



NEWS RELEASE

May 7, 2014 - For Immediate Release

AIRBOSS ANNOUNCES 1st Quarter 2014 RESULTS

Q1 2014 versus Q1 2013 Highlights:

- Net sales increases by 31%
- EPS increased to \$0.11 USD, up 22%
- EBITDA up by 45%

(In thousands of US dollars except per share amounts)	Three months ended March 31	
	2014	2013
Net sales	71,416	54,359
Gross margin	9,450	6,492
Earnings before interest, tax and amortization from operations (EBITDA) (Note 1)	6,268	4,314
Finance costs	(580)	192
Net income	2,481	2,046
<u>Net income per share</u>		
- Basic	0.11	0.09
- Diluted	0.11	0.09
<u>Common shares outstanding (millions)</u>		
- Basic	22,749,156	22,498,247
- Diluted	22,966,032	22,699,617

Net income increased 21% over the first quarter 2013 reflecting the positive benefit of the Flexible Products automotive acquisition. The first quarter performance was achieved despite adverse weather affecting the Rubber Compounding business and a decline in Engineered Products revenue. The compounding business continues to see a weakness in the mining industry; however, sees a strengthening in the tire industry. Raw material prices appear to be stable going forward. The Flexible automotive business continues to benefit from a strong US auto market and expects this to continue throughout 2014.

Engineered Products which includes Defense, is down significantly compared to prior year due to an overall weakness in the defense industry.

Various initiatives are underway to improve margins including productivity efforts and the introduction of new products. AirBoss continues to build upon its core strengths to add greater value to its customers. Automotive is expected to continue to perform strongly for the remainder of the year through the introduction of mid-year new product launches. New markets where we have experienced recent success, such as oil and gas, continue to perform well and we are optimistic about the improvement

of all other sectors over 2013. We continue to aggressively pursue options to accelerate growth both organically and through additional strategic acquisitions.

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. AirBoss-Defense is a world leader in rubber chem-bio protective wear. AirBoss' Flexible Products is a leading supplier of innovative anti-vibration solutions to the North American automotive market. The Corporation's shares trade on the TSX under the symbol BOS. Visit www.airbossamerica.com.

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The annual meeting is scheduled for 4:30 p.m. EDT Thursday, May 8, 2014 at the Company's head office at which time the results for the 1st Quarter will also be discussed. Please follow the link on our website or at www.marketwired.com under webcasts or dial in to the following numbers: 416-340-8530 or Toll Free: 1-800-766-6630. Direct Replay Access number: 1-800-408-3053.

Note 1:

(in thousands of US dollars)	Three months ended	
	2014	March 31 2013
Net income	2,481	2,046
Finance costs	580	192
Amortization	2,075	1,431
Provision for income taxes	1,132	645
EBITDA	6,268	4,314

AIRBOSS FORWARD LOOKING STATEMENT DISCLAIMER

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 2013 Annual Report to Shareholders under the heading "Risk Factors".