

LINAMAR CORPORATION ANNOUNCES EARNINGS IN LINE WITH EXPECTATIONS

**Guelph, Ontario,
August 1, 2001**

Linamar Corporation (TSE – LNR) announces its financial results for the three months ended June 30, 2001. As expected, with a reduction in sales of 13.5%, diluted earnings per share reached \$0.25 compared to \$0.12 in the first quarter of 2001 and \$0.32 in the second quarter of 2000.

Sales for the second quarter were \$310.8 million, bringing our total sales for the six month period ended June 30, 2001 to \$608.9 million. This compares to sales of \$358.9 million and \$704.2 million for the corresponding periods of the previous year.

Net earnings for the quarter were \$17.5 million compared to \$8.2 million for the quarter ended March 31, 2001 and \$22.1 million in the quarter ended June 30, 2000. Diluted earnings per share for the quarter were \$0.25, which compared to \$0.32 for the quarter ended June 30, 2000. To fulfill its goal of continuing to improve bottom line performance, during this quarter the Company continued to invest cash in the future, making payments for \$40.6 million of capital assets.

“Our goals have developed and strengthened in the second quarter. We have been very successful in gaining market share, while continuing to control costs through operational improvements, “ said Linamar President, Linda Hasenfratz. “We will be successful at generating cash for the year, a significant achievement for us even after our \$22 million investment in Skyjack. We will continue to focus on strengthening our management and technical staff as well as our systems to support future growth through many workplans developed with our Senior Leadership Team.”

Linamar Corporation has declared a cash dividend on its common shares in the amount of \$0.04 per share. The dividend is payable on September 14, 2001, to shareholders of record at the close of business on August 24, 2001.

The Company is pleased to announce that its order intake for new business for the first half of 2001 has reached \$227 Million.

Linamar will hold a conference call to discuss this press release on Wednesday, August 1, 2001 at 5:00 p.m. EST. The numbers for this call are 416-641-6679 (local/overseas), with call-in required 10 minutes prior to the start of the conference call. The conference call will be chaired by Linda Hasenfratz, Linamar’s President. A taped replay of the conference call will also be made available from 6:00 p.m. on August 1, 2001 until midnight on August 5, 2001. The numbers for the replay are 416-626-4100, reference number 19320539 (local/overseas).

Linamar (www.linamar.com) is a global manufacturer of precision-machined components, assemblies and castings, primarily for the automotive industry. The Company is focussed primarily on the highly engineered systems of the vehicle such as engine, transmission, brake, steering and suspension. Linamar employs more than 7,900 people in 30 manufacturing facilities and 1 product development centre in Canada, the US, Mexico and Hungary.

Certain information regarding Linamar set forth in this document, including management's assessment of the company's future plans and operations, may constitute forward-looking statements under applicable securities law and necessarily involve risks as a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

LINAMAR CORPORATION
Linda Hasenfratz
President, Linamar Corporation
Tel: (519) 836-7550