

Louisiana - Pacific Corporation
Investor Presentation
UBS Global Paper & Forest Products Conference
September 15, 2005

Forward Looking Statements

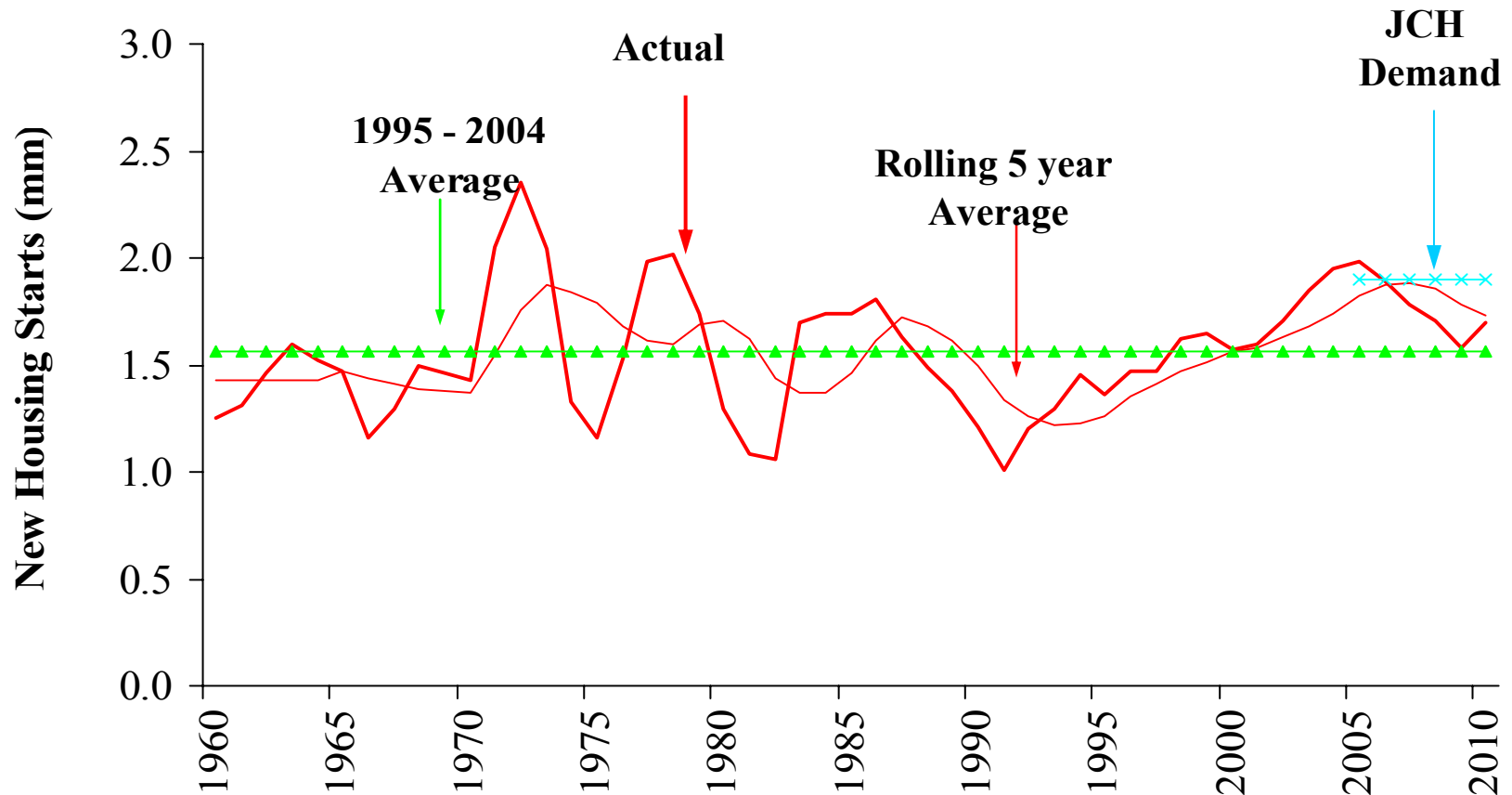
This presentation contains statements concerning Louisiana-Pacific Corporation's (LP) future results and performance that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, the effect of general economic conditions, including the level of interest rates and housing starts, market demand for the company's products, and prices for structural products; the effect of forestry, land use, environmental and other governmental regulations; the ability to obtain regulatory approvals, and the risk of losses from fires, floods and other natural disasters. These and other factors that could cause or contribute to actual results differing materially from such forward-looking statements are discussed in greater detail in the company's Securities and Exchange Commission filings.

