

EARNINGS RESULTS

SECOND QUARTER 2024



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: our third quarter 2024 outlook and expectations concerning earnings and Adjusted EBITDA for each of our businesses and expected key drivers; future cash dividends, dividend framework and target percentage return to shareholders of our Adjusted Funds Available for Distribution (Adjusted FAD) through cash dividends and share repurchase; our 2025 Timberlands growth target and the expected closing in the second half of 2024 of our announced Alabama timberland acquisitions. 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, as well as references to future dates and events. 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 rates, inflation rates, housing starts, general availability of financing for home mortgages and the relative strength of the U.S. dollar; 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; the effects of significant geopolitical conditions or developments such as significant international trade disputes or domestic or foreign terrorist attacks, armed conflict and political unrest; the occurrence of regional or global health epidemics and their potential effects on our business, results of operations, cash flows, financial condition and future prospects; 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 2023 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.



2024 Q2 CONSOLIDATED RESULTS

\$ Millions	2024		2024
Adjusted EBITDA	Q1	Q2	Change
Timberlands	\$ 144	\$ 147	\$ 3
Real Estate, Energy & Natural Resources	94	102	8
Wood Products	184	225	41
Unallocated Items	(70)	(64)	6
Total Adjusted EBITDA¹	\$ 352	\$ 410	\$ 58
Net Contribution to Earnings Before Special Items	\$ 201	\$ 248	\$ 47

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 24](#).
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 4](#). Income taxes attributable to special items are included in Special items, after-tax.

\$ Millions (except EPS)	2024		2024
Consolidated Statement of Operations	Q1	Q2	
Net sales	\$ 1,796	\$ 1,939	
Costs of sales	1,441	1,535	
Gross margin	355	404	
SG&A expenses	142	138	
Other expense, net ²	12	18	
Net Contribution to Earnings Before Special Items	\$ 201	\$ 248	
Interest expense, net ³	(67)	(67)	
Income taxes ⁴	(20)	(27)	
Net Earnings Before Special Items⁴	\$ 114	\$ 154	
Special items, after-tax ⁴	—	19	
Net Earnings	\$ 114	\$ 173	
Diluted EPS Before Special Items⁴	\$ 0.16	\$ 0.21	
Diluted EPS	\$ 0.16	\$ 0.24	



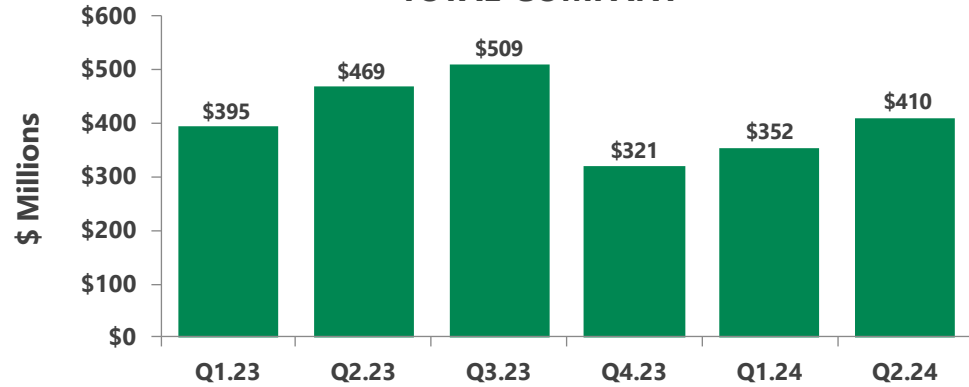
EARNINGS BEFORE SPECIAL ITEMS

\$ Millions (except EPS)	2024 Q1			2024 Q2		
	Pretax Earnings	After-Tax Earnings	Diluted EPS	Pretax Earnings	After-Tax Earnings	Diluted EPS
Earnings Before Special Items	\$ 134	\$ 114	\$ 0.16	\$ 181	\$ 154	\$ 0.21
Special Items:						
Product remediation recovery	—	—	—	25	19	0.03
Total Special Items	—	—	—	25	19	0.03
Earnings Including Special Items (GAAP)	\$ 134	\$ 114	\$ 0.16	\$ 206	\$ 173	\$ 0.24

