



2023 EARNINGS RESULTS

THIRD QUARTER 2023

FORWARD-LOOKING STATEMENTS

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 including, but not limited to, with respect to: future cash dividends, dividend framework and target percentage return to shareholders of Adjusted Funds Available for Distribution (Adjusted FAD) through cash dividends and/or share repurchase; and our fourth quarter 2023 outlook and expectations concerning earnings and Adjusted EBITDA for each of our businesses and expected key drivers. Forward-looking statements may be identified by our use of certain words in such statements, including without limitation words such as "expected," "outlook," and "targeted," and similar words and terms and phrases using such terms and words, as well as references to future dates and events. They may use the positive, negative or another variation of those and similar words. These forward-looking statements are based on our current expectations and assumptions and are not guarantees of future events or performance. The realization of our expectations and the accuracy of our assumptions are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. These risks and uncertainties include, without limitation: the effect of general economic conditions, including employment rates, interest rate levels, inflation, housing starts, general availability of financing for home mortgages and the relative strength of the U.S. dollar; the effect of COVID-19 and other viral or disease outbreaks, including but not limited to any related regulatory restrictions or requirements, and their potential effects on our business, results of operations, cash flows, financial condition and future prospects; market demand for the company's products, including market demand for our timberland properties with higher and better uses, which is related to, among other factors, the strength of the various U.S. business segments and U.S. and international economic conditions; changes in currency exchange rates, particularly the relative value of the U.S. dollar to the Japanese yen, the Chinese yuan, and the Canadian dollar, and the relative value of the euro to the yen; restrictions on international trade and tariffs imposed on imports or exports; the availability and cost of shipping and transportation; economic activity in Asia, especially Japan and China; performance of our manufacturing operations, including maintenance and capital requirements; potential disruptions in our manufacturing operations; the level of competition from domestic and foreign producers; the successful execution of our internal plans and strategic initiatives, including restructuring and cost reduction initiatives; our ability to hire and retain capable employees; the successful and timely execution and integration of our strategic acquisitions, including our ability to realize expected benefits and synergies, and the successful and timely execution of our strategic divestitures, each of which is subject to a number of risks and conditions beyond our control including, but not limited to, timing and required regulatory approvals or the occurrence of any event, change or other circumstances that could give rise to a termination of any acquisition or divestiture transaction under the terms of the governing transaction agreements; raw material availability and prices; the effect of weather; changes in global or regional climate conditions and governmental response to such changes; the risk of loss from fires, floods, windstorms, hurricanes, pest infestation and other natural disasters; energy prices; transportation and labor 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 employee retirements as it relates to the cost of pension benefits and changes in the market price of our common stock on charges for share-based compensation; the accuracy of our estimates of costs and expenses related to contingent liabilities and the accuracy of our estimates of charges related to casualty losses; changes in accounting principles; and other risks and uncertainties identified in our 2022 Annual Report on Form 10-K, as well as those set forth from time to time in our other public statements, reports, registration statements, prospectuses, information statements and other filings with the SEC.

It is not possible to predict or identify all risks and uncertainties that might affect the accuracy of our forward-looking statements and, consequently, our descriptions of such risks and uncertainties should not be considered exhaustive. There is no guarantee that any of the events anticipated by these forward-looking statements will occur, and if any of the events do occur, there is no guarantee what effect they will have on the company's business, results of operations, cash flows, financial condition and future prospects.

Forward-looking statements speak only as of the date they are made, and we undertake no obligation to publicly update or revise any forward-looking statements, whether because of new information, future events, or otherwise. 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 by providing helpful context in understanding the company's performance. 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.



2023 Q3 CONSOLIDATED RESULTS

\$ Millions	2023		2023
	Q2	Q3	
Adjusted EBITDA			
Timberlands	\$ 172	\$ 143	\$ (29)
Real Estate, Energy & Natural Resources	70	94	24
Wood Products	270	328	58
Unallocated Items	(43)	(56)	(13)
Total Adjusted EBITDA¹	\$ 469	\$ 509	\$ 40
Net Contribution to Earnings Before Special Items	\$ 336	\$ 365	\$ 29

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 24](#).
2. Includes other operating costs, net; non-operating pension and other post-employment benefit costs; and interest income and other.
3. Interest expense is net of capitalized interest.
4. An explanation of special items and a reconciliation to GAAP are set forth on [Slide 4](#). Income taxes attributable to special items are included in Special Items, after-tax.

\$ Millions (except EPS)	2023	
	Q2	Q3
Consolidated Statement of Operations		
Net sales	\$ 1,997	\$ 2,022
Costs of sales	1,528	1,520
Gross margin	469	502
SG&A expenses	130	129
Other expense, net ²	3	8
Net Contribution to Earnings Before Special Items	\$ 336	\$ 365
Interest expense, net ³	(70)	(72)
Income taxes	(28)	(54)
Net Earnings Before Special Items⁴	\$ 238	\$ 239
Special items, after-tax ⁴	(8)	—
Net Earnings	\$ 230	\$ 239
Diluted EPS Before Special Items⁴	\$ 0.32	\$ 0.33
Diluted EPS	\$ 0.31	\$ 0.33



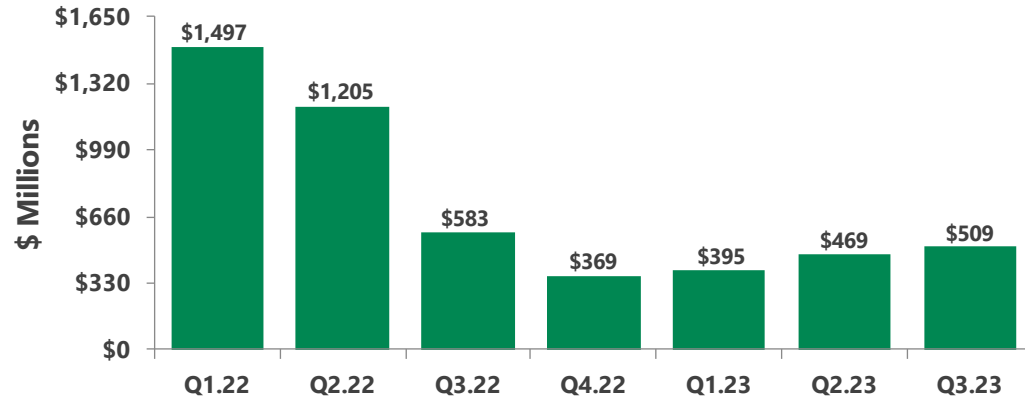
EARNINGS BEFORE SPECIAL ITEMS

\$ Millions (except EPS)	2023 Q2			2023 Q3		
	Pretax Earnings	After-Tax Earnings	Diluted EPS	Pretax Earnings	After-Tax Earnings	Diluted EPS
Earnings Before Special Items	\$ 266	\$ 238	\$ 0.32	\$ 293	\$ 239	\$ 0.33
Special Items:						
Environmental remediation charge	11	8	0.01	—	—	—
Total Special Items	11	8	0.01	—	—	—
Earnings Including Special Items (GAAP)	\$ 255	\$ 230	\$ 0.31	\$ 293	\$ 239	\$ 0.33

