



Earnings Release

3rd Quarter — 2007

Weyerhaeuser Company
October 31, 2007

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Forward-looking Statement

This presentation 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. Some of these forward-looking statements can be identified by the use of forward-looking terminology such as "expects," "may," "will," "believes," "should," "approximately," "anticipates," "estimates," and "plans," and the negative or other variations of those terms or comparable terminology or by discussions of strategy, plans or intentions. In particular, some of these forward-looking statements deal with (i) expectations for fourth quarter 2007 regarding the company's markets, earnings and performance of the company's business segments, price realizations, demand, sales volume and pricing for the company's products, land sales, product mix, OCC and fiber costs, higher seasonal energy costs and scheduled annual maintenance downtime, manufacturing costs and related matters, (ii) expectations for achievement of \$100 million of savings in the CBPR business in 2007, company-wide capital expenditures for 2007, debt pay down, and (iii) expectations regarding potential new revenue opportunities. The accuracy of such statements is 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, which may be tied to the relative strength of various U.S. business segments;
- Energy prices;
- Raw material prices;
- Chemical prices;
- Performance of the company's manufacturing operations including unexpected maintenance requirements;
- The successful execution of internal performance plans;
- The level of competition from domestic and foreign producers;
- The effect of forestry, land use, environmental and other governmental regulations, and changes in accounting regulations;
- The effect of weather;
- The risk of loss from fires, floods, windstorms, hurricanes, pest infestation and other natural disasters;
- Transportation costs;
- Legal proceedings;
- The effect of timing of retirements and changes in the market price of company stock on charges for stock-based compensation; and
- Performance of pension fund investments and related derivatives.

The company is also a large exporter and is affected by changes in economic activity in Europe and Asia, particularly Japan, and by changes in currency exchange rates, particularly the relative value of the U.S. dollar to the Euro and the Canadian dollar, and restrictions on international trade or tariffs imposed on imports. These and other factors could cause or contribute to actual results differing materially from such forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will occur, or if any of them occurs, what effect they will have on the company's results of operations or financial condition. The company expressly declines any obligation to publicly revise any forward-looking statements that have been made to reflect the occurrence of events after the date of this news release.

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

2007 Q3 Consolidated Results

	<u>2007 Q3</u>
Revenues (\$ Millions)	\$4,146
Net Earnings before Special Items (\$ Millions) ² .	\$118
Diluted Earnings Per Share before Special Items ² .	\$0.55

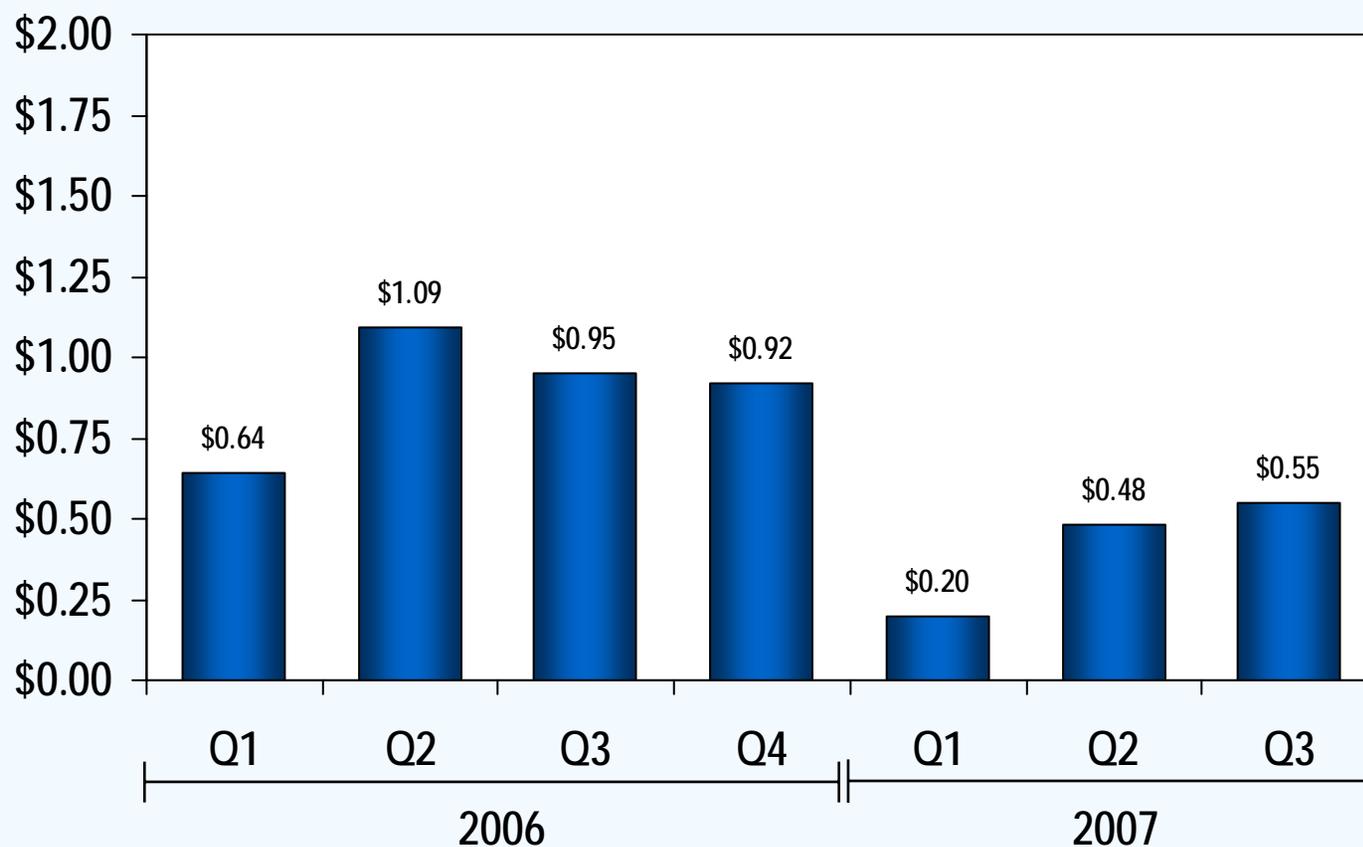
\$ Millions except EPS	2007	2007
	Q2	Q3
Contribution to Pre-Tax Earnings before Special Items	\$142	\$167
Timberlands		
Wood Products	(73)	(109)
Cellulose Fibers	48	81
Containerboard, Packaging & Recycling	88	100
Real Estate and Related Assets	76	83
Corporate and Other	(14)	(38)
Total Contribution to Pre-Tax Earnings before Special Items	\$267	\$284
Special Items	(68)	(24)
Total Contribution to Pre-Tax Earnings	\$199	\$260
Interest Expense, net ¹ .	(150)	(102)
Income Taxes	(17)	(57)
Net Income	\$ 32	\$101
Diluted EPS	\$0.15	\$0.47
Diluted EPS before Special Items ² .	\$0.48	\$0.55

