

Linamar Delivers Record Sales over \$10 Billion, Exceptional Free Cash Flow and Another Year of Double-Digit Earnings Growth

March 5, 2025, Guelph, Ontario, Canada (TSX: LNR)

Strong financial performance

- ◆ Sales up 8.7% to \$10.6 billion in 2024;
- ◆ Normalized Operating Earnings¹ up 18.1% in 2024; and
- ◆ Normalized Diluted Earnings per Share¹ up 11.7% in 2024.

Excellent Free Cash Flow

- ◆ \$490.8 million of Free Cash Flow¹ generated in Q4 2024, up \$407.7 million from the prior year on stronger earnings and careful cash management; and
- ◆ Full year exceptional Free Cash Flow at \$788 million, the 12th consecutive year of positive FCF.

Returning Cash to Shareholders

- ◆ Linamar repurchased 0.7 million shares in the quarter as part of its normal course issuer bid;
- ◆ Linamar has repurchased 1.4 million shares since the start of the NCIB program in November 2024; and
- ◆ Linamar is maintaining its dividend to shareholders at quarterly \$0.25 per share.

Sales Growth in Both Segments on Strong Market Share Growth

- ◆ Sales up 16.9% for Industrial for the year, due to:
 - ◆ Increased sales related to our most recent acquisition of Bourgault Industries Ltd.; and
 - ◆ Market share growth in key agricultural markets.
- ◆ Sales up 5.7% for Mobility for the year despite market declines, driven by:
 - ◆ Linamar Structures acquisitions completed in 2023;
 - ◆ Launching programs; and
 - ◆ Annual Content per vehicle¹ (“CPV”) up 15% in North America reflective of continued market share growth.

Mobility Segment Double Digit Annual Normalized Earnings Growth Continues

- ◆ Sales increased 5.7% to a record of almost \$7.5 billion for 2024;
- ◆ Mobility segment normalized operating earnings of \$427.7 million, up 30.6% compared to 2023; and
- ◆ Normalized 2024 margins of 5.7% up from 4.6% in prior year.

Strong Performance in the Industrial Segment Continues

- ◆ Sales increased 4.9% to \$637.1 million in Q4 2024 and up 16.9% to a record of almost \$3.1 billion for 2024; and
- ◆ Industrial normalized operating earnings of \$516.2 million are up 9.5% over 2023.

(in millions of dollars, except per share figures)	Three Months Ended December 31		Twelve Months Ended December 31	
	2024	2023	2024	2023
	\$	\$	\$	\$
Sales	2,375.7	2,453.9	10,582.0	9,733.5
Operating Earnings (Loss)				
Industrial	152.9	85.8	589.2	460.9
Mobility	(302.4)	83.8	22.1	313.9
Operating Earnings (Loss)	(149.5)	169.6	611.3	774.8
Net Earnings (Loss)	(232.3)	104.4	258.3	503.1
Net Earnings (Loss) per Share – Diluted	(3.78)	1.69	4.19	8.17
Operating Earnings (Loss) – Normalized ¹				
Industrial	91.4	100.5	516.2	471.4
Mobility	89.7	91.4	427.7	327.5
Operating Earnings (Loss) – Normalized	181.1	191.9	943.9	798.9
Net Earnings (Loss) – Normalized ¹	111.8	122.2	604.4	541.1
Net Earnings (Loss) per Share – Diluted – Normalized ¹	1.82	1.98	9.81	8.78

¹ Operating Earnings (Loss) – Normalized, Net Earnings (Loss) – Normalized, Net Earnings (Loss) per Share – Diluted – Normalized, and Free Cash Flow are non-GAAP financial measures. Content per Vehicle is a Supplementary Financial Measure. Please see “Non-GAAP and Other Financial Measures” section of this press release and separately released MD&A.

“2024 was a challenging year but the Linamar team stepped up to the challenge. We hit record sales of over \$10 billion meeting our long time goal, delivered double digit normalized earnings growth and outstanding free cash flow as well as extremely strong results in the mobility segment in particular after a tough couple of years”, said Executive Chair Linda Hasenfratz. “The goodwill impairment is a disappointing side effect of a weak European market which we are laser focused on to streamline operations and take advantage of key takeover opportunities of which already \$150 million has been awarded.”

“In these challenging times our focus continues to be on Revenue Growth, Margin Growth and Team Growth”, said CEO and President Jim Jarrell. “Our culture of speed, entrepreneurship and lean manufacturing know-how sets us up perfectly to take advantage of the numerous global opportunities that are emerging from our customers.”

DIVIDENDS

The Board of Directors today declared an eligible dividend in respect to the quarter ended December 31, 2024, of CDN\$0.25 per share on the common shares of the company, payable on or after April 15, 2025 to shareholders of record on March 28, 2025.

