



**BUILDING  
SOLUTIONS**

**Q4 AND FULL-YEAR 2021 RESULTS**

February 22, 2022

# 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: impacts from public health issues (including global pandemics, such as the ongoing COVID-19 pandemic) on the economy, demand for our products or our operations, including the actions and recommendations of governmental authorities to contain such public health issues; changes in governmental fiscal and monetary policies, including tariffs, and levels of employment; changes in general economic conditions, including impacts from the ongoing COVID-19 pandemic; changes in the cost and availability of capital; 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; 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 and availability of energy, primarily natural gas, electricity, and diesel fuel; changes in the cost and availability of transportation; impact of manufacturing our products internationally; 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 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 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, 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; challenge to or exploitation of our intellectual property or other proprietary information by others in the industry; changes in the funding requirements of our defined benefit pension plans; 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; and acts of public authorities, war, 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 22, 2022, 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

Growth continues in value-added Siding and Structural Solutions

Capital investments \$121m

\$1 billion share repurchase authorization completed

Raw material pricing impact \$(41)m

# Q4 2021 FINANCIAL RESULTS

**\$1.0B**

Net Sales  
+15%

**\$305M**

Adj.  
EBITDA<sup>1</sup>  
(7)%

**\$201M**

Op. CF  
\$(120)M

**\$2.24**

Adj. EPS<sup>1</sup>  
+\$0.23

**9%**

Siding Solutions  
Growth

**\$(19)M**

OSB Price  
\$(20)/msf

**\$313M**

Share  
Buybacks

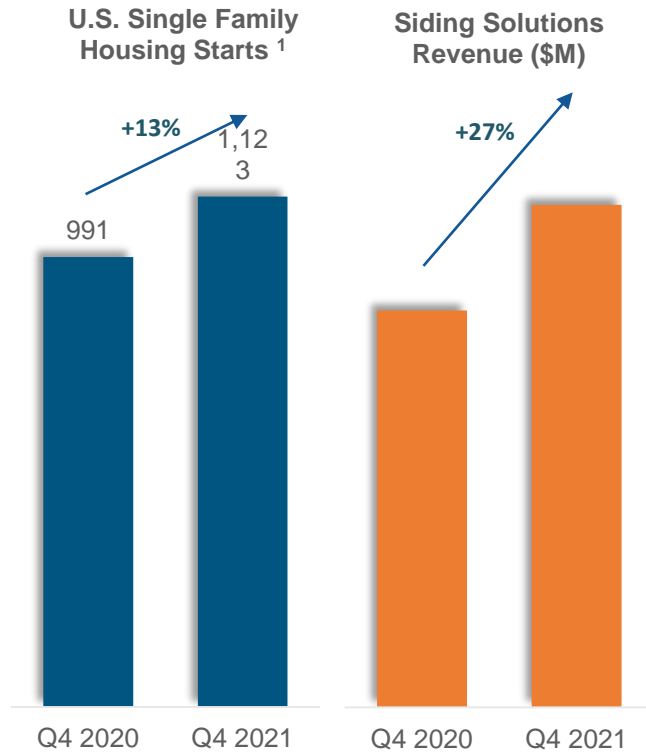
**\$16M**

Dividends

<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"

