



NEWS RELEASE

March 17, 2009 - For Immediate Release

**AIRBOSS ANNOUNCES 2008 RESULTS**  
**Adjusted net income from operations up 71%**  
**Cash flow up 66%**

AirBoss of America Corp. ("AirBoss") announces the following results:

(\$ thousands, except shares and per share amounts)	Three months ended December 31		Twelve months ended December 31	
	2008	2007	2008	2007
Net Sales	<b>74,528</b>	48,759	<b>259,414</b>	209,373
Gross margin	<b>9,366</b>	4,691	<b>30,372</b>	18,623
Earnings before interest, tax and amortization from continuing operations (EBITDA) (Note 1)	<b>2,552</b>	2,425	<b>16,962</b>	11,696
Goodwill impairment charge	<b>7,944</b>	-	<b>7,944</b>	-
Interest expense	<b>701</b>	662	<b>2,696</b>	3,253
Net income (loss) from continuing operations	<b>(7,009)</b>	1,129	<b>(1,486)</b>	3,857
Net income (loss) from discontinued operations	<b>193</b>	(184)	<b>400</b>	257
Net income (loss)	<b>(6,816)</b>	945	<b>(1,086)</b>	4,114
<u>Net income per share</u>				
-Basic	<b>(0.29)</b>	0.04	<b>(0.05)</b>	0.17
-Diluted	<b>(0.29)</b>	0.04	<b>(0.05)</b>	0.17
<u>Adjusted net income per share</u>				
-Basic	<b>0.05</b>	<b>0.04</b>	<b>0.29</b>	<b>0.17</b>
-Diluted	<b>0.05</b>	<b>0.04</b>	<b>0.29</b>	<b>0.17</b>
<u>Cash flow before changes in non-cash working capital from continuing operations</u>	<b>690</b>	1,354	<b>10,038</b>	6,050
<u>Common shares outstanding (millions)</u>				
-Basic	<b>23.8</b>	23.8	<b>23.8</b>	23.8
-Diluted	<b>23.8</b>	24.0	<b>23.8</b>	24.0

Led by the continued strong performance by the AirBoss-Defense division the Company finished the year with an increase in sales of 24% to \$259 million while net income increased by 67% to \$6.9 million. Sales of defense protective wear increased by \$12 million or 45% compared to the previous year to \$40 million. Revenues included approximately \$4.3 million in gas mask sales to the Canadian DND and increased volumes of CBRN ("Chemical, Biological, Radiological, Nuclear") protective wear to both the US and Canadian militaries.

Sales of rubber compounds increased by \$32 million or 20% compared to 2007 despite a difficult year in the rubber industry. While the Company's overall share of the custom compound market increased, most of the sales dollar increase was due to inflationary pressures resulting from dramatic price increases in natural and synthetic rubber, chemicals and carbon blacks.

The increased sales of defense products, improved manufacturing efficiencies and favourable exchange rates in the fourth quarter contributed to improved profit performance for the year.

The Rubber Compound group will be operating in an extremely difficult environment throughout 2009 and will focus on new initiatives and utilizing its strengths to increase market share further while AirBoss–Defense is anticipating another record year in both sales and return on investment.

As a result of the decrease in market value of the common shares at year end, the auditors recommended the write-down of certain intangible assets despite the increase in adjusted net income of 71% and cash flow of 66%. The goodwill write-off is non-cash in nature and is not deductible for tax. As a result, no tax benefit was recorded.

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 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 10:00 am EDT, March 18, 2009. Please follow the link on our website or at [www.marketwire.com](http://www.marketwire.com) under “webcasts” or dial in to the following numbers: 416-641-6139 or Toll Free: 1-866-299-6657. Direct Replay Access number: 1-800-408-3053.

**Note 1:**

The Company discloses EBITDA, based on the Company’s continuing operations, 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.

(\$ thousands)	Three months ended		Twelve months ended	
	December 31	2007	December 31	2007
Income (loss) from continuing operations before income taxes	<b>556</b>	600	<b>9,253</b>	3,936
Interest expense	<b>701</b>	662	<b>2,696</b>	3,253
Amortization from continuing operations	<b>1,295</b>	1,163	<b>5,013</b>	4,507
EBITDA from continuing operations	<b>2,552</b>	2,425	<b>16,962</b>	11,696

**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, and potential litigation.*

*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 2007 Annual Report to Shareholders under the heading "Risk Factors".*