

# Weyerhaeuser

2020 RBC Capital Markets Global Industrials Conference

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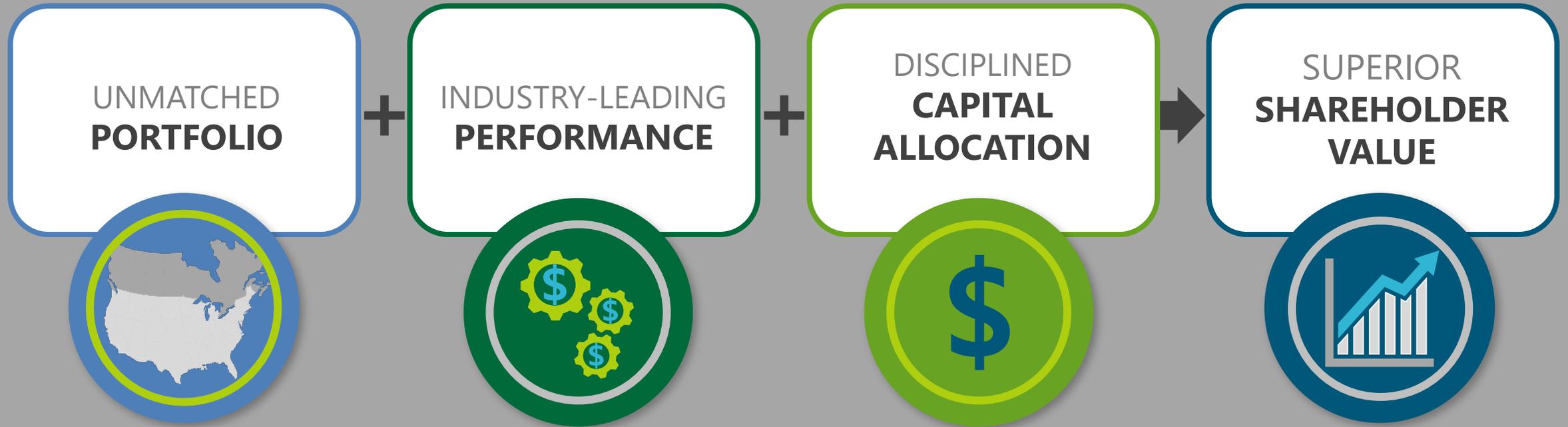


# FORWARD LOOKING STATEMENTS AND NON-GAAP FINANCIAL MEASURES

This presentation contains statements and depictions that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, including, without limitation, with respect to: future goals and prospects; business strategies; factors affecting market supply of lumber; key initiatives; levels of demand and market drivers for our products, including expected growth in U.S. housing demand and repair and remodel activity; market dynamics, demand and pricing outlook for our saw logs and our lumber and oriented strand board products; growth and opportunity for log export markets; the impacts of recent fire outbreaks on our western timberlands and operations; HBU acres; the timing and amount of reinitiating our cash dividends and dividend sustainability; capital structure, financial ratios, credit ratings and future debt maturities and redemptions; and our outlook for 2020 capital expenditures across the company and 2020 Op Ex targets. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements may be identified by our use of certain words in such statements, including without limitation words such as “anticipate,” “believe,” “committed,” “continue,” “continued,” “could,” “forecast,” “growing,” “estimate,” “outlook,” “goal,” “will,” “plan,” “expect,” “sustainable,” “maintain,” “target,” “would” and similar words and terms and phrases using such terms and words. Depictions or illustrations that constitute forward-looking statements may be identified by graphs, charts or other illustrations indicating expected or predicted occurrences of events, conditions, performance or achievements at a future date or during future time periods. We may refer to assumptions, goals or targets, or we may reference expected performance through, or events to occur by or at, a future date, and such references may also constitute forward-looking statements. Forward-looking statements are based on our current expectations and assumptions. The realization of our expectations and the accuracy of our assumptions are subject to a number of risks and uncertainties that are difficult to predict and often are beyond the company’s control. These and other factors could cause one or more of our expectations to be unmet, one or more of our assumptions to be materially inaccurate or actual results to differ materially from those expressed or implied in our forward-looking statements, or all of the foregoing. Such uncertainties and other factors include, without limitation: the effect of general economic conditions, including employment rates, interest rate levels, housing starts, general availability of financing for home mortgages and the relative strength of the U.S. dollar; the effects of COVID-19 and other viral or disease outbreaks and their potential impacts on our business, results of operations, cash flows, financial condition and future prospects; the effects of the recent severe fire outbreaks in the Pacific Northwest on our timberland assets and operations; 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; our operational excellence initiatives; 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; 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, including the recent severe fire outbreaks in the Pacific Northwest; 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 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; changes in accounting principles; and other risks and uncertainties identified in our 2019 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. 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.



