



Earnings Release

2nd Quarter — 2009

Weyerhaeuser Company
July 31, 2009

Forward-looking Statement

This news release contains statements concerning the company's 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 on various assumptions and may not be accurate because of risks and uncertainties surrounding these assumptions. Factors listed below, as well as other factors, may cause actual results to differ significantly from these forward-looking statements. There is no guarantee that any of the events anticipated by these forward-looking statements will occur. If any of the events occur, there is no guarantee what effect they will have on company operations or financial condition. The company will not update these forward-looking statements after the date of this news release.

Some forward-looking statements discuss the company's plans, strategies and intentions. They use words such as "expects," "may," "will," "believes," "should," "approximately," "anticipates," "estimates," and "plans." In addition, these words may use the positive or negative or other variations of those terms.

This release contains forward-looking statements regarding the company's expectations during the third quarter of 2009, including fee timber harvest levels in the Timberlands segment, sales of non-strategic timberlands, the effect of operating efficiencies and cost control measures on operating losses in the Wood Products segment, demand and pricing for our wood products, decreased expenses for annual planned maintenance and operations in the Cellulose Fiber segment, average pulp price realizations, home sale closings and prices, and earnings and performance of our business segments. The major risks, uncertainties and assumptions that affect the company's businesses and may cause actual results to differ from these forward-looking statements, include, but are not limited to:

- the effect of general economic conditions, including the level of interest rates, availability of financing for home mortgages, strength of the U.S. dollar, employment rates and housing starts;
- market demand for the company's products, which is related to the strength of the various U.S. business segments and economic conditions;
- the successful execution of internal performance plans, including restructurings and cost reduction initiatives;
- changes in the Company's business support functions and support costs;
- performance of the company's manufacturing operations, including maintenance requirements and operating efficiencies;
- changes in legislation or tax rules
- raw material prices;
- energy prices;
- transportation costs;
- the level of competition from domestic and foreign producers;
- the effect of forestry, land use, environmental and other governmental regulations;
- legal proceedings;
- the effect of weather;
- the risk of loss from fires, floods, windstorms, hurricanes, pest infestation and other natural disasters; and
- changes in accounting principles;
- performance of pension fund investments and related derivatives;
- the effect of timing of retirements and changes in the market price of company stock on charges for stock-based compensation; and
- other factors described under "Risk Factors" in the Company's annual report on Form 10-K.

The company also is a large exporter and is affected by changes in economic activity in Europe and Asia, particularly Japan and China. It also is affected by changes in currency exchange rates, particularly the relative value of the U.S. dollar to the euro and the Canadian dollar. Restrictions on international trade or tariffs imposed on imports also may affect the company.

Statements Relating to Non-GAAP Financial Measures

- During the course of this presentation, certain non-U.S. GAAP financial information will be presented. A reconciliation of those numbers to U.S. GAAP financial measures is included in this presentation which is available on the company's website at www.weyerhaeuser.com

