

Taiga's Q1 sales increased by 7.8%

BURNABY, BC, July 30, 2015 /CNW/ - Taiga Building Products Ltd. ("Taiga" or the "Company") today reported its financial results for the three months ended June 30, 2015.

First Quarter Ended June 30, 2015 Earnings Results

Sales for the first quarter increased to \$404.0 million from \$374.8 million in the same quarter last year. The increase in sales by \$29.2 million or 7.8% was largely due to stronger demand in all major markets.

Gross margin for the first quarter was \$34.5 million compared to \$33.0 million in the same quarter last year. Gross margin percentage for the first quarter was 8.5% compared to 8.8% for the same quarter last year. The decrease in gross margin percentage was primarily due to lower commodity prices.

Net earnings for the quarter increased to \$6.4 million from \$5.6 million in the same quarter last year primarily due to increased gross margin dollars.

Condensed Consolidated Statement of Earnings

For the Three Months Ended

<i>(in thousands of Canadian dollars, except for per share amounts)</i>	June 30,	
	2015	2014
Sales	403,973	374,766
Gross margin	34,475	33,010
Distribution expense	5,200	5,081
Selling and administration expense	14,532	12,842
Finance expense	1,590	1,775
Subordinated debt interest expense	4,087	4,089
Other income	(125)	(96)
Earnings before income taxes	9,191	9,319
Income tax expense	2,751	3,741
Net earnings	6,440	5,578
Net earnings per share ⁽¹⁾	0.20	0.17
EBITDA ⁽²⁾	15,910	16,171

The following is the reconciliation of net earnings to EBITDA:

<i>(in thousands of Canadian dollars)</i>	June 30,	
	2015	2014
Net earnings	6,440	5,578
Income tax expense	2,751	3,741
Finance and subordinated debt interest expense	5,677	5,864
Amortization	1,042	988
EBITDA	15,910	16,171

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 months ended June 30, 2015 and accompanying notes and management's discussion and analysis which will be available shortly on SEDAR at www.sedar.com.

SOURCE Taiga Building Products Ltd.

%SEDAR: 00022285E

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

CO: Taiga Building Products Ltd.

CNW 18:42e 30-JUL-15