

## Glendale International reports first quarter financial results

Toronto Stock Exchange Symbol: GIN

OAKVILLE, ON, April 8 /CNW/ - Glendale International Corp. (TSX: GIN) today reported financial results for the first quarter ended February 27, 2009.

Glendale International Corp. reports segmented information in its consolidated financial statements as follows: Recreational Vehicles, Electronics, and Corporate Office. The financial results for the first quarter ended February 27, 2009 for each segment are set out below:

### Recreational Vehicles (Glendale RV and Travelaire Canada)

The Recreational Vehicle segment is comprised of two operating divisions, Glendale RV located in Strathroy, Ontario and Travelaire located in Red Deer, Alberta.

#### Glendale RV -----

Net loss for the Glendale RV division for the first quarter was \$1.2 million compared to net loss of \$195,000 for the first quarter of 2008. Sales at Glendale RV were \$1.4 million in the first quarter of 2009 compared to \$6.5 million in 2008. The decrease in sales and profitability for the first quarter is the result of a combination of negative economic factors including fluctuations in currencies, fluctuations in the price of oil, availability of credit, and the negative conditions of the North American economy.

#### Travelaire -----

Net loss for the Travelaire division for the first quarter was \$565,000 compared to net loss of \$950,000 for the first quarter of 2008. Sales at Travelaire were \$2.8 million in the current quarter compared to \$2.4 million in 2008.

The increase in sales and the reduction in net loss at Travelaire in the first quarter of 2009 as compared to the first quarter of 2008 relates to the sale of workforce accommodations, mobile office units and well site units for the natural resource and construction industries in Western Canada. Travelaire has focused on the manufacture of these products to further diversify its manufacturing capabilities to include recreational vehicles, park models and commercial products. At the end of the fourth quarter of 2008 order back log for production of commercial units was approximately two months, at the end of the first quarter of 2009 there were no further orders for production of Commercial Units at Travelaire. As a result of the recent significant decline in the price of crude oil, the demand for Commercial Products in Western Canada is uncertain. Travelaire continues to assess the demand for Commercial and Recreational Vehicle products in Western Canada.

With respect to the first quarter of 2009 Mr. Edward Hanna, Chief Executive Officer of Glendale indicated that "the loss during the quarter for the Recreational Vehicle Segment was primarily the result of a significant decline in demand for our recreational vehicle and commercial products due to the unprecedented negative economic environment. We continue to rationalize costs across all divisions and are debt free with working capital of \$15.5 million including cash of \$4.7 million as at February 27, 2009."

### Electronics (Firan Technology Group Corporation)

FTG's sales grew in the first quarter of 2009 to \$14.7 million representing an increase of \$1.1 million or 8% over the first quarter of 2008. Sales were positively impacted by the strengthening of the US dollar which offset a decline in activity across both the circuits and aerospace businesses. FTG's customers reduced their inventories during the quarter which reduced the demand for FTG's products. The acquisition of Filtran in 2008 resulted in increased revenues of \$777,000 in the first quarter of 2009. FTG continues to see solid demand for Filtran products and is working to leverage its knowhow and expand into new programs and customers.

The first quarter of 2009 sales for the Circuits division were \$11.5 million representing an increase of \$917,000 or 9% compared to the first quarter of 2008. For the Aerospace division, sales in the first quarter were \$3.2 million compared to \$3.0 million in the first quarter of 2008 representing an increase of \$179,000 or 6% over the same quarter in 2008.

Net loss before non-controlling interest for the first quarter of 2009 was \$67,000 compared to a net loss before non-controlling interest of \$1.0 million in the same quarter of 2008. The first quarter is historically the weakest quarter given the lowest number of production days resulting from the holiday season. Research and development expenditures remained high in the first quarter of 2009 as FTG continues to invest in new technologies and programs.

FTG accomplished many goals in the first quarter that continue to improve the Corporation and position it for the future, including:

- The renewal of multiyear contracts with Honeywell and Rockwell
- Qualification at Lockheed Martin for both Circuits facilities
- The renewal and expansion of credit facilities with Comerica bank
- Acquisition and commissioning of Laser Direct Imaging Technology in Circuits-Toronto
- Continued higher investments in technology activity across all three sites

"Given the state of the global economy we are pleased with our results in the first quarter of 2009. Notwithstanding the dip we saw in demand we maintained our growth, paid down our debt and renewed our credit facilities with our bank," stated Mr. Brad Bourne, President and Chief Executive Officer of FTG. "We remain committed to our strategy of Operational Excellence to improve our internal performance and to aggressively invest in R&D to improve our technological capabilities to grow the business," he added.

