

WEYERHAEUSER

Earnings Results: 3rd Quarter 2013



10.25.13



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 these 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 this news release.

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 other variations of those terms.

This presentation contains forward-looking statements regarding the company's expectations during the fourth quarter of 2013, including with respect to earnings, log prices, fee harvest volumes, silviculture costs, dispositions of non-strategic timberlands, average selling prices and sales volumes across the Wood Products product lines, average sales realizations and volumes for pulp, chemical and maintenance costs, productivity for liquid packaging operations, single-family closing volumes, average home closing prices and mix, and selling-related expenses. 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:

- the effect of general economic conditions, including employment rates, housing starts, interest rate levels, availability of financing for home mortgages, and strength of the U.S. dollar;
- market demand for the company's products, which is related to the strength of the various U.S. business segments and U.S. and international economic conditions;
- performance of the company's manufacturing operations, including maintenance requirements;
- the level of competition from domestic and foreign producers;
- the successful execution of internal performance plans, including restructurings and cost reduction initiatives;
- raw material and energy prices and transportation costs;
- 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;
- performance of pension fund investments and related derivatives;
- The effect of timing of retirements and changes in the market price of company stock on charges for stock-based compensation;
- changes in accounting principles; and
- other factors described under "Risk Factors" in the Company's annual report on Form 10-K and quarterly reports on Form 10-Q.

The company also is a large exporter and is affected by changes in economic activity in Europe and Asia, particularly Japan and China. It is affected by changes in currency exchange rates, particularly the relative value of the U.S. dollar to the euro and the Canadian dollar and the relative value of the euro to the yen. Restrictions on international trade or tariffs imposed on imports also may affect the company.



NON-GAAP FINANCIAL MEASURES

- During the course of this presentation, certain non-U.S. GAAP financial information will be presented. A reconciliation of those numbers to U.S. GAAP financial measures is included in this presentation which is available on the company's website at www.weyerhaeuser.com



2013 Q3 CONSOLIDATED RESULTS

Chart 1

\$ Millions	2013	2013	
Contribution to Earnings	Q2	Q3	Change
Timberlands	\$114	\$118	\$4
Wood Products	136	79	(57)
Cellulose Fibers	57	47	(10)
Real Estate	14	33	19
Unallocated Items	--	21	21
Total Contribution to Earnings	\$321	\$298	(\$23)
Adjusted EBITDA ¹	\$445	\$418	(\$27)

\$ Millions EXCEPT EPS	2013	2013
Consolidated Statement of Operations	Q2	Q3
Net sales	\$2,141	\$2,181
Cost of products sold	1,664	1,728
Gross margin	477	453
SG&A expenses	162	168
Other income, net ²	(6)	(13)
Total Contribution to Earnings	\$321	\$298
Interest expense, net ³	(81)	(95)
Income taxes	(42)	(36)
Dividends on preference shares	(2)	(10)
Net Earnings to Common Shareholders	\$196	\$157
Diluted EPS	\$0.35	\$0.27

1. A reconciliation to GAAP is set forth on Chart 19 and at www.weyerhaeuser.com.

2. Other income, net includes: R&D expense, charges for restructuring, closures and impairments; other operating income, net; interest income and other; and net loss attributable to non-controlling interests.

3. Interest expense is net of capitalized interest.



3rd Quarter Notes

- Longview Timber acquisition closed on July 23 and contributed \$26 million of EBITDA¹ in the quarter
- This contribution largely offset a smaller than anticipated seasonal decline in earnings from legacy timberlands
- Earnings from disposition of non-strategic timberlands increased
- Lower selling prices for Western logs, and seasonally lower fee harvest from legacy Western lands
- Comparable Southern log realizations, and seasonally higher fee harvest volumes
- Higher road and silviculture expenses

TIMBERLANDS (\$ Millions)	2013	2013
Segment Statement of Operations	Q2	Q3
Third party sales ²	\$332	\$348
Intersegment sales ²	123	131
Total sales	455	479
Cost of products sold ²	319	337
Gross margin	136	142
SG&A expenses	27	30
Other income, net ^{2,3}	(5)	(6)
Contribution to Earnings	\$114	\$118
Adjusted EBITDA¹	\$147	\$162
Gross Margin Percentage⁴	30%	30%
Operating Margin Percentage⁵	25%	25%

1. A reconciliation to GAAP is set forth on Chart 20, and at www.weyerhaeuser.com.

2. 2013 Q3 excludes \$5 million of third party sales, \$63 million of intersegment sales, \$70 million in cost of products sold, and \$2 million of other income for Canadian Forestland operations, compared with \$1 million of third party sales, \$43 million of intersegment sales, \$46 million in cost of products sold, and \$2 million of other income in 2013 Q2.

3. Other income, net includes: R&D expense, charges for restructuring, closures and impairments; other operating income, net; interest income and other; and net loss attributable to non-controlling interests.

4. Gross margin divided by total sales excluding Canadian Forestlands operations. Timberlands makes no margin on Canadian Forestlands operations, which are operated as a cost center for the purpose of supplying Weyerhaeuser's Canadian manufacturing facilities.

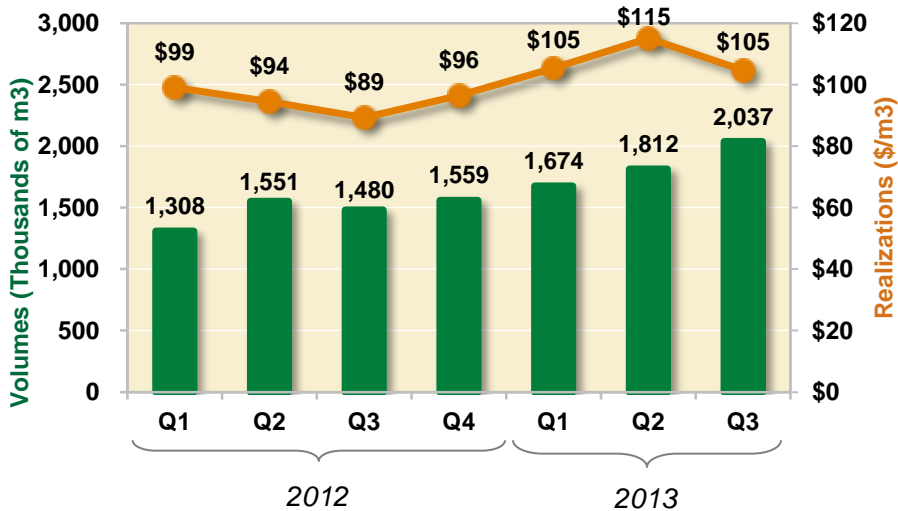
5. Contribution to earnings divided by total sales excluding Canadian Forestlands operations.



