



Ainsworth

Merger of Norbord and Ainsworth

Creating a Leading Global OSB Company

December 8, 2014

Forward-Looking Statements and Non-IFRS Financial Information

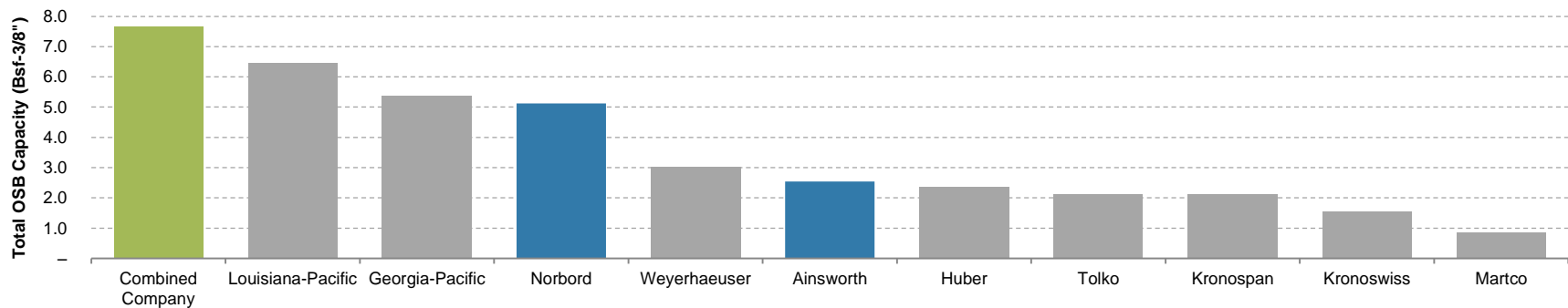
- All financial references are expressed in US\$ unless otherwise noted
- Financial numbers have been prepared in accordance with IFRS
- This presentation contains forward-looking statements and estimates
- Actual company results could differ materially from a conclusion, forecast or projection in the forward-looking information
- Certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information
- Additional information can be found in Norbord's and Ainsworth's annual information forms, annual and quarterly MD&A, and on Norbord's and Ainsworth's websites (www.norbord.com; www.ainsworthengineered.com) about the material factors that could cause actual results to differ materially from the conclusion, forecast or projection in the forward-looking information, and the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information
- During the course of this presentation, certain non-IFRS financial information will be presented. Definitions and reconciliation of terms can be found in Norbord's and Ainsworth's December 8, 2014 joint press release announcing the transaction

Creating a Leading Global OSB Company

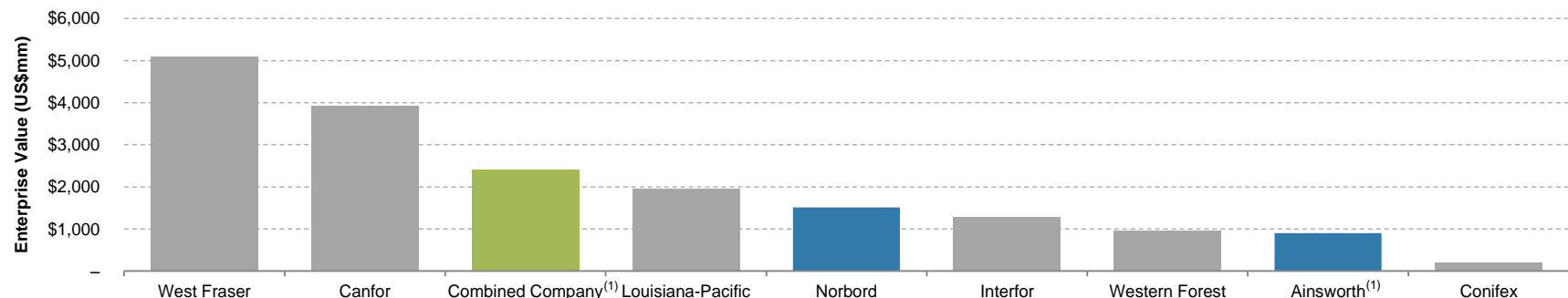


- Norbord and Ainsworth to merge in an all-share transaction

Pro Forma Top 10 Global OSB Producers



Pro Forma Enterprise Value



Source: Company filings

(1) Ainsworth and combined company enterprise values calculated using Norbord's December 5, 2014 closing price of C\$23.96 and the 0.1321 exchange ratio

