MEDIA RELEASE

Record Sales and Earnings for Mobility Segment, Strong Cash Flow as Linamar Continues to Find Opportunity in Challenging Times

August 12, 2026, Guelph, Ontario, Canada (TSX: LNR)

Record Sales and Solid Earnings Performance from Our Diversified Strategy

- Sales increased 18.8% to reach a record of $3.14 billion;
- Normalized Earnings per Share[1] increased 9.6% to $3.08 for the quarter; and
- Normalized Net Earnings[1] increased 8.7% to $183.0 million for the quarter.

Excellent Mobility Segment Sales and Normalized Operating Earnings Growth to Record Levels

- Sales increased 20.5% to a record of $2.36 billion for the quarter;
- Normalized Operating Earnings[1] increased 28.6% to a record of $194.0 million for the quarter;
- Normalized Operating Earnings margins at 8.2% for the quarter; and
- Market share growth in every region.

Continued Strong Free Cash Flow and Liquidity

- $236.5 million of Free Cash Flow[1] generated in Q2 2026, up $58.9 million from the prior year; and
- Liquidity[1] remains strong at $2.0 billion, up $76.7 million or 4.0% from Q2 2025.

Returning Cash to Shareholders

- Linamar has repurchased 1,025,677 shares to date as part of its current normal course issuer bid and has returned $92.2 million to shareholders as a result; and
- Linamar is increasing its dividends to shareholders to $0.32 per share quarterly.

Industrial Segment Sales and Market Share Growth

- Sales increased by 13.8% to $783.5 million for the quarter, driven by strong market demand for access equipment; and
- Global market share growth in the key agricultural equipment products of windrowers, air seeders, and tillage equipment.

Tariffs Impacting Only Industrial Results in Q2

- More than 90% of Linamar sales are tariff free.
  - Auto parts that are USMCA compliant continue to be tariff free into the US and are the majority of our sales.
  - Most Industrial segment products shipping to the US are also USMCA compliant and tariff free.
- 232 metal derivative tariffs are impacting some Industrial products and detracting from bottom line growth in that segment.
- Linamar outlook to grow sales and earnings to record levels in 2026 remain solid despite the impact of these tariffs.

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[1] Operating Earnings (Loss) – Normalized, Net Earnings (Loss) – Normalized, Net Earnings (Loss) per Share – Diluted – Normalized, Free Cash Flow, and Liquidity are non-GAAP financial measures. Content Per Vehicle (CPV) is a supplementary financial measure. Please see "Non-GAAP and Other Financial Measures" section of this press release and separately released MD&A.

(in millions of dollars, except per share figures)	Three Months Ended June 30 2026 $	2025 $	Six Months Ended June 30 2026 $	2025 $
Sales	3,138.8	2,642.7	6,078.2	5,174.8
Operating Earnings (Loss)				
Industrial	92.7	53.8	226.3	196.7
Mobility	186.4	152.4	372.2	275.8
Operating Earnings (Loss)	279.1	206.2	598.5	472.5
Net Earnings (Loss)	183.1	126.9	404.5	304.6
Net Earnings (Loss) per Share – Diluted	3.08	2.12	6.79	5.06
Operating Earnings (Loss) – Normalized[1]				
Industrial	78.7	103.3	184.4	229.9
Mobility	194.0	150.9	377.6	276.3
Operating Earnings (Loss) – Normalized	272.7	254.2	562.0	506.2
Net Earnings (Loss) – Normalized[1]	183.0	168.4	378.8	335.6
Net Earnings (Loss) per Share – Diluted – Normalized[1]	3.08	2.81	6.36	5.57

"Q2 was another strong quarter for us despite a challenging environment with record sales overall and notably record sales and earnings in our important Mobility segment," said Executive Chair Linda Hasenfratz. "New business wins are tracking ahead of target as we continue to win in a dynamic marketplace and our outlook is positive for continued growth top and bottom line this year and next."

"These results are proof that diversification, innovation and disciplined execution create opportunity in any environment. While others focus on uncertainty, our Linamar team remained focused on winning market share, generating strong cash flow and delivering record performance. We continue to grow because we never stop investing in our people, our customers and the future of our business," stated CEO and President Jim Jarrell. "As we have been saying – the time we are in is a businessperson's nightmare but an entrepreneur's dream!! Linamar has an entrepreneurial mindset!!"

DIVIDENDS

The Board of Directors today declared an eligible dividend in respect to the quarter ended June 30, 2026 of CDN$0.32 per share on the common shares of the Company, payable on or after September 10, 2026 to shareholders of record on August 24, 2026.

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 normalized non-GAAP financial measures areas reconciled as follows:

(in millions of dollars, except per share figures)	2026 $	2025 $	Three Months Ended June 30 +/- $	+/- %	2026 $	2025 $	Six Months Ended June 30 +/- $	+/- %
Operating Earnings (Loss) – Normalized								
Operating Earnings (Loss)	279.1	206.2	72.9	35.4%	598.5	472.5	126.0	26.7%
Foreign exchange (gain) loss	(6.4)	48.0	(54.4)		(36.5)	33.7	(70.2)	
Other items	-	-	-		-	-	-	
Operating Earnings (Loss) – Normalized	272.7	254.2	18.5	7.3%	562.0	506.2	55.8	11.0%
Net Earnings (Loss) – Normalized								
Net Earnings (Loss)	183.1	126.9	56.2	44.3%	404.5	304.6	99.9	32.8%
Foreign exchange (gain) loss	(6.4)	48.0	(54.4)		(36.5)	33.7	(70.2)	
Foreign exchange (gain) loss on debt and derivatives	-	0.1	(0.1)		-	0.2	(0.2)	
Other items	-	-	-		-	-	-	
Tax impact including Other Items	6.3	(6.6)	12.9		10.8	(2.9)	13.7	
Net Earnings (Loss) – Normalized	183.0	168.4	14.6	8.7%	378.8	335.6	43.2	12.9%
Effective tax rate	28.5%	30.5%			27.1%	28.2%		
Effective tax rate - Normalized	26.7%	27.0%			26.9%	26.7%		
Net Earnings (Loss) per Share – Diluted – Normalized								
Net Earnings (Loss) per Share – Diluted	3.08	2.12	0.96	45.3%	6.79	5.06	1.73	34.2%
Foreign exchange (gain) loss	(0.11)	0.80	(0.91)		(0.61)	0.56	(1.17)	
Foreign exchange (gain) loss on debt and derivatives	-	-	-		-	-	-	
Other items	-	-	-		-	-	-	
Tax impact including Other Items	0.11	(0.11)	0.22		0.18	(0.05)	0.23	
Net Earnings (Loss) per Share – Diluted – Normalized	3.08	2.81	0.27	9.6%	6.36	5.57	0.79	14.2%

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

(in millions of dollars)	Industrial $	Mobility $	Three Months Ended June 30 2026 Linamar $	Industrial $	Mobility $	Six Months Ended June 30 2026 Linamar $
Operating Earnings (Loss) – Normalized						
Operating Earnings (Loss)	92.7	186.4	279.1	226.3	372.2	598.5
Foreign exchange (gain) loss	(14.0)	7.6	(6.4)	(41.9)	5.4	(36.5)
Other items	-	-	-	-	-	-
Operating Earnings (Loss) – Normalized	78.7	194.0	272.7	184.4	377.6	562.0

(in millions of dollars)	Industrial $	Mobility $	Three Months Ended June 30 2025 Linamar $	Industrial $	Mobility $	Six Months Ended June 30 2025 Linamar $
Operating Earnings (Loss) – Normalized						
Operating Earnings (Loss)	53.8	152.4	206.2	196.7	275.8	472.5
Foreign exchange (gain) loss	49.5	(1.5)	48.0	33.2	0.5	33.7
Other items	-	-	-	-	-	-
Operating Earnings (Loss) – Normalized	103.3	150.9	254.2	229.9	276.3	506.2

Other Non-GAAP Financial Measures

Free Cash Flow

Free Cash Flow is a non-GAAP financial measure and the Company believes it is useful in assessing the Company's ability to generate cash. Free Cash Flow is calculated as Cash from Operating Activities, the most directly comparable measure as presented in the Company's consolidated statements of cash flows, adjusted for payments for purchase of property, plant and equipment, and proceeds on disposal of property, plant and equipment.

Liquidity

Liquidity is a non-GAAP financial measure and the Company believes it is useful in assessing the Company's ability to satisfy its financial obligations as they come due. Liquidity is calculated as Cash, the most directly comparable measure as presented in the Company's consolidated statements of financial position, adjusted for the Company's available credit.

Other non-GAAP financial measures are reconciled as follows:

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
(in millions of dollars)	$	$	$	$
Free Cash Flow				
Cash generated from (used in) operating activities	341.4	305.3	623.0	469.6
Payments for purchase of property, plant and equipment	(110.8)	(133.2)	(174.4)	(222.0)
Proceeds on disposal of property, plant and equipment	5.9	5.5	6.4	6.3
Free Cash Flow	236.5	177.6	455.0	253.9
Liquidity				
Cash and cash equivalents			1,270.4	1,004.3
Available credit			725.2	914.6
Liquidity			1,995.6	1,918.9

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, international trade policies including tariffs; 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; cyclicality 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

Q2 2026 Release Information

Linamar will hold a webcast call on August 12, 2026 at 5:00 p.m. ET to discuss its second-quarter results. The event will be simulcast and can be accessed at the following https://www.linamar.com/events/q2-2026-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) 800 549 8228 (North America) or (+1) 289 819 1520 (International) Conference ID 51830, 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. 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 August 12, 2026, and at www.sedar.com by the start of business August 13, 2026. The webcast replay will be available at https://www.linamar.com/events/q2-2026-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 August 12, 2026, for seven days. The number for the replay is (+1) 888 660 6264 or (+1) 289 819 1325, Passcode: 51830 #. In addition, a recording of the call will be posted at https://www.linamar.com/events/q2-2026-earnings-call/.

