



Q3 Conference Call Presentation

For Audio Only Dial in:

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Conference ID: 3374269

● Linda Hasenfratz

● November 9, 2021

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

COVID-19 Update



Current Focus

■ Safe Workplace

- Ensure we continue to maintain a safe work environment
- Start easing protocols in line with regional bylaws

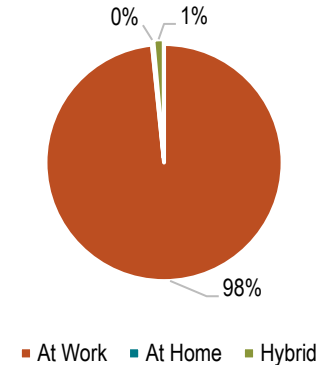
■ Vaccinations

- Continue to encourage employees to get fully vaccinated
 - Globally 81% first shot, 74% fully vaccinated

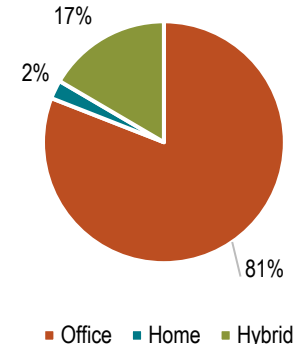
■ Return to Work

- Work with any employees still working from home/hybrid to ease the transition back to work where possible
 - **Be supportive, flexible & empathetic**, everyone's needs are still shifting and evolving

WFH Analysis Overall Workforce
Q3 2021



WFH Analysis Office Only
Q3 2021



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)

	Q3 2021	Q3 2020	% Δ
Sales	1,645.0	1,637.4	0.5%
EBITDA – Normalized ²	255.2	309.3	(17.5%)
EBITDA – Normalized Margin	15.5%	18.9%	
Industrial OE – Normalized ¹	72.9	48.7	49.7%
Industrial OE – Normalized Margin	16.8%	16.3%	
Mobility OE – Normalized ¹	77.8	148.7	(47.7%)
Mobility OE – Normalized Margin	6.4%	11.1%	
OE – Normalized ¹	150.7	197.4	(23.7%)
OE – Normalized Margin	9.2%	12.1%	
NE – Normalized ³	104.8	140.5	(25.4%)
NE – Normalized Margin	6.4%	8.6%	
EPS – Normalized ⁴	1.60	2.15	(25.6%)

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.

Q3 2021

The key factors impacting results in the quarter are:

- Strong market demand in all businesses, notably industrial; offset by
- Chip related customer shutdowns negatively impacting sales and earnings in auto business;
- Less government subsidies;
- Supply chain, energy, labour cost and availability and logistics challenges increasing costs in all businesses;
- FX headwinds.

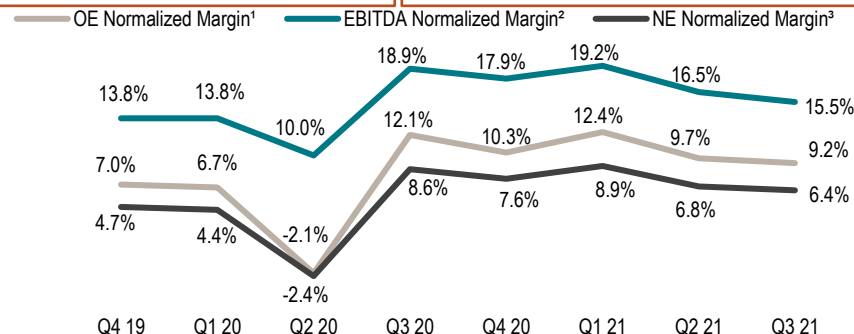
The key impacts to the segments vs prior year are:

Mobility

- Global light vehicle markets down 20% offset by launches;
- Less government subsidies;
- FX headwinds;
- Higher costs re logistics, energy, labour.

Industrial

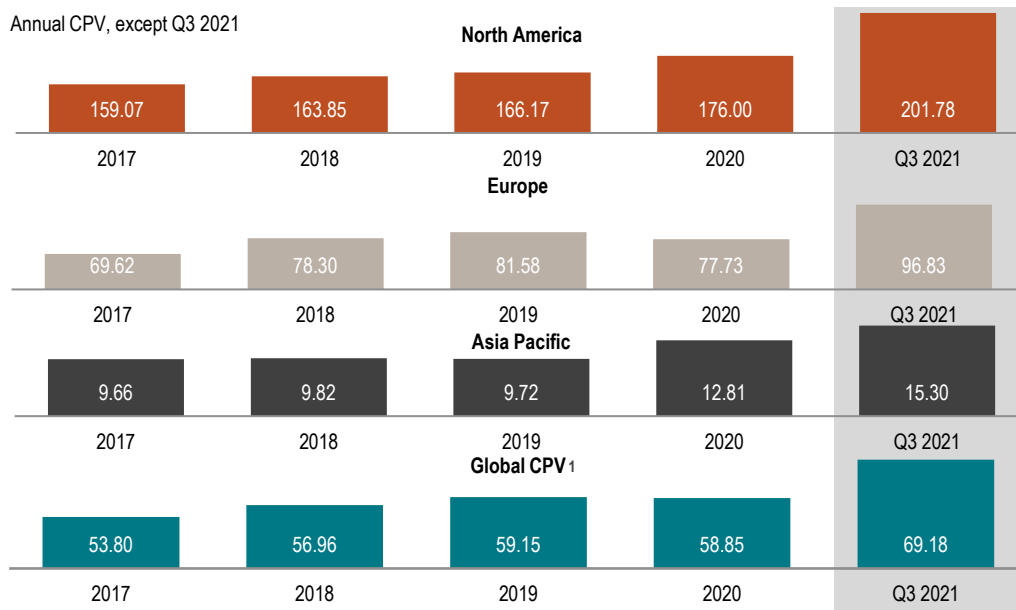
- MacDon markets & market share up in all core products;
- Skyjack markets strongly recovering & market share up in targeted markets; partially offset by;
- FX headwinds;
- Significant cost issues related to supply chain, logistics and labour challenges.



Automotive Sales & Content Per Vehicle (CPV)

	CPV Q3 2021	CPV Q3 2020	CPV % Change	Vehicle Production Units % Change	Automotive Sales Q3 2021 (CAD Millions)	Automotive Sales Q3 2020 (CAD Millions)	Automotive Sales % Change
North America	201.78	181.50	11.2%	(23.7%)	636.3	750.3	(15.2%)
Europe	96.83	76.71	26.2%	(29.7%)	297.7	335.2	(11.2%)
Asia Pacific	15.30	12.57	21.7%	(15.2%)	143.1	138.5	3.3%
Global CPV ¹	69.18	62.70	10.3%	(20.2%)	1,077.1	1,224.0	(12.0%)
Other Automotive Sales	-	-	-	-	57.9	54.4	6.4%

Annual CPV, except Q3 2021



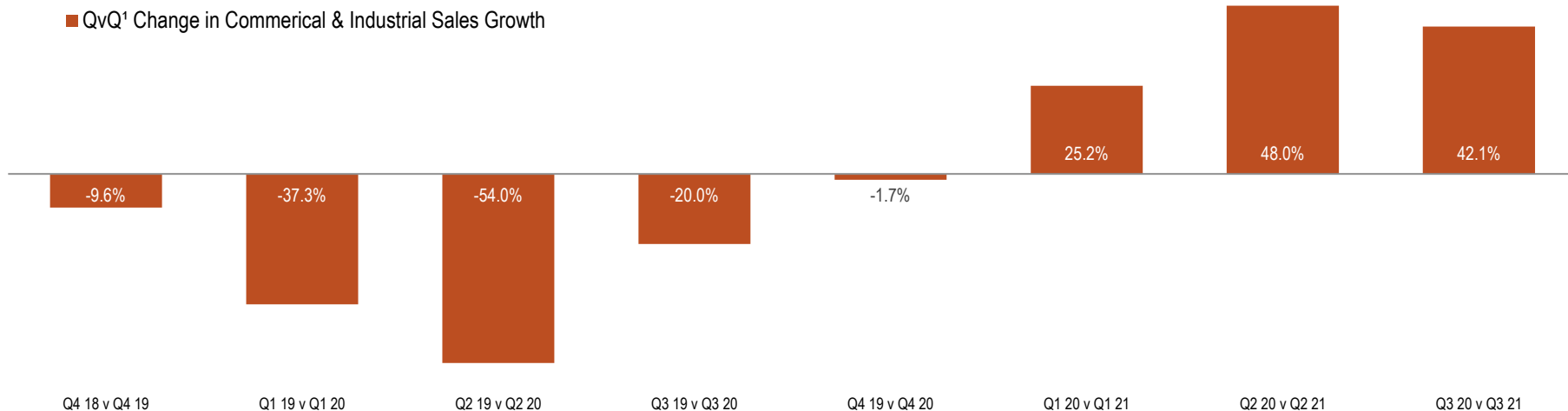
- CPV up in every region in double digits due to
 - Launching business;
 - Vehicles we have high content on are being selectively prioritized for builds by our customers;
 - Some vehicle partial builds including the powertrain are drawing our products but not reflected as a fully built vehicle in reported production.

Commercial & Industrial Sales (in millions CAD)

	Q3 2021	Q3 2020	% Change
Sales	510.0	358.9	42.1%

- MacDon
 - Draper header market up 20% in NA² in Q3;
 - Solid market share gains in both draper headers and windrowers globally driving strong sales growth.
- Skyjack
 - Global markets up more than 50% over 2020 in Q3 coupled with market share growth driving strong sales growth here as well.

■ QvQ¹ Change in Commercial & Industrial Sales Growth



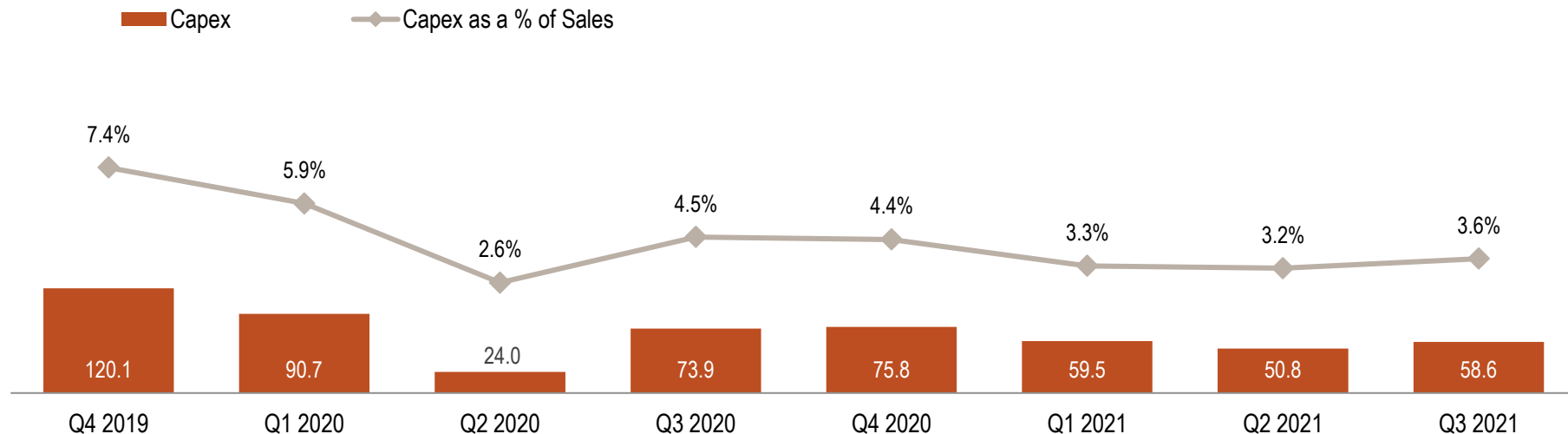
1 – Quarter versus quarter ("QvQ") indicates year over year comparison of two of the same quarters.

2 – Estimated based on NA Combine Retails, which were up 29% in Q3

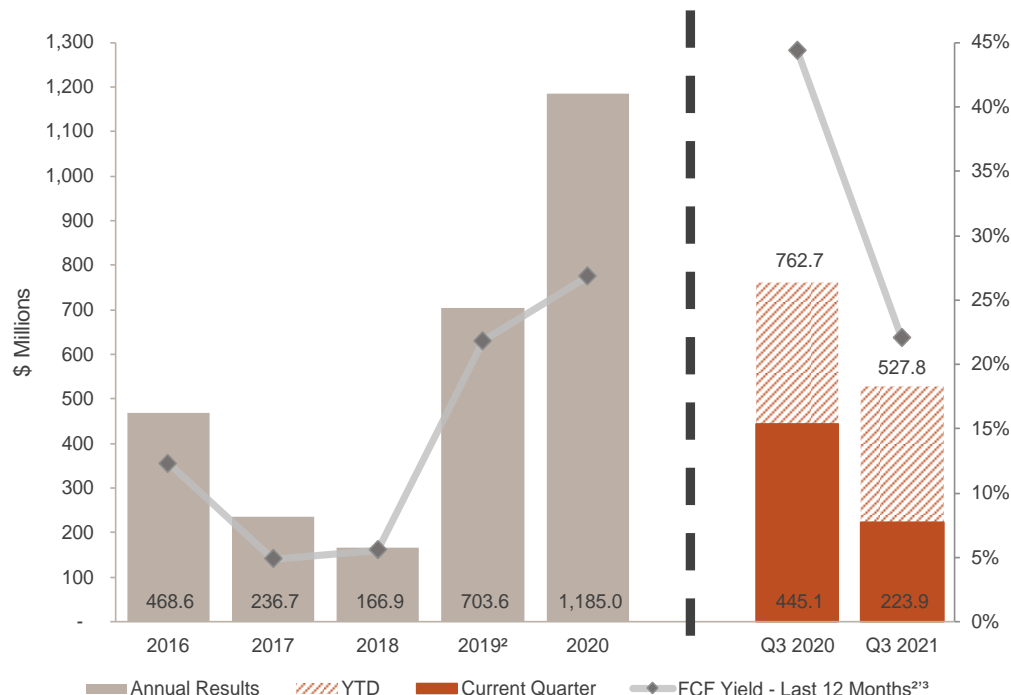
Capital Expenditures (in millions CAD)

	Q3 2021	Q3 2020
Capital Expenditures (Capex)	58.6	73.9
Capex as a % of Sales	3.6%	4.5%

- Capex down from 2020 as we continue to conservatively manage cash in a volatile environment;
- Flexible equipment allows us to continue to grow and tool up programs until market volumes pick up;
- Capex will return to normal levels of 6-8% of sales in 2022.



