



**BUILDING  
SOLUTIONS**

**Q1 2021 EARNINGS PRESENTATION**

May 4, 2021

# 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. Factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements include, but are not limited to, the following: impacts from public health issues (including global pandemics, such as the ongoing COVID-19 pandemic) on the economy, demand for our products or our operations, including the actions and recommendations of governmental authorities to contain such public health issues; changes in governmental fiscal and monetary policies, including tariffs, and levels of employment; changes in general economic conditions, including impacts from the ongoing COVID-19 pandemic; changes in the cost and availability of capital; changes in the level of home construction and repair activity; changes in competitive conditions and prices for our products; changes in the relationship between supply of and demand for building products; changes in the financial or business conditions of third-party wholesale distributors and dealers; changes in the relationship between supply of and demand for raw materials, including wood fiber and resins, used in manufacturing our products; changes in the cost of and availability of energy, primarily natural gas, electricity, and diesel fuel; changes in the cost of and availability of transportation; impact of manufacturing our products internationally; difficulties in the launch or production ramp-up of newly introduced products; unplanned interruptions to our manufacturing operations, such as explosions, fires, inclement weather, natural disasters, accidents, equipment failures, labor disruptions, transportation interruptions, supply interruptions, public health issues (including pandemics and quarantines), riots, civil insurrection or social unrest, looting, protests, strikes and street demonstrations; changes in other significant operating expenses; changes in currency values and exchange rates between the U.S. dollar and other currencies, particularly the Canadian dollar, Brazilian real and Chilean peso; changes in, and compliance with, general and industry-specific laws and regulations, including environmental and health and safety laws and regulations, the U.S. Foreign Corrupt Practices Act and anti-bribery laws, laws related to our international business operations, and changes in building codes and standards; changes in tax laws, and interpretations thereof; changes in circumstances giving rise to environmental liabilities or expenditures; warranty costs exceeding our warranty reserves; challenge or exploitation of our intellectual property or other proprietary information by others in the industry; changes in the funding requirements of our defined benefit pension plans; the resolution of existing and future product-related litigation and other legal proceedings; the amount and timing of any repurchases of our common stock and the payment of dividends on our common stock, which will depend on market and business conditions and other considerations; and acts of public authorities, war, civil unrest, natural disasters, fire, floods, earthquakes, inclement weather and other matters beyond our control.

For additional information about factors that could cause actual results, events, and circumstances to differ materially from those described in the forward-looking statements, please refer to LP's filings with the Securities and Exchange Commission. Except as required by law, LP undertakes no obligation to update any such forward-looking statements to reflect new information, subsequent events or circumstances.

# STATEMENT RELATING TO THE USE OF NON-GAAP FINANCIAL MEASURES

During the course of this presentation, certain non-GAAP financial measures will be presented. Non-GAAP financial measures should be considered only as a supplement to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the earnings release filed as an exhibit to LP's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 4, 2021, and the Appendix of this presentation for a reconciliation of non-GAAP financial measures. It should be noted that other companies may present similarly titled measures differently, and therefore, such measures as presented by LP may not be comparable to similarly-titled measures reported by other companies.

# HIGHLIGHTS





# Q1 2021 HIGHLIGHTS

- LP<sup>®</sup> SmartSide<sup>®</sup> sales increased by 49%
- Volume of Smooth, ExpertFinish and Shakes more than doubled
- OSB sales increased by \$319M to \$539M on 7% lower volumes
- OSB Structural Solutions mix increased to 47%
- LPSA net sales increased by 47%, Adjusted EBITDA by \$14M