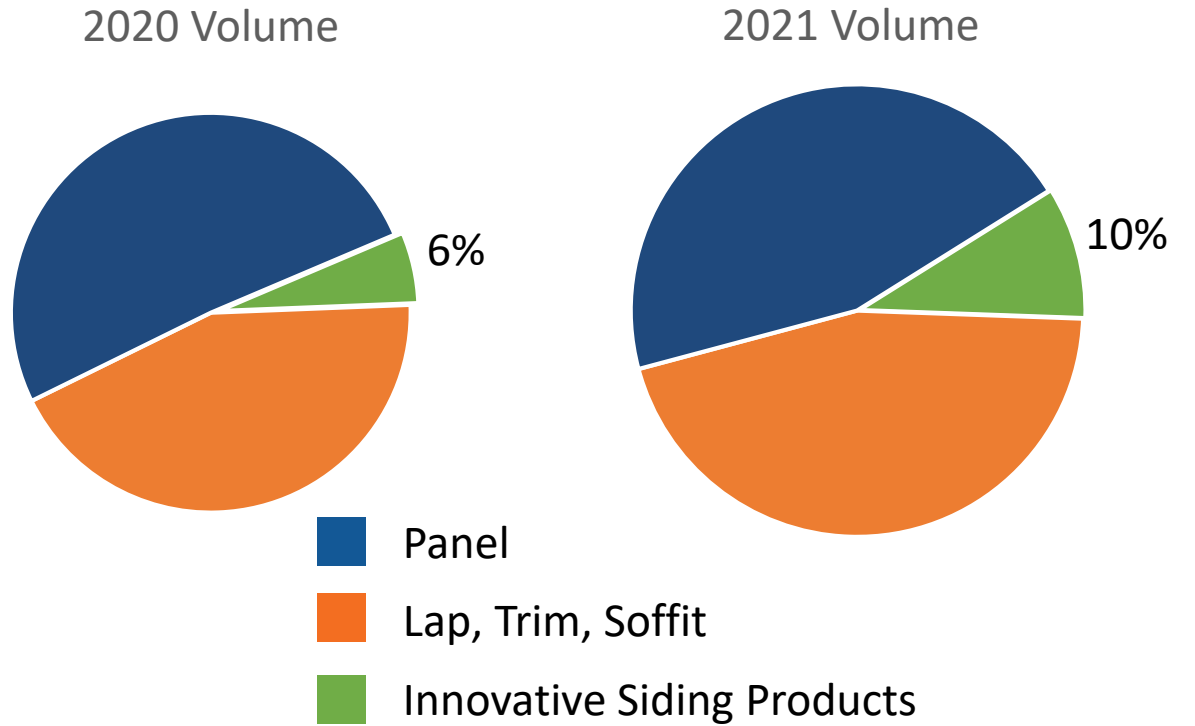
# SIDING GROWTH AND INNOVATION

## Siding Growth (December TTM)



<sup>1</sup> Actual U.S. housing starts data from U.S. Census Bureau as reported on January 19, 2022

## Siding Innovation



**Total Volume Growth = 16%**  
**Innovative Volume Growth = 93%**

## Other Key Points

Siding capacity additions on schedule at Houlton, Sagola, Bath, NY (ExpertFinish)

Capital investments \$254m (\$103m on Siding capacity)

