WEYERHAEUSER

EARNINGS RESULTS

3RD QUARTER 2019 | October 25, 2019

FORWARD-LOOKING STATEMENTS

This presentation contains statements and depictions that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, including, without limitation, with respect to fourth quarter 2019 earnings, and Adjusted EBITDA for each of our business segments and earnings before special items for our wood products business; log and wood product sales volumes; wood products sales realizations; road and logging costs for our timberlands business; and log and operating costs for our wood products business. Forward-looking statements may be identified by our use of certain words in such statements, including without limitation words such as “anticipate,” “believe,” “continue,” “continued,” “could,” “forecast,” “estimate,” “outlook,” “goal,” “will,” “plan,” “expect,” “target,” “would” and similar words and terms and phrases using such terms and words, while depictions that constitute forward-looking statements may be identified by graphs, charts or other illustrations indicating expected or predicted occurrences of events, conditions, performance or achievements at a future date or during future time periods. We may refer to assumptions, goals or targets, or we may reference expected performance through, or events to occur by or at, a future date, and such references may also constitute forward-looking statements. Forward-looking statements are based on management’s current expectations and assumptions concerning future events and are inherently subject to uncertainties and factors relating to our operations and business environment that are difficult to predict and often beyond the company’s control. These and other factors could cause one or more of our expectations to be unmet, one or more of our assumptions to be materially inaccurate or actual results to differ materially from those expressed or implied in our forward-looking statements, or all of the foregoing. Such uncertainties and other factors include, without limitation: our ability to successfully execute our performance plans, including cost reductions and other operational excellence initiatives; the effect of general economic conditions, including employment rates, housing starts, interest rate levels, availability of financing for home mortgages and the strength of the U.S. dollar; restrictions on international trade, and tariffs imposed on imports or exports; market demand for our products, including demand for our timberland properties with higher and better uses, which in turn is related to the strength of various U.S. business segments and U.S. and international economic conditions; domestic and foreign competition; raw material prices; energy prices; the effects of weather; the risk of loss from fires, floods, windstorms, hurricanes, pest infestation and other natural disasters; transportation availability and costs; federal tax policies; the effect of forestry, land use, environmental and other governmental regulations; legal proceedings; performance of pension fund investments and related derivatives; the effect of timing of retirements and changes in the market price of our common stock on charges for share-based compensation; changes in accounting principles; and other factors described in filings we make from time to time with the Securities and Exchange Commission, including without limitation the risk factors described in our annual report on Form 10-K. There is no guarantee that any of the anticipated events or results articulated in this presentation will occur or, if they occur, what effect they will have on the company’s results of operations or financial condition. The forward-looking statements contained herein apply only as of the date of this presentation and we do not undertake any obligation to update these forward-looking statements. Nothing on our website is intended to be included or incorporated by reference into, or made a part of, this presentation.

Also included in this presentation are certain non-GAAP financial measures, which management believes complement the financial information presented in accordance with U.S. generally accepted accounting principles. Management believes such non-GAAP measures may be useful to investors. Our non-GAAP financial measures may not be comparable to similarly named or captioned non-GAAP financial measures of other companies due to potential inconsistencies in how such measures are calculated. A reconciliation of each presented non-GAAP measure to its most directly comparable GAAP measure is provided in the appendices to this presentation.

2019 Q3 CONSOLIDATED RESULTS

$ Millions		2019		2019		
Adjusted EBITDA		**Q2**		**Q3**	**Change**	
Timberlands	$	175	$	154	$	(21)
Real Estate, Energy & Natural Resources		71		60		(11)
Wood Products		128		123		(5)
Unallocated Items		(31)		(29)		2
Total Adjusted EBITDA[1]	**$**	**343**	**$**	**308**	**$**	**(35)**
Net Contribution to Earnings Before Special Items	$	176	$	140	$	(36)

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on ***Chart 16***.
2. Includes R&D expenses; other operating (costs) income, net; non-operating pension and other postretirement benefit costs; and interest income and other. Interest income and other includes approximately $5 million of income from SPE investments for each quarter presented.
3. Interest expense is net of capitalized interest and includes approximately $4 million of expense on SPE notes for each quarter presented.
4. An explanation of special items and a reconciliation to GAAP are set forth on ***Chart 2***. Income taxes attributable to special items are included in Special items, after-tax.

$ Millions (except EPS)		2019		2019
Consolidated Statement of Operations Before Special Items		**Q2**		**Q3**
Net sales	**$**	**1,692**	**$**	**1,671**
Costs of sales		1,390		1,399
Gross margin		302		272
SG&A expenses		101		105
Other expense, net[2]		25		27
Net Contribution to Earnings Before Special Items	**$**	**176**	**$**	**140**
Interest expense, net[3]		(91)		(91)
Income taxes[4]		38		10
Net Earnings Before Special Items[4]	**$**	**123**	**$**	**59**
Special items, after-tax[4]		5		40
Net Earnings	**$**	**128**	**$**	**99**
Diluted EPS Before Special Items[4]	**$**	**0.16**	**$**	**0.08**
Diluted EPS	**$**	**0.17**	**$**	**0.13**

EARNINGS BEFORE SPECIAL ITEMS

Chart 2

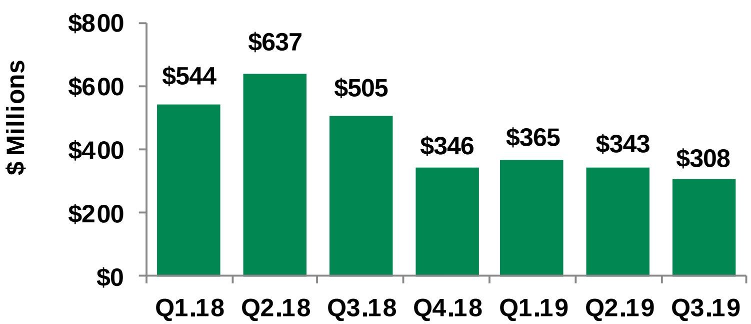
$ Millions (except EPS)	2019 Q2			2019 Q3		
	Pretax Earnings	After-Tax Earnings	Diluted EPS	Pretax Earnings	After-Tax Earnings	Diluted EPS
Earnings Before Special Items	**$ 85**	**$ 123**	**$ 0.16**	**$ 49**	**$ 59**	**$ 0.08**
Special Items:						
Pension settlement adjustment[1]	6	5	0.01	—	—	—
Legal charge	—	—	—	(15)	(11)	(0.02)
Product remediation recovery	—	—	—	68	51	0.07
Total Special Items	**6**	**5**	**0.01**	**53**	**40**	**0.05**
Earnings Including Special Items (GAAP)	**$ 91**	**$ 128**	**$ 0.17**	**$ 102**	**$ 99**	**$ 0.13**

1. During second quarter 2019, we recorded a $5 million after-tax ($6 million pretax) benefit from finalizing the noncash pension settlement charge incurred in first quarter 2019 related to the transfer of pension assets and liabilities through the purchase of a group annuity contract.

