

NEWS RELEASE

August 11, 2003 – For Immediate Release

AIRBOSS ANNOUNCES 2nd QUARTER 2003 RESULTS

AirBoss of America Corp. (“AirBoss”) announces the following results for the six month period ended June 30, 2003:

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

	Six Month Period Ended June 30		Three Month Period Ended June 30	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Net sales	\$95,639	\$89,205	\$47,123	\$45,497
Gross profit	13,643	15,304	6,398	7,989
Earnings before interest, taxes and amortization (EBITDA) (Note 1)	6,168	6,713	3,159	3,623
Interest	1,406	1,512	733	751
Income before income taxes	1,932	3,014	931	1,727
Net income	1,280	1,847	608	1,093
Earnings per share - Basic	\$0.06	\$0.08	\$0.03	\$0.05
- Diluted	0.06	0.08	0.03	0.05
EBITDA per share (weighted basic) (Note 1)	\$0.27	\$0.30	\$0.14	\$0.16
Cash flow	\$4,574	\$4,822	\$2,624	\$2,528
Cash flow per share (weighted basic)	\$0.20	\$0.21	\$0.12	\$0.11
Weighted average number of common shares outstanding (million):				
-Basic	22.5	22.5	22.5	22.5
-Diluted	22.5	22.5	22.5	22.5

Note 1

The Company discloses EBITDA, a financial measurement used by interested parties. EBITDA does not have a standardized meaning prescribed by GAAP and is not necessarily comparable to similar measures presented by other issuers. EBITDA is not a measure of performance under GAAP and should not be considered in isolation or as a substitute for net income under GAAP.

Sales for the six month period ended June 30, 2003 increased by 7% while earnings per share decreased to \$0.06 per share compared to \$0.08 the previous year. Earnings continued to be negatively impacted by exchange rate fluctuations. The estimated reduction in earnings in the second quarter due to the increase in the Canadian dollar was \$0.045 per share and \$0.075 per share for the six month period to date.

Sales increases were attributable to increased volume in both military protective wear and rubber compounding. The increased sales of rubber compounds was constrained by weak demand in the U.S. in the second quarter. The Company's U.S.-based Railway Products division also reported sales increases in U.S. dollars but these were reduced compared to last year after translation in Canadian dollars.

Margins continue to be impacted by the first quarter increases in key raw materials. Due to the weak demand in the U.S. market it has not been possible to recover these increases completely. There has not been any noticeable downward trend in material prices despite the weakening in North American demand.

The Company has increased sales volumes and expanded its penetration of key markets such as military protective wear despite the significant negative impact of the higher Canadian dollar, the weak U.S. industrial products market and high raw material costs. While a stable exchange rate will, in itself, improve profitability, the Company believes that an improvement in North American demand, a reduction in raw material costs or an increase in capacity utilization is required before gross margin percentages return to levels earned in prior years.

While there are some indications of improvement in the third quarter, the sentiment of key customers remains extremely guarded. We are satisfied with our ability to maintain or increase sales and must now balance this, in the short term, with cost reduction initiatives. We will continue to aggressively pursue the expansion of our major customer base as increased asset utilization remains our most effective means of increasing profitability.

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

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The full quarterly report will be posted on the Company's website (www.airbossofamerica.com).

A conference call to discuss the quarterly results is scheduled for 11am EDT, Tuesday, August 12, 2003. Please either follow the link on our website or at www.ccnmatthews.com under webcasts and/or dial in to the following numbers: 416-695-9753 or Toll Free: 1-877-667-7774

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.