



INVESTOR PRESENTATION

February 2020

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 financial or business condition of third-party wholesale distributors and dealers; 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; difficulties in the launch or production ramp-up of newly introduced products; unplanned interruptions to our manufacturing operations, such as explosions, fires, inclement weather, natural disasters, accidents, equipment failures, labor disruptions, and supply interruptions; changes in other significant operating expenses; changes in currency values and 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; warranty costs exceeding our warranty reserves; challenge or exploitations of our intellectual property or other proprietary information by others in the industry; changes in funding requirements of our defined benefit pension plans; 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; the costs, 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.

For additional information about factors that could cause actual results, events, and circumstances to differ materially from those described in the forward-looking statements, please refer to LP's filings with the Securities and Exchange Commission. Except as required by law, LP undertakes no obligation to update any such forward-looking statements to reflect new information, subsequent events or circumstances.

STATEMENT RELATING TO THE USE OF NON-GAAP FINANCIAL MEASURES

During the course of this presentation, certain non-GAAP financial measures will be presented. Non-GAAP financial measures should be considered only as a supplement to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the earnings release filed as an exhibit to LP's Current Report on Form 8-K filed with the Securities and Exchange Commission on February 11, 2020 and the Appendix of this presentation for a reconciliation of non-GAAP financial measures. It should be noted that other companies may present similarly titled measures differently, and therefore, such measures as presented by LP may not be comparable to similarly-titled measures reported by other companies.

LP's MISSION

**We help our customers build
beautiful, durable homes so that our
shareholders can build lasting value**

WHO IS LP?

- **Founded in 1973 (LPX)**
- **Proven leader in uniquely innovative building solutions**
- **Committed to stewardship of natural resources**
- **4,800 Employees**
- **26 Manufacturing Plants:**
 - 16 in the U.S.
 - 6 in Canada
 - 3 in Chile
 - 1 in Brazil



LP Locations

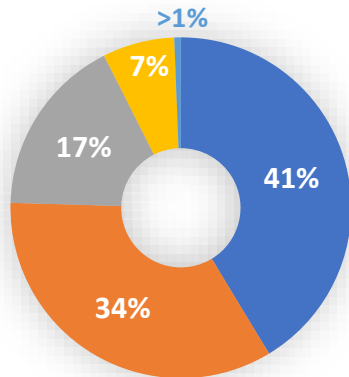
- **Oriented Strand Board (OSB)**
- **Administrative Offices**
- **Engineered Wood Products**
- **EWP Joint Ventures**
- **Sales/Marketing**
- **Siding**



LP IS A LEADER IN OUR MARKETS

Proven leader in engineered wood technologies with market-leading positions

2019 Sales by Segment



- Siding
- OSB
- EWP
- South America
- Other

Siding

- #1 producer of engineered wood siding
- Consistent growth above housing and R&R
- Stable earnings to fund dividend & expansion
- Growing presence in pre-finished siding



OSB

- Leading producer of value-add OSB
- Transcending commodity price volatility
- Cash generation to fund capital returns



Engineered Wood Products

- A leading supplier to dealers and two-step distribution



South America

- Dominant producer of OSB, Siding, and I-Joists
- Changing the way houses are built



Off Site Framing

- Disruptive innovation to addresses labor constraints
- Modesto facility will have 3,000-unit capacity



LP PORTFOLIO OF BUILDING SOLUTIONS

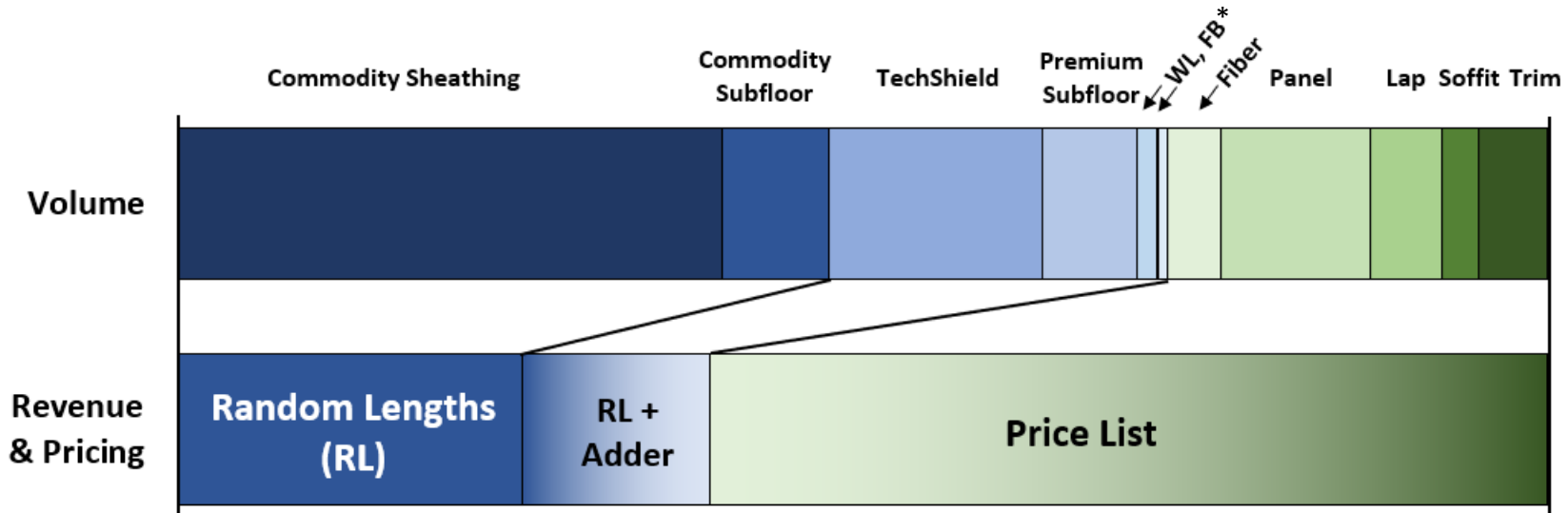


WE SOLVE PROBLEMS FOR OUR CUSTOMERS

- Our customers cite labor as a major constraint to building
- WeatherLogic and Prefinished SmartSide address this by combining multiple steps into a single system
- Entekra is innovating the building process with Fully Integrated Off-Site framing



