UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

For Quarterly Period Ended March 31, 2017

Commission File Number 1-7107

LOUISIANA-PACIFIC CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE	**93-0609074**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification No.)**

414 Union Street, Nashville, TN 37219
(Address of principal executive offices) (Zip Code)
Registrant’s telephone number, including area code: (615) 986-5600

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x	Accelerated filer	o
Non-accelerated filer	o	Smaller reporting company	o
Emerging growth company	o		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date: 144,747,004 shares of Common Stock, $1 par value, outstanding as of May 5, 2017.

Except as otherwise specified and unless the context otherwise requires, references to "LP", the “Company”, “we”, “us”, and “our” refer to Louisiana-Pacific Corporation and its subsidiaries.

ABOUT FORWARD-LOOKING STATEMENTS

Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 provide a "safe harbor" for forward-looking statements to encourage companies to provide prospective information about their businesses and other matters as long as those statements are identified as forward-looking and are accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those discussed in the statements. This report contains, and other reports and documents filed by us with the Securities and Exchange Commission (SEC) may contain, forward-looking statements. These statements are or will be based upon the beliefs and assumptions of, and on information available to, our management.

The following statements are or may constitute forward-looking statements: (1) statements preceded by, followed by or that include words like "may," "will," "could," "should," "believe," "expect," "anticipate," "intend," "plan," "estimate," "potential," "continue" or "future" or the negative or other variations thereof and (2) other statements regarding matters that are not historical facts, including without limitation, plans for product development, forecasts of future costs and expenditures, possible outcomes of legal proceedings, capacity expansion and other growth initiatives and the adequacy of reserves for loss contingencies.

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:

- changes in governmental fiscal and monetary policies and levels of employment;
- changes in general economic conditions;
- 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 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;
- changes in other significant operating expenses;
- changes in exchange rates between the U.S. dollar and other currencies, particularly the Canadian dollar, Brazilian *real* and Chilean *peso*;
- changes in general and industry-specific environmental laws and regulations;
- changes in tax laws, and interpretations thereof;
- changes in circumstances giving rise to environmental liabilities or expenditures;
- the resolution of existing and future product-related litigation and other legal proceedings; and
- acts of public authorities, war, civil unrest, natural disasters, fire, floods, earthquakes, inclement weather and other matters beyond our control.

In addition to the foregoing and any risks and uncertainties specifically identified in the text surrounding forward-looking statements, any statements in the reports and other documents filed by us with the SEC that warn of risks or uncertainties associated with future results, events or circumstances identify important factors that could cause actual results, events and circumstances to differ materially from those reflected in the forward-looking statements.

ABOUT THIRD-PARTY INFORMATION

In this report, we rely on and refer to information regarding industry data obtained from market research, publicly available information, industry publications, U.S. government sources and other third parties. Although we believe the information is reliable, we cannot guarantee the accuracy or completeness of the information and have not independently verified it.

Item 1. Financial Statements.

CONSOLIDATED BALANCE SHEETS

LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES

(AMOUNTS IN MILLIONS)(UNAUDITED)

	March 31, 2017	December 31, 2016
ASSETS		
Cash and cash equivalents	$ 649.5	$ 659.3
Receivables, net of allowance for doubtful accounts of $1.0 million at March 31, 2017 and December 31, 2016	149.1	108.3
Inventories	260.0	234.6
Prepaid expenses and other current assets	7.3	6.1
Assets held for sale	8.1	8.2
Total current assets	1,074.0	1,016.5
Timber and timberlands	52.4	53.5
Property, plant and equipment	2,426.4	2,410.8
Accumulated depreciation	(1,549.5)	(1,527.6)
Property, plant and equipment, net	876.9	883.2
Goodwill	9.7	9.7
Notes receivable from asset sales	22.2	22.2
Investments in and advances to affiliates	6.8	6.2
Restricted cash	13.1	13.2
Other assets	23.4	22.4
Long-term deferred tax asset	1.7	4.3
Total assets	$ 2,080.2	$ 2,031.2
LIABILITIES AND EQUITY		
Current portion of long-term debt	$ 1.6	$ 2.6
Accounts payable and accrued liabilities	210.5	222.8
Current portion of contingency reserves	3.4	3.4
Total current liabilities	215.5	228.8
Long-term debt, excluding current portion	374.6	374.4
Deferred income taxes	28.5	27.7
Contingency reserves, excluding current portion	12.5	12.7
Other long-term liabilities	195.0	191.9
Stockholders' equity:		
Common stock, $1 par value, 200,000,000 shares authorized, 153,358,542 shares issued	153.4	153.4
Additional paid-in capital	469.0	478.2
Retained earnings	945.3	890.3
Treasury stock, 8,694,673 shares and 9,041,733 shares, at cost	(180.4)	(189.0)
Accumulated comprehensive loss	(133.2)	(137.2)
Total stockholders' equity	1,254.1	1,195.7
Total liabilities and stockholders' equity	$ 2,080.2	$ 2,031.2

The accompanying notes are an integral part of these unaudited financial statements.

CONSOLIDATED STATEMENTS OF INCOME

LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
(AMOUNTS IN MILLIONS EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

	Quarter Ended March 31,	
	2017	2016
Net sales	$ 610.9	$ 504.6
Operating costs and expenses:		
Cost of sales	455.0	415.5
Depreciation and amortization	30.6	27.9
Selling and administrative	48.6	42.3
Loss on sale or impairment of long-lived assets, net	0.6	—
Other operating credits and charges, net	3.4	—
Total operating costs and expenses	538.2	485.7
Income from operations	72.7	18.9
Non-operating income (expense):		
Interest expense, net of capitalized interest	(5.0)	(8.0)
Investment income	2.0	1.8
Other non-operating items	(0.3)	0.5
Total non-operating income (expense)	(3.3)	(5.7)
Income before taxes and equity in income of unconsolidated affiliates	69.4	13.2
Provision for income taxes	15.5	4.4
Equity in income of unconsolidated affiliates	(1.1)	(1.5)
Net income	$ 55.0	$ 10.3
Net income per share of common stock:		
Net income per share - basic	$ 0.38	$ 0.07
Net income per share - diluted	$ 0.38	$ 0.07
Weighted average shares of stock outstanding - basic	144.2	142.9
Weighted average shares of stock outstanding - diluted	145.9	145.2

The accompanying notes are an integral part of these unaudited financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
(AMOUNTS IN MILLIONS) (UNAUDITED)

	Quarter Ended March 31,	
	2017	2016
Net income	$ 55.0	$ 10.3
Other comprehensive income (loss):		
Foreign currency translation adjustments	2.8	6.1
Unrealized loss on investments, net of tax	0.3	—
Defined benefit pension plans:		
Change benefit obligations, translation adjustment	(0.2)	(0.8)
Amortization of amounts included in net periodic benefit cost:		
Actuarial loss, net of tax	0.9	0.8
Prior service cost, net of tax	0.2	0.1
Other comprehensive income	4.0	6.2
Comprehensive income	$ 59.0	$ 16.5

The accompanying notes are an integral part of these unaudited financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
(AMOUNTS IN MILLIONS) (UNAUDITED)

	Quarter Ended March 31,	
	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 55.0	$ 10.3
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	30.6	27.9
Equity in income of unconsolidated affiliates, including dividends	(0.6)	0.5
Loss on sale or impairment of long-lived assets, net	0.6	—
Other operating credits and charges, net	3.4	—
Stock-based compensation related to stock plans	4.1	3.0
Exchange loss on remeasurement	0.2	0.1
Cash settlements of warranties, net of accruals	(3.2)	(3.5)
Pension expense, net of contributions	1.4	0.4
Non-cash interest expense, net	0.1	0.4
Other adjustments, net	0.3	(0.3)
Changes in assets and liabilities:		
Increase in receivables	(39.7)	(47.8)
Increase in inventories	(24.8)	(26.9)
(Increase) decrease in prepaid expenses	(0.6)	1.1
Increase (decrease) in accounts payable and accrued liabilities	(19.9)	26.0
Increase in income taxes	13.9	3.9
Net cash provided by (used in) operating activities	20.8	(4.9)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property, plant and equipment additions	(26.1)	(26.3)
Other investing activities	0.1	0.1
Net cash used in investing activities	(26.0)	(26.2)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of long-term debt	(1.2)	(1.1)
Sale of common stock under equity plans	0.4	0.1
Taxes paid related to net share settlement of equity awards	(4.7)	(0.9)
Net cash used in financing activities	(5.5)	(1.9)
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS	0.9	2.5
Net decrease in cash and cash equivalents	(9.8)	(30.5)
Cash and cash equivalents at beginning of period	659.3	434.7
Cash and cash equivalents at end of period	$ 649.5	$ 404.2

The accompanying notes are an integral part of these unaudited financial statements.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – BASIS FOR PRESENTATION

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and, in the opinion of management, include all adjustments (consisting of normal recurring adjustments) necessary to present fairly, in all material respects, the consolidated financial position, results of operations and cash flows of LP and its subsidiaries for the interim periods presented. Results of operations for interim periods are not necessarily indicative of results to be expected for an entire year. These consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereto included in LP’s Annual Report on Form 10-K for the year ended December 31, 2016.

NOTE 2 - STOCK-BASED COMPENSATION

LP has a Management Incentive Plan (MIP) that is administered by the Compensation Committee of the Board of Directors. The Compensation Committee authorizes the grants of restricted stock (shares or units), performance share awards payable in stock based upon the attainment of specified performance goals, stock settled stock appreciation rights (SSARs), other stock-based awards and cash-based awards at the discretion of the Compensation Committee. A detailed discussion of this is included in Note 14 to the consolidated financial statements included in LP's Annual Report on Form 10-K for the fiscal year ended December 31, 2016. As of March 31, 2017, 2.7 million shares were available for grant under the 2013 Omnibus Plan.

	Quarter Ended March 31,	
Dollar amounts in millions	2017	2016
Total stock-based compensation expense (costs of sales and general and administrative)	$ 4.1	$ 3.0
Income tax provision related to stock-based compensation	$ —	$ 1.9
Impact on cash flow due to taxes paid related to net share settlement of equity awards	$ 4.7	$ 0.9

At March 31, 2017, $15.9 million of compensation cost related to unvested performance shares, restricted stock and SSARs attributable to future service had not yet been recognized.

