LINAMAR

2021 Q4 Conference Call Presentation

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Conference ID: 7163205

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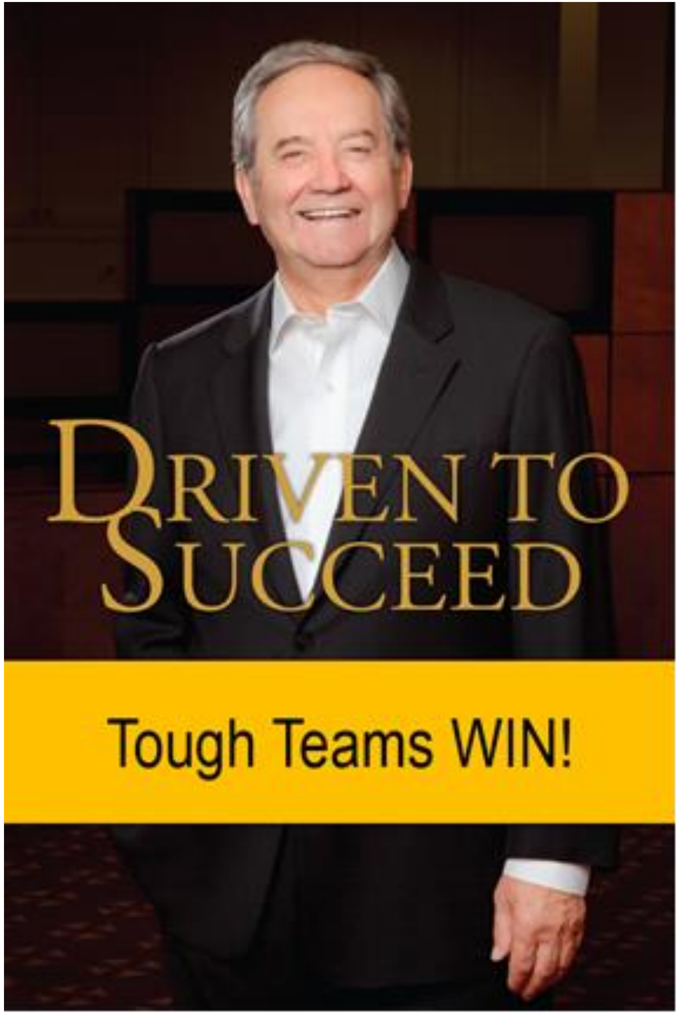
March 9, 2022

Forward Looking Information, Risk and Uncertainties


DRIVEN TO
SUCCEED
Tough Teams WIN!

Sales, Normalized[1] Earnings and CPV

1 - The Company uses certain non-GAAP and other financial measures to provide useful information to both management, investors, and other stakeholders in assessing financial performance and financial condition of the Company. For more information refer to the section entitled "Non-GAAP and Other Financial Measures" in the Company's separately released Q4 2021 Management's Discussion and Analysis (MD&A).

Sales, Normalized Earnings[1], and Margins (in millions CAD)

	Q4 2021	Q4 2020	% Δ
Sales	1,534.4	1,704.8	(10.0%)
EBITDA – Normalized[1]	189.6	304.5	(37.7%)
EBITDA – Normalized Margin[1]	12.4%	17.9%	
Industrial OE – Normalized[1]	(4.2)	39.9	(110.5%)
Industrial OE – Normalized Margin[1]	(1.4%)	12.6%	
Mobility OE – Normalized[1]	85.3	136.5	(37.5%)
Mobility OE – Normalized Margin[1]	6.9%	9.8%	
OE – Normalized[1]	81.1	176.4	(54.0%)
OE – Normalized Margin[1]	5.3%	10.3%	
NE – Normalized[1]	59.0	129.1	(54.3%)
NE – Normalized Margin[1]	3.8%	7.6%	
EPS – Normalized[1]	0.90	1.97	(54.3%)

Q4 2021

The **key factors impacting results in the quarter** are:

- Significantly higher costs in material, energy, freight and labour;
- Chip related customer shutdowns negatively impacting sales and earnings in auto business;
- Strong demand in agriculture market not translating to sales re supply chain issues;
- Less government subsidies; and
- Exchange headwinds.

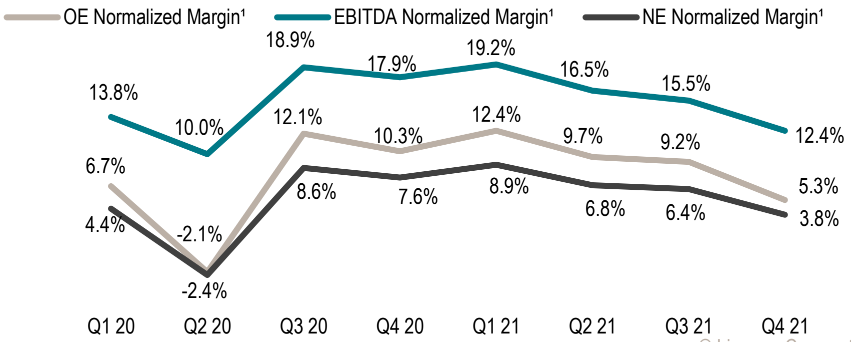
The **key impacts to the segments vs prior year** are:

Mobility

- EU light vehicle markets down 24% , NA down 14% offset by launches;
- Higher costs re energy, material, freight and labour costs;
- FX headwinds; and
- Less government subsidies.

Industrial

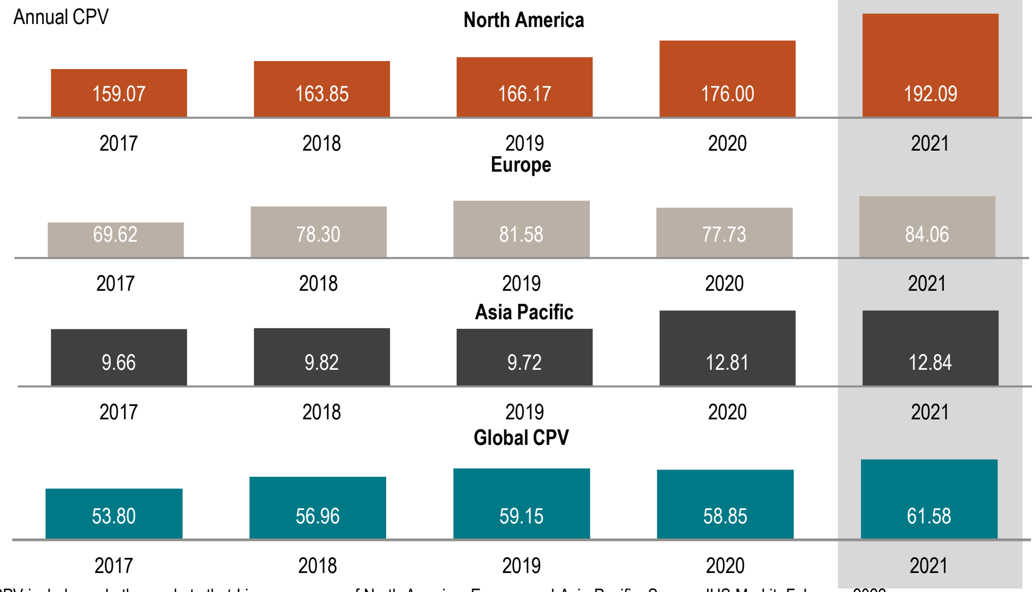
- Significant cost issues related to supply chain, logistics and labour challenges;
- MacDon challenges to supply a strong market due to supply chain issues;
- Less government subsidies;
- FX headwinds; partially offset by; and
- An increase in access equipment sales.



1 - EBITDA – Normalized, Operating Earnings (OE) – Normalized, and Net Earnings (NE) – Normalized are Non-GAAP Financial Measures. EBITDA – Normalized Margin, Operating Earnings – Normalized Margin, Net Earnings – Normalized Margin, (representing their respective measures as a percentage of sales) and Net Earnings (Loss) per Share – Diluted – Normalized (EPS) are non-GAAP financial ratios. Please refer to “Non-GAAP and Other Financial Measures” in the separately released Q4 2021 MD&A.

Automotive Sales & Content Per Vehicle[2] (CPV)

	CPV Q4 2021	CPV Q4 2020	CPV % Change	Vehicle Production Units % Change	Automotive Sales Q4 2021 (CAD Millions)	Automotive Sales Q4 2020 (CAD Millions)	Automotive Sales % Change
North America	189.90	171.57	10.7%	(13.6%)	651.5	680.3	(4.2%)
Europe	78.83	70.65	11.6%	(24.2%)	313.6	371.1	(15.5%)
Asia Pacific	11.23	13.55	(17.1%)	(4.4%)	141.5	178.7	(20.8%)
Global CPV[1]	55.30	54.92	0.7%	(10.7%)	1,106.6	1,230.1	(10.0%)
Other Automotive Sales	-	-	-	-	61.8	83.1	(25.6%)



- CPV up in double digits in North America and Europe due to:
  - Launching business; and
  - Vehicles we have high content on are being selectively prioritized for builds by our customers.

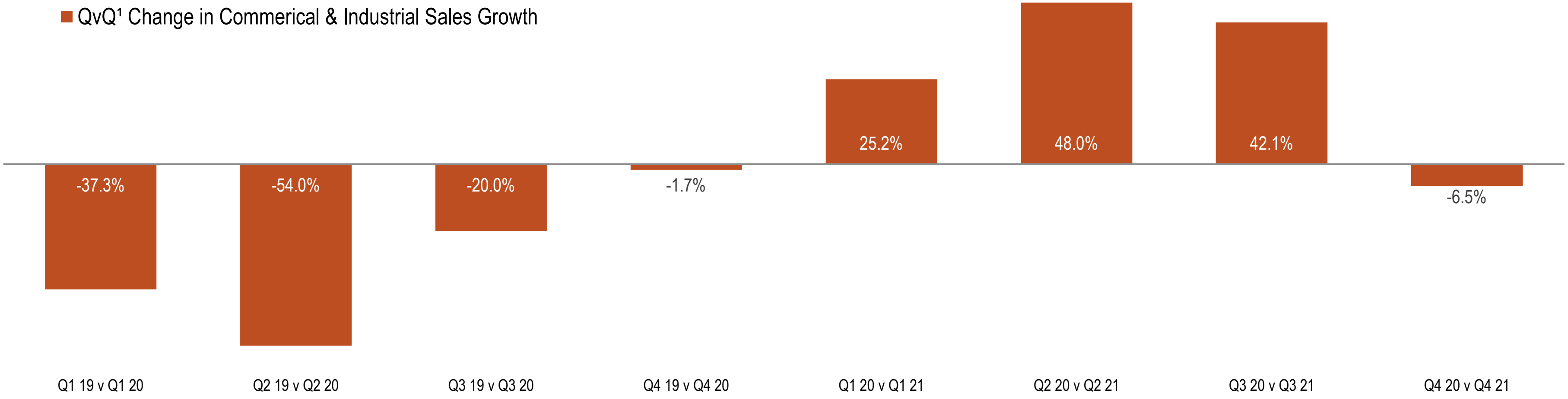
1 – Global CPV includes only the markets that Linamar serves of North America, Europe, and Asia Pacific. Source: IHS Markit, February 2022.

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

Commercial & Industrial Sales[2] (in millions CAD)

	Q4 2021	Q4 2020	% Change
Sales	366.1	391.7	(6.5%)

- MacDon
  - Supply chain constraints challenging ability to supply a strong market up in double digits; and
  - Expect to make up shortfall in subsequent quarters as supply chain issues ease.
- Skyjack
  - Global markets up in double digits; and
  - Growth enhanced by market share growth in scissors, booms and telehandlers in NA.

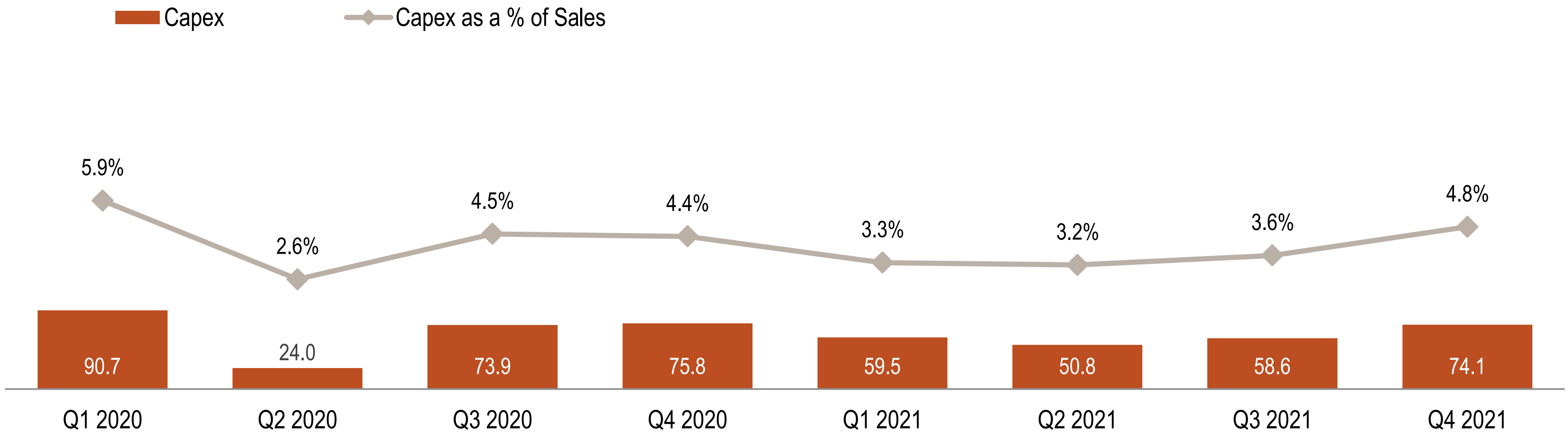


1 – Quarter versus quarter (QVQ) indicates year over year comparison of two of the same quarters.
2 – Commercial & Industrial Sales represent a supplementary financial measure due to being components of Sales within the Company's consolidated statement of earnings.

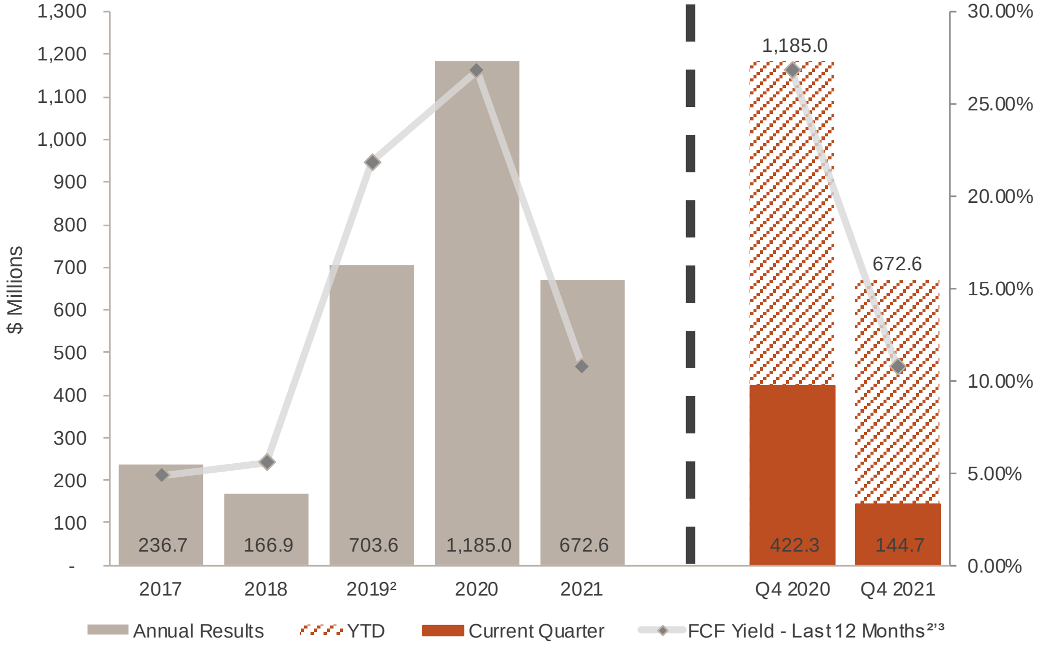
Capital Expenditures (in millions CAD)

	Q4 2021	Q4 2020
Capital Expenditures (Capex)	74.1	75.8
Capex as a % of Sales	4.8%	4.4%

- Capex down from 2020 but up from the first 3 quarters of the year as we start to anticipate more launches and volume growth;
- Capex will return to normal levels of 6-8% of sales in 2022.



