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BUILDING PRODUCTS



Louisiana-Pacific Corporation

Q4 2009 Financial Results
February 10, 2010

These slides were prepared and should be read in conjunction with the earnings release by LP's management on February 10, 2010 relating to LP's financial condition and results of operations as of and for the quarter ended December 31, 2009. 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 February 10, 2010.

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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.

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

Dollar amounts in millions, except per share amounts

	Quarter Ended		
	December 31, 2009	September 30, 2009	December 31, 2008
Net sales	\$ 275	\$ 309	\$ 250
Income (loss) from continuing operations	\$ (47)	\$ (13)	\$ (340)
Net income (loss)	\$ (49)	\$ (13)	\$ (341)
Diluted EPS from continuing operations	\$ (0.38)	\$ (0.12)	\$ (3.30)
Diluted EPS	\$ (0.40)	\$ (0.12)	\$ (3.31)
Adjusted EBITDA from continuing operations	\$ (19)	\$ 11	\$ (37)
Tax rate on continuing operations	27%	45%	12%

Reconciliation of Special Items – Quarter

	<u>Q4 09</u>	<u>Q3 09</u>	<u>Q4 08</u>
Loss from continuing operations	\$ (47)	\$ (13)	\$ (340)
Less “special items”:			
(Gain) loss on sale or impairment of long-lived assets	-	(1)	(1)
Other operating credits and charges	9	(2)	23
Goodwill impairment	-	-	274
Loss on early debt extinguishment	21	-	-
Gain on sale of long term investments	(19)	-	-
Other than temporary impairment of investments	-	-	27
	<u>11</u>	<u>(3)</u>	<u>324</u>
Provision (benefit) for income taxes *	3	(1)	21
After tax effect of “special items”	8	(2)	303
Adjusted income (loss) from operations excluding “special items”	<u>\$ (39)</u>	<u>\$ (14)</u>	<u>\$ (37)</u>
Adjusted income (loss) from operations excluding “special items” per diluted share	<u>\$ (0.31)</u>	<u>\$ (0.14)</u>	<u>\$ (0.36)</u>

* The goodwill impairment in 2008 is not tax deductible and therefore is not adjusted as part of the tax provision for these “special items” listed above. Tax rate applied to each period is equivalent to actual tax rate realized in the given period

Financial Results – Annual

Dollar amounts in millions, except per share amounts

	Year Ended December 31,	
	2009	2008
Net sales	\$ 1,055	\$ 1,376
Loss from continuing operations	\$ (117)	\$ (565)
Net loss	\$ (121)	\$ (579)
Diluted EPS from continuing operations	\$ (1.07)	\$ (5.49)
Diluted EPS	\$ (1.12)	\$ (5.62)
Adjusted EBITDA from continuing operations	\$ (44)	\$ (155)
Tax rate on continuing operations	35%	26%

Reconciliation of Special Items – Year

Year Ended December 31,

2009

2008

Loss for continuing operations	\$	(117)	\$	(565)
Less “special items”:				
(Gain) loss on sale or impairment of long-lived assets		(3)		9
Other operating credits and charges, net		2		90
Goodwill impairment		-		274
Realized gain on sale of LT investments		(19)		-
Loss on early extinguishment of debt		21		-
Other than temporary impairment of investments		2		119
		<u>3</u>		<u>492</u>
Provision for income taxes *		1		89
After tax effect of “special items”		<u>2</u>		<u>403</u>
Adjusted income from operations excluding “special items”	\$	<u>(115)</u>	\$	<u>(163)</u>
Adjusted income from operations excluding “special items” per diluted share	\$	<u>(1.06)</u>	\$	<u>(1.58)</u>

* The goodwill impairment in 2008 is not tax deductible and therefore is not adjusted as part of the tax provision for these “special items” listed above. Tax rate applied to each period is equivalent to actual tax rate realized in the given period.