Grants of awards

During the first three months of 2017, the Company granted 121,724 performance units at an average grant date fair value of $24.87 per share, 277,931 SSARs at an average grant date fair value of $8.02 per share and 295,702 restricted stock awards (shares or units) at an average grant date fair value of $19.15 per share.

NOTE 3 – FAIR VALUE MEASUREMENTS

LP estimated its Senior Notes due in 2024 to have a fair value of $352.6 million at March 31, 2017 and $344.3 million at December 31, 2016 based upon market quotations.

Carrying amounts reported on the balance sheet for cash and cash equivalents, accounts receivables and accounts payable approximate fair value due to the short-term maturity of these items.

NOTE 4 – EARNINGS PER SHARE

Basic earnings per share are based on the weighted-average number of shares of common stock outstanding. Diluted earnings per share are based upon the weighted-average number of shares of common stock outstanding plus all potentially dilutive securities that were assumed to be converted into common shares at the beginning of the period under the treasury stock method. LP's potentially dilutive securities consist of restricted stock, restricted stock units, performance share awards, and SSARs.

	Quarter Ended March 31,	
Dollar and share amounts in millions, except per share amounts	2017	2016
Numerator:		
Net income	$ 55.0	$ 10.3
Denominator:		
Denominator for basic earnings per share:		
Weighted average common shares outstanding - basic	144.2	142.9
Effect of dilutive securities:		
Dilutive effect of stock warrants	—	0.3
Dilutive effect of employee stock plans	1.7	2.0
Dilutive potential common shares	1.7	2.3
Denominator for diluted earnings per share:		
Weighted average shares outstanding - diluted	145.9	145.2
Basic earnings per share:		
Net income per share - basic	$ 0.38	$ 0.07
Diluted earnings per share:		
Net income per share - diluted	$ 0.38	$ 0.07

For the quarter ended March 31, 2017 and 2016, restricted stock (shares or units), performance share awards, SSARs and warrants relating to approximately 0.6 million and 2.6 million shares of LP common stock were considered not in-the-money for purposes of LP's earnings per share calculation.

NOTE 5 – RECEIVABLES

Receivables consist of the following:

Dollar amounts in millions	March 31, 2017	December 31, 2016
Trade receivables	$ 137.4	$ 96.1
Income tax receivable	2.2	1.7
Other receivables	10.5	11.5
Allowance for doubtful accounts	(1.0)	(1.0)
Total	$ 149.1	$ 108.3

Other receivables at March 31, 2017 and December 31, 2016 primarily consist of sales tax receivables, vendor rebates, interest receivables, a receivable associated with an affiliate and other miscellaneous receivables.

NOTE 6 – INVENTORIES

Inventories are valued at the lower of cost or net realizable value. Inventory cost includes materials, labor and operating overhead. The major types of inventories are as follows (work in process is not material):

Dollar amounts in millions	March 31, 2017	December 31, 2016
Logs	$ 76.0	$ 54.6
Other raw materials	22.2	23.0
Semi-finished inventory	15.5	16.8
Finished products	146.3	140.2
Total	$ 260.0	$ 234.6

NOTE 7 – INCOME TAXES

Accounting standards state that companies account for income taxes using the asset and liability approach, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities. This method also requires the recognition of future tax benefits, such as net operating loss carryforwards and other tax credits. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to reverse. Valuation allowances are recorded as necessary to reduce deferred tax assets to the amount thereof that is more likely than not to be realized. The likelihood of realizing deferred tax assets is evaluated by, among other things, estimating future taxable income, considering the future reversal of existing deferred tax liabilities to which the deferred tax assets may be applied and assessing the impact of tax planning strategies.

For interim periods, accounting standards require that income tax expense be determined by applying the estimated annual effective income tax rate to year-to-date results unless this method does not result in a reliable estimate of year-to-date income tax expense. An exception is provided for situations in which an enterprise anticipates a loss in a separate jurisdiction for which no tax benefit can be recognized.

Each period the income tax accrual is adjusted to the latest estimate and the difference from the previously accrued year-to-date balance is adjusted to the current quarter. Changes in the profitability estimates in various jurisdictions will impact our quarterly effective income tax rates.

For the first three months of 2017, the primary differences between the U.S. statutory rate of 35% and the effective rate applicable to LP’s income relate to foreign tax rates, changes in Canadian valuation allowances, and recognition of research and development tax credits from prior years. For the first three months of 2016, the primary differences between the U.S. statutory rate of 35% and the effective rate applicable to LP’s continuing operations relate to foreign tax rates, changes in Canadian valuation allowances and a charge for excess tax deficiencies in connection with LP's stock-based compensation plans.

LP periodically reviews the need for valuation allowances against deferred tax assets and recognizes these deferred tax assets to the extent that the realization is more likely than not. As part of our review, we consider all positive and negative evidence, including earnings history, the future reversal of deferred tax liabilities, and the relevant expirations of carryforwards. LP believes that the valuation allowances provided are appropriate. If in future periods our earnings estimates differ from the estimates used to establish these valuation allowances, or other objective positive or negative evidence arises, LP may be required to record an adjustment resulting in an impact on tax expense (benefit) for that period.

NOTE 8 - OTHER OPERATING CREDITS AND CHARGES

During the first quarter of 2017, LP recorded an expense of $3.4 million related to an increase in product related warranty reserves associated with CanExel products sold in specific geographic locations and for a specific time period.

NOTE 9 – LEGAL AND ENVIRONMENTAL MATTERS

Certain environmental matters and legal proceedings are discussed below.

Environmental Matters

LP maintains a reserve for undiscounted estimated environmental loss contingencies. This reserve is primarily for estimated future costs of remediation of hazardous or toxic substances at numerous sites currently or previously owned by the Company. LP's estimates of its environmental loss contingencies are based on various assumptions and judgments, the specific nature of which varies in light of the particular facts and circumstances surrounding each environmental loss contingency. These estimates typically reflect assumptions and judgments as to the probable nature, magnitude and timing of required investigation, remediation and/or monitoring activities and the probable cost of these activities, and in some cases reflect assumptions and judgments as to the obligation or willingness and ability of third parties to bear a proportionate or allocated share of the cost of these activities. Due to the numerous uncertainties and variables associated with these assumptions and judgments, and the effects of changes in governmental regulation and environmental technologies, both the precision and reliability of the resulting estimates of the related contingencies are subject to substantial uncertainties. LP regularly monitors its estimated exposure to environmental loss contingencies and, as additional information becomes known, may change its estimates significantly. However, no estimate of the range of any such change can be made at this time.

Other Proceedings

LP and its subsidiaries are parties to other legal proceedings. Based on the information currently available, management believes that the resolution of such proceedings will not have a material adverse effect on the financial position, results of operations, cash flows or liquidity of LP.

NOTE 10 – SELECTED SEGMENT DATA

LP operates in four segments: North America Oriented Strand Board (OSB), Siding, Engineered Wood Products (EWP) and South America. LP's business units have been aggregated into these four segments based upon the similarity of economic characteristics, customers and distribution methods. LP's results of operations are summarized below for each of these segments separately as well as for the "other" category which comprises other products that are not individually significant. Segment information was prepared in accordance with the same accounting principles as those described in Note 1 of the Notes to the financial statements included in LP's Annual Report on Form 10-K for the year ended December 31, 2016.

Dollar amounts in millions	Quarter Ended March 31, 2017	2016
Net Sales		
OSB	$ 268.4	$ 217.0
Siding	214.0	181.3
EWP	82.1	71.8
South America	37.8	30.5
Other	8.7	6.1
Intersegment Sales	(0.1)	(2.1)
	$ 610.9	$ 504.6
Operating profit (loss):		
OSB	$ 60.4	$ 15.3
Siding	40.2	26.9
EWP	0.6	(2.5)
South America	5.1	5.1
Other	(0.2)	(0.4)
Other operating credits and charges, net	(3.4)	—
Loss on sale or impairment of long-lived assets, net	(0.6)	—
General corporate and other expenses, net	(28.3)	(24.0)
Interest expense, net of capitalized interest	(5.0)	(8.0)
Investment income	2.0	1.8
Other non-operating items	(0.3)	0.5
Income from operations before taxes	70.5	14.7
Provision for income taxes	15.5	4.4
Net income	$ 55.0	$ 10.3

NOTE 11 – POTENTIAL IMPAIRMENTS

LP continues to review certain operations and investments for potential impairments. LP's management currently believes it has adequate support for the carrying value of each of these operations and investments based upon the anticipated cash flows that result from estimates of future demand, pricing and production costs assuming certain levels of planned capital expenditures.

LP also reviews from time to time possible dispositions of various assets in light of current and anticipated economic and industry conditions, its strategic plan and other relevant circumstances. Because a determination to dispose of particular assets can require management to make assumptions regarding the transaction structure of the disposition and to estimate the net sales proceeds, which may be less than previous estimates of undiscounted future net cash flows, LP may be required to record impairment charges in connection with decisions to dispose of assets.

NOTE 12 – DEFINED BENEFIT PENSION PLANS

The following table sets forth the net periodic pension cost for LP's defined benefit pension plans during the quarter ended March 31, 2017 and 2016. The net periodic pension cost included the following components:

Dollar amounts in millions	Quarter Ended March 31, 2017	2016
Service cost	$ 1.4	$ 1.2
Interest cost	3.2	3.3
Expected return on plan assets	(3.3)	(3.3)
Amortization of prior service cost [1]	0.2	0.1
Amortization of net loss [1]	1.4	1.4
Net periodic pension cost	$ 2.9	$ 2.7

[1]The amortization of prior service costs and net loss are included in the amounts reclassified from accumulated other comprehensive income (loss); see Note 13 for additional details. The net periodic pension cost is included in Cost of sales and Selling and administrative expense in the Consolidated Statements of Income.

During the three months ended March 31, 2017, LP made $1.5 million in pension contributions to its defined benefit pension plans. LP expects to contribute between $7.0 million and $9.0 million to its defined benefit pension plans in the remaining months of 2017.

