

Linamar Delivers Another Quarter of Double Digit Top and Bottom Line Growth For Q3 2023, Further Diversifies Portfolio

November 8, 2023, Guelph, Ontario, Canada (TSX: LNR)

Strong financial performance

- ◆ Sales up 16.0% to \$2.43 billion;
- ◆ Normalized Operating Earnings¹ up 19.0%; and
- ◆ Normalized Earnings per Share¹ up 15.7%.

Diversified Strategy Success

- ◆ Diversified strategy validated with Industrial earnings up 64% over the prior year, anchoring solid overall performance; and
- ◆ Acquisition of Mobex chassis and suspension business closed and will drive strong propulsion-agnostic growth.

New Business

- ◆ New business wins take launch book to nearly \$3.7 billion;
 - ◆ 74% of Mobility wins are for either propulsion agnostic components or electrified vehicles; and
 - ◆ 57% of Mobility wins for electrified vehicles.
- ◆ Propulsion agnostic and electrified vehicle sales at nearly 60% of booked light vehicle sales inside of next 4 years.

Double-Digit Sales Growth in Both Segments

- ◆ Sales up 26.8% for Industrial due to solid market share growth for certain targeted products and regions in both agricultural and access equipment;
- ◆ Sales up 12.3% for Mobility driven largely by launching programs and sales from our Dura-Shiloh battery enclosures business acquisition; and
- ◆ North American and European content per vehicle hit new record levels reflective of continued market share growth.

	Three Months Ended		Nine Months Ended	
	2023	2022	2023	2022
(in millions of dollars, except per share figures)	\$	\$	\$	\$
Sales	2,434.2	2,098.1	7,279.7	5,857.9
Operating Earnings (Loss)				
Industrial	130.4	84.7	375.1	145.9
Mobility	83.9	100.7	230.2	317.4
Operating Earnings (Loss)	214.3	185.4	605.3	463.3
Net Earnings (Loss)	146.7	133.2	398.7	334.0
Net Earnings (Loss) per Share – Diluted	2.38	2.10	6.47	5.17
Operating Earnings (Loss) – Normalized ¹				
Industrial	121.9	74.3	370.9	137.0
Mobility	78.5	94.1	236.1	287.2
Operating Earnings (Loss) – Normalized	200.4	168.4	607.0	424.2
Net Earnings (Loss) – Normalized ¹	136.3	121.0	418.8	301.2
Net Earnings (Loss) per Share – Diluted – Normalized ¹	2.21	1.91	6.80	4.66

“Q3 was another exceptional quarter of excellent double-digit earnings growth, double-digit sales growth and market share growth and we are well on track to achieve double-digit growth for the full year. Success in our core business is being enhanced with continued focus on acquisitions to diversify and expand our product portfolio, our Mobex deal being the latest example of that,” said Linamar Executive Chair and CEO Linda Hasenfratz, “Mobex takes our newly formed Linamar Structures Group to more than \$1 Billion in annual sales, providing excellent opportunities for further growth in propulsion agnostic and electrified vehicle programs, sales for which are now representing nearly 60% of booked light vehicle sales inside of the next 4 years.”

DIVIDENDS

The Board of Directors today declared an eligible dividend in respect to the quarter ended September 30, 2023, of CDN\$0.22 per share on the common shares of the company, payable on or after December 1, 2023, to shareholders of record on November 21, 2023.

¹ Operating Earnings (Loss) – Normalized, Net Earnings (Loss) – Normalized, Net Earnings (Loss) per Share – Diluted – Normalized, and Free Cash Flow are non-GAAP financial measures. Please see “Non-GAAP and Other Financial Measures” section of this press release.

NON-GAAP AND OTHER FINANCIAL MEASURES

The Company uses certain non-GAAP and other financial measures to provide useful information to both management, investors, and other stakeholders in assessing the financial performance and financial condition of the Company.

Certain expenses and income that must be recognized under GAAP are not necessarily reflective of the Company's underlying operational performance. For this reason, management uses certain non-GAAP and other financial measures when analyzing operational performance on a consistent basis.

These Non-GAAP and other financial measures do not have a standardized meaning prescribed by GAAP and therefore they are unlikely to be comparable to similarly titled measures presented by other publicly traded companies, and they should not be construed as an alternative to other financial measures determined in accordance with GAAP. Please see the "Non-GAAP and Other Financial Measures" section of the Company's MD&A for further information.

All these other items contained in these non-GAAP financial measures are summarized as follows:

(in millions of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
	\$	\$	\$	\$
Gain on sale of unused land	-	-	-	(22.1)
Adjustment for contingent consideration of Mills River earn-out	-	-	4.9	-
Other items impacting Operating Earnings (loss) – Normalized and Net Earnings (Loss) - Normalized	-	-	4.9	(22.1)

During Q1 2023, a normalizing item related to an "adjustment for contingent consideration on Mills River earn-out" impacted the Mobility segment by \$4.9 million. Also, during Q1 2023 and Q2 2023 a normalizing item impacting the Company's income taxes related to withholding tax on repatriation of cash from China by \$5.2 million and \$13.4 million respectively.

