AIRBOSS OF AMERICA CORP.

2004 First Quarter Interim Report

(thousands, except per share amounts)	For the three months ended March 31 2004	2003
Net sales	**$ 48,254**	$ 48,516
Gross margin	**7,009**	7,245
Earnings before interest, taxes & amortization (EBITDA) (Note 1)	**2,989**	3,009
Interest	**698**	673
Income before income taxes	**906**	1,001
Net income	**591**	672
Earnings per share – Basic	**$ 0.03**	$ 0.03
– Diluted	**0.03**	0.03
EBITDA per share (Basic) (Note 1)	**$ 0.13**	$ 0.13
Cash flow before changes in non-cash working capital	**$ 2,412**	$ 1,950
Common shares outstanding (million) – Basic	**22.5**	22.5
– Diluted	**23.0**	23.1

Note 1 – The Company discloses EBITDA, 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.

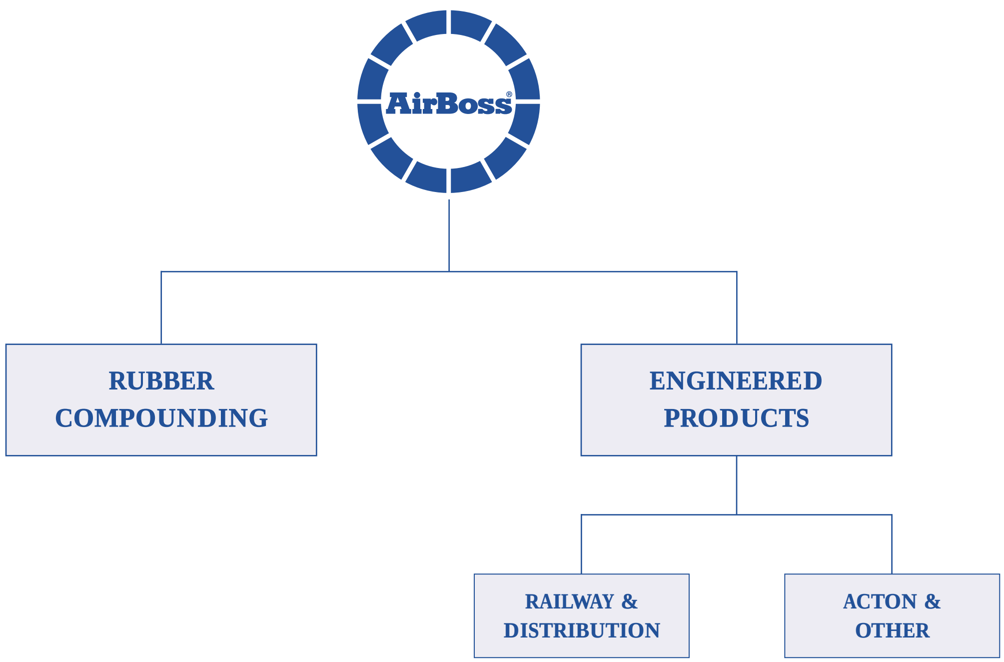
(thousands)	For the three months ended March 31 2004	2003
Income before income taxes	**$ 906**	$ 1,001
Interest	**698**	673
Amortization	**1,385**	1,335
EBITDA	**$ 2,989**	$ 3,009

AirBoss of America Corp.

AirBoss of America Corp. develops, manufactures and sells high quality, proprietary rubber-based products offering enhanced performance and productivity. The Company is focused on the manufacturing of quality rubber compounds as well as specialty rubber and plastic moulded products.

AirBoss is one of North America's largest custom rubber mixers with a capacity to supply over 200 million pounds of rubber annually to a diverse group of rubber products manufacturers.

AirBoss engineers and moulds rubber and plastic products for the transportation, military and industrial markets as well as for its own proprietary designs of military protective wear, commercial footwear and tires.



CONTENTS

Letter to Shareholders

Sales for the three month period ended March 31, 2004 rebounded strongly from the fourth quarter of 2003. Increased volumes were offset by the lower translation of U.S. denominated sales.