1. Interest expense included \$42MM loss in 2007 Q2 on early extinguishment of debt

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

Diluted EPS Before Special Items

A reconciliation to GAAP EPS is available on Chart 3 and at www.weyerhaeuser.com

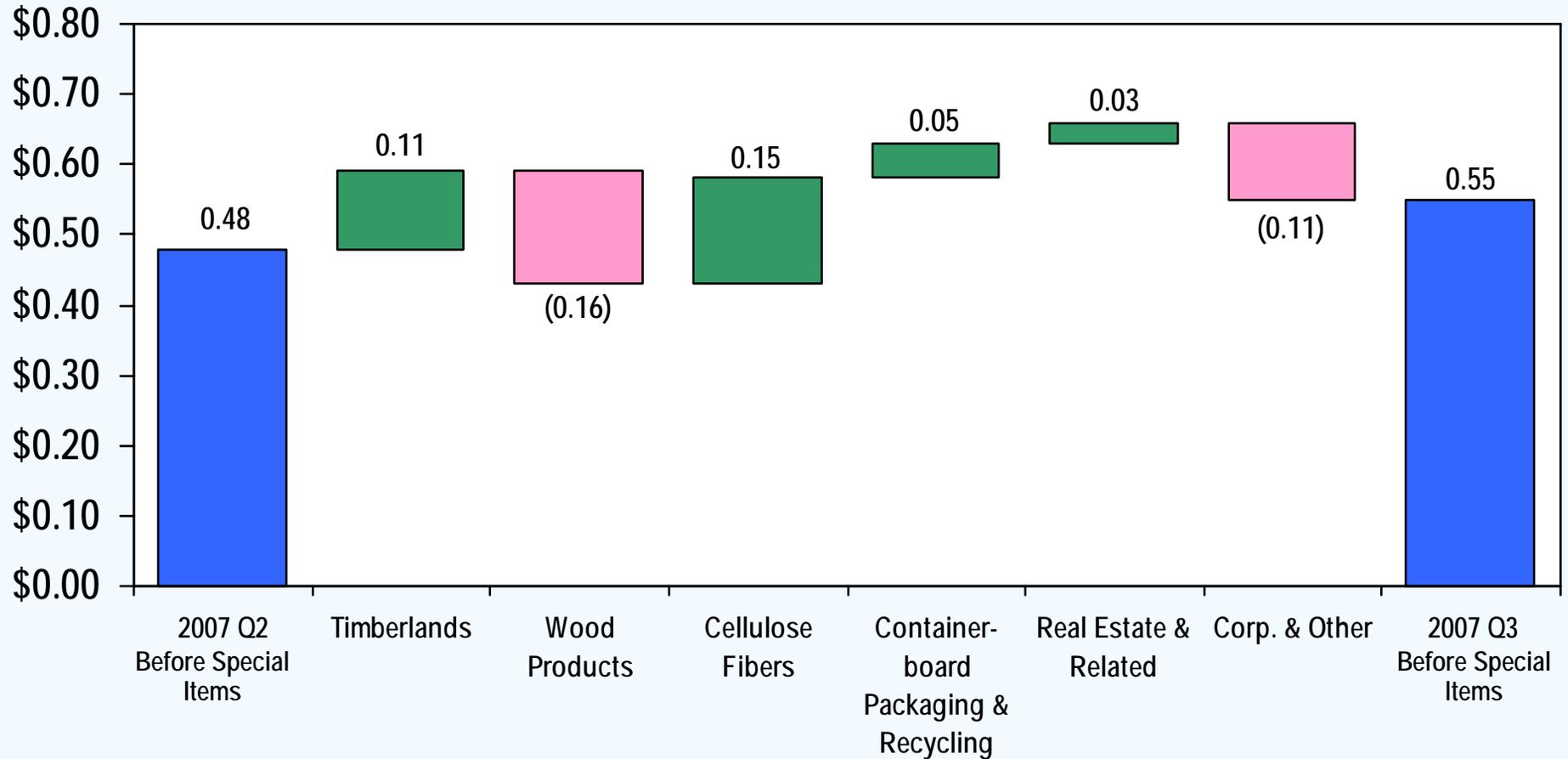


Reconciliation to GAAP

\$ Millions except EPS	Diluted EPS		Net Earnings	
	2007		2007	
	Q2	Q3	Q2	Q3
Diluted EPS / Net Earnings before Special Items	\$0.48	\$0.55	\$104	\$118
Gain (Loss) on Domtar Transaction	(0.02)	0.00	(5)	0
Net Gain on Sale of Assets and Operations	0.06	0.03	15	7
Charges for Closures, Impairments and Restructuring	(0.13)	(0.23)	(30)	(50)
Legal Settlements / Contract Terminations	(0.12)	0.12	(25)	26
Loss on Early Extinguishment of Debt	(0.12)	0.00	(27)	0
Diluted EPS / Net Earnings (GAAP)	<u>\$0.15</u>	<u>\$0.47</u>	<u>\$ 32</u>	<u>\$101</u>