Market Outlook – Demand

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

Home Building Demand Indicators

Housing Starts (single and multi-family)



Source: US Department of Commerce, RISI and the State of the Nation's Housing – 2004, Joint Center for Housing Studies of Harvard University (JCH)

Forecast 3

Marketplace Dynamics – Customers

- **Consolidation of customers and end-users will continue:**
 - “Big boxes” ... price pressure, margin compression, electronic business systems and demand for more services
 - Builders ... consistent pricing, logistics support, ease of use
 - Pro dealers ... price pressure, locked-in pricing, branded products, “pull-through” marketing
- **Key implications for LP:**
 - Improve cost positions to lowest quartile ... drive capital for cost reductions, add greenfield capacity, and smart acquisitions
 - Participate in multiple channels to best meet customer’s needs
 - Most efficient supply chain / logistics ... delivered cost is what matters

LP's Business Segments

OSB

- Commodity panels
- Tech Shield
- Flooring

Siding

- SmartSide OSB siding
- Exterior Hardboard siding

Engineered Wood Products

- Laminated veneer lumber
- I - Joist

Other Building Products

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

Business Characteristics

- **Commodity – OSB:**
 - Primarily new construction
 - Price volatility
 - Traded daily
 - Cost is king
 - Demand / capacity management critical
- **Specialty – EWP, Siding, Other:**
 - Relatively stable pricing
 - “Demand creation” versus “trading”
 - Ongoing new product development to satisfy customer needs
 - Higher SG&A
 - Channel partners critical to success

Oriented Strand Board (OSB)



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

Mill capacities:

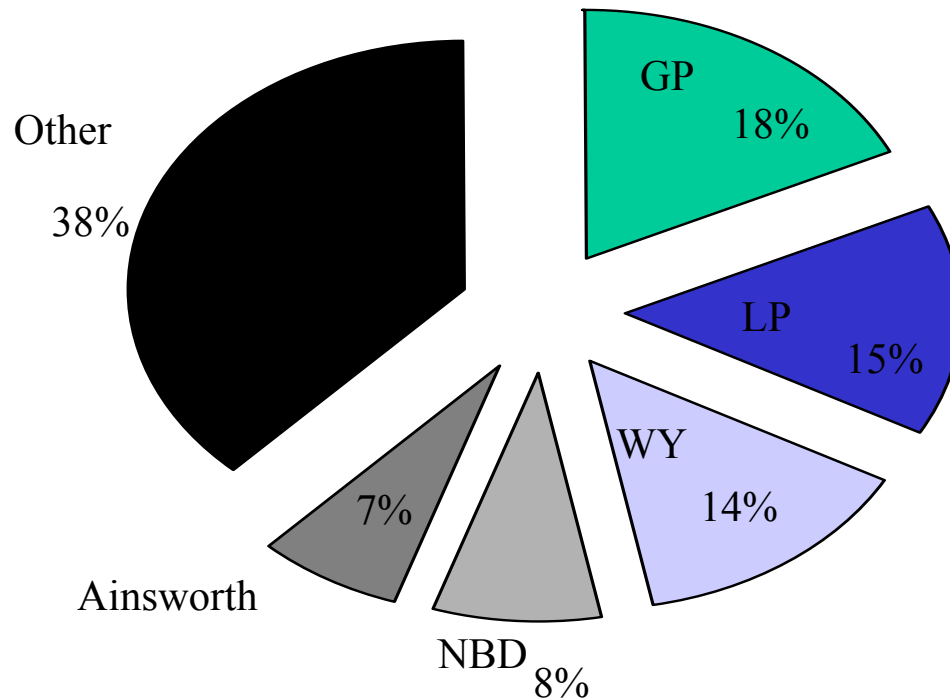
13 mills – 5.8 billion square feet

OSB Investment Priorities

- Continued investment in existing mills to reduce costs and incrementally increase capacity
- Greenfield “opportunities:
 - British Columbia ... Peace Valley OSB (JV with Canfor) ... 800 mmsf nearing completion ... startup Q4 2005
 - Alabama ... site cleared, permits under development and planning underway for a 700 mmsf mill with start-up in late 2007
 - South America (Chile) ... potential use of a “mothballed” mill
- Acquire competitive facilities “at the right price”