# Q1 2021 FINANCIAL RESULTS

Increasing CapEx investments to meet growing demand

Declared dividend of \$0.16 per share

\$32M remaining under \$300M buyback authority as of May 3, 2021

Additional buyback authority for \$1 Billion

**\$1.0B**

Net Sales  
+74%

**\$461M**

Adj. EBITDA  
5x

**\$314M**

Op. CF  
+\$323M

**\$3.01**

Adj. EPS  
+\$2.67

**49%**

SmartSide  
Growth

**+\$333M**

OSB Price  
Adj. EBITDA  
Impact

**\$122M**

Share  
Buybacks

**\$17M**

Dividends

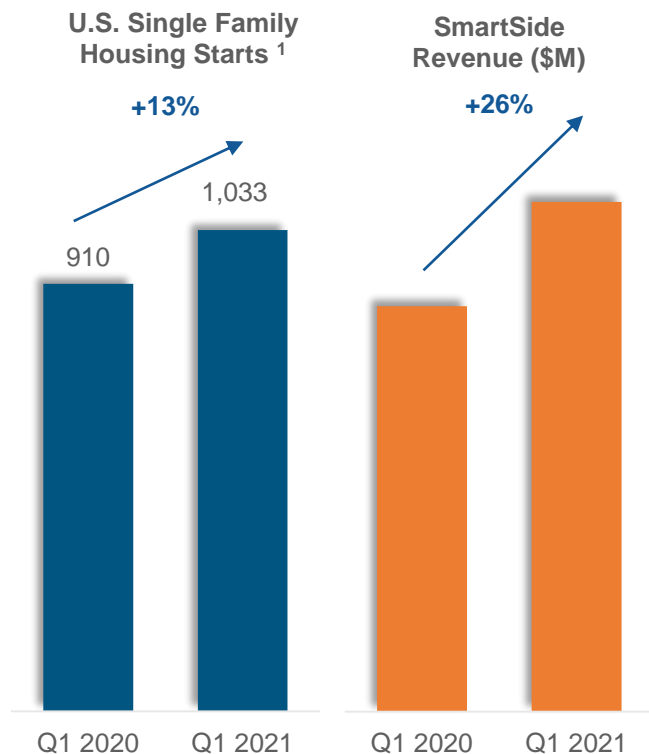
# Q1 2021 VS Q1 2020 SUMMARY

(\$ in millions)

		Revenue	Adj. EBITDA
<b>Q1 2020 Actual</b>		<b>\$ 585</b>	<b>\$ 83</b>
OSB price	+165% YoY	333	333
SmartSide growth	+49% YoY	93	51
All other		6	(6)
<b>Q1 2021 Actual</b>		<b>\$1,017</b>	<b>\$ 461</b>

# TRANSFORMATION

## SmartSide Growth (TTM)



## 2021 Q1 vs 2020 Q1

Segment	Growth	Efficiency	Total
Siding	\$53	\$1	\$54
OSB	\$1	\$(4)	\$(3)
LPSA & Corporate <sup>2</sup>	<u>\$14</u>	<u>\$0</u>	<u>\$14</u>
<b>Total Q1 Adj. EBITDA Impact</b>	<b>\$68</b>	<b>\$(3)</b>	<b>\$65</b>

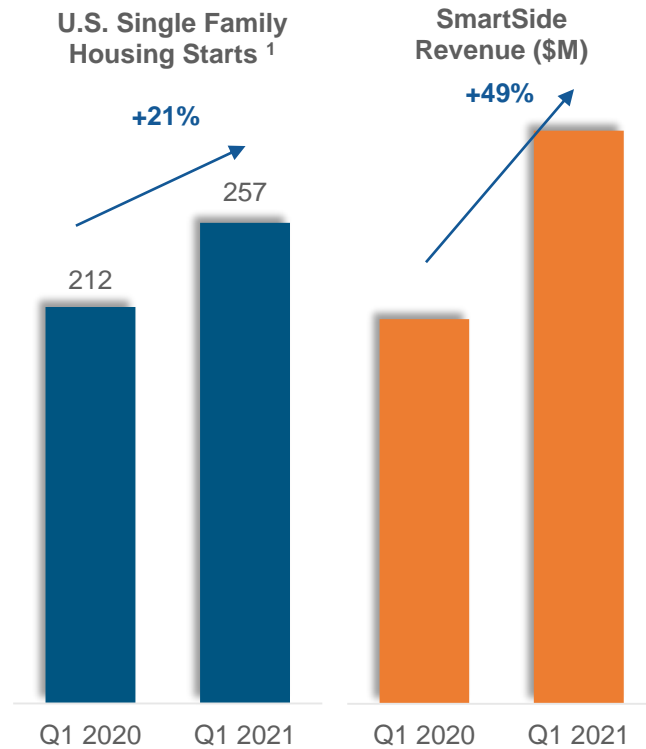
<sup>1</sup> Actual U.S. housing starts data from U.S. Census Bureau as reported on April 16, 2021