Cash Flow Continues to be a Key Priority



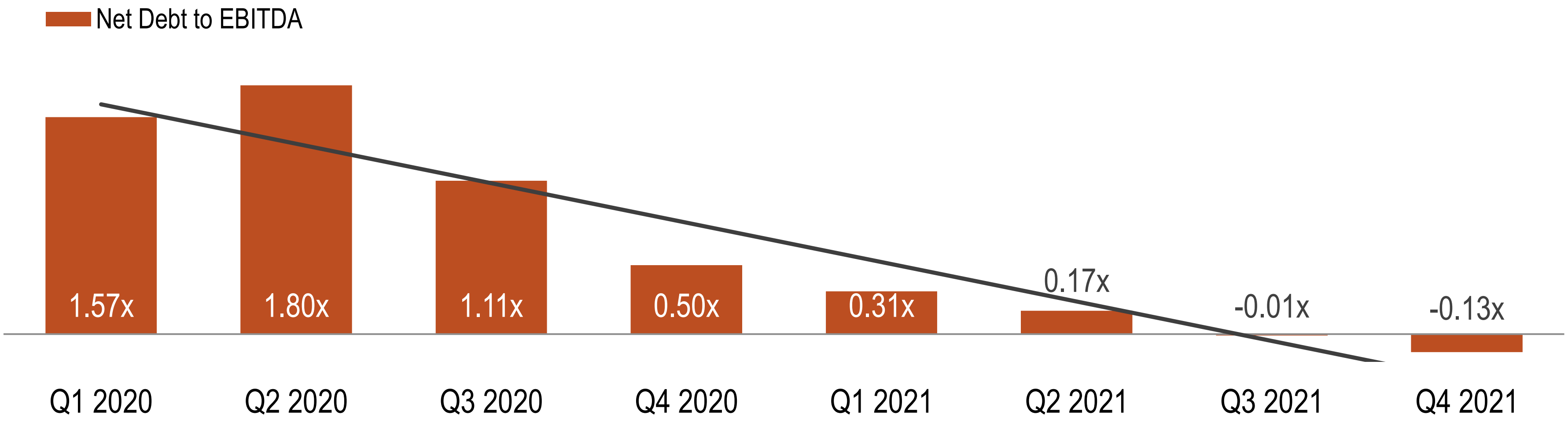
- Free Cash Flow (FCF)[1] in Q4 $145 million.
  - 15th consecutive quarter of positive FCF.
- FCF Yield has been consistently >10% since 2019.
- Liquidity[1] excellent with $1.9 billion of cash available at quarter end.
- Solid liquidity and balance sheet positions us well for takeover and acquisition opportunities as they arise.

1 - Free Cash Flow and Liquidity are non-GAAP financial measures. Please refer to "Non-GAAP and Other Financial Measures" in the separately released Q4 2021 MD&A.
2 - Free Cash Flow has been adjusted for additions of property, plant and equipment related to the dissolution of a joint venture.
3 - Free Cash Flow Yield is a non-GAAP financial ratio and the Company believes it is useful in assessing the Company's ability to generate cash. Free Cash Flow Yield is calculated as the trailing twelve months (TTM) Free Cash Flow divided by fully diluted shares divided by share price. For Q4 2021 this calculation is TTM FCF of $673 million (Q4 2020 - $1,185 million) divided by fully diluted shares of 66 million (Q4 2020 - 66 million) divided by closing share price of $74.93 (Q4 2020 - $67.42).

Leverage (in millions CAD)

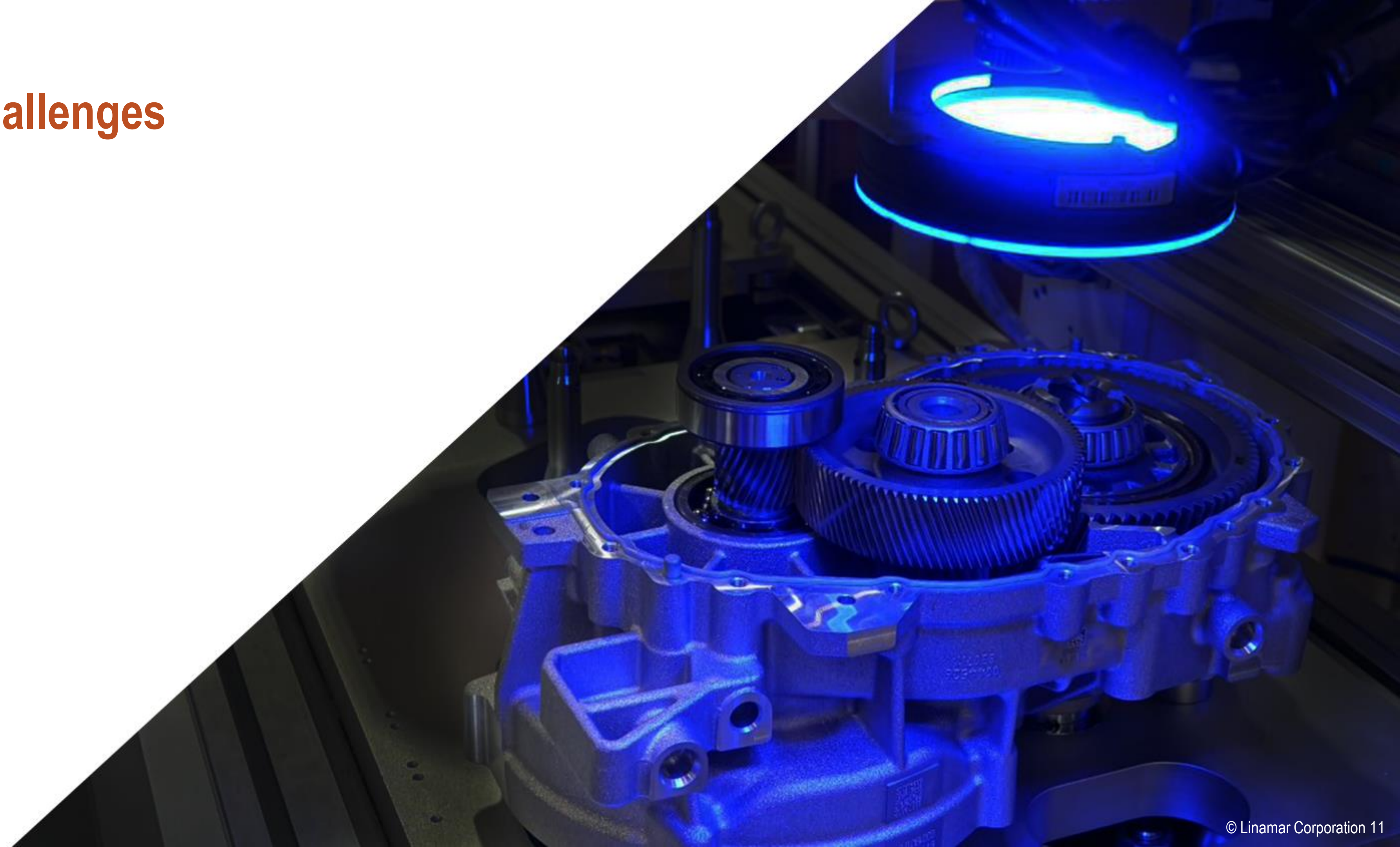
	Q4 2021	Q3 2021	Q4 2020
Net Debt[1]	(136.9)	(5.7)	442.1
Net Debt to EBITDA[2]	(0.13)x	(0.01)x	0.50x

- We have brought down nearly $2.3 Billion in net debt from our peak in early 2018 and are now in a solidly cash positive position.



1 - Net Debt is a non-GAAP financial measure and the Company believes it is useful as an indicator of its financial position. Net Debt is calculated as Short-term Borrowings and Long-Term Debt (the most directly comparable measure as presented in the Company's Consolidated Statements of Financial Position) less Cash. For Q4 2021 this calculation is Short Term Borrowings of $Nil (Q4 2020 - $Nil) plus Long-Term Debt of $791 million (Q4 2020 - $1,303 million) less Cash of $928 million (Q4 2020 - $861 million).
2 - EBITDA includes trailing twelve months EBITDA on acquisitions, when applicable. 2020 Net Debt to EBITDA was restated in Q1 2021.

Challenges

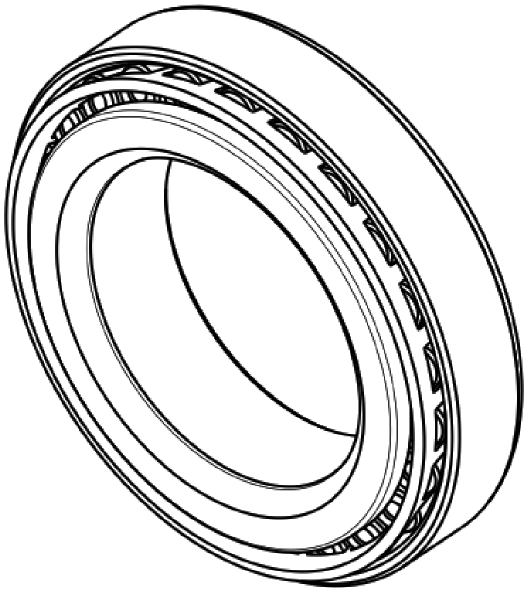


Disruptions – The War in Ukraine

- A humanitarian crisis of significant proportions
  - Our global teams are supporting refugees
    - Accommodations
    - Jobs
    - Money
- Supply chain issues to OEM customers, ourselves, re suppliers in Ukraine
  - Resourcing occurring where possible
  - Supply chain mapping at OEM's still underway to expose risks
  - Base material supply out of Russia or Ukraine another potential issue being assessed
- Logistics challenges for customers bringing product from China by rail across Russia
  - New routes being established
- Continued pressure on energy costs
  - Will take time to reduce dependence on Russian energy
- Impact to Macdon sales to Russia
  - Sales to Russia not significant but we will see some impact
- Impact on consumer sentiment and willingness to purchase
  - TBD based on how long the war continues and the economic impact of such

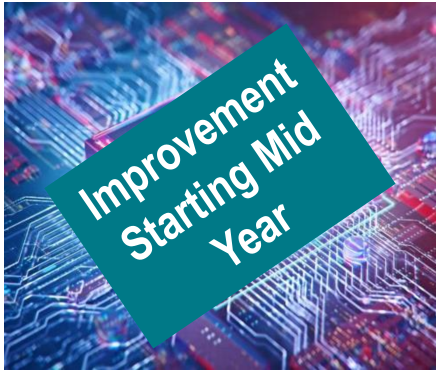
Resourcing Ukrainian Produced Goods Case Study
LPT, Germany

- PTU Assembly used bearings produced in Ukraine
- In 10 days the team found an alternative supplier
- Fast tracking engineering approval with customer
- Customer line will not shut down



Disruptions

Semi Conductor Chip Shortages



Major Increases in Shipping Costs

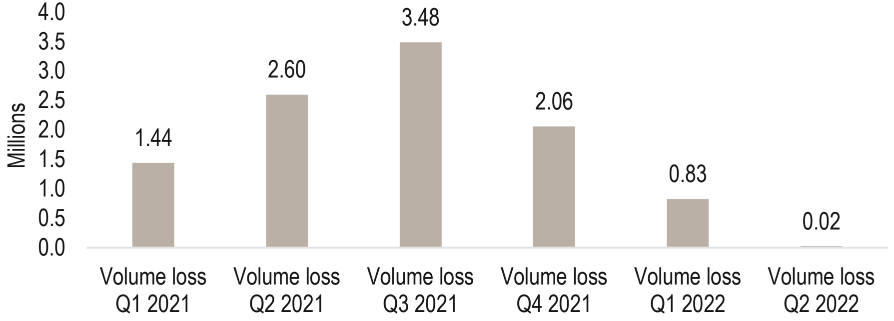
Spiking Commodity Prices

Labour Challenges

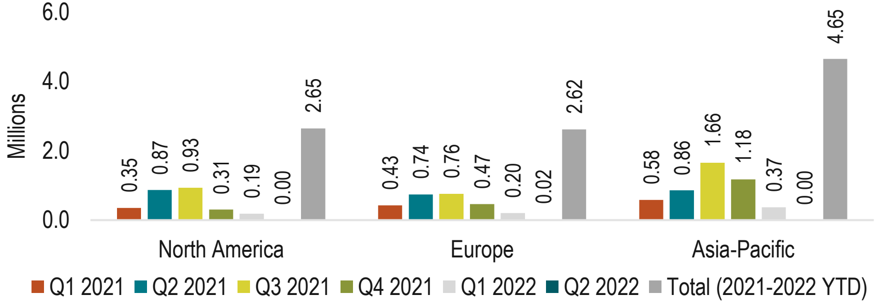
Semiconductor Chip Shortage – Light Vehicle Production Impact

Total 2021 volume loss of 9.6M units. Announced volume loss of 0.85M units 2022 YTD. Supply disruption expected to continue into 2023.

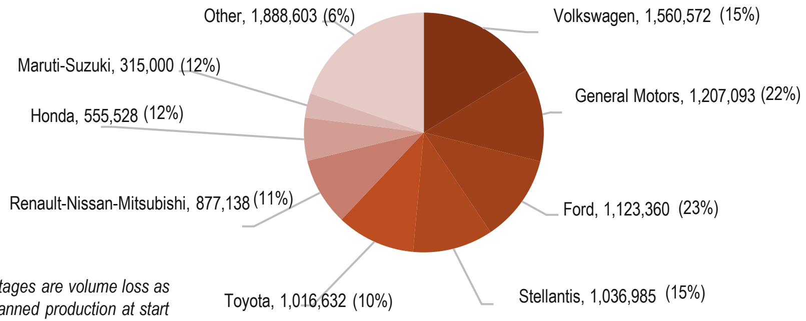
Announced Volume Loss by Quarter



Announced Volume Loss by Region

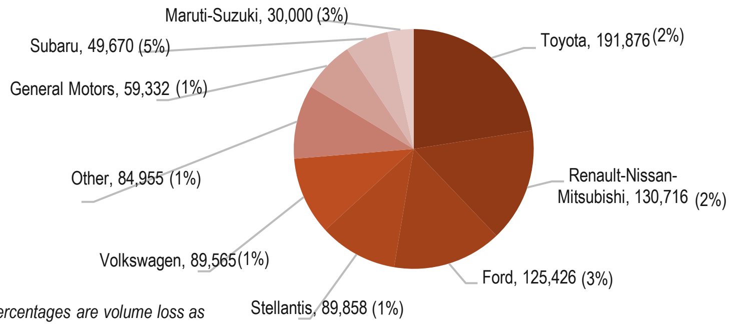


Announced Volume Loss by OEM
Total 2021



Percentages are volume loss as % of planned production at start of year.