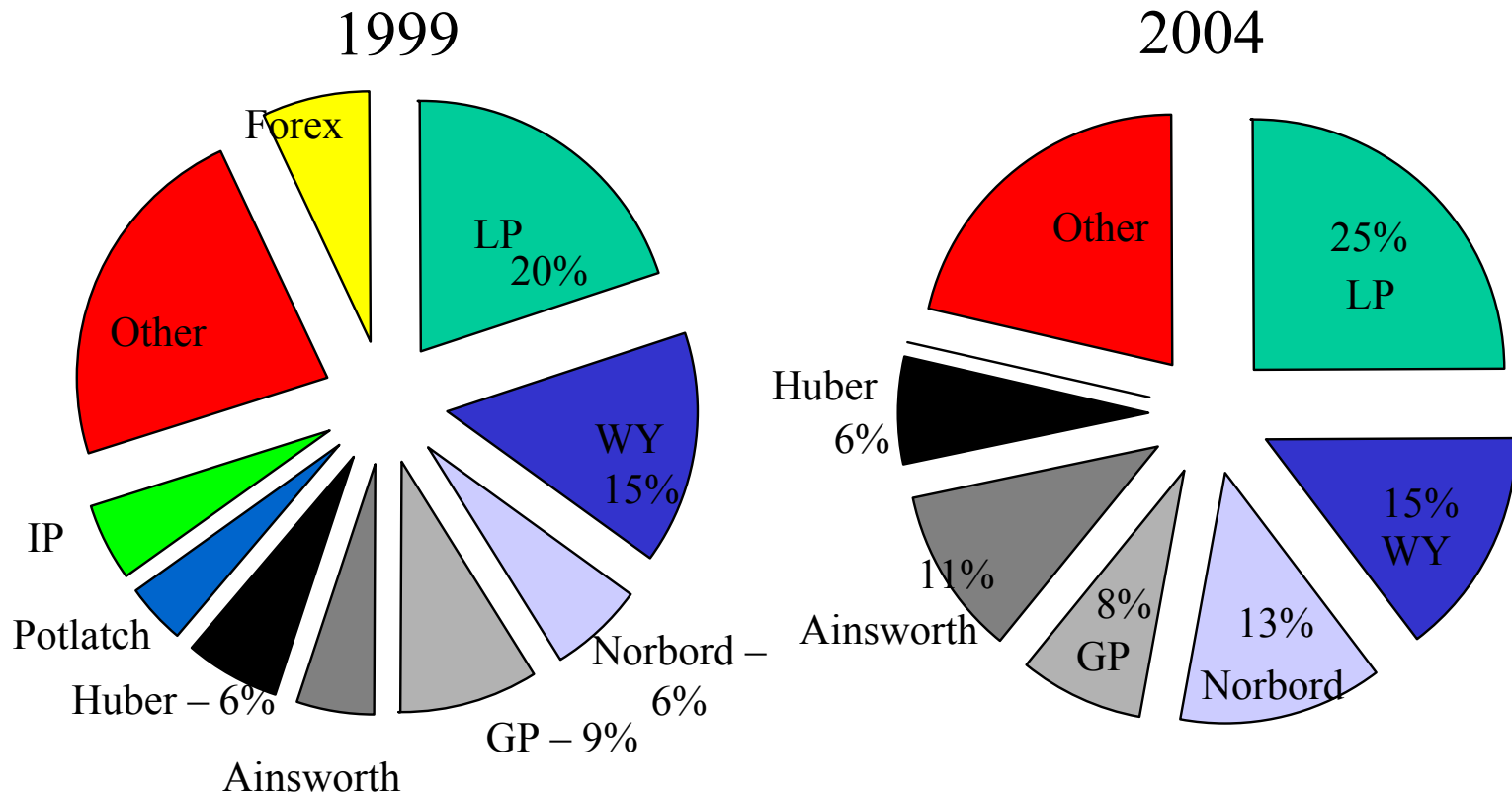
North America Structural Panel Manufacturers

