



**BUILDING  
SOLUTIONS**

**Q4 and FY 2023 Earnings Presentation**

February 14, 2024

# 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. These statements are based upon the beliefs and assumptions of, and on information available to, our management; assumptions upon which such forward-looking statements are based are also forward-looking statements. The following statements are or may constitute forward-looking statements: (1) statements preceded by, followed by or that include words like "may," "will," "could," "should," "believe," "expect," "anticipate," "intend," "plan," "estimate," "project," "target," "potential," "continue," "likely," or "future" or the negative or other variations thereof and (2) other statements regarding matters that are not historical facts, including without limitation, plans for product development, forecasts of future costs and expenditures, possible outcomes of legal proceedings, capacity expansion, and other growth initiatives, the adequacy of reserves for loss contingencies, and any statements regarding the Company's financial outlook. 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 and global economic conditions, including impacts from global pandemics, rising inflation, supply chain disruptions, and new or ongoing military conflicts including the conflict between Russia and Ukraine and the conflict in Israel and the surrounding areas; the commodity nature of a segment of our products and the prices for those products, which are determined in significant part by external factors such as total industry capacity and wider industry cycles affecting supply and demand trends changes in the cost and availability of capital; changes in the cost and availability of financing for home mortgages; changes in the level of home construction and repair and remodel 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 conditions of third-party wholesale distributors and dealers of building products; changes in the relationship between the supply of and demand for raw materials, including wood fiber and resins, used in manufacturing our products; changes in the cost and availability of energy, primarily natural gas, electricity, and diesel fuel; changes in the cost and availability of transportation, including transportation services provided by third parties; our dependence on third-party vendors and suppliers for certain goods and services critical to our business; operational and financial impacts from manufacturing our products internationally; difficulties in the development, launch or production ramp-up of new products; our ability to attract and retain qualified executives, management and other key employees; the need to formulate and implement effective succession plans from time to time for key members of our management team; impacts from public health issues (including global pandemics) on the economy, demand for our products or our operations, including the actions and recommendations of governmental authorities to contain such public health issues; our ability to identify and successfully complete and integrate acquisitions, divestitures, joint ventures, capital investments and other corporate strategic transactions; unplanned interruptions to our manufacturing operations, such as explosions, fires, inclement weather, natural disasters, accidents, equipment failures, labor shortages or disruptions, transportation interruptions, supply interruptions, public health issues (including pandemics and quarantines), riots, civil insurrection or social unrest, looting, protests, strikes, and street demonstrations; changes in global or regional climate conditions, the impacts of climate change, and potential government policies adopted in response to such conditions; 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, Chilean peso, and Argentine peso; changes in, and compliance with, general and industry-specific laws and regulations, including environmental and health and safety laws and regulations, the U.S. Foreign Corrupt Practices Act and anti-bribery laws, laws related to our international business operations, and changes in building codes and standards; changes in tax laws and interpretations thereof; changes in circumstances giving rise to environmental liabilities or expenditures; warranty costs exceeding our warranty reserves; challenges to or exploitation of our intellectual property or other proprietary information by our competitors or other third parties; the resolution of existing and future product-related litigation, environmental proceedings and remediation efforts, and other legal or environmental proceedings or matters; the effect of covenants and events of default contained in our debt instruments; 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; cybersecurity events affecting our information technology systems or those of our third-party providers and the related costs and impact of any disruption on our business; and acts of public authorities, war, political or civil unrest, natural disasters, fire, floods, earthquakes, inclement weather, and other matters beyond our 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 (SEC). We urge you to consider all of the risks, uncertainties, and factors identified above or discussed in such reports carefully in evaluating the forward-looking statements in this news release. We cannot assure you that the results reflected in or implied by any forward-looking statement will be realized or even if substantially realized, that those results will have the forecasted or expected consequences and effects for or on our operations or financial performance. The forward-looking statements made today are as of the date of this news release. 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 14, 2024, 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.



