

Record Sales and Record Content per Vehicle in Every Region Drive Strong Double Digit Operating Earnings Growth

May 15, 2018, Guelph, Ontario, Canada (TSX: LNR)

- Sales increase 14.4% over the first quarter of 2017 ("Q1 2017") to reach \$1.9 billion;
- Operating Earnings increase 11.8% over Q1 2017 to reach \$214.9 million;
- Net Earnings up 7.9% and earnings per share, on a diluted basis, up 7.7% over Q1 2017 reaching \$156.6 million and \$2.37 respectively;
- Continued business wins maintains strong launch book at over \$4.4 billion;
- Strong content per vehicle growth in every region leading to record results in every region;
- Transportation segment sales up 9.3% and operating earnings at constant currency and normalized for foreign exchange up despite lower North American markets; and
- Industrial segment sales up 38.6% and operating earnings up 63.1% thanks to increased sales related to the acquisition of MacDon and market share gains and volumes for booms and telehandlers.

(in millions of dollars, except earnings per share figures)	Three Months Ended	
	2018	March 31 2017
	\$	\$
Sales	1,893.9	1,656.0
Operating Earnings (Loss)		
Transportation	140.2	146.4
Industrial	74.7	45.8
Operating Earnings (Loss) ¹	214.9	192.2
Net Earnings (Loss)	156.6	145.1
Net Earnings (Loss) per Share – Diluted	2.37	2.20
EBITDA ¹	306.1	279.7

Operating Highlights

Sales for the first quarter of 2018 ("Q1 2018") were \$1,893.9 million, up \$237.9 million from \$1,656.0 million in Q1 2017.

Sales for the Transportation segment ("Transportation") increased by \$127.3 million, or 9.3% in Q1 2018 compared with Q1 2017. The sales in Q1 2018 were impacted by:

- additional sales from launching programs in North America and Europe;
- a favourable impact on sales from the changes in foreign exchange rates from Q1 2017; and
- additional sales from our on-highway vehicle customers.

The Industrial segment ("Industrial") product sales increased 38.6%, or \$110.6 million, to \$397.5 million in Q1 2018 from Q1 2017. The sales increase was due to:

- increased sales related to the acquisition of MacDon;
- strong market share gains and increased volumes for booms in North America, Europe and Asia;
- increased volumes for telehandlers in North America; partially offset by
- an unfavourable impact on sales from the changes in foreign exchange rates from Q1 2017;
- lower volumes for scissors in Europe as a result of a shift in order timing from Q1 to Q2 for certain key customers; and
- lower market share for scissors in Asia due to sales increasing in countries we do not participate in.

The Company's operating earnings for Q1 2018 were \$214.9 million. This compares to \$192.2 million in Q1 2017, an increase of \$22.7 million.

Q1 2018 operating earnings for Transportation were lower by \$6.2 million, or 4.2% over Q1 2017. The Transportation segment's earnings were impacted by the following:

- production volumes increasing on launching programs in North America and Europe;
- additional volumes from our on-highway vehicle customers; offset by
- lower margins experienced on programs in early stages of launching business;
- an unfavourable foreign exchange impact from the revaluation of the operating balances on the balance sheet from Q4 2017; and
- an unfavourable impact on sales and expenses from the changes in foreign exchange rates from Q1 2017. On a constant currency basis, the segment would have shown operating earnings growth over the prior period.

¹ For more information refer to the section entitled "Non-GAAP and Additional GAAP Measures" in the Company's separately released Management's Discussion and Analysis ("MD&A").

Industrial segment operating earnings in Q1 2018 increased \$28.9 million, or 63.1% from Q1 2017. The Industrial operating earnings results were predominantly driven by:

- increased earnings related to the acquisition of MacDon;
- net increase in aerial work platform volumes;
- a favourable foreign exchange impact from the revaluation of the operating balances on the balance sheet from Q4 2017; partially offset by
- an unfavourable impact on sales and expenses from the changes in foreign exchange rates from Q1 2017. On a constant currency basis, the segment would have shown operating earnings growing more significantly over the prior period; and
- increased management and sales costs supporting growth.

