



Louisiana-Pacific Corporation

Investor Presentation

February 2018



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, costs for raw materials 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*



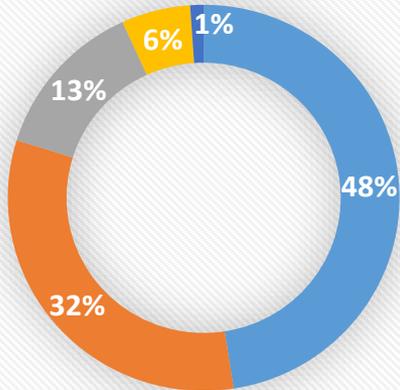
During the course of this presentation, certain non-U.S. GAAP financial information will be presented. Reconciliation of those numbers to U.S. GAAP financial measures are available on the company's website at www.lpcorp.com under the Investor Relations Presentations section.



Introduction to LP

\$4.0B proven leader in engineered wood technologies with market-leading positions

2017 Revenue by Segment



- OSB
- Siding
- EWP
- South America
- Other

A Leader in Our Markets

Siding

- #1 producer of treated engineered wood siding with strong national presence
- Capacity expansion projects underway



OSB

- Leading producer of value-added OSB
- Positioned to compete in all geographic markets



Engineered Wood Products

- #3 producer in North America and #1 producer of solid sawn I-Joist
- A leader supplier to dealers and independent two-step distribution

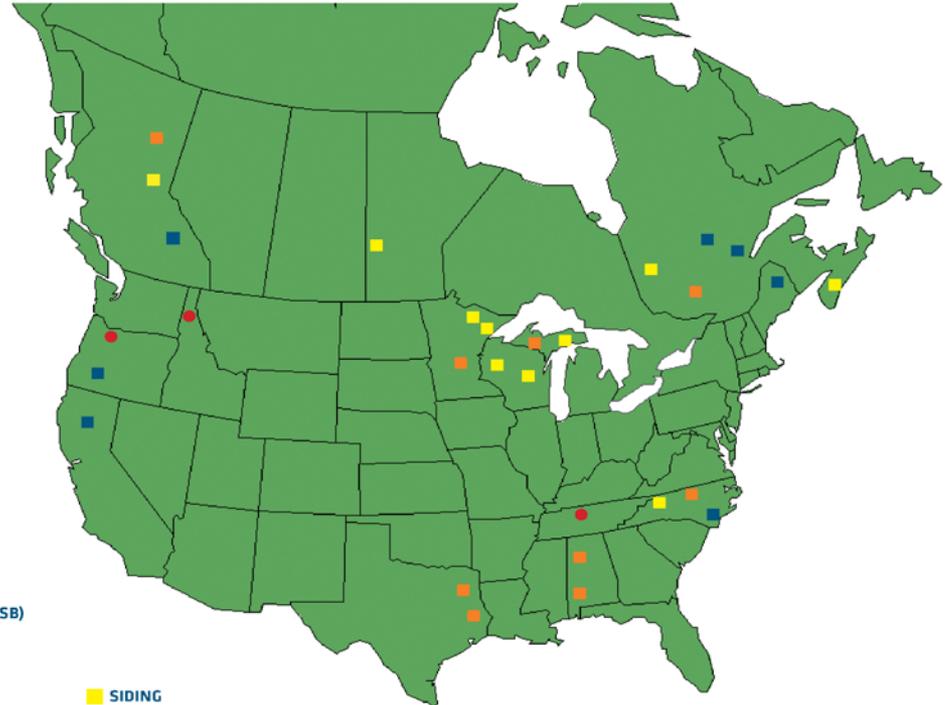


South America

- Only producer of OSB, OSB Siding and I-Joist in South America
- Growing demand for wood-based residential construction
- Expanding production capacity in Brazil and Chile



Geographically Diverse Operating Base



ORIENTED STRAND BOARD (OSB)

- Carthage, TX
- Clarke County, AL
- Hanceville, AL
- Jasper, TX
- Lautaro, Chile
- Maniwaki, QC
- Panguipulli, Chile
- Panguipulli #2, Chile*
- Peace Valley, BC
- Ponta Grossa, Brazil
- Roxboro, NC
- Sagola, MI
- Watkins, MN

* = under construction

SIDING

- Dawson Creek, BC
- East River, NS
- Hayward, WI
- Newberry, MI
- Panguipulli, Chile
- Roaring River, NC
- Swan Valley, MB
- Tomahawk, WI
- Two Harbors, MN

Future capacity:
Cook, MN
Val-D'or, QC

ENGINEERED WOOD PRODUCTS

- Golden, BC
- Houlton, ME
- Lautaro, Chile*
- Red Bluff, CA
- Wilmington, NC

EWP JOINT VENTURES

- Larouche, QC
- St. Prime, QC

SALES/MARKETING AGREEMENT

- Sutherlin, OR

ADMINISTRATIVE OFFICES

- Curitava, Brazil
- Hayden Lake, ID
- Nashville, TN (Headquarters)
- Portland, OR
- Santiago, Chile



