



Louisiana-Pacific Corporation Reports Second Quarter Results

July 22, 1999

Net income, excluding unusual items, 9X previous year

(Portland, Ore; July 22, 1999) Louisiana-Pacific Corp. (NYSE: LPX) today reported second quarter net income of \$85 million, or \$.79 per diluted share, on sales of \$777 million. Excluding a \$5 million pretax gain (\$3 million after tax, or \$.03 per diluted share) on the sale of timberland, net income was \$82 million, or \$.76 per diluted share. This represents a 9-fold increase compared to the same quarter 1998 when income, excluding unusual items, was \$9 million, or \$.08 per share, on sales of \$623 million. Including unusual items (primarily the gain on the sales of California timberlands), second quarter 1998 net income was \$204 million, or \$1.87 per diluted share.

Excluding gains on asset sales, income for the first six months of 1999 was \$109 million, or \$1.02 per diluted share, on sales of \$1.4 billion. This compares to a loss in the first six months of 1998 of \$16 million, or \$.15 per diluted share, excluding unusual items, on sales of \$1.2 billion.

Including unusual items, net income for the first six months of 1999 was \$112 million, or \$1.05 per diluted share, compared to income in the first six months of 1998 of \$179 million, or \$1.64 per diluted share.

Louisiana-Pacific's Chairman and CEO, Mark A. Suwyn, noted that sustained demand for building products, particularly oriented strand board, plywood and lumber, and the continued strength in housing markets factored positively into second quarter earnings.

"Having made fundamental improvements to our business, we were able to take greater advantage of strong market conditions," said Suwyn. "Specifically, we have enhanced operational efficiencies, dramatically improved our on-time shipping performance in oriented strand board (OSB) and increased the sales of our products to homebuilders and do-it-yourselfers."

Suwyn added that the growth of L-P's specialty building products division, which was accelerated with the recent acquisition of ABTco, has continued to yield positive results.

"We are rapidly accelerating the commercialization of several specialty building products that have already demonstrated considerable promise," said Suwyn. "Plus, with the integration of ABTco, we have seen record production and sales in siding as well as moulding products."

"Earnings increased dramatically from last year, and we expect to continue our strong performance into the third quarter," said Suwyn. "Capital investment projects are beginning to yield cost savings and increased production capacity."

As part of the company's plan for sustaining profitable growth, Louisiana-Pacific announced last month a tender offer for Forex, a leading Canadian producer of OSB. If the acquisition is completed, it is expected to provide L-P with a broader platform to grow its most important business segment and enable the company to better serve customers in Northern U.S. and Eastern Canada. L-P is moving forward with the acquisition and expects to file for regulatory approval in the U.S. and Canada within a matter of days.

Louisiana-Pacific, now in its 26th year of operation, is a major building products company headquartered in Portland, Oregon with manufacturing facilities throughout the United States and in Canada and Ireland. Visit L-P's website at www.LPCorp.com.

FORWARD LOOKING STATEMENTS

Some statements in this release may constitute forward-looking statements within the meaning of federal securities laws. Forward-looking statements include, without limitation, statements regarding the outlook for future operations, forecasts of future costs and expenditures, the outcome of legal proceedings, plans for product development, new facilities and acquisitions, evaluation of market conditions, and the adequacy of reserves. Investors are cautioned that forward-looking statements are subject to an inherent risk that actual results may vary materially from those described herein. Factors that may result in such variance, in addition to those set forth above, include changes in interest rates, commodity prices, and other economic conditions; actions by competitors; changing weather conditions and other natural phenomena; actions by government authorities; uncertainties associated with legal proceedings; technological developments; risks associated with acquiring new businesses; future decisions by management in response to changing conditions; and invalidity of the beliefs and assumptions underlying such forward-looking statements.

