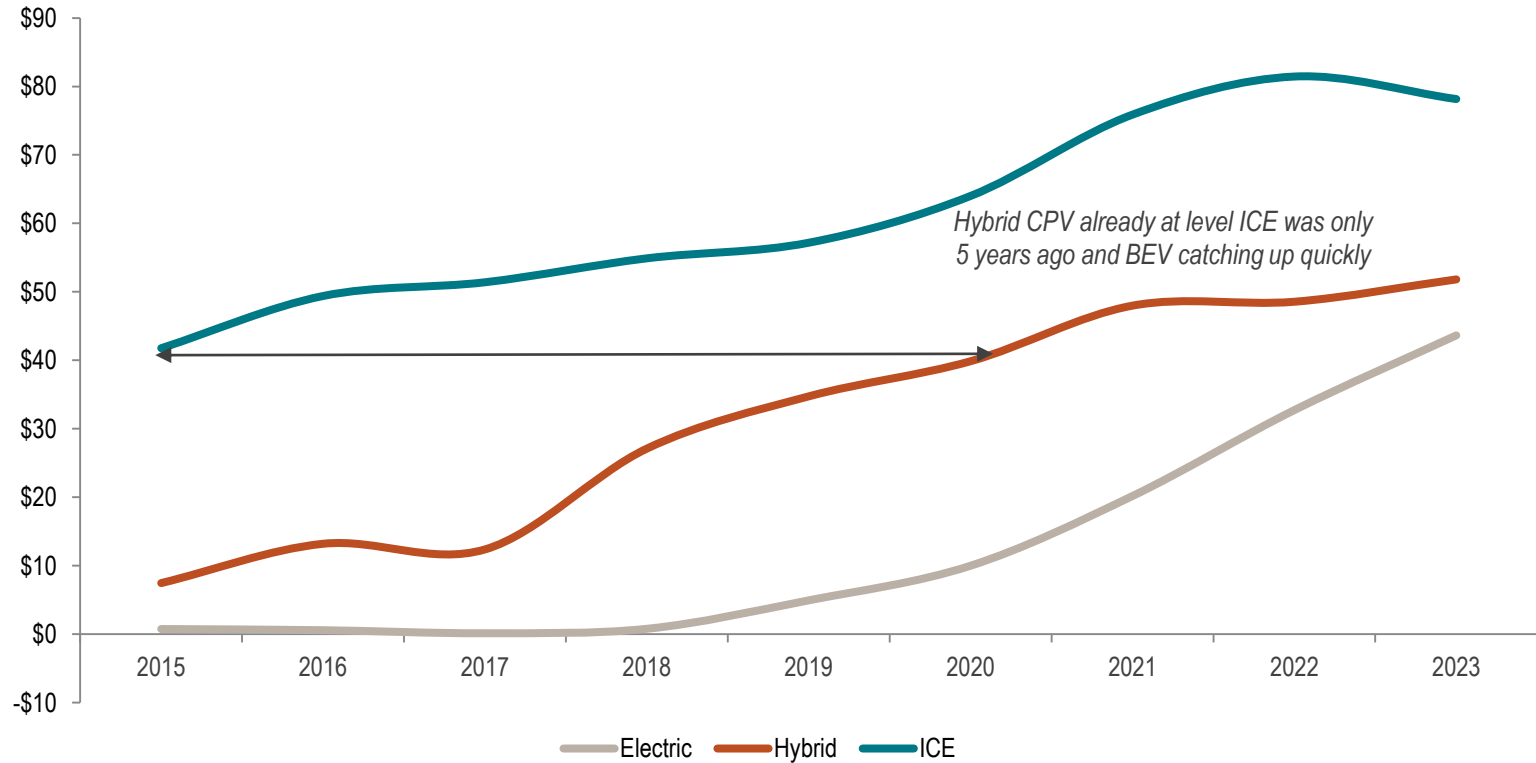
- 'Normal' cycle is 1% to 5% drops
ie low single digit each year for
on average 4 years, then growth
resumes



