



**BUILDING  
SOLUTIONS**

**Q1 2022 RESULTS**

May 3, 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, which may be amplified by the invasion of Ukraine by Russia, the sanctions (including their duration), and other measures being imposed in response to this conflict, as well as any escalation or expansion of economic disruption or the conflict's current scope: 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 May 3, 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





# Q1 2022 HIGHLIGHTS

- LP Houlton successfully and safely began production of LP<sup>®</sup> SmartSide<sup>®</sup>
- Siding Solutions sales increased by 17%
- Record quarterly Structural Solutions sales volume of >500 million square feet
- Record quarterly Net Sales and Adjusted Diluted EPS<sup>(1)</sup>
- Price increases more than offset raw material inflation

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

## Other Key Points

Q1 Ending Cash  
Balance \$637M

Q1 Structural  
Solutions Mix 55%  
(+8pts)

Q1 Raw Material Price  
Inflation \$(44)M

As of May 3, 2022:  
\$286 Spent YTD on  
Share Repurchases,  
81.6 Shares  
Outstanding

## Q1 2022 FINANCIAL RESULTS

**\$1.3B**

Net Sales  
+31%

**\$636M**

Adj.  
EBITDA<sup>1</sup>  
+\$174M

**\$425M**

Op. CF  
+\$111M

**\$5.08**

Adj. EPS<sup>1</sup>  
+\$2.07

**17%**

Siding Solutions  
Growth

**\$130M**

OSB Price  
23%

**\$123M**

Return to  
Shareholders<sup>2</sup>

**\$92M**

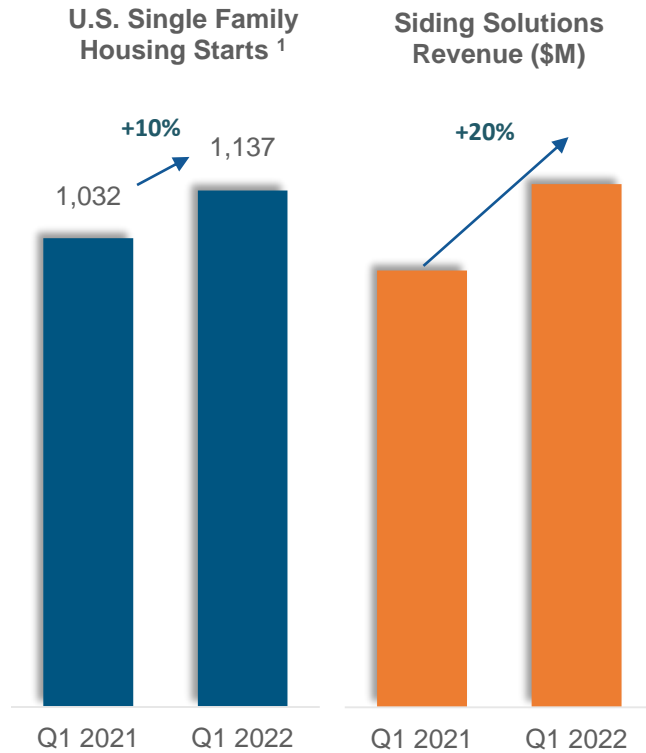
Capital  
Expenditures

<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."

<sup>2</sup> As of May 3, 2022, LP has paid a further \$182 million to repurchase 2.9 million common shares, leaving \$214 million remaining under the pre-existing \$500 million share repurchase authorization. Common shares outstanding as of May 3, 2022 is 81.6 million. Additional authorization of \$600 million to repurchase LP common stock, bringing total authorized for share repurchases to \$814 million as of May 3, 2022.

