Taiga Building Products Ltd.

Condensed Interim Consolidated Financial Statements
(Unaudited)

For the three months ended March 31, 2019 and 2018
(in Canadian dollars)

NOTICE TO SHAREHOLDERS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of Taiga Building Products Ltd. (the "Company") have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

TAIGA BUILDING PRODUCTS LTD.

Condensed Consolidated Balance Sheets
(Unaudited)

(in thousands of Canadian dollars)	**March 31, 2019**	**March 31, 2018**	**December 31, 2018**
Assets			
Current:			
Accounts receivable	$ 134,935	$ 151,552	$ 94,514
Inventories (Note 4)	172,085	152,761	149,485
Prepaid expenses	2,915	2,260	2,924
	309,935	306,573	246,923
Property, plant and equipment (Note 3)	139,218	38,289	50,326
Intangible Assets	17,160	-	17,813
Goodwill	10,451	-	10,669
Deferred tax assets	280	1,262	270
	$ 477,044	$ 346,124	$ 326,001
Liabilities and Shareholders' Equity			
Current:			
Revolving credit facility (Note 5)	$ 116,170	$ 116,014	$ 64,551
Accounts payable and accrued liabilities	71,397	76,727	59,374
Income taxes payable	-	7,895	4,352
Current portion of long-term debt	7,565	985	7,723
Current portion of lease obligations	5,200	2,350	2,493
	200,332	203,971	138,493
Long-term debt	16,502	-	21,079
Lease obligations (Note 3)	103,352	21,844	20,446
Deferred gain	2,689	3,006	2,719
Deferred tax liabilities	14,129	-	11,790
Provisions	645	738	668
Subordinated notes	12,500	12,500	12,500
	350,149	242,059	207,695
Shareholders' Equity:			
Share capital (Note 8)	131,432	133,090	131,432
Accumulated other comprehensive income (Note 8)	9,787	6,181	8,603
	141,219	139,271	140,035
Deficit	(14,324)	(35,206)	(21,729)
	126,895	104,065	118,306
	$ 477,044	$ 346,124	$ 326,001

The accompanying notes are an integral part of these consolidated financial statements.

TAIGA BUILDING PRODUCTS LTD.

Condensed Consolidated Statements of Earnings and Comprehensive Income (Unaudited)

(in thousands of Canadian dollars, except per share amounts)		Three months ended March 31, 2019		March 31, 2018
Sales	$	287,399	$	324,597
Cost of sales		259,942		293,839
Gross margin		27,457		30,758
Expenses:				
Distribution		5,921		5,883
Selling and administration		13,178		14,654
Finance (Note 9)		2,230		1,241
Subordinated debt interest		219		180
Other income		(37)		(96)
		21,511		21,862
Earnings before income tax		5,946		8,896
Income tax expense (Note 6)		1,249		2,106
Net earnings for the period	$	4,697	$	6,790
Other comprehensive income for the period				
Exchange differences on translating foreign controlled entities	$	1,184	$	1,437
Total comprehensive income for the period	$	5,881	$	8,227
Basic and diluted net earnings per common share	$	0.04	$	0.06
Weighted average number of common shares outstanding		115,564		116,823

The accompanying notes are an integral part of these consolidated financial statements.

TAIGA BUILDING PRODUCTS LTD.

Condensed Consolidated Statements of Changes in Shareholders' Equity (Unaudited)

For the three months ended March 31, 2018

(in thousands of Canadian dollars)	Share Capital	Deficit	Accumulated Other Comprehensive Income	Total
Balance at December 31, 2017	$ 133,090	$ (41,996)	$ 4,744	$ 95,838
Net earnings	-	6,790	-	6,790
Other comprehensive loss	-	-	1,437	1,437
Balance at March 31, 2018	$ 133,090	$ (35,206)	$ 6,181	$ 104,065

For the three months ended March 31, 2019

(in thousands of Canadian dollars)	Share Capital	Deficit	Accumulated Other Comprehensive Income	Total
Balance at December 31, 2018	$ 131,432	$ (21,729)	$ 8,603	$ 118,306
Net earnings	-	4,697	-	4,697
IFRS 16 Adoption Adjustment	-	2,708	-	2,708
Treasury Stock	-	-	-	-
Other comprehensive income	-	-	1,184	1,184
Balance at March 31, 2019	$ 131,432	$ (14,324)	$ 9,787	$ 126,895

The accompanying notes are an integral part of these consolidated financial statements.

