

Louisiana - Pacific Corporation

CIBC Investor Conference
February 19, 2004



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.

Statement relating to the Use of Non-GAAP Financial Measures

During the course of this presentation, certain non-U.S. GAAP financial information will be presented. Reconciliation of those numbers to U.S. GAAP financial measures are available on the company's website at www.lpcorp.com under the Investor Relations Presentations section

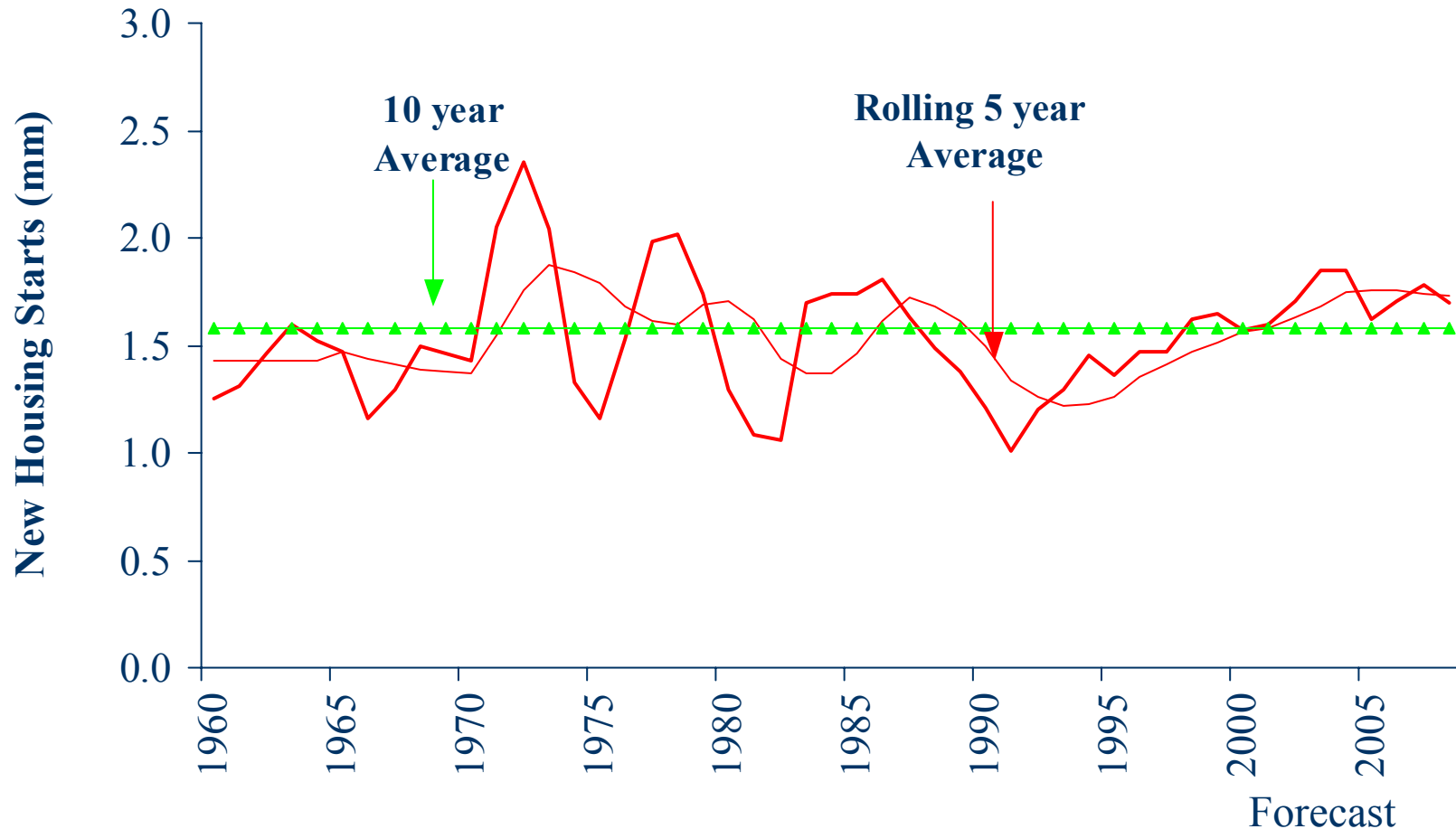
Overall Market Dynamics - Demand

- New construction demand ... 2003 great!; 2004 > 1.8 million:
 - Demographics support sustained levels of housing starts ... 1.77 million / year for the next decade
 - Interest rates remain at very low levels
 - Change in immigration policy could be a “wildcard”
- Repair / remodel demand ... moderately up (4-6% per year):
 - Supported by retail growth ... new stores and same store sales year-to-year
 - Aging housing stock
- Residential construction activity drives demand:
 - Moderate commercial and light industrial usage
 - Been “dormant” but coming back

Home Building Demand Indicators

Housing Starts

⌘ Annual housing starts have averaged about 1.58 million since 1994 and are projected to remain strong in the 1.7 million range over the next 5 years.



Source: US Department of Commerce and RISI.

Overall Market Dynamics - Customers

- Consolidation of producers, channel partners and end customers will continue:
 - Big producers
 - “Big Boxes”
 - Big builders
 - Distributors and Pro Dealers
- Blurring of lines between channel partners and end users:
 - Home builders contracting basic construction
 - Installed sales
- Continued strong demand will exist for commodity and specialty building products:
 - Demand for innovative, low maintenance building materials is accelerating
 - Pressure on land and labor availability continues

Implications for LP

- Must maintain / gain cost positions to lowest quartile
- Develop and launch new products effectively:
 - Satisfy customer demand
 - Profits during early life cycle and pricing
- Most efficient supply chain / logistics:
 - Customers only care about “delivered cost”
 - Retailers demanding more services
- Influence / participate in forward integration ... opportunity for LP?
- Must increase quality market share ... strong customers, higher margins

LP Today

- Completing a significant restructuring involving asset sales, product line divestitures and debt reduction:
 - Asset sales plan very successful with more than \$750 million in “value” captured
 - Very few facilities left to sell
- Result: focused business model with four segments capable of generating sufficient cash to reward our investors and cover our investment plans:
 - Retained businesses have scale, low cost and opportunities for growth
- Increased financial flexibility ... at December 31, 2003:
 - Working capital over \$1 billion
 - Cash exceeds debt by over \$400 million
 - Total cash more than \$1 billion

