



2022 EARNINGS RESULTS

FOURTH QUARTER 2022



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), as well as pro forma 2023 dividend yield; our first quarter 2023 outlook and expectations concerning earnings and Adjusted EBITDA for each of our businesses and expected key drivers; and our full-year 2023 outlook and expectations, along with key drivers, concerning Adjusted EBITDA for, and basis for real estate to be sold in our Real Estate and Energy and Natural Resources business, fee harvest volumes, consolidated tax rate, interest expense, non-operating pension and post-employment expense and cash contribution, and capital expenditures; and 2025 targets pertaining to Adjusted EBITDA for our Natural Climate Solutions business, growth of our timberland portfolio, operational excellence improvements, growth in lumber production, greenhouse gas reduction and net-zero emissions goal, and growth in our base dividend. 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. 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 2021 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.



2022 CONSOLIDATED RESULTS

\$ Millions	2021	2022	
Adjusted EBITDA	FY	FY	Change
Timberlands	\$ 693	\$ 784	\$ 91
Real Estate, Energy & Natural Resources	296	329	33
Wood Products	3,357	2,737	(620)
Unallocated Items	(252)	(196)	56
Total Adjusted EBITDA¹	\$ 4,094	\$ 3,654	\$ (440)
Net Contribution to Earnings Before Special Items	\$ 3,532	\$ 3,067	\$ (465)

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 29](#).
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 28](#). Income taxes attributable to special items are included in Special items, after-tax.

\$ Millions (except EPS)	2021	2022
Consolidated Statement of Operations	FY	FY
Net sales	\$ 10,201	\$ 10,184
Costs of sales	6,103	6,564
Gross margin	4,098	3,620
SG&A expenses	491	491
Other expense, net ²	75	62
Net Contribution to Earnings Before Special Items	\$ 3,532	\$ 3,067
Interest expense, net ³	(313)	(270)
Income taxes ⁴	(693)	(550)
Net Earnings Before Special Items⁴	\$ 2,526	\$ 2,247
Special items, after-tax ⁴	81	(367)
Net Earnings	\$ 2,607	\$ 1,880
Diluted EPS Before Special Items⁴	\$ 3.37	\$ 3.02
Diluted EPS	\$ 3.47	\$ 2.53

2022 Q4 CONSOLIDATED RESULTS

\$ Millions	2022	2022	
Adjusted EBITDA	Q3	Q4	Change
Timberlands	\$ 168	\$ 150	\$ (18)
Real Estate, Energy & Natural Resources	60	46	(14)
Wood Products	395	197	(198)
Unallocated Items	(40)	(24)	16
Total Adjusted EBITDA¹	\$ 583	\$ 369	\$ (214)
Net Contribution to Earnings Before Special Items	\$ 454	\$ 248	\$ (206)

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 29](#).
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 5](#). Income taxes attributable to special items are included in Special Items, after-tax.

\$ Millions (except EPS)	2022	2022
Consolidated Statement of Operations	Q3	Q4
Net sales	\$ 2,276	\$ 1,823
Costs of sales	1,694	1,434
Gross margin	582	389
SG&A expenses	124	127
Other expense, net ²	4	14
Net Contribution to Earnings Before Special Items	\$ 454	\$ 248
Interest expense, net ³	(67)	(66)
Income taxes ⁴	(77)	(11)
Net Earnings Before Special Items⁴	\$ 310	\$ 171
Special items, after-tax ⁴	—	(160)
Net Earnings	\$ 310	\$ 11
Diluted EPS Before Special Items⁴	\$ 0.42	\$ 0.24
Diluted EPS	\$ 0.42	\$ 0.02

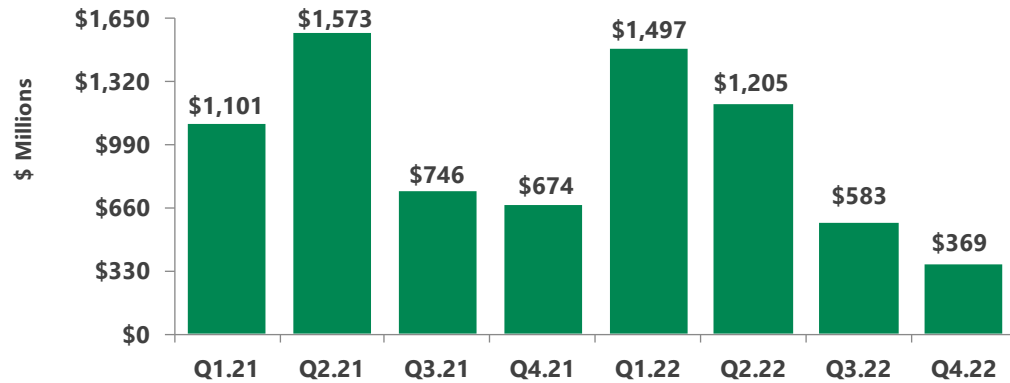
EARNINGS BEFORE SPECIAL ITEMS

\$ Millions (except EPS)	2022 Q3			2022 Q4		
	Pretax Earnings	After-Tax Earnings	Diluted EPS	Pretax Earnings	After-Tax Earnings	Diluted EPS
Earnings Before Special Items	\$ 387	\$ 310	\$ 0.42	\$ 181	\$ 171	\$ 0.24
Special Items:						
Pension settlement charge	—	—	—	205	152	0.21
Restructuring, impairments and other charges ¹	—	—	—	10	8	0.01
Total Special Items	—	—	—	215	160	0.22
Earnings Including Special Items (GAAP)	\$ 387	\$ 310	\$ 0.42	\$ (34)	\$ 11	\$ 0.02

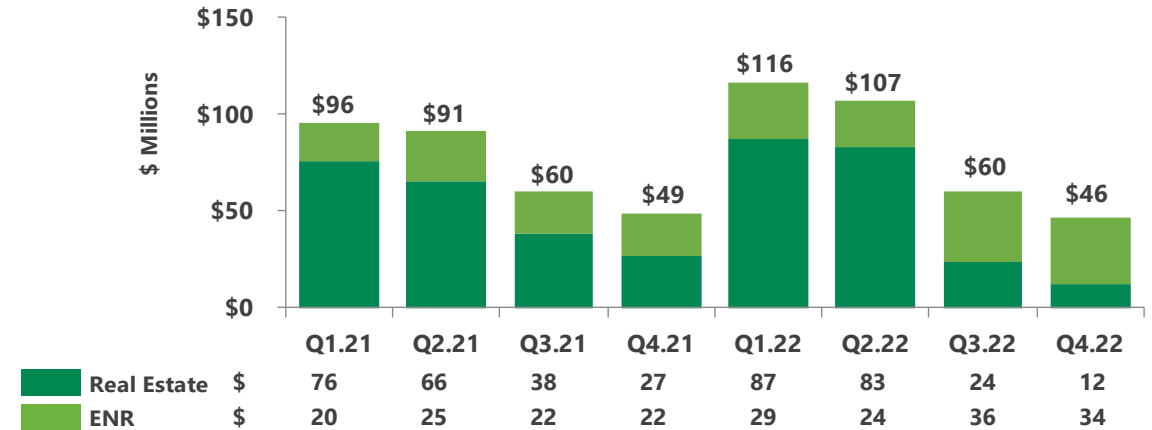
1. During fourth quarter 2022, we recorded a \$10 million noncash impairment charge related to the planned divestiture of legacy coal assets.

ADJUSTED EBITDA¹

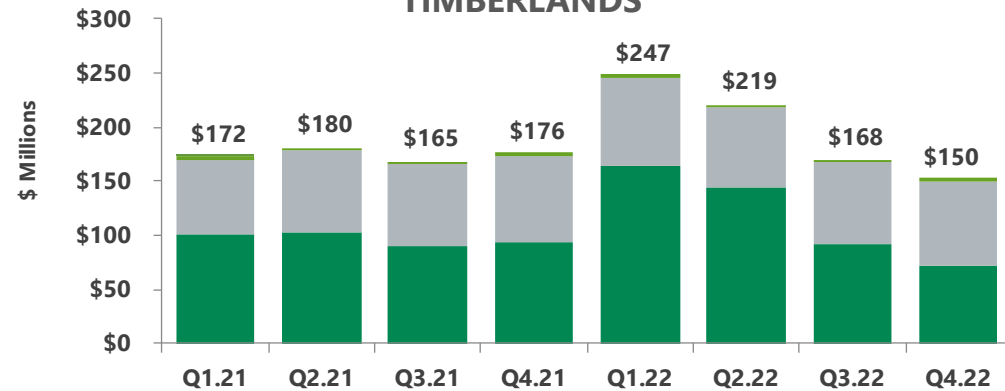
TOTAL COMPANY²



REAL ESTATE & ENR

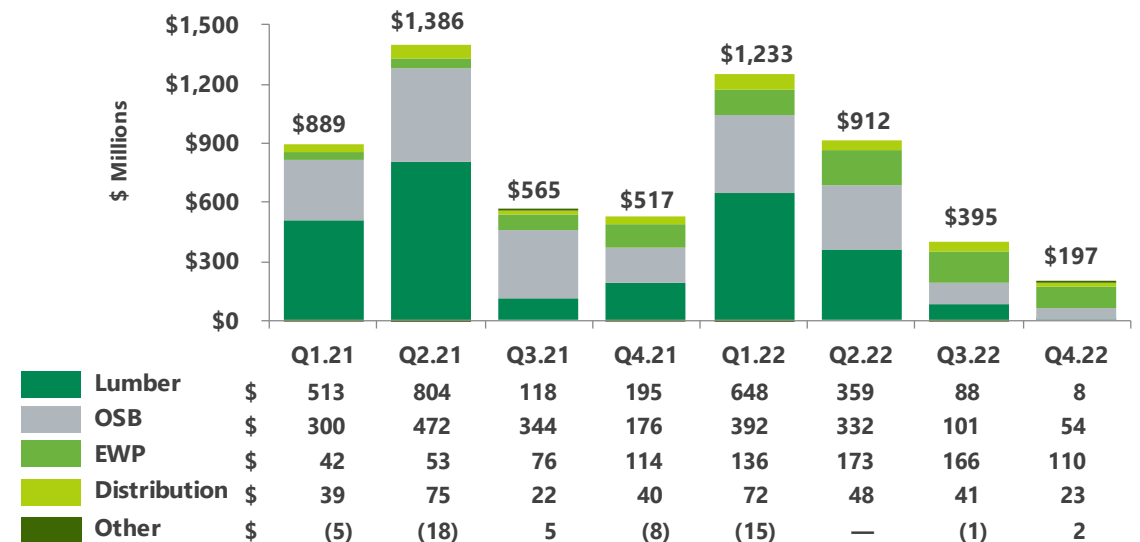


TIMBERLANDS



West	\$	101	103	90	93	165	144	92	72
South	\$	69	76	76	80	80	75	75	77
North	\$	3	2	1	3	4	2	3	5
Other	\$	(1)	(1)	(2)	—	(2)	(2)	(2)	(4)

WOOD PRODUCTS



1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 29](#), [Slide 30](#), [Slide 31](#), [Slide 32](#) and [Slide 33](#).