LP VALUE SPECTRUM

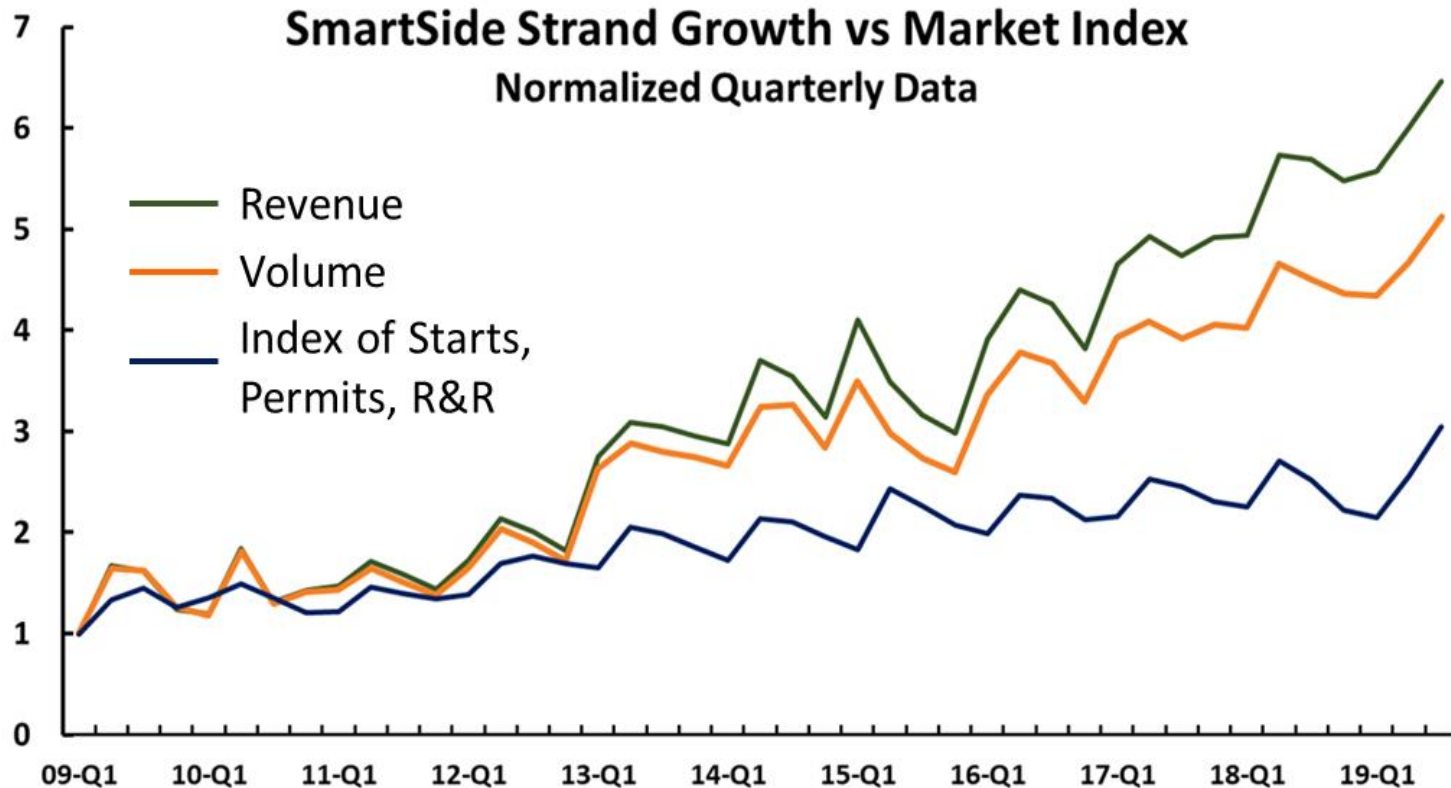


More Growth, Higher Prices, Higher Margins, More Stability

Our strategy is to convert commodity OSB to Structural Solutions, and ultimately to Siding

