

Louisiana - Pacific Corporation
Investor Presentation
February, 2006

Forward Looking Statements

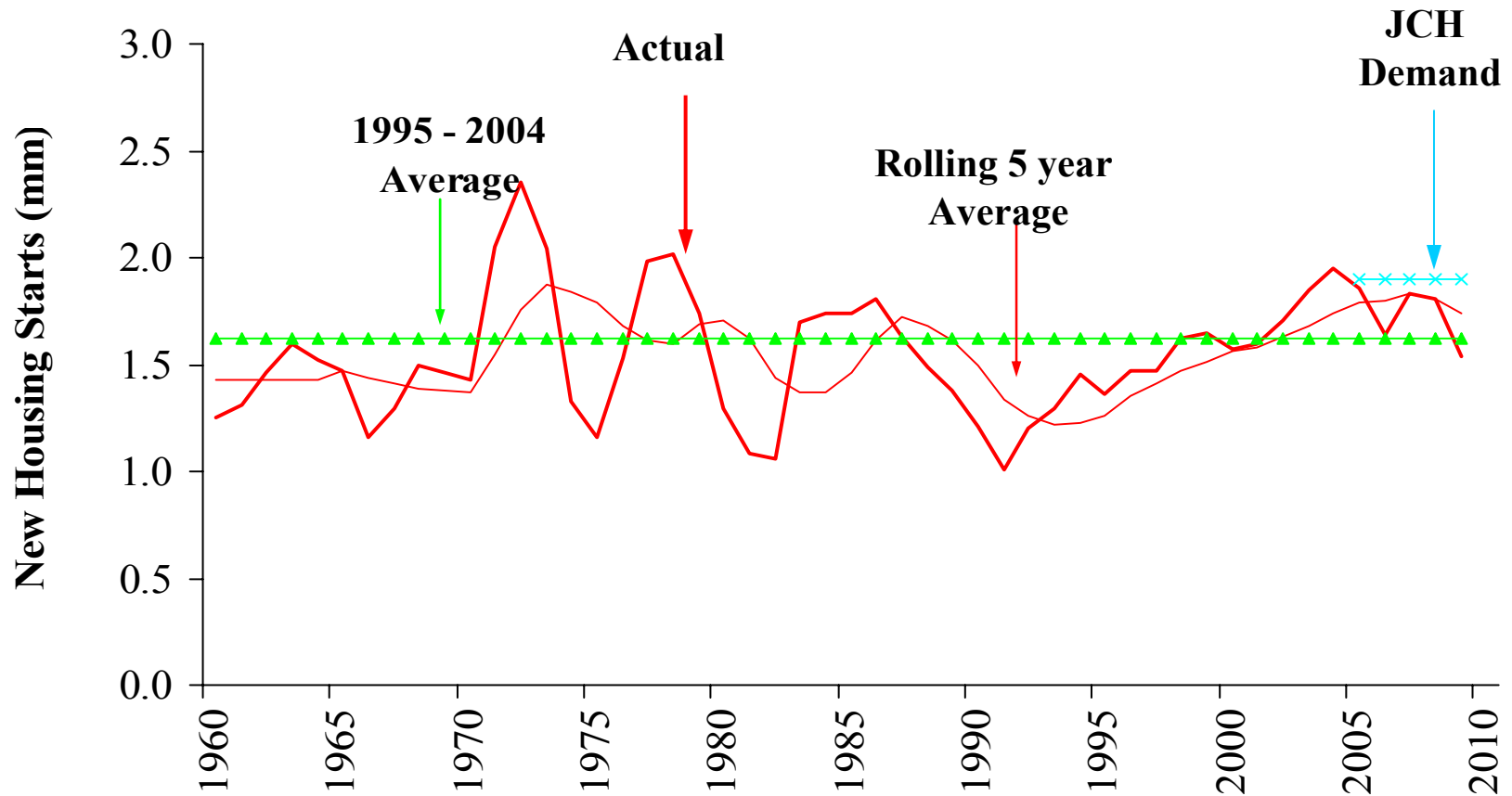
This presentation contains statements concerning Louisiana-Pacific Corporation's (LP) future results and performance that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The accuracy of such statements is subject to a number of risks, uncertainties 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.

Market Outlook – Demand

- **New construction housing demand:**
 - Positive trends and demographics including: household formations, immigration, low interest rates
 - Sustainable at 1.85 – 1.95 million starts per year (2005-2015)
Source: The State of the Nation's Housing – 2004, Joint Center for Housing Studies of Harvard University
 - Big builders reporting very strong 2005 results: higher closings and pricing, six-month backlogs
- **Repair / remodel demand continues to grow:**
 - More houses in the existing stock
 - Homes are getting older
 - Rise of “big box retailers” and availability of “installed sales makes access easy
- **Commercial and light industrial picked up in 2005**