BUILDING PRODUCTS

Engaged Management Team with Proven Track Record of Execution

Brad Southern
CEO

- Joined LP in 1999
- Appointed CEO in 2017
- Previously served as COO and led Siding and OSB businesses

Sallie Bailey
EVP & CFO

- Joined LP in 2011
- Previously served as VP and CFO of Ferro Corporation and SVP, Finance and Controller of Timken Company

Neil Sherman
EVP, Siding

- Joined LP in 1994
- Most recently served as SVP of EWP and prior to that led ERP implementation
- Also led our procurement, logistics and supply management, and business development

Jason Ringblom
EVP, OSB

- Joined LP in 2004
- Assumed role as head of OSB in 2017
- Worked in a variety of roles within OSB & Siding segment, including VP OSB Sales & Marketing

Mike Sims
SVP, Sales, Marketing & Strategy

- Joined LP in 1999 when LP acquired ABTCO, where he worked for 15 years
- Previously was VP OSB Sales & Marketing and led our Growth & Innovation efforts
- Worked in building products in various sales and marketing capacities since 1984

Mike Blosser
SVP, Manufacturing Services

- Joined LP in 1999 when LP acquired ABTCO, where he worked for 15 years
- Appointed SVP, Manufacturing Services 2017
- Previously served as Siding manufacturing manager and VP, EHS, Procurement & Logistics

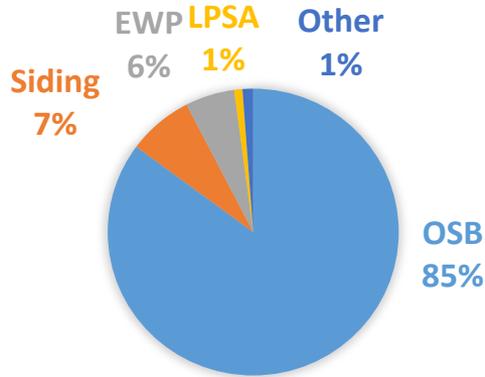
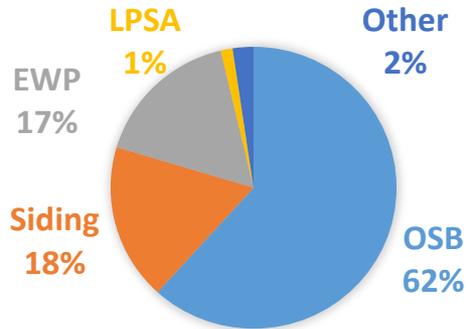
Frederick Price
President, S. America Operations

- Joined LP in 1999
- Appointed President of LP South America operations in 2000
- Has overseen LP's significant production capacity expansion and growth in SA

Increasing Specialty Product Mix

2005A

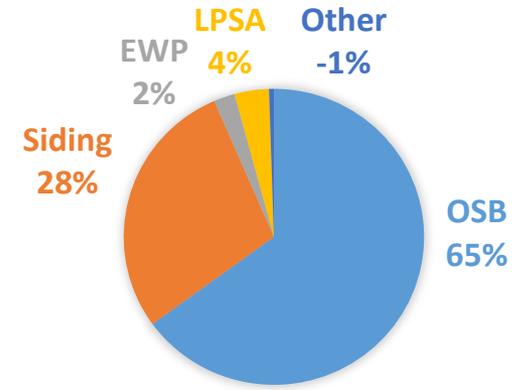
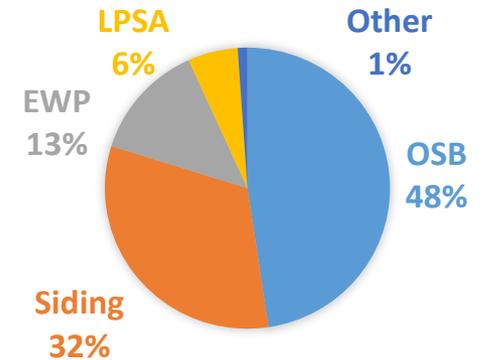
2.2m Housing Starts



Profit (loss): \$621M¹

2017A

1.2m Housing Starts



Profit (loss): \$648M¹

Revenue Mix

Profit (Loss) Mix

Driving profitable and sustainable growth in our specialty products business as we continue to diversify LP away from the commodity OSB cycle