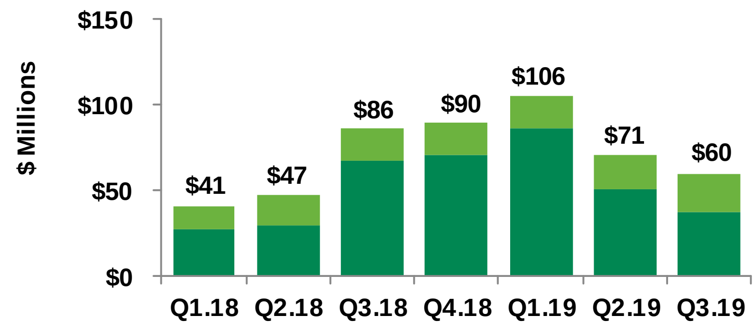
ADJUSTED EBITDA[1]

Chart 3

Total Company[2]

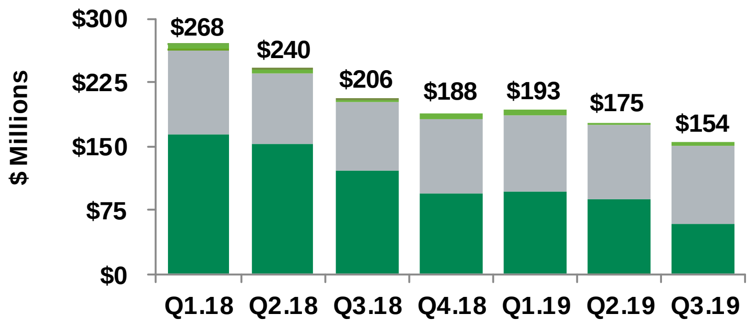


Real Estate & ENR



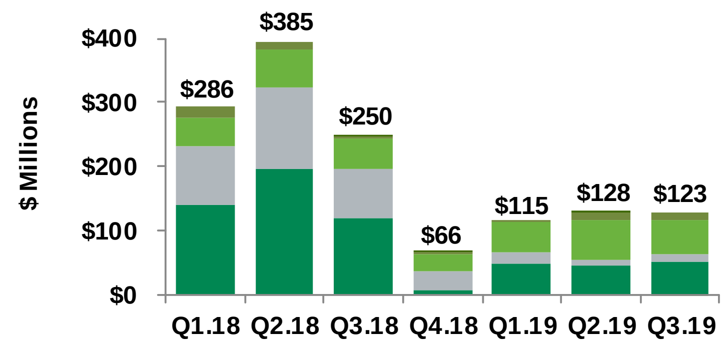
		Q1.18	Q2.18	Q3.18	Q4.18	Q1.19	Q2.19	Q3.19
Real Estate	$	27	30	68	71	87	51	37
ENR	$	14	17	18	19	19	20	23

Timberlands



		Q1.18	Q2.18	Q3.18	Q4.18	Q1.19	Q2.19	Q3.19
West	$	165	152	121	94	97	89	59
South	$	98	84	80	89	90	86	91
North	$	6	3	4	6	7	1	4
Other	$	(1)	1	1	(1)	(1)	(1)	—

Wood Products



		Q1.18	Q2.18	Q3.18	Q4.18	Q1.19	Q2.19	Q3.19
Lumber	$	140	195	118	6	47	44	49
OSB	$	92	129	77	31	19	8	13
EWP	$	45	58	48	26	47	64	55
Distribution	$	15	12	3	2	4	11	10
Other	$	(6)	(9)	4	1	(2)	1	(4)

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on ***Chart 16***, ***Chart 17***, ***Chart 18***, and ***Chart 19***.
2. Total Company Adjusted EBITDA includes Timberlands; Real Estate, Energy & Natural Resources; Wood Products and Unallocated.

TIMBERLANDS SEGMENT

TIMBERLANDS ($ Millions)	2019	2019
Adjusted EBITDA by Region	**Q2**	**Q3**
West	$ 89	$ 59
South	86	91
North	1	4
Other	(1)	—
Total Adjusted EBITDA[1]	**$ 175**	**$ 154**

3rd Quarter Notes

- Lower average sales realizations for Western domestic and export logs
- Seasonally lower Western domestic sales volumes and seasonally higher log and haul costs
- Slightly lower Southern log sales realizations due to mix
- Higher Southern fee harvest volumes, partially offset by higher forestry spending

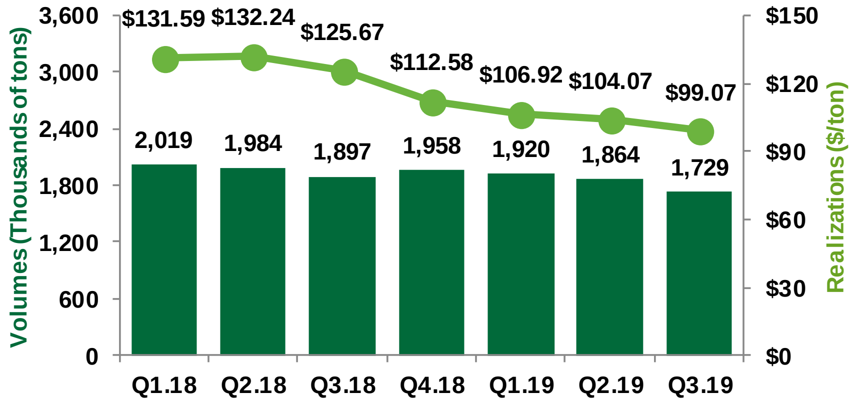
TIMBERLANDS ($ Millions)	2019	2019
Segment Statement of Operations	**Q2**	**Q3**
Third-party sales	$ 401	$ 398
Intersegment sales	131	125
Total Sales	**532**	**523**
Costs of sales	405	429
Gross margin	**127**	**94**
SG&A expenses	25	24
Other (income) expense, net[2]	—	(2)
Net Contribution to Earnings	**$ 102**	**$ 72**
Adjusted EBITDA[1]	**$ 175**	**$ 154**
Adjusted EBITDA Margin Percentage [3]	**33%**	**29%**
Operating Margin Percentage [4]	**19%**	**14%**

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on ***Chart 17***.
2. Other (income) expense, net includes R&D expenses and other operating (costs) income, net.
3. Adjusted EBITDA divided by total sales.
4. Contribution to earnings divided by total sales.