2. Total Company Adjusted EBITDA includes Timberlands; Real Estate, Energy & Natural Resources; Wood Products and Unallocated.

TIMBERLANDS SEGMENT

TIMBERLANDS (\$ Millions)	2022	2022
Adjusted EBITDA by Region	Q3	Q4
West	\$ 92	\$ 72
South	75	77
North	3	5
Other	(2)	(4)
Total Adjusted EBITDA¹	\$ 168	\$ 150

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on Slide 30.
2. Adjusted EBITDA divided by total sales.
3. Net contribution to earnings divided by total sales.

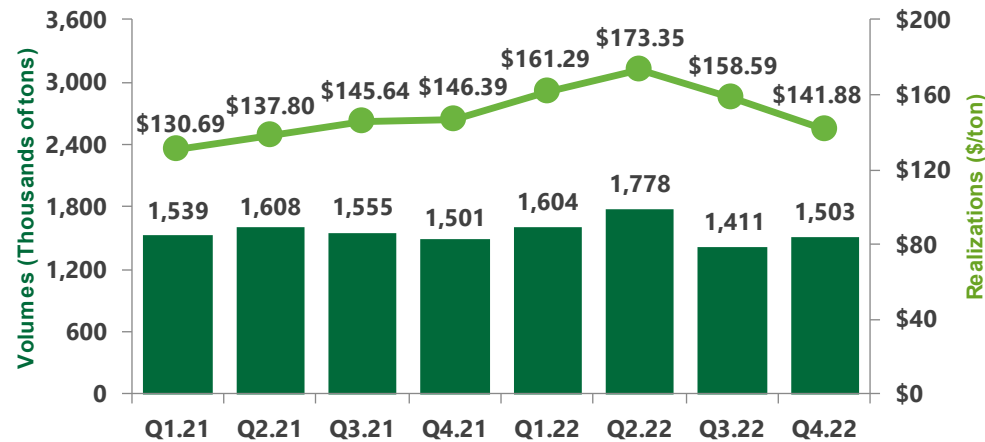
TIMBERLANDS (\$ Millions)	2022	2022
Segment Statement of Operations	Q3	Q4
Third-party sales	\$ 441	\$ 437
Intersegment sales	133	111
Total Sales	574	548
Costs of sales	442	436
Gross margin	132	112
SG&A expenses	26	25
Other (income) expense, net	(1)	1
Net Contribution to Earnings	\$ 107	\$ 86
Adjusted EBITDA¹	\$ 168	\$ 150
Adjusted EBITDA Margin Percentage²	29%	27%
Operating Margin Percentage³	19%	16%

TIMBERLANDS KEY DRIVERS: 2022 Q4 vs. 2022 Q3

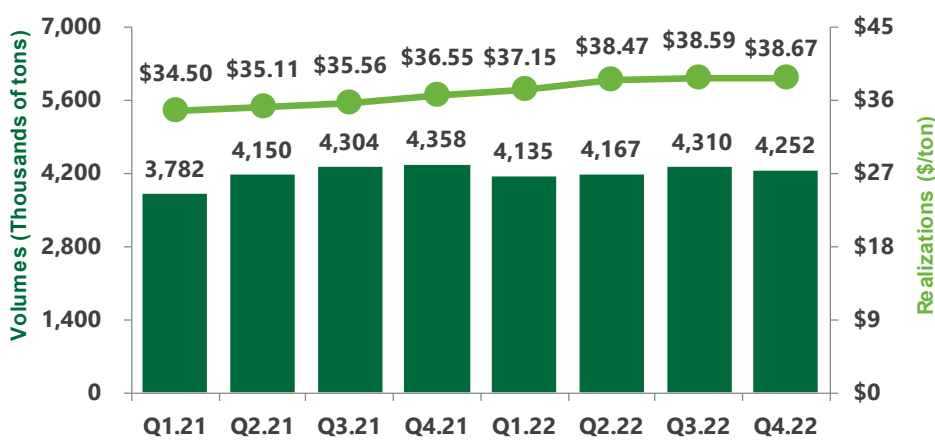
REGION	KEY DRIVERS
WEST	<ul style="list-style-type: none">• Fee Harvest Volumes: Slightly higher, returned to run-rate harvest volumes faster than expected following work stoppage resolution• Sales Volumes: Moderately higher• Sales Realizations: Significantly lower• Per Unit Log and Haul Costs: Comparable• Forestry and Road Costs: Significantly lower, seasonal
SOUTH	<ul style="list-style-type: none">• Fee Harvest Volumes: Slightly higher• Sales Realizations: Comparable• Per Unit Log and Haul Costs: Comparable• Forestry and Road Costs: Slightly lower
NORTH	<ul style="list-style-type: none">• Fee Harvest Volumes: Significantly higher, favorable weather conditions• Sales Realizations: Moderately lower

SALES VOLUMES, REALIZATIONS AND EXPORT REVENUE

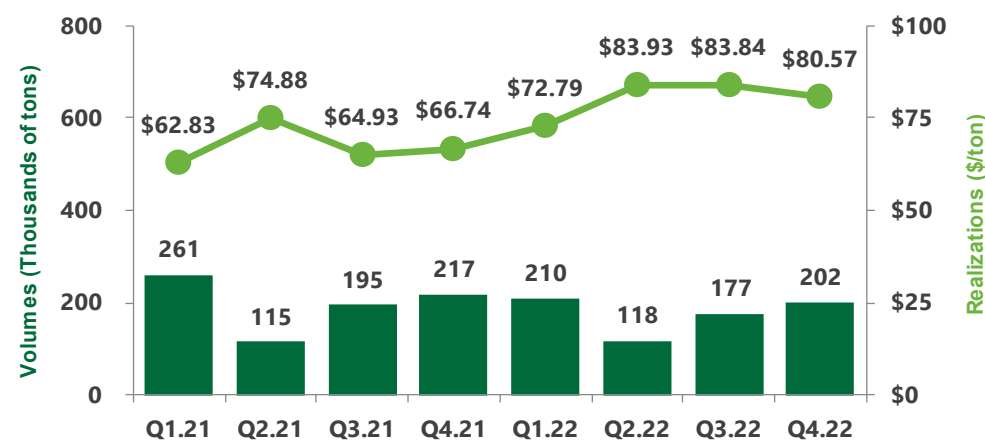
3rd-Party Log Sales and Realizations - West¹



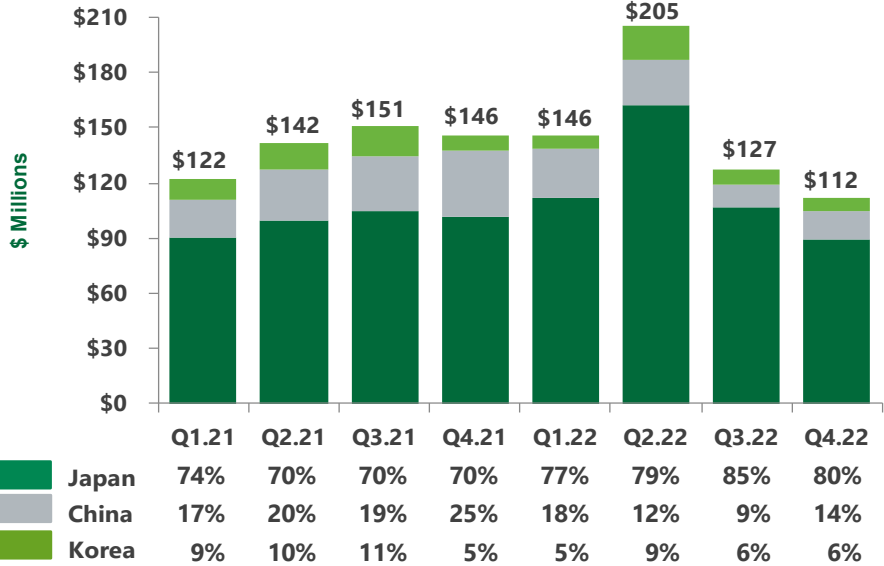
3rd-Party Log Sales and Realizations - South