1. Represents the sum of the profit or (loss) by segment

Positioned to Deliver Sustainable Growth and Value Across Market Cycles

- **Leadership team with proven track record of driving growth in specialty markets**
- **Building a best-in-class operational platform**
 - Flexible, low-cost assets
 - Optimized supply chain
 - Enhanced sales and marketing platform
 - Focused talent development and management
- **Building products leader with large and growing specialty business**
 - Siding segment has delivered 13% revenue CAGR, 26% adjusted EBITDA CAGR (2011-2017)
 - Growing share of \$5.9 billion addressable Siding market
 - Diversified, high performance product portfolio
 - Shifting production capacity from commodity OSB to specialty products
 - Long-term opportunities in high-value adjacent markets
- **Balance sheet strength provides flexibility to deploy capital to highest return opportunities**
 - Strong free cash flow and robust balance sheet with \$930 million in cash, cash equivalents
 - Focused capital allocation strategy – investing in organic and inorganic growth, capital returns to shareholders and liquidity needs
 - Goal to achieve investment grade credit rating

Our Goal: Deliver Top-Tier Total Shareholder Returns



Market Update

- Housing starts in the U.S. totaled 1.202 million units in 2017, up 2.4% from 2016
- Single-family starts increased 8.5% to 848,300 units
- Mortgage rates have increased but are still historically low
- Builders remain very positive per January 2018 builder sentiment survey
- Positive economic indicators including retail sales and industrial production point to strengthening economy
- The Tax Cuts and Jobs Act will put more money in the hands of potential homebuyers, supporting demand through the year

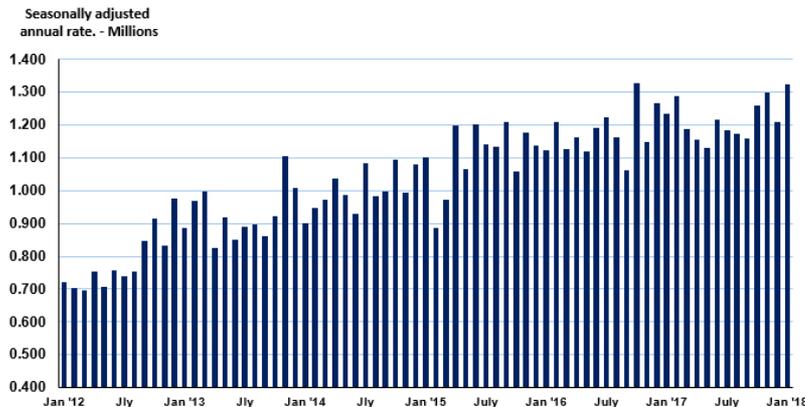
STRENGTHS

- Real economy is as healthy as its been since the late 90's
 - Low unemployment
 - Strong GDP growth and income growth
 - High builder and consumer confidence
- Continued expansion in single family home starts
- Low interest rates and affordable homes (despite strong home price growth in recent years)
- Very low home inventories
- Demographics are improving as millennials transition to late 20's
- Improvement in repair and remodel sector

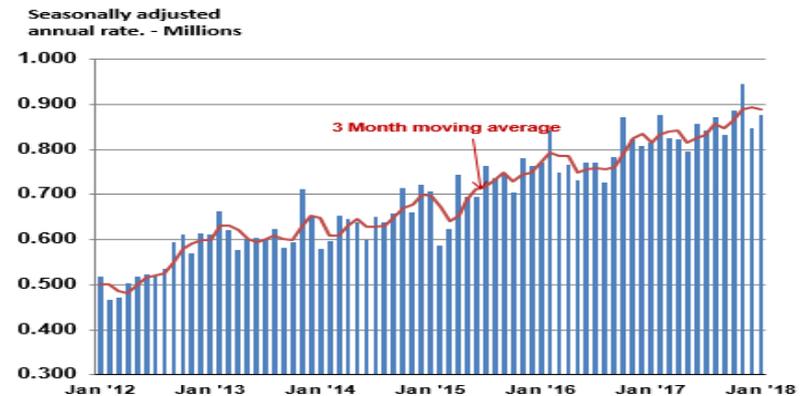
POTENTIAL HEADWINDS

- Availability of construction labor
- Available lots
- Reasonable credit environment, affordable rates and appropriate regulations
- Steady employment and increasing wage growth