Detail of Unusual Credits and Charges
Dollar amounts in millions, except per share

	Second Quarter			
	1999		1998	
	Pre-Tax	After-Tax	Pre-Tax	After-Tax
Unusual credits and charges	\$ 5.2	\$ 3.2	\$ 328.3	\$ 195.2
Income (loss) excluding unusual credits and charges		81.7		8.7
Net income		\$ 84.9		\$ 203.9
Earnings per share - diluted:				
Unusual credits and charges		\$ 0.03		\$ 1.79
Income (loss) excluding unusual credits and charges		.76		0.08
Net income		\$ 0.79		\$ 1.87

	Six Months			
	1999		1998	
	Pre-Tax	After-Tax	Pre-Tax	After-Tax
Unusual credits and charges	\$ 5.2	\$ 3.2	\$ 328.3	\$ 195.2
Income (loss) excluding unusual credits and charges		108.9		(16.4)
Net income		\$ 112.1		\$ 178.8
Earnings per share - diluted:				
Unusual credits and charges		\$ 0.03		\$ 1.79
Income (loss) excluding unusual credits and charges		1.02		(0.15)

Net income	----- \$ 1.05 =====	----- \$ 1.64 =====
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LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
(Dollar amounts in millions except per share) (Unaudited)

	Quarter Ended June 30	
	----- 1999 -----	----- 1998 -----
Net sales	\$ 777.4	\$ 623.2
Income before taxes and minority interest	140.7(1)	341.7(1)
Net income	84.9(1)	203.9(1)
Net income excluding unusual items	81.7(1)	8.7(1)
Net income per share- basic and diluted	.79(1)	1.87(1)
Net income per share excluding unusual items	.76(1)	.08(1)
Average shares outstanding (millions)- Basic	106.6	109.1
Diluted	106.8	109.4

	Six Months Ended June 30	
	----- 1999 -----	----- 1998 -----
Net sales	\$ 1,380.5	\$ 1,171.5
Income before taxes and minority interest	184.8(1)	302.9(1)
Net income	112.1(1)	178.8(1)
Net income (loss) excluding unusual items	108.9(1)	(16.4)(1)
Net income per share- basic and diluted	1.05(1)	1.64(1)
Net income (loss) per share excluding unusual items	1.02(1)	(.15)(1)
Average shares outstanding (millions)- Basic	106.4	109.1
Diluted	106.6	109.4

SALES BY QUARTER (In millions)

	----- 1st -----	----- 2nd -----	----- 3rd -----	----- 4th -----	----- Year -----
1998	\$548.3	\$623.2	\$606.3	\$519.3	\$2,297.1
1999	\$603.1	\$777.4			

NET INCOME (LOSS) BY QUARTER (In millions)

	----- 1st -----	----- 2nd -----	----- 3rd -----	----- 4th -----	----- Year -----
1998	\$(25.1)	\$203.9(1)	\$(192.7)(1)	\$15.9(1)	\$2.0
1999	\$ 27.2	\$ 84.9(1)			

NET INCOME (LOSS) PER SHARE BY QUARTER-
BASIC AND DILUTED

	1st	2nd	3rd	4th	Year
	-----	-----	-----	-----	-----
1998	\$(.23)	\$1.87(1)	\$(1.77)(1)	\$.15(1)	\$.02
1999	\$.26	\$.79(1)			

(1) In the second quarter of 1998, L-P recorded a net gain of \$328 million (\$195 million after taxes, or \$1.79 per share) primarily resulting from gains on the sales of timberland, sawmill and distribution assets in California and the Weather-Seal window and door business. Charges relating to the settlement of legal issues in Montrose, Colorado of \$14 million after taxes (or \$.13 per share) and other charges were netted against the asset sale gains.

In the third quarter of 1998, L-P recorded a net loss of \$392 million (\$241 million after taxes, or \$2.21 per share) resulting from a charge to adjust siding-relating reserves to reflect revisions to the national class-action settlement, the write-down of an operating facility, and other items. Gains on insurance recoveries and the sale of surplus properties were netted against this charge.

In the fourth quarter of 1998, L-P recorded a \$16 million gain (\$10 million after taxes, or \$.09 per share) on a recovery from an insurance company for siding-related matters.

In the second quarter of 1999, L-P recorded a \$5 million gain (3 million after taxes, or \$.03 per diluted share) on the sale of timberland.

(2) Results of operations for interim periods are not necessarily indicative of results to be expected for an entire year.