# SIDING GROWTH AND INNOVATION

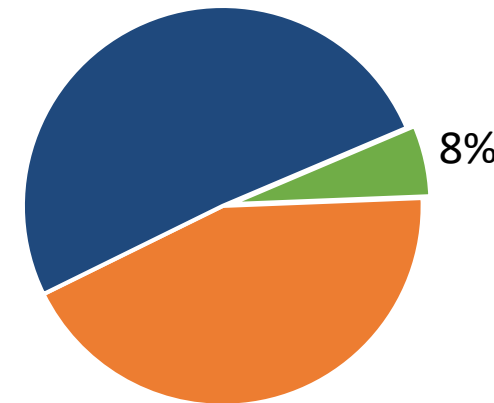
## Siding Growth (TTM)



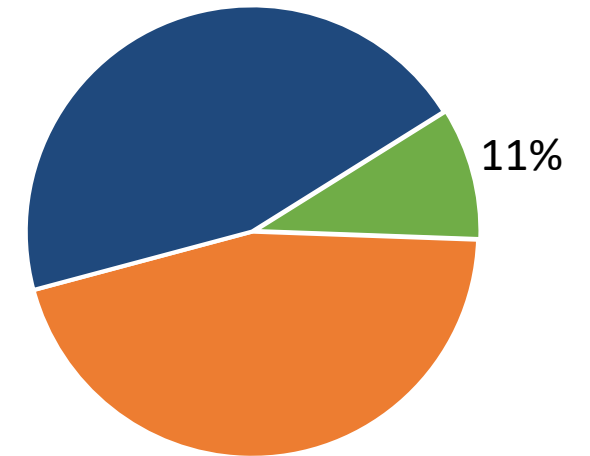
<sup>1</sup> Actual U.S. housing starts data from U.S. Census Bureau as reported on April 19, 2022

## Siding Innovation

2021 Q1 Volume



2022 Q1 Volume

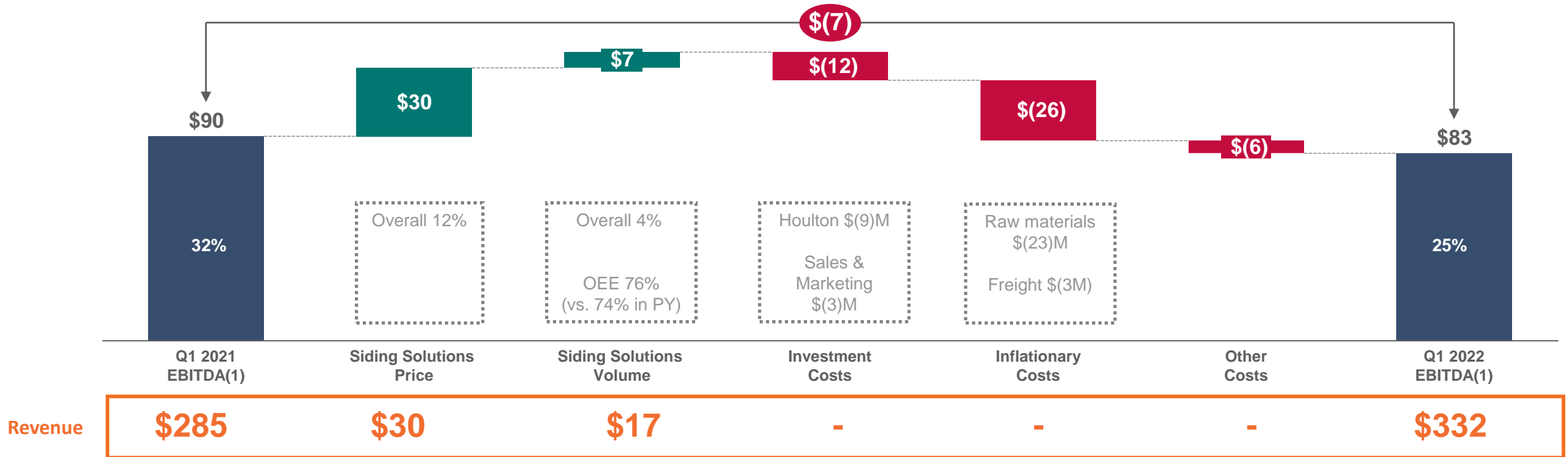


- Panel
- Lap, Trim, Soffit
- Innovative Siding Products

**Total Volume Growth = 4%**  
**Innovative Volume Growth = 73%**

# SIDING – Q1 2022 VS. Q1 2021

(\$ in millions)