Announced Volume Loss by OEM
Total 2022 YTD

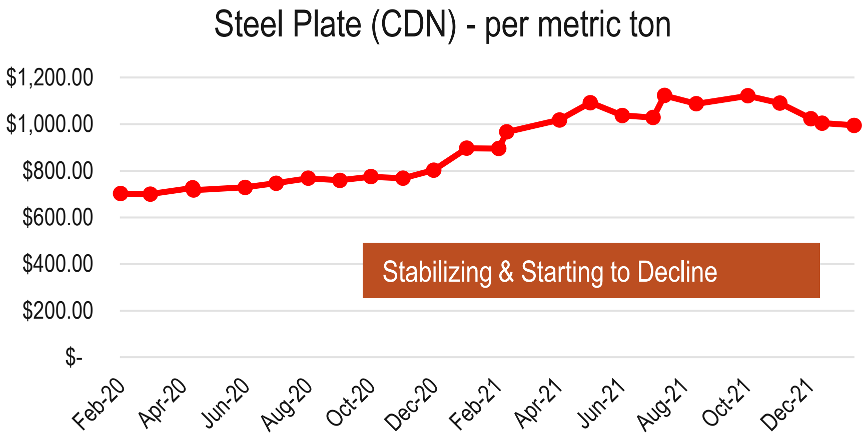


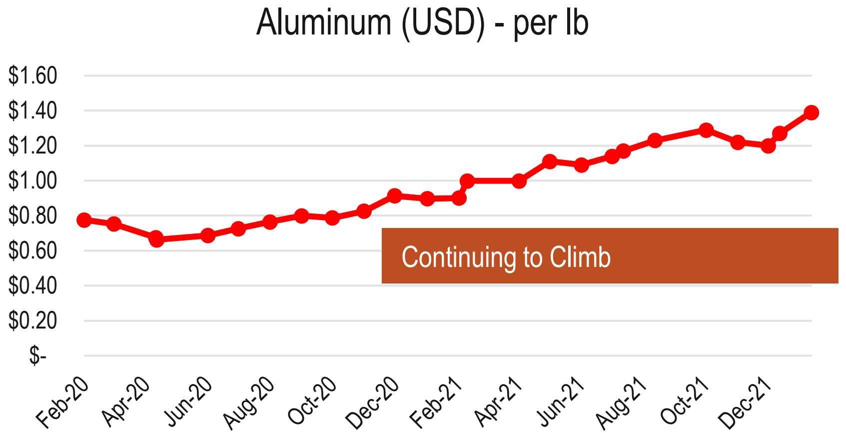
Percentages are volume loss as % of planned production at start of year.

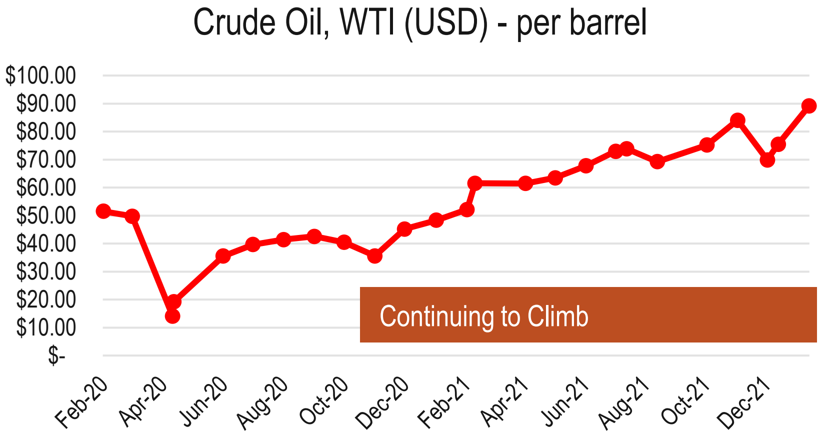
Source: IHS Markit, March 8, 2022

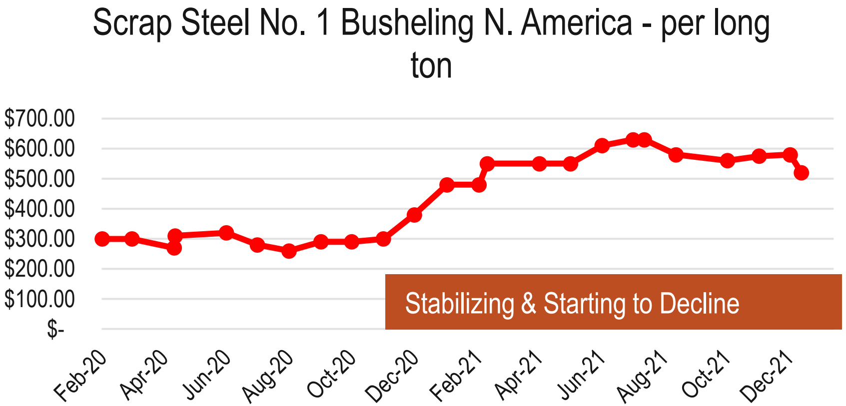
Commodity Prices a Challenge

Largely Pass Through for Mobility, Less Flexibility in Industrial



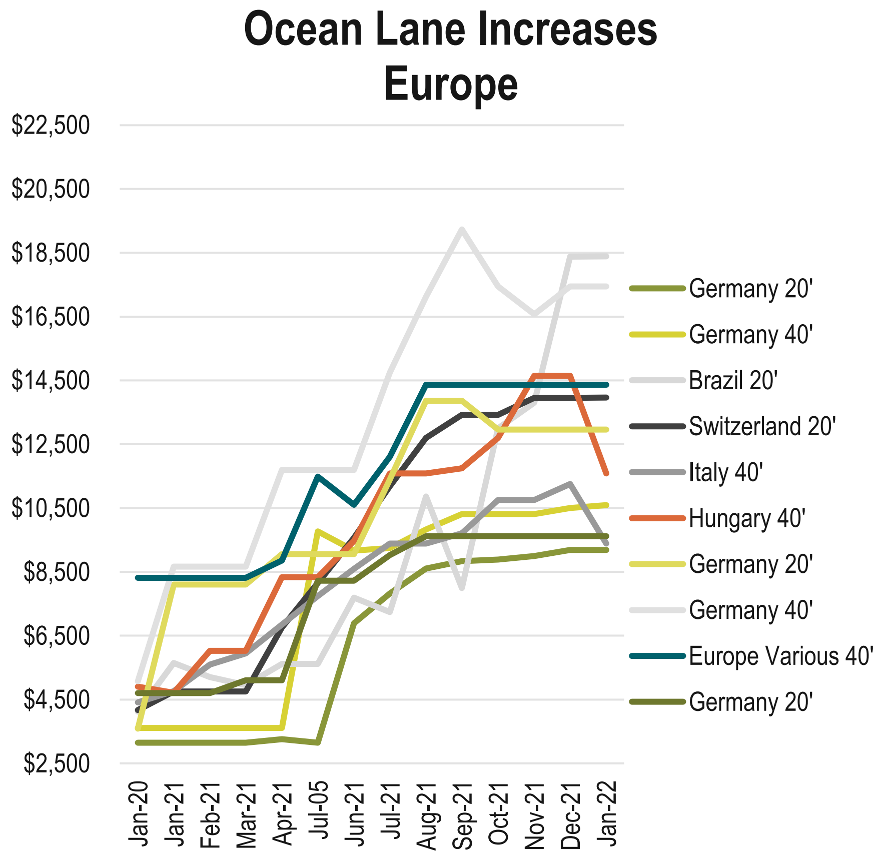


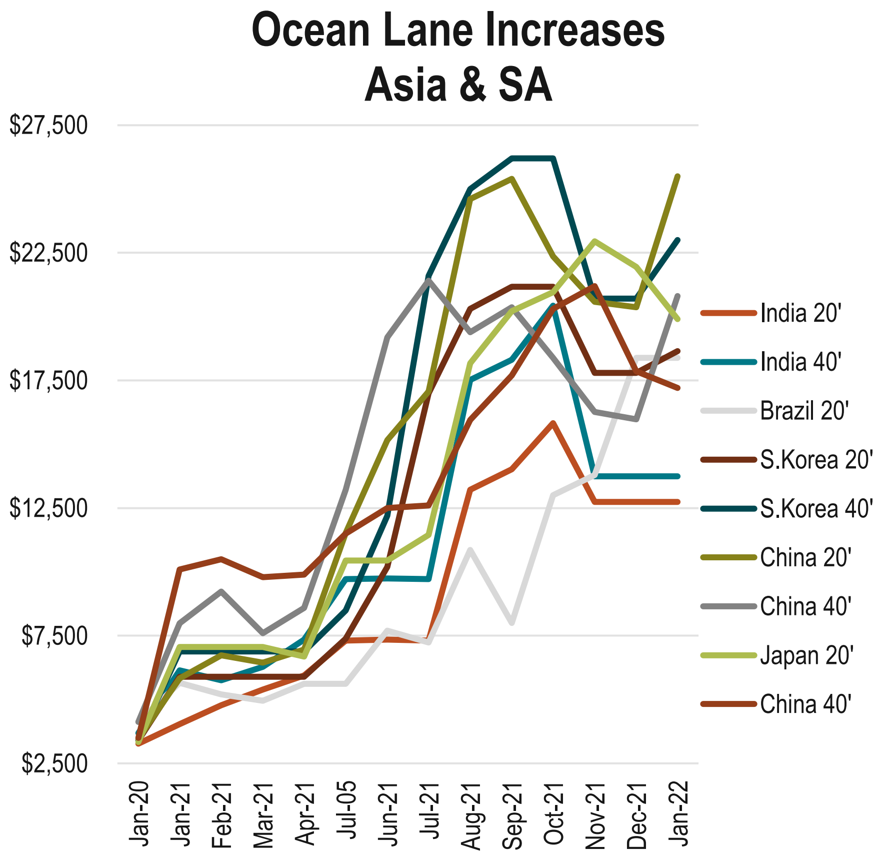




Ocean Freight Continues at an Elevated Level

Europe Leveling Off, Asia Possibly Trending Down…



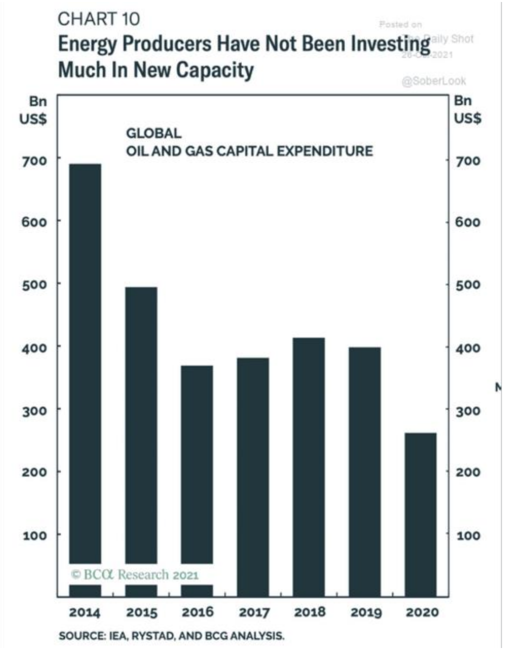


Natural Gas Prices up 10 Fold in Europe

Energy Cost and Availability An Issue

And One We Will Live with for Some Time…

- Declines in investment in fossil fuel energy globally, down 40% in recent years
  - Unpopular, investors don't want it, banks won't fund it, governments won't approve it
- Insufficient offsetting investment in alternative energy
- Increased demand for gas
  - Demand is rebounding in many sectors
  - Carbon offsets are pricey – everyone shifting from coal to gas
- Insufficient supply
  - EU gas production has declined
  - Producers have been slow to increase output
  - Cold and long winter in 2020 depleted reserves
  - Wind and solar output were low this year as well
  - **Sanctioning Russian gas putting additional pressure on**
- We are at the outset of an Energy Crisis and it won't be fixed quickly



2 Key Issues on People Side – Availability of People and Turnover

AVAILABILITY

TURNOVER

Market Outlook

Market Snapshot

Industry Forecasts for Market Growth

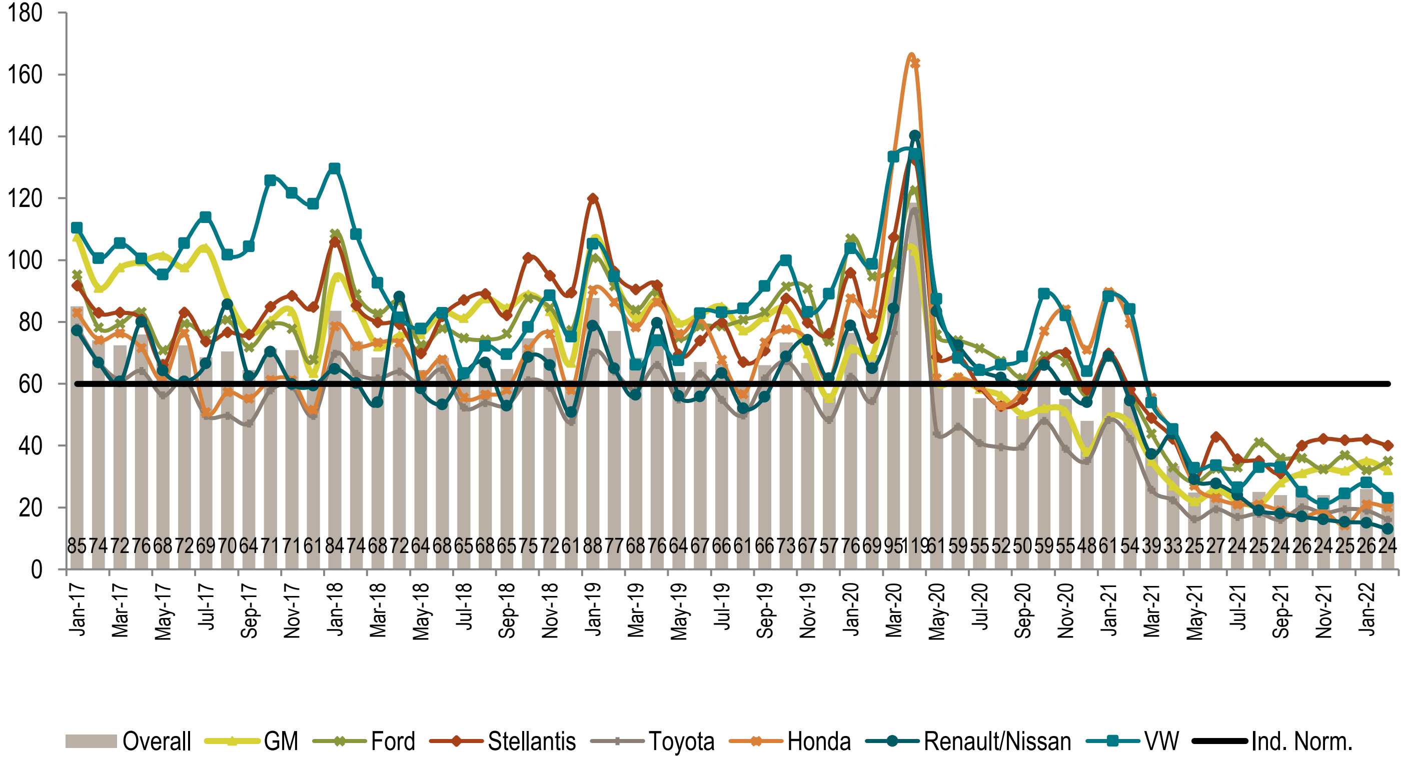
2022	Light Vehicle	Commercial Truck	Combine Heads	Access
North America	▲ 16.6%	▲ 18.6%	▲ 10.0%	▲ 27.0%
Europe	▲ 18.1%	▲ 5.8%	▲ 5.0%	▲ 16.9%
Asia	▲ 3.5%	▼ -19.0%	n/a	▲ 12.2%
Rest of World	▲ 8.7%	n/a	▲ 5.0%	n/a

Above projections are external industry expert estimates for total market % unit change as a whole vs. prior year in each of the respective market segments. They are not internal expectations of Linamar's results.