AIRBOSS RUBBER COMPOUNDING

The Rubber Compounding division experienced a significant growth in the first quarter of 2004. Sales, in dollars, increased by 13% to $28.3 million and by 17% in terms of pounds shipped. Increased volumes came from a broad range of customers, however major tire and conveyor belt manufacturers were the most significant. Market improvements in these sectors combined with the announced closure of a competitor were contributing factors in this increase. This trend has continued into the second quarter where orders and shipments continue to be materially higher than in 2003.

Gross margins remain below historical averages due to continued higher raw material prices. This trend is expected to continue for natural rubber, synthetic rubber and carbon black. Margin improvement in the short term will come from greater utilization of capital assets and production efficiencies.

AIRBOSS-ACTON

Sales were affected by the shift of military contract orders from the first quarter to later in the year. Orders recently received for protective gloves as well as contracts previously announced for boots confirm the continued rapid growth of Acton's AirBoss-Defense protective wear business.

Gross margins remained comparable to last year but should improve as the Company shifts production away from commercial footwear into more profitable product lines. We anticipate production of commercial footwear will be completed by the middle of the third quarter of the current year.

AIRBOSS RAILWAY PRODUCTS

Sales for the first quarter of 2004 were equal to the previous year in U.S. dollars but declined when translated. We are currently anticipating an increase in U.S. dollar sales of 10% to 15% for the year. This is due to an increase in the usage of concrete ties, an increase in the sales of metal fastening clips and additional volume due to special construction projects.

The October, 2003 ruling by the Western District Court of Missouri has been appealed, however, we do not anticipate any ruling by the Court of Appeal until late in the second quarter at the earliest.

FINANCIAL

The expeditious return to profitability in the first quarter was due, in equal measure to the stabilization of the currency, resolution of labour issues in Acton and significant demand and volume increases in rubber compounding. Cash flow generated was 24% greater than a year ago at $2.4 million. While working capital requirements have increased since the end of the year due to the sales increases, they are well within normal credit lines and availabilities.

The Company still anticipates reducing funded debt levels from operating profits and reduced requirements once production of commercial footwear is completed in the third quarter.

OUTLOOK

The increases in volumes in compounds is continuing in the second quarter and will be augmented by gains in both military and railway products. While margins continue to be impacted by high raw material prices, increased volumes along with the decision to de-emphasize commercial footwear and the implementation of programs to reduce costs should improve profitability.

Our commitment to increase our return on assets employed while maximizing our growth potential is evidenced by the addition of a Chief Operating Officer. We are pleased to welcome Kim Aagaard to our management team as C.O.O. He will provide additional capabilities to manage profitable internal sales expansion in changing markets while evaluating external opportunities as they arise.

P.G. Schoch
Chairman

Robert L. Hagerman
President and Chief Executive Officer

Management's Discussion and Analysis of Financial Condition and Results of Operations

The interim consolidated financial statements of AirBoss of America Corp. for the first quarter ended March 31, 2004 have not been audited or reviewed on behalf of the shareholders by the Company's independent external auditors.

SELECTED FINANCIAL INFORMATION

First Quarter ended March 31 (thousands except shares and per share amounts)	2004	2003
Net sales	**$ 48,254**	$ 48,516
Net income (loss)	**591**	672
Earnings per share – Basic	**0.03**	0.03
– Diluted	**0.03**	0.03
Cash flow before changes in non-cash working capital	**2,412**	1,950
Total assets	**124,896**	132,022
Demand loan	**15,694**	15,577
Current portion of term loan and other debt	**23,857**	3,777
Long-term financial liabilities	**–**	23,220
Cash dividends declared	**$ –**	$ –

QUARTERLY INFORMATION

(thousands except share and per share amounts)

			Net Earnings Per Share	
Quarter Ended	**Sales**	**Net Income**	**Basic**	**Diluted**
March 31, 2004	$ 48,254	$ 591	$ 0.03	$ 0.03
December 31, 2003	34,930	(5,723)	(0.25)	(0.25)
September 30, 2003	45,301	133	0.01	0.01
June 30, 2003	47,123	608	0.03	0.03

(thousands except per share amounts)