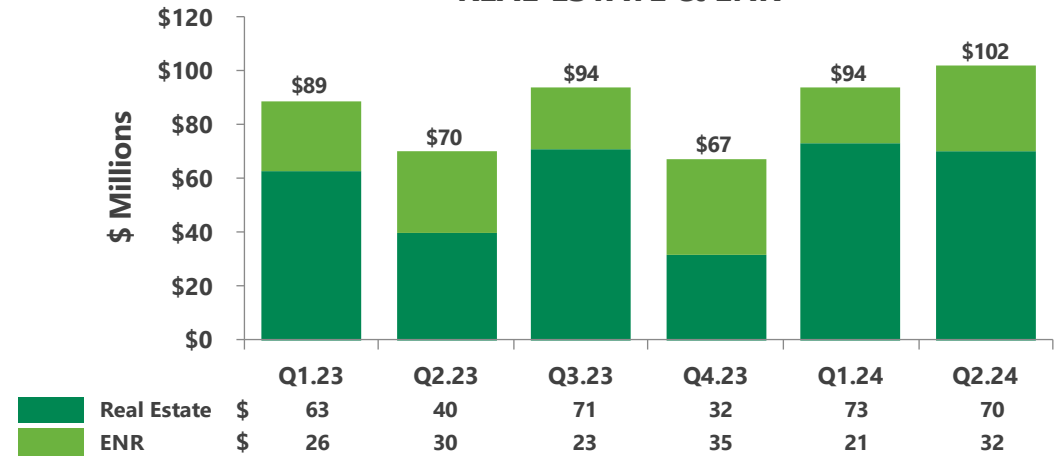


ADJUSTED EBITDA¹

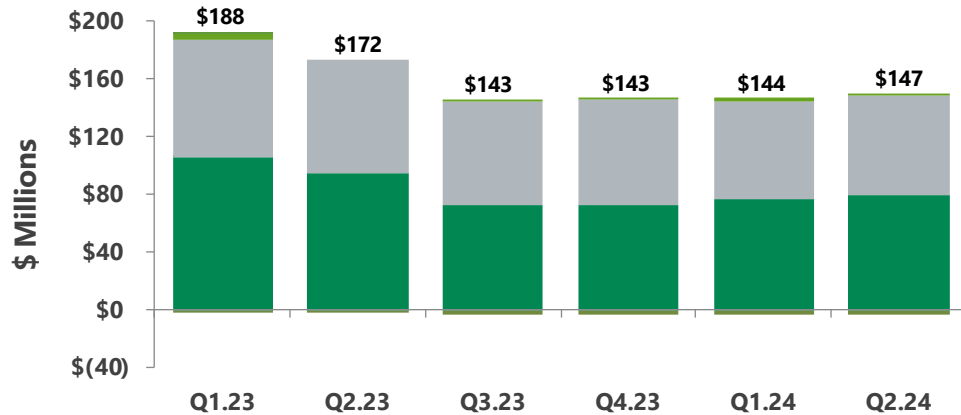
TOTAL COMPANY²



REAL ESTATE & ENR

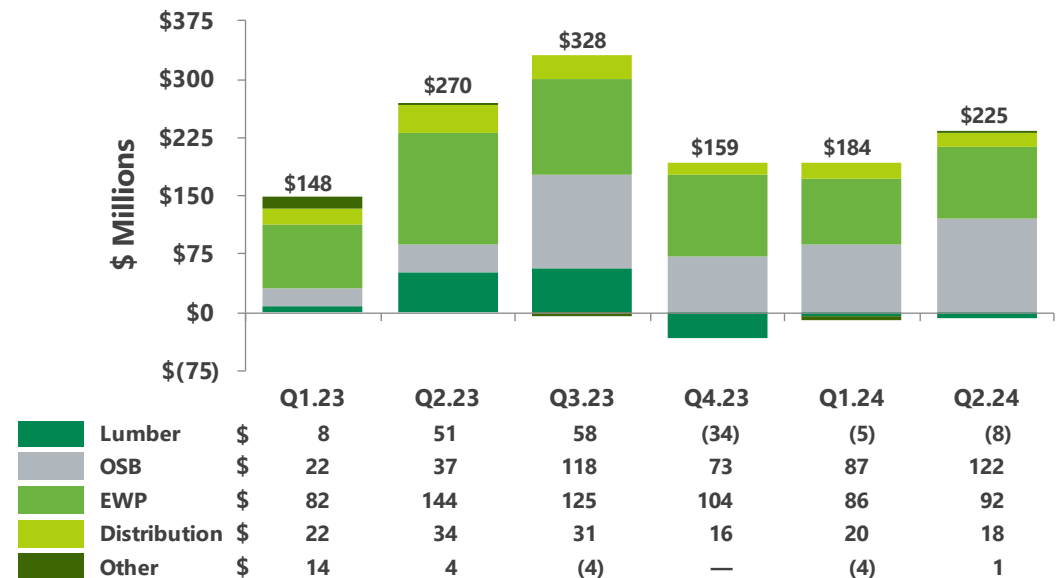


TIMBERLANDS



Region	Q1.23	Q2.23	Q3.23	Q4.23	Q1.24	Q2.24
West	\$ 105	94	72	73	76	79
South	\$ 81	79	73	73	69	70
North	\$ 4	—	1	1	2	1
Other	\$ (2)	(1)	(3)	(4)	(3)	(3)

WOOD PRODUCTS



1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 24](#), [Slide 25](#), [Slide 26](#), [Slide 27](#) and [Slide 28](#).
 2. Total Company Adjusted EBITDA includes Timberlands; Real Estate, Energy & Natural Resources; Wood Products and Unallocated.

