

# AirBoss of America Corp.

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Toronto Stock Exchange Symbol: BOS

## NEWS RELEASE

March 23, 2006 - For Immediate Release

### AIRBOSS ANNOUNCES 2005 RESULTS

AirBoss of America Corp. ("AirBoss") announces the following results for the year ended December 31, 2005:

(thousand \$CAD except per shares amounts)	Twelve-months ended December 31		Three-months ended December 31	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Net Sales from continuing operations	\$226,242	\$192,595	\$51,258	\$49,246
Income before interest, tax & amortization (EBITDA) (note 1)	9,963	17,146	1,922	4,414
Net income from continuing operations (note 2)	1,552	4,871	182	833
Net income (loss) from discontinued operations	49	(3,139)	46	(1,592)
Net income (loss)	1,601	1,732	228	(759)
Net income per share, from continuing operations (note 2)				
Basic	0.07	0.22	0.01	0.04
Diluted	0.06	0.21	0.01	0.04
Net income per share				
Basic	0.07	0.08	0.01	(0.03)
Diluted	0.07	0.08	0.01	(0.03)
Cash flow before changes in non-cash working capital	6,207	11,550	1,371	2,330
Common shares outstanding (million:)				
Basic	22.7	22.5	22.9	22.6
Diluted	24.0	23.0	24.1	23.0

Sales increased by 17.5% for the year ended December 31, 2005. The sales increases came from all three of the Company's businesses including rubber compounding, military and first response safety products and railway track fastening products.

Net income for the year from continuing operations before taxes was reduced by \$5.5 million due to two non-recurring items including the settlement of a US patent lawsuit and the closure of a temporary rubber mixing facility.

The outlook for 2006 is for continued high demand for the Company's products which serve the mining, energy generation, transportation and military protective wear markets. The opening of our newest manufacturing location in the US at the end of the first quarter in 2006 will improve manufacturing efficiencies in rubber mixing and provide much needed additional capacity.

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.

	Twelve-months ended December 31		Three-months ended December 31	
	2005	2004	2005	2004
Income from continuing operations, before income taxes	\$2,292	\$7,612	\$360	\$1,584
Interest expense	2,855	2,885	546	780
Amortization from continuing operations	4,816	6,649	1,016	2,050
EBITDA – continuing operations	\$9,963	\$17,146	\$1,922	\$4,414

Note (2)

Royalty income of \$0.8 million or \$0.025 in net income per share from continuing operations, was reclassified from income from continuing operations to income from discontinued operations. The Company expects to receive royalty income over a 5 year period.

AirBoss of America Corp. develops, manufactures, and sells high quality, proprietary rubber-based products offering enhanced performance and productivity to transportation, military and industrial markets. With a capacity to supply over 250 million pounds of rubber annually to a diverse group of rubber manufacturers, AirBoss is also one of North America's largest custom rubber compounding companies. The Company's shares trade on the TSX under the symbol BOS. Visit [www.airbossofamerica.com](http://www.airbossofamerica.com).

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***A conference call to discuss the year end results is scheduled for 11 am EDT, Friday, March 24, 2006. Please either follow the link on our website or at [www.ccnmatthews.com](http://www.ccnmatthews.com) under webcasts and/or dial in to the following numbers: 416-695-7848 or Toll Free: 1-877-323-2092. Playback transcripts will be available for two weeks at 1- 888-509-0082.***

#### AIRBOSS FORWARD LOOKING STATEMENT DISCLAIMER

This report contains forward-looking statements, which reflect management's best judgment 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.