U.S. Housing Starts



Single-family Starts

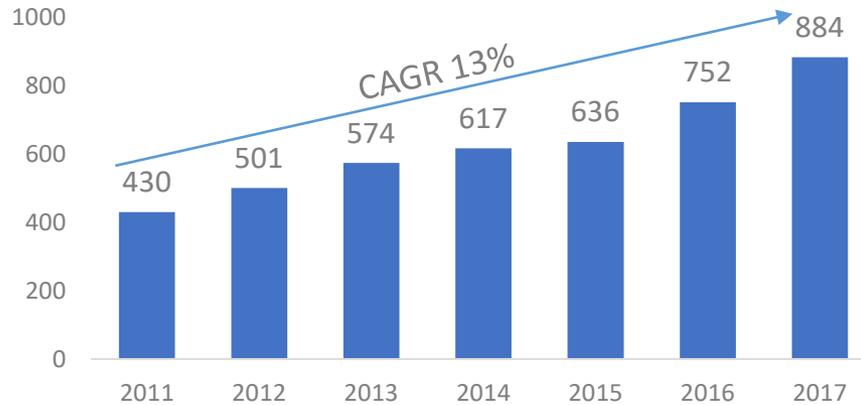




Business Segment Overview

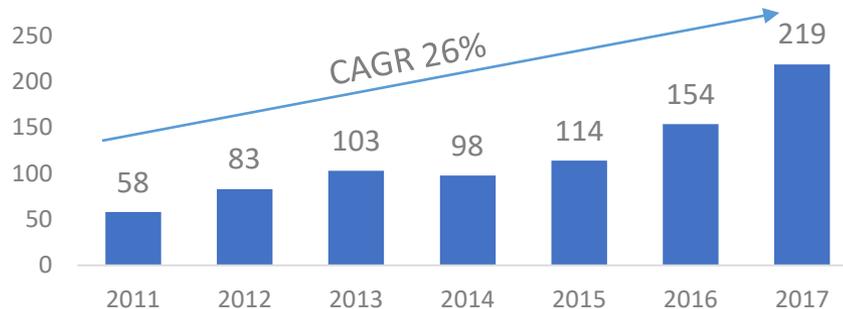


Siding Revenue
(\$ in millions)



Housing Starts (SF/MF)	2011	2012	2013	2014	2015	2016	2017
	0.61	0.78	0.93	1.00	1.11	1.13	1.21

Siding Adjusted EBITDA
(\$ in millions)

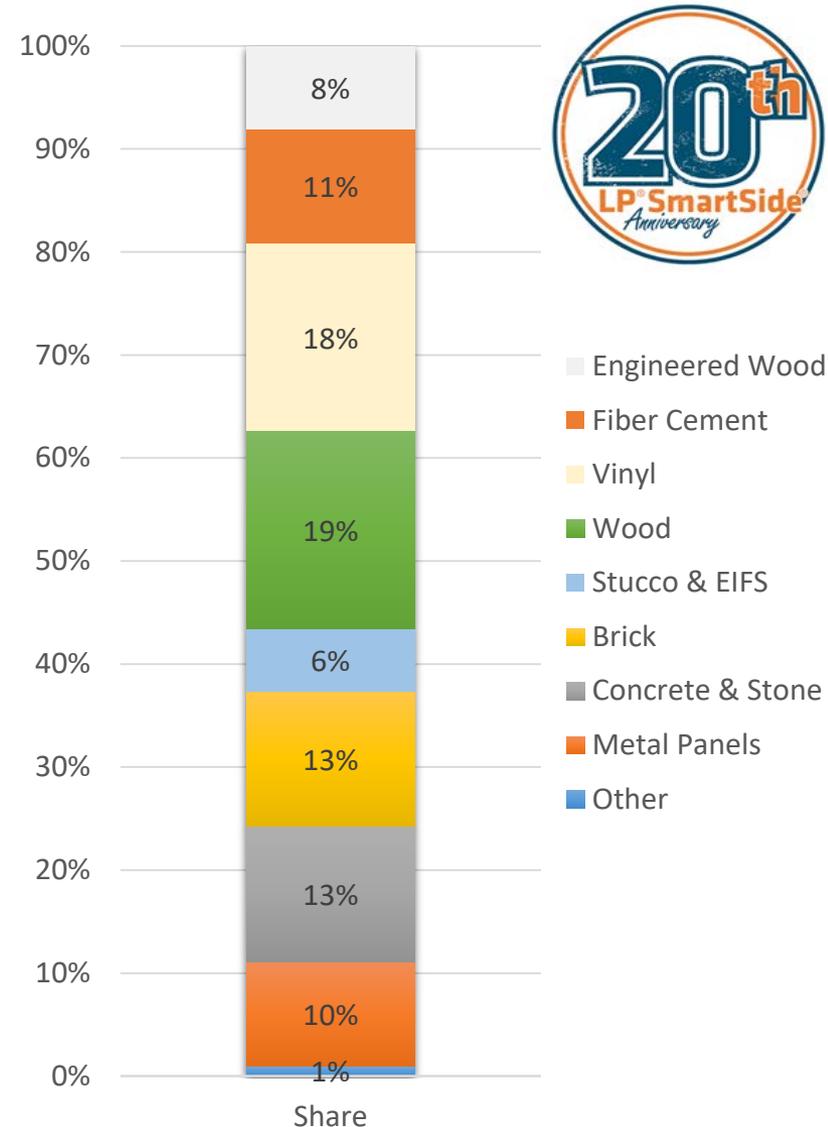


Housing Starts (SF/MF)	2011	2012	2013	2014	2015	2016	2017
	0.61	0.78	0.93	1.00	1.11	1.13	1.21