"We are thrilled with another quarter of record sales growing in double digits and record levels of content per vehicle in every region," said Linamar CEO Linda Hasenfratz. "We are particularly happy to see double digit operating earnings growth as well despite lower markets in North American automotive and unfavorable exchange rate changes. The key to continuing our strong performance is an intense focus on new business wins which we are delivering on in spades in the most opportunistic sourcing environment in the automotive sector we have ever seen. Concurrently excellent growth opportunities in robust markets for our Skyjack and MacDon businesses is painting an excellent picture of global prosperity for Linamar in the future."

Dividends

The Board of Directors today declared an eligible dividend in respect to the quarter ended March 31, 2018 of CDN\$0.12 per share on the common shares of the company, payable on or after June 8, 2018 to shareholders of record on May 29, 2018.

Forward Looking Information, Risk and Uncertainties

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

Such forward-looking information may involve important risks and uncertainties that could materially alter results in the future from those expressed or implied in any forward-looking statements made by, or on behalf of, Linamar. Some of the factors and risks and uncertainties that cause results to differ from current expectations include, but are not limited to, changes in the competitive environment in which Linamar operates, OEM outsourcing and insourcing; sources and availability of raw materials; labour markets and dependence on key personnel; dependence on certain customers and product programs; technological change in the sectors in which the Company operates and by Linamar's competitors; delays in or operational issues with product launches; foreign currency risk; long-term contracts that are not guaranteed; acquisition and expansion risk; foreign business risk; cyclicity and seasonality; capital and liquidity risk; legal proceedings and insurance coverage; credit risk; emission standards; 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 forwarding 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

Q1 2018 Conference Call Information

Linamar will hold a webcast call on May 15, 2018 at 5:00 p.m. EST to discuss its first quarter results. The numbers for this call are (647) 427-3383 (local/overseas) or (888) 424-9894 (North America) conference ID 3776227, with a call-in required 10 minutes prior to the start of the conference call. The URL for the webcast is <https://www.icastpro.ca/lin180515> and the passcode is lin051501. The conference call will be chaired by Linda Hasenfratz, Linamar's Chief Executive Officer. A copy of the Company's quarterly financial statements, including the Management's Discussion & Analysis will be available on the Company's website after 4 p.m. EST on May 15, 2018 and at www.sedar.com by the start of business on May 16, 2018. A taped replay of the conference call will also be made available starting at 8:00 p.m. on May 15, 2018 for ten days. The number for replay is (855) 859-2056, Conference ID 3776227.

Q2 2018 Conference Call Information

Linamar will hold a webcast call on August 7, 2018 at 5:00 p.m. EST to discuss its second quarter results. The numbers for this call are (647) 427-3383 (local/overseas) or (888) 424-9894 (North America) conference ID 8482418, with a call-in required 10 minutes prior to the start of the conference call. The URL for the webcast is <https://www.icastpro.ca/lin180807> and the passcode is lin080701. The conference call will be chaired by Linda Hasenfratz, Linamar's Chief Executive Officer. A copy of the Company's quarterly financial statements, including the Management's Discussion & Analysis will be available on the Company's website after 4 p.m. EST on August 7, 2018 and at www.sedar.com by the start of business on August 8, 2018. A taped replay of the conference call will also be made available starting at 8:00 p.m. on August 7, 2018 for ten days. The number for replay is (855) 859-2056, Conference ID 8482418.

Linamar Corporation (TSX:LNR) is a diversified global manufacturing company of highly engineered products powering vehicles, motion, work and lives. The Company is made up of 2 operating segments – the Transportation segment and the Industrial segment, which are further divided into 5 operating groups – Machining & Assembly, Light Metal Casting, Forging, Skyjack and Agriculture, all world leaders in the design, development and production of highly engineered products. The Company's Machining & Assembly, Light Metal Casting and Forging operating groups focus on precision metallic components, modules and systems for powertrain, driveline and body systems designed for global electrified and traditionally powered vehicle and industrial markets. The Company's Skyjack and MacDon companies are noted for their innovative, high quality mobile industrial and harvesting equipment, notably class-leading aerial work platforms, telehandlers, draper headers and self-propelled windrowers. Linamar has more than 28,700 employees in 60 manufacturing locations, 8 R&D centers and 25 sales offices in 17 countries in North and South America, Europe and Asia which generated sales of \$6.5 billion in 2017. For more information about Linamar Corporation and its industry leading products and services, visit www.linamar.com or follow us on Twitter at @LinamarCorp.

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

Guelph, Ontario
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