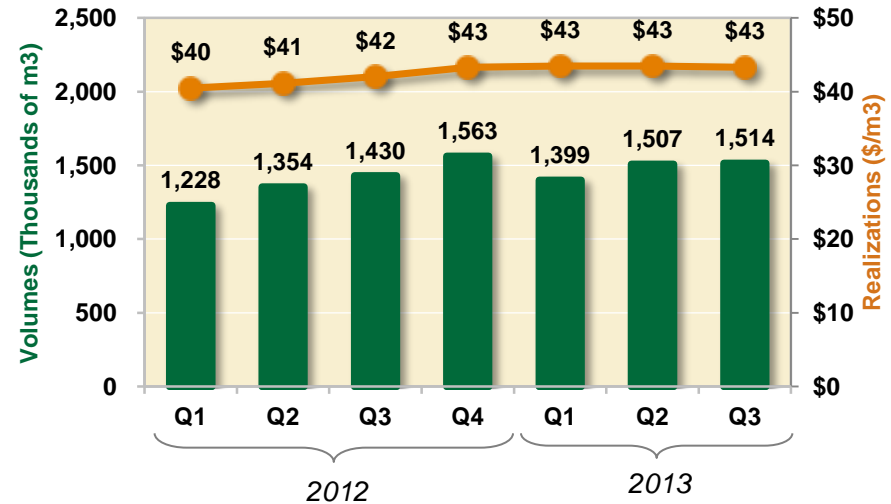
SALES VOLUMES AND REALIZATIONS

Chart 3

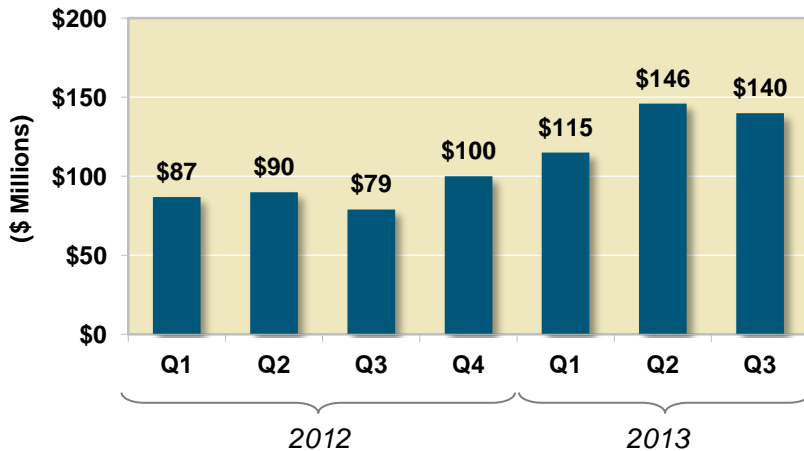
3rd-Party Log Sales and Realizations - West¹



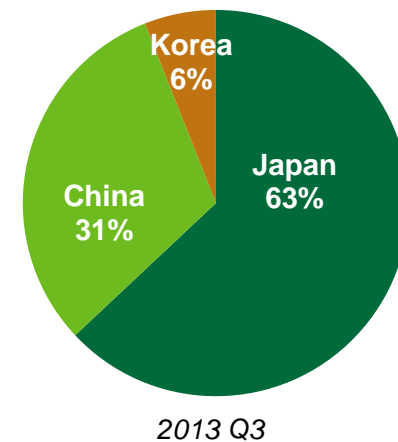
3rd-Party Log Sales and Realizations - South



Export Log Revenue^{1,2}



Export Log Revenue by Country^{1,2}

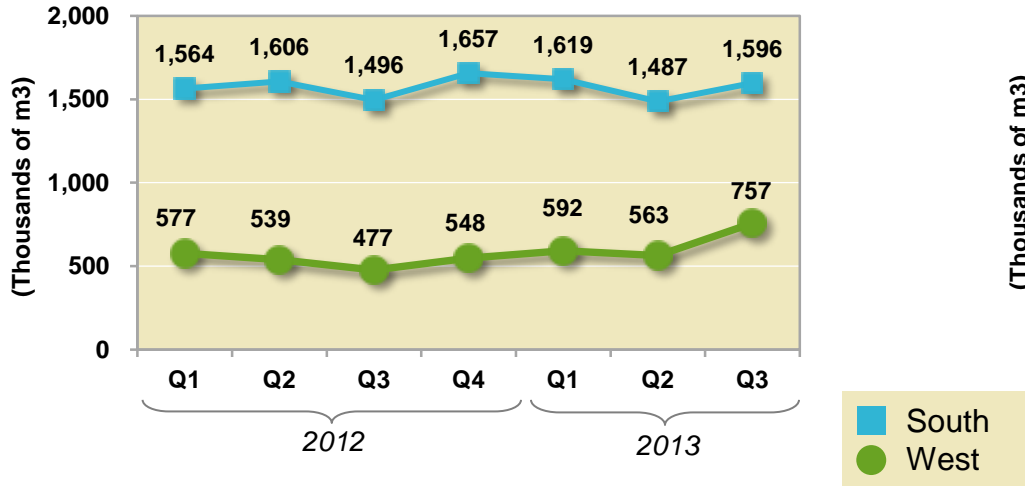


1. Beginning in 2013 Q3, Western log volumes and realizations include results from the Longview Timber acquisition.
 2. Export log revenues are net of freight expense, rebates and claims.

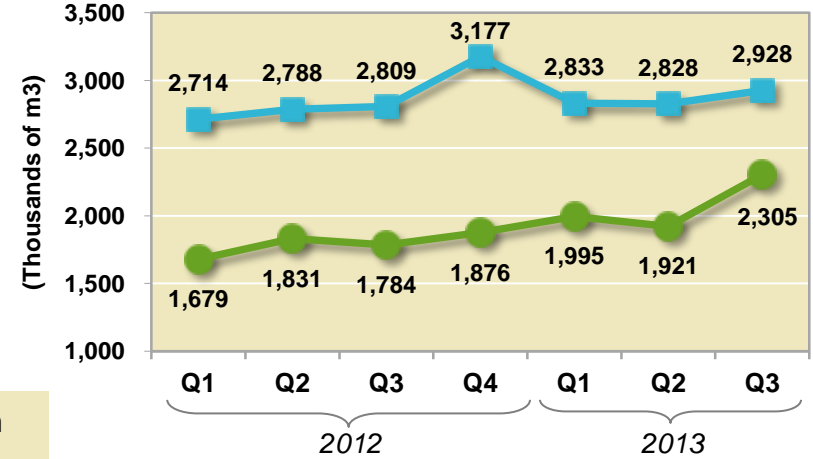


WESTERN/SOUTHERN TIMBERLANDS

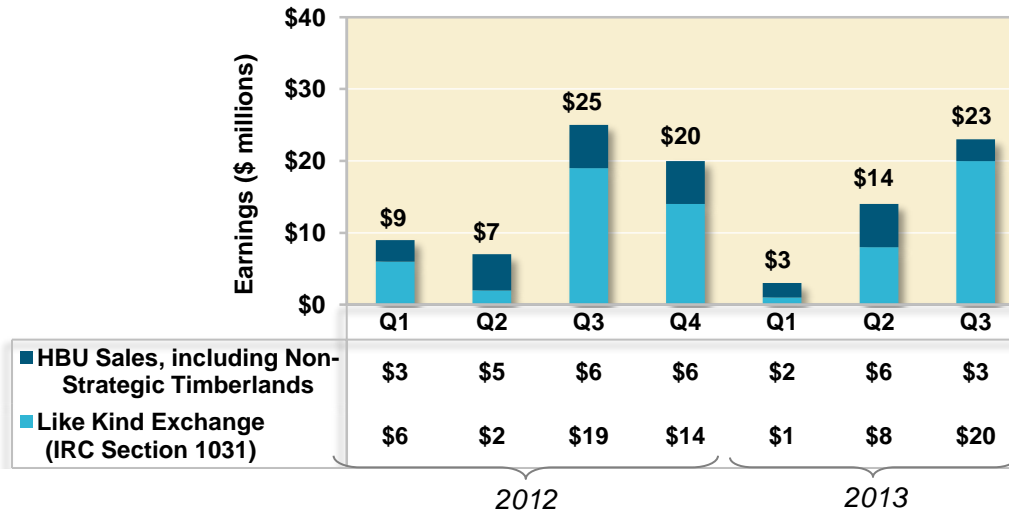
Intersegment Log Sales Volume¹



Fee Harvest Volume^{1,2}



Earnings from Timberland Dispositions



1. Beginning 2013 Q3, Western log volumes include results from the Longview Timber acquisition.
 2. 2013 Q3 Western fee harvest includes 588 thousand m3 from the Longview Timber acquisition.