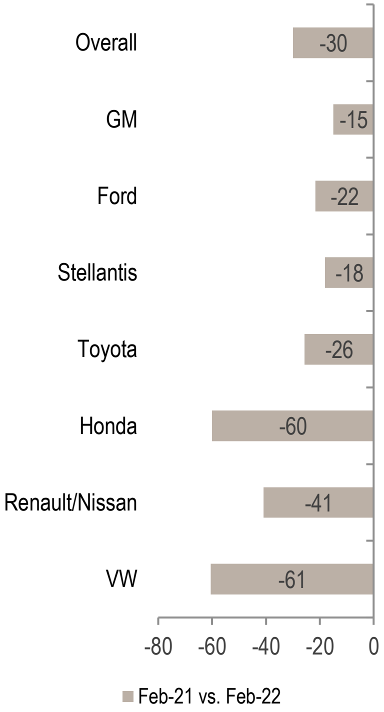
Source: IHS Markit estimates for LV, CV Production. Industrial and Agriculture Markets utilize, 3rd party industry analysts as well as internal forecasts . Asia Access Market includes ROW. Asia & Europe Access markets are AWP only (excludes telehandlers). Updated February 22, 2022.

US Light Vehicle Inventory – Days' Supply

Will Take Years To Replenish Inventory Levels Regardless of Demand…



Change vs Same Period Last Year

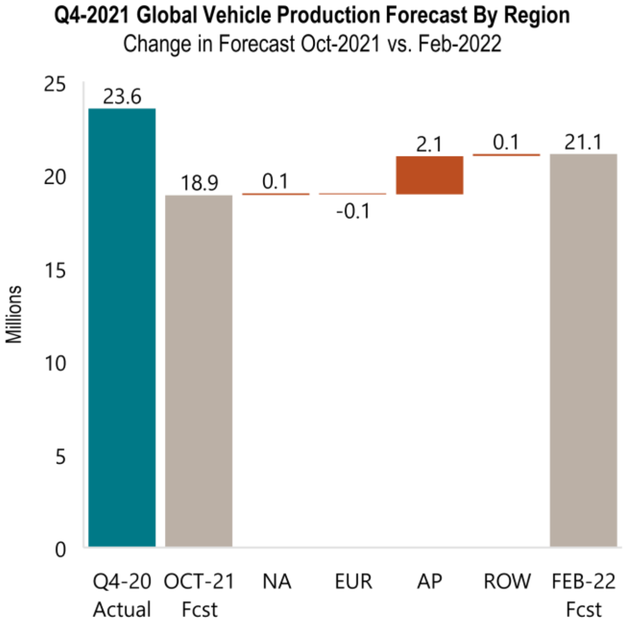


Source: Ward's Automotive, March 2022

Global Light Vehicle Market: Q4 2021, Q1 2022 and 2022

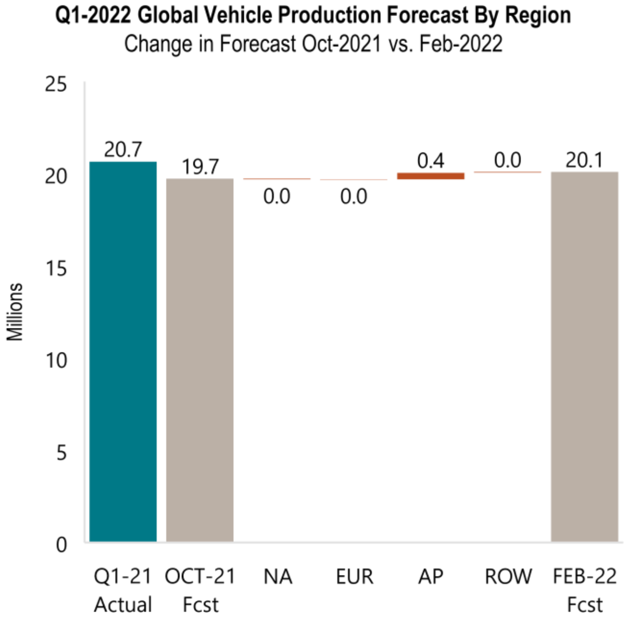
Q4 2021 production increased by 2.2M units. Q1 2022 forecast increased by 0.4M units. 2022 full-year forecast increased by 1.4M.

Q4 Actual



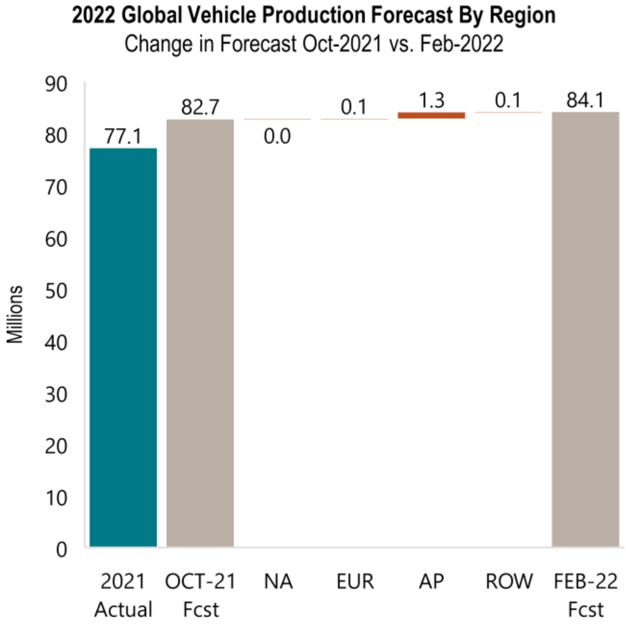
- *Q4 2021 increased by 2.2M*
- *Q4 2021 production down 10% versus prior year*

Q1 2022 Forecast



- *Q1 2022 forecast increased by 0.4M*
- *Q1 2022 production expected to be down 3% versus prior year*

FY 2022 Forecast



- *2022 full-year outlook increased by 1.4M*
- *2022 production expected to be up 9% versus prior year*

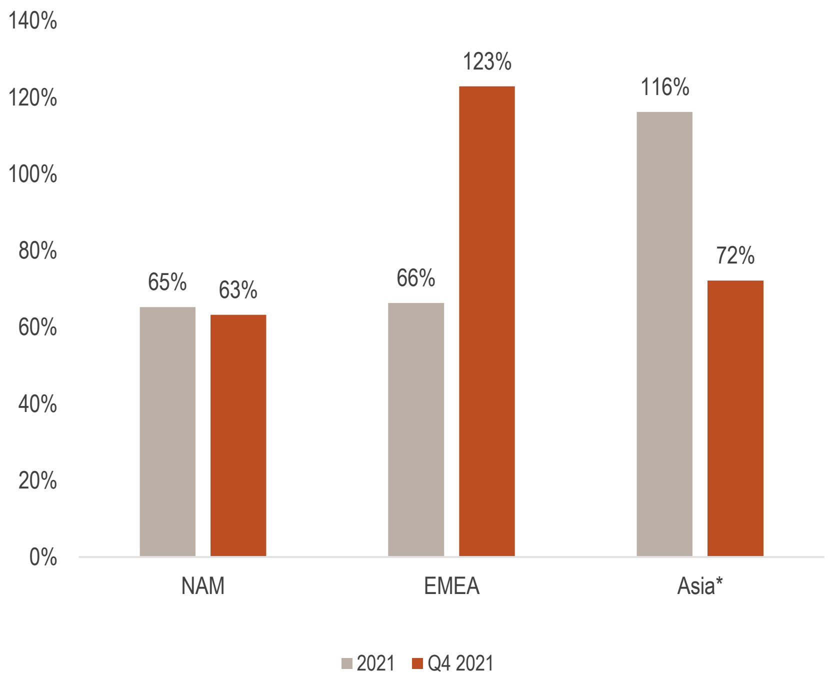
Source: IHS Markit, February 25, 2022. Comparison of global light vehicle production forecast at end of Q4 vs latest forecast.

Industrial Segment Impacts - Skyjack

Access Equipment Market Commentary

- Supply chain disruptions including shipping container shortages and higher commodity prices are continuing to negatively impact production, shipments and costs in 2021.
- Access market continuing to show signs of recovery.
- Equipment utilization continues to look positive. Throughout 2021 utilization levels have been consistent within 3% of peak 2019 levels
  - NA access market up 63% in Q4, up 65% in 2021.
  - EMEA access market up 123% in Q4, up 66% in 2021.
  - Asia access market up 72% Q4, up 116% in 2021.
- **2022 is expected to see double digit growth in all regions globally (NAM, EMEA, Asia)**

2021 Access Industry Results
% Change vs. Prior Year



*Source: Industry & internal management reports. *Asia Access Market includes ROW. YTD results are Aerial Work Platform (AWP) only. Asia & Europe forecast are AWP only (excludes telehandlers). NAM forecast includes telehandlers. Updated February 2022*

Agricultural Market

Agriculture Market Commentary

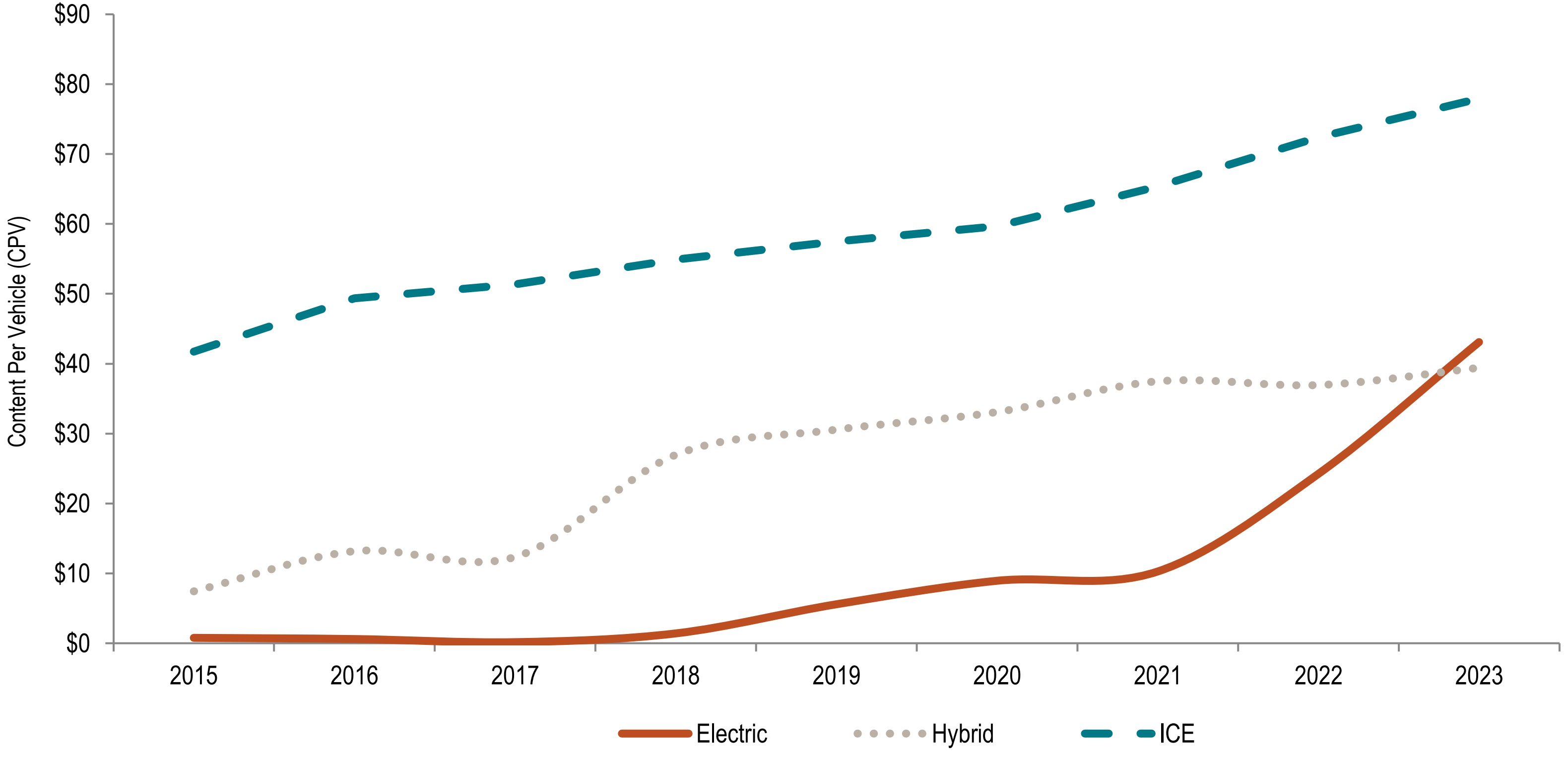
- Supply chain disruptions including shipping container shortages and higher commodity prices are continuing to negatively impact production, shipments and costs in 2021.
- Agriculture Retailers are seeing very lean inventory supply indicating retail demand is high.
- Commodity prices remain high. Despite some NA drought related concerns, the underlying retail demand is strong.
- North America combine retails up 34% in Q4, up 24% 2021.
    - Canada combine retails up 6% in Q4, up 23% 2021.
    - United States combine retails up 46% in Q4, up 24% 2021.
- EU combine retails up 17% in 2021, ROW up 25%
- **North America expected to be up 10% in 2022, EU and ROW up 5%**

North American Combine Retails

Source: AEM & MacDon internal, February 2022. YTD North America based on AEM Combine flash report.

