

PRESS RELEASE

Taiga's better financial results due to stronger commodity prices

BURNABY, BC, November 9th, 2017 - Taiga Building Products Ltd. ("Taiga" or the "Company") today reported its financial results for the three and six months ended September 30, 2017.

Second Quarter Ended September 30, 2017 Earnings Results

Sales for the second quarter increased to \$396.6 million from \$335.1 million in the same quarter last year. The increase in sales by \$61.5 million or 18% was largely due to higher selling prices for commodity products.

Gross margin dollars for the second quarter increased to \$37.8 million compared to \$29.5 million in the same quarter last year. Gross margin percentage for the second quarter was 9.5% compared to 8.8% in the same quarter last year. The increase in gross margin percentage was primarily due to higher commodity prices in the current quarter compared to the same quarter last year.

Net earnings for the quarter increased to \$6.0 million from \$3.1 million in the same quarter last year primarily due to increased gross margin dollars.

EBITDA for the quarter ended September 30, 2017 was \$16.2 million compared to \$11.3 million for the same period last year.

Six Months Ended September 30, 2017 Earnings Results

Sales for the six months ended September 30, 2017 were \$776.4 million compared to \$660.5 million over the same period last year. The increase in sales by \$115.9 million or 18% was largely due to higher selling prices for commodity products.

Gross margin dollars for the six months ended September 30, 2017 increased to \$71.5 million from \$60.9 million over the same period last year. Gross margin percentage was 9.2% for the six months ended September 30, 2017 and 2016.

Net earnings for the six month period ended September 30, 2017 were \$11.0 million compared to \$7.9 million for the same period last year.

EBITDA for the six months ended September 30, 2017 increased to \$30.5 million compared to \$24.8 million for the same period last year.

Condensed Consolidated Statement of Earnings

For the Three Months Ended

<i>(in thousands of Canadian dollars, except for per share amounts)</i>	September 30,	
	2017	2016
Sales	396,629	335,052
Gross margin	37,821	29,493
Distribution expense	5,781	5,633
Selling and administration expense	17,042	13,668
Finance expense	1,574	1,228
Subordinated debt interest expense	4,509	4,088
Other income	(146)	(118)
Earnings before income taxes	9,061	4,994
Income tax expense	3,081	1,855
Net earnings	5,980	3,139
Net earnings per share ⁽¹⁾	0.18	0.10
EBITDA ⁽²⁾	16,242	11,329

The following is the reconciliation of net earnings to EBITDA:

<i>(in thousands of Canadian dollars)</i>	September 30,	
	2017	2016
Net earnings	5,980	3,139
Income tax expense	3,081	1,855
Finance and subordinated debt interest expense	6,083	5,316
Amortization	1,098	1,019
EBITDA	16,242	11,329

For the Six Months Ended

<i>(in thousands of Canadian dollars, except for per share amounts)</i>	September 30,	
	2017	2016
Sales	776,390	660,518
Gross margin	71,498	60,901
Distribution expense	11,261	11,064
Selling and administration expense	32,123	27,287
Finance expense	2,953	2,547
Subordinated debt interest expense	9,018	8,175
Other income	(230)	(233)
Earnings before income taxes	16,373	12,061
Income tax expense	5,364	4,160
Net earnings	11,009	7,901
Net earnings per share ⁽¹⁾	0.34	0.24
EBITDA ⁽²⁾	30,522	24,820

The following is the reconciliation of net earnings to EBITDA:

<i>(in thousands of Canadian dollars)</i>	September 30,	
	2017	2016
Net earnings	11,009	7,901
Income tax expense	5,364	4,160
Finance and subordinated debt interest expense	11,971	10,722
Amortization	2,178	2,037
EBITDA	30,522	24,820

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.

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 and six months ended September 30, 2017 and accompanying notes and management's discussion and analysis which will be available shortly on SEDAR at www.sedar.com.

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