WOOD PRODUCTS SEGMENT

Chart 5

WOOD PRODUCTS (\$ Millions)	2013	2013
EBITDA by Business	Q2	Q3
Lumber	\$92	\$66
OSB	81	39
Engineered Wood Products	7	16
Distribution	(13)	(11)
Other	--	--
Total Adjusted EBITDA¹	\$167	\$110

WOOD PRODUCTS (\$ Millions)	2013	2013
Segment Statement of Operations	Q2	Q3
Third party sales	\$1,065	\$1,030
Intersegment sales	18	19
Total sales	1,083	1,049
Cost of products sold	884	905
Gross margin	199	144
SG&A expenses	60	61
Other expenses, net ²	3	4
Contribution to Earnings	\$136	\$79
Total Adjusted EBITDA¹	\$167	\$110
Gross Margin Percentage³	18%	14%
Operating Margin Percentage⁴	13%	8%

3rd Quarter Notes

- Average selling prices for OSB declined 26 percent, and lumber declined 7 percent
- Improved average selling prices for engineered wood products
- Higher sales volumes across all products
- Lower Western log costs

1. A reconciliation to GAAP is set forth on Chart 21, and at www.weyerhaeuser.com. Adjusted EBITDAs for Wood Products businesses include earnings on internal sales, primarily from the manufacturing businesses to Distribution. These sales occur at market price.

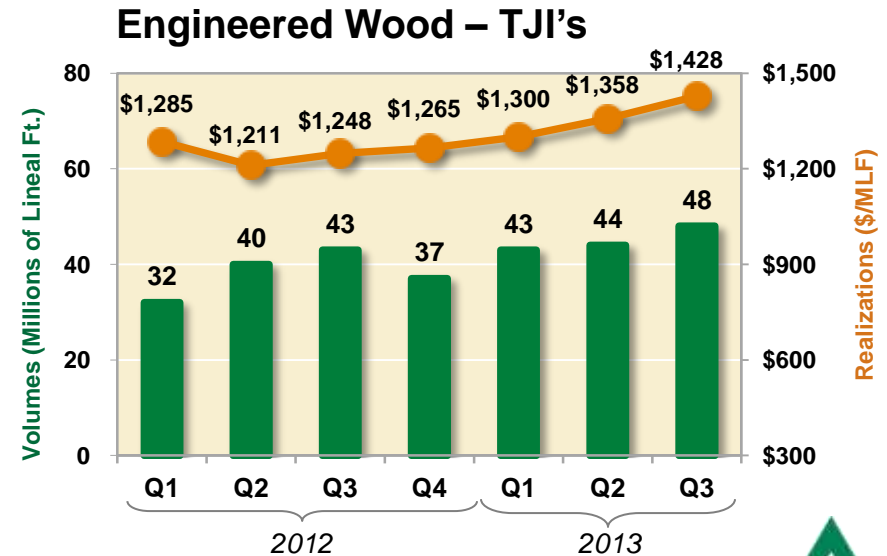
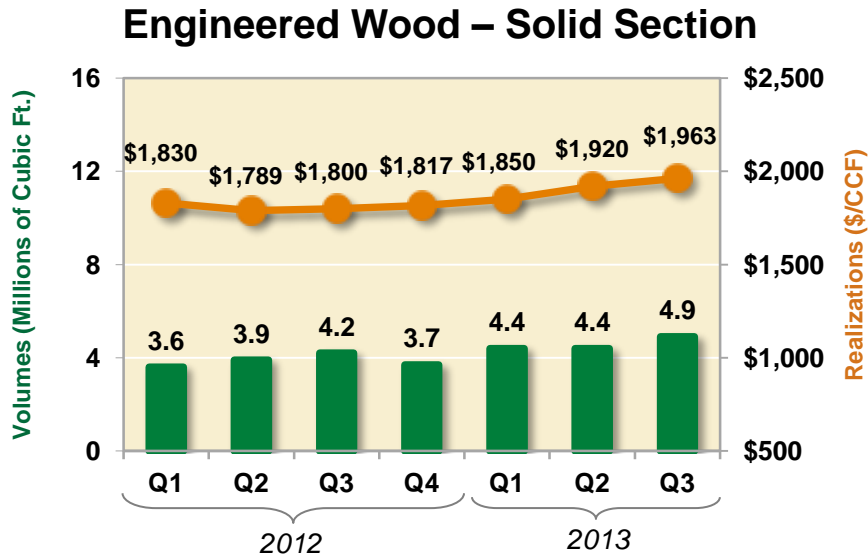
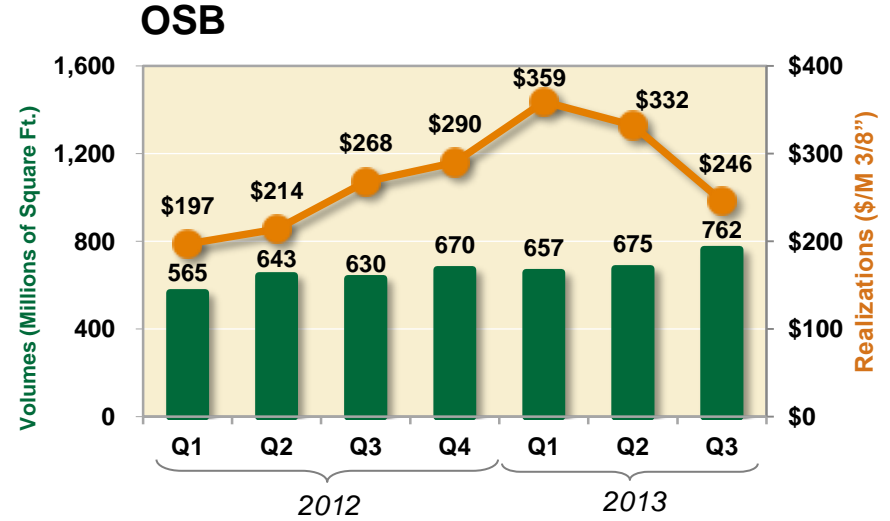
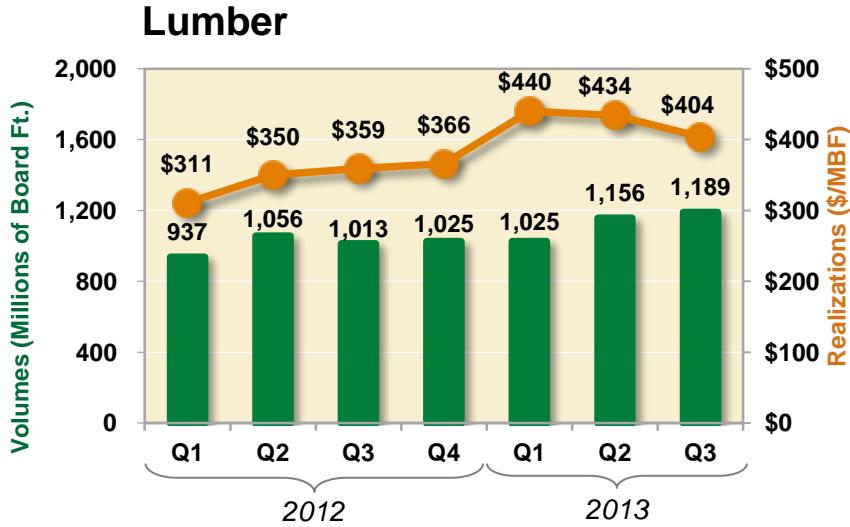
2. Other (income) expenses, net includes: R&D expense, charges for restructuring, closures and impairments; other operating income, net; interest income and other; and net loss attributable to non-controlling interests.