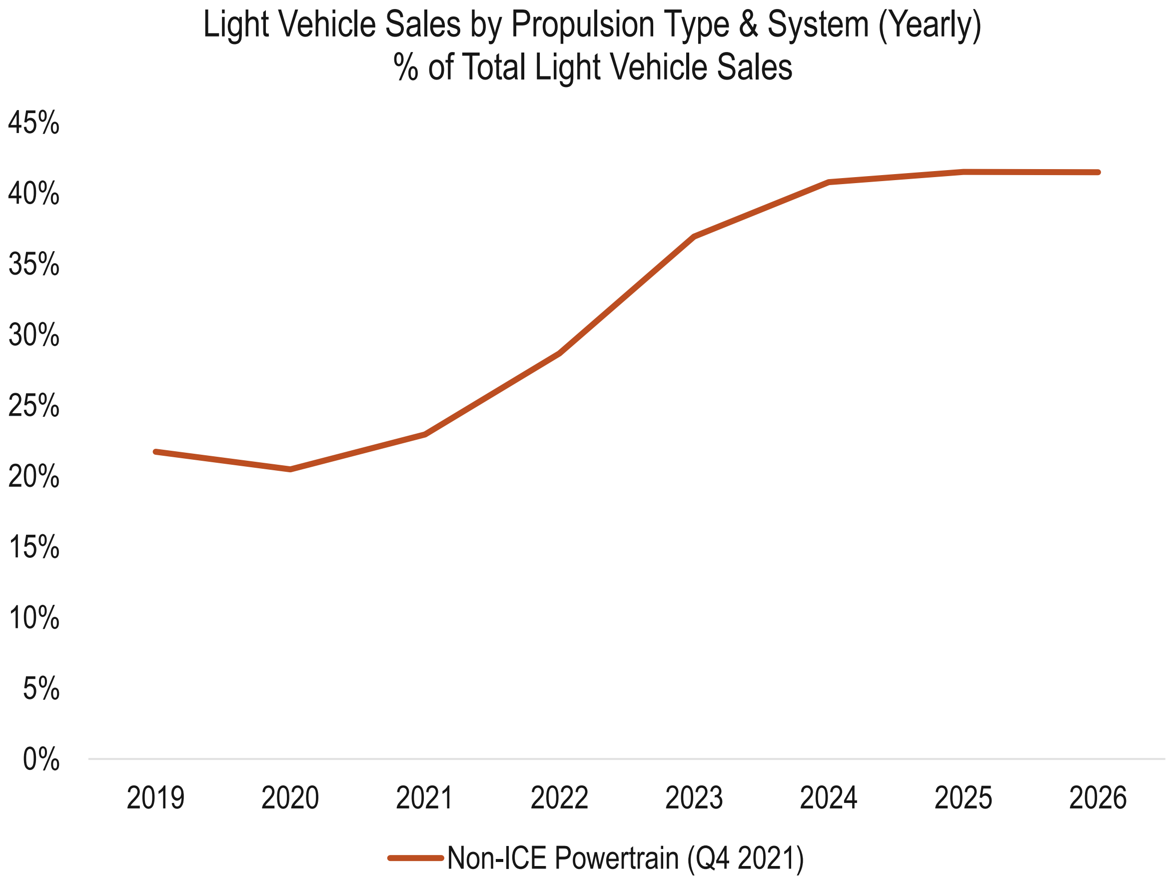
Growth Update and Outlook

Electrified Vehicles Key Growth Opportunity for Linamar



Updated: February 17, 2022. Estimates based on current projections and EV applications in market.

Non-ICE Powertrain Sales at 41% of Total Light Vehicle Sales by 2026



Source: Linamar Internal, March 1, 2022

eLIN
Driving Electrification

Leverage Existing Resources

Electrification Product Solutions

Develop new electrification product solutions leveraging existing resources

Electrification Strategies

Develop electrification strategies

Win New Business

Win new business for our existing plants and groups

eLIN

Support All Existing Groups & Plants

Support Customers Globally

Product Engineering | Application Engineering | Program Management | Product Sales | Business Development & Strategy

Propulsion Systems | Power Generation | Energy Storage | Structural & Chassis

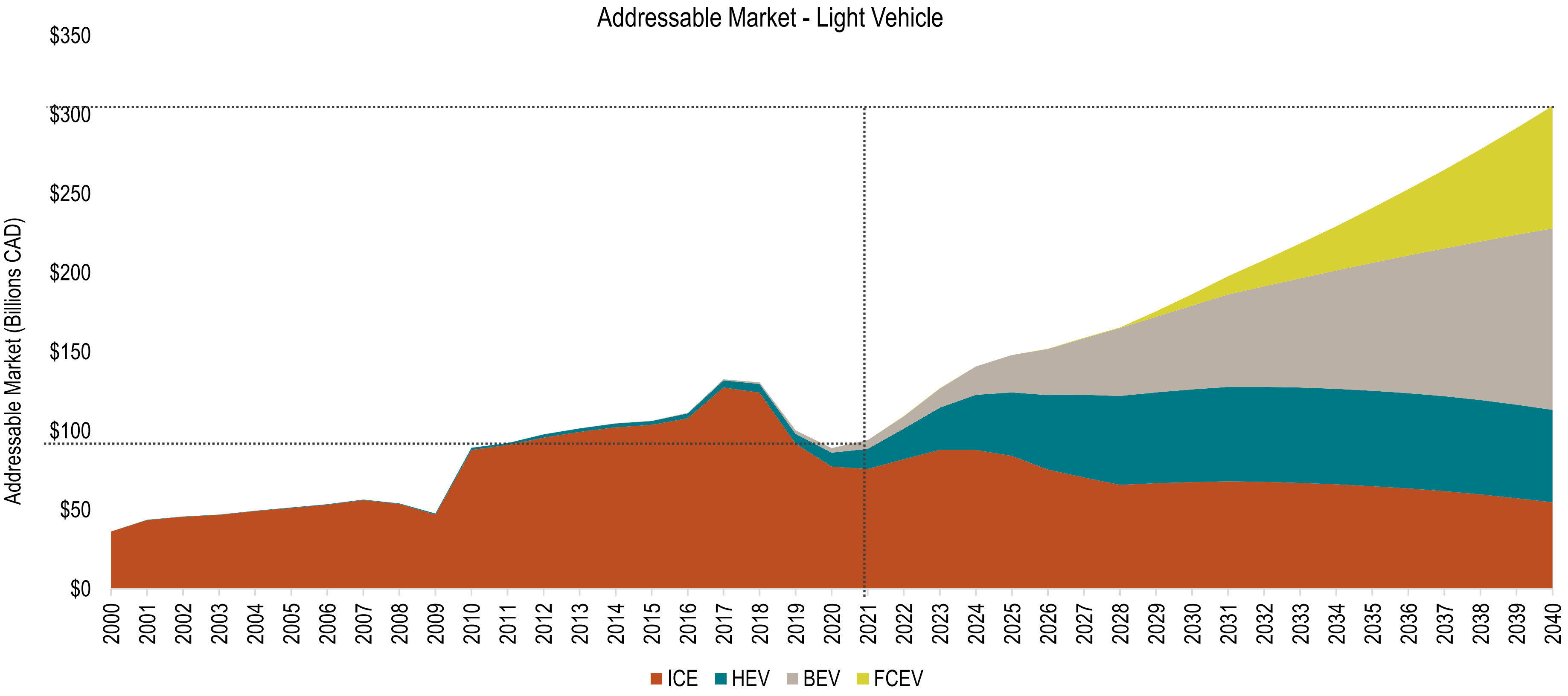
Gearboxes | Motors | Inverters | E-Axles & 3-in-1 Solutions

H_2 Fuel Cells

H_2 Storage | e^- Storage

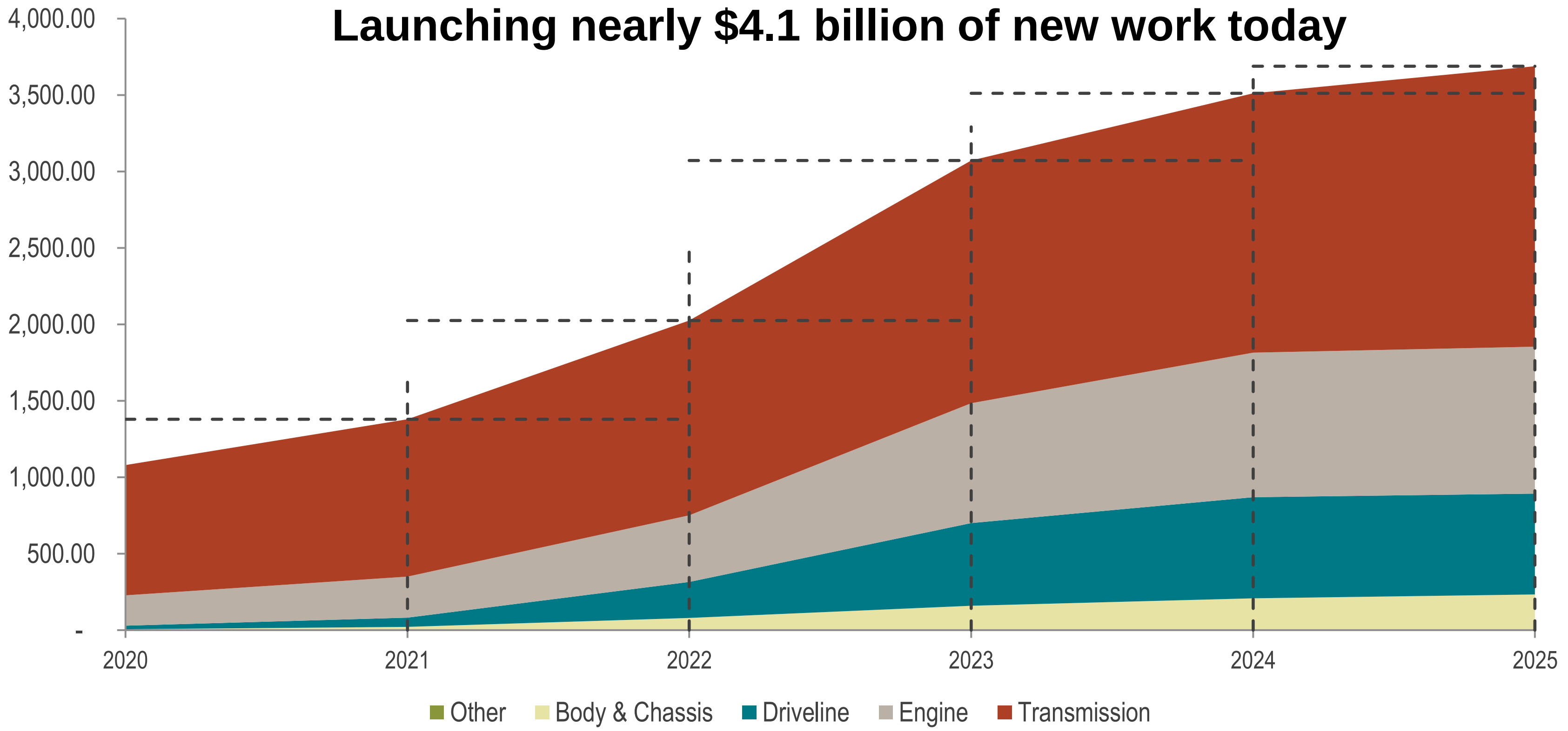
Suspensions | Structural

Global Addressable Market Grows More Than 3X in 20 Years



Source
IHS Forecasting 2016-2028 Advanced Consensus Projection 2029-2040
ii) Production Share of Technologies by 2040 of ICE 18%, HEV 22%, BEV 50%, Fuel Cell 10%. (Based on Consensus Average of External Industry Expert Forecasts for BEV adoption, Updated March 2, 2022)

Launches



$600 to $700 Million Incremental Growth from Launches in 2022

Updated: February 2022

Outlook

Q1 22 Expectations

- **Mobility**
  - Continued chip and war related vehicle build losses will weigh on sales
    - Sales up somewhat from Q4 2021 but down meaningfully from Q1 2021
  - Higher costs (energy, supply chain, logistics and labour) will weigh heavily on margins
    - Expect margins well below normal range in Q1
- **Industrial**
  - Sales up vs Q4 21, flat to up vs Q1 21
  - Supply chain, logistics and labour issues will weigh heavily on margins
    - Lack of supplies weighing on sales
    - Costs weighing on margins, expect margins well below normal range
- **General**
  - Expect meaningful declines in OE vs Q1 2021
    - Continued significant energy, supply chain, logistics and labour challenges
    - Chip and war driven sales declines
    - No subsides
  - Expect below normal net earnings margins in Q1
    - Improving in subsequent quarters
  - Ukraine crisis a potential negative impact to both segments to be determined
  - The situation is very dynamic and impacts not fully determinable in terms of their impact at this point

Consolidated	Normal Ranges	2020 Actuals	2021 Actuals	Expectations 2022
Sales Growth		(21.6%)	12.4%	Double Digit Growth
Normalized EPS Growth[1]		(32.1%)	35.8%	Double Digit Growth
Normalized Net Margin[1]	7.0% - 9.0%	5.4%	6.6%	Steady Performance
Capex (% of Sales)	6.0% - 8.0%	264m 4.5%	243m 3.7%	Up From 2021 Within Normal Range
Leverage Net Debt:EBITDA		0.50x	(0.13x)	Continued Improvement
Free Cash Flow[1]		$ 1,185 m	$ 673 m	Continued Positive
Industrial				
Sales Growth				
Skyjack				Double Digit Growth
MacDon				Double Digit Growth
Normalized Operating Margin[1]	14.0% - 18.0%	13.4%	12.3%	Steady Performance
Mobility				
Factors Influencing Sales Growth				
Launch Book Nearly $4.1 Billion Driving Incremental Sales Of:		$376m	$421m	$600 to $700 million
Business Leaving (% Consolidated Sales)	5.0% - 10.0%			Low End of Normal Range
Normalized Operating Margin[1]	7.0% - 10.0%	6.5%	8.4%	Steady Performance

1 - Free Cash Flow in a non-GAAP financial measure. Normalized Earnings per Share (EPS) Growth (representing year-over-year growth of Net Earnings (Loss) per Share – Diluted – Normalized), Normalized Net Margin, and Normalized Operating Margin (representing the respective measures as a percentage of sales) are non-GAAP financial ratios. Please refer to "Non-GAAP and Other Financial Measures" in the separately released Q4 2021 MD&A.

New Business

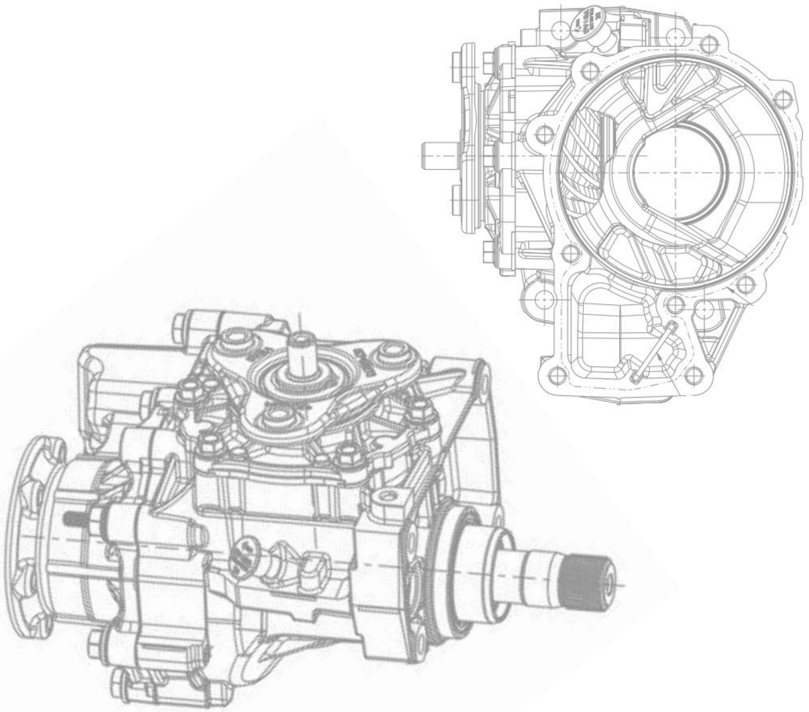
New Business Win

Major driveline system win for a European OEM.