Transaction Overview

- Ainsworth shareholders will receive 0.1321 of a Norbord share for each Ainsworth share
 - Represents a 15.0%⁽¹⁾ premium to Ainsworth's 20-day volume weighted average price as of December 5, 2014
- Subject to approval by majority of the minority shareholders of both Ainsworth and Norbord as well as customary closing conditions
- Transaction not reportable under U.S. Hart-Scott-Rodino Act or the Canadian Competition Act due to common controlling shareholder, however U.S. and Canadian antitrust and competition authorities may review non-reportable transactions at their discretion
- Circular will be mailed to Norbord and Ainsworth shareholders in late December, with shareholder meetings / votes expected in January 2015
- Transaction is expected to close in the first quarter of 2015

(1) Based on trading on all Canadian exchanges. Norbord's share prices prior to November 27, 2014 (December ex-dividend date) have been adjusted to exclude the December dividend payment of C\$0.60

Additional Transaction Details

- Proposed merger unanimously approved by both Norbord's and Ainsworth's Boards of Directors
 - Both Boards recommend shareholders vote in favour of the transaction
 - Transaction negotiated by Independent Committees of both Boards
 - Neither Independent Committee included representatives of Brookfield Asset Management ("Brookfield")
- Brookfield (controls approximately 52% and 55% of Norbord and Ainsworth shares, respectively) has entered into voting support agreements for transaction
 - Brookfield will own approximately 53% of Norbord following close of transaction
- Board of Directors of the combined company will have equal representation of independent directors from the current Boards of Norbord and Ainsworth, with a majority of the Board comprised of directors who are not Brookfield nominees

Strategic Rationale

- Geographically complementary operations with a balanced portfolio of high-quality assets
- Enhanced market diversification
- Strong financial position
- Growth potential
- Improved capital markets presence
- Significant synergies
- Experienced leadership

Geographically Complementary Operations Balanced Portfolio of High-Quality Assets



- Combination of Norbord's low-cost operations and larger mill network with Ainsworth's innovation in value-added strand-based engineered wood products



Overview of Combined Assets		
Name	Location	Capacity ⁽¹⁾
Ainsworth OSB		
100 Mile House	British Columbia	440
Barwick	Ontario	510
Grande Prairie	Alberta	730
High Level	Alberta	860
Norbord OSB		
Bemidji	Minnesota	470
Cordele	Georgia	990
Genk	Belgium	350
Guntown	Mississippi	450
Huguley*	Alabama	500
Inverness	Scotland	350
Jefferson	Texas	415
Joanna	South Carolina	500
La Sarre	Quebec	375
Nacogdoches	Texas	380
Val-d'Or*	Quebec	340
Total OSB Capacity⁽²⁾		7,660
Particleboard		
Cowie	Scotland	380
South Molton	England	160
MDF		
Cowie	Scotland	380
Total Panel Capacity⁽²⁾		8,580

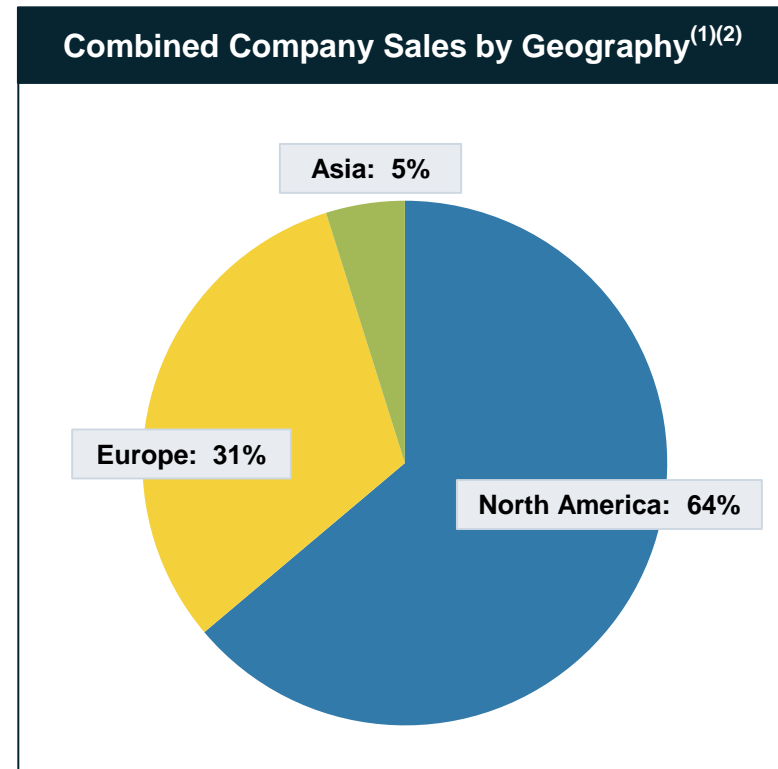
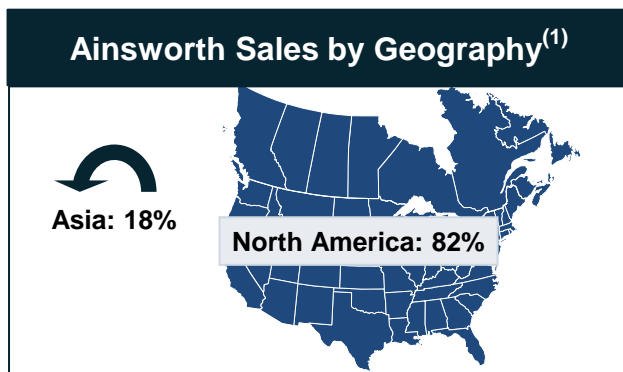
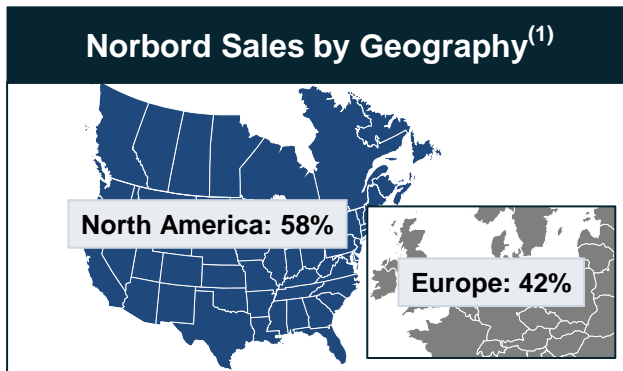
* Denotes curtailed mills

