



Q1 2019 EARNINGS PRESENTATION

May 7, 2019

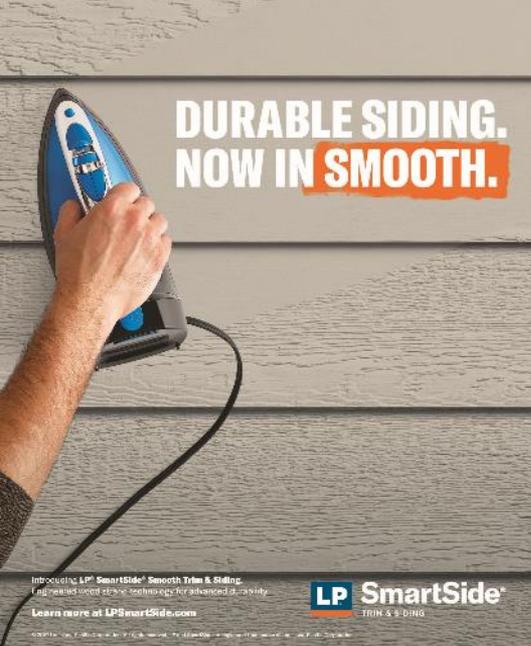
FORWARD LOOKING STATEMENTS

This presentation contains statements concerning Louisiana-Pacific Corporation's (LP) future results and performance that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements include, but are not limited to, the following: changes in governmental fiscal and monetary policies, including tariffs, 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; the amount and timing of any repurchases of our common stock and the payment of dividends on our common stock, which will depend on market and business conditions and other considerations; and acts of public authorities, war, civil unrest, natural disasters, fire, floods, earthquakes, inclement weather and other matters beyond our control. Investors are cautioned that many of the assumptions upon which LP's forward-looking statements are based are likely to change after the forward-looking statements are made, including for example commodity prices, which LP cannot control, and production volumes and costs, some aspects of which LP may not be able to control. These and other factors that could cause or contribute to actual results differing materially from those contemplated by such forward-looking statements are discussed in greater detail in the company's Securities and Exchange Commission filings.

STATEMENT RELATING TO THE USE OF NON-GAAP FINANCIAL MEASURES

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

HIGHLIGHTS



Q1 2019 HIGHLIGHTS

Growth

- 13% Smart Side Strand revenue growth
- Launched Smooth Strand Trim and Siding
- Produced and shipped Siding at Dawson Creek
- 40% of OSB volume from Structural Solutions (formerly value-add OSB)
- Launched WeatherLogic™ air & water barrier

Operational Improvements

- 4.9 point improvement in OEE
- \$8 million generated towards 2021 target of \$75 million

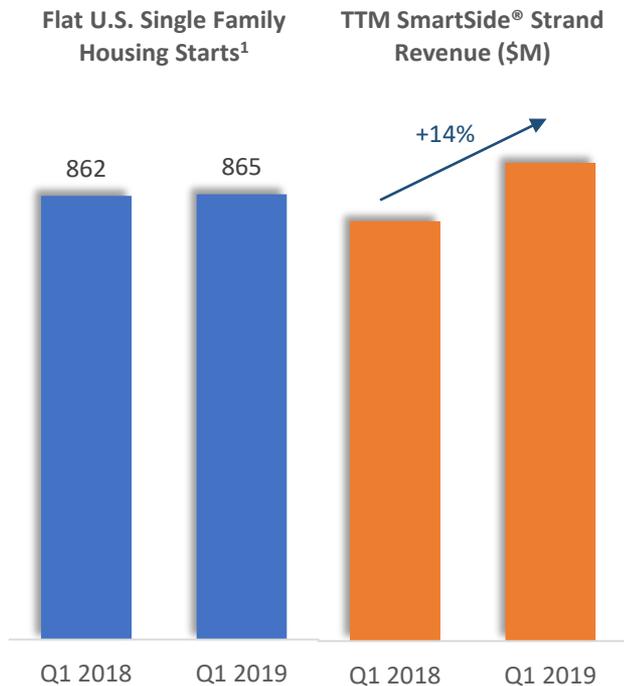
Capital Allocation

- \$438 million of share buybacks executed
- \$17 million of dividends paid
- Additional \$0.135 dividend declared