Cash Flow Continues to be a Key Priority



- FCF¹ in Q3 \$224 million.
 - 14th consecutive quarter of positive FCF.
- FCF Yield has been consistently >20% since 2019.
- Liquidity¹ excellent with \$1.8 billion of cash available at quarter end.
- Solid liquidity and balance sheet positions us well for takeover and acquisition opportunities as they arise.

1 - For more information on the Free Cash Flow and Liquidity measure refer to section entitled "Non-GAAP and Additional GAAP Measures" and "Liquidity and Capital Resources" respectively, 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.

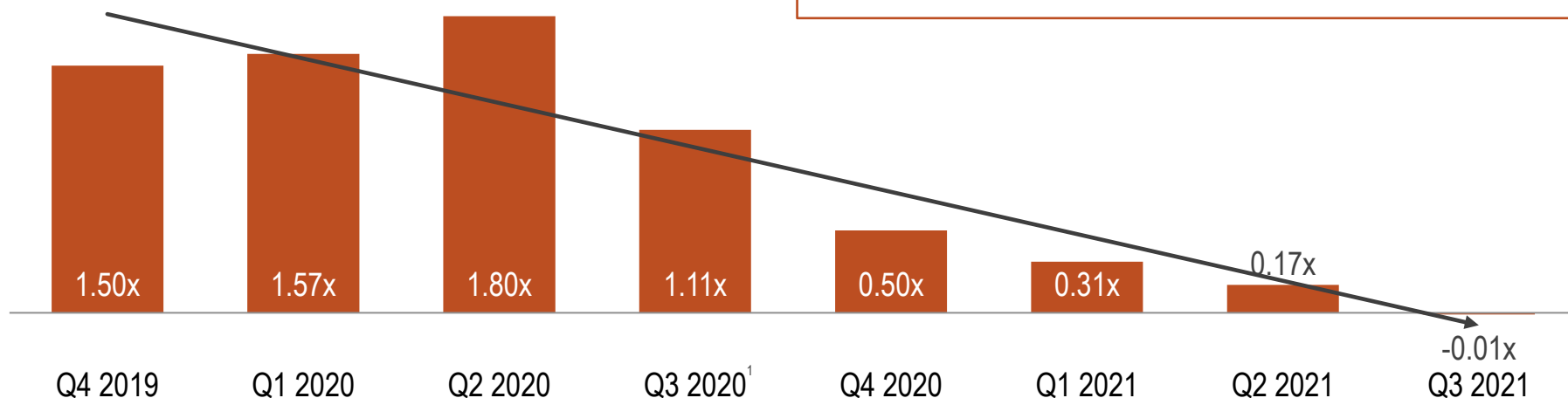
3 - Free cash flow yield is calculated as free cash flow divided by fully diluted shares divided by share price.

Leverage (in millions CAD)

	Q3 2021	Q2 2021	Q3 2020
Net Debt	(5.7)	198.7	876.7
Net Debt to EBITDA	(0.01)x	0.17x	1.11x

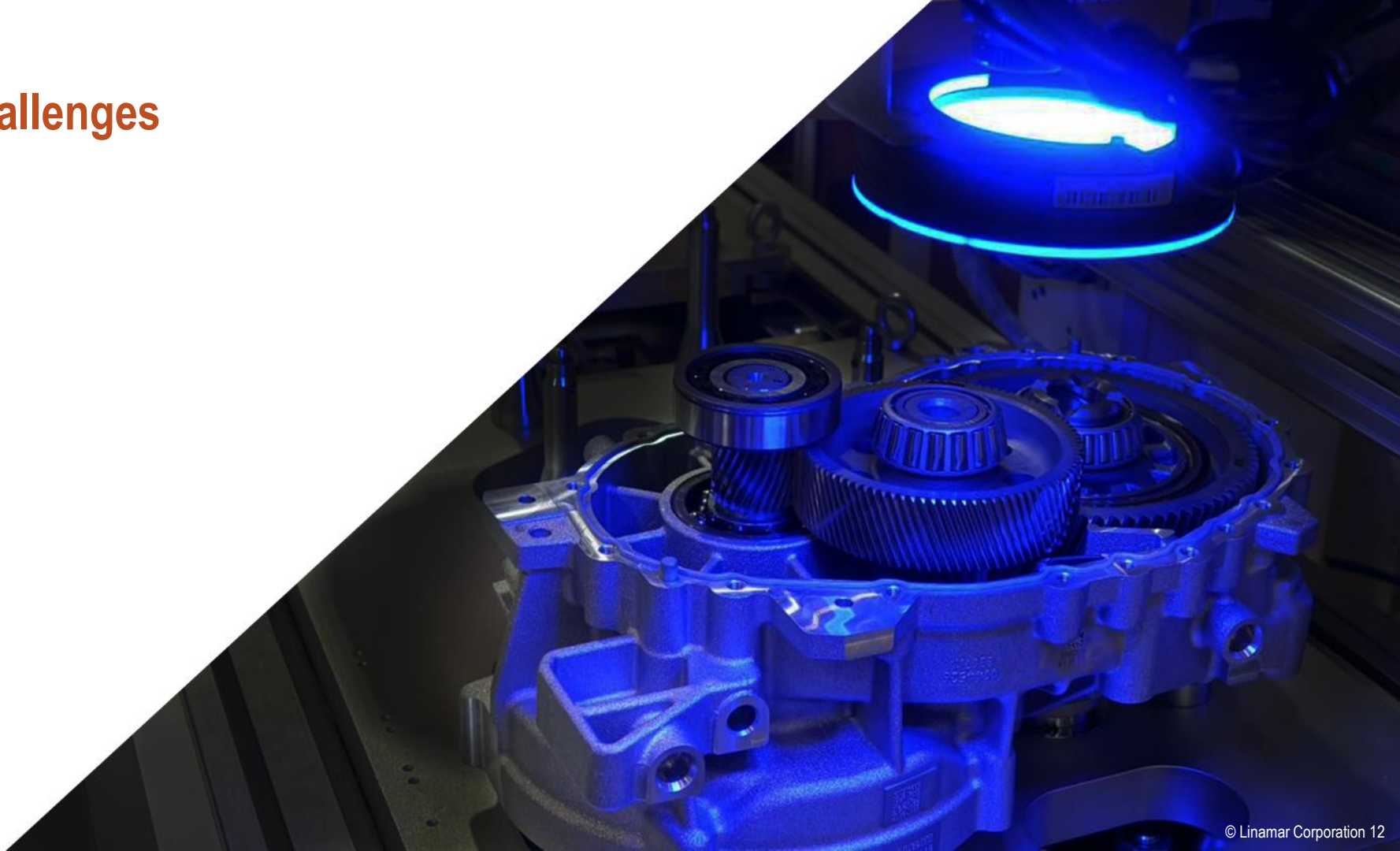
- We have brought down nearly \$2.2 Billion in net debt from our peak in early 2018 and are now in a cash positive position.
- Our strong cash position has prompted us to return cash to our shareholders by increasing our dividend by 25% and launching an NCIB for TSX approval.

Net Debt to EBITDA



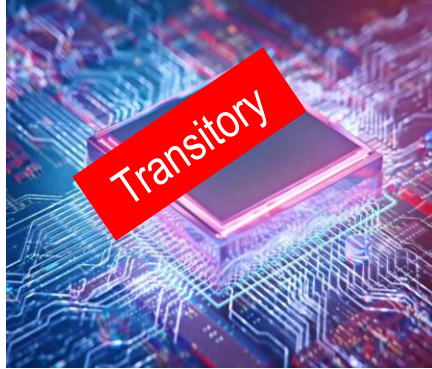
¹ - 2020 EBITDA restated in Q1 2021. Please refer to the definition of EBITDA in the section entitled "Non-GAAP and Additional GAAP Measures" in the Company's separately released MD&A.

Challenges



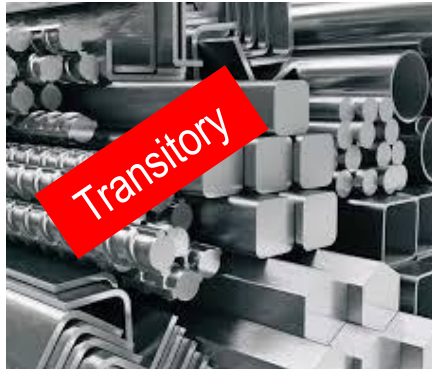
Disruptions

Semi Conductor Chip
Shortages



Major Increases in
Shipping Costs

Spiking Commodity Prices

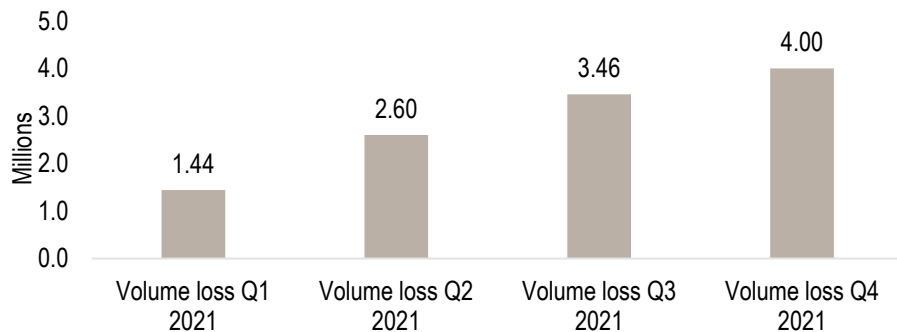


Labour Challenges

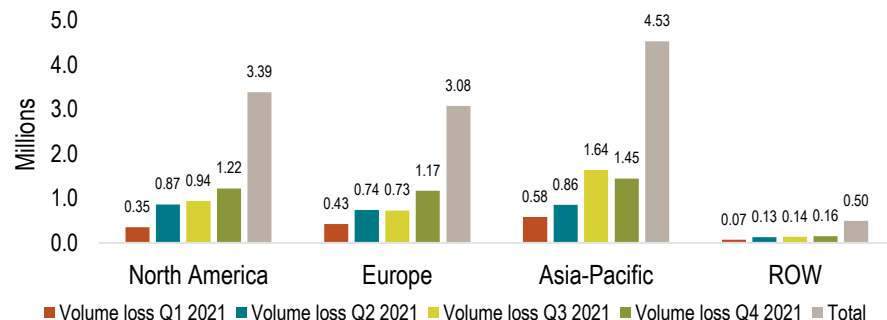
Semiconductor Chip Shortage – Light Vehicle Production Impact

Total forecasted 2021 volume loss of 11.5M units. Announced volume loss of 9.2M units YTD. Supply disruption expected to continue in 2022.