NOTE 13 – PRODUCT WARRANTY

LP provides warranties on the sale of most of its products and records an accrual for estimated future claims. Such accruals are based upon historical experience and management's estimate of the level of future claims. The activity in warranty reserves for the quarter ended March 31, 2017 and 2016 are summarized in the following table:

Dollar amounts in millions	Quarter Ended March 31, 2017	2016
Beginning balance	$ 24.1	$ 21.0
Accrued to expense	0.2	0.1
Accrued to other operating credits and charges	3.4	—
Foreign currency translation	0.2	0.6
Payments made	(3.4)	(3.6)
Total warranty reserves	24.5	18.1
Current portion of warranty reserves	(9.0)	(6.0)
Long-term portion of warranty reserves	$ 15.5	$ 12.1

LP continues to monitor warranty and other claims associated with these products and believes as of March 31, 2017 that the reserves associated with these matters are adequate. However, it is possible that additional charges may be required in the future.

The current portion of the warranty reserve is included in the caption "Accounts payable and accrued liabilities" and the long-term portion is included in the caption "Other long-term liabilities" on LP's Consolidated Balance Sheets.

NOTE 14 - OTHER COMPREHENSIVE INCOME

Other comprehensive income activity, net of tax, is provided in the following table for the quarter ended March 31, 2017:

Dollar amounts in millions	Foreign currency translation adjustments	Pension Adjustments: Actuarial losses	Pension Adjustments: Prior service costs	Unrealized gain (loss) on investments	Other	Total
Balance at December 31, 2016	$ (46.3)	$ (87.7)	$ (5.2)	$ 2.7	$ (0.7)	$ (137.2)
Other comprehensive income (loss) before reclassifications	2.8	(0.2)	—	0.5	—	3.1
Income taxes	—	—	—	(0.2)	—	(0.2)
Net other comprehensive income (loss) before reclassifications	2.8	(0.2)	—	0.3	—	2.9
Amounts reclassified from accumulated comprehensive income (loss)	—	1.4	0.3	—	—	1.7
Income taxes	—	(0.5)	(0.1)	—	—	(0.6)
Net amounts reclassified from cumulative other comprehensive income (loss)	—	0.9	0.2	—	—	1.1
Total other comprehensive income (loss)	2.8	0.7	0.2	0.3	—	4.0
Balance at March 31, 2017	$ (43.5)	$ (87.0)	$ (5.0)	$ 3.0	$ (0.7)	$ (133.2)

Other comprehensive income activity, net of tax, is provided in the following table for the quarter ended March 31, 2016:

Dollar amounts in millions	Foreign currency translation adjustments	Pension Adjustments: Actuarial losses	Pension Adjustments: Prior service costs	Unrealized gain (loss) on investments	Other	Total
Balance at December 31, 2015	$ (55.1)	$ (87.8)	$ (5.5)	$ 3.3	$ (1.0)	$ (146.1)
Net other comprehensive income (loss) before reclassifications	6.1	(0.8)	—	—	—	5.3
Amounts reclassified from accumulated other comprehensive income (loss)	—	1.4	0.1	—	—	1.5
Income taxes	—	(0.6)	—	—	—	(0.6)
Net amounts reclassified from cumulative other comprehensive income (loss)	—	0.8	0.1	—	—	0.9
Total other comprehensive income (loss)	6.1	—	0.1	—	—	6.2
Balance at March 31, 2016	$ (49.0)	$ (87.8)	$ (5.4)	$ 3.3	$ (1.0)	$ (139.9)

The amounts reclassified from accumulated other comprehensive income (loss) are included in the computation of net periodic pension cost; see Note 11 for additional details. The net periodic pension cost is included in Cost of sales and Selling and administrative expense in the Consolidated Statements of Income.

NOTE 15 - RECENT AND PROSPECTIVE ACCOUNTING PRONOUNCEMENTS

In January 2017, the FASB issued ASU 2017-04, Intangibles—Goodwill and Other (Topic 350). The standard simplifies the accounting for goodwill impairments by eliminating step 2 from the goodwill impairment test. Instead, if the carrying amount of a reporting unit exceeds its fair value, an impairment loss shall be recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit. The new standard is effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. LP does not expect the adoption of this new standard to have a material impact on its consolidated results of operations and financial position.

In March 2017, the FASB issued ASU 2017-07, Compensation—Retirement Benefits (Topic 715). The standard amends the requirements in ASC 715 related to the income statement presentation of the components of net periodic benefit cost for an entity's sponsored defined benefit pension and other postretirement plans. The new standard is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. LP does not expect the adoption of this new standard to have a material impact on its consolidated results of operations and financial position as only the presentation of the income statement will be affected.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

GENERAL

LP is a leading manufacturer of sustainable, quality engineered wood building materials including OSB, structural framing products, and exterior siding for use in residential, industrial and light commercial construction. Our products are used primarily in new home construction, repair and remodeling, and outdoor structures. We also market and sell our products in light industrial and commercial construction and we have a modest export business. Our manufacturing facilities are primarily located in the U.S. and Canada, but we also operate two facilities in Chile and one facility in Brazil.

To serve these markets, we operate in four segments: North America Oriented Strand Board (OSB); Siding; Engineered Wood Products (EWP); and South America.

Demand for our products correlates to a significant degree to the level of new home construction activity in North America, which historically has been characterized by significant cyclicality. For the first quarter of 2017, the U.S. Department of Census reported that U.S. single and multi-family housing starts were 8% higher than for the same quarter of 2016. OSB is sold as a commodity for which sales prices fluctuate daily based on market factors over which we have little or no control. We cannot predict whether the prices of our OSB products will remain at current levels or increase or decrease in the future. OSB prices (NC 7/16"), as reported by Random Lengths, were 30% higher for the first quarter of 2017 compared to the same period in 2016.

For additional factors affecting our results, refer to the Management Discussion and Analysis of Financial Condition and Results of Operations overview contained in our Annual Report on Form 10-K for the year ended December 31, 2016 and to “About Forward-Looking Statements” and “Risk Factors” in this report.

EXECUTIVE SUMMARY

We recorded a 21.1% increase in sales to $610.9 million for the quarter ended March 31, 2017 from $504.6 million reported for the quarter ended March 31, 2016. We recorded income from operations of $72.7 million for the quarter ended March 31, 2017 compared to $18.9 million for the quarter ended March 31, 2016. We recorded net income of $55.0 million ($0.38 per diluted share) for the quarter ended March 31, 2017 compared to $10.3 million ($0.07 per diluted share) for the quarter ended March 31, 2016. We reported an increase of $60.4 million in Adjusted EBITDA from year to year. Improvements in OSB pricing in all North American operations had a positive impact on our operating results of $56.6 million for the quarter ended March 31, 2017 as compared to the quarter ended March 31, 2016.

These changes are discussed further in "Our Operating Results" below.

CRITICAL ACCOUNTING POLICIES AND SIGNIFICANT ESTIMATES

Presented in Note 1 of the Notes to the financial statements included in LP’s Annual Report on Form 10-K for the year ended December 31, 2016 is a discussion of our significant accounting policies and significant accounting estimates and judgments. Throughout the preparation of the financial statements, we employ significant judgments in the application of accounting principles and methods. These judgments are primarily related to the assumptions used to arrive at various estimates. For 2017, these significant accounting estimates and judgments include:

Legal Contingencies. Our estimates of loss contingencies for legal proceedings are based on various judgments and assumptions regarding the potential resolution or disposition of the underlying claims and associated costs. In making judgments and assumptions regarding legal contingencies for ongoing class action settlements, we consider, among other things, discernible trends in the rate of claims asserted and related damage estimates and information obtained through consultation with statisticians and economists, including statistical analysis of potential outcomes based on experience to date and the experience of third parties who have been subject to product-related claims judged to be comparable. Due to the numerous variables associated with these judgments and assumptions, both the precision and reliability of the resulting estimates of the related loss contingencies are subject to substantial uncertainties. We regularly monitor our estimated exposure to these contingencies and, as additional information becomes known, may change our estimates significantly.

Environmental Contingencies. Our estimates of loss contingencies for environmental matters are based on various judgments and assumptions. These estimates typically reflect judgments and assumptions relating to the probable nature, magnitude and timing of required investigation, remediation and/or monitoring activities and the probable cost of these activities, and in some cases reflect judgments and assumptions relating to the obligation or willingness and ability of third parties to bear a proportionate or allocated share of the cost of these activities, including third parties who purchased assets from us subject to environmental liabilities. We consider the ability of third parties to pay their apportioned cost when developing our estimates. In making these judgments and assumptions related to the development of our loss contingencies, we consider, among other things, the activity to date at particular sites, information obtained through consultation with applicable regulatory authorities and third-party consultants and contractors and our historical experience at other sites that are judged to be comparable. Due to the numerous variables associated with these judgments and assumptions, and the effects of changes in governmental regulation and environmental technologies, both the precision and reliability of the resulting estimates of the related contingencies are subject to substantial uncertainties. We regularly monitor our estimated exposure to environmental loss contingencies and, as additional information becomes known, may change our estimates significantly. At March 31, 2017, we excluded from our estimates approximately $2.0 million of potential environmental liabilities that we estimate will be allocated to third parties pursuant to existing and anticipated future cost-sharing arrangements.

Impairment of Long-Lived Assets. We review the long-lived assets held and used by us (primarily property, plant and equipment and timber and timberlands) for impairment when events or changes in circumstances indicate that the carrying amount of assets may not be recoverable. We consider the necessity of undertaking such a review at least quarterly, and also when certain events or changes in circumstances occur. Events and changes in circumstances that may necessitate such a review include, but are not limited to: a significant decrease in the market price of a long-lived asset or group of long-lived assets; a significant adverse change in the extent or manner in which a long-lived asset or group of long-lived assets is being used or in its physical condition; a significant adverse change in legal factors or in the business climate that could affect the value of a long-lived asset or group of long-lived assets, including an adverse action or assessment by a regulator; an accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of a long-lived asset or group of long-lived assets; current-period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with the use of a long-lived asset or group of long-lived assets; and current expectation that, more likely than not, a long-lived asset or group of long-lived assets will be sold or otherwise disposed of significantly before the end of its previously estimated useful life. Identifying these events and changes in circumstances, and assessing their impact on the appropriate valuation of the affected assets under accounting principles generally accepted in the U.S., requires us to make judgments, assumptions and estimates.