- LP® SmartSide® Trim & Siding offers the warmth and beauty of traditional wood with the durability of treated engineered wood.
- Broad range of SmartSide products including:
 - Lap siding
 - Panel siding
 - Trim and fascia
 - Vertical siding
 - Soffit
 - Cedar texture shakes
 - Perfection shingle
- Siding growth drivers
 - Market development
 - Price realization
 - Supply chain optimization savings

	Total Siding & Trim Market	Addressable Siding & Trim Market
Residential New Construction	\$2.5 bn	\$1.6 bn
Residential Repair & Remodel	\$3.4 bn	\$2.5 bn
Specified Markets (Multi-family & Commercial) New and Repair & Remodel	\$3.7 bn	\$1.8 bn
TOTALS	\$9.6 bn	\$5.9 bn

- Based on cladding and trim share, LP currently has 7.5% share of the total \$5.9 bn addressable siding market
- Market share by segment is measured against Addressable Market = Demand for Engineered Wood, Vinyl, Stucco, Fiber Cement and Wood
- Outdoor Building Solutions (OBS) is not included in market estimates but represents an additional \$1.1 bn in addressable market revenue of which LP currently has 17% share



Note: 2015 market size based on revenue includes U.S. siding and trim for single family and specified markets (multi-family low-rise and commercial), does not include outdoor building solutions

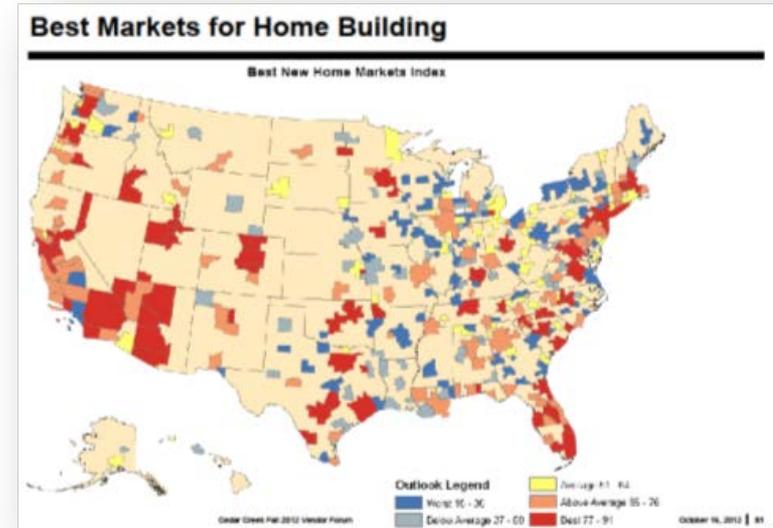
Source: Principia DemandBuilder dataset 2016, Freedonia Siding Industry Study 2016

WHAT DO BUILDERS WANT?

- Positive labor, financing and regional economics
- To sell homes
- Lower cost of production

LP DELIVERS

- Higher performance cladding
 - Superior durability/impact resistance
 - Easier installation and finishing
 - Reduced call backs
 - Better aesthetic performance to improve builder image
 - 5/50 warranty helps sell through
- Marketing Cooperatives
 - Conversion of builders, dealers and installers
 - Invest in strategic production builders to achieve market halo effect
 - LP promotes builder's brand, increasing retention/loyalty



WHAT DO REMODELERS WANT?

- Training, marketing and lead generation programs
- Enhanced product performance and aesthetic appeal
- To please the homeowner

LP DELIVERS:

- LP BuildSmart Loyalty Program
 - Proper product installation training
 - Drive retention with rewards and marketing services
 - Leads and consumer selling tools to help grow their business
- Online consumer brand awareness campaigns
 - Targeted social media platform builds brand awareness with homeowners (and generates leads for contractors)



WHAT DO ARCHITECTS/SPECIFIERS WANT?