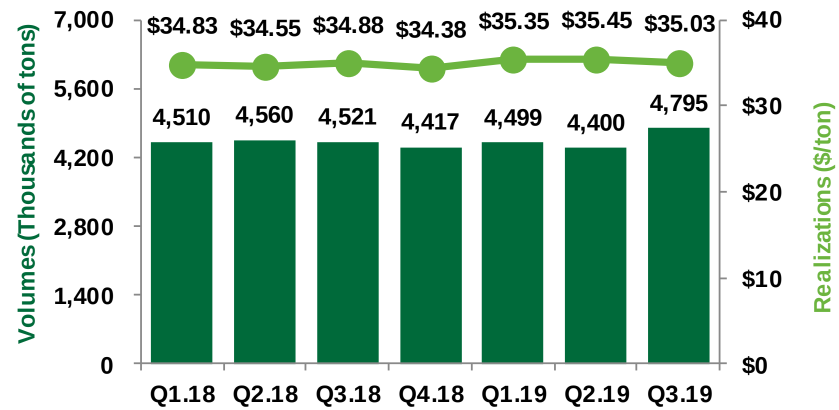
SALES VOLUMES, REALIZATIONS AND EXPORT REVENUE

Chart 5

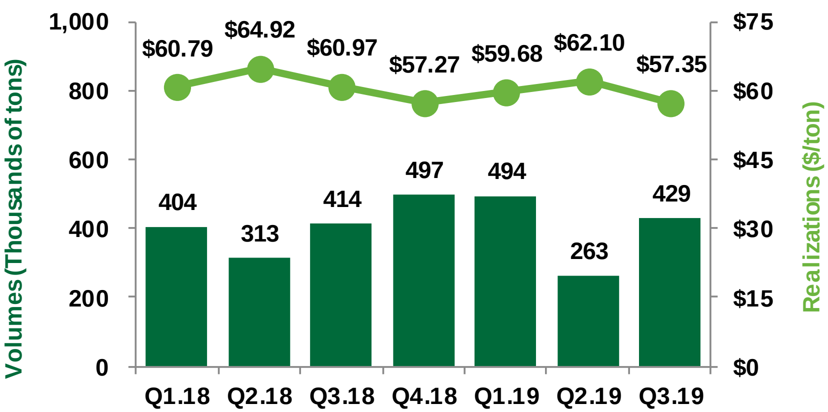
3rd-Party Log Sales and Realizations - West[1]



