



NEWS RELEASE

November 5, 2014 - For Immediate Release

AIRBOSS ANNOUNCES 3rd Quarter 2014 RESULTS

Q3 2014 Highlights:

- **Net sales increased by 42.6%**
- **Gross margin improved from 11.8% to 15.7%**
- **EPS increased to US \$0.17, an increase of 88.9%**
- **EBITDA increased by 99.6%**

(US \$thousands, except shares and per share amounts)	Three months ended September 30		Nine months ended September 30	
	2014	2013	2014	2013
Net Sales	74,219	52,040	225,108	166,058
Gross margin	11,630	6,138	33,565	20,726
Earnings before interest, tax and amortization from operations (EBITDA) (Note 1)	7,833	3,925	21,960	14,257
Interest expense	510	212	1,715	606
Net income	3,861	2,024	10,122	7,130
<u>Net income per share</u>				
-Basic	0.17	0.09	0.44	0.31
-Diluted	0.17	0.09	0.44	0.31
<u>Common shares outstanding (millions)</u>				
-Basic	22.8	22.7	22.8	22.7
-Diluted	23.1	22.7	23.1	22.7

Net income increased 86.4% and gross margin increased from 11.8% to 15.7% over third quarter 2013 reflecting the continued improvements that management's efforts are having on the business and the increase from Automotive. Rubber Compounding volumes (expressed in pounds) increased 13% over 2013 with weakness in some traditional markets, predominantly conveyor belts and related OTR tire retreading, more than offset by strengthening in other industry segments. The Automotive business continues to benefit from a strong US auto manufacturing environment and expects this to continue throughout the end of 2014.

Engineered Products which includes Defense, continues to experience softness compared to 2013, primarily due to an overall weakness in the defense industry; however, Defense recently announced an approximately \$15 million order of its CBRN protective over-boots from the US Department of Defense ("DoD").

We are pleased with the performance of the business both in the third quarter and year-to-date. This has been a transformational year for us and we are encouraged by the team's focus and commitment on executing on the many opportunities we see before us.

AirBoss of America Corp. is a group of complementary businesses using compounding technology and engineering expertise to create value for its customers. With a capacity to supply over 250 million pounds of rubber annually, AirBoss Rubber Compounding is one of North America's largest custom rubber compounding companies. AirBoss Engineered Products is a world leader in the supply of life saving products for the military and essential calandered, extruded and molded products for a broad range of applications. 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.airbossofamerica.com.

Contact Lisa Swartzman, Executive Vice President Corporate Affairs or Wendy Ford, CFO (905) 751-1188

A conference call to discuss the quarterly results is scheduled for 9:00 a.m. EDT Thursday, November 6, 2014. Please follow the link on our website or at www.marketwired.com under webcasts or dial in to the following numbers: 416-340-2216 or Toll Free: 866-223-7781. Direct Replay Access number: 1-800-408-3053.

Note 1:

<i>In thousands of US dollars</i>	Three months ended		Nine months ended	
	September 30		September 30	
	2014	2013	2014	2013
Net income	3,861	2,024	10,122	7,130
Interest expense	510	212	1,715	606
Amortization	2,206	1,467	6,526	4,438
Provision for income taxes	1,256	222	3,597	2,083
EBITDA	7,833	3,925	21,960	14,257

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".