Home Building Demand

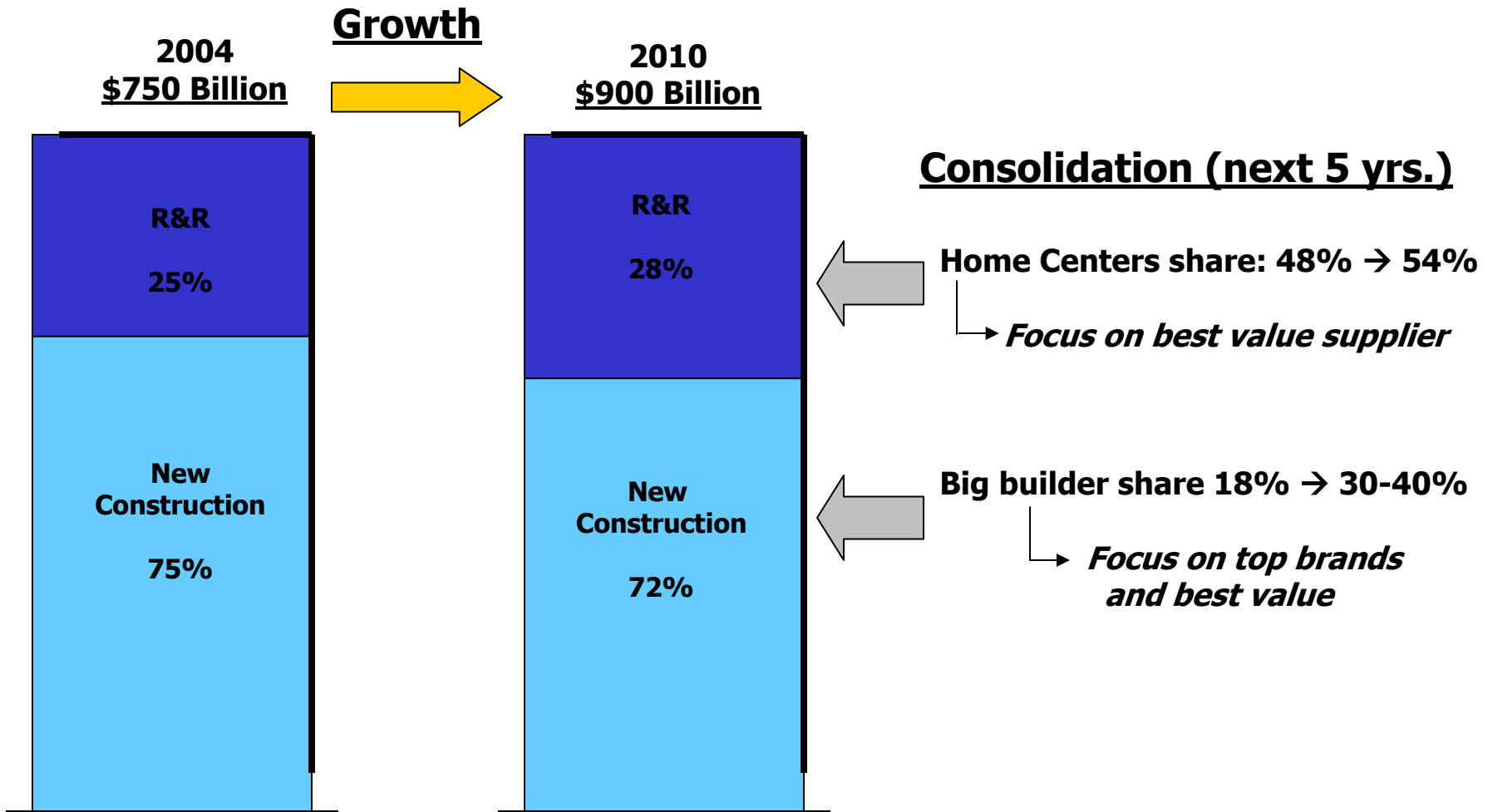
Housing Starts (single and multi-family)



Sources: US Department of Commerce; RISI December 2005, 5 year forecast; and the State of the Nation's Housing – 2004, Joint Center for Housing Studies of Harvard University (JCH)

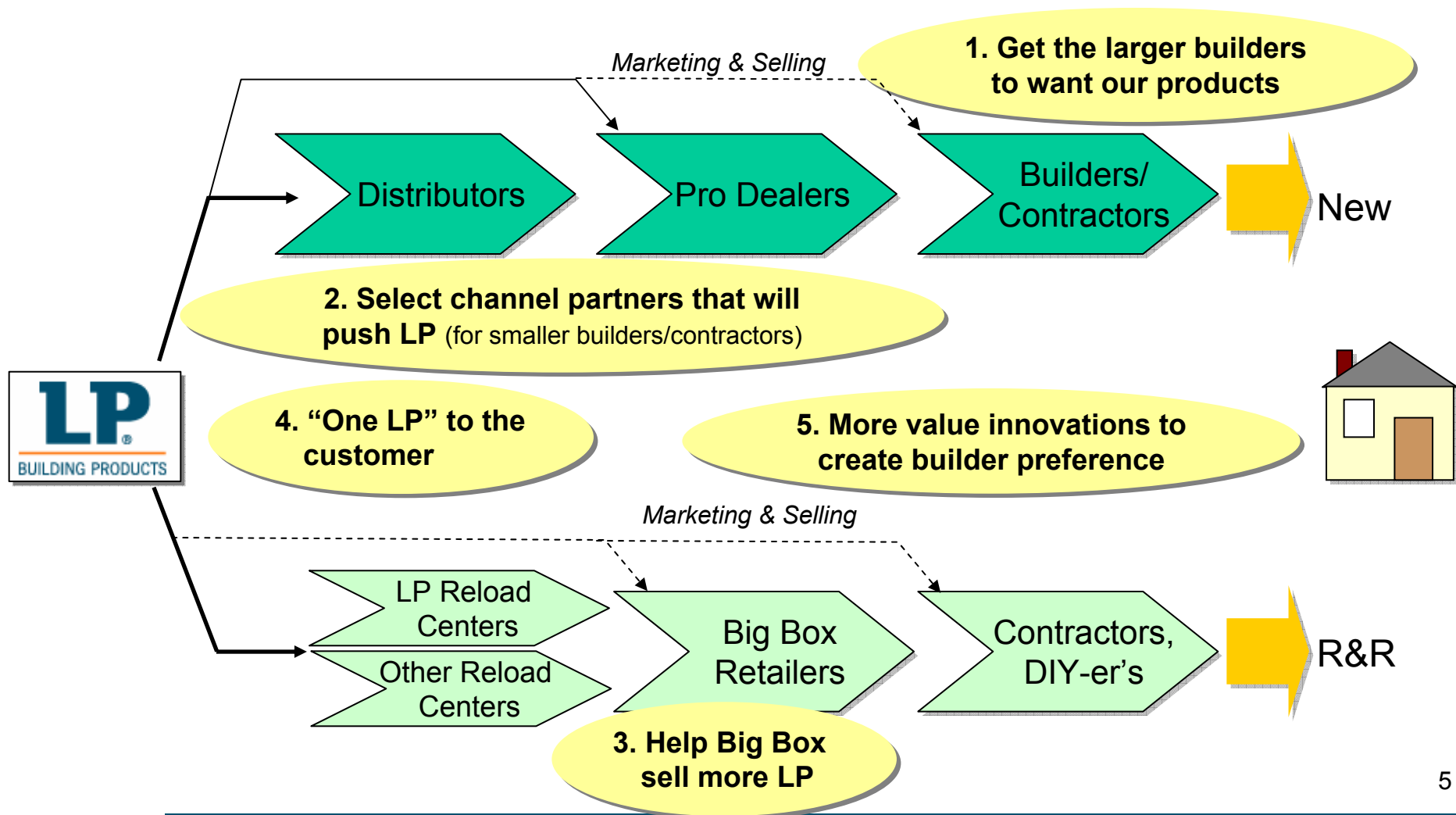
Forecast 3

Building Market Is Growing and Consolidating



LP Channel Strategy: Supplier of Choice by Getting Customers to Have a Preference for LP Products