(1) In million square feet (MMsf-3/8"). Grande Prairie capacity does not include the 600 MMsf GP2 expansion project, which has an expected completion cost of C\$80 million

(2) Operating OSB capacity: 6,820 MMsf-3/8". Operating panel capacity: 7,740 MMsf-3/8"

Enhanced Market Diversification

- Strong North American footprint combined with more stable margin European operations of Norbord and Asia-focused export business of Ainsworth
- Combined company has a significant presence in North America, Europe and Asia



(1) Based on reported LTM revenues as of Q3 2014

(2) Ainsworth sales converted to US\$ at an LTM average exchange rate of C\$1.07 / US\$

Strong Financial Position

Disciplined Capital Allocation

- Maintain financial flexibility with strong balance sheet and credit profile
- Significant capital base will facilitate capital reinvestment, new product development and expansion projects in new and existing markets

Selected Financial Information⁽¹⁾

Q3 - 2014 (US\$ millions)	Norbord	Ainsworth	Combined Company
LTM Sales	\$1,218	\$416	\$1,634
LTM Adjusted EBITDA	\$104	\$33	\$143
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Market Capitalization	\$1,120	\$668	\$1,788
Debt	\$440	\$315	\$755
Cash	\$54	\$88	\$142
Net Debt	\$386	\$227	\$613
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Enterprise Value	\$1,506	\$895	\$2,401

Dividend Policy

- Anticipated that the Board of Directors of the combined company will continue Norbord's dividend policy which targets the payment to shareholders of a portion of free cash flow
- Taking into account growth and other attractive capital investment opportunities, and to maintain flexibility in the company's capital structure, the Board of Directors of Norbord expects to set the dividend at C\$0.25 per common share in the first quarter of 2015

(1) Based on pro forma sales and adjusted EBITDA. Adjusted EBITDA defined as earnings before finance costs, FX loss, gain on derivative financial instrument, costs on early debt extinguishment, costs incurred on terminated Louisiana-Pacific acquisition, income tax and depreciation. Ainsworth sales and adjusted EBITDA converted at a period average exchange rate of C\$1.07 / US\$. Ainsworth cash and debt balances converted at a period end exchange rate of C\$1.12 / US\$ and do not reflect any pro forma adjustments. Market capitalizations converted at the December 5, 2014 exchange rate of C\$1.14 / US\$. Ainsworth market capitalization and enterprise value calculated using Norbord's December 5, 2014 closing price of C\$23.96 and the 0.1321 exchange ratio

Other Benefits

Growth potential

- Combined company will have several growth opportunities:
 - Expansion of European OSB production
 - Restart of mothballed capacity (Huguley, AL and Val-d'Or, QC)
 - Completion of the second line at Grande Prairie, AB

Improved capital markets presence

- Increased stock market liquidity and larger public float
- Pro forma market capitalization of approximately C\$2.0⁽¹⁾ billion
- Expected to continue in the S&P/TSX Composite Index

Significant synergies

- Estimated at \$45 million/year, achievable over 18-24 months, from:
 - Best practices and technology transfers
 - Sales & logistics improvements
 - Cost reductions

