



Linamar Corporation
Q2 Update on Market Conditions

July 7, 2022

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External Market Conditions Commentary

Summary of Key Highlights

The commentary on the following slides is an update to the Q2 market outlook which was shared during our Q1 Earnings Call on May 11, 2022.

Mobility Segment

- Overall, Q2 global light vehicle production forecast decreased by 1.04M units. 2022 full-year forecast revised down by 265,000 units
 - Downgrade primarily concentrated in Asia Pacific as a direct result of COVID lockdowns in China as expected
 - **North America and Europe are relatively unchanged from the time of our last Outlook**
- Majority of volume loss in Q2 expected to be recovered in H2

Industrial Segment

- **Agriculture**
 - **The Salford acquisition closed June 1, 2022, adding to sales in Q2 and H2 2022**
 - North America combine retails down 11% Q2 QTD (2 months April-May), driven primarily by supply side constraints
 - Supply chain disruptions continue to impact the agricultural business
- **Access Market**
 - AWP global market down 7% Q2 QTD (2 months April-May), largely due to COVID lockdowns in China
 - **North American and EMEA (Europe, Middle East, Africa) markets are up vs prior year**
 - Supply chain disruptions continue to impact Skyjack's business

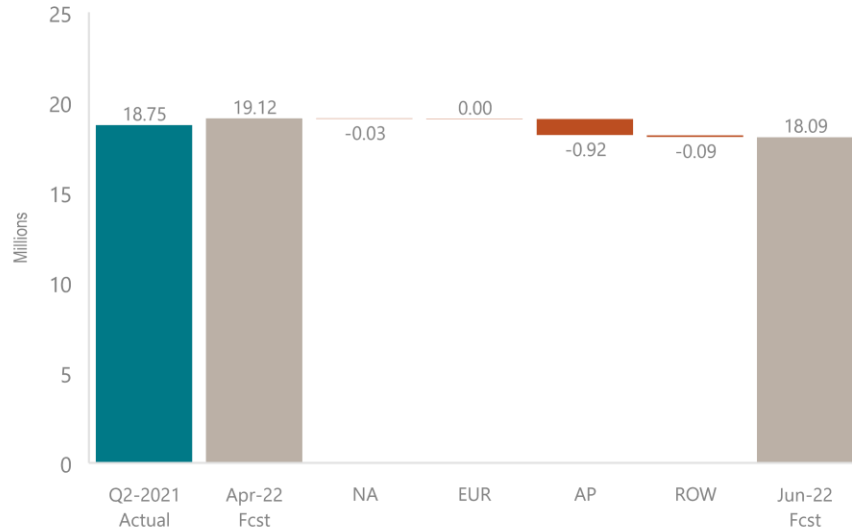
Overall

- Markets generally in line with expectations, some additional softness on industrial side
- Supply chain constraints continue to impact our ability to ship to meet market demand as well as costs in terms of both commodity pricing and logistics

