



**NEWS RELEASE**

**June 17, 2015 - For Immediate Release**

**AirBoss of America Corp. to Acquire Immediate Response Technologies, LLC**

**NEWMARKET, ONTARIO--(Marketwire - June 17, 2015)** - AirBoss of America Corp. (TSX:BOS) (the "Company" or "AirBoss"), announced today that it has entered into an agreement to acquire Immediate Response Technologies, LLC ("IRT"), a privately-owned U.S. company that is a leading provider of personal protection and safety products for Chemical-Biological-Radiological-Nuclear ("CBRN") hazards, as well as communicable diseases and respiratory threats for the individual, First Responder, Medical, Military, Law Enforcement, Fire and Industrial communities.

IRT is expected to generate sales of approximately US\$30 million and Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA") of between US\$8 and US\$9 for the full calendar year 2015. We welcome the management team and employees of IRT to AirBoss and look forward to their ongoing commitment to both IRT and AirBoss' broader Defense business.

AirBoss, through its wholly-owned U.S. subsidiary AirBoss-Defense Inc., will acquire all of the membership interests of IRT through an initial all cash transaction valued at approximately US\$37 million, subject to working capital adjustments, with additional payments in a combination of cash and equity of up to approximately US\$25 million subject to achievement of performance objectives over the 60 month period following the close of the transaction. The acquisition is expected to be immediately accretive to the Company's earnings per share and free cash flow per share.

"We are pleased to announce the strategic acquisition of IRT, which will provide an expanded defense product offering and diversification of revenue and cash flow" said Ms. Lisa Swartzman, President of AirBoss. "We believe IRT's product mix is uniquely positioned to respond to the increasing protection needs of the First Responder, Law Enforcement, Medical and Military communities to chemical and biological threats. With the acquisition of IRT, comes an exceptional team of military and defense executives who will further enhance our existing Defense operations, which will be fully integrated with the IRT business."

Tom Ripley, Managing Member of IRT's parent company stated, "I am proud of the significant growth and development of IRT, and the strong future pipeline of products and programs that we are integrated into. The dedication of our people has enabled IRT to become a leader in our field and we see the combination with AirBoss as an opportunity to further enhance our growth and that of the combined AirBoss Defense business."

"I have been fortunate to get to know Tom and Coleman (Ruiz, President, IRT) well through our commercial relationship on product development, and their knowledge and relationships in the defense sector will be an important addition to our AirBoss Defense team. We see strong synergies in personnel and product development. AirBoss Defense will market IRT's products to our international clients and IRT is expected to greatly improve our penetration in the First Responder, Medical, Military, Law Enforcement, Fire and Industrial markets", said P. Gren Schoch, Chairman and CEO of AirBoss.

**Acquisition Highlights**

- The all cash purchase price is approximately US\$37 million, subject to working capital adjustments, representing 5x trailing EBITDA.
- The acquisition will be financed with cash on hand and debt, with the Company utilizing its existing debt facilities. Following completion of the transaction there will be approximately \$45 million in undrawn facilities still available.

- IRT is located in Landover, MD and designs and manufactures high quality US-made rapidly deployable CBRN protection, decontamination, rapidly deployable and expeditionary shelters, medical isolation shelter systems, respiratory protection systems and filter canisters for the individual, First Responder, Medical, Military, Law Enforcement, Fire and Industrial communities.
- Acquisition provides revenue and cash flow diversification within AirBoss' Defense division, and is expected to position the Company extremely well for the increasing needs of first responders, law enforcement and military with growing chemical and biological threats.

Following the closing, IRT's senior management including Tom Ripley and Coleman Ruiz and the broader IRT management team will continue to run the day to day operations. Tom will become President of AirBoss Engineered Products.

The acquisition, which is expected to close during the third quarter of 2015, is subject to regulatory approval, including approval by The Committee on Foreign Investment in the United States ("CFIUS"), and to customary closing conditions.

National Bank Financial Inc. is acting as financial advisor to AirBoss, while Davies Ward Phillips & Vineberg LLP is serving as AirBoss' legal counsel.

### **Conference Call and Webcast Information**

AirBoss will host a conference call and a live internet webcast along with a slide presentation on June 18, 2015 at 9:00 am EDT to discuss the acquisition. 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: 416-340-8527 or Toll Free: 1-800-355-4959. Direct Replay Access number: 1-800-408-3053.

Please contact Lisa Swartzman, President or P. Gren Schoch, Chairman and CEO at 905-751-1188 for further information.

### **AirBoss of America Corp.**

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 Corporation's shares trade on the TSX under the symbol BOS. Visit [www.airbossofamerica.com](http://www.airbossofamerica.com).

### **Forward-Looking Information**

*Certain statements contained or incorporated by reference 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, and can generally be identified by words such as "will", "may", "could" "expects", "believes", "anticipates", "forecasts", "plans", "intends" or similar expressions. These statements are not historical facts but instead represent management's expectations, estimates and projections regarding future events and performance. Forward-looking statements are necessarily based upon a number of opinions, 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 risks, uncertainties and contingencies. AirBoss cautions that such forward-looking statements involve known and unknown contingencies, 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: impact of general economic conditions; its dependence on key customers; cyclical trends in the tire and automotive, construction, mining and retail industries; sufficient availability of raw materials at economical costs; weather conditions affecting raw materials, production and sales; AirBoss' ability to maintain existing customers or develop new customers in light of increased competition; changes in accounting policies and methods, including uncertainties associated with critical accounting assumptions and estimates; changes in the value of the Canadian dollar relative to the US dollar; changes in tax laws and potential litigation; ability to obtain financing on acceptable terms; environmental damage caused by it and non-compliance with environmental laws and regulations; potential product liability and warranty claims and equipment malfunction. This list is not exhaustive of the factors that may affect any of AirBoss' forward-looking statements. All of the forward-looking information in this press release is expressly qualified by these cautionary 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. Forward-looking information contained herein is made as of the date of this press release and, whether as a result of new information, future events or otherwise, AirBoss disclaims any intent or obligation to update publicly these forward-looking statements except as required by applicable laws. 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 2014 Annual Report to Shareholders under the heading "Risk Factors".*