Safe and efficient restart of Peace Valley

\$500 million share repurchase authorization available

# FY 2021 FINANCIAL RESULTS

**\$4.6B**

Net Sales  
+63%

**\$2.0B**

Adj. EBITDA<sup>1</sup>  
2.5x

**\$1.5B**

Op. CF  
2.3x

**\$13.97**

Adj. EPS<sup>1</sup>  
3.2x

**27%**

Siding Solutions  
Growth

**\$1.1B**

OSB Price  
2x

**\$1.3B**

Share  
Buybacks

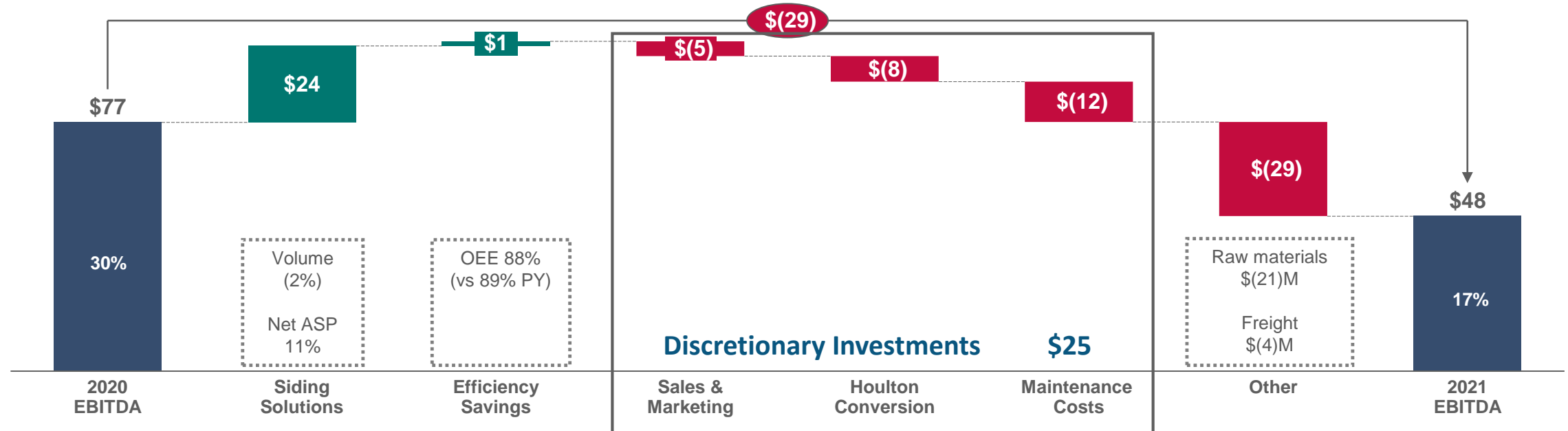
**\$66M**

Dividends

<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 2021 VS. Q4 2020

(\$ in millions)