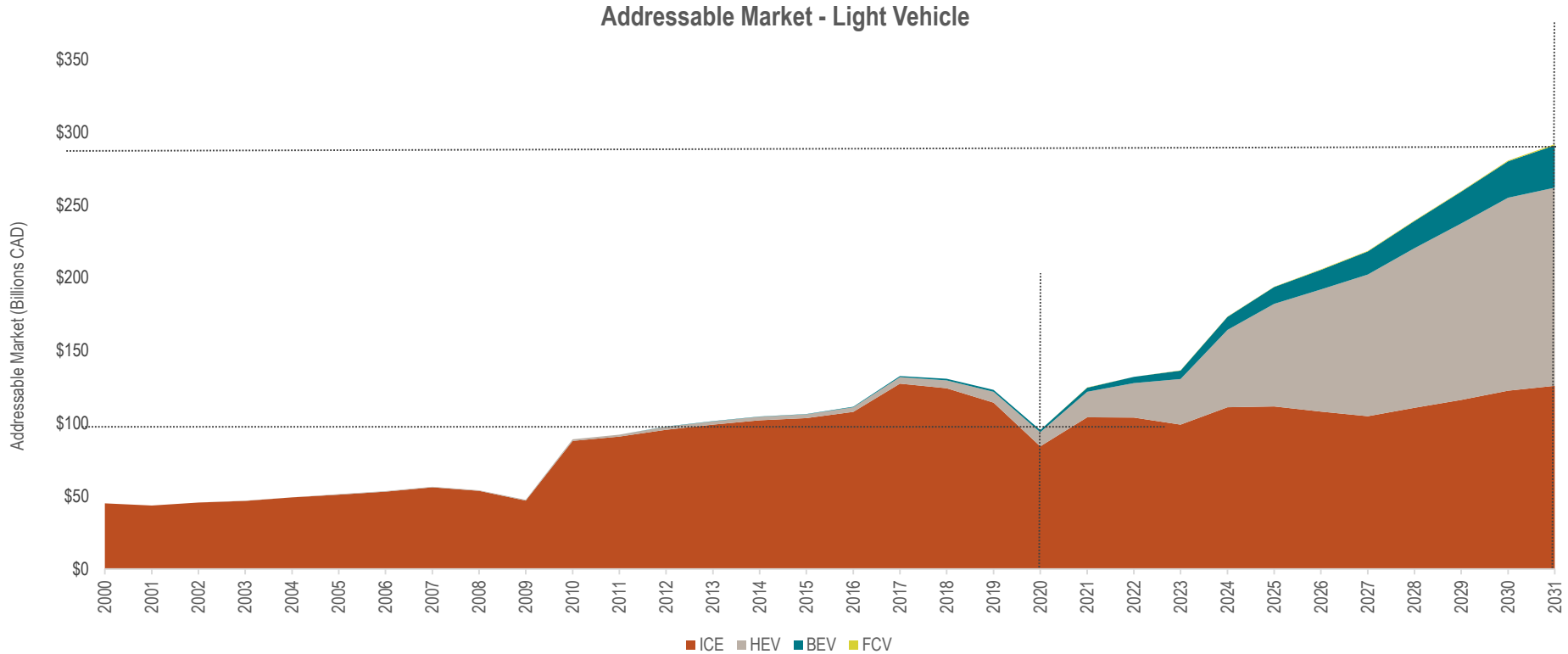
Growth Update and Outlook



Electrified Vehicles Key Growth Opportunity for Linamar



Global Addressable Market Grows Nearly 3X in 10 Years



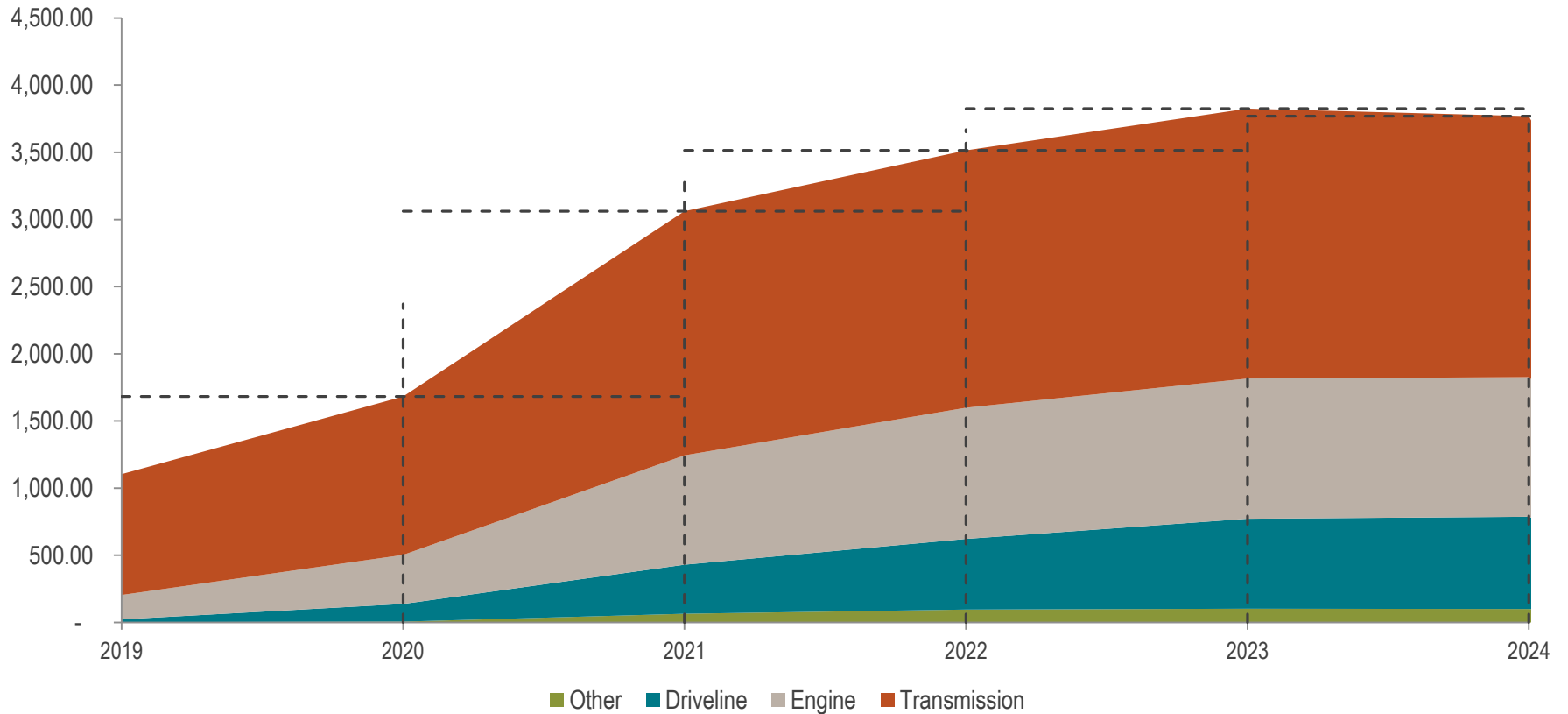
Source

IHS Forecasting 2000-2027 Advanced Consensus Projection 2028-2031

ii) Production Share of Technologies by 2031 of ICE 40%, HEV 43%, EV 17%, Fuel Cell 0.1%. (Based on Consensus Average of External Industry Expert Forecasts for EV adoption, Updated May 7, 2020)

Launches

Launching more than \$4.1 billion of new work today



Outlook

Consolidated	Normal Ranges	2019 Actuals	Expectations 2020	Expectations 2021
Sales Growth		(2.7%)	Significant Double Digit Declines in both Sales and Earnings due to Plant Shutdowns and Market Declines related to COVID-19 Pandemic	Growth in Sales and Earnings Driving From Market Rallies
Normalized Earnings Growth		(20%)		
EPS		(8%)		
EBITDA		6.3%	Above 0	Expansion
Normalized Net Margin	7.0% - 9.0%	6.3%		
Capex (% of Sales)	6.0% - 8.0%	525m 7.1%	Target down at least 1/3 from prior year	Within Normal Range
Leverage Net Debt:EBITDA		1.50x	Well Under 2.5X	Significantly Improved
Free Cash Flow		\$ 703 m	Positive	Continued Positive

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

Transportation				
Factors Influencing Sales Growth				
Launch Book \$4.1 Billion Driving Incremental Sales Of:		\$586m	Programs will continue to launch and replace existing although some delays in ramp ups have been announced. This is still an area that is shifting and we will have a better update in the coming weeks	TBD
Business Leaving (% Consolidated Sales)	5.0% - 10.0%			
Normalized Operating Margin	7.0% - 10.0%	7.3%	Above 0	Expansion