TAIGA BUILDING PRODUCTS LTD.

Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Three months ended	
(in thousands of Canadian dollars)	**March 31, 2019**	**March 31, 2018**
Cash provided by (used in):		
Operating:		
Net earnings	$ 4,697	$ 6,790
Adjustments for non-cash items		
Amortization	2,721	1,128
Income tax expense	1,249	2,106
Loss on settlement of debt	-	-
Mark-to-market adjustment on financial instruments	(149)	(65)
Change in provisions	(23)	(49)
Loss (Gain) on asset disposal	3	-
Amortization of deferred gain	(30)	(96)
Finance and subordinated debt interest expense	2,449	1,421
Interest paid	(1,346)	(1,305)
Income tax paid	(4,460)	(38)
Changes in non-cash working capital (Note 12)	(50,107)	(69,677)
Cash flows from operating activities	(44,996)	(59,785)
Investing:		
Purchase of property, plant and equipment	(774)	(814)
Proceeds from disposition of property, plant and equipment	23	-
Business Acquisition	-	-
Cash flows used in investing activities	(751)	(814)
Financing:		
Increase (Decrease) in revolving credit facility	52,743	61,821
Advance (Repayment) of long-term debt	(4,735)	(642)
Repayment of lease obligations	(2,261)	(580)
Cash flows used from financing activities	45,747	60,599
Cash and cash equivalents - end of period	$ -	$ -

The accompanying notes are an integral part of these consolidated financial statements.

1. Nature of Operations

Taiga Building Products Ltd. ("Taiga" or the "Company") is an independent wholesale distributor of building products in Canada and the United States. Taiga operates within two reportable geographic areas, Canada and the United States. The Company's shares are listed for trading on the Toronto Stock Exchange.

Taiga is a Canadian corporation and its registered and records office is located at 20th floor, 250 Howe Street, Vancouver, British Columbia, Canada V6C 3R8.

2. Basis of Preparation

(a) Statement of Compliance

These condensed interim consolidated financial statements (the "Financial Statements") are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Therefore, these financial statements comply with International Accounting Standards ("IAS") 34, *Interim Financial Reporting*.

These Financial Statements follow the same accounting policies and methods of application as our most recent annual financial statements, save for the adoption of IFRS 16 for the fiscal year starting on January 1, 2019. The adoption of this IFRS and their impact on these Financial Statements are covered in Note 3. Accordingly, they should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2018, which have been prepared in accordance with IFRS as issued by the IASB.

These Financial Statements were authorized for issue on May 10, 2019 by the board of directors of the Company.

(b) Basis of Consolidation

These consolidated financial statements include the accounts of Taiga Building Products Ltd. and its subsidiaries. Subsidiaries are those entities which the Company controls by having the power to govern the financial and operational policies of the entity. Inter-company transactions and balances have been eliminated.

(c) Basis of Measurement

These consolidated financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable.

(d) Revolving Credit Facility

Previously, the Company reflected the revolving credit facility (Note 5) as part of cash and cash equivalents as it forms an integral part of Taiga's cash management and fluctuates directly as a result of cash flows from operating, investing and financing activities. In response to an agenda decision issued by the IFRS Interpretations Committee, Taiga has revised this presentation and now includes cash flows resulting from changes in the revolving credit facility balance within financing activities. Comparative information has been adjusted accordingly.

3. Significant Accounting Policies

The significant accounting policies that have been used in the preparation of these condensed consolidated interim financial statements are summarized in the Company's annual audited consolidated financial statements for the year ended December 31, 2018.