5 Strategic Goals



LP's Business Segments

OSB

- Commodity Panels
- Tech Shield
- Flooring

Engineered Wood Products

- Laminated Veneer Lumber
- I - Joist

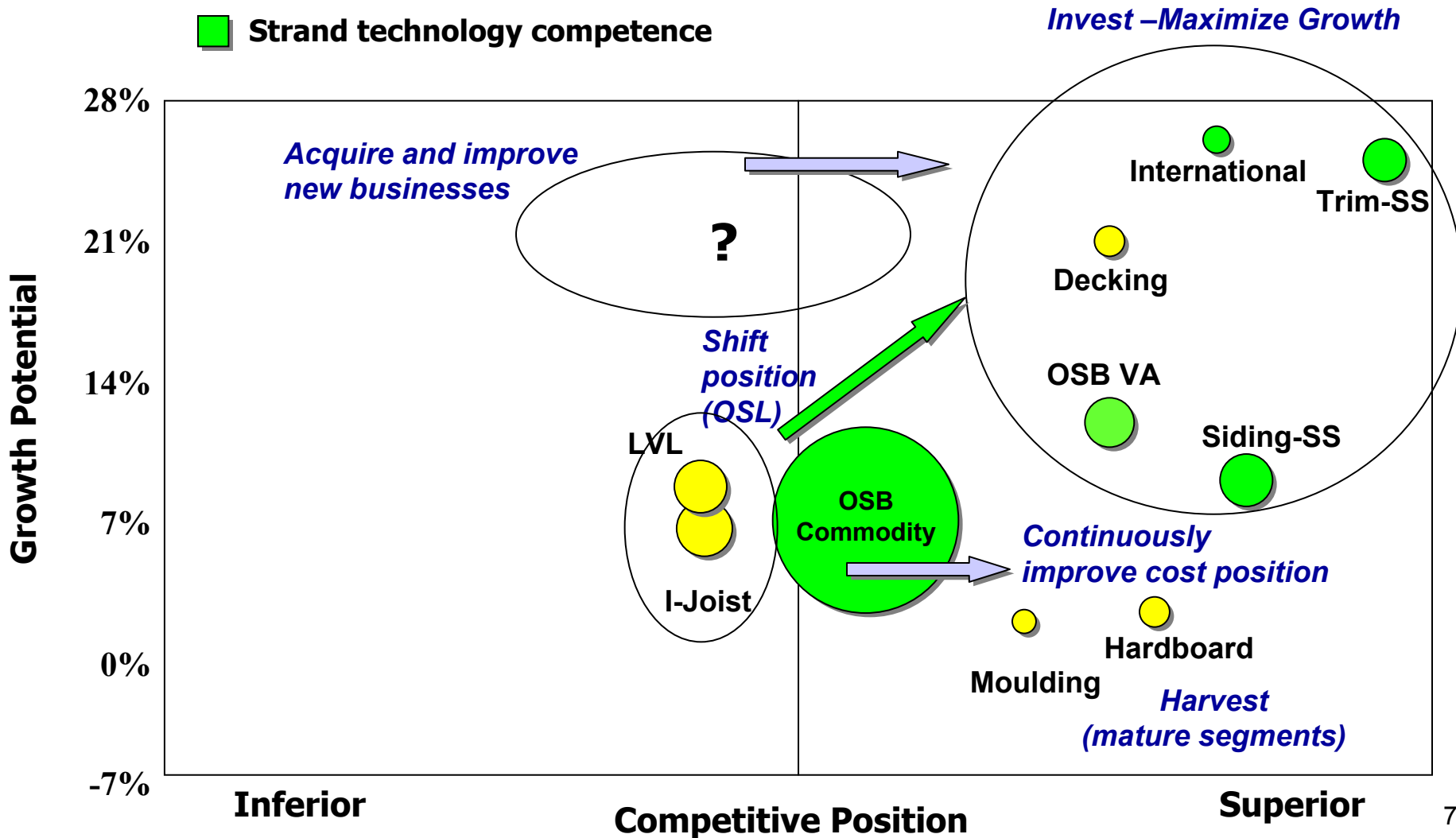
Siding

- SmartSide OSB Siding
- Exterior Hardboard Siding

Other Building Products

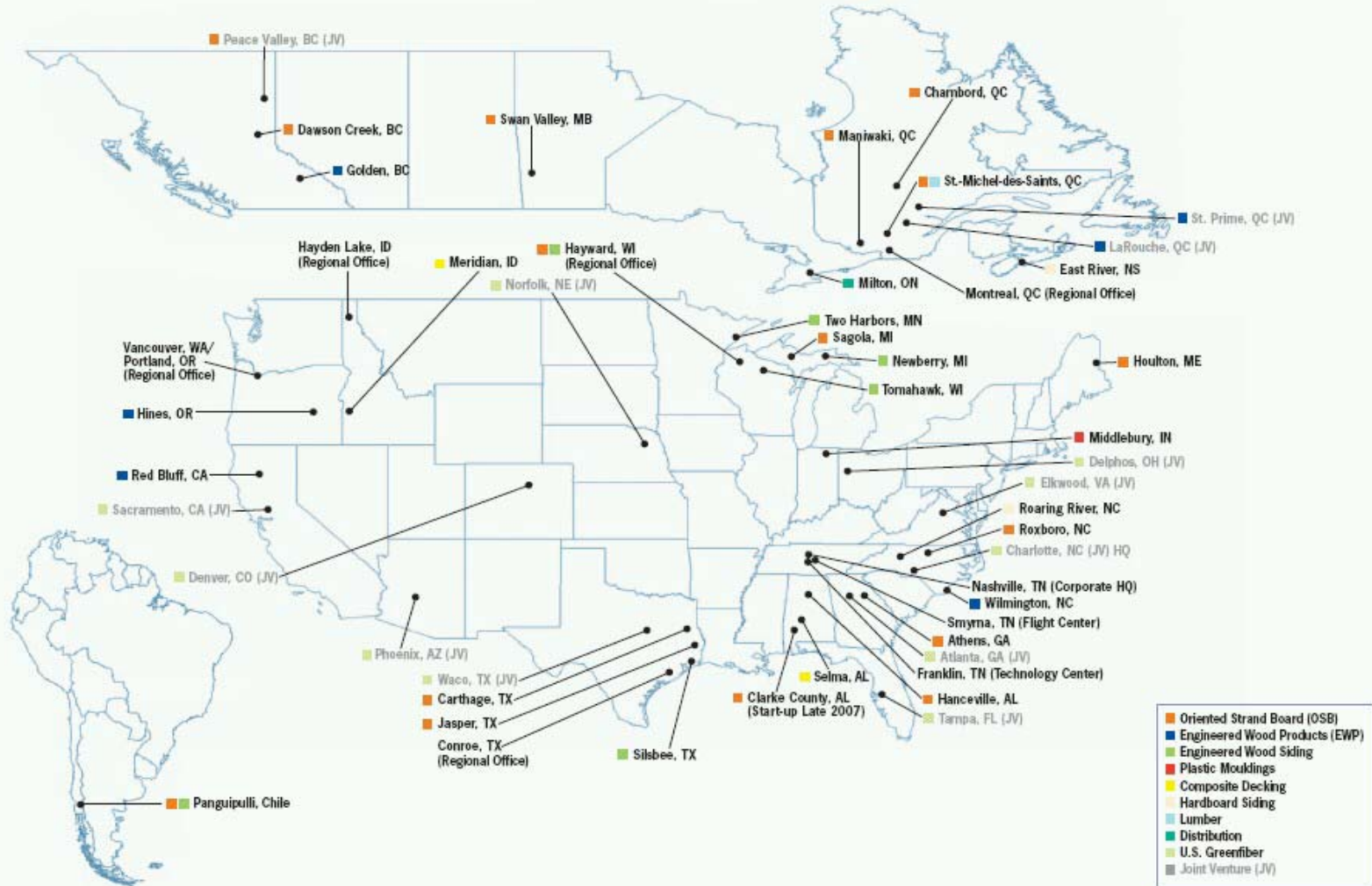
- Composite Decking
- Moulding
- Chile OSB
- U.S. Greenfiber