LP's Business Segments

OSB

- Commodity panels
- Tech Shield
- Flooring

Composite Wood

- SmartSide OSB siding
- Exterior Hardboard siding
- Specialty OSB

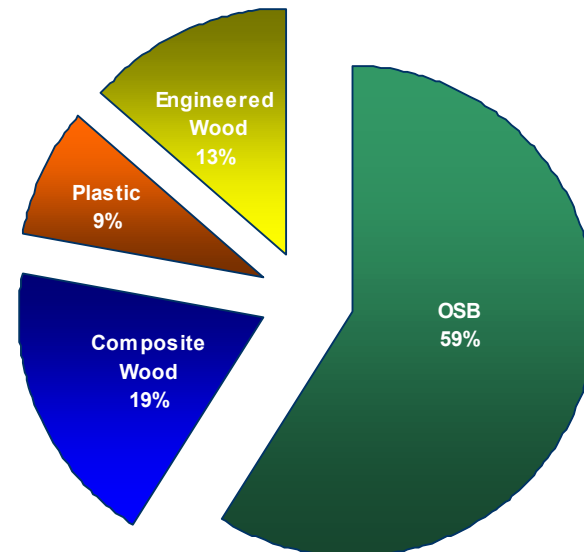
Engineered Wood Products

- Laminated veneer lumber
- I - Joist

Plastic Building Products

- Vinyl
- Moulding
- Composite Decking

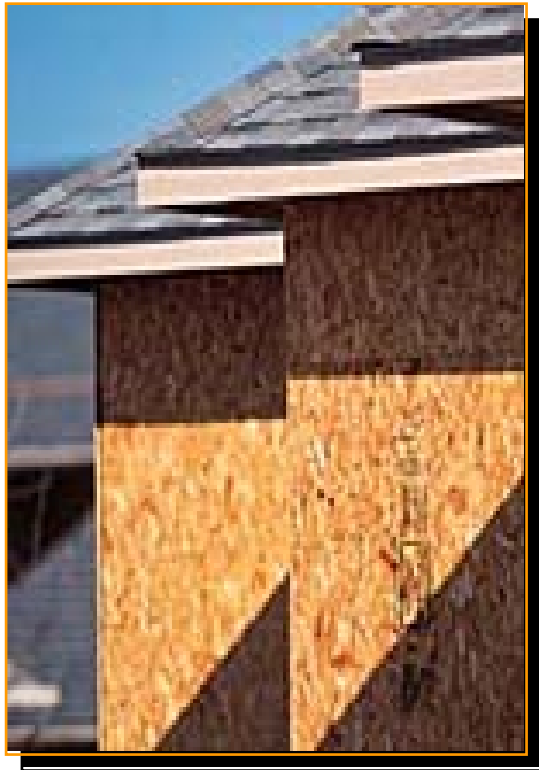
2003 Revenue - \$2.3 Billion



Segment Characteristics

- Commodity – OSB:
 - Primarily new construction