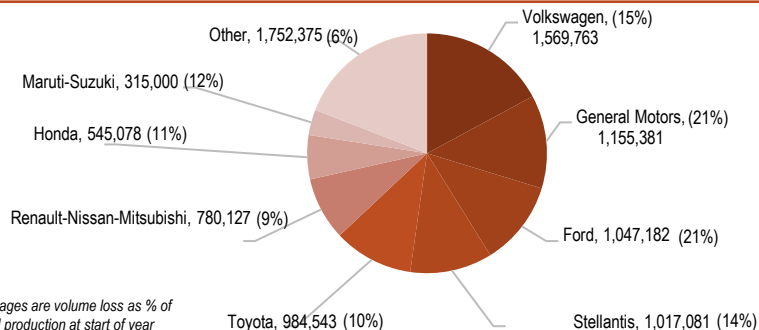
Estimated Volume Loss by Quarter



Estimated Volume Loss by Region

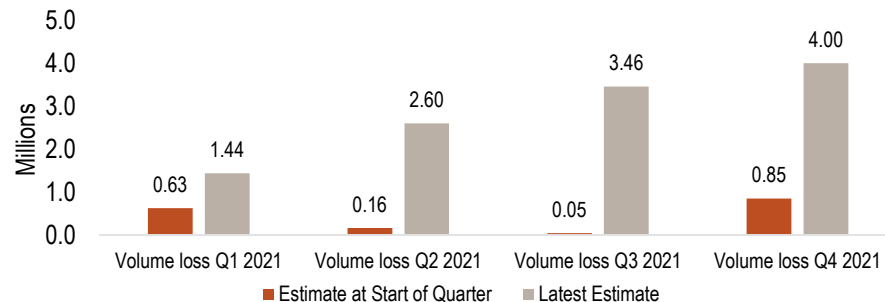


Announced Volume Loss by OEM
Total Q1-2021 to Q4 2021



Percentages are volume loss as % of planned production at start of year

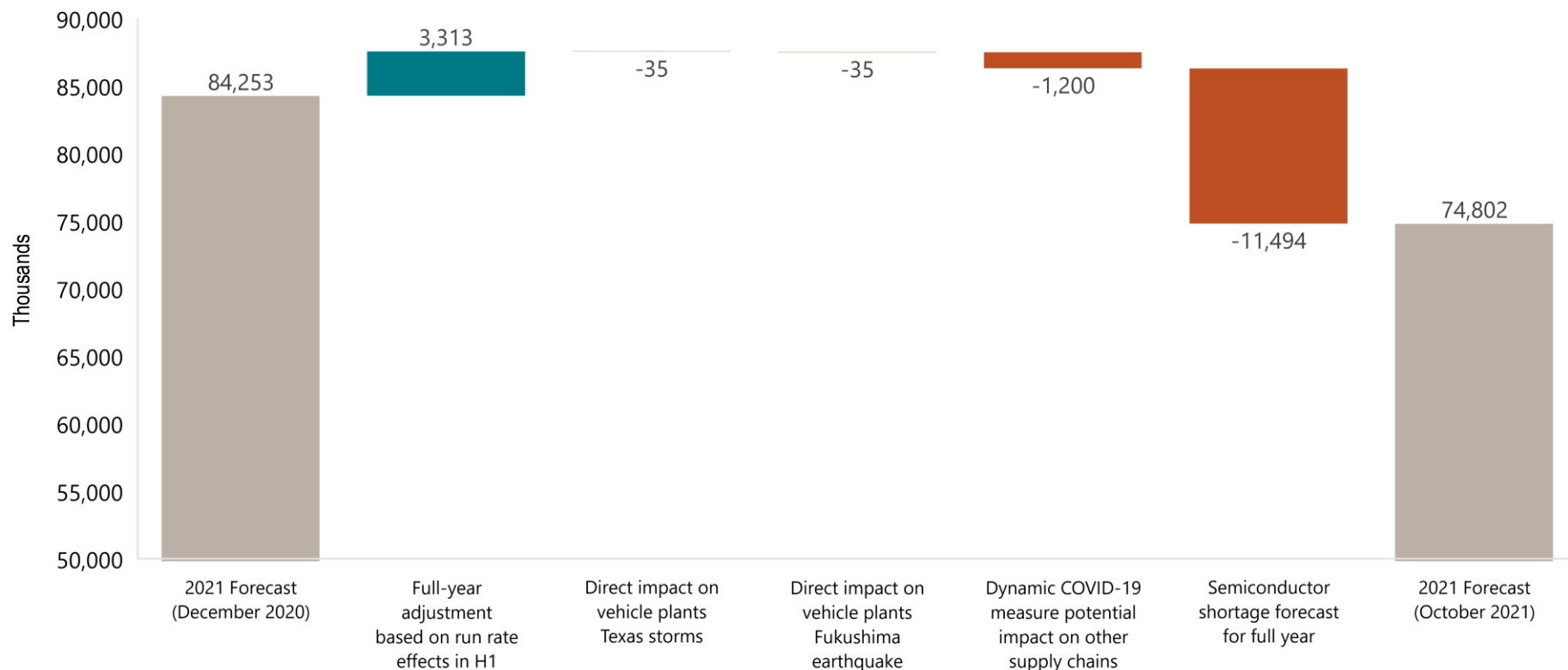
Estimated Volume Loss - Start of Quarter Versus Latest Estimate



Original Estimates Jan 12th for Q1, Mar 12th for Q2, May 7th for Q3, Sep. 13th for Q4

Semiconductor Chip Shortage by Far Biggest Issue But Not the Only One...

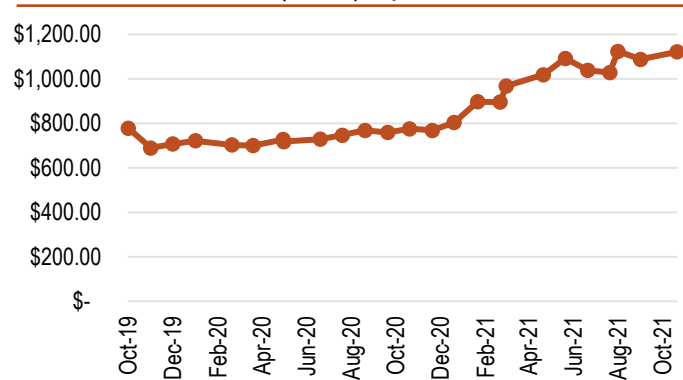
Heightened disruption continues into fourth quarter with little visibility; risk of public health measures and energy shortages disrupting other supply chains is also increasing



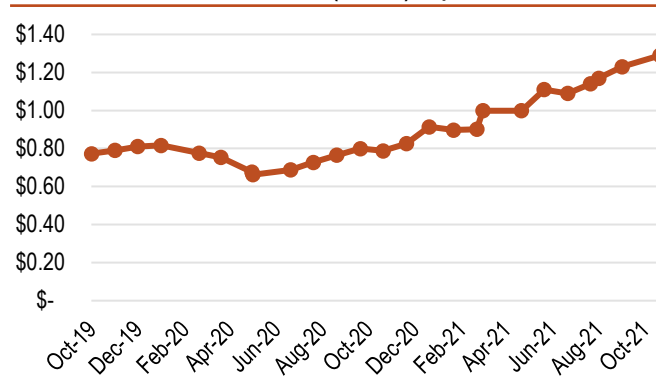
Commodity Prices a Challenge

Pass Through for Mobility, Less Flexibility in Industrial

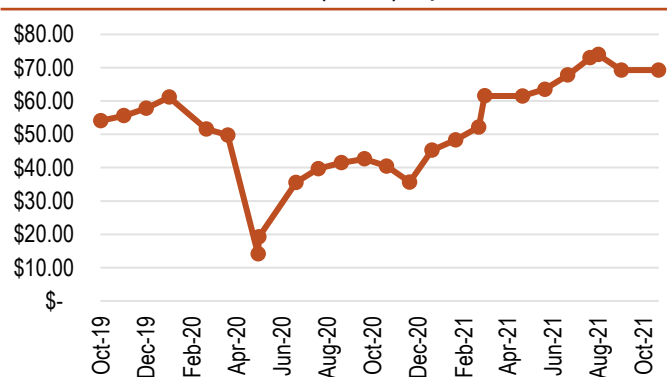
Steel Plate (CDN) - per metric ton



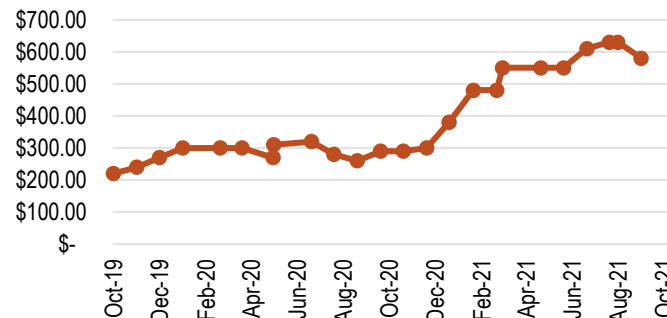
Aluminum (USD) - per lb



Crude Oil, WTI (USD) - per barrel

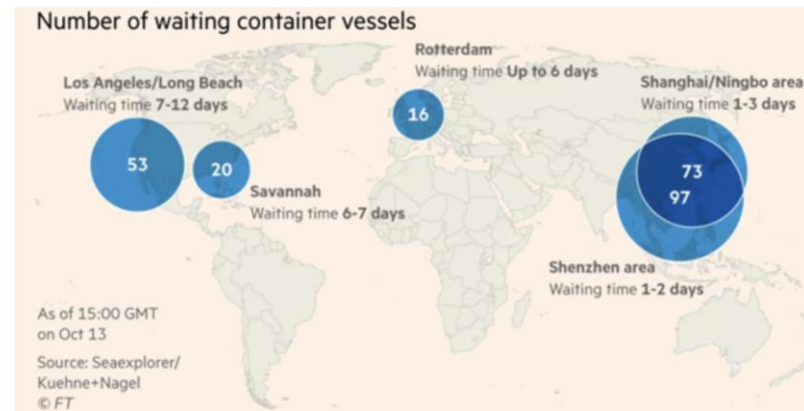
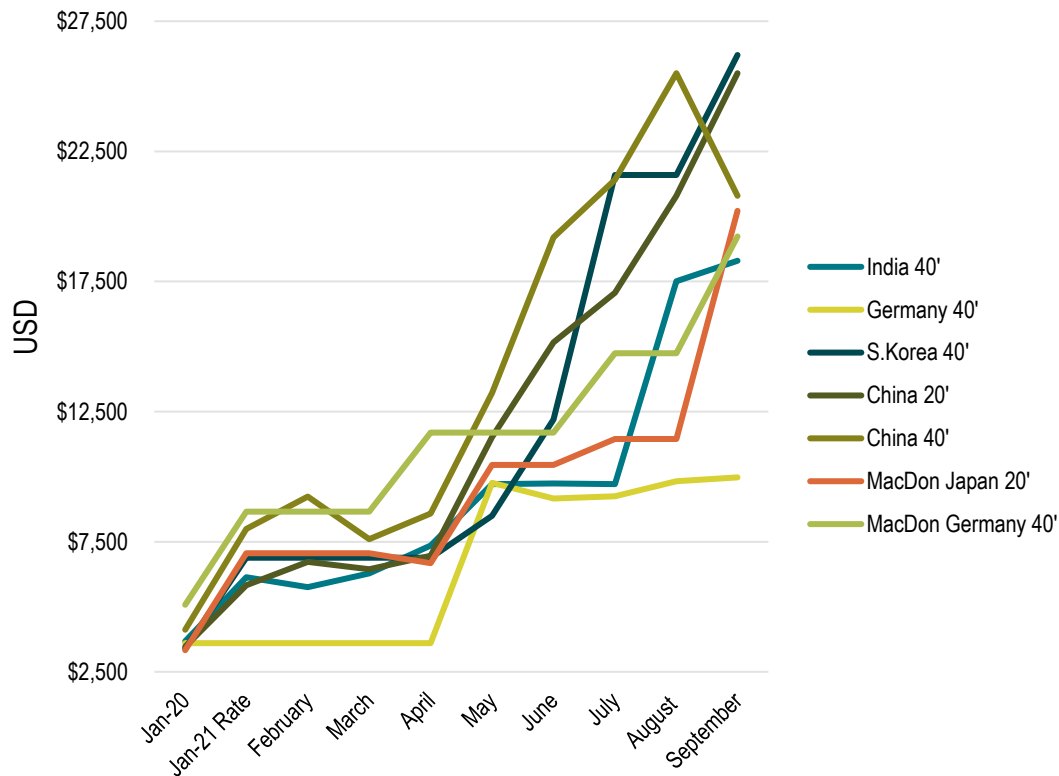


Scrap Steel No. 1 Busheling N. America
- per long ton



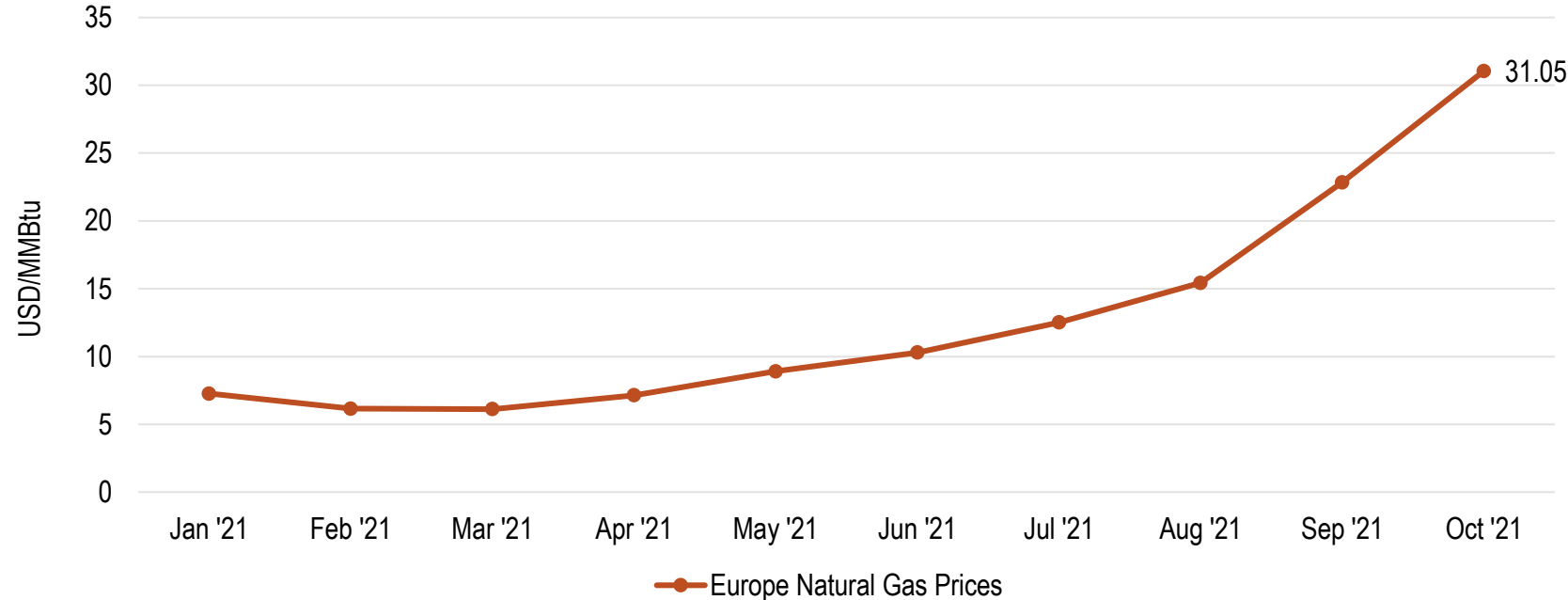
Ocean Freight Continues to be A Key Concern...