Current Portfolio and Direction



Map of LP Facilities

Louisiana-Pacific Corporation Facilities (U.S., Canada and Chile)



Oriented Strand Board (OSB)



- #1 North American OSB producer with about 25% market share ... about 15% share of structural panels
- Best geographic coverage allows for a low delivered cost
- Growth through existing mill investments and new mills

Mill capacities:

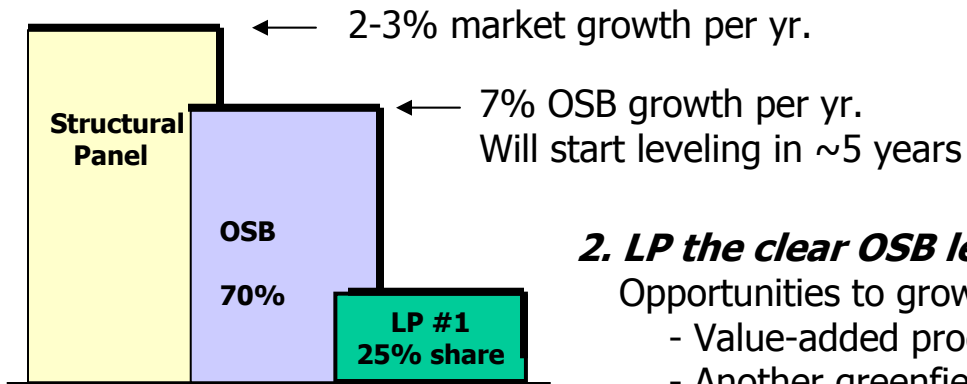
13 mills – 5.7 bsf

Peace Valley JV – 800 msf

Alabama under construction – 700msf

OSB Market Summary

1. OSB growth slowing, but still growing



2. LP the clear OSB leader

Opportunities to grow faster than market:

- Value-added products
- Another greenfield mill late in the planning cycle

3. Cyclical market

- New mills coming on line
- Demand remains strong
- D/C ratio will decline in near term
- Prices forecast (from RISI) to drop in 2007

4. Low substitution threat

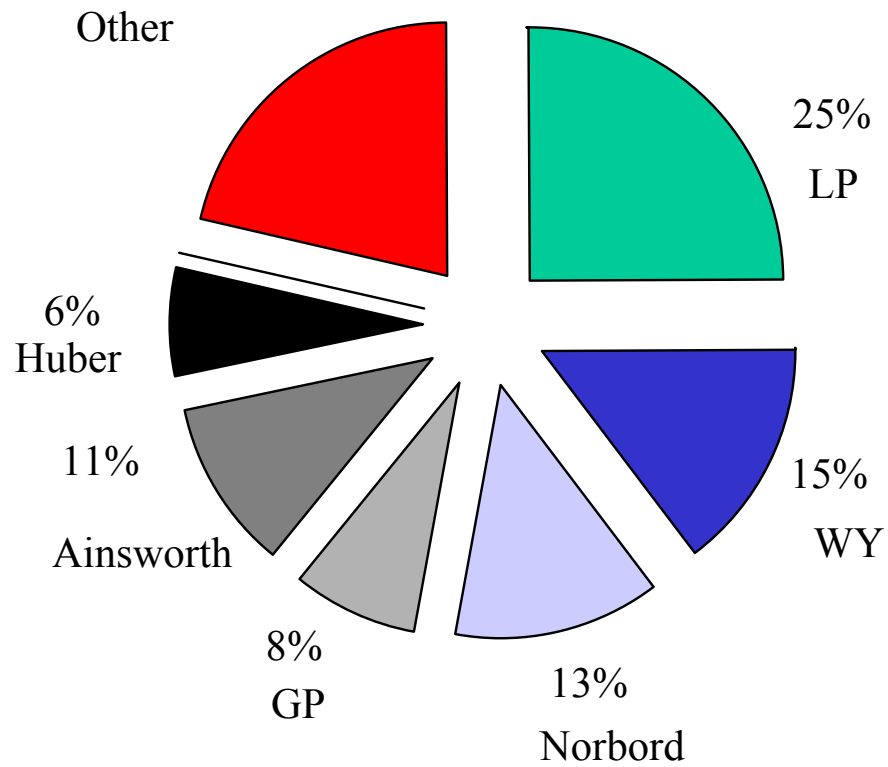
- No major new technology threats, but new building techniques could emerge following catastrophic events