 - Price volatility
 - Traded daily
 - Cost is king
 - Demand / capacity management
- Specialty – EWP, Plastics, Composite Wood:
 - 50% / 50% ... new construction / R&R
 - Relatively stable pricing
 - “Demand creation” versus “trading”
 - Higher SG&A
 - Profits during early life cycle and pricing
 - Channel partners critical to success

Oriented Strand Board (OSB)

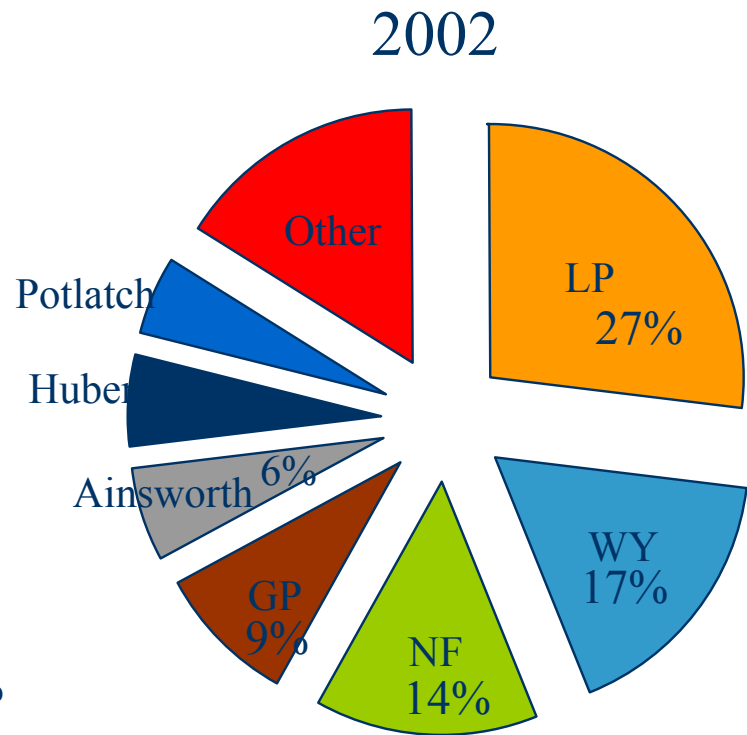
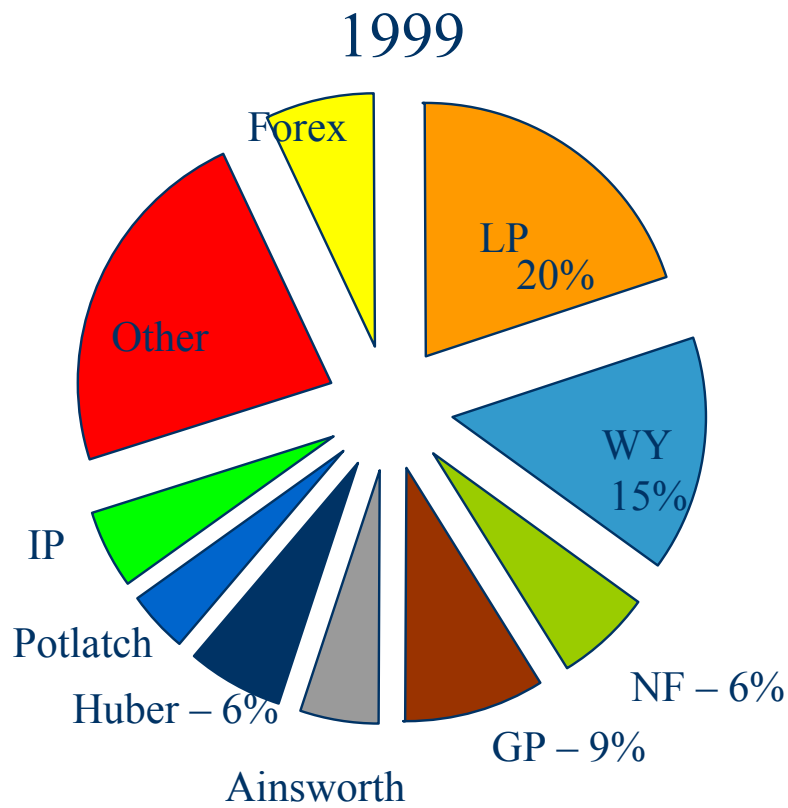


