



**BUILDING  
SOLUTIONS**

**THIRD QUARTER 2023 RESULTS**

November 1, 2023

# 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. 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 ongoing military conflicts including the conflict between Russia and Ukraine and the conflict in Israel and the surrounding areas; 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 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; impact of manufacturing our products internationally; difficulties in the launch or production ramp-up of newly introduced products; 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; 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; challenges to or exploitation of our intellectual property or other proprietary information by others in the industry; 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.

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# 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 November 1, 2023, 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

Ending Cash Balance  
\$160M

**Credit Facility**  
*Repaid in Q3*  
*Available \$550M*

Commissioned Bath, NY  
Prefinishing Facility

Raw Material  
Deflation YoY  
\$8M or 4%

## Q3 2023 FINANCIAL RESULTS

**\$728M**

Net Sales  
(15)%

**\$190M**

Adj. EBITDA<sup>1</sup>  
(5)%

**\$187M**

Op. Cash  
Flow  
\$(8)M

**\$1.62**

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

**(13)%**

Siding  
Growth

**\$28M**

OSB Price  
6%

**\$17M**

Return to  
Shareholders

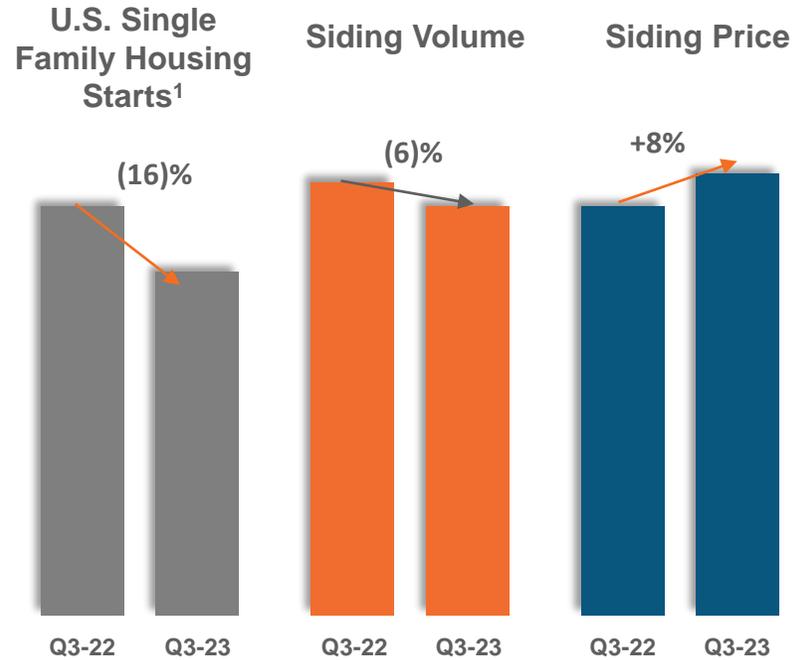
**\$49M**

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"