# WEYERHAEUSER INVESTMENT THESIS



Strong ESG Foundation | Our Forests and Wood Products are Natural Climate Solutions

# RECENT ACTIONS

Focused on Driving Long-Term Value for Shareholders

Operating Results



**STRONG PERFORMANCE**  
IN UNPRECEDENTED  
MARKETS

Balance Sheet



**REDEEMING \$325 MILLION**  
IN 2023  
MATURITIES

Timber Portfolio



**ENHANCING OREGON**  
TIMBERLAND  
HOLDINGS

Leadership Changes



**CURRENT CFO BECOMING**  
CHIEF DEVELOPMENT  
OFFICER

Sustainability Ambitions



**LAUNCHED NEW 3 BY 30**  
SUSTAINABILITY  
INITIATIVES

Financial Position



**ENSURING STRENGTH**  
MAINTAINING  
FLEXIBILITY

# DISCIPLINED CAPITAL ALLOCATION

Appropriate and Temporary Adjustments to Navigate Uncertain Environment



RETURN CASH  
TO SHAREHOLDERS

INVEST IN  
OUR BUSINESSES

MAINTAIN AN APPROPRIATE  
CAPITAL STRUCTURE

## CORE ALLOCATION



Sustainable  
Dividend



Disciplined Capital  
Expenditures



Investment Grade  
Credit Rating

## OPPORTUNISTIC ALLOCATION



Share  
Repurchases



Value-Enhancing  
Growth Opportunities



Liability  
Management

# IMPROVING FUNDAMENTALS ACROSS OUR MARKETS

Driven By Continued Demand for U.S. Housing



## HOUSING STARTS

- ↑ Renewed preference for single-family
- ↑ Low interest rates
- ↑ Favorable demographics, pent-up demand
- ↓ High unemployment
- ↓ Economic uncertainty



## REPAIR & REMODEL

- ↑ Surge in home improvement activity
- ↑ Aging housing stock
- ↑ Rising home equity, low interest rates
- ↔ Expect solid normalized building materials retail demand



## LUMBER

- ↑ Rising construction activity
- ↔ Industry operating rates have rebounded
- ↑ B.C. mill closures reduced industry capacity
- ↑ Record pricing in Q3
- ↔ Expect choppy pricing as market conditions evolve



## ORIENTED STRAND BOARD

- ↑ Rising construction activity
- ↔ Industry operating rates have rebounded
- ↑ Record pricing in Q3
- ↔ Expect choppy pricing as market conditions evolve



## WESTERN LOGS

- ↑ Rising domestic wood products production
- ↔ Unprecedented fire season, with impact on WY Oregon timber operations
- ↓ Japan market slowing with consumption tax increase and COVID-19 outbreak
- ↓ Global log supply to China increasing following COVID-19 related disruptions



## SOUTHERN LOGS

- ↑ Improving sawlog demand
- ↔ Fiber log demand generally stable
- ↔ Log pricing flat, expect sawlog prices will rise slowly over time
- ↑ Emerging log export opportunity



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