Q3 2026 Release Information

Linamar will hold a webcast call on November 4, 2026 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/events/q3-2026-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) 833 769 6440 (North America) or (+1) 833 461 5787 (International) Meeting ID 362 714 346, 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. 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 4, 2026, and at www.sedar.com by the start of business November 5, 2026. The webcast replay will be available at https://www.linamar.com/events/q3-2026-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 4, 2026, for seven days. The number for the replay is (+1) 888 660 6264 or (+1) 289 819 1325, Passcode: 362 714 346. In addition, a recording of the call will be posted at https://www.linamar.com/events/q3-2026-earnings-call/.

Linamar Corporation (TSX:LNR) is a diversified 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. At the heart of Linamar is the technologies we deliver; casting, forging, metal forming, machining and assembly and fully engineered products. We serve a broad variety of industries, from our On and Off Highway Mobility business to our Agricultural and Access businesses to new areas of expansion in MedTech, Water, Power, Defense and Robotics. We proudly market our global, class leading products under the brands Linamar, Skyjack, MacDon, Salford, Bourgault and McLaren Engineering. Linamar has over 37,000 employees in 87 manufacturing locations, 18 R&D centers and 31 sales offices in 19 countries in North and South America, Europe and Asia, which generated sales of more than $10.2 billion in 2025. 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
August 12, 2026

LINAMAR CORPORATION

Management's Discussion and Analysis

For the Quarter Ended June 30, 2026

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") of Linamar Corporation ("Linamar" or the "Company") should be read in conjunction with its consolidated financial statements for the quarter ended June 30, 2026. This MD&A has been prepared as at August 12, 2026. The financial information presented herein has been prepared on the basis of IFRS® Accounting Standards. References to the term generally accepted accounting principles ("GAAP") refer to information contained herein being prepared under IFRS Accounting Standards as adopted. All amounts in this MD&A are in millions of Canadian dollars, unless otherwise noted.

Additional information regarding Linamar, including copies of its continuous disclosure materials such as its annual information form, is available on its website at www.linamar.com or through the SEDAR website at www.sedar.com.

OVERALL CORPORATE PERFORMANCE

Overview of the Business

Linamar Corporation (TSX:LNR) is a diversified 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. At the heart of Linamar is the technologies we deliver; casting, forging, metal forming, machining and assembly and fully engineered products. We serve a broad variety of industries, from our On and Off Highway Mobility business to our Agricultural and Access businesses to new areas of expansion in MedTech, Water, Power, Defense and Robotics. We proudly market our global, class leading products under the brands Linamar, Skyjack, MacDon, Salford, Bourgault and McLaren Engineering. Linamar has over 37,000 employees in 87 manufacturing locations, 18 R&D centers and 31 sales offices in 19 countries in North and South America, Europe and Asia, which generated sales of more than $10.2 billion in 2025. 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.

Overall Corporate Results

The following table sets out certain highlights of the Company's performance in the second quarter of 2026 ("Q2 2026") and 2025 ("Q2 2025"):

	Three Months Ended June 30				Six Months Ended June 30			
(in millions of dollars, except per share figures)	2026 $	2025 $	+/- $	+/- %	2026 $	2025 $	+/- $	+/- %
Sales	3,138.8	2,642.7	496.1	18.8%	6,078.2	5,174.8	903.4	17.5%
Gross Margin	445.3	398.2	47.1	11.8%	898.3	800.6	97.7	12.2%
Operating Earnings (Loss)	279.1	206.2	72.9	35.4%	598.5	472.5	126.0	26.7%
Net Earnings (Loss)	183.1	126.9	56.2	44.3%	404.5	304.6	99.9	32.8%
Net Earnings (Loss) per Share - Diluted	3.08	2.12	0.96	45.3%	6.79	5.06	1.73	34.2%
Earnings before interest, taxes and amortization ("EBITDA")[1]	449.5	362.1	87.4	24.1%	940.2	787.9	152.3	19.3%
Operating Earnings (Loss) - Normalized[1]	272.7	254.2	18.5	7.3%	562.0	506.2	55.8	11.0%
Net Earnings (Loss) - Normalized[1]	183.0	168.4	14.6	8.7%	378.8	335.6	43.2	12.9%
Net Earnings (Loss) per Share - Diluted - Normalized[1]	3.08	2.81	0.27	9.6%	6.36	5.57	0.79	14.2%
EBITDA – Normalized[1]	443.2	410.4	32.8	8.0%	903.6	820.9	82.7	10.1%

The changes in these financial highlights are discussed in detail in the following sections of this analysis.

[1] Operating Earnings (Loss) – Normalized, Net Earnings (Loss) – Normalized, Net Earnings (Loss) per Share – Diluted – Normalized, EBITDA and EBITDA – Normalized are Non-GAAP financial measures. Please see "Non-GAAP and Other Financial Measures" section of this MD&A.

BUSINESS SEGMENT REVIEW

The Company reports its results of operations in two business segments: Industrial and Mobility. The segments are differentiated by the products that each produces and reflects how the chief operating decision makers of the Company manage the business. The following should be read in conjunction with the Company's consolidated financial statements for the quarter ended June 30, 2026.

			Three Months Ended June 30 2026			Six Months Ended June 30 2026
(in millions of dollars)	Industrial $	Mobility $	Linamar $	Industrial $	Mobility $	Linamar $
Sales	783.5	2,355.3	3,138.8	1,458.9	4,619.3	6,078.2
Operating Earnings (Loss)	92.7	186.4	279.1	226.3	372.2	598.5
EBITDA	118.2	331.3	449.5	277.5	662.7	940.2
Operating Earnings (Loss) – Normalized	78.7	194.0	272.7	184.4	377.6	562.0
EBITDA – Normalized	104.2	339.0	443.2	235.6	668.0	903.6

			Three Months Ended June 30 2025			Six Months Ended June 30 2025
(in millions of dollars)	Industrial $	Mobility $	Linamar $	Industrial $	Mobility $	Linamar $
Sales	688.2	1,954.5	2,642.7	1,321.5	3,853.3	5,174.8
Operating Earnings (Loss)	53.8	152.4	206.2	196.7	275.8	472.5
EBITDA	77.7	284.4	362.1	244.2	543.7	787.9
Operating Earnings (Loss) – Normalized	103.3	150.9	254.2	229.9	276.3	506.2
EBITDA – Normalized	127.2	283.2	410.4	277.5	543.4	820.9

Industrial Highlights

				Three Months Ended June 30				Six Months Ended June 30
(in millions of dollars)	2026 $	2025 $	+/- $	+/- %	2026 $	2025 $	+/- $	+/- %
Sales	783.5	688.2	95.3	13.8%	1,458.9	1,321.5	137.4	10.4%
Operating Earnings (Loss)	92.7	53.8	38.9	72.3%	226.3	196.7	29.6	15.0%
EBITDA	118.2	77.7	40.5	52.1%	277.5	244.2	33.3	13.6%
Operating Earnings (Loss) – Normalized	78.7	103.3	(24.6)	(23.8%)	184.4	229.9	(45.5)	(19.8%)
EBITDA – Normalized	104.2	127.2	(23.0)	(18.1%)	235.6	277.5	(41.9)	(15.1%)

The Industrial segment ("Industrial") product sales increased 13.8%, or $95.3 million, to $783.5 million in Q2 2026 from Q2 2025. The sales increase was due to:

- significant increase in access equipment sales driven by strong market demand; partially offset by
- lower agricultural sales in a market that was down significantly, despite global market share gains on key products of windrowers, air seeders, and tillage equipment.

Year to date ("YTD") sales for Industrial increased by 10.4%, or $137.4 million, compared with YTD 2025. The factors that impacted Q2 2026 similarly impacted the YTD results.

Industrial segment normalized operating earnings in Q2 2026 decreased $24.6 million, or 23.8%, from Q2 2025. The Industrial normalized operating earnings results were predominantly driven by:

- impact due to tariffs on certain industrial products; and
- lower agricultural sales in a market that was down significantly; partially offset by
- increased earnings related to the strong sales on access equipment; and
- improvements driven from operational efficiencies and cost reductions.

The YTD normalized operating earnings decreased by $45.5 million, or 19.8%, compared with YTD 2025. The factors that impacted Q2 2026 similarly impacted the YTD results.

Mobility Highlights

(in millions of dollars)	Three Months Ended June 30 2026 $	2025 $	+/- $	+/- %	Six Months Ended June 30 2026 $	2025 $	+/- $	+/- %
Sales	2,355.3	1,954.5	400.8	20.5%	4,619.3	3,853.3	766.0	19.9%
Operating Earnings (Loss)	186.4	152.4	34.0	22.3%	372.2	275.8	96.4	35.0%
EBITDA	331.3	284.4	46.9	16.5%	662.7	543.7	119.0	21.9%
Operating Earnings (Loss) – Normalized	194.0	150.9	43.1	28.6%	377.6	276.3	101.3	36.7%
EBITDA – Normalized	339.0	283.2	55.8	19.7%	668.0	543.4	124.6	22.9%

Sales for the Mobility segment ("Mobility") increased by $400.8 million, or 20.5%, in Q2 2026 compared with Q2 2025. The sales in Q2 2026 were impacted by:

- increased sales related to recent acquisitions;
- increased sales related to launching programs and higher volumes on programs the Company has significant business with; and
- favourable impact on sales from the changes in foreign exchange rates from Q2 2025; partially offset by
- a sales decline from lower production for certain ending programs and from lower volumes on electrified vehicle ("EV") programs.