SIGNIFICANT PROGRESS IN LP'S TRANSFORMATION

(\$ in millions)



SmartSide Strand Growth (Q1 TTM)

Segment	Growth	Efficiency	Total
Siding	\$11	\$2	\$13
OSB	\$1	\$5	\$6
LPSA	-	\$1	\$1
Total Q1 EBITDA Impact	\$12	\$8	\$20
2021 EBITDA Target²	\$90	\$75	\$165

¹ Actual U.S. housing starts data from U.S. Census Bureau as of April 2019

² LP is targeting incremental cash flow improvements of approximately \$100M by 2021, comprising \$90M of EBITDA generated from growth, \$75M of EBITDA from efficiency savings, offset by \$30M of underlying labor and benefits inflation, assuming a 25% tax rate.

Q1 2019 RESULTS

FINANCIAL RESULTS

(\$ in millions, except per share amount)

	<u>2019</u>	<u>B/(W) Pr Yr</u>
Sales	\$ 582	\$ (109)
Cost of sales	501	14
Gross profit	81	(96)
Selling and administrative	57	(6)
Other	3	(3)
Income from operations	22	(105)
Non-operating income(expense)	12	15
Provision for taxes	7	23
Income from continuing operations	27	(69)
Discontinued operations	-	4
Net income attributed to LP	27	(64)
Earning per share - diluted	\$ 0.20	\$ (0.42)
Weighted average shares - diluted	132	15

SALES AND EBITDA BY SEGMENT

(\$ in millions)

FIRST QUARTER

Sales	2019	B/(W) Pr Yr
Siding	236	9
OSB	208	(105)
EWP	90	(15)
South America	45	2
Other and Intersegment	3	1
	582	(109)

Adj. EBITDA

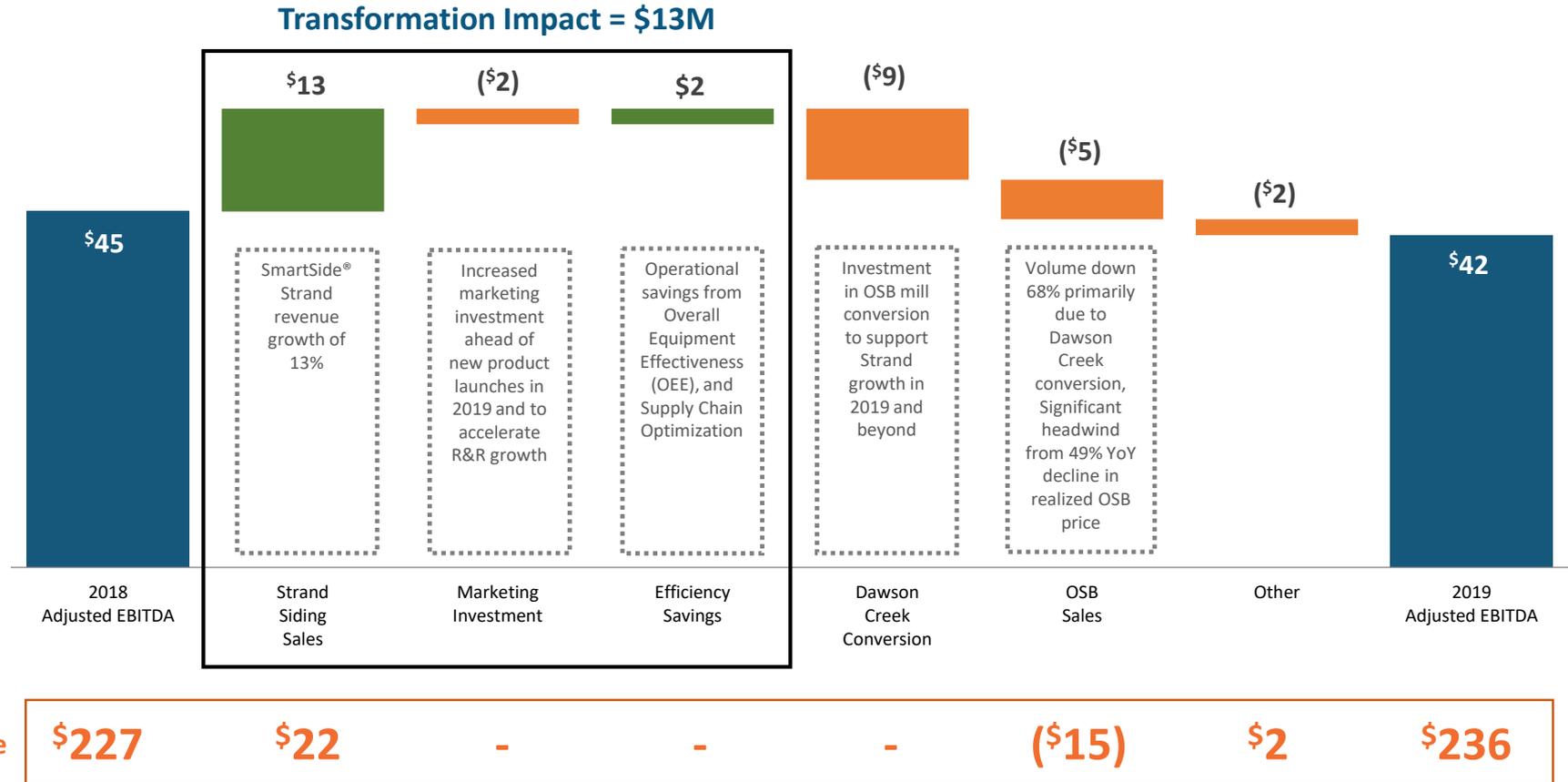
Siding	42	(3)
OSB	8	(97)
EWP	7	2
South America	10	(1)
Other and unallocated	(10)	(2)
	58	(101)

