

ANNUAL INFORMATION FORM

For The Fiscal Year Ended

December 31, 2007

SAVARIA CORPORATION

4150 Highway 13

Laval QC H7R 6E9

Dated: March 27, 2008

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FORWARD LOOKING STATEMENTS

Certain statements in this Annual Information Form (“AIF”) and in management's report in the 2007 annual report constitute forward-looking statements which are based on management's beliefs and information currently available to management, as well as on a number of assumptions concerning future events made by management. The use of words such as "anticipate", "believes", "could", "expect", "may", "estimate", "continue", "intend", and similar expressions, are intended to identify forward-looking statements. These statements are intended to express known and unknown risks, uncertainties and other factors which may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Management believes the expectations expressed by these statements are based on reasonable assumptions, but no assurance can be given that these expectations will prove to be correct. Forward-looking statements should only be relied upon with this caution in mind.

Forward-looking statements in this AIF include, but are not limited to, statements with respect to future capital expenditures, including the amount and nature of such expenditures, currency fluctuations, business strategy, including integration of acquisitions, expansion and growth of the Corporation's business and operations, including the Corporation's market share and position, and other such matters. The Corporation's actual results could differ materially from those anticipated in these forward-looking statements as a result of risks, uncertainties and assumptions which are difficult to predict, including, general economic, market and business conditions, incorrect assessments of the value of acquisitions, fluctuations in foreign exchange or interest rates, increase competition, lack of available qualified management and key employees, changing technology and other factors, many of which are beyond the control of the Corporation. These factors should not be exhaustive and readers should also consider the items set out under the heading "Risk Factors" in this AIF. Except as required under applicable securities law, management is under no obligation to update or revise any forward-looking statements. These statements reflect only information as of the date of this AIF.

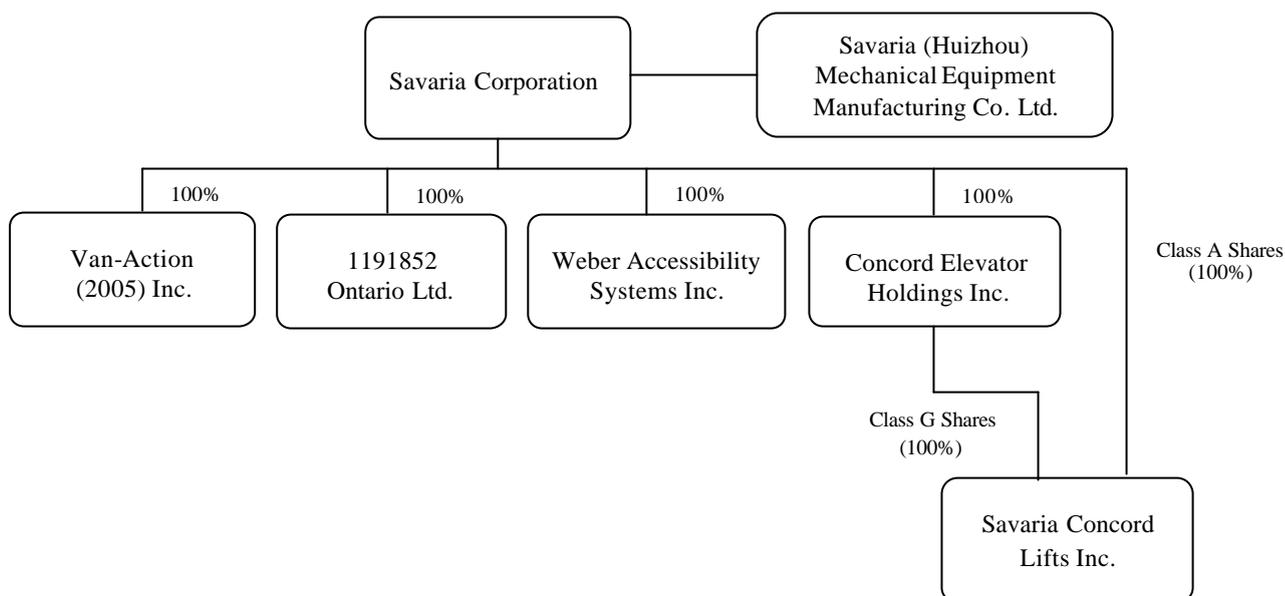
CORPORATE STRUCTURE

Incorporation of the Issuer

Savaria Corporation (“**Savaria**” or the “**Corporation**”) was incorporated by Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (Alberta) on October 25, 1999. The Articles of the Corporation were amended by Certificate of Amendment dated January 18, 2000, to delete the private company provisions including restrictions on resale. The Articles were amended again by a Certificate of Amendment dated July 25, 2000, consolidating the issued and outstanding common shares. A Certificate of Amendment dated December 21, 2001 provided for the changing of the name of the Corporation to Savaria Corporation, creating a Series "A" first preferred shares and providing for shareholders' meetings to be held outside of the Province of Alberta and were restated by a Certificate of Amendment and Registration of Restated Articles dated January 4, 2002.

The Corporation's head office is located at 4150 Highway 13, Laval QC H7R 6E9 and its registered office is located at Third Floor, 14505 Bannister Road S.E., Calgary AB T2X 3J3.

Intercorporate Relationships



Savaria has five subsidiaries as indicated in the chart above. Savaria owns, directly and indirectly 100% of the issued and outstanding shares of these subsidiaries.

1. Concord Elevator Holdings Inc. (“**Concord Holdings**”). Concord Holdings was incorporated on July 26, 2002, pursuant to the laws of the State of California. Concord Holdings, along with Corporation, holds all of the issued and outstanding shares of Savaria Concord (see below). The head office of Concord Holdings is located at 107 Alfred Kuehne, Brampton Ontario, L6T 4K3. Concord Holdings was acquired by Savaria on September 14, 2005.