* WL = WeatherLogic, FB = FlameBlock

WE ARE GROWING SIDING ABOVE STARTS AND R&R WITH STABLE PRICES AND MARGINS



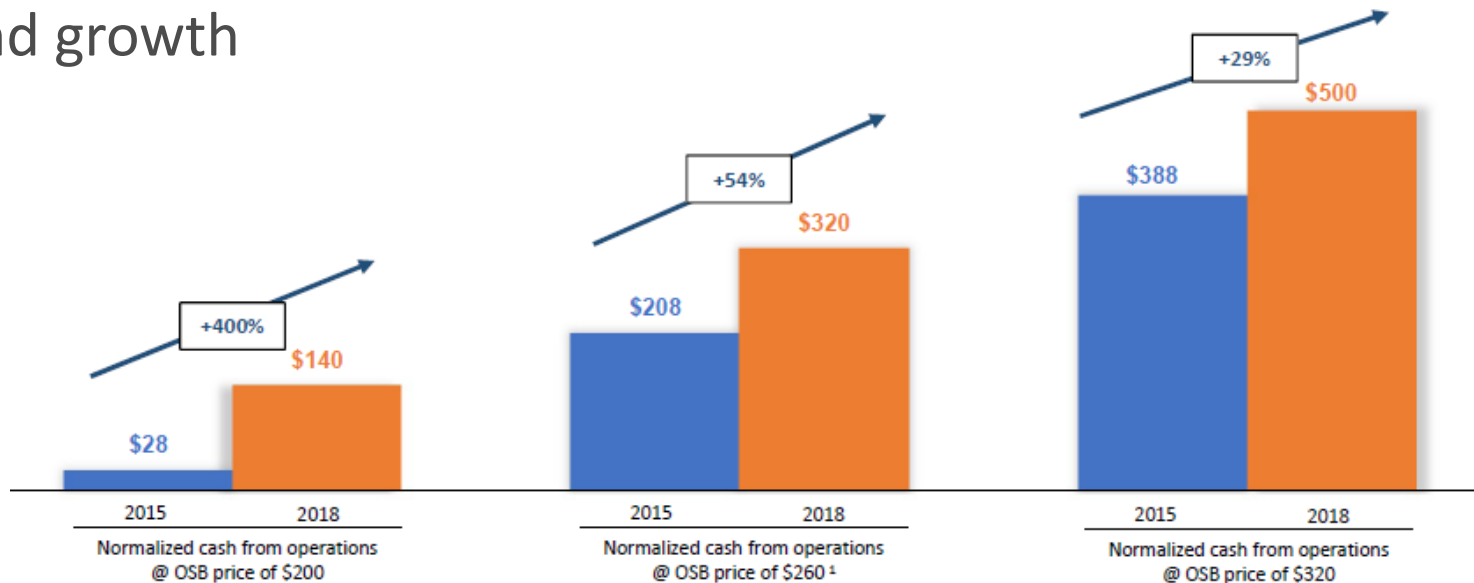
OSB - TRANSCENDING COMMODITY VOLATILITY

Metric	Q3 2015 → Q3 2019	
Manufacturing Capacity	↓	200 MMSF, ~15%
OSB Production	↓	100 MMSF, ~10%
Capacity Utilization Rate	↑	6 points
Structural Solutions as % Total Production	↑	5 points
Market Price (6-region Random Lengths Avg)	↓	\$4
LP Avg. Sales Price	↑	\$11
LP Cash COP	↓	\$2
Value of Transformation in Q3 2019 (Million)	↑	\$10+

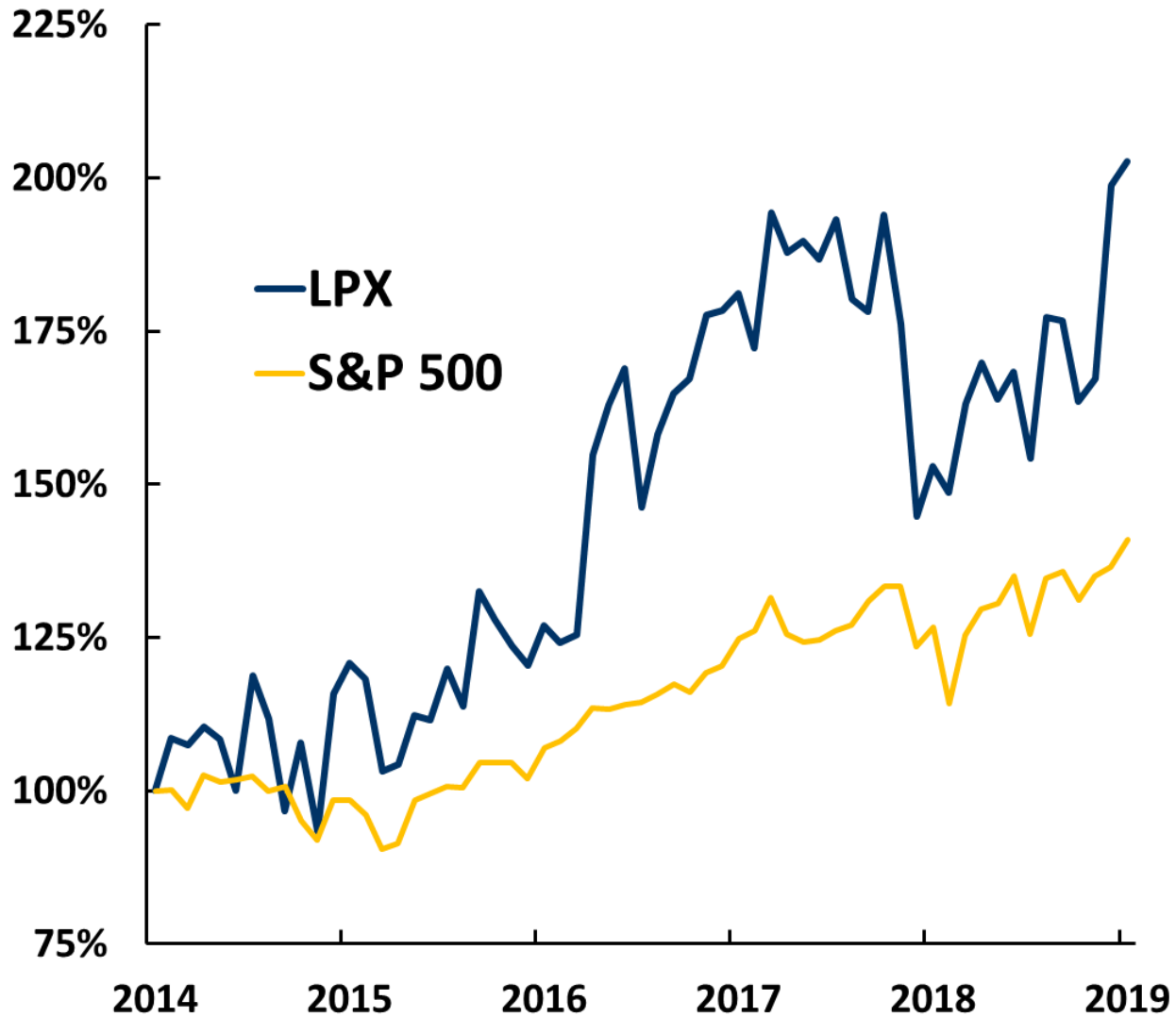
We are positioned well as demand improves, and our transformation makes us more robust to swings in housing starts and commodity prices