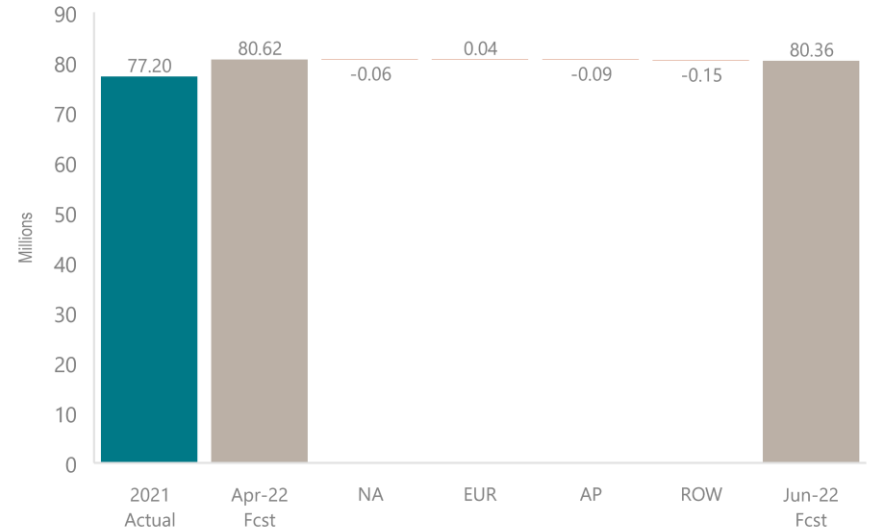
Global LV Auto Market: Q2 & 2022FY

Q2 global light vehicle production forecast down 1.04M units versus prior forecast all driving from Asia
 2022 forecast revised down by 265,000 units indicating H2 recovery of lost Q2 units

Q2-2022 Global Vehicle Production Forecast By Region
 Change in Forecast Jun-2022 vs. Apr-2022



2022 Global Vehicle Production Forecast By Region
 Change in Forecast Jun-2022 vs. Apr-2022



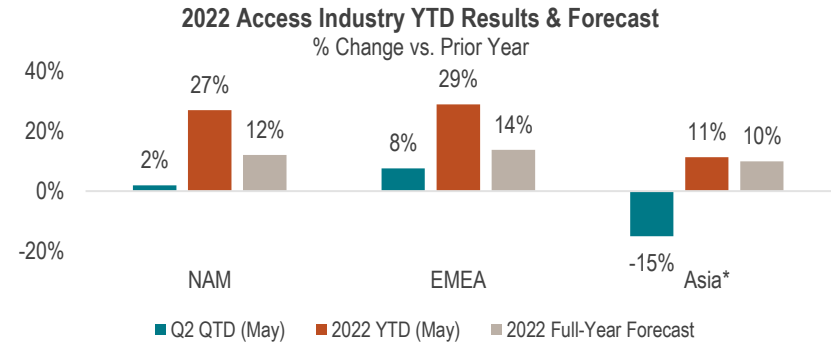
- Q2-2022 global light vehicle production forecast revised down by 1.04M units as a result of COVID lockdowns in China
- Q2-2022 production is now expected to be down 4% versus Q2-2021

- The 2022 full-year forecast relatively unchanged (down 265,000 units)
- 2022 full-year production is expected to be up 4% versus 2021.