2. Van-Action (2005) Inc. (“**Van-Action**”). Van-Action was incorporated pursuant to the laws of the Province of Quebec. Van-Action is engaged in converting and adapting vehicles for the physically challenged and distributes its products mostly in Canada and also in Europe. The head office is located at 4870 Courval, St-Laurent Quebec, H4T 1L1.

3. Weber Accessibility Systems Inc. (“**Weber**”). Weber was incorporated pursuant to the laws of the State of Vermont. Weber is a distributor of equipment for the physically challenged.

4. 1191852 Ontario Limited, carrying on business as Richardson Elevator (“**Richardson**”), formerly named Robertson. Richardson was incorporated pursuant to the laws of the Province of Ontario. This company is a distributor of equipment for the physically challenged.

5. Savaria Concord Lifts Inc. (“**Savaria Concord**”). Savaria Concord (formerly Concord Elevator Inc.) was incorporated pursuant to the laws of the Province of Ontario. In 2006, Savaria Concord’s wholly owned subsidiary, Services Industriels Savaria Inc. was wound up into Savaria Concord. Savaria Concord is the operating company which carries out the design, manufacturing and marketing of the Corporation’s accessibility equipment. The head office of Savaria Concord is located at 4150 Highway 13, Laval Quebec, H7R 6E9.

6. Savaria (Huizhou) Mechanical Equipment Manufacturing Co. Ltd. (“**Savaria Huizhou**”). Located in Huizhou, China, the entity assembles accessibility equipment components and finished products for the benefit of the Corporation and its subsidiaries. It operates a 35,000-square-foot facility and employs about 35 people. The Corporation included this related party as a variable interest entity (“VIE”) in its scope of consolidation as at December 31, 2007. The Corporation is in the process of transferring to its name the outstanding capital stock of this entity.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

2005

In June 2005, the Corporation converted 7,000,000 Series “A” first preferred shares into 7,000,000 common shares. On June 20, 2005, the Corporation acquired for cash all the assets of Van-Action, Canada’s leader in converting and adapting automotive vehicles for the physically challenged now operated under the name of Van-Action (2005) Inc.

In September 2005, the Corporation also acquired Concord Holdings, a private company which designs, manufactures and distributes elevators for residential and commercial buildings as well as vertical platforms. This acquisition was paid through the issue of 4,249,984 common shares of Savaria at a discounted price of \$1.40 per share. A Business Acquisition Report (Form 51-102F4) was filed in respect of this acquisition. With Concord Holdings, Savaria expanded its product line and distribution network, which now consists of some 600 retailers and installers, up from 300 previously.

2006

With the acquisitions of all the assets of Van-Action Inc. in June 2005 and the acquisition of all of the issued and outstanding shares of Concord Holdings in September 2005, the Corporation

was able to achieve sales of approximately \$60 million on an annualized basis in 2006. It was also starting to benefit from certain synergies such as the greater use of Asian suppliers by the Brampton, Ontario plant.

In June 2006, direct sales outside of the Montreal region were discontinued in order to fully support Savaria's dealers. As a result of this decision, operations of Weber and Richardson came to an end.

During that year, Savaria's employees focused their energy on integrating Concord's operations. Considering its new size, the Corporation could more than ever enjoy an enviable reputation, an extensive North American distribution network, skilled employees, established suppliers, and a solid financial balance sheet.

2007

In 2007, the main preoccupation of the Corporation was to deal with the increase in the value of the Canadian dollar. To counter the erosion of its operating earnings and EBITDA, Savaria took action on two fronts: firstly, the Corporation closed its Laval manufacturing facilities and transferred its production to its facility in Brampton, Ontario and that of a related party in China; and secondly, the Corporation more than doubled its purchases from China.

In 2007, Savaria also introduced new product lines: the "Eclipse", a new residential elevator that does not require a mechanical room, and a new line of automatic door openers that fit perfectly with its elevators and platform lifts.

The strength of its balance sheet permitted the Corporation to repurchase 911,000 shares under its share repurchase and cancellation program.

In 2008, the Corporation will concentrate on finalizing the integration of the Laval plant operations to its Brampton and Chinese facilities in order to optimize profitability, complete the launch of the "Eclipse" and the new line of automatic door openers and take further advantage of the potential savings derived from having components manufactured in China.

DESCRIPTION OF THE BUSINESS

The Corporation has three general categories of products: Elevators, Accessibility products and Adapted Transportation. Its products are used for both commercial (60%) and residential (40%) applications. Savaria generates approximately 54% of its revenues from the U.S. and 40% from Canada with the balance occurring on the international market.

A. Elevators and Accessibility products

Summary

Savaria Concord designs, manufactures and distributes accessibility equipment for people with mobility challenges and elevators for residential use. A total of thirteen products, manufactured and assembled at its Brampton, Ontario plant, are sold through a network of over 600 retailers across North America, managed by the Corporation's six regional sales managers.

Savaria Concord products meet the requirements of Canadian Standards Association ("CSA") or American Society of Mechanical Engineers ("ASME"). The applicable standards and codes are CSA B355 (Lifts for Persons with Physical Disabilities), ASME A18.1 (Safety Standard for Platform Lifts and Stairway Chairlifts) and CSA B44 (Safety Code for Elevators). These safety standards specify minimum requirements for the design, construction, installation and testing of lifting equipment.

Production

Savaria Concord designs and manufactures its accessibility products and elevators at its manufacturing facilities in Brampton, Ontario.