(a) Changes in Accounting Policies – Leases

Effective January 1, 2019, the Company adopted IFRS 16, Leases, which specifies how to recognize, measure, present and disclose leases. The standard introduces a single lessee accounting model and requires a lessee to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The Company's accounting policy under IFRS 16 is as follows:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. This policy is applied to contracts entered into, or changed, on or after January 1, 2019.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and estimate of costs to dismantle and remove or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term using the straight-line method. The lease term includes consideration of an option to renew or to terminate if the Company is reasonably certain to exercise that option. Lease terms, including options to renew for which the Company is reasonably certain to exercise, range from 1 to 25 years for facilities, automotive equipment and other equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising mainly from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, renewal or termination option due to a significant event or change in circumstances.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Under IAS 17, Leases ("IAS 17"), the Company's accounting policy was as follows:

The determination of whether an arrangement was (or contained) a lease was based on the substance of the arrangement at the inception of the lease. The arrangement was, or contained, a lease if fulfilment of the arrangement was dependent on the use of a specific asset and the arrangement conveyed a right to use the asset, even if that asset was not explicitly specified in an arrangement.

A lease was classified at the inception date as a finance lease or an operating lease. A lease that transferred substantially all the risks and rewards incidental to ownership to the Company was classified as a finance lease.

Finance leases were capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges were recognized in net finance expenses (income) in net loss. A leased asset was depreciated over the term of the lease.

An operating lease was a lease other than a finance lease. Operating lease payments were recognized in net loss on a straight-line basis over the lease term. Lease incentives received were recognized as an integral part of the total lease expense, over the term of the lease.

Impact of transition to IFRS 16

Effective January 1, 2019 the Company adopted IFRS 16 using the modified retrospective approach. Accordingly, comparative figures as at and for the year ended December 31, 2018 and the three month period ended March 31, 2018 have not been restated and continue to be reported under IAS 17 and IFRIC 4, *Determining whether an arrangement contains a lease* ("IFRIC 4").

On initial application for leases previously classified as operating leases under IAS 17, the Company has elected to record right-of-use assets based on the corresponding lease liability, adjusted for any deferred lease inducements and any lease payments made at or before the commencement date that were recorded in other non-current liabilities and other current assets and other assets, on the statement of financial position as at December 31, 2018. For moveable equipment leases previously classified as finance leases under IAS 17, the Company measured the right-of-use asset and lease liability as previously accounted for without adjustment.

For recording new right-of-use assets under IFRS 16, the Company discounted future lease payments using its incremental borrowing rate as at January 1, 2019. The rates applied were 3.9% for Canadian land and buildings, 5.1% for United States land and buildings and 4.8% for moveable equipment.

The Company has elected to apply the practical expedient to grandfather the assessment of which transactions are leases on the date of initial application, as previously assessed under IAS 17 and IFRIC 4. The Company applied the definition of a lease under IFRS 16 to contracts entered into or changed on or after January 1, 2019. The Company has also elected to apply the practical expedient on facility leases, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

Under IAS 17, the Company's had previously accounted for the building component of certain warehouse leases as finance leases and the land component as operating leases. On adoption, the Company derecognized the amounts previously recognized as leased assets ($17.2 million) and finance lease obligations ($20.9 million) with the difference of $3.7 million being credited to deficit as a result of the adoption of IFRS 16, offset by an increase in deferred tax liabilities of $1.0 million. New right-of-use assets were recorded for the entire single lease component of each warehouse location leased by the Company, resulting in the recognition of new right-of-use assets along with a corresponding lease liability. The increase was due to adopting the policy of recognizing the lease as a single component along with including renewal terms determined by management to be reasonably certain to be exercised.

The December 31, 2018 audited consolidated financial statements the Company disclosed operating lease commitments of $27.1 million. Of these operating lease commitments, $1.8 million did not meet the requirements to be recognized as right-of-use assets. However, the lease liability recognized on the adoption of IFRS 16 was significantly higher than this amount as the Company determined that renewal options of between 2 and 10 years were reasonably certain to be exercised on several warehouse leases. These renewal options had not been included in the minimum operating lease commitments that had been previously disclosed.
The recognized right-of-use assets relate to the following types of assets which are included under property, plant and equipment on the statement of financial position:

(in thousands of dollars)	**March 31, 2019**	**January 1, 2019**
Buildings	104,924	106,305
Warehouse and treating equipment	1,164	1,252
Total	106,088	107,557

Depreciation expense of $1.5 million was recognized on the right-of-use assets during the three months ended March 31, 2019.