- #1 North American producer with greater than 25% market share
- Focus is on delivered cost
- Growth through substitution
 - 2002 – 2003 volume growth 7%
- Best geographic distribution
- Continue to develop “value-add” products

Mill capacities:

15 mills – 5.8 billion square feet

OSB Market Share

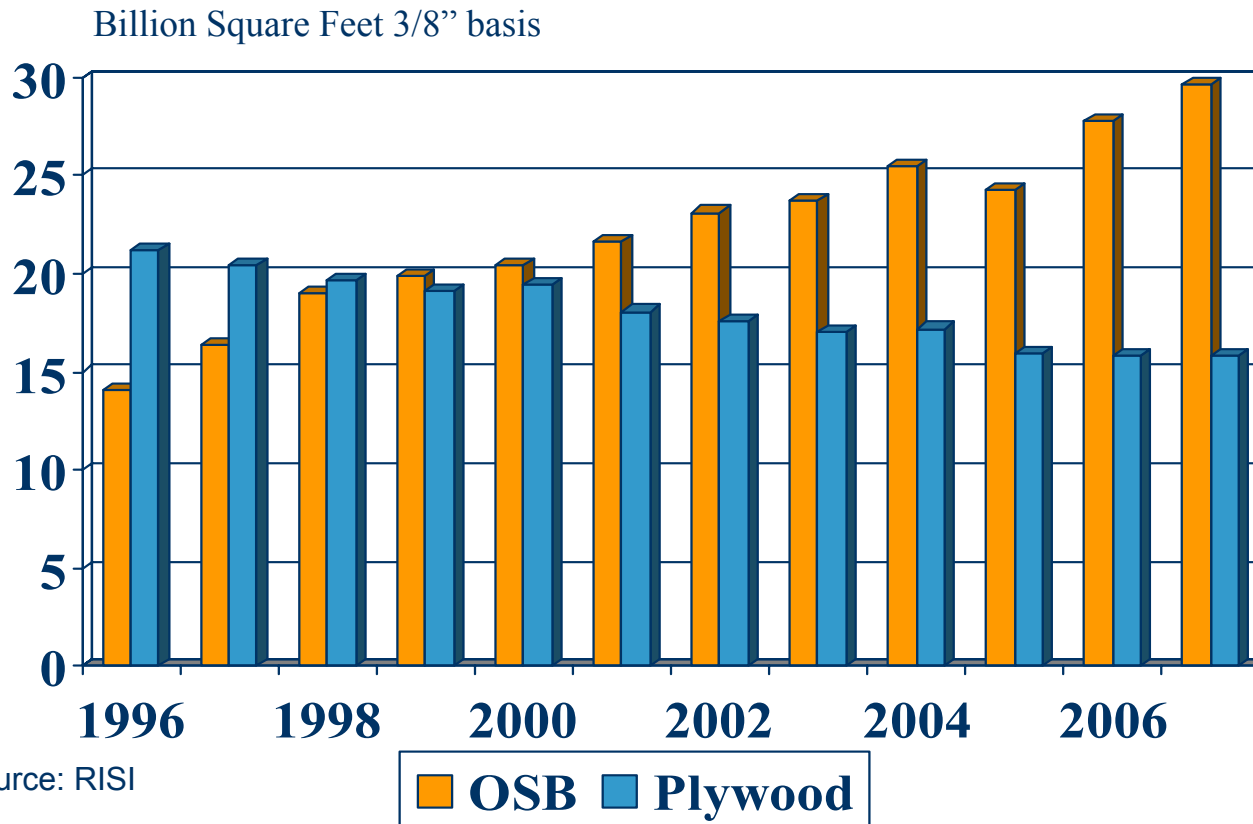


Source: RISI

OSB Investment Priorities

- \$250 million investment plan in existing mills over the next 3 – 5 years:
 - Reduce cost (energy, materials, resin costs and improved yield)
 - Improved product properties
 - Greater throughput ... + 1 BSF
 - 10% reduction in cost
- Acquire competitive facilities “at the right price”
- Greenfield “opportunities:
 - Canada – British Columbia ... announced Slocan-LP JV
 - U.S. – fiber supply near growing markets
 - South America (Chile)