3. Gross margin divided by total sales.

4. Contribution to earnings divided by total sales.



3RD-PARTY SALES VOLUMES AND REALIZATIONS¹



CELLULOSE FIBERS SEGMENT

Chart 7

3rd Quarter Notes

- Higher than anticipated costs associated with scheduled annual maintenance outage for liquid packaging operations
- Increased fiber costs due to wet weather
- Higher chemical costs
- Improved average pulp price realizations due to mix

CELLULOSE FIBERS (\$ Millions)	2013	2013
Segment Statement of Operations	Q2	Q3
Total sales	\$476	\$474
Cost of products sold	394	406
Gross margin	82	68
SG&A expenses	26	26
Other income, net ¹	(1)	(5)
Contribution to Earnings	\$57	\$47
Adjusted EBITDA²	\$98	\$84
Gross Margin Percentage³	17%	14%
Operating Margin Percentage⁴	12%	10%

1. Other income, net includes: R&D expense, charges for restructuring, closures and impairments; other operating income, net; interest income and other; and net loss attributable to non-controlling interests.

2. A reconciliation to GAAP is set forth on Chart 19, and at www.weyerhaeuser.com.

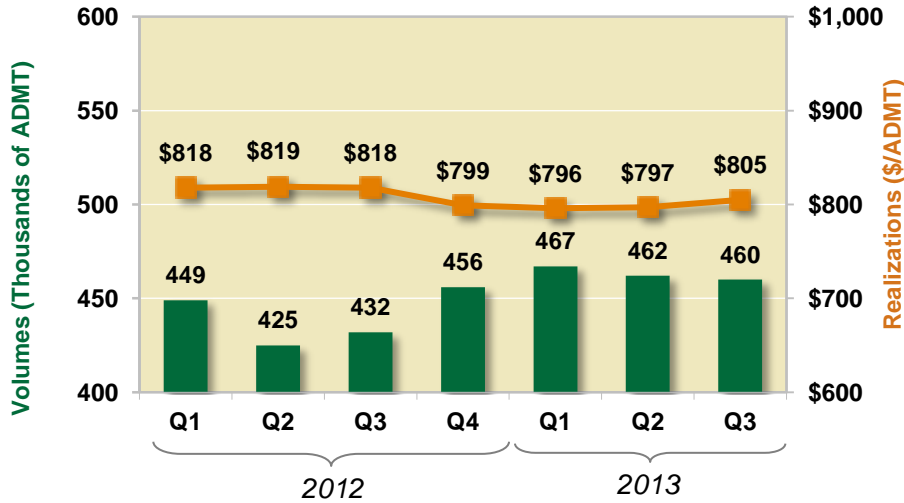
3. Gross margin divided by total sales.

4. Contribution to earnings divided by total sales.

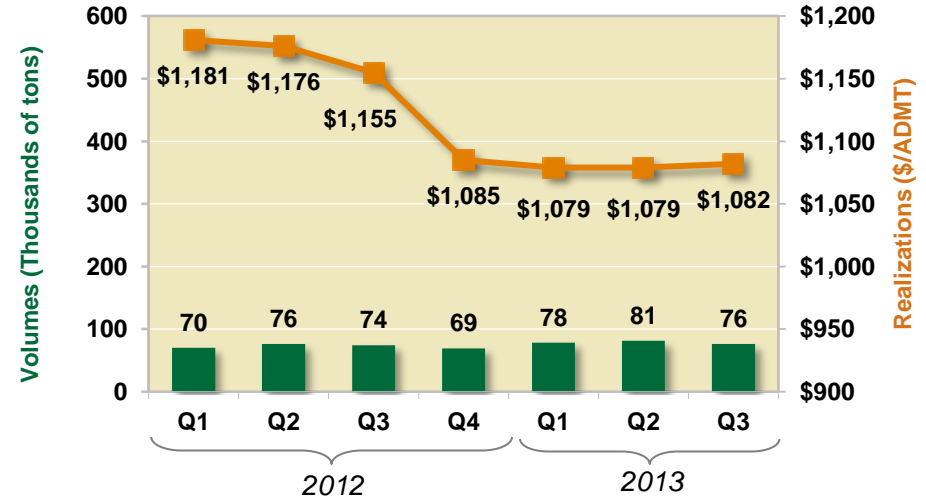


CELLULOSE FIBERS SEGMENT

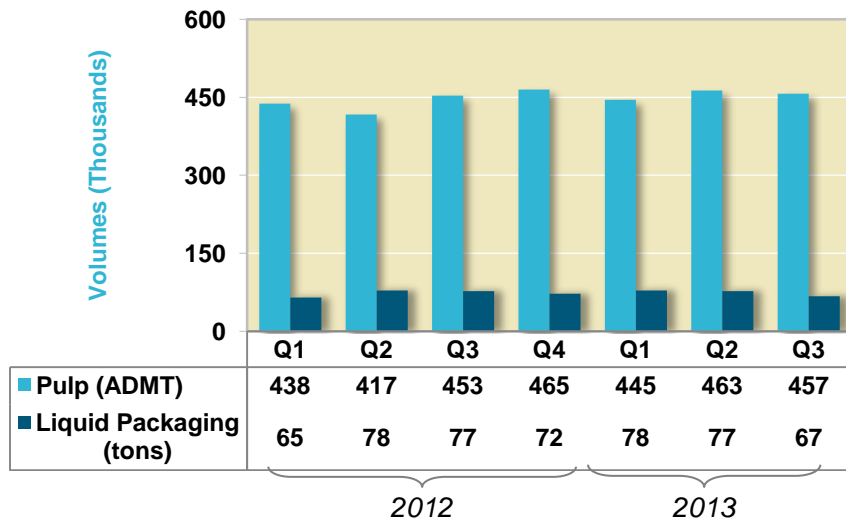
3rd-Party Sales Volumes and Realizations – Pulp