YTD sales for Mobility increased by $766.0 million, or 19.9%, compared to YTD 2025. The factors that impacted Q2 2026 similarly impacted the YTD results.

Q2 2026 normalized operating earnings for Mobility increased by $43.1 million, or 28.6%, compared to Q2 2025. The Mobility segment's earnings were impacted by the following:

- increased earnings related to launching programs and higher volumes on programs the Company has significant business with;
- increased earnings related to recent acquisitions; and
- improvements driven from operational efficiencies and cost reductions; partially offset by
- decreased earnings from lower production for certain ending programs and from lower volumes on EV programs; and
- unfavourable impact on earnings from the changes in foreign exchange rates from Q2 2025.

The YTD normalized operating earnings increased by $101.3 million, or 36.7%, compared with YTD 2025. The factors that impacted Q2 2026 similarly impacted the YTD results.

Automotive Sales and Content Per Vehicle[1]

Automotive sales by region in the following discussion are determined by the final vehicle production location and, as such, there are differences between these figures and those reported under the geographic segment disclosure, which are based primarily on the Company's location of manufacturing and include both automotive and non-automotive sales. These differences are the result of products being sold directly to one region, and the final vehicle being assembled in another region. It is necessary to show the sales based on the vehicle build location to provide accurate comparisons to the vehicle production units[2] for each region.

In addition to automotive Original Equipment Manufacturers ("OEMs"), the Company sells powertrain parts to a mix of automotive and non-automotive manufacturers that service various industries such as power generation, construction equipment, marine and automotive. The final application of some parts sold to these manufacturers is not always clear; however, the Company estimates the automotive portion of the sales for inclusion in its content per vehicle ("CPV") calculations. The allocation of sales to regions is based on vehicle production volume estimates from industry sources, published closest to the quarter end date. As these estimates are updated, the Company's sales classifications can be impacted.

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1 Content per Vehicle is a supplementary financial measure. Please see "Non-GAAP and Other Financial Measures" section of this MD&A. Automotive Sales are measured as the amount of the Company's automotive sales dollars per vehicle, not including tooling sales. CPV does not have a standardized meaning and therefore is unlikely to be comparable to similar measures presented by other issuers. CPV is an indicator of the Company's market share for the automotive markets that it operates in.

2 Vehicle production units are derived from industry sources and are shown in millions of units. North American vehicle production units used by the Company for the determination of the Company's CPV include medium and heavy truck volumes. European and Asia Pacific vehicle production units exclude medium and heavy trucks. All vehicle production volume information is as regularly reported by industry sources. Industry sources release vehicle production volume estimates based on the latest information from the Automotive Manufacturers and update these estimates as more accurate information is obtained. The Company will, on a quarterly basis, update CPV for the current fiscal year in its MD&A as these volume estimates are revised by the industry sources. The CPV figures in this MD&A reflect the volume estimates that were published closest to the quarter end date by the industry sources. These updates to vehicle production units have no effect on the Company's financial statements for those periods.

North America	2026	2025	+/-	Three Months Ended June 30 %	2026	2025	+/-	Six Months Ended June 30 %
Vehicle Production Units	4.07	4.08	(0.01)	(0.2%)	7.90	7.97	(0.07)	(0.9%)
Automotive Sales	$ 1,483.0	$ 1,191.7	$ 291.3	24.4%	$ 2,905.3	$ 2,363.1	$ 542.2	22.9%
Content Per Vehicle	$ 363.96	$ 292.01	$ 71.95	24.6%	$ 367.87	$ 296.35	$ 71.52	24.1%
Europe								
Vehicle Production Units	4.42	4.47	(0.05)	(1.1%)	8.81	8.83	(0.02)	(0.2%)
Automotive Sales	$ 472.2	$ 433.1	$ 39.1	9.0%	$ 938.1	$ 859.4	$ 78.7	9.2%
Content Per Vehicle	$ 106.92	$ 96.98	$ 9.94	10.2%	$ 106.48	$ 97.31	$ 9.17	9.4%
Asia Pacific								
Vehicle Production Units	13.23	13.17	0.06	0.5%	25.76	25.96	(0.20)	(0.8%)
Automotive Sales	$ 167.3	$ 147.9	$ 19.4	13.1%	$ 313.3	$ 294.6	$ 18.7	6.3%
Content Per Vehicle	$ 12.65	$ 11.23	$ 1.42	12.6%	$ 12.16	$ 11.35	$ 0.81	7.1%

North American automotive sales for Q2 2026 increased 24.4% from Q2 2025 in a market that saw a decrease of 0.2% in production volumes for the same period. As a result, content per vehicle in Q2 2026 increased 24.6% from $292.01 to $363.96. The increase in North American content per vehicle was mainly driven by increased sales related to acquisitions, launching programs, and higher volumes on programs that the Company has significant business with; partially offset by lower volumes on certain ending programs.

European automotive sales for Q2 2026 increased 9.0% from Q2 2025 in a market that saw a decrease of 1.1% in production volumes for the same period. As a result, content per vehicle in Q2 2026 increased 10.2% from $96.98 to $106.92. The increase in European content per vehicle was mainly driven by increased sales related to acquisitions, and foreign exchange; partially offset by lower volumes on certain programs that the Company has significant business with, including lower volumes on EV programs.

Asia Pacific automotive sales for Q2 2026 increased 13.1% from Q2 2025 in a market that saw an increase of 0.5% in production volumes for the same period. As a result, content per vehicle in Q2 2026 increased 12.6% from $11.23 to $12.65. The increase in Asian content per vehicle was mainly driven by higher volumes on programs that the Company has significant business with, launching programs, and foreign exchange; partially offset by lower volumes on EV programs.

RESULTS OF OPERATIONS

Gross Margin

(in millions of dollars)	Three Months Ended June 30 2026	2025	Six Months Ended June 30 2026	2025
Sales	$ 3,138.8	$ 2,642.7	$ 6,078.2	$ 5,174.8
Cost of Sales before amortization	2,528.8	2,094.1	4,850.1	4,069.7
Amortization	164.7	150.4	329.8	304.5
Cost of Sales	2,693.5	2,244.5	5,179.9	4,374.2
Gross Margin	$ 445.3	$ 398.2	$ 898.3	$ 800.6
Gross Margin percentage	14.2%	15.1%	14.8%	15.5%

Gross margin percentage decreased in Q2 2026 to 14.2% compared to 15.1% in Q2 2025. Cost of sales before amortization as a percentage of sales increased in Q2 2026 to 80.6% compared to 79.2% for the same quarter as last year. In dollar terms, gross margin increased $47.1 million in Q2 2026 compared with Q2 2025 as a result of the items discussed earlier in this analysis such as:

- increased earnings related to recent acquisitions;
- increased earnings related to launching programs and higher volumes on programs the Company has significant business with;
- increased earnings related to the significant increase in access equipment sales; and
- improvements driven from operational efficiencies and cost reductions; partially offset by
- decreased earnings from lower production for certain ending programs and from lower volumes on EV programs;
- unfavourable impact on earnings from the changes in foreign exchange rates from Q2 2025;
- impact due to lower agricultural sales in a market that was down significantly; and
- impact due to tariffs on certain industrial products.

YTD gross margin decreased to 14.8% from 15.5%, compared to YTD 2025. The increase, in dollar terms, in the YTD gross margin was a result of similar factors that impacted Q2 2026.

Amortization as a percentage of sales decreased to 5.2% compared to 5.7% for the same quarter as last year. In dollar terms, amortization increased due to increased amortization related to recent acquisitions.

YTD amortization was higher at $329.8 million compared to $304.5 million in YTD 2025. YTD amortization as a percentage of sales decreased to 5.4% compared to 5.9% in YTD 2025. The increase, in dollar terms, in the YTD amortization was a result of the similar factor that impacted Q2 2026.

Selling, General and Administration

	Three Months Ended June 30		Six Months Ended June 30	
(in millions of dollars)	2026	2025	2026	2025
Selling, general and administrative	$ 172.4	$ 143.8	$ 336.5	$ 295.9
SG&A percentage	5.5%	5.4%	5.5%	5.7%

Selling, general and administrative ("SG&A") costs increased in Q2 2026 to $172.4 million from $143.8 million in the same quarter as last year. This increase is primarily due to:

- additional expenses related to recent acquisitions; and
- an increase in management and sales costs supporting growth.

On a YTD basis, SG&A costs reflected similar factors that impacted Q2 2026 and decreased as a percentage of sales to 5.5% from 5.7% when compared to YTD 2025.

Finance Expense and Income Taxes

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
(in millions of dollars)	$	$	$	$
Operating Earnings (Loss)	279.1	206.2	598.5	472.5
Finance Income and (Expenses)	(22.9)	(23.7)	(43.7)	(48.4)
Net Earnings (Loss) before Income Taxes	256.2	182.5	554.8	424.1
Provision for (Recovery of) Income Taxes	73.1	55.6	150.3	119.5
Net Earnings (Loss)	183.1	126.9	404.5	304.6

Finance Expenses

Finance expenses decreased $0.8 million to $22.9 million in Q2 2026 from $23.7 million in Q2 2025 due to:

- a decrease in average outstanding bank debt;
- lower interest expenses on bank debt due to Bank of Canada and U.S. Federal Reserve rate reductions; and
- an increase in interest income resulting from increased average daily cash balances; partially offset by
- an increase in interest expenses due to the addition of leases related to recent acquisitions.

YTD finance expenses decreased $4.7 million from $48.4 million in YTD 2025 to $43.7 million primarily due to similar factors that impacted the quarter.