Overall Structural Panel Demand



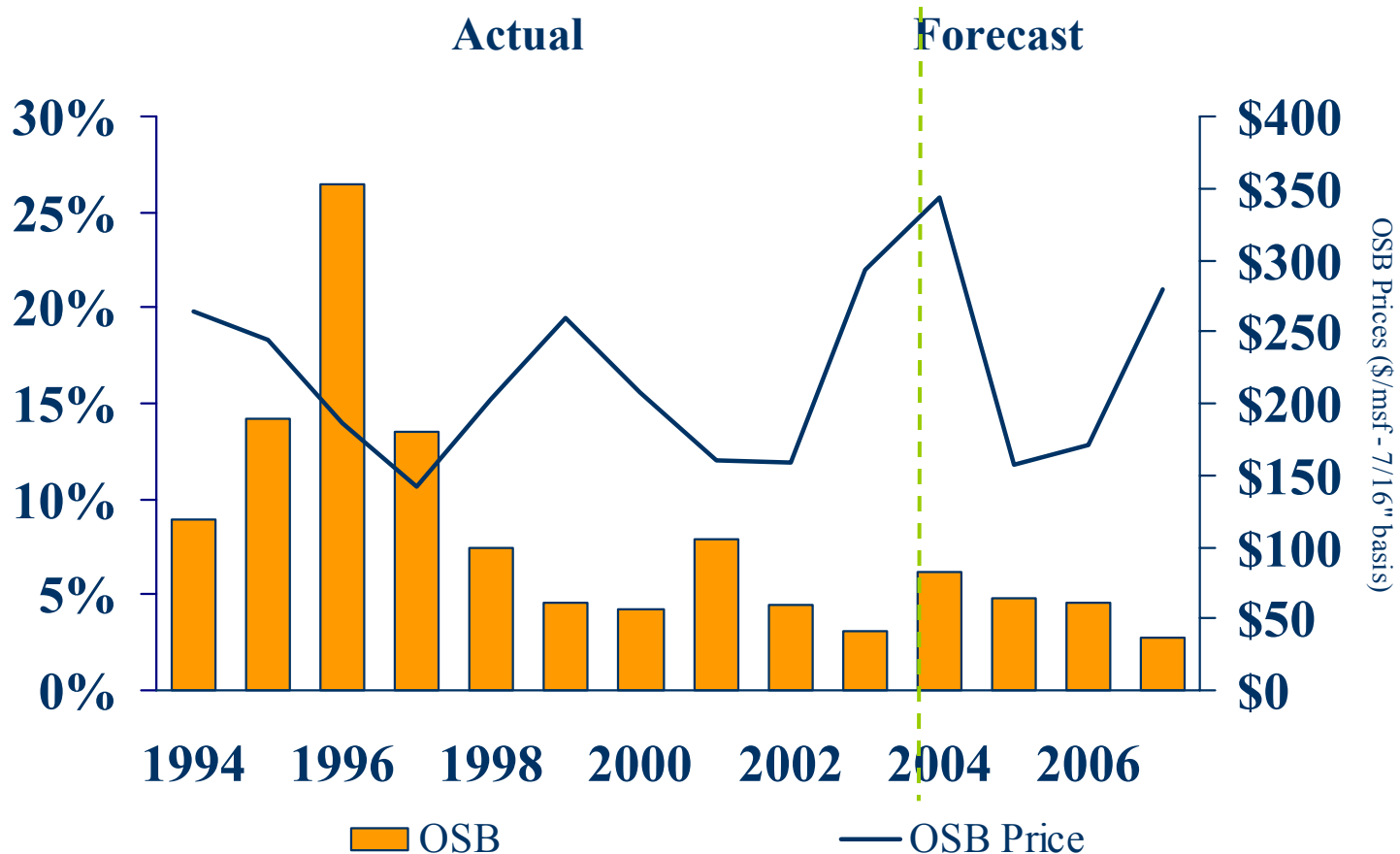
1996
OSB – 40%
Plywood – 60%

2002
OSB – 57%
Plywood – 43%

2007