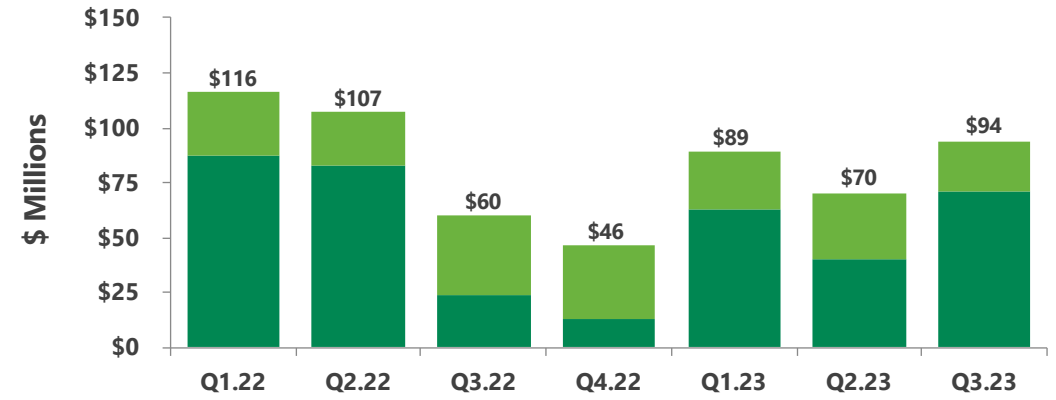


ADJUSTED EBITDA¹

TOTAL COMPANY²

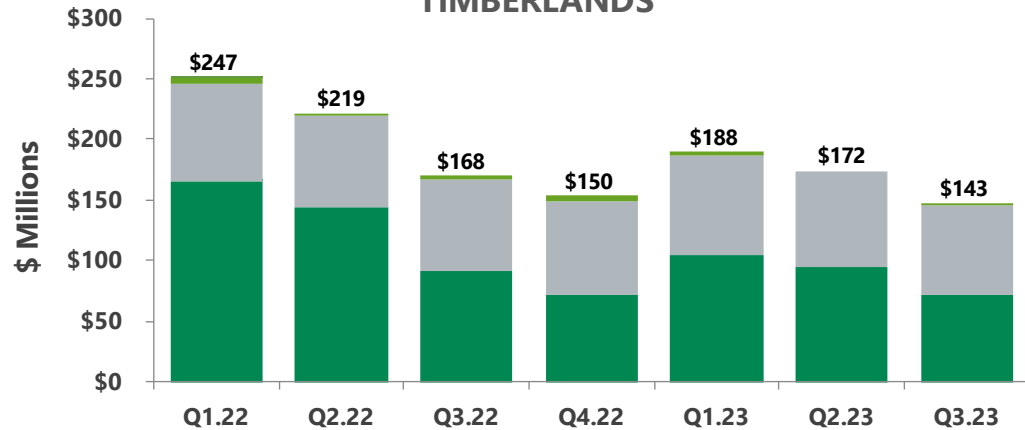


REAL ESTATE & ENR



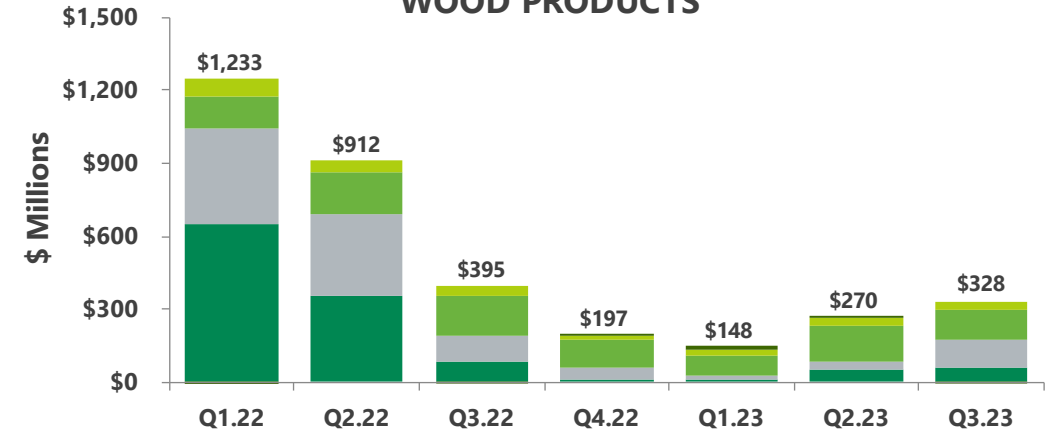
Real Estate	\$	87	83	24	12	63	40	71
ENR	\$	29	24	36	34	26	30	23

TIMBERLANDS



Region	Q1.22	Q2.22	Q3.22	Q4.22	Q1.23	Q2.23	Q3.23
West	\$ 165	144	92	72	105	94	72
South	\$ 80	75	75	77	81	79	73
North	\$ 4	2	3	5	4	—	1
Other	\$ (2)	(2)	(2)	(4)	(2)	(1)	(3)

WOOD PRODUCTS



Category	Q1.22	Q2.22	Q3.22	Q4.22	Q1.23	Q2.23	Q3.23
Lumber	\$ 648	359	88	8	8	51	58
OSB	\$ 392	332	101	54	22	37	118
EWP	\$ 136	173	166	110	82	144	125
Distribution	\$ 72	48	41	23	22	34	31
Other	\$ (15)	—	(1)	2	14	4	(4)

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 24](#), [Slide 25](#), [Slide 26](#), [Slide 27](#) and [Slide 28](#).
 2. Total Company Adjusted EBITDA includes Timberlands; Real Estate, Energy & Natural Resources; Wood Products and Unallocated.

TIMBERLANDS SEGMENT

TIMBERLANDS (\$ Millions)	2023	2023
Adjusted EBITDA by Region	Q2	Q3
West	\$ 94	\$ 72
South	79	73
North	—	1
Other	(1)	(3)
Total Adjusted EBITDA¹	\$ 172	\$ 143

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 25](#).
2. Adjusted EBITDA divided by total sales.
3. Net contribution to earnings divided by total sales.

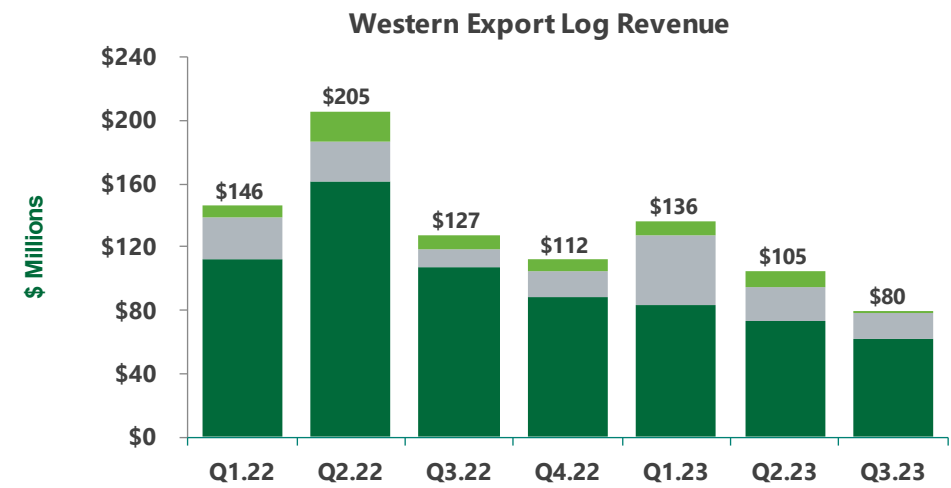
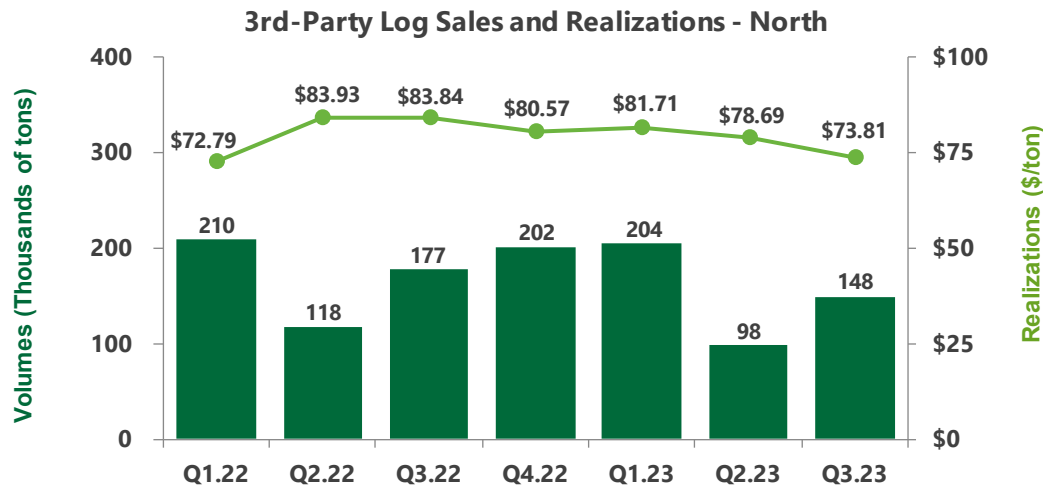
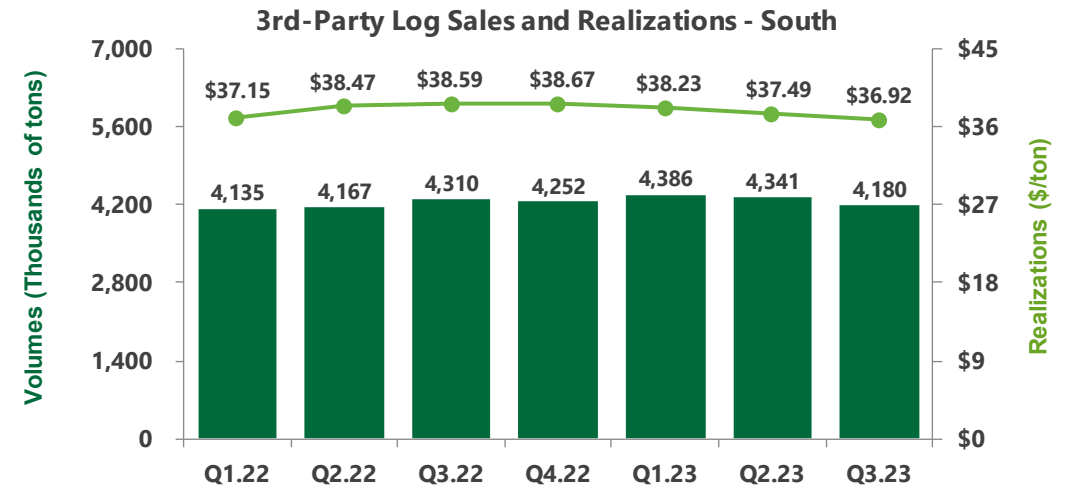
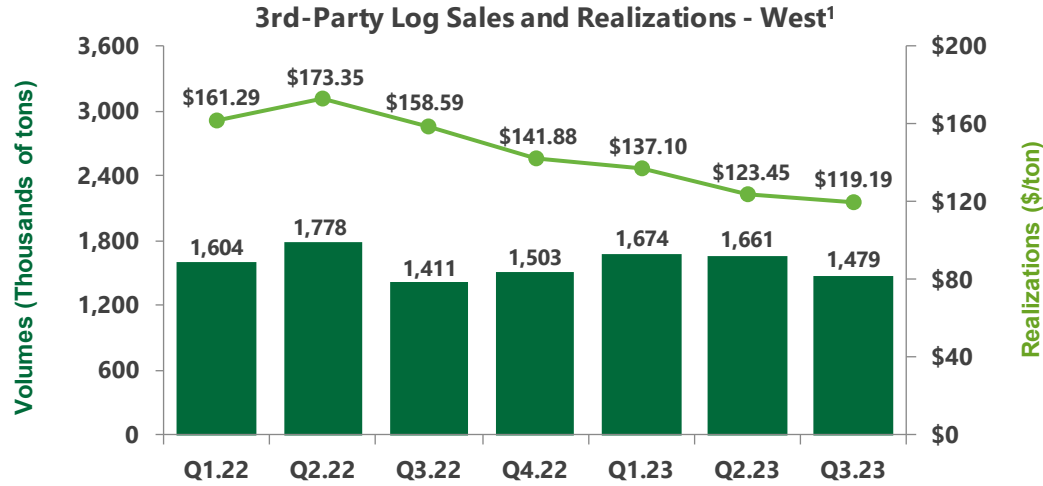
TIMBERLANDS (\$ Millions)	2023	2023
Segment Statement of Operations	Q2	Q3
Third-party sales	\$ 417	\$ 380
Intersegment sales	150	141
Total Sales	567	521
Costs of sales	439	417
Gross margin	128	104
SG&A expenses	24	26
Net Contribution to Earnings	\$ 104	\$ 78
Adjusted EBITDA¹	\$ 172	\$ 143
Adjusted EBITDA Margin Percentage²	30%	27%
Operating Margin Percentage³	18%	15%