The consolidated effective interest rate for Q2 2026 decreased to 3.9%, compared to 4.2% in Q2 2025. The consolidated effective interest rate for YTD 2026 decreased to 4.0% compared to 4.3% in YTD 2025. The changes in the effective interest rate for both Q2 2026 and YTD 2026 were driven by the mix of factors that drove the finance expenses for the quarter.

Income Taxes

The normalized effective tax rate for Q2 2026 was 26.7%, compared to 27.0% in Q2 2025. The decrease was primarily driven by:

- lower non-deductible expenses;
- the impact of previously unrecognized deferred tax assets; and
- a favourable mix of tax rates across jurisdictions; partially offset by
- the impact of the unrecognized tax benefit of losses carried forward.

The normalized effective tax rate for YTD Q2 2026 was 26.9%, compared to 26.7% in the same period of 2025. Similar factors that impacted Q2 also impacted the YTD with one key difference being unfavourable adjustments related to prior periods.

TOTAL EQUITY AND OUTSTANDING SHARE DATA

During the quarter no options expired unexercised, no options were forfeited, 100,000 options were exercised, and no options were issued.

The Company is authorized to issue an unlimited number of common shares, of which 58,983,810 common shares were outstanding as of August 12, 2026. The Company's common shares constitute its only class of voting securities. As of August 12, 2026, there were 1,250,000 options to acquire common shares outstanding and 3,000,000 options still available to be granted under the Company's share option plan.

For the six months ended June 30, 2026, the Company repurchased and cancelled 643,979 common shares under its current normal course issuer bid for a total of $58.6 million. Subsequent to June 30, 2026 and until August 12, 2026, the Company repurchased and cancelled 137,702 common shares under its bid for a total of $14.0 million.

SELECTED FINANCIAL INFORMATION

Quarterly Results

The following table sets forth unaudited information for each of the eight quarters ended September 30, 2024 through June 30, 2026. This information has been derived from the Company's unaudited consolidated interim financial statements which, in the opinion of management, have been prepared on a basis consistent with the audited consolidated financial statements and include all adjustments, consisting only of normal recurring adjustments, necessary for fair presentation of the financial position and results of operations for those periods.

(in millions of dollars, except per share figures)	Jun 30 2026 $	Mar 31 2026 $	Dec 31 2025 $	Sep 30 2025 $	Jun 30 2025 $	Mar 31 2025 $	Dec 31 2024 $	Sep 30 2024 $
Sales	3,138.8	2,939.4	2,515.3	2,541.7	2,642.7	2,532.1	2,375.7	2,635.7
Net Earnings (Loss)	183.1	221.4	110.7	169.2	126.9	177.7	(232.3)	138.0
Net Earnings (Loss) per Share								
Basic	3.09	3.72	1.85	2.83	2.12	2.94	(3.79)	2.24
Diluted	3.08	3.71	1.85	2.82	2.12	2.94	(3.78)	2.24

The quarterly results of the Company are impacted by the seasonality of certain operational units. Historically, earnings in the second and third quarter for the Industrial segment are positively impacted by the high selling season for both the access equipment and agricultural businesses. For the Mobility segment, vehicle production is typically at its lowest level during the third and fourth quarters due to lower OEM production schedules resulting from shutdowns related to summer and winter maintenance and model changeovers. The Company takes advantage of summer and winter shutdowns for maintenance activities that would otherwise disrupt normal production schedules. During Q4 2024, within the Linamar Mobility Europe group as a result of continued European economic challenges, including a significant decline in automotive production, the Company recorded a non-cash impairment charge of $385.5 million.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

	Three Months Ended June 30		Six Months Ended June 30	
(in millions of dollars)	2026 $	2025 $	2026 $	2025 $
Cash generated from (used in):				
Operating Activities	341.4	305.3	623.0	469.6
Financing Activities	(179.6)	(51.9)	(136.1)	(276.6)
Investing Activities	(108.8)	(134.1)	(177.0)	(228.1)
Effect of translation adjustment on cash	26.7	(24.2)	49.4	(15.2)
Increase (decrease) in cash and cash equivalents	79.7	95.1	359.3	(50.3)
Cash and cash equivalents – Beginning of Period	1,190.7	909.2	911.1	1,054.6
Cash and cash equivalents – End of Period	1,270.4	1,004.3	1,270.4	1,004.3
Comprised of:				
Cash in bank	872.0	667.4	872.0	667.4
Short-term deposits	398.4	336.9	398.4	336.9
	1,270.4	1,004.3	1,270.4	1,004.3

The Company's cash and cash equivalents at June 30, 2026 were $1,270.4 million, an increase of $266.1 million, or 26.5%, compared to June 30, 2025.

Operating Activities

(in millions of dollars)	Three Months Ended June 30 2026 $	2025 $	Six Months Ended June 30 2026 $	2025 $
Net Earnings (Loss) for the period	183.1	126.9	404.5	304.6
Adjustments to earnings	181.9	151.0	359.0	342.3
	365.0	277.9	763.5	646.9
Changes in operating assets and liabilities	(23.6)	27.4	(140.5)	(177.3)
Cash generated from (used in) operating activities	341.4	305.3	623.0	469.6

Cash generated by operations before the effect of changes in operating assets and liabilities increased $87.1 million, or 31.3%, in Q2 2026 to $365.0 million, compared to $277.9 million in Q2 2025 primarily due to increased net earnings. YTD cash generated from operations before the effect of changes in operating assets and liabilities increased $116.6 million in 2026 to $763.5 million, compared to $646.9 million for YTD 2025.

Changes in operating assets and liabilities for Q2 2026 used cash of $23.6 million primarily due to an increase in accounts receivable and inventories partially offset by increased accounts payable. Changes in operating assets and liabilities YTD used cash of $140.5 million primarily due to an increase in accounts receivables and inventories partially offset by increased accounts payable.

Financing Activities

(in millions of dollars)	Three Months Ended June 30 2026 $	2025 $	Six Months Ended June 30 2026 $	2025 $
Proceeds from (repayments of) long-term debt	295.9	(1.7)	620.8	(139.2)
Repayment of term credit agreement	(400.0)	-	(625.0)	-
Proceeds from exercise of stock options	5.0	-	5.0	-
Repurchase of shares	(32.6)	(4.4)	(58.5)	(57.9)
Dividends to shareholders	(34.4)	(32.3)	(34.4)	(32.3)
Finance income received (expenses paid)	(13.5)	(13.5)	(44.0)	(47.2)
Cash generated from (used in) financing activities	(179.6)	(51.9)	(136.1)	(276.6)

Cash used in financing activities for Q2 2026 was $179.6 million compared to $51.9 million used in Q2 2025. Financing activities for Q2 2026 were driven by repayments of the Company's term credit agreement partially offset by proceeds from long-term debt, while Q2 2025 was primarily driven by dividends paid to shareholders. YTD 2026 was also impacted by the same factors that impacted Q2 2026. This compares to YTD 2025 which was primarily impacted by repayments of long-term debt.

Investing Activities

(in millions of dollars)	Three Months Ended June 30 2026 $	2025 $	Six Months Ended June 30 2026 $	2025 $
Payments for purchase of property, plant and equipment	(110.8)	(133.2)	(174.4)	(222.0)
Proceeds on disposal of property, plant and equipment	5.9	5.5	6.4	6.3
Payments for purchase of intangible assets	(3.9)	(6.4)	(9.0)	(12.1)
Other	-	-	-	(0.3)
Cash generated from (used in) investing activities	(108.8)	(134.1)	(177.0)	(228.1)

Cash used in investing activities for Q2 2026 was $108.8 million compared to Q2 2025 at $134.1 million. YTD cash used in investing activities was $177.0 million compared to YTD 2025 at $228.1 million. The primary driver for both the quarter and YTD periods was the Company's ongoing purchase of property, plant and equipment.

Liquidity and Capital Resources

The Company's financial condition is solid given its strong balance sheet, which can be attributed to the Company's low level of debt, strong cash position, and significant new program launches all providing prospects for growth. Management expects that future operating capital expenditures will be financed by cash flow from operations or utilization of existing financing facilities.

The Company's credit facility was last amended and restated in November 2022 ("Prior Facility"). In June 2026, the Company's credit facility was again amended and restated ("New Facility"). The New Facility includes a revolving credit facility for up to $1.4 billion which will expire in June 2030 and is under terms and conditions largely consistent with the Company's previously existing credit facilities. Borrowings are subject to short-term market rates, plus applicable margin.

The Company also had a non-revolving term credit agreement for $700.0 million. The term credit agreement was repayable in three tranches. The first tranche of $75.0 million was repaid during the third quarter of 2024, the second tranche of $225.0 million was repaid during the first quarter of 2026, and the third and final tranche of $400.0 million was repaid from cash and the New Facility's revolving credit facility in June 2026.

The New Facility is unsecured and guaranteed by material subsidiaries of the Company, as defined in the credit agreement. These borrowings require the Company to maintain certain financial ratios and impose limitations on specified activities. The Company is in compliance with all financial covenants.

At June 30, 2026, cash and cash equivalents, including short-term deposits was $1,270.4 million and the Company's credit facilities had available credit of $725.2 million. Combined, the Company believes this liquidity[1] of $2.0 billion at June 30, 2026 is sufficient to meet cash flow needs. Free cash flow[1] was $236.5 million for Q2 2026 primarily due to cash generated from operating activities.

Commitments and Contingencies

Please see the Company's December 31, 2025 annual MD&A for a table summarizing the contractual obligations by category. Also, certain guarantees and legal claims are described in the notes to the Company's consolidated financial statements for the year ended December 31, 2025.