			Net Earnings Per Share	
Quarter Ended	**Sales**	**Net Income**	**Basic**	**Diluted**
March 31, 2003	$ 48,516	$ 672	$ 0.03	$ 0.03
December 31, 2002	45,556	684	0.03	0.03
September 30, 2002	47,924	1,026	0.05	0.05
June 30, 2002	45,497	1,093	0.05	0.05

RESULTS OF OPERATIONS – 2004 compared to 2003

SALES

Sales revenue for the first quarter ended March 31, 2004 of $48,254 were essentially unchanged from the same period in 2003. Gains from higher volumes were offset by the loss on translation of U.S. dollar revenues.

Management's Discussion and Analysis of Financial Condition and Results of Operations *(continued)*

($000)	Rubber Compounding Operations	Engineered Products		Total
		Railway & Distribution	Acton & Other	
Net Sales – 2004	$ 28,341	$ 6,649	$ 13,264	**$ 48,254**
– 2003	24,697	7,655	16,164	**48,516**
Increase (decrease) $	3,644	(1,006)	(2,900)	**(262)**
Increase (decrease) %	13%	(32%)	(18%)	**–%**

Rubber Compounding – Sales increased by 13% to $28,341. Volumes increased due to general demand increases and as the result of the announced closure of a major competitor.

Railway and Distribution – This segment operates almost exclusively in the USA. Sales declined 13% due entirely to the U.S. dollar decline. Sales volumes before currency translation are expected to equal or surpass 2003 levels as the result of increased railway clip sales.

Acton and Other – Sales decreased $2.9 million of which $1.1 million is due to the decline of the U.S. dollar. The remainder of the difference is due to a shift in the timing of military sales from the first quarter to later in the year. In total, military sales in 2004 are expected to exceed 2003 levels. Sales of commercial footwear exceeded the first quarter of 2003 by 11% as the result of the more severe winter conditions and the elimination of the order backlog stemming from the labour disruption in the third and fourth quarters of 2003.

GROSS MARGINS

Gross margins for three months ended March 31, 2004 decreased $236 from $7,245 to $7,009 attributed mostly to U.S. currency conversion.

($000)	Rubber Compounding Operations	Engineered Products		Total
		Railway & Distribution	Acton & Other	
Gross Margins – 2004	$ 3,117	$ 1,259	$ 2,633	**$ 7,009**
– 2003	2,595	1,441	3,209	**7,245**
Increase (decrease) $	522	(182)	(576)	**(236)**
% of net sales – 2004	10.5%	18.9%	18.0%	**14.5%**
– 2003	9.9%	18.8%	18.0%	**14.9%**

Rubber Compounding – The division made significant strides in increasing volume, which resulted in higher total gross margin. Gross margin in the division still remains below traditional levels due to the competitiveness of the market-place and the difficulty the industry has had in absorbing higher commodity prices.

Railway and Distribution – Gross margins decreased $182 of which $150 is due to the impact of exchange rates and the balance due to slightly lower Distribution volumes. Gross margin as a percentage improved because of a higher mix of more profitable fastening products.

Acton and Other – Gross margins declined $576 but remained constant at 18% of sales. Margins are expected to improve as higher margin military product sales increase during the remainder of the year.

OPERATING EXPENSES

Operating expenses declined by $141 from $6,244 to $6,103 during the first quarter ended March 31, 2004 compared to the same quarter in 2003. The $259 reduction of foreign exchange losses from $266 in 2003 to $7 in 2004 was the single largest factor and this was due to the reduced volatility of the U.S. dollar in 2004. Overall selling, general and administrative expenses increased by $136.

($000)	Rubber Compounding Operations	Engineered Products		Corporate & Inter-Company Elimination	Total
		Railway & Distribution	Acton & Other		
Operating expenses[1] – 2004	2,115	774	2,614	600	**6,103**
– 2003	1,830	1,131	2,798	485	**6,244**
Increase (decrease)	285	(357)	(184)	115	**(141)**

[1]Operating expenses include total operating expenses, interest expense on demand loan and long-term debt, and, other expense.

