Kathy McAuley
Vice President, Investor Relations
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. These statements are based on various assumptions and may not be accurate because of risks and uncertainties surrounding the 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 the presentation.

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 a variation of those terms.

This presentation contains forward-looking statements regarding the Company’s expectations regarding the Company’s potential to create value over time, increases in harvest rates and values of logs harvested over the next 15 years, improvements in housing market conditions, increased demand for lumber, improved product prices, growth in EBITDA in all segments, growth with key customers, continued decreases in costs and improved operating performance, continued introduction of innovative products, 15 – 20% compound annual growth in home closings over two to four years, homebuilding margins in the 20 to 25% range, cost effective land purchases for our homebuilding operations, growth in demand for fluff, strong performance by our businesses, improving capital structure and Company growth. 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:

• general economic conditions, including employment rates, housing starts, interest rate levels, availability of financing for home mortgages, strength of the U.S. dollar;
• market demand for the Company’s products, which is related to the strength of the various business segments and economic conditions;
• performance of the Company’s manufacturing operations, including maintenance requirements;
• raw material prices and energy and transportation costs;
• successful execution of internal performance plans including restructurings and cost reduction initiatives;
• level of competition from domestic and foreign producers;
• the effect of weather and the risk of loss from fires, floods, windstorms, hurricanes, pest infestation and other natural disasters;
• federal tax policies;
• the effect of forestry, land use, environmental and other governmental regulations;
• legal proceedings;
• 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;
• performance of pension fund investments and derivatives; and
• the 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 Canadian dollar, Euro and Yen. Restrictions on international trade or tariffs imposed on imports also may affect the Company.
INTRODUCTION

Dan Fulton
President and Chief Executive Officer
TOTAL COMPANY RECORDABLE INCIDENT RATE

2001: 2.59
2002: 2.51
2003: 2.17
2004: 1.98
2005: 2.25
2006: 1.53
2007: 1.28
2008: 0.98
2009: 0.84
2010: 0.84
2011: 0.96
2012: 0.45

YTD: 0.45
THIRD-PARTY AWARDS AND RECOGNITIONS

Most Admired Companies
FORTUNE Magazine, 2006–2012

World’s Most Ethical Companies

Top 100 S&P 500 Clean Capitalism Ranking
Corporate Knights, 2012

100 Best Corporate Citizens

Joint Sector Leader
Forest Footprint Disclosure Project, 2011

Oekom Prime Status
Oekom Research, 2011

Dow Jones Sustainability Index, World
Sustainable Asset Management and Dow Jones Indexes, 2005/06–2011/12

Bronze Class Distinction, The Sustainability Yearbook
Sustainable Asset Management 2011–2012

FTSE4Good Index Series

Maplecroft Climate Innovation Indexes
Cycles 1 (Leader), 2, and 3

ECPI Global Equity Indices
Developed Ethical+Equity, Ethical Global Equity, Global ESG Alpha Equity, and Global Alpha 40 Equity
WEYERHAEUSER OVERVIEW
HOUSING RECOVERY BEGINNING

- Current level of starts remains well below historic levels – gradual pace of improvement
- Housing will return to long-term trend levels
# U.S. HOUSING FORECASTS

<table>
<thead>
<tr>
<th>U.S. Housing Starts Forecasts</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Single</td>
<td>Multi</td>
</tr>
<tr>
<td>John Burns (04/12)</td>
<td>498</td>
<td>235</td>
</tr>
<tr>
<td>RISI (03/12)</td>
<td>460</td>
<td>220</td>
</tr>
<tr>
<td>Global Insight (03/12)</td>
<td>511*</td>
<td>229</td>
</tr>
<tr>
<td>Moody’s (04/12)</td>
<td>503</td>
<td>293</td>
</tr>
</tbody>
</table>

*Estimate based on forecast of total starts

Weyerhaeuser Forecast for 2012 Housing Starts: 720,000
## AGENDA

<table>
<thead>
<tr>
<th>Name</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOM GIDEON:</td>
<td>Timberlands</td>
</tr>
<tr>
<td>LARRY BURROWS:</td>
<td>Wood Products</td>
</tr>
<tr>
<td>PETER ORSER:</td>
<td>Real Estate (WRECO)</td>
</tr>
<tr>
<td>SHAKER CHANDRASEKARAN:</td>
<td>Cellulose Fibers</td>
</tr>
<tr>
<td>PATTY BEDIENT:</td>
<td>Financial Progress and Capital Allocation</td>
</tr>
<tr>
<td>DAN FULTON:</td>
<td>Conclusion and Q&amp;A</td>
</tr>
</tbody>
</table>
Timberlands

Tom Gideon
Executive Vice President, Timberlands
COMPETITIVE ADVANTAGES

• World-class timber holdings
• Strong presence in international markets
• Long-standing customer relationships
• Innovative silviculture
  – Prioritization of sawlogs
  – Increasing harvest volume and value
• Operational excellence at scale
TIMBERLANDS IN PRODUCTIVE, DIVERSE REGIONS