In general, for assets held and used in our operations, impairments are recognized when the carrying amount of the long-lived asset or groups of long-lived assets is not recoverable and exceeds the fair value of the asset or group of assets. The carrying amount of a long-lived asset or groups of long-lived assets is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the assets or group of assets. The key assumptions in estimating these cash flows relate to future production volumes, pricing of commodity or specialty products and future estimates of expenses to be incurred as reflected in our long-range internal planning models. Our assumptions regarding pricing are based upon the average pricing over the commodity cycle (generally five years) due to the inherent volatility of commodity product pricing, and reflect our assessment of information gathered from industry research firms, research reports published by investment analysts and other published forecasts. Our assumptions regarding expenses reflect our expectation that we will continue to reduce production costs to offset inflationary impacts.

When impairment is indicated for assets held and used in our operations, the book values of the affected assets are written down to their estimated fair value, which is generally based upon discounted future cash flows associated with the affected assets. When impairment is indicated for assets to be disposed of, the book values of the affected assets are written down to their estimated fair value, less estimated selling costs. Consequently, a determination to dispose of particular assets can require us to estimate the net sales proceeds expected to be realized upon such disposition, which may be less than the estimated undiscounted future net cash flows associated with such assets prior to such determination, and thus require an impairment charge. In situations where we have experience in selling assets of a similar nature, we may estimate net sales proceeds on the basis of that experience. In other situations, we hire independent appraisers to estimate net sales proceeds.

Due to the numerous variables associated with our judgments and assumptions relating to the valuation of assets in these circumstances, and the effects of changes in circumstances affecting these valuations, both the precision and reliability of the resulting estimates of the related impairment charges are subject to substantial uncertainties and, as additional information becomes known, we may change our estimates significantly.

Income Taxes. The determination of the provision for income taxes, and the resulting current and deferred tax assets and liabilities, involves significant management judgment, and is based upon information and estimates available to management at the time of such determination. The final income tax liability to any taxing jurisdiction with respect to any calendar year will ultimately be determined long after our financial statements have been published for that year. We maintain reserves for known estimated tax exposures in federal, state and international jurisdictions; however, actual results may differ materially from our estimates.

Judgment is also applied in determining whether deferred tax assets will be realized in full or in part. When we consider it to be more likely than not that all or some portion of a deferred tax asset will not be realized, a valuation allowance is established for the amount of the deferred tax asset that is estimated not to be realizable. As of March 31, 2017, we had established valuation allowances against certain deferred tax assets, primarily related to foreign and state carryovers of net operating losses, credits and capital losses. We have not established valuation allowances against other deferred tax assets based upon positive evidence such as recent earnings history, generally improving economic conditions and deferred tax liabilities which we anticipate to reverse within the carry forward period. Accordingly, changes in facts or circumstances affecting the likelihood of realizing a deferred tax asset could result in the need to record additional valuation allowances.

Pension Plans. Most of our U.S. employees and many of our Canadian employees participate in defined benefit pension plans sponsored by LP. We account for the consequences of our sponsorship of these plans in accordance with accounting principles generally accepted in the U.S., which require us to make actuarial assumptions that are used to calculate the related assets, liabilities and expenses recorded in our financial statements. While we believe we have a reasonable basis for these assumptions, which include assumptions regarding long-term rates of return on plan assets, life expectancies, rates of increase in salary levels, rates at which future values should be discounted to determine present values and other matters, the amounts of our pension related assets, liabilities and expenses recorded in our financial statements would differ if we used other assumptions.

Warranty Obligations. Customers are provided with a limited warranty against certain defects associated with our products for periods of up to fifty years. We estimate the costs to be incurred under these warranties and record a liability in the amount of such costs at the time product revenue is recognized. Factors that affect our warranty liability include the historical and anticipated rates of warranty claims and the cost of resolving such. We periodically assess the adequacy of our recorded warranty liability for each product and adjust the amounts as necessary. While we believe we have a reasonable basis for these assumptions, actual warranty costs in the future could differ from our estimates.

NON-GAAP FINANCIAL MEASURES

In evaluating our business, we utilize several non-GAAP financial measures. A non-GAAP financial measure is generally defined by the SEC as one that purports to measure historical or future financial performance, financial position or cash flows, but excludes or includes amounts that would not be so excluded or included under applicable GAAP guidance. We disclose earnings before interest expense, taxes, depreciation and amortization ("EBITDA") which is a non-GAAP financial measure. Additionally, we disclose "Adjusted EBITDA" which further adjusts EBITDA to exclude stock-based compensation expense, (gain) loss on sale or impairment of long-lived assets, other operating credits and charges and investment income. Neither EBITDA nor Adjusted EBITDA is a substitute for the GAAP measures of net income or operating cash flows or for any other GAAP measures of operating performance or liquidity.

We have included EBITDA and Adjusted EBITDA because we use them as important supplemental measures of our performance and believe that they are frequently used by securities analysts, investors and other interested persons in the evaluation of companies in our industry, some of which present EBITDA when reporting their results. We use EBITDA and Adjusted EBITDA to evaluate our performance as compared to other companies in our industry that have different financing and capital structures and/or tax rates. It should be noted that companies calculate EBITDA and Adjusted EBITDA differently and, therefore, our EBITDA and Adjusted EBITDA measures may not be comparable to EBITDA and Adjusted EBITDA reported by other companies. Our EBITDA and Adjusted EBITDA measures have material limitations as performance measures because they exclude interest expense, income tax (benefit) expense, and depreciation and amortization, which are necessary to operate our business or which we otherwise incur or experience in connection with the operation of our business.

The following table represents significant items by operating segment and reconciles net income (loss) to EBITDA and Adjusted EBITDA:

Three Months Ended March 31, 2017 (Dollar amounts in millions)	OSB	Siding	EWP	South America	Other	Corporate	Total
Net Sales	$ 268.4	$ 214.0	$ 82.1	$ 37.8	$ 8.7	$ (0.1)	$ 610.9
Depreciation and amortization	14.7	8.1	3.8	2.2	0.9	0.9	30.6
Cost of sales and selling and administrative	193.3	165.7	78.8	30.5	8.0	27.3	503.6
Loss on sale or impairment of long lived assets, net	—	—	—	—	—	0.6	0.6
Other operating credits and charges, net	—	—	—	—	—	3.4	3.4
Total operating costs	208.0	173.8	82.6	32.7	8.9	32.2	538.2
Income (loss) from operations	60.4	40.2	(0.5)	5.1	(0.2)	(32.3)	72.7
Total non-operating expense	—	—	—	—	—	(3.3)	(3.3)
Income (loss) before income taxes and equity in income of unconsolidated affiliates	60.4	40.2	(0.5)	5.1	(0.2)	(35.6)	69.4
Income tax provision	—	—	—	—	—	15.5	15.5
Equity in income of unconsolidated affiliates	—	—	(1.1)	—	—	—	(1.1)
Net income (loss)	$ 60.4	$ 40.2	$ 0.6	$ 5.1	$ (0.2)	$ (51.1)	$ 55.0
Reconciliation of net income (loss) to Adjusted EBITDA							
Net income (loss)	$ 60.4	$ 40.2	$ 0.6	$ 5.1	$ (0.2)	$ (51.1)	$ 55.0
Income tax provision	—	—	—	—	—	15.5	15.5
Interest expense, net of capitalized interest	—	—	—	—	—	5.0	5.0
Depreciation and amortization	14.7	8.1	3.8	2.2	0.9	0.9	30.6
EBITDA	75.1	48.3	4.4	7.3	0.7	(29.7)	106.1
Stock-based compensation expense	0.2	0.2	0.1	—	—	3.6	4.1
Loss on sale or impairment of long lived assets, net	—	—	—	—	—	0.6	0.6
Investment income	—	—	—	—	—	(2.0)	(2.0)
Other operating credits and charges, net	—	—	—	—	—	3.4	3.4
Adjusted EBITDA	$ 75.3	$ 48.5	$ 4.5	$ 7.3	$ 0.7	$ (24.1)	$ 112.2

Three Months Ended March 31, 2016 (Dollar amounts in millions)	OSB	Siding	EWP	South America	Other	Corporate	Total
Net Sales	$ 217.0	$ 181.3	$ 71.8	$ 30.5	$ 6.1	$ (2.1)	$ 504.6
Depreciation and amortization	14.5	7.2	3.1	1.9	0.4	0.8	27.9
Cost of sales and selling and administrative	187.2	147.2	72.7	23.5	6.1	21.1	457.8
Total operating costs	201.7	154.4	75.8	25.4	6.5	21.9	485.7
Income (loss) from operations	15.3	26.9	(4.0)	5.1	(0.4)	(24.0)	18.9
Total non-operating expense	—	—	—	—	—	(5.7)	(5.7)
Income (loss) before taxes and equity in income of unconsolidated affiliates	15.3	26.9	(4.0)	5.1	(0.4)	(29.7)	13.2
Income tax provision	—	—	—	—	—	4.4	4.4
Equity in income of unconsolidated affiliates	—	—	(1.5)	—	—	—	(1.5)
Net income (loss)	$ 15.3	$ 26.9	$ (2.5)	$ 5.1	$ (0.4)	$ (34.1)	$ 10.3
Reconciliation of net income (loss) to Adjusted EBITDA							
Net income (loss)	$ 15.3	$ 26.9	$ (2.5)	$ 5.1	$ (0.4)	$ (34.1)	$ 10.3
Income tax provision	—	—	—	—	—	4.4	4.4
Interest expense, net of capitalized interest	—	—	—	—	—	8.0	8.0
Depreciation and amortization	14.5	7.2	3.1	1.9	0.4	0.8	27.9
EBITDA	29.8	34.1	0.6	7.0	—	(20.9)	50.6
Stock-based compensation expense	0.2	0.3	0.2	—	—	2.3	3.0
Investment income	—	—	—	—	—	(1.8)	(1.8)
Adjusted EBITDA	$ 30.0	$ 34.4	$ 0.8	$ 7.0	$ —	$ (20.4)	$ 51.8

OUR OPERATING RESULTS

Our results of operations for each of our segments are discussed below, as are results of operations for the “other” category which comprises other products that are not individually significant. See Note 10 of the Notes to the consolidated financial statements included in item 1 of this report for further information regarding our segments.

OSB

Our OSB segment manufactures and distributes OSB structural panel products in North America and certain export markets.