LOUISIANA-PACIFIC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Dollar amounts in millions except per share) (Unaudited)

	Quarter Ended June 30		Six Months Ended June 30	
	1999	1998	1999	1998
	-----	-----	-----	-----
Net sales	\$ 777.4	\$ 623.2	\$ 1,380.5	\$ 1,171.5
Costs and expenses:				
Cost of sales	539.8	506.2	1,010.9	1,002.2
Depreciation, amortization and depletion	45.7	49.5	88.5	89.0
Selling and administrative	54.7	45.5	100.6	89.5
Unusual (credits) and charges, net	(5.2)	(328.3)	(5.2)	(328.3)
Interest expense	11.1	10.1	20.1	19.8

Interest income	(9.4)	(1.5)	(19.2)	(3.6)
Total costs and expenses	636.7	281.5	1,195.7	868.6
Income before taxes and minority interest	140.7	341.7	184.8	302.9
Provision for income taxes	55.8	138.8	73.2	126.3
Minority interest in net income (loss) of consolidated subsidiaries	--	(1.0)	(0.5)	(2.2)
Net income	\$ 84.9	\$ 203.9	\$ 112.1	\$ 178.8
Net income per share- basic and diluted	\$.79	\$ 1.87	\$ 1.05	\$ 1.64
Cash dividends per share	\$.14	\$.14	\$.28	\$.28
Average shares outstanding (millions)- Basic	106.6	109.1	106.4	109.1
Diluted	106.8	109.4	106.6	109.4

LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollar amounts in millions) (Unaudited)

	JUN. 30, 1999	DEC. 31, 1998
ASSETS		
Cash and cash equivalents	\$ 152.9	\$ 126.5
Accounts receivable, net	204.2	134.7
Inventories	239.7	205.7
Prepaid expenses	19.6	8.1
Income tax refunds receivable	--	43.9
Deferred income taxes	121.8	93.2
Total current assets	738.2	612.1
Timber and timberlands	498.4	499.0
Net property, plant and equipment	1,010.9	913.3
Notes receivable from asset sales	403.8	403.8
Goodwill, net of amortization	135.1	60.0
Other assets	27.8	30.9
Total assets	\$ 2,814.2	\$ 2,519.1
LIABILITIES AND EQUITY		
Current portion of long-term debt	\$ 23.2	\$ 34.1
Accounts payable and accrued liabilities	270.2	192.5
Current portion of contingency reserves	205.0	140.0

Income tax payable	13.4	--
	-----	-----
Total current liabilities	511.8	366.6
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Long-term debt, excluding current portion:		
Limited recourse notes payable	396.5	396.5
Other long-term debt	181.6	63.3
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Total long-term debt, excluding current portion	578.1	459.8
	-----	-----
Contingency reserves, excluding current portion	102.9	228.0
Deferred income taxes and other	301.8	241.9
Commitments and contingencies		
Total stockholders' equity	1,319.6	1,222.8
	-----	-----
Total liabilities and equity	\$ 2,814.2	\$ 2,519.1
	=====	=====

LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
SELECTED SEGMENT INFORMATION
(Dollar amounts in millions) (Unaudited)

	Quarter Ended June 30		Six Months Ended June 30	
	1999	1998	1999	1998
	-----	-----	-----	-----
Sales:				
Structural products	\$ 430.1	\$ 357.9	\$ 775.1	\$ 639.4
Exterior products	79.1	23.6	116.9	51.7
Industrial panel products	73.1	45.3	126.9	88.5
Specialty and other products	158.3	175.6	299.9	350.2
Pulp	36.8	20.8	61.7	41.7
	-----	-----	-----	-----
Total sales	\$ 777.4	\$ 623.2	\$ 1,380.5	\$ 1,171.5
	=====	=====	=====	=====
Profit (loss):				
Structural products	\$ 148.6	\$ 43.1	\$ 222.3	\$ 48.1
Exterior products	16.3	4.7	24.0	9.6
Industrial panel products	4.7	1.9	5.8	2.7
Specialty and other products	(2.1)	(3.7)	(9.7)	(10.4)
Pulp	(4.9)	(3.9)	(10.7)	(15.5)
Unusual credits and charges, net	5.2	328.3	5.2	328.3
General corporate and other expense, net	(25.4)	(20.1)	(51.2)	(43.7)
Interest income (expense), net	(1.7)	(8.6)	(.9)	(16.2)
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Total profit (loss)	\$ 140.7	\$ 341.7	\$ 184.8	\$ 302.9
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