SOP Year
2026

Peak Volume
970,500

Production Location
Germany



New Business Win

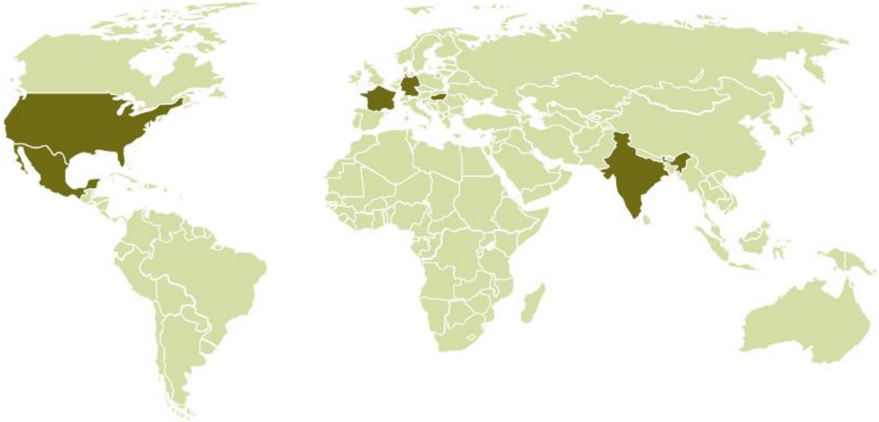
$39M in wins for battery electric vehicles

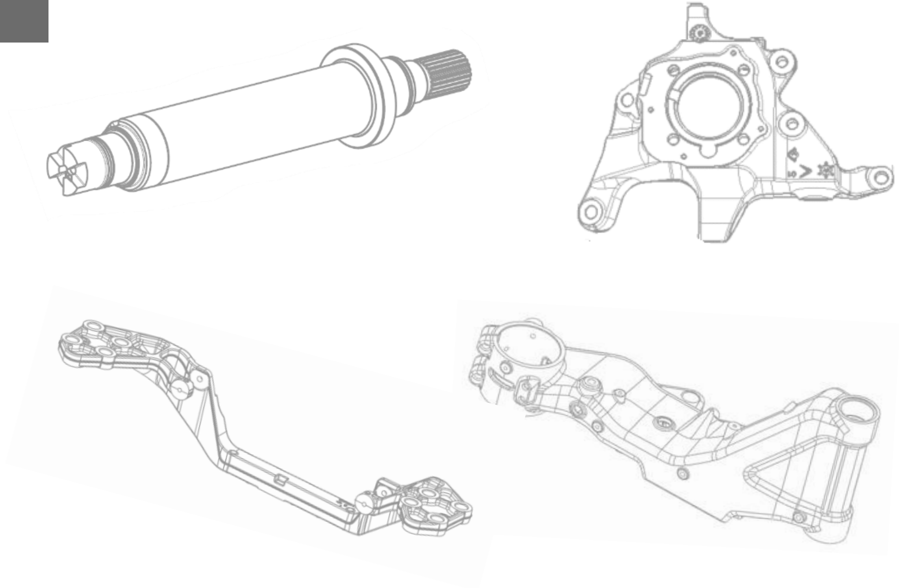
Average Annual Revenue
$39M / year

SOP Year
2021

Peak Volume Year
2026

Production Location
United States, Mexico, India, France, Germany & Hungary





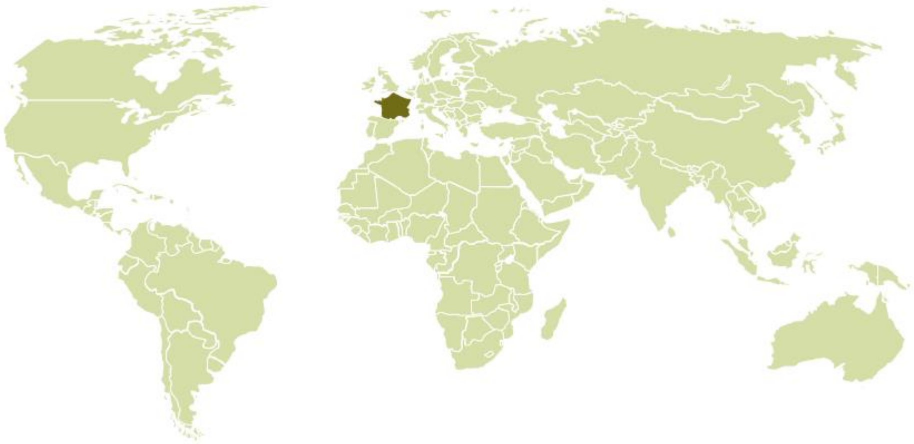
New Business Win

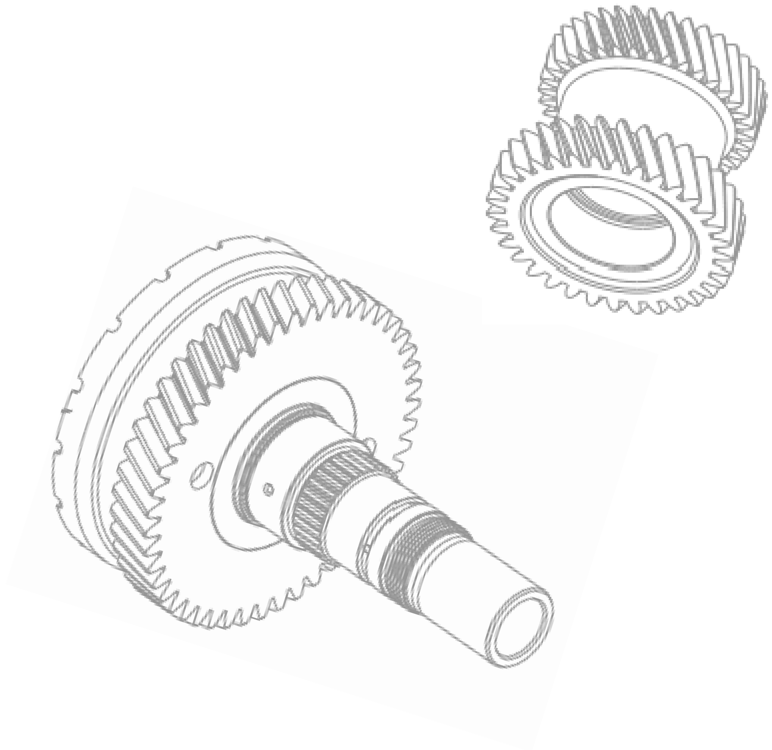
Significant gear win for next generation HEV transmission program

SOP Year
2024

Peak Volume
600,000

Production Location
France



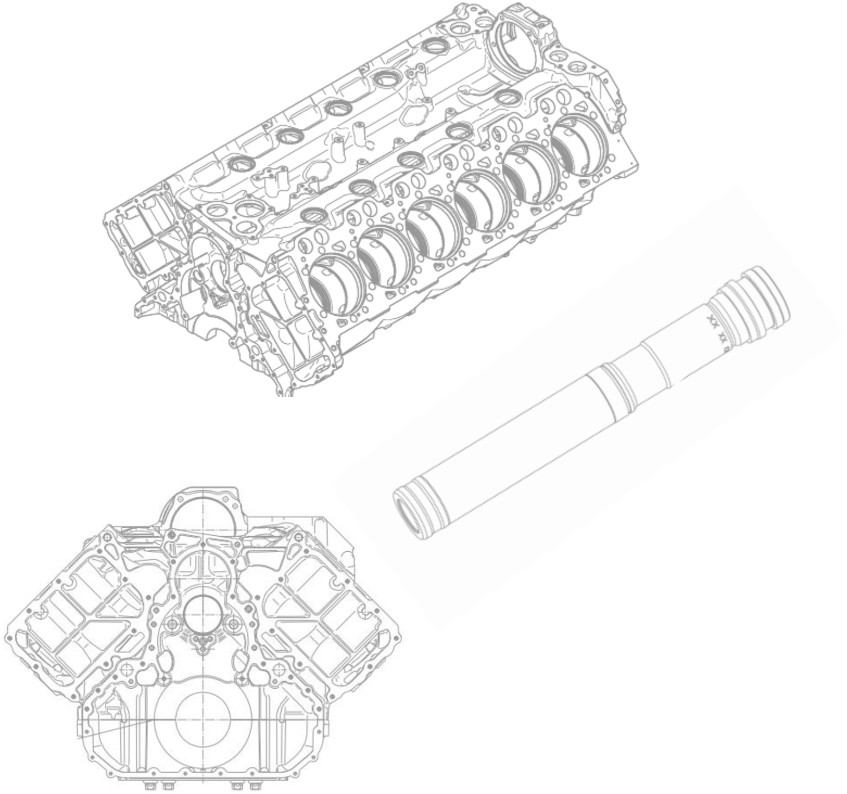


New Business Win

Nearly $130M in wins for commercial vehicle programs

Average Annual Revenue	SOP Year	Peak Volume Year
$130M / year	**2022**	**2024**

Production Location
United States, Mexico, Germany & Hungary



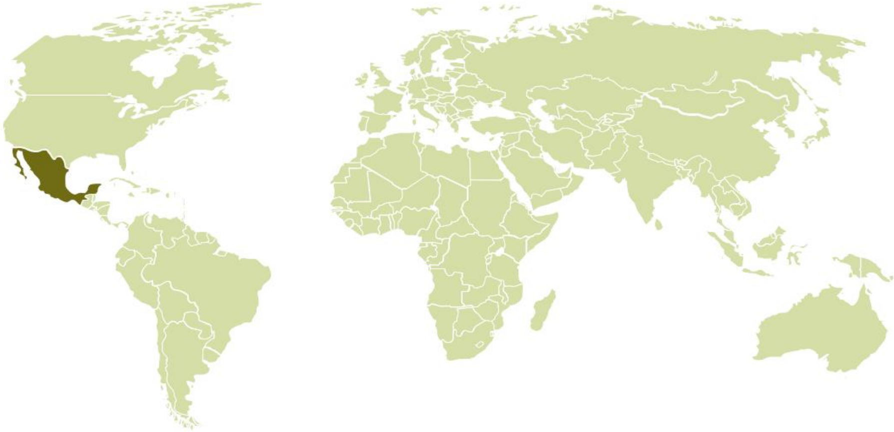
New Business Win

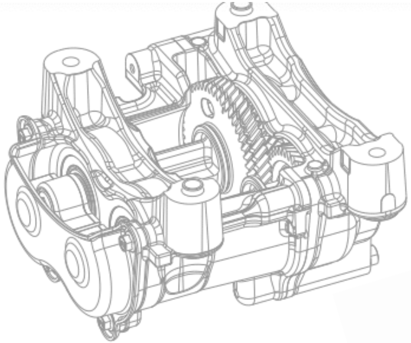
$83 million in wins for balance shaft programs, including one win for an Asian-based OEM (new customer for Linamar)

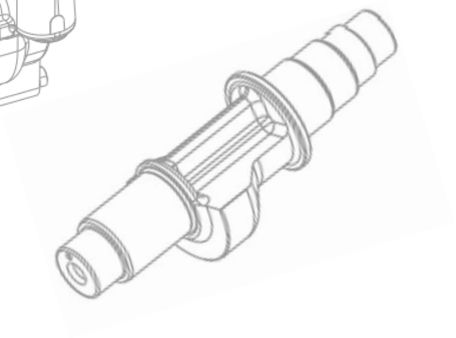
Average Annual Revenue	SOP Year	Peak Volume Year
$83M / year	**2023**	**2025**

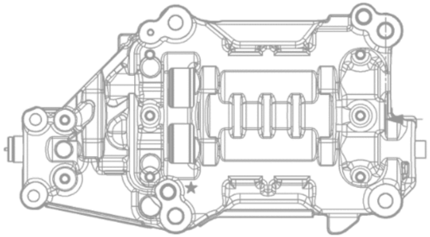
Production Location

Mexico

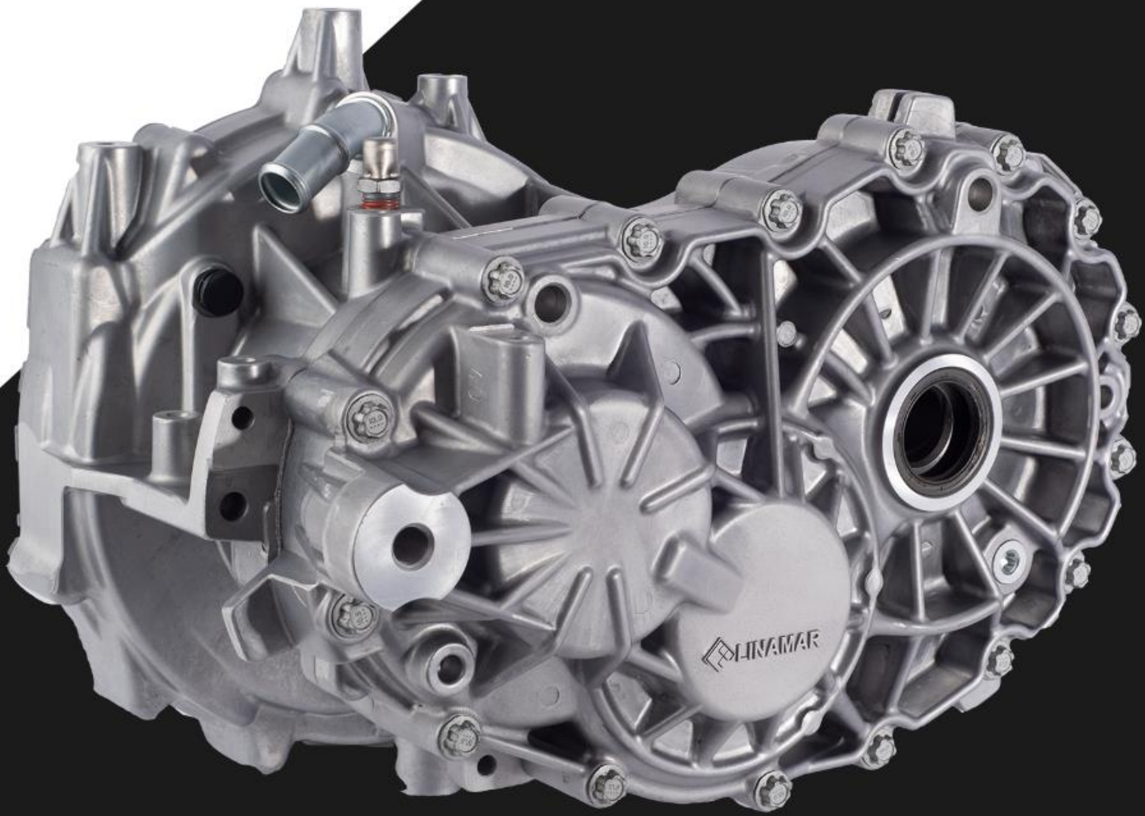






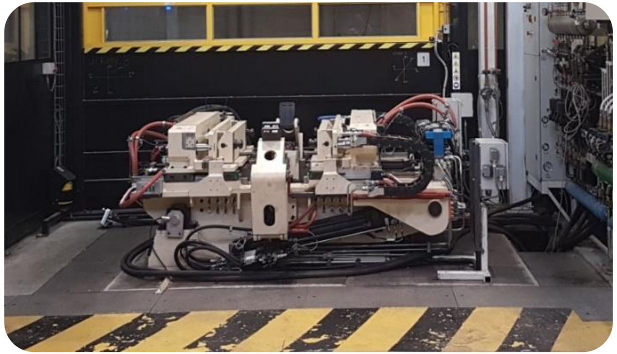


Innovation



Innovation in Process Development for Light Metal Castings

- Lightweight aluminum casting capabilities are evolving to increase the Structural and Chassis portfolio