2004



Source: RISI

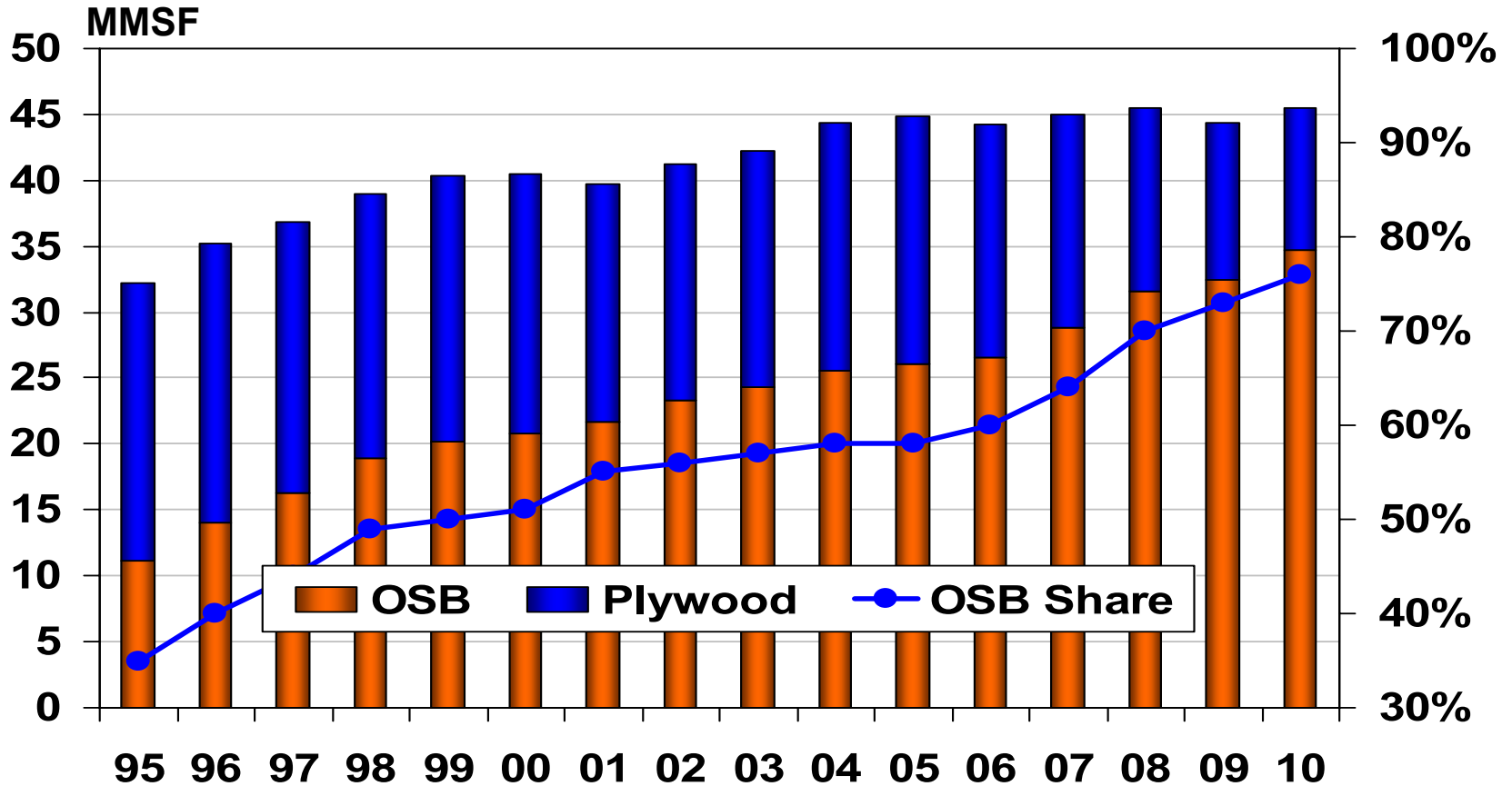
OSB Market Share



Source: RISI

Structural Panel Demand

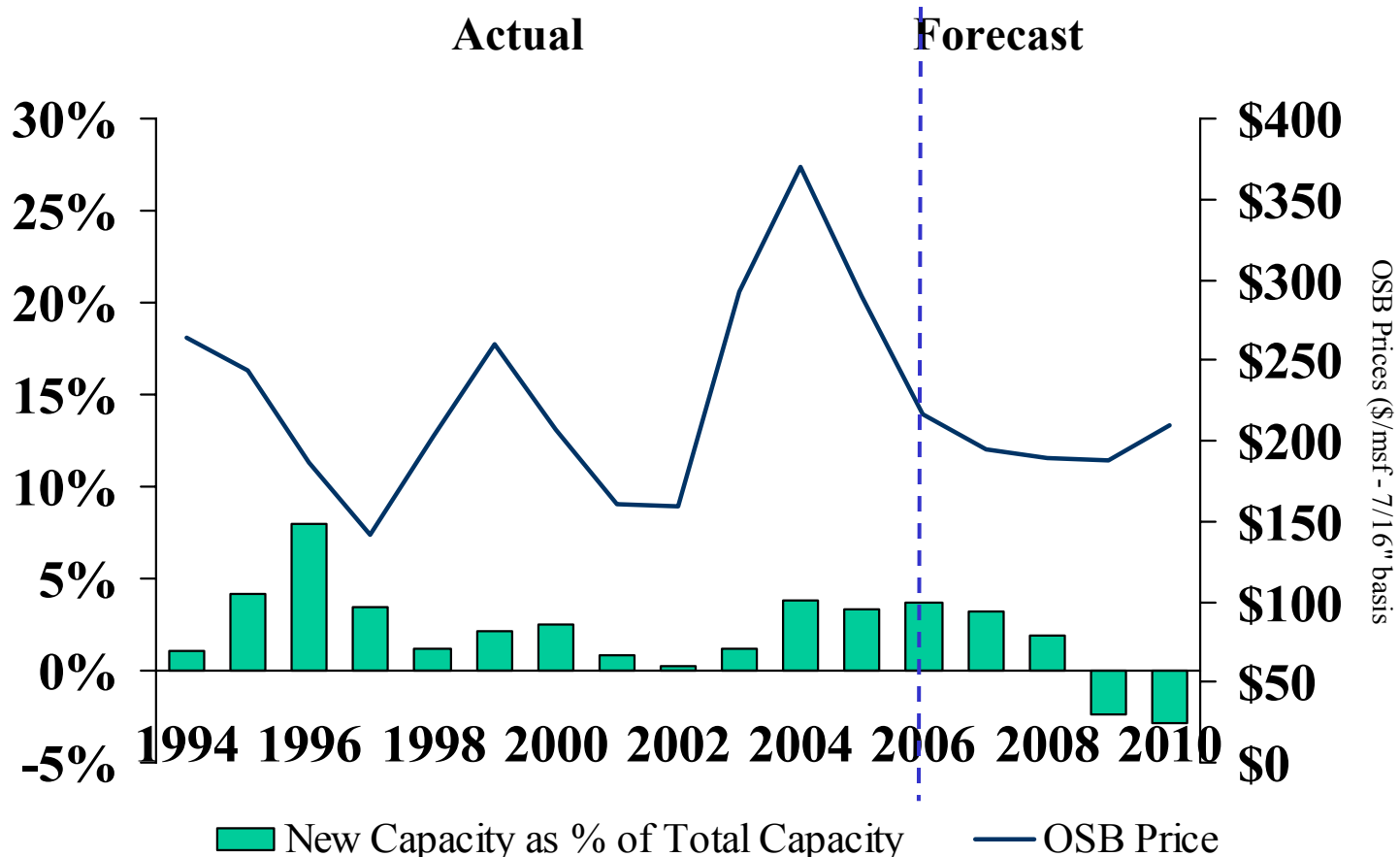
North America Structural Panel Demand



Source: RISI – 15 year forecast August 2005

Favorable OSB Supply Outlook

Net Additions of Structural Panels and OSB Prices



Source: RISI (15 Year Forecast for August 2005), includes greenfield and “creep” capacity