Rubber Compounding – Operating expenses increased by $285 mostly due to higher freight costs stemming from both rate increases and higher volume sales to customers throughout North America.

Railway and Distribution – Operating expenses decreased by $357 largely due to the foreign currency translation of the U.S.-based business results.

Acton and Other – Selling, general and administrative expenses in 2004 remained at 2003 levels due to the cost containment measures implemented during the first quarter and which will benefit future quarters more significantly. The overall cost reduction resulted from the reduction of foreign exchange losses, incurred in 2003, due to the volatility of the U.S. dollar during that time.

RESULTS OF OPERATIONS – 2003 compared to 2002

SALES

Sales for the first quarter ended March 31, 2003 increased 11% from $43.7 million to $48.5 million. In the Acton and Other segment, Acton sales increased 30% due to increased demand for military footwear, gloves and gas masks. AirBoss Rubber Compounding volumes to existing and new customers increased by 10%. In the Railway and Distribution segment, the Railway division maintained its sales volumes but revenues declined due to the conversion of U.S. dollar sales to Canadian dollars.

GROSS MARGINS

Gross margins for the first quarter ended March 31, 2003, compared to the same quarter in 2002, declined from 17% of sales to 15%. The decline occurred almost exclusively in the AirBoss Rubber Compounding division. Despite increased sales, the rapid decline of the U.S. dollar resulted in a write-down of U.S. dollar-purchased raw materials of approximately $0.7 million, which was charged to cost of sales. The foreign exchange impact was exacerbated by increases in rubber and carbon black costs, which could not be passed on to customers in the same timeframe. Gross margins in the Acton and Other segment improved due to the increased volume of military sales to the USA but were also negatively affected by the decline of the U.S. dollar. Railway division gross margins remained steady in its U.S.-based currency but declined on conversion to Canadian dollars.

EXPENSES

Operating expenses for the quarter ended March 31, 2003 increased 1.3% over the same period in 2002 largely due to increased sales and distribution costs associated with increased volumes.

OTHER EXPENSE

Other expense represents foreign currency translation losses.

Management's Discussion and Analysis of Financial Condition and Results of Operations *(continued)*

LIQUIDITY AND CAPITAL RESOURCES – 2004

Cash flows from operations – AirBoss generated $2.4 million in operating cash flows before changes in non-cash working capital balances during the first quarter ended March 31, 2004 compared to $2.0 million in 2003. The increase is mainly due to higher future tax liabilities arising from the application of loss carry-forward reserves.

Non-cash working capital – The use of non-cash working capital investment decreased to $2.3 million during the first quarter ended March 31, 2004 an improvement of $1.2 million over 2003.

The following is a summary of cash provided by (used for) changes in working capital balances:

($000)	Change from prior year end	
Quarter ended March 31	**2004**	2003
Cash provided by (used for)		
Accounts Receivable	**$ (5,255)**	$ (4,864)
Inventories	**(484)**	733
Income taxes payable (receivable)	**215**	465
Prepaid expenses	**(451)**	335
Accounts payable and accrued liabilities	**3,646**	(181)
	$ (2,329)	$ (3,512)

Overall, the amount of cash used for working capital balances traditionally increases during the first three quarters as the rate of activity increases. The net increase in the first quarter ended March 31, 2004 was $1.2 million less than for the comparable quarter in 2003 largely as the result of better cash management offset by the impact of higher sales activity.

The effective income tax rate for the three months ended March 31, 2004 was affected by non-income based taxes, like the federal large corporations tax. Income taxes for the comparable quarters were as follows:

Quarter ended March 31	**2004**	2003
Canadian tax rate net of manufacturing and processing deduction	$ 304	$ 324
Federal large corporations tax	25	53
Foreign tax differentials	31	11
Tax recoveries and other	(45)	(59)
	$ 315	$ 329

Capital expenditures – Capital expenditures for the first quarter ended March 31, 2004 were $1,157 comparable to the $1,187 in the same period of 2003. Of this amount, $567 was spent in AirBoss Rubber Compounding of which over $425 was used to maintain and upgrade production assets, building maintenance and improvements to systems. Acton and Other spent $552 mostly to expand military production capacity.