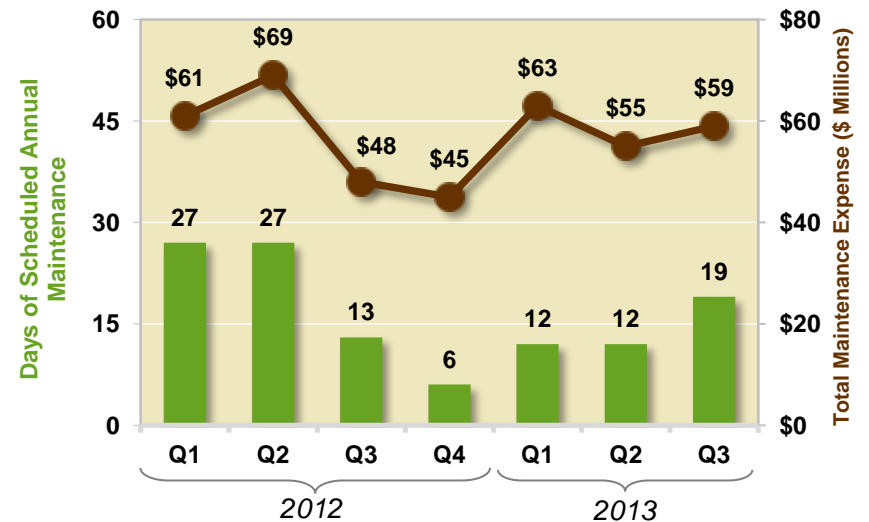
3rd-Party Sales Volumes and Realizations – Liquid Packaging



Production Volumes



Maintenance Expense and Scheduled Annual Outage Days¹



1. Includes expenses for annual maintenance outages and other maintenance costs.

3rd Quarter Notes

- Seasonally higher closing volumes
- Improved average margins due to mix
- Earnings from land and lot sales increased \$7 million compared with 2nd quarter

REAL ESTATE (\$ Millions)	2013	2013
Segment Statement of Operations	Q2	Q3
Total sales	\$267	\$324
Cost of products sold	210	248
Gross margin	57	76
SG&A expenses	42	44
Other (income) expenses, net ¹	1	(1)
Contribution to Earnings	\$14	\$33
Adjusted EBITDA²	\$28	\$45
Gross Margin Percentage³	21%	23%
Operating Margin Percentage⁴	5%	10%

1. Other (income) expenses, net includes: R&D expense, charges for restructuring, closures and impairments; other operating income, net; interest income and other; and net loss attributable to non-controlling interests.

2. A reconciliation to GAAP is set forth on Chart 19, and at www.weyerhaeuser.com.

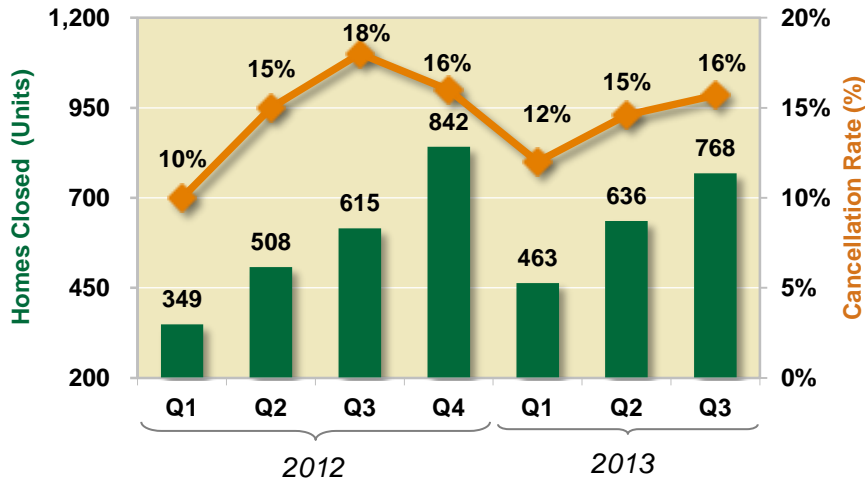
3. Gross margin divided by total sales.

4. Contribution to earnings divided by total sales.

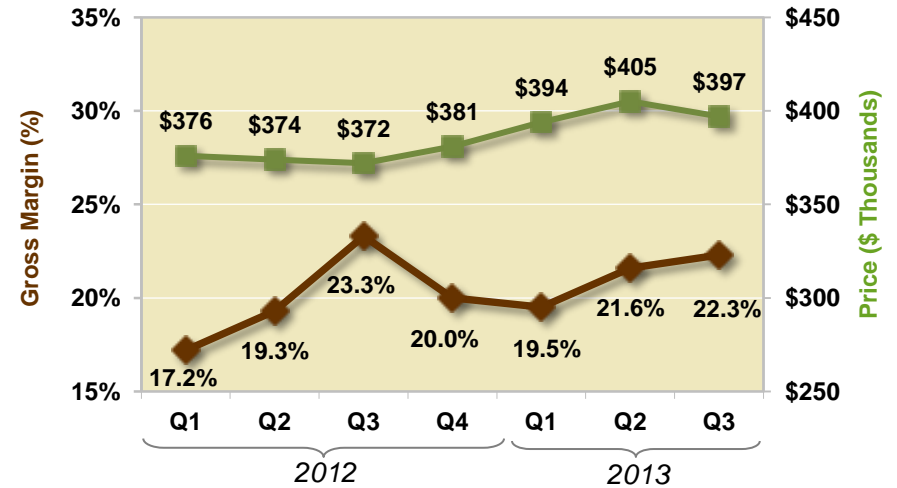


SINGLE FAMILY HOMEBUILDING

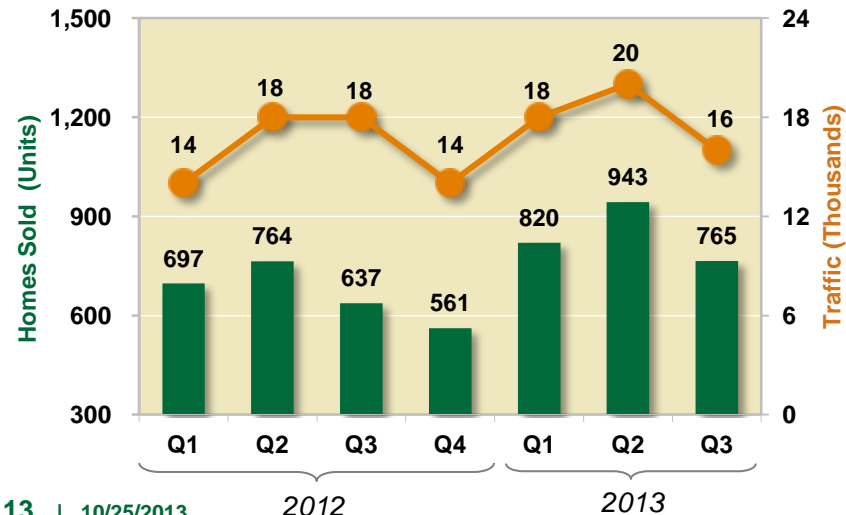
Home Closings and Cancellation Rate



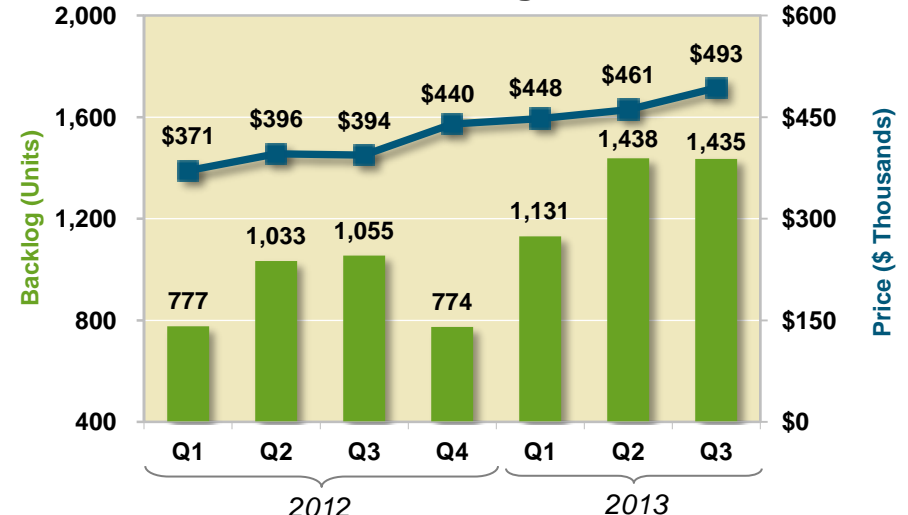
Average Closing Price and Single-Family Gross Margin