TIMBERLANDS KEY DRIVERS: 2023 Q3 vs. 2023 Q2

REGION	KEY DRIVERS
WEST	<ul style="list-style-type: none"> • Fee Harvest and Domestic Sales Volumes: Moderately lower, driven by higher elevation harvest operations and temporary harvest restrictions due to wildfire risk • Export Sales Volumes: Significantly lower, partially driven by fewer export shipments to Japan • Sales Realizations: Slightly lower, partially driven by a reduction in export volumes; comparable for domestic • Per Unit Log and Haul Costs: Lower • Forestry and Road Costs: Moderately higher, seasonal
SOUTH	<ul style="list-style-type: none"> • Fee Harvest Volumes: Moderately lower, partially driven by wet conditions early in the quarter • Sales Realizations: Slightly lower • Per Unit Log and Haul Costs: Comparable • Forestry and Road Costs: Moderately higher, seasonal
NORTH	<ul style="list-style-type: none"> • Fee Harvest Volumes: Significantly higher, seasonal increase in harvest activity • Sales Realizations: Moderately lower

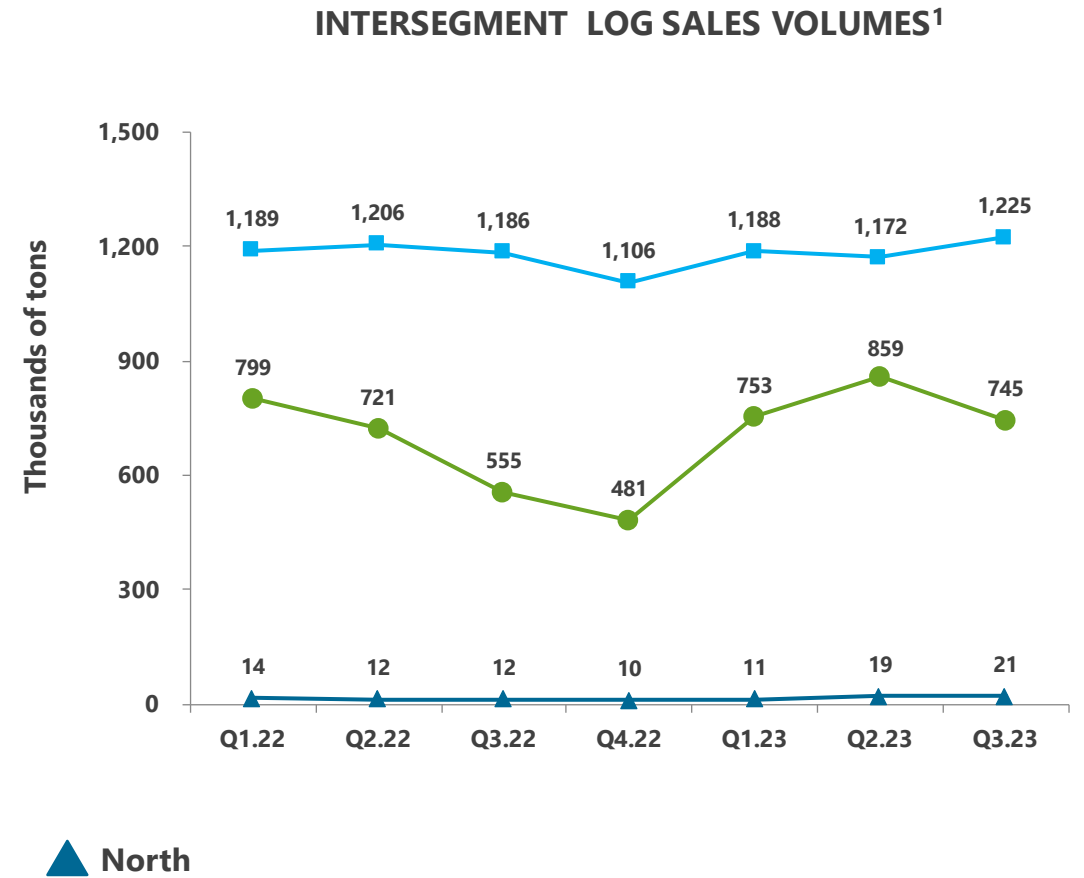
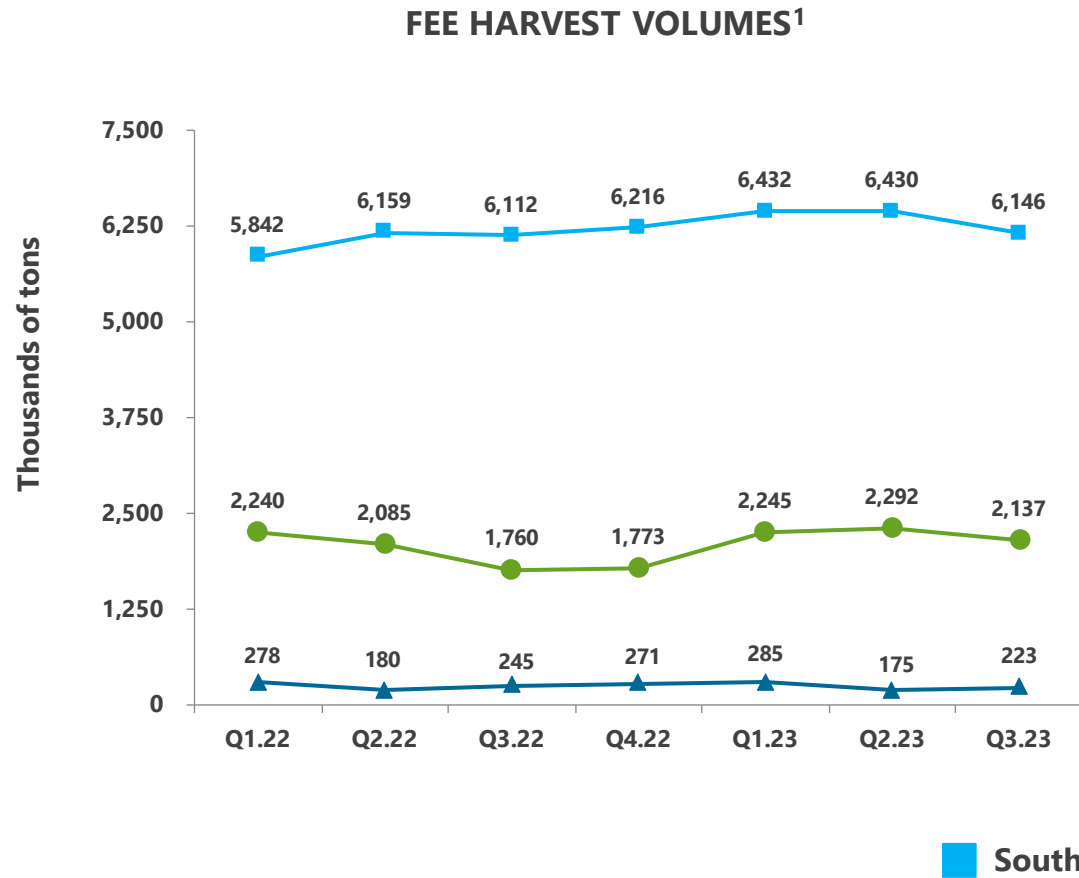
SALES VOLUMES, REALIZATIONS AND EXPORT REVENUE