Financing – The financial results of the fourth quarter of 2003 were materially affected by certain events, which triggered a violation of two covenants governing both the operating line of credit and the term loan. Since the covenants are based on a four-quarter trailing EBITDA calculation and because the fourth quarter 2003 results weigh heavily on the calculation, the Company remains in violation of these covenants as at March 31, 2004. AirBoss anticipates that it will continue to remain in violation until the fourth quarter of 2004 when the trailing 2003 fourth quarter drops from the calculation.

The term lenders waived the breaches of the covenants at December 31, 2003 and for the first fiscal quarter of 2004 and have extended the waiver into the second quarter of 2004. However, because neither lender is in a position to approve a waiver for a full year, the Company is required by Canadian GAAP to reclassify the $19.75 million long-term portion of the loan as a current liability while the lenders have the right to demand repayment. The reclassification of the long-term portion of the term loan to current creates a working capital deficiency.

The Company expects to fund its cash requirements for the year through internal sources and available lines of credit.

2003 compared to 2002 – Operating cash flow for the quarter before changes in working capital declined marginally primarily due to the reduction of cash tax timing differences. Non-cash working capital investment increased $3.5 million largely due to higher receivables stemming from increased sales late in the quarter.

Capital expenditures were maintained at levels comparable to 2002. Expenditures focused upon upgrades to maintain and improve service levels, efficiency and quality.

NEW ACCOUNTING STANDARDS

Stock-Based Compensation – Effective January 1, 2004, Canadian GAAP CICA 3870 requires companies to estimate the fair value of stock-based compensation to employees and to expense the fair value over the estimated useful life of the options. As a result, in 2004, the Company will expense the fair value of options granted to employees when they are granted as the options under the current stock option plan vest upon issuance. The estimated impact of adopting this accounting standard in 2004 is dependent upon future issuances of stock options from the stock option plan. Under transitional provisions, the Company charged the opening retained earnings $698 to reflect the cumulative effect of the change in accounting policy.

RISK FACTORS

No material changes in the main risk factors facing the Company have occurred since the fiscal year ended December 31, 2003. Risk factors are described in the Company's 2003 annual report.

OUTLOOK

The growth in demand experienced in the first quarter by AirBoss Rubber Compounding has continued into the second quarter. The division is operating at a level which would generate a 25% annualized volume increase if current demand is maintained throughout the remainder of the year. Margins remain thin due to the increase in raw material prices experienced over the last eighteen months.

The Railway and Distribution segment anticipates financial performance comparable to its 2003 results in U.S. dollar terms with some potential for improvement in the last three quarters from increasing sales of railway clips, sales to new customers and the adoption by the railways of its new rail fastening system. Its results in Canadian dollars could continue to be affected by the volatility of the U.S. dollar.

Interest in Acton's "CBRN" gloves, footwear and gas masks is very high as evidenced by the recent U.S. $2.8 million glove order. Additional contracts are expected for both European and North American delivery in 2004. Acton has also embarked upon an aggressive profit improvement plan, which will see a significant realignment of its non-military footwear products during 2004 with improvements in efficiency and cost structure.

April 23, 2004

Robert L. Hagerman
President and Chief Executive Officer

Axel Breuer
Vice-President Finance and Secretary

Consolidated Balance Sheets

(thousands) (unaudited)

As at	March 31, 2004	December 31, 2003
ASSETS		
Current assets:		
Accounts receivable	$ 28,663	$ 23,408
Inventories	24,770	24,286
Income taxes receivable	408	623
Prepaid expenses	1,206	755
	55,047	49,072
Capital assets	50,372	50,446
Goodwill	16,620	16,620
Other assets	2,857	3,122
	$ 124,896	$ 119,260
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Demand loan	$ 15,694	$ 13,835
Accounts payable and accrued liabilities	21,884	18,238
Current portion of term loan and other debt (Note 2)	23,857	24,642
	61,435	56,715
Future income tax liability	9,956	9,690
Accrued post retirement benefit liability	893	834
Shareholders' equity:		
Share capital	38,405	38,405
Contributed surplus (Note 1)	841	143
Retained earnings (Note 1)	13,366	13,473
	52,612	52,021
	$ 124,896	$ 119,260