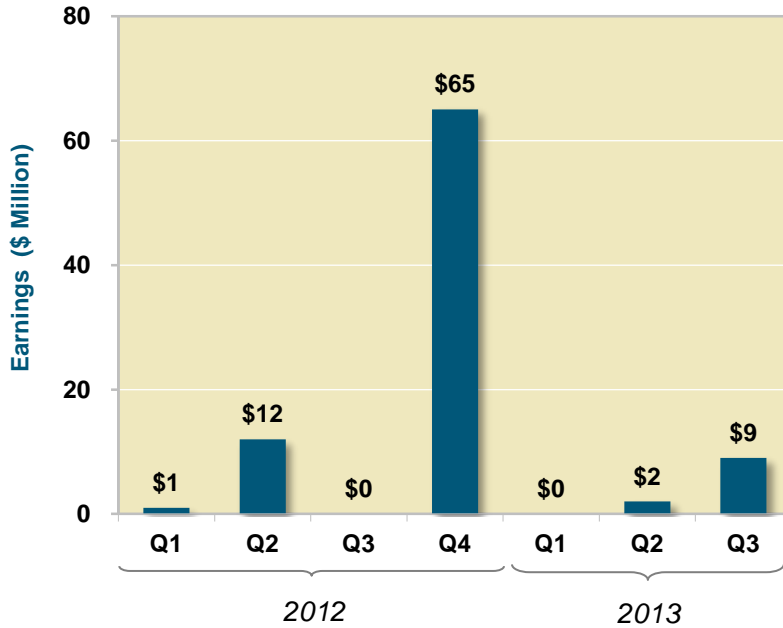
Homes Sold and Buyer Traffic



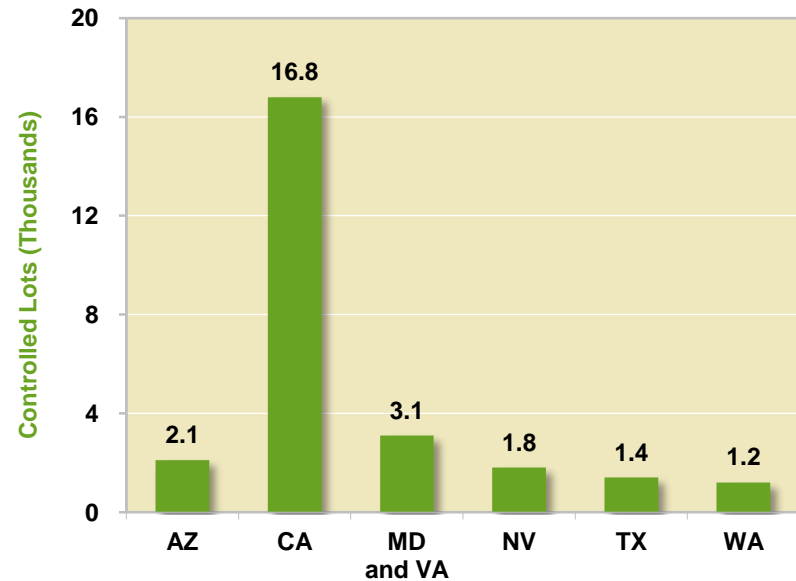
Backlog and Average Sale Price of Homes in Backlog



Earnings from Sale of Land and Lots



Controlled Lots as of September 30, 2013¹



1. Lots are controlled through both ownership and the use of options and are in various stages of development. The business also controls approximately 67,000 lots, mostly under option, in a large master planned community in Nevada. Development and construction of these lots is on hold, pending improvements in the local market.



UNALLOCATED ITEMS¹

Chart 12

UNALLOCATED ITEMS (\$ Millions)	2013 Q2	2013 Q3
Unallocated Corporate Function Expenses	(\$3)	(\$2)
Unallocated Share-Based Compensation	5	(1)
Unallocated Pension & Postretirement Costs	(10)	(11)
Foreign Exchange Gains (Losses)	(4)	2
Elimination of Intersegment Profit in Inventory and LIFO	8	25
Other, Including Interest Income	4	8
Contribution to Earnings	\$--	\$21
Adjusted EBITDA²	\$5	\$17

UNALLOCATED ITEMS (\$ Millions)	2013 Q2	2013 Q3
By Natural Expense	Q2	Q3
Cost of (credit to) products sold ³	(\$5)	(\$22)
G&A expenses	7	10
Other income, net	(2)	(9)
Contribution to Earnings	\$--	\$21

1. Unallocated items are gains or charges not related to or allocated to an individual operating segment. They include a portion of items such as: share-based compensation; pension and postretirement costs; foreign exchange transaction gains and losses associated with financing; and the elimination of intersegment profit in inventory and the LIFO reserve.
2. A reconciliation to GAAP is set forth on Chart 19, and at www.weyerhaeuser.com.
3. Cost of products sold is comprised primarily of elimination of intersegment profit in inventory and LIFO.



OUTLOOK: 2013 Q4

Chart 13

SEGMENT	COMMENTS
TIMBERLANDS	<ul style="list-style-type: none">• Improved domestic prices for Western logs• Increased Western fee harvest volumes due to a full quarter of harvest from the Longview Timber acquisition• Slightly lower Southern log realizations due to mix, and slightly higher fee harvest volumes• Increased Southern logging and silviculture costs• Slightly lower earnings from disposition of non-strategic timberlands• Expect 2013 Q4 earnings to be comparable to 2013 Q3
WOOD PRODUCTS	<ul style="list-style-type: none">• Seasonally weaker sales volumes• Flat to potentially softening prices• Higher log costs for lumber and oriented strand board• Expect 2013 Q4 earnings to be lower than 2013 Q3
CELLULOSE FIBERS	<ul style="list-style-type: none">• Modestly higher average pulp sales realizations and volumes• Decreased chemical costs and slightly lower maintenance expense• Improved productivity for liquid packaging operations• Expect 2013 Q4 earnings to be significantly higher than 2013 Q3
REAL ESTATE	<ul style="list-style-type: none">• Home closings increase to more than 1,100 single-family homes• Higher average closing prices• Higher selling-related expenses due to additional closing volumes• Expect 2013 Q4 earnings from single-family homebuilding to be significantly higher than 2013 Q3



KEY FINANCIAL METRICS (\$ Millions)	2013 Q2	2013 Q3
Ending Cash Balance ¹	\$912	\$903
Long-Term Debt ²	\$4,114	\$5,568
Gross Debt to Adjusted EBITDA (LTM) ³	2.7	3.4
Net Debt to Enterprise Value ⁴	16%	20%