## HIGHLIGHTS

# OTHER KEY POINTS

## Liquidity

- Ending cash \$222M
- Full availability of \$550M credit facility
- \$772M in total liquidity at year end

## Capacity to Enable Growth

- Sagola, Mich. Siding Conversion (Q1 2023)
- Wawa, Ontario (Q2 2023)
- Bath, N.Y. Prefinish (Q4 2023)

## Outstanding Safety

- 2023 TIR 0.5

# Q4 2023 Financial Results

**\$658M**

Net Sales  
(7)%

**\$129M**

Adj. EBITDA<sup>1</sup>  
29%

**\$159M**

Op. CF  
\$118M

**\$0.71**

Adj. EPS<sup>1</sup>  
\$0.10

**(14)%**

Siding Growth

**\$17M**

OSB Price Impact  
11%

**\$17M**

Dividends

**\$64M**

Capital Expenditures

# FY 2023 Financial Results

**\$2.6B**

Net Sales  
(33)%

**\$478M**

Adj. EBITDA<sup>1</sup>  
(66)%

**\$316M**

Op. CF  
\$(828)M

**\$3.22**

Adj. EPS<sup>1</sup>  
\$(8.55)

**(10)%**

Siding Growth

**\$(793)M**

OSB Price Impact  
(41)%

**\$69M**

Dividends

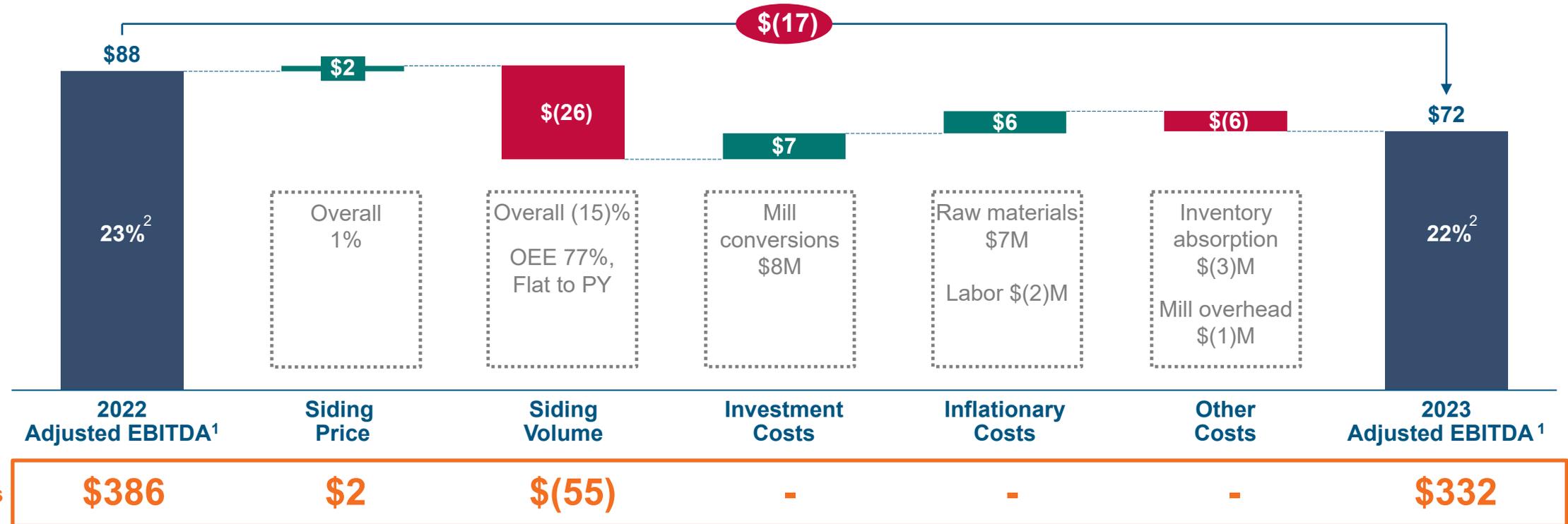
**\$300M**

Capital Expenditures

<sup>1</sup> This is a non-GAAP financial measure. See "Statement Relating to the Use of Non-GAAP Financial Measures" and "Reconciliation of Net Income to Non-GAAP Adjusted EBITDA" and "Reconciliation of Net Income to Non-GAAP Adjusted Income and Adjusted Diluted EPS"

# SIDING – Q4 2023 VS. Q4 2022

(\$ in millions)