Consolidated Statements of Earnings (Loss) and Retained Earnings

(thousands except per share amounts) (unaudited)

Three Month Period ended March 31	2004	2003
SALES	**$ 48,254**	$ 48,516
Cost of sales	**41,245**	41,271
Gross margin	**7,009**	7,245
EXPENSES:		
General and administrative	**2,325**	2,241
Selling, marketing and distribution	**2,720**	2,630
Product research	**383**	434
Total operating expenses	**5,428**	5,305
Income from operations	**1,581**	1,940
Interest expense – Demand loan	**(179)**	(149)
– Long-term debt	**(519)**	(524)
Other income (expense)	**23**	(266)
Income before income taxes	**906**	1,001
Provision for income taxes	**315**	329
Net income	**591**	672
Retained earnings, beginning of period	**13,473**	17,783
Stock-based compensation (Note 1)	**(698)**	–
Retained earnings, end of period	**$ 13,366**	$ 18,455
Net income per share – Basic	**$ 0.03**	$ 0.03
– Diluted	**$ 0.03**	$ 0.03

Consolidated Statements of Cash Flows

(thousands) (unaudited)

Three Month Period ended March 31	2004	2003
CASH PROVIDED BY (USED IN):		
Operating Activities:		
Net income	$ 591	$ 672
Items not affecting cash:		
Amortization	1,385	1,335
Future income taxes	266	(111)
Foreign exchange gain	111	–
Post-retirement benefits expense	59	54
	2,412	1,950
Changes in non-cash operating working capital balances		
Accounts receivable	(5,255)	(4,864)
Inventories	(484)	733
Income taxes payable	215	465
Prepaid expenses	(451)	335
Accounts payable and accrued liabilities	3,646	(181)
	(2,329)	(3,512)
	83	(1,562)
Investing Activities:		
Purchase of capital assets	(1,157)	(1,187)
Purchase of other assets	–	(99)
	(1,157)	(1,286)
Financing Activities:		
Net increase in demand loan	1,859	3,633
Repayment of term debt	(750)	(750)
Payment of other debt	(35)	(35)
	1,074	2,848
Increase (decrease) in cash for the period	–	–
Cash and short-term deposits at the beginning of the period	–	–
Cash and short-term deposits at the end of the period	$ –	$ –
Interest paid during the period	$ 639	$ 742
Income taxes remitted (recovered) during the period	201	(83)

Notes to Consolidated Financial Statements

Three months ended March 31, 2004 and 2003

NOTE 1 – ACCOUNTING POLICIES

The Consolidated Interim Financial Statements include the accounts of the Company, its wholly owned subsidiaries and its proportionate share of joint ventures (collectively, the "Company"). These Consolidated Interim Financial Statements are prepared in accordance with Canadian generally accepted accounting principles for interim financial statements and with the accounting policies outlined in the Company's audited Consolidated Financial Statements for the year ended December 31, 2003, except as noted below. These Statements and related notes should be read in conjunction with the Company's audited Consolidated Financial Statements for the year ended December 31, 2003. The Company is not significantly affected by seasonal or cyclical business factors.

Effective January 1, 2004, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants ("CICA") with respect to stock-based compensation and other stock-based payments. Under these recommendations a fair value based method of accounting is required for all stock-based payments to employees and non-employees that are direct awards of stock, requiring settlement in cash or other assets or are appreciation rights that call for settlement by the issuance of equity instruments. The Company has applied the new recommendations retroactively, without restatement of prior periods, for awards granted after January 1, 2002. As a result, the Company has recorded a charge to retained earnings of $698 and a corresponding adjustment to contributed surplus on January 1, 2004. No such payments or awards were made during the three months ended March 31, 2004 or 2003.