Q2 Expectations

- **Auto**
 - COVID-19 outbreak is the single largest impact to Q2
 - China basically back to pre Covid forecast levels
 - EU started back early May with a slow ramp back up
 - NA starting back May 18th at 1 or 2 shifts
- **Ag**
 - Steady demand at levels expected for 2020 pre-Covid
- **Access**
 - Strong headwinds will continue
- **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
 - What is clear is after 4 to 6 weeks of plant shutdowns globally (outside of China) in the quarter Q2 will be a very challenging quarter financially
 - Expect a significant loss, likely higher than the profit of Q1 for negative H1

New Business



New Business Wins: E-Axle Components

Package Value

Nearly \$25 million / year

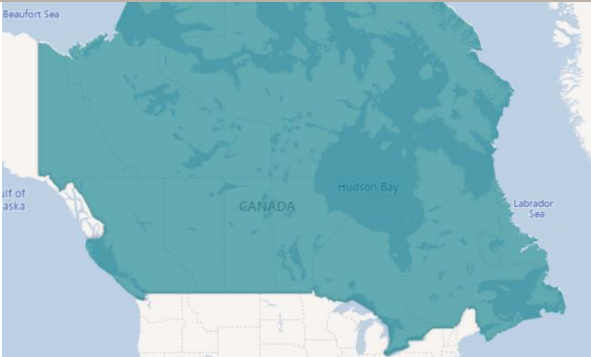
SOP Year

2021

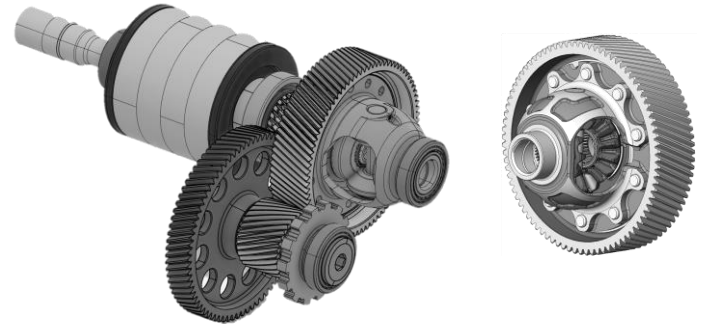
Peak Volume Year

2026

Production Location



Package of several E-Axle components
for US based new entrant BEV OEM



New Business Wins: Assembled Battery Tray

Package Volume

70,000 / year

SOP Year

2022

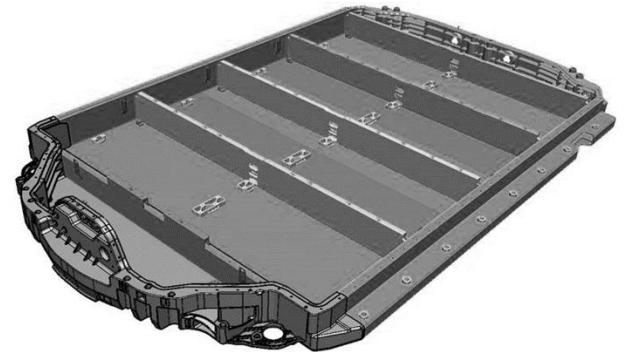
Peak Volume Year

2026

Production Location



- Assembled BEV Battery Tray for European based OEM.
- A new product type for Linamar
- Intricate passageways for cooling makes design perfectly suited for Linamar's light metal casting expertise in thin walled highly complex coring



Financial Review

Dale Schneider



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

	Q1 2020	Q1 2019	% Δ
Sales	1,549.8	1,974.5	(21.5%)
EBITDA – Normalized ²	213.9	296.8	(27.9%)
EBITDA – Normalized Margin	13.8%	15.0%	
Industrial OE – Normalized ¹	31.4	77.9	(59.7%)
Industrial OE – Normalized Margin	10.5%	16.7%	
Transportation OE – Normalized ¹	72.1	119.8	(39.8%)
Transportation OE – Normalized Margin	5.8%	7.9%	
OE – Normalized ¹	103.5	197.7	(47.6%)
OE – Normalized Margin	6.7%	10.0%	
NE – Normalized ³	67.9	139.4	(51.3%)
NE – Normalized Margin	4.4%	7.1%	
EPS – Normalized ⁴	1.04	2.11	(50.7%)