5. Competitive dynamics

- Share determined by quality of service, cost and footprint
- Profitability determined by relative delivered cost and product mix
- Rationalization will occur (plywood closures)

OSB Market Share

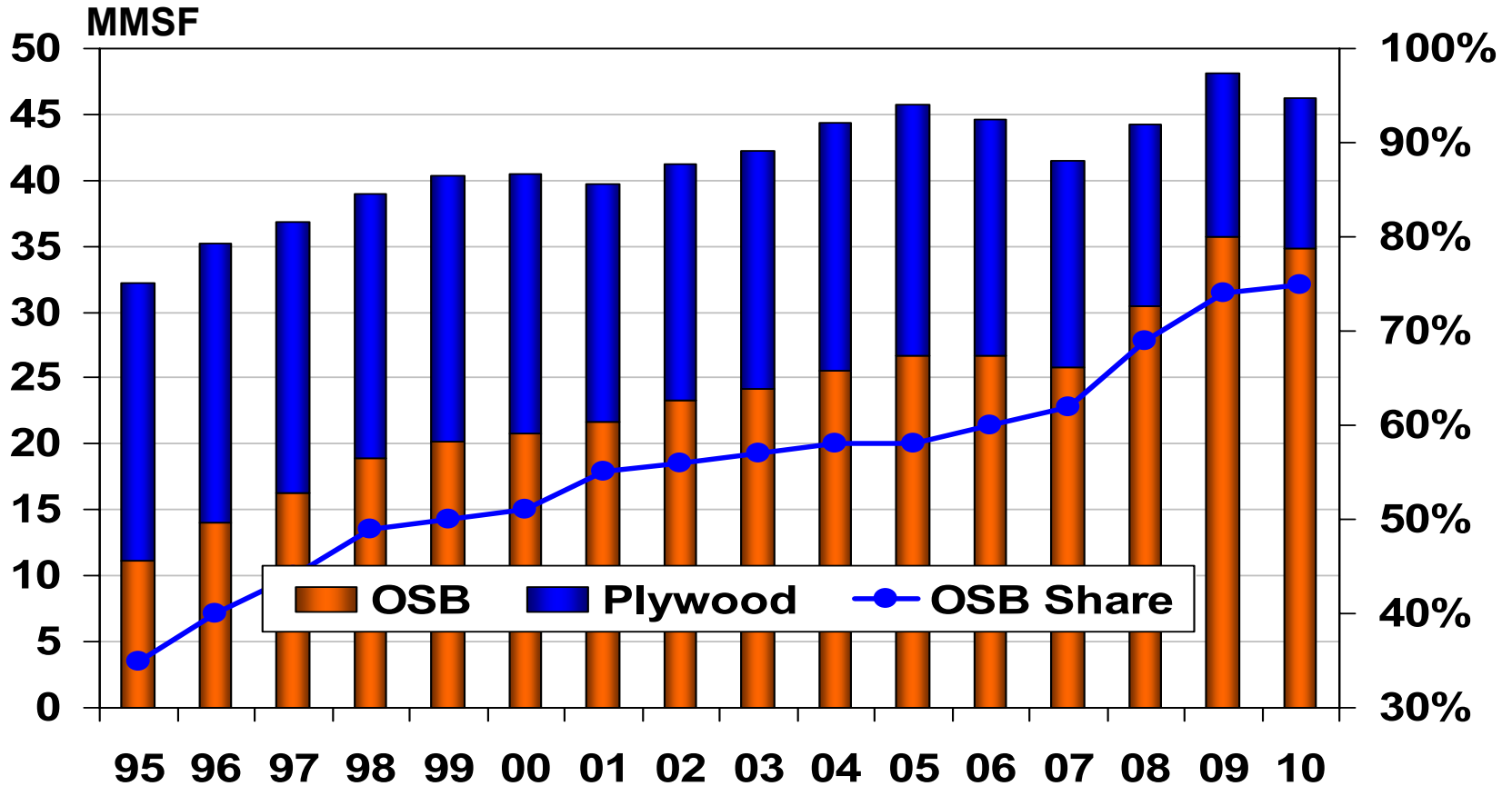
2004



Source: RISI

Structural Panel Demand

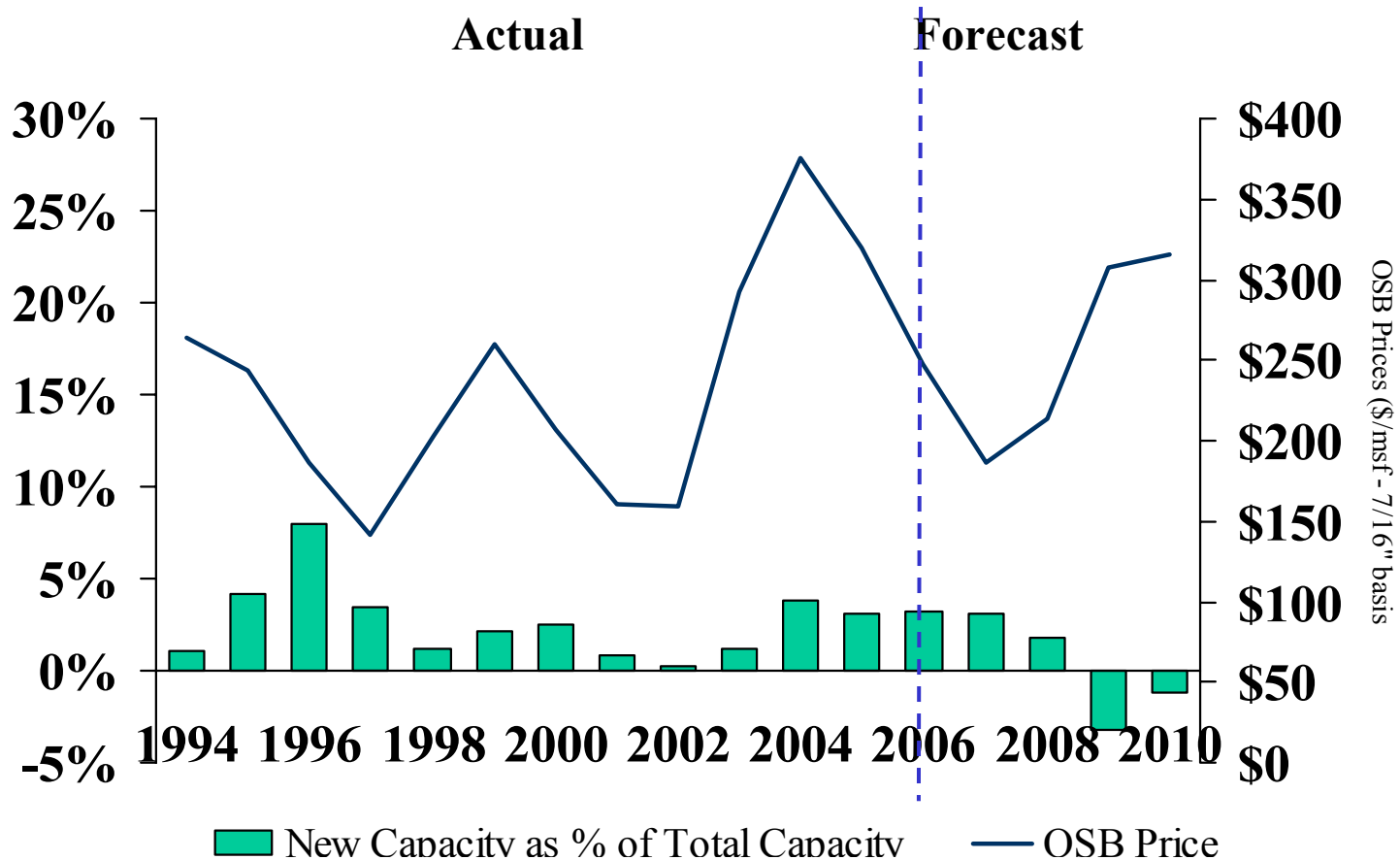
North America Structural Panel Demand



Source: RISI December 2005, 5 year forecast

Favorable OSB Supply Outlook

Net Additions and OSB Prices – Structural Panels



Source: RISI December 2005, 5 year forecast, includes greenfield and “creep” capacity

Engineered Wood Products



- #1 position in solid-sawn I-Joist
- #3 position in LVL / I-Joist
- Steady demand growth
- Aligned and supportive customer base

Mill capacities:

LVL - 12.1 million cubic feet

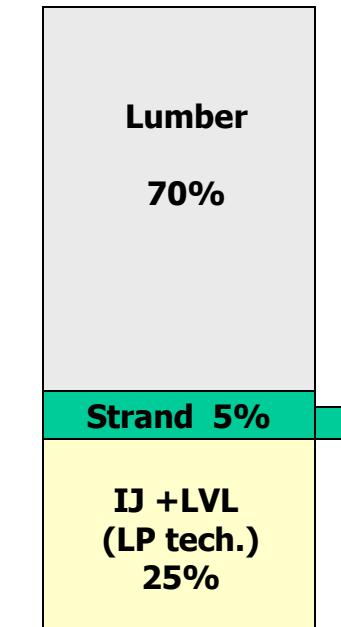
I-Joist - 80 million lineal feet

- 140 million lineal feet (Abitibi JV)