- Nearly two million acres west of the Cascade Range, primarily high-value Douglas fir
- Over four million acres in seven states across the U.S. South, primarily loblolly pine
- In Uruguay we have over 300,000 acres of loblolly pine and eucalyptus
- North America 100% certified to sustainable forestry standards
**GROWING TIMBERLANDS EBITDA**

- **Timberlands EBITDA**

- **2012-2015**
  - Inflation (1.5%/year)
  - Price
  - Execution
  - Volume & Mix
  - 2011 Base

- **2016-2020**
  - Inflation (1.5%/year)
  - Price
  - Execution
  - Volume & Mix
  - 2011 Base

- **2021-2025**
  - Inflation (1.5%/year)
  - Price
  - Execution
  - Volume & Mix
  - 2011 Base

- **Trends in demand for North American logs support higher projected prices**
  - Domestic
  - Export

- **Strong presence in international markets**

- **Increasing harvest**

- **Improving mix**

- **Operational excellence in silviculture and cost management**

- **Additional sources of income**

* A reconciliation to GAAP is set forth on slide 103
SOURCES OF REVENUE

2011 Revenue
$1.7 Billion

- North American Logs – Domestic 23%
- US Intersegment 24%
- Canada Intersegment 14%
- North American Logs – Export 22%
- Other Revenue 17%
U.S. TREND LOG DEMAND EXCEEDS DOMESTIC SUPPLY

- Recovery in U.S. lumber demand follows housing return to trend in 2015–2020
- Canadian lumber imports will not return to prior peaks
- Rising lumber/log demand will lead to higher prices

U.S. Lumber Consumption

Billion Board Feet

Source: WWPA, AF&PA, *RISI
CANADA: DIMINISHING SHARE OF U.S. MARKET

- Canadian lumber available to U.S. lower due to mountain pine beetle and growth in offshore exports

<table>
<thead>
<tr>
<th>Billion Board Feet</th>
<th>2005</th>
<th>2010</th>
<th>2015</th>
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<td>35</td>
<td>24</td>
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<td>28</td>
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<td>Domestic Consumption</td>
<td>(11)</td>
<td>(11)</td>
<td>(11.5)</td>
<td>(12)</td>
</tr>
<tr>
<td>Offshore Exports</td>
<td>(2.5)</td>
<td>(4)</td>
<td>(5.5)</td>
<td>(6)</td>
</tr>
<tr>
<td>Available for U.S.</td>
<td>21.5</td>
<td>9</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>U.S. Demand</td>
<td>64</td>
<td>32.5</td>
<td>48</td>
<td>50</td>
</tr>
<tr>
<td>Canadian Share of U.S.</td>
<td>34%</td>
<td>28%</td>
<td>25%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Source: International Wood Markets, RISI

Positive Trend for Our Timberlands Business
UNIQUELY ADVANTAGED TO SERVE INTERNATIONAL MARKETS

- Strategically located timberlands
- Well-developed infrastructure and sales relationships
- 22% of timberlands revenue from export log sales
  - Japan is a premium market for Weyerhaeuser logs
  - Pursuing other international log market opportunities

2011 Export Log Revenues

- Japan 68%
- China 25%
- Korea 7%
SOURCING LARGEST SAWMILLS IN JAPAN

• Our largest export market
• Leveraging supply chain efficiencies
  – Unique infrastructure
  – One-port loading and discharge
  – Approximately one ship per week
• Direct sales relationship with largest customer
LOG SALES TO CHINA

• Sell directly to a mix of customer types – primarily larger wholesalers and sawmill owners

• Focus on specific customers (well-funded, strong market presence, likely long-term success)

• Reputation is a Weyerhaeuser strength
  – Preferred North American log supplier
  – Most consistent supply and accuracy
  – Fair and reliable
  – Flexibility in meeting customer needs
SILVICULTURE ENABLES VALUE-OPTIMIZED ROTATION

- Silviculture focus on growing high-value sawtimber as quickly as possible
SEEDLINGS

• Our loblolly pine and Douglas fir have been through more cycles of improvement than competitor seedlings
  – More volume growth
  – Superior solid wood characteristics
  – Well adapted

• Flexibility to mix / match traits
  – Stem straightness
  – Disease resistance
VOLUME GROWTH IMPROVEMENT

- Weyerhaeuser has dramatically improved sawlog growth over time
  - Overall we produce a richer mix faster
- Industry leader in tree breeding and orchard / nursery management
- Timberlands managed using sophisticated blend of silviculture and technology

![Graph of Volume Growth Improvement](chart)
HIGH-VALUE GRADE LOGS

- Weyerhaeuser’s timber resource and tree-growing strategy enables a high proportion of high-value grade logs – improving over time

<table>
<thead>
<tr>
<th>% SAWTIMBER GRADE LOGS</th>
<th>NOW</th>
<th>2020+</th>
</tr>
</thead>
<tbody>
<tr>
<td>South</td>
<td>60%</td>
<td>65–70%</td>
</tr>
<tr>
<td>West</td>
<td>93%</td>
<td>Steady</td>
</tr>
<tr>
<td>International</td>
<td>30%</td>
<td>40–50%</td>
</tr>
</tbody>
</table>
VALUE OF SAWTIMBER GRADE LOGS IS HIGHER