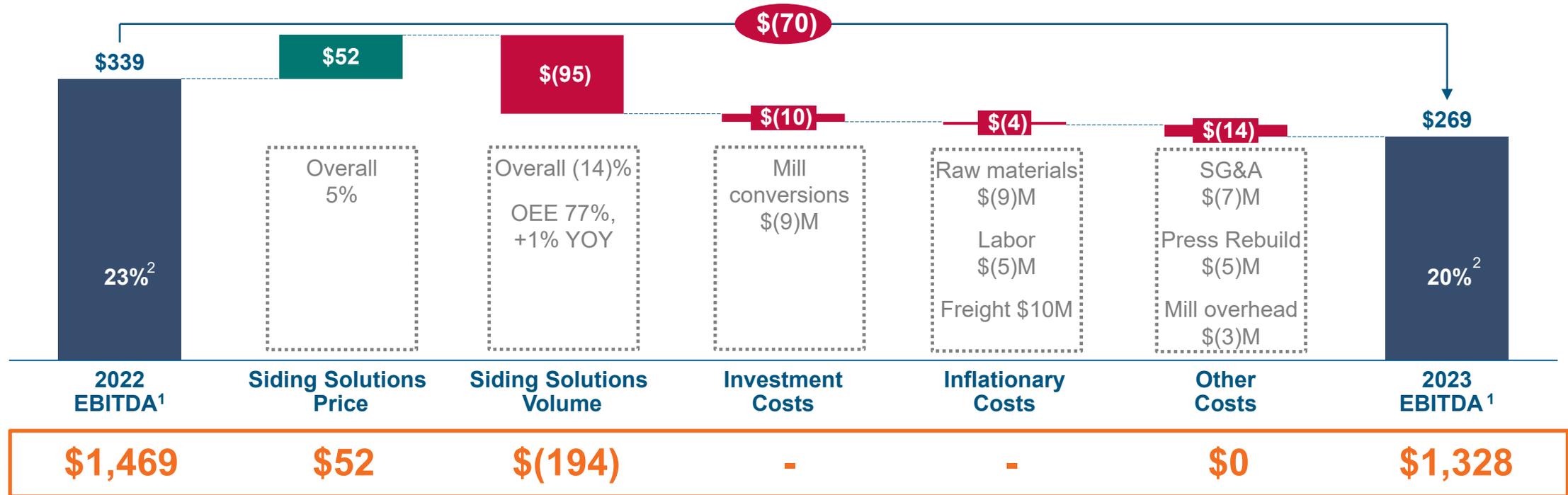


<sup>1</sup> This is a non-GAAP financial measure. See "Statement Relating to the Use of Non-GAAP Financial Measures" and "Reconciliation of Net Income to Non-GAAP Adjusted EBITDA."

<sup>2</sup> This is a non-GAAP financial measure and is calculated as Adjusted EBITDA<sup>1</sup> divided by net sales.

# SIDING – FY 2023 VS. FY 2022

(\$ in millions)