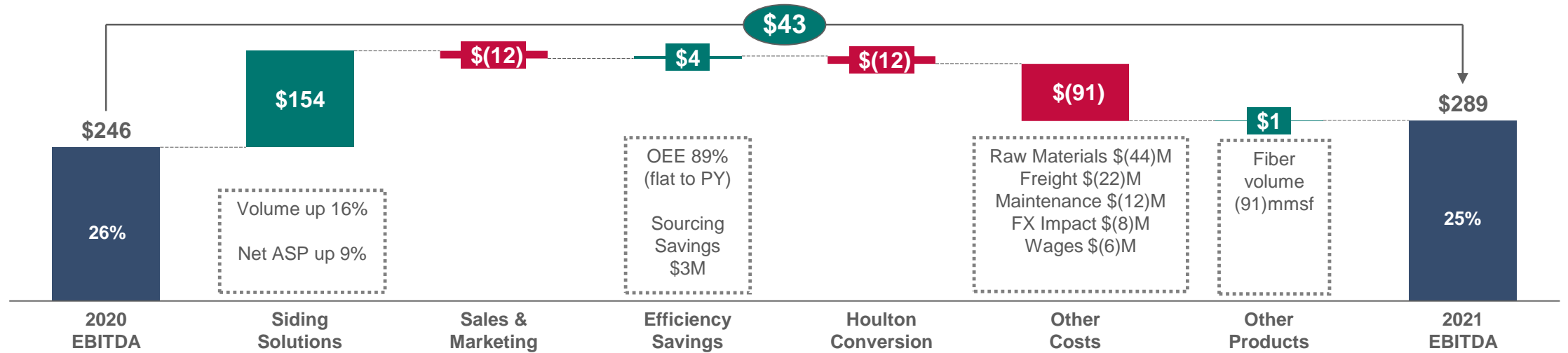


Revenue	2020	2021	Change
	\$259	\$281	\$22



# SIDING – YTD 2021 VS. YTD 2020

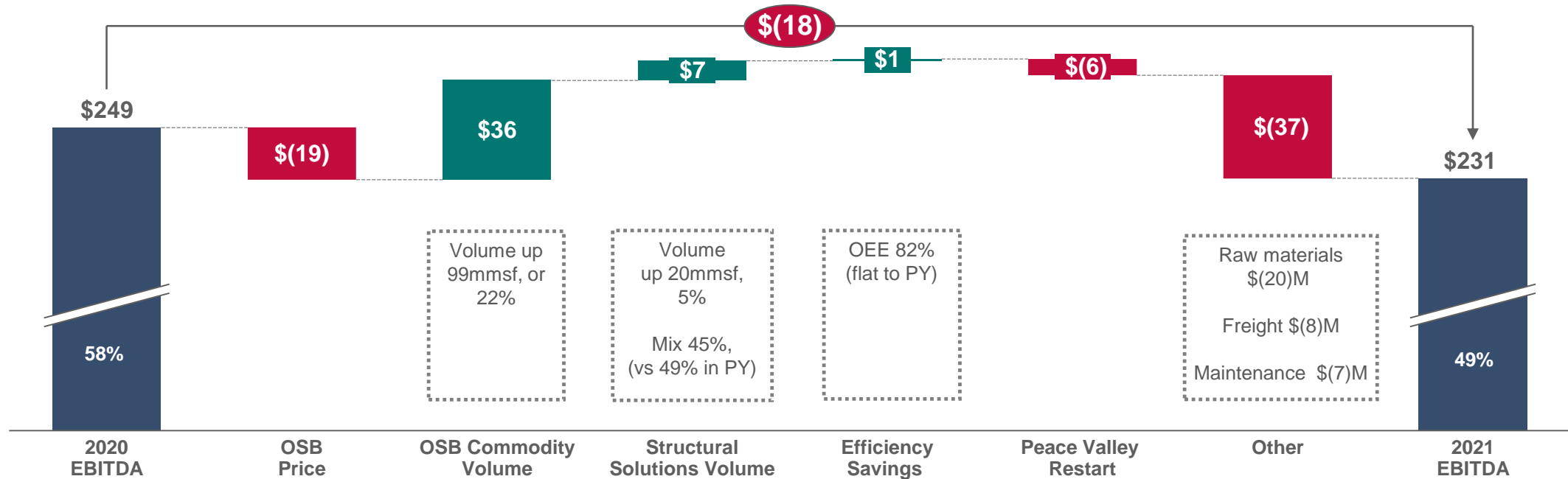
(\$ in millions)



Revenue	\$959	\$243	-	-	-	-	(\$32)	\$1,170
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# OSB – Q4 2021 VS. Q4 2020

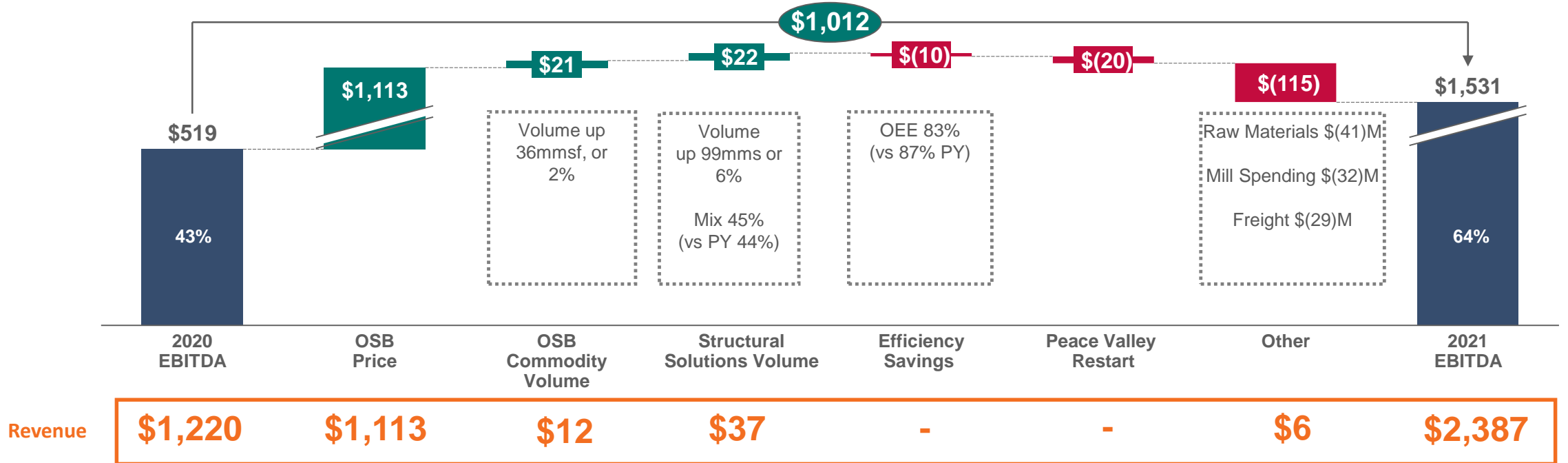
(\$ in millions)