Engineered Wood Products



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

Mill capacities:

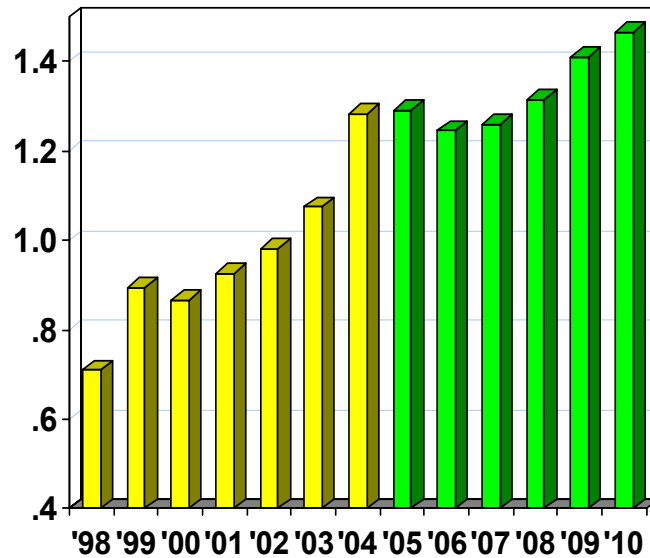
LVL - 12.1 million cubic feet

I-Joist - 100 million lineal feet

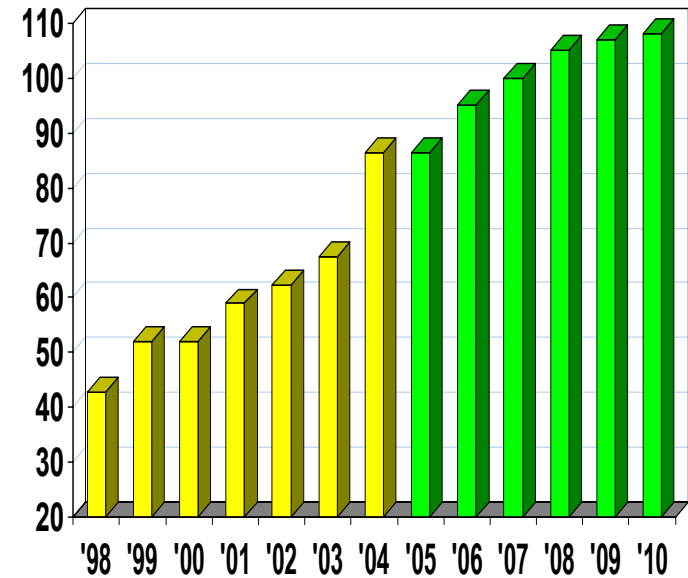
- 130 million lineal feet (Abitibi JV)

EWP Demand Growth

I joist - Billion Linear Ft.



LVL - Million Cubic Ft.



Source: APA-The Engineered Wood Association

EWP Strategies

- Significantly lower costs ... progress on conversion but raw materials key
- Maintain position as “supplier of choice” to the independent, 2-step distribution channel
- Fill out product line by developing “economic substitute” products for LVL / lumber
- Other growth opportunities to channel partners:
 - Additional solid-sawn I-Joist capacity
 - Searching for “bolt-on” LVL capacity

Siding



- Smart Side product line exhibiting strong growth:
 - Family of products – lap, panel, trim, fascia, soffit
 - Lower installed cost than Fiber Cement, Aluminum, and Wood
 - Curb appeal / outstanding performance
 - Hayward conversion in trial production
- Hardboard – lowest cost and broadest product line in the industry
- Vinyl – moved to discontinued in Q2