SHAREHOLDER-FOCUSED CAPITAL ALLOCATION

- \$638M share buyback and \$66M of dividends in 2019
- Transformation allows us to generate significant cash flow in a variety of macro environments
- Committed to returning at least 50% of cash flow from operations in excess of investments for maintenance capital and growth



LPX BEATS S&P 500 ON 1, 3, AND 5-YEAR BASIS



Source: Factset

LPX INVESTMENT THESIS

- A leader in our markets
- Innovating to solve problems for our customers
- Driving our products up the value spectrum
- Growing Siding above underlying market
- Transcending OSB commodity price volatility
- Deploying capital efficiently
- Generating returns above market

Q4 2019 HIGHLIGHTS

Q4 2019 HIGHLIGHTS

Growth in a Challenging Market

- 11% SmartSide Strand revenue growth for Q4
- 10% SmartSide Strand revenue growth for 2019
- 45% of OSB volume from Structural Solutions portfolio in Q4

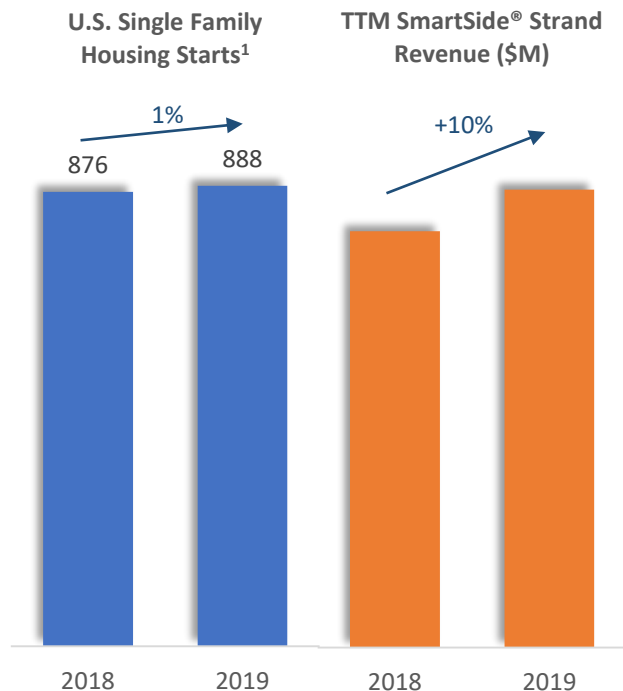
Operational Execution

- \$100M cash generated from operations in Q4
- OEE continues to exceed targets
- OSB efficiency drives positive EBITDA

Capital Allocation – Phase 1 Complete, Phase 2 Underway

- Share buyback completed in Q4
- \$700M returned to shareholders in 2019
- \$0.145 dividend declared, a seven percent increase
- Authorized additional \$200M share repurchase program

TRANSFORMATION



SmartSide Strand Growth (Full Year)

Full Year 2019 vs 2018

Segment	Growth	Efficiency	Total
Siding	\$19	\$13	\$32
OSB	\$9	\$23	\$32
EWP & LPSA	-	\$4	\$4
2019 EBITDA Impact	\$28	\$40	\$68
2021 EBITDA Target ²	\$90	\$75	\$165

¹ U.S. housing starts data from U.S. Census Bureau as reported on January 17, 2020

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

FINANCIAL PERFORMANCE

(\$ in millions, except per share amount)

