

Consolidated Statement of Operations

in millions

	Q1		Q2		Year-to-date	
	March 31, 2015	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	
Net Sales	\$ 1,721	\$ 1,807	\$ 1,964	\$ 3,528	\$ 3,700	
Cost of products sold	1,385	1,474	1,499	2,859	2,860	
Gross margin	336	333	465	669	840	
Selling expenses	28	28	27	56	55	
General and administrative expenses	74	71	88	145	176	
Research and development expenses	5	6	7	11	14	
Charges for restructuring, closures and impairments	14	—	8	14	27	
Other operating costs (income), net	15	(15)	(65)	—	(140)	
Operating income	200	243	400	443	708	
Interest income and other	3	2	11	5	20	
Interest expense, net of capitalized interest	(83)	(88)	(83)	(171)	(166)	
Earnings from continuing operations before income taxes	120	157	328	277	562	
Income taxes	(19)	(13)	(59)	(32)	(109)	
Earnings from continuing operations	101	144	269	245	453	
Earnings from discontinued operations, net of income taxes	—	—	22	—	32	
Net earnings	101	144	291	245	485	
Dividends on preference shares	(11)	(11)	(11)	(22)	(22)	
Net earnings attributable to Weyerhaeuser common shareholders	\$ 90	\$ 133	\$ 280	\$ 223	\$ 463	

Per Share Information

	Q1		Q2		Year-to-date	
	March 31, 2015	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	
Earnings per share attributable to Weyerhaeuser common shareholders, basic:						
Continuing operations	\$ 0.17	\$ 0.26	\$ 0.44	\$ 0.43	\$ 0.73	
Discontinued operations	—	—	0.04	—	0.06	
Net earnings per share	<u>\$ 0.17</u>	<u>\$ 0.26</u>	<u>\$ 0.48</u>	<u>\$ 0.43</u>	<u>\$ 0.79</u>	
Earnings per share attributable to Weyerhaeuser common shareholders, diluted:						
Continuing operations	\$ 0.17	\$ 0.26	\$ 0.43	\$ 0.43	\$ 0.73	
Discontinued operations	—	—	0.04	—	0.06	
Net earnings per share	<u>\$ 0.17</u>	<u>\$ 0.26</u>	<u>\$ 0.47</u>	<u>\$ 0.43</u>	<u>\$ 0.79</u>	
Dividends paid per common share	<u>\$ 0.29</u>	<u>\$ 0.29</u>	<u>\$ 0.22</u>	<u>\$ 0.58</u>	<u>\$ 0.44</u>	
Weighted average shares outstanding (in thousands):						
Basic	523,426	516,626	586,061	520,008	585,491	
Diluted	527,423	519,804	589,766	523,595	589,542	
Common shares outstanding at end of period (in thousands)	518,735	514,121	586,698	514,121	586,698	

Adjusted Earnings before Interest, Tax, Depreciation, Depletion and Amortization*

in millions

	Q1		Q2		Year-to-date	
	March 31, 2015	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	
Net earnings	\$ 101	\$ 144	\$ 291	\$ 245	\$ 485	
Earnings from discontinued operations, net of income taxes	—	—	(22)	—	(32)	
Interest income and other	(3)	(2)	(11)	(5)	(20)	
Interest expense, net of capitalized interest	83	88	83	171	166	
Income taxes	19	13	59	32	109	
Operating income	200	243	400	443	708	
Depreciation, depletion and amortization	123	118	122	241	245	
Non-operating pension and postretirement credits	(3)	(3)	(11)	(6)	(21)	
Special items	13	—	(39)	13	(88)	
Adjusted EBITDA*	\$ 333	\$ 358	\$ 472	\$ 691	\$ 844	

* Non-GAAP measure - see page 8 for definition.

Consolidated Balance Sheet

in millions

	March 31, 2015	June 30, 2015	December 31, 2014
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,158	\$ 1,121	\$ 1,580
Receivables, less allowances	539	537	525
Receivables for taxes	23	12	25
Inventories	645	603	595
Prepaid expenses	95	82	80
Deferred tax assets	192	162	228
Total current assets	2,652	2,517	3,033
Property and equipment, net	2,524	2,557	2,623
Construction in progress	171	171	131
Timber and timberlands at cost, less depletion charged to disposals	6,552	6,531	6,530
Investments in and advances to equity affiliates	183	176	188
Goodwill	40	40	40
Deferred tax assets	3	2	8
Other assets	269	274	289
Restricted financial investments held by variable interest entities	615	615	615
Total assets	\$ 13,009	\$ 12,883	\$ 13,457
LIABILITIES AND EQUITY			
Current liabilities:			
Accounts payable	\$ 319	\$ 343	\$ 331
Accrued liabilities	533	576	587
Total current liabilities	852	919	918
Long-term debt	4,891	4,891	4,891
Long-term debt (nonrecourse to the company) held by variable interest entities	511	511	511
Deferred income taxes	195	196	206
Deferred pension and other postretirement benefits	1,249	1,166	1,319
Other liabilities	284	275	308
Total liabilities	7,982	7,958	8,153
Total equity	5,027	4,925	5,304
Total liabilities and equity	\$ 13,009	\$ 12,883	\$ 13,457