Revenue	\$428	\$(19)	\$47	\$10	-	-	\$4	\$470
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# OSB – YTD 2021 VS. YTD 2020

(\$ in millions)



# Q4 2021 VS. Q4 2020 SUMMARY

(\$ in millions)

Q4 2021 vs Q4 2020	Revenue	EBITDA <sup>(1)</sup>
Q4 2020 Actual	\$ 860	\$ 328
OSB price	(19)	(19)
OSB volume	47	36
Siding Solutions growth	22	19
South America, EWP, & Entekra	70	31
Inflationary costs (wages, RM, freight)	0	(53)
Houlton conversion and PV restart	0	(14)
Maintenance spending	0	(19)
Everything else	12	(4)
Q4 2021 Actual	\$ 992	\$ 305

} \$86M (OSB price, OSB volume, Siding Solutions growth, South America, EWP, & Entekra)  
} \$(86)M (Inflationary costs, Houlton conversion and PV restart, Maintenance spending)

<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"

# CASH FLOW

(\$ in millions)

	Quarter Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
<b>Beginning cash</b>	\$ 620	\$ 420	\$ 535	\$ 195
Adjusted EBITDA	305	328	1,972	781
Change in Working Capital	24	17	(37)	(41)
Interest (net)	—	1	(16)	(18)
Cash taxes (net)	(116)	(23)	(421)	(70)
Other operating	(12)	(2)	(15)	7
<b>Operating cash flow</b>	<b>201</b>	<b>321</b>	<b>1,484</b>	<b>659</b>
Cap Ex	(121)	(24)	(254)	(77)
Share buybacks	(313)	(171)	(1,300)	(200)
Dividends	(16)	(16)	(66)	(65)
Business acquisitions & divestiture	—	—	2	15
Other investing and financing	(1)	4	(31)	7
<b>Net change in cash</b>	<b>(249)</b>	<b>115</b>	<b>(164)</b>	<b>340</b>
<b>Ending cash</b>	<b>\$ 371</b>	<b>\$ 535</b>	<b>\$ 371</b>	<b>\$ 535</b>

## 2022 CAPEX GUIDANCE

Full-Year Capital Investment	\$400M-\$430M
Siding Mill Conversions	\$190M-\$200M
Other Strategic Growth Capital	\$80M-\$90M
Sustaining Maintenance Capital	\$130M-\$140M

## Q1 2022 REVENUE & ADJUSTED EBITDA<sup>(1)</sup>

Siding Solutions Q1 Revenue Growth	~ 10%
OSB Revenue Compared to Q4 2021	~ 40% Increase
LP Consolidated Adjusted EBITDA <sup>(1)</sup>	> \$500M

## 2022 FULL YEAR REVENUE GROWTH

Siding Solutions 2022 FY Revenue Growth	> 15%
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<sup>1</sup> This is a non-GAAP financial measure. With respect to Adjusted EBITDA for the first quarter of 2022, certain items that affect net income on a GAAP basis, such as product-line discontinuance charges, other operating credits and charges, net, loss on early debt extinguishment, investment income, pension settlement charges, and other non-operating items, cannot be reasonably predicted at this time, and LP is unable to quantify such amounts (some of which may be non-cash) that would be required to be included in the comparable forecasted GAAP measures without unreasonable effort. The amounts and timing of these items are uncertain and could be material to LP's results. As such, LP is unable to provide a reasonable estimate of GAAP net income or a corresponding reconciliation of Adjusted EBITDA to net income.



