



### LP Reports Third Quarter 2009 Results

NASHVILLE, Tenn.--(BUSINESS WIRE)--Nov. 3, 2009-- Louisiana-Pacific Corporation (LP) (NYSE: LPX) reported today results for the third quarter of 2009, which included the following:

- Total sales for the third quarter of \$309 million were down 21 percent versus a year ago, primarily the result of dramatically reduced U.S. housing starts, which dropped 31 percent from third quarter 2008 levels, as weakness in home building continued.
- Loss from continuing operations was \$12.7 million, or \$0.12 per diluted share, for the third quarter of 2009, an improvement of 87 percent over the results in the third quarter of 2008.
- Adjusted EBITDA from continuing operations for the third quarter was \$11.0 million compared to a loss of \$27.5 million in the third quarter of 2008.

"We are reporting positive EBITDA for the third quarter of 2009," LP Chief Executive Officer Rick Frost said. "While the housing market continues to be very depressed, there were seasonal improvements in demand and a few encouraging signs that the housing market is beginning to recover. However, much of the credit is due to the focus on cost containment, managing our operations more efficiently and lower raw materials costs."

### THIRD QUARTER RESULTS

For the quarter ended September 30, 2009, LP reported net sales of \$309 million, down from \$390 million in the third quarter of 2008. For the third quarter, the company reported an operating loss of \$8.1 million as compared to a loss in the third quarter of 2008 of \$67.6 million.

For the third quarter of 2009, LP reported a loss from continuing operations of \$12.7 million, or \$0.12 per diluted share, as compared to a loss from continuing operations of \$100.4 million, or \$0.98 per diluted share, for the third quarter of 2008.

### YEAR-TO-DATE RESULTS

For the nine months ended September 30, 2009, LP reported net sales of \$780 million, down from \$1.126 billion in the first nine months of 2008. For the first nine months of 2009, the company reported an operating loss of \$82.8 million as compared to a loss in the comparable period of 2008 of \$277.4 million. Adjusted EBITDA from continuing operations for the first nine months of 2009 was a \$25.0 million loss compared to a \$118.5 million loss in the first nine months of 2008.

For the first nine months of 2009, LP reported a loss from continuing operations of \$70.2 million, or \$0.67 per diluted share, as compared to \$225.7 million, or \$2.19 per diluted share, for the first nine months of 2008.

### ORIENTED STRAND BOARD (OSB) SEGMENT

LP's OSB segment manufactures and distributes OSB structural panel products. LP is currently operating eight facilities and has indefinitely curtailed four mills due to market conditions. The OSB segment reported net sales for the third quarter of 2009 of \$123 million, down 33 percent compared with \$183 million of net sales in the third quarter of 2008. For the third quarter of 2009, the OSB segment reported an operating loss of \$6.0 million, an improvement of 78 percent compared with an operating loss of \$27.7 million in the third quarter of 2008. For the third quarter, LP realized an improvement of \$18.4 million in adjusted EBITDA from continuing operations for this segment as compared to the third quarter of 2008. For the third quarter of 2009 as compared to the third quarter of 2008, sales volumes were down 26 percent with sales price decreasing by 6 percent. Decrease in sales price accounted for a decline of \$7.6 million in both operating results and adjusted EBITDA from continuing operations.

Operating results reflected the favorable effects of continued actions to reduce manufacturing costs by taking advantage of lower cost petroleum-based raw materials, more efficient operating schedules and selective curtailments. LP also benefited from the weakening of the Canadian dollar compared to the third quarter of 2008.

### SIDING SEGMENT

LP's Siding segment consists of LP SmartSide® Trim & Siding as well as LP Canoxel® Prefinished Siding line. These products are used in new construction as well as in repair and remodeling markets. The Siding segment reported net sales of \$111 million in the third quarter of 2009, down 5 percent from \$117 million in the year-ago third quarter. For the third quarter of 2009, the Siding segment reported an operating income of \$16.1 million compared to \$4.6 million in the year-ago quarter. For the third quarter, Siding reported \$21.3 million in adjusted EBITDA from continuing operations, an improvement of \$11.3 million as compared to the third quarter of 2008.

In the third quarter of 2009, while sales were off across many regions, the Siding segment increased market penetration and experienced continued strength in repair and remodel markets. Like OSB, the segment continued to realize reductions in the cost of petroleum-based raw materials used in production as well as efficiencies in other manufacturing costs.

#### ENGINEERED WOOD PRODUCTS SEGMENT (EWP)

The EWP segment is comprised of I-Joist (IJ), Laminated Veneer Lumber and Laminated Strand Lumber (LVL and LSL). As these products are used principally in new construction, this segment saw reductions in sales comparable to the significant decline in housing starts. EWP segment sales in the third quarter of 2009 totaled \$48 million, down 25 percent from \$63 million in the year-ago quarter. Operating losses decreased 43 percent to \$6.3 million for the third quarter of 2009 from \$11 million for the third quarter of 2008. For the third quarter, EWP reported a loss of \$3 million in adjusted EBITDA from continuing operations, an improvement of \$3.5 million as compared to the third quarter of 2008.

The lower sales in the third quarter were driven by lower volumes and softening prices. The margin improvement was due to reduced manufacturing and support costs.

#### COMPANY OUTLOOK

During the third quarter, LP successfully completed an equity offering of 20.7 million shares that provided net cash after expenses of \$132.3 million. After the end of the quarter, LP used \$112.6 million of this cash to retire \$131.3 million face amount of its 2017 notes under the equity claw back provisions stipulated in the note agreement. This series of transactions not only reduced LP's debt and increased cash but also eliminated cash interest payments of approximately \$17 million per year.

"2009 continues to be challenging for all of our businesses. During the third quarter, we did see improvement in our operations, particularly Siding. Looking forward, we believe that some recent improvements in housing statistics may bode well for the 2010 building season. Because the fourth quarter is historically a weak part of the year for demand, our goal for the remainder of the year is to conserve cash and improve liquidity so that when this economic downturn subsides, we will be well positioned to compete," Frost concluded.

#### About LP

LP is a leading manufacturer of quality engineered wood building materials including OSB, structural framing products, and exterior siding for use in residential, industrial and light commercial construction. From manufacturing facilities in the U.S., Canada, Chile and Brazil, LP products are sold to builders and homeowners through building materials distributors and dealers and retail home centers. Founded in 1973, LP is headquartered in Nashville, Tennessee and traded on the New York Stock Exchange under LPX. For more information, visit [www.lpcorp.com](http://www.lpcorp.com).

#### FORWARD LOOKING STATEMENTS

This news release 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. The matters addressed in these statements are subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, the effect of general economic conditions, including the level of interest rates and housing starts, market demand for the company's products, and prices for structural products; the availability, cost and other terms of capital; the efficiency and consequences of operations improvement initiatives and cash conservation measures; the effect of forestry, land use, environmental and other governmental regulations; the ability to obtain regulatory approvals; and the risk of losses from fires, floods and other natural disasters. These and other factors that could cause or contribute to actual results differing materially from those contemplated by such forward-looking statements are discussed in greater detail in the company's Securities and Exchange Commission filings.

#### LOUISIANA-PACIFIC CORPORATION AND SUBSIDIARIES

##### FINANCIAL AND QUARTERLY DATA

(Dollar amounts in millions, except per share amounts) (Unaudited)

Quarter Ended		Nine Months Ended	
September 30,		September 30,	
2009	2008	2009	2008