Segment sales, operating income and Adjusted EBITDA for this segment are as follows:

	Quarter Ended March 31,		
	2017	2016	Change
Net sales	$ 268.4	$ 217.0	24%
Operating income	$ 60.4	$ 15.3	295%
Adjusted EBITDA	$ 75.3	$ 30.0	151%

Percent changes in average sales prices and unit shipments for the quarter ended March 31, 2017 compared to the quarter ended March 31, 2016 are as follows:

	Quarter Ended March 31, 2017 versus 2016	
	Average Net Selling Price	Unit Shipments
OSB	25%	(1)%

For the quarter ended March 31, 2017, OSB prices increased compared to the corresponding period in 2016. The increase in OSB prices was likely due to higher demand compared to the supply available in the market and the continued focus on higher value products which resulted in a higher average selling price. The increase in selling price favorably impacted operating results and Adjusted EBITDA by $54.1 million for the quarter ended March 31, 2017 as compared to the same period in 2016. OSB sales volumes were essentially flat between periods.

Overall the improvements in our OSB segment results for the quarter ended March 31, 2017 as compared to the same period in 2016 was due to increased sales prices offset by increases in manufacturing cost due to production downtime related to capital projects (primarily a press rebuild at our Jasper Texas facility).

SIDING

Our siding segment produces and markets wood-based siding and related accessories and commodity OSB product.

Segment sales, operating income and Adjusted EBITDA for this segment are as follows:

	Quarter Ended March 31,		
	2017	2016	Change
Net sales	$ 214.0	$ 181.3	18%
Operating income	$ 40.2	$ 26.9	49%
Adjusted EBITDA	$ 48.5	$ 34.4	41%

Sales in this segment by product line are as follows:

	Quarter Ended March 31,		
	2017	2016	Change
SmartSide siding	$ 184.8	$ 159.0	16%
CanExel siding	14.3	11.7	22%
Commodity OSB	12.4	9.6	29%
Other	2.5	1.0	150%
Total	$ 214.0	$ 181.3	18%

Percent changes in average sales prices and unit shipments for the quarter ended March 31, 2017 compared to the quarter ended March 31, 2016 are as follows:

	Quarter Ended March 31, 2017 versus 2016	
	Average Net Selling Price	Unit Shipments
SmartSide siding	2%	16%
CanExel siding	6%	16%
OSB	26%	1%

For the quarter ended March 31, 2017 compared to the corresponding period in 2016, sales volumes increased in our SmartSide siding line based upon our ability to respond to increased demand in key markets. Sales prices in our SmartSide siding product line for the quarter ended March 31, 2017 as compared to the corresponding period in 2016 were due to changes in product mix as well as a price increase which was implemented in the first quarter of 2017.

For CanExel, sales volumes increased in the first quarter of 2017 as compared to the corresponding period in 2016 due to increased demand due to a higher utilization of our winter buy program. Sales prices were higher for the first quarter of 2017 as compared to the corresponding period in 2016 due to changes in our product mix and a higher portion of sales under our winter buy program.

For our commodity OSB produced in the siding segment for the quarter ended March 31, 2017 compared to the corresponding period in 2016, sales prices increased as compared to the same period in the prior year, as discussed in the OSB segment above. The increase in selling price favorably impacted operating results and Adjusted EBITDA by approximately $2.6 million for the first quarter of 2017 as compared to the corresponding period of 2016. Volumes of commodity OSB were flat between periods.

Overall, the improvement in the siding segment for the first quarter of 2017 compared to the same period of 2016 was primarily due to increased sales volumes, higher OSB prices and lower fiber costs.

EWP

Our engineered wood products (EWP) segment manufactures and distributes laminated veneer lumber (LVL), I-Joists, laminated strand lumber (LSL) and other related products. This segment also includes the sale of I-Joist and LVL products produced by our joint venture with Resolute Forest Products and LVL sold under a sales and marketing arrangement with Murphy Plywood. A plywood mill associated with our LVL operations in British Columbia and minor amounts of commodity OSB are included in this segment.

Segment sales, operating results and Adjusted EBITDA for this segment are as follows:

	Quarter Ended March 31,		
	2017	2016	Change
Net sales	$ 82.1	$ 71.8	14%
Operating income (loss)	$ 0.6	$ (2.5)	NM
Adjusted EBITDA	$ 4.5	$ 0.8	463%

Sales in this segment by product line are as follows:

	Quarter Ended March 31,		
	2017	2016	Change
LVL/LSL	$ 43.6	$ 41.4	5%
I-Joist	25.7	23.5	9%
OSB	4.0	2.7	48%
Related products	8.8	4.2	110%
Total	$ 82.1	$ 71.8	14%

Percent changes in average sales prices and unit shipments for the quarter ended March 31, 2017 compared to the quarter ended March 31, 2016 are as follows:

	Quarter Ended March 31, 2017 versus 2016	
	Average Net Selling Price	Unit Shipments
LVL/LSL	2 %	2%
I-Joist	1 %	11%
OSB	(2)%	45%

For the quarter ended March 31, 2017, compared to the same period in 2016, sales volumes increased in LVL/LSL and I-joist due to improved market demand due to increased housing starts. Net average selling prices increased due to changes in product mix. OSB prices changed due to changes in product based on the decision to produce a higher percentage of commodity OSB in our Houlton, Maine facility.

For the quarter ended March 31, 2017, compared to the same period in 2016, results of operations improved due to increased sales and reductions in manufacturing costs.

SOUTH AMERICA

Our South America segment manufactures and distributes OSB structural panel and siding products in South America and selected export markets. This segment operates in two countries, Chile and Brazil.

Segment sales, operating income and Adjusted EBITDA for this segment are as follows:

	Quarter Ended March 31,		
	2017	2016	Change
Net sales	$ 37.8	$ 30.5	24%
Operating income	$ 5.1	$ 5.1	—%
Adjusted EBITDA	$ 7.3	$ 7.0	4%

Sales in this segment by production location are as follows:

	Quarter Ended March 31,		
	2017	2016	Change
Chile	$ 28.0	$ 22.2	26%
Brazil	9.8	8.3	18%
Total	$ 37.8	$ 30.5	24%

Percent changes in average sales prices and unit shipments for the quarter ended March 31, 2017 compared to the quarter ended March 31, 2016 are as follows:

	Quarter Ended March 31, 2017 versus 2016	
	Average Net Selling Price	Unit Shipments
Chile	4%	23%
Brazil	11%	1%

For the quarter ended March 31, 2017, compared to the same period in 2016, sales volumes in Chile increased due to increased imports and improving local markets and in Brazil, sales volumes remained flat due to the unsettled political environment in Brazil.

Sales prices in Chile and Brazil increased for the first quarter ended March 31, 2017 as compared to the corresponding period in 2016 due to increases in prices translated into U.S. dollars. Local currency selling prices in Chile were approximately 2% lower and in Brazil were 10% lower for the quarter ended March 31, 2017 as compared to the corresponding period in 2016.

For the quarter ended March 31, 2017, compared to the same period in 2016, results of operations were flat with the increases in sales fully offset by decreases in sales price in local currency and increases in product costs primarily related to currency fluctuations.

OTHER PRODUCTS

Our other products segment includes our remaining timber and timberlands and other minor products, services and closed operations which are not classified as discontinued operations.

Segment sales, operating losses and Adjusted EBITDA for this category are as follows:

	Quarter Ended March 31,		
	2017	2016	Change
Net sales	$ 8.7	$ 6.1	43%
Operating losses	$ (0.2)	$ (0.4)	50%
Adjusted EBITDA	$ 0.7	$ —	NM

GENERAL CORPORATE AND OTHER EXPENSE, NET

For the quarter ended March 31, 2017 compared to the same period in 2016, general corporate expenses increased 18% primarily due to higher incentive compensation expense due to improved financial performance and increased costs associated with corporate initiatives related to sales and marketing activities. General corporate and other expenses primarily consist of corporate overhead such as wages and benefits, professional fees, insurance and other expenses for corporate functions including certain executive officers, public company costs, information technology, financial services, environmental and safety, legal, supply management, human resources and other corporate functions.

NON-OPERATING INCOME AND EXPENSE

Components of non-operating income and expense are as follows:

	Quarter Ended March 31,	
Dollar amounts in millions	2017	2016
Investment income	$ 1.7	$ 1.8
SERP market adjustments	0.3	—
Investment income	2.0	1.8
Interest expense	(5.2)	(8.1)
Amortization of debt charges	(0.2)	(0.3)
Capitalized interest	0.4	0.4
Interest expense, net of capitalized interest	(5.0)	(8.0)
Foreign currency gain (loss)	(0.3)	0.5
Total non-operating expense	$ (3.3)	$ (5.7)

INCOME TAXES

For the first quarter of 2017, we recorded an income tax expense on continuing operations of 22% as compared to 30% in the comparable period of 2016. The primary differences between the U.S. statutory rate of 35% and the effective rate applied to continuing operations for the first three months of 2017 relate to foreign tax rates, changes in Canadian valuation allowances and recognition of research and development tax credits from prior years. For the first quarter of 2016, the primary differences between the U.S. statutory rate of 35% and the effective rate applied to continuing operations relate to foreign tax rates, changes in Canadian valuation allowances and a charge associated with excess tax deficiencies in connection with LP's stock-based compensation plans.

Each quarter the income tax accrual is adjusted to the latest estimate and the difference from the previously accrued year-to-date balance is recorded in the current quarter.

OTHER COMPREHENSIVE INCOME (LOSS)

	Quarter Ended March 31,	
Dollar amounts in millions	2017	2016
Foreign currency translation adjustments	$ 2.8	$ 6.1
Unrealized gain (loss) on marketable securities	0.3	—
Defined benefit plans	0.9	0.1
Comprehensive income (loss)	$ 4.0	$ 6.2

LEGAL AND ENVIRONMENTAL MATTERS

For a discussion of legal and environmental matters involving us and the potential impact thereof on our financial position, results of operations and cash flows, see Items 3, 7 and 8 in our Annual Report on Form 10-K for the year ended December 31, 2016 and Note 8 to the Notes to the financial statements contained herein.