Weyerhaeuser Company
Q2.2015 Analyst Package

Preliminary results, subject to audit

Consolidated Statement of Cash Flows

in millions

	Q1		Q2		Year-to-date	
	March 31, 2015	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	
Cash flows from operations:						
Net earnings	\$ 101	\$ 144	\$ 291	\$ 245	\$ 485	
Noncash charges (credits) to income:						
Depreciation, depletion and amortization	123	118	126	241	252	
Deferred income taxes, net	13	3	89	16	125	
Pension and other postretirement benefits	10	11	(44)	21	(91)	
Share-based compensation expense	8	8	11	16	20	
Charges for impairment of assets	13	—	1	13	1	
Net gains on dispositions of assets	(16)	(5)	(21)	(21)	(46)	
Foreign exchange transaction (gains) losses	29	(8)	(12)	21	2	
Change in:						
Receivables less allowances	(16)	(10)	(47)	(26)	(48)	
Receivable for taxes	2	12	(3)	14	64	
Inventories	(57)	42	34	(15)	(54)	
Real estate and land	—	—	(35)	—	(107)	
Prepaid expenses	(11)	9	(3)	(2)	—	
Accounts payable and accrued liabilities	(91)	66	(17)	(25)	(97)	
Deposits on land positions and other assets	—	—	(4)	—	8	
Pension and postretirement contributions	(20)	(19)	(30)	(39)	(63)	
Other	(11)	(5)	(14)	(16)	(20)	
Net cash from operations	77	366	322	443	431	
Cash flows from investing activities:						
Property and equipment	(71)	(99)	(83)	(170)	(134)	
Timberlands reforestation	(18)	(9)	(11)	(27)	(25)	
Acquisition of timberlands	(32)	—	—	(32)	—	
Proceeds from sale of assets	2	4	1	6	20	
Other	—	12	—	12	—	
Cash from investing activities	(119)	(92)	(93)	(211)	(139)	
Cash flows from financing activities:						
Net proceeds from issuance of Weyerhaeuser Real Estate Company (WRECO) debt	—	—	887	—	887	
Deposit of WRECO debt proceeds into escrow	—	—	(887)	—	(887)	
Cash dividends on common shares	(152)	(149)	(128)	(301)	(257)	
Cash dividends on preference shares	—	(11)	(11)	(11)	(11)	
Change in book overdrafts	—	—	—	—	(6)	
Exercises of stock options	21	4	39	25	54	
Repurchase of common stock	(253)	(154)	—	(407)	—	
Other	4	(1)	(1)	3	1	
Cash from financing activities	(380)	(311)	(101)	(691)	(219)	
Net change in cash and cash equivalents	(422)	(37)	128	(459)	73	
Cash and cash equivalents at beginning of period	1,580	1,158	780	1,580	835	
Cash and cash equivalents at end of period	\$ 1,158	\$ 1,121	\$ 908	\$ 1,121	\$ 908	
Cash paid (received) during the year for:						
Interest, net of amount capitalized	\$ 114	\$ 58	\$ 52	\$ 172	\$ 153	
Income taxes	\$ 1	\$ 4	\$ 5	\$ 5	\$ (45)	

Special Items Included in Net Earnings

in millions

	Q1	Q2		Year-to-date	
	March 31, 2015	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Net earnings attributable to Weyerhaeuser common shareholders	\$ 90	\$ 133	\$ 280	\$ 223	\$ 463
Restructuring, impairments and other charges	9	—	5	9	18
Gain on sale of non-strategic asset	—	—	—	—	(14)
Gain on postretirement plan amendment	—	—	(29)	—	(58)
Net earnings attributable to Weyerhaeuser common shareholders before special items	99	133	256	232	409
Earnings from discontinued operations, net of income taxes	—	—	(22)	—	(32)
Net earnings from continuing operations attributable to Weyerhaeuser common shareholders before special items	\$ 99	\$ 133	\$ 234	\$ 232	\$ 377