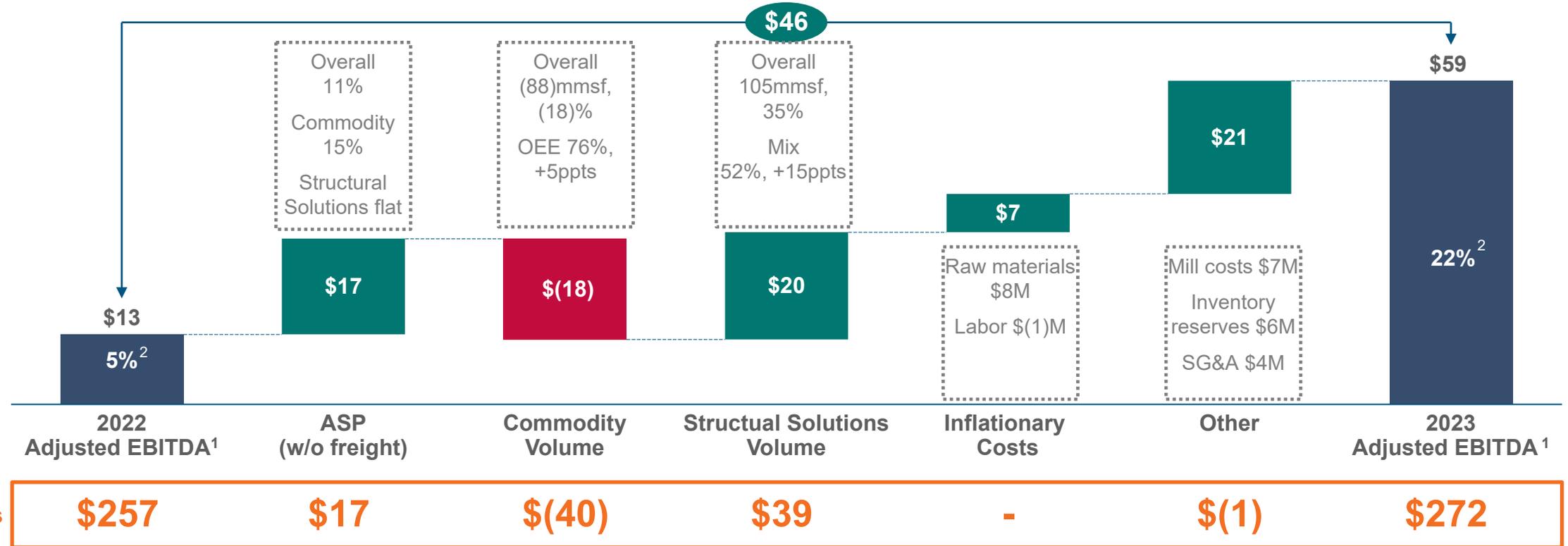


<sup>1</sup> This is a non-GAAP financial measure. See "Statement Relating to the Use of Non-GAAP Financial Measures" and "Reconciliation of Net Income to Non-GAAP Adjusted EBITDA."

<sup>2</sup> This is a non-GAAP financial measure and is calculated as Adjusted EBITDA<sup>1</sup> divided by net sales.

# OSB – Q4 2023 VS. Q4 2022

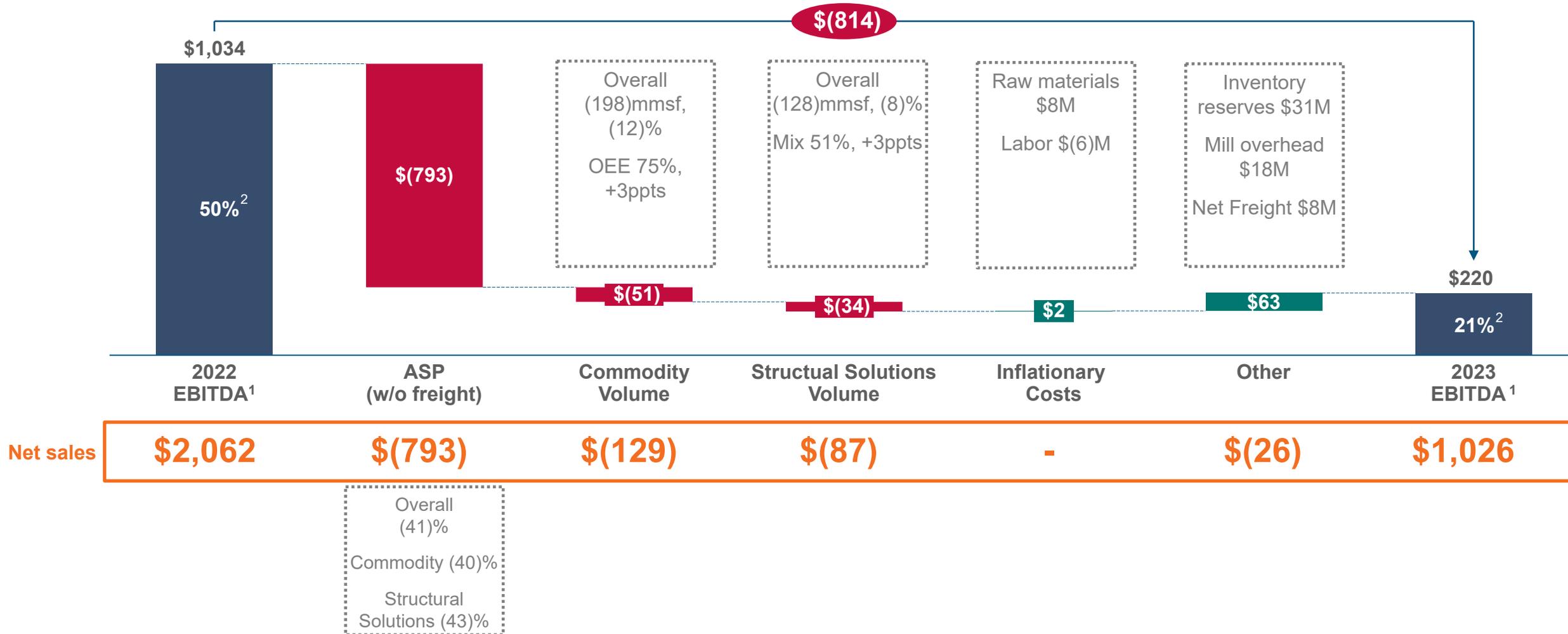
(\$ in millions)



