



NEWS RELEASE

Additional information:

Sigma Industries Inc.

Denis Bertrand,
President and Chief Executive Officer
418-484-5282
denis.bertrand@sigmaindustries.ca

MaisonBrison

Martin Goulet, CFA
514-731-0000
martin@maisonbrison.com

SIGMA INDUSTRIES REPORTS FISCAL 2010 YEAR-END RESULTS

Company records non-cash charges of \$4.1 million in 4th quarter

Quebec City, Quebec, August 30, 2010 — Sigma Industries Inc. (TSX Venture Exchange: SIC), a manufacturing company specialized in the production of composite and metal components, today announced results for the fourth quarter and fiscal year ended April 24, 2010.

FOURTH QUARTER RESULTS

Sales reached \$11.4 million, an increase of \$151,394 from \$11.3 million in the fourth quarter of fiscal 2009. While sales to the heavy-duty truck market remained essentially stable, sales of industrial products rose by \$560,695 and sales to the bus market increased \$515,941. However, sales of agricultural products and of snow removal products declined \$266,688 and \$132,830, respectively.

Sigma Industries' adjusted loss before interest, taxes, depreciation and amortization was \$304,490 compared with an adjusted loss of \$489,743 in the fourth quarter of last year. The improvement reflects previously deployed measures to optimize production costs and of a refocusing of the Company's product line on higher-margin products.

The Company recorded non-cash charges of \$4.1 million in connection with the write-off and the write-down of certain assets from the PNS, Sigma OH and Transcam subsidiaries. In addition, the Company incurred restructuring charges of \$534,512 representing professional fees and severance expenses.

Owing to the non-cash charges, the Company recorded a net loss of \$6.6 million in the fourth quarter of fiscal 2010, or \$0.153 per share, fully diluted, compared with a net loss of \$402,150, or \$0.009 per share, fully diluted, for the same period a year earlier.

YEAR-END RESULTS

Sales for the fiscal year ended April 24, 2010 were \$45.2 million compared with \$57.5 million in fiscal 2009. The adjusted loss before interest, taxes, depreciation and amortization was \$736,869 compared with an adjusted loss of \$3.8 million in fiscal 2009. Finally, the Company recorded a net loss of \$10.1 million in fiscal 2010, or \$0.219 per share, fully diluted, compared with a net loss of \$10.1 million, or \$0.235 per share, fully diluted, a year earlier.

The Company's balance sheet as at April 24, 2010 showed total net debt of \$24.6 million, down slightly from \$24.9 million at the end of the previous quarter and from \$25.3 million at the end of fiscal 2009. As at the same

date, the compliance with all its financial ratios has been suspended by its lender until the end of the next fiscal year.

“Despite better operating profitability resulting from earlier cost reduction initiatives, fiscal 2010 was another difficult year for Sigma Industries, as a lethargic economy affected some of our target markets,” said Denis Bertrand, President and Chief Executive Officer. “Signs of improvement are gradually experienced in the heavy-duty truck industry which should have a positive effect on our sales and profitability. In this context, Management will pursue its efforts to improve efficiency and flexibility throughout the organization in order to further strengthen our balance sheet and maximize cash flow.”

SELECTED FINANCIAL INFORMATION

| Consolidated results of operations (unaudited, in thousands of Canadian dollars except per-share amounts) | Three months ended | | Fiscal years ended | |
|--|--------------------|----------------|--------------------|----------------|
| | April 24, 2010 | April 25, 2009 | April 24, 2010 | April 25, 2009 |
| | \$ | \$ | \$ | \$ |
| Sales | 11,408 | 11,257 | 45,228 | 57,483 |
| Adjusted EBITDA | (304) | (489) | (737) | (3,795) |
| Restructuring expense | 534 | (6) | 928 | 554 |
| Other non-cash charges | 4,131 | (40) | 4,131 | 3,455 |
| Other-than-temporary loss in value on short-term investment | - | <u>62</u> | - | <u>62</u> |
| Loss before income taxes | (6,072) | (1,707) | (10,698) | (13,020) |
| Net loss | (6,576) | (402) | (10,104) | (10,067) |
| Net loss per share (basic and diluted) | (0.153) | (0.009) | (0.236) | (0.235) |

| Reconciliation of adjusted EBITDA and Net loss (unaudited, in thousands of Canadian dollars) | Three months ended | | Fiscal years ended | |
|---|--------------------|----------------|--------------------|----------------|
| | April 24, 2010 | April 25, 2009 | April 24, 2010 | April 25, 2009 |
| | \$ | \$ | \$ | \$ |
| Net loss | (6,576) | (402) | (10,104) | (10,067) |
| PLUS: | | | | |
| Income tax recovery | 505 | (1,305) | (593) | (2,953) |
| Depreciation and amortization | 615 | 685 | 2,828 | 3,413 |
| Financial expenses | 487 | 517 | 2,073 | 1,741 |
| Other non-cash charges | 4,131 | (40) | 4,131 | 3,455 |
| Restructuring expenses | 534 | (6) | 928 | 554 |
| Other-than-temporary loss in value on short-term investment | - | <u>62</u> | - | <u>62</u> |
| Adjusted EBITDA | (304) | (489) | (737) | (3,795) |

| Consolidated balance sheet data (in thousands of Canadian dollars) | As at | |
|---|----------------|----------------|
| | April 24, 2010 | April 25, 2009 |
| | \$ | \$ |
| Total assets | 35,428 | 46,558 |
| Total liabilities | 34,694 | 36,927 |
| Shareholders' equity | 734 | 9,631 |

NON-GAAP FINANCIAL MEASURES

The information in this press release includes certain measures that are not financial measures prescribed under GAAP. Sigma Industries uses earnings before interest, taxes, depreciation and amortization ("EBITDA") in assessing 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. Adjusted EBITDA is earnings before interest, income taxes, depreciation, amortization and other non-operating expenses and revenues. This measure does not represent cash flow available for repayment of long-term debt, payment of dividends, reinvestment or other discretionary uses, and should not be considered in isolation or as a substitute for other measures of performance calculated according to GAAP.

ABOUT SIGMA INDUSTRIES

Sigma Industries Inc. (TSX-V: SIC), a manufacturing company specializing in the production of composite and metal components, has five operating subsidiaries and employs close to 350 people. The Company is active in the heavy-duty truck, coach, transit and bus, train and subway, machinery, agriculture, and wind energy markets. Sigma sells its products to original equipment manufacturers and distributors in the United States, Canada and Europe.

FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements about the Company. Such forward-looking statements are dependent on a 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 30, 2010, the date on which management 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 as required by law.

Note to readers: Complete unaudited interim consolidated financial statements and Management's Discussion & Analysis of Financial Position and Operating Results have been posted on SEDAR and are available at www.sedar.com.

Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.