During Q1 2022, a normalizing item related to a "gain on sale of unused land" impacted the Mobility segment by \$22.1 million.

All normalized non-GAAP financial measures areas reconciled as follows:

(in millions of dollars, except per share figures)	Three Months Ended September 30				Nine Months Ended September 30			
	2023	2022	+/-	+/-	2023	2022	+/-	+/-
	\$	\$	\$	%	\$	\$	\$	%
Operating Earnings (Loss) – Normalized								
Operating Earnings (Loss)	214.3	185.4	28.9	15.6%	605.3	463.3	142.0	30.6%
Foreign exchange (gain) loss	(13.9)	(17.0)	3.1		(3.2)	(17.0)	13.8	
Other items	-	-	-		4.9	(22.1)	27.0	
Operating Earnings (Loss) – Normalized	200.4	168.4	32.0	19.0%	607.0	424.2	182.8	43.1%
Net Earnings (Loss) – Normalized								
Net Earnings (Loss)	146.7	133.2	13.5	10.1%	398.7	334.0	64.7	19.4%
Foreign exchange (gain) loss	(13.9)	(17.0)	3.1		(3.2)	(17.0)	13.8	
Foreign exchange (gain) loss on debt and derivatives	(0.1)	0.7	(0.8)		-	1.2	(1.2)	
Other items	-	-	-		4.9	(22.1)	27.0	
Tax impact including Other Items	3.6	4.1	(0.5)		18.4	5.1	13.3	
Net Earnings (Loss) – Normalized	136.3	121.0	15.3	12.6%	418.8	301.2	117.6	39.0%
Net Earnings (Loss) per Share – Diluted – Normalized								
Net Earnings (Loss) per Share – Diluted	2.38	2.10	0.28	13.3%	6.47	5.17	1.30	25.1%
Foreign exchange (gain) loss	(0.22)	(0.27)	0.05		(0.05)	(0.27)	0.22	
Foreign exchange (gain) loss on debt and derivatives	-	0.01	(0.01)		-	0.02	(0.02)	
Other items	-	-	-		0.08	(0.34)	0.42	
Tax impact including Other Items	0.05	0.07	(0.02)		0.30	0.08	0.22	
Net Earnings (Loss) per Share – Diluted – Normalized	2.21	1.91	0.30	15.7%	6.80	4.66	2.14	45.9%

All normalized non-GAAP financial measures areas impacting segments reconciled as follows:

(in millions of dollars)	Three Months Ended September 30 2023			Nine Months Ended September 30 2023		
	Industrial \$	Mobility \$	Linamar \$	Industrial \$	Mobility \$	Linamar \$
Operating Earnings (Loss) – Normalized						
Operating Earnings (Loss)	130.4	83.9	214.3	375.1	230.2	605.3
Foreign exchange (gain) loss	(8.5)	(5.4)	(13.9)	(4.2)	1.0	(3.2)
Other items	-	-	-	-	4.9	4.9
Operating Earnings (Loss) – Normalized	121.9	78.5	200.4	370.9	236.1	607.0

(in millions of dollars)	Three Months Ended September 30 2022			Nine Months Ended September 30 2022		
	Industrial \$	Mobility \$	Linamar \$	Industrial \$	Mobility \$	Linamar \$
Operating Earnings (Loss) – Normalized						
Operating Earnings (Loss)	84.7	100.7	185.4	145.9	317.4	463.3
Foreign exchange (gain) loss	(10.4)	(6.6)	(17.0)	(8.9)	(8.1)	(17.0)
Other items	-	-	-	-	(22.1)	(22.1)
Operating Earnings (Loss) – Normalized	74.3	94.1	168.4	137.0	287.2	424.2

FORWARD LOOKING INFORMATION, RISK AND UNCERTAINTIES

Certain information provided by Linamar in this press release, MD&A, the consolidated financial statements and other documents published throughout the year which are not recitation of historical facts may constitute forward-looking statements. The words “may”, “would”, “could”, “will”, “likely”, “estimate”, “believe”, “expect”, “plan”, “forecast” and similar expressions are intended to identify forward-looking statements. Readers are cautioned that such statements are only predictions and the actual events or results may differ materially. In evaluating such forward-looking statements, readers should specifically consider the various factors that could cause actual events or results to differ materially from those indicated by such forward-looking statements.

Such forward-looking information may involve important risks and uncertainties that could materially alter results in the future from those expressed or implied in any forward-looking statements made by, or on behalf of, Linamar. Some of the factors and risks and uncertainties that cause results to differ from current expectations include, but are not limited to, changes in the competitive environment in which Linamar operates, OEM outsourcing and insourcing; sources and availability of raw materials; labour markets and dependence on key personnel; dependence on certain customers and product programs; technological change in the sectors in which the Company operates and by Linamar’s competitors; delays in or operational issues with product launches; foreign currency risk; long-term contracts that are not guaranteed; acquisition and expansion risk; foreign business risk; public health threats; cyclical and seasonality; legal proceedings and insurance coverage; credit risk; weather; emission standards; capital and liquidity risk; tax laws; securities laws compliance and corporate governance standards; fluctuations in interest rates; environmental emissions and safety regulations; trade and labour disruptions; world political events; pricing concessions to customers; and governmental, environmental and regulatory policies.