For a more detailed analysis of FTG's financial results please access such information at SEDAR. [www.sedar.com](http://www.sedar.com).

#### Corporate Office

Corporate office incurred expenses of \$494,000 during the first quarter of 2009 compared to \$732,000 during the first quarter of 2008. The decrease relates to the continued cost rationalization and the cost savings associated with the downsizing of corporate office during the fourth quarter of 2008.

#### Consolidated Financial Results

Consolidated sales for the first quarter of 2009 were \$19 million compared to \$22.6 million for the first quarter of last year. Net loss for the first quarter of 2009 was \$2.3 million, or \$0.25 per share, compared to net loss of \$1.1 million, or \$0.12 per share, for the first quarter of 2008.

#### About Glendale International Corp.

Glendale International Corp. manages businesses that provide the opportunity for long-term value creation through the application of proven managerial expertise and innovative business strategies. The Corporation owns businesses in the recreational vehicles and electronics industries, and will seek to acquire complementary businesses that support its value-building proposition.

Glendale's Recreational Vehicle business is comprised of two operating divisions: Glendale Recreational Vehicles ("Glendale RV") located in Strathroy, Ontario and Travelaire Canada ("Travelaire") located in Red Deer, Alberta. Glendale RV manufactures a broad range of innovative, differentiated high-quality Recreational Vehicles ("RV's") for both the US and Canadian markets and Travelaire manufactures Park Model trailers and Relocatable Structures for the Western Canadian market place. The Corporation also owns a controlling position in Firan Technology Group Corporation, a leading North American manufacturer of high technology printed circuit boards and precision illuminated display systems.

Glendale International's common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol "GIN". The Corporation has 12,487,017 common shares outstanding.

To reach Glendale International via the worldwide web logon to [www.glendaleint.com](http://www.glendaleint.com).

#### Forward-Looking Statements

This press release contains "forward-looking" statements related to future events or future performance and reflect the expectations of Glendale International Corp., regarding its growth, results of operations, performance and business prospects, and opportunities and trends affecting the recreational vehicles, and electronics industries. Such forward-looking statements reflect current beliefs of management and are based on information currently available. In certain cases, forward-looking statements can be identified by the use of words such as "believe", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative of these or other comparable terminology. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Accordingly, investors should not place undue reliance on forward-looking information. Any forward-looking statements included in this press release are made as of the date of this press release and Glendale International Corp. assumes no obligation to update or revise them to reflect new events or

circumstances.

GLENDALE INTERNATIONAL CORP.  
Interim Consolidated Balance Sheets  
(in thousands of dollars)  
(prepared without audit)

	As at	
	February 27, 2009	November 30, 2008
<b>CURRENT ASSETS</b>		
Cash	\$5,051	\$6,538
Accounts receivable	13,967	16,358
Income taxes receivable	501	501
Inventories	21,313	22,816
Deposits and prepaid expenses	748	656
	41,580	46,869
Note Receivable	1,967	1,967
Accrued Benefit Asset	1,351	1,314
Future Income Taxes	839	880
Property, Plant and Equipment, net of accumulated depreciation	9,657	9,374
Goodwill	5,011	4,910
Other Intangible Assets	419	431
	\$60,824	\$65,745
<b>CURRENT LIABILITIES</b>		
Bank indebtedness	\$3,126	\$2,977
Accounts payable and accrued liabilities	11,820	14,152
Current portion of long-term debt and capital leases	1,928	1,843
	16,874	18,972
Long-Term Debt and Capital Leases	5,782	6,121
Deferred Gain on Sale of Property	2,245	2,462
	24,901	27,555
Non-Controlling Interest	7,359	7,397
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	1,249	1,249
Share purchase financing	(4,450)	(4,450)
Contributed surplus	10,321	10,216
Accumulated other comprehensive income	262	324
Retained earnings	21,182	23,454
	28,564	30,793
	\$60,824	\$65,745

GLENDALE INTERNATIONAL CORP.  
Interim Consolidated Statements of Loss  
(in thousands of dollars except per share amounts)  
(prepared without audit)