2009 Q2 Consolidated Results

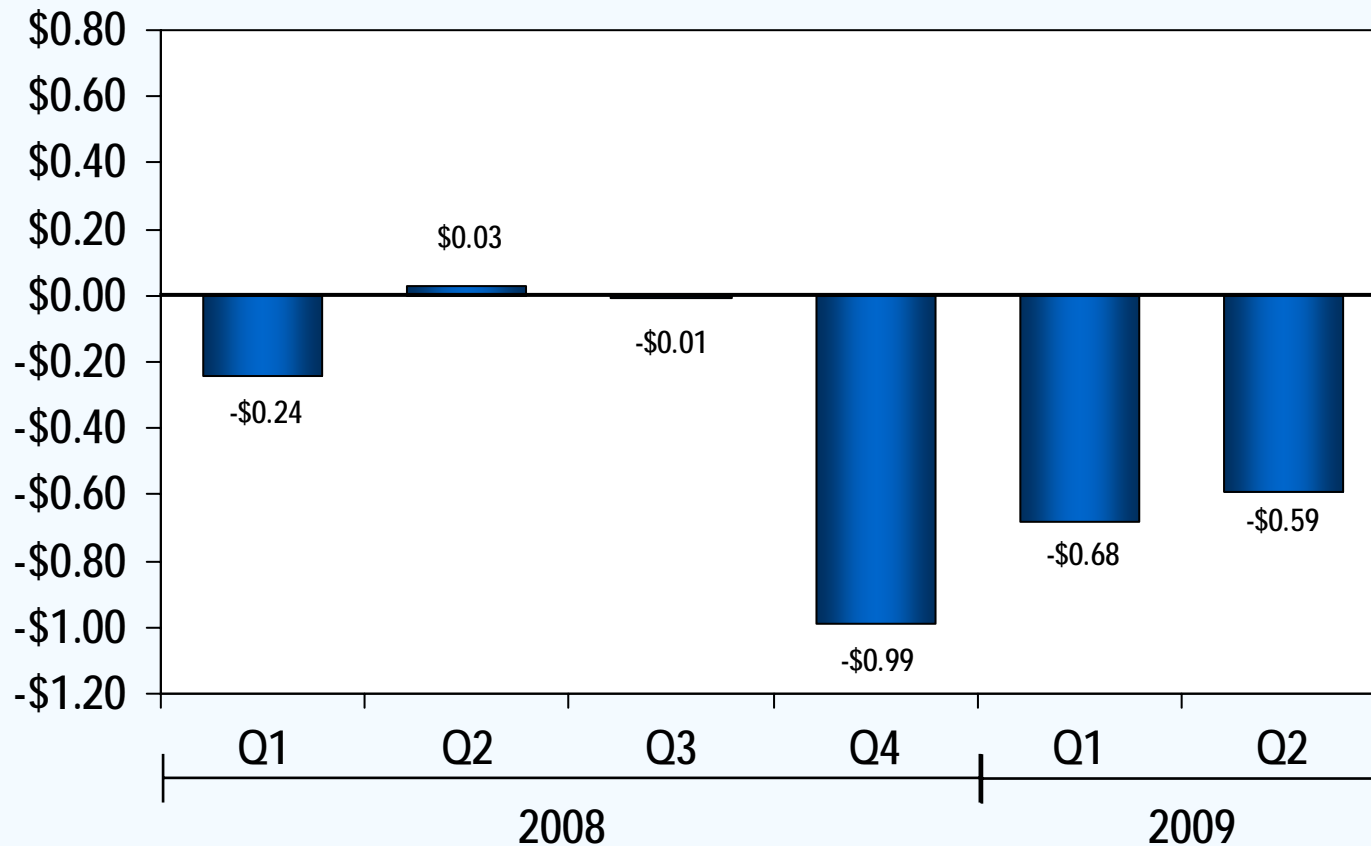
	<u>2009 Q2</u>
Revenues (\$ Millions)	\$1,391
Net Earnings before Special Items (\$ Millions) 1.	(\$125)
Earnings Per Share before Special Items 1.	(\$0.59)

\$ Millions except EPS	2009	2009
	Q1	Q2
Contribution to Pre-Tax Earnings before Special Items		
Timberlands	\$40	\$71
Wood Products	(176)	(147)
Cellulose Fibers	32	(7)
Real Estate	(24)	2
Corporate and Other	(14)	20
Total Contribution to Pre-Tax Earnings before Special Items	(\$142)	(\$61)
Special Items	(192)	28
Total Contribution to Pre-Tax Earnings	(\$334)	(\$33)
Interest Expense, net	(106)	(105)
Income Taxes	176	32
Net Income	(\$264)	(\$106)
EPS	(\$1.25)	(\$0.50)
EPS before Special Items 1.	(\$0.68)	(\$0.59)

1. A reconciliation to GAAP is set forth on Chart 3 and at www.weyerhaeuser.com

EPS Before Special Items

A reconciliation to GAAP EPS is available on Chart 12 and at www.weyerhaeuser.com

