

Taiga's Fiscal Year 2013 earnings up 180% and sales up 17%

BURNABY, BC, June 20, 2013 - Taiga Building Products Ltd. ("Taiga" or the "Company") today reported fourth quarter and fiscal year ended March 31, 2013 financial results.

Fiscal Year 2013 Earnings Results

Net earnings for the year ended March 31, 2013 increased to \$10.4 million from \$3.7 million last year. The 180% increase was primarily due to increased gross margin.

The Company's consolidated net sales for the year ended March 31, 2013 were \$1,132.7 million compared to \$971.6 million for the last fiscal year. The 17% increase in sales was largely due to higher commodity prices and stronger demand from the United States.

Gross margin for the fiscal year ended March 31, 2013 increased to \$102.8 million from \$95.8 million in the previous year. Gross margin percentage for the year declined to 9.1% compared to 9.9%, as the growth in sales of lower margin commodity products outpaced the higher margin products.

EBITDA for the year ended March 31, 2013 was \$42.9 million compared to \$34.6 million last year.

Fourth Quarter Ended March 31, 2013 Earnings Results

Net earnings for the fourth quarter increased to \$0.4 million compared to a net loss of \$1.5 million in the same quarter last year.

Sales for the fourth quarter increased to \$259.6 million from \$227.0 million in the same quarter last year. Strong commodity prices and increased sales from our US divisions were the primary contributors to the 14% increase in sales.

Gross margin for the fourth quarter was \$21.8 million compared to \$22.6 million in the same quarter last year. Taiga's gross margin percentage for the quarter ended March 31, 2013 was 8.4% compared to 9.9% for the same period last year. Lower margin commodity products made up a larger percentage of the product mix in Q4 2013, compared with the same quarter of the prior year. In addition, the reversal of product cost over-accruals was lower compared to the same quarter last year.

EBITDA was \$7.5 million compared to \$6.2 million in the same quarter last year.

Dividend

In order to support higher working capital levels resulting from higher commodity prices, the Board of Directors has decided not to declare and pay the first instalment payment of its semi-annual dividend policy with respect to the 2013 fiscal year's net earnings. The decision regarding the second instalment payment with respect to the 2013 fiscal year's net earnings will be announced in early January 2014.

Condensed Consolidated Statement of Earnings

For the Fiscal Years Ended

	March 31,	
<i>(in thousands of Canadian dollars, except for per share amounts)</i>	2013	2012
Sales	1,132,743	971,625
Gross margin	102,815	95,811
Distribution expense	18,393	18,603
Selling and administration expense	45,962	46,441
Finance expense	7,302	6,984
Subordinated debt interest expense	16,356	16,385
Other (income) expense	(429)	161
Earnings before income taxes	15,231	7,237
Income tax expense	4,797	3,513
Net earnings	10,434	3,724
Net earnings per share ⁽¹⁾	0.32	0.11
EBITDA ⁽²⁾	42,934	34,555

The following is the reconciliation of net earnings to EBITDA:

	March 31,	
<i>(in thousands of Canadian dollars)</i>	2013	2012
Net earnings	10,434	3,724
Income tax expense	4,797	3,513
Finance and subordinated debt interest expense	23,658	23,369
Amortization	4,045	3,949
EBITDA	42,934	34,555

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For the Three Months Ended

	March 31,	
<i>(in thousands of Canadian dollars, except for per share amounts)</i>	2013	2012
Sales	259,596	226,977
Gross margin	21,796	22,552
Distribution expense	4,572	4,816
Selling and administration expense	10,789	12,179
Finance expense	1,930	1,938
Subordinated debt interest expense	4,143	4,337
Other expense	11	394
Earnings (loss) before income tax	351	(1,112)
Income tax (recovery) expense	(14)	381
Net earnings (loss)	365	(1,493)
Net earnings (loss) per share ⁽¹⁾	0.01	(0.05)
EBITDA ⁽²⁾	7,500	6,151

The following is the reconciliation of net earnings to EBITDA:

	March 31,	
<i>(in thousands of Canadian dollars)</i>	2013	2012
Net earnings (loss)	365	(1,493)
Income tax (recovery) expense	(14)	381
Finance and subordinated debt interest expense	6,073	6,275
Amortization	1,076	988
EBITDA	7,500	6,151

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 audited consolidated financial statements for the fiscal year ended March 31, 2013 and accompanying notes and management's discussion and analysis which will be available shortly on SEDAR at www.sedar.com.

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