

Explanation of the Special Dividend Issued to Shareholders in 2010

On September 1, 2010, Weyerhaeuser paid a \$5.6 billion Special Dividend to its shareholders in connection with the company's conversion to a Real Estate Investment Trust (REIT).

The Special Dividend, valued at approximately \$26.46 per share, was paid in stock and cash to shareholders of record as of the close of business on July 22, 2010. Shareholders were given the opportunity to elect to receive all stock or all cash. The total cash portion was limited to \$560 million. Please refer to the Prospectus Supplement dated July 13, 2010 for a full discussion of the Special Dividend.

As a result of the Special Dividend, Weyerhaeuser Company issued approximately 324 million additional common shares to its shareholders, raising the total number of common shares outstanding to approximately 536 million.

The following tables illustrate the effect of the Special Dividend and the three regular dividends during 2010 at three levels: companywide, for shareholders who elected all stock, and for shareholders who elected all cash. Amounts actually received by shareholders may differ somewhat as a result of the treatment of fractional shares and rounding.



Effect of 2010 Special Dividend

Companywide Average

This information is provided for illustrative purposes only. Actual returns will vary because of fractional shares and rounding for calculation purposes.

Shareholder Value at 12/31/09		Stock Price		Shares Owned		Beginning Shareholder Value			
Beginning Holdings		\$43.14	x	1	=		\$43.14		
2010 Dividends		Dividend Amount		Shares Owned		Cash Received			
3/1/10	Quarterly Dividend	\$0.05	x	1	=	\$0.05			
6/1/10	Quarterly Dividend	\$0.05	x	1	=	\$0.05			
9/1/10	Special Dividend of \$26.46								
	Cash	\$2.65	x	1	=	\$2.65			
	Stock	1.5326 shares		2.5326					
12/1/10	Quarterly Dividend	\$0.05	x	2.5326	=	\$0.13			
Shareholder Value at 12/31/10		Stock Price		Shares Owned		Cash Received		Ending Shareholder Value	
Ending Holdings		\$18.93	x	2.5326	+	\$2.88	\$50.82		

- Increase in shareholder value = $(\$50.82 - \$43.14) / \$43.14 = 17.8\%$
- Assumes no reinvestment of cash dividends
- Columns may not add due to rounding



Effect of 2010 Special Dividend For Shareholders Who Elected All Stock

This information is provided for illustrative purposes only. Actual returns will vary because of fractional shares and rounding for calculation purposes.

Shareholder Value at 12/31/09		Stock Price		Shares Owned			Beginning Shareholder Value
Beginning Holdings		\$43.14	x	1	=		\$43.14
2010 Dividends		Dividend Amount		Shares Owned		Cash Received	
3/1/10	Quarterly Dividend	\$0.05	x	1	=	\$0.05	
6/1/10	Quarterly Dividend	\$0.05	x	1	=	\$0.05	
9/1/10	Special Dividend of \$26.46						
	Cash	\$0	x	1	=	\$0	
	Stock	1.7029 shares		2.7029			
12/1/10	Quarterly Dividend	\$0.05	x	2.7029	=	\$0.14	
Shareholder Value at 12/31/10		Stock Price		Shares Owned		Cash Received	Ending Shareholder Value
Ending Holdings		\$18.93	x	2.7029	+	\$0.24	\$51.40

- Increase in shareholder value = $(\$51.40 - \$43.14) / \$43.14 = 19.2\%$
- Assumes no reinvestment of cash dividends
- Columns may not add due to rounding



Effect of 2010 Special Dividend For Shareholders Who Elected All Cash

This information is provided for illustrative purposes only. Actual returns will vary because of fractional shares and rounding for calculation purposes.

Shareholder Value at 12/31/09		Stock Price		Shares Owned			Beginning Shareholder Value
Beginning Holdings		\$43.14	x	1	=		\$43.14
2010 Dividends		Dividend Amount		Shares Owned		Cash Received	
3/1/10	Quarterly Dividend	\$0.05	x	1	=	\$0.05	
6/1/10	Quarterly Dividend	\$0.05	x	1	=	\$0.05	
9/1/10	Special Dividend of \$26.46						
	Cash	\$4.03	x	1	=	\$4.03	
	Stock	1.4434 shares		2.4434			
12/1/10	Quarterly Dividend	\$0.05	x	2.4434	=	\$0.12	
Shareholder Value at 12/31/10		Stock Price		Shares Owned		Cash Received	Ending Shareholder Value
Ending Holdings		\$18.93	x	2.4434	+	\$4.26	\$50.51

- Increase in shareholder value = $(\$50.51 - \$43.14) / \$43.14 = 17.1\%$
- Assumes no reinvestment of cash dividends
- Columns may not add due to rounding