Ocean Lane Increases



Natural Gas Prices up Nearly 5 Fold in Europe

European Unions Natural Gas Import Price



Energy Cost and Availability An Issue

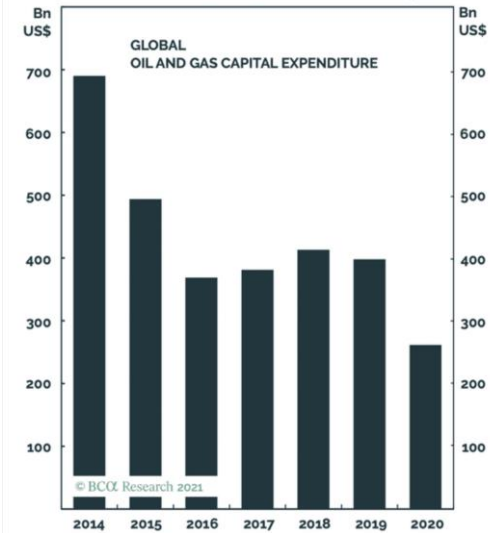
And One We Will Live with for Some Time...

- Natural gas and power prices in Europe and Asia at record highs, US prices have doubled
 - Demand is rebounding
 - Producers have been slow to increase output
 - Carbon offsets are pricey – everyone shifting from coal to gas
 - Cold and long winter in 2020 depleted reserves
 - Wind and solar output were low this year as well
 - EU gas production has declined
 - Dependent on Russia for gas
 - Putin playing a political card and restricting supply
- There is a bigger more permanent issue here in that investment in fossil fuel energy globally has declined 40% in recent years
 - Unpopular, investors don't want it, banks won't fund it, governments won't approve it
 - There has not been a corresponding increase in renewable/alternative investment
 - We are at the outset of an Energy Crisis
 - We have cut the fossil fuel output and have no transition plan to green alternatives



CHART 10

Energy Producers Have Not Been Investing
Much In New Capacity



SOURCE: IEA, RYSTAD, AND BCG ANALYSIS.








2 Key Issues on People Side – Turnover and Availability of People



Market Outlook



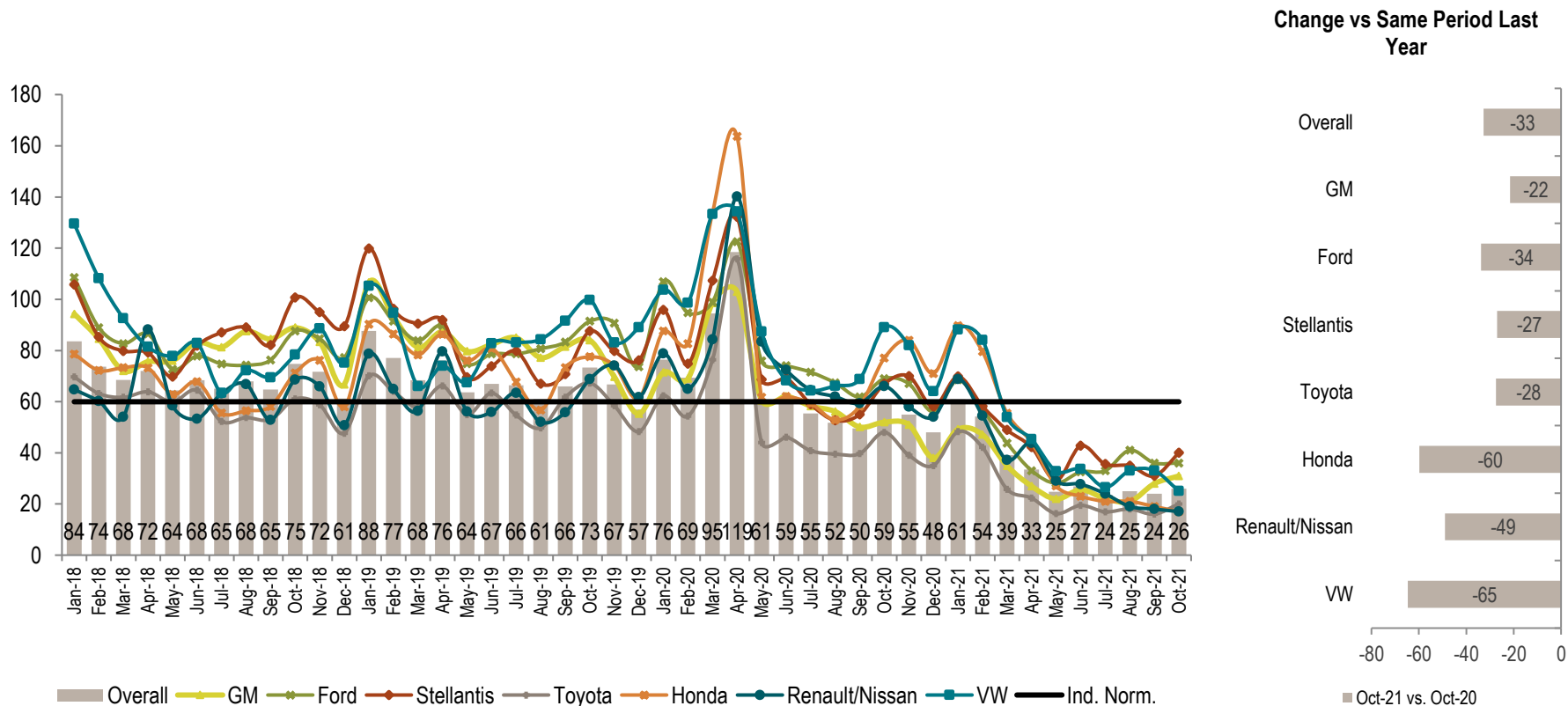
Market Snapshot

								
2021	Light Vehicle	Commercial Truck	Combine Heads	Access	2022	Light Vehicle	Commercial Truck	Access
North America	▼ -0.2%	▲ 32.9%	▲ 20.0%	▲ 30.9%	North America	▲ 17.2%	▲ 8.7%	▲ 25.0%
Europe	▼ -3.3%	▲ 24.6%	▲ 10.0%	▲ 37.4%	Europe	▲ 16.1%	▲ 2.3%	▲ 18.1%
Asia	▲ 0.7%	▼ -17.1%	n/a	▲ 147.1%	Asia	▲ 6.3%	▼ -26.5%	▲ 5.5%
Rest of World	▲ 12.1%	n/a	▲ 15.0%	n/a	Rest of World	▲ 11.4%	n/a	n/a

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

US Light Vehicle Inventory – Days' Supply

Will Take Years To Replenish Inventory Levels Regardless of Demand...

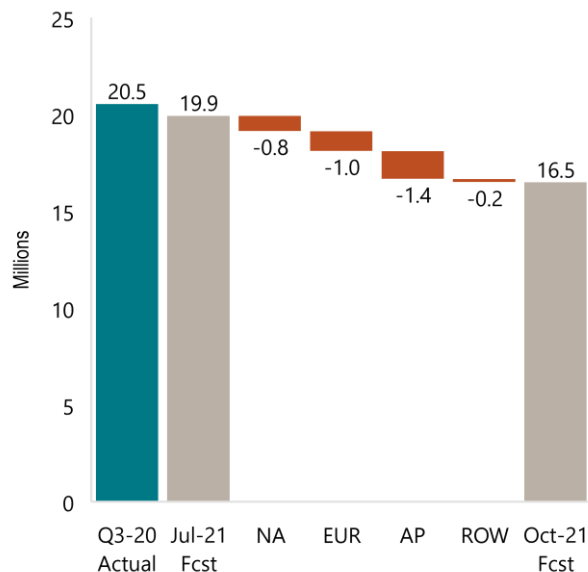


Global Light Vehicle Market: Q3 2021, Q4 2021 and 2021

Q3 2021 production decreased by 3.4M units. Q4 2021 forecast reduced by 3.8M units. 2021 full-year forecast reduced by 7.2M.

Q3-2021 Global Vehicle Production Forecast By Region

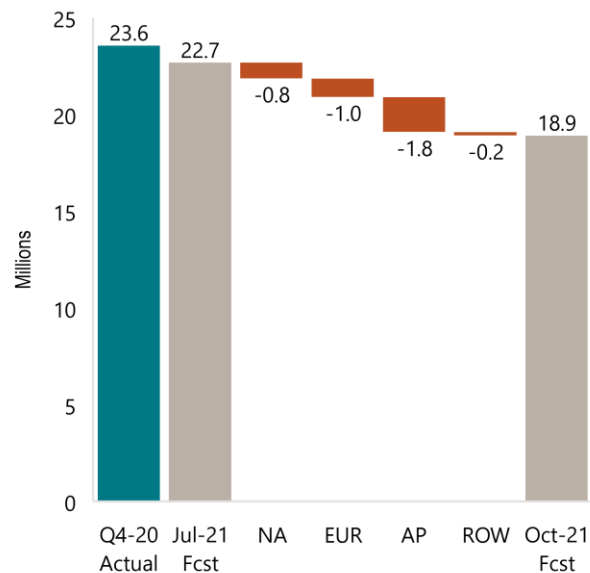
Change in Forecast Oct-2021 vs. Jul-2021



- Q3 2021 light vehicle production lower than expected in July due to global shortage of semiconductors
- Q3 production down 20% versus prior year

Q4-2021 Global Vehicle Production Forecast By Region

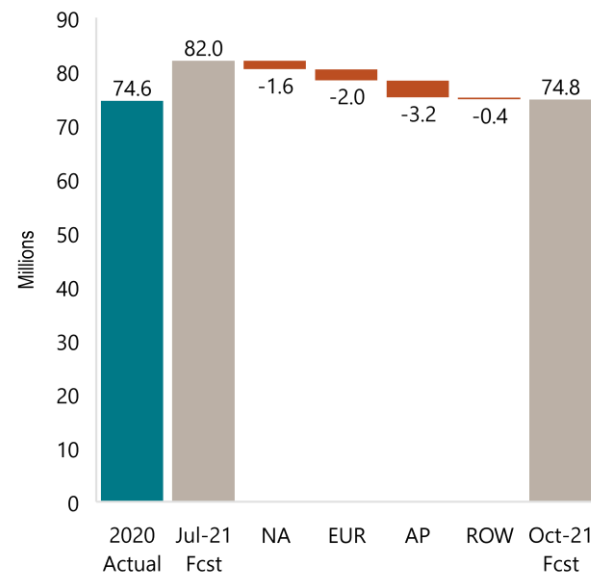
Change in Forecast Oct-2021 vs. Jul-2021



- Q4 2021 forecast reduced by 3.8M due to ongoing global shortage of semiconductors
- Q4 production expected to decline 20% versus prior year

2021 Global Vehicle Production Forecast By Region

Change in Forecast Oct-2021 vs. Jul-2021



- 2021 full-year outlook reduced by 7.2M due to ongoing global semiconductor shortage
- 2021 production expected to be up 0.3% versus prior year

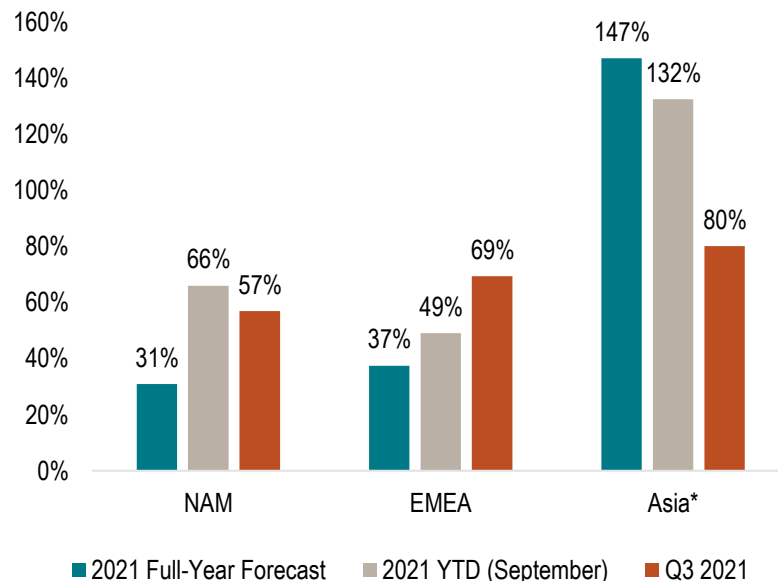
Industrial Segment Impacts - Skyjack

Access Equipment Market Commentary

- Supply chain disruptions including shipping container shortages and higher commodity prices are continuing to negatively impact production, shipments and costs in 2021.
- Access market continuing to show signs of recovery.
- Equipment utilization continues to look positive. Throughout 2021 utilization levels have been consistent within 3% of peak 2019 levels
 - NAM Access market up 57% YOY in Q3, 66% YTD (September)
 - EMEA Access market up 69% YOY in Q3, 49% YTD (September)
 - Asia Access market up 80% YOY in Q3, 132% YTD (September)
- 2021 is expected to see double-digit growth in core NAM and EMEA markets, Asia expected to be up 147%
- 2022 is expected to continue to see double digit growth in core NAM and EMEA but single digit growth in Asia