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

	Q1.22	Q2.22	Q3.22	Q4.22	Q1.23	Q2.23	Q3.23
Japan	77%	79%	85%	80%	62%	70%	78%
China	18%	12%	9%	14%	32%	21%	20%
Korea	5%	9%	6%	6%	6%	9%	2%

FEE HARVEST VOLUMES AND INTERSEGMENT SALES VOLUMES



1. During the third and fourth quarter of 2022, fee harvest volumes and intersegment log sales volumes in the West were affected by the work stoppage in Washington and Oregon that was resolved on October 28, 2022.

REAL ESTATE, ENERGY & NATURAL RESOURCES (ENR) SEGMENT

REAL ESTATE & ENR (\$ Millions)	2023	2023
Adjusted EBITDA by Business	Q2	Q3
Real Estate	\$ 40	\$ 71
Energy & Natural Resources	30	23
Total Adjusted EBITDA¹	\$ 70	\$ 94

KEY DRIVERS: 2023 Q3 vs. 2023 Q2

Real Estate

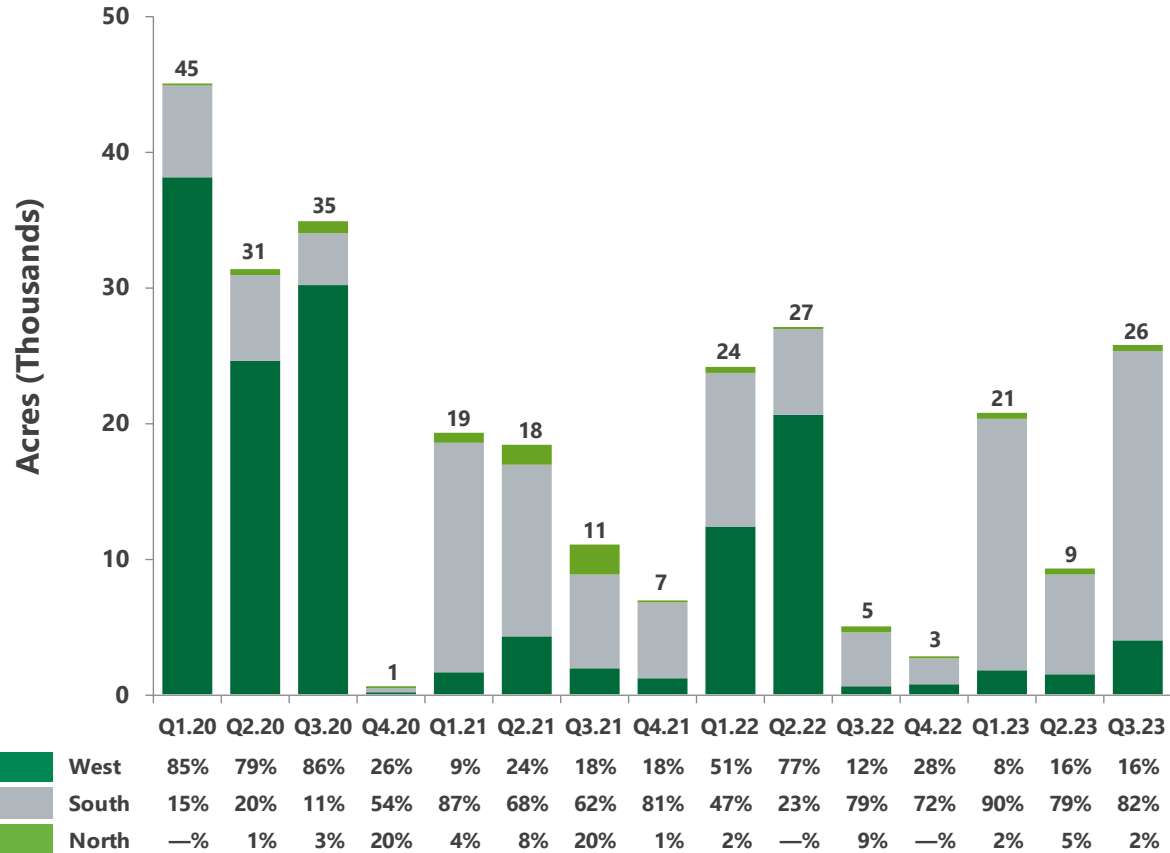
Timing and mix of acres sold

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 26](#).

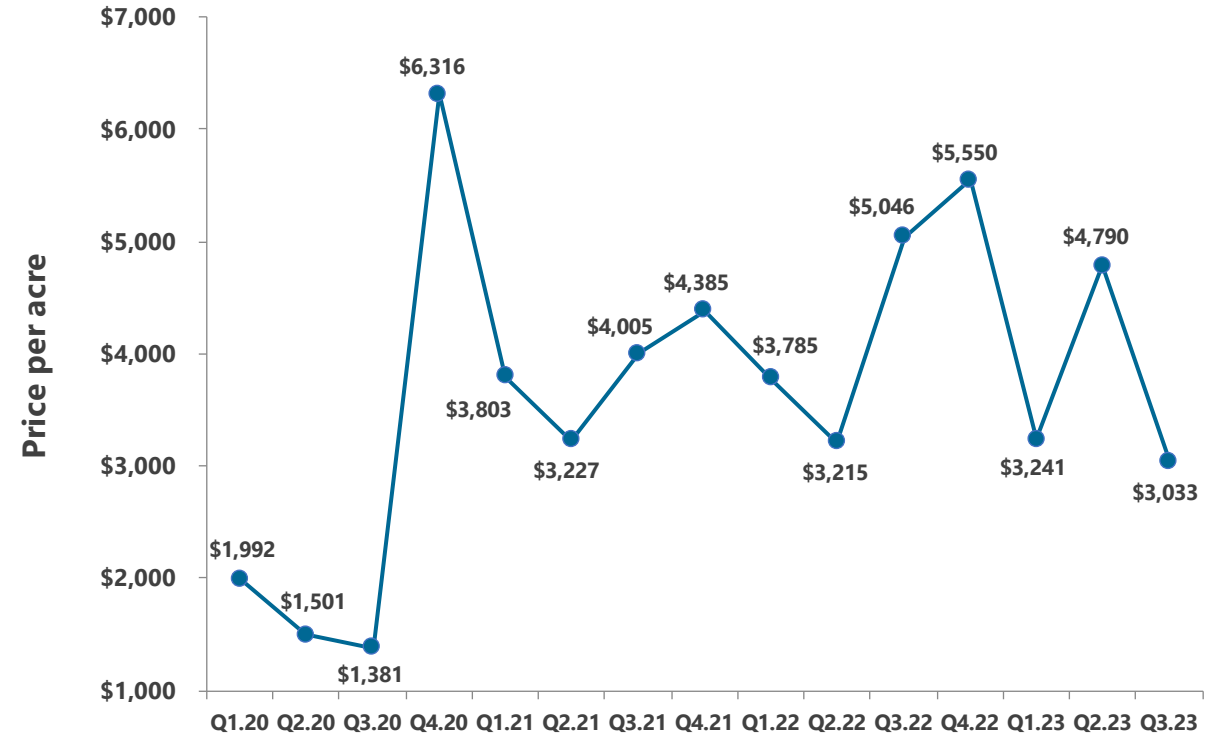
REAL ESTATE & ENR (\$ Millions)	2023	2023
Segment Statement of Operations	Q2	Q3
Total sales	\$ 80	\$ 105
Costs of sales	21	43
Gross margin	59	62
SG&A expenses	7	6
Net Contribution to Earnings	\$ 52	\$ 56
Adjusted EBITDA¹	\$ 70	\$ 94

REAL ESTATE, ENERGY & NATURAL RESOURCES (ENR) SEGMENT

ACRES SOLD



AVERAGE PRICE PER ACRE



WOOD PRODUCTS SEGMENT

WOOD PRODUCTS (\$ Millions)	2023	2023
Adjusted EBITDA by Business	Q2	Q3
Lumber	\$ 51	\$ 58
OSB	37	118
Engineered Wood Products	144	125
Distribution	34	31
Other	4	(4)
Total Adjusted EBITDA¹	\$ 270	\$ 328

- 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 [Slide 27](#).
- Adjusted EBITDA divided by total sales.
- Net contribution to earnings divided by total sales.