Product testing is conducted at the same facility. When parts are received, they are compared to the original design criteria. Samples are selected from each newly received shipment and are submitted through rigorous tests. Once the samples have successfully passed all quality control tests, the product is sub-assembled. Other components are then painted, followed by the assembly of the electric/electronic components. All parts and components are brought together and assembled into the finished product. Quality control, inspection, and examination are performed by non-assembly employees who specialize in the quality control process.

Competitive Conditions

There are five major competitors to Savaria Concord within the North American accessibility equipment industry. The majority of the information relating to competition in the accessibility equipment industry was obtained through corporate websites and information provided directly by Savaria Concord.

ThyssenKrupp Access Corp. ("TK Access") is a subsidiary of ThyssenKrupp AG of Germany, the third largest manufacturer of elevators worldwide. TK Access manufactures accessibility equipment including stairway lifts, vertical platform lifts, incline platform lifts, limited use/limited application (lula) elevators and residential elevators.

Bruno Independent Living Aids, Inc. is a private company, which produces accessibility and mobility products for people with disabilities. These products include battery-powered three and four wheeled scooters, automobile/truck and van lifts to transport scooters, wheelchairs and power chairs and stairway lifts that allow access to upper and lower levels of buildings.

Garaventa (Canada) Ltd. is a subsidiary of Garaventa Goldau, the leading manufacturer of aerial tramways. Garaventa (Canada) Ltd. manufactures wheelchair platform lifts for both straight and curved stairways, as well as vertical platform lifts, Stair-Track portable wheelchair lifts and Evacu-trac which are emergency evacuation devices.

National Wheel-o-Vator manufactures and distributes accessibility equipment including vertical platform lifts, inclined platform lifts, residential as well as commercial limited use/limited application(lula) elevators.

Residential Elevators, Inc., assemble and install residential elevators.

Components

Among Savaria Concord's products, approximately 1,800 parts are used in total. Savaria Concord acquires 60% of required parts from outside sources and assembles and paints the final products. Drawings of the various components used to assemble final products are submitted to sub-contractors that supply these parts to Savaria Concord on a "just-in-time basis". Suppliers are expected to compete on price, delivery, service and quality. Most parts are stocked for four-week cycles and approximately 71% are purchased in Canadian dollars.

Employees

The Corporation employs a total of 256 people, 162 in assembly, 66 in administration, 8 in installation, 15 in sales and marketing and 5 in research and development.

Foreign Operations

Savaria Concord's foreign operations are sales and purchases. The Corporation generates approximately 63% of its revenues from the U.S., 32% from Canada and the balance on the international market. Regarding purchases, approximately 71% are from Canada, 20% are imported from the US., 7% are imported from China and the balance from the international market. See also, "Risk Factors - General - Currency Fluctuations" below.

B. Adapted Transportation

Summary

Van-Action's principal business is to adapt automotive vehicles and to offer mainly lowered-floor minivans and raised-ceiling vans, vehicles ideally suited to transporting people in wheelchairs. Van-Action also distributes and installs lifting platforms, motorized winches, various manual controls and other accessories to facilitate the driving abilities of people with reduced mobility. Located in Ville St-Laurent, Quebec, Van-Action generates revenues of close to \$9 million, half of which come from Quebec agencies.

Production

Van-Action designs, tests and manufacturers lowered-floor minivans to accommodate wheelchairs. Their line of production has a capacity of 35 vans per month. The line includes seven stages starting with disassembling the interior of the van, cutting open the floor, welding a new floor in place, painting, rewiring the electricity, reassembling the van and performing road tests.

Competitive Conditions

There are six major competitors to Van-Action within North America:

Liberty Motor Company LTD of Oakville, Ontario, Canada.

Freedom Motors of Oakville, Ontario, Canada.

Braun Corporation of Winamac, Indiana, USA

Vantage Mobility International of Phoenix, Arizona, USA.

Eldorado National of Salina, Kansas, USA.

Eclipse Conversions of Elkhart, Indiana, USA.

Components

Approximately 300 parts are used to adapt the vans. Of this number, 80% are from outside sources. Most parts are stocked for four-week cycles and approximately 95% are purchased in Canadian dollars.

Employees

The Corporation employs a total of 63 people, 42 in assembly, 11 in administration, 5 in sales and marketing and 5 in research and development.

Foreign Operations

Van-Action sells approximately 77% of its production in Canada and 23% in Sweeden. 96% of its purchases are in Canadian dollars and the rest are in US dollars.

RISK FACTORS

The risks and uncertainties described below are not the only ones Savaria may face. Additional risks and uncertainties not presently known to the Corporation or that it currently deem immaterial may also impair business operations. If any of the following risks actually occurs, the business, financial conditions or results of operations could be materially adversely affected.

General

Financing - Savaria may require additional financing in the future. The ability of the Corporation to arrange such financing in the future will depend, in part, upon the prevailing capital market conditions, as well as the business performance of the Corporation. There can be no assurance that Savaria will be successful in its efforts to arrange additional financing on terms satisfactory to the Corporation. If additional financing is raised by the issuance of shares from treasury of the Corporation, shareholders may suffer additional dilution and control of the Corporation may change. If adequate funds are not available, or are not available on acceptable terms, Savaria may not be able to take advantage of opportunities, develop new products or otherwise respond to competitive pressures.

Limited Product Lines and Risk of Delays - Most of Savaria's sales are currently derived from a limited number of products and such products are expected to account for a substantial portion of the Corporation's revenues in the near term. In addition, the Corporation may experience delays in the development of new products and the enhancement of existing products in the future.

Costs - Fixed costs, including costs associated with leases, labour costs, amortization and interest expense account for a significant portion of the Corporation's costs and expenses. As a result, downtime or low productivity resulting from lower demand, equipment failure or other factors could result in significant operating losses for Savaria.