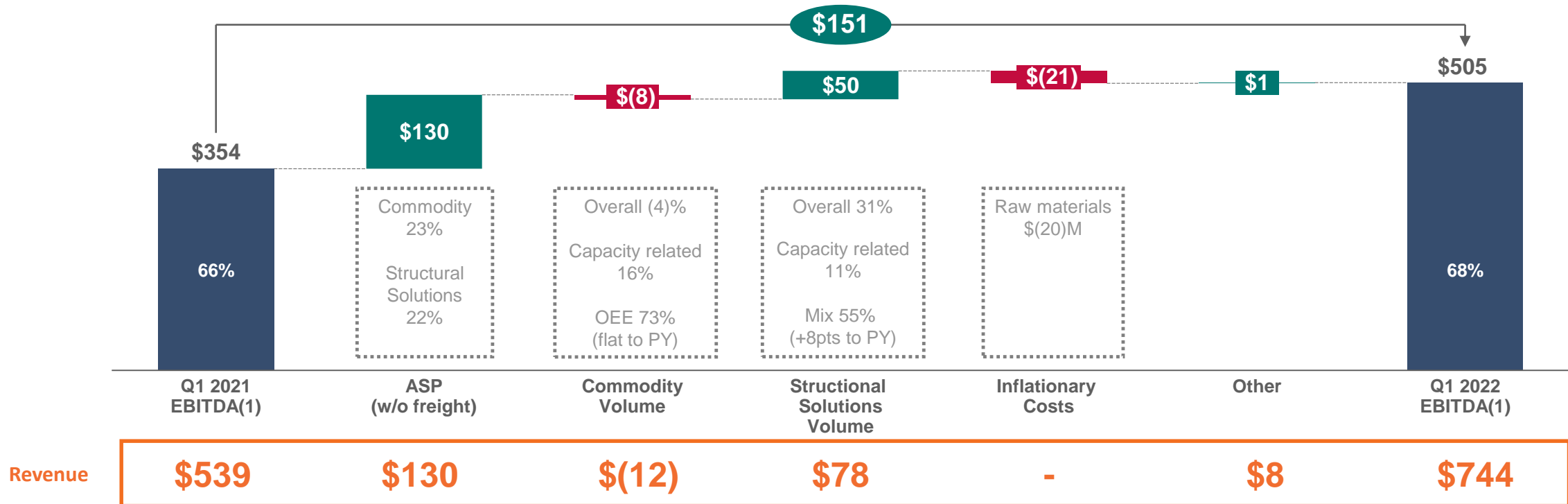


1 This is a non-GAAP financial measure. See "Statement Relating to the Use of Non-GAAP Financial Measures" and "Reconciliation of Net Income to Non-GAAP Adjusted EBITDA."



# OSB – Q1 2022 VS. Q1 2021

(\$ 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."

# Q1 2022 VS. Q1 2021 SUMMARY

(\$ in millions)

Q1 2021 vs. Q1 2022	Revenue	Adjusted EBITDA <sup>1</sup>
Q1 2021 Actual	\$ 1,017	\$ 461
OSB price	130	130
LPSA price	20	20
Siding Solutions growth <i>(incl. sales and marketing)</i>	47	34
Structural Solutions growth	78	50
OSB commodity volume	(12)	(8)
Raw material price inflation <i>(North America only)</i>	-	(44)
Houlton conversion and ramp up	-	(9)
EWP	47	30
Everything else	10	(28)
Q1 2022 Actual	\$ 1,337	\$ 636

<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 March 31,	
	2022	2021
<b>Beginning cash</b>	\$ 371	\$ 535
Adjusted EBITDA <sup>1</sup>	636	461
Change in Working Capital	(180)	(118)
Interest (net)	(4)	(9)
Cash taxes (net)	(12)	(21)
Other operating	(14)	2
<b>Operating cash flow</b>	<b>425</b>	<b>314</b>
Cap Ex	(92)	(34)
Share buybacks	(104)	(122)
Dividends	(19)	(17)
Business acquisitions & divestiture	59	2
Other investing and financing	(3)	(21)
<b>Net change in cash</b>	<b>266</b>	<b>122</b>
<b>Ending cash</b>	<b>\$ 637</b>	<b>\$ 658</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."