The change in accounting policy affected the following items in the balance sheet on January 1, 2019:

• property, plant and equipment – decreased by $17.2 million
• right-of-use assets – increased by $107.6 million
• deferred tax liabilities – increased by $1.0 million
• lease liabilities – increased by $86.6 million

The net impact to deficit on January 1, 2019 was a credit of $2.7 million.

In applying IFRS 16 for the first time, the Company has used the following practical expedients permitted by the standard:

• the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
• reliance on previous assessments on whether leases are onerous
• the accounting for operating leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases
• the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
• the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

4. Inventories

(in thousands of dollars)	**March 31, 2019**	**March 31, 2018**	**December 31, 2018**
Allied building products	30,359	32,069	27,716
Lumber products	110,795	87,188	95,166
Panel products	29,896	32,731	26,085
Production consumables	1,229	873	1,302
Inventory provision	(194)	(100)	(784)
Total	172,085	152,761	149,485

All of the Company's inventories are pledged as security for the revolving credit facility.

5. Revolving Credit Facility

(in thousands of dollars)	**March 31, 2019**	**March 31, 2018**	**December 31, 2018**
Revolving credit facility	117,587	116,212	66,008
Financing costs, net of amortization	(1,417)	(198)	(1,457)
Total	116,170	116,014	64,551

On June 28, 2018, the Company renewed its senior credit facility with a syndicate of lenders led by JPMorgan Chase Bank (the "Facility"). The Facility was increased from $225 million to $250 million, with an option to increase the limit by up to $50 million. The Facility also features an ability to draw on additional term loans in an aggregate amount of approximately $23 million at favourable rates, which Taiga utilized for the Business Acquisition referred to in Note 6 of the Company's audited financial statements. The Facility continues to bear interest at variable rates plus variable margins, is secured by a first perfected security interest in all personal property of the Company and certain of its subsidiaries, and will mature on June 28, 2023. Taiga's ability to borrow under the Facility is based upon a defined percentage of accounts receivable and inventories. The terms, conditions, and covenants of the Facility have been met as at March 31, 2019.

6. Income Taxes

Income tax expense is comprised of:

	Three months ended March 31,	
(in thousands of dollars)	**2019**	**2018**
Current	421	3,135
Deferred	828	(1,029)
Total	1,249	2,106

7. Subordinated Notes

Per the Trust Indenture dated November 17, 2017, the Company's Subordinated Notes are unsecured, bear interest at 7% per annum and mature on November 17, 2022. The Subordinated Notes are not listed on any stock exchange. Interest on the Notes is payable on May 17 and November 17 of each year. The aggregate principal amount of the New Notes that may be issued under the Indenture is unlimited. The terms, conditions, and covenants of the Indenture have been met during the quarter ended March 31, 2019.

8. Shareholders' Equity

(a) Authorized Share Capital

Unlimited common shares without par value, unlimited class A common shares without par value, and unlimited class A and class B preferred shares without par value.

(b) Normal Course Issuer Bid

On April 27, 2018, the Company commenced a Normal Course Issuer Bid ("NCIB") for its common shares. Under the terms of the NCIB, the Company may purchase up to 5,841,155 of its 116,823,109 outstanding Common Shares, representing 5% of the outstanding Common Shares. For the three months ending March 31, 2019, the Company did not purchase any of its outstanding common shares. The Common Shares purchased by the Company are being held as Treasury Stock. At March 31, 2019 there were 4,581,684 remaining Common Shares permitted to be purchased by the Company per the terms of the NCIB.

(c) Common Shares Issued

(in thousands of dollars, except number of shares)	**Number of Shares**	**Amount**
Balance, March 31, 2017	32,414,278	13,229
Issue of new shares as a result of the Exchange Offer	84,408,831	119,861
Balance, December 31, 2017	116,823,109	133,090
Shares purchased under NCIB and held as Treasury Stock	1,259,471	1,658
Balance, March 31, 2019	115,563,638	131,432

(d) Accumulated Other Comprehensive Income

Accumulated other comprehensive income consists of exchange differences arising on translation of entities that have a functional currency other than the Canadian dollar.