NON-GAAP AND OTHER FINANCIAL MEASURES

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

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

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

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

	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
	2024	2023	2024	2023
(in millions of dollars)	\$	\$	\$	\$
Adjustment for goodwill impairment	385.5	-	385.5	-
Adjustment for the electrified vehicle market and certain other prematurely ending programs	(6.2)	-	(6.2)	-
Adjustment for restructuring	16.0	-	16.0	-
Adjustment for contingent consideration of Mills River earn-out	(12.2)	-	(12.2)	4.9
Adjustment for duties relating to certain Industrial segment products	-	-	15.8	-
Other items impacting Operating Earnings (loss) – Normalized and Net Earnings (Loss) - Normalized	383.1	-	398.9	4.9

During Q4 2024, Europe continued to experience economic challenges including a significant decline in automotive production. As a result of these economic challenges, the Company recorded a non-cash impairment charge of \$385.5 million within operating earnings which was determined by comparing the carrying amount of the group to its recoverable amount. Also during Q4 2024, a normalizing item related to ‘the electrified vehicle market and certain other prematurely ending programs’ adjusted the Mobility segment by \$6.2 million. Included in this normalizing item were customers compensation recoveries largely offset by inventory impairments, commercial settlements, and property, plant and equipment and technology intangible impairments.

Additionally, during Q4 2024, a normalizing item related to ‘restructuring’ adjusted the Mobility segment by \$16.0 million. The restructuring was to improve operational efficiencies, primarily in Europe. Lastly, during Q4 2024, a normalizing item related to an adjustment for ‘contingent consideration on Mills River earn-out’ impacted the Mobility segment by \$12.2 million.

During Q2 2024, operating earnings were adversely affected by estimated duties relating to certain Industrial segment products exported between 2022 and 2024. A normalizing item related to these estimated duties impacted operating earnings by \$15.8 million.

During Q1 2023, a normalizing item related to an “adjustment for contingent consideration on Mills River earn-out” impacted the Mobility segment by \$4.9 million. Also, during Q1 2023 and Q2 2023 a normalizing item impacting the Company’s income taxes related to withholding tax on repatriation of cash from China by \$6.9 million and \$13.4 million respectively.

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

	Three Months Ended December 31				Twelve Months Ended December 31			
	2024	2023	+/-	+/-	2024	2023	+/-	+/-
(in millions of dollars, except per share figures)	\$	\$	\$	%	\$	\$	\$	%
Operating Earnings (Loss) – Normalized								
Operating Earnings (Loss)	(149.5)	169.6	(319.1)	-	611.3	774.8	(163.5)	(21.1%)
Foreign exchange (gain) loss	(52.5)	22.3	(74.8)		(66.3)	19.2	(85.5)	
Other items	383.1	-	383.1		398.9	4.9	394.0	
Operating Earnings (Loss) – Normalized	181.1	191.9	(10.8)	(5.6%)	943.9	798.9	145.0	18.1%
Net Earnings (Loss) – Normalized								
Net Earnings (Loss)	(232.3)	104.4	(336.7)	-	258.3	503.1	(244.8)	(48.7%)
Foreign exchange (gain) loss	(52.5)	22.3	(74.8)		(66.3)	19.2	(85.5)	
Foreign exchange (gain) loss on debt and derivatives	-	2.5	(2.5)		1.0	2.5	(1.5)	
Other items	383.1	-	383.1		398.9	4.9	394.0	
Tax impact including Other Items	13.5	(7.0)	20.5		12.5	11.4	1.1	
Net Earnings (Loss) – Normalized	111.8	122.2	(10.4)	(8.5%)	604.4	541.1	63.3	11.7%
Net Earnings (Loss) per Share – Diluted – Normalized								
Net Earnings (Loss) per Share – Diluted	(3.78)	1.69	(5.47)	-	4.19	8.17	(3.98)	(48.7%)
Foreign exchange (gain) loss	(0.86)	0.36	(1.22)		(1.08)	0.31	(1.39)	
Foreign exchange (gain) loss on debt and derivatives	-	0.04	(0.04)		0.02	0.04	(0.02)	
Other items	6.24	-	6.24		6.48	0.08	6.40	
Tax impact including Other Items	0.22	(0.11)	0.33		0.20	0.18	0.02	
Net Earnings (Loss) per Share – Diluted – Normalized	1.82	1.98	(0.16)	(8.1%)	9.81	8.78	1.03	11.7%