2021 Access Industry YTD Results & Forecast % Change vs. Prior Year



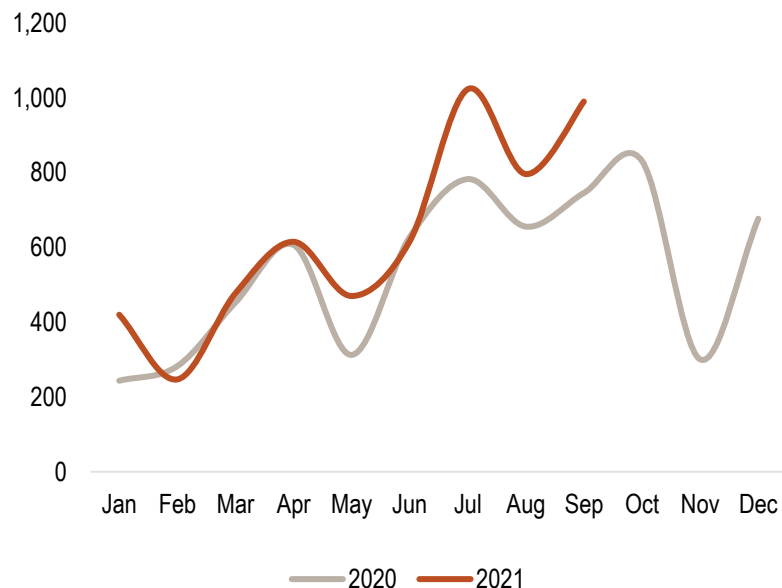
Agricultural Market

Agriculture Market Commentary

- Supply chain disruptions including shipping container shortages and higher commodity prices are continuing to negatively impact production, shipments and costs in 2021.
- Agriculture Retailers are seeing very lean inventory supply indicating retail demand is high.
- Commodity prices remain high. Despite some N.A. drought related concerns, the underlying retail demand is strong.
 - North America combine retails up 29% in Q3, up 20% September YTD
 - Canada combine retails up 42% in Q3, up 32% September YTD
 - United States combine retails up 25% in Q3, up 17% September YTD
 - 2021 full year expected to be up 20% YOY in NA
- International markets expected up 10%-15% across the board



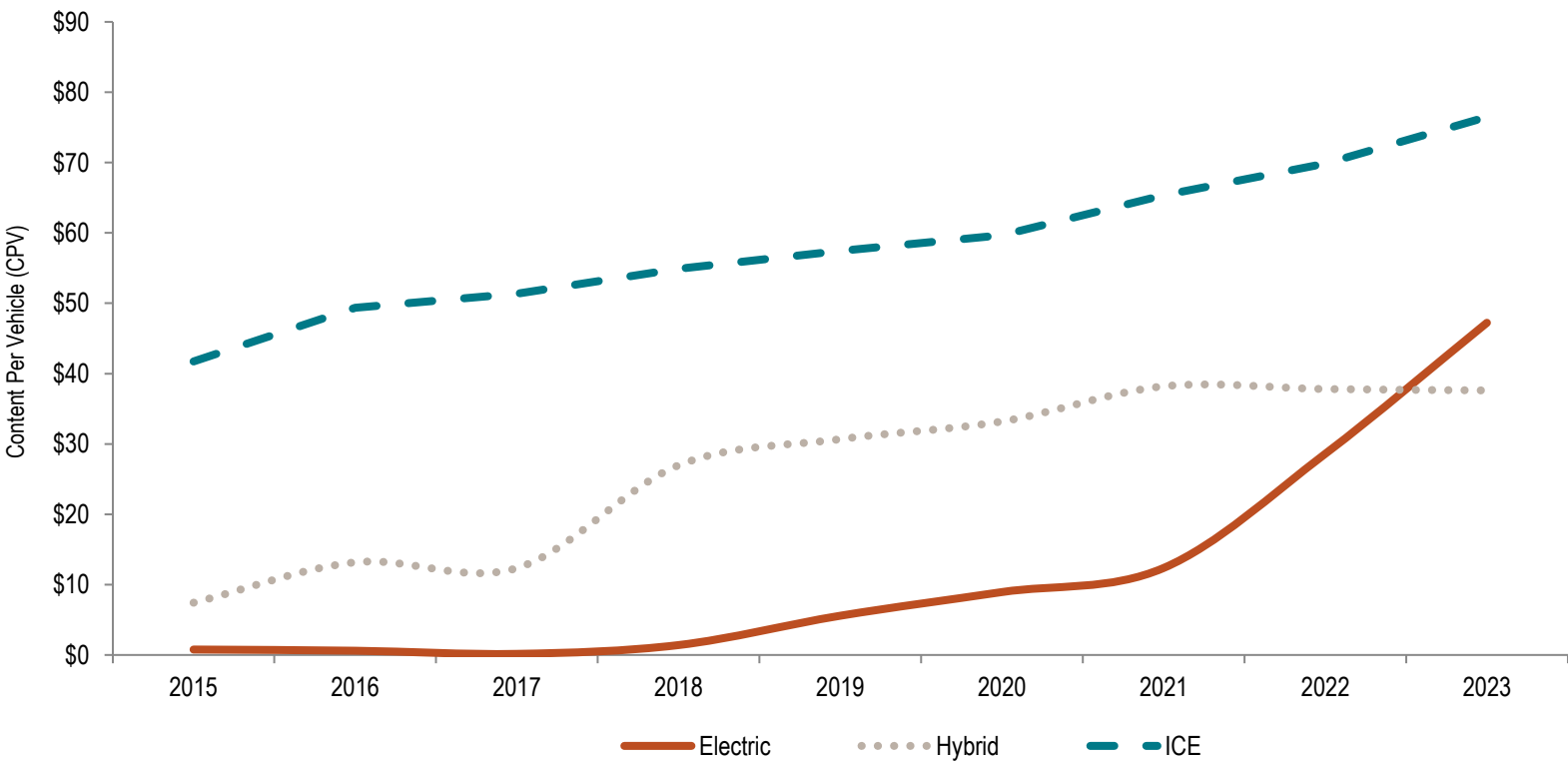
North American Combine Retails



Growth Update and Outlook



Electrified Vehicles Key Growth Opportunity for Linamar



Updated: October 25, 2021. Estimates based on current projections and EV applications in market.

Leverage
Existing
Resources



Electrification Product Solutions

Develop new electrification product
solutions leveraging existing resources



Electrification Strategies

Develop electrification strategies



Win New Business

Win new business for our
existing plants and groups



Support All
Existing
Groups &
Plants

Support
Customers
Globally

Product Engineering | Application Engineering | Program Management | Product Sales | Business Development & Strategy

Propulsion Systems



Gearboxes



Motors



Inverters



E-Axles & 3-in-1 Solutions

Power Generation



H₂ Fuel Cells

Energy Storage



H₂ Storage

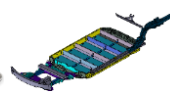


e- Storage

Structural & Chassis



Suspensions



Structural

Strategy

Maximize Electrification Opportunities

Diverse Vehicle Types

- Pass car, CUV/SUV, Light truck
- Commercial vehicles
- Trucks Class 1-8
- Off road vehicles

Diverse Products

- Propulsion System
- Structural and Chassis
- Power Generation
- Power Storage
- Other Non Propulsion Products

Scalable Solutions

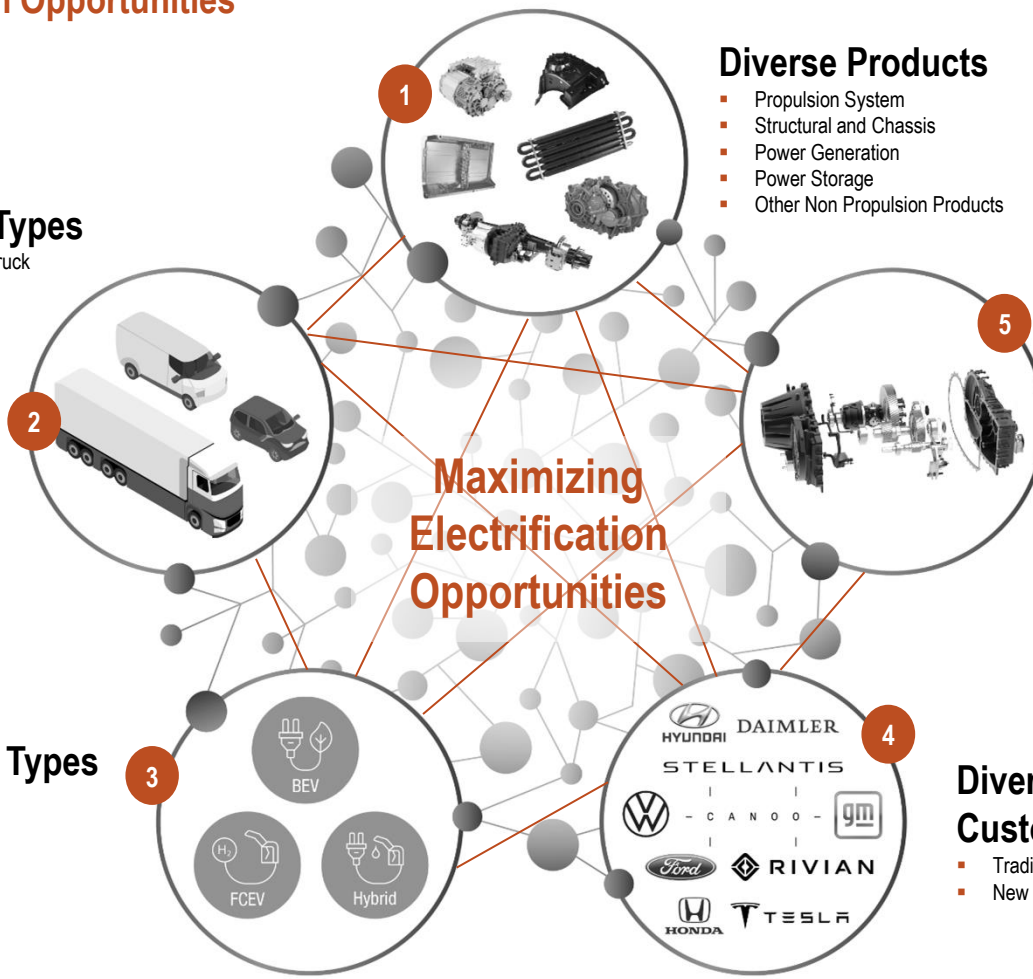
- Individual components
- Sub-assemblies
- Integrated systems
- Full system solutions.