1 This is a non-GAAP financial measure. See "Statement Relating to the Use of Non-GAAP Financial Measures" and "Reconciliation of Net Income to Non-GAAP Adjusted EBITDA."  
 2 This is a non-GAAP financial measure and is calculated as Adjusted EBITDA<sup>1</sup> divided by net sales.

# OSB – FY 2023 VS. FY 2022

(\$ in millions)



1 This is a non-GAAP financial measure. See "Statement Relating to the Use of Non-GAAP Financial Measures" and "Reconciliation of Net Income to Non-GAAP Adjusted EBITDA."

2 This is a non-GAAP financial measure and is calculated as Adjusted EBITDA<sup>1</sup> divided by net sales.

# CASH FLOW

(\$ in millions)

	Quarter Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
<b>Beginning cash</b>	\$ 160	\$ 482	\$ 383	\$ 371
Adjusted EBITDA <sup>1</sup> from continuing operations	129	100	478	1,389
Adjusted EBITDA <sup>1</sup> from discontinued operations	—	—	—	95
Adjusted EBITDA <sup>1</sup> with discontinued operations	<b>129</b>	<b>100</b>	<b>478</b>	<b>1,484</b>
Change in Working Capital	41	29	(93)	(19)
Interest (net)	7	—	3	(14)
Cash taxes (net)	(16)	(78)	(65)	(320)
Other operating	(2)	(10)	(7)	13
<b>Operating cash flow</b>	<b>159</b>	<b>41</b>	<b>316</b>	<b>1,144</b>
Capital expenditures	(64)	(133)	(300)	(414)
Purchase of stock	—	—	—	(900)
Payment of cash dividends	(17)	(16)	(69)	(69)
Acquisition of facility assets	—	—	(80)	—
Proceeds from divestiture of business	—	—	—	268
Proceeds from sales of assets	—	3	9	—
Borrowing of debt, net	—	—	—	—
Other investing and financing	(16)	5	(36)	(18)
<b>Net change in cash</b>	<b>62</b>	<b>(99)</b>	<b>(161)</b>	<b>12</b>
<b>Ending cash</b>	<b>\$ 222</b>	<b>\$ 383</b>	<b>\$ 222</b>	<b>\$ 383</b>

<sup>1</sup> This is a non-GAAP financial measure. See "Statement Relating to the Use of Non-GAAP Financial Measures" and "Reconciliation of Net Income to Non-GAAP Adjusted EBITDA."