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

	Three Months Ended December 31 2024			Twelve Months Ended December 31 2024		
	Industrial	Mobility	Linamar	Industrial	Mobility	Linamar
(in millions of dollars)	\$	\$	\$	\$	\$	\$
Operating Earnings (Loss) – Normalized						
Operating Earnings (Loss)	152.9	(302.4)	(149.5)	589.2	22.1	611.3
Foreign exchange (gain) loss	(61.5)	9.0	(52.5)	(88.8)	22.5	(66.3)
Other items	-	383.1	383.1	15.8	383.1	398.9
Operating Earnings (Loss) – Normalized	91.4	89.7	181.1	516.2	427.7	943.9

(in millions of dollars)	Three Months Ended December 31 2023			Twelve Months Ended December 31 2023		
	Industrial \$	Mobility \$	Linamar \$	Industrial \$	Mobility \$	Linamar \$
Operating Earnings (Loss) – Normalized						
Operating Earnings (Loss)	85.8	83.8	169.6	460.9	313.9	774.8
Foreign exchange (gain) loss	14.7	7.6	22.3	10.5	8.7	19.2
Other items	-	-	-	-	4.9	4.9
Operating Earnings (Loss) – Normalized	100.5	91.4	191.9	471.4	327.5	798.9

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.

Other non-GAAP financial measures are reconciled as follows:

(in millions of dollars)	Three Months Ended December 31		Twelve Months Ended December 31	
	2024 \$	2023 \$	2024 \$	2023 \$
Free Cash Flow				
Cash generated from (used in) operating activities	497.6	276.4	1,254.0	793.6
Payments for purchase of property, plant and equipment	(66.3)	(194.7)	(532.6)	(762.7)
Proceeds on disposal of property, plant and equipment	59.5	1.4	66.9	3.7
Free Cash Flow	490.8	83.1	788.3	34.6

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; cyclical and seasonality; legal proceedings and insurance coverage; credit risk; weather; emission standards; capital and liquidity risk; tax laws; securities laws compliance and corporate governance standards; fluctuations in interest rates; environmental emissions and safety regulations; trade and labour disruptions; world political events; pricing concessions to customers; and governmental, environmental and regulatory policies.

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

CONFERENCE CALL INFORMATION

Q4 2024 Release Information

Linamar will hold a webcast call on March 5, 2025, at 5:00 p.m. ET to discuss its fourth-quarter results. The event will be simulcast and can be accessed at the following <https://www.linamar.com/event/q4-2024-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 82850, 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 March 5, 2025, and at www.sedar.com by the start of business on March 6, 2024. The webcast replay will be available at <https://www.linamar.com/event/q4-2024-earnings-call/> after the call. A taped replay of the conference call will also be made available starting at 8:00 p.m. ET on March 5, 2025, for seven days. The number for the replay is (+1) 888 660 6264 or (+1) 289 819 1325, Passcode: 82850#. In addition, a recording of the call will be posted at <https://www.linamar.com/event/q4-2024-earnings-call/>.

Q1 2025 Release Information

Linamar will hold a webcast call on May 7, 2025 at 5:00 p.m. ET to discuss its first-quarter results. The event will be simulcast and can be accessed at the following <https://www.linamar.com/event/q1-2025-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 94232, 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 May 7, 2025, and at www.sedar.com by the start of business May 8, 2025. The webcast replay will be available at <https://www.linamar.com/event/q1-2025-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 May 7, 2025, for seven days. The number for the replay is (+1) 888 660 6264 or (+1) 289 819 1325, Passcode: 94232 #. In addition, a recording of the call will be posted at <https://www.linamar.com/event/q1-2025-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. The Company is made up of two operating segments – the Industrial segment and the Mobility segment, both global leaders in manufacturing solutions and world-class developers of highly engineered products. The Industrial segment is comprised of Skyjack and the newly formed Linamar Agriculture operating group which consists of the MacDon, Salford and Bourgault brands. Skyjack manufactures scissors, boom and telehandler lifts for the aerial work platform industry. Within the Agriculture portfolio MacDon manufactures combine draper headers and self-propelled windrowers for harvesting, Salford supplies farm tillage and crop fertilizer application equipment while Bourgault is a leader in air seeding technology. The Mobility segment is focused on propulsion systems, structural and chassis systems, energy storage and power generation for both the global electrified and traditionally powered vehicle markets. Operationally, Mobility is organized into three regional groups North America, Europe, Asia Pacific and the new Linamar Structures product group. The Regional Mobility groups are vertically integrated operations combining expertise in light metal casting, forging, machining and assembly. The Linamar Structures Group offers competitive lightweight innovations for safety-critical components and systems for the global mobility market. Design, development, and testing services for the Mobility segment are provided by McLaren Engineering. Linamar's medical solutions group, Linamar MedTech, focuses on manufacturing solutions for medical devices and precision medical components. Linamar has over 33,000 employees in 75 manufacturing locations, 16 R&D centres and 31 sales offices in 19 countries in North and South America, Europe and Asia, which generated sales of \$10.6 billion in 2024. 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
March 5, 2025