The foregoing is not an exhaustive list of the factors that may affect Linamar’s forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on Linamar’s forward-looking statements. Linamar assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements.

CONFERENCE CALL INFORMATION

Q3 2023 Release Information

Linamar will hold a webcast call on November 8, 2023, at 5:00 p.m. ET to discuss its third quarter results. The event will be simulcast and can be accessed at the following URL <https://www.linamar.com/event/q3-2023-earnings-call/> and can also be navigated to on the Company’s website. For those who wish to listen to an audio only call-in option, the numbers for this call are (+1) 888 396-8049 (North America) or (+1) 416 764-8646 (International) Conference ID 20767152, with a call-in required 15 minutes prior to the start of the webcast. The conference call will be chaired by Linda Hasenfratz, Linamar’s Executive Chair and Chief Executive Officer. A copy of the Company’s quarterly financial statements, including the Management’s Discussion & Analysis, will be available on the Company’s website after 4:00 p.m. ET on November 8, 2023, and at www.sedar.com by the start of business on November 9, 2023. The webcast replay will be available at <https://www.linamar.com/event/q3-2023-earnings-call/> after the call. A taped replay of the conference call will also be made available

starting at 8:00 p.m. ET on November 8, 2023, for seven days. The number for the replay is (+1) (877) 674-7070 or (+1) (416) 764-8692, Passcode: 767152#. In addition, a recording of the call will be posted at <https://www.linamar.com/event/q3-2023-earnings-call/>.

Q4 2023 Release Information

Linamar will hold a webcast call on March 6, 2024, at 5:00 p.m. ET to discuss its third quarter results. The event will be simulcast and can be accessed at the following <https://www.linamar.com/event/q4-2023-earnings-call/> and can also be navigated to on the Company's website. For those who wish to listen to an audio only call-in option, the numbers for this call are (+1) 888 259-6580 (North America) or (+1) 416 764-8624 (International) Conference ID 11859424, with a call-in required 15 minutes prior to the start of the webcast. The conference call will be chaired by Linda Hasenfratz, Linamar's Executive Chair and Chief Executive Officer. A copy of the Company's quarterly financial statements, including the Management's Discussion & Analysis, will be available on the Company's website after 4:00 p.m. ET on March 6, 2024, and at www.sedar.com by the start of business on March 7, 2024. The webcast replay will be available at <https://www.linamar.com/event/q4-2023-earnings-call/> after the call. A taped replay of the conference call will also be made available starting at 8:00 p.m. ET on March 6, 2024, for seven days. The number for the replay is (+1) (877) 674-7070 or (+1) (416) 764-8692, Passcode: 859424 #. In addition, a recording of the call will be posted at <https://www.linamar.com/event/q4-2023-earnings-call/>.

Linamar Corporation (TSX:LNR) is an advanced manufacturing company where the intersection of leading-edge technology and deep manufacturing expertise is creating solutions that power vehicles, motion, work and lives for the future. The Company is made up of two operating segments – the Industrial segment and the Mobility segment, both global leaders in manufacturing solutions and world-class developers of highly engineered products. The Industrial segment is comprised of Skyjack, MacDon and Salford. Skyjack manufactures scissor, boom and telehandler lifts for the aerial work platform industry. MacDon manufactures combine draper headers and self-propelled windrowers for the agricultural harvesting industry. Salford also supplies the agriculture market with farm tillage and crop fertilizer applicator equipment. The Mobility segment is focused on propulsion systems, structural and chassis systems, energy storage and power generation for both the global electrified and traditionally powered vehicle markets, and is subdivided into three regional groups and one global product group: North America, Europe, Asia Pacific and the newly formed Structures Group. The Regional Mobility groups are vertically integrated operations combining expertise in light metal casting, forging, machining and assembly. The Linamar Structures Group offers competitive lightweight innovations for safety-critical components and systems for the global mobility market. In addition, the eLIN Product Solutions Group focuses on Electrification and McLaren Engineering provides design, development, and testing services for the Mobility segment. Linamar's medical solutions group, Linamar MedTech, focuses on manufacturing solutions for medical devices and precision medical components. Linamar has over 31,000 employees in 70 manufacturing locations, 14 R&D centres and 28 sales offices in 19 countries in North and South America, Europe and Asia, which generated sales of more than \$7.9 billion in 2022. For more information about Linamar Corporation and its industry-leading products and services, visit www.linamar.com or follow us on our social media channels.

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For further information regarding this release please contact Linda Hasenfratz at (519) 836-7550.

Guelph, Ontario
November 8, 2023