LIQUIDITY AND CAPITAL RESOURCES

OVERVIEW

Our principal sources of liquidity are existing cash and investment balances, cash generated by our operations and our ability to borrow under such credit facilities as we may have in effect from time to time. We may also from time to time issue and sell equity, debt or hybrid securities or engage in other capital market transactions.

Our principal uses of liquidity are paying the costs and expenses associated with our operations, servicing outstanding indebtedness and making capital expenditures. We may also from time to time prepay or repurchase outstanding indebtedness, pay dividends or acquire assets or businesses that are complementary to our operations. Any such repurchases may be commenced, suspended, discontinued or resumed, and the method or methods of effecting any such repurchases may be changed, at any time or from time to time without prior notice.

OPERATING ACTIVITIES

During the first three months of 2017, operating activities provided $20.8 million of cash compared to $4.9 million of cash used during the first three months of 2016. This change was primarily related to improvements in operating results (higher OSB pricing and increased siding sales) offset by decreases in accounts payable and accrued liabilities and by increases in receivables.

INVESTING ACTIVITIES

During the first three months of 2017, cash used in investing activities was approximately $26.0 million. Capital expenditures in the first three months of 2017 were $26.1 million. Included in “Accounts payable” is $6.9 million related to capital expenditures that had not yet been paid as of March 31, 2017.

During the first three months of 2016, cash used in investing activities was approximately $26.2 million. Capital expenditures in the first three months of 2016 were $26.3 million. Included in “Accounts payable” was $12.1 million related to capital expenditures that had not yet been paid as of March 31, 2016.

Capital expenditures in 2017 are expected to be approximately $175 million to $200 million related to productivity improvements, growth and maintenance projects and our South American expansion.

FINANCING ACTIVITIES

During the first three months of 2017, cash used by financing activities was $5.5 million. We used $1.2 million to repay outstanding debt in the first three months of 2017 and $4.7 million to repurchase stock from employees in connection with income tax withholding requirements associated with our employee equity plans.

During the first three months of 2016, cash used by financing activities was $1.9 million. We used $1.1 million to repay outstanding debt in the first three months of 2016 and $0.9 million to repurchase stock in connection with income tax withholding requirements associated with our employee equity plans.

POTENTIAL IMPAIRMENTS

We continue to review several mills and investments for potential impairments. Management currently believes we have adequate support for the carrying value of each of these assets based upon the anticipated cash flows that result from our estimates of future demand, pricing and production costs assuming certain levels of planned capital expenditures. As of March 31, 2017, the fair value of facilities that have not been indefinitely curtailed was in excess of their carrying value and supports the conclusion that no impairment is necessary for those facilities.

We also review from time to time possible dispositions of various assets in light of current and anticipated economic and industry conditions, our strategic plan and other relevant factors. Because a determination to dispose of particular assets can require management to make assumptions regarding the transaction structure of the disposition and to estimate the net sales proceeds, which may be less than previous estimates of undiscounted future net cash flows, we may be required to record impairment charges in connection with decisions to dispose of assets.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Our international operations have exposure to foreign currency rate risks, primarily due to fluctuations in the Canadian dollar, Brazilian real and the Chilean peso. Although we have in the past entered into foreign exchange contracts associated with certain of our indebtedness and may continue to enter into foreign exchange contracts associated with major equipment purchases to manage a portion of the foreign currency rate risk, we historically have not entered into material currency rate hedges with respect to our exposure from operations, although we may do so in the future.

Some of our products are sold as commodities and therefore sales prices fluctuate daily based on market factors over which we have little or no control. The most significant commodity product we sell is OSB. Based upon an assumed annual production capacity of 4.9 billion square feet (3/8" basis) or 4.2 billion square feet (7/16" basis), a $1 change in the annual average price per square foot on 7/16" basis would change annual pre-tax profits by approximately $4.2 million.

We historically have not entered into material commodity futures and swaps, although we may do so in the future.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of March 31, 2017, our Chief Executive Officer and Chief Financial Officer have carried out, with the participation of the Company's Disclosure Practices Committee and the Company's management, an evaluation of the effectiveness of our disclosure controls and procedures, as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the Act). Based upon this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that LP’s disclosure controls and procedures are effective to provide reasonable assurance that material information required to be disclosed by us in reports we file under the Act is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and that information required to be disclosed by us in the reports we file or submit under the Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

We had no changes in our internal control over financial reporting during the quarter ended March 31, 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES
SUMMARY OF PRODUCTION VOLUMES

The following table sets forth production volumes for the quarter ended March 31, 2017 and 2016.

	Quarter Ended March 31,	
	2017	2016
Oriented strand board, million square feet 3/8" basis	1,055	1,052
Oriented strand board, million square feet 3/8" basis (produced by North America non-OSB segment mills)	67	64
Wood-based siding, million square feet 3/8" basis	350	331
Engineered I-Joist, million lineal feet (1)	21	19
Laminated veneer lumber (LVL), thousand cubic feet and laminated strand lumber (LSL), thousand cubic feet (1) (2)	2,754	2,529

(1) Includes purchases of products from joint ventures or purchased under contract manufacturing arrangements.
(2) Includes LVL and LSL production which is used in the production of I-Joist as well as sold as end products.

INDUSTRY PRODUCT TRENDS

The following table sets forth the average wholesale price of OSB in the United States for the periods specified in dollars per 1,000 square feet.

	OSB Western Canada 7/16" Basis	OSB Southwest 7/16" Basis	OSB N. Central 7/16" Basis
Average			
2016 1st Qtr. Avg.	$ 191	$ 230	$ 226
2017 1st Qtr. Avg.	$ 263	$ 308	$ 292

Source: *Random Lengths*

PART II -OTHER INFORMATION

Item 1. Legal Proceedings.

The description of certain legal and environmental matters involving LP set forth in Part I of this report under "Note 11 – Legal and Environmental Matters" is incorporated herein by reference.

Item 1A. Risk Factors.

You should be aware that the occurrence of any of the events described in this Risk Factors section and elsewhere in this report or in any other of our filings with the SEC could have a material adverse effect on our business, financial position, results of operations and cash flows. In evaluating us, you should consider carefully, among other things, the risks described below and the matters described in "About Forward-Looking Statements."

Cyclical industry conditions have and may continue to adversely affect our financial condition and results of operations. Our operating results reflect the general cyclical pattern of the building products industry. Demand for our products correlates to a significant degree to the level of residential construction activity in North America, which historically has been characterized by significant cyclicality. This cyclicality is influenced by a number of factors, including the supply of new and existing homes on the market, the level of unemployment, longer-term interest rates, and mortgage foreclosure rates. The cyclicality is also influenced by the availability of mortgage financing, which is currently more restrictive than historical periods and which could be adversely affected by the implementation of one or more proposals to eliminate or reduce the mortgage market roles of or levels of support for government-sponsored enterprises such as Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. A significant increase in longer-term interest rates, a prolonged decline in the availability of mortgage financing, or the occurrence of other events that reduce levels of residential construction activity could have a material adverse effect on our financial condition, results of operations and cash flows. We are not able to predict with certainty market conditions for our products. A prolonged and severe weakness in the markets for one or more of our principal products could seriously harm our financial condition and results of operations and our ability to satisfy our cash requirements, including the payment of interest and principal on our debt.

We have a high degree of product concentration. OSB accounted for about 51% of our North American sales in 2016 compared to 47% in 2015 and we expect OSB sales to continue to account for a substantial portion of our revenues and profits in the future. Concentration of our business in the OSB market further increases our sensitivity to commodity pricing and price volatility. Historical prices for our commodity products have been volatile, and we, like other participants in the building products industry, have limited influence over the timing and extent of price changes for our products. Commodity product pricing is significantly affected by the relationship between supply and demand in the building products industry. Product supply is influenced primarily by fluctuations in available manufacturing capacity. Demand is affected by the state of the economy in general and a variety of other factors, including the level of new residential construction activity and home repair and remodeling activity, changes in the availability and cost of mortgage financing. In this competitive environment with so many variables for which we do not control, we cannot assure you that pricing for OSB will not decline from current levels.

Intense competition in the building products industry could prevent us from increasing or sustaining our net sales and profitability. The markets for our products are highly competitive. Our competitors range from very large, fully integrated forest and building products firms to smaller firms that may manufacture only one or a few types of products. We also compete less directly with firms that manufacture substitutes for wood building products. Many of our competitors have greater financial and other resources than we do, and certain of the mills operated by our competitors may be lower-cost producers than the mills operated by us.

Our results of operations may be harmed by potential shortages of raw materials and increases in raw material costs. The most significant raw material used in our operations is wood fiber. Wood fiber is subject to commodity pricing, which fluctuates on the basis of market factors over which we have no control. In addition, the cost of various types of wood fiber that we purchase in the market has at times fluctuated greatly because of governmental, economic or industry conditions, and may be affected by increased demand resulting from initiatives to increase the use of biomass materials in the production of heat, power, biobased products and biofuels. In addition to wood fiber, we also use a significant quantity of various resins in our manufacturing processes. Resin product costs are influenced by changes in the prices or availability of raw materials used to produce resins, primarily petroleum products, as well as demand for and availability of resin products. Selling prices of our products have not always increased in response to raw material cost increases. We are unable to determine to what extent, if any, we will be able to pass any future raw material cost increases through to our customers through product price increases. Our inability to pass increased costs through to our customers could have a material adverse effect on our financial condition, results of operations and cash flows.

Many of the Canadian forestlands from which we obtain wood fiber also are subject to the constitutionally protected treaty or common-law rights of the aboriginal peoples of Canada. Most of British Columbia is not covered by treaties and, as a result, the claims of British Columbia's aboriginal peoples relating to forest resources are largely unresolved, although many aboriginal groups are actively engaged in treaty discussions with the governments of British Columbia and Canada. Final or interim resolution of claims brought by aboriginal groups are expected to result in additional restrictions on the sale or harvest of timber and may increase operating costs and affect timber supply and prices in Canada.

Our operations require substantial capital. Capital expenditures for expansion or replacement of existing facilities or equipment or to comply with future changes in environmental laws and regulations may be substantial. Although we maintain our production equipment with regular periodic and scheduled maintenance, we cannot assure you that key pieces of equipment in our various production processes will not need to be repaired or replaced or that we will not incur significant additional costs associated with environmental compliance. The costs of repairing or replacing such equipment and the associated downtime of the affected production line could have a material adverse effect on our financial condition, results of operations and cash flow. If for any reason we are unable to provide for our operating needs, capital expenditures and other cash requirements on economic terms, we could experience a material adverse effect on our business, financial condition, results of operations and cash flows.