## 2022 CAPEX GUIDANCE

Full-Year Capital Investment	\$400M-\$430M
Siding Mill Conversions	\$200M-\$210M
Other Strategic Growth Capital	\$80M-\$90M
Sustaining Maintenance Capital	\$120M-\$130M

## Q2 2022 REVENUE & ADJUSTED EBITDA<sup>(1)</sup>

Siding Solutions Q2 YoY Revenue Growth	> \$20%
OSB Revenue Compared to Q1 2022 <sup>(1)</sup>	~ 7% Decrease
LP Consolidated Adjusted EBITDA <sup>(1, 2)</sup>	>\$540M

## 2022 FULL-YEAR REVENUE GROWTH

Siding Solutions 2022 FY Revenue Growth	> 20%
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1 Predicated on the assumption that OSB prices published by Random Lengths remain unchanged from those published on April 29th, 2022. This is not a price forecast, merely an assumption for modeling purposes.

2 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)

	Three Months Ended March 31,	
	2022	2021
Sales	\$ 1,337	\$ 1,017
Cost of sales	(676)	(538)
Gross profit	661	479
SG&A	(65)	(48)
Other charges and credits	38	—
Income from operations	633	431
Non-operating income (expense)	(12)	(15)
Provision for taxes	(139)	(96)
Equity in unconsolidated affiliate	1	—
Net income	483	320
Noncontrolling interest	1	1
Net income attributed to LP	\$ 484	\$ 320
Net income per share - diluted	\$ 5.60	\$ 3.00
Average Shares Outstanding - Diluted	86	107

# RECONCILIATION OF NET INCOME TO NON-GAAP ADJUSTED EBITDA

(\$ in millions)

	Three Months Ended March 31,	
	2022	2021
<b>Net income</b>	<b>\$ 483</b>	<b>\$ 320</b>
Add (deduct):		
Noncontrolling interest	1	1
Income attributed to LP	484	320
Provision for income taxes	139	96
Depreciation and amortization	32	29
Stock-based compensation expense	7	1
Other operating credits and charges, net	(38)	—
Loss on early debt extinguishment	—	11
Interest expense	3	5
Investment income	(1)	—
Other non-operating items	10	(1)
<b>Adjusted EBITDA</b>	<b>\$ 636</b>	<b>\$ 461</b>

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

(\$ in millions)

	Three Months Ended March 31,	
	2022	2021
<b>Net income</b>	\$ 483	\$ 320
Add (deduct):		
Noncontrolling interest	1	1
Income attributed to LP	484	320
Other operating credits and charges, net	(38)	—
Loss on early debt extinguishment	—	11
Reported tax provision	139	96
Adjusted income before tax	585	427
Normalized tax provision at 25%	(146)	(107)
<b>Adjusted Income</b>	<b>\$ 439</b>	<b>\$ 320</b>
Diluted share outstanding	86	107
<b>Diluted net income per share attributed to LP</b>	<b>\$ 5.60</b>	<b>\$ 3.00</b>
<b>Adjusted Diluted EPS</b>	<b>\$ 5.08</b>	<b>\$ 3.01</b>



# REVENUE AND ADJUSTED EBITDA BY SEGMENT

(\$ in millions)

	Three Months Ended March 31,	
	2022	2021
<b>Sales</b>		
Siding	\$ 332	\$ 285
OSB	744	539
EWP	170	123
South America	67	53
Other	26	18
Intersegment	(1)	—
	<b>\$ 1,337</b>	<b>\$ 1,017</b>
<b>Adjusted EBITDA</b>		
Siding	\$ 83	\$ 90
OSB	505	354
EWP	38	7
South America	25	21
Other	(6)	(5)
Unallocated	(9)	(6)
	<b>\$ 636</b>	<b>\$ 461</b>