Industrial Segment

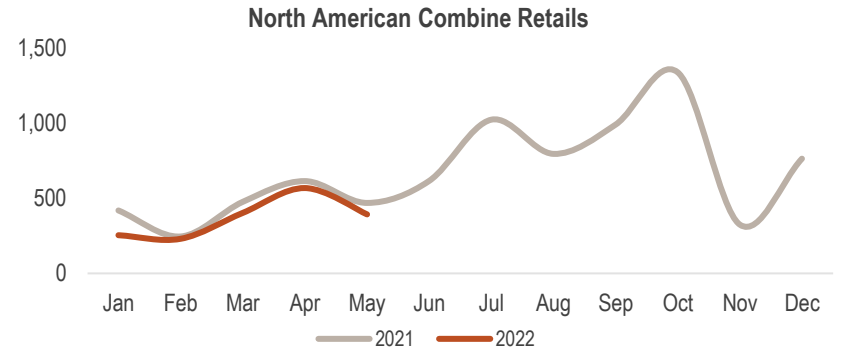
Access Equipment Market Commentary

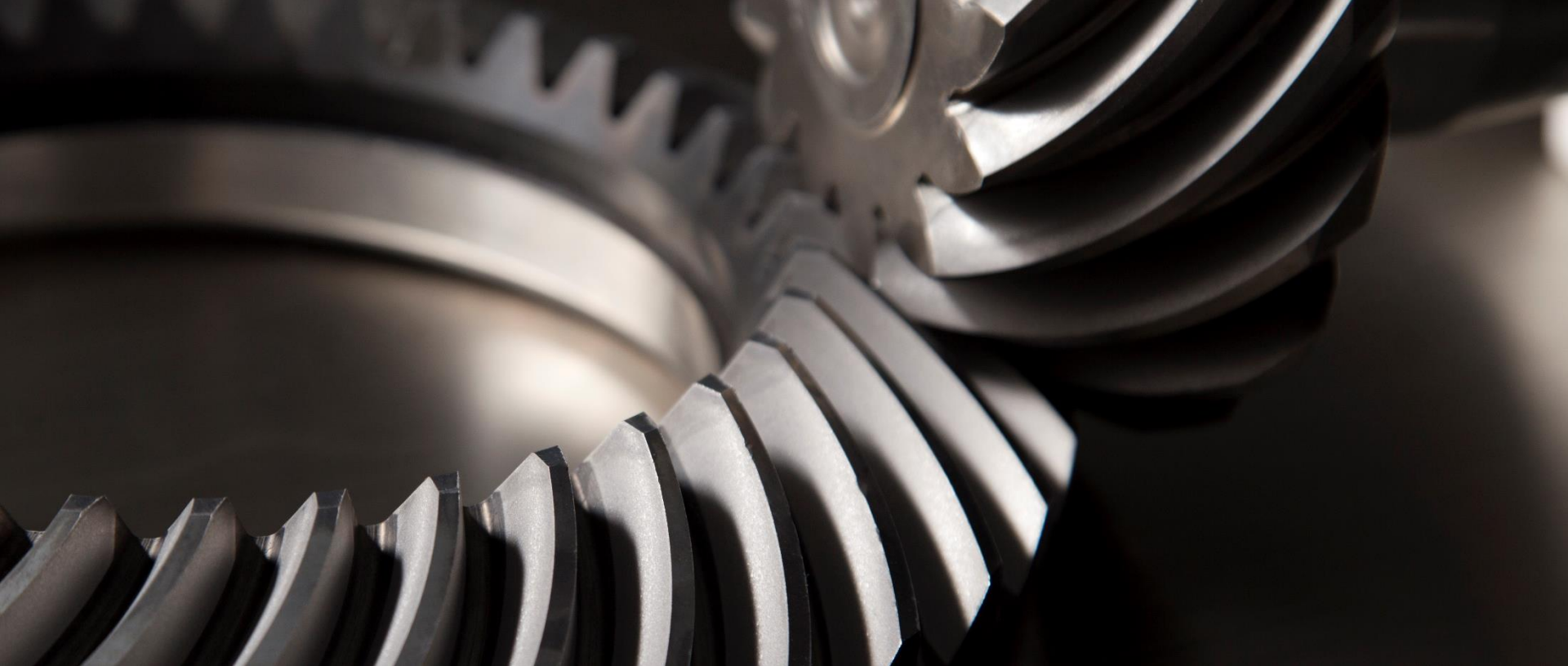
- Supply chain disruptions including shipping container shortages and higher commodity prices are continuing to negatively impact production, shipments and costs in 2022
- Equipment utilization continues to look positive. The start of 2022 continues to see equipment utilization levels within 3% of peak 2019 levels
 - NAM access market up 2% Q2 QTD (May)
 - EMEA access market up 8% Q2 QTD (May)
 - Asia access market down 15% May Q2 QTD (May)
- 2022 is expected to see double digit growth in all regions globally (NAM, EMEA, Asia)




Agriculture Market Commentary

- Supply chain disruptions including shipping container shortages and higher commodity prices are continuing to negatively impact production, shipments and costs in 2022
- Agriculture retailers are seeing very lean inventory indicating retail demand is high
- North America combine retails down 11% Q2 QTD (May)
 - Canada combine retails down 21% Q2 QTD (May)
 - United States combine down 9% Q2 QTD (May)
- North America expected to be up 10% in 2022, EU and ROW up 5%
 - Supply chain issues may pose risk to this industry projection





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