Growth Related Risks - Savaria's potential growth will place significant demands on management and other resources. The Corporation's ability to manage its growth effectively will require it to continue to develop and improve its operational, financial and other internal systems, as well as its business development capabilities and to train, motivate and manage its employees. If Savaria is unable to finance and manage its growth effectively, such inability could have a material adverse effect on the quality of its products, its ability to retain key personnel and its business, financial condition and results of operations.

Currency Fluctuations - Savaria realizes approximately 60% of its sales in foreign currencies and accordingly is exposed to market risks related to foreign exchange fluctuations between the Canadian dollar and the U.S. dollar. As a result, any decrease in the value of the U.S. dollar relative to the Canadian dollar reduces Savaria's profitability.

Exchange rate fluctuations are beyond Savaria's control and the U.S. dollar may continue to depreciate against the Canadian dollar in the future, which would result in lower revenues and margins. Since January 1, 2002, the Canadian dollar has appreciated more than 57% relative to the U.S. dollar. This has had a material adverse effect on the Corporation's sales and profitability of its operations and may continue to have adverse effect on the business, financial results and financial conditions.

Investments - The Corporation holds investments in the amount of US\$3 M that were invested in asset-backed commercial paper ("ABCP") issued by SLATE Trust and ROCKET Trust. This ABCP had a "R1-(high)" rating according to Dominion Bond Rating Services ("DBRS") and

met the Corporation's investment criteria at its acquisition date. The ABCP held by the Corporation matured on various dates between August 30 and September 5, 2007. The scheduled payments have not been made and there is currently no active market for this ABCP.

The Canadian market for third-party ABCP suffered a liquidity disruption in mid-August 2007 following which a group of financial institutions and other parties agreed, pursuant to the Montreal Proposal ("the Proposal"), to a standstill period in respect of ABCP sold by 23 conduit issuers. Participants in the Proposal also agreed in principle to the conversion of the ABCP into longer-term financial instruments with maturities corresponding to the underlying assets. A Pan-Canadian Investors Committee was subsequently established to oversee the orderly restructuring of these instruments during the standstill period. A restructuring plan was announced on December 23, 2007 which is expected to be completed by March 2008. The Corporation is not a signatory to the Proposal. The Corporation is assessing its alternatives and recourses to recover the full value of this third-party ABCP.

There is currently uncertainty of the outcome of the restructuring plan being considered for these securities and in estimating the amount and timing of cash flows in any restructuring. As a result, the Corporation used its best judgment to assess the market conditions as at December 31, 2007 and following a probability weighted approach has estimated the fair value of these securities and classified this third-party ABCP as long-term investments.

Competition

There are a number of companies marketing and distributing accessibility equipment. Some of these companies may have substantially more financial and technical resources, more extensive research and development capabilities, greater marketing, distribution, and human resources and products already accepted in the market place. See "Competitive Conditions", above.

The accessibility equipment industry is subject to technological change. There can be no assurance that developments by others will not render Savaria's products non-competitive or that it will be able to keep pace with technological developments. Some of these products may have an entirely different approach or means of accomplishing the desired result than products being developed by Savaria and could be more effective and less costly than Savaria's products.

Key Personnel

Savaria believes its future success will depend upon its ability to retain its key management personnel, including Marcel Bourassa, the Corporation's President and CEO, because of his experience and knowledge regarding the development, special opportunities and challenges of Savaria's business. The Corporation may not be successful in attracting and retaining key employees in the future. Savaria's future success and its ability to expand its operations will also depend in large part on its ability to attract and retain additional qualified marketing, sales and technical personnel. The Corporation may not be able to hire, train, retain, motivate and manage required personnel or to successfully identify, manage and exploit existing and potential market opportunities. Competition for these types of employees is intense due to the limited number of qualified professionals. Failure to attract and retain personnel, particularly marketing, sales and

technical personnel could make it difficult for the Corporation to manage its business and meet its objectives.

Product Liability

Savaria, like other manufacturing companies, is subject to a variety of potential liabilities connected with its business operations, including potential liabilities and expenses associated with possible product defects. The Corporation's products are highly complex and sophisticated and, from time to time, contain design and manufacturing defects that are difficult to detect and correct. There can be no assurance that errors will not be found in new products after commencement of commercial shipments or, if discovered, that the Corporation will be able to successfully correct such errors in a timely manner or at all. In addition, despite tests carried out by the Corporation on all of its products to achieve, as much as possible, first pass product success, there is no assurance that Savaria will be able to fully simulate the environment in which its products will operate. As a result, the Corporation may be unable to adequately detect design and manufacturing defects in its products and they may only become apparent when the products are installed. The consequences of such errors and failures could have a material adverse affect on the Corporation's business, financial condition and results of operations. Consistent with industry practice, Savaria allows customers to return products for warranty repair, replacement or credit. Although the Corporation will provide allowances for anticipated returns, and management believes that the policies of the Corporation have resulted in the establishment of allowances that are adequate, there is no assurance that such product returns will not exceed such allowances in the future and as a result may have a material adverse effect on future operating results. If any of the products distributed by Savaria prove defective, the Corporation may be required to refund the price of or replace the product. Replacement or recall of such products may cause the Corporation to incur significant expenses and adversely affect the reputation of Savaria and its products.

Savaria maintains product liability and other insurance coverage which it believes to be generally in accordance with industry practices. Nevertheless, such insurance coverage may not be adequate to fully protect the Corporation against substantial damage claims which may arise from product defects and failures.