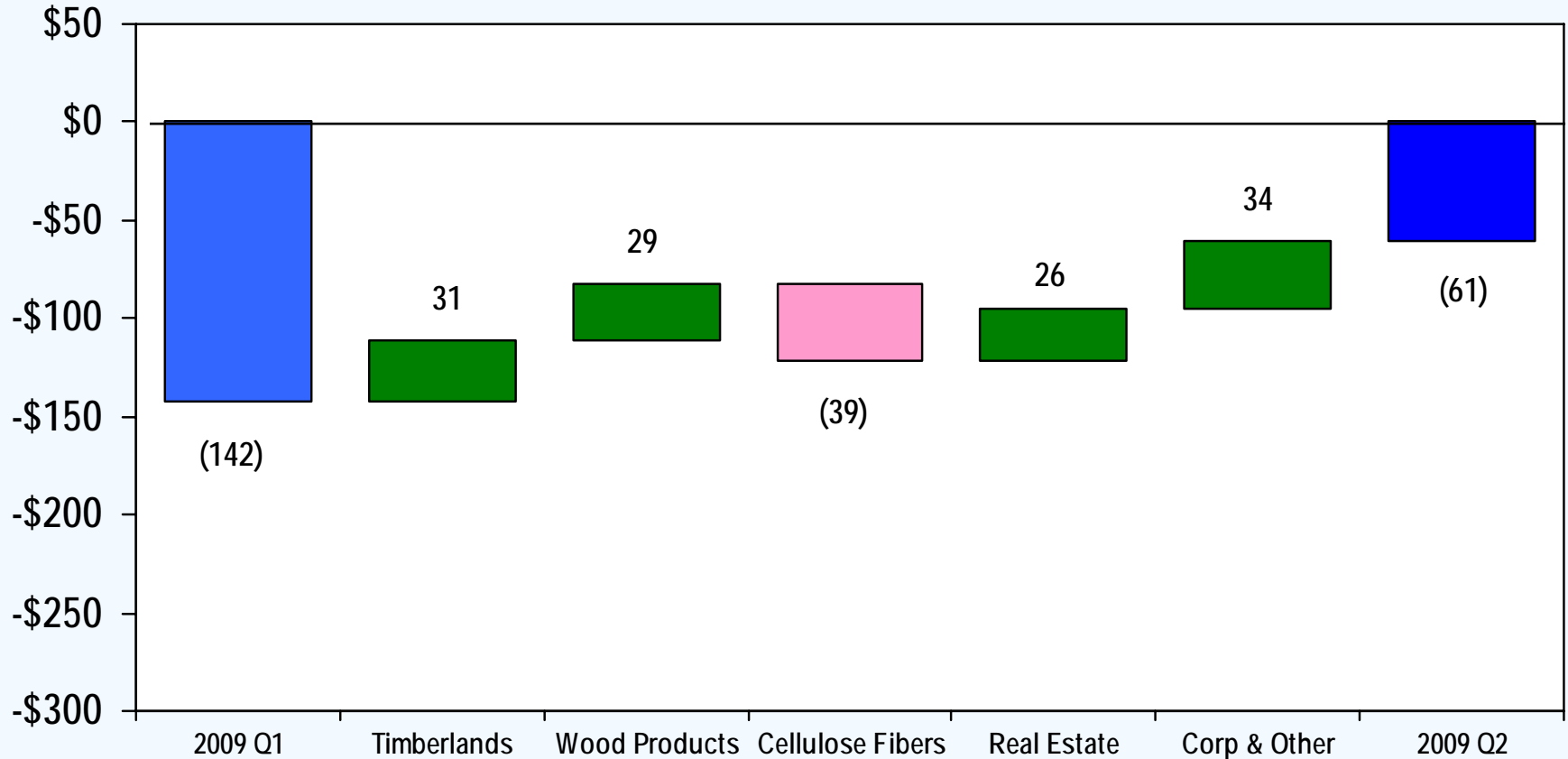


Reconciliation to GAAP

\$ Millions except EPS	Diluted EPS		Net Earnings	
	2009	2009	2009	2009
	Q1	Q2	Q1	Q2
EPS / Net Earnings before Special Items	(\$0.68)	(\$0.59)	(\$144)	(\$125)
Alternative Fuel Mixture Credits	--	0.34	--	72
Impairments and Reserves for Real Estate Assets	(0.21)	(0.17)	(45)	(36)
Corporate Restructuring and Asset Impairments	(0.08)	(0.14)	(17)	(30)
Closures, Restructuring and Asset Impairments, Primarily for Wood Products	(0.22)	(0.07)	(46)	(14)
Litigation and Insurance Settlements and Reserves	(0.06)	0.07	(12)	14
Gain on Sale of Closed Facilities	--	0.06	--	13
EPS / Net Earnings (GAAP)	<u>(\$1.25)</u>	<u>(\$0.50)</u>	<u>(\$264)</u>	<u>(\$106)</u>

Changes in Contribution to Earnings by Segment

Earnings Before Special Items, Interest and Taxes (\$ millions)¹.



