

## Glendale International reports third quarter financial results

Toronto Stock Exchange Symbol: GIN

OAKVILLE, ON, Oct. 13 /CNW/ - Glendale International Corp. (TSX: GIN) today reported financial results for the third quarter ended August 28, 2009.

Glendale International Corp. reports segmented information in its unaudited interim consolidated financial statements as follows: Recreational Vehicles, Electronics, (only up to and including second quarter of 2009) and Corporate Office. The financial results for the third quarter ended August 28, 2009 and year to date 2009 compared to the same periods in 2008 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 third quarter was \$1,012,000 compared to net loss of \$1,417,000 for the third quarter of 2008. Year to date net loss was \$3,095,000 compared to a loss of \$1,747,000 for the same period last year. Sales at Glendale RV were \$4,273,000 in the third quarter of 2009 compared to \$3,398,000 in 2008. Year to date sales were \$8,991,000 compared to \$16,581,000 for the same period in 2008. The increase in sales and decrease in net loss for the third quarter result from a small pick up in the RV Industry. However, the year to date numbers continue to be impacted by the negative conditions of the North American economy.

#### Travelaire -----

Net loss for the Travelaire division for the third quarter was \$235,000 compared to a net loss of \$756,000 for the third quarter of 2008. Year to date loss was \$1,264,000 compared to \$2,343,000 for the same period in 2008. Sales at Travelaire were \$2,027,000 in the current quarter compared to \$1,376,000 in 2008. Year to date sales were \$6,041,000 compared to \$6,723,000 in 2008.

The increase in sales at Travelaire in the third quarter, compared to the same period last year, was the result of orders for commercial products received and shipped during the quarter. Year to date sales in 2009 as compared to the same period of 2008 relate to lower activity in the resource sector and the economic factors affecting the RV Industry. The reduction in net loss in the third quarter and year to date was due to lower production and overhead costs associated with the scale back in production.

With respect to the third 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. The decline in the RV industry appears to have leveled off. Industry shipments through August 2009 were 47% lower than the same period of 2008 however August shipments were 5% ahead of August 2008, the first increase in more than two years. Glendale sales are off 35% year to date over the same period in 2008 but are up 31% for the third quarter over the third quarter 2008. While the sales upturn is encouraging we still expect a long and slow recovery. The Corporation is debt free and has working capital of \$11,517,000 including cash of \$2,369,000 as at August 28, 2009."

#### Corporate Office -----

Corporate office incurred expenses of \$733,000 during the third quarter of 2009 compared to \$419,000 during the third quarter of 2008. Year to date expenses were \$1,793,000 compared to \$1,820,000 for the same period in 2008. The increase relates to the restructuring costs and foreign exchange rate differences.

## Consolidated Financial Results

Consolidated sales for the third quarter of 2009 were \$6,300,000 compared to \$20,522,000 for the third quarter of last year. Net loss for the third quarter of 2009 was \$2,100,000, or \$0.23 per share, compared to net loss of \$2,231,000, or \$0.24 per share, for the third quarter of 2008.

Consolidated sales year to date were \$44,360,000 compared to \$69,108,000 for the same period last year. Net loss was \$6,588,000, or \$0.71 per share, compared to \$4,812,000, or \$0.52 per share, for the same period in 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 has a significant equity 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 reflects 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 August 28, 2009	November 30, 2008
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CURRENT ASSETS		
Cash	\$2,369	\$6,538
Accounts receivable	3,753	16,358
Income taxes receivable	51	501
Inventories	8,211	22,816