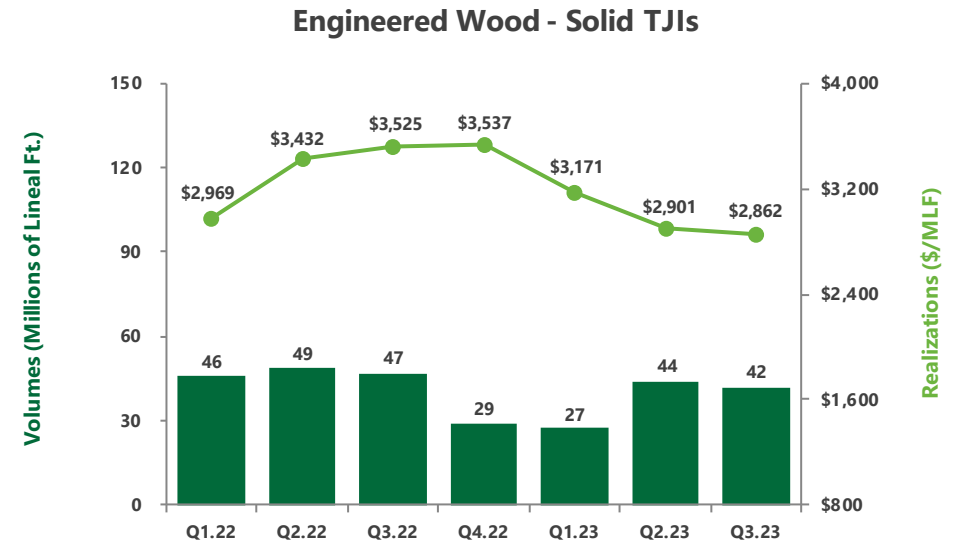
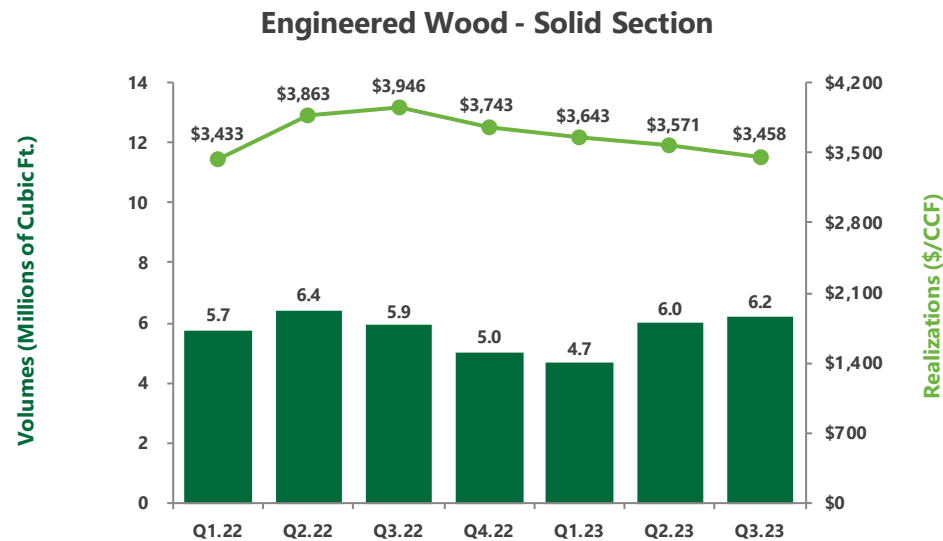
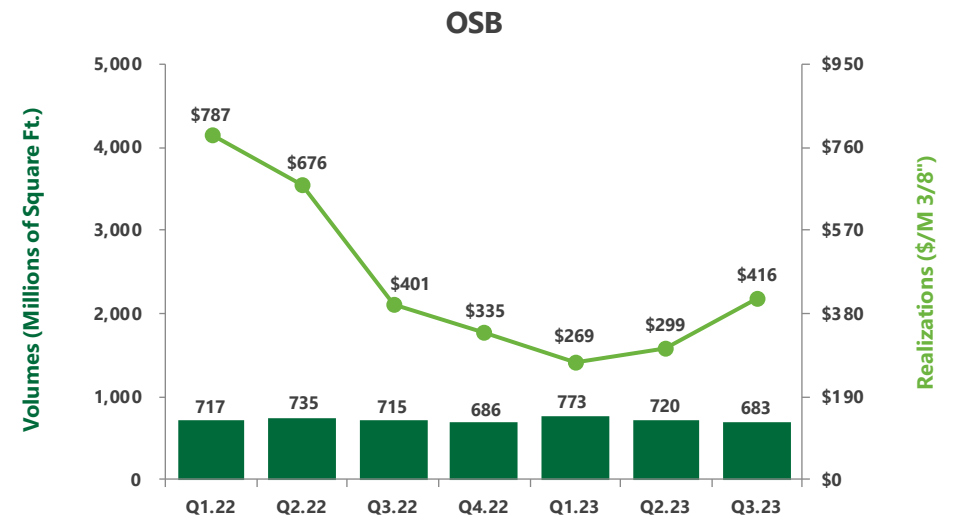
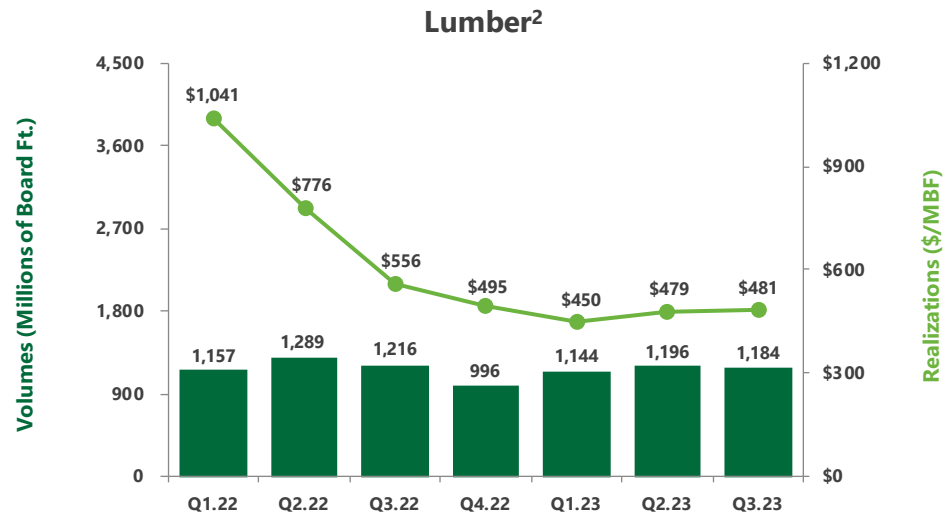
WOOD PRODUCTS (\$ Millions)	2023	2023
Segment Statement of Operations	Q2	Q3
Total sales	\$ 1,500	\$ 1,537
Costs of sales	1,218	1,195
Gross margin	282	342
SG&A expenses	58	58
Other expense, net	6	7
Net Contribution to Earnings	\$ 218	\$ 277
Adjusted EBITDA¹	\$ 270	\$ 328
Adjusted EBITDA Margin Percentage²	18%	21%
Operating Margin Percentage³	15%	18%



WOOD PRODUCTS KEY DRIVERS: 2023 Q3 vs. 2023 Q2

BUSINESS	KEY DRIVERS
LUMBER	<ul style="list-style-type: none"> • Sales Realizations: Comparable • Sales Volumes: Slightly lower, reduced production at several mills, partially driven by temporary operational disruptions • Unit Manufacturing Costs: Comparable • Log Costs: Moderately lower
ORIENTED STRAND BOARD	<ul style="list-style-type: none"> • Sales Realizations: Increased 39% • Sales Volumes: Moderately lower • Unit Manufacturing Costs: Slightly higher • Fiber Costs: Slightly lower
ENGINEERED WOOD PRODUCTS	<ul style="list-style-type: none"> • Sales Realizations: Slightly lower for most products • Sales Volumes: Slightly higher, primarily for solid section products • Unit Manufacturing Costs: Slightly higher • Raw Material Costs: Higher, primarily for OSB webstock
DISTRIBUTION	<ul style="list-style-type: none"> • Slightly lower

THIRD-PARTY SALES VOLUMES AND REALIZATIONS¹



1. Sales volumes include sales of internally produced products and products purchased for resale primarily through our Distribution business.