(e) Stock Options and Warrants

Taiga does not have stock options or warrants outstanding and has not granted or cancelled options or warrants during the current or prior period.

(f) Exchange Offer

On November 17, 2017, the Company completed an exchange offer (the "Exchange Offer"), pursuant to the terms and conditions set forth in the Company's Exchange Offer and Consent Solicitation Statement dated September 29, 2017 (the "Exchange Offer Circular"), to purchase any and all of its outstanding 14% subordinated unsecured notes (the "Existing Notes") in exchange for new 7% senior notes of Taiga (the "New Notes") due five years from the date of issuance, common shares of Taiga ("Common Shares") at a rate of 833.33 Common Shares for each $1,000 principal amount of Existing Notes, or any combination of the foregoing at the option of the holder. As a result of the Exchange Offer, the Company exchanged an aggregate of $113,791,000 principal amount of Existing Notes, representing approximately 88.4% of the Existing Notes outstanding. Holders of Existing Notes who participated in the Exchange Offer elected to exchange their Existing Notes for an aggregate of $12,500,000 principal amount of New Notes and 84,408,831 Common Shares.

(g) Major Shareholder

On January 31, 2017, Taiga paid the full amount owing to the CRA (The Reassessment see Note 10 below) through proceeds provided by its two former major shareholders. The Reassessment Amount was fully funded by the two former major shareholders in accordance with their obligations under their indemnity agreements with Taiga. The payment of the Reassessment Amount was made in connection with two transactions (the "Transactions") involving Taiga's two former major shareholders, and Avarga Limited and certain of its affiliates and subsidiaries (collectively, "Avarga"), which resulted in Avarga holding approximately 58% of the issued and outstanding common shares of the Company. As a result of the Exchange Offer described at Note 8(f), Avarga's ownership interest decreased to 49% of the common shares of Taiga. On September 28, 2018 Avarga completed the acquisition of 18,460,759 additional common shares of Taiga, bringing their stake to 65.1% and 75,708,814 total common shares. Taiga's current chairman, Ian Tong, is a director of Avarga. Another of Taiga's directors, Dr. Kooi Ong Tong is also Avarga's executive chairman, chief executive officer and a significant shareholder. Avarga is an investment holding company listed on the Singapore Exchange.

9. Finance Expense

The finance expense is comprised of:

	Three months ended March 31,	
(in thousands of dollars)	**2019**	**2018**
Interest on revolving credit facility and other short term liabilities	798	819
Interest on leases and long-term debt	1,349	423
Amortization of financing costs	83	73
Total	2,230	1,315

10. Commitments and Contingencies

Canada Revenue Agency Reassessment

During the year ended March 31, 2017, Taiga received a notice of reassessment from the Canada Revenue Agency in the amount of approximately $42,000,000 (which includes interest) relating to the years from 2005 to 2013. The reassessment related to the amount of taxes withheld, by Taiga, on dividends paid or deemed to have been paid to what were then the Company's two largest shareholders in connection with and subsequent to Taiga's corporate reorganization in 2005 involving a swap of then outstanding common shares for stapled units. Taiga paid the full amount of the reassessment on January 31, 2017 using proceeds provided by its two former major shareholders. The Company, and the two former major shareholders, had previously entered into agreements whereby the shareholders agreed to fully indemnify the Company from this potential liability, including related liabilities. The indemnity agreements remain in effect and would apply in the event that CRA issues further reassessments relating to the amount of taxes withheld. The Company intends to challenge the reassessment and vigorously defend its tax filings and to seek a resolution as soon as practically possible. Taiga's two former major shareholders may elect to assume any action or defense of Taiga in connection with the foregoing pursuant to the terms of the indemnity agreements with Taiga.

11. Financial Instruments

The fair values of lease obligations are as follows:

(in thousands of dollars)	**March 31, 2019**	**March 31, 2018**
Carrying amount	108,552	24,194
Fair value	108,552	24,194

The fair value of the finance lease obligations was determined using current borrowing rates for similar debt instruments.