3rd-Party Log Sales and Realizations - South

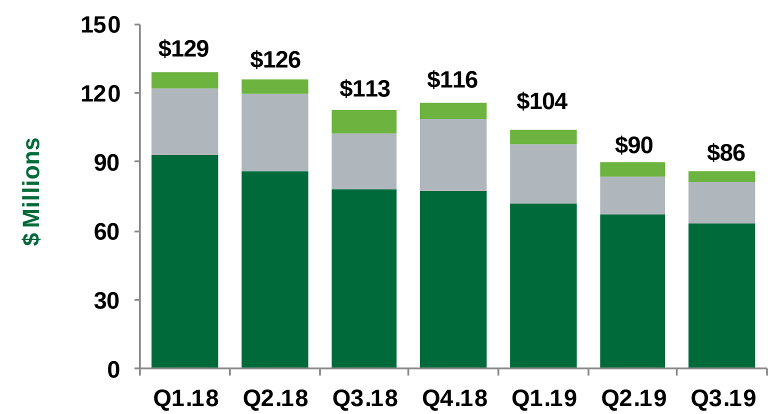


3rd-Party Log Sales and Realizations - North



1. Western logs are primarily transacted in MBF but are converted to ton equivalents for external reporting purposes.

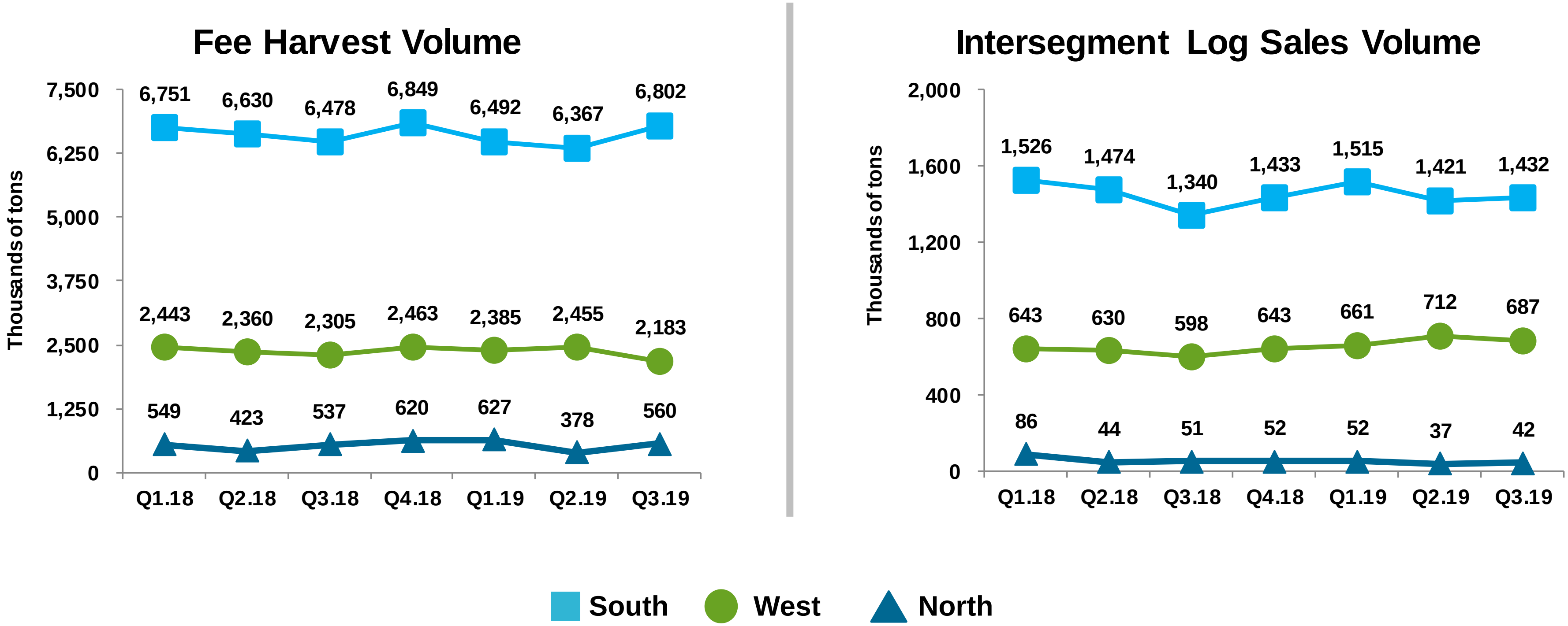
Western Export Log Revenue



	Q1.18	Q2.18	Q3.18	Q4.18	Q1.19	Q2.19	Q3.19
Japan	72%	68%	69%	67%	69%	74%	73%
China	23%	27%	22%	27%	25%	19%	21%
Korea	5%	5%	9%	6%	6%	7%	6%

FEE HARVEST VOLUME
AND INTERSEGMENT SALES VOLUME

Chart 6



REAL ESTATE, ENERGY & NATURAL RESOURCES (ENR) SEGMENT

Chart 7

Real Estate & ENR ($ Millions)	2019	2019
Adjusted EBITDA by Business	**Q2**	**Q3**
Real Estate	$ 51	$ 37
Energy & Natural Resources	20	23
Total Adjusted EBITDA[1]	**$ 71**	**$ 60**

3rd Quarter Notes

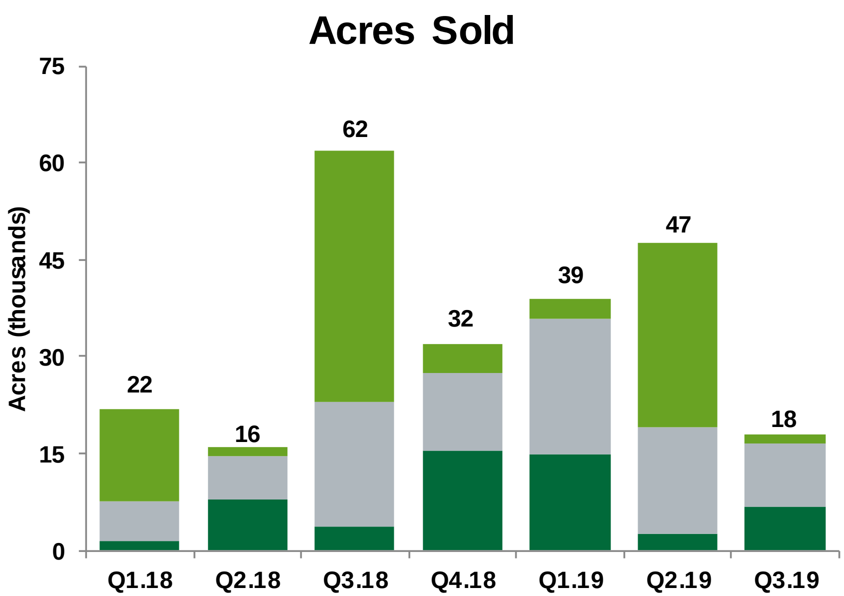
- Lower real estate sales
- Number of acres sold decreased
- Higher average price per acre due to geographic mix

Real Estate & ENR ($ Millions)	2019	2019
Segment Statement of Operations	**Q2**	**Q3**
Total sales	**$ 81**	**$ 69**
Costs of sales	39	32
Gross margin	**42**	**37**
SG&A expenses	7	6
Other (income) expense, net	—	(1)
Net Contribution to Earnings	**$ 35**	**$ 32**
Adjusted EBITDA[1]	**$ 71**	**$ 60**

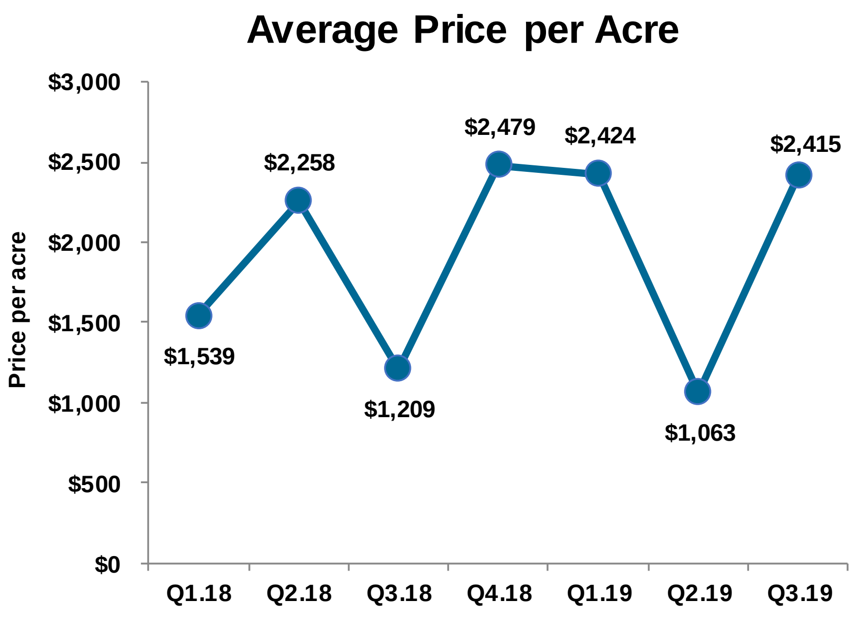
1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on ***Chart 18***.