Q1 2020

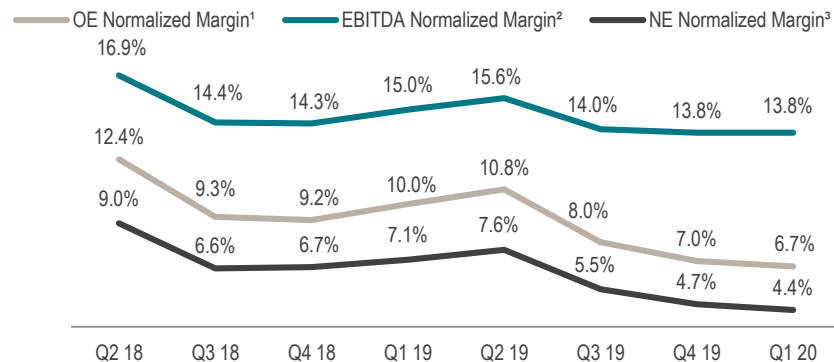
- Sales were \$1.55 billion, down \$424.7, from \$1.97 billion in Q1 2019
- Normalized OE for the quarter was \$103.5. This compares to \$197.7 in Q1 2019, a decrease of \$94.2 or 47.6%
- Normalized NE decreased \$71.5, or 51.3% in the quarter to \$67.9.
- Fully Diluted Normalized EPS decreased by \$1.07 or 50.7% to \$1.04.

Hurt By:

- Q1 was significantly impacted by COVID-19 in terms of Sales and Earnings.

Helped By:

- Great quarter for cash generation as we generated \$147.1 in Free Cash flow⁵, which represents an increase of over 572% over last year.
- Additionally, we were able to increase the amount of liquidity that is available to Linamar to \$1.2 billion compared to December 2019.



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.

5 – 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”).

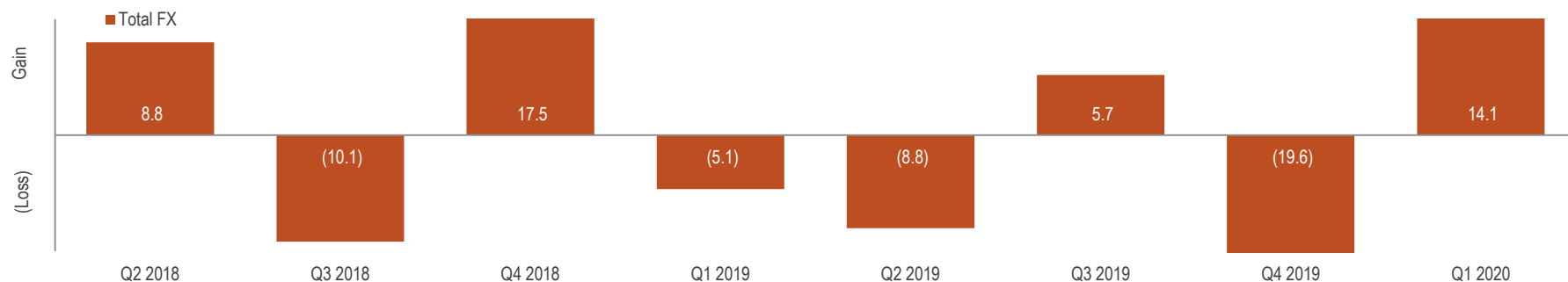
Foreign Exchange Gain/Loss (in millions CAD)

	Q1 2020	Q1 2019	+/-
FX Gain/(Loss) – Operating ¹	14.4	(6.0)	20.4
FX Gain/(Loss) – Financing	(0.3)	0.9	(1.2)
Total FX Gain/(Loss)	14.1	(5.1)	19.2

Operating Margin	7.6%	9.5%
Operating Margin- Normalized ²	6.7%	10.0%

FX Gain/(Loss) – Impact on EPS FD ³	0.16	(0.06)
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- Net FX Gain of \$14.1
- FX Gain – Operating was \$14.4
 - Industrial FX Gain was \$11.5
 - Transportation FX Gain was \$2.9
- FX gain impacted EPS by 16 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)

	Q1 2020	Q1 2019
Sales	299.0	465.1
Operating Earnings	42.9	73.1
Foreign Exchange ¹ (Gain)/Loss	(11.5)	4.8
Operating Earnings – Normalized ²	31.4	77.9
Operating Earnings Margin	14.3%	15.7%
Operating Earnings Margin – Normalized	10.5%	16.7%