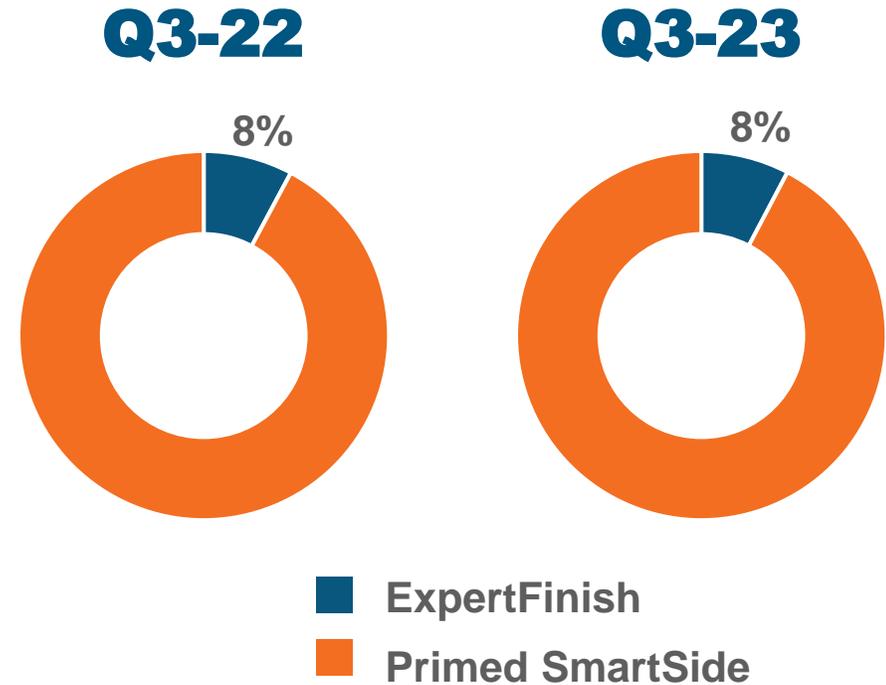
# SIDING GROWTH AND INNOVATION

## Growth (TTM)



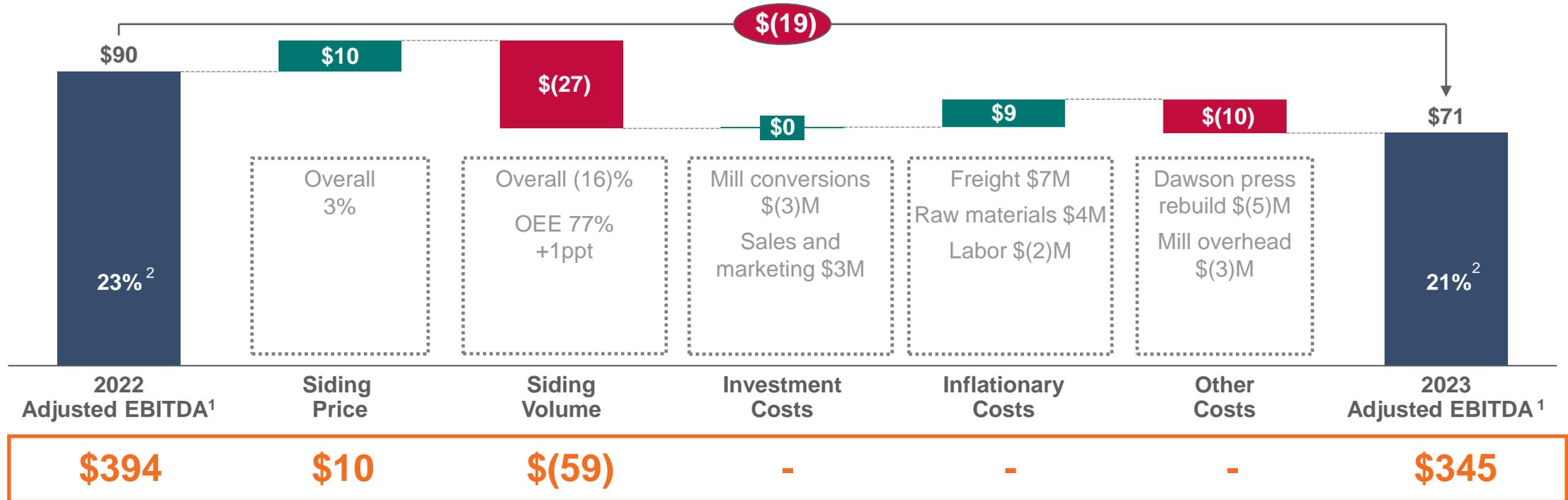
<sup>1</sup> Actual U.S. housing starts data from U.S. Census Bureau as reported on October 18, 2023

## Percent of Total Volume



# SIDING – Q3 2023 VS Q3 2022

(\$ in millions)