REAL ESTATE, ENERGY & NATURAL RESOURCES (ENR) SEGMENT

Chart 8



	Q1.18	Q2.18	Q3.18	Q4.18	Q1.19	Q2.19	Q3.19
West	6%	49%	6%	48%	38%	5%	32%
South	29%	43%	31%	38%	54%	35%	55%
North	65%	8%	63%	14%	8%	60%	13%



WOOD PRODUCTS SEGMENT

Chart 9

WOOD PRODUCTS ($ Millions)	2019	2019
Adjusted EBITDA by Business	**Q2**	**Q3**
Lumber	$ 44	$ 49
OSB	8	13
Engineered Wood Products	64	55
Distribution	11	10
Other	1	(4)
Total Adjusted EBITDA[1]	**$ 128**	**$ 123**

3rd Quarter Notes

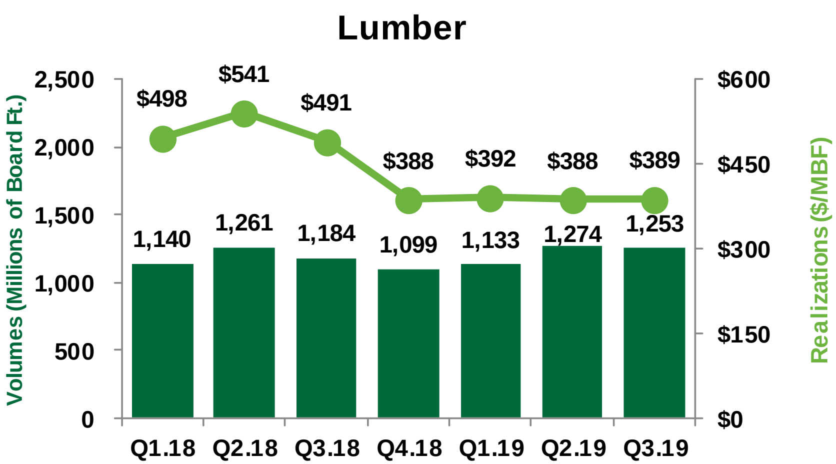
- Seasonally higher sales volumes for most products
- Higher unit manufacturing costs, primarily due to scheduled downtime in engineered wood
- Comparable average sales realizations for lumber and OSB

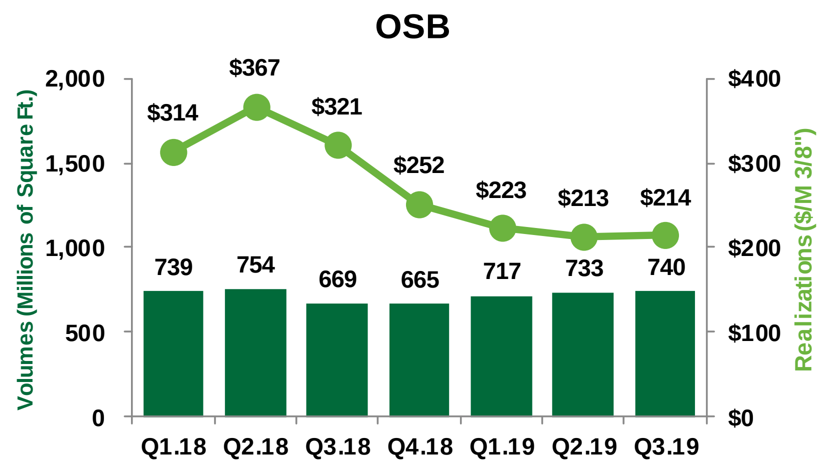
WOOD PRODUCTS ($ Millions)	2019	2019
Segment Statement of Operations	**Q2**	**Q3**
Total sales	**$ 1,210**	**$ 1,204**
Costs of sales	1,070	1,067
Gross margin	**140**	**137**
SG&A expenses	54	55
Other expense, net[2]	5	7
Net Contribution to Earnings Before Special Items	**$ 81**	**$ 75**
Special items, pretax	—	68
Net Contribution to Earnings	**$ 81**	**$ 143**
Adjusted EBITDA[1]	**$ 128**	**$ 123**
Adjusted EBITDA Margin Percentage[3]	**11%**	**10%**
Operating Margin Percentage[4]	**7%**	**6%**

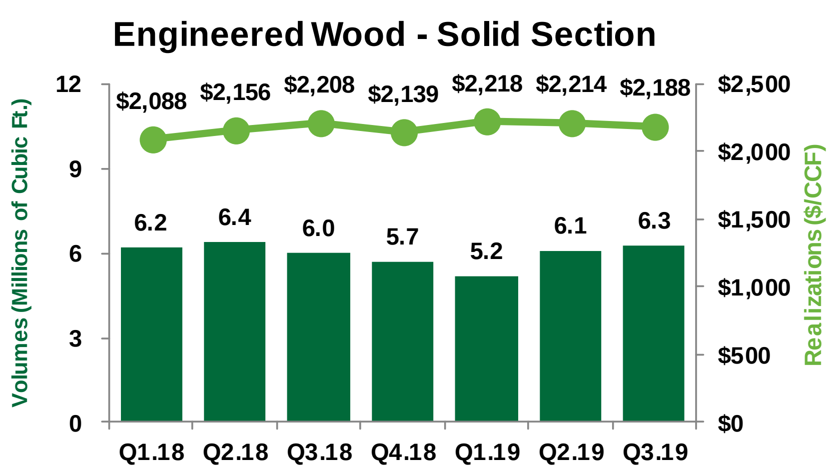
1. Adjusted EBITDA for Wood Products businesses include earnings on internal sales, primarily from the manufacturing businesses to Distribution. These sales occur at market price. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on ***Chart 19***.
2. Other (income) expense, net includes R&D expenses and other operating costs (income), net.
3. Adjusted EBITDA divided by total sales.
4. Net contribution to earnings before special items divided by total sales.

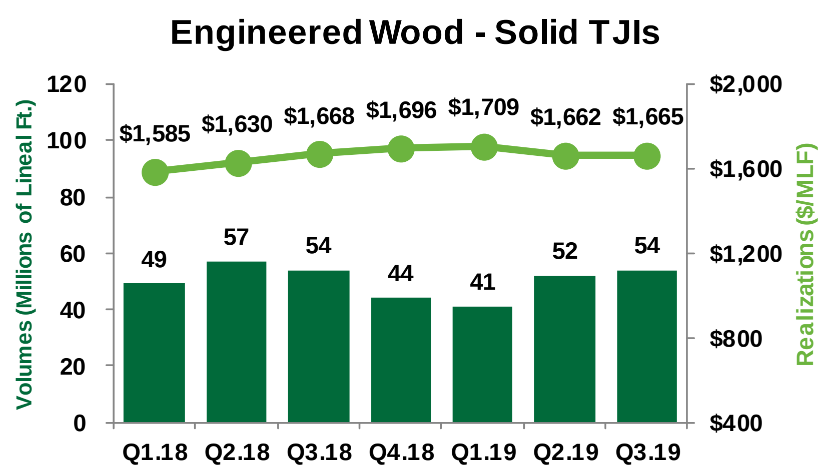
THIRD-PARTY SALES VOLUMES AND REALIZATIONS[1]

Chart 10









1. Sales volumes include sales of internally produced products and products purchased for resale primarily through our Distribution business. These sales occur at market price.