Government Regulation

All Savaria products are submitted to, and meet the requirements of the CSA and the ASME. Although Savaria intends to seek any other necessary approvals for future products, there can be no assurance that the codes and standards relating to such approvals will not change, thus requiring additional approvals, or that Savaria will be able to secure all necessary approvals at acceptable costs or within desired time frames.

Return on Investment

Savaria may continue to expand its operations or product lines through the acquisition of additional businesses, products or technologies. There can be no assurance that the Corporation will be able to identify, acquire or profitably manage additional businesses or successfully

integrate any acquired businesses, products or technologies into the Corporation without substantial expenses, delays or other operational or financial problems. Furthermore, acquisitions involve a number of special risks, including diversion of management's attention, failure to retain key acquired personnel, unanticipated events or circumstances and legal liabilities, some or all of which could have a material adverse effect on the Corporation's business, results of operations and financial condition. In addition, there can be no assurance that acquired businesses, products or technologies, if any, will achieve anticipated revenues and income. An acquisition could also result in a potentially dilutive issuance of equity securities. If a strategy of growth through acquisition is pursued, the failure of the Corporation to manage this strategy successfully could have a material adverse effect on Savaria's business, results of operations and financial condition.

Operating Results

There is no assurance that the Corporation will achieve profitability in the future or that it will be able to generate sufficient cash from operations, or to raise sufficient financing, to fund its operations. Savaria's annual and quarterly results are affected by a number of factors. The primary factors affecting operating results are the level and timing of customer orders, fluctuations in materials costs and the mix of materials costs versus labour and manufacturing overhead costs. Other factors affecting annual and quarterly operating results include price competition, the Corporation's experience manufacturing a particular product, the efficiencies achieved by the Corporation in managing inventories, fixed assets and manufacturing capacity, the timing of expenditures in anticipation of increased sales, the timing of acquisitions and related integration costs, customer product delivery requirements, product defects, shortage of raw materials or labour, expenditures or write-offs related to acquisitions, distribution and marketing costs, expenses relating to expanding existing manufacturing facilities and overall economic conditions in the accessibility equipment industry. Any one of these factors or a combination thereof could have a material adverse effect on the Corporation's results of operations, business, prospects and financial condition and could cause variability of results from period to period.

Healthcare Reimbursement

Savaria's ability to grow sales of accessibility equipment may depend, in part, on the extent to which reimbursement for the cost of such products will be available from government health administration authorities, private health coverage insurers, and other organizations. Third-party payers are increasingly challenging the price of medical equipment. There can be no assurance that third-party coverage will be available to assist potential buyers of Savaria's products.

Proprietary Rights

Much of Savaria's rights to know-how and technology may not be patentable, though this know-how and technology may constitute trade secrets. There can be no assurance that the Corporation will be able to meaningfully protect its rights to trade secrets. To help protect its rights, Savaria may require employees, consultants, suppliers and sub-contractors to enter into confidentiality agreements. There can be no assurance that these agreements will provide meaningful protection

for the Corporation's rights to trade secrets, know-how or other proprietary information in the event of any unauthorized use or disclosure. Further, Savaria's business may be adversely affected by competitors who independently develop competing technologies.

Technological Alteration

Savaria's products are manufactured to specifications designated by each country within which product is sold. A country can announce changes to its specifications for equipment design that can materially affect Savaria's production, design and implementation processes, thereby forcing the absorption of additional costs while adjusting to the new specifications.

DIVIDENDS

During each of the years indicated, the Corporation declared the following dividends per share:

	2007	2006	2005
Common Shares	\$0.082	\$0.022	\$0.025

On April 5, 2007, Savaria paid a dividend of \$0.082 per common share corresponding to 50% of the prior year's earnings before income taxes and amortization. In 2006 and 2005, dividends represented 25% of net earnings of the prior year.

GENERAL DESCRIPTION OF CAPITAL STRUCTURE

The Corporation is authorized to issue an unlimited number of common shares, first preferred shares and second preferred shares, all without nominal or par value. As at the date of this AIF, 27,696,414 common shares are issued and outstanding as fully paid and non-assessable. No first or second preferred shares are issued and outstanding as at the date of this AIF.

The holders of the common shares are entitled to dividends, if, as and when declared by the board of directors, to one vote per share at meetings of the shareholders of the Corporation and, upon liquidation, to receive such assets of the Corporation as are distributable to the holders of the common shares.

MARKET FOR SECURITIES

Trading Price and Volume

The Corporation's common shares trade on the Toronto Stock Exchange under the symbol "SIS". As at March 26, 2008 the closing price of the common shares was \$1.08. The trading price of the common shares for the period of January 1, 2007 to December 31, 2007 was as follows:

Month	Price per share			Volume
	High	Low	Close	
January 2007	\$2.30	\$1.91	\$2.09	310,994
February 2007	\$2.13	\$2.00	\$2.10	228,669
March 2007	\$2.09	\$1.95	\$1.98	286,975
April 2007	\$2.00	\$1.90	\$1.95	105,750
May 2007	\$1.97	\$1.80	\$1.80	111,350
June 2007	\$1.79	\$1.60	\$1.75	351,917
July 2007	\$1.74	\$1.41	\$1.59	130,193
August 2007	\$1.80	\$1.37	\$1.55	99,100
September 2007	\$1.60	\$1.40	\$1.51	53,720
October 2007	\$1.44	\$1.20	\$1.41	82,957
November 2007	\$1.35	\$1.00	\$1.15	329,130
December 2007	\$1.35	\$1.20	\$1.20	82,100

ESCROWED SECURITIES

On September 14, 2005, the Corporation issued 4,249,984 common shares at \$1.40 per share in order to acquire 100% of the outstanding capital stock of Concord Elevator Holdings Inc. The cost per share was based on the market price that applied on the date of the acquisition but which was discounted to reflect a two-year sales restriction, one third of which was freed up in September 2007 and the other two thirds will be freed up in September 2008 and 2009. Of the total shares issued, 500,000 shares at \$1.50 per share are still under escrow to protect the Corporation against potential lawsuits or payments arising from events prior to the date of acquisition.