Deposits and prepaid expenses	151	656
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Note Receivable	14,535	46,869
Investment	1,967	1,967
Accrued Benefit Asset	7,914	-
Future Income Taxes	1,351	1,314
Property, Plant and Equipment, net of accumulated depreciation	459	880
Goodwill	1,793	9,374
Other Intangible Assets	-	4,910
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	28,019	65,745
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CURRENT LIABILITIES		
Bank indebtedness	-	\$2,977
Accounts payable and accrued liabilities	3,008	14,152
Current portion of long-term debt and capital leases	10	1,843
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Long-Term Debt and Capital Leases	3,018	18,972
Deferred Gain on Sale of Property	10	6,121
	1,810	2,462
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	4,838	27,555
Non-Controlling Interest	-	7,397
SHAREHOLDERS' EQUITY		
Share capital	1,249	1,249
Share purchase financing	(4,450)	(4,450)
Contributed surplus	9,501	10,216
Accumulated other comprehensive income	15	324
Retained earnings	16,866	23,454
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	23,181	30,793
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	\$28,019	\$65,745
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GLENDALE INTERNATIONAL CORP.  
Interim Consolidated Statements of Loss  
(in thousands of dollars except per share amounts)  
(prepared without audit)

	Three Months Ended		Nine Months Ended	
	August 28, 2009	August 29, 2008	August 28, 2009	August 29, 2008
Sales	\$6,300	\$20,522	\$44,360	\$69,108
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Costs and Expenses				
Manufacturing, selling and administration	8,125	21,342	46,928	70,150
Research and development costs	-	715	1,860	2,912
Recovery of research and development costs	-	-	(50)	-
Loss/(gain) on sale of property, plant and equipment	-	1	(1)	1
Amortization of deferred gain	(218)	(217)	(652)	(652)
Amortization of intangible assets	-	-	24	-
Depreciation and amortization	97	849	1,558	2,487
Stock based compensation	17	51	86	148
Restructuring costs	249	117	480	325
Foreign exchange loss/(gain)	10	(65)	597	(57)
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	8,280	22,793	50,830	75,314
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Loss Before Undernoted	(1,980)	(2,271)	(6,470)	(6,206)

Other (Expenses)/Income				
Equity in operations of affiliated company	(115)	-	(115)	-
Interest income	21	111	76	422
Interest expense - long term	-	(124)	(233)	(387)
Interest expense - short term	-	(56)	(57)	(163)
	(94)	(69)	(329)	(128)
Loss Before Income Taxes and Non-Controlling Interest	(\$2,074)	(\$2,340)	(\$6,799)	(\$6,334)
(Provision for)/recovery of income taxes	(26)	217	(131)	1,155
Loss Before Non-Controlling Interest	(\$2,100)	(\$2,123)	(\$6,930)	
Non-controlling interest	-	(108)	342	367
Net Loss	(\$2,100)	(\$2,231)	(\$6,588)	(\$4,812)
Basic and Diluted Net Loss per Share	(\$0.23)	(\$0.24)	(\$0.71)	(\$0.52)

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

	Three Months Ended		Nine Months Ended	
	August 28, 2009	August 29, 2008	August 28, 2009	August 29, 2008
Operating Activities				
Net loss	(\$2,100)	(\$2,231)	(\$6,588)	(\$4,812)
Items not affecting cash				
Amortization of deferred gain	(218)	(217)	(652)	(652)
Depreciation and amortization	97	849	1,558	2,487
Amortization of intangible assets	-	-	24	-
Stock based compensation expense	17	51	86	148
Future income taxes	50	(306)	181	(1,143)
Non-controlling interest	-	108	(342)	(367)
Loss/(gain) on sale of property, plant and equipment	-	1	(1)	1
Increase in accrued benefit asset	-	(97)	(37)	(189)
Effect of exchange rates on foreign currency denominated Canadian debt	-	273	(501)	245
Equity in operations of affiliated company	115	-	115	-
Changes in non-cash operating working capital	(250)	2,093	3,353	(2,603)
	(2,289)	524	(2,804)	(6,885)
Investing Activities				
Cash reduction on commencement of equity accounting	(527)	-	(527)	-
Purchase of property,				