<sup>2</sup> Beginning in 2021, EWP excluded from transformation impacts and LPSA includes Adj. EBITDA growth (excluding foreign currency movements)



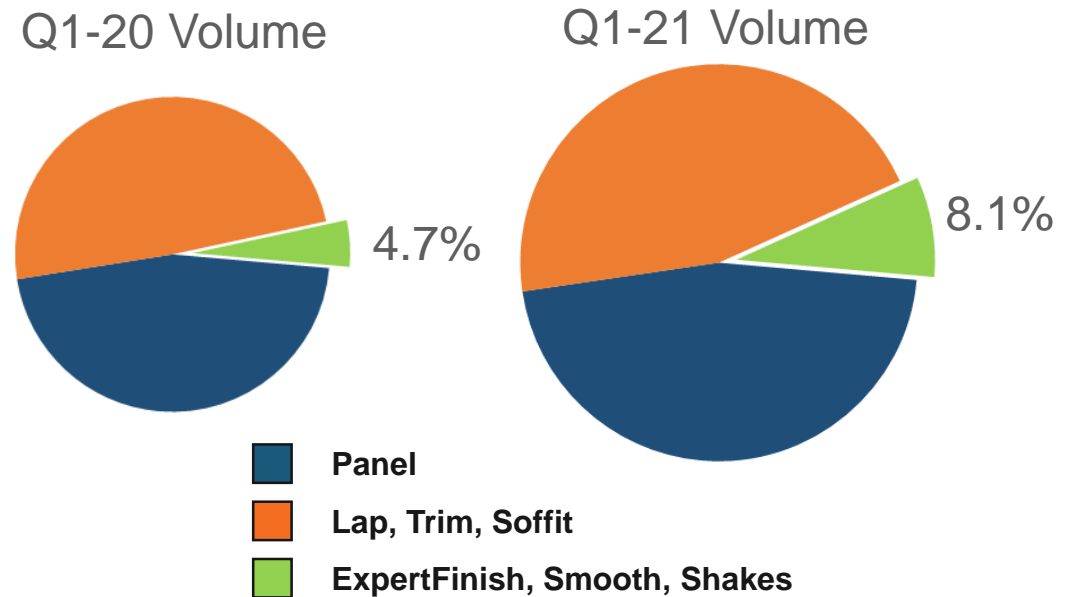
# TRANSFORMATION: SMARTSIDE GROWTH

## Compared to Single-Family Starts



<sup>1</sup> Actual U.S. housing starts data from U.S. Census Bureau as reported on April 16, 2021