The above table reflects the change in Adjusted EBITDA for the first quarter of 2018 based upon the recast financial information included in LP's 8K which was furnished to SEC on February 7, 2019. This information reported Adjusted EBITDA by segment for the first quarter of 2018 (in millions) as follows: Siding - \$45; OSB - \$105; EWP - \$5; South America - \$11 and Other - (\$7)



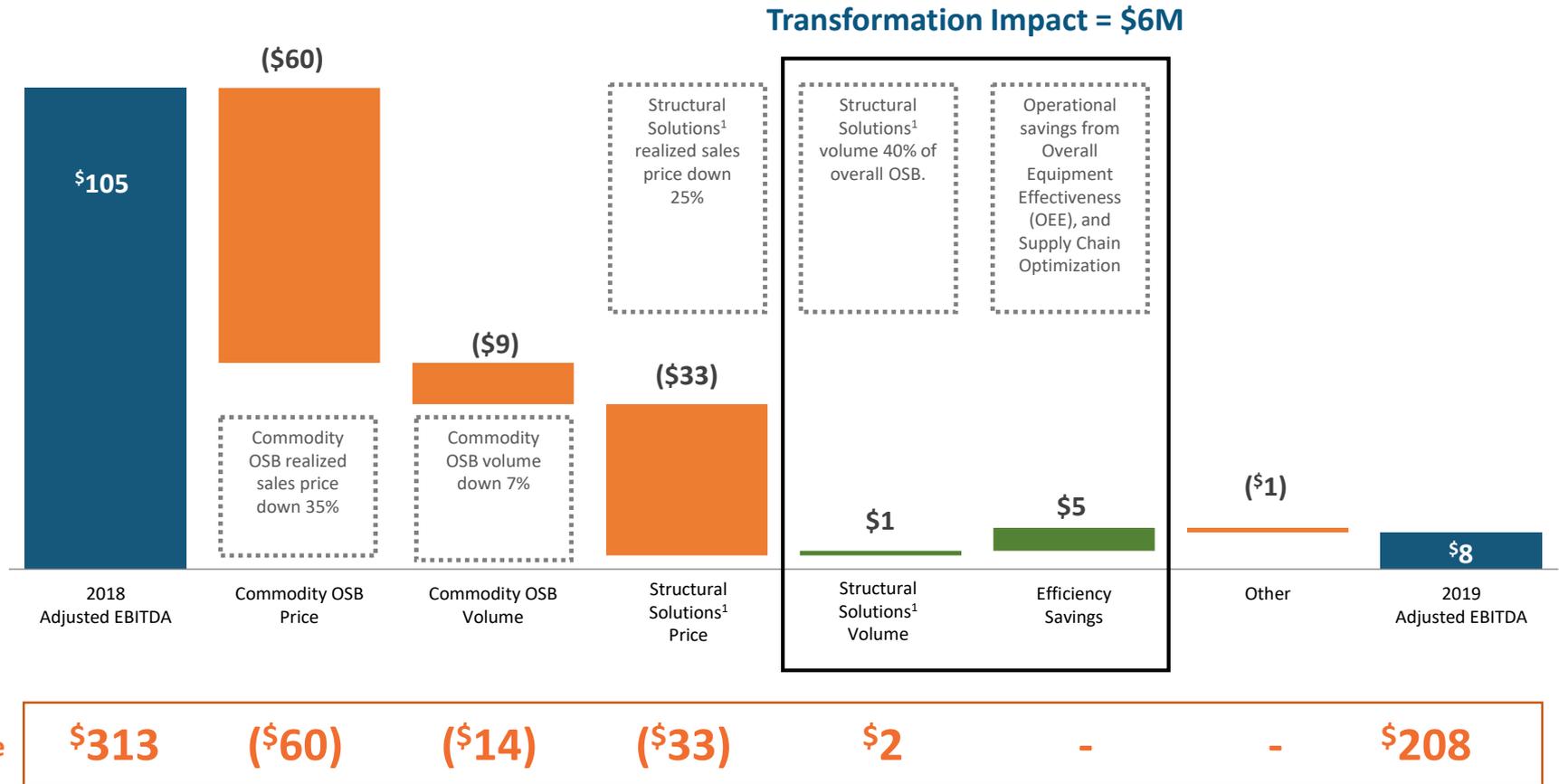
SIDING COMPARISON – Q1 2019 VERSUS Q1 2018