- Sawtimber logs consistently trade at a higher price than chip-n-saw and pulpwood

![Delivered Southern Average Prices Graph]

Source: Timber Mart-South, Wood Biomass Market Report
WEYERHAEUSER HARVEST EXPECTED TO INCREASE IN ALL GEOGRAPHIES

Weyerhaeuser Global Fee Harvest Volume

- International
- US

Annual Harvest (Million Cubic Meters)

<table>
<thead>
<tr>
<th>Period</th>
<th>2012-15</th>
<th>2016-20</th>
<th>2021-25</th>
<th>2026-30</th>
</tr>
</thead>
<tbody>
<tr>
<td>International</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>US</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
OPERATIONAL EXCELLENCE AT SCALE

• Harvesting
• Merchandising
• Hauling / dispatch trucking

Scale, Infrastructure and Logistics Provide Cost Advantages
ADDITIONAL VALUE STREAMS

- **Oil and gas**
  - ~$40 million revenue and 1,000 wells in 2011
- **Minerals and aggregates**
  - ~$10 million revenue and 35 mines in 2011
- **Recreational**
  - Hunting leases (on nearly 90% of U.S. South ownership)
- **Renewable energy / biomass**
  - Catchlight Energy (agreement with KiOR)
  - Wind
  - Geothermal
- **Weyerhaeuser Solutions**
CONCLUSION

• World-class timber holdings
• Favorable trends in demand support higher projected prices
• Strong presence in international markets
• Long-standing customer relationships
• Innovative silviculture
  – Prioritization of sawlogs
  – Increasing harvest volume and value
• Operational excellence at scale

Positioned for Growth in EBITDA and Asset Value
Larry Burrows

Senior Vice President, Wood Products
RETURNING TO PROFITABILITY

- Second quarter outlook is breakeven EBIT, approximately $30 million EBITDA

- Assuming current volumes and prices for the remainder of the year, we would generate approximately $100 million EBITDA in 2012

- Significant future upside potential through:
  - Executing business improvement initiatives
  - Improving U.S. housing market
WOOD PRODUCTS INITIATIVES

• Deepen and broaden customer base and market reach
• Innovate with new products
• Improve operating performance and reduce costs

Focused on All Aspects of Our P&L
WOOD PRODUCTS BUSINESS MODEL

• Operating four businesses under Weyerhaeuser and TrusJoist® brands
  – Lumber
    • 18 manufacturing mills – 4.5 Billion Board Feet Capacity
  – OSB
    • 6 manufacturing mills – 3.0 Billion Square Feet Capacity
  – Engineered Lumber Business
    • 10 manufacturing mills
      » TJI® – 380 Million Lineal Feet Capacity
      » Solid Section – 33 Million Cubic Feet Capacity
  – Distribution
    • 22 distribution centers

Businesses Have Scale, Product Diversity and Broad Market Reach
2011 SALES: $2.3 BILLION

Diverse Product Mix
- Lumber: 48%
- Engineered Wood Products: 19%
- OSB / Plywood Panels: 17%
- Specialty Products & Other: 16%

Broad Market Reach
- Residential: 68%
- Non-Residential / Other: 26%
- Export: 6%
LUMBER: SCALE, PRODUCT DIVERSITY AND MARKET REACH
CANADA: DIMINISHING SHARE OF U.S. MARKET

- Canadian lumber available to U.S. lower due to mountain pine beetle and growth in offshore exports

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<td>25%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Source: International Wood Markets, RISI

Positive Trend for Our Lumber Business
OSB: SCALE, PRODUCT DIVERSITY AND MARKET REACH

- Edge Gold® Flooring
- Edge® Sheathing
- Webstock
- Radiant Barrier Sheathing
- Stair treads
ENGINEERED WOOD: SCALE, PRODUCT DIVERSITY AND MARKET REACH

- TJI® Joists
- Solid Section
  - Microllam®
  - Parallam®
  - TimberStrand®

ELP Mills
- Eugene (Microllam/TJI mill)
- Foster (Microllam/TJI mill)
- Natchitoches (Microllam/TJI mill)
- Zwolle (Parallam mill)
- Colbert (Parallam mill)
- Evergreen (Microllam/TJI mill)
- Buckhannon (Microllam/Parallam mill)
- Kenora (TimberStrand mill)

Veneer Supply
- Emerson (Microllam/TJI mill)

Curtailed/Future Capacity
- Vancouver (Parallam mill)

EXPORT
- Vancouver (Parallam mill)
- Eugene (Microllam/TJI mill)
- Foster (Microllam/TJI mill)
DISTRIBUTION: SCALE, PRODUCT DIVERSITY AND MARKET REACH
GROWING WITH EXISTING CUSTOMERS
INNOVATING WITH NEW PRODUCTS

- Commercialize quickly
- Value-add products
  - Framer Series™ Lumber
  - Edge Gold with Down Pore™ drainage grooves
  - TJI® Joists with Flak Jacket™ fire protection
IMPROVED OPERATING PERFORMANCE