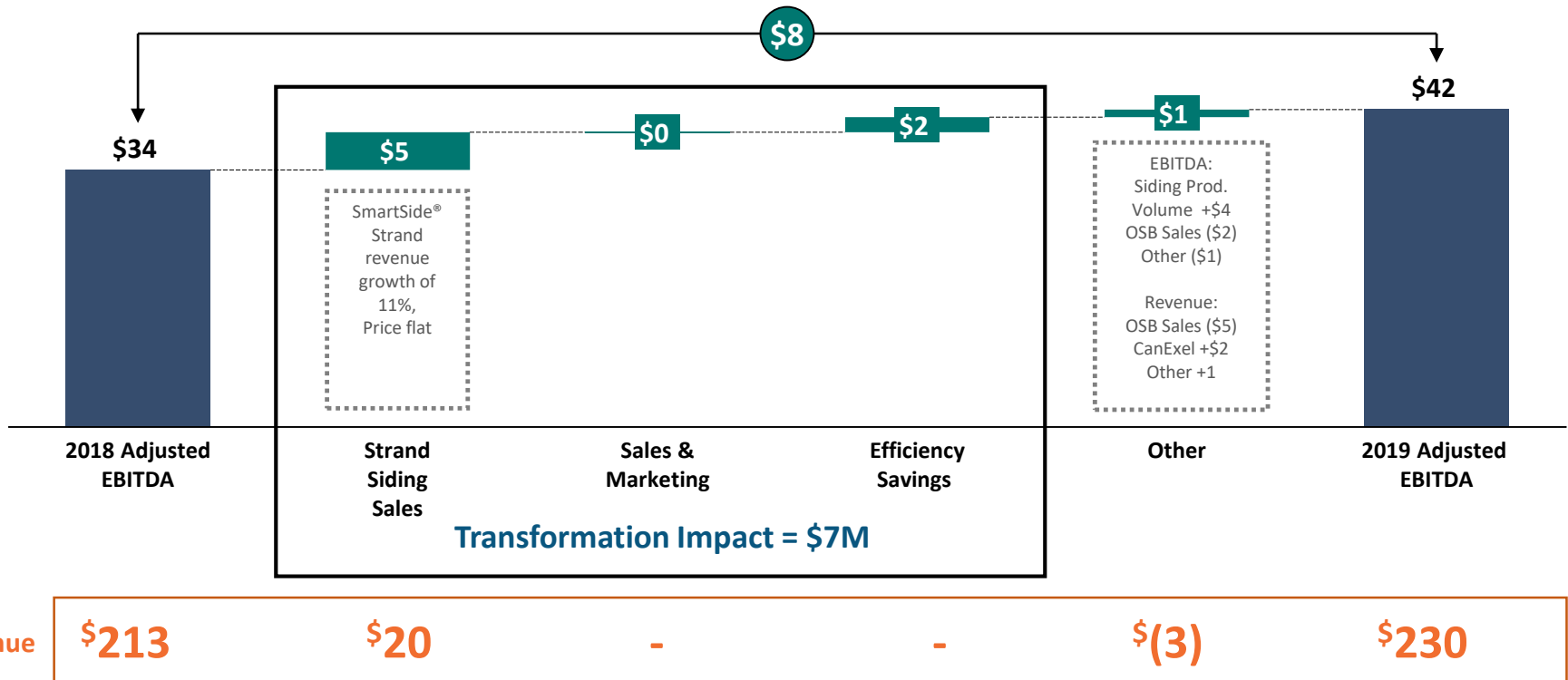
(\$ in millions, except per share amount)	Quarter Ended Dec. 31		Year Ended Dec. 31	
	2019	B/(W) 2018	2019	B/(W) 2018
Sales	\$ 537	\$ (52)	\$ 2,310	\$ (518)
Cost of sales	(467)	28	(2,007)	77
Gross profit	70	(24)	303	(441)
Selling, general, and administrative	(58)	(1)	(230)	(21)
Impairments	(86)	(75)	(92)	(81)
Other charges and credits	1	10	(1)	(3)
Income from operations	(73)	(90)	(20)	(546)
Non-operating income (expense)	(5)	(6)	(3)	(1)
Provision for taxes	26	26	13	135
Income from continuing operations	(52)	(69)	(10)	(409)
Discontinued operations	—	—	—	4
Loss attributed to noncontrolling interest	1	1	5	5
Net income attributed to LP	\$ (51)	\$ (68)	\$ (5)	\$ (400)
Diluted EPS from continuing operations	\$ (0.44)	\$ (0.56)	\$ (0.04)	\$ (2.77)
Adjusted Diluted EPS	\$ 0.05	\$ (0.14)	\$ 0.37	\$ (2.38)
Average Shares Outstanding - Diluted	115	(26)	123	(21)

REVENUE AND EBITDA BY SEGMENT

(\$ in millions)	Q1	Q2	Q3	Q4	YTD 2019	B/(W) Q4 2018	B/(W) YTD 2018
Sales							
Siding	\$ 236	\$ 238	\$ 259	\$ 230	\$ 963	\$ 17	\$ 21
OSB	208	200	197	172	777	(83)	(528)
EWP	90	108	105	93	396	13	(13)
South America	45	40	36	38	159	(1)	(2)
Other	4	5	7	4	20	2	9
Intersegment	(2)	(2)	(1)	-	(5)	-	(5)
	\$ 581	\$ 589	\$ 603	\$ 537	\$ 2,310	\$ (52)	\$ (518)
Adjusted EBITDA							
Siding	\$ 42	\$ 46	\$ 47	\$ 42	\$ 177	\$ 8	\$ (25)
OSB	8	(3)	(1)	6	10	(28)	(415)
EWP	7	10	6	3	26	3	-
South America	10	9	7	8	34	-	(6)
Other	(2)	(2)	(4)	(3)	(11)	(1)	(3)
Unallocated	(7)	(7)	(6)	(7)	(27)	2	(2)
	\$ 58	\$ 53	\$ 49	\$ 49	\$ 209	\$ (16)	\$ (451)