(\$ in millions)



OSB COMPARISON – Q1 2019 VERSUS Q1 2018

(\$ in millions)



¹ Formerly Value-Add OSB



FIRST QUARTER CASH FLOW

(\$ in millions)

	<u>2019</u>	<u>B / (W)</u>
Adjusted EBITDA	\$ 58	\$ (101)
Working Capital	(83)	34
Interest (Net)	(5)	2
Cash Taxes (Net)	(21)	(18)
Other Operating	(3)	(2)
Operating Cash Flow	<hr style="border-top: 1px solid black;"/> (54)	<hr style="border-top: 1px solid black;"/> (85)
Capex	(43)	-
Dividends	(17)	2
Share Buybacks	(438)	(438)
Other Investing & Financing	(5)	(5)
Net Change in Available Cash	<hr style="border-top: 1px solid black;"/> (557)	<hr style="border-top: 1px solid black;"/> (526)
Entekra Consolidation	40	40
Cash, cash equivalents and restricted cash	<hr style="border-top: 1px solid black;"/> \$ 375	<hr style="border-top: 1px solid black;"/> \$ (534)

2019 GUIDANCE

Capital investment

\$150M – \$180M

Strand Siding revenue growth

12-14%

OSB OEE improvement¹

1.7 pts

LONG-TERM TARGETS

Volume from Structural Solutions²

50%+

Annual Siding Strand revenue growth

12-14%

Overall Siding EBITDA margin

20%+

Percentage of cash flow from operations to be returned to shareholders in excess of capital expenditures to sustain our core business and grow Siding and Structural Solutions²

50%+

1. Each percentage point of OEE improvement will either generate additional profit of ~ \$6M (at cycle average OSB price of \$260 on 7/16" basis) or reduce manufacturing costs by ~ \$3M.
2. Formerly Value-add OSB

APPENDIX

SIDING

(\$ in millions)

	Q1 2019	Q1 2018
Sales	236	227
Operating income^a	33	36
Adj. EBITDA^b	42	45
Adj. EBITDA Margin	18%	20%
Percentage Changes:		
Sales		4%
Adj. EBITDA		(6)%
Volume:		
Smart Side - strand		8%
Smart Side - fiber		(5)%
OSB		(68)%
Price:		
Smart Side - strand		5%
Smart Side - fiber		8%
OSB		(49)%

^a Operating income equals sales less cost of sales and selling and administration associated with the segment.