OSB – 65%
Plywood – 35%

Favorable OSB Supply Outlook

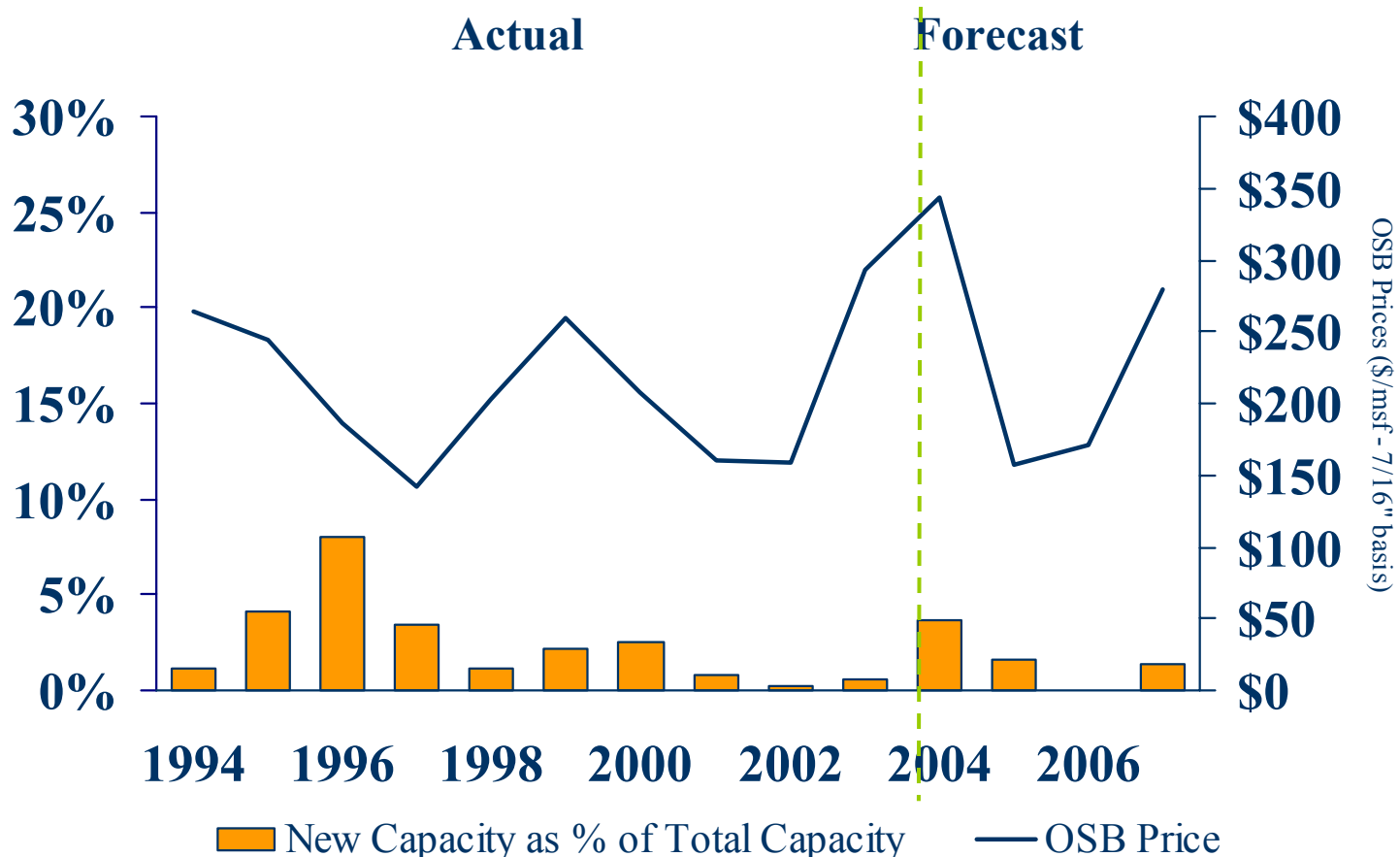
New Additions and OSB Prices – OSB capacity