• Mills running at higher utilization rates

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Stated Capacity</td>
<td>Utilization Rate</td>
<td></td>
</tr>
<tr>
<td>Lumber</td>
<td>4.5 BBF</td>
<td>63%</td>
<td>79%</td>
</tr>
<tr>
<td>OSB</td>
<td>3.0 BSF</td>
<td>49%</td>
<td>71%</td>
</tr>
<tr>
<td>TJI®</td>
<td>380 MMLF*</td>
<td>35%</td>
<td>32%</td>
</tr>
<tr>
<td>Solid Section</td>
<td>33 MMCF**</td>
<td>32%</td>
<td>41%</td>
</tr>
</tbody>
</table>

* Includes one indefinitely curtailed facility  
** Includes two indefinitely curtailed facilities

• 2011 cost reductions, compared to 2010
  – 5–9% for lumber, OSB and TJI® per unit manufacturing
  – 23% in SG&A
EXECUTING OUR INITIATIVES

• Deepening and broadening customer base and market reach

• Introducing new products and innovations

• Improving operating performance and reducing costs

Improving in Today’s Market – Well Positioned for the Housing Recovery
REAL ESTATE

Peter Orser
President, Weyerhaeuser Real Estate Company (WRECO)
WRECO COMPETITIVE ADVANTAGES

- Seasoned leadership with homebuilding and land developer expertise
- Unique brands with local value propositions
- Desirable markets with long-term positive growth trends
- Scale and operational excellence
- Industry-leading customer satisfaction and margins

Profitable Today and Positioned for the Housing Recovery
OVERVIEW

- Top 20 builder of single-family homes
- Operate in select markets with positive long-term trends
AREAS OF FOCUS

• Control the controllables
• Distinguish through innovative products and services
• Reposition land portfolio
• Leverage the homebuilding platforms in existing markets
PROFITABLE ON LOW VOLUME IN 2011

WRECO Compared to 14 Publicly Traded Homebuilders

Fiscal 2011

Source: SEC filings
DISCIPLINED PRODUCTION PROCESSES

• Cost-effective new product designs

• National contract leverage

• Subcontractor relationships, quality control and supervision

• Cycle time focus
  – Production
  – Product development
REDUCING SG&A EXPENSES

- SG&A and production capacity aligned with local market conditions
- Well-positioned to leverage SG&A framework at higher sales volumes
PRODUCT INNOVATION

PUGET SOUND

• Homes offered from $280,000 to $400,000 (compared to median new home price in Seattle of $335,000)

• Customized structural options available in home sizes ranging from 1,700 to 3,400 square feet

• Infill community located close to arterials and employment centers

• Averaging six sales per month (since opening for sale in February)
PRODUCT INNOVATION

LAS VEGAS

• Homes offered from $360,000 to $410,000 (compared to median new home price of $185,000)

• Square footage range: 3,000 to 4,100

• Lots scaled to accommodate 4-bay garages and detached casitas as options

• Averaging seven sales per month (since opening in February)
PRODUCT INNOVATION

• “Living Smart” package includes value-oriented sustainable features and components

• Pioneered and refined at Pardee Homes

• “Living Smart” brand now adopted across WRECO
EMBRACING THE CUSTOMER

Willingness to Refer

<table>
<thead>
<tr>
<th>Year</th>
<th>Willingness to Refer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>85%</td>
</tr>
<tr>
<td>2009</td>
<td>90%</td>
</tr>
<tr>
<td>2010</td>
<td>95%</td>
</tr>
<tr>
<td>2011</td>
<td>100%</td>
</tr>
</tbody>
</table>

Industry Average: 86–90%

Willingness to Refer Well Above Industry Average

Source: Woodland-O’Brien
Note: Cancellation rate calculated as contracts cancelled divided by total contracts.
SERVICING INNOVATION

• **Smart Move Advantage**
  – Qualifying buyers receive rent for three years on existing home

• **Mortgage payment protection**
  – Job loss insurance for six months if buyer is involuntarily unemployed within 24 months of closing

• **Credit repair**
  – Credit counseling for mortgage qualification

• **Access to on-site mortgage providers**

• **Extended warranty coverage**
  – Up to two years of “bumper-to-bumper” coverage
HOMEBUILDER AND LAND DEVELOPER

- Land entitlement and development skills enhance homebuilding margins
- Selling land to builders and developers is a long-held core strategy
- Relatively stable revenue driver over the last several years
  - Cross Creek transaction unusual in size
LEVERAGING THE PLATFORM

Sales Per Community Per Month

Outstanding Sales Efficiency

Source: SEC filings
MIX IMPACT TO MARGINS

• **Influences**
  – Market: state, submarket, community
  – Product
  – Form of land purchase (e.g. raw land entitled, option)
  – Detached / attached mix
  – Affordable units

• **Margin Outlook: 20–25%**
  – Modest price increases in most active submarkets
  – Volume growth will reduce volatility
  – Entitlement breakthroughs (e.g. San Diego, Washington, D.C.)
SUMMARY

- Control the controllables
- Differentiate through innovative products and services
- Reposition land portfolio
- Leverage the homebuilding platforms