- Industrial sales decreased by 35.7% or \$166.1 to reach \$299
- The sales were hurt by:
 - sales declines associated with the global COVID-19 pandemic;
 - reduced access equipment volumes from certain key customers that were impacted greater than the general market declines; 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 \$46.5 or 59.7%.
- 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 focus on cost reductions 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)

	Q1 2020	Q1 2019
Sales	1,250.8	1,509.4
Operating Earnings	75.0	114.6
Unusual Item	-	4.0
Foreign Exchange ¹ (Gain)/Loss	(2.9)	1.2
Operating Earnings – Normalized ²	72.1	119.8
Operating Earnings Margin	6.0%	7.6%
Operating Earnings Margin – Normalized	5.8%	7.9%

- Transportation sales decreased by \$258.6 to \$1.3 billion.
- The sales were hurt by:
 - the impact of COVID-19 due to customer shutdowns; and
 - an unfavourable FX impact due to the changes in rates since last year.
- Q1 normalized operating earnings were lower by \$47.7 or 39.8%.
- Transportation normalized earnings were helped by:
 - Targeted costs savings achieved in the quarter;
- Transportation normalized earnings were hurt by:
 - The loss of sales volume due to COVID-19

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.

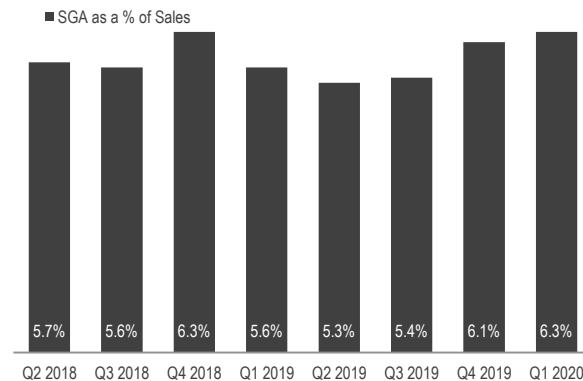
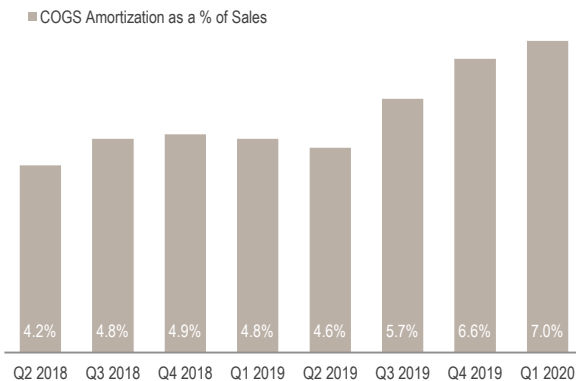
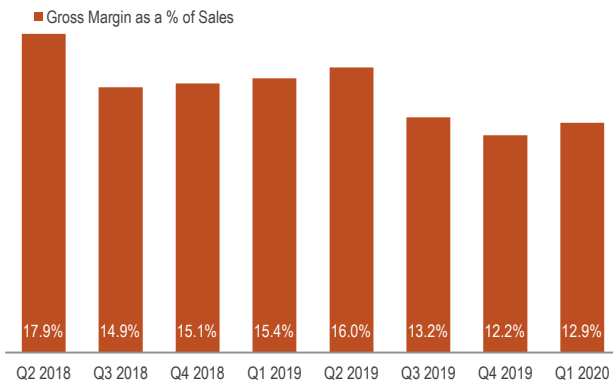
Operating Expenses (in millions CAD)

	Q1 2020	Q1 2019	+/-	%
Sales	1,549.8	1,974.5	(424.7)	(21.5%)
Cost of Goods Sold	1,349.3	1,670.6	(321.3)	(19.2%)
Gross Margin	200.5	303.9	(103.4)	(34.0%)
Gross Margin as a % of Sales	12.9%	15.4%		

Cost of Goods Sold Amortization	108.7	94.8	13.9	14.7%
COGS Amortization as a % of Sales	7.0%	4.8%		

Selling, General, and Administrative	97.5	110.2	(12.7)	(11.5%)
SGA as a % of Sales	6.3%	5.6%		