3rd-Party Log Sales and Realizations - North

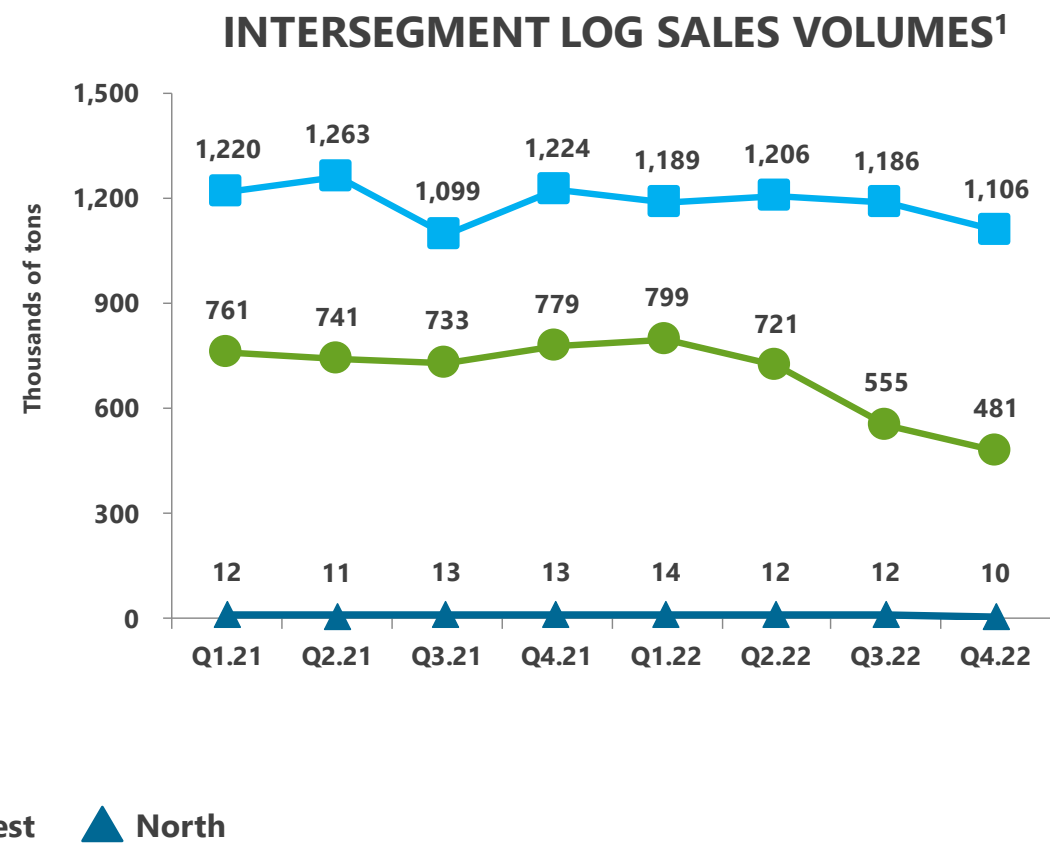
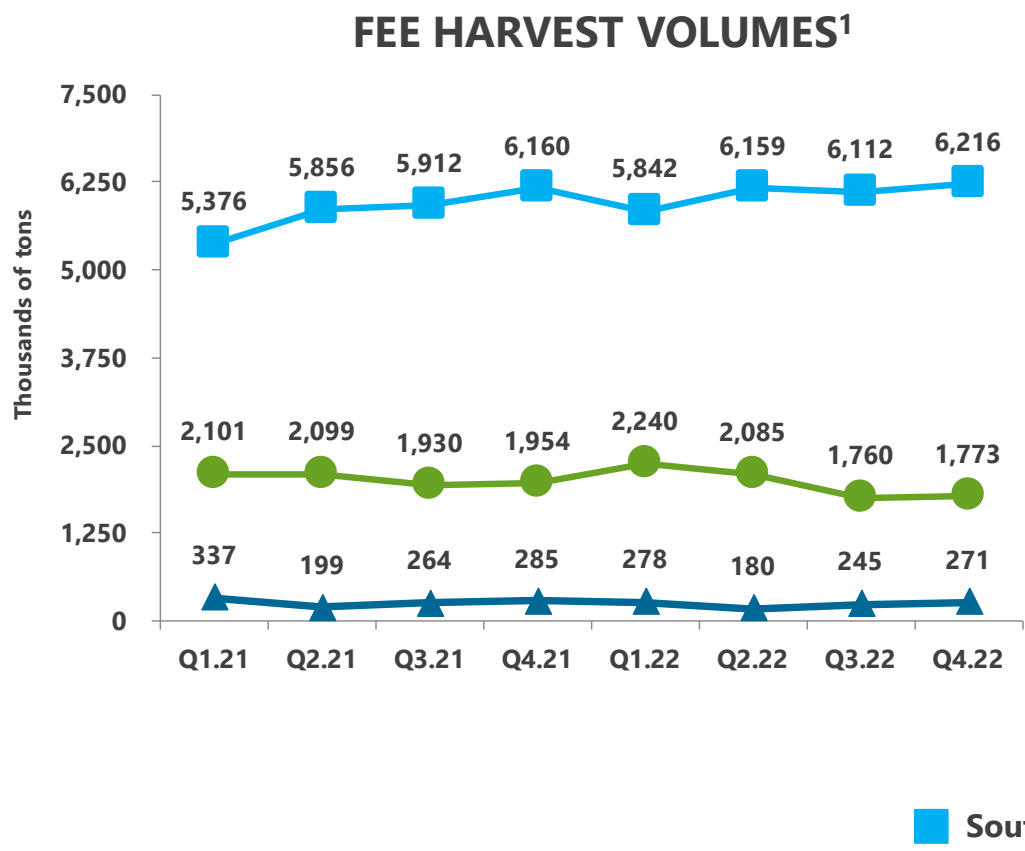


Western Export Log Revenue




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

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.

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REAL ESTATE, ENERGY & NATURAL RESOURCES (ENR) SEGMENT

REAL ESTATE & ENR (\$ Millions)	2022	2022
Adjusted EBITDA by Business	Q3	Q4
Real Estate	\$ 24	\$ 12
Energy & Natural Resources	36	34
Total Adjusted EBITDA¹	\$ 60	\$ 46

KEY DRIVERS: 2022 Q4 vs. 2022 Q3

Real Estate

Timing and mix of acres sold

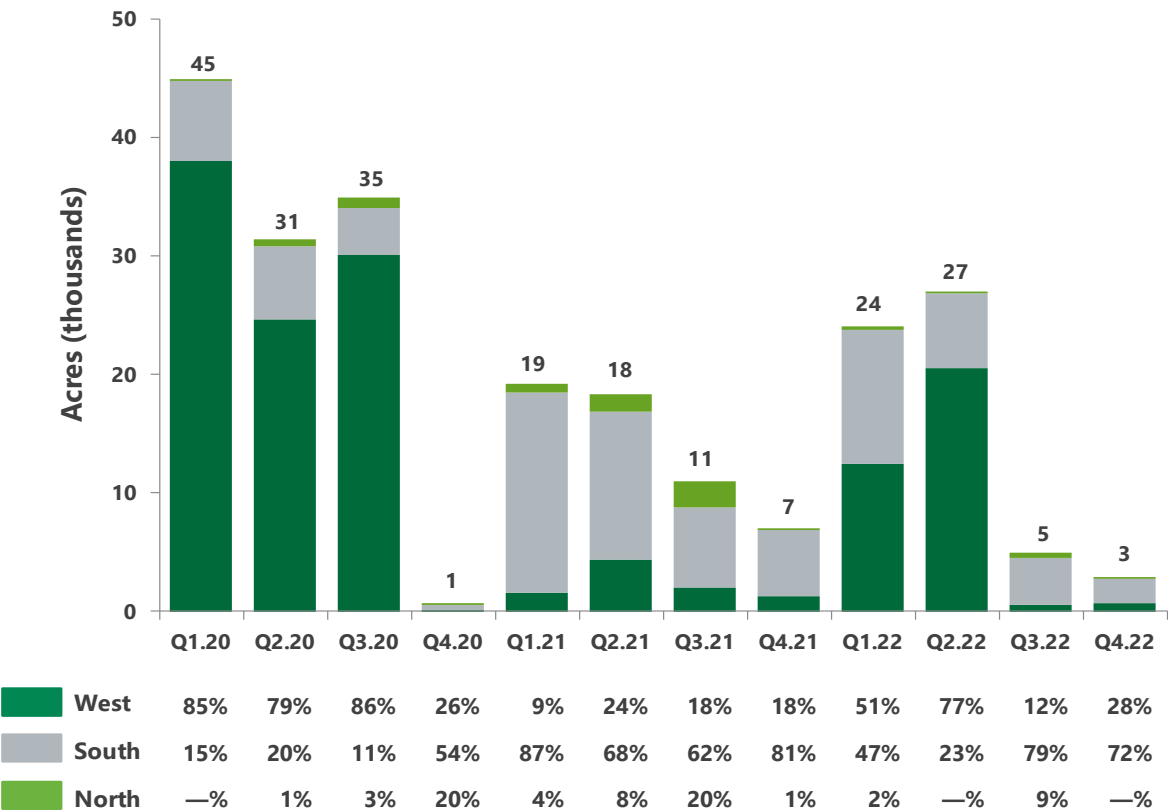
1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 31](#).
2. Fourth quarter 2022 excludes a \$10 million noncash impairment charge related to the planned divestiture of legacy coal assets.

REAL ESTATE & ENR (\$ Millions)	2022	2022
Segment Statement of Operations	Q3	Q4
Total sales	\$ 68	\$ 55
Costs of sales	14	13
Gross margin	54	42
SG&A expenses	6	8
Other (income) expense, net ²	—	—
Net Contribution to Earnings Before Special Items	\$ 48	\$ 34
Special items, pretax ²	—	(10)
Net Contribution to Earnings	\$ 48	\$ 24
Adjusted EBITDA¹	\$ 60	\$ 46