Diverse Propulsion Types

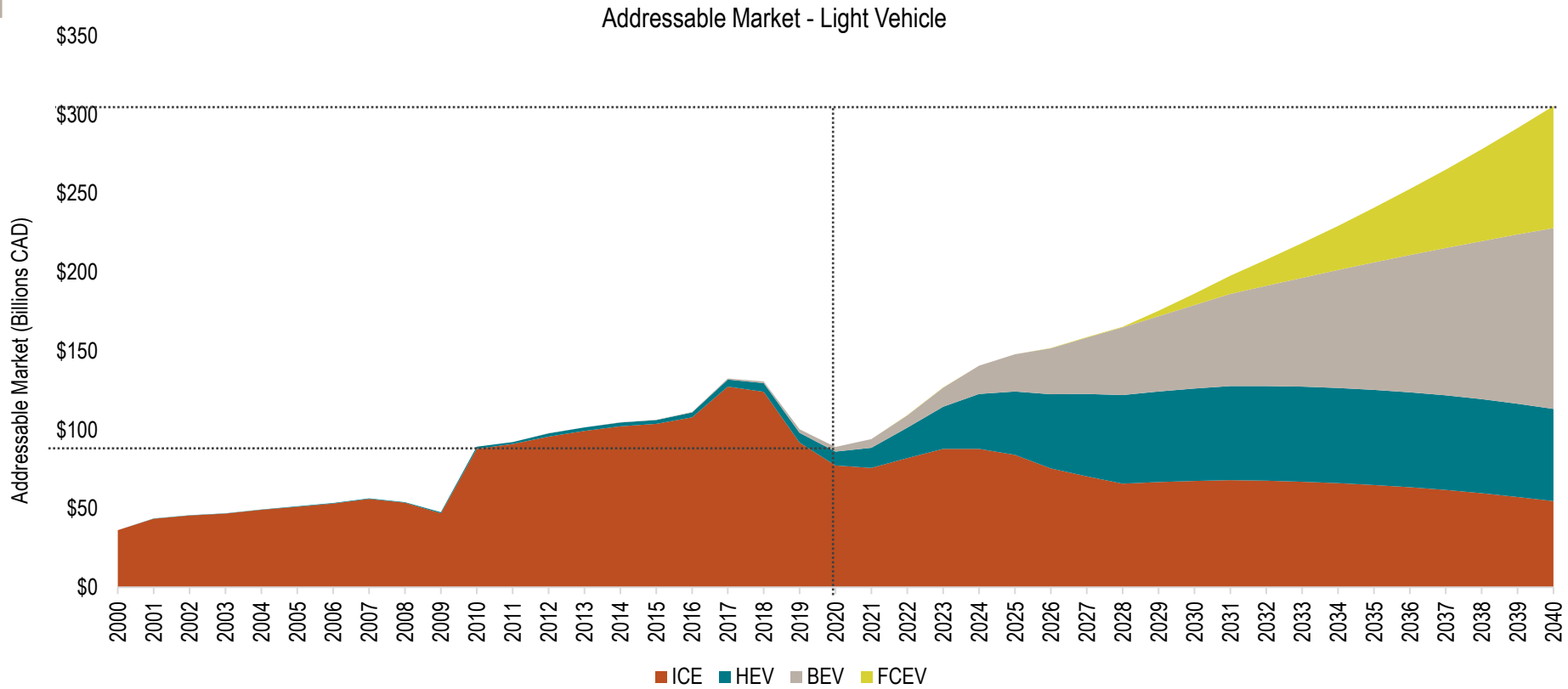
- BEV
- Hybrid
- FCEV

Diverse & Growing Customer Base

- Traditional OEM's
- New Entrants



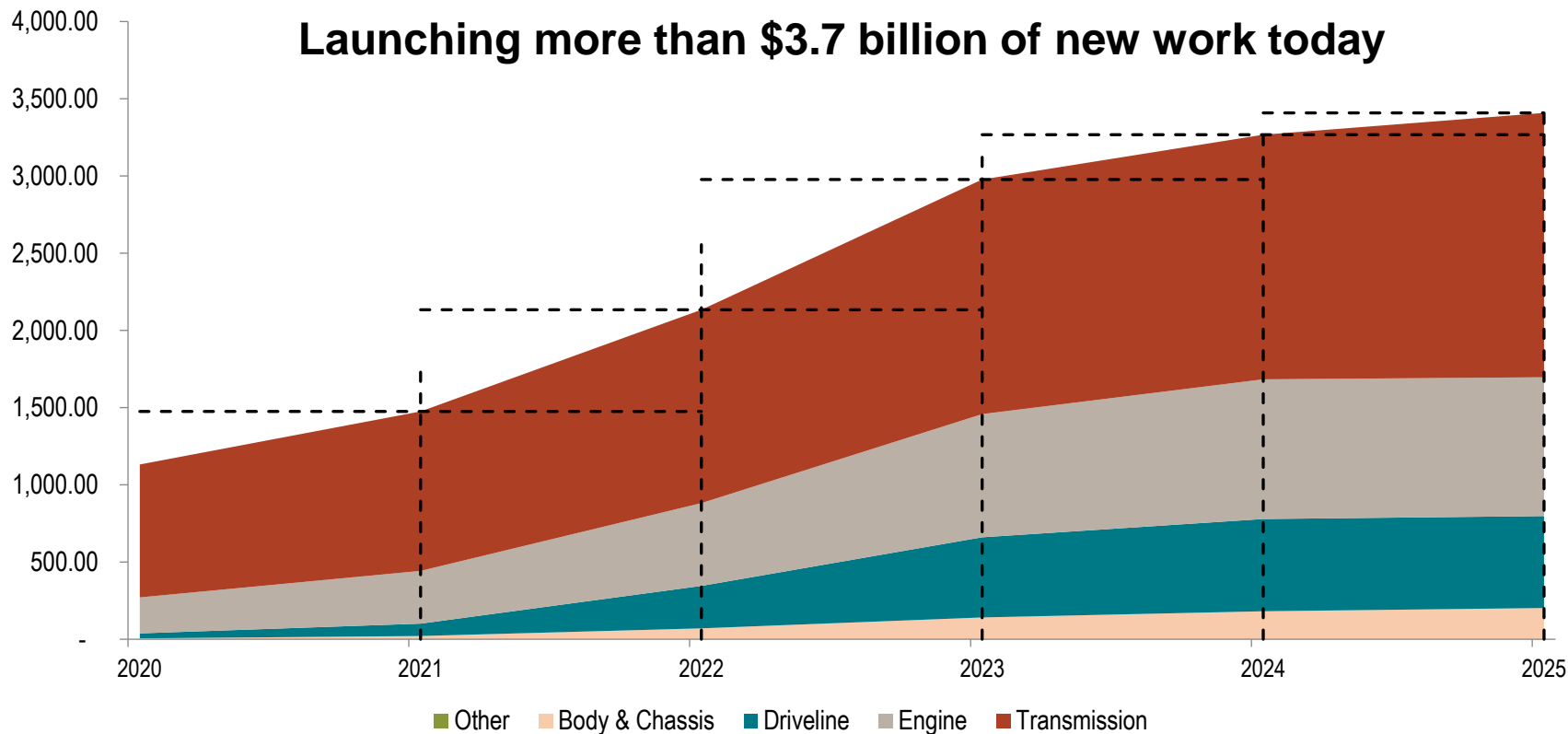
Global Addressable Market Grows More Than 3X in 20 Years



Source
IHS Forecasting 2016-2028 Advanced Consensus Projection 2029-2040
ii) Production Share of Technologies by 2040 of ICE 18%, HEV 22%, BEV 50%, Fuel Cell 10%. (Based on Consensus Average of External Industry Expert Forecasts for BEV adoption, Updated November 2nd, 2021)

Launches

Launching more than \$3.7 billion of new work today



\$350 to \$450 Million in 2021

\$600 to \$700 Million in 2022

Outlook

Q4 Expectations

▪ Mobility

- Expect a dial back in sales in the mobility business vs Q3 of as much as 5% based on increasing chip related vehicle build losses predicted

▪ Industrial

- Normal seasonal slowdown typically 20-25% decline vs Q3

▪ General

- Expect significant declines in OE vs Q4 2020 and Q3 2021
 - No subsidies
 - Seasonally low sales in the Industrial segment
 - Continued escalating labour, energy, supply chain and logistics cost challenges
 - Continued chip driven volume impact
- Expect low single digit net earnings margins in Q4
- The situation is very dynamic and impacts not fully determinable in terms of their impact at this point

Consolidated	Normal Ranges	2020 Actuals	Expectations 2021	Expectations 2022
Sales Growth		(21.6%)	Double Digit Growth	Double Digit Growth
Normalized EPS Growth		(32%)	Double Digit Growth	Double Digit Growth
Normalized Net Margin	7.0% - 9.0%	5.4%	Expansion Nearing Normal Range	Steady Performance
Capex (% of Sales)	6.0% - 8.0%	264m 4.5%	Cautiously Up from 2020 Under Normal Range	Up From 2021 Within Normal Range
Leverage Net Debt:EBITDA		0.50x	Improved over 2020	Continued Improvement
Free Cash Flow		\$ 1,185 m	Solidly Positive	Continued Solidly Positive

Industrial				
Sales Growth				
Skyjack			Double Digit Growth	Double Digit Growth
MacDon			Double Digit Growth	Continued Growth
Normalized Operating Margin	14.0% - 18.0%	13.4%	Below Normal Range	Below Normal Range

Mobility				
Factors Influencing Sales Growth				
Launch Book \$3.7 Billion Driving Incremental Sales Of:		\$376m	\$350 to \$450 million	\$600 to \$700 million
Business Leaving (% Consolidated Sales)	5.0% - 10.0%		Low End of Normal Range	Low End of Normal Range
Normalized Operating Margin	7.0% - 10.0%	6.5%	Expansion, Low End Normal Range	Steady Performance

New Business



New Business Win

\$142M in wins for commercial truck engine and transmission components

Average Annual Revenue
\$142M / year

SOP Year
2021

Peak Volume Year
2025

Production Location

United States

Canada

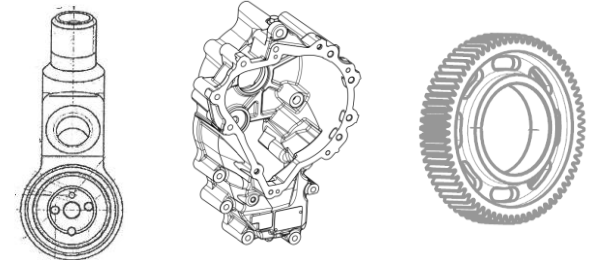
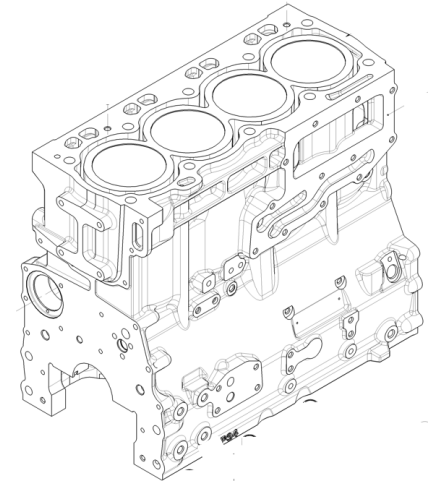
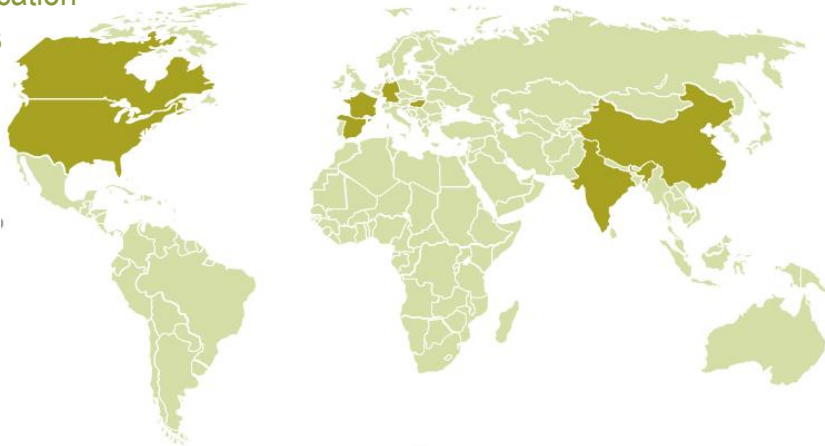
France

Germany

Hungary

China

India



New Business Win

New balance shaft program for next generation fuel efficient engines

Average Annual Volume

220,000 / year

SOP Year

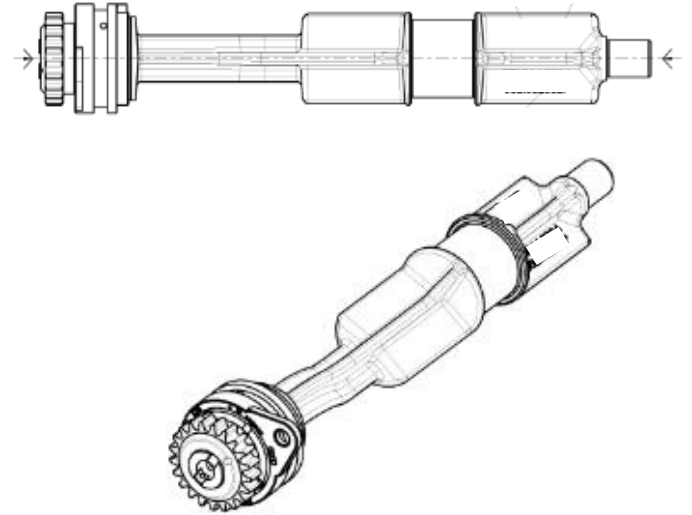
2024

Peak Volume Year

2027

Production Location

Mexico



New Business Win

\$19M in new business wins for Chinese based OEMs.

Average Annual Revenue

\$19M / year

SOP Year

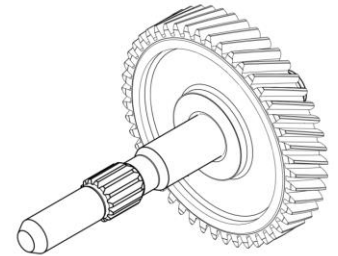
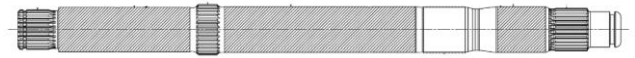
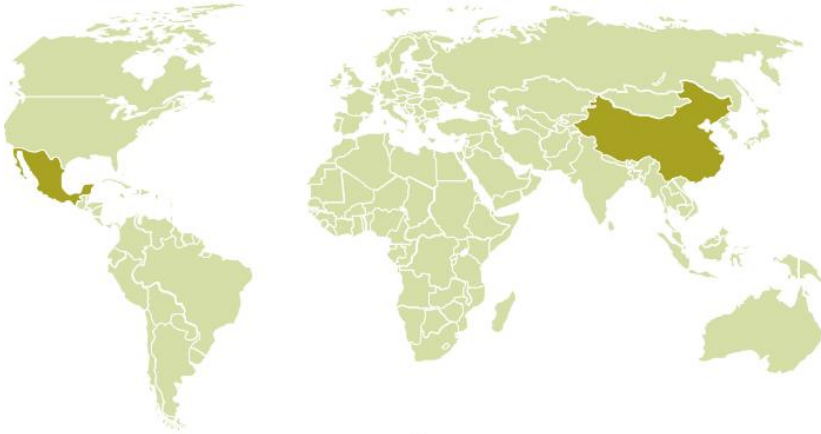
2022

Peak Volume Year

2024

Production Location

China & Mexico



New Business Win

\$42M in camshaft wins for next generation fuel efficient engines

Average Annual Revenue

\$42M / year

SOP Year

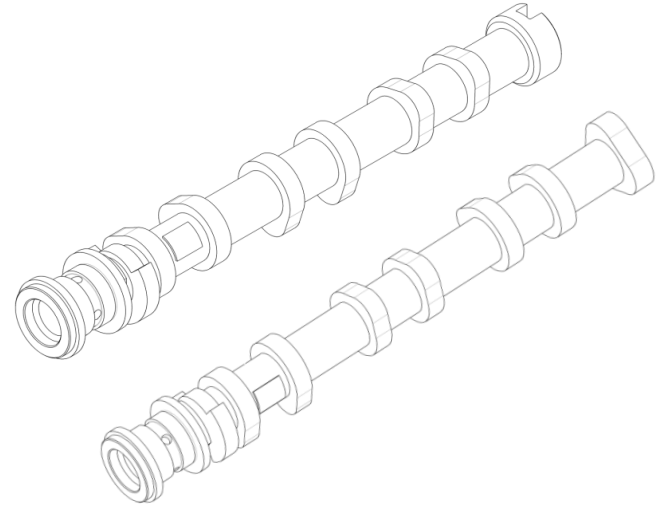
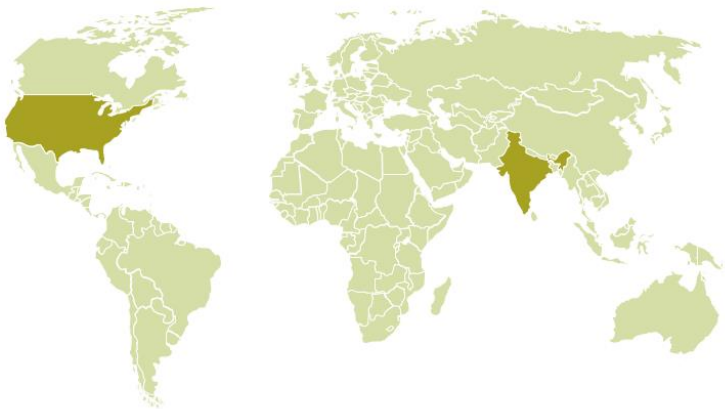
2022