- Specifying products that are durable and sustainable
- Access to manufacture resources for product information
- Design flexibility/code compliance of specified products
- Reputation of manufacturer, product and warranty

LP DELIVERS:

- Solution provider to Architects/Specifiers by offering products and services that fit their needs
- Single source digital/website presence with easy access to new LP product information, thought leadership, spec support and more
- Provide accurate and reliable specification, customer, technical and jobsite support
- Face-to-face engagement through education and training opportunities
- Industry thought leadership and outreach



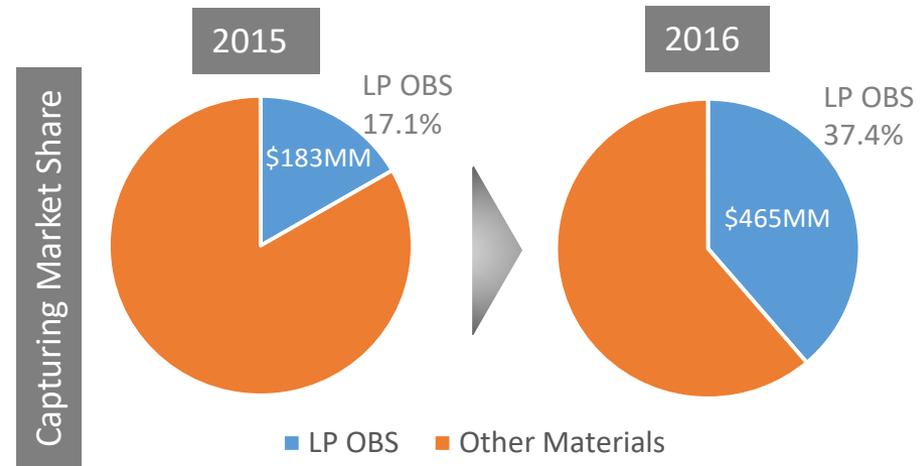
WHAT DO OBS FABRICATORS WANT?

- Increased product performance and aesthetic appeal
- Products specifically designed for sheds
- To remain competitive in growing markets
- Increased traffic to dealer lots
- Dealer training at dealer lots

LP DELIVERS:

- Specialized panel products enhanced for open wall applications
 - SmartFinish and SilverTech panels
 - SilverTech roofing
 - ProStruct flooring
- POS merchandising to increase consumer traffic, education and preference for LP products
- Dealer training on LP product value
- Digital marketing campaign in place to drive sales at the dealer level
 - Directs consumers to buy sheds built with LP products
 - Educated consumers on LP product value over competitive products (plywood, metal, vinyl)
- Breadth of LP warranties are unique to this industry
- Support to consumers who desire to build their own sheds

Accelerating Market Share



Expanding Siding Capacity to Support Growing Demand



Dawson, British Columbia OSB Mill – 300 msf

- Currently running OSB
- Operational risk and timing
- Proximity to our West Coast customer base
- Anticipated production start-up in Q1 2019



Val-d'Or, Quebec – 225 msf

- Press better suited for lap and trim siding
- Mill has sat idle since 2012

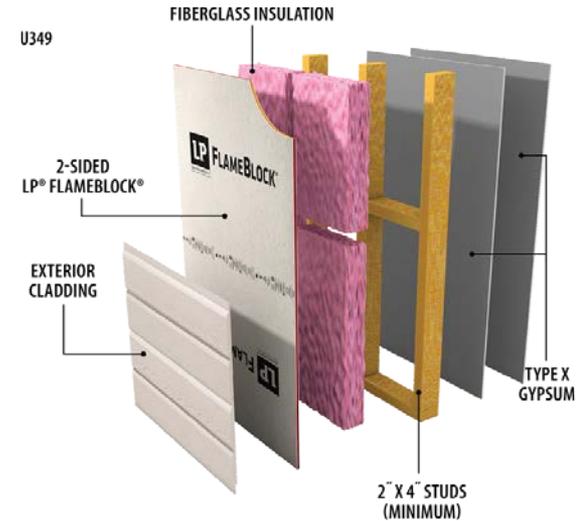


Cook, Minnesota – 400 msf

- Some infrastructure already in place
- Infrastructure support from state of Minnesota

Focus on Value-Added Specialty Products

- **LP FlameBlock** allows customers to build fire-rated wall assemblies and roof decks faster and at a lower cost than most common alternatives
- **LP Legacy** sub-flooring is the strongest in its class, using Gorilla Glue Technology to promote the strength and stiffness of the sub-floor



- **TechShield** is the #1 brand of radiant barrier sheathing. LP TechShield Radiant Barrier Sheathing reduces monthly cooling costs by blocking up to 97% of the radiant heat in the panel from emitting into a home's attic.
- **LP TopNotch Sub-Flooring 350** delivers excellent strength and stiffness. With RainChannel technology, LP TopNotch Sub-Flooring is designed for optimum moisture resistance.