Profitable Today and Positioned for the Housing Recovery
CELLULOSE FIBERS

Shaker Chandrasekaran
Senior Vice President, Cellulose Fibers
CONCENTRATING ON OUR STRENGTHS

• Focused on value-added grades
• Nurturing global partnerships with key customers
• Selling direct through global sales team
• Innovating for higher margins
• Operational excellence
• Strategically located manufacturing sites

Focused on Disciplined Execution
HOW OUR PRODUCTS ARE USED

• Fluff – 42% of sales
  – Diapers and personal care products

• Specialty (Crosslink, Pearl®) – 19% of sales
  – Textiles, nonwovens, and industrial applications

• Pulp for Premium Towel and Tissue – 22% of sales

• Liquid Packaging Board – 17% of sales
  – Dairy, juice and premium beverage containers
FOCUSED ON VALUE-ADDED GRADES

Global Market Size

- Dissolving Wood Pulp
  - Pearl® (launched in 2011)
  - Crosslink
- Fluff
- Towel & Tissue
- Papergrade

WY Market Share

- 24% of global share
- 10% of global share
- Not our focus
FLUFF DEMAND GROWTH RATE FORECAST

2011–2016

Emerging Markets Leading Growth

Source: WY estimates
GLOBALLY DISTRIBUTED PRODUCTS

- 60% of revenues from outside North America
- Export to over 60 countries
- 15% of revenues from China
- Strategic relationships
- Focus on fluff and specialty
- Multilingual global sales

2011 Revenues – $2.1 Billion

- N & S America 38%
- Japan 16%
- Asia (Non-Japan) 25%
- Europe 13%
- EMEA* 8%

Growing With Customers – Growing Globally

* EMEA = Eastern Europe, Middle East and Africa
LIQUID PACKAGING BOARD POSITIONED TO GROW

- 84% of revenue from outside North America
- Export to six countries
- Over 40 years in Japan
- Growing global demand
- Growing in Pacific Rim

2011 Revenues $440 Million

- Japan 60%
- Asia (Non-Japan) 22%
- North America 16%
- Other 2%

Leader in Japan
INNOVATION STRATEGY

• Introduced “next generation” crosslink fibers
• Developing “next generation” Pearl®
• Developing proprietary fibers for specialty applications
• Delivering innovative liquid packaging board solutions

Innovate with Targeted Customers
CROSSLINK: GROWING WITH KEY GLOBAL CUSTOMERS

• Crosslink fibers enhance the absorbent characteristic of fluff pulp
  – Developed and patented by Weyerhaeuser
  – Requires high-quality Weyerhaeuser fluff pulp
  – Closely aligned with customer requirements and demand

• Strong long-term demand
  – Meets need for thinner diapers in emerging markets

• Commands margins above average fluff price

• Crosslink produced at Modified Fiber plants
  – Current capacity: 210,000 ADMT / year
  – 277,000 ADMT / year after Poland startup
  – Future capacity sold out
• **Pearl® – dissolving wood pulp extender**
  – Cost-effective substitute for dissolving wood pulp
  – Successful launch last year
    – Product is produced at our existing pulp mill
    – 2011 sales volume of 64,000 tons
    – Took advantage of spike in dissolving wood pulp market
    – Currently used in viscose staple fiber manufacturing for textiles
  – Building strategic sales to China
    – 60% of the world’s viscose fibers are produced in China
    – Global viscose market projected to grow at 9% annually (2012–15)
OPERATIONAL EXCELLENCE

• World-Class Industry Efficiency
  – Maximize uptime and prime quality

• Competitive cash manufacturing cost position

• Moving mill maintenance outages from 12 to 18 months
  – Making progress to ensure compliance with boiler inspection requirements
  – Cost savings potential – $24 million per year
  – Production increase estimate – 21,000 tons per year

Prudent Capital and Non-Capital Solutions
OPERATIONAL EXCELLENCE

- Reduced cash manufacturing cost
- All mills now in 1st and 2nd quartile
- Reduced energy cost by 39% since 2008
- Increased fluff production by 8%
- Executing high-return capital projects

Cash Manufacturing Cost

- Fiber 31%
- Chemicals 18%
- Freight 15%
- Maintenance 14%
- Labor 11%
- Pkg. & Supplies 7%
- Energy 4%
CONSISTENT FINANCIAL PERFORMANCE

• Achieved record earnings in 2010 and 2011
• Delivered nearly $600 million EBITDA in 2011*
• Generating strong cash flow in 2012 despite softer market conditions

* A reconciliation to GAAP is set forth on slide 103
STRATEGICALLY LOCATED MANUFACTURING FACILITIES

- **GRANDE PRAIRIE, AB**
- **FEDERAL WAY**
- **LONGVIEW**
- **COLUMBUS**
- **NEW BERN**
- **PORT WENTWORTH**
- **FLINT RIVER**
- **GDANSK, POLAND**

Production 2011:
- Pulp (M ADMT): 1,769
- Liquid Packaging Board (M TONS): 307
JOURNEY TO EXCELLENCE CONTINUES

- Executing our dual strategy:
  - Innovating for higher margins
  - Operational excellence