UNALLOCATED ITEMS

UNALLOCATED ITEMS ($ Millions)[1]	2019 Q2	2019 Q3
Unallocated corporate function expenses and variable compensation expense	$ (12)	$ (19)
Liability classified share-based compensation	—	(1)
Foreign exchange gains (losses)	2	(1)
Elimination of intersegment profit in inventory and LIFO	(5)	6
Non-operating pension and other postretirement benefit costs[2]	(16)	(15)
Other, including interest income	(11)	(9)
Net Contribution to Earnings (Loss) Before Special Items	**$ (42)**	**$ (39)**
Special items, pretax	6	(15)
Net Contribution to Earnings (Loss)	**$ (36)**	**$ (54)**
Adjusted EBITDA[3]	**$ (31)**	**$ (29)**

UNALLOCATED ITEMS ($ Millions)	2019 Q2	2019 Q3
Costs of sales[4]	$ (7)	$ 4
G&A expenses[5]	(14)	(20)
Other expense, net	(21)	(23)
Net Contribution to Earnings (Loss) Before Special Items	**$ (42)**	**$ (39)**
Special items, pretax	6	(15)
Net Contribution to Earnings (Loss)	**$ (36)**	**$ (54)**

1. Unallocated items are gains or charges not related to or allocated to an individual operating segment.
2. These amounts exclude pension settlement charges, which are reported in Special items, pretax.
3. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on ***Chart 20.***
4. Costs of sales is composed primarily of elimination of intersegment profit in inventory and LIFO and incentive compensation.
5. G&A expense is comprised primarily of share-based compensation; pension service costs; corporate function expenses; and incentive compensation.

FINANCIAL ITEMS

Chart 12

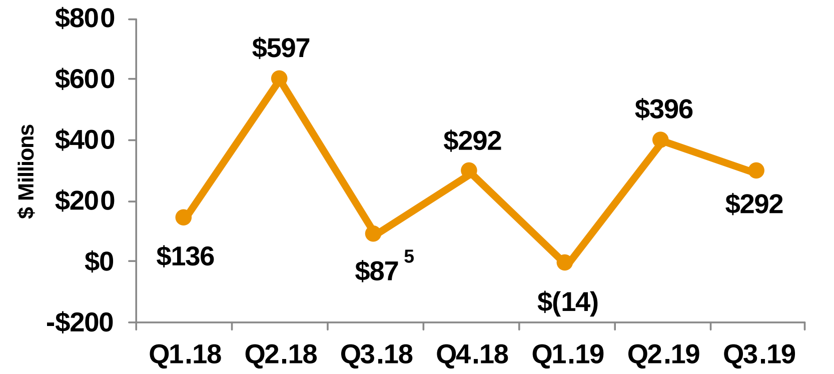
KEY FINANCIAL METRICS ($ Millions)	2019 Q2	2019 Q3
Ending Cash Balance	$ 212	$ 153
Total Debt[1]	$ 6,293	$ 6,590
Net Debt to Adjusted EBITDA (LTM)[2,3]	3.9	4.7
Net Debt to Enterprise Value[4]	24%	24%

Scheduled Debt Maturities as of September 30, 2019

($ Millions)	2019	2020	2021	2022	2023
Debt Maturities	$ —	$ —	$ 719	$ —	$1,876

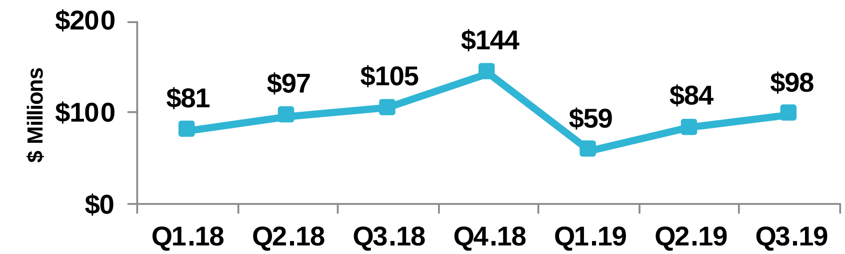
1. Total debt includes $140 million and $440 million of borrowings on our line of credit in second quarter 2019 and third quarter 2019, respectively.
2. LTM = last twelve months. A reconciliation to GAAP is set forth on ***Chart 21***.
3. During third quarter 2019, we paid $302 million related to liabilities from our monetized SPEs at maturity. Related to that transaction, we will receive $362 million in proceeds related to our buyer-sponsored SPEs in first quarter 2020. If we adjusted our third quarter 2019 Net debt to Adjusted EBITDA ratio to include such proceeds, the ratio would be approximately 4.5.
4. Total debt, net of cash and equivalents, divided by enterprise value. Enterprise value is defined as total debt, net of cash and equivalents, plus market capitalization as of the end of the quarter.

Cash Flow from Operations



5. Excluding the $300 million cash contribution to our U.S. qualified pension plan, our Q3 2018 cash flow from operations would have been $387 million.

Capital Expenditures



2018: $427 million ***2019 YTD: $241 million***

OUTLOOK: 2019 Q4 vs. 2019 Q3

Chart 13

SEGMENT	COMMENTS
TIMBERLANDS	• Lower Southern fee harvest volumes and slightly lower average log sales realizations • Seasonally lower Western road and unit logging costs and modestly higher average domestic sales realizations, partially offset by lower log sales volumes • Expect earnings will be comparable to 2019 Q3 and Adjusted EBITDA will be slightly lower
REAL ESTATE, ENERGY & NATURAL RESOURCES	• Anticipate 2019 Q4 earnings and Adjusted EBITDA will be lower than 2019 Q3 • Expect full year 2019 Adjusted EBITDA of approximately $270 million
WOOD PRODUCTS	• Seasonally lower sales volumes across most products • Higher Western log costs • Modest improvement in other operating costs • Anticipate earnings before special items and Adjusted EBITDA will be lower than 2019 Q3, but higher than 2018 Q4, before any improvement in average sales realizations