	Q1	Q2		Year-to-date	
	March 31, 2015	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Net earnings per diluted share attributable to Weyerhaeuser common shareholders	\$ 0.17	\$ 0.26	\$ 0.47	\$ 0.43	\$ 0.79
Restructuring, impairments and other charges	0.02	—	0.01	0.01	0.03
Gain on sale of non-strategic asset	—	—	—	—	(0.02)
Gain on postretirement plan amendment	—	—	(0.04)	—	(0.10)
Net earnings per diluted share attributable to Weyerhaeuser common shareholders before special items	0.19	0.26	0.44	0.44	0.70
Earnings from discontinued operations, net of income taxes	—	—	(0.04)	—	(0.06)
Net earnings from continuing operations per diluted share attributable to Weyerhaeuser common shareholders before special items	\$ 0.19	\$ 0.26	\$ 0.40	\$ 0.44	\$ 0.64

Selected Total Company Items

in millions

	Q1	Q2		Year-to-date	
	March 31, 2015	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Depreciation, depletion and amortization:					
Cost of products sold	\$ 118	\$ 116	\$ 117	\$ 234	\$ 234
Selling, general and administrative expenses	5	2	5	7	11
Total depreciation, depletion and amortization	\$ 123	\$ 118	\$ 122	\$ 241	\$ 245
Pension and postretirement costs:					
Pension and postretirement costs allocated to business segments	\$ 13	\$ 14	\$ 12	\$ 27	\$ 22
Pension and postretirement credits not allocated	(3)	(3)	(11)	(6)	(21)
Total company pension and postretirement costs	\$ 10	\$ 11	\$ 1	\$ 21	\$ 1
Total decrease (increase) in working capital⁽¹⁾	\$ (212)	\$ 161	\$ 49	\$ (51)	\$ (121)
Cash spent for capital expenditures	\$ (89)	\$ (108)	\$ (92)	\$ (197)	\$ (155)

⁽¹⁾ Working capital does not include cash balances.

Segment Statement of Operations

in millions	Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Sales to unaffiliated customers	\$ 351	\$ 336	\$ 397	\$ 687	\$ 774
Intersegment sales	228	187	186	415	424
Total net sales	579	523	583	1,102	1,198
Cost of products sold	405	385	399	790	830
Gross margin	174	138	184	312	368
Selling expenses	2	1	2	3	4
General and administrative expenses	22	21	23	43	49
Research and development expenses	3	4	3	7	7
Other operating income, net	(15)	(15)	(14)	(30)	(26)
Operating income	162	127	170	289	334
Interest income and other	—	—	—	—	—
Net contribution to earnings	\$ 162	\$ 127	\$ 170	\$ 289	\$ 334

Adjusted Earnings before Interest, Tax, Depreciation, Depletion and Amortization*

in millions	Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Operating income	\$ 162	\$ 127	\$ 170	\$ 289	\$ 334
Depreciation, depletion and amortization	53	51	51	104	103
Adjusted EBITDA*	\$ 215	\$ 178	\$ 221	\$ 393	\$ 437

* Non-GAAP measure - see page 8 for definition.

Selected Segment Items

in millions	Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Total decrease (increase) in working capital ⁽¹⁾	\$ (26)	\$ 52	\$ (15)	\$ 26	\$ (44)
Cash spent for capital expenditures	\$ (24)	\$ (17)	\$ (18)	\$ (41)	\$ (37)

⁽¹⁾ Working capital does not include cash balances.

Segment Statistics

		Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Third Party Net Sales (millions)	Logs:					
	West	\$ 210	\$ 221	\$ 261	\$ 431	\$ 518
	South	58	58	60	116	122
	Canada	8	3	1	11	7
	Total logs	276	282	322	558	647
	Chip sales	4	4	2	8	5
	Timberlands exchanges	25	5	28	30	32
	Higher and better use land sales	2	3	7	5	10
	Minerals, oil and gas	7	5	8	12	15
	Products from international operations	24	25	26	49	50
Other products	13	12	4	25	15	
	Total	\$ 351	\$ 336	\$ 397	\$ 687	\$ 774
Third Party Sales Realizations (per cubic meter)	Logs	\$ 98.83	\$ 94.70	\$ 109.13	\$ 96.67	\$ 111.71
	West	\$ 45.33	\$ 45.20	\$ 45.16	\$ 45.27	\$ 45.02
	South	\$ 34.84	\$ 35.43	\$ 38.04	\$ 34.98	\$ 35.75
	Canada	\$ 19.35	\$ 22.63	\$ 16.27	\$ 21.14	\$ 16.64
Third Party Sales Volumes (cubic meters, thousands)	Logs	2,120	2,330	2,390	4,450	4,636
	West	1,271	1,295	1,339	2,566	2,724
	South	245	75	30	320	186
	Canada	150	179	139	329	286
	Total	3,786	3,879	3,898	7,665	7,832
Third Party Sales Fee Harvest Volumes (cubic meters, thousands)	Logs	2,911	2,811	2,888	5,722	5,763
	West	2,732	2,912	2,715	5,644	5,581
	South	239	219	249	458	498
	Canada					
	Total	5,882	5,942	5,852	11,824	11,842