Escrowed Securities		
Designation of Class	Number of Securities held in Escrow	Percentage of Class
Common shares	500,000	1.8%

DIRECTORS AND OFFICERS

Name, Occupation and Security Holdings

The following table sets out the name and municipality of residence of each of the directors and executive officers of the Corporation, their positions held in the Corporation, their principal occupation at present and during the preceding five years, and the number of common shares of the Corporation which that person has advised are beneficially owned by him or her, directly or indirectly, or over which control or direction is exercised, as of the date of this AIF. Each of these directors has been nominated for election at the Corporation's annual meeting. If elected, they will serve until the next annual meeting, their resignation or until their successors are elected or appointed in accordance with the *Business Corporations Act* (Alberta) and the by-laws of the Corporation.

Name and municipality of residence	Position with Savaria and principal occupation during the past five years	Common Shares beneficially owned and/or controlled and (percent of total issued and outstanding common shares)
Marcel Bourassa Laval, QC	President, Chief Executive Officer and a director of the Corporation since January 2002. President of the Corporation's wholly-owned subsidiary, Savaria Concord Lifts Inc., since 1989.	12,160,900 ⁽²⁾ (43.9%)
Jean-Marie Bourassa Montreal, QC	Chief Financial Officer and director of the Corporation since January 2002. Associate director of Bourassa Boyer, Chartered Accountant firm since 1980.	3,146,000 ⁽⁵⁾ (11.4%)
Robert Berthiaume Montreal, QC	Professional engineer with Savaria Concord Lifts Inc. since 1991. Director of the Corporation since January 2002.	256,000 (0.9%)
Normand Balthazard ⁽¹⁾ Montreal, QC	President and CEO of BioCapital Management Inc. since 1990. Chairman of Contact Image Corporation from November 2004 until March 2007. Director of the Corporation since March 2003.	90,000 (0.3%)

Name and municipality of residence	Position with Savaria and principal occupation during the past five years	Common Shares beneficially owned and/or controlled and (percent of total issued and outstanding common shares)
Peter Drutz ⁽¹⁾ Richmond Hill, ON	President of S&S Comfort Canada Inc. (dba Comfort Keepers) since August 2007; Chief Operating Officer of S&S Comfort Canada Inc. (dba Comfort Keepers) from October 2004 to August 2007. Executive Vice President, Retail of Indigo Books & Music Inc. from April 2003 to September 2004. President of OutThink in Toronto, ON from October 2002 to March 2003. Director of the Corporation since 1999.	82,766 (0.3%)
Ken McKinnon ⁽¹⁾ Calgary, AB	Director of Petrobank Energy and Resources Ltd. since March 2000; Vice-President, Finance and Chief Financial Officer of Petrobank Energy and Resources Ltd from January 1997 to March 2000. Corporate Secretary of Petrobank Energy and Resources Ltd. from November 1997 to December 2004. Vice-President Legal and General Counsel of Critical Mass Inc. since March 2000; Director of Petrominerales Ltd. since April 2006; Director of Quorum Information Technologies Inc. since February 2007. Director of Savaria Corporation since May 2000.	56,667 (0.2%)
Jean-Louis Chapdelaine Pointe-Claire, QC	President of Saraguay Investment Inc. since 1975. Director of the Corporation since June 2005.	Nil

- (1) Members of the Corporation's Audit Committee. Mr. Balthazard is Chairman of the Audit Committee.
- (2) Of the 12,160,900, common shares indicated, 11,500,000 are held indirectly through Les Éleveurs Savaria Inc. and 350,000 are held indirectly through 9099-4591 Quebec Inc., both of which are controlled by Marcel Bourassa and his family and 310,900 are held personally by Marcel Bourassa.
- (3) Of the 3,146,000 indicated, 2,875,000 are held indirectly through Les Elevateurs Savaria Inc. which is controlled by Jean-Marie Bourassa and his family and 271,000 are held personally by Jean-Marie Bourassa.

The directors and officers of the Corporation, as a group, beneficially own or control, directly or indirectly, 15,792,333, or 57%, of the issued and outstanding common shares.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as expressly stated below, none of the Corporation's directors or executive officers or any shareholder holding a sufficient number of securities of Savaria to affect material control of the Corporation

- (a) is, as at the date of this AIF or has been, within the 10 years before the date of this AIF, a director or executive officer of any company (including Savaria), who, while he was acting in that capacity,
 - (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days,
 - (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, or
 - (iii) or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or shareholder.

As mentioned previously, Mr. Balthazard was Chairman of Contact Image Corporation from November 2004 until March 23, 2007. On May 11, 2007 a wholly owned subsidiary of Contact Image Corporation, named Groupe Contact Image, filed for bankruptcy.

Conflicts of Interest

Directors and officers of Savaria may serve as directors or officers of, or have significant shareholdings in other companies, or be or become engaged in business and activities in the

accessibility industry and/or other fields, on their own behalf and on behalf of other companies and entities. To the extent that such other companies or entities may participate in ventures in which the Corporation may participate, the directors or officers of the Corporation may have a conflict of interest. Conflicts of interest, if any, will be subject to the procedures and remedies under the *Business Corporations Act* (Alberta).

As at the date of this AIF, the Corporation is not aware of any existing or potential material conflicts of interest between the Corporation and a director or officer of the Corporation.