EARNINGS SUMMARY

Chart 14

$ Millions	2018				2019		
Adjusted EBITDA by Segment	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**
Timberlands	$ 268	$ 240	$ 206	$ 188	$ 193	$ 175	$ 154
Real Estate, Energy & Natural Resources	41	47	86	90	106	71	60
Wood Products	286	385	250	66	115	128	123
Unallocated Items	(51)	(35)	(37)	2	(49)	(31)	(29)
Total Adjusted EBITDA[1]	**$ 544**	**$ 637**	**$ 505**	**$ 346**	**$ 365**	**$ 343**	**$ 308**
DD&A, basis of real estate sold, non-operating pension and postretirement costs, and interest income and other[2]	(144)	(143)	(172)	(176)	(176)	(167)	(168)
Net Contribution to Earnings Before Special Items	**$ 400**	**$ 494**	**$ 333**	**$ 170**	**$ 189**	**$ 176**	**$ 140**
Interest expense, net[3]	(93)	(92)	(93)	(97)	(95)	(91)	(91)
Income taxes[4]	(32)	(70)	(26)	(3)	(14)	38	10
Net Earnings Before Special Items[5]	**$ 275**	**$ 332**	**$ 214**	**$ 70**	**$ 80**	**$ 123**	**$ 59**
Special items, after-tax[4]	(6)	(15)	41	(163)	(369)	5	40
Net Earnings (Loss)	**$ 269**	**$ 317**	**$ 255**	**$ (93)**	**$ (289)**	**$ 128**	**$ 99**
Diluted EPS Before Special Items[5]	**$ 0.36**	**$ 0.44**	**$ 0.28**	**$ 0.10**	**$ 0.11**	**$ 0.16**	**$ 0.08**
Diluted EPS	**$ 0.35**	**$ 0.42**	**$ 0.34**	**$ (0.12)**	**$ (0.39)**	**$ 0.17**	**$ 0.13**

1. See ***Chart 16*** for our definition of Adjusted EBITDA.
2. Fourth quarter 2018 excludes a pension settlement charge and a net gain on sale of a nonstrategic asset. First quarter 2019 and second quarter 2019 exclude a pension settlement charge and benefit, respectively. Third quarter 2019 excludes a product remediation recovery. These are included in Special items, after-tax.
3. Interest expense is net of capitalized interest and includes approximately $7 million of expense on special purpose entity (SPE) notes for each quarter presented in 2018 and $4 million of expense on special purpose entity (SPE) notes for each quarter presented in 2019. First quarter 2019 excludes a charge for early extinguishment of debt. This charge is included in Special items, after-tax.
4. Income taxes excludes taxes related to special items.
5. A reconciliation to GAAP EPS is set forth on ***Chart 15***.

EARNINGS PER SHARE RECONCILIATION

Chart 15

	2018				2019		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Diluted EPS Before Special Items	**$ 0.36**	**$ 0.44**	**$ 0.28**	**$ 0.10**	**$ 0.11**	**$ 0.16**	**$ 0.08**
Special Items:							
Environmental remediation charge	(0.03)	—	—	—	—	—	—
Product remediation recoveries (charges), net	0.02	(0.02)	—	—	—	—	0.07
Tax adjustments	—	—	0.06	(0.03)	—	—	—
Gain on sale of nonstrategic assets	—	—	—	0.01	—	—	—
Pension settlement charges[1]	—	—	—	(0.20)	(0.47)	0.01	—
Early extinguishment of debt charge	—	—	—	—	(0.01)	—	—
Legal charges	—	—	—	—	(0.02)	—	(0.02)
Diluted EPS (GAAP)	**$ 0.35**	**$ 0.42**	**$ 0.34**	**$ (0.12)**	**$ (0.39)**	**$ 0.17**	**$ 0.13**

1. During fourth quarter 2018, we recorded a $152 million after-tax ($200 million pretax) noncash settlement charge related to our U.S. qualified pension plan lump sum offer. During first quarter 2019, we recorded a $345 million after-tax ($455 million pretax) noncash settlement charge related to the transfer of pension assets and liabilities through the purchase of a group annuity contract. This charge was updated based on final pension asset and liability amounts during second quarter 2019, resulting in a $5 million after-tax ($6 million pretax) benefit for the quarter and a net $340 million after-tax ($449 million pretax) charge for year-to-date 2019.

ADJUSTED EBITDA RECONCILIATION BY SEGMENT

Chart 16

$ Millions	2018				2019		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Timberlands	$ 268	$ 240	$ 206	$ 188	$ 193	$ 175	$ 154
Real Estate & ENR	41	47	86	90	106	71	60
Wood Products	286	385	250	66	115	128	123
Unallocated Items	(51)	(35)	(37)	2	(49)	(31)	(29)
Adjusted EBITDA[1]	**$ 544**	**$ 637**	**$ 505**	**$ 346**	**$ 365**	**$ 343**	**$ 308**
Depletion, depreciation & amortization	(120)	(119)	(122)	(125)	(123)	(124)	(135)
Basis of real estate sold	(12)	(22)	(46)	(44)	(48)	(33)	(24)
Special items in operating income	(8)	(20)	—	—	(20)	—	53
Operating Income (GAAP)	**$ 404**	**$ 476**	**$ 337**	**$ 177**	**$ 174**	**$ 186**	**$ 202**
Non-operating pension and other postretirement benefit costs	(24)	(13)	(17)	(218)	(470)	(10)	(15)
Interest income and other	12	11	13	24	10	6	6
Net Contribution to Earnings (Loss)	**$ 392**	**$ 474**	**$ 333**	**$ (17)**	**$ (286)**	**$ 182**	**$ 193**
Interest expense, net	(93)	(92)	(93)	(97)	(107)	(91)	(91)
Income taxes[2]	(30)	(65)	15	21	104	37	(3)
Net Earnings (Loss) (GAAP)	**$ 269**	**$ 317**	**$ 255**	**$ (93)**	**$ (289)**	**$ 128**	**$ 99**

1. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold and special items. Adjusted EBITDA should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.
2. The income tax effects of special items can be found in a reconciliation set forth in ***Chart 2***.