KEY DRIVERS OF OSB DEMAND

- New residential construction
- Repair / remodeling
- Industrial / light commercial
- Opportunistic export

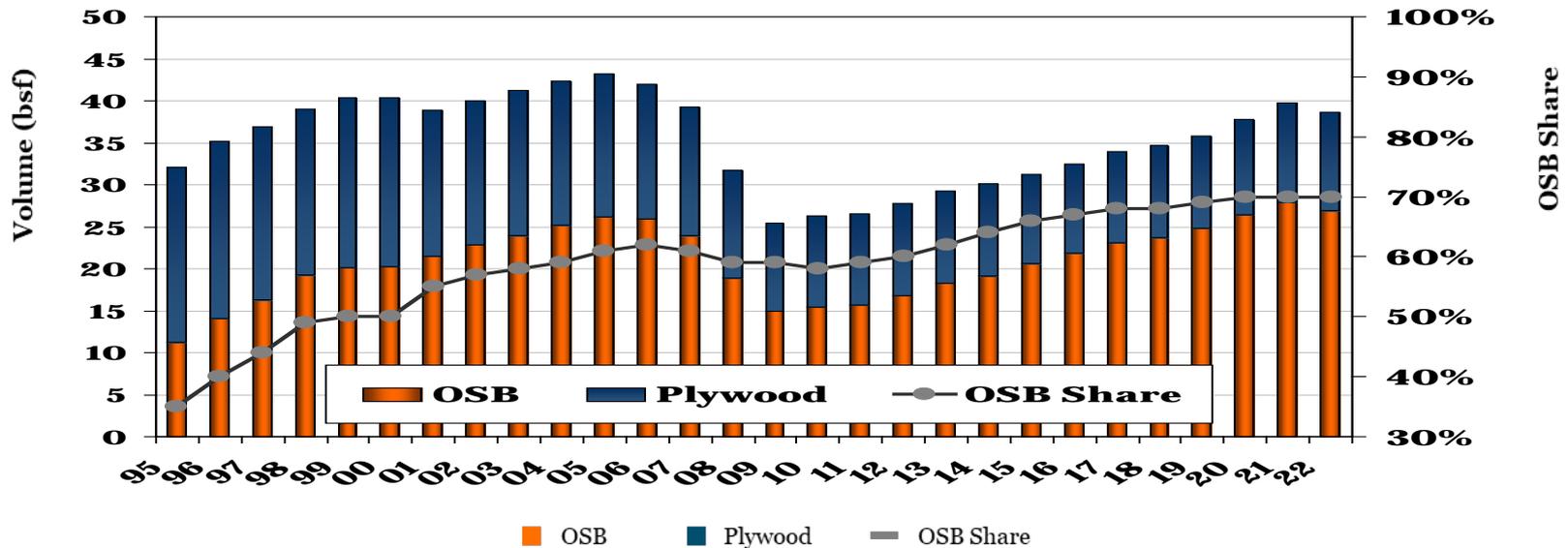
LP OSB GROWTH DRIVERS

- ASP
- Specialty OSB Sales
- Operational Efficiencies
- Supply Chain Savings

OSB Market Penetration

U.S. Housing Starts S/MF/MH (millions):

1.3 1.4 1.5 1.6 1.7 1.6



Source: FEA Q4 2017 Structural Panel Forecast

EWP is a leading supplier to dealers and two-step distribution. It is the #3 producer in North America and the #1 producer of solid sawn I-Joist

LP SolidStart I-Joist

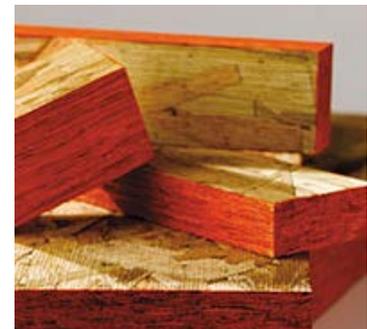
are lightweight, straighter and more uniform in strength, stiffness and size than traditional lumber

LP SolidStart LSL

installs like traditional lumber, but surpasses it in strength and consistency. It's strong, straight and ideal for a variety of applications

LP SolidStart LVL

delivers greater dimensional consistency and load-carrying capacity than traditional lumber



EWP Poised to Benefit from Housing Recovery

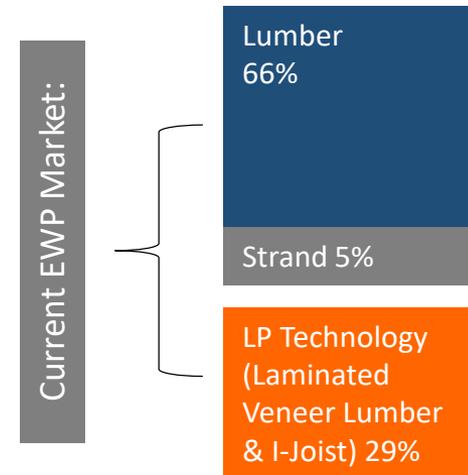
The “LP EWP House”



- EWP offers superior technology over traditional lumber
 - Design flexibility, consistency, higher quality
- Significant room for additional displacement exists
 - Potential for EWP to capture half of traditional lumber market
- Continue international and non-residential growth

Total North American EWP Potential Market

Structural Composite Lumber & I-Joist: ~5 BBF (1)



Source: APA - The Engineered Wood Association, I-Joist Market Report (August 2012), APA - Beam & Header Use in U.S., APA - The Engineering Wood Association, Beam and Header Market Report (September 2012)

¹ Volume based on 1 million housing starts.