PROMOTERS

Marcel Bourassa and Jean-Marie Bourassa may be considered promoters of the Corporation. The following table sets out the number and percentage of each class of securities of the Corporation beneficially owned, directly or indirectly, or over which control is exercised by the promoters of the Corporation:

Name of Promoter and Position with Savaria	Number and Percentage of Voting Securities Held
Marcel Bourassa President, CEO and Director	12,160,900 ⁽¹⁾ common shares (43.9%)
Jean-Marie Bourassa Chief Financial Officer	3,146,000 ⁽²⁾ common shares (11.4%)

(1) Of the 12,160,900, common shares indicated, 11,500,000 are held indirectly through Les Éleveurs Savaria Inc. and 350,000 are held indirectly through 9099-4591 Quebec Inc., both of which are controlled by Marcel Bourassa and his family and 310,900 are held personally by Marcel Bourassa.

(2) Of the 3,146,000 indicated, 2,875,000 are held indirectly through Les Éleveurs Savaria Inc. which is controlled by Jean-Marie Bourassa and his family and 271,000 are held personally by Jean-Marie Bourassa.

The following table sets out the nature and amount of anything of value, including money, property, contracts, options or rights of any kind received by the promoters directly or indirectly from Savaria or its wholly-owned subsidiary:

Name and principal position	Salary (\$)	Bonus	Other annual compensation	Securities under option	Any other items of value, received by the promoters from Savaria
Marcel Bourassa	\$175,000	nil	nil	nil	nil
Jean-Marie Bourassa	nil	nil	nil	nil	nil

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

During the fiscal year ended December 31, 2007, the Corporation recorded an amount of \$59,600 (2006: \$48,856) for services rendered by an entity whose officer is a director of the Corporation. Other than the foregoing, the directors, officers and principal shareholders of the Corporation (and the known associates and affiliates of such persons) have had no direct or indirect interest in any transaction involving the Corporation, or its subsidiaries in the last fiscal year or in any proposed material transaction.

AUDIT COMMITTEE INFORMATION

Composition of the Audit Committee

Members of the Audit Committee are Normand Balthazard (Chair), Peter Drutz and Kenneth McKinnon. Each member of the Audit Committee is independent and financially literate.

Relevant Education and Experience

Normand Balthazard

Mr. Balthazard is the founder, President and CEO of BioCapital Management. He has more than 20 years of investment expertise in private and public companies while managing a Venture Capital Fund and a Mutual Fund in Life Sciences. Mr. Balthazard was a founder, co-founder or lead investor of many private companies in the field of biotechnology, some of them now public companies such as Cryocath, Conjuchem, Labopharm, Neurochem and Methylgene. Prior to founding BioCapital, he was a senior partner in a brokerage firm that went public in 1987 and was bought by Desjardins Securities in 1988. Mr. Balthazard is on the board of the Armand-Frappier Foundation, which honoured him several years ago with an award in recognition of his

contribution to the biotechnology sector in Quebec. He is also a member of the World Presidents' Organization (WPO).

Peter A. Drutz

Mr. Drutz obtained his Masters of Business Administration from the Faculty of Administrative Studies at York University in 1984. He was Executive Vice President of Retail for Indigo Books and Music from April 2003 to September 2004 and with Amex Canada Inc. from 1982 to 2003, the last 8 years as Vice President and General Manager of the Travel Services Network Division. Over this time, he gained experience in analyzing financial statements and he has an understanding of internal controls and procedures for financial reporting. He has gained an understanding of audit committee functions and governance through his involvement with Savaria and being on the board of directors of Amex Bank of Canada Inc. and other public corporations.

Kenneth R. McKinnon

Mr. McKinnon obtained his Bachelor of Commerce from the University of Calgary (Accounting) in 1980 and obtained his Bachelor of Laws from Queens University in 1983. He was Vice President, Finance and Chief Financial Officer of Petrobank Energy and Resources Ltd from November 1997 to March 2000. Mr. McKinnon is also a Director and member of the Audit Committee of Petrobank Energy and Resources Ltd and the Chairman of its compensation Committee. He is also a Director of Petrominerales Ltd and Chairman of the Audit Committee and Compensation Committee as well as a Director of Quorum Information Technologies Inc., a reporting issuer listed on the TSX Venture Exchange. Over this time he gained experience in analyzing financial statements and he has an understanding of internal controls and procedures for financial reporting and has experience supervising persons engaged in the preparation, analysis and evaluation of financial statements. He has gained an understanding of Audit Committee functions through his involvement with the Corporation and other public corporations. In 2006 he earned the ICD.D designation of the Institute of Corporate Directors, as a certified corporate director.

External Auditor Service Fees (By Category)

<u>Year Ended</u>	<u>Audit Fees</u>	<u>Audit Related Fees ⁽¹⁾</u>	<u>Tax Fees</u>	<u>All Other Fees ⁽²⁾</u>
2007	\$111,000	\$3,000	0	\$69,000
2006	\$95,000	\$3,000	0	\$45,000

(1) Audit related fees relate to quarterly reviews .

(2) 2007 other fees relate mainly to Concord Holdings tax matters and other miscellaneous services.

TRANSFER AGENT AND REGISTRAR

The Corporation's transfer agent and registrar is Computershare Trust Company of Canada. Computershare maintains the Corporation's registers at 1500 University, suite 700, Montreal, Quebec, H3A 3S8.

MATERIAL CONTRACTS

Savaria has not entered into any material contracts that are not disclosed or otherwise entered in the ordinary course of business.