- Prudently investing capital

- Strengthening relationships with key global customers
FINANCIAL PROGRESS AND CAPITAL ALLOCATION

Patty Bedient

Executive Vice President and Chief Financial Officer
WEYERHAEUSER STRUCTURE

Weyerhaeuser Company
Timberlands (REIT)

Taxable REIT Subsidiary

Non-REIT Timber Business

Wood Products

Weyerhaeuser Real Estate Company (WRECO)

Cellulose Fibers

Over 6 million acres of timberlands

Minerals and other non-qualifying activities

Lumber, OSB, Engineered Wood Products, Distribution

Single-Family Homebuilding

Land Development

Specialty Absorbent Pulp
BENEFITS OF REIT STRUCTURE

• **Significant cash flow benefits from lower overall tax burden**
  – No taxes on qualified timberland earnings
  – Eventual elimination of tax on the sale of timberlands (built in gains)

• **REIT rules are manageable**

• **Aligned with timberlands-focused strategy**
  – Enhances ability to grow timberland earnings
  – Able to maintain current non-timber businesses without additional adjustments
COMPANYWIDE FOCUS AREAS

• Growing our revenue
• Managing costs
• Disciplined use of capital
GROWING OUR SALES IN GLOBAL MARKETS

Export Sales from North America ($ millions)

- 2009: $1,210
- 2010: $1,593
- 2011: $1,806

% of Total Revenue
- 2009: 24%
- 2010: 27%
- 2011: 29%

Regions:
- Japan
- Other Asia
- Europe
- South America / Other Africa / Mid East
- China

Years:
- 2009
- 2010
- 2011
RELENTLESS FOCUS ON SG&A COSTS

Reduced SG&A by Nearly $200 Million
While Growing Revenue by ~$1.1 Billion, or 23%

SG&A Expense from Continuing Operations
(excluding Pension & OPEB)*

<table>
<thead>
<tr>
<th>Year</th>
<th>SG&amp;A Expense ($ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$746</td>
</tr>
<tr>
<td>2010</td>
<td>$653</td>
</tr>
<tr>
<td>2011</td>
<td>$562</td>
</tr>
</tbody>
</table>

*A reconciliation to GAAP is set forth on slide 104
SG&A HEADCOUNT REDUCTION

Reduced Headcount by 45%

SG&A Headcount as of 12/31

2008: 4,826
2009: 3,277
2010: 2,907
2011: 2,676
LOOKING FORWARD: GROWING EBITDA

• **Operational excellence**
  – Disciplined cost management
  – Business scale creates leverage

• **Continued innovation**
  – “Next generation” products
  – Differentiated services

• **Increasing demand**
  – Economic recovery drives improvement in U.S. housing
  – Growth from emerging markets

*Increasing Cash Flow*
PRIORITIES FOR CAPITAL ALLOCATION

• Returning cash to shareholders

• Improving capital structure
  – Strong liquidity and reducing interest expense
  – Managing retirement liabilities

• Investing in our businesses
  – Disciplined capital expenditures
  – Growth opportunities
DIVIDEND PAYOUT POLICY

• Targeting a dividend payout ratio of 75% of Funds Available for Distribution (FAD) over cycle
  – FAD defined as cash flow before debt repayment and dividends
  – Will consider repurchasing shares

• Current quarterly dividend of 15 cents per share, or 60 cents per share on annualized basis
  – 2012 dividend payout ratio will likely exceed 75% of FAD, given current outlook

A Sustainable Dividend That We Expect to Grow Over Time
STRONG LIQUIDITY AND DEBT REDUCTION

• Cash balance as of 12/31/2011: $953 million
• 4-year, $1 billion credit facility – no outstanding borrowings

<table>
<thead>
<tr>
<th>$ millions</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Debt</td>
<td>$4,478</td>
<td>$4,290</td>
<td>$3,881</td>
<td>$3,866</td>
<td>$3,866</td>
<td>$3,866</td>
</tr>
<tr>
<td>Beginning of Year</td>
<td>(188)</td>
<td>(409)</td>
<td>(15)</td>
<td>0</td>
<td>0</td>
<td>(281)</td>
</tr>
<tr>
<td>Maturities</td>
<td>$4,290</td>
<td>$3,881</td>
<td>$3,866</td>
<td>$3,866</td>
<td>$3,866</td>
<td>$3,585</td>
</tr>
</tbody>
</table>

Strong Capital Structure Supports Sustainability of Dividend
MANAGING RETIREMENT LIABILITIES

• Low discount rate adversely affects funded status
  – A 1% increase to discount rate in U.S. Qualified Pension Plan increases funded status by over $500 million
  – 2011 discount rate of 4.5%, down from 5.4% in 2010

• After 2013, required cash contributions expected to decrease significantly

• Reducing future liabilities
  – No new entrants to U.S. salaried retiree medical plans after July 1, 2012


**DISCIPLINED USE OF CAPITAL**

![Graph showing Depreciation and CapEx breakdown]

- **Depreciation**:
  - 2009: $526
  - 2010: $495
  - 2011: $476
  - 2012: $460

- **CapEx (Estimated)**:
  - **Cellulose Fibers**
    - 2009: $218
    - 2010: $232
    - 2011: $238
    - 2012: $290
  - **Wood Products**
  - **Timberlands**