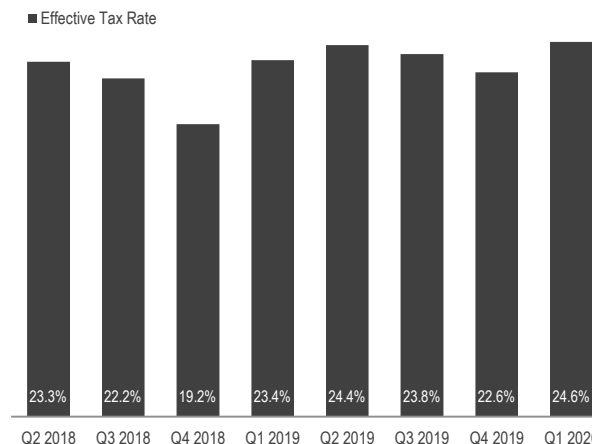
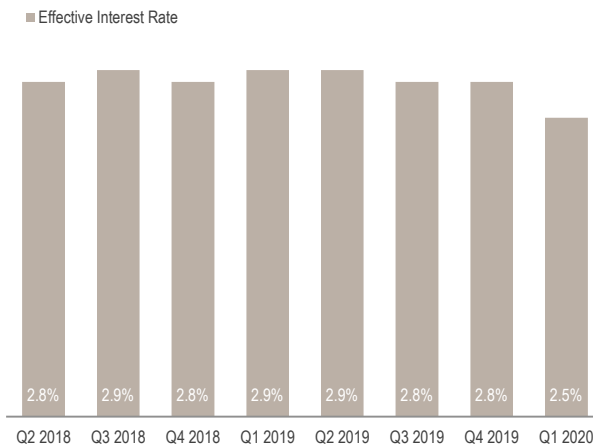
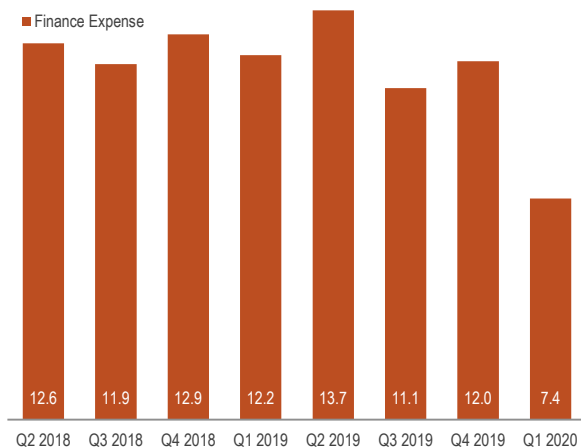
- Gross Margin decreased 34% mainly due to:
 - The lower sales volumes in both segments; partially offset by
 - The focus on cost reductions in the quarter.
- Amortization increased to 7% mainly due to the impact of the launching programs and the significant decline in sales revenue.
- SG&A improved by \$12.7 as a result of the focus on cost reductions.



Finance Expenses & Income Tax (in millions CAD)

	Q1 2020	Q1 2019	+/-
Finance Expense	7.4	12.2	(4.8)
Effective Interest Rate	2.5%	2.9%	(0.4%)
Effective Tax Rate	24.6%	23.4%	1.2%

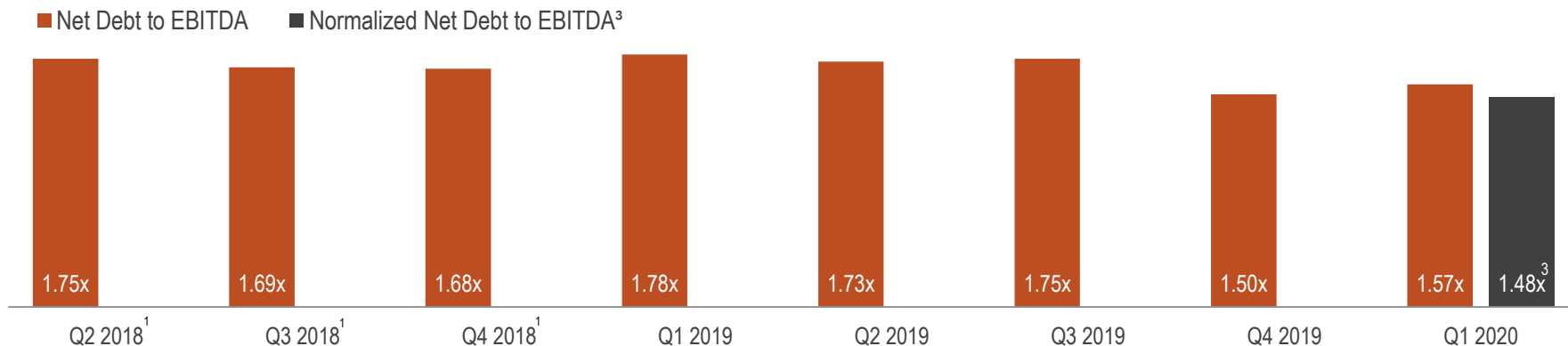
- Finance expenses decreased \$4.8
- Finance expenses were helped by:
 - the impact of lower debt levels; and
 - lower interest rates
- The effective interest rate declined to 2.5%
- The tax rate increased to 24.6%.
- Full year 2020 tax rate expected to be in the mid point of 23% to 25%.