2. During the third and fourth quarter of 2022, lumber sales volumes were affected by the work stoppage in Washington and Oregon that was resolved on October 28, 2022.

UNALLOCATED ITEMS

UNALLOCATED ITEMS (\$ Millions) ¹	2023	
	Q2	Q3
Unallocated corporate function expenses and variable compensation expense	\$ (32)	\$ (33)
Liability classified share-based compensation	(2)	2
Foreign exchange gains	2	—
Elimination of intersegment profit in inventory and LIFO	3	(4)
Non-operating pension and other post-employment benefit costs	(12)	(12)
Other, including interest income	3	1
Net Charge to Earnings Before Special Items	\$ (38)	\$ (46)
Special items, pretax ²	(11)	—
Net Charge to Earnings	\$ (49)	\$ (46)
Adjusted EBITDA³	\$ (43)	\$ (56)

UNALLOCATED ITEMS (\$ Millions) ¹	2023	
	Q2	Q3
Costs of sales ⁴	\$ —	\$ (6)
G&A expense ⁵	(40)	(38)
Other expense, net	2	(2)
Net Charge to Earnings Before Special Items	\$ (38)	\$ (46)
Special items, pretax ²	(11)	—
Net Charge to Earnings	\$ (49)	\$ (46)

1. Unallocated items are gains or charges not related to or allocated to an individual operating segment.
2. Second quarter 2023 excludes an \$11 million noncash environmental remediation charge.
3. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 28](#).
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.



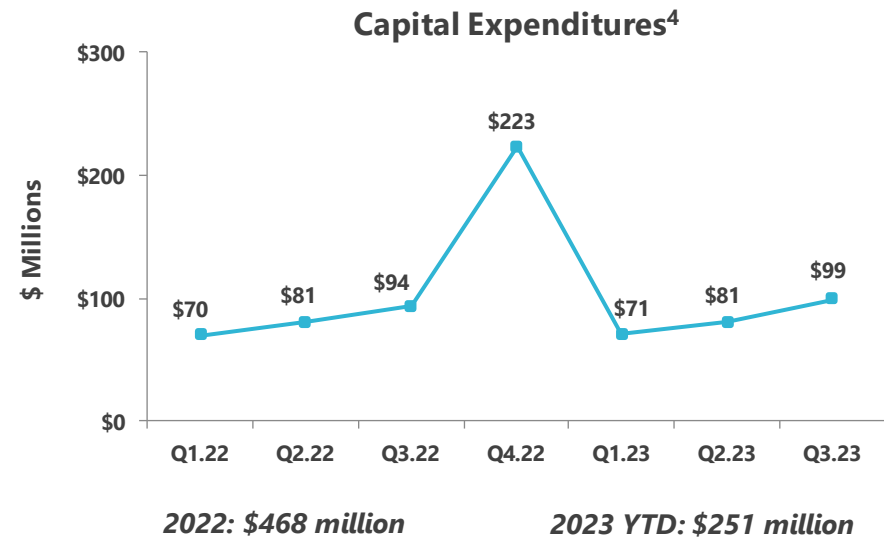
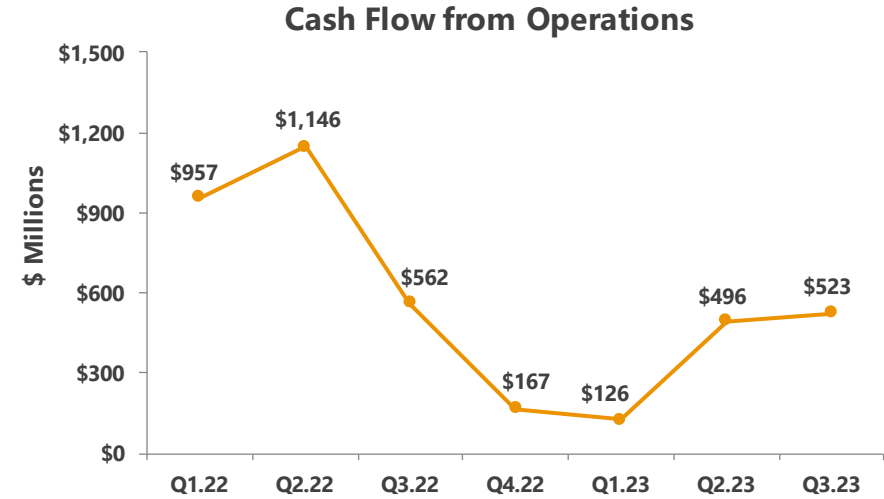
FINANCIAL ITEMS

KEY FINANCIAL METRICS (\$ Millions)	2023	2023
	Q2	Q3
Ending Cash Balance	\$ 1,095	\$ 1,173
Ending Short-term Investments Balance	\$ 665	\$ 668
Total Debt	\$ 5,797	\$ 5,679
Net Debt to Adjusted EBITDA (LTM) ¹	2.2	2.2
Net Debt to Enterprise Value ²	14%	15%

SHARE REPURCHASES (\$ Millions)	2023	2023
	Q2	Q3
Share Repurchases ³	\$ 50	\$ 25

SCHEDULED DEBT MATURITIES AS OF SEPTEMBER 30, 2023 (\$ Millions)					
	2023	2024	2025	2026	2027
Debt Maturities	\$ 860	\$ —	\$ 210	\$ 1,022	\$ 300

1. LTM = last twelve months. A reconciliation to GAAP is set forth on [Slide 29](#).
2. Total debt, net of cash and cash equivalents and short-term investments, divided by enterprise value. Enterprise value is defined as total debt, net of cash and cash equivalents and short-term investments, plus market capitalization as of the end of the quarter.
3. Average price paid per share for second quarter 2023 and third quarter 2023 were \$29.59 and \$32.67, respectively. There were 32,757 unsettled shares (approximately \$1 million) as of September 30, 2023, and no unsettled shares as of June 30, 2023.
4. Total capital expenditures is inclusive of capitalized interest.



ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION

Allocation Framework and Cash Return Calculation

ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION¹

Allocation Framework

Return 75-80% of Adjusted FAD to Shareholders



SUSTAINABLE BASE DIVIDEND

supported by Timberlands and Real Estate & ENR cash flow, even at the bottom of the cycle



SUPPLEMENTAL DIVIDEND² AND/OR SHARE REPURCHASE

to achieve targeted return of 75-80% of annual Adjusted FAD

20-25% of Adjusted FAD



EXCESS CASH

available for growth, debt paydown and additional share repurchase

TARGETED RETURN OF CASH TO SHAREHOLDERS

Calculated on an Annual Basis

Adjusted FAD

✘ 75-80% Payout

≡ Targeted Return to Shareholders

— Quarterly Base Cash Dividends

≡ Cash Available for Allocation Between
Supplemental Dividend² and/or
Opportunistic Share Repurchase

To Achieve
75-80%
Payout

1. Our definition of Adjusted funds available for distribution (Adjusted FAD) is set forth on [Slide 30](#).
2. Normally declared and paid annually in the first quarter, based on prior year results.

ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION¹

Cash Return To Shareholders Update

ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION (\$ Millions)	2023	
	Q3	YTD
Net Cash from Operations	\$ 523	\$ 1,145
Capital Expenditures ²	(99)	(251)
Adjusted Funds Available for Distribution	\$ 424	\$ 894

1. Our definition of Adjusted funds available for distribution (Adjusted FAD) and a reconciliation to GAAP are set forth on [Slide 30](#).
2. We anticipate our capital expenditures for 2023 will be \$440 million.
3. Expected to be declared and paid in first quarter 2024, based on full year 2023 results.