Changes in Earnings per Share by Segment

\$ per Share Before Special Items¹.



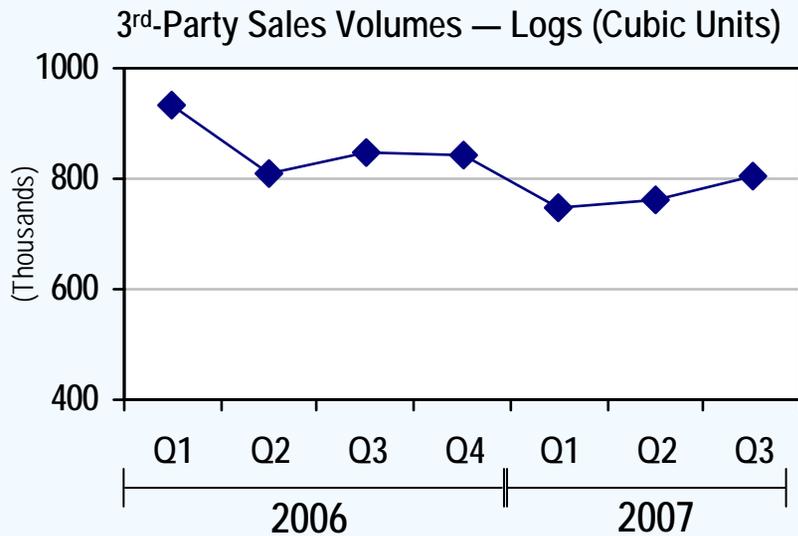
1. A reconciliation before Special Items to GAAP can be found on Chart 3 and at www.weyerhaeuser.com

Segment Highlights — Timberlands

<u>Timberlands</u> (\$ Millions)	<u>2007 Q3</u>	<u>2007 Q2</u>
Revenues	\$249	\$211
Contribution to Pre-Tax Earnings	\$165	\$142

3rd Quarter Highlights

- Continued weakness in the wood products markets resulted in lower log price realizations in the West
- 3rd Party sales volumes increased, however, total log sales volumes were lower
- Higher sales of non-strategic timberlands offset the effect of declining log prices



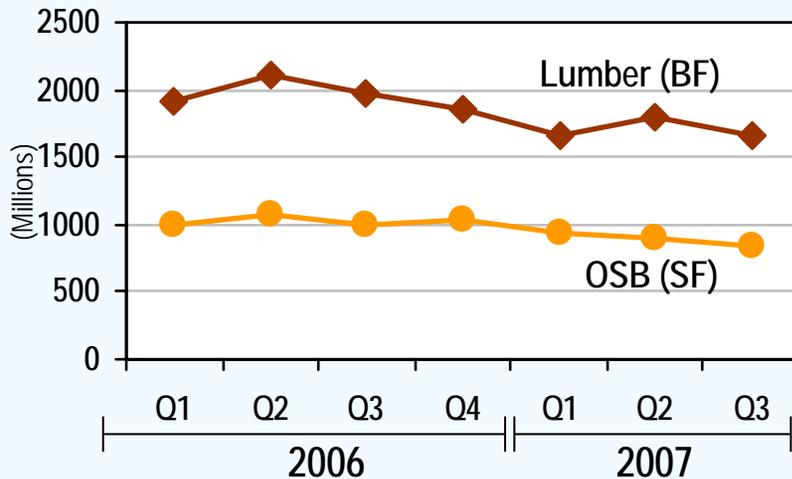
Segment Highlights — Wood Products

<u>Wood Products</u> (\$ Millions)	<u>2007 Q3</u>	<u>2007 Q2</u>
Revenues	\$1,449	\$1,662
Contribution to Pre-Tax Earnings	(\$131)	(\$123)

