

PRESS RELEASE

Taiga's (TBL) Q1 sales decreased 12% due to lower commodity prices

BURNABY, BC, May 10, 2019 - Taiga Building Products Ltd. ("Taiga" or the "Company") today reported its financial results for the three months ended March 31, 2019.

First Quarter Ended March 31, 2019 Earnings Results

The Company's consolidated net sales for the quarter ended March 31, 2019 were \$287.4 million compared to \$324.6 million over the same period last year. The decrease in sales by \$37.2 million or 12% was largely due to decreased selling prices for commodity products.

Gross margin for the quarter ended March 31, 2019 decreased to \$27.5 million from \$30.8 million over the same period last year. The decrease in gross margin was primarily due to lower commodity prices in the current quarter compared to the same quarter last year.

Net earnings for the quarter ended March 31, 2019 decreased to \$4.7 million from \$6.8 million for the same period last year primarily due to decreased gross margin.

EBITDA for the quarter ended March 31, 2019 was \$11.1 million compared to \$11.5 million for the same period last year. Management estimates that if IFRS 16 were not taken into effect as of January 1, 2019 that EBITDA would have been \$1.3M lower, or \$9.8M for the quarter ended March 31, 2019.

Condensed Consolidated Statement of Earnings

For the Three Months Ended

	March 31,	
	2019	2018
<i>(in thousands of Canadian dollars, except for per share amounts)</i>		
Sales	287,399	324,597
Gross margin	27,457	30,758
Distribution expense	5,921	5,883
Selling and administration expense	13,178	14,580
Finance expense	2,230	1,315
Subordinated debt interest expense	219	180
Other income	(37)	(96)
Earnings before income taxes	5,946	8,896
Income tax expense	1,249	2,106
Net earnings	4,697	6,790
Net earnings per share ⁽¹⁾	0.04	0.06
EBITDA ⁽²⁾	11,116	11,519

The following is the reconciliation of net earnings to EBITDA:

	March 31,	
	2019	2018
<i>(in thousands of Canadian dollars)</i>		
Net earnings	4,697	6,790
Income tax expense	1,249	2,106
Finance and subordinated debt interest expense	2,449	1,495
Amortization	2,721	1,128
EBITDA	11,116	11,519

Notes:

(1) Earnings per share is calculated using the weighted average number of shares.

(2) Reference is made above to EBITDA, which represents earnings before interest, taxes, and amortization. As there is no generally accepted method of calculating EBITDA, the measure as calculated by Taiga might not be comparable to similarly titled measures reported by other issuers. EBITDA is presented as management believes it is a useful indicator of a company's ability to meet debt service and capital expenditure requirements and because management interprets trends in EBITDA as an indicator of relative operating performance. EBITDA should not be considered by an investor as an alternative to net income or cash flows as determined in accordance with IFRS. For the disclosure of the manner in which EBITDA is calculated and reconciliation to net earnings refer to the "EBITDA" section of the Company's management's discussion and analysis which will be available shortly on SEDAR at www.sedar.com.

The foregoing selected financial information is qualified in its entirety by and should be read in conjunction with, our unaudited condensed interim consolidated financial statements for the three months ended March 31, 2019 and accompanying notes and management's discussion and analysis which will be available shortly on SEDAR at www.sedar.com.

For further information regarding Taiga, please contact:

Mark Schneidereit-Hsu
CFO and VP, Finance & Administration
Tel: 604.438.1471
Email: mschneidereit@taigabuilding.com