Financial Instruments

The Company's strategy, risks and presentation of its financial instruments remain substantially unchanged during the quarter ended June 30, 2026. For more information, please see the Company's December 31, 2025 annual MD&A and the Company's consolidated financial statements for the year ended December 31, 2025.

CURRENT AND PROPOSED TRANSACTIONS

There are no material current and proposed transactions for the quarter ended June 30, 2026.

RISK MANAGEMENT

The Company is exposed to a number of risks in the normal course of business that have the potential to affect its operating results. These include, but are not limited to International Trade Policies; Competition, Outsourcing and Insourcing; Sources and Availability of Raw Materials; Labour Markets and Dependence on Key Personnel; Dependence on Certain Customers; Technological Change and Product Launches; Public Health Threats; Foreign Business Risk; Foreign Currency Risk; Long-term Contracts; Acquisition and Expansion Risk; Cyclicality and Seasonality; Legal Proceedings and Insurance Coverage; Credit Risk; Climate Change and Weather; Emission Standards; Capital and Liquidity Risk; Tax Laws; Securities Laws Compliance and Corporate Governance Standards; and Environmental Matters.

These risk factors remain substantially unchanged during the quarter ended June 30, 2026 except for an update on international trade polices as related to the United States-Mexico-Canada Agreement ("USMCA"). These risk factors, as well as the other information contained in this MD&A, the Company's December 31, 2025 annual MD&A, and the Company's December 31, 2025 Annual Information Form, should be considered carefully. These risk factors could materially and adversely affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements related to the Company.

International Trade Policies

Due to the interconnected nature of the global economy, policy changes in one region can have immediate and significant adverse effects on markets worldwide. Amendments to international trade policies, including changes to existing agreements, increased restrictions on free trade, and substantial rises in customs duties and tariffs on goods imported into the regions where our Company operates—can negatively impact our financial condition or results of operations.

The current global trade environment has become increasingly complex and volatile. Beginning in 2025, the United States ("U.S.") administration implemented a series of escalating tariff measures that have materially disrupted North American and global trade systems. On March 4, 2025, tariffs of 25% were imposed on most Canadian and Mexican goods entering the U.S., alongside a 20% tariff on Chinese imports. In response, Canada and China implemented retaliatory tariffs on a broad range of U.S. goods. Since then, tariff levels and scope have continued to evolve, with additional rounds of escalation occurring across multiple trading relationships throughout 2025 and into 2026. The impact of these tariffs on our business and financial condition is influenced by a number of factors, including the effective duration and scope of tariffs imposed, the extent to which costs can be recovered from customers, the availability and cost of alternative sourcing, currency fluctuations driven by trade-related uncertainty, and the nature and timing of any further retaliatory or responsive measures by affected governments. The first joint review of the USMCA was conducted in early July 2026 by the governments of the U.S., Mexico, and Canada as required under the agreement. The U.S. declined to extend the USMCA and, as a result, the parties have entered an annual

[1] Liquidity and Free Cash Flow are Non-GAAP financial measures. Please see "Non-GAAP and Other Financial Measures" section of this MD&A.

joint review process which continues until the parties agree to an extension or until the agreement expires in July 2036. The USMCA remains in force, but this annual review introduces further uncertainty. There is no assurance that an extension would be agreed to, the agreement expires, or if any revised terms will be as favorable to Canadian manufacturers as the current agreement, and any adverse changes could affect our cost competitiveness and market access. Beyond USMCA, the broader multilateral trade environment, including U.S. relations with the European Union, China, and other key markets, continues to shift in ways that may affect demand for our customers' end products, our input costs, and our ability to serve global programs efficiently.

The Company has taken and continues to evaluate mitigating actions, including strategic sourcing adjustments, customer recovery negotiations, and supply chain restructuring. However, given these uncertainties, the Company cannot assure that any mitigating actions available to us will be successful. Any further escalation of trade tensions, additional tariffs, retaliatory measures, or shifts in Canadian or international trade policies could adversely impact our business.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

There were no changes in the Company's internal control over financial reporting during the quarter ended June 30, 2026, which have materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting, except as outlined below in the Limitation of Scope of Design section.

Limitation of Scope of Design

The Company has limited the scope of design of our internal controls and procedures and internal controls over financial reporting to exclude controls, policies and procedures of i) the Chassis and Structures Business, which the Company acquired on November 14, 2025, and ii) the Casting Facility, which the Company acquired on December 31, 2025. The chart below presents the summary financial information of the Chassis and Structures Business and the Casting Facility:

(in millions of dollars)	Chassis and Structures Business $	Casting Facility $
For the 2025 acquisitions, from the date of acquisition until December 31, 2025:		
Sales	107.9	-
Net Earnings (Loss) for the Period	5.6	-
As at June 30, 2026:		
Current Assets	374.0	73.7
Non-Current Assets	425.0	68.4
Current Liabilities	254.9	32.2
Non-Current Liabilities	106.8	17.5

The scope limitation is in accordance with section 3.3(1)(b) of National Instrument 52-109 to which this MD&A relates, which allows an issuer to limit its design of disclosure controls and procedures and internal controls over financial reporting to exclude controls, policies and procedures of a business that the issuer acquired not more than 365 days prior to the end of the fiscal period.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates and judgements about the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from those estimates under different assumptions or conditions. Management's most critical estimates and assumptions in determining the value of assets and liabilities and most critical judgements in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year have been set out in the Company's consolidated financial statements for the year ended December 31, 2025.

RECENT ACCOUNTING CHANGES AND EFFECTIVE DATES

For information pertaining to accounting changes effective in 2025 and for future fiscal years please see the Company's consolidated financial statements for the year ended December 31, 2025, and the consolidated interim financial statements for the quarter ended June 30, 2026.

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.

Normalized Non-GAAP Financial Measures and Ratios

All Non-GAAP financial measures denoted with 'Normalized' as presented by the Company are adjusted for foreign exchange gain (loss), foreign exchange gain (loss) on debt and derivatives, and other items.

Operating Earnings (Loss) – Normalized

Operating Earnings (Loss) – Normalized is a Non-GAAP financial measure and the Company believes it is useful in assessing the Company's underlying operational performance and in making decisions regarding the ongoing operations of the business. Operating Earnings (Loss) – Normalized is calculated as Operating Earnings (Loss), the most directly comparable measure as presented in the Company's consolidated statement of earnings, adjusted for foreign exchange gain (loss), and any other items, if applicable, that are considered not to be indicative of underlying operational performance.

Net Earnings (Loss) – Normalized

Net Earnings (Loss) – Normalized is a Non-GAAP financial measure and the Company believes it is useful in assessing the Company's underlying operational performance and in making decisions regarding the ongoing operations of the business. Net Earnings (Loss) – Normalized is calculated as Net Earnings (Loss), the most directly comparable measure as presented in the Company's consolidated statement of earnings, adjusted for foreign exchange gain (loss), foreign exchange gain (loss) on debt and derivatives, and any other items, if applicable, that are considered not to be indicative of underlying operational performance.

Net Earnings (Loss) per Share – Diluted – Normalized

Net Earnings (Loss) per Share – Diluted – Normalized is a Non-GAAP financial ratio and the Company believes it is useful in assessing the Company's underlying operational performance and in making decisions regarding the ongoing operations of the business. Net Earnings (Loss) per Share – Diluted – Normalized is calculated as Net Earnings (Loss) – Normalized (as defined above) divided by the fully diluted number of shares outstanding as at the period end date.

EBITDA and EBITDA – Normalized

EBITDA is a Non-GAAP financial measure and the Company believes it is useful in assessing the Company's underlying operational performance of cash flow and profitability, the effective use and allocation of resources, and to provide more meaningful comparisons of operating results. EBITDA is calculated as Net Earnings (Loss) before income taxes, the most directly comparable measure as presented in the Company's consolidated statement of earnings, adjusted for amortization of property, plant and equipment, amortization of other intangible assets, interest expense, and other interest.

EBITDA – Normalized is a Non-GAAP financial measure and the Company believes EBITDA – Normalized is useful in assessing the Company's underlying operational performance of cash flow and profitability, the effective use and allocation of resources, and to provide more meaningful comparisons of operating results. EBITDA – Normalized is calculated as EBITDA (as defined above) adjusted for foreign exchange gain (loss), foreign exchange gain (loss) on debt and derivatives, non-cash asset impairments and any other items, if applicable, that are considered not to be indicative of underlying operational performance.

Other item(s) contained in these Non-GAAP financial measures are summarized as follows:

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
(in millions of dollars)	$	$	$	$
Asset impairment provision, net of reversals impacting EBITDA – Normalized	0.1	0.2	(0.1)	(0.9)

Normalizing items for asset impairment provisions, net of reversals adjusted EBITDA and impacted the Mobility segment by $0.1 million for Q2 2026 and ($0.1) million for YTD 2026 ($0.2 million for Q2 2025 and ($0.9) million YTD 2025).

During Q2 2026, an additional normalization item impacted the Company's income taxes related to prior-period adjustments by $6.2 million, with no comparable impact in Q2 2025.