Structural & Chassis Products

EV Motor Housings & Electric Drive Units (EDUs) Cases

Digitization with AI/ML and Our Digitization Journey

February 2022

60
Plants

5,009
LMMS Data Collection Connections

3,422
Robots

2,700
Connected Machines

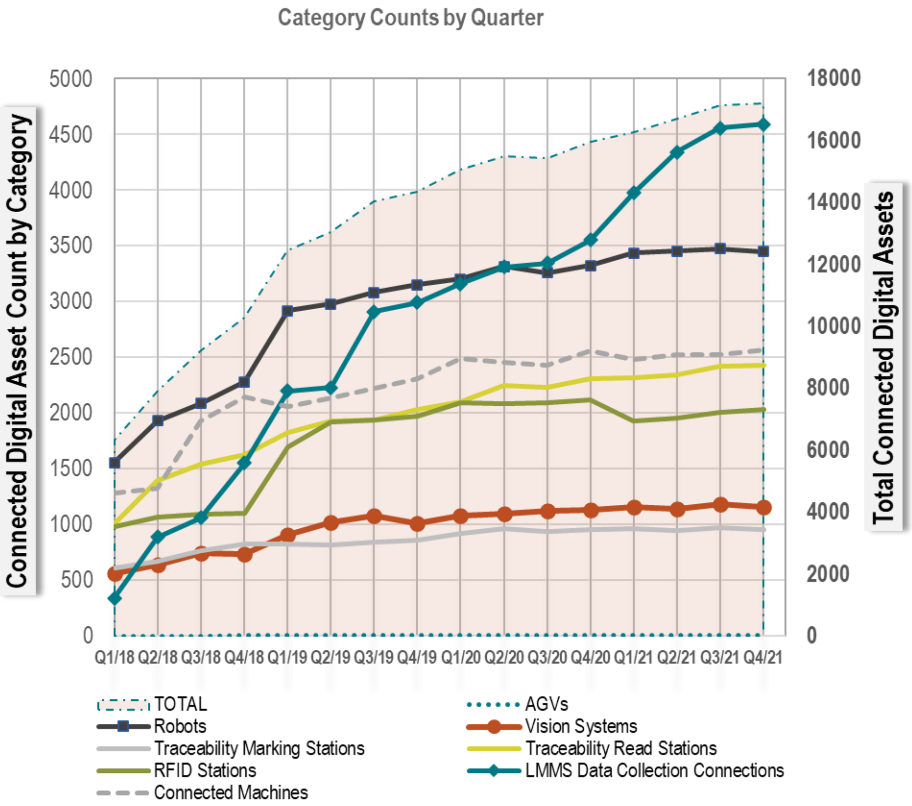
1,975
RFID Stations

1,170
Vision Systems

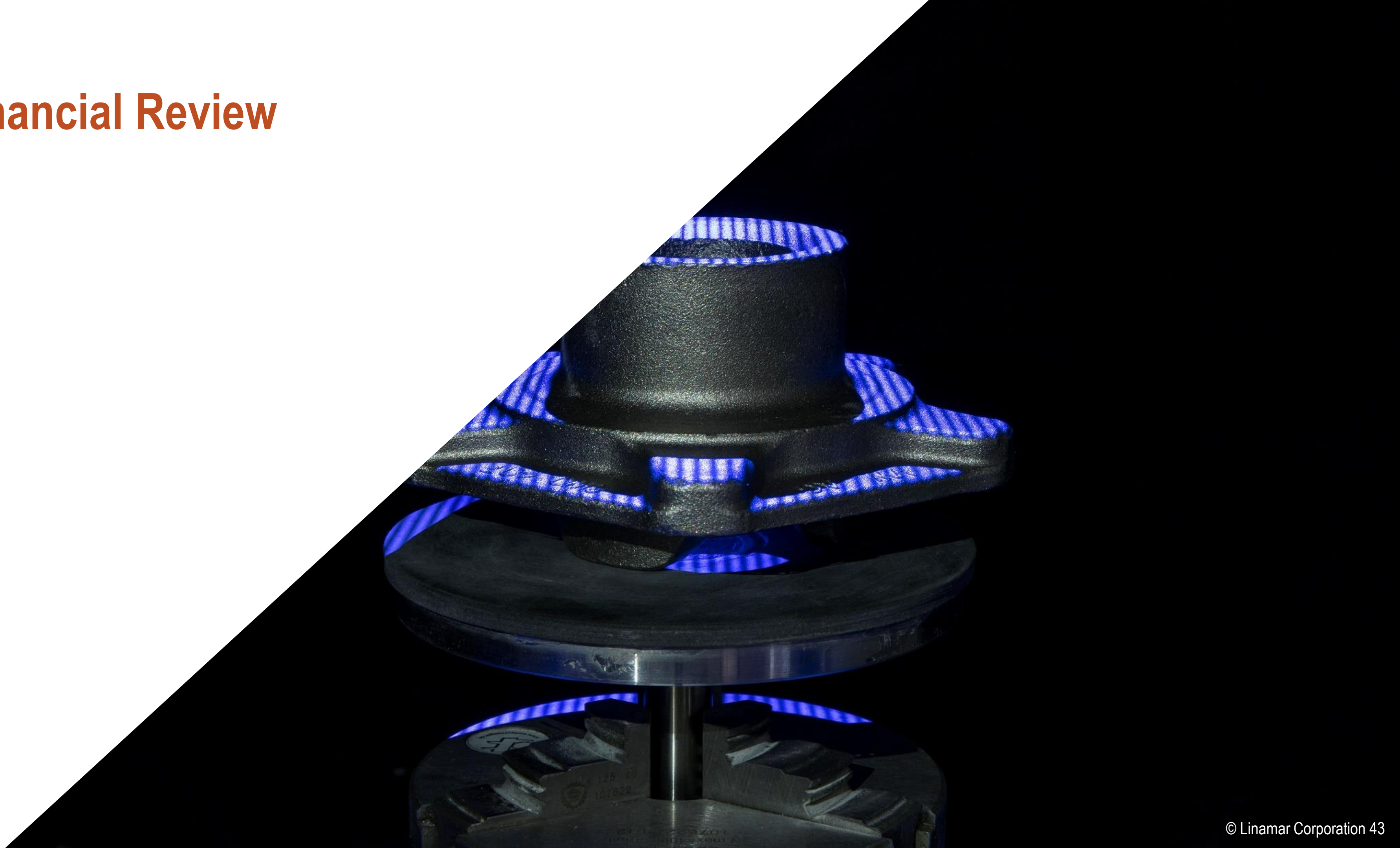
2,456
Traceability Read Stations

6
AGVs

966
Traceability Marking Stations



Financial Review



Sales, Normalized Earnings[1], and Margins (in millions CAD)

	Q4 2021	Q4 2020	% Δ
Sales	1,534.4	1,704.8	(10.0%)
EBITDA – Normalized[1]	189.6	304.5	(37.7%)
EBITDA – Normalized Margin[1]	12.4%	17.9%	
Industrial OE – Normalized[1]	(4.2)	39.9	(110.5%)
Industrial OE – Normalized Margin[1]	(1.4%)	12.6%	
Mobility OE – Normalized[1]	85.3	136.5	(37.5%)
Mobility OE – Normalized Margin[1]	6.9%	9.8%	
OE – Normalized[1]	81.1	176.4	(54.0%)
OE – Normalized Margin[1]	5.3%	10.3%	
NE – Normalized[1]	59.0	129.1	(54.3%)
NE – Normalized Margin[1]	3.8%	7.6%	
EPS – Normalized[1]	0.90	1.97	(54.3%)

Q4 2021

The **key factors impacting results in the quarter** are:

- Significantly higher costs in material, energy, freight and labour;
- Chip related customer shutdowns negatively impacting sales and earnings in auto business;
- Strong demand in ag market not translating to sales re supply chain issues;
- Less government subsidies; and
- Exchange headwinds.

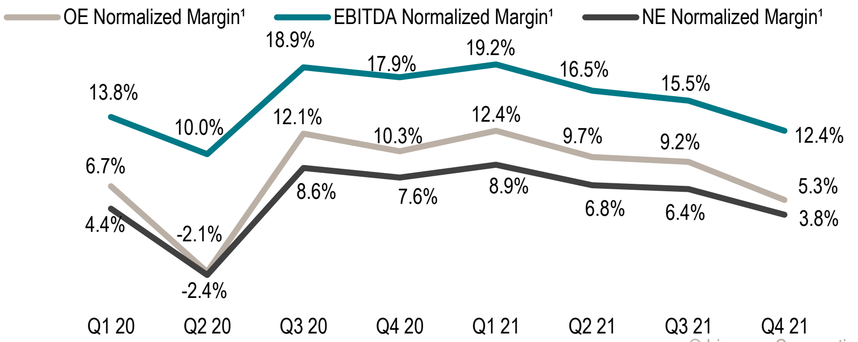
The **key impacts to the segments vs prior year** are:

Mobility

- EU light vehicle markets down 24% , NA down 14% offset by launches;
- Higher costs re energy, material, freight and labour costs;
- FX headwinds; and
- Less government subsidies.

Industrial

- Significant cost issues related to supply chain, logistics and labour challenges;
- MacDon challenges to supply a strong market due to supply chain issues;
- Less government subsidies;
- FX headwinds; partially offset by; and
- An increase in access equipment sales.



1 - EBITDA – Normalized, Operating Earnings (OE) – Normalized, and Net Earnings (NE) – Normalized are Non-GAAP Financial Measures. EBITDA – Normalized Margin, Operating Earnings – Normalized Margin, Net Earnings – Normalized Margin, (representing their respective measures as a percentage of sales) and Net Earnings (Loss) per Share – Diluted – Normalized (EPS) are non-GAAP financial ratios. Please refer to "Non-GAAP and Other Financial Measures" in the separately released Q4 2021 MD&A.

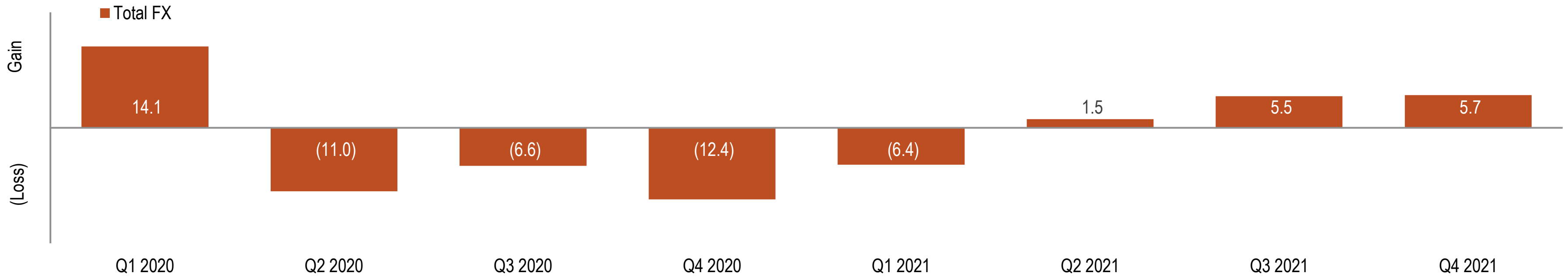
Foreign Exchange Gain/Loss (in millions CAD)

	Q4 2021	Q4 2020	+/-
FX Gain/(Loss) – Operating[1]	5.6	(12.4)	18.0
FX Gain/(Loss) – Financing	0.1	0.0	0.1
Total FX Gain/(Loss)	5.7	(12.4)	18.1

Operating Earnings Margin	4.6%	9.1%
OE – Normalized Margin[2]	5.3%	10.3%

FX Gain/(Loss) – Impact on EPS FD[3]	0.07	(0.14)

- Total FX Gain was $5.7 which resulted from a $5.6 FX Gain – Operating and a $0.1 FX Gain – Financing.
- FX Gain – Operating was comprised of a $4.4 loss in Industrial and $10.0 gain in Mobility.
- FX Gain impacted EPS by 7 cents in the quarter.



1 - Foreign Exchange as a result of the revaluation of operating balances due to changes in foreign exchange rates.
2 - Operating Earnings (OE) – Normalized Margin represents its respective measure as a percentage of sales and is a non-GAAP financial ratio. Please refer to "Non-GAAP and Other Financial Measures" in the separately released Q4 2021 MD&A.
3 - FX Gain/(Loss) - Impact on Earnings Per Share Fully Diluted (EPS FD) divides the tax effected foreign exchange impact by the Company's diluted number of shares.

Industrial Sales, Earnings, and Margins (in millions CAD)

	Q4 2021	Q4 2020
Sales	293.0	315.6
Operating Earnings	(11.5)	32.6
Other Item	2.9	-
Foreign Exchange[1] (Gain)/Loss	4.4	7.3
Operating Earnings – Normalized[2]	(4.2)	39.9
Operating Earnings Margin	(3.9%)	10.3%
OE – Normalized Margin[2]	(1.4%)	12.6%

- **Industrial sales** decreased by 7.2% or $22.6 to $293.0.
- The sales were hurt by:
  - lower agricultural sales due to supply issues impacting our ability to produce and deliver product; and
  - a negative FX impact related to the change in rates since last year.
- The sales were helped by access equipment market share gains in North America for all three product families.
- **Normalized Industrial OE** decreased $44.1 or 110.5% to a loss of $4.2.
- The Normalized OE was hurt by:
  - ongoing supply issues and increased costs for items such as raw materials, freight and labour;
  - the reduction in agricultural sales;
  - reduced COVID-19 government support; and
  - a negative FX impact related to the change in rates since last year.
- The Normalized OE was helped by:
  - the market share gains at Skyjack; and
  - a reduction in AR provisions since Q4 2020.

1 – Foreign Exchange as a result of the revaluation of operating balances due to changes in foreign exchange rates.
2 – Operating Earnings – Normalized is a non-GAAP financial measure. Operating Earnings (OE) – Normalized Margin represents its respective measure as a percentage of sales and is a non-GAAP financial ratio. Please refer to “Non-GAAP and Other Financial Measures” in the separately released Q4 2021 MD&A.