Peak Volume Year

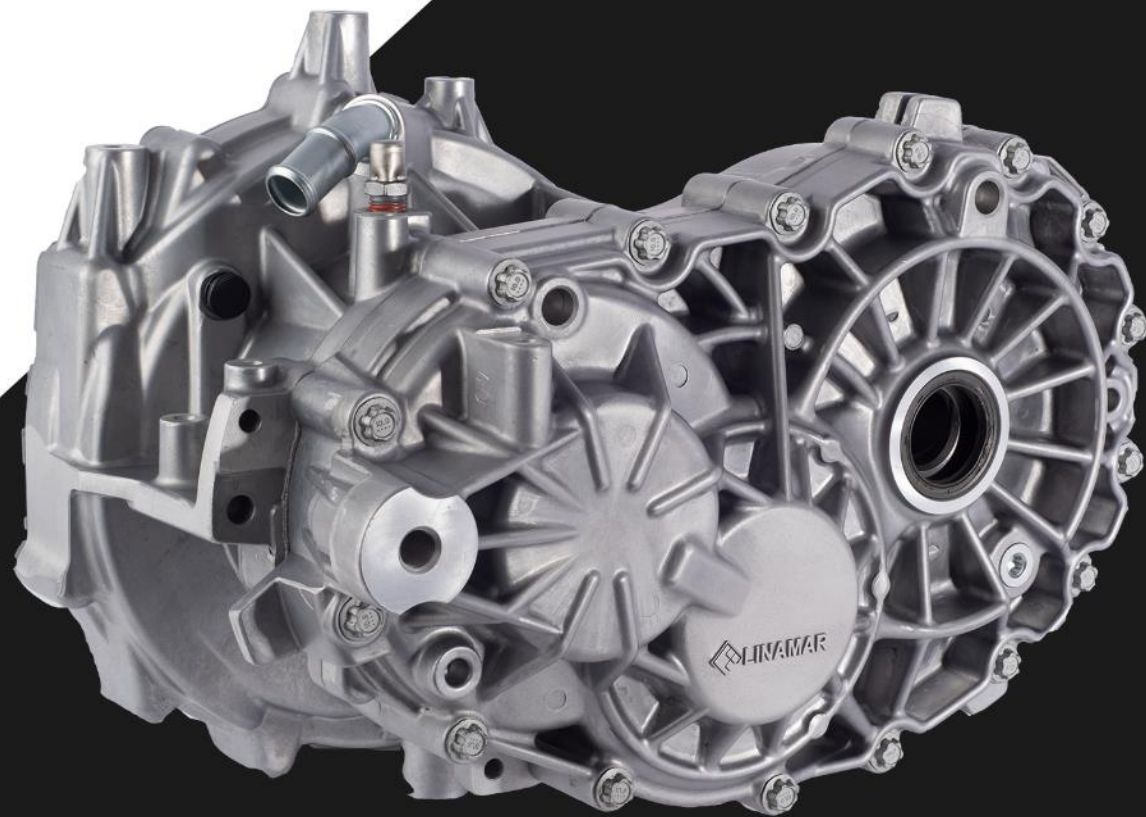
2026

Production Location

Canada & India



Innovation



eMatrix

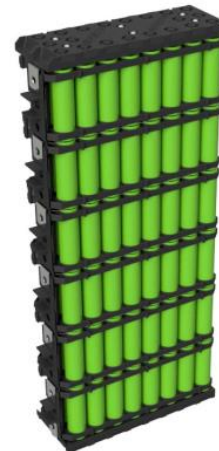
Custom Battery Systems
Launch Faster.

Patented eBrick™ Modular Battery Design

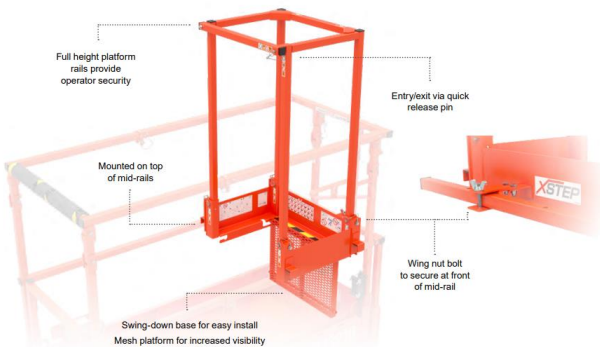
- 3-Dimensional Structure
- No-weld contact
- Optimized airflow cooling
- Simple eBrick-to-eBrick connection
- Simple and affordable mounting to enclosure
- minimal retooling cost for reconfiguration
- Using common cylindrical cell – customer can switch cell for cost or performance improvements with little to no re-design

Competitive Advantage

- **Flexible, modular system**
- **Lower cost**
- **More efficient**



- Innovation in Product Accessories: The X-Step
 - Safe Access to extra height in confined spaces
 - A better solution to access extra height safely in and around confined spaces
 - Optional attachment to maximize fleet utilization
 - Modular system sold as an option or field kit for new and previous generation SJ3219



MacDon®



M1170NT

Narrow Transport Windrower.

The all-new M1170NT5 allows the windrower to shift into a *narrow transport* mode ideal for narrow European roads, further boosting productivity.



MacDon®



FD2 FlexDraper®

More Capacity. More Speed. More Flex.

The all-new FD2 gives you more of everything you need for harvesting performance from the company that brought you the Original FlexDraper®.

A large white and black combine harvester is shown from a side profile, moving through a field of tall, golden-brown grain. The harvester's long, black header with multiple rows of spikes is visible. Dust is being kicked up from the ground behind the machine. The background is a clear, light blue sky.

BIGGER. FASTER. FLEXIER.

Digitization with AI/ML and Our Digitization Journey


October 2021

60

Plants




4,592



LMMS Data
Collection Connections

3,448

Robots



2,572

Connected
Machines





2,033




RFID Stations

1,162

Vision Systems



2,431



Traceability Read Stations

6

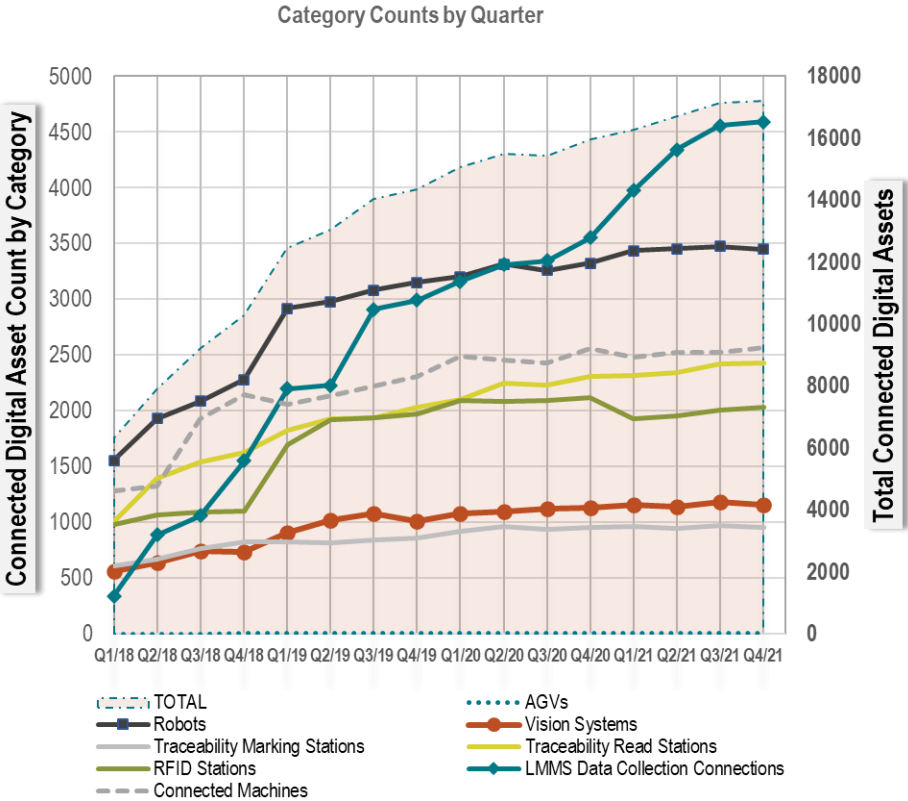
AGVs



958

Traceability
Marking
Stations





Financial Review

Dale Schneider



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

	Q3 2021	Q3 2020	% Δ
Sales	1,645.0	1,637.4	0.5%
EBITDA – Normalized ²	255.2	309.3	(17.5%)
EBITDA – Normalized Margin	15.5%	18.9%	
Industrial OE – Normalized ¹	72.9	48.7	49.7%
Industrial OE – Normalized Margin	16.8%	16.3%	
Mobility OE – Normalized ¹	77.8	148.7	(47.7%)
Mobility OE – Normalized Margin	6.4%	11.1%	
OE – Normalized ¹	150.7	197.4	(23.7%)
OE – Normalized Margin	9.2%	12.1%	
NE – Normalized ³	104.8	140.5	(25.4%)
NE – Normalized Margin	6.4%	8.6%	
EPS – Normalized ⁴	1.60	2.15	(25.6%)

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.

Q3 2021

The key factors impacting results in the quarter are:

- Strong market demand in all businesses, notably industrial; offset by
- Chip related customer shutdowns negatively impacting sales and earnings in auto business;
- Less government subsidies;
- Supply chain, energy, labour cost and availability and logistics challenges increasing costs in all businesses;
- FX headwinds.

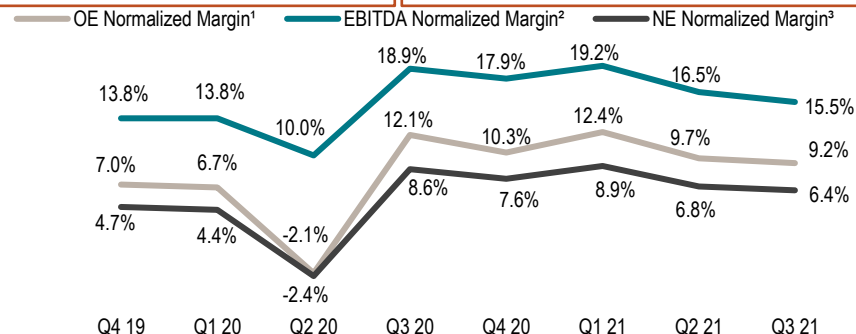
The key impacts to the segments vs prior year are:

Mobility

- Global light vehicle markets down 20% offset by launches;
- Less government subsidies;
- FX headwinds;
- Higher costs re logistics, energy, labour.

Industrial

- MacDon markets & market share up in all core products;
- Skyjack markets strongly recovering & market share up in targeted markets; partially offset by;
- FX headwinds;
- Significant cost issues related to supply chain, logistics and labour challenges.



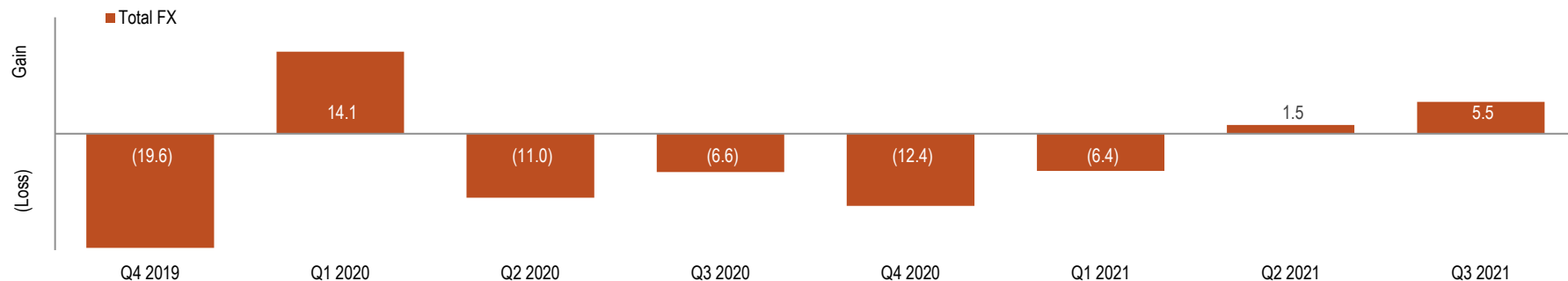
Foreign Exchange Gain/Loss (in millions CAD)

	Q3 2021	Q3 2020	+/-
FX Gain/(Loss) – Operating ¹	5.5	(7.5)	13.0
FX Gain/(Loss) – Financing	-	0.9	(0.9)
Total FX Gain/(Loss)	5.5	(6.6)	12.1

Operating Margin	9.5%	10.8%
Operating Margin – Normalized ²	9.2%	12.1%

FX Gain/(Loss) – Impact on EPS FD ³	0.06	(0.08)
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- Total FX Gain was \$5.5 which was fully related to the revaluation of operating balances.
- FX Gain – Operating was comprised of a \$2.9 loss in Industrial and \$8.4 gain in Mobility.
- FX Gain impacted EPS by 6 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)

	Q3 2021	Q3 2020
Sales	433.9	298.4
Operating Earnings	70.0	41.2
Foreign Exchange ¹ (Gain)/Loss	2.9	7.5
Operating Earnings – Normalized ²	72.9	48.7
Operating Earnings Margin	16.1%	13.8%
Operating Earnings Margin – Normalized ²	16.8%	16.3%

- **Industrial sales** increased by 45.4% or \$135.5 to \$433.9.
- The sales were helped by:
 - strong demand and certain product and regional market share gains at Skyjack; and
 - strong volumes at MacDon driven by market demand and further driven by market share gains.
- The sales were hurt by a negative FX impact related to the change in rates since last year.
- **Normalized Industrial OE** increased \$24.2 or 49.7% to \$72.9.
- The Normalized OE was helped by the strong sales at Skyjack and MacDon.
- The Normalized OE was hurt by:
 - ongoing supply chain issues increased costs for items such as labour, raw materials and freight;
 - a negative FX impact related to the change in rates since last year; and
 - reduced COVID-19 government support.

