



AirBoss of America Corp.

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NEWS RELEASE

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AIRBOSS ANNOUNCES 3rd QUARTER 1999 RESULTS

AirBoss of America Corp. (“AirBoss”) is pleased to announce the following results for the third quarter ending September 30, 1999:

(\$'000 except shares and per share amounts)

Period ending September 30	9 Months			3 Months		
	<u>1999</u>	<u>1998</u>	<u>%</u>	<u>1999</u>	<u>1998</u>	<u>%</u>
Net Sales (<i>Note 1</i>)	\$90,288	\$61,225	47	\$36,609	\$19,766	85
Gross Profit	19,803	10,604	87	7,567	3,663	107
Expenses	9,360	4,384	114	4,027	1,538	162
Interest and other	1,499	674	122	819	519	57
Income before tax	8,944	5,546	61	2,721	1,606	69
Net Income	5,759	3,572	61	1,767	1,001	77
Earnings per share:						
Basic	\$0.27	\$0.21	29	\$0.08	\$0.06	33
Fully diluted	0.26	0.20	29	0.08	0.06	33
Cash flow	\$10,453	\$6,783	54	\$3,398	\$2,047	66
Cash flow per share (weighted)	\$0.50	\$0.41	22	\$0.15	\$0.12	25
Common Shares Outstanding (million):						
Basic	22.6	16.7	35	22.6	16.7	35
Weighted	21.1	16.6	27	22.6	16.7	35
<i>Note (1)</i>						
Value of Goods produced & sold	\$110,018	\$68,512	60	\$41,913	\$21,249	97
Less: Customer Supplied Materials	<u>19,730</u>	<u>7,287</u>	<u>171</u>	<u>5,304</u>	<u>1,483</u>	<u>258</u>
Net Sales	<u>\$ 90,288</u>	<u>\$61,225</u>	<u>47</u>	<u>\$36,609</u>	<u>\$19,766</u>	<u>85</u>



The value of goods produced rose by 97% for the three month period ended September 30, 1999 and by 60% for the nine month period. Approximately one half of this increase is due to increases in volume of customer rubber mixing, with the remainder due to increased railroad product sales and contributions from military, industrial and consumer products manufacturing.

Net income increased by 77% to \$1.8 million for the three month period ended September 30, 1999 and by 61% to \$5.8 million for the nine months.

The third quarter is traditionally lower for customer rubber mixing due to an annual 2 week shutdown for maintenance and holidays; however, this year staff were recalled partway through this period to meet customer demand. Capacity from the new mixer did not begin to dramatically affect results until October following the de-bugging of operating software. Significant increases in sales will continue.

AirBoss is one of North America's largest rubber mixing companies specialising in custom rubber mixing and compound development. AirBoss is also a manufacturer of rubber and plastic products specialising in patented parts for the transportation industry and is a world leader in military protective wear. AirBoss is listed on the Toronto Stock Exchange under the symbol BOS.

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AIRBOSS FORWARD LOOKING STATEMENT DISCLAIMER

This report contains forward-looking statements which reflect management's best judgement based on factors currently known but involve significant risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including but not limited to risks more fully described in the "Risk factors" section of the Company's Annual Report, and other risks detailed in filings with the Ontario Securities Commission. Forward-looking information provided pursuant to the safe harbor established by recent securities legislation should be evaluated in the context of these factors.