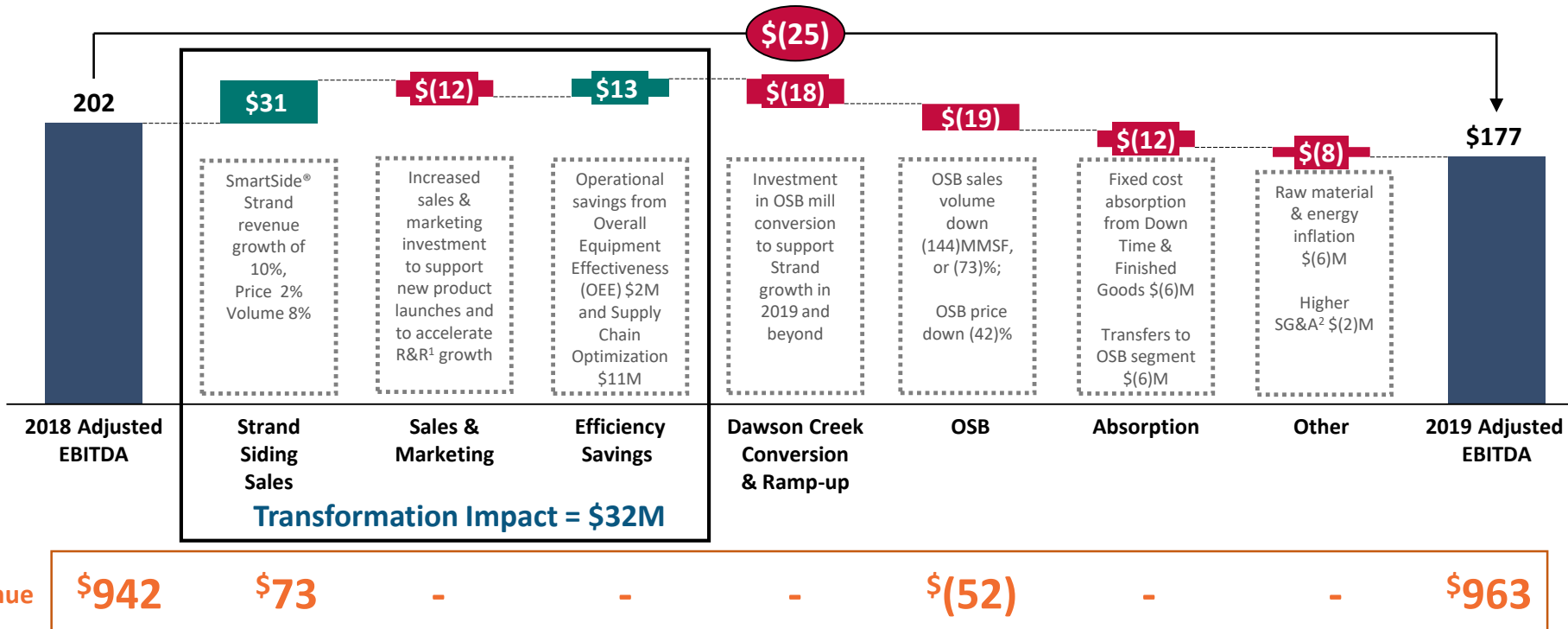
SIDING – Q4 2019 VS 2018

(\$ in millions)



SIDING - FY 2019 VS 2018

(\$ in millions)