OSL – 7 million cubic feet (2008)

EWP Market Summary

1. High EWP Potential: \$9 Billion as Engineered Wood



2. Strand will win future growth

- Distributors want full line suppliers
- Strand price/performance will displace other technologies
- New applications (beam / header; tall wall)

Growing 15-20%

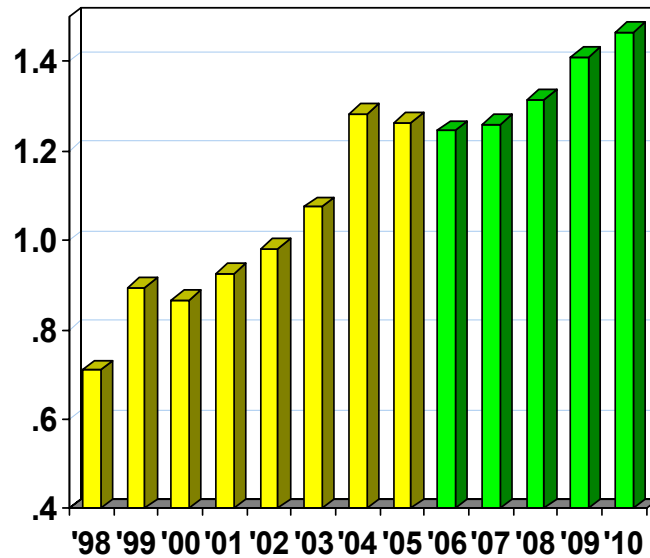
Was growing 5-10%; forecast slower, cyclical growth (LP has 12% of this segment)

3. LP position in LVL, IJ needs to be solidified ... but fit with LP is very strong

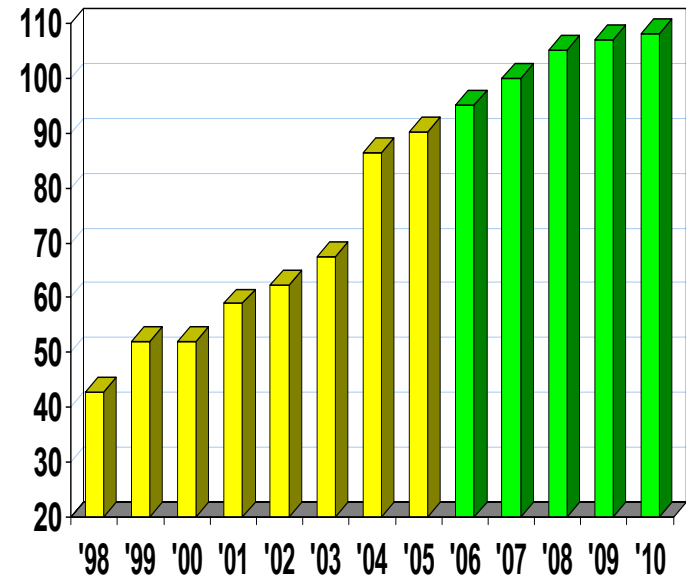
- JV in Quebec gives LP low cost position in I-Joist
- Good LVL position in the West but need more Eastern capacity
- LP #3 share; BC and TJ have own distribution and broader product lines
 - Opportunity to leverage LP
 - Need integrated distributor value proposition for builders

EWP Demand Growth

I-Joist – Billion Linear Ft.



LVL – Million Cubic Ft.



