



NEWS RELEASE

March 16, 2010 - For Immediate Release

**AIRBOSS ANNOUNCES 2009 RESULTS  
STRONG PERFORMANCE CONTINUES**

**2009 Highlights:**

- **Record sales and earnings by AirBoss-Defense drives expansion into the US**
- **EBITDA at \$16.3 million despite difficult economic conditions**
- **\$29.5 million in net cash flow after capital additions eliminates operating loans**
- **Dividend increased by 60%**
- **Strong working capital position**

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	
	2009	2008	2009	2008
Net Sales	<b>57,729</b>	74,008	<b>209,921</b>	259,414
Gross margin	<b>7,442</b>	9,037	<b>21,439</b>	29,038
Earnings before interest, tax and amortization from continuing operations (EBITDA) (Note 1)	<b>5,454</b>	2,569	<b>16,313</b>	16,962
Interest expense	<b>382</b>	701	<b>1,736</b>	2,696
Net income (loss) from continuing operations	<b>2,637</b>	(6,950)	<b>6,276</b>	(1,308)
Net income (loss) from discontinued operations	-	194	-	400
Net income (loss)	<b>2,637</b>	(6,756)	<b>6,276</b>	(908)
<u>Net income per share from continuing operations</u>				
-Basic	<b>0.11</b>	(0.29)	<b>0.26</b>	(0.05)
-Diluted	<b>0.11</b>	(0.29)	<b>0.26</b>	(0.05)
<u>Net income per share</u>				
-Basic	<b>0.11</b>	(0.28)	<b>0.26</b>	(0.04)
-Diluted	<b>0.11</b>	(0.28)	<b>0.26</b>	(0.04)
<u>Cash flow before changes in non-cash working capital from continuing operations</u>	<b>3,362</b>	683	<b>9,972</b>	10,038
<u>Common shares outstanding (millions)</u>				
-Basic	<b>23.8</b>	23.8	<b>23.7</b>	23.8
-Diluted	<b>23.9</b>	23.8	<b>23.7</b>	23.8

Strong performance in the second half of 2009 led by the AirBoss-Defense division has resulted in the Company earning \$0.27 cents per share in the last six months and \$0.26 for the year. In addition the Company repaid all operating bank loans, increased dividends, strengthened working capital and expanded production capabilities.

Sales of Chemical, Biological, Radiological, and Nuclear (“CBRN”) protective products increased in the fourth quarter compared to the previous year while rubber compounding markets continued to strengthen. The Company sees these trends continuing into 2010 and has increased the production capacity of the defense products by opening an injection molding facility in Vermont, USA.

The financial performance over the second half has allowed the Company to repay all bank operating loans while maintaining a \$35 million unused line of credit for future expansion. In addition the dividend was increased by 60%.

We believe that the improved financial performance of the last six months is sustainable in 2010. If this was to continue for the full year it would result in a doubling of year-over-year earnings per share in 2010 compared to 2009. We are confident that our dedicated team of professionals will continue to develop new and improved products to maintain our growth in rubber CBRN protective products. Our competitive advantages will continue to allow us to grow market share in our rubber compounding business. Additionally, we are well positioned to take advantage of strategic acquisitions as they may present.

AirBoss of America Corp. develops, manufactures, and sells high quality, proprietary rubber-based products offering enhanced performance to military and industrial markets. The Company is a world leader in the development and production of CBRN protective wear. 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 9:00 am EDT, March 17, 2010. 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: 416-695-6616 or Toll Free: 1-800-769-8320. 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 December 31		Twelve months ended December 31	
	2009	2008	2009	2008
Net Income	<b>2,637</b>	(6,756)	<b>6,276</b>	(908)
Goodwill Impairment	-	7,944	-	7,944
Income from discontinued operations	-	(194)	-	(400)
Income (loss) from continuing operations	<b>2,637</b>	994	<b>6,276</b>	6,636
Interest expense	<b>382</b>	701	<b>1,736</b>	2,696
Amortization from continuing operations	<b>1,398</b>	1,223	<b>5,582</b>	4,745
Provision for income taxes	<b>1,037</b>	(349)	<b>2,719</b>	2,885
EBITDA from continuing operations	<b>5,454</b>	2,569	<b>16,313</b>	16,962

**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 2008 Annual Report to Shareholders under the heading "Risk Factors".*