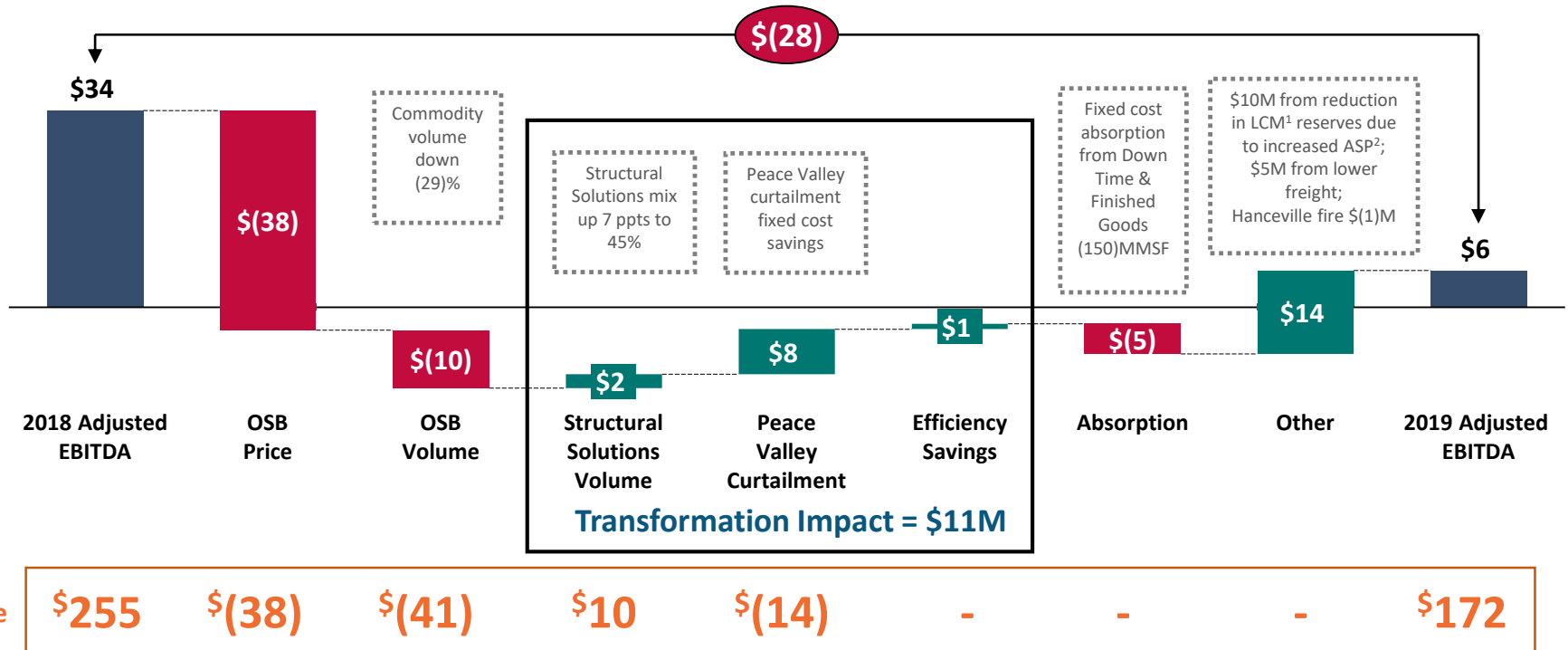


¹ Repair & Remodel

² Sales, General & Administrative

OSB - Q4 2019 VS 2018

(\$ in millions)

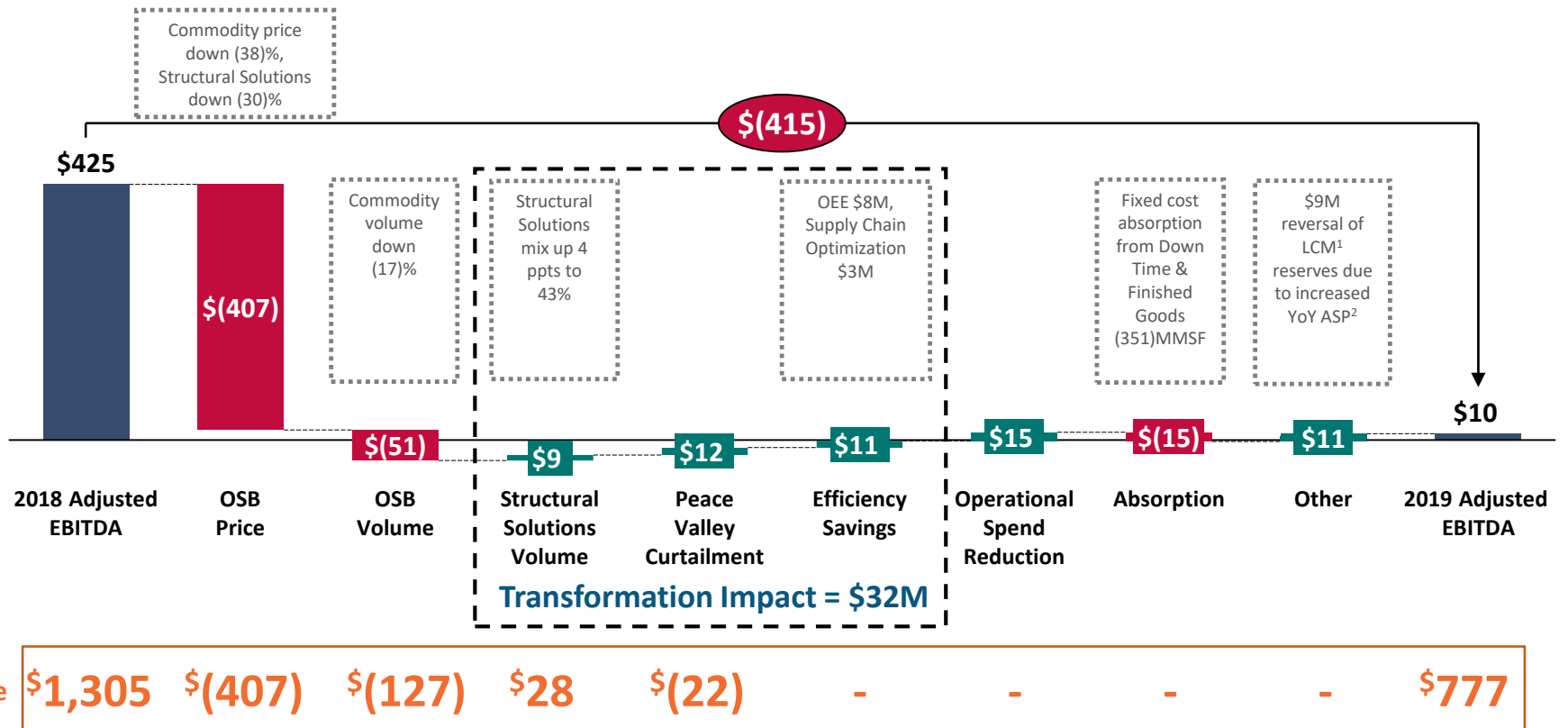


¹ Lower of Cost or Market

² Average Sales Price

OSB – FY 2019 VS 2018

(\$ in millions)