1. A reconciliation before Special Items to GAAP can be found on Chart 3 and at www.weyerhaeuser.com

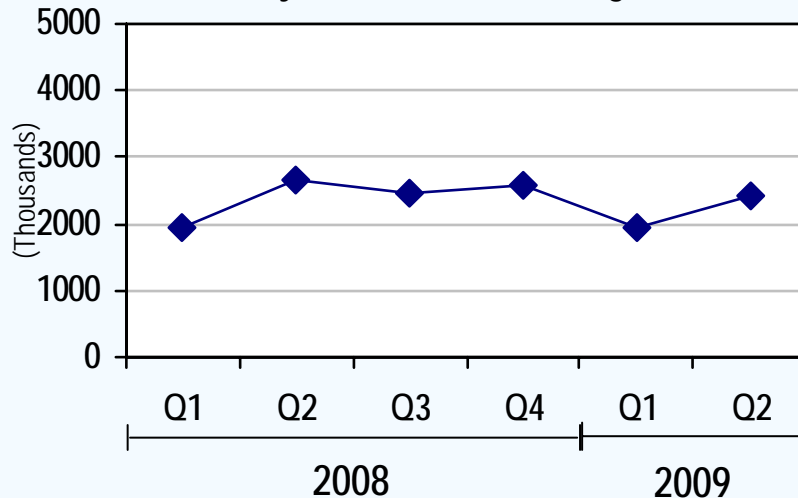
Timberlands Segment

<u>Timberlands</u> (\$ Millions)	<u>2009 Q1</u>	<u>2009 Q2</u>
Third Party Revenues ¹	\$154	\$208
Inter-Segment Revenues ¹	\$117	\$104
Contribution to Pre-Tax Earnings	\$40	\$66

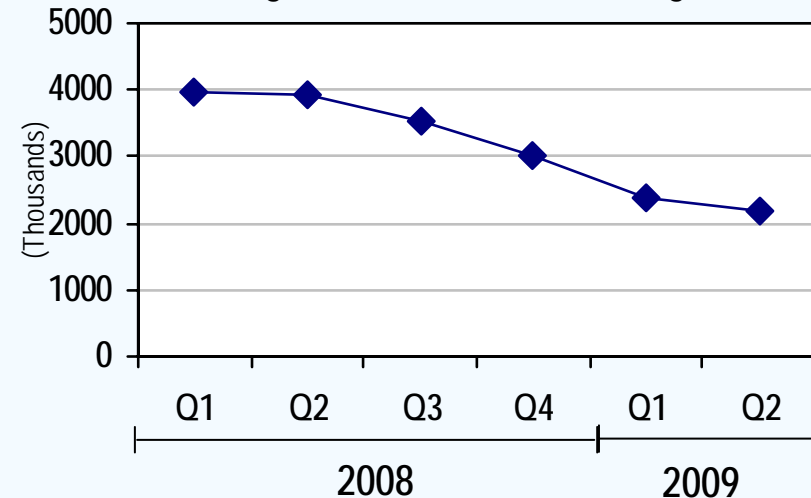
2nd Quarter Notes

- Increased sales of non-strategic lands
- Seasonally higher volumes
- Lower operating and SG&A costs
- Domestic and export log prices declined