INTERESTS OF EXPERTS

PricewaterhouseCoopers LLP, Chartered Accountants, are the Corporation's auditors who prepared the Auditor's Report to the shareholders dated March 13, 2008, with respect to the consolidated annual financial statements of the Corporation for the year ended December 31, 2007. As of March 13, 2008, PricewaterhouseCoopers LLP is objective with respect to the Corporation within the meaning of the Code of Ethics of the Ordre des comptables agréés du Québec.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and options to purchase securities, will be contained in the Corporation's Information Circular for the annual meeting. Additional financial information is provided in Savaria's comparative financial statements for the year ended December 31, 2007. Copies of the Information Circular, annual report and the comparative financial statements may be obtained upon request from the Corporation at its corporate head office. Additional information relating to Savaria may also be found on SEDAR (System for Electronic Document Analysis and Retrieval) at www.sedar.com, and on Savaria's website at www.savariaconcord.com.

SCHEDULE A: AUDIT COMMITTEE'S CHARTER

1. Purpose

The primary function of the audit committee of Savaria (the “**Committee**”) is to assist the board of directors (the “**Board**”) in fulfilling its responsibilities by reviewing (i) the financial reports and other financial information provided by Savaria to any regulatory body or the public, (ii) the Corporation's systems of internal controls regarding preparation of those financial statements and related disclosures that management and the Board have established, and (iii) the Corporation's auditing, accounting and financial reporting processes generally. Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the Corporation's policies, procedures and practices at all levels. The Committee's primary objectives are to:

- assist directors in meeting their responsibilities in respect to the preparation and disclosure of the financial statements of the Corporation and related matters;
- provide for open communication between directors and external auditors;
- enhance the external auditor's independence;
- increase the credibility and objectivity of financial reports; and
- strengthen the role of the outside directors by facilitating in depth discussions between directors on the Audit Committee, management and external auditors.

2. Composition

The Committee shall be comprised of three or more directors as determined by the Board, none of whom are members of management of Savaria and all of whom are "independent" (as such term is used in Multilateral Instrument 52-110 — Audit Committees (“**MI 52-110**”) unless the Board shall have determined that the exemption contained in section 3.6 of MI 52-110 is available and has determined to rely thereon.

All of the members of the Committee shall be “financially literate” (as defined in MI 52-110) unless the Board shall determine that an exemption under MI 52-110 from such requirement in respect of any particular member is available and has determined to rely thereon in accordance with the provisions of MI 52-110.

The members of the Committee shall be elected by the Board at the annual organizational meeting of the Board and remain as members of the Committee until their successors shall be duly elected and qualified.

Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

3. Meetings

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. As part of its mandate to foster open communication, the Committee should meet at least annually with management and the external auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately. The Chief Financial Officer may, at the discretion of the Committee, be present at meetings of the Committee and may be excused from all or part of any such meetings by the Chairman.

Minutes of all meetings of the Committee shall be taken and the Committee shall report the results of its meetings and reviews undertaken and any associated recommendations or resolutions to the Board. A written resolution signed by all Committee members entitled to vote on that resolution at a meeting of the Committee shall be a valid resolution of the Committee.

A quorum for meetings of the Committee shall be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing the Board.

Members of the Committee may participate in a meeting of the Committee by means of telephone or other communication device or facilities that permit all persons participating in any such meeting to hear one another.

4. Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

a) Documents/Reports Review

Review and update this Charter, as conditions dictate.

Review the financial statements, prospectuses, MD&A, annual information forms and all public disclosure containing audited or unaudited financial information (including, without limitation, annual and interim press releases and any other press releases disclosing earnings or financial results) before release and prior to Board approval where required.

Review the reports to management prepared by the external auditors and management's responses.

Review of significant auditor findings during the year, including the status of previous audit recommendations.

Be satisfied with and periodically assess the adequacy of procedures for the review of corporate disclosure that is derived or extracted from the financial statements.

b) External Auditors

Be directly responsible for overseeing the work of the external auditors, including the resolution of disagreements between management and the external auditors regarding financial reporting.

Recommend to the Board the external auditors to be nominated for appointment by the shareholders.

Recommend to the Board the terms of engagement of the external auditor, including their compensation and a confirmation that the external auditors shall report directly to the Committee.

On an annual basis, review and discuss with the auditors all significant relationships the auditors have with the Corporation to determine the auditors' independence.

Review the performance of the external auditors and approve any proposed discharge of the external auditors when circumstances warrant.

When there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change.

Periodically consult with the external auditors, without the presence of management, about internal controls and the fullness and accuracy of the organization's financial statements.

Consider, in consultation with the external auditor, the audit scope and plan of the external auditor.

Pre-approve the completion of any non-audit services by the external auditors and determine which non-audit services the external auditor is prohibited from providing and the Committee may delegate to one or more independent members of the Committee the authority to pre-approve non-audit services, provided that such member(s) reports to the Committee at the next scheduled meeting such pre-approval and the member(s) complies with such other procedures as may be established by the Committee from time to time.

c) Financial Reporting Processes

In consultation with the external auditors and management, review the integrity of the organization's financial reporting processes, both internal and external.

Consider judgments concerning the appropriateness of the Corporation's accounting policies.

Consider and approve, if appropriate, major changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors or management.

Review risk management policies and procedures of the Corporation (i.e., hedging, litigation and insurance).

d) Process Improvement

Review with external auditors their assessment of internal controls, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses. The Committee shall also review annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial statements.

e) Ethical and Legal Compliance

Ensure that management has the proper review system in place to ensure that the Corporation's financial statements, reports and other financial information disseminated to regulatory organizations and the public satisfy legal requirements.

Conduct and authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain, and to set and pay compensation for any independent counsel and other professionals to assist in the conduct of any investigation, subject to the Board approving any expenditure in excess of \$10,000 in this regard.

Perform any other activities consistent with this Charter, the Corporation's by-laws and governing law, as the Committee or the Board deems necessary or appropriate.