Press Release

Savaria Announces Q2 2008 Financial Results

Laval, Quebec, August 7, 2008 – Savaria Corporation (TSX: SIS), the second largest company in the accessibility industry in North America, announces its results for the quarter ended June 30, 2008.

Second-Quarter Highlights

- Sales of $13.9 million, up 15% over the first quarter of 2008 and down by 6.3% over the second quarter of 2007;
- Gain of $2.1 million on the sale of the Laval property;
- EBITDA of $208,000 excluding the gain on the sale of the property, after recording two successive negative quarters;
- Payment of a dividend of 6.3 cents per common share; and
- Finalization of the agreement with Merits Health Products Co. ("Merits"), granting Savaria the exclusive distribution of Merits' motorized wheelchairs and electric scooters in Canada and the right to sell them in the United States.

A word from the President

"I am pleased to return to a positive EBITDA despite the difficult economy. Several factors are making it even more challenging to perform well; these include the 9% increase in the Canadian dollar over the corresponding quarter of 2007, the unprecedented rises in the cost of steel and energy and the U.S. real estate crisis.

*Despite the unfavourable context, our sales are up 15% over those for the first quarter of 2008. This result shows that the initiatives we have taken to increase our sales are paying off and we intend to carry on our efforts to maintain this trend in upcoming quarters," said Marc*el Bourassa, Chairman of the Board, President and Chief Executive Officer.

Operating Results

Sales

Sales totalled $13.8 million during the second quarter of 2008, compared with $14.8 million in the corresponding quarter of 2007. This 6.3% decrease is due to the increase in the Canadian dollar. However, sales grew by 15% over the first quarter of 2008.

Sales in Canada, the United States and outside North America amounted to $5.8 million, $7.4 million and $0.7 million respectively. Sales in U.S. dollars were recognized at an average translation rate of 1.01 whereas this rate was 1.1316 in the second quarter of the previous year.

For the six-month period, sales totalled $25.9 million, compared with $29 million for the first half of fiscal 2007. This 10.7% decrease is attributable to the increase in the Canadian dollar and a reduction in the sales volume, during the first quarter of 2008, associated with the real estate crisis in the United States. Sales in U.S. dollars were recognized at an average translation rate of 1.0081 whereas this rate stood at 1.1429 during the first half of the previous year.

Operating Earnings

Operating earnings amounted to $81,000 for the second quarter of 2008, compared with $662,000 in the corresponding quarter of 2007. This change is due mainly to the increase in the value of the Canadian dollar ($756,000).

The Corporation recorded an operating loss of $631,000 for the first half of 2008, as opposed to an operating profit of $1.4 million for the first six months of 2007. This change is due largely to the unfavourable impact of the exchange rate ($1.6 million) and the reduction in the sales volume during the first quarter of 2008.

Net Earnings

The Corporation recorded net earnings of $1.7 million or $0.061 per share for the second quarter, as opposed to a net loss of $90,000 or $(0.003) per share for the same period of the previous year. This change can be explained by the $1.7 million after-tax gain on the sale of the Laval property and the unfavourable impact of the exchange rate of $200,000 after taxes.

For the six-month period, net earnings amounted to $1.1 million or $0.039 per share, compared with $549,000 or $0.019 per share for the corresponding period of 2007. An additional write-down of $149,000 after taxes recorded in the first quarter of 2008 on investments in asset-backed commercial paper reduced the favourable impact resulting from the sale of the property. That was added to the unfavourable impact of $460,000 after taxes due to the increase in the Canadian dollar for the six-month period.

Capital Stock

Due to the share repurchase and cancellation program which ended on May 31, 2008, the average number of common shares outstanding (diluted) totalled 27,296,697 in the second quarter of 2008, compared with 28,701,714 shares in the same quarter a year earlier.

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Forward-Looking Statements

Certain statements in this press release may be forward-looking. Forward-looking statements involve known and unknown risks, uncertainties or other factors that may cause the Corporation's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Compliance with Canadian Generally Recognized Accounting Principles

The information appearing in this press release has been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). However, the Corporation uses earnings before interest, income taxes and amortization ("EBITDA") for analysis purposes to measure its financial performance. This measure has no standardized definition in accordance with GAAP and is therefore regarded as a non-GAAP measure. This measure may therefore not be comparable to similar measures reported by other companies.

Savaria Corporation (www.savariaconcord.com) is Canada's leader and the second largest accessibility company in North America. The Corporation designs, manufactures and distributes products meeting the needs of people with mobility challenges, primarily stairlifts, vertical and inclined platform lifts, as well as elevators for residential and commercial use. Through its subsidiary Van-Action (2005) Inc., Savaria also converts and adapts automotive vehicles for the disabled. Its sales rely on a network of some 600 retailers in North America. Savaria records approximately 60% of its sales outside Canada and employs some 400 people.

For further information:
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Financial highlights appear on the next page

Complete financial statements and the management's report for the quarter ended June 30, 2008 will shortly be available on the Corporation's website and on SEDAR (www.sedar.com).

Financial Highlights

(in thousands, except per-share amounts and percentages)	Quarters Ended June 30			Six-Month Periods Ended June 30		
	2008	**2007**	**Change**	**2008**	**2007**	**Change**
Average effective exchange rate [1]	**1.0100**	1.1316	-10.7%	**1.0081**	1.1429	-11.8%
Sales	**$13,866**	$14,806	-6.3%	**$25,876**	$28,987	-10.7%
Gross profit as a % of sales	***21.2%***	*22.9%*	*n/a*	***20%***	*24.4%*	*n/a*
Selling and administrative expenses	**$2,652**	$2,462	7.7%	**$5,389**	$5,140	4.8%
Selling and administrative expenses as a % of sales	***19.1%***	*16.6%*	*n/a*	***20.8%***	*17.7%*	*n/a*
Operating earnings (loss)	**$81**	$662	-87.8%	**$(631)**	$1,411	-144.7%
Operating earnings as a % of sales	***0.6%***	*4.5%*	*n/a*	***-2.4%***	*4.9%*	*n/a*
Earnings (loss) before interest, income taxes and amortization (EBITDA)	**$2,263**	$276	720%	**$1,875**	$1,216	54%
EBITDA per share – diluted	**$0.083**	$0.010	730%	**$0.069**	$0.043	60.5%
Exchange gain (loss)	**$(66)**	$(658)	90%	**$211**	-709	129.8%
Net earnings (loss)	**$1,653**	$(90)	1,937%	**$1,064**	$549	93.8%
Net earnings (loss) per share – diluted	**$0.061**	$(0.003)	2,133%	**$0.039**	$0.019	105.3%
Dividends declared per share	**$0.063**	-	n/a	**$0.063**	$0.082	-23.2%
Average number of common shares outstanding – diluted	**27,297**	28,702	-4.9%	**27,382**	28,738	-4,7%

	As at June 30, 2008	**As at Dec. 31, 2007**
Total assets	**$34,336**	$38,705
Total liabilities	**$13,075**	$16,082
Shareholders' equity	**$21,261**	$22,623

[1] Calculated taking into account foreign exchange contracts used during the period