# APPENDIX



# FINANCIAL PERFORMANCE

(\$ in millions)

	Quarter Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
Sales	\$ 992	\$ 860	\$ 4,553	\$ 2,788
Cost of sales	(655)	(509)	(2,482)	(1,920)
Gross profit	336	351	2,070	867
SG&A	(73)	(54)	(241)	(211)
Impairments	(6)	—	(6)	(16)
Other charges and credits	(4)	1	1	(4)
Income from operations	254	297	1,824	636
Non-operating income (expense)	(4)	(5)	(29)	(15)
Provision for taxes	(60)	(37)	(426)	(125)
Equity in unconsolidated affiliate	1	—	4	1
Net income	191	255	1,373	497
Noncontrolling interest	3	1	4	2
Net income attributed to LP	\$ 194	\$ 256	\$ 1,377	\$ 499
Net income per share - diluted	\$ 2.20	\$ 2.34	\$ 14.09	\$ 4.46
Average Shares Outstanding - Diluted	88	109	98	112



# RECONCILIATION OF NET INCOME TO NON-GAAP ADJUSTED EBITDA

(\$ in millions)

	Quarter Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
<b>Net income</b>	\$ 191	\$ 255	\$ 1,373	\$ 497
Add (deduct):				
Noncontrolling interest	3	1	4	2
Income attributed to LP	194	256	1,377	499
Provision for income taxes	60	37	426	125
Depreciation and amortization	31	27	119	111
Stock-based compensation expense	7	4	17	12
Loss on impairment attributed to LP	4	—	5	15
Other operating credits and charges, net	4	—	(1)	(4)
Product-line discontinuance charges	—	(1)	—	8
Pension settlement charges	2	—	2	—
Loss on early debt extinguishment	—	—	11	—
Interest expense	2	2	14	19
Investment income	—	(1)	(1)	(4)
Other non-operating items	—	4	4	—
<b>Adjusted EBITDA</b>	<b>\$ 305</b>	<b>\$ 328</b>	<b>\$ 1,972</b>	<b>\$ 781</b>

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

(\$ in millions)

	Quarter Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
<b>Net income</b>	\$ 191	\$ 255	\$ 1,373	\$ 497
Add (deduct):				
Noncontrolling interest	3	1	4	2
Income attributed to LP	194	256	1,377	499
Loss on impairment attributed to LP	4	—	5	15
Other operating credits and charges, net	4	—	(1)	(4)
Product line discontinuance charges	—	(1)	—	8
Loss on early debt extinguishment	—	—	11	—
Pension settlement charges	2	—	2	—
Reported tax provision	60	37	426	125
Normalized tax provision at 25%	(66)	(73)	(455)	(161)
<b>Adjusted Income</b>	\$ 199	\$ 219	\$ 1,365	\$ 482
Diluted share outstanding	88	109	98	112
<b>Diluted net income per share attributed to LP</b>	\$ 2.20	\$ 2.34	\$ 14.09	\$ 4.46
<b>Adjusted Diluted EPS</b>	\$ 2.24	\$ 2.01	\$ 13.97	\$ 4.31

# REVENUE AND ADJUSTED EBITDA BY SEGMENT

(\$ in millions)

	Quarter Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
<b>Sales</b>				
Siding	\$ 281	\$ 259	\$ 1,170	\$ 959
OSB	470	428	2,387	1,220
EWP	157	108	638	389
South America	63	50	265	169
Other	22	16	95	52
Intersegment	(1)	(1)	(3)	(1)
	<b>\$ 992</b>	<b>\$ 860</b>	<b>\$ 4,553</b>	<b>\$ 2,788</b>
<b>Adjusted EBITDA</b>				
Siding	\$ 48	\$ 77	\$ 289	\$ 246
OSB	231	249	1,531	519
EWP	27	2	95	23
South America	22	13	113	42
Other	(9)	(6)	(20)	(19)
Unallocated	(14)	(7)	(36)	(30)
	<b>\$ 305</b>	<b>\$ 328</b>	<b>\$ 1,972</b>	<b>\$ 781</b>