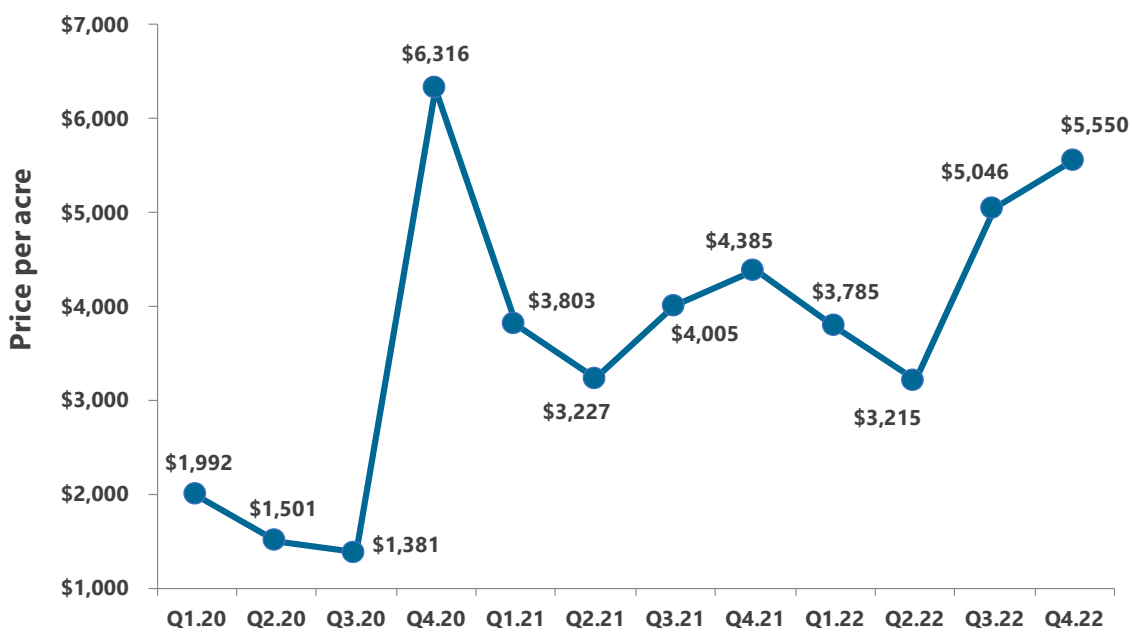


REAL ESTATE, ENERGY & NATURAL RESOURCES (ENR) SEGMENT

ACRES SOLD



AVERAGE PRICE PER ACRE



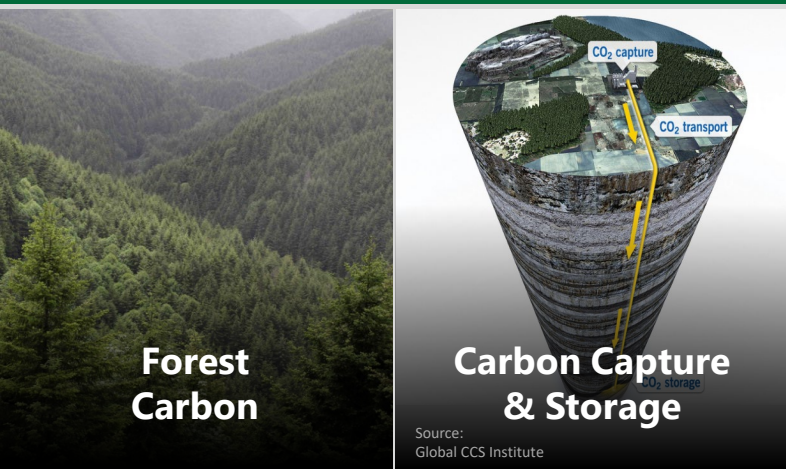
NATURAL CLIMATE SOLUTIONS

Leveraging Our Scale and Making Progress Against Our Multi-Year Target

GROWING OUR CURRENT BUSINESS

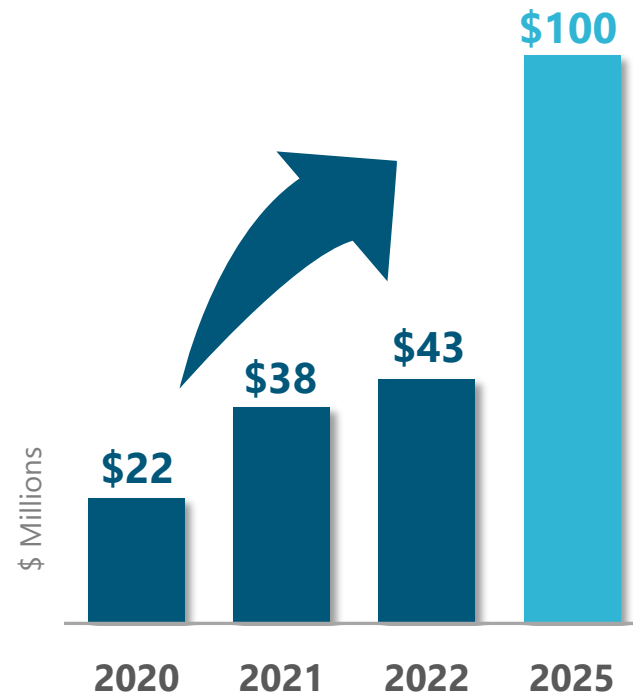


EXTENDING OUR BUSINESS MODEL



BUILDING A \$100 MILLION BUSINESS

Adjusted EBITDA¹



1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 36](#). Adjusted EBITDA for Natural Climate Solutions is included in Real Estate and ENR segment results.

KEY UPDATES

- Initial growth primarily from current Mitigation, Conservation and Renewable Energy businesses
- Progressed Forest Carbon pilot project in Maine – nearing completion
- Signed Carbon Capture and Storage agreements for projects in Louisiana and Mississippi
- Signed agreement for potential development of 1 GW of solar projects in southeastern U.S.
- Future upside beyond 2025 as markets continue to develop

WOOD PRODUCTS SEGMENT

WOOD PRODUCTS (\$ Millions)	2022	2022
Adjusted EBITDA by Business	Q3	Q4
Lumber	\$ 88	\$ 8
OSB	101	54
Engineered Wood Products	166	110
Distribution	41	23
Other	(1)	2
Total Adjusted EBITDA¹	\$ 395	\$ 197

- 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 32](#).
- Adjusted EBITDA divided by total sales.
- Net contribution to earnings divided by total sales.

WOOD PRODUCTS (\$ Millions)	2022	2022
Segment Statement of Operations	Q3	Q4
Total sales	\$ 1,767	\$ 1,331
Costs of sales	1,360	1,116
Gross margin	407	215
SG&A expenses	58	58
Other expense, net	5	10
Net Contribution to Earnings	\$ 344	\$ 147
Adjusted EBITDA¹	\$ 395	\$ 197
Adjusted EBITDA Margin Percentage²	22%	15%
Operating Margin Percentage³	19%	11%



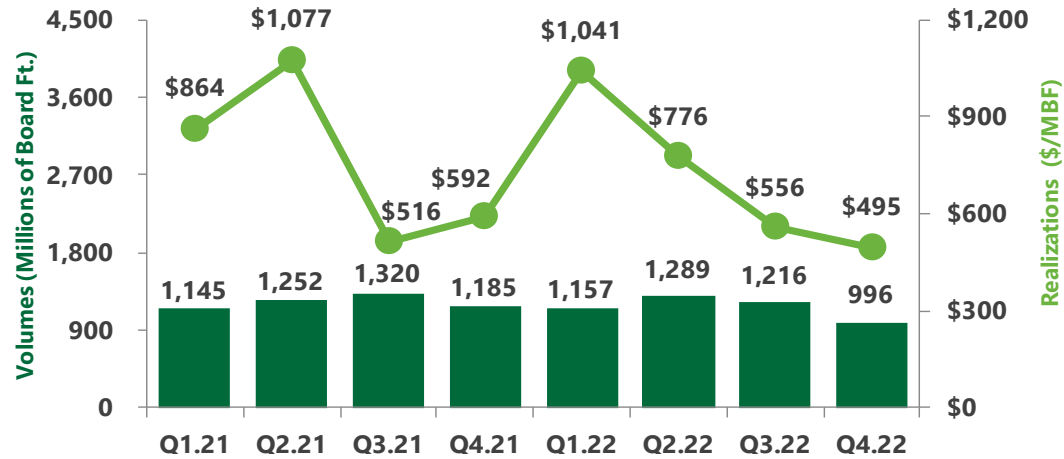
WOOD PRODUCTS KEY DRIVERS: 2022 Q4 vs. 2022 Q3

BUSINESS	KEY DRIVERS
LUMBER	<ul style="list-style-type: none"> • Sales Realizations: Decreased 11% • Sales and Production Volumes: Significantly lower, resulting from the work stoppage, labor constraints and adverse weather conditions • Unit Manufacturing Costs: Significantly higher • Log Costs: Moderately lower, primarily for western logs
ORIENTED STRAND BOARD	<ul style="list-style-type: none"> • Sales Realizations: Decreased 16% • Sales Volumes: Slightly lower • Production Volumes: Comparable • Unit Manufacturing Costs: Moderately lower • Fiber Costs: Slightly lower
ENGINEERED WOOD PRODUCTS	<ul style="list-style-type: none"> • Sales Realizations: Lower, primarily for Solid Section and plywood, comparable for I-Joist products • Sales Volumes: Significantly lower for all products, softening demand • Production Volumes: Lower for all products, holiday downtime at several facilities • Unit Manufacturing Costs: Comparable • Raw Material Costs: Moderately lower, primarily for OSB webstock
DISTRIBUTION	<ul style="list-style-type: none"> • Lower sales volumes, primarily for EWP products