plant and equipment	(4)	(172)	(1,256)	(739)
Proceeds on sale of property, plant and equipment	-	-	1	-
Restricted cash	-	-	-	201
Acquisition of Filtran Microcircuits Inc.	-	-	-	(1,462)
Share purchase financing	55	55	165	166
	(476)	(117)	(1,617)	(1,834)
Financing Activities				
(Decrease)/increase in bank indebtedness	-	(590)	(999)	2,077
Proceeds from capital expenditure facility	-	-	1,667	501
Repayment of long-term debt and capital leases	-	(347)	(925)	
(984)				
Effect of foreign exchange rates on cash	-	(937)	(257)	1,594
	-	32	509	90
Decrease in cash	(2,765)	(498)	(4,169)	(7,035)
Cash, Beginning of Period	5,134	11,006	6,538	17,543
Cash, End of Period	\$2,369	\$10,508	\$2,369	\$10,508
Supplemental cash flow information:				
Payments for interest	\$1	\$175	\$287	\$544
Payments for income taxes	-	\$75	\$4	\$77
Refunds for income taxes	\$176	\$313	\$176	\$1,518

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

OPERATING SEGMENTS

Three Months Ended August 28, 2009	Recreational Vehicles	Electronics	Corporate Office	Total
Sales	\$6,300	-	-	\$6,300
Costs and expenses	7,547	-	733	8,280
Loss before undernoted	(1,247)	-	(733)	
(1,980)				
Equity in operations of affiliated company	-	-	(115)	(115)
Interest income	-	-	21	21
Income tax provision	-	-	(26)	(26)
Net loss	(\$1,247)	-	(\$853)	(\$2,100)
Total and identifiable assets	\$12,767	-	\$15,252	\$28,019
Capital expenditures	\$2	-	\$2	\$4
Depreciation and amortization	\$95	-	\$2	\$97
Three Months Ended August 29, 2008				
Sales	\$4,774	\$15,748	-	\$20,522
Costs and expenses	6,947	15,427	419	22,793
Loss before undernoted	(2,173)	321	(419)	
(2,271)				
Interest income	-	-	111	111
Interest expense - long term	-	(124)	-	(124)
Interest expense - short				

term	-	(46)	(10)	(56)
Income tax recovery	-	39	178	217
Non controlling interest	-	(108)	-	(108)

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Net loss	(\$2,173)	\$82	(\$140)	(\$2,231)
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Total and identifiable assets	\$11,691	\$22,722	\$31,022	\$65,435
Capital expenditures	\$57	\$115	-	\$172
Depreciation and amortization	\$125	\$719	\$5	\$849
Goodwill	-	\$4,887	-	\$4,887

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

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OPERATING SEGMENTS

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Nine Months Ended August 28, 2009	Recreational Vehicles	Electronics	Corporate Office	Total
Sales	\$15,032	\$29,328	-	\$44,360
Costs and expenses	19,391	29,646	1,793	50,830
Loss before undernoted (6,470)	(4,359)	(318)	(1,793)	
Equity in operations of affiliated company	-	-	(115)	(115)
Interest income	-	-	76	76
Interest expense - long term	-	(233)	-	(233)
Interest expense - short term	-	(52)	(5)	(57)
Income tax provision	-	(4)	(127)	(131)
Non-controlling interest	-	342	-	342
Net loss	(\$4,359)	(\$265)	(\$1,964)	(\$6,588)

Total and identifiable assets	\$12,767	-	\$15,252	\$28,019
Capital expenditures	\$43	\$1,211	\$2	\$1,256
Depreciation and amortization	\$291	\$1,261	\$6	\$1,558

Nine Months Ended  
August 29, 2008

Sales	\$23,304	\$45,804	-	\$69,108
Costs and expenses	27,394	46,100	1,820	75,314
Loss before undernoted (6,206)	(4,090)	(296)	(1,820)	
Interest income	-	-	422	422
Interest expense - long term	-	(387)	-	(387)
Interest expense - short term	-	(141)	(22)	(163)
Income tax recovery	-	173	982	1,155
Non-controlling interest	-	367	-	367
Net loss	(\$4,090)	(\$284)	(\$438)	(\$4,812)

Total and identifiable assets	\$11,691	\$22,722	\$31,022	\$65,435
Capital expenditures	\$228	\$511	-	\$739
Depreciation and amortization	\$373	\$2,100	\$14	\$2,487
Goodwill	-	\$4,887	-	\$4,887

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