Source: RISI (Feb '04 for 2004 - 2007), includes greenfield and creep capacity

Favorable OSB Supply Outlook

New Additions and OSB Prices – Structural Panels



Source: RISI (Feb '04 for 2004 - 2007), includes greenfield and creep capacity

Engineered Wood Products



- #1 position in solid-sawn I-Joist
- #3 position in LVL / I-Joist
- 2002 – 2003 volume growth:
 - LVL – 31%
 - I-joist – 13%
- Aligned and supportive (independent) customer base

Mill capacities:

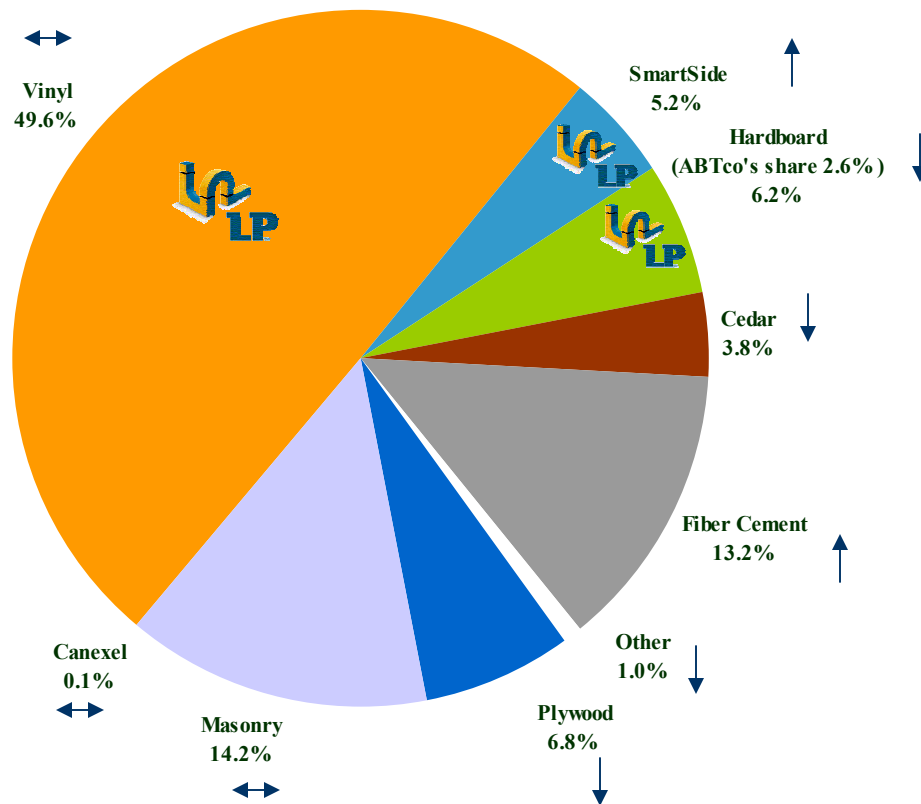
LVL - 10.6 million cubic feet

I-Joist - 106 million lineal feet

- 60 million lineal feet (Abitibi JV)