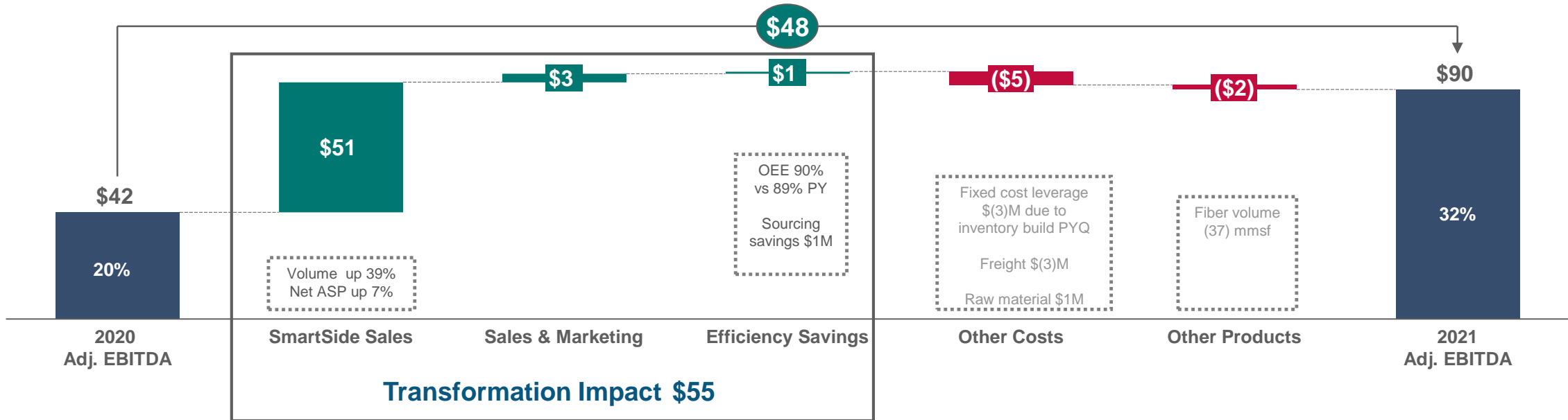
## Growth of ExpertFinish, Smooth & Shakes



**Total Volume Growth = 39%**  
**EF, Smooth & Shake Volume Growth = 140%**

# SIDING – Q1 2021 VS Q1 2020

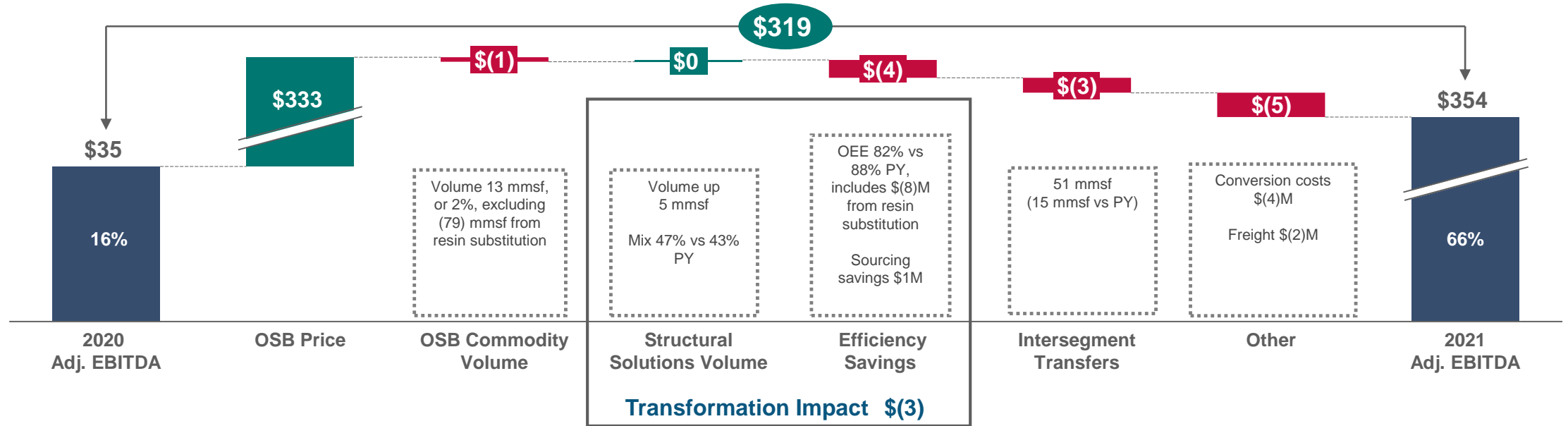
(\$ in millions)