OSB

Dollar amounts in millions

	<u>Year End</u>				
	<u>Q4 09</u>	<u>Q3 09</u>	<u>Q4 08</u>	<u>2009</u>	<u>2008</u>
Sales	\$ 114	\$ 123	\$ 109	\$ 406	\$ 622
Profit (loss) ^a	\$ (17)	\$ (6)	\$ (31)	\$ (66)	\$ (155)
Adjusted EBITDA ^b	\$ (8)	\$ 4	\$ (22)	\$ (30)	\$ (104)
Percentage Changes:					
Sales		(7%)	4%		(35%)
Adjusted EBITDA		(284%)	63%		72%
<u>Volume</u>		(4%)	16%		(31%)
<u>Price</u>		(4%)	(5%)		(1%)

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

^b Adjusted EBITDA from continuing operations

Siding

Dollar amounts in millions

	<u>Q4 09</u>	<u>Q3 09</u>	<u>Q4 08</u>	<u>Year End</u>	
				<u>2009</u>	<u>2008</u>
Sales	\$ 86	\$ 111	\$ 76	\$ 374	\$ 424
Profit (loss) ^a	\$ 5	\$ 16	\$ (11)	29	3
Adjusted EBITDA ^b	\$ 9	\$ 21	\$ (7)	\$ 48	\$ 24

Percentage Changes:

Sales	(23%)	13%	(12%)
Adjusted EBITDA	(57%)	232%	102%

Volume

SmartSide	(26%)	19%	(8%)
Canexel	(3%)	(2%)	(20%)

Price

SmartSide	0%	6%	3%
Canexel	6%	25%	(4%)

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

^b Adjusted EBITDA from continuing operations

Engineered Wood Products

Dollar amounts in millions

	<u>Year End</u>				
	<u>Q4 09</u>	<u>Q3 09</u>	<u>Q4 08</u>	<u>2009</u>	<u>2008</u>
Sales	\$ 44	\$ 48	\$ 45	\$ 158	\$ 234
Profit (loss) ^a	\$ (9)	\$ (6)	\$ (12)	\$ (33)	\$ (40)
Adjusted EBITDA ^b	\$ (6)	\$ (3)	\$ (8)	\$ (21)	\$ (24)
Percentage Changes:					
Sales		(8%)	(2%)		(33%)
Adjusted EBITDA		(90%)	25%		14%
<u>Volume</u>					
IJ		(19%)	3%		(28%)
LVL/LSL		2%	39%		(18%)
<u>Price</u>					
IJ		3%	2%		(4%)
LVL/LSL		(5%)	(8%)		(7%)

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

^b Adjusted EBITDA from continuing operations

Balance Sheet and Other Statistics

Dollar amounts in millions, except per share amounts

	December 31, <u>2009</u>	December 31, <u>2008</u>
Total cash and investments	\$ 440	\$ 215
Working capital	\$ 535	\$ 371
Net cash (debt)	\$ 161	\$ (35)
Capital expenditures YTD (includes investments in JVs)	\$ 10	\$ 161
Book value per share	\$ 9.92	\$ 11.45

Appendix

Note: Refer to LP Form 8K filed on February 10, 2010 for the reconciliation of EBITDA from continuing operations and Adjusted EBITDA from continuing operations

Appendix

Dollar amounts in millions

	December 31, 2009	December 31, 2008
	<hr/>	<hr/>
<u>Calculation of "Working Capital"</u>		
Current assets	\$ 842	\$ 537
Current liabilities	(307)	(166)
Working capital	<u>\$ 535</u>	<u>\$ 371</u>
 <u>Calculation of "Net Debt"</u>		
Long-term debt	\$ (218)	\$ (240)
Limited recourse notes payable	(120)	(233)
Short-term notes payable	-	(2)
Current portion of long term debt	(60)	(8)
Current portion of limited recourse notes payable	(113)	(20)
Notes receivable from assets sales*	120	233
Current portion of notes receivable from assets sales*	113	20
Total cash and investments	440	215
Net cash and investments	<u>\$ 161</u>	<u>\$ (35)</u>
 <u>Calculation of "Total Cash and Investments"</u>		
Cash and cash equivalents	\$ 394	\$ 98
Short-term investments	-	21
Restricted cash	19	77
Long-term investments	26	19
Total cash and investments	<u>\$ 440</u>	<u>\$ 215</u>

* To the extent that the notes receivable equate to the limited recourse notes payable