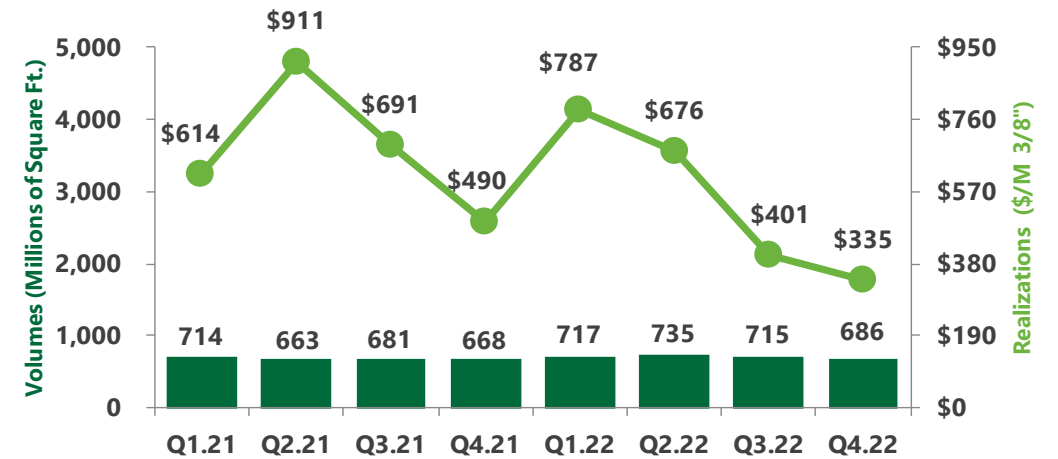


THIRD-PARTY SALES VOLUMES AND REALIZATIONS¹

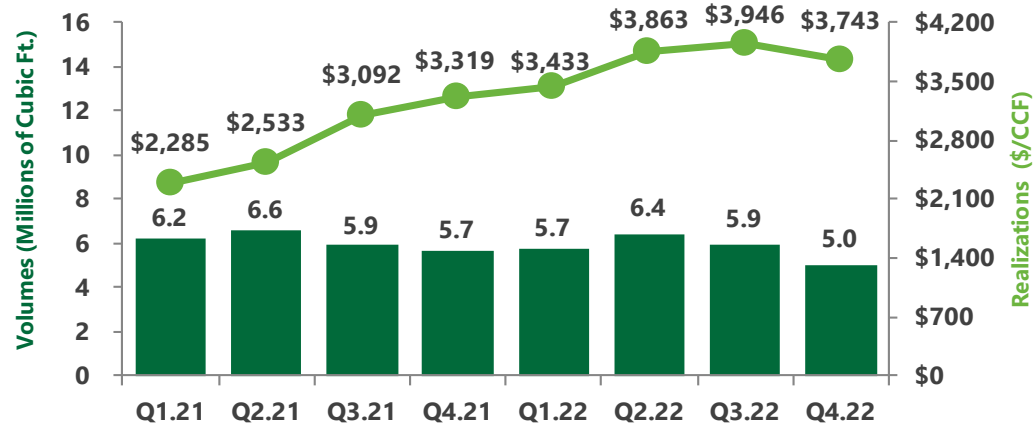
Lumber²



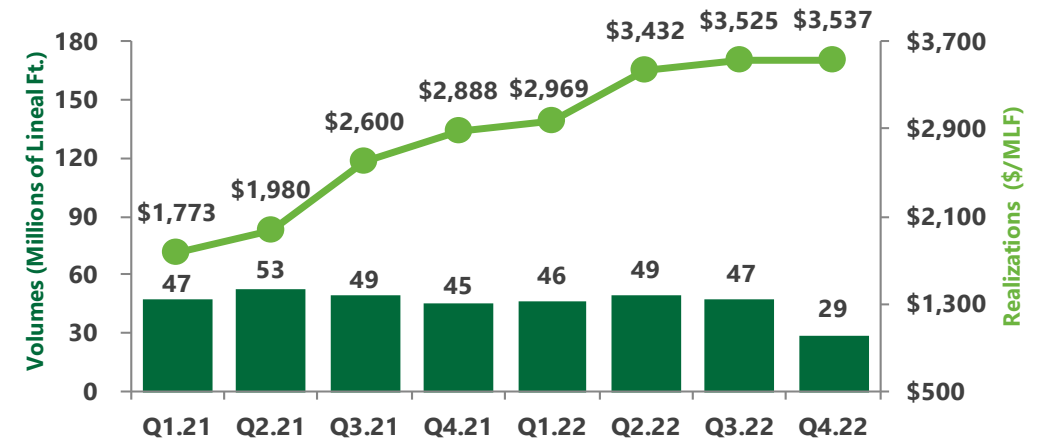
OSB



Engineered Wood - Solid Section



Engineered Wood - Solid TJIs



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	2022	2022
	Q3	Q4
Unallocated corporate function expenses and variable compensation expense	\$ (36)	\$ (36)
Liability classified share-based compensation	2	(1)
Foreign exchange gains (losses)	9	(2)
Elimination of intersegment profit in inventory and LIFO	2	18
Non-operating pension and other post-employment benefit costs ²	(12)	(11)
Other, including interest income	(10)	12
Net Charge to Earnings Before Special Items	\$ (45)	\$ (20)
Special items, pretax ²	—	(205)
Net Charge to Earnings	\$ (45)	\$ (225)
Adjusted EBITDA³	\$ (40)	\$ (24)

UNALLOCATED ITEMS (\$ Millions) ¹	2022	2022
	Q3	Q4
Costs of sales ⁴	\$ (11)	\$ 20
G&A expense ⁵	(33)	(35)
Other expense, net	(1)	(5)
Net Charge to Earnings Before Special Items	\$ (45)	\$ (20)
Special items, pretax ²	—	(205)
Net Charge to Earnings	\$ (45)	\$ (225)

1. Unallocated items are gains or charges not related to or allocated to an individual operating segment.
2. Fourth quarter 2022 excludes a \$205 million noncash settlement charge related to the transfer of pension assets and liabilities through the purchase of a group annuity contract.
3. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on **Slide 33**.
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)	2022	2022
	Q3	Q4
Ending Cash Balance	\$ 1,920	\$ 1,581
Total Debt	\$ 5,053	\$ 5,053
Net Debt to Adjusted EBITDA (LTM) ¹	0.8	1.0
Net Debt to Enterprise Value ²	13%	13%

2022 Share Repurchases

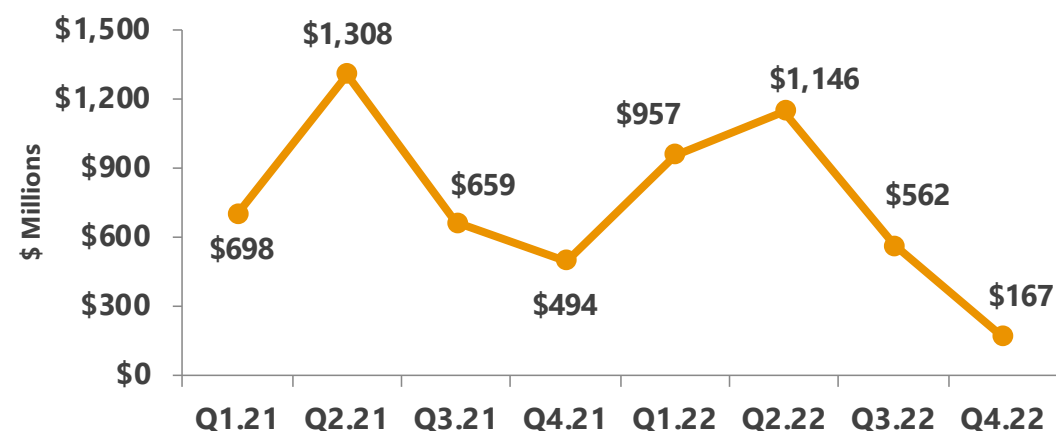
(\$ Millions)	Q1	Q2	Q3	Q4	FY
Share Repurchases ³	\$ 121	\$ 138	\$ 145	\$ 146	\$ 550

Scheduled Debt Maturities as of December 31, 2022

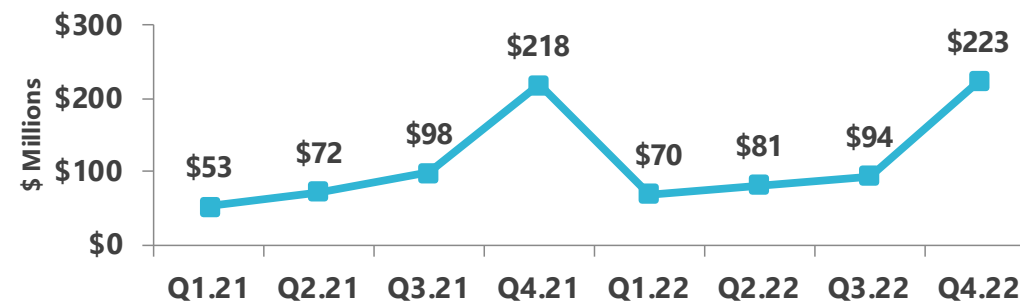
(\$ Millions)	2023	2024	2025	2026	2027
Debt Maturities	\$ 978	\$ —	\$ 210	\$ 272	\$ 300

1. LTM = last twelve months. A reconciliation to GAAP is set forth on [Slide 34](#).
2. Total debt, net of cash and cash equivalents, divided by enterprise value. Enterprise value is defined as total debt, net of cash and cash equivalents, plus market capitalization as of the end of the quarter.
3. Average price paid per share for the first quarter, second quarter, third quarter, fourth quarter and full year 2022 were \$37.87, \$36.23, \$34.29, \$30.76 and \$34.41, respectively. As of March 31, 2022, there were 78,380 unsettled shares (approximately \$3 million), as of September 30, 2022, there were 64,135 unsettled shares (approximately \$2 million) and as of December 31, 2022, there were 223,548 unsettled shares (approximately \$7 million). There were no unsettled shares as of June 30, 2022.
4. Total capital expenditures is inclusive of capitalized interest.