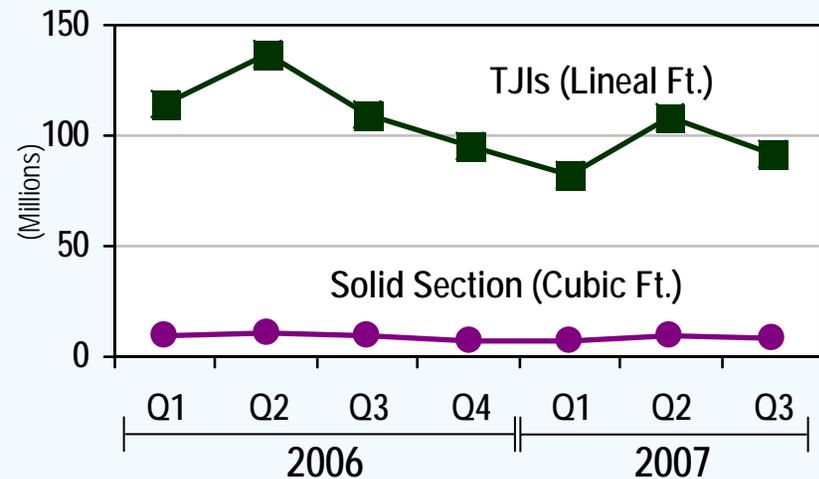
3rd Quarter Highlights

- Demand for wood products continued to weaken

3rd-Party OSB and Lumber Sales Volumes

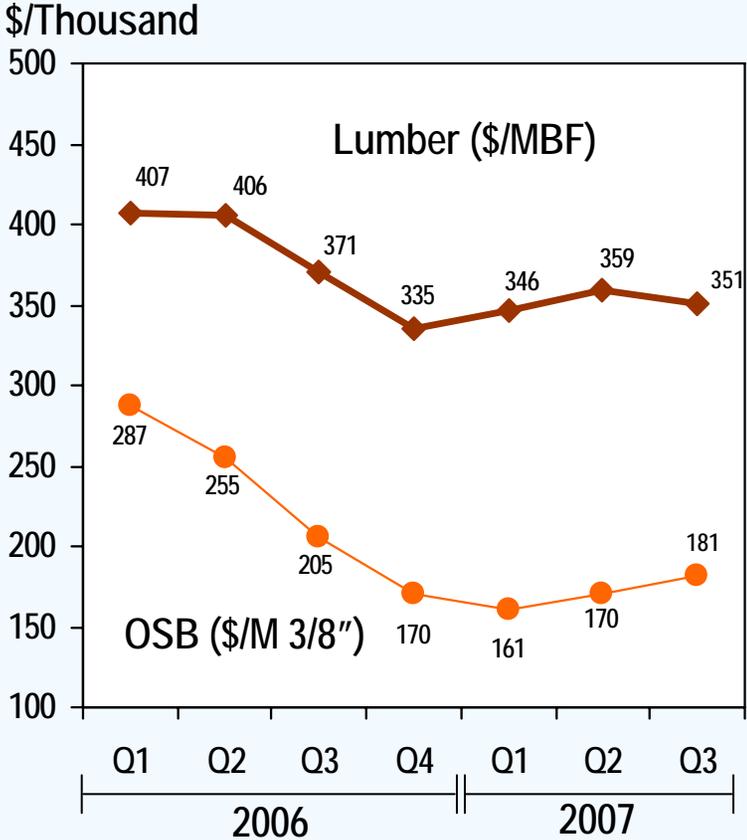


3rd-Party Engineered Wood Products Sales Volumes

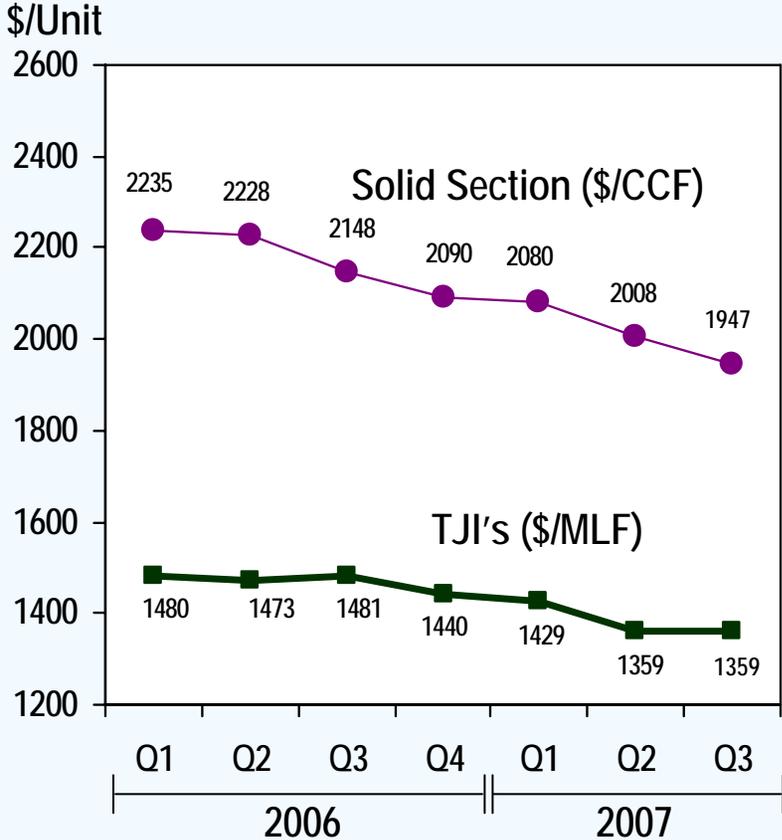


Average 3rd-Party Realizations — OSB and Lumber / Engineered Lumber

OSB and Lumber



Engineered Lumber