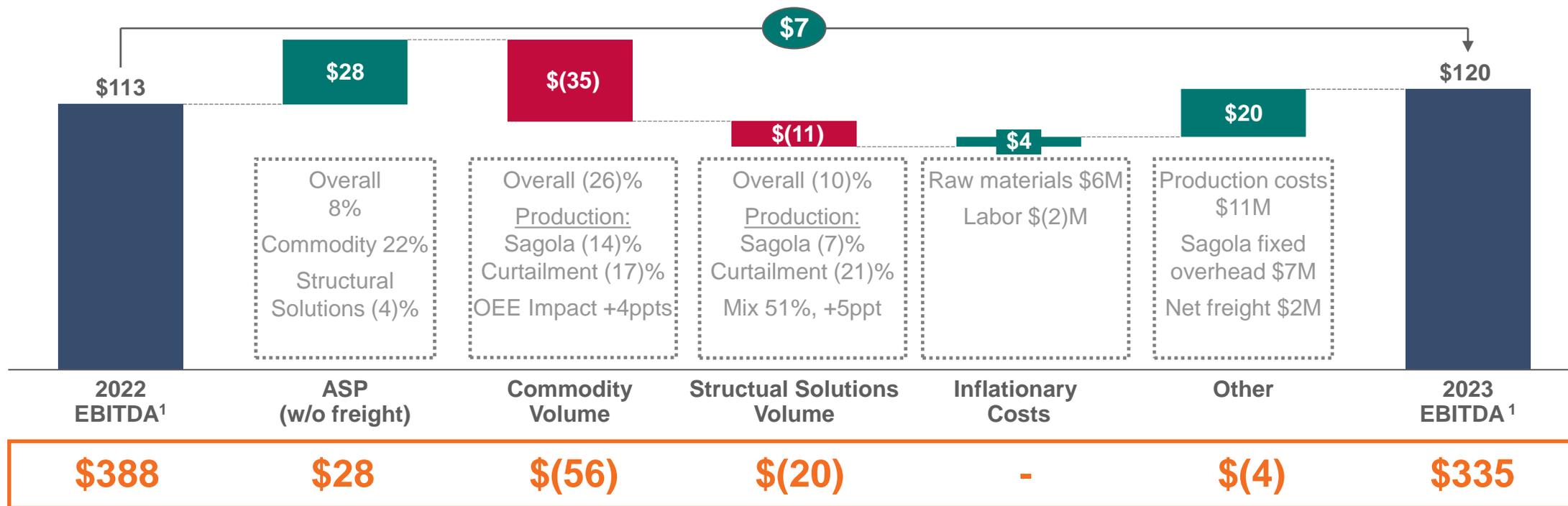


<sup>1</sup> This is a non-GAAP financial measure. See "Statement Relating to the Use of Non-GAAP Financial Measures" and "Reconciliation of Net Income to Non-GAAP Adjusted EBITDA."

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

# OSB – Q3 2023 VS Q3 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."

# CASH FLOW

(\$ in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Beginning cash</b>	\$ 71	\$ 516	\$ 383	\$ 371
Adjusted EBITDA <sup>1</sup> from continuing operations	190	200	349	1,289
Adjusted EBITDA <sup>1</sup> from discontinued operations	—	14	—	95
Adjusted EBITDA <sup>1</sup> with discontinued operations	190	214	349	1,384
Change in working capital	—	38	(134)	(48)
Interest (net)	(3)	(7)	(4)	(14)
Cash taxes (net)	(4)	(71)	(49)	(242)
Other operating	4	22	(5)	23
<b>Operating cash flow</b>	<b>187</b>	<b>195</b>	<b>157</b>	<b>1,103</b>
Capital expenditures	(49)	(86)	(236)	(282)
Purchase of stock	—	(325)	—	(900)
Payment of cash dividends	(17)	(16)	(52)	(53)
Acquisition of facility assets	—	—	(80)	—
Proceeds from sales of assets	8	—	9	—
Proceeds from divestiture of business	—	206	—	265
Borrowing of debt, net	(30)	—	—	—
Other investing and financing	(9)	(8)	(20)	(23)
<b>Net change in cash</b>	<b>90</b>	<b>(34)</b>	<b>(223)</b>	<b>111</b>
<b>Ending cash</b>	<b>\$ 160</b>	<b>\$ 482</b>	<b>\$ 160</b>	<b>\$ 482</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" and "Reconciliation of Income from discontinued operations to Non-GAAP Adjusted EBITDA from discontinued operations"

## Liquidity

**Ending Cash  
\$160M**

**Credit Facility  
\$550M undrawn**

**Total Liquidity  
~\$710M**

**Long-Term Debt  
\$350M @ 3.625%, 2029**

# GUIDANCE

## REVENUE & ADJUSTED EBITDA<sup>1,2</sup>

Siding FY 2023 YoY Net Sales Decrease	~10%
OSB Q4 2023 Net Sales Compared to Q3 2023 <sup>1</sup>	~30% Decrease
LP Q4 2023 Consolidated Adjusted EBITDA <sup>1,2</sup>	\$60M-\$80M

## CAPEX GUIDANCE

Full-Year CAPEX, excluding Wawa acquisition	\$280M-\$295M
▶ Siding Mill Conversions	\$100M-\$105M
▶ Other Strategic Growth Capital	\$50M-\$55M
▶ Sustaining Maintenance Capital	\$130M-\$135M

<sup>1</sup> Predicated on the assumption that OSB prices published by Random Lengths remain unchanged from those published on October 27, 2023. This is not a price forecast, merely an assumption for modeling purposes.