Cash Flow from Operations



Capital Expenditures⁴



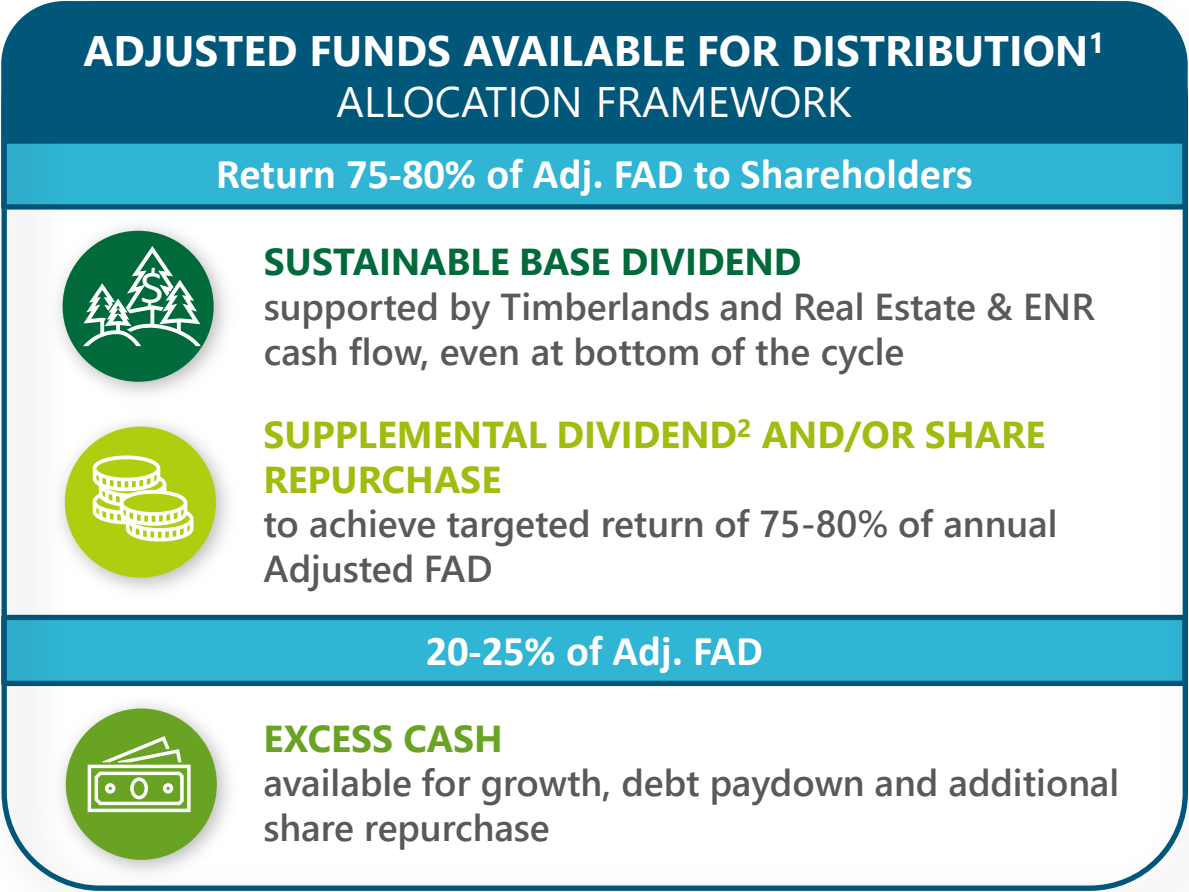
2021: \$441 million

2022: \$468 million



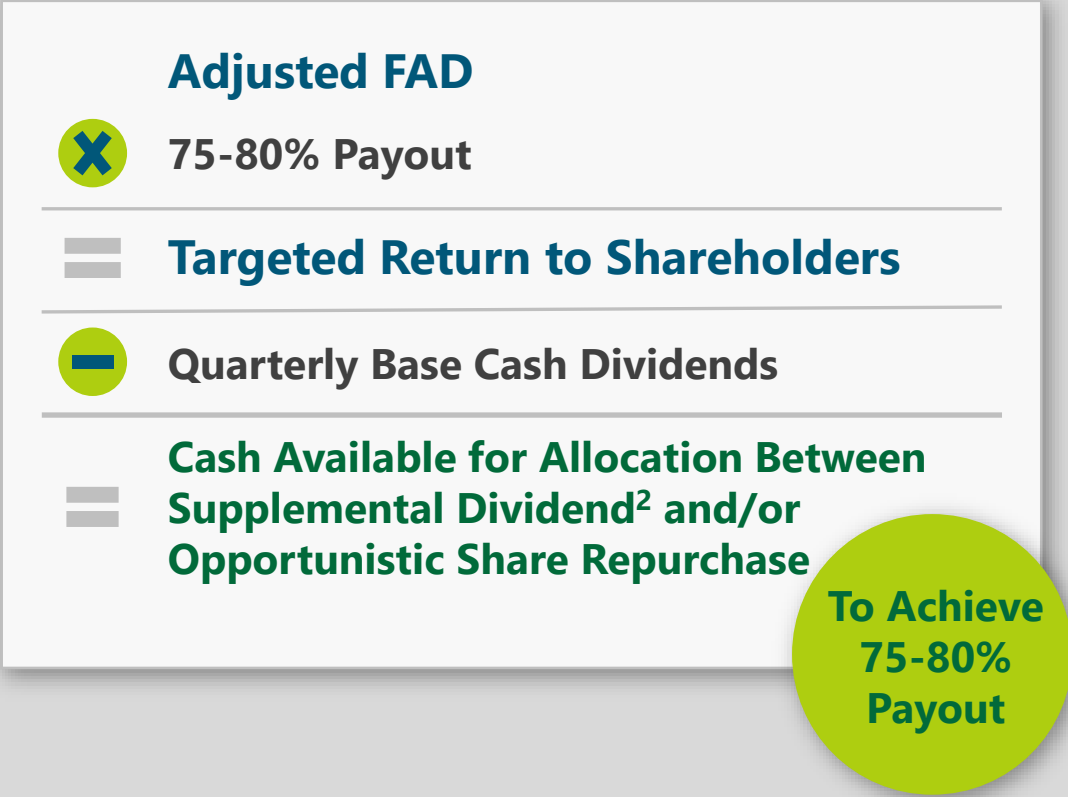
ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION

Allocation Framework and Cash Return Calculation



TARGETED RETURN OF CASH TO SHAREHOLDERS

Calculated on an Annual Basis



1. Our definition of Adjusted funds available for distribution (Adjusted FAD) is set forth on [Slide 35](#).
2. Normally declared and paid annually in the first quarter, based on prior year results.



ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION

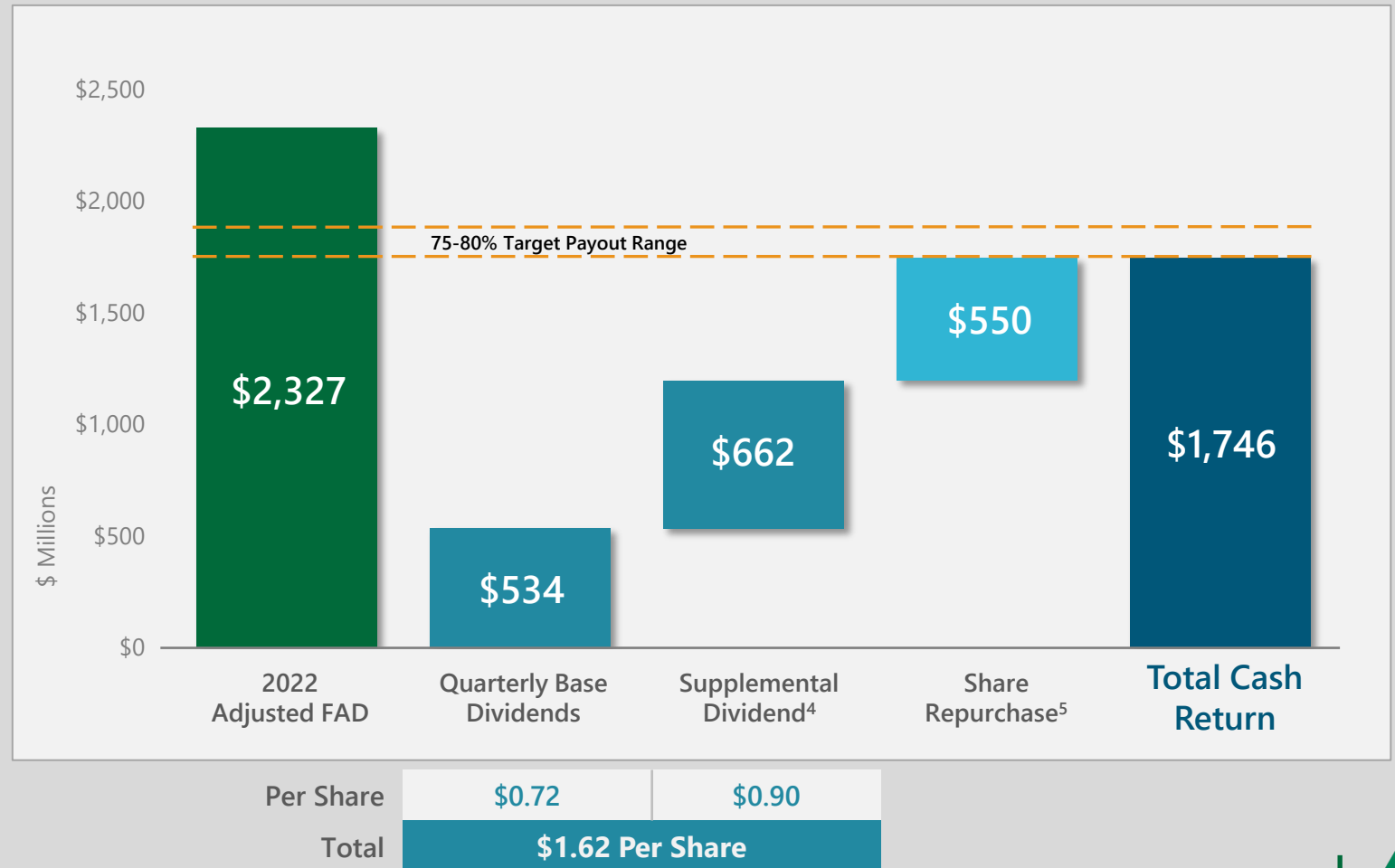
Returning \$1.75 Billion in Total Cash Based on 2022 Results

Adjusted Funds Available for Distribution¹

(\$ Millions)	2022
Net Cash from Operations	\$2,832
Capital Expenditures ²	(\$468)
Adjustments to FAD ³	(\$37)
2022 Adjusted FAD	\$2,327



RETURNING 75% OF ADJUSTED FAD TO SHAREHOLDERS BASED ON 2022 RESULTS



1. Our definition of Adjusted funds available for distribution (Adjusted FAD) and a reconciliation to GAAP are set forth on [Slide 35](#).
2. Capital expenditures is inclusive of \$6 million of capitalized interest.
3. Adjustments to FAD include a \$37 million product remediation insurance recovery received in first quarter 2022.
4. On January 26, 2023, our board of directors declared a supplemental dividend of \$0.90 per share payable on February 27, 2023, to shareholders of record on February 15, 2023. The supplemental dividend payout of \$662 million assumes 733 million shares outstanding.
5. Share repurchase activity in 2022 totaled \$550 million at an average price of \$34.41 per share.



RETURNING CASH TO SHAREHOLDERS

Demonstrating The Power of Our Cash Return Framework

**RETURNING
OVER
\$3.8 BILLION
TO SHAREHOLDERS
BASED ON 2021 & 2022
RESULTS**

**THROUGH DIVIDENDS AND
SHARE REPURCHASE**

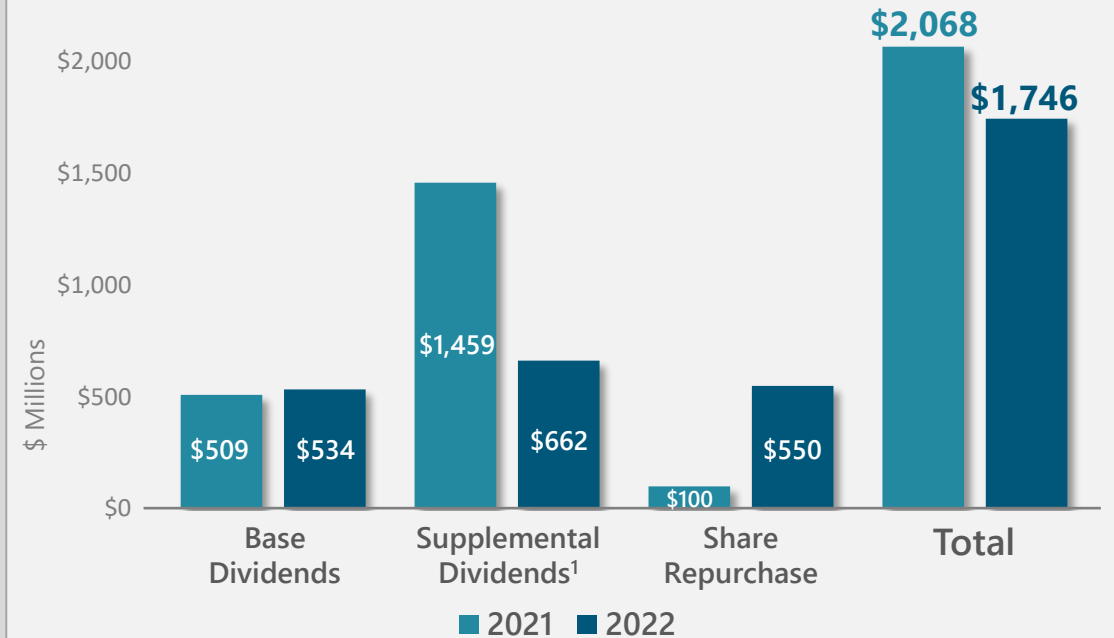


1. Supplemental dividends associated with 2021 results include a \$0.50 per share interim distribution made in 2021 Q4 and a \$1.45 per share distribution made in 2022 Q1. Supplemental dividends associated with 2022 results include a \$0.90 per share distribution, declared on January 26, 2023, and payable on February 27, 2023, to shareholders of record on February 15, 2023.
2. Dividend yield calculations assume a share price of \$31.00, the closing price on December 30, 2022.
3. Pro forma 2023 includes current quarterly base dividend of \$0.18 per share, and supplemental dividend of \$0.90 per share, associated with 2022 results and payable on February 27, 2023.