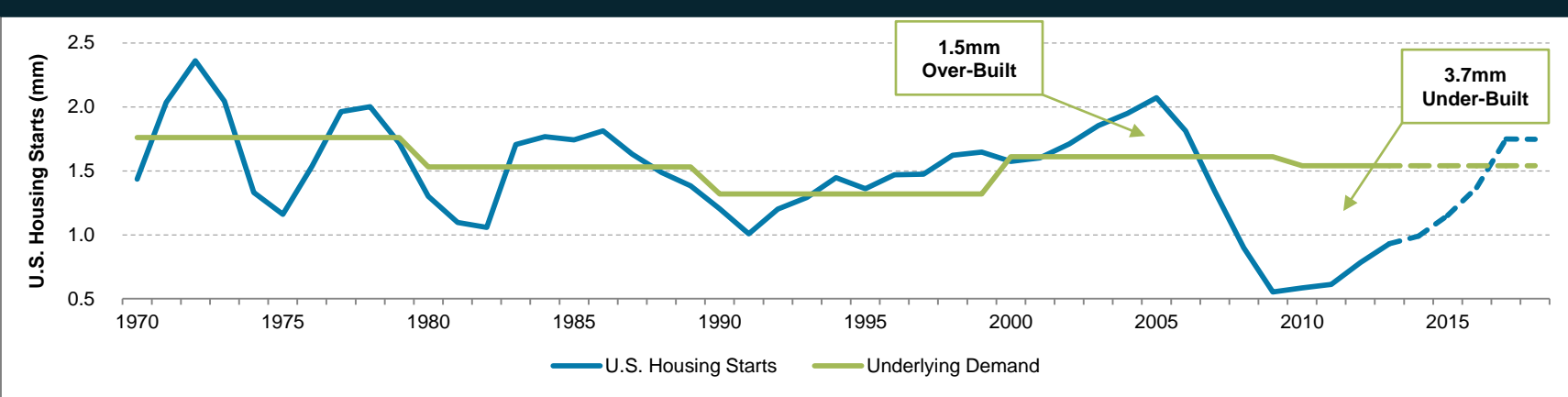
Experienced leadership

- Merged company to be led by Norbord's CEO, Peter Wijnbergen
- Draw upon extensive strategic, operating and financial experience from both organizations, as well as Brookfield

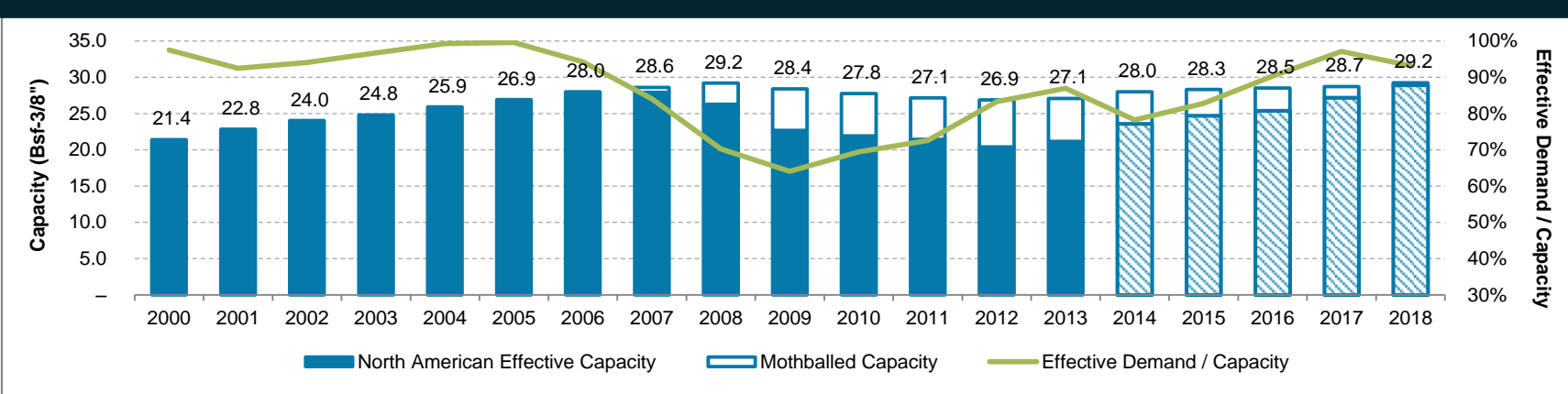
(1) Pro forma market capitalization calculated using Norbord's December 5, 2014 closing price of C\$23.96 and the 0.1321 exchange ratio

Well Positioned for U.S. Housing Market Recovery

U.S. Housing Starts and Underlying Demand



North American OSB Demand and Capacity



Complementary Products and End-Users

- Combination of Norbord's low-cost operating expertise with Ainsworth's innovation in new product development
- Combined company will have 50% of sales in value-added products and will be a significant supplier to:
 - Big Box (repair & remodel)
 - Pro-Dealers (new home construction)
 - Industrial (furniture, EWP)
 - Export (Japan, China)



Q&A