3rd-Party Sales Volumes — Logs (m3)¹



Inter-Segment Sales Volumes — Logs (m3)¹



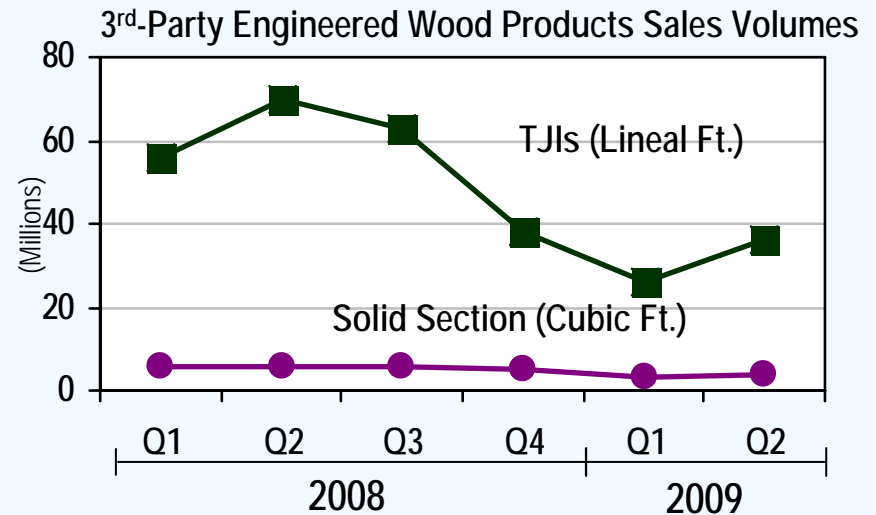
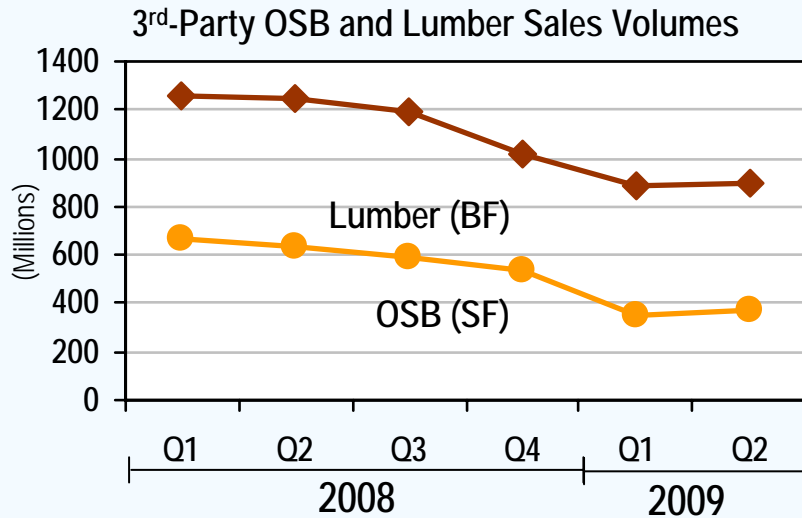
1. Revenues and volumes exclude Canadian Forestland operations.

Wood Products Segment

2nd Quarter Notes

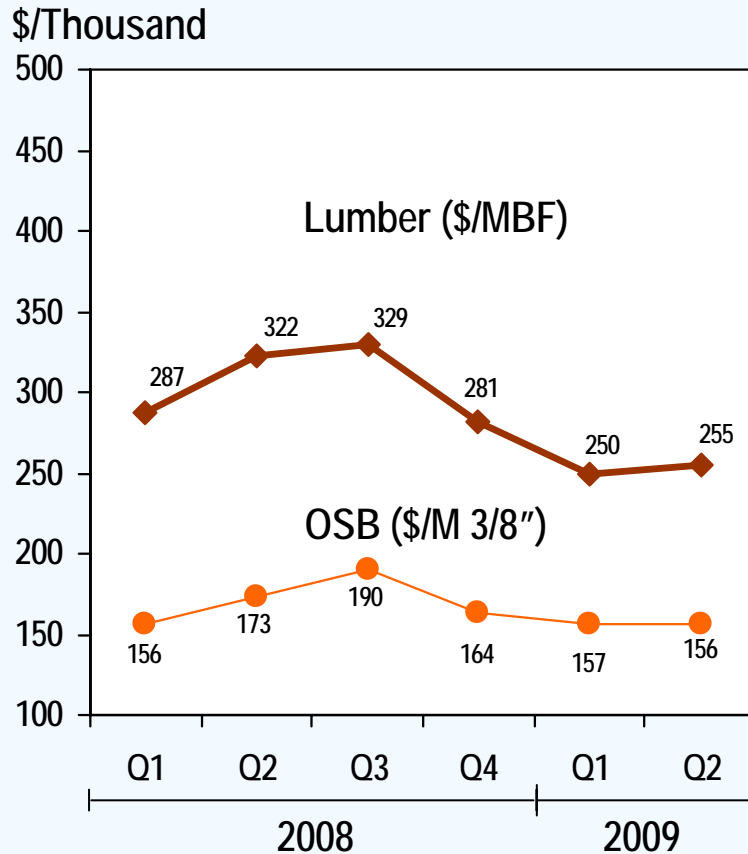
- Cost control measures, lower log costs and slightly improved softwood lumber prices more than offset lower engineered wood products prices
- 2nd quarter included special items of \$15 million, compared to \$90 million in the 1st quarter