Source: APA-The Engineered Wood Association



- Smart Side product line exhibiting strong growth:
 - Family of products – lap, panel, trim, fascia, soffit
 - Lower installed cost than Fiber Cement, Aluminum, and Wood
 - Curb appeal / outstanding performance
 - Hayward conversion in trial production
- Hardboard – lowest cost and broadest product line in the industry

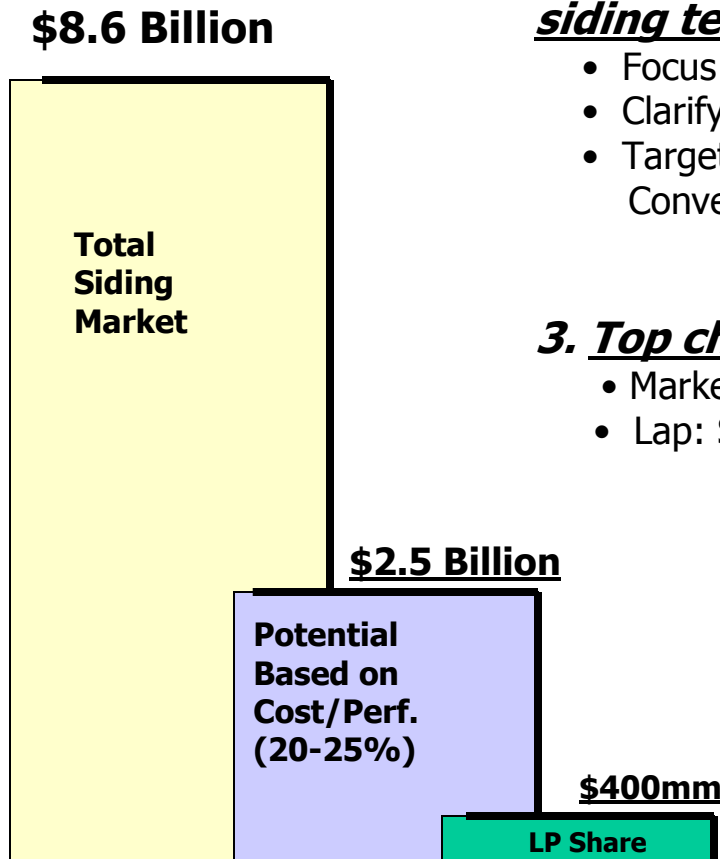
Mill capacities:

4 SmartSide mills – 900 mmsf

2 Hardboard mills – 550 mmsf

Siding Market Summary

1. Huge LP opportunity



2. Growth opportunity: displace other siding technologies via:

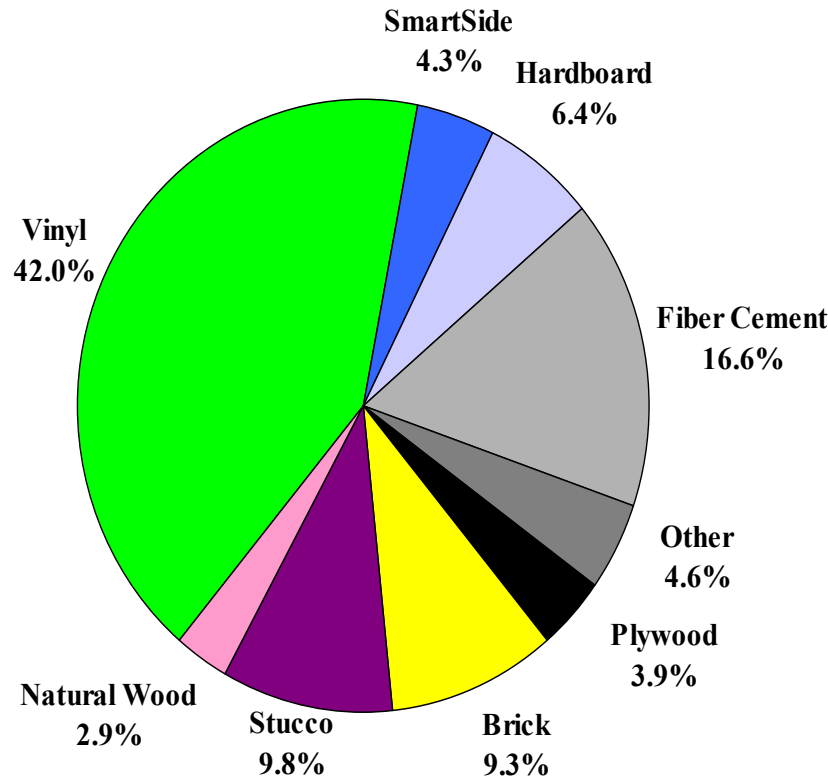
- Focus by product (lap, panel, trim, fascia)
- Clarify and better communicate superior value propositions
- Targets: Plywood, solid sawn, fiber cement and vinyl
Convert OSB mills