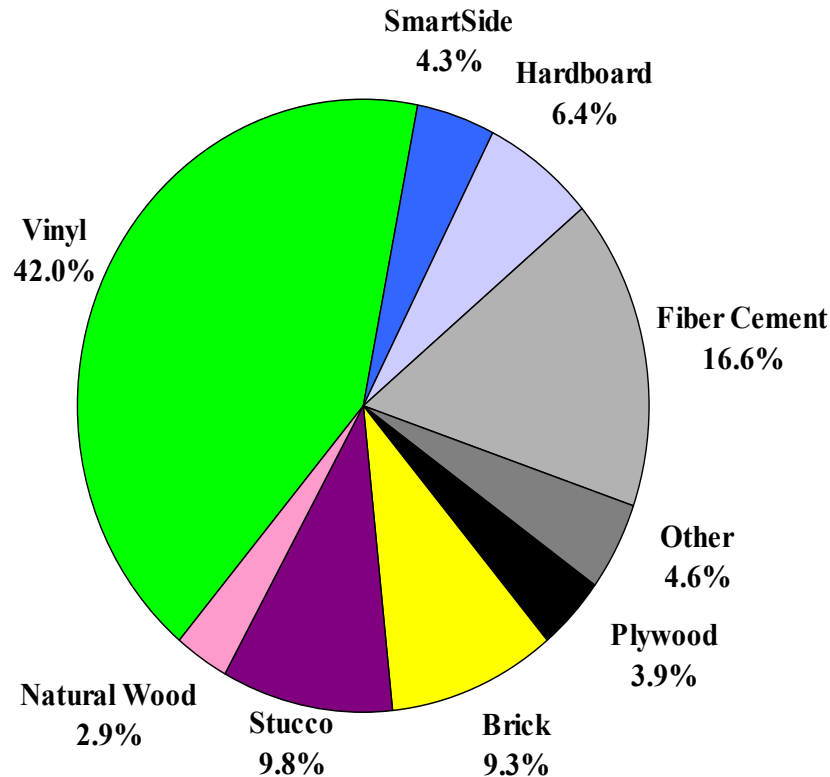
Mill capacities:

4 + SmartSide mills – 715 + mmsf

2 Hardboard mills – 545 mmsf

2 Vinyl mills – 3.2 million squares

Exterior Siding Market – Market Share by Category – 2003



Total Siding Demand in North America in 2003 = 10 billion square feet
LP currently participates in siding segments that represent over 50% of the market

Source: Ciprus, Freedonia, James Hardie, LP Internal

Other Building Products



- Outdoor Living – #2 or #3 position, excellent decking products (good/better/best strategy)
- Mouldings – #1 / #2 position in interior plastic extruded products
- Chile – small operation supporting early South American growth
- U.S. GreenFiber – #1 position in cellulose insulation through joint venture

Mill capacities:

Moulding – 290 mmlf

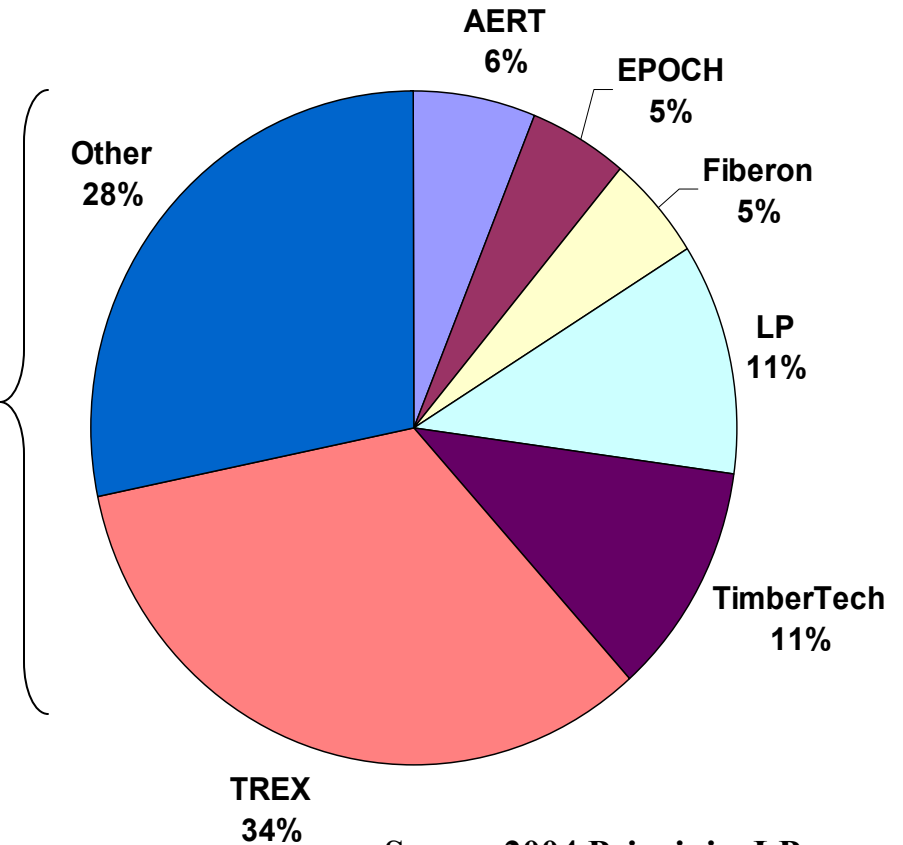
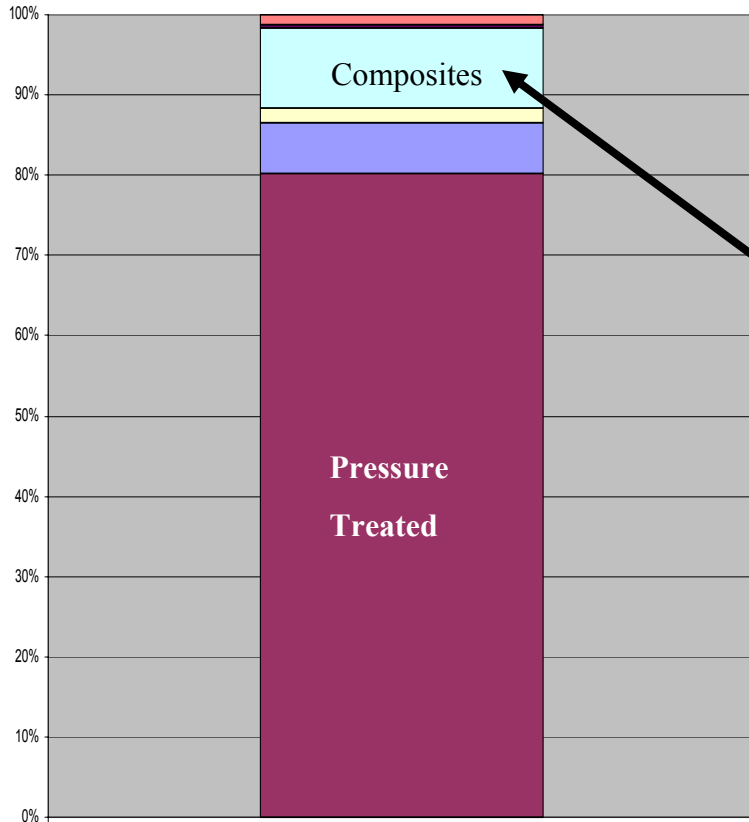
Decking – 85 mmlf

Chile – 130 mmsf

Composite Decking Growth is a Trend

Overall Decking 3.5 BLF

Composites 368 MLF



Source 2004 Principia, LP

What About the Cash?

- Recent actions:
 - Retired \$170 million of maturing debt (8/05)
 - Executed a \$150 million accelerated stock buyback
 - Preparing to make the call on remaining 2008 notes (11/05)
- Maintain appropriate cash reserves of \$250-300 million
- Returning cash to shareholders via appropriate dividend
- New facilities required to meet demand ... Alabama OSB, EWP expansion, continued siding conversion, South America
- “War chest” for acquisitions that add to capabilities (“right product” and “right price”)
- Share repurchase – remainder of 20 million share authorization

Accelerated Share Buyback

- LP entered into an Accelerated Share Buyback with a financial intermediary in August 2005 with LP delivering \$150 million in exchange for the delivery of 4.5 million shares to LP
- In early September, a collar for the transaction was set between \$23.64 and \$27.66:
 - Based on this, an additional 922,417 shares delivered to LP
- Over approximately the next six months, the price for the final settlement will be determined based on the average VWAP trading levels and may result in additional shares being delivered to LP

Conclusions

LP has ...

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

Questions