<table>
<thead>
<tr>
<th>Year</th>
<th>Cellulose Fibers</th>
<th>Wood Products</th>
<th>Timberlands</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$218</td>
<td></td>
<td></td>
<td>$218</td>
</tr>
<tr>
<td>2010</td>
<td>$232</td>
<td></td>
<td></td>
<td>$232</td>
</tr>
<tr>
<td>2011</td>
<td>$238</td>
<td></td>
<td></td>
<td>$238</td>
</tr>
<tr>
<td>2012</td>
<td>$290</td>
<td></td>
<td></td>
<td>$290</td>
</tr>
</tbody>
</table>

**% of Depreciation**
- 2009: 41%
- 2010: 47%
- 2011: 50%
- 2012: 62%
GROWTH OPPORTUNITIES

• Priority is timberland acquisition
• Focus on cash flow generation
• Creating shareholder value
CONCLUSION / Q&A

Dan Fulton
President and Chief Executive Officer
REASONS TO OWN WEYERHAEUSER

• The most attractive, sustainably managed timberlands in the world
• Leader in adding and extracting value from timberlands
• All businesses have the size and scale to compete and generate cash and returns
  – Positioned to benefit from the recovery in housing
  – Growing global sales
• Committed to a sustainable dividend that we expect to grow over time
BIOGRAPHIES
DAN FULTON

Dan Fulton was elected chief executive officer and a member of the board of directors in April 2008. He remains as president of Weyerhaeuser Company, a position he assumed in January 2008. From May 2001 until March 2008 he was president and chief executive officer of Weyerhaeuser Real Estate Company, a wholly owned subsidiary of Weyerhaeuser Company. In January 2004 he was named to Weyerhaeuser Company’s senior management team.


Before joining Weyerhaeuser, he served as an officer in the U.S. Navy Supply Corps. Fulton graduated with a bachelor of arts degree in economics from Miami University (Ohio) in 1970. He received a master of business administration degree in finance from the University of Washington in 1976, and he completed the Stanford University Executive Program in 2001.

Fulton currently serves on numerous national boards, including the Business Roundtable (BRT), National Alliance of Forest Owners (NAFO), and Sustainable Forestry Initiative (SFI). He also is a member of the Washington State Roundtable.

Fulton serves as chair of United Way of King County, and chair of the Policy Advisory Board of the Joint Center of Housing at Harvard University.
PATTY BEDIENT

Patty Bedient was named Executive Vice President and Chief Financial Officer in April 2007. She became senior vice president of Finance and Strategic Planning in February 2006 and from February 2003 to 2006 she served as vice president of Strategic Planning.

Prior to joining the company, Patty was with Arthur Andersen LLP for 27 years, where she served a number of clients in the forest products, manufacturing, distribution and educational service industries. She began her career with Arthur Andersen in Portland, Oregon, becoming a partner in 1987. In 1993 she transferred to the Boise, Idaho, office. From 1999-2002 she served as the managing partner for the Seattle office and as the partner in charge of the firm's forest products practice.

Bedient attended Oregon State University where she received a bachelor of science degree in Business Administration, with a concentration in accounting and finance.

Patty is a certified public accountant and is a member of the American Institute of CPAs and the Washington Society of CPAs.

She currently serves on the board of directors of Alaska Air Group, the Oregon State University Foundation board of trustees, the advisory board for the University of Washington School of Business, and the San Francisco regional advisory board for FM Global.

She has served on the boards of the World Forestry Center, the Forest History Society, and the Forest Research Lab advisory committee, Oregon State University. She has also served as past president, City Club of Portland; past chair, board of regents, St. Mary's Academy of Portland; past vice chair, Boise Chamber of Commerce; and past treasurer for both United Way of Ada County, Idaho, and Alliance for Education in Seattle.
Tom Gideon was named executive vice president, Timberlands, in October 2010. He had been executive vice president, Forest Products, since July 2008. Gideon became senior vice president of Containerboard Packaging and Recycling in March 2007. From 2005 to 2007 he held the position of senior vice president, Timberlands.

Gideon joined Weyerhaeuser in 1978, working at NORPAC as an employee representative for the SW Washington region. He held several labor relations and human resources positions, becoming the human resources, and then sales manager, at the Elkin, N.C., Structurwood facility. He held several human resources jobs in Wood Products before moving into Western Timberlands in 1996. In 1998 Gideon assumed the role of director of sales and marketing for Western Timberlands. From 2003 to 2005 he held the position of vice president for Western Timberlands where he was responsible for managing approximately 2.2 million acres of certified managed forests in Oregon and Washington.

Gideon graduated in 1974 with a bachelor of arts degree in business administration from the University of Washington. In 1978 he received an MBA in Labor Relations and a Juris Doctor, Law, also from the University of Washington.

He has served on several special assignments and projects, including the Labor Principles team (1994-1995); the team leader for the Western Timberlands Design and Implementation Team (1996); the Western Labor Council Chairman (1996 through 2004); Western Wood Products and Timberlands team leader for the Willamette integration; and as the team lead for the Support Alignment Human Resources effort. He has been a recipient of the President's Award (1994).