	Three Months Ended	
	February 27, 2009	February 29, 2008
Sales	\$18,970	\$22,578
<b>Costs and Expenses</b>		
Manufacturing, selling and administration	19,229	23,595
Research and development costs	1,124	863
Recovery of research and development costs	(50)	-
(Gain)/loss on sale of property, plant and equipment	(1)	1
Amortization of deferred gain	(217)	(217)
Amortization of intangible assets	12	-
Depreciation and amortization	744	827

Stock based compensation	51	45
Restructuring costs	-	208
Foreign exchange loss	220	21
	21,112	25,343
Loss Before Undernoted	(2,142)	(2,765)
Other (Expenses)/Income		
Interest income	34	256
Interest expense - long term	(122)	(139)
Interest expense - short term	(28)	(48)
	(116)	69
Loss Before Income Taxes and Non-Controlling Interest	(\$2,258)	(\$2,696)
(Provision for)/recovery of income taxes	(52)	972
Loss Before Non-Controlling Interest	(\$2,310)	(\$1,724)
Non-controlling interest	38	589
Net Loss	(\$2,272)	(\$1,135)
Basic and Diluted Net Loss per Share	(\$0.25)	(\$0.12)

GLENDALE INTERNATIONAL CORP.  
Interim Consolidated Statements of Cash Flows  
(in thousands of dollars)  
(prepared without audit)

	Three Months Ended	
	February 27, 2009	February 29, 2008
Operating Activities		
Net loss from continuing operations	(\$2,272)	(\$1,135)
Items not affecting cash		
Amortization of deferred gain	(217)	(217)
Depreciation and amortization	744	827
Amortization of intangible assets	12	-
Stock based compensation expense	51	45
Future income taxes	41	(995)
Non-controlling interest	(38)	(589)
(Gain)/loss on sale of property, plant and equipment	(1)	1
Increase in accrued benefit asset	(37)	-
Effect of exchange rates on foreign currency denominated Canadian debt	120	(57)
Changes in non-cash operating working capital	1,604	(4,963)
	7	(7,083)
Investing Activities		
Purchase of property, plant and equipment	(950)	(164)
Proceeds on sale of property, plant and equipment	1	-
Restricted cash	-	101
Acquisition of Filtran Microcircuits Inc.	-	(1,462)
Share purchase financing	54	-
	(895)	(1,525)
Financing Activities		
Increase in bank indebtedness	91	3,493
Repayment of long-term debt and capital leases	(466)	(318)
	(375)	3,175
Effect of foreign exchange rates on cash	(224)	(1)
Decrease in cash	(1,487)	(5,434)

Cash, Beginning of Period	6,538	17,543
Cash, End of Period	\$5,051	\$12,109
Supplemental cash flow information:		
Payments for interest	\$148	\$234
Payments for income taxes	\$2	\$2
Refunds for income taxes	-	-

GLENDALE INTERNATIONAL CORP.  
Segmented Information  
(in thousands of dollars)  
(prepared without audit)

OPERATING SEGMENTS

Three Months Ended February 27, 2009	Recreational Vehicles	Electronics	Corporate Office	Total
Sales	\$4,276	\$14,694	-	\$18,970
Costs and expenses	6,006	14,612	494	21,112
Loss before undernoted	(1,730)	82	(494)	(2,142)
Interest income	-	-	34	34
Interest expense - long term	-	(122)	-	(122)
Interest expense - short term	-	(25)	(3)	(28)
Income tax provision	-	(2)	(50)	(52)
Non-controlling interest	-	38	-	38
Net loss	(\$1,730)	(\$29)	(\$513)	(\$2,272)

Total and identifiable assets	\$15,936	\$25,756	\$19,132	\$60,824
Capital expenditures	\$34	\$916	-	\$950
Depreciation and amortization	\$98	\$644	\$2	\$744
Goodwill	-	\$5,011	-	\$5,011

Three Months Ended  
February 29, 2008

Sales	\$8,980	\$13,598	-	\$22,578
Costs and expenses	10,125	14,486	732	25,343
Loss before undernoted	(1,145)	(888)	(732)	(2,765)
Interest income	-	-	256	256
Interest expense - long term	-	(139)	-	(139)
Interest expense - short term	-	(43)	(5)	(48)
Income tax recovery	-	23	949	972
Non-controlling interest	-	589	-	589
Net loss	(\$1,145)	(\$458)	\$468	(\$1,135)

Total and identifiable assets	\$17,339	\$23,093	\$31,972	\$72,404
Capital expenditures	\$63	\$101	-	\$164
Depreciation and amortization	\$122	\$700	\$5	\$827
Goodwill	-	\$4,469	-	\$4,469

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