Leverage (in millions CAD)

	Q1 2020	Q1 2019
Cash Position	413.2	485.5
Available Cash on Credit Facilities	739.3	691.6
Net Debt to EBITDA	1.57x	1.78x
Debt to Capitalization	32.6%	40.9%

- Cash position at the end of the quarter was \$413.2
- Generated \$232.6 in Cash from Operating Activities
- Generated more than \$147 in quarter of Free Cash Flow²
- Normalized Net Debt to EBITDA³ was 1.48 to continue the deleveraging experienced in 2019
- Goal is to be under 2.5x Net Debt to EBITDA by the end of the year
- Current estimates show that Linamar will be well under 2.5x by the end of the year



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").

3 - Normalized for foreign exchange impacts from revaluation of net debt.

Conclusion

- COVID has a significant impact on Sales and Earnings
- Excellent Cash Generation in the Quarter
- Free Cash Flow¹ generation of over \$147 million
- Available Liquidity increased to \$1.2 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



Annual General Meeting

- Due to COVID-19 restrictions on public gatherings, the 2019 AGM will be held virtually.
- Wednesday May 27th, 2020
10:00am Eastern Time
- For information updates and virtual meeting details go to:
linamar.com/coronavirus/shareholders



Outlook

Consolidated	Normal Ranges	2019 Actuals	Expectations 2020	Expectations 2021
Sales Growth		(2.7%)	Significant Double Digit Declines in both Sales and Earnings due to Plant Shutdowns and Market Declines related to COVID-19 Pandemic	Growth in Sales and Earnings Driving From Market Rallies
Normalized Earnings Growth		(20%)		
EPS		(8%)		
EBITDA		6.3%	Above 0	Expansion
Normalized Net Margin	7.0% - 9.0%	6.3%		
Capex (% of Sales)	6.0% - 8.0%	525m 7.1%	Target down at least 1/3 from prior year	Within Normal Range
Leverage Net Debt:EBITDA		1.50x	Well Under 2.5X	Significantly Improved
Free Cash Flow		\$ 703 m	Positive	Continued Positive

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

Transportation				
Factors Influencing Sales Growth				
Launch Book \$4.1 Billion Driving Incremental Sales Of:		\$586m	Programs will continue to launch and replace existing although some delays in ramp ups have been announced. This is still an area that is shifting and we will have a better update in the coming weeks	TBD
Business Leaving (% Consolidated Sales)	5.0% - 10.0%			
Normalized Operating Margin	7.0% - 10.0%	7.3%	Above 0	Expansion

Q2 Expectations

- **Auto**
 - COVID-19 outbreak is the single largest impact to Q2
 - China basically back to pre Covid forecast levels
 - EU started back early May with a slow ramp back up
 - NA starting back May 18th at 1 or 2 shifts
- **Ag**
 - Steady demand at levels expected for 2020 pre-Covid
- **Access**
 - Strong headwinds will continue
- **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
 - What is clear is after 4 to 6 weeks of plant shutdowns globally (outside of China) in the quarter Q2 will be a very challenging quarter financially
 - Expect a significant loss, likely higher than the profit of Q1 for negative H1

Key Messages



\$147 Million Cash



\$1.2 Billion Liquidity



**Cutting Capex, Conserving Cash,
Cutting Costs, Growing**



Supporting our Communities





Thank You

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