Adverse weather conditions can have a significant impact on our operating results. Our business is sensitive to national and regional weather conditions and natural disasters. Inclement weather affects both our ability to produce and distribute our products. In past years, extreme weather conditions, including snow and ice storms, flood and wind damage, hurricanes, tornadoes, extreme rain and droughts, have caused delays and closures of varying lengths at our manufacturing plants located across the country. In addition, severe weather conditions can cause disruptions in deliveries of raw materials from our suppliers. Our customers sell our products in the repair and remodeling and new home construction markets. Construction activity, which drives demand for our products, decreases substantially during periods of cold weather, when it snows or when heavy or sustained rains fall. Such weather conditions can materially and adversely affect our operating results if they occur with unusual intensity, during abnormal periods, or last longer than usual, especially during peak construction periods.

Our pension and health care costs are subject to numerous factors which could cause these costs to change. We have defined benefit pension plans covering substantially all U.S. and Canadian employees. We provide retiree health care benefits to certain of our U.S. salaried and certain hourly employees. Our pension costs are dependent upon numerous pension plan provisions that are subject to interpretations and factors resulting from actual plan experience and assumptions of future experience. Pension plan assets are primarily made up of equity and fixed income investments. Fluctuations in actual equity market returns; changes in general interest rates and changes in the number of retirees may result in increased pension costs in future periods. Likewise, changes in assumptions regarding current discount rates and expected rates of return on plan assets could also change pension and health care costs. We are subject to market risk on pension plan assets as well as discount rates on long-term obligations. Significant adverse changes in the factors affecting our pension and health care costs could adversely affect our cash flows, financial condition and results of operations.

Our pension plans are currently underfunded, and over time we will be required to make cash payments to the plans, reducing the cash available for our business. We record a liability associated with our pension plans equal to the excess of the benefit obligation over the fair value of plan assets. The benefit liability recorded under the provisions of Accounting Standards Codification (ASC) 715, "Compensation—Retirement Benefits," at December 31, 2016 was $92.0 million. Although we expect to contribute approximately $10.0 million to $12.0 million to our plans in

2017, we continually reassess the amount and timing of any discretionary contributions. Over the next several years we may make significant contributions to the plans. The amount of such contributions will depend upon a number of factors, principally the actual earnings and changes in values of plan assets and changes in interest rates.

We mostly depend on third parties for transportation services and increases in costs and the availability of transportation could materially and adversely affect our business and operations. Our business depends on the transportation of a large number of products, both domestically and internationally. We rely primarily on third parties for transportation of the products we manufacture and/or distribute as well as for delivery of our raw materials. In particular, a significant portion of the goods we manufacture and raw materials we use are transported by railroad or trucks, which are highly regulated. If any of our third-party transportation providers were to fail to deliver the goods we manufacture or distribute in a timely manner, we may be unable to sell those products at full value or at all. Similarly, if any of these providers were to fail to deliver raw materials to us in a timely manner, we may be unable to manufacture our products in response to customer demand. In addition, if any of these third parties were to cease operations or cease doing business with us, we may be unable to replace them at reasonable cost. Any failure of a third-party transportation provider to deliver raw materials or finished products in a timely manner could harm our reputation, negatively affect our customer relationships and have a material adverse effect on our financial condition and results of operations. In addition, an increase in transportation rates or fuel surcharges could materially and adversely affect our sales and profitability.

We are subject to significant environmental regulation and environmental compliance expenditures and liabilities. Our businesses are subject to many environmental laws and regulations, particularly with respect to discharges of pollutants and other emissions on or into land, water and air, and the disposal and remediation of hazardous substances or other contaminants and the restoration and reforestation of timberlands. Compliance with these laws and regulations is a significant factor in our business. We have incurred and expect to continue to incur significant expenditures to comply with applicable environmental laws and regulations. Moreover, some or all of the environmental laws and regulations to which we are subject could become more stringent in the future. Our failure to comply with applicable environmental laws and regulations and permit requirements could result in civil or criminal fines or penalties or enforcement actions, including regulatory or judicial orders enjoining or curtailing operations or requiring corrective measures, installation of pollution control equipment or remedial actions.

Some environmental laws and regulations impose liability and responsibility on present and former owners, operators or users of facilities and sites for contamination at such facilities and sites without regard to causation or knowledge of contamination. In addition, we occasionally evaluate various alternatives with respect to our facilities, including possible dispositions or closures. Investigations undertaken in connection with these activities may lead to discoveries of contamination that must be remediated, and closures of facilities may trigger compliance requirements that are not applicable to operating facilities. Consequently, we cannot assure you that existing or future circumstances or developments with respect to contamination will not require significant expenditures by us.

We are involved in various environmental matters, product liability and other legal proceedings. The outcome of these matters and proceedings and the magnitude of related costs and liabilities are subject to uncertainties. The conduct of our business involves the use of hazardous substances and the generation of contaminants and pollutants. In addition, the end-users of many of our products are members of the general public. We currently are or from time to time in the future may be involved in a number of environmental matters and legal proceedings, including legal proceedings involving anti-trust, warranty or non-warranty product liability claims, negligence and other claims, including claims for wrongful death, personal injury and property damage alleged to have arisen out of the use by others of our or our predecessors’ products or the release by us or our predecessors of hazardous substances. Environmental matters and legal matters and proceedings, including class action settlements relating to certain of our products, have in the past caused and in the future may cause us to incur substantial costs. We have established contingency reserves in our consolidated financial statements with respect to the estimated costs of existing environmental matters and legal proceedings to the extent that our management has determined that such costs are both probable and reasonably estimable as to amount. However, such reserves are based upon various estimates and assumptions relating to future events and circumstances, all of which are subject to inherent uncertainties. We regularly monitor our estimated exposure to environmental and litigation loss contingencies and, as additional information becomes known, may change our estimates significantly. However, no estimate of the range of any such change can be made at this time. We may incur costs in respect of existing and future environmental matters and legal proceedings as to which no contingency reserves have been established. We cannot assure you that we will have sufficient resources available to satisfy the related costs and expenses associated with these matters and proceedings.

Fluctuations in foreign currency exchange rates could result in currency exchange losses and reductions in stockholders' equity. A significant portion of our operations are conducted through foreign subsidiaries. The functional currency for our Canadian subsidiary is the U.S. dollar. The financial statements of this foreign subsidiary are remeasured into U.S. dollars using the historical exchange rate for property, plant and equipment, timber and timberlands, equity and certain other non-monetary assets and liabilities and related depreciation and amortization on these assets and liabilities. These transaction and translation gains or losses are recorded in foreign exchange gains (losses) in the income statement. The functional currency of our Chilean subsidiary is the Chilean *peso* and the functional currency of our Brazilian subsidiary is the Brazilian *real*. Translation adjustments, which are based upon the exchange rate at the balance sheet date for assets and liabilities and the weighted average rate for the income statement, are recorded in the Accumulated Comprehensive Income (Loss) section of Stockholders' Equity. Therefore, changes in the Canadian dollar, the Chilean *peso* or the Brazilian *real* relative to the U.S. dollar may have a material adverse effect on our financial condition and results of operations.

Our ability to service our indebtedness, to refinance our indebtedness or to fund our other liquidity needs is subject to various risks. Our ability to make scheduled payments on and to refinance our indebtedness depends on and is subject to our financial and operating performance, which in turn is affected by general and regional economic, financial, competitive, business and other factors, including the availability of financing in the banking and capital markets as well as the other risks described herein. In particular, demand for our products correlates to a significant degree to the level of residential construction activity in North America, which historically has been characterized by significant cyclicality. Over the last several years, housing starts remained below "normal" levels. There can be no assurance as to when, or if the housing market, will rebound to "normal levels". Accordingly, we cannot assure you that our business will generate sufficient cash flows from operations or that future borrowings will be available to us in an amount sufficient to enable us to service our debt, to refinance our debt or to fund our other liquidity needs. If we are unable to service our debt obligations or to fund our other liquidity needs, we could be forced to curtail our operations, reorganize our capital structure or liquidate some or all of our assets in a manner that could cause the holders of our securities to experience a partial or total loss of their investment in us.

We have not independently verified the results of third-party research or confirmed assumptions or judgments upon which it may be based, and the forecasted and other forward-looking information contained therein is subject to inherent uncertainties. We refer in this report and other documents that we file with the SEC to historical, forecasted and other forward-looking information published by sources such as *FEA (Forest Economic Advisors, LLC), Random Lengths* and the U.S. Census Bureau that we believe to be reliable. However, we have not independently verified this information and, with respect to the forecasted and forward-looking information, have not independently confirmed the assumptions and judgments upon which it is based. Forecasted and other forward looking information is necessarily based on assumptions regarding future occurrences, events, conditions and circumstances and subjective judgments relating to various matters, and is subject to inherent uncertainties. Actual results may differ materially from the results expressed or implied by, or based upon, such forecasted and forward-looking information.

Initiatives to upgrade our information technology infrastructure involve many risks. We regularly implement business process improvement initiatives to optimize our performance. Our current initiatives include plans to further standardize the business processes and technology that support our strategies through implementation of further upgrades to our software solution over the next few years. We may experience difficulties as we transition to these new or upgraded systems and processes, including loss of data and decreases in productivity as our personnel become familiar with new systems. In addition, transitioning to these new or upgraded systems requires significant capital investments and personnel resources. Difficulties in implementing new or upgraded information systems or significant system failures could disrupt our operations and have a material adverse effect on our business, financial condition, results of operations or cash flows. If we are unable to manage these changes successfully, our ability to timely and accurately process transactions and report our results of operations could be adversely affected.