Revenue	\$212	\$93	-	-	-	(\$20)	\$285
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# OSB – Q1 2021 VS Q1 2020

(\$ in millions)



Revenue	\$220	\$333	\$3	\$1	\$(17)	-	-	\$539
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## 2021 CAPEX GUIDANCE

Full-Year Capital Investment	\$230M - \$250M
Houlton Conversion	\$90 - \$95M
Other Strategic Growth Capital	\$40 - \$45M
Sustaining Maintenance Capital	\$100M - \$110M

## Q2 2021 REVENUE & Adj. EBITDA

SmartSide YoY Revenue Growth	>30%
OSB Revenue Compared to Q1 2021	>30% Increase
LP Consolidated Adjusted EBITDA	>\$580M

# APPENDIX



# REVENUE AND ADJUSTED EBITDA BY SEGMENT

(\$ in millions)

	Three Months Ended March 31,	
	2021	2020
<b>Sales</b>		
Siding	\$ 285	\$ 212
OSB	539	220
EWP	123	99
South America	53	36
Other	18	18
Intersegment	—	—
	<b>\$ 1,017</b>	<b>\$ 585</b>
<b>Adjusted EBITDA</b>		
Siding	\$ 90	\$ 42
OSB	354	35
EWP	7	9
South America	21	7
Other	(5)	(3)
Unallocated	(6)	(7)
	<b>\$ 461</b>	<b>\$ 83</b>



# CASH FLOW

(\$ in millions)

	Three Months Ended March 31,	
	2021	2020
<b>Beginning cash</b>	\$ 535	\$ 195
Adjusted EBITDA	461	83
Working Capital	(118)	(74)
Interest (net)	(9)	(10)
Cash taxes (net)	(21)	
Other operating	2	(8)
<b>Operating cash flow</b>	<b>314</b>	<b>(9)</b>
Cap Ex	(34)	(24)
Borrowing of long-term debt	—	350
Share buybacks	(122)	—
Dividends	(17)	(16)
Business acquisitions & divestiture	2	—
Other investing and financing	(21)	(7)
<b>Net change in cash</b>	<b>122</b>	<b>293</b>
<b>Ending cash</b>	<b>\$ 658</b>	<b>\$ 488</b>

# RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA

(\$ in millions)

	Three Months Ended March 31,	
	2021	2020
<b>Net income</b>	\$ 320	\$ 33
Add (deduct):		
Noncontrolling interest	1	—
Income attributed to LP	320	33
Provision for income taxes	96	9
Depreciation and amortization	29	28
Stock-based compensation expense	1	2
Loss on impairment attributed to LP	—	7
Other operating credits and charges, net	—	2
Loss on early debt extinguishment	11	—
Interest expense	5	5
Investment income	—	2
Other non-operating items	(1)	(5)
<b>Adjusted EBITDA</b>	\$ 461	\$ 83



# RECONCILIATION OF NET INCOME TO ADJUSTED INCOME

(\$ in millions)

	Three Months Ended March 31,	
	2021	2020
<b>Net income</b>	\$ 320	\$ 33
Add (deduct):		
Noncontrolling interest	1	—
Income attributed to LP	320	33
Loss on impairment attributed to LP	—	7
Other operating credits and charges, net	—	2
Loss on early debt extinguishment	11	—
Reported tax provision	96	9
Adjusted income before tax	427	51
Normalized tax provision at 25%	(107)	(13)
<b>Adjusted Income</b>	<b>\$ 320</b>	<b>\$ 38</b>
Diluted share outstanding	107	113
<b>Adjusted Diluted EPS</b>	<b>\$ 3.01</b>	<b>\$ 0.34</b>