¹ Lower of Cost or Market

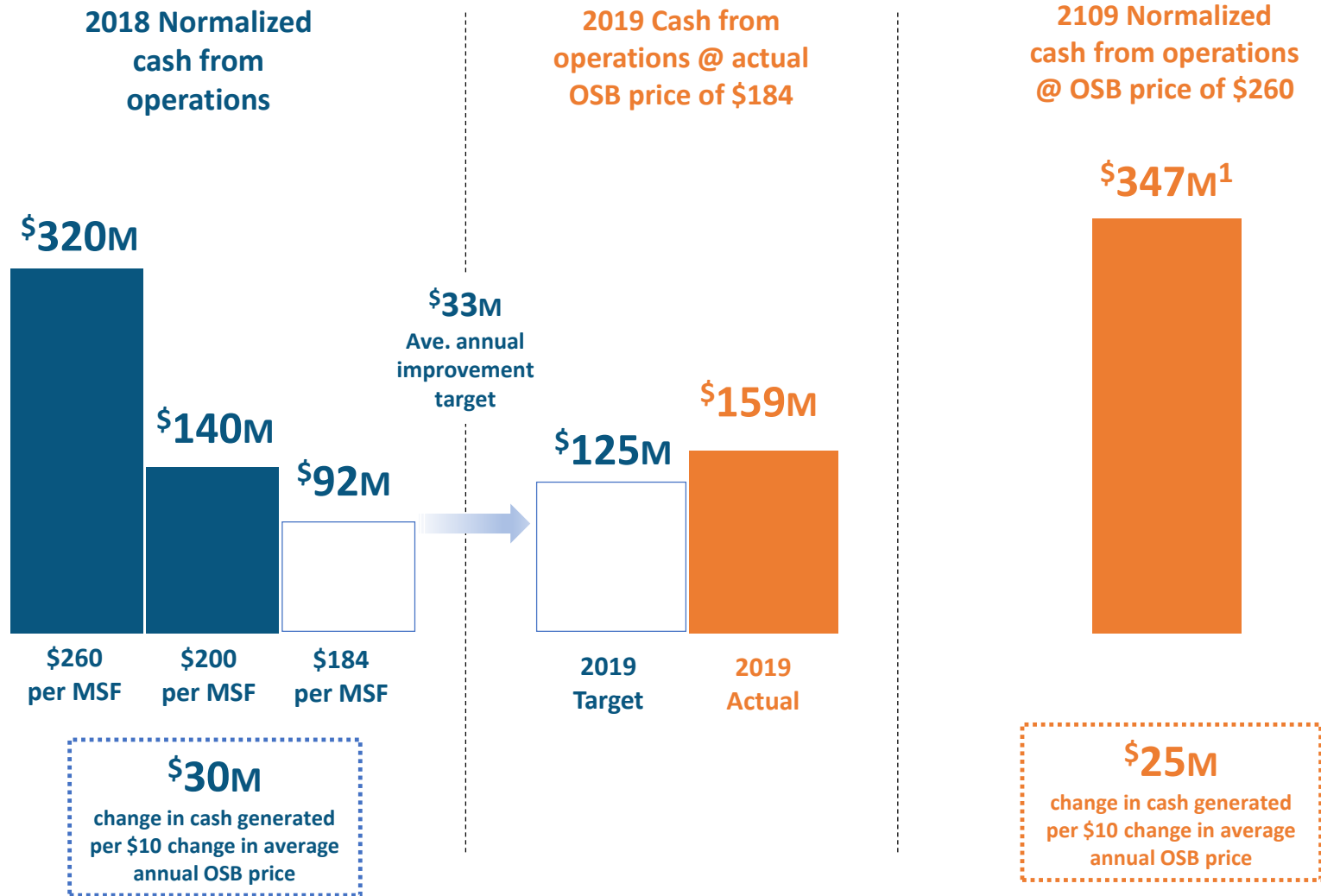
² Average Sales Price

CASH FLOW

(\$ in millions)

	2019	B/(W) 2018	2019	B/(W) 2018
Beginning cash, cash equivalents and restricted cash	\$ 318	\$ (682)	\$ 892	\$ (49)
Adjusted EBI TDA	49	(16)	209	(451)
Working Capital	45	12	(27)	(10)
Interest (net)	(3)	(7)	(10)	(12)
Cash taxes (net)	9	25	(16)	74
Other operating	0	(6)	3	47
Operating cash flow	100	8	159	(352)
Cap Ex	(44)	20	(163)	51
Dividends	(16)	2	(65)	9
Share buybacks	(158)	(45)	(638)	(426)
Business acquisitions & investments in unconsolidated affiliates	(3)	(3)	(13)	32
Other investing and financing	(2)	2	(17)	(3)
Net change in available cash	(123)	(24)	(737)	(689)
Entekra consolidation	-	-	40	40
Ending cash, cash equivalents and restricted cash	\$ 195	\$ (698)	\$ 195	\$ (698)

CASH FLOW TRANSFORMATION



1. Calculated as 2019 cash flow from operations of \$159m, plus \$188m after-tax impact of OSB prices at 7/16" cycle average (instead of 2019 realized price). The \$188m of after-tax OSB price impact is calculated as the difference between 2019 7/16" OSB price of \$184 / MSF and cycle average 7/16" OSB price of \$260 / MSF (\$76 / MSF difference) multiplied by LP's 7/16" basis sales volume of 3.3BSF and taxed at 25%.

2020 GUIDANCE

Capital investment

\$130M - \$140M

Strand Siding revenue growth

10 - 12%

LONG-TERM TARGETS

Growth & Efficiency Gains over 3 years

\$165M

Volume from Structural Solutions

50%+

Annual Siding Strand revenue growth

10 - 12%

Overall Siding EBITDA margin

20%+

Phase II of Capital Allocation Plan:

Return to shareholders 50% of cash flow from operations in excess of capital expenditures to sustain core business and grow Siding and Structural Solutions

50%+

APPENDIX

ENTEKRA VIDEO