Cyber security risks related to the technology used in our operations and other business processes, as well as security breaches of company, customer, employee, and vendor information, could adversely affect our business. We rely on various information technology systems to capture, process, store, and report data and interact with customers, vendors, and employees. Despite careful security and controls design, implementation, updating, and internal and independent third-party assessments, our information technology systems, and those of our third-party providers, could become subject to cyber attacks. Network, system, and data breaches could result in misappropriation of sensitive data or operational disruptions, including interruption to systems availability and denial of access to and misuse of applications required by our customers to conduct business with us. In addition, hardware and operating system software and applications that we procure from third parties may contain defects in design or manufacture, including "bugs" and other problems that could unexpectedly interfere with the operation of the systems. Misuse of internal applications; theft of intellectual property, trade secrets, or other corporate assets; and inappropriate disclosure of confidential information could stem from such incidents. A security failure of that technology could impact our ability to operate our businesses effectively, adversely affect our reported financial results, impact our reputation and expose us to potential liability or litigation.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

On October 31, 2014, LP’s Board of Directors authorized LP to repurchase up to $100 million of LP’s common stock. LP may initiate, discontinue or resume purchases of its common stock under this authorization in the open market, in privately negotiated transactions or otherwise at any time or from time to time without prior notice. As of May 5, 2017, no purchases have occurred under this authorization.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable,

Item 5. Other Information.

None.

Item 6. Exhibits.

10.29	Form of Award Agreement under the 2013 Omnibus Stock Plan for Restricted Stock Awards for Directors.
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a).
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a).
32.1	Certifications pursuant to § 906 of the Sarbanes-Oxley Act of 2002.
100.INS	XBRL Instance Document
100.SCH	XBRL Taxonomy Extension Schema Document
100.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
100.DEF	XBRL Taxonomy Extension Definition Linkbase Document
100.LAB	XBRL Taxonomy Extension Label Linkbase Document
100.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LOUISIANA-PACIFIC CORPORATION

Date:	May 5, 2017	BY:	/S/ CURTIS M. STEVENS
			Curtis M. Stevens
			Chief Executive Officer
Date:	May 5, 2017	BY:	/S/ SALLIE B. BAILEY
			Sallie B. Bailey
			Executive Vice President and Chief Financial Officer
			(Principal Financial Officer)

Exhibit 10.29

RESTRICTED STOCK UNIT AWARD AGREEMENT

Corporation: Louisiana-Pacific Corporation, a Delaware corporation ("***Corporation***")

Awardee: ("***Director***")

Plan: Louisiana-Pacific Corporation 2013 Omnibus Stock Award Plan (the "***Plan***")

Award: «Shares» Share units having a value equal to such number of Shares ("***Restricted Stock Units***")

Grant Date: May XX, 20XX ("***Grant Date***")

Corporation and Director agree as follows:

1. **Defined Terms**. Capitalized terms not otherwise defined in this Restricted Stock Unit Award Agreement (the "***Agreement***") have the meanings given them in the Plan.

2. **Grant of Restricted Stock Units**. As of the Grant Date, Corporation has granted to Director the Restricted Stock Units (which Award is a form of restricted stock grant under the Plan). Each Restricted Stock Unit represents the right of Director to receive one Share subject to and upon the terms and conditions of this Agreement and the Plan.

3. **Acknowledgment.** Director acknowledges that the Restricted Stock Units are subject to the terms and conditions set forth in this Agreement and in the Plan.

4. **Vesting of Restricted Stock Units**.

(a) The Restricted Stock Units will become nonforfeitable and payable to Director pursuant to Section 5 hereof on the first anniversary of the Grant Date (the "Vesting Date"), conditioned upon Director's continuous service on the Board through the Vesting Date. Any Restricted Stock Units that do not so become nonforfeitable will be forfeited, including, except as provided in **Section 4(b)** below, if Director ceases continuous service on the Board prior to the Vesting Date.

(b) Notwithstanding **Section 4(a)** above, all of the Restricted Stock Units will become nonforfeitable and payable to Director pursuant to **Section 5** hereof upon the occurrence of any of the following events (each, an "***Early Vesting Event***") if the Restricted Stock Units have not previously been forfeited or become nonforfeitable: termination of Director's service on the Board by reason of Director's death, Disability or retirement, or a Change of Control. Retirement in this **Section 4(b)** means: (i) the Director's service ceases because of the mandatory retirement age requirement under Article II Section 16 of the Corporate Bylaws; or (ii) the Director, having reached the age of 70 and whose tenure on the Board is greater than five years, choses not to stand for reelection within 90 days of his or her next election.

5. **Form and Time of Payment of Restricted Stock Units.**

(a) Payment for the Restricted Stock Units, after and to the extent they have become nonforfeitable, shall be made in the form of Shares. Except as provided in **Section 5(b)**, such payment shall be made within 10 days following the date that the Restricted Stock Units become nonforfeitable pursuant to **Section 4** hereof.

(b) If the Restricted Stock Units become nonforfeitable (i) by reason of the occurrence of a Change of Control as described in **Section 4(b)**, and if the Change of Control does not constitute a "change in control" for purposes of Section 409A(a)(2)(A)(v) of the Code, or (ii) by reason of a termination of Director's service on the Board by reason of Director's Disability or retirement, and if such termination does not constitute a "separation from service" for purposes of Section 409A(a)(2)(A)(i) of the Code, then payment for the Restricted Stock Units will be made upon the earliest of (w) Director's "separation from service" with Corporation and its Subsidiaries (determined in accordance with Section 409A(a)(2)(A)(i) of the

Code), (x) the Vesting Date, (y) Director's death, or (z) the occurrence of a Change of Control that constitutes a "change in control" for purposes of Section 409A(a)(2)(A)(v) of the Code.

(c) Except to the extent provided by Section 409A of the Code and permitted by the Administrator, no Shares may be issued to Director at a time earlier than otherwise expressly provided in this Agreement.

(d) Corporation's obligations to Director with respect to the Restricted Stock Units will be satisfied in full upon the issuance of Shares corresponding to such Restricted Stock Units.

6. **Restrictions during Vesting Period**. Subject to Section 6.6(a) of the Plan, prior to the Vesting Date or an Early Vesting Date, Director may not sell, assign, pledge, transfer, encumber or otherwise dispose of the Restricted Stock Units (or the Shares subject to the Restricted Stock Units).

7. **Dividend, Voting and Other Rights**. Director will have no rights of ownership in the Shares underlying the Restricted Stock Units, no right to dividends and no right to vote the Shares underlying the Restricted Stock Units until the date on which the Shares underlying the Restricted Stock Units are issued or transferred to Director pursuant to **Section 5** above. However, from and after the Grant Date and until the earlier of (a) the time when the Restricted Stock Units are settled in Shares in accordance with **Section 5** hereof or (b) the time when Director's right to receive Shares in payment of the Restricted Stock Units is forfeited in accordance with **Section 4**, on the date that Corporation pays a cash dividend (if any) to holders of Shares generally, Corporation shall accrue an amount of cash equal to the product of the per- Share amount of the dividend paid multiplied by the number of such Restricted Stock Units.

Such amount shall be paid to Director only if, and at the same time as, the underlying Shares are delivered to Director pursuant to **Section 5**.

8. **Tax Withholding**. As of the date the Plan was established, income recognized by non-employee Directors with respect to Restricted Stock Units is treated as self-employment income that is not subject to tax withholding. However, Corporation will have the right to withhold from any settlement of Restricted Stock Units made under the Plan, any federal, state, or local taxes of any kind subsequently required by law to be withheld or paid by Corporation on behalf of Director with respect to such settlement. In the event any such taxes are imposed, Director will be required to make arrangements satisfactory to Corporation for the satisfaction of any such withholding tax obligation. Corporation will not be required to deliver shares under the Plan until any such obligation is satisfied.

9. **Miscellaneous.**

(a) Compliance With Law. Corporation shall make reasonable efforts to comply with all applicable federal and state securities laws; provided, however, notwithstanding any other provision of the Plan and this Agreement, Corporation shall not be obligated to issue any Shares pursuant to this Agreement if the issuance thereof would result in a violation of any such law.

(b) Compliance With Section 409A of the Code. To the extent applicable, it is intended that this Agreement and the Plan comply with the provisions of Section 409A of the Code. This Agreement and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force or effect until amended to comply with Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by Corporation without the consent of Director).

(c) Interpretation. Any reference in this Agreement to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service. Except as expressly provided in this Agreement, capitalized terms used herein will have the meaning ascribed to such terms in the Plan.

(d) Amendments. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that (i) no amendment shall adversely affect the rights of Director under this Agreement without Director’s written consent, and (ii) Director’s consent shall not be required to an amendment that is deemed necessary by Corporation to ensure compliance with Section 409A of the Code.

(e) Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

(f) Relation to Plan. This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Administrator acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein or in the Plan, have the right to determine any questions which arise in connection with this Agreement.

(g) Successors and Assigns. Without limiting the provisions of this Agreement, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of Director, and the successors and assigns of Corporation.

(h) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same agreement.

IN WITNESS WHEREOF, Corporation has caused this Agreement to be executed on its behalf by its duly authorized officer and Director has executed this Agreement, effective as of May XX, 20XX.

Corporation: LOUISIANA-PACIFIC CORPORATION

____

By:

Its: **CEO**

Director:

Exhibit 31.1

CERTIFICATION

I, Curtis M. Stevens, certify that:

1. I have reviewed this report on Form 10-Q of Louisiana-Pacific Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2017

/S/ CURTIS M. STEVENS

CURTIS M. STEVENS
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Sallie B. Bailey, certify that:

1. I have reviewed this report on Form 10-Q of Louisiana-Pacific Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of registrant’s board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 5, 2017

/S/ SALLIE B. BAILEY

SALLIE B. BAILEY
Chief Financial Officer

Exhibit 32.1

LOUISIANA-PACIFIC CORPORATION
411 Union Street, Suite 2000
Nashville, TN 37219-1700
(615)986-5600

May 5, 2017

Securities and Exchange Commission
100 F Street NE.
Washington, D.C. 20549

Re: Certification Pursuant to § 906 of the Sarbanes-Oxley Act of 2002

Ladies and Gentlemen:

Pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, in connection with the filing of the Form 10-Q of Louisiana-Pacific Corporation (the "Company") for the quarter ended March 31, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certifies, that, to such officer's knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

/S/ CURTIS M. STEVENS

Name: CURTIS M. STEVENS
Title: Chief Executive Officer

/S/ SALLIE B. BAILEY

Name: SALLIE B. BAILEY
Title: Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Louisiana-Pacific Corporation and will be retained by Louisiana-Pacific Corporation and furnished to the Securities and Exchange Commission or its staff upon request.