



NEWS RELEASE

August 12, 2009 - For Immediate Release

Record Sales of Defense Products Offset by Declines in Rubber Compounding

AIRBOSS ANNOUNCES 2nd Quarter 2009 RESULTS

AirBoss of America Corp. ("AirBoss") announces the following results for the three and six month periods ended June 30, 2009:

<u>(thousand \$CAD, except shares and per share amounts)</u>	Three months ended June 30		Six months ended June 30	
	2009	2008	2009	2008
Net Sales	\$48,545	\$64,805	\$101,630	\$119,939
Gross margin	886	7,772	5,867	12,774
Earnings before interest, tax and amortization (EBITDA) (Note 1)	923	5,805	3,214	9,302
Interest expense	424	632	948	1,339
Net income	(603)	2,771	(181)	3,769
<u>Net income per share</u>				
-Basic and Diluted	(0.03)	0.11	(0.01)	0.15
<u>Cash flow before changes in non-cash working capital</u>	(679)	3,616	1,639	5,882
<u>Common shares outstanding (millions)</u>				
-Basic	23.6	23.8	23.8	23.8
-Diluted	23.6	23.8	23.8	23.8

Due to North American-wide demand volume reductions and the one-time costs of disposing of high priced raw materials which is now complete, the Rubber Compounding Division generated losses for the quarter. Non-recurring items in the quarter also included the write-down of \$0.4 million of certain manufacturing equipment which was replaced in an efficiency initiative. This was offset by increases in AirBoss-Defense where sales for the six-month period ended June 30, 2009 increased by 20% while divisional EBIT increased by 158% to \$8.1 million.

As a result of reducing costs and implementing other improvements which significantly reduced our break-even point, our Rubber Compounding division has returned to profitability in July 2009.

AirBoss-Defense will continue to grow over the next 18 months. During that period we will be opening production facilities in the US, introducing the next generation CBRN ("Chemical, Biological, Radiological and Nuclear") overshoe and identifying and pursuing opportunities to increase the protection product line.

With both businesses set to perform better in the second half, we anticipate a much improved bottom line performance to the end of the year.

During the quarter, the Company purchased back 166,400 shares for \$0.4 million.

AirBoss of America Corp. develops, manufactures, and sells high quality, proprietary rubber-based products offering enhanced performance and productivity to the military protection, transportation, and industrial markets. With a capacity to supply 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.airbossamerica.com.

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A conference call to discuss the quarterly results is scheduled for 10:00 am EDT, August 13th, 2009. Please follow the link on our website or at www.marketwire.com under webcasts or dial in to the following numbers: 416-340-2216 or Toll Free: 1-866-226-1792. Direct Replay Access number: 1-800-408-3053.

Note 1 - EBITDA refers to net earnings from continuing operations determined in accordance with GAAP, before amortization, interest expense and income tax. The Company discloses EBITDA, a financial measurement used by interested parties and investors to monitor the ability of an issuer to generate cash from operations for debt service, financing working capital and capital expenditures, and pay dividends. 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.

(\$thousands)	Three months ended June 30		Six months ended June 30	
	2009	2008	2009	2008
Income before income taxes	(1,190)	3,842	(577)	5,421
Interest expense	424	632	948	1,339
Amortization	1,689	1,331	2,843	2,542
EBITDA	923	5,805	3,214	9,302

AIRBOSS FORWARD LOOKING STATEMENT DISCLAIMER

Certain statements included herein, including those that express management's expectations or estimates of future developments or AirBoss' future performance, constitute "forward-looking statements" within the meaning of applicable securities laws. Words such as "may", "could" "expects", "anticipates", "forecasts", "plans", "intends" or similar expressions are intended to identify forward-looking statements.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management at the time the statements are made, are inherently subject to significant business, economic and competitive uncertainties and contingencies. AirBoss cautions that such forward-looking statements involve known and unknown risks, uncertainties and other risks that may cause AirBoss' actual financial results, performance, or achievements to be materially different from its estimated future results, performance or achievements expressed or implied by those forward-looking statements. Numerous factors could cause actual results to differ materially from those in the forward-looking statements, including without limitation: changes in accounting policies and methods including uncertainties associated with critical accounting assumptions and estimates; AirBoss' ability to maintain existing customers or develop new customers in light of increased competition; cyclical trends in the tire and automotive, construction, mining, retail and rail transportation industries; sufficient availability of raw materials at economical costs; weather conditions affecting raw materials, production and sales; potential product liability and warranty claims; its dependence on key customers; equipment malfunction; changes in the value of the Canadian dollar relative to the US dollar; ability to obtain financing on acceptable terms; environmental damage caused by it and non-compliance with environmental laws and regulations; changes in tax laws; potential litigation; and the impact of general economic conditions.

This list is not exhaustive of the factors that may affect any of AirBoss' forward-looking statements. Investors are cautioned not to put undue reliance on forward-looking statements. All subsequent written and oral forward-looking statements attributable to AirBoss or persons acting on its behalf are expressly qualified in their entirety by this notice. Whether as a result of new information, future events or otherwise, AirBoss disclaims any intent or obligation to update publicly these forward-looking statements. Risks and uncertainties about AirBoss's business are more fully discussed in the Management's Discussion and Analysis of Financial Condition and Results of Operations in the 2008 Annual Report to Shareholders under the heading "Risk Factors".