<u>Wood Products</u> (\$ Millions)	<u>2009 Q1</u>	<u>2009 Q2</u>
Revenues	\$542	\$594
Contribution to Pre-Tax Earnings	(\$266)	(\$162)

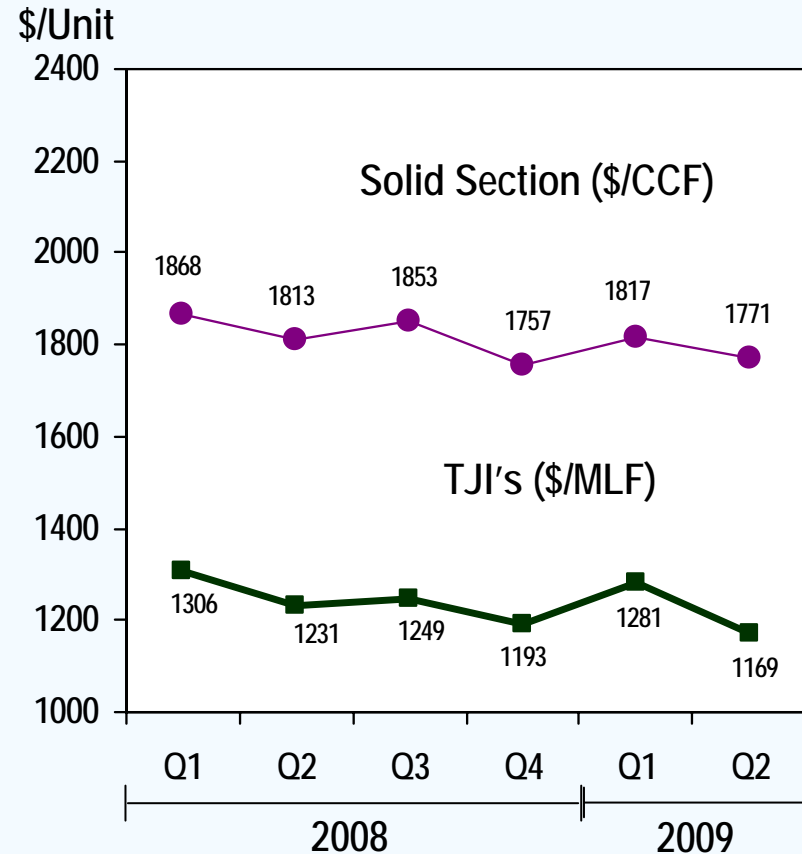


Average 3rd-Party Realizations — OSB and Lumber / Engineered Lumber

OSB and Lumber



Engineered Lumber

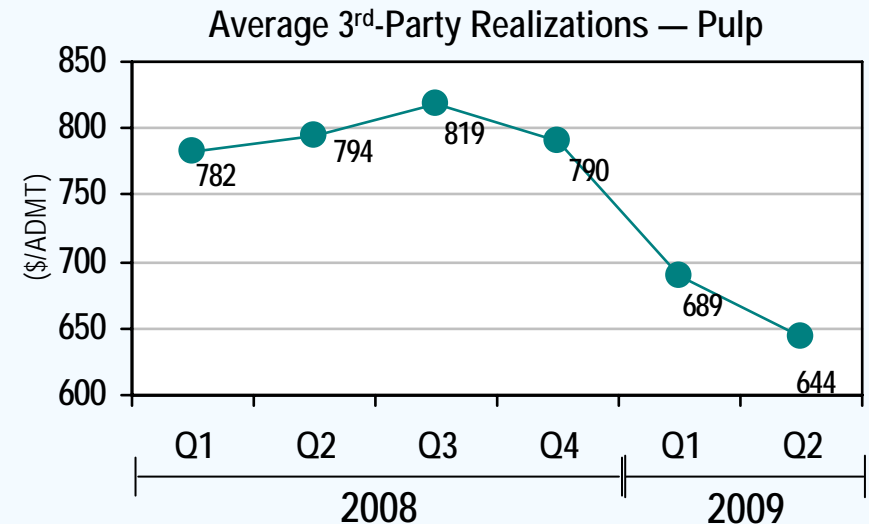
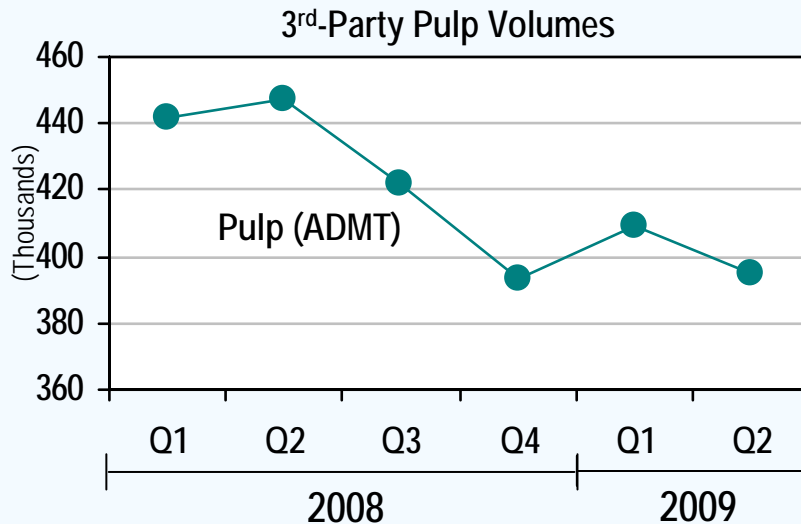


Cellulose Fibers Segment

<u>Cellulose Fibers</u> (\$ Millions)	<u>2009 Q1</u>	<u>2009 Q2</u>
Revenues	\$364	\$349
Contribution to Pre-Tax Earnings	\$31	\$100

2nd Quarter Notes

- 2nd quarter includes a gain of \$107 million related to alternative fuel mixture credits
- Extensive boiler repair at Columbus, MS in addition to annual maintenance outages
- Lower average price realizations were partially offset by reductions in fiber, energy, chemical and freight costs



Real Estate Segment

<u>Real Estate</u> (\$ Millions)	<u>2009 Q1</u>	<u>2009 Q2</u>
Revenues	\$172	\$199
Contribution to Pre-Tax Earnings	(\$96)	(\$50)

2nd Quarter Notes

- Average home closing price was higher due to mix
- 2nd quarter included gains of \$16 million from the sale of land, lots and partnership interests. 1st quarter included a gain of \$6 million from a land condemnation
- 2nd quarter included special items of \$52 million compared to \$72 million in the 1st quarter

Weyerhaeuser Real Estate Company Key Indicators

	2008				2009	
	Q1	Q2	Q3	Q4	Q1	Q2
Sales Traffic (in Thousands)	33	30	30	20	19	20
Single-Family Homes Sold (Net New Orders)	926	748	537	334	455	790
Single-Family Homes Sold But Not Closed At End of Period (Backlog)	1,306	1,185	1,002	581	607	910
Cancellation Rate (%)	26%	31%	36%	41%	28%	19%
Single-Family Homes Closed	844	869	720	755	429	464
Average Home Closing Price (\$ Thousands)	\$399	\$399	\$421	\$408	\$377	\$388