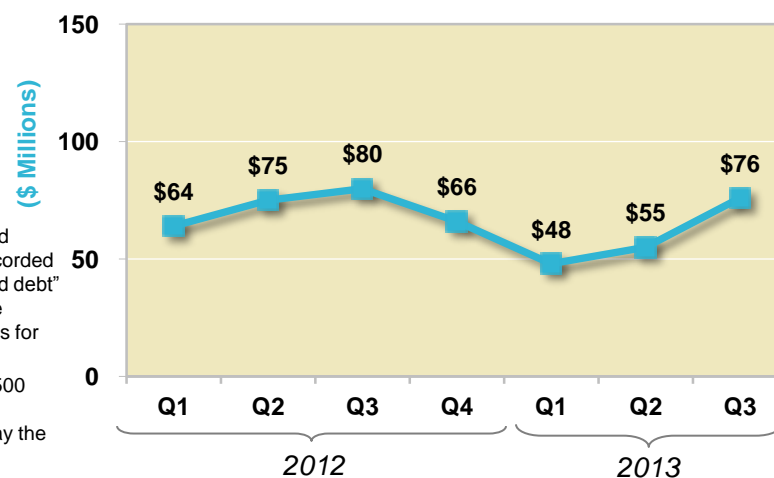
Scheduled Debt Maturities as of September 30, 2013

(\$ Millions)	2013	2014	2015	2016	2017
Debt Maturities	\$69	\$15	\$0	\$0	\$281

Cash from Operations



Capital Expenditures



- During 2013 Q2 and 2013 Q3, Weyerhaeuser received \$2,060 million from the issuance of debt and common and mandatory convertible preference shares related to the acquisition of Longview Timber LLC. These funds are recorded as "Cash and cash equivalents designated for purchase of Longview Timber LLC and repayment of their acquired debt" on the Consolidated Balance Sheet. During 2013 Q3, the company used a portion of these funds to complete the acquisition of Longview Timber LLC. Subsequent to the end of 2013 Q3, Weyerhaeuser used the remaining funds for repayment of Longview Timber indebtedness assumed in the acquisition.
- 2013 Q3 includes approximately \$1.1 billion of Longview Timber indebtedness assumed in the acquisition and \$500 million of debt issued in anticipation of repaying the assumed indebtedness. Subsequent to the end of 2013 Q3, Weyerhaeuser issued \$550 million of debt and used those proceeds, along with notes issued in 2013 Q3, to repay the assumed indebtedness.
- LTM = last twelve months. A reconciliation to GAAP is set forth on Chart 22.
- Long-term debt, net of cash and equivalents, divided by enterprise value. Enterprise value is defined as long term debt, net of cash and equivalents, plus market capitalization. Net debt and enterprise value for 2013 Q3 exclude \$494 million of cash and cash equivalents designated for purchase of Longview Timber LLC and repayment of their acquired debt.

APPENDIX



EXPLANATION OF CHANGES IN SHARE COUNT

- During 2013 Q2, Weyerhaeuser issued 29 million common shares in conjunction with the acquisition of Longview Timber LLC.
- Subsequent to the end of 2013 Q2, the company issued an additional 4.35 million common shares in connection with the exercise of an overallotment option.
- Weyerhaeuser also issued 13.8 million mandatory convertible preference shares with a conversion date of July 1, 2016. These shares are currently antidilutive and are not included in the calculation of diluted shares outstanding.

Millions	2013		
	Q1	Q2	Q3
Common shares outstanding			
Beginning of period	542	547	578
Shares issued in connection with option exercises and vesting of share-based compensation	5	2	1
Common share issuance	--	29	4
End of period	547	578	583
Weighted average shares outstanding¹			
Basic	545	553	583
Diluted ²	551	558	587

1. Weighted average shares outstanding for 2013 Q2 reflect 29 million common shares issued on June 24, 2013. Weighted average shares outstanding for 2013 Q3 reflect 4.35 million common shares issued on July 8, 2013.
2. Weyerhaeuser's 13.8 million mandatory convertible preference shares are currently antidilutive and are not included in the computation of diluted shares outstanding.



PENSION AND POSTRETIREMENT EXPENSE

\$ Millions	2012				2013		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Net Pension and Postretirement Costs¹							
Timberlands	\$1	\$3	\$2	\$2	\$2	\$3	\$2
Wood Products	8	5	6	6	7	6	8
Cellulose Fibers	3	4	3	4	4	5	5
Real Estate	1	2	1	--	1	2	1
Unallocated Items	7	7	7	8	10	10	11
Total Company Pension and Postretirement Costs	\$20	\$21	\$19	\$20	\$24	\$26	\$27

1. Net pension and postretirement cost (credit) excludes special items, as well as the recognition of curtailments, settlements and special termination benefits due to closures, restructuring or divestitures.



EARNINGS SUMMARY

Weyerhaeuser began holding elimination of intersegment profit on inventory and the LIFO reserve as part of Unallocated Items during 2012 Q2. Contributions to earnings for 2012 Q1 have been adjusted to reflect this change.

\$ Millions EXCEPT EPS	2012				2013		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Contribution to Earnings Before Special Items							
Timberlands	\$70	\$77	\$80	\$95	\$104	\$114	\$118
Wood Products	(13)	30	59	38	178	136	79
Cellulose Fibers	48	36	78	61	31	57	47
Real Estate	(8)	15	17	81	--	14	33
Unallocated Items	(22)	(28)	(17)	(4)	(46)	--	21
Total Contribution to Earnings before Special Items	\$75	\$130	\$217	\$271	\$267	\$321	\$298
Special Items	38	57	--	--	--	--	--
Total Contribution to Earnings	\$113	\$187	\$217	\$271	\$267	\$321	\$298
Interest Expense, net ¹	(87)	(86)	(87)	(88)	(82)	(81)	(95)
Income Taxes ²	15	(17)	(13)	(40)	(41)	(42)	(36)
Dividends on Preference Shares ³	--	--	--	--	--	(2)	(10)
Net Earnings to Common Shareholders	\$41	\$84	\$117	\$143	\$144	\$196	\$157
Net Earnings before Special Items⁴	\$9	\$47	\$117	\$143	\$144	\$196	\$157
Diluted EPS³	\$0.08	\$0.16	\$0.22	\$0.26	\$0.26	\$0.35	\$0.27
Diluted EPS before Special Items^{3,4}	\$0.02	\$0.09	\$0.22	\$0.26	\$0.26	\$0.35	\$0.27

1. Interest expense is net of capitalized interest.

2. Income taxes include a net benefit of \$5 million from income tax adjustments in 2012 Q4 and benefits from income tax settlements of \$7 million in 2012 Q3 and \$8 million in 2012 Q1.

3. During 2013 Q2, Weyerhaeuser issued 13.8 million mandatory convertible preference shares with a conversion date of July 1, 2016. These shares are currently antidilutive and are not included in the calculation of diluted EPS.

4. A reconciliation to GAAP Net Income is set forth at www.weyerhaeuser.com. A reconciliation to GAAP EPS is set forth on Chart 18, and at www.weyerhaeuser.com.