Gideon is a member of the Washington State Bar Association and a former board member of the Oregon Forest Industry Council.
Lawrence Burrows was appointed senior vice president, Residential Wood Products, in October 2010. He had been president and CEO of Weyerhaeuser Real Estate Company (WRECO) since March 2008. Previously he was president of Winchester Homes Inc., Weyerhaeuser’s homebuilding operation in the Washington, D.C. area.


Burrows is currently a board member of Habitat for Humanity Seattle / South King County. He is a past board member of Northern Virginia HomeAid, and chaired the Volume Builder’s Council for the Maryland National Capital Building Industry Association.
Peter Orser was appointed president and CEO of Weyerhaeuser Real Estate Company (WRECO) in October 2010. He oversees five real estate companies and the company’s builder financing operation. Previously he was president of Quadrant Corporation, Weyerhaeuser’s homebuilding operation in the Puget Sound region of Washington.

Orser joined Quadrant Homes in 1987, assuming leadership in 2003. He has been involved in every major element of Quadrant’s diverse real estate businesses. Over the last 10 years, Peter has led a reengineering of the Home Building operation, bringing Quadrant to prominence as Washington’s largest home builder.

Peter attended the University of Puget Sound where he earned a Bachelor of Science degree in natural science. He earned his master’s degree from the University of Washington in urban planning.

He is currently Chairman of Forterra, a regional land conservation organization, a board member and member of the Executive Committee for the Seattle Chamber of Commerce, and a member of the board and Executive Committee for the University of Washington Runstad Real Estate Center. He served as President of the King and Snohomish County Master Builders Association in 2004. He also served five years as the Mercer Island planning commissioner and was elected to a four-year term on the city council in 1994.
Shaker Chandrasekaran was appointed senior vice president, Cellulose Fibers business in December 2006. He assumed additional responsibilities for Liquid Packaging Board and Newsprint businesses in June 2007, and in 2009, Westwood Shipping and Weyerhaeuser Engineering Services were added to his portfolio. Previous to these roles, Shaker served as the mill manager and vice president at Weyerhaeuser’s Kingsport, Tenn., paper mill and the Kamloops, B.C., cellulose fibers mill and more recently vice president Manufacturing, Cellulose Fibers.

A 39-year veteran of the pulp and paper industry, Chandrasekaran started his career in India, and then migrated to the U.S. in 1980. After graduate education, he joined Container Corporation of America and then worked for Mead, and later Willamette Industries, which was acquired by Weyerhaeuser in 2002.

Shaker received a bachelor of science in chemical engineering from the University of Madras, India (1971), and a master of science in paper science and engineering from Miami University, Oxford, Ohio (1982). He has also completed the Stanford University Executive program and other executive management programs at the Wharton Business School and the Darden School of Business at the University of Virginia.

Shaker currently serves on the board of trustees for Miami University Paper Science & Engineering Foundation. He is also the Chairman of the Board of NORPAC, a joint venture between Weyerhaeuser Company and Nippon Paper Industries, Japan. Effective January 2010, he was named Weyerhaeuser’s Corporate Safety Champion.
EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. EBITDA, as we define it, is operating income from continuing operations adjusted for depreciation, depletion, amortization, special items and interest included in cost of products sold. EBITDA should not be considered in isolation from and is not intended to represent an alternative to our results computed under GAAP.

<table>
<thead>
<tr>
<th>$ millions</th>
<th>2011</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Timberlands</td>
<td>Cellulose Fibers</td>
</tr>
<tr>
<td>EBITDA(^1)</td>
<td>$466</td>
<td>$580</td>
</tr>
<tr>
<td>Depreciation, Depletion and Amortization</td>
<td>(137)</td>
<td>(147)</td>
</tr>
<tr>
<td>Special Items</td>
<td>152</td>
<td>--</td>
</tr>
<tr>
<td>Operating Income (GAAP)</td>
<td>$481</td>
<td>$433</td>
</tr>
<tr>
<td>Interest Income and Other</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>Net Contribution to Earnings (GAAP)</td>
<td>$485</td>
<td>$435</td>
</tr>
</tbody>
</table>

\(^1\)EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. EBITDA, as we define it, is operating income from continuing operations adjusted for depreciation, depletion, amortization, special items and interest included in cost of products sold. EBITDA should not be considered in isolation from and is not intended to represent an alternative to our results computed under GAAP.
### RECONCILIATION TO GAAP: SG&A EXPENSE

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<th>$ millions</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>SG&amp;A Expense, Excluding Pension &amp; OPEB</td>
<td>$746</td>
<td>$653</td>
<td>$562</td>
</tr>
<tr>
<td>Pension &amp; Postretirement Costs (Credits)</td>
<td>(65)</td>
<td>(3)</td>
<td>39</td>
</tr>
<tr>
<td><strong>SG&amp;A Expense (GAAP)</strong></td>
<td>$681</td>
<td>$650</td>
<td>$601</td>
</tr>
</tbody>
</table>