The fair value of the 7% subordinated notes are as follows:

(in thousands of dollars)	**March 31, 2019**	**March 31, 2018**
Carrying amount	12,500	12,500
Fair value	12,500	12,500

The fair value of the 7% subordinated notes was determined using current borrowing rates for similar debt instruments.

The carrying amount of derivative financial instrument assets and liabilities are equal to their fair values as these instruments are re-measured to their fair values at each reporting date as follows:

(in thousands of dollars)	**March 31, 2019**	**March 31, 2018**
Lumber futures	205	(5)

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – based on quoted prices in active markets for identical assets or liabilities;

Level 2 – based on inputs other than quoted prices that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); or

Level 3 – applies to assets and liabilities for inputs that are not based on observable market data, which are unobservable inputs.
Derivative financial instrument assets and liabilities are classified as level 2.

The following table summarizes the classification and carrying values of the Company's financial instruments at March 31, 2019 and 2018:

(in thousands of dollars)

At March 31, 2019	**Amortized Cost** (Financial assets)	**FVTPL**	**Amortized Cost** (Financial liabilities)	**Total**
Financial assets:				
Accounts receivable	134,730	-	-	134,730
Lumber futures[1]		205	-	205
Total financial assets:	**134,730**	**205**	**-**	**134,935**
Financial liabilities:				
Revolving credit facility	-	-	116,170	116,170
Accounts payable & accrued liabilities	-	-	71,397	71,397
Lumber futures[1]	-	-	-	-
Current portion of long-term debt	-	-	7,565	7,565
Non-current portion of long-term debt	-	-	16,502	16,502
Current portion of lease obligation	-	-	5,200	5,200
Non-current portion of lease obligation	-	-	103,352	103,352
Subordinates notes	-	-	12,500	12,500
Total financial liabilities:	**-**	**-**	**332,686**	**332,686**

(in thousands of dollars)

At March 31, 2018	**Amortized Cost** (Financial assets)	**FVTPL**	**Amortized Cost** (Financial liabilities)	**Total**
Financial assets:				
Accounts receivable	151,552	-	-	151,552
Total financial assets:	**151,552**	**-**	**-**	**151,552**
Financial liabilities:				
Revolving credit facility	-	-	116,014	116,014
Accounts payable & accrued liabilities	-	-	76,722	76,722
Lumber futures[1]	-	5	-	5
Interest swap	-	-	-	-
Current portion of long-term debt	-	-	985	985
Non-current portion of long-term debt	-	-	-	-
Current portion of financial lease obligation	-	-	2,350	2,350
Non-current portion of financial lease obligation	-	-	21,844	21,844
Subordinates notes	-	-	12,500	12,500
Total financial liabilities:	**-**	**5**	**230,420**	**230,425**

(1)Included with accounts receivable or accounts payable and accrued liabilities on the balance sheet

12. Changes in Non-Cash Working Capital

	Three months ended March 31,	
(in thousands of dollars)	**2019**	**2018**
(Increase) Decrease in Accounts receivable	(39,907)	(44,648)
(Increase) Decrease in Inventories	(22,600)	(29,473)
(Increase) Decrease in Prepaid expenses and other	1,587	(505)
Effect of foreign exchange on working capital	(1,295)	1,741
(Decrease) Increase in Accounts payable and accrued liabilities	12,108	3,134
Total	(50,107)	(69,751)

13. Seasonality

Taiga's sales are subject to seasonal variances that fluctuate in accordance with the normal home building season. Taiga generally experiences higher sales in the quarters ended June 30 and September 30 and reduced sales in the late fall and winter during its quarters ended December 31 and March 31 of each fiscal year.

14. Segmented Information

Taiga operates within one business segment and has two reportable geographic areas as follows:

	Three months ended March 31,			
	2019		2018	
(in thousands of dollars except %)	**Sales**	**%**	**Sales**	**%**
Canada	237,629	82.7	282,806	87.1
United States	49,770	17.3	41,791	12.9

During the three months March 31, 2019, Taiga's Canadian operations had export sales of $39.1 million (three months ended March 31, 2018 - $56.9 million). These export sales were primarily to the United States and Asia, and are included as part of the Canadian segment in the table above.