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

				Three Months Ended June 30				Six Months Ended June 30
	2026	2025	+/-	+/-	2026	2025	+/-	+/-
(in millions of dollars, except per share figures)	$	$	$	%	$	$	$	%
Operating Earnings (Loss) – Normalized								
Operating Earnings (Loss)	279.1	206.2	72.9	35.4%	598.5	472.5	126.0	26.7%
Foreign exchange (gain) loss	(6.4)	48.0	(54.4)		(36.5)	33.7	(70.2)	
Other items	-	-	-		-	-	-	
Operating Earnings (Loss) – Normalized	272.7	254.2	18.5	7.3%	562.0	506.2	55.8	11.0%
Net Earnings (Loss) – Normalized								
Net Earnings (Loss)	183.1	126.9	56.2	44.3%	404.5	304.6	99.9	32.8%
Foreign exchange (gain) loss	(6.4)	48.0	(54.4)		(36.5)	33.7	(70.2)	
Foreign exchange (gain) loss on debt and derivatives	-	0.1	(0.1)		-	0.2	(0.2)	
Other items	-	-	-		-	-	-	
Tax impact including Other Items	6.3	(6.6)	12.9		10.8	(2.9)	13.7	
Net Earnings (Loss) – Normalized	183.0	168.4	14.6	8.7%	378.8	335.6	43.2	12.9%
Effective tax rate	28.5%	30.5%			27.1%	28.2%		
Effective tax rate - Normalized	26.7%	27.0%			26.9%	26.7%		
Net Earnings (Loss) per Share – Diluted – Normalized								
Net Earnings (Loss) per Share – Diluted	3.08	2.12	0.96	45.3%	6.79	5.06	1.73	34.2%
Foreign exchange (gain) loss	(0.11)	0.80	(0.91)		(0.61)	0.56	(1.17)	
Foreign exchange (gain) loss on debt and derivatives	-	-	-		-	-	-	
Other items	-	-	-		-	-	-	
Tax impact including Other Items	0.11	(0.11)	0.22		0.18	(0.05)	0.23	
Net Earnings (Loss) per Share – Diluted – Normalized	3.08	2.81	0.27	9.6%	6.36	5.57	0.79	14.2%
EBITDA and EBITDA – Normalized								
Net Earnings (Loss) before income taxes	256.2	182.5	73.7	40.4%	554.8	424.1	130.7	30.8%
Amortization of property, plant and equipment	145.7	131.6	14.1		291.3	266.6	24.7	
Amortization of other intangible assets	20.5	19.9	0.6		41.5	39.9	1.6	
Interest expense	21.6	23.0	(1.4)		43.4	47.5	(4.1)	
Other interest	5.5	5.1	0.4		9.2	9.8	(0.6)	
EBITDA	449.5	362.1	87.4	24.1%	940.2	787.9	152.3	19.3%
Foreign exchange (gain) loss	(6.4)	48.0	(54.4)		(36.5)	33.7	(70.2)	
Foreign exchange (gain) loss on debt and derivatives	-	0.1	(0.1)		-	0.2	(0.2)	
Asset impairment provision, net of reversals	0.1	0.2	(0.1)		(0.1)	(0.9)	0.8	
Other items	-	-	-		-	-	-	
EBITDA – Normalized	443.2	410.4	32.8	8.0%	903.6	820.9	82.7	10.1%

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

(in millions of dollars)	Industrial $	Mobility $	Three Months Ended June 30 2026 Linamar $	Industrial $	Mobility $	Six Months Ended June 30 2026 Linamar $
Operating Earnings (Loss) – Normalized						
Operating Earnings (Loss)	92.7	186.4	279.1	226.3	372.2	598.5
Foreign exchange (gain) loss	(14.0)	7.6	(6.4)	(41.9)	5.4	(36.5)
Other items	-	-	-	-	-	-
Operating Earnings (Loss) – Normalized	78.7	194.0	272.7	184.4	377.6	562.0
EBITDA – Normalized						
EBITDA	118.2	331.3	449.5	277.5	662.7	940.2
Foreign exchange (gain) loss	(14.0)	7.6	(6.4)	(41.9)	5.4	(36.5)
Foreign exchange (gain) loss on debt and derivatives	-	-	-	-	-	-
Asset impairment provision, net of reversals	-	0.1	0.1	-	(0.1)	(0.1)
Other items	-	-	-	-	-	-
EBITDA – Normalized	104.2	339.0	443.2	235.6	668.0	903.6

(in millions of dollars)	Industrial $	Mobility $	Three Months Ended June 30 2025 Linamar $	Industrial $	Mobility $	Six Months Ended June 30 2025 Linamar $
Operating Earnings (Loss) – Normalized						
Operating Earnings (Loss)	53.8	152.4	206.2	196.7	275.8	472.5
Foreign exchange (gain) loss	49.5	(1.5)	48.0	33.2	0.5	33.7
Other items	-	-	-	-	-	-
Operating Earnings (Loss) – Normalized	103.3	150.9	254.2	229.9	276.3	506.2
EBITDA – Normalized						
EBITDA	77.7	284.4	362.1	244.2	543.7	787.9
Foreign exchange (gain) loss	49.5	(1.5)	48.0	33.2	0.5	33.7
Foreign exchange (gain) loss on debt and derivatives	-	0.1	0.1	0.1	0.1	0.2
Asset impairment provision, net of reversals	-	0.2	0.2	-	(0.9)	(0.9)
Other items	-	-	-	-	-	-
EBITDA – Normalized	127.2	283.2	410.4	277.5	543.4	820.9

Other Non-GAAP Financial Measures

Free Cash Flow

Free Cash Flow is a Non-GAAP financial measure and the Company believes it is useful in assessing the Company's ability to generate cash. Free Cash Flow is calculated as Cash from Operating Activities, the most directly comparable measure as presented in the Company's consolidated statements of cash flows, adjusted for payments for purchase of property, plant and equipment, and proceeds on disposal of property, plant and equipment.

Liquidity

Liquidity is a Non-GAAP financial measure and the Company believes it is useful in assessing the Company's ability to satisfy its financial obligations as they come due. Liquidity is calculated as Cash, the most directly comparable measure as presented in the Company's consolidated statements of financial position, adjusted for the Company's available credit.

All other Non-GAAP financial measures are reconciled as follows:

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
(in millions of dollars)	$	$	$	$
Free Cash Flow				
Cash generated from (used in) operating activities	341.4	305.3	623.0	469.6
Payments for purchase of property, plant and equipment	(110.8)	(133.2)	(174.4)	(222.0)
Proceeds on disposal of property, plant and equipment	5.9	5.5	6.4	6.3
Free Cash Flow	236.5	177.6	455.0	253.9
Liquidity				
Cash and cash equivalents			1,270.4	1,004.3
Available credit			725.2	914.6
Liquidity			1,995.6	1,918.9

Supplementary Financial Measures

Content per Vehicle

CPV is a supplementary financial measure and is calculated within the Mobility segment for the region indicated as automotive sales less tooling sales divided by vehicle production units.

Summary of Content per Vehicle by Quarter

The following table summarizes the updated CPV for the current year for changes in volumes as revised by industry sources:

Estimates as of June 30, 2026	Three Months Ended		Year to Date	
	Mar 31	Jun 30	Mar 31	Jun 30
North America	2026	2026	2026	2026
Vehicle Production Units	3.82	4.07	3.82	7.90
Automotive Sales	$ 1,422.3	$ 1,483.0	$ 1,422.3	$ 2,905.3
Content Per Vehicle	$ 372.04	$ 363.96	$ 372.04	$ 367.87
Europe				
Vehicle Production Units	4.39	4.42	4.39	8.81
Automotive Sales	$ 465.9	$ 472.2	$ 465.9	$ 938.1
Content Per Vehicle	$ 106.04	$ 106.92	$ 106.04	$ 106.48
Asia Pacific				
Vehicle Production Units	12.53	13.23	12.53	25.76
Automotive Sales	$ 146.0	$ 167.3	$ 146.0	$ 313.3
Content Per Vehicle	$ 11.65	$ 12.65	$ 11.65	$ 12.16

Estimates as of March 31, 2026	Three Months Ended	Year to Date
	Mar 31	Mar 31
North America	2026	2026
Vehicle Production Units	3.81	3.81
Automotive Sales	$ 1,422.3	$ 1,422.3
Content Per Vehicle	$ 373.11	$ 373.11
Europe		
Vehicle Production Units	4.33	4.33
Automotive Sales	$ 465.9	$ 465.9
Content Per Vehicle	$ 107.64	$ 107.64
Asia Pacific		
Vehicle Production Units	12.31	12.31
Automotive Sales	$ 146.0	$ 146.0
Content Per Vehicle	$ 11.86	$ 11.86

Change in Estimates from Prior Quarter	Three Months Ended Mar 31 2026	Year to Date Mar 31 2026
North America	+/-	+/-
Vehicle Production Units	0.01	0.01
Automotive Sales	$ -	$ -
Content Per Vehicle	$ (1.07)	$ (1.07)
Europe		
Vehicle Production Units	0.06	0.06
Automotive Sales	$ -	$ -
Content Per Vehicle	$ (1.60)	$ (1.60)
Asia Pacific		
Vehicle Production Units	0.22	0.22
Automotive Sales	$ -	$ -
Content Per Vehicle	$ (0.21)	$ (0.21)

FORWARD LOOKING INFORMATION

Certain information provided by Linamar in this 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, international trade policies including tariffs; 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; cyclicality 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.

