



## **LP Issues First Quarter 2001 Results Update**

March 20, 2001

PORTLAND, Ore.--(BUSINESS WIRE)--March 20, 2001--Louisiana-Pacific Corp. (NYSE:L PX) announced today that it expects first quarter 2001 financial results to be substantially below First Call estimates.

Operating results for the quarter have been affected negatively by the continued deterioration in pricing, imbalance between supply and demand and continued high energy costs. The normal seasonal improvement in demand and pricing has not yet developed. As a result, significant downtime is being taken at oriented strand board and lumber mills, further hurting costs. Factored into the net loss is a lower than expected tax benefit rate due to anticipated reduced earnings levels, the non-deductibility of goodwill and the potential loss of some of the Canadian investment tax credit carryforwards as discussed in LP's recently filed Annual Report on Form 10K. As a result, LP expects net operating results for the first quarter to be in the range of a \$0.80 to \$0.90 per share loss compared to current First Call estimates of a loss \$0.48 per share.

Accounting standards require that the estimated effective income tax rate (based upon estimated annual amounts of taxable income and expense) for the year be applied to year-to-date income or loss at the end of each quarter. This requires estimates of annual product pricing, volumes and costs. As with all estimates, there is significant risk of error due to actual market dynamics versus those estimates. Based upon current annual estimates, LP would record a tax benefit rate between 15-20% for 2001. This rate compares to a tax benefit rate applied to losses in 2000 of 63% and a tax rate of 39% applied to income in 1999.

LP is a premier supplier of building materials, delivering innovative, high-quality commodity and specialty products to its rapidly growing retail, wholesale, homebuilding and industrial customers. Visit LP's website at: [www.lpcorp.com](http://www.lpcorp.com). Forward Looking Statements

This news release contains statements concerning Louisiana-Pacific Corporation's (LP) future results and performance that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, the effect of general economic conditions, including the level of interest rates and housing starts, market demand for the company's products, and prices for structural products; the effect of forestry, land use, environmental and other governmental regulations; the ability to obtain regulatory approvals, and the risk of losses from fires, floods and other natural disasters. These and other factors that could cause or contribute to actual results differing materially from such forward-looking statements are discussed in greater detail in the company's Securities and Exchange Commission filings.

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