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2009 Q3 Outlook

Segment	Comments
Timberlands	<ul style="list-style-type: none"> ● Excluding the impact of non-strategic land sales, Weyerhaeuser expects 2009 Q3 earnings to be lower than 2009 Q2 due to additional harvest deferrals and lower log sales realizations.
Wood Products	<ul style="list-style-type: none"> ● Weyerhaeuser expects a smaller operating loss in 2009 Q3 due to improved operating efficiencies, cost control initiatives, and modest improvements in softwood lumber and oriented strand board prices. ● We will continue to take additional downtime to balance supply with demand.
Cellulose Fibers	<ul style="list-style-type: none"> ● Weyerhaeuser expects 2009 Q3 earnings to be higher than 2009 Q2, primarily due to less maintenance downtime and continued cost control. ● We expect a slight increase in alternative fuel blending in 2009 Q3 compared to 2009 Q2.
Real Estate	<ul style="list-style-type: none"> ● Weyerhaeuser expects a higher loss from homebuilding operations in 2009 Q3. ● Home sale closings are expected to be comparable to 2009 Q2 levels, with a change in mix resulting in lower average sales prices.

Appendix

2009 Q2 Earnings Summary

\$ Millions except EPS	2008				2009	
	Q1	Q2	Q3	Q4	Q1	Q2
Contribution to Earnings before Special Items						
Timberlands	\$112	\$102	\$107	\$62	\$40	\$71
Wood Products	(203)	(131)	(109)	(199)	(176)	(147)
Cellulose Fibers	56	43	78	65	32	(7)
Containerboard, Packaging & Recycling ¹	97	109	8	--	--	--
Real Estate	(22)	(26)	(84)	(146)	(24)	2
Corporate and Other	(19)	17	17	5	(14)	20
Total Contribution to Earnings before Special Items	\$21	\$114	\$17	(\$213)	(\$142)	(\$61)
Special Items	(156)	(254)	1,085	(1,225)	(192)	28
Total Contribution to Earnings	(\$135)	(\$140)	\$1,102	(\$1,438)	(\$334)	(\$33)
Interest Expense, net ²	(108)	(106)	(116)	(86)	(106)	(105)
Income Taxes ³	95	150	(706)	312	176	32
Net Income (loss)	(\$148)	(\$96)	\$280	(\$1,212)	(\$264)	(\$106)
EPS	(\$0.70)	(\$0.45)	\$1.33	(\$5.73)	(\$1.25)	(\$0.50)
EPS before Special Items ⁴	(\$0.24)	\$0.03	(\$0.01)	(\$0.99)	(\$0.68)	(\$0.59)

1. Containerboard, Packaging & Recycling was sold in August 2008.

2. Interest expense includes \$33MM gain in 2008 Q4 on early extinguishment of debt.

3. Income taxes for 2008 Q2 include a \$14 million tax benefit from the release of FIN 48 tax liabilities. Income taxes for 2009 Q2 include a \$13 million tax charge primarily related to state tax law and rate changes.

4. A reconciliation to GAAP is set forth on Chart 12 and at www.weyerhaeuser.com

Earnings per Share Reconciliation

	2008				2009	2009
	Q1	Q2	Q3	Q4	Q1	Q2
EPS before Special Items	(\$0.24)	\$0.03	(\$0.01)	(\$0.99)	(\$0.68)	(\$0.59)
Alternative Fuel Mixture Credits						0.34
Closures, Restructuring and Impairment of Weyerhaeuser Assets	(0.19)	(0.20)	(0.16)	(0.15)	(0.29)	(0.21)
Real Estate Related Charges	(0.17)	(0.98)	(0.69)	(1.48)	(0.21)	(0.17)
Legal and Insurance Settlement and Reserve Adjustments	(0.05)				(0.06)	0.07
Impairment of Goodwill				(3.91)	(0.01)	
Net Gain on Divestiture of Assets and Operations / Restructuring of Uruguay Ownership		0.48	2.19	0.70		0.06
Gain (Loss) on Early Extinguishment of Debt				0.10		
Changes to Post-Retirement Benefits		0.15				
Tax Law Changes / Other One-time Tax Benefits		0.07				
Environmental Reserve Adjustment	(0.05)					
EPS (GAAP)	(\$0.70)	(\$0.45)	\$1.33	(\$5.73)	(\$1.25)	(\$0.50)