# 2024 Guidance and Sensitivities

Siding Growth and Margin	Full Year	1 <sup>st</sup> Quarter
Siding Revenue	~ \$1.45B (+8-10% growth)	\$340-350M (+3-5% growth)
Siding Adjusted EBITDA <sup>1</sup>	\$280-300M (~20% margin <sup>5</sup> )	\$65-70M (~20% margin <sup>5</sup> )
<b>OSB Cycle Average Annual Adjusted EBITDA <sup>1,2</sup> : (\$60 EBITDA / MSF) x (4 BSF Capacity) x (~85% Capacity Utilization) ≈ \$200M</b>		
OSB Adjusted EBITDA <sup>1,2,3</sup>	\$215-225M	\$65-75M
<b>Total LP Adjusted EBITDA <sup>1,2,3,4</sup></b>	<b>\$495-525M</b>	<b>\$130-145M</b>

Adjusted EBITDA <sup>1</sup> Sensitivities	Change	Annual Adjusted EBITDA <sup>1</sup> Impact
Siding Volume	+/- 10 MMSF	+/- \$4M
OSB Volume	+/- 10 MMSF	+/- \$2M
OSB Price	+/- 10 \$/MSF	+/- \$34M

Capital Expenditures	
Growth	\$50-60M
Sustaining Maintenance	\$150-160M
Total	\$200-220M

(1) This is a non-GAAP financial measure. Reconciliation of Siding Adjusted EBITDA, OSB Adjusted EBITDA, and Consolidated Adjusted EBITDA guidance to the closest corresponding GAAP measure on a forward-looking basis is not available without unreasonable efforts. Our inability to reconcile these measures results from the inherent difficulty in forecasting generally and quantifying certain projected amounts that are necessary for such reconciliation. In particular, sufficient information is not available to calculate certain adjustments required for such reconciliation, such as business exit charges, product-line discontinuance charges, other operating credits and charges, net, loss on early debt extinguishment, investment income, and other non-operating items, that would be required to be included in the comparable forecasted U.S. GAAP measures. The Company expects that these adjustments may potentially have a significant impact on future GAAP financial results.

(2) We determine the cycle average for OSB Adjusted EBITDA by dividing the sum of the full year 2013 through 2020 and 2023 OSB Adjusted EBITDA by total OSB sales volume over the same periods to determine the average Adjusted EBITDA per thousand square feet on a 3/8 basis ("Average Adjusted EBITDA/msf"). The Average Adjusted EBITDA/msf is multiplied by the total OSB production capacity multiplied by 85%, the average capacity utilization over the same period.

(3) For purposes of calculating the full year 2024 OSB Adjusted EBITDA and full year 2024 consolidated Adjusted EBITDA amounts in the table above, the second quarter through the fourth quarter of 2024 Adjusted EBITDA is assumed to be at our cycle average run rate.

(4) For purposes of calculating the fourth quarter of 2024 and full year 2024 consolidated Adjusted EBITDA, LPSA Adjusted EBITDA fully offsets Corporate and Other Adjusted EBITDA.

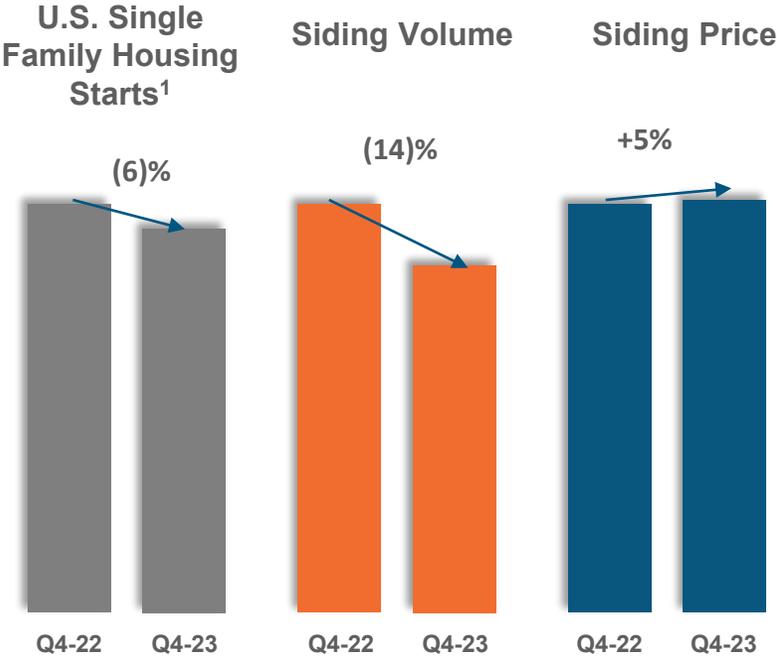
(5) This is a non-GAAP financial measure and is calculated as Adjusted EBITDA<sup>1</sup> divided by net sales.