LINAMAR CORPORATION

Consolidated Interim Statements of Financial Position

As at June 30, 2026 with comparatives as at December 31, 2025 (Unaudited)
(in thousands of Canadian dollars)

	June 30 2026 $	December 31 2025 $
ASSETS		
Cash and cash equivalents	1,270,426	911,077
Accounts and other receivables	2,040,147	1,404,069
Inventories	2,153,218	2,054,768
Income taxes recoverable	62,478	58,509
Current portion of long-term receivables (Note 12)	24,022	23,595
Current portion of derivative financial instruments (Note 12)	18,960	29,855
Prepaid expenses and other current assets	87,992	86,873
Current Assets	5,657,243	4,568,746
Long-term receivables (Note 12)	49,417	51,788
Derivative financial instruments (Note 12)	920	2,796
Property, plant and equipment	3,925,566	3,913,831
Deferred tax assets	256,850	294,558
Intangible assets	1,082,252	1,109,984
Goodwill	959,997	950,091
Assets	11,932,245	10,891,794
LIABILITIES		
Accounts payable and accrued liabilities	2,812,470	2,228,761
Provisions	52,044	55,830
Income taxes payable	58,480	64,547
Current portion of long-term debt (Notes 6, 12)	66,037	287,322
Current portion of derivative financial instruments (Note 12)	27,198	2,821
Current Liabilities	3,016,229	2,639,281
Long-term debt (Notes 6, 12)	2,084,600	1,811,126
Derivative financial instruments (Note 12)	5,177	601
Deferred tax liabilities	288,237	343,419
Liabilities	5,394,243	4,794,427
EQUITY		
Capital stock	154,941	148,917
Retained earnings	5,955,308	5,643,328
Contributed surplus	36,116	37,089
Accumulated other comprehensive earnings (loss)	391,637	268,033
Equity	6,538,002	6,097,367
Liabilities and Equity	11,932,245	10,891,794

The accompanying notes are an integral part of these consolidated interim financial statements.

On behalf of the Board of Directors:

(Signed) "Linda Hasenfratz"

Linda Hasenfratz
Director

(Signed) "Jim Jarrell"

Jim Jarrell
Director

LINAMAR CORPORATION

Consolidated Interim Statements of Earnings

For the six months ended June 30, 2026 and June 30, 2025 (Unaudited)
(in thousands of Canadian dollars, except per share figures)

	Three Months Ended	June 30	Six Months Ended	June 30
	2026	2025	2026	2025
	$	$	$	$
Sales	3,138,776	2,642,693	6,078,203	5,174,770
Cost of sales	2,693,431	2,244,492	5,179,900	4,374,124
Gross Margin	445,345	398,201	898,303	800,646
Selling, general and administrative	172,451	143,838	336,513	295,915
Other income and (expenses) (Note 7)	6,196	(48,151)	36,696	(32,222)
Operating Earnings (Loss)	279,090	206,212	598,486	472,509
Finance income and (expenses) (Note 8)	(22,883)	(23,688)	(43,668)	(48,421)
Net Earnings (Loss) before Income Taxes	256,207	182,524	554,818	424,088
Provision for (recovery of) income taxes	73,103	55,610	150,345	119,475
Net Earnings (Loss) for the Period	183,104	126,914	404,473	304,613
Net Earnings (Loss) per Share:				
Basic	3.09	2.12	6.81	5.07
Diluted	3.08	2.12	6.79	5.06

The accompanying notes are an integral part of these consolidated interim financial statements.

LINAMAR CORPORATION
Consolidated Interim Statements of Comprehensive Earnings
For the six months ended June 30, 2026 and June 30, 2025 (Unaudited)
(in thousands of Canadian dollars)

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
	$	$	$	$
Net Earnings (Loss) for the Period	183,104	126,914	404,473	304,613
Items that may be reclassified subsequently to net income				
Unrealized gains (losses) on translating financial statements of foreign operations	121,102	35,002	155,143	133,827
Change in unrealized gains (losses) on net investment hedges	(4,288)	(16,064)	(3,552)	(36,960)
Change in unrealized gains (losses) on cash flow hedges	(11,721)	66,615	(24,705)	69,342
Change in cost of hedging	2,877	(4,223)	3,918	(4,751)
Reclassification to earnings of gains (losses) on cash flow hedges	(7,234)	1,220	(16,529)	21,888
Tax impact of above	4,020	(15,903)	9,329	(21,620)
Other Comprehensive Earnings (Loss)	104,756	66,647	123,604	161,726
Comprehensive Earnings (Loss) for the Period	287,860	193,561	528,077	466,339

The accompanying notes are an integral part of these consolidated interim financial statements.

LINAMAR CORPORATION
Consolidated Interim Statements of Changes in Equity
For the six months ended June 30, 2026 and June 30, 2025 (Unaudited)
(in thousands of Canadian dollars)

	Capital stock $	Retained earnings $	Contributed surplus $	Cumulative translation adjustment $	Hedging reserves $	Total Equity $
Balance at January 1, 2026	148,917	5,643,328	37,089	258,153	9,880	6,097,367
Net Earnings (Loss)	-	404,473	-	-	-	404,473
Other comprehensive earnings (loss)	-	-	-	151,591	(27,987)	123,604
Comprehensive Earnings (Loss)	-	404,473	-	151,591	(27,987)	528,077
Share-based compensation	-	-	1,644	-	-	1,644
Shares issued on exercise of options	7,631	-	(2,617)	-	-	5,014
Common shares repurchased and cancelled	(1,607)	(58,112)	-	-	-	(59,719)
Dividends	-	(34,381)	-	-	-	(34,381)
Balance at June 30, 2026	154,941	5,955,308	36,116	409,744	(18,107)	6,538,002

	Capital stock $	Retained earnings $	Contributed surplus $	Cumulative translation adjustment $	Hedging reserves $	Total Equity $
Balance at January 1, 2025	140,521	5,201,851	37,669	99,245	(51,340)	5,427,946
Net Earnings (Loss)	-	304,613	-	-	-	304,613
Other comprehensive earnings (loss)	-	-	-	96,867	64,859	161,726
Comprehensive Earnings (Loss)	-	304,613	-	96,867	64,859	466,339
Share-based compensation	-	-	1,551	-	-	1,551
Common shares repurchased and cancelled	(2,502)	(56,554)	-	-	-	(59,056)
Dividends	-	(32,322)	-	-	-	(32,322)
Balance at June 30, 2025	138,019	5,417,588	39,220	196,112	13,519	5,804,458

The accompanying notes are an integral part of these consolidated interim financial statements.

LINAMAR CORPORATION
Consolidated Interim Statements of Cash Flows
For the six months ended June 30, 2026 and June 30, 2025 (Unaudited)
(in thousands of Canadian dollars)

	Three Months Ended June 30		Six Months Ended June 30	
	2026 $	2025 $	2026 $	2025 $
Cash generated from (used in)				
Operating Activities				
Net Earnings (Loss) for the Period	183,104	126,914	404,473	304,613
Adjustments for:				
Amortization of property, plant and equipment	145,717	131,569	291,262	266,604
Amortization of other intangible assets	20,479	19,910	41,493	39,904
Deferred income taxes	2,596	(22,065)	1,681	(30,186)
Asset impairment provision, net of reversals	56	139	(62)	(781)
Share-based compensation	822	776	1,644	1,551
Finance (income) and expenses	22,883	23,688	43,668	48,421
Other	(10,690)	(3,077)	(20,660)	16,820
	364,967	277,854	763,499	646,946
Changes in operating assets and liabilities				
(Increase) decrease in accounts and other receivables	(112,970)	(73,795)	(558,352)	(318,341)
(Increase) decrease in inventories	(69,190)	62,690	(52,419)	24,625
(Increase) decrease in prepaid expenses and other current assets	5,366	8,828	615	25,854
(Increase) decrease in long-term receivables	4,238	(5,775)	4,361	(7,521)
Increase (decrease) in income taxes	(13,250)	13,303	(13,657)	(11,377)
Increase (decrease) in accounts payable and accrued liabilities	160,709	26,160	483,322	119,911
Increase (decrease) in provisions	1,520	(3,934)	(4,343)	(10,466)
	(23,577)	27,477	(140,473)	(177,315)
Cash generated from (used in) operating activities	341,390	305,331	623,026	469,631
Financing Activities				
Proceeds from (repayments of) long-term debt	295,909	(1,659)	620,845	(139,154)
Repayments of term credit agreement	(400,000)	-	(625,000)	-
Proceeds from exercise of stock options	5,014	-	5,014	-
Repurchase of shares (Note 13)	(32,657)	(4,390)	(58,563)	(57,902)
Dividends	(34,381)	(32,322)	(34,381)	(32,322)
Finance income received (expenses paid)	(13,470)	(13,547)	(44,061)	(47,173)
Cash generated from (used in) financing activities	(179,585)	(51,918)	(136,146)	(276,551)
Investing Activities				
Payments for purchase of property, plant and equipment	(110,846)	(133,233)	(174,364)	(221,998)
Proceeds on disposal of property, plant and equipment	5,923	5,454	6,386	6,305
Payments for purchase of intangible assets	(3,914)	(6,253)	(9,026)	(12,083)
Other	1	(45)	(19)	(283)
Cash generated from (used in) investing activities	(108,836)	(134,077)	(177,023)	(228,059)
	52,969	119,336	309,857	(34,979)
Effect of translation adjustment on cash	26,744	(24,303)	49,492	(15,352)
Increase (decrease) in cash and cash equivalents	79,713	95,033	359,349	(50,331)
Cash and cash equivalents - Beginning of Period	1,190,713	909,234	911,077	1,054,598
Cash and cash equivalents - End of Period	1,270,426	1,004,267	1,270,426	1,004,267
Comprised of:				
Cash in bank	871,992	667,332	871,992	667,332
Short-term deposits	398,434	336,935	398,434	336,935
	1,270,426	1,004,267	1,270,426	1,004,267

The accompanying notes are an integral part of these consolidated interim financial statements.

1 General Information

Linamar Corporation and its subsidiaries, including jointly controlled entities, (together, the "Company") is a diversified global manufacturing company of highly engineered products. The Company is incorporated in Ontario, Canada with common shares listed on the Toronto Stock Exchange ("TSX"). The Company is domiciled in Canada and its registered office is 287 Speedvale Avenue West, Guelph, Ontario, Canada.

The consolidated interim financial statements of the Company for the period ended June 30, 2026, were authorized for issue in accordance with a resolution of the Company's Board of Directors on August 12, 2026.