BUILDING PRODUCTS

SOUTH AMERICA

Building Another Platform for Growth

Only producer of OSB and OSB Siding in South America with 680 mmsf of capacity

CHILE

- 2 Chilean mills support local growth
- SmartSide Siding manufacturing
- Seeding other South American markets
- Added I-Joist and adding OSB capacity in Chile
- New OSB mill project is on time and on budget

BRAZIL

- Local market in early stages of adapting wood into residential construction
- Export markets – other South American countries, Asia and other countries
- Operations team delivered record production in Q4 2017

PERU

- Sales office is up and running

ARGENTINA

- Hired sales manager
- Office in Buenos Aires is on track to open in Q1 2018





Financial Review



BUILDING PRODUCTS

Delivered Strong Q4 2017 Results

SIDING

- Achieved record Q4 sales volumes and adjusted EBITDA, together with a y-o-y increase in pricing
- Market share growth outpaced single family housing starts since 4Q16

ORIENTED STRAND BOARD (OSB)

- Delivered best quarter since 2005, maintaining strong momentum
- Continued strong demand for value-added product mix, with FlameBlock and Legacy flooring growth exceeding expectations
- Pricing remained robust, and we continued to make progress on productivity and cost improvement initiatives

ENGINEERED WOOD PRODUCTS (EWP)

- Seeing sustainable increases in margin and volume, all underpinned by a strong focus on cost reduction
- Focus on growing LSL and LVL sales volume while reducing SG&A spend

SOUTH AMERICA

- New OSB mill in Chile is on time and on budget
- Expanding presence in South America through a new office in Peru, which is up and running; hired a sales manager in Argentina; and a new office in Buenos Aires is expected to open this quarter
- In Brazil, we delivered record production in Q4

Strong execution and increasing momentum in all segments



BUILDING PRODUCTS

Financial Results

(\$ amounts in millions, except per share amounts)

	Q4 2017	Q3 2017	Q4 2016	YTD 2017	YTD 2016
Net Sales	\$710.6	\$718.3	\$550.0	\$2,733.9	\$2,424.4
Income from Continuing Operations	\$130.7	\$110.9	\$42.7	\$391.1	\$150.3
Net Income	\$130.5	\$109.8	\$42.2	\$389.8	\$149.8
Diluted EPS from Continuing Operations	\$0.89	\$0.76	\$0.29	\$2.67	\$1.03
Diluted EPS	\$0.89	\$0.75	\$0.29	\$2.66	\$1.03
Non-GAAP Financial Results					
Adj. Operating Income	\$167.2	\$159.7	\$52.6	\$538.2	\$213.0
Adj. Income from Continuing Operations	\$106.6	\$102.1	\$32.8	\$341.2	\$129.5
Adj. EPS	\$0.73	\$0.70	\$0.23	\$2.33	\$0.89
Adj. EBITDA	\$199.0	\$192.2	\$84.5	\$666.8	\$346.1
Adj. EBITDA Margin	28%	26.8%	15.4%	24%	15%
Avg. Shares Outstanding Diluted	146.6	146.5	145.5	146.5	145.3



*Delivering Sustainable Growth and
Shareholder Value*

HOUSING

- Single-Family housing demand will remain strong with an upward trend based on builder confidence remaining high and an undersupplied inventory situation
- Multi-Family is expected to be flat in Q1 due to oversaturation of multi-family housing supply and pricing pressure

INVENTORY LEVELS

- SmartSide inventories at normal levels
- OSB inventories remain lean
- EWP inventories are rising due to price increases and expected strong SF starts

DEMAND

- SmartSide Strand demand remains solid across all market segments
- OSB demand continues to be strong
- EWP continues to have strong demand due to SF housing growth

~\$300M

Liquidity Requirements & Working Capital Needs

~\$300M

Organic growth initiatives and pursue value-enhancing M&A



~\$300M

Dividend & opportunistic share repurchases

- \$100M share repurchase authorization
- \$75M per year in dividend payments

Capital Allocation Priorities

- Actively manage the balance sheet
- Leverage existing cash and excess cash flows to enhance shareholder returns
- Maintain sufficient conservatism to support ongoing liquidity requirements

Strategically deploying capital where we can drive the greatest value for shareholders

- ✓ **Leadership team with proven track record of driving growth in specialty markets**
- ✓ **Building a best-in-class operational platform**
- ✓ **Building products leader with large and growing specialty business**
- ✓ **Balance sheet strength provides flexibility to deploy capital to highest return opportunities**