EARNINGS PER SHARE RECONCILIATION

Millions EXCEPT EPS	2012				2013		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Weighted Average Shares Outstanding, Diluted¹	540	540	542	547	551	558	587
Diluted EPS Before Special Items	\$0.02	\$0.09	\$0.22	\$0.26	\$0.26	\$0.35	\$0.27
Special Items:							
Net Gain on Sale of Assets, Operations and Property	--	0.01	--	--	--	--	--
Gain on Postretirement Plan Amendment	0.06	0.06	--	--	--	--	--
Income Tax Adjustments and Credits	0.02	--	--	--	--	--	--
Closures, Restructuring, Impairments, and Related Charges	(0.02)	--	--	--	--	--	--
Diluted EPS (GAAP)	\$0.08	\$0.16	\$0.22	\$0.26	\$0.26	\$0.35	\$0.27

1. During 2013 Q2, Weyerhaeuser issued 29 million common shares in conjunction with the acquisition of Longview Timber LLC. The company also issued 13.8 million mandatory convertible preference shares with a conversion date of July 1, 2016. During 2013 Q3, the company issued an additional 4.35 million common shares in connection with the exercise of an over-allotment option. The mandatory convertible preference shares are currently antidilutive and are not included in the calculation of diluted EPS. An explanation of the change in share count is set forth on Chart 15.



EBITDA RECONCILIATION BY SEGMENT

\$ Millions	2013 Q2						2013 Q3					
	Timberlands	Wood Products	Cellulose Fibers	Real Estate	Unallocated Items	Total	Timberlands	Wood Products	Cellulose Fibers	Real Estate	Unallocated Items	Total
Adjusted EBITDA Excluding Special Items¹	\$147	\$167	\$98	\$28	\$5	\$445	\$162	\$110	\$84	\$45	\$17	\$418
Depletion, Depreciation & Amortization	(34)	(31)	(39)	(3)	(4)	(111)	(45)	(31)	(38)	(4)	(2)	(120)
Non-Operating Pension & Postretirement Costs	--	--	--	--	(10)	(10)	--	--	--	--	(11)	(11)
Special Items	--	--	--	--	--	--	--	--	--	--	--	--
Capitalized Interest Included in Cost of Products Sold	--	--	--	(12)	(1)	(13)	--	--	--	(9)	(1)	(10)
Operating Income (GAAP)	\$113	\$136	\$59	\$13	(\$10)	\$311	\$117	\$79	\$46	\$32	\$3	\$277
Interest Income and Other	1	--	(2)	1	10	10	1	--	1	1	18	21
Net Contribution to Earnings	\$114	\$136	\$57	\$14	\$--	\$321	\$118	\$79	\$47	\$33	\$21	\$298
Interest Expense, Net						(81)						(95)
Income Taxes						(42)						(36)
Net Earnings (GAAP)						\$198						\$167
Dividends on preference shares						(2)						(10)
Net Earnings to Common Shareholders (GAAP)						\$196						\$157

1. Adjusted EBITDA excluding special items 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, pension and postretirement costs not allocated to business segments (primarily interest cost, expected return on plan assets, amortization of actuarial loss and amortization of prior service cost / credit), special items and interest included in cost of products sold. Adjusted EBITDA should not be considered in isolation from and is not intended to represent an alternative to our GAAP results.



EBITDA RECONCILIATION – TIMBERLANDS

\$ Millions	2013 Q2			2013 Q3		
	Legacy Timberlands	Longview Timber acquisition	Total	Legacy Timberlands	Longview Timber acquisition	Total
Adjusted EBITDA Excluding Special Items¹	\$147	--	\$147	\$136	\$26	\$162
Depletion, Depreciation & Amortization	(34)	--	(34)	(35)	(10)	(45)
Special Items	--	--	--	--	--	--
Operating Income (GAAP)	\$113	--	\$113	\$101	\$16	\$117
Interest Income and Other	1	--	1	1	--	1
Net Contribution to Earnings (GAAP)	\$114	--	\$114	\$102	\$16	\$118

1. Adjusted EBITDA excluding special items 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, pension and postretirement costs not allocated to business segments (primarily interest cost, expected return on plan assets, amortization of actuarial loss and amortization of prior service cost / credit), special items and interest included in cost of products sold. Adjusted EBITDA should not be considered in isolation from and is not intended to represent an alternative to our GAAP results.



EBITDA RECONCILIATION – WOOD PRODUCTS

\$ Millions	2013 Q2						2013 Q3					
	Lumber	OSB	EWP	Distribution	Other	Total	Lumber	OSB	EWP	Distribution	Other	Total
Adjusted EBITDA Excluding Special Items¹	\$92	\$81	\$7	(\$13)	--	\$167	\$66	\$39	\$16	(\$11)	--	\$110
Depletion, Depreciation & Amortization	(11)	(7)	(11)	(1)	(1)	(31)	(9)	(8)	(12)	(2)	--	(31)
Special Items	--	--	--	--	--	--	--	--	--	--	--	--
Operating Income (GAAP)	\$81	\$74	(\$4)	(\$14)	(\$1)	\$136	\$57	\$31	\$4	(\$13)	--	\$79
Interest Income and Other	--	--	--	--	--	--	--	--	--	--	--	--
Net Contribution to Earnings (GAAP)	\$81	\$74	(\$4)	(\$14)	(\$1)	\$136	\$57	\$31	\$4	(\$13)	--	\$79

1. Adjusted EBITDA excluding special items 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, pension and postretirement costs not allocated to business segments (primarily interest cost, expected return on plan assets, amortization of actuarial loss and amortization of prior service cost / credit), special items and interest included in cost of products sold. Adjusted EBITDA should not be considered in isolation from and is not intended to represent an alternative to our GAAP results.



GROSS DEBT TO EBITDA RECONCILIATION

\$ Millions	2013	2013
	Q2	Q3
Gross Debt to Adjusted EBITDA (LTM)^{1, 2}	2.7	3.4
Long-Term Debt³	\$4,114	\$5,568
Adjusted EBITDA Excluding Special Items (LTM)¹	\$1,550	\$1,641
Depletion, Depreciation & Amortization	(453)	(461)
Non-Operating Pension & Postretirement Costs	(35)	(39)
Special Items	--	--
Capitalized Interest Included in Cost of Products Sold	(37)	(41)
Operating Income (GAAP)	\$1,025	\$1,100
Interest Income and Other	50	56
Loss Attributable to Non-Controlling Interest	1	1
Net Contribution to Earnings	\$1,076	\$1,157
Interest Expense, Net of Capitalized Interest	(338)	(346)
Income Taxes	(136)	(159)
Net Earnings (GAAP)	\$602	\$652
Dividends on preference shares	(2)	(12)
Net Earnings to Common Shareholders (GAAP)	\$600	\$640

1. LTM = last twelve months.

2. Gross debt to adjusted EBITDA is a non-GAAP measure that management uses to evaluate the performance of the company. Gross debt to adjusted EBITDA, as we define it, is long-term debt divided by the last twelve months of adjusted EBITDA excluding special items. Adjusted EBITDA excluding special items 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, pension and postretirement costs not allocated to business segments (primarily interest cost, expected return on plan assets, amortization of actuarial loss and amortization of prior service cost / credit), special items and interest included in cost of products sold. Gross debt to adjusted EBITDA should not be considered in isolation from and is not intended to represent an alternative to our GAAP results.

3. 2013 Q3 includes approximately \$1.1 billion of Longview Timber indebtedness assumed in the acquisition and \$500 million of debt issued in anticipation of repaying the assumed indebtedness. Subsequent to the end of 2013 Q3, Weyerhaeuser issued \$550 million of debt and used those proceeds, along with notes issued in 2013 Q3, to repay the assumed indebtedness.