Exterior Siding Market

Market Share by Product Category - 2002



Total siding demand in North America in 2002 = 8.1 B sq. feet

LP currently participates in siding segments that represent 60% of the market

Composite Wood Products



- Smart Side product line exhibiting strong growth (2002 – 2003 volume growth - 13%):
 - Family of products – lap, panel, trim, fascia, soffit
 - Lowest installed cost
- Hardboard – lowest cost and broadest product line in the industry
- Chile – source of low cost, high quality specialty products and new markets

Mill capacities:

8 mills – 1.7 billion square feet

Plastic Building Products



- Vinyl siding – growth through service and product development (2002 – 2003 volume growth -13%)
- Mouldings – profitable / growing business, alliance partner opportunities
- Outdoor Living – early stage, excellent decking products, technology platform for expanded product line (2002 – 2003 volume growth - 58%)

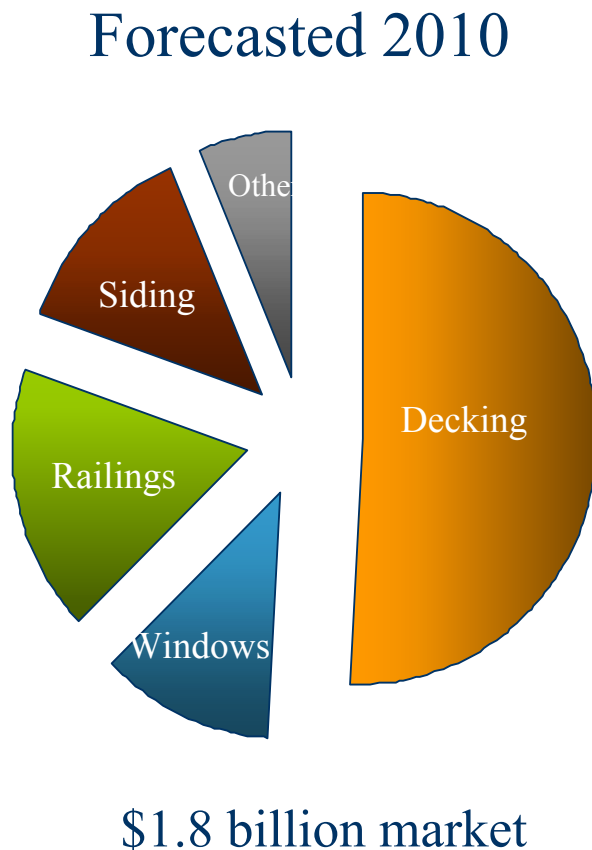
Mill capacities:

Vinyl – 3.2 million squares

Moulding – 290 million lineal feet

Decking – 50 million lineal feet

Plastic Composite Market



- The plastic composite market for building products estimated at \$600 million in 2002 growing to \$1.8 billion by 2010
- Applications include:
 - Decking
 - Railings
 - Windows and doors
 - Fencing
 - Siding accessories

Use of Cash

- Build appropriate cash reserves and retire debt:
 - “Operating” and “insurance” cash balances should be at \$250 – 300 million
 - “Strategic” cash should be sufficient to retire 2005 maturing debt and make the call on the 2008 notes ...\$385 – 400 million:
 - Review the cost / benefit (again!) of retiring public debt
- Invest in remaining businesses:
 - Lower costs
 - Appropriate capacity additions (including acquisitions)
- Shareholder value strategies:
 - Reinstated dividend
 - Share repurchase
 - Optimize capital structure

Conclusions

LP has ...

- Lots of cash and more to come
- An unquestioned leadership position in OSB with exceptional geographic distribution
- A very focused business model
- Unrelenting drive to be the low cost producer
- Growth opportunities in OSB (commodity and specialty), EWP and specialty exterior products
- Discipline in capital deployment
- Strongest balance sheet in the industry ... financial flexibility

Questions