

**Report of Organizational Actions  
 Affecting Basis of Securities**

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name <b>American Biltrite Inc.</b>		2 Issuer's employer identification number (EIN) <b>041701350</b>	
3 Name of contact for additional information <b>Howard Feist</b>	4 Telephone No. of contact <b>781-237-6655</b>	5 Email address of contact <b>info@ambilt.com</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>57 River St., Suite 302</b>		7 City, town, or post office, state, and Zip code of contact <b>Wellesley, MA 024816/5/</b>	
8 Date of action <b>6/7/12</b>	9 Classification and description <b>1 for 100 share reverse stock split</b>		
10 CUSIP number <b>024 591 109</b>	11 Serial number(s) <b>N/A</b>	12 Ticker symbol <b>ABLT</b>	13 Account number(s) <b>N/A</b>

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **Effective at 5:00 PM EDT on June 7, 2012, American Biltrite implemented a 1 for 100 reverse stock split of its common stock. Shareholders will receive one post-split share (new CUSIP 024591406) for each 100 pre-split shares owned.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **As a result of the reverse stock split, American Biltrite shareholders will be required to allocate aggregate tax basis in their American Biltrite common stock held immediately prior to the reverse stock split among the shares of American Biltrite common stock held immediately after the reverse stock split (including any fractional share interest in American Biltrite for which cash is received). In general, a shareholder's aggregate tax basis in his or her shares of American Biltrite common stock held immediately prior to the reverse stock should be allocated in proportion to the reduced number of shares of the American Biltrite common stock (and reduced by any tax basis attributable to a fractional share).**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **American Biltrite completed a 1-for-100 reverse stock split such that each 100 pre-split shares of American Biltrite common stock resulted in one post-split share of American Biltrite common stock. One possible approach to determining the basis in American Biltrite post-split common stock would be to multiply the shareholders' per share basis in all common stock owned just prior to the reverse stock split by 100 resulting in the shareholders' per share basis in the post-split common stock of American Biltrite.**

**Part II Organizational Action (continued)**

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ I.R.C. Section 358

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18 Can any resulting loss be recognized? ▶ Except to the extent of cash received in lieu of fractional shares, American Bilrite shareholders generally will not recognize gain or loss for U.S. federal income tax purposes. In general, if a shareholder receives cash in lieu of a fractional share, the shareholder will recognize capital gain or loss based on the difference between the amount of cash received and the shareholder's adjusted basis in the fractional share. The capital gain or loss will constitute long-term capital gain or loss if the shareholder's holding period for the American Bilrite common stock is greater than one year as of the date of the reverse stock split. The deductibility of capital losses may be subject to limitations. Shareholders should consult their tax advisors with respect to the potential tax consequences to them of the reverse stock split.

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable tax year is 2012 for taxpayers reporting taxable income on a calendar year basis. For shareholders reporting taxable income on a basis other than calendar year, the reportable tax year is the shareholder's tax year that includes June 7, 2012.

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature ▶ [Handwritten Signature] Date ▶ 7/13/12

Print your name ▶ Howard Feist Title ▶ VP-Finance

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.