



## NEWS RELEASE

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## SIGMA INDUSTRIES CONCLUDES FISCAL 2008 ON A POSITIVE NOTE

- **Net earnings of \$602,000 in the fourth quarter of fiscal 2008**
- **Fourth quarter EBITDA margin of 9.1% compared with 7.7% a year earlier**
- **Future oriented towards development of environmentally-conscious products**

**Quebec City, Quebec, August 25, 2008** — Sigma Industries Inc. (TSX Venture Exchange: SIC), a leading composite and metal products manufacturer, today announced results for its fourth quarter and fiscal year ended April 26, 2008. A stronger Canadian dollar, a substantial decline in the heavy truck market over the last twelve months following the introduction of new environmental regulations regarding greenhouse gas emissions in January 2007 and the economic slowdown impacted fiscal 2008 results. These factors offset the contribution from the acquisitions of Pickens Plastics, since renamed Sigma OH Industries Inc. ("Sigma OH") for the last two months of the fiscal year and of the Acton Vale plant and Groupe Synergy Composites Inc. for the entire period.

### FOURTH QUARTER RESULTS

For the fourth quarter ended April 26, 2008, sales reached \$17.2 million compared with \$22.4 million in the fourth quarter last year. This decline is essentially attributable to the decline in the heavy truck market, the economic slowdown as well as the strength of the Canadian currency. The contribution from Sigma OH for the last two months of the period amounted to \$0.9 million.

Despite lower sales, fourth-quarter earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to \$1.6 million in 2008, a level comparable to \$1.7 million achieved a year earlier. The strength of the Canadian dollar reduced EBITDA by \$0.3 million in the fourth quarter of fiscal 2008. As a percentage of sales, fourth-quarter EBITDA was 9.1% of sales compared with 7.7% a year ago, an improvement resulting from the Company's significant investments in automation and robotization in order to enhance its productivity and further reduce operating costs. Of note, EBITDA as a percentage of sales sequentially improved in the four quarters of fiscal 2008.

The Company posted net earnings of \$602,000, or \$0.014 per diluted share, for the fourth quarter of fiscal 2008, compared with \$533,000, or \$0.013 per diluted share, for the same period a year earlier. For the fourth quarter ended April 26, 2008, cash flows from operating activities before changes in non-cash working capital items stood at \$1.0 million, versus \$0.1 million last year.

### FISCAL 2008 RESULTS

For fiscal 2008, sales reached \$69.8 million, a decline of 16.1% in comparison with sales \$83.2 million recorded during fiscal 2007. This decrease reflects lower activity in the heavy truck market as well as the impact of a stronger Canadian dollar. Fiscal 2008 EBITDA stood at \$2.3 million compared with EBITDA of \$9.4 million one year earlier. In addition to the business slowdown in the heavy truck market, the strength of the Canadian dollar reduced fiscal 2008 EBITDA by \$1.2 million. The Company's net loss for fiscal 2008 was \$0.6 million, or \$0.013 per diluted share, as opposed to net earnings of \$3.7 million, or \$0.099 per diluted share, in the previous fiscal year.

"Although affected by the anticipated slowdown in the heavy truck market, our operating profitability improved throughout the year," said Denis Bertrand, President and Chief Executive Officer. "Our efforts to further diversify our activities were successful. Sales of agricultural and industrial products as well as of components for the rapidly-growing wind power market represented more than 20% of sales in fiscal 2008 sales, a percentage nearly twice as high as a year earlier. The acquisition of Sigma OH and the creation of our joint venture, Compin Sigma Amérique, announced at the beginning of fiscal 2009, are perfectly in keeping with our growth strategy."

The Company's financial position remained solid at the end of fiscal 2008 with total net debt of \$18.9 million and shareholders' equity of \$20.3 million. Fiscal 2008 cash flows from operating activities before changes in non-cash working capital items totalled \$1.1 million, compared with \$5.6 million a year earlier.

## FUTURE ORIENTED TOWARDS DEVELOPMENT OF ENVIRONMENTALLY-CONSCIOUS PRODUCTS

Sigma intends to be a forerunner of the broad trends that will shape the future. The Company's mission is therefore resolutely focussed on the environment through the development of new natural resins and of technological processes incorporating these materials.