<sup>2</sup> This is a non-GAAP financial measure. With respect to Adjusted EBITDA for the fourth quarter of 2023, certain items that affect net income on a GAAP basis, such as business exit charges, product 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 GAAP measures cannot be reasonably predicted at this time, and LP is unable to quantify such amounts that would be required to be included in the comparable forecasted GAAP measures, without unreasonable effort. 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, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Net sales</b>	\$ 728	\$ 852	\$ 1,923	\$ 3,149
Cost of sales	(514)	(620)	(1,489)	(1,778)
Gross profit	214	232	434	1,370
Selling, general, and administrative expenses	(58)	(67)	(191)	(196)
Impairments	(1)	—	(25)	—
Other charges and credits	6	7	(20)	17
<b>Income from operations</b>	161	172	198	1,191
Non-operating expense	(1)	—	(16)	(12)
Provision for taxes	(44)	(44)	(66)	(284)
Equity in unconsolidated affiliate	1	1	3	4
<b>Income from continuing operations</b>	118	129	119	898
<b>Income from discontinued operations, net of income taxes</b>	—	97	—	196
<b>Net income</b>	118	226	119	1,093
Noncontrolling interest	—	—	—	1
<b>Net income attributed to LP</b>	\$ 118	\$ 226	\$ 119	\$ 1,094
<b>Continuing operations</b>	\$ 1.63	\$ 1.74	\$ 1.65	\$ 11.16
<b>Discontinued operations</b>	\$ —	\$ 1.31	\$ —	\$ 2.43
<b>Net income attributed to LP per share - diluted</b>	\$ 1.63	\$ 3.05	\$ 1.65	\$ 13.59
<b>Average shares outstanding - diluted</b>	72	74	72	80

# RECONCILIATION OF NET INCOME TO NON-GAAP ADJUSTED EBITDA

(\$ in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Net income</b>	\$ 118	\$ 226	\$ 119	\$ 1,093
Add (deduct):				
Net loss attributed to non-controlling interest	—	—	—	1
Income from discontinued operations, net of income taxes	—	(97)	—	(196)
Income attributed to LP from continuing operations	118	129	119	898
Provision for income taxes	44	44	66	284
Depreciation and amortization	30	32	87	96
Stock-based compensation expense	2	2	9	15
Loss on impairment attributed to LP	1	—	1	—
Other operating credits and charges, net	(7)	(7)	16	(17)
Business exit charges	1	—	35	—
Interest expense	4	3	9	9
Investment income	(4)	(5)	(10)	(8)
Other non-operating items	—	(1)	11	7
Pension settlement charges	—	4	6	4
<b>Adjusted EBITDA</b>	<b>\$ 190</b>	<b>\$ 200</b>	<b>\$ 349</b>	<b>\$ 1,289</b>

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

(\$ in millions, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net income attributed to LP from continuing operations per share - diluted	\$ 1.63	\$ 1.74	\$ 1.65	\$ 11.16
<b>Net income</b>	<b>\$ 118</b>	<b>\$ 226</b>	<b>\$ 119</b>	<b>\$ 1,093</b>
Add (deduct):				
Net loss attributed to non-controlling interest	—	—	—	1
Income from discontinued operations, net of income taxes	—	(97)	—	(196)
Income attributed to LP from continuing operations	118	129	119	898
Loss on impairment attributed to LP	1	—	1	—
Other operating credits and charges, net	(7)	(7)	16	(17)
Business exit charges	1	—	35	—
Pension settlement charges	—	4	6	4
Reported tax provision	44	44	66	284
Adjusted income before tax	157	170	242	1,171
Normalized tax provision at 25%	(39)	(42)	(61)	(293)
<b>Adjusted Income</b>	<b>\$ 117</b>	<b>\$ 127</b>	<b>\$ 182</b>	<b>\$ 878</b>
Diluted share outstanding	72	74	72	80
<b>Adjusted Diluted EPS</b>	<b>\$ 1.62</b>	<b>\$ 1.72</b>	<b>\$ 2.51</b>	<b>\$ 10.91</b>

# REVENUE AND ADJUSTED EBITDA BY SEGMENT

(\$ in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Sales</b>				
Siding	\$ 345	\$ 394	\$ 996	\$ 1,083
OSB	335	388	754	1,805
South America	45	53	153	190
Other	4	17	21	72
Intersegment	—	(1)	—	(2)
	<b>\$ 728</b>	<b>\$ 852</b>	<b>\$ 1,923</b>	<b>\$ 3,149</b>
<b>Segment Adjusted EBITDA</b>				
Siding	\$ 71	\$ 90	\$ 198	\$ 251
OSB	120	113	161	1,021
South America	6	14	31	65
Other	—	(7)	(15)	(19)
Unallocated	(7)	(11)	(26)	(29)
	<b>\$ 190</b>	<b>\$ 200</b>	<b>\$ 349</b>	<b>\$ 1,289</b>

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

(\$ in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Income from discontinued operations</b>	\$ —	\$ 97	\$ —	\$ 196
Provision for income taxes	—	33	—	53
Depreciation and amortization	—	2	—	3
Stock-based compensation expense	—	—	—	—
Gain on sale of discontinued operations	—	(118)	—	(158)
Other non-operating items	—	—	—	—
<b>Adjusted EBITDA from discontinued operations</b>	\$ —	\$ 14	\$ —	\$ 95