ANNUAL PAYOUT OF ADJUSTED FAD

2021 = 79%

2022 = 75%



DIVIDEND YIELD

Calendar Year²

2021	3.8%
2022	7%
Pro Forma 2023 ³	5.2%



2025 YEAR-END TARGETS

Making Progress Against Our Multi-Year Targets

INVESTMENT THESIS



UNMATCHED
PORTFOLIO



INDUSTRY-LEADING
PERFORMANCE



STRONG
ESG FOUNDATION



DISCIPLINED
CAPITAL ALLOCATION

TARGETS

Grow Timberlands Portfolio

by \$1 billion of disciplined investments

Grow Natural Climate Solutions

to a \$100 million EBITDA business

Capture OpX Improvements

of \$175-250 million from 2022-2025

Grow Lumber Production

by 5% annually through organic investments

Science-Based GHG Reduction Targets

advancements against our targets

External Recognitions

maintain and enhance leadership

Return 75-80% of Annual Adjusted FAD

through dividends and share repurchase

Grow Base Dividend

by 5% annually from 2022-2025

2022 HIGHLIGHTS



Invested ~\$300 million

on strategic acquisitions, including the Carolinas



Generated \$43 million of NCS EBITDA

announced first two CCS agreements



~\$40 million of OpX Improvements

captured across our businesses



Ranked #1 for EBITDA Margin

in lumber, OSB and EWP (YTD through 3Q.22)



Joined the Climate Pledge

committed to Net-Zero emissions by 2040



Reduced GHG Emissions

against our 2030 reduction targets



Returning \$1.75 billion in Total Cash

back to shareholders, based on 2022 results



Increased Base Dividend by 5.9%

and refinanced \$900 million of debt



OUTLOOK: 2023 Q1

SEGMENT	EXPECTED EARNINGS ¹ & ADJUSTED EBITDA	KEY DRIVERS		
TIMBERLANDS	Slightly higher than 2022 Q4	West Fee Harvest Volumes: Significantly higher Domestic Sales Realizations: Significantly lower Per Unit Log and Haul Costs: Moderately lower Forestry and Road Costs: Significantly lower, seasonal	South Fee Harvest Volumes: Slightly lower, seasonal Sales Realizations: Slightly lower Per Unit Log and Haul Costs: Comparable Forestry and Road Costs: Comparable	North Fee Harvest Volumes: Slightly lower Sales Realizations: Slightly lower
REAL ESTATE, ENERGY & NATURAL RESOURCES	Earnings ~\$10 million higher than 2022 Q4 Adjusted EBITDA ~\$35 million higher than 2022 Q4	Real Estate Timing and mix of sales		
WOOD PRODUCTS	Moderately higher than 2022 Q4, excluding the effect of changes in average sales realizations for lumber and oriented strand board	Lumber Sales Volumes: Higher Log Costs: Moderately lower Unit Manufacturing Costs: Significantly lower	OSB Sales Volumes: Moderately higher Fiber Costs: Moderately lower Unit Manufacturing Costs: Slightly lower	Engineered Wood Products Sales Realizations: Significantly lower Sales Volumes: Moderately higher for I-Joist, slightly lower for Solid Section Raw Material Costs: Significantly lower, primarily for OSB webstock Distribution Lower margins for all products



1. Earnings before special items.



2023 OUTLOOK

DRIVER	FY 2023 OUTLOOK
FEE HARVEST VOLUME	<p>Approximately 35 million tons</p> <ul style="list-style-type: none"> • South: Moderately higher than 2022 • West: Moderately higher than 2022 • North: Slightly higher than 2022
REAL ESTATE & ENR ADJUSTED EBITDA	\$300 million
BASIS OF REAL ESTATE SOLD	35-45% of Real Estate sales
INTEREST EXPENSE	Approximately \$270 million
CONSOLIDATED TAX RATE	12-14% expense, excluding special items
CASH TAXES	Comparable to overall tax expense
NON-OPERATING PENSION AND POST-EMPLOYMENT EXPENSE	Approximately \$50 million, noncash
CASH CONTRIBUTION FOR PENSION AND POST-EMPLOYMENT PLANS	Approximately \$25 million
CAPITAL EXPENDITURES	\$440 million

WOOD PRODUCTS SALES REALIZATIONS: CURRENT VS. 2022 Q4

WEYERHAEUSER'S AVERAGE SALES REALIZATIONS			
Approximate Change As of January 20, 2023			
LUMBER¹ 	Q1 QTD vs. Q4 AVERAGE	-\$70/MBF LOWER	WY's SENSITIVITY CHANGE IN REALIZATIONS \$10/MBF ≈ \$50 million EBITDA ANNUALLY
	CURRENT vs. Q4 AVERAGE	-\$60/MBF LOWER	
OSB² 	Q1 QTD vs. Q4 AVERAGE	-\$70/MSF LOWER	WY's SENSITIVITY CHANGE IN REALIZATIONS \$10/MSF ≈ \$30 million EBITDA ANNUALLY
	CURRENT vs. Q4 AVERAGE	-\$70/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.



EARNINGS SUMMARY

\$ Millions (except EPS)	2021				2022			
Adjusted EBITDA by Segment	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Timberlands	\$ 172	\$ 180	\$ 165	\$ 176	\$ 247	\$ 219	\$ 168	\$ 150
Real Estate, Energy & Natural Resources	96	91	60	49	116	107	60	46
Wood Products	889	1,386	565	517	1,233	912	395	197
Unallocated Items	(56)	(84)	(44)	(68)	(99)	(33)	(40)	(24)
Total Adjusted EBITDA¹	\$ 1,101	\$ 1,573	\$ 746	\$ 674	\$ 1,497	\$ 1,205	\$ 583	\$ 369
DD&A, basis of real estate sold, non-operating pension and post-employment costs, and interest income and other	(152)	(143)	(133)	(134)	(169)	(168)	(129)	(121)
Net Contribution to Earnings Before Special Items	\$ 949	\$ 1,430	\$ 613	\$ 540	\$ 1,328	\$ 1,037	\$ 454	\$ 248
Interest expense, net	(79)	(78)	(79)	(77)	(72)	(65)	(67)	(66)
Income taxes ²	(189)	(324)	(84)	(96)	(278)	(184)	(77)	(11)
Net Earnings Before Special Items³	\$ 681	\$ 1,028	\$ 450	\$ 367	\$ 978	\$ 788	\$ 310	\$ 171
Special items, after-tax ²	—	—	32	49	(207)	—	—	(160)
Net Earnings	\$ 681	\$ 1,028	\$ 482	\$ 416	\$ 771	\$ 788	\$ 310	\$ 11
Diluted EPS Before Special Items³	\$ 0.91	\$ 1.37	\$ 0.60	\$ 0.49	\$ 1.31	\$ 1.06	\$ 0.42	\$ 0.24
Diluted EPS	\$ 0.91	\$ 1.37	\$ 0.64	\$ 0.55	\$ 1.03	\$ 1.06	\$ 0.42	\$ 0.02

1. See [Slide 29](#) 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 27](#).

EARNINGS PER SHARE RECONCILIATION

	2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Diluted EPS Before Special Items	\$ 0.91	\$ 1.37	\$ 0.60	\$ 0.49	\$ 1.31	\$ 1.06	\$ 0.42	\$ 0.24
Special Items:								
Gain on sale of timberlands	—	—	0.04	—	—	—	—	—
Insurance recovery	—	—	—	0.01	—	—	—	—
Legal benefit	—	—	—	0.01	—	—	—	—
Loss on debt extinguishment	—	—	—	—	(0.28)	—	—	—
Pension settlement charge	—	—	—	—	—	—	—	(0.21)
Product remediation recovery	—	—	—	0.04	—	—	—	—
Restructuring, impairments, and other charges	—	—	—	—	—	—	—	(0.01)
Diluted EPS (GAAP)	\$ 0.91	\$ 1.37	\$ 0.64	\$ 0.55	\$ 1.03	\$ 1.06	\$ 0.42	\$ 0.02



EARNINGS BEFORE SPECIAL ITEMS RECONCILIATION

\$ Millions (except EPS)	2021			2022		
	Pretax Earnings	After-Tax Earnings	Diluted EPS	Pretax Earnings	After-Tax Earnings	Diluted EPS
Earnings Before Special Items	\$ 3,219	\$ 2,526	\$ 3.37	\$ 2,796	\$ 2,247	\$ 3.02
Special Items:						
Gain on sale of timberlands	32	32	0.04	—	—	—
Insurance recovery	13	9	0.01	—	—	—
Legal benefit	15	12	0.01	—	—	—
Loss on debt extinguishment	—	—	—	276	207	0.28
Pension settlement charge	—	—	—	205	152	0.20
Product remediation recovery	37	28	0.04	—	—	—
Restructuring, impairments and other charges	—	—	—	10	8	0.01
Total Special Items	97	81	0.10	491	367	0.49
Earnings Including Special Items (GAAP)	\$ 3,316	\$ 2,607	\$ 3.47	\$ 2,305	\$ 1,880	\$ 2.53