# APPENDIX

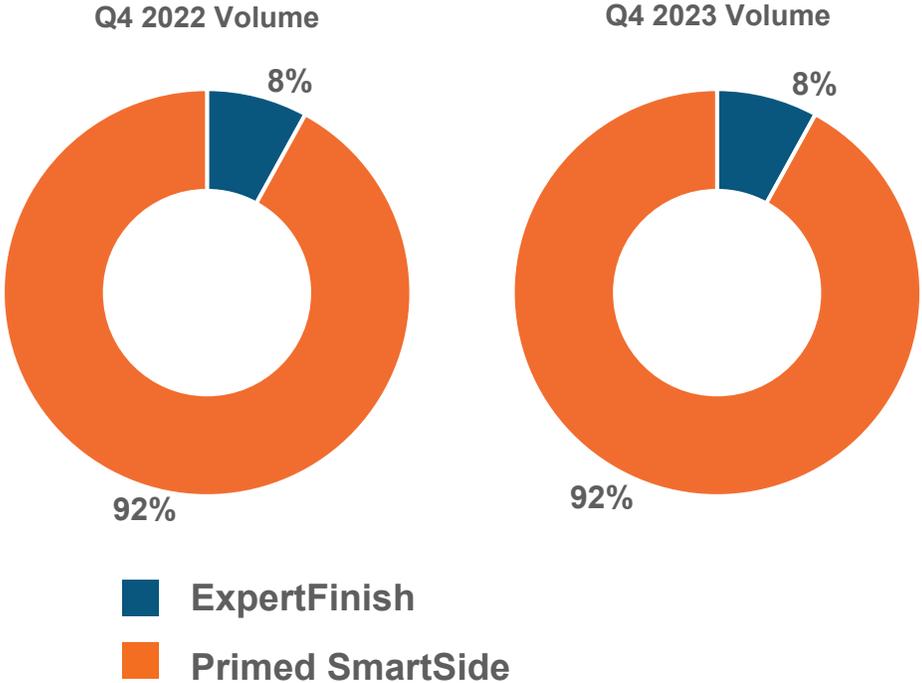
# SIDING GROWTH AND INNOVATION

## Growth (TTM)



<sup>1</sup> Actual U.S. housing starts data from U.S. Census Bureau as reported on January 18, 2024.

## Q4 Innovation Mix



# FINANCIAL PERFORMANCE

(\$ in millions, except per share amounts)

	Quarter Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
<b>Sales</b>	\$ 658	\$ 705	\$ 2,581	\$ 3,854
Cost of sales	(499)	(577)	(1,988)	(2,355)
Gross profit	159	128	593	1,498
SG&A	(66)	(68)	(257)	(264)
Impairments	(5)	—	(30)	(1)
Other charges and credits	1	(1)	(19)	16
<b>Income from operations</b>	<b>89</b>	<b>59</b>	<b>287</b>	<b>1,250</b>
Non-operating income (expense)	(24)	(82)	(39)	(94)
Provision for taxes	(7)	10	(74)	(274)
Equity in unconsolidated affiliate	1	—	3	4
<b>Income (loss) from continuing operations</b>	<b>59</b>	<b>(12)</b>	<b>178</b>	<b>885</b>
Income from discontinued operations, net of income taxes	—	2	—	198
<b>Net income (loss)</b>	<b>59</b>	<b>(11)</b>	<b>178</b>	<b>1,083</b>
Noncontrolling interest	—	3	—	3
<b>Net income (loss) attributed to LP</b>	<b>\$ 59</b>	<b>\$ (8)</b>	<b>\$ 178</b>	<b>\$ 1,086</b>
<b>Income (loss) per share continuing operations - diluted</b>	\$ 0.81	\$ (0.14)	\$ 2.46	\$ 11.34
<b>Income per share discontinued operations - diluted</b>	—	0.03	—	2.52
<b>Net income (loss) per share - diluted</b>	<b>\$ 0.81</b>	<b>\$ (0.11)</b>	<b>\$ 2.46</b>	<b>\$ 13.87</b>
<b>Average Shares Outstanding - diluted</b>	72	72	72	78