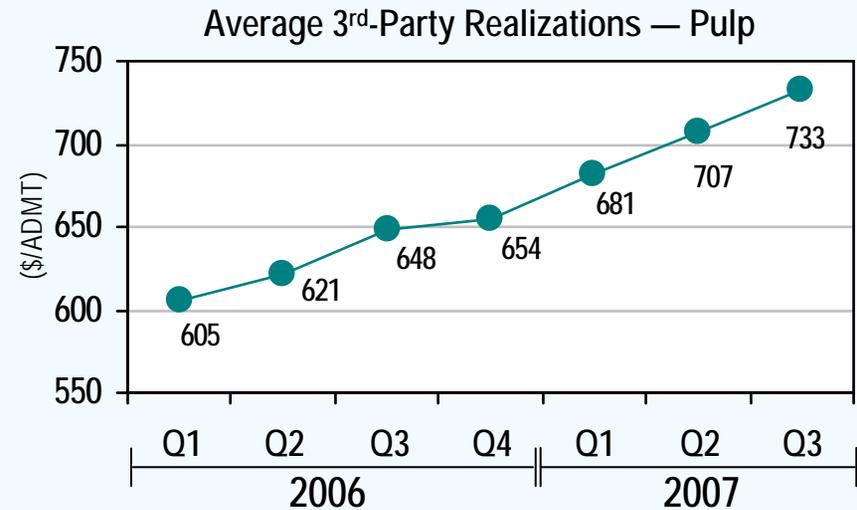
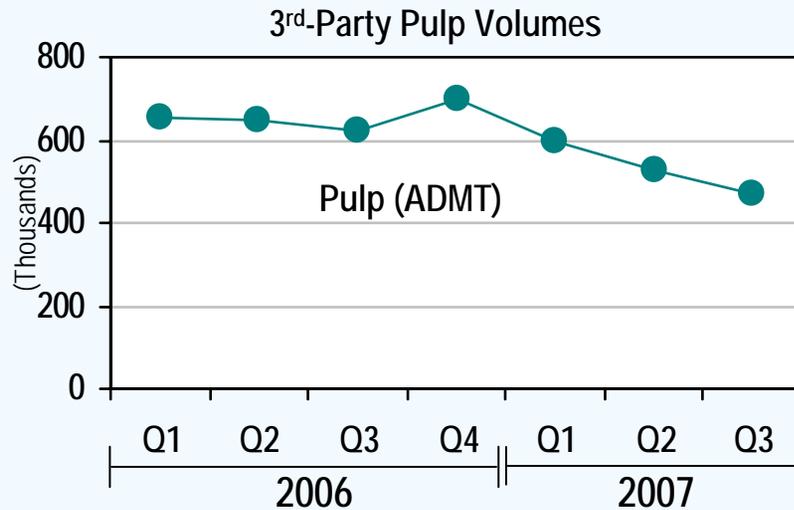


Segment Highlights — Cellulose Fibers

<u>Cellulose Fibers</u> (\$ Millions)	<u>2007 Q3</u>	<u>2007 Q2</u>
Revenues	\$436	\$470
Contribution to Pre-Tax Earnings	\$79	\$48

3rd Quarter Highlights

- Prices continued to increase and productivity improved
- Pulp volume declines driven by transition of mills to Domtar

