

Louisiana Pacific Corporation

Q1 2005 Financial Results

April 27, 2005

These slides were prepared and should be read in conjunction with a webcast presentation and earnings release by LP's management on April 27, 2005 relating to LP's financial condition and results of operations as of and for the quarter ended March 31, 2005. LP does not intend to update these slides. Accordingly, you should not assume that the information contained in these slides will continue to be accurate as of any date after April 27, 2005.

Forward Looking Statement

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

Statement relating to the Use of Non-GAAP Financial Measures

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

Financial Results – Quarterly

Dollars in millions, except per share amounts

	<u>Q1</u> <u>2005</u>	<u>Q4</u> <u>2004</u>	<u>Q1</u> <u>2004</u>
<u>Quarterly</u>			
Net sales	\$ 680	\$ 588	\$ 695
Income (loss) from continuing operations	\$ 104	\$ 16	\$ 112
Income (loss) from discontinued operations	\$ (2)	\$ (2)	\$ 5
Net income (loss)	\$ 102	\$ 14	\$107
Diluted EPS from continuing operations	\$ 0.93	\$ 0.16	\$1.03
Diluted EPS	\$ 0.91	\$ 0.13	\$0.98

Reconciliation of Special Items

	<u>Q1 2005</u>	<u>Q4 2004</u>	<u>Q1 2004</u>
Income (loss) from continuing operations	\$ 104	\$ 16	\$ 112
Less “special items”:			
(Gain) loss on sale or impairment of long-lived assets		6	10
Other operating credits and charges		4	7
Loss on early extinguishment of debt		<u>—</u>	<u>40</u>
		10	57
Provision (benefit) for income taxes		<u>4</u>	<u>(22)</u>
After tax effect of “special items”	<u>(1)</u>	<u>6</u>	<u>35</u>
Adjusted income from operations excluding “special items”	<u>\$103</u>	<u>\$ 22</u>	<u>\$ 147</u>
Adjusted income from operations excluding “special items” per diluted share	<u>\$0.93</u>	<u>\$0.20</u>	<u>\$1.34</u>

OSB

	<u>Q1 05</u>	<u>Q4 04</u>	<u>Q1 04</u>	<u>From Q4 04</u> <u>Change</u>	<u>From Q1 04</u> <u>Change</u>
Sales	\$ 416	\$ 320	\$457	30%	(9)%
Profit ^a	\$ 171	\$ 68	\$254	151%	(32)%
DDA	\$ 22	\$ 26	\$ 21		
Volume				(3)%	2
Price				36%	(11)%

^a Profit equals sales less cost of sales, depreciation, amortization and cost of timber harvested and selling and administration directly associated with the segment

Siding

	<u>Q1 05</u>	<u>Q4 04</u>	<u>Q1 04</u>	<u>From Q4 04</u> <u>Change</u>	<u>From Q1 04</u> <u>Change</u>
Sales	\$ 116	\$ 130	\$121	(11)%	(4)%
Profit ^a	\$ 4	\$ 5	\$ 13	(20)%	(67)%
DDA	\$ 5	\$ 4	\$ 5		
Volume:					
Smart Side				(12)%	(17)%
Vinyl				(14)%	(12)%
Hardboard				2%	(10)%
Price:					
Smart Side				3%	8%
Vinyl				(5)%	1%
Hardboard				5%	16%

^a Profit equals sales less cost of sales, depreciation, amortization and cost of timber harvested and selling and administration directly associated with the segment

Engineered Wood Products

	<u>Q1 05</u>	<u>Q4 04</u>	<u>Q1 04</u>	<u>From Q4 04</u> <u>Change</u>	<u>From Q1 04</u> <u>Change</u>
Sales	\$ 107	\$ 101	\$ 77	6%	37%
Profit ^a	\$ 6	\$ 4	\$ (1)	50%	722%
DDA	\$ 3	\$ 4	\$ 4		
Volume:					
LVL				8%	17%
I-Joist				7%	23%
Price:					
LVL				2%	22%
I-Joist				(2)%	16%

^a Profit equals sales less cost of sales, depreciation, amortization and cost of timber harvested and selling and administration directly associated with the segment

Other

	<u>Q1 05</u>	<u>Q4 04</u>	<u>Q1 04</u>	<u>From Q4 04</u> <u>Change</u>	<u>From Q1 04</u> <u>Change</u>
Sales	\$ 43	\$ 39	\$ 44	10%	(2)%
Profit ^a	\$ 6	\$ 5	\$ 4	20%	50%
DDA	\$ 2	\$ 2	\$ 2		
Volume:					
Moulding				6%	(4)%
Decking				30%	(8)%
Price:					
Moulding				(4)%	9%
Decking				10%	9%

^a Profit equals sales less cost of sales, depreciation, amortization and cost of timber harvested and selling and administration directly associated with the segment

Balance Sheet & Other Statistics

(in millions, except per share amounts)

	March 31, <u>2005</u>	December 31, <u>2004</u>
Total cash and investments	\$1,266	\$1,249
Working capital	\$1,238	\$1,164
Net debt	\$ (864)	\$ (845)
Capital expenditures YTD (includes JVs)	\$ 44	
Depreciation, amortization and cost of timber harvested (continuing operations)	\$ 34	
Book value per share	\$16.83	\$16.05

See appendix for reconciliations

Appendix

	<u>3/31/05</u>	<u>12/31/04</u>
<u>Calculation of "Working Capital":</u>		
Current assets	\$ 1,686	\$ 1,604
Current liabilities	<u>448</u>	<u>440</u>
Working capital	\$ <u>1,238</u>	\$ <u>1,164</u>
<u>Calculation of "Net Debt":</u>		
Long term debt	\$ 621	\$ 623
Current portion long term debt	178	178
Notes receivable from asset sales	(397)	(397)
Total cash and investments(see pg 13)	<u>(1,266)</u>	<u>(1,249)</u>
Net debt	\$ <u>(864)</u>	\$ <u>(845)</u>

Calculation of “Total Cash and Investments”:

	<u>3/31/05</u>	<u>12/31/04</u>
Restricted cash	\$ 66	\$ 66
Long-term investments	45	30
Short-term investments	581	608
Cash and cash equivalents	<u>574</u>	<u>545</u>
Total cash and investments	<u>\$1,266</u>	<u>\$1,249</u>

Glossary

- DDA -- depreciation, depletion (cost of timber harvested) and amortization
- OSB -- oriented strand board
- LVL -- laminated veneer lumber