# RECONCILIATION OF NET INCOME TO NON-GAAP ADJUSTED EBITDA

(\$ in millions)

	Quarter Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
<b>Net income (loss)</b>	\$ 59	\$ (11)	\$ 178	\$ 1,083
Add (deduct):				
Net loss attributed to noncontrolling interest	—	3	—	3
Income from discontinued operations, net of income taxes	—	(2)	—	(198)
Income (loss) attributed to LP from continuing operations	59	(10)	178	888
Provision (benefit) for income taxes	7	(10)	74	274
Depreciation and amortization	32	34	119	129
Stock-based compensation expense	4	3	13	19
Loss on impairment attributed to LP	5	—	6	1
Other operating credits and charges, net	2	1	18	(16)
Business exit charges	(3)	—	32	—
Interest expense	5	2	14	11
Investment income	(8)	(6)	(18)	(14)
Pension settlement charges	(2)	78	4	82
Other non-operating items	28	8	39	15
<b>Adjusted EBITDA</b>	<b>\$ 129</b>	<b>\$ 100</b>	<b>\$ 478</b>	<b>\$ 1,389</b>

# RECONCILIATION OF NET INCOME TO NON-GAAP ADJUSTED INCOME AND ADJUSTED DILUTED EPS

(\$ in millions, except per share amounts)

	Quarter Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
<b>Net income attributed to LP from continuing operations per share - diluted</b>	\$ 0.81	\$ (0.14)	\$ 2.46	\$ 11.34
<b>Net income (loss)</b>	\$ 59	\$ (11)	\$ 178	\$ 1,083
Add (deduct):				
Net loss attributed to non-controlling interest	—	3	—	3
Income from discontinued operations, net of income taxes	—	(2)	—	(198)
<b>Net income (loss) attributed to LP from continuing operations</b>	<b>59</b>	<b>(10)</b>	<b>178</b>	<b>888</b>
Loss on impairment attributed to LP	5	—	6	1
Other operating credits and charges, net	2	1	18	(16)
Business exit charges	(3)	—	32	—
Pension settlement charges	(2)	78	4	82
Reported tax provision	7	(10)	74	274
Adjusted income before tax	68	59	311	1,229
Normalized tax provision at 25%	(17)	(15)	(78)	(307)
<b>Adjusted Income</b>	<b>\$ 51</b>	<b>\$ 44</b>	<b>\$ 233</b>	<b>\$ 922</b>
Diluted shares outstanding	72	72	72	78
<b>Adjusted Diluted EPS</b>	<b>\$ 0.71</b>	<b>\$ 0.61</b>	<b>\$ 3.22</b>	<b>\$ 11.77</b>

# NET SALES AND ADJUSTED EBITDA BY SEGMENT

(\$ in millions)

	Quarter Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
<b>Net Sales</b>				
Siding	\$ 332	\$ 386	\$ 1,328	\$ 1,469
OSB	272	257	1,026	2,062
LPSA	52	51	205	241
Other	1	12	22	84
Unallocated	—	—	—	(2)
	<b>\$ 658</b>	<b>\$ 705</b>	<b>\$ 2,581</b>	<b>\$ 3,854</b>
<b>Adjusted EBITDA</b>				
Siding	\$ 72	\$ 88	\$ 269	\$ 339
OSB	59	13	220	1,034
LPSA	11	12	42	77
Other	(2)	(4)	(17)	(23)
Intersegment	(10)	(9)	(36)	(38)
	<b>\$ 129</b>	<b>\$ 100</b>	<b>\$ 478</b>	<b>\$ 1,389</b>

# RECONCILIATION OF INCOME FROM DISCONTINUED OPERATIONS TO NON-GAAP ADJUSTED EBITDA FROM DISCONTINUED OPERATIONS

(\$ in millions)

	Quarter Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
<b>Income from discontinued operations</b>	\$ —	\$ 2	\$ —	\$ 198
Provision for income taxes	—	(2)	—	51
Depreciation and amortization	—	—	—	3
Gain on sale of discontinued operations	—	—	—	(158)
<b>Adjusted EBITDA from discontinued operations</b>	\$ —	\$ —	\$ —	\$ 95