2 Basis of Preparation and Material Accounting Policies

The Company has prepared its consolidated interim financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS® Accounting Standards") and with interpretations of the International Financial Reporting Issues Committee.

These interim financial statements have been prepared in accordance with IFRS Accounting Standards applicable to the preparation of interim financial statements, including International Accounting Standards ("IAS") 34, Interim Financial Reporting. Accordingly, certain information and footnotes as required in the annual financial statements have been omitted or condensed and as such these interim financial statements should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2025. These interim financial statements and the notes thereto have not been reviewed by the Company's external auditors pursuant to a review engagement applying review standards set out in the Canadian Chartered Professional Accountants handbook.

The Company has prepared these unaudited consolidated interim financial statements using the same accounting policies and methods as those used in the Company's audited consolidated annual financial statements for the year ended December 31, 2025. These policies have been consistently applied to all periods presented, unless otherwise stated.

3 Changes in Accounting Policies

New Standards and Amendments Adopted

Certain new standards and amendments became effective during the current period; however, the adoption of these new standards and amendments did not significantly impact the Company's net earnings or financial position.

New Standards and Interpretations Not Yet Adopted

All pronouncements will be adopted in the Company's accounting policies after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below. Certain other new standards, amendments and interpretations to existing standards were not relevant nor would they significantly impact the Company's net earnings or financial position.

IFRS 18 Presentation and Disclosure in Financial Statements

Effective for the annual financial statements relating to fiscal years beginning on or after January 1, 2027, the IASB issued a new standard replacing *IAS 1 Presentation of Financial Statements.* Although the new standard carries forward many requirements from IAS 1 unchanged, IFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies. Management is currently assessing the impact that these amendments will have on the financial statements.

4 Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates and judgements about the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from those estimates under different assumptions or conditions. Management's most critical estimates and assumptions in determining the value of assets and liabilities and most critical judgements in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year have been set out in the Company's annual financial statements for the year ended December 31, 2025.

5 Seasonality

Historically, earnings in the second and third quarter for the Industrial segment are positively impacted by the high selling season for both the access equipment and agricultural businesses. For the Mobility segment, vehicle production is typically at its lowest level during the third and fourth quarters due to lower original equipment manufacturers' production schedules resulting from shutdowns related to summer and winter maintenance and model changeovers. The Company takes advantage of summer and winter shutdowns for maintenance activities that would otherwise disrupt normal production schedules.

(in thousands of Canadian dollars, except where otherwise noted)

6 Long-Term Debt

	June 30 2026 $	December 31 2025 $
Private placement notes	1,067,238	1,063,520
Bank borrowings	669,353	637,177
Lease liabilities	341,895	320,186
Government borrowings	72,151	77,565
	2,150,637	2,098,448
Less: current portion	66,037	287,322
	2,084,600	1,811,126

Bank borrowings

The Company's credit facility was last amended and restated in November 2022 ("Prior Facility"). In June 2026, the Company's credit facility was again amended and restated ("New Facility"). The New Facility includes a revolving credit facility for up to $1.4 billion which will expire in June 2030 and is under terms and conditions largely consistent with the Company's previously existing credit facilities. Borrowings are subject to short-term market rates, plus applicable margin.

The Company also had a non-revolving term credit agreement for $700.0 million. The term credit agreement was repayable in three tranches. The first tranche of $75.0 million was repaid during the third quarter of 2024, the second tranche of $225.0 million was repaid during the first quarter of 2026, and the third and final tranche of $400.0 million was repaid from cash and the New Facility's revolving credit facility in June 2026.

The New Facility is unsecured and guaranteed by material subsidiaries of the Company, as defined in the credit agreement. These borrowings require the Company to maintain certain financial ratios and impose limitations on specified activities. The Company is in compliance with all financial covenants.

As of June 30, 2026, $725,171 was available under the Company's credit facility.

7 Other Income and (Expenses)

	Three Months Ended		Six Months Ended	
		June 30		June 30
	2026 $	2025 $	2026 $	2025 $
Foreign exchange gain (loss)	6,347	(47,993)	36,516	(33,690)
Other income (expense)	(151)	(158)	180	1,468
	6,196	(48,151)	36,696	(32,222)

8 Finance Income and (Expenses)

	Three Months Ended		Six Months Ended	
		June 30		June 30
	2026 $	2025 $	2026 $	2025 $
Interest expense	(21,592)	(23,036)	(43,424)	(47,522)
Foreign exchange gain (loss) on debt and derivatives	(29)	(87)	(23)	(125)
Interest earned	6,223	5,689	12,242	11,413
Other	(7,485)	(6,254)	(12,463)	(12,187)
	(22,883)	(23,688)	(43,668)	(48,421)

9 Commitments

As at June 30, 2026, outstanding commitments for capital expenditures under purchase orders and contracts amounted to $230,899 (June 30, 2025 - $135,756). Of this amount $224,312 (June 30, 2025 - $132,826) relates to the purchase of manufacturing equipment and $6,587 (June 30, 2025 - $2,930) relates to general contracting and construction costs in respect of plant construction. Of the commitments for plant construction, $2,287 (June 30, 2025 - $617) were commitments to a related party, a company owned by the spouse of an officer and director. The majority of these commitments are due within the next twelve months.

(in thousands of Canadian dollars, except where otherwise noted)

10 Related Party Transactions

Building additions made by a related party, a company owned by the spouse of an officer and director, were $1,263 for the three and six months ended June 30, 2026 ($53 for the three months ended June 30, 2025 and $6,075 for the six months ended June 30, 2025). Related party transactions included in the cost of sales were $641 for the three months ending June 30, 2026 and $1,144 for the six months ended June 30, 2026 ($293 for the three months ended June 30, 2025 and $920 for the six months ended June 30, 2025).

11 Segmented Information

Management has determined the operating segments based on the reports reviewed by senior management that are used to make strategic decisions.

Mobility: The Mobility segment derives revenues from the collaborative design, development and manufacture of propulsion systems, structural and chassis systems, energy storage and power generation for both the global electrified and traditionally powered markets.

Industrial: The Industrial segment is a world leader in the design and production of innovative industrial equipment, notably its class-leading aerial work platforms, telehandlers, and agricultural equipment.

The segments are differentiated by the products that each produces and reflect how senior management manages the business. Corporate headquarters and other small operating entities are allocated to the Mobility and Industrial operating segments accordingly.

The Company accounts for inter-segment sales and transfers as arm's length transactions at current market rates. The Company ensures that the measurement and policies are consistently followed among the Company's reportable segments for sales, operating earnings, net earnings and assets.

The Company derives revenue from the transfer of goods and services at a point in time and over time in the following operating segments. These segments best depict how economic factors affect the nature, amount, timing and uncertainty of revenue and cash flows.

	Three Months Ended June 30, 2026			Six Months Ended June 30, 2026		
	Sales to external customers	Inter-segment sales	Operating earnings (loss)	Sales to external customers	Inter-segment sales	Operating earnings (loss)
	$	$	$	$	$	$
Mobility	2,355,300	12,351	186,380	4,619,337	20,488	372,195
Industrial	783,476	4,365	92,710	1,458,866	9,129	226,291
Total	3,138,776	16,716	279,090	6,078,203	29,617	598,486

	Three Months Ended June 30, 2025			Six Months Ended June 30, 2025		
	Sales to external customers	Inter-segment sales	Operating earnings (loss)	Sales to external customers	Inter-segment sales	Operating earnings (loss)
	$	$	$	$	$	$
Mobility	1,954,516	9,095	152,374	3,853,242	20,743	275,782
Industrial	688,177	3,702	53,838	1,321,528	7,766	196,727
Total	2,642,693	12,797	206,212	5,174,770	28,509	472,509

The Company operates in four geographic segments. The sales to external customers in Canada, Rest of North America, Europe and Asia Pacific are as follows:

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
	$	$	$	$
Canada	1,268,215	1,372,689	2,618,793	2,659,252
Rest of North America	949,643	488,924	1,671,457	977,952
Europe	721,026	611,654	1,411,942	1,202,293
Asia Pacific	199,892	169,426	376,011	335,273
Total	3,138,776	2,642,693	6,078,203	5,174,770

(in thousands of Canadian dollars, except where otherwise noted)

12 Composition of Financial Instruments

The comparison of fair values to carrying amounts of financial assets and financial liabilities along with the fair value hierarchy for financial assets and financial liabilities carried at fair value on a recurring basis is as follows:

		June 30, 2026		December 31, 2025	
	Subsequent Measurement	Carrying Value Asset (Liability) $	Fair Value $	Carrying Value Asset (Liability) $	Fair Value $
Long-term receivables	Amortized cost (Level 2)	73,439	76,179	75,383	79,051
Derivative financial instruments (hedge relationships)					
USD sales forwards – CAD functional entities	Fair value (Level 2)	(31,894)	(31,894)	7,066	7,066
USD sales forwards – MXN functional entities	Fair value (Level 2)	18,388	18,388	21,816	21,816
USD sales forwards – CNY functional entities	Fair value (Level 2)	1,011	1,011	347	347
Long-term debt, excluding lease liabilities	Amortized cost (Level 2)	(1,808,742)	(1,731,230)	(1,778,262)	(1,687,475)

13 Capital Stock

In November 2025, the Company announced TSX approval to commence a normal course issuer bid. This bid permitted the Company to acquire for cancellation up to 3,850,534 common shares between November 17, 2025 and November 16, 2026. This bid is subject to daily limits. The Company repurchased and cancelled 347,816 common shares under its bid for the three months ended June 30, 2026 and 643,979 for the six months ended June 30, 2026 for a total of $32,657 and $58,563, respectively. Subsequent to June 30, 2026, the Company repurchased and cancelled 137,702 common shares under its bid for a total of $14,007.