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.

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

	Q3 2021	Q3 2020
Sales	1,211.1	1,339.0
Operating Earnings	86.2	134.9
Unusual Item	-	13.8
Foreign Exchange ¹ (Gain)/Loss	(8.4)	-
Operating Earnings – Normalized ²	77.8	148.7
Operating Earnings Margin	7.1%	10.1%
Operating Earnings Margin – Normalized ²	6.4%	11.1%

- **Mobility sales** were \$1,211.1 for the quarter.
- The sales were hurt by:
 - the market impact of the semi conductor chip supply issues which are impacting our customers; and
 - a negative FX impact related to the change in rates since last year.
- The sales were helped by:
 - increasing volumes on launching programs;
 - increasing volumes on certain mature programs that are in high demand;
 - increase in sales related to material pass through pricing that offsets the associated raw material cost increases.
- **Normalized Mobility OE** were lower by \$70.9 to come in at \$77.8 which is a decrease of 47.7%.
- Mobility normalized earnings were hurt by
 - the ongoing OEM semi-conductor supply issues;
 - the reduction in global COVID-19 government support;
 - a negative impact from the changes in FX rates; and
 - other supply chain issues that are increasing costs of energy and logistics.
- Mobility normalized earnings were helped by the volume increases on launching and certain mature programs.

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)

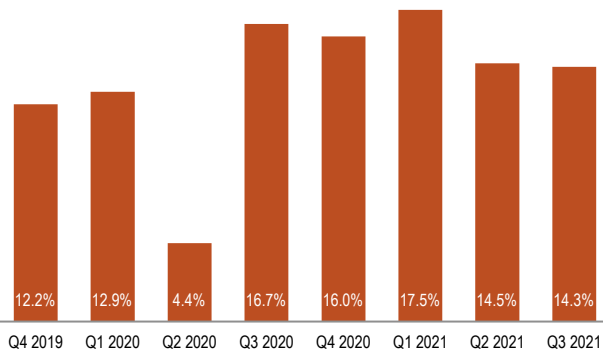
	Q3 2021	Q3 2020	+/-	%
Sales	1,645.0	1,637.4	7.6	0.5%
Cost of Goods Sold	1,409.5	1,363.9	45.6	3.3%
Gross Margin	235.5	273.5	(38.0)	(13.9%)
Gross Margin as a % of Sales	14.3%	16.7%		

Cost of Goods Sold Amortization	107.9	109.0	(1.1)	(1.0%)
COGS Amortization as a % of Sales	6.6%	6.7%		

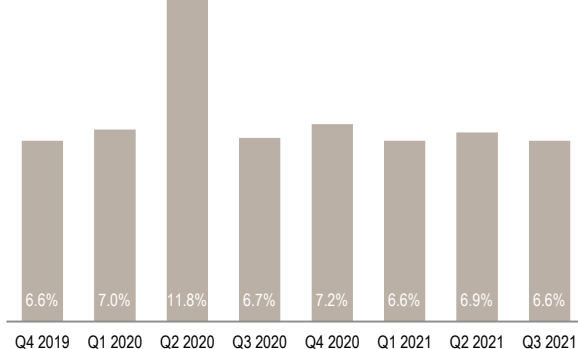
Selling, General, and Administrative	85.0	89.8	(4.8)	(5.3%)
SGA as a % of Sales	5.2%	5.5%		

- Gross Margin was \$235.5 in the quarter and was impacted by:
 - the ongoing semi-conductor issues which is impacting sales and margin;
 - the reduction in global COVID-19 government support;
 - the other supply chain issues driving cost increases for items such as labour, raw materials, energy and freight; and
 - the negative impacts related to the changes in FX rates; partially offset by
 - the margin improvement from the net increases in volumes within Industrial and with Mobility launches.
- Amortization remained flat at 6.6% for the quarter.
- SG&A was \$85 for the quarter and was impacted by:
 - less accounts receivable provisions in Q3 2021 vs Q3 2020; partially offset by
 - the reductions in government support.

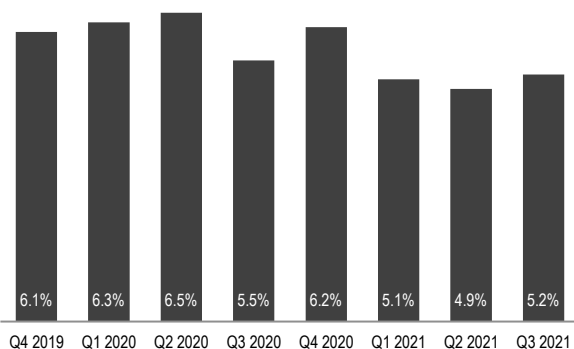
■ Gross Margin as a % of Sales



■ COGS Amortization as a % of Sales



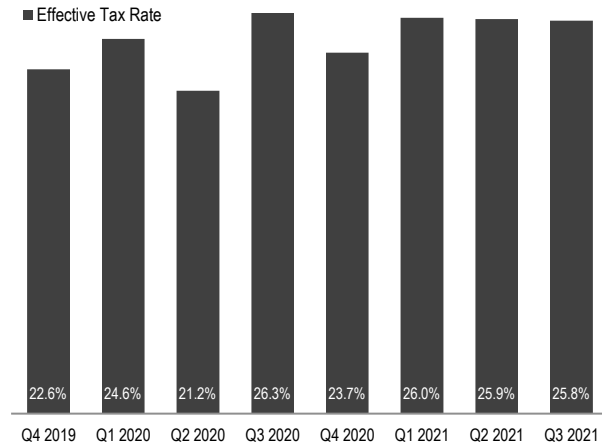
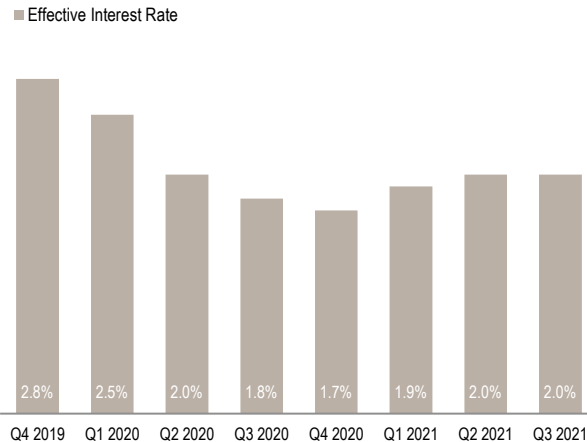
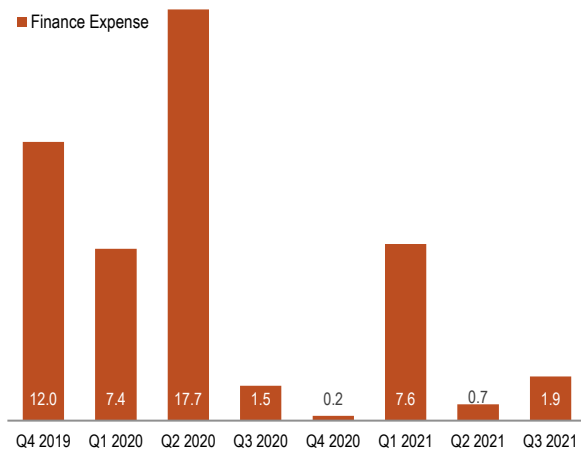
■ SGA as a % of Sales



Finance Expenses & Income Tax (in millions CAD)

	Q3 2021	Q3 2020	+/-
Finance Expense	1.9	1.5	0.4
Effective Interest Rate	2.0%	1.8%	0.2%
Effective Tax Rate	25.8%	26.3%	(0.5%)

- Finance expenses increased by \$0.4.
- Finances expenses were hurt by the lower interest earned due to the lower long-term receivables.
- Finance expenses were helped by the significant reduction in debt balances since Q3 2020.
- The effective interest rate was 2.0% in Q3 2021.
- The tax rate decreased to 25.8% in the quarter from last year due to a more favourable mix of foreign tax rates.
- Full year 2021 tax rate expected to be in the range of 24% to 26%.

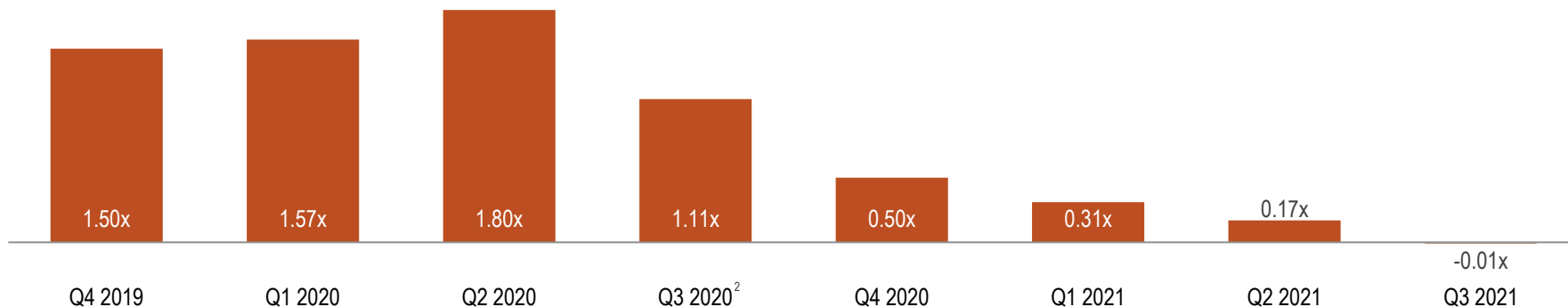


Leverage (in millions CAD)

	Q3 2021	Q3 2020
Cash Position	806.0	570.1
Available Cash on Credit Facilities	957.5	757.0
Net Debt to EBITDA	(0.01)x	1.11x
Debt to Capitalization	14.9%	26.0%

- Cash position at the end of the quarter was \$806.0
- Linamar generated \$281.2 in Cash from Operating Activities.
- Linamar generated \$223.9 of Free Cash Flow¹ in the quarter.
- Net Debt to EBITDA was decreased significantly to effectively 0.0x.
- Based on current estimates, we expect Net Debt to EBITDA to continue to be an improvement over 2020 levels.
- Liquidity¹ remains strong and improved to \$1.8 billion compared to Q3 2020.

■ Net Debt to EBITDA



1 - For more information on the Free Cash Flow measure and Liquidity refer to sections entitled "Non-GAAP and Additional GAAP Measures" and "Liquidity and Capital Resources" respectively, in the Company's separately released Management Discussion and Analysis ("MD&A").
 2 - 2020 EBITDA restated in Q1 2021. Please refer to the definition of EBITDA in the section entitled "Non-GAAP and Additional GAAP Measures" in the Company's separately released MD&A.

Conclusion

- Sales declines in Mobility driven by ongoing semi-conductor supply shortages
- Sales increases in Industrial from strong demand and market share gains
- Significant challenges in the quarter from supply chain issues increase the cost of labour, energy, raw material and logistics
- Excellent Free Cash Flow¹ generation of \$223.9 million in the quarter
- Available Liquidity¹ remains strong at \$1.8 billion
- Net Debt Free for Q3 2021

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

Question and Answer



Outlook

Q4 Expectations

▪ Mobility

- Expect a dial back in sales in the mobility business vs Q3 of as much as 5% based on increasing chip related vehicle build losses predicted

▪ Industrial

- Normal seasonal slowdown typically 20-25% decline vs Q3

▪ General

- Expect significant declines in OE vs Q4 2020 and Q3 2021
 - No subsidies
 - Seasonally low sales in the Industrial segment
 - Continued escalating labour, energy, supply chain and logistics cost challenges
 - Continued chip driven volume impact
- Expect low single digit net earnings margins in Q4
- The situation is very dynamic and impacts not fully determinable in terms of their impact at this point

Consolidated	Normal Ranges	2020 Actuals	Expectations 2021	Expectations 2022
Sales Growth		(21.6%)	Double Digit Growth	Double Digit Growth
Normalized EPS Growth		(32%)	Double Digit Growth	Double Digit Growth
Normalized Net Margin	7.0% - 9.0%	5.4%	Expansion Nearing Normal Range	Steady Performance
Capex (% of Sales)	6.0% - 8.0%	264m 4.5%	Cautiously Up from 2020 Under Normal Range	Up From 2021 Within Normal Range
Leverage Net Debt:EBITDA		0.50x	Improved over 2020	Continued Improvement
Free Cash Flow		\$ 1,185 m	Solidly Positive	Continued Solidly Positive

Industrial				
Sales Growth				
Skyjack			Double Digit Growth	Double Digit Growth
MacDon			Double Digit Growth	Continued Growth
Normalized Operating Margin	14.0% - 18.0%	13.4%	Below Normal Range	Below Normal Range

Mobility				
Factors Influencing Sales Growth				
Launch Book \$3.7 Billion Driving Incremental Sales Of:		\$376m	\$350 to \$450 million	\$600 to \$700 million
Business Leaving (% Consolidated Sales)	5.0% - 10.0%		Low End of Normal Range	Low End of Normal Range
Normalized Operating Margin	7.0% - 10.0%	6.5%	Expansion, Low End Normal Range	Steady Performance

Key Messages



Double Digit Growth on Track for 2021, 2022 Despite Challenges



Returning Cash to Shareholders



Market Share Growth Across the Board





Thank You

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