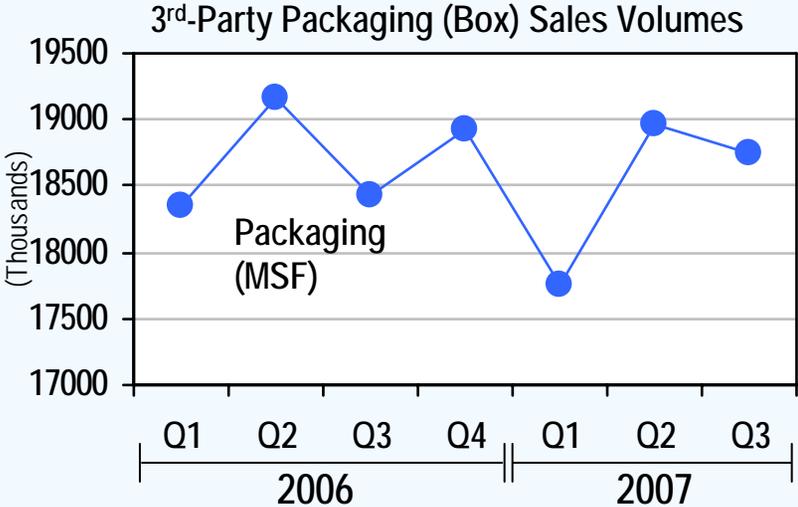
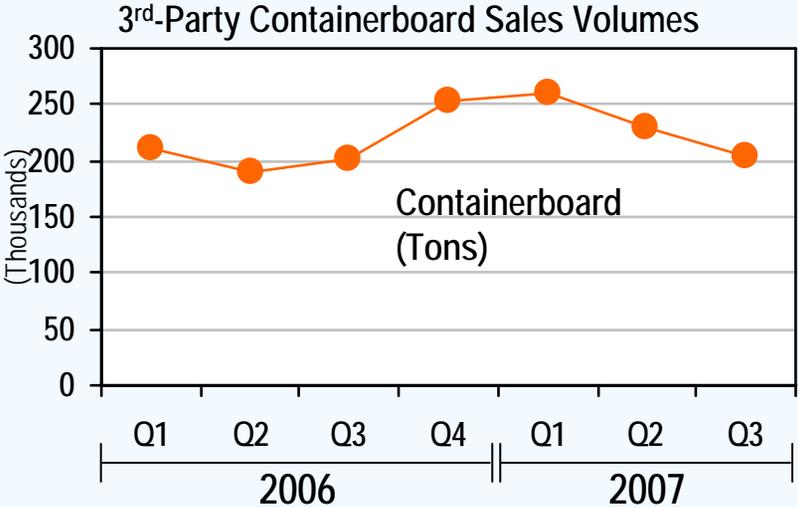


Segment Highlights — Containerboard, Packaging & Recycling

<u>Containerboard, Packaging & Recycling</u> (\$ Millions)	<u>2007 Q3</u>	<u>2007 Q2</u>
Revenues	\$1,293	\$1,327
Contribution to Pre-Tax Earnings	\$104	\$112

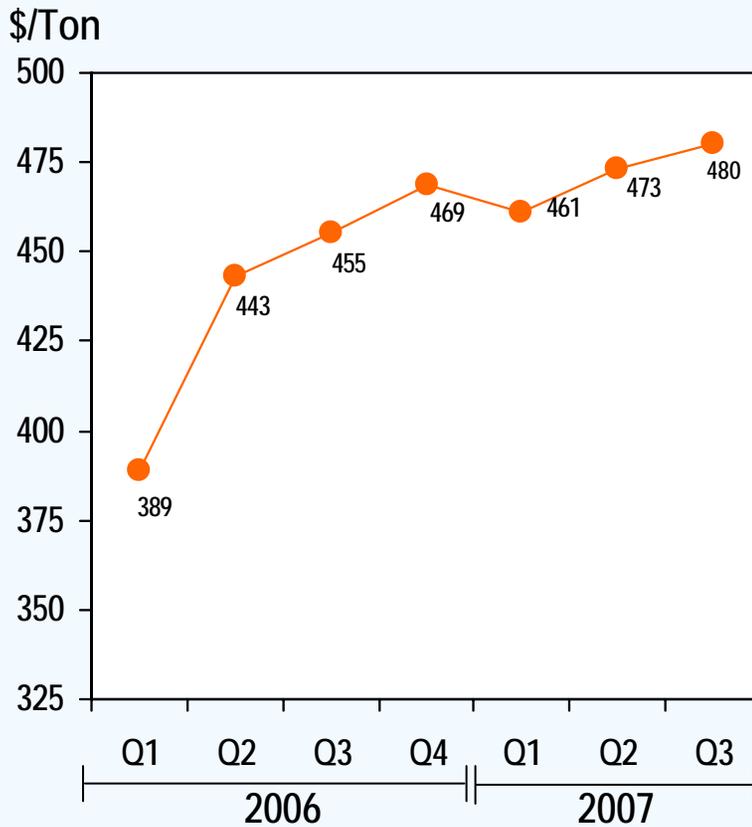
3rd Quarter Highlights

- Mill productivity improved and maintenance downtime decreased
- Average packaging price realizations decreased due to product mix and volumes were seasonally lower