"The announcement, in May 2008, of the upcoming marketing of our new Hybrid Composite Bus Body confirms our leading position in terms of environmentally-conscious technological innovations. In fact, all partakers, from original equipment manufacturers to transit operators, will enjoy the benefits of this revolutionary, high value-added body shell. In addition, we are actively pursuing our penetration of the fast-growing wind power market and we now benefit from a greater production capacity to meet increasing demand," concluded Mr. Bertrand.

## SELECTED FINANCIAL INFORMATION

Consolidated results of operations (unaudited, in '000s of Cdn\$, except per share amounts)	Three-month periods ended		Fiscal years ended	
	April 26, 2008	April 30, 2007	April 26, 2008	April 30, 2007
	\$	\$	\$	\$
Sales	17,186	22,398	69,769	83,161
EBITDA	1,560	1,714	2,294	9,416
Earnings (loss) before income taxes	199	278	(1,401)	5,184
Net earnings (loss)	602	533	(550)	3,651
Net earnings (loss) per share				
Basic	0.014	0.013	(0.013)	0.104
Diluted	0.014	0.013	(0.013)	0.099

<b>Reconciliation of EBITDA, EBITDAG and Net earnings</b> (unaudited, in '000s of Cdn \$)	Three-month periods ended		Fiscal years ended	
	April 26, 2008	April 30, 2007	April 26, 2008	April 30, 2007
	\$	\$	\$	\$
Net earnings (loss)	602	533	(550)	3,651
PLUS:				
Income tax expense (recovery)	(403)	(254)	(850)	1,533
Gain on insurance settlement	-	-	(1,436)	-
Depreciation and amortization	868	975	3,287	2,509
Financial expenses	493	460	1,843	1,723
EBITDA	1,560	1,714	2,294	9,416
Foreign exchange loss (gain)	(319)	157	(51)	(72)
EBITDAG	1,241	1,871	2,243	9,344

<b>Consolidated balance sheet data</b> (in '000s of Canadian dollars)	As at	
	April 26, 2008	April 30, 2007
	\$	\$
Total assets	57,035	59,381
Total liabilities	36,722	38,617
Shareholders' equity	20,313	20,764

## NON-GAAP FINANCIAL MEASURES

The information included in this press release contains certain information which are not financial measures prescribed under GAAP. Sigma Industries uses earnings before interest, taxes, depreciation and amortization ("EBITDA"), excluding the non-recurring gain on insurance settlement, in the assessment of its financial performance. As there is no generally accepted method of calculating this financial measure, it may not be comparable to similar measures reported by other companies. EBITDA refers to earnings before interest, income taxes, depreciation, amortization and other non-operating expenses and revenues. This measure does not represent the cash flow for the repayment of long-term debt, the payment of dividends, reinvestment or other discretionary uses, and should not be considered in isolation or as a substitute of other measures of performance calculated according to GAAP.

## ABOUT SIGMA INDUSTRIES

Sigma Industries Inc. (TSX-V: SIC), a leading composite and metal products manufacturer, has six operating subsidiaries and employs close to 550 people. The Company is active in the growing heavy-duty truck, coach, transit and bus, train and subway, machinery, agriculture, light forestry, and wind energy market segments. Sigma sells its products to original equipment manufacturers and distributors in the United States, Canada and Europe.

Sigma has had a recent history of steady growth and accretive acquisitions. Its recent and planned growth initiatives are expected to continue to raise Sigma's profile with investors.

## FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements with respect to the Company. Such forward-looking statements are dependent upon a certain number of factors and are subject to risks and uncertainties. Actual results may differ from those expected. The information contained in this press release is dated August 22, 2008, the date on which the Directors approved the press release. Management does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information or future events, except when required by the regulatory authorities.

Note to readers: Complete unaudited interim consolidated financial statements and Management's Discussion & Analysis of Financial Position and Operating Results were posted on SEDAR and are available at [www.sedar.com](http://www.sedar.com).

*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.*