Segment Statement of Operations

in millions	Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Sales to unaffiliated customers	\$ 923	\$ 1,004	\$ 1,077	\$ 1,927	\$ 1,975
Intersegment sales	19	22	21	41	40
Total net sales	942	1,026	1,098	1,968	2,015
Cost of products sold	829	903	939	1,732	1,730
Gross margin	113	123	159	236	285
Selling expenses	23	23	23	46	48
General and administrative expenses	27	26	30	53	67
Research and development expenses	—	1	2	1	3
Charges for restructuring, closures and impairments	—	—	2	—	2
Other operating costs (income), net	1	2	—	3	(1)
Operating income	62	71	102	133	166
Interest income and other	—	—	—	—	—
Net contribution to earnings	\$ 62	\$ 71	\$ 102	\$ 133	\$ 166

Adjusted Earnings before Interest, Tax, Depreciation, Depletion and Amortization*

in millions	Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Operating income	\$ 62	\$ 71	\$ 102	\$ 133	\$ 166
Depreciation, depletion and amortization	26	27	30	53	59
Adjusted EBITDA*	\$ 88	\$ 98	\$ 132	\$ 186	\$ 225

* Non-GAAP measure - see page 8 for definition.

Selected Segment Items

in millions	Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Total decrease (increase) in working capital ⁽¹⁾	\$ (99)	\$ 42	\$ 29	\$ (57)	\$ (108)
Cash spent for capital expenditures	\$ (37)	\$ (60)	\$ (38)	\$ (97)	\$ (56)

⁽¹⁾ Working capital does not include cash balances.

Segment Statistics

in millions, except for third-party sales realizations		Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Structural Lumber (board feet)	Third party net sales	\$ 434	\$ 450	\$ 515	\$ 884	\$ 942
	Third party sales realizations	\$ 403	\$ 383	\$ 427	\$ 393	\$ 429
	Third party sales volumes ⁽¹⁾	1,075	1,175	1,206	2,250	2,195
	Production volumes	1,043	1,087	1,081	2,130	2,090
	Outside purchase volumes	89	98	82	187	160
Engineered Solid Section (cubic feet)	Third party net sales	\$ 94	\$ 113	\$ 114	\$ 207	\$ 204
	Third party sales realizations	\$ 1,965	\$ 2,032	\$ 1,976	\$ 2,001	\$ 1,968
	Third party sales volumes ⁽¹⁾	4.8	5.6	5.8	10.4	10.4
	Production volumes	5.0	5.6	5.7	10.6	10.6
	Outside purchase volumes	—	—	0.5	—	2.3
Engineered I-joists (lineal feet)	Third party net sales	\$ 61	\$ 76	\$ 81	\$ 137	\$ 140
	Third party sales realizations	\$ 1,510	\$ 1,502	\$ 1,470	\$ 1,506	\$ 1,463
	Third party sales volumes ⁽¹⁾	41	50	55	91	95
	Production volumes	43	48	55	91	99
	Outside purchase volumes	1	1	3	2	4
Oriented Strand Board (square feet 3/8')	Third party net sales	\$ 137	\$ 147	\$ 159	\$ 284	\$ 307
	Third party sales realizations	\$ 196	\$ 191	\$ 226	\$ 193	\$ 228
	Third party sales volumes ⁽¹⁾	700	771	706	1,471	1,347
	Production volumes	704	700	681	1,404	1,338
	Outside purchase volumes	65	81	51	146	104
Softwood Plywood (square feet 3/8')	Third party net sales	\$ 33	\$ 36	\$ 35	\$ 69	\$ 65
	Third party sales realizations	\$ 366	\$ 354	\$ 348	\$ 360	\$ 340
	Third party sales volumes ⁽¹⁾	89	101	102	190	192
	Production volumes	61	63	60	124	119
	Outside purchase volumes	37	27	36	64	69

⁽¹⁾ Volumes include sales of internally produced products and products purchased for resale primarily through our distribution business.