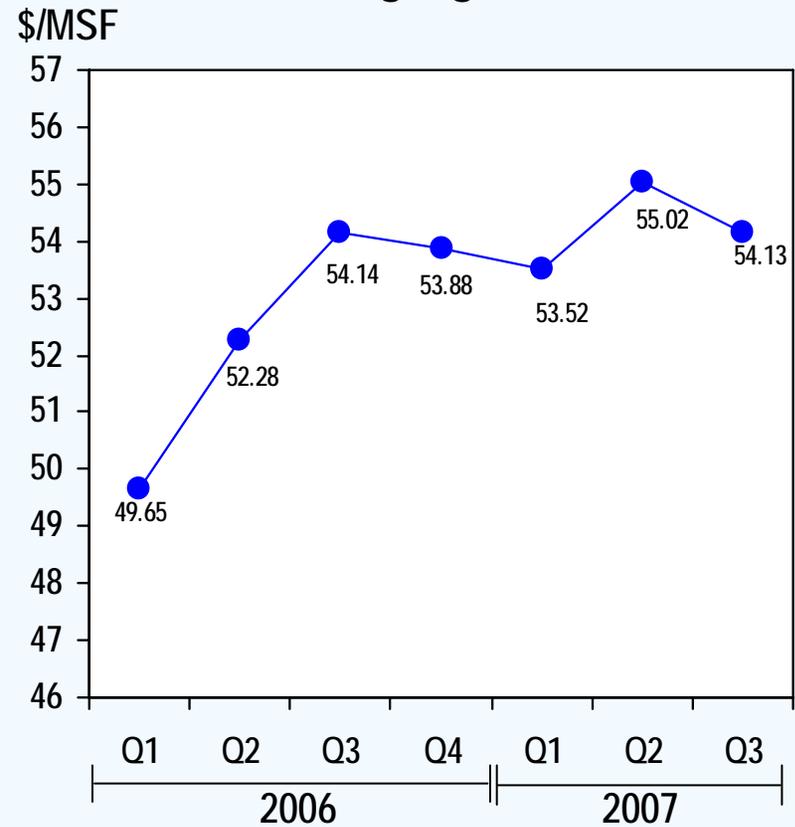


Average 3rd-Party Realizations — Containerboard and Packaging

Containerboard



Packaging (Box)



Segment Highlights — Real Estate and Related Assets

<u>Real Estate & Related Assets</u> (\$ Millions)	<u>2007 Q3</u>	<u>2007 Q2</u>
Revenues	\$598	\$559
Contribution to Pre-Tax Earnings	\$60	\$64

3rd Quarter Highlights

- Housing markets continued to decline
- Single-family closings improved and margins increased due to mix

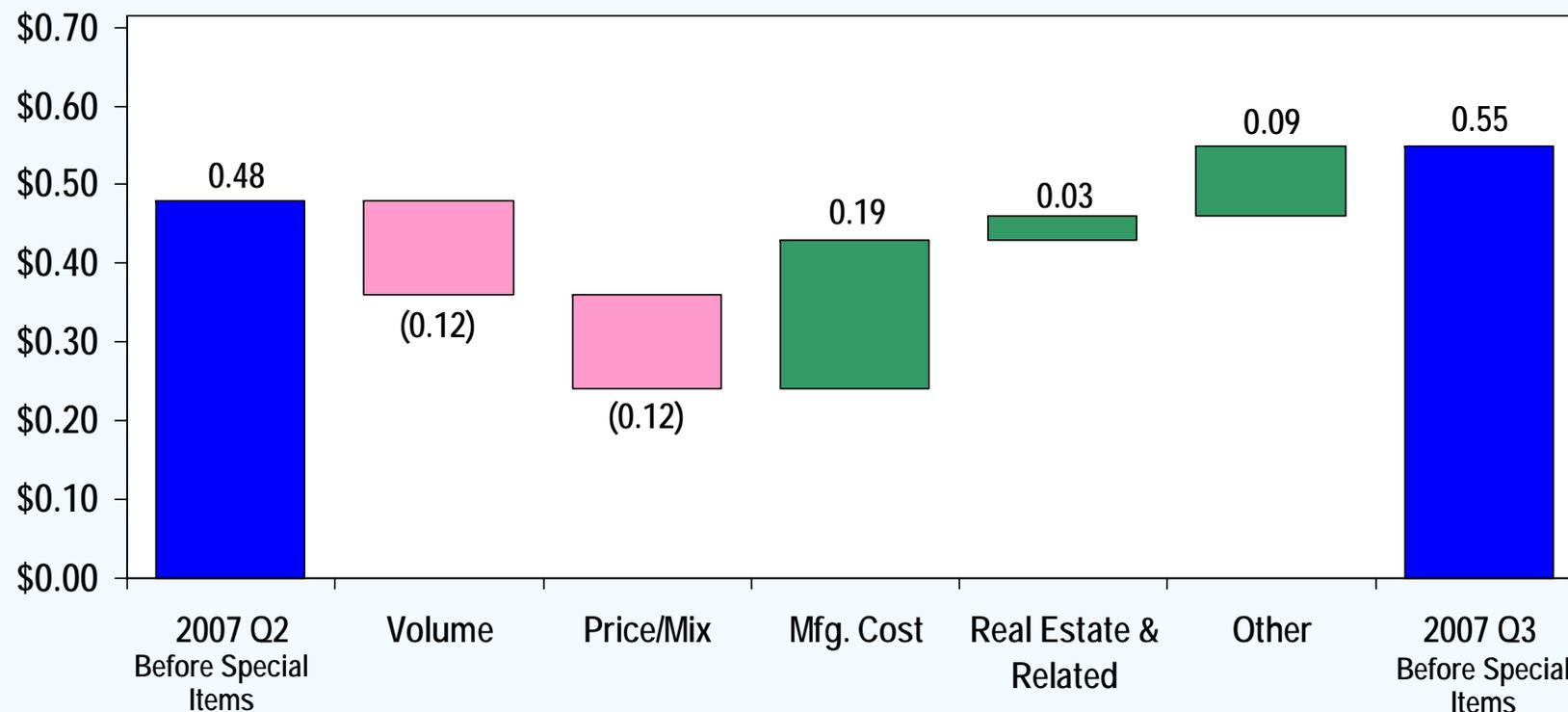
Weyerhaeuser Real Estate Company Key Indicators