Mobility Sales, Earnings, and Margins (in millions CAD)

	Q4 2021	Q4 2020
Sales	1,241.4	1,389.2
Operating Earnings	81.6	122.8
Other Item	13.7	8.6
Foreign Exchange[1] (Gain)/Loss	(10.0)	5.1
Operating Earnings – Normalized[2]	85.3	136.5
Operating Earnings Margin	6.6%	8.8%
OE – Normalized Margin[2]	6.9%	9.8%

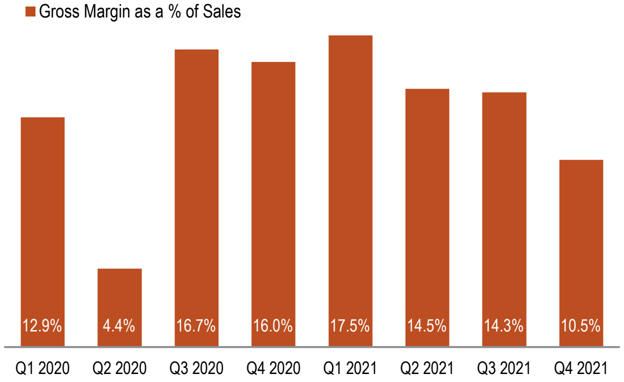
- **Mobility sales** were $1,241.4 for the quarter.
- The sales were hurt by:
  - the market impact of the semiconductor chip supply issues which are impacting our customers; and
  - a negative FX impact related to the change in rates since last year.
- The sales were helped by:
  - increasing volumes on launching programs;
  - increasing volumes on certain mature programs that are in high demand; and
  - increase in sales related to material pass through pricing that offsets the associated raw material cost increases.
- **Normalized Mobility OE** were lower by $51.2 to come in at $85.3 which is a decrease of 37.5%.
- Mobility normalized earnings were hurt by:
  - the ongoing OEM semiconductor supply issues;
  - other supply and cost issues that are impacting energy, raw material, freight and labour costs;
  - a negative impact from the changes in FX rates; and
  - the reduction in global COVID-19 government support.
- Mobility normalized earnings were helped by:
  - the volume increases on launching and certain mature programs; and
  - lower management compensation as a result of the lower earnings.

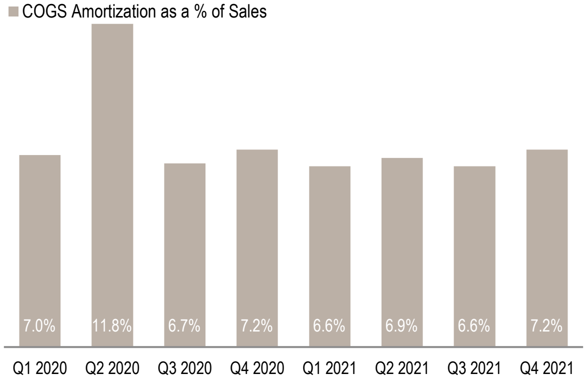
1 – Foreign Exchange as a result of the revaluation of operating balances due to changes in foreign exchange rates.
2 – Operating Earnings – Normalized is a non-GAAP financial measure. Operating Earnings (OE) – Normalized Margin represents its respective measure as a percentage of sales and is a non-GAAP financial ratio. Please refer to “Non-GAAP and Other Financial Measures” in the separately released Q4 2021 MD&A.

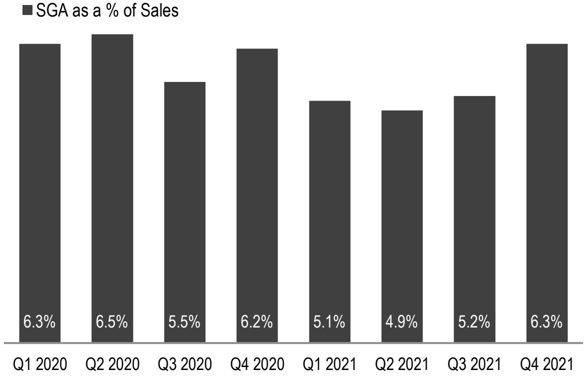
Operating Expenses (in millions CAD)

	Q4 2021	Q4 2020	+/-	%
Sales	1,534.4	1,704.8	(170.4)	(10.0%)
Cost of Goods Sold	1,373.5	1,431.3	(57.8)	(4.0%)
Gross Margin	160.9	273.5	(112.6)	(41.2%)
Gross Margin as a % of Sales	10.5%	16.0%		
Cost of Goods Sold Amortization	110.1	123.1	(13.0)	(10.6%)
COGS Amortization as a % of Sales	7.2%	7.2%		
Selling, General, and Administrative	96.1	106.0	(9.9)	(9.3%)
SGA as a % of Sales	6.3%	6.2%		

- Gross Margin was $160.9 in the quarter and was impacted by the same factors that impacted each business segment. (See the previous two slides)
- Amortization remained flat at 7.2% for the quarter.
- SG&A improved to $96.1 for the quarter and was impacted by:
  - less accounts receivable provisions in Q4 2021 vs Q4 2020; and
  - lower management compensation; partially offset by
  - increased sales and marketing costs to support future growth;
  - the reductions in government support.



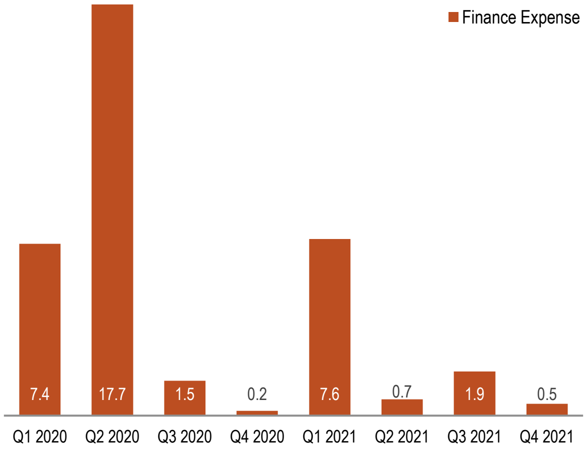


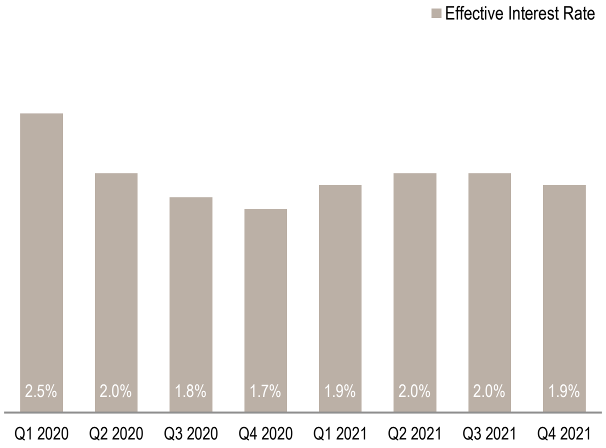


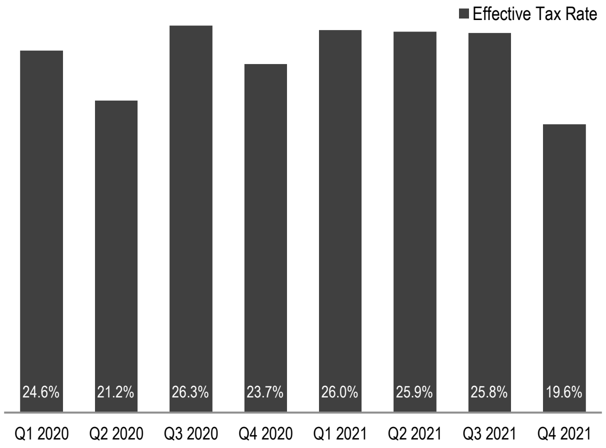
Finance Expenses & Income Tax (in millions CAD)

	Q4 2021	Q4 2020	+/-
Finance Expense	0.5	0.2	0.3
Effective Interest Rate	1.9%	1.7%	0.2%
Effective Tax Rate	19.6%	23.7%	(4.1%)

- Finance expenses increased by $0.3.
- Finances expenses were hurt by the lower interest earned due to the lower long-term receivables.
- Finance expenses were helped by the significant reduction in debt balances since Q4 2020.
- The effective interest rate was 1.9% in Q4 2021.
- The tax rate decreased to 19.6% in the quarter from last year.
- Full year 2022 tax rate expected to be in the range of 24% to 26% and consistent with the 2021 full year tax rate.



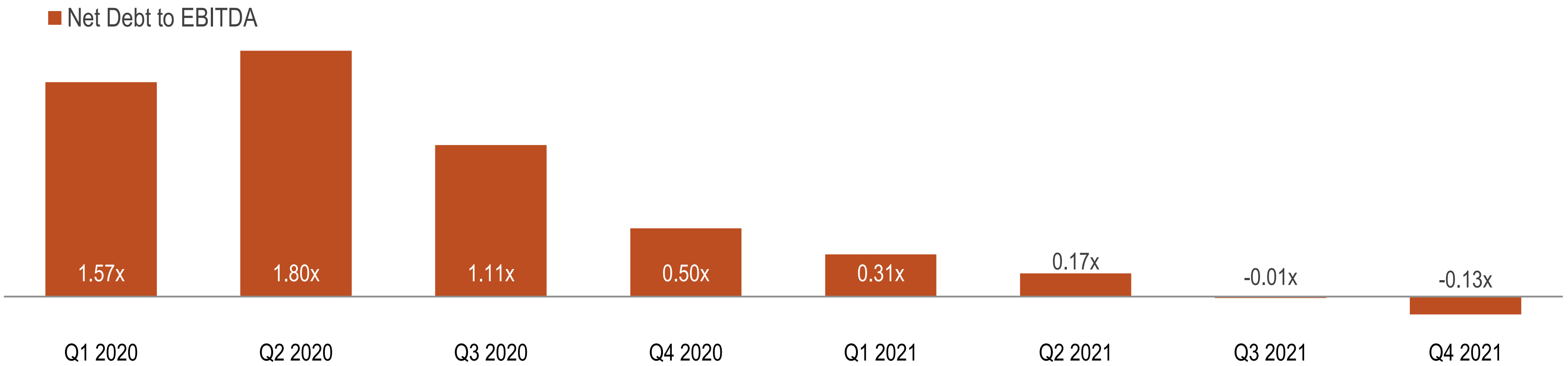




Leverage (in millions CAD)

	Q4 2021	Q4 2020
Cash Position	928.4	861.1
Available Cash on Credit Facilities	957.5	773.4
Net Debt to EBITDA	(0.13)x	0.50x
Debt to Capitalization[3]	14.7%	23.6%

- Cash position at the end of the quarter was $928.4.
- Linamar generated $217.6 in Cash from Operating Activities.
- Linamar generated $144.7 of Free Cash Flow[1] in the quarter.
- Net Debt to EBITDA was decreased significantly to negative 0.13x.
- Based on current estimates, we expect Net Debt to EBITDA to continue to be an improvement over 2021 levels.
- Liquidity[1] remains strong and improved to $1.9 billion compared to Q4 2020.



1 - Free Cash Flow and Liquidity are non-GAAP financial measures. Please refer to "Non-GAAP and Other Financial Measures" in the separately released Q4 2021 MD&A.
2 - EBITDA includes trailing twelve months EBITDA on acquisitions, when applicable. 2020 Net Debt to EBITDA was restated in Q1 2021.
3 - Debt to Capitalization is a non-GAAP financial ratio and the Company finds it useful in assessing the Company's capital structure. For Debt to Capitalization the most directly comparable measure is Equity as presented in the Company's Consolidated Statements of Financial Position and is calculated for Q4 2021 as Short-term borrowings of $Nil (2020 - $Nil) and Long-term debt of $791 million (2020 - $1,303 million) (Total Debt) divided by Total Debt of $791 million (2020 - $1,303 million) and Equity of $4,599 million (2020 - $4,353 million), less Contributed surplus of $29 million (2020 - $26 million) less Accumulated other comprehensive earnings (loss) of ($26) million (2020 - $108 million).

Conclusion

- Sales declines in Mobility driven by ongoing semiconductor supply shortages.
- Sales declines in Industrial driven by ongoing supply shortages limiting the ability to produce and deliver product.
- Significant challenges in the quarter from supply issues increase the cost of raw material, energy, freight and labour costs .
- Excellent Free Cash Flow[1] generation of $144.7 million in the quarter.
- Available Liquidity[1] remains strong at $1.9 billion.
- Continued to be Net Debt[2] free for Q4 2021 as a result of further reductions in Net Debt[2].

1 - Free Cash Flow and Liquidity are non-GAAP financial measures. Please refer to "Non-GAAP and Other Financial Measures" in the separately released Q4 2021 MD&A.
2 - Net Debt is a non-GAAP financial measure and the Company believes it is useful as an indicator of its financial position. Net Debt is calculated as Short-term Borrowings and Long-Term Debt (the most directly comparable measure as presented in the Company's Consolidated Statements of Financial Position) less Cash. For Q4 2021 this calculation is Short Term Borrowings of $Nil (Q4 2020 - $Nil) plus Long-Term Debt of $791 million (Q4 2020 - $1,303 million) less Cash of $928 million (Q4 2020 - $861 million).

Question and Answer

Outlook

Q1 22 Expectations

- **Mobility**
  - Continued chip and war related vehicle build losses will weigh on sales
    - Sales up somewhat from Q4 2021 but down meaningfully from Q1 2021
  - Higher costs (energy, supply chain, logistics and labour) will weigh heavily on margins
    - Expect margins well below normal range in Q1
- **Industrial**
  - Sales up vs Q4 21, flat to up vs Q1 21
  - Supply chain, logistics and labour issues will weigh heavily on margins
    - Lack of supplies weighing on sales
    - Costs weighing on margins, expect margins well below normal range
- **General**
  - Expect meaningful declines in OE vs Q1 2021
    - Continued significant energy, supply chain, logistics and labour challenges
    - Chip and war driven sales declines
    - No subsides
  - Expect below normal net earnings margins in Q1
    - Improving in subsequent quarters
  - Ukraine crisis a potential negative impact to both segments to be determined
  - The situation is very dynamic and impacts not fully determinable in terms of their impact at this point

Consolidated	Normal Ranges	2020 Actuals	2021 Actuals	Expectations 2022
Sales Growth		(21.6%)	12.4%	Double Digit Growth
Normalized EPS Growth[1]		(32.1%)	35.8%	Double Digit Growth
Normalized Net Margin[1]	7.0% - 9.0%	5.4%	6.6%	Steady Performance
Capex (% of Sales)	6.0% - 8.0%	264m 4.5%	243m 3.7%	Up From 2021 Within Normal Range
Leverage Net Debt:EBITDA		0.50x	(0.13x)	Continued Improvement
Free Cash Flow[1]		$ 1,185 m	$ 673 m	Continued Positive

Industrial				
Sales Growth				
Skyjack				Double Digit Growth
MacDon				Double Digit Growth
Normalized Operating Margin[1]	14.0% - 18.0%	13.4%	12.3%	Steady Performance

Mobility				
Factors Influencing Sales Growth				
Launch Book Nearly $4.1 Billion Driving Incremental Sales Of:		$376m	$421m	$600 to $700 million
Business Leaving (% Consolidated Sales)	5.0% - 10.0%			Low End of Normal Range
Normalized Operating Margin[1]	7.0% - 10.0%	6.5%	8.4%	Steady Performance

1 - Free Cash Flow in a non-GAAP financial measure. Normalized Earnings per Share (EPS) Growth (representing year-over-year growth of Net Earnings (Loss) per Share – Diluted – Normalized), Normalized Net Margin, and Normalized Operating Margin (representing the respective measures as a percentage of sales) are non-GAAP financial ratios. Please refer to “Non-GAAP and Other Financial Measures” in the separately released Q4 2021 MD&A.

Key Messages

Record Year in NBW, EV $ wins 50% Up From 2020

15 Consecutive Quarters of Free Cash Flow

Double Digit Top and Bottom-Line Growth as Promised Despite Challenges

Thank You

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