ADJUSTED EBITDA RECONCILIATION: TIMBERLANDS

Chart 17

$ Millions	2018				2019		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
West	$ 165	$ 152	$ 121	$ 94	$ 97	$ 89	$ 59
South	98	84	80	89	90	86	91
North	6	3	4	6	7	1	4
Other	(1)	1	1	(1)	(1)	(1)	—
Total Timberlands Adjusted EBITDA[1]	**$ 268**	**$ 240**	**$ 206**	**$ 188**	**$ 193**	**$ 175**	**$ 154**
West	(29)	(29)	(27)	(30)	(29)	(30)	(27)
South	(45)	(45)	(46)	(46)	(40)	(39)	(51)
North	(4)	(3)	(4)	(4)	(4)	(3)	(4)
Other	(1)	(2)	(3)	(1)	—	(1)	—
Total depletion, depreciation, & amortization	$ (79)	$ (79)	$ (80)	$ (81)	$ (73)	$ (73)	$ (82)
Operating Income and Net Contribution to Earnings (GAAP)	**$ 189**	**$ 161**	**$ 126**	**$ 107**	**$ 120**	**$ 102**	**$ 72**

1. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold and special items. Adjusted EBITDA should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.

ADJUSTED EBITDA RECONCILIATION: REAL ESTATE, ENERGY & NATURAL RESOURCES

Chart 18

$ Millions	2018				2019		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Real Estate	$ 27	$ 30	$ 68	$ 71	$ 87	$ 51	$ 37
Energy & Natural Resources	14	17	18	19	19	20	23
Total Real Estate & ENR Adjusted EBITDA[1]	**$ 41**	**$ 47**	**$ 86**	**$ 90**	**$ 106**	**$ 71**	**$ 60**
Depletion, depreciation & amortization	(4)	(3)	(4)	(3)	(3)	(3)	(4)
Basis of real estate sold	(12)	(22)	(46)	(44)	(48)	(33)	(24)
Operating Income (GAAP)	**$ 25**	**$ 22**	**$ 36**	**$ 43**	**$ 55**	**$ 35**	**$ 32**
Interest income and other	—	—	—	1	—	—	—
Net Contribution to Earnings (GAAP)	**$ 25**	**$ 22**	**$ 36**	**$ 44**	**$ 55**	**$ 35**	**$ 32**

1. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold and special items. Adjusted EBITDA should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.

ADJUSTED EBITDA RECONCILIATION: WOOD PRODUCTS

Chart 19

$ Millions	2018				2019		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Lumber	$ 140	$ 195	$ 118	$ 6	$ 47	$ 44	$ 49
OSB	92	129	77	31	19	8	13
EWP	45	58	48	26	47	64	55
Distribution	15	12	3	2	4	11	10
Other	(6)	(9)	4	1	(2)	1	(4)
Total Wood Products Adjusted EBITDA[1, 2]	**$ 286**	**$ 385**	**$ 250**	**$ 66**	**$ 115**	**$ 128**	**$ 123**
Lumber	(18)	(19)	(19)	(21)	(24)	(25)	(26)
OSB	(8)	(7)	(8)	(8)	(9)	(8)	(9)
EWP	(10)	(9)	(9)	(11)	(10)	(11)	(11)
Distribution	—	(1)	(1)	—	(1)	(2)	(1)
Other	—	—	—	—	(2)	(1)	(1)
Total depletion, depreciation & amortization	$ (36)	$ (36)	$ (37)	$ (40)	$ (46)	$ (47)	$ (48)
Special items	20	(20)	—	—	—	—	68
Operating Income and Net Contribution to Earnings (GAAP)	**$ 270**	**$ 329**	**$ 213**	**$ 26**	**$ 69**	**$ 81**	**$ 143**

1. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold and special items. Adjusted EBITDA should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.
2. Adjusted EBITDA for each Wood Products business includes earnings on internal sales, primarily from the manufacturing businesses to Distribution. These sales occur at market price.

ADJUSTED EBITDA RECONCILIATION: UNALLOCATED

Chart 20

$ Millions	2018				2019		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Total Unallocated Adjusted EBITDA[1]	**$ (51)**	**$ (35)**	**$ (37)**	**$ 2**	**$ (49)**	**$ (31)**	**$ (29)**
Total depletion, depreciation, & amortization	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Special items included in operating income (loss)	(28)	—	—	—	(20)	—	(15)
Operating Income (Loss) (GAAP)	**$ (80)**	**$ (36)**	**$ (38)**	**$ 1**	**$ (70)**	**$ (32)**	**$ (45)**
Non-operating pension and other postretirement benefit costs	(24)	(13)	(17)	(218)	(470)	(10)	(15)
Interest income and other	12	11	13	23	10	6	6
Net Contribution to Earnings (Loss) (GAAP)	**$ (92)**	**$ (38)**	**$ (42)**	**$ (194)**	**$ (530)**	**$ (36)**	**$ (54)**

1. Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold and special items. Adjusted EBITDA should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.

NET DEBT TO ADJUSTED EBITDA RECONCILIATION

Chart 21

$ Millions	2019	
	Q2	Q3
Net Debt to Adjusted EBITDA (LTM)[1,2,3]	**3.9**	**4.7**
Total debt[4]	$ 6,293	$ 6,590
Less: cash and cash equivalents	212	153
Net Debt	**$ 6,081**	**$ 6,437**
Adjusted EBITDA (LTM)	**$ 1,559**	**$ 1,362**
Depletion, depreciation & amortization	(494)	(507)
Basis of real estate sold	(171)	(149)
Special items in operating income	(20)	33
Operating Income (LTM) (GAAP)	**$ 874**	**$ 739**
Non-operating pension and other postretirement benefit costs	(715)	(713)
Interest income and other	53	46
Net Contribution to Earnings (LTM)	**$ 212**	**$ 72**
Interest expense, net of capitalized interest	(388)	(386)
Income taxes[5]	177	159
Net Earnings (Loss) (LTM) (GAAP)	**$ 1**	**$ (155)**

1. LTM = last twelve months.
2. Net debt to Adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Net debt to Adjusted EBITDA, as we define it, is long-term debt and borrowings on line of credit, net of cash and equivalents divided by the last twelve months of Adjusted EBITDA. See ***Chart 16*** for our definition of Adjusted EBITDA.
3. During third quarter 2019, we paid $302 million related to liabilities from our monetized SPEs at maturity. Related to that transaction, we will receive $362 million in proceeds related to our buyer-sponsored SPEs in first quarter 2020. If we adjusted our third quarter 2019 Net debt to Adjusted EBITDA ratio to include such proceeds, the ratio would be approximately 4.5.
4. Total debt includes $140 million and $440 million of borrowings on our line of credit in second quarter 2019 and third quarter 2019, respectively.
5. The income tax effects of special items can be found in a reconciliation set forth in ***Chart 2***.