3. Top challenges

- Marketing execution
- Lap: Shifting criteria to installed cost

*LP dominates
"Composite Wood" niche*

Exterior Siding Market – Market Share by Category – 2003



Total Siding Demand in North America in 2003 = 10 billion square feet

Source: Ciprus, Freedonia, James Hardie, LP Internal

Other Building Products



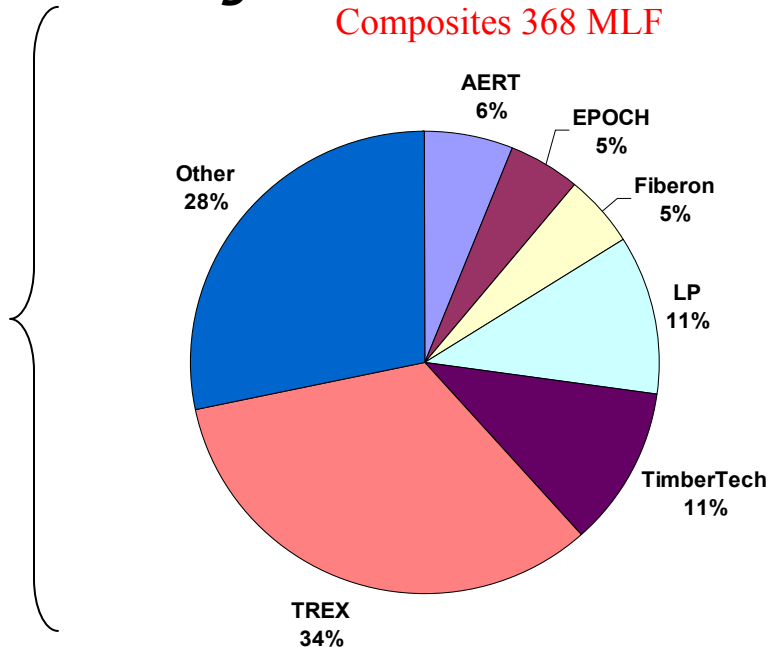
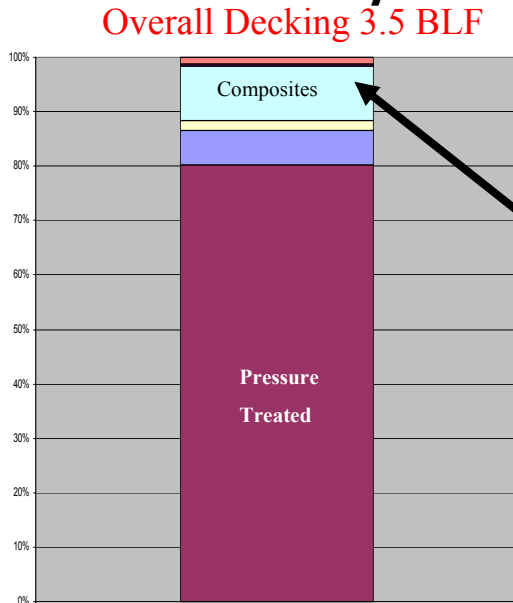
- Outdoor Living – #3 position, excellent decking products (good/better/best strategy)
- Chile – operation supporting early South American growth; one mill, another to be completed 2007
- Mouldings – profitable interior business with ability to broaden product line
- U.S. GreenFiber – largest cellulose insulation business in North America (50%-owned JV)
Mill capacities:
 - Decking – 90 mmlf
 - Chile – 130 mmsf; 150 to be added
 - Moulding – 300 mmlf
 - U.S. GreenFiber – 14 facilities

Composite Decking Market Summary

1. The market continues to grow at double digits

- Displacement of treated lumber, now at about 13%, shows no sign of leveling off (forecast presentation: 25-30%)
- Wood treaters response: forecasting decline; some entering composites

2. LP in the #2 or #3 position, but had little growth in 2005



3. LP aggressive response:

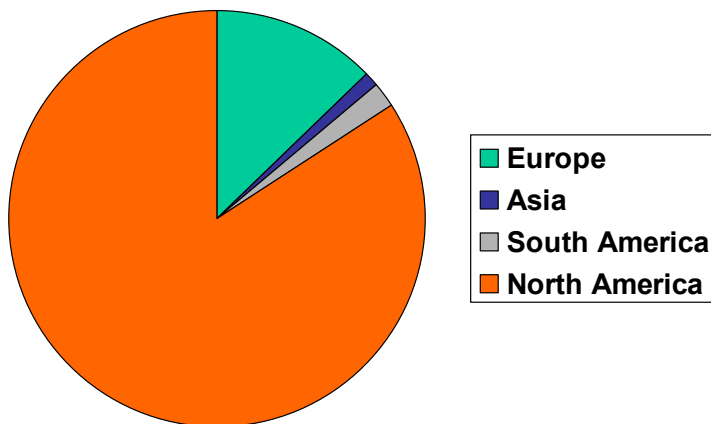
- Actions to grow faster than market
- Capacity in place ahead of demand (recent Meridian and Selma expansions)

International – Situation Analysis

Global OSB = 27 billion SF U.S. comprises 85 %

2005 Global OSB Demand

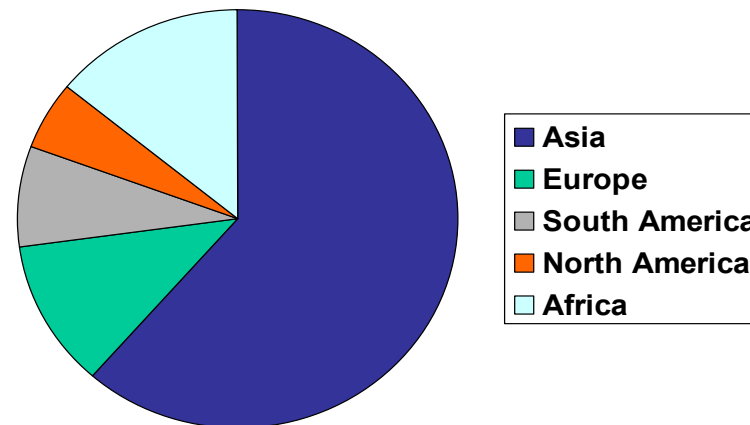
27 Billion SF



Current market

World Population By Region

6.4 Billion People



Theoretical opportunity

The opportunity for OSB is just emerging

Very Strong Balance Sheet

In millions except per share

	2005 December 31	2004 December 31
Total Cash and Cash Equivalents *	\$ 1,395	\$ 1,249
Working Capital *	1,451	1,164
Net Cash and Investments *	968	845
Capital Expenditures (YTD) (includes JV investments)	258	180
Depreciation, amortization, and cost of timber harvested (YTD)	133	141
Book Value per Share	19.31	16.05

* See appendix for reconciliations

Conclusions

LP has ...

- Leadership position in OSB with exceptional geographic distribution
- Specialty businesses with sales > \$1 billion and growing profitability
- A focused business model
- Continuing drive to be the low cost producer
- Growth opportunities in OSB (commodity and specialty), EWP and specialty exterior products
- Discipline in capital deployment
- Strong balance sheet ... financial flexibility

Questions

Appendix

	December 31,	
	2005	2004
<u>Calculation of "Working Capital"</u>		
Current assets	\$ 1,797	\$ 1,604
Current liabilities	(346)	(440)
Working capital	<u>\$ 1,451</u>	<u>\$ 1,164</u>
 <u>Calculation of "Net Cash and Investments"</u>		
Long-term debt	\$ (736)	\$ (623)
Current portion of long term debt	(18)	(178)
Current portion of limited recourse debt	(70)	-
Notes receivable from assets sales	397	397
Total cash and investments	<u>1,395</u>	<u>1,249</u>
Net cash and investments	<u>\$ 968</u>	<u>\$ 845</u>
 <u>Calculation of "Total Cash and Investments"</u>		
Cash and cash equivalents	\$ 608	\$ 545
Short term investments	717	608
Restricted cash	56	66
Long-term investments	14	30
Total cash and investments	<u>\$ 1,395</u>	<u>\$ 1,249</u>