ADJUSTED EBITDA RECONCILIATION

By Segment

\$ Millions	2019		2020		2021				2022			
	FY	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Timberlands	\$ 680	\$ 610	\$ 172	\$ 180	\$ 165	\$ 176	\$ 693	\$ 247	\$ 219	\$ 168	\$ 150	\$ 784
Real Estate & ENR	274	241	96	91	60	49	296	116	107	60	46	329
Wood Products	476	1,527	889	1,386	565	517	3,357	1,233	912	395	197	2,737
Unallocated Items	(154)	(177)	(56)	(84)	(44)	(68)	(252)	(99)	(33)	(40)	(24)	(196)
Adjusted EBITDA¹	\$ 1,276	\$ 2,201	\$ 1,101	\$ 1,573	\$ 746	\$ 674	\$ 4,094	\$ 1,497	\$ 1,205	\$ 583	\$ 369	\$ 3,654
Depletion, depreciation & amortization	(510)	(472)	(118)	(120)	(118)	(121)	(477)	(122)	(119)	(119)	(120)	(480)
Basis of real estate sold	(116)	(141)	(27)	(24)	(11)	(9)	(71)	(31)	(39)	(7)	(7)	(84)
Special items in operating income	1	122	—	—	32	65	97	—	—	—	(10)	(10)
Operating Income (GAAP)	\$ 651	\$ 1,710	\$ 956	\$ 1,429	\$ 649	\$ 609	\$ 3,643	\$ 1,344	\$ 1,047	\$ 457	\$ 232	\$ 3,080
Non-operating pension and other post-employment benefit costs	(516)	(290)	(8)	(1)	(5)	(5)	(19)	(15)	(11)	(12)	(216)	(254)
Interest income and other	30	5	1	2	1	1	5	(1)	1	9	16	25
Net Contribution to Earnings	\$ 165	\$ 1,425	\$ 949	\$ 1,430	\$ 645	\$ 605	\$ 3,629	\$ 1,328	\$ 1,037	\$ 454	\$ 32	\$ 2,851
Interest expense, net	(369)	(351)	(79)	(78)	(79)	(77)	(313)	(72)	(65)	(67)	(66)	(270)
Loss on debt extinguishment	(9)	(92)	—	—	—	—	—	(276)	—	—	—	(276)
Income taxes	137	(185)	(189)	(324)	(84)	(112)	(709)	(209)	(184)	(77)	45	(425)
Net Earnings (Loss) (GAAP)	\$ (76)	\$ 797	\$ 681	\$ 1,028	\$ 482	\$ 416	\$ 2,607	\$ 771	\$ 788	\$ 310	\$ 11	\$ 1,880

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

Timberlands

\$ Millions	2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
West	\$ 101	\$ 103	\$ 90	\$ 93	\$ 165	\$ 144	\$ 92	\$ 72
South	69	76	76	80	80	75	75	77
North	3	2	1	3	4	2	3	5
Other	(1)	(1)	(2)	—	(2)	(2)	(2)	(4)
Total Timberlands Adjusted EBITDA¹	\$ 172	\$ 180	\$ 165	\$ 176	\$ 247	\$ 219	\$ 168	\$ 150
West	(28)	(28)	(24)	(25)	(28)	(26)	(24)	(23)
South	(34)	(37)	(38)	(38)	(35)	(37)	(36)	(38)
North	(2)	(2)	(2)	(2)	(2)	(2)	(1)	(3)
Other	—	—	—	(1)	—	(1)	—	—
Total depletion, depreciation & amortization	\$ (64)	\$ (67)	\$ (64)	\$ (66)	\$ (65)	\$ (66)	\$ (61)	\$ (64)
Special items	—	—	32	—	—	—	—	—
Operating Income and Net Contribution to Earnings (GAAP)	\$ 108	\$ 113	\$ 133	\$ 110	\$ 182	\$ 153	\$ 107	\$ 86

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	2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Real Estate	\$ 76	\$ 66	\$ 38	\$ 27	\$ 87	\$ 83	\$ 24	\$ 12
Energy & Natural Resources	20	25	22	22	29	24	36	34
Total Real Estate & ENR Adjusted EBITDA¹	\$ 96	\$ 91	\$ 60	\$ 49	\$ 116	\$ 107	\$ 60	\$ 46
Depletion, depreciation & amortization	(3)	(4)	(4)	(4)	(4)	(3)	(5)	(5)
Basis of real estate sold	(27)	(24)	(11)	(9)	(31)	(39)	(7)	(7)
Special items	—	—	—	—	—	—	—	(10)
Operating Income and Net Contribution to Earnings (GAAP)	\$ 66	\$ 63	\$ 45	\$ 36	\$ 81	\$ 65	\$ 48	\$ 24

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	2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Lumber	\$ 513	\$ 804	\$ 118	\$ 195	\$ 648	\$ 359	\$ 88	\$ 8
OSB	300	472	344	176	392	332	101	54
EWP	42	53	76	114	136	173	166	110
Distribution	39	75	22	40	72	48	41	23
Other	(5)	(18)	5	(8)	(15)	—	(1)	2
Total Wood Products Adjusted EBITDA^{1,2}	\$ 889	\$ 1,386	\$ 565	\$ 517	\$ 1,233	\$ 912	\$ 395	\$ 197
Lumber	(28)	(28)	(26)	(30)	(28)	(27)	(28)	(29)
OSB	(8)	(9)	(8)	(9)	(9)	(10)	(10)	(10)
EWP	(10)	(9)	(10)	(9)	(10)	(9)	(10)	(10)
Distribution	(1)	(1)	(2)	(1)	(1)	(2)	(1)	(1)
Other	(2)	(1)	(2)	(2)	(3)	(1)	(2)	—
Total depletion, depreciation & amortization	\$ (49)	\$ (48)	\$ (48)	\$ (51)	\$ (51)	\$ (49)	\$ (51)	\$ (50)
Special items	—	—	—	50	—	—	—	—
Operating Income and Net Contribution to Earnings (GAAP)	\$ 840	\$ 1,338	\$ 517	\$ 516	\$ 1,182	\$ 863	\$ 344	\$ 147

- 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	2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total Unallocated Adjusted EBITDA¹	\$ (56)	\$ (84)	\$ (44)	\$ (68)	\$ (99)	\$ (33)	\$ (40)	\$ (24)
Total depletion, depreciation & amortization	(2)	(1)	(2)	—	(2)	(1)	(2)	(1)
Special items included in operating loss	—	—	—	15	—	—	—	—
Operating Loss (GAAP)	\$ (58)	\$ (85)	\$ (46)	\$ (53)	\$ (101)	\$ (34)	\$ (42)	\$ (25)
Non-operating pension and other post-employment benefit costs	(8)	(1)	(5)	(5)	(15)	(11)	(12)	(216)
Interest income and other	1	2	1	1	(1)	1	9	16
Net Charge to Earnings (GAAP)	\$ (65)	\$ (84)	\$ (50)	\$ (57)	\$ (117)	\$ (44)	\$ (45)	\$ (225)

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	2021				2022			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net Debt to Adjusted EBITDA (LTM)^{1, 2}	1.5	0.9	0.7	0.8	0.9	0.8	0.8	1.0
Total debt	\$ 5,475	\$ 5,250	\$ 5,250	\$ 5,099	\$ 5,053	\$ 5,053	\$ 5,053	\$ 5,053
Less: cash and cash equivalents	1,016	1,777	2,326	1,879	1,205	1,723	1,920	1,581
Net Debt	\$ 4,459	\$ 3,473	\$ 2,924	\$ 3,220	\$ 3,848	\$ 3,330	\$ 3,133	\$ 3,472
Adjusted EBITDA (LTM)	\$ 2,889	\$ 4,076	\$ 4,077	\$ 4,094	\$ 4,490	\$ 4,122	\$ 3,959	\$ 3,654
Depletion, depreciation & amortization	(467)	(470)	(473)	(477)	(481)	(480)	(481)	(480)
Basis of real estate sold	(106)	(96)	(67)	(71)	(75)	(90)	(86)	(84)
Special items in operating income	110	102	214	97	97	97	65	(10)
Operating Income (LTM) (GAAP)	\$ 2,426	\$ 3,612	\$ 3,751	\$ 3,643	\$ 4,031	\$ 3,649	\$ 3,457	\$ 3,080
Non-operating pension and other post-employment benefit costs	(289)	(280)	(276)	(19)	(26)	(36)	(43)	(254)
Interest income and other	5	5	4	5	3	2	10	25
Net Contribution to Earnings (LTM)	\$ 2,142	\$ 3,337	\$ 3,479	\$ 3,629	\$ 4,008	\$ 3,615	\$ 3,424	\$ 2,851
Interest expense, net of capitalized interest	(437)	(412)	(380)	(313)	(306)	(293)	(281)	(270)
Loss on debt extinguishment	—	—	—	—	(276)	(276)	(276)	(276)
Income taxes	(377)	(641)	(616)	(709)	(729)	(589)	(582)	(425)
Net Earnings (LTM) (GAAP)	\$ 1,328	\$ 2,284	\$ 2,483	\$ 2,607	\$ 2,697	\$ 2,457	\$ 2,285	\$ 1,880

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 divided by the last twelve months of Adjusted EBITDA. See [Slide 29](#) for our definition of Adjusted EBITDA.

FUNDS AVAILABLE FOR DISTRIBUTION RECONCILIATION

ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION (\$ Millions)	2019	2020	2021	2022
	FY	FY	FY	FY
Net Cash from Operations	\$ 966	\$ 1,529	\$ 3,159	\$ 2,832
Capital Expenditures	(384)	(281)	(441)	(468)
Funds Available for Distribution¹	\$ 582	\$ 1,248	\$ 2,718	\$ 2,364
Cash from product remediation insurance recoveries	(68)	(8)	—	(37)
Cash tax refund associated with contribution to our U.S. qualified pension plan	—	—	(95)	—
Adjusted Funds Available for Distribution²	\$ 514	\$ 1,240	\$ 2,623	\$ 2,327

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.

ADJUSTED EBITDA RECONCILIATION

Natural Climate Solutions

\$ Millions	2020	2021	2022
	FY	FY	FY
Total Natural Climate Solutions Adjusted EBITDA¹	\$ 22	\$ 38	\$ 43
Depletion, depreciation & amortization	(1)	(1)	(1)
Basis of real estate sold	(9)	(10)	(10)
Operating Income (GAAP)	\$ 12	\$ 27	\$ 32

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.

We have not provided a reconciliation of forecasted Adjusted EBITDA related to Natural Climate Solutions to the most comparable GAAP measure because Adjusted EBITDA excludes the impact of certain items described in the definition above and management cannot estimate the impact these items will have on Adjusted EBITDA without unreasonable effort. We believe that the probable significance of providing this forward-looking non-GAAP financial measure without a reconciliation to operating income is that investors and analysts will have certain information that we believe is useful and meaningful regarding our Natural Climate Solutions business, but they will not have that information on a GAAP basis. As a result, investors and analysts may be unable to accurately compare the expected impact to our historical results or the results or expected results of other companies that may have treated such matters differently. Management believes that, given the inherent uncertainty of forward-looking statements, investors and analysts will be able to understand and appropriately take into account the limitations in the information we have provided. Investors are cautioned that we cannot predict the occurrence, timing or amount of all non-GAAP items that we exclude from Adjusted EBITDA. Accordingly, the actual effect of these items, when determined, could potentially be significant to the calculation of Adjusted EBITDA over the medium-term.