^b Adjusted EBITDA from continuing operations

	Q1 2019	Q1 2018
Sales	208	313
Operating income^a	(8)	89
Adj. EBITDA^b	8	105
Adj. EBITDA Margin	4%	33%
Percentage Changes:		
Sales		(33)%
Adj. EBITDA		(92)%
Volume:		
OSB - Commodity		(7)%
OSB - Structural Solutions^c		2%
Price:		
OSB - Commodity		(35)%
OSB - Structural Solutions^c		(25)%

^a Operating income equals sales less cost of sales and selling and administration directly associated with the segment.

^b Adjusted EBITDA from continuing operations

^c Formerly Value-add OSB

EWP

(\$ in millions)

	Q1 2019	Q1 2018
Sales	90	106
Operating income^a	3	—
Adj. EBITDA^b	7	5
Adj. EBITDA Margin	8%	5%
Percentage Changes:		
Sales		(15)%
Adj. EBITDA		28%
Volume:		
LVL		(21)%
LSL		(9)%
I-Joist		(22)%
Price:		
LVL		5%
LSL		9%
I-Joist		5%

^a Operating income equals sales less cost of sales and selling and administration associated with the segment.

^b Adjusted EBITDA from continuing operations

LPSA

(\$ in millions)

	Q1 2019	Q1 2018
Sales	45	42
Operating income^a	8	9
Adj. EBITDA^b	10	11
Adj. EBITDA Margin	23%	26%
Percentage Changes:		
Sales		5%
Adj. EBITDA		(9)%
Volume:		
OSB		23%
Siding		(2)%
Price:		
OSB		(13)%
Siding		(3)%

^a Operating income equals sales less cost of sales and selling and administration associated with the segment.

^b Adjusted EBITDA from continuing operations

FIRST QUARTER EBITDA RECONCILIATION

(\$ in millions)

Quarter Ended March 31, 2019 (Dollar amounts in millions)	Siding	OSB	EWP	South America	Other	Corporate	Total
Net income (loss)	\$ 33	\$ (8)	\$ 3	\$ 8	\$ (4)	\$ (6)	\$ 26
Net loss attributable to non-controlling interest	—	—	—	—	—	—	—
Income (loss) from continuing operations attributable to LP	33	(8)	3	8	(3)	(6)	27
Provision for income taxes	—	—	—	—	—	7	7
Interest expense, net of capitalized interest	—	—	—	—	—	4	4
Depreciation and amortization	9	15	4	2	1	—	31
Stock-based compensation expense	1	1	—	—	—	1	2
Loss on sale or impairment of long-lived assets, net	—	—	—	—	—	1	1
Investment income	—	—	—	—	—	(5)	(5)
Other operating credits and charges, net	—	—	—	—	—	2	2
Other non-operating items	—	—	—	—	—	(11)	(11)
Adjusted EBITDA	<u>\$ 42</u>	<u>\$ 8</u>	<u>\$ 7</u>	<u>\$ 10</u>	<u>\$ (2)</u>	<u>\$ (7)</u>	<u>\$ 58</u>
Adjusted EBITDA Margin	18%	4%	8%	23%	-55%	NA	10%
Quarter Ended March 31, 2018 (Dollar amounts in millions)	Siding	OSB	EWP	South America	Other	Corporate	Total
Net income (loss)	\$ 36	\$ 89	\$—	\$ 9	\$ (6)	\$ (37)	\$ 91
Loss from discontinued operations before taxes	—	—	—	—	5	—	5
Benefit for income taxes	—	—	—	—	(1)	—	(1)
Income (loss) from continuing operations	36	89	—	9	(2)	(37)	95
Provision for income taxes	—	—	—	—	—	30	30
Interest expense, net of capitalized interest	—	—	—	—	—	4	4
Depreciation and amortization	9	15	5	2	—	—	31
Stock-based compensation expense	—	1	—	—	—	1	2
Gain on sale or impairment of long-lived assets, net	—	—	—	—	—	(1)	(1)
Investment income	—	—	—	—	—	(3)	(3)
Other non-operating items	—	—	—	—	—	1	1
Adjusted EBITDA	<u>\$45</u>	<u>\$105</u>	<u>\$5</u>	<u>\$11</u>	<u>\$ (2)</u>	<u>\$ (5)</u>	<u>\$159</u>
Adjusted EBITDA Margin	20%	33%	5%	26%	-75%	NA	23%