TARGETED RETURN OF CASH TO SHAREHOLDERS

Based on 2023 YTD Results and Activity

	\$ MM
2023 YTD Adjusted FAD	\$894
✘ Midpoint of 75-80% Payout	\$693
▬ 2023 YTD Base Cash Dividends	(\$417)
▬ Cash Available for Allocation Between Supplemental Dividend³ and/or Opportunistic Share Repurchase	

To Achieve
75-80%
Payout



OUTLOOK: 2023 Q4

SEGMENT	EXPECTED EARNINGS ¹ & ADJUSTED EBITDA	KEY DRIVERS		
TIMBERLANDS	Comparable to 2023 Q3	West Fee Harvest Volumes: Comparable Sales Realizations: Comparable Per Unit Log and Haul Costs: Moderately higher Forestry and Road Costs: Comparable	South Fee Harvest Volumes: Comparable Sales Realizations: Comparable Per Unit Log and Haul Costs: Comparable Forestry and Road Costs: Moderately lower, seasonal	North Fee Harvest Volumes: Significantly higher Sales Realizations: Slightly lower
REAL ESTATE, ENERGY & NATURAL RESOURCES	Lower than 2023 Q3	Q4 Timing and mix of real estate sales Full Year 2023 Adjusted EBITDA now expected to be approximately \$310 million, a \$10 million increase from prior outlook Continue to expect basis as a percentage of real estate sales to be 35 to 40 percent		
WOOD PRODUCTS	Moderately lower than 2023 Q3, excluding the effect of changes in average sales realizations for lumber and oriented strand board	Lumber Sales Volumes: Moderately higher Log Costs: Comparable Unit Manufacturing Costs: Slightly lower	OSB Sales Volumes: Moderately higher Fiber Costs: Slightly higher Unit Manufacturing Costs: Slightly lower	Engineered Wood Products Sales Volumes: Slightly lower, primarily for solid section; higher for I-Joist Sales Realizations: Lower Raw Material Costs: Slightly higher Distribution Lower



1. Earnings before special items.



WOOD PRODUCTS SALES REALIZATIONS: CURRENT VS. 2023 Q3

WEYERHAEUSER'S AVERAGE SALES REALIZATIONS

Approximate Change
As of October 20, 2023

LUMBER ¹				WY'S SENSITIVITY CHANGE IN REALIZATIONS \$10/MBF ≈ \$50 million EBITDA ANNUALLY
	Q4 QTD vs. Q3 AVERAGE		-\$50/MBF LOWER	
	CURRENT vs. Q3 AVERAGE		-\$55/MBF LOWER	
OSB ²				WY'S SENSITIVITY CHANGE IN REALIZATIONS \$10/MSF ≈ \$30 million EBITDA ANNUALLY
	Q4 QTD vs. Q3 AVERAGE		-\$50/MSF LOWER	
	CURRENT vs. Q3 AVERAGE		-\$85/MSF LOWER	

1. Changes in average realizations typically lag changes in industry benchmark pricing due to length of order files.
2. WY reports OSB realizations in MSF 3/8". Changes in average realizations typically lag changes in industry benchmark pricing due to length of order files.

SUPPLEMENTAL TIMBERLANDS INFORMATION

Adjusted EBITDA¹ Per Acre

WESTERN TIMBERLANDS	2021		2022		2023	
	FY	FY	Q1	Q2	Q3	YTD
Adjusted EBITDA ¹ (\$ Millions)	\$ 387	\$ 473	\$ 105	\$ 94	\$ 72	\$ 271
Acres ² (Thousands)	2,577	2,546	2,546	2,546	2,546	2,546
Reported Adjusted EBITDA Per Acre	\$ 150	\$ 186	\$ 41	\$ 37	\$ 28	\$ 106
Adjusted EBITDA attributable to Western ENR ³ (\$ Millions)	17	20	4	3	4	11
Total Adjusted EBITDA Per Acre⁴	\$ 157	\$ 194	\$ 43	\$ 38	\$ 30	\$ 111

SOUTHERN TIMBERLANDS	2021		2022		2023	
	FY	FY	Q1	Q2	Q3	YTD
Adjusted EBITDA ¹ (\$ Millions)	\$ 301	\$ 307	\$ 81	\$ 79	\$ 73	\$ 233
Acres ² (Thousands)	6,776	6,823	6,823	6,823	6,823	6,823
Reported Adjusted EBITDA Per Acre	\$ 44	\$ 45	\$ 12	\$ 12	\$ 10	\$ 34
Adjusted EBITDA attributable to Southern ENR ³ (\$ Millions)	62	92	20	25	18	63
Total Adjusted EBITDA Per Acre⁴	\$ 54	\$ 58	\$ 15	\$ 15	\$ 13	\$ 43

1. Our definition of Adjusted EBITDA is set forth on [Slide 24](#).
2. As of year end for 2021 and 2022. For 2023, as of year end 2022.
3. Reported in the company's Real Estate, Energy & Natural Resources segment.
4. To improve comparability with peer disclosures, amounts shown include Adjusted EBITDA from both Timberlands and Energy & Natural Resources businesses.

EARNINGS SUMMARY

\$ Millions (except EPS)	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Adjusted EBITDA by Segment							
Timberlands	\$ 247	\$ 219	\$ 168	\$ 150	\$ 188	\$ 172	\$ 143
Real Estate, Energy & Natural Resources	116	107	60	46	89	70	94
Wood Products	1,233	912	395	197	148	270	328
Unallocated Items	(99)	(33)	(40)	(24)	(30)	(43)	(56)
Total Adjusted EBITDA¹	\$ 1,497	\$ 1,205	\$ 583	\$ 369	\$ 395	\$ 469	\$ 509
DD&A, basis of real estate sold, non-operating pension and post-employment costs, and interest income and other	(169)	(168)	(129)	(121)	(156)	(133)	(144)
Net Contribution to Earnings Before Special Items	\$ 1,328	\$ 1,037	\$ 454	\$ 248	\$ 239	\$ 336	\$ 365
Interest expense, net	(72)	(65)	(67)	(66)	(66)	(70)	(72)
Income taxes ²	(278)	(184)	(77)	(11)	(22)	(28)	(54)
Net Earnings Before Special Items³	\$ 978	\$ 788	\$ 310	\$ 171	\$ 151	\$ 238	\$ 239
Special items, after-tax ²	(207)	—	—	(160)	—	(8)	—
Net Earnings	\$ 771	\$ 788	\$ 310	\$ 11	\$ 151	\$ 230	\$ 239
Diluted EPS Before Special Items³	\$ 1.31	\$ 1.06	\$ 0.42	\$ 0.24	\$ 0.21	\$ 0.32	\$ 0.33
Diluted EPS	\$ 1.03	\$ 1.06	\$ 0.42	\$ 0.02	\$ 0.21	\$ 0.31	\$ 0.33

1. See [Slide 24](#) for our definition of Adjusted EBITDA.
2. Income taxes excludes taxes related to special items.
3. A reconciliation to GAAP EPS is set forth on [Slide 23](#).



EARNINGS PER SHARE RECONCILIATION

	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Diluted EPS Before Special Items	\$ 1.31	\$ 1.06	\$ 0.42	\$ 0.24	\$ 0.21	\$ 0.32	\$ 0.33
Special Items:							
Environmental remediation charge	—	—	—	—	—	0.01	—
Loss on debt extinguishment	0.28	—	—	—	—	—	—
Pension settlement charge	—	—	—	0.21	—	—	—
Restructuring, impairments, and other charges	—	—	—	0.01	—	—	—
Diluted EPS (GAAP)	\$ 1.03	\$ 1.06	\$ 0.42	\$ 0.02	\$ 0.21	\$ 0.31	\$ 0.33



ADJUSTED EBITDA RECONCILIATION

By Segment

\$ Millions	2020		2021		2022				2023			
	FY	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	LTM ¹	
Timberlands	\$ 610	\$ 693	\$ 247	\$ 219	\$ 168	\$ 150	\$ 784	\$ 188	\$ 172	\$ 143	\$ 653	
Real Estate & ENR	241	296	116	107	60	46	329	89	70	94	299	
Wood Products	1,527	3,357	1,233	912	395	197	2,737	148	270	328	943	
Unallocated Items	(177)	(252)	(99)	(33)	(40)	(24)	(196)	(30)	(43)	(56)	(153)	
Adjusted EBITDA²	\$ 2,201	\$ 4,094	\$ 1,497	\$ 1,205	\$ 583	\$ 369	\$ 3,654	\$ 395	\$ 469	\$ 509	\$ 1,742	
Depletion, depreciation & amortization	(472)	(477)	(122)	(119)	(119)	(120)	(480)	(126)	(126)	(122)	(494)	
Basis of real estate sold	(141)	(71)	(31)	(39)	(7)	(7)	(84)	(33)	(13)	(34)	(87)	
Special items in operating income	122	97	—	—	—	(10)	(10)	—	(11)	—	(21)	
Operating Income (GAAP)	\$ 1,710	\$ 3,643	\$ 1,344	\$ 1,047	\$ 457	\$ 232	\$ 3,080	\$ 236	\$ 319	\$ 353	\$ 1,140	
Non-operating pension and other post-employment benefit costs	(290)	(19)	(15)	(11)	(12)	(216)	(254)	(9)	(12)	(12)	(249)	
Interest income and other	5	5	(1)	1	9	16	25	12	18	24	70	
Net Contribution to Earnings	\$ 1,425	\$ 3,629	\$ 1,328	\$ 1,037	\$ 454	\$ 32	\$ 2,851	\$ 239	\$ 325	\$ 365	\$ 961	
Interest expense, net	(351)	(313)	(72)	(65)	(67)	(66)	(270)	(66)	(70)	(72)	(274)	
Loss on debt extinguishment	(92)	—	(276)	—	—	—	(276)	—	—	—	—	
Income taxes	(185)	(709)	(209)	(184)	(77)	45	(425)	(22)	(25)	(54)	(56)	
Net Earnings (GAAP)	\$ 797	\$ 2,607	\$ 771	\$ 788	\$ 310	\$ 11	\$ 1,880	\$ 151	\$ 230	\$ 239	\$ 631	