In March 2003, the CICA issued Handbook Section 3110, "Asset Retirement Obligations". The new standard provides guidance for the recognition, measurement and disclosure of liabilities for asset retirement obligations and the associated asset retirement costs. It applies to legal obligations pertaining to the retirement of tangible long-lived assets from acquisition, construction, development or normal operations. The standard requires the Company to record the fair value of the liability for an asset retirement obligation in the year in which it is incurred and when a reasonable estimate of fair value can be made. This standard is effective for the Company's 2004 fiscal year. The Company has determined that it has no liabilities for asset retirement obligations as at March 31, 2004.

NOTE 2 – FINANCIAL COVENANTS

At March 31, 2004, the Company is in violation of two of the covenants specified under the terms of the demand loan and term loan and, therefore, the lenders have the right to demand repayment of the demand loan and term loan. The lenders have not demanded repayment of these facilities and have waived application of these covenants at March 31, 2004 and also for the second quarter of 2004. As required by EIC-59, "Long-Term Debt with Covenant Violations", the Company reclassified the long-term portion of the term debt, amounting to $19,750, to current debt at March 31, 2004. While the reclassification creates a working capital deficiency, the consolidated financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. In the event that the Company remains in breach of the covenants, the lenders could decide not to renew the waivers and to demand repayment of the loans. In this hypothetical situation, there is no certainty that the Company would be able to secure such financing.

NOTE 3 – SEGMENTED INFORMATION

	Sales excluding Inter-Company				Inter-
2004	**Canada**	**USA**	**Other**	**Total**	**Company**
Rubber compounding operations	$ 7,889	$ 20,404	$ 48	$ 28,341	$ 1,295
Engineered products					
Railway and distribution	21	6,627	1	6,649	3
Acton and other	4,921	8,339	4	13,264	1,325
	$ 12,831	**$ 35,370**	**$ 53**	**$ 48,254**	**$ 2,623**

Notes *(continued)*

2004	Rubber Compounding Operations	Engineered Products Railway & Distribution	Engineered Products Acton & Other	Corporate & Inter-Company Elimination	Total
Sales	$ 29,635	$ 6,653	$ 14,589	$ (2,623)	$ 48,254
Cost of sales	26,518	5,394	11,956	(2,623)	41,245
	3,117	1,259	2,633	–	7,009
Operating expenses	2,115	774	2,614	600	6,103
Income (loss) before income taxes	1,002	485	19	(600)	906
Provision for income taxes					(315)
Net income					**$ 591**
Assets employed – Canada	$ 69,664	$ –	$ 47,980	$ (531)	$ 117,113
– USA	–	7,783	–	–	7,783
– Total	$ 69,664	$ 7,783	$ 47,980	$ (531)	$ 124,896
Purchase of capital assets	$ 567	$ 37	$ 552	$ 1	$ 1,157
Amortization – Capital and other assets	499	85	756	45	1,385

2003	Sales excluding Inter-Company Canada	USA	Other	Total	Inter-Company
Rubber compounding operations	$ 11,436	$ 13,202	$ 59	$ 24,697	$ 1,392
Engineered products					
Railway and distribution	24	7,565	66	7,655	1
Acton and other	6,859	8,579	726	16,164	1,651
	$ 18,319	$ 29,346	$ 851	$ 48,516	$ 3,044

2003	Rubber Compounding Operations	Engineered Products Railway & Distribution	Engineered Products Acton & Other	Corporate & Inter-Company Elimination	Total
Sales	$ 26,089	$ 7,658	$ 17,813	$ (3,044)	$ 48,516
Cost of sales	23,494	6,217	14,604	(3,044)	41,271
	2,595	1,441	3,209	–	7,245
Operating expenses	1,830	1,131	2,798	485	6,244
Income (loss) before income taxes	765	310	411	(485)	1,001
Provision for income taxes					(329)
Net income					**$ 672**
Assets employed – Canada	$ 64,500	$ –	$ 56,337	$ 1,121	$ 121,958
– USA	–	10,064	–	–	10,064
– Total	$ 64,500	$ 10,064	$ 56,337	$ 1,121	$ 132,022
Purchase of capital assets	$ 467	$ 32	$ 679	$ 9	$ 1,187
Amortization – Capital and other assets	467	140	683	45	1,335

AIRBOSS OF AMERICA CORP.

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