	2006				2007		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Sales Traffic (in Thousands)	72	62	53	45	61	49	41
Single-Family Homes Sold	1,472	1,325	906	838	1,684	1,139	734
Cancellation Rate (%)	19%	26%	36%	36%	16%	25%	33%
Single-Family Homes Closed	1,161	1,483	1,439	1,753	976	1,062	1,145
Average Home Closing Price (\$ Thousands)	\$485	\$491	\$512	\$526	\$480	\$466	\$461

1/02/2007 • 14

Key Changes in Earnings per Share

\$ per Share Before Special Items¹



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

2007 4Q Outlook

Segment	Comments
Timberlands	<ul style="list-style-type: none"> ● The company expects earnings from this segment to be lower in 2007 Q4 vs. 2007 Q3 ● Continued weakness in the housing markets will result in lower prices in both the export and domestic markets, and lower log sales volumes in the West ● Non-strategic timberland sales are expected to be lower in 2007 Q4 compared to 2007 Q3
Wood Products	<ul style="list-style-type: none"> ● The company expects the segment's operating loss to increase in 2007 Q4 vs. 2007 Q3 due to the traditional seasonal slowdown and continuing pressures on volume and prices ● The company will actively adjust operating posture to balance production with demand
Cellulose Fibers	<ul style="list-style-type: none"> ● Favorable market conditions are expected to continue resulting in slightly higher earnings from the segment in 2007 Q4
Containerboard, Packaging & Recycling	<ul style="list-style-type: none"> ● Earnings for 2007 Q4 are expected to be comparable to 2007 Q3 ● Packaging and containerboard price realizations are expected to improve ● OCC fiber costs are expected to moderate in 2007 Q4 ● Additional scheduled maintenance downtime and higher seasonal energy costs will offset the improved price realizations
Real Estate and Related Assets	<ul style="list-style-type: none"> ● Earnings from single-family home closings are expected to be significantly lower than 2007 Q3 due to declining market conditions ● Land sales not yet under contract that may close in 2007 Q4 could offset some of this decline

Appendix



2007 Q3 Earnings Summary

\$ Millions except EPS	2006				2007		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Contribution to Earnings before Special Items							
Timberlands	\$198	\$224	\$178	\$168	\$175	\$142	\$167
Wood Products	117	132	(46)	(186)	(108)	(73)	(109)
Cellulose Fibers	(5)	23	66	56	22	48	81
Fine Paper	(10)	(9)	72	61	22	0	0
Containerboard, Packaging & Recycling	26	92	100	75	69	88	100
Real Estate & Related Assets	155	123	149	312	58	76	83
Corporate and Other	(102)	(40)	(33)	(48)	(49)	(14)	(38)
Total Contribution to Earnings before Special Items	\$379	\$545	\$486	\$438	\$189	\$267	\$284
Special Items	(729)	(35)	(9)	414	619	(68)	(24)
Total Contribution to Earnings	(\$350)	\$510	\$477	\$852	\$808	\$199	\$260
Interest Expense, net ¹	(136)	(132)	(128)	(135)	(118)	(150)	(102)
Income Taxes ²	(90)	(80)	(125)	(210)	65	(17)	(57)
Net Income (loss)	(\$576)	\$298	\$224	\$507	\$755	\$32	\$101
Diluted EPS	\$(2.33)	\$1.19	\$0.91	\$2.12	\$3.24	\$0.15	\$0.47
Diluted EPS before Special Items ³	\$0.64	\$1.09	\$0.95	\$0.92	\$0.20	\$0.48	\$0.55

1. Interest expense included \$42MM loss in 2007 Q2 on early extinguishment of debt.

2. Income taxes in 2006 Q2 included a one-time tax benefit of \$48MM. Income taxes in 2007 Q1 included a \$74MM tax benefit on the Canadian portion of the net gain recognized on the distribution of the fine paper business and related assets

3. A reconciliation to GAAP is set forth on Chart 15 and at www.weyerhaeuser.com

Earnings per Share Reconciliation

	2006				2007		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Diluted EPS before Special Items	\$0.64	\$1.09	\$0.95	\$0.92	\$0.20	\$0.48	\$0.55
Gain (Loss) on Domtar Transaction					3.24	(0.02)	
Net Gain on Sale of Assets and Operations			0.13	0.18		0.06	0.03
Charges for Closure, Impairments and Restructuring	(3.02)	(0.09)	(0.21)	(0.20)	(0.20)	(0.13)	(0.23)
Legal Settlements / Reserve Adjustment / Contract Terminations			0.06	0.27		(0.12)	0.12
Loss on Early Extinguishment of Debt						(0.12)	
Tax Law Changes / One-time Tax Benefits		0.19					
WRECO Insurance / Partnership Income	0.05						
Acquisition of Research and Development			(0.02)				
Countervailing Duty / Anti-Dumping Duty Refunds				0.95			
Diluted EPS (GAAP)	\$(2.33)	\$1.19	\$0.91	\$2.12	\$3.24	\$0.15	\$0.47