Segment Statement of Operations

in millions	Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Total net sales	\$ 447	\$ 467	\$ 490	\$ 914	\$ 951
Cost of products sold	394	417	381	811	771
Gross margin	53	50	109	103	180
Selling expenses	3	4	4	7	8
General and administrative expenses	17	17	20	34	40
Research and development expenses	2	1	2	3	4
Other operating income, net	(8)	(6)	(8)	(14)	(17)
Operating income	39	34	91	73	145
Interest income and other	(6)	(7)	—	(13)	—
Net contribution to earnings	\$ 33	\$ 27	\$ 91	\$ 60	\$ 145

Adjusted Earnings before Interest, Tax, Depreciation, Depletion and Amortization*

in millions	Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Operating income	\$ 39	\$ 34	\$ 91	\$ 73	\$ 145
Depreciation, depletion and amortization	39	38	39	77	77
Adjusted EBITDA*	\$ 78	\$ 72	\$ 130	\$ 150	\$ 222

* Non-GAAP measure - see page 8 for definition.

Selected Segment Items

in millions	Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Total decrease (increase) in working capital ⁽¹⁾	\$ 40	\$ 6	\$ (37)	\$ 46	\$ (6)
Cash spent for capital expenditures	\$ (27)	\$ (31)	\$ (35)	\$ (58)	\$ (61)

⁽¹⁾ Working capital does not include cash balances.

Segment Statistics

		Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Pulp (air-dry metric tons)	Third party net sales (millions)	\$ 360	\$ 368	\$ 383	\$ 728	\$ 746
	Third party sales realizations	\$ 854	\$ 823	\$ 845	\$ 838	\$ 835
	Third party sales volumes (thousands)	421	448	454	869	894
	Production volumes (thousands)	442	422	467	864	926
Liquid Packaging Board (metric tons)	Third party net sales (millions)	\$ 74	\$ 84	\$ 87	\$ 158	\$ 167
	Third party sales realizations	\$ 1,194	\$ 1,218	\$ 1,284	\$ 1,206	\$ 1,261
	Third party sales volumes (thousands)	62	69	67	131	132
	Production volumes (thousands)	60	64	72	124	142

Preliminary results, subject to audit

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.

Contribution to Earnings

in millions	Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Unallocated corporate function expenses	\$ (9)	\$ (7)	\$ (7)	\$ (16)	\$ (14)
Unallocated share-based compensation	3	1	(6)	4	(3)
Unallocated pension & postretirement credits	3	3	56	6	111
Foreign exchange gains (losses)	(29)	9	13	(20)	(2)
Elimination of intersegment profit in inventory and LIFO	(12)	18	(1)	6	(20)
Other	(19)	(13)	(18)	(32)	(9)
Operating income (loss)	(63)	11	37	(52)	63
Interest income and other	9	9	11	18	20
Net contribution to earnings from continuing operations⁽¹⁾	\$ (54)	\$ 20	\$ 48	\$ (34)	\$ 83

⁽¹⁾ We have reclassified certain results from the prior periods to present the results of operations discontinued in 2014 separately. Our reclassifications had no effect on net earnings or Weyerhaeuser shareholders' interest.

Adjusted Earnings before Interest, Tax, Depreciation, Depletion and Amortization*

in millions	Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Operating income (loss)	\$ (63)	\$ 11	\$ 37	\$ (52)	\$ 63
Depreciation, depletion and amortization	5	2	2	7	6
Non-operating pension and postretirement credits	(3)	(3)	(11)	(6)	(21)
Special items	13	—	(39)	13	(88)
Adjusted EBITDA*	\$ (48)	\$ 10	\$ (11)	\$ (38)	\$ (40)

* Non-GAAP measure - see below for definition.

Unallocated Special Items Included in Net Contribution to Earnings (Pre-Tax)

in millions	Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Gain on postretirement plan amendment	\$ —	\$ —	\$ 45	\$ —	\$ 90
Restructuring, impairments and other charges	(13)	—	(6)	(13)	(24)
Gain on sale of non-strategic asset	—	—	—	—	22
Total	\$ (13)	\$ —	\$ 39	\$ (13)	\$ 88

Unallocated Selected Items

in millions	Q1.2015	Q2.2015	Q2.2014	YTD.2015	YTD.2014
Total decrease (increase) in working capital ⁽¹⁾	\$ (127)	\$ 61	\$ 72	\$ (66)	\$ 37
Cash spent for capital expenditures	\$ (1)	\$ —	\$ (1)	\$ (1)	\$ (1)

⁽¹⁾ Working capital does not include cash balances.

*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 from continuing operations 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 discontinued operations. Adjusted EBITDA should not be considered in isolation from and is not intended to represent an alternative to our GAAP results.