1. LTM = last twelve months.

2. 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

Timberlands

\$ Millions	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
West	\$ 165	\$ 144	\$ 92	\$ 72	\$ 105	\$ 94	\$ 72
South	80	75	75	77	81	79	73
North	4	2	3	5	4	—	1
Other	(2)	(2)	(2)	(4)	(2)	(1)	(3)
Total Timberlands Adjusted EBITDA¹	\$ 247	\$ 219	\$ 168	\$ 150	\$ 188	\$ 172	\$ 143
West	(28)	(26)	(24)	(23)	(28)	(29)	(27)
South	(35)	(37)	(36)	(38)	(38)	(37)	(37)
North	(2)	(2)	(1)	(3)	(2)	(1)	(1)
Other	—	(1)	—	—	—	(1)	—
Total depletion, depreciation & amortization	\$ (65)	\$ (66)	\$ (61)	\$ (64)	\$ (68)	\$ (68)	\$ (65)
Operating Income and Net Contribution to Earnings (GAAP)	\$ 182	\$ 153	\$ 107	\$ 86	\$ 120	\$ 104	\$ 78

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

\$ Millions	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Real Estate	\$ 87	\$ 83	\$ 24	\$ 12	\$ 63	\$ 40	\$ 71
Energy & Natural Resources	29	24	36	34	26	30	23
Total Real Estate & ENR Adjusted EBITDA¹	\$ 116	\$ 107	\$ 60	\$ 46	\$ 89	\$ 70	\$ 94
Depletion, depreciation & amortization	(4)	(3)	(5)	(5)	(3)	(5)	(4)
Basis of real estate sold	(31)	(39)	(7)	(7)	(33)	(13)	(34)
Special items	—	—	—	(10)	—	—	—
Operating Income and Net Contribution to Earnings (GAAP)	\$ 81	\$ 65	\$ 48	\$ 24	\$ 53	\$ 52	\$ 56

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

\$ Millions	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Lumber	\$ 648	\$ 359	\$ 88	\$ 8	\$ 8	\$ 51	\$ 58
OSB	392	332	101	54	22	37	118
EWP	136	173	166	110	82	144	125
Distribution	72	48	41	23	22	34	31
Other	(15)	—	(1)	2	14	4	(4)
Total Wood Products Adjusted EBITDA^{1, 2}	\$ 1,233	\$ 912	\$ 395	\$ 197	\$ 148	\$ 270	\$ 328
Lumber	(28)	(27)	(28)	(29)	(30)	(30)	(30)
OSB	(9)	(10)	(10)	(10)	(10)	(11)	(10)
EWP	(10)	(9)	(10)	(10)	(9)	(9)	(9)
Distribution	(1)	(2)	(1)	(1)	(1)	(2)	(1)
Other	(3)	(1)	(2)	—	(3)	—	(1)
Total depletion, depreciation & amortization	\$ (51)	\$ (49)	\$ (51)	\$ (50)	\$ (53)	\$ (52)	\$ (51)
Operating Income and Net Contribution to Earnings (GAAP)	\$ 1,182	\$ 863	\$ 344	\$ 147	\$ 95	\$ 218	\$ 277

- 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 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

\$ Millions	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Total Unallocated Adjusted EBITDA¹	\$ (99)	\$ (33)	\$ (40)	\$ (24)	\$ (30)	\$ (43)	\$ (56)
Total depletion, depreciation & amortization	(2)	(1)	(2)	(1)	(2)	(1)	(2)
Special items included in operating loss	—	—	—	—	—	(11)	—
Operating Loss (GAAP)	\$ (101)	\$ (34)	\$ (42)	\$ (25)	\$ (32)	\$ (55)	\$ (58)
Non-operating pension and other post-employment benefit costs	(15)	(11)	(12)	(216)	(9)	(12)	(12)
Interest income and other	(1)	1	9	16	12	18	24
Net Charge to Earnings (GAAP)	\$ (117)	\$ (44)	\$ (45)	\$ (225)	\$ (29)	\$ (49)	\$ (46)

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

\$ Millions	2022				2023		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Net Debt to Adjusted EBITDA (LTM)^{1, 2}	0.9	0.8	0.8	1.0	1.7	2.2	2.2
Total debt	\$ 5,053	\$ 5,053	\$ 5,053	\$ 5,053	\$ 5,053	\$ 5,797	\$ 5,679
Less: cash and cash equivalents and short-term investments	1,205	1,723	1,920	1,581	797	1,760	1,841
Net Debt	\$ 3,848	\$ 3,330	\$ 3,133	\$ 3,472	\$ 4,256	\$ 4,037	\$ 3,838
Adjusted EBITDA (LTM)	\$ 4,490	\$ 4,122	\$ 3,959	\$ 3,654	\$ 2,552	\$ 1,816	\$ 1,742
Depletion, depreciation & amortization	(481)	(480)	(481)	(480)	(484)	(491)	(494)
Basis of real estate sold	(75)	(90)	(86)	(84)	(86)	(60)	(87)
Special items in operating income	97	97	65	(10)	(10)	(21)	(21)
Operating Income (LTM) (GAAP)	\$ 4,031	\$ 3,649	\$ 3,457	\$ 3,080	\$ 1,972	\$ 1,244	\$ 1,140
Non-operating pension and other post-employment benefit costs	(26)	(36)	(43)	(254)	(248)	(249)	(249)
Interest income and other	3	2	10	25	38	55	70
Net Contribution to Earnings (LTM)	\$ 4,008	\$ 3,615	\$ 3,424	\$ 2,851	\$ 1,762	\$ 1,050	\$ 961
Interest expense, net of capitalized interest	(306)	(293)	(281)	(270)	(264)	(269)	(274)
Loss on debt extinguishment	(276)	(276)	(276)	(276)	—	—	—
Income taxes	(729)	(589)	(582)	(425)	(238)	(79)	(56)
Net Earnings (LTM) (GAAP)	\$ 2,697	\$ 2,457	\$ 2,285	\$ 1,880	\$ 1,260	\$ 702	\$ 631

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 cash equivalents and short-term investments divided by the last twelve months of Adjusted EBITDA. See [Slide 24](#) for our definition of Adjusted EBITDA.



FUNDS AVAILABLE FOR DISTRIBUTION RECONCILIATION

ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION (\$ Millions)	2020	2021	2022	2023			
	FY	FY	FY	Q1	Q2	Q3	YTD
Net Cash from Operations	\$ 1,529	\$ 3,159	\$ 2,832	\$ 126	\$ 496	\$ 523	\$ 1,145
Capital Expenditures	(281)	(441)	(468)	(71)	(81)	(99)	(251)
Funds Available for Distribution¹	\$ 1,248	\$ 2,718	\$ 2,364	\$ 55	\$ 415	\$ 424	\$ 894
Cash from product remediation insurance recoveries	(8)	—	(37)	—	—	—	—
Cash tax refund associated with contribution to our U.S. qualified pension plan	—	(95)	—	—	—	—	—
Adjusted Funds Available for Distribution²	\$ 1,240	\$ 2,623	\$ 2,327	\$ 55	\$ 415	\$ 424	\$ 894

1. Funds available for distribution (FAD) is a non-GAAP measure that management uses to evaluate the company's liquidity. FAD, as we define it, is net cash from operations adjusted for capital expenditures. FAD measures cash generated during the period (net of capital expenditures) that is available for dividends, repurchases of common shares, debt reduction, acquisitions, and other discretionary and nondiscretionary capital allocation activities. FAD should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.
2. Adjusted funds available for distribution (Adjusted FAD) is a non-GAAP measure that management uses to evaluate the company's liquidity. Adjusted FAD, as we define it, is net cash from operations adjusted for capital expenditures and significant non-recurring items. Adjusted FAD measures cash generated during the period (net of capital expenditures and significant non-recurring items) that is available for dividends, repurchases of common shares, debt reduction, acquisitions, and other discretionary and nondiscretionary capital allocation activities. Adjusted FAD should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results.