TIMBERLANDS SEGMENT

TIMBERLANDS (\$ Millions)	2024	2024
Adjusted EBITDA by Region	Q1	Q2
West	\$ 76	\$ 79
South	69	70
North	2	1
Other	(3)	(3)
Total Adjusted EBITDA¹	\$ 144	\$ 147

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 25](#).
2. Adjusted EBITDA divided by total sales.
3. Net contribution to earnings before special items divided by total sales.

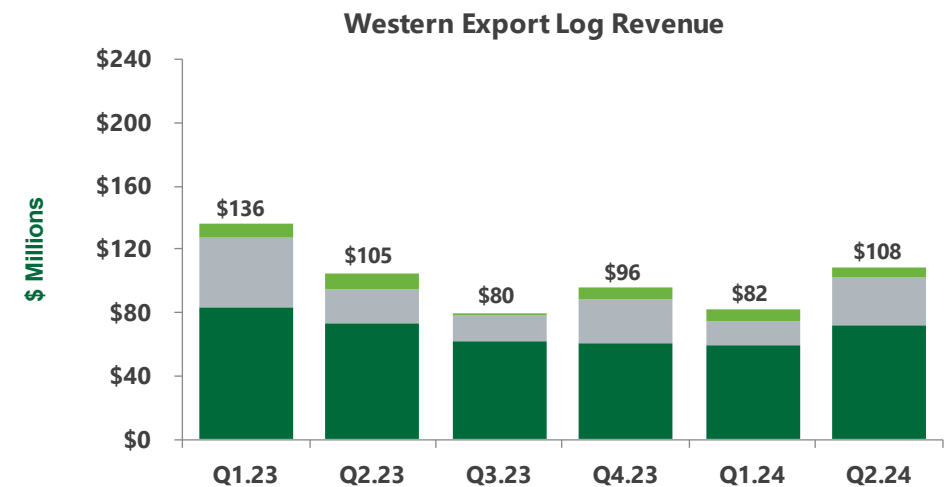
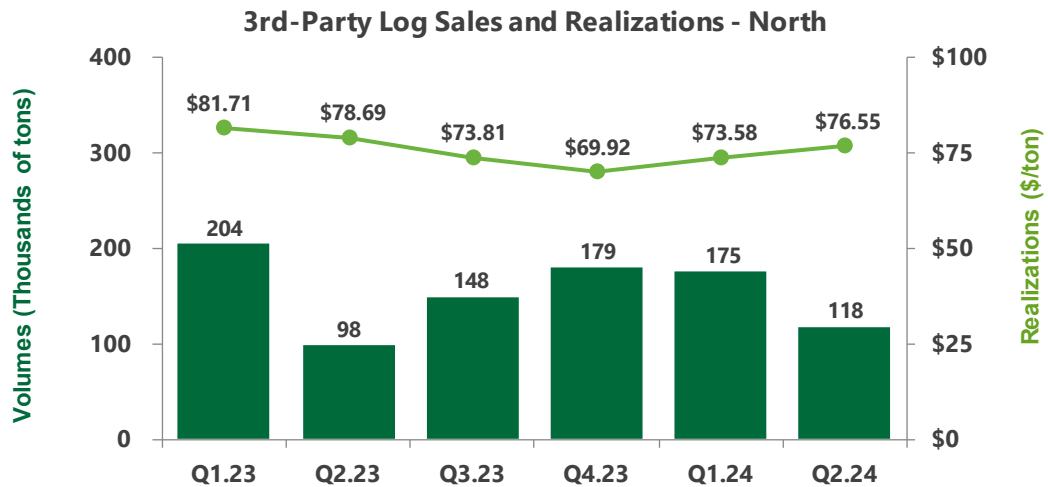
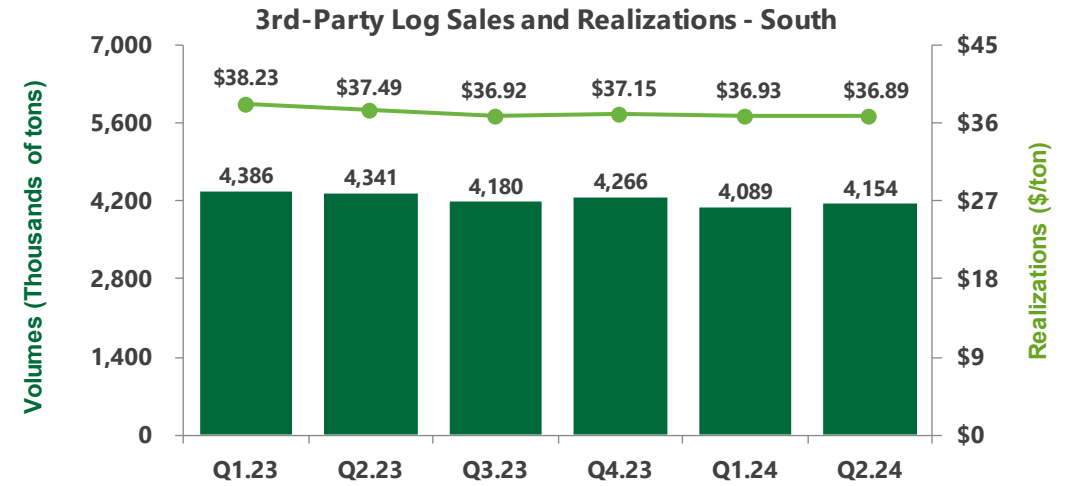
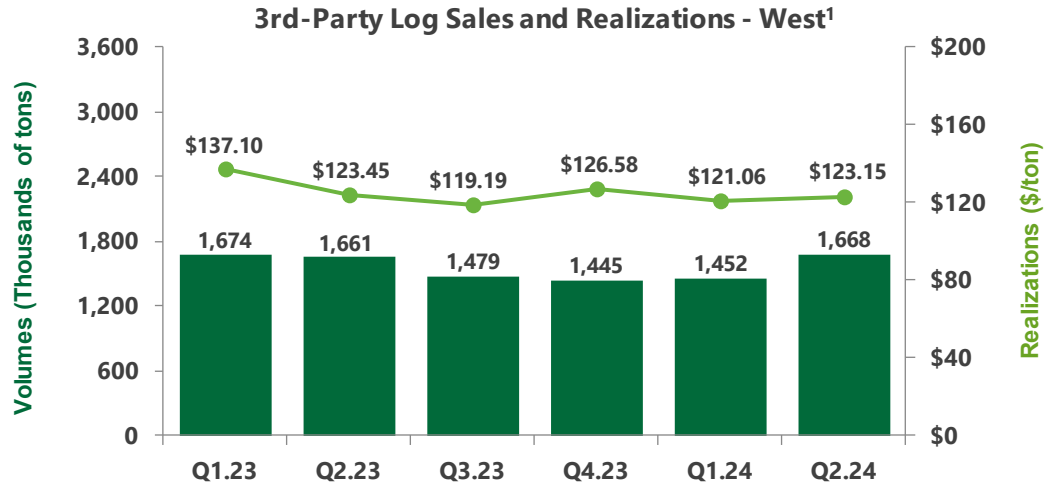
TIMBERLANDS (\$ Millions)	2024	2024
Segment Statement of Operations	Q1	Q2
Third-party sales	\$ 387	\$ 409
Intersegment sales	134	146
Total Sales	521	555
Costs of sales	415	450
Gross margin	106	105
SG&A expenses	25	25
Other expense (income), net	1	(1)
Net Contribution to Earnings	\$ 80	\$ 81
Adjusted EBITDA¹	\$ 144	\$ 147
Adjusted EBITDA Margin Percentage²	28%	26%
Operating Margin Percentage³	15%	15%



TIMBERLANDS KEY DRIVERS: 2024 Q2 vs. 2024 Q1

REGION	KEY DRIVERS
WEST	<ul style="list-style-type: none">• Fee Harvest Volumes: Moderately higher, seasonally favorable operating conditions• Domestic Sales Volumes: Moderately higher• Export Sales Volumes: Significantly higher• Sales Realizations: Slightly higher, primarily due to increased export sales volumes; slightly lower for domestic• Per Unit Log and Haul Costs: Higher• Forestry and Road Costs: Higher, seasonal
SOUTH	<ul style="list-style-type: none">• Fee Harvest Volumes: Moderately higher, seasonally favorable operating conditions• Sales Realizations: Comparable• Per Unit Log and Haul Costs: Comparable• Forestry and Road Costs: Higher, seasonal
NORTH	<ul style="list-style-type: none">• Fee Harvest Volumes: Significantly lower, spring break-up conditions• Sales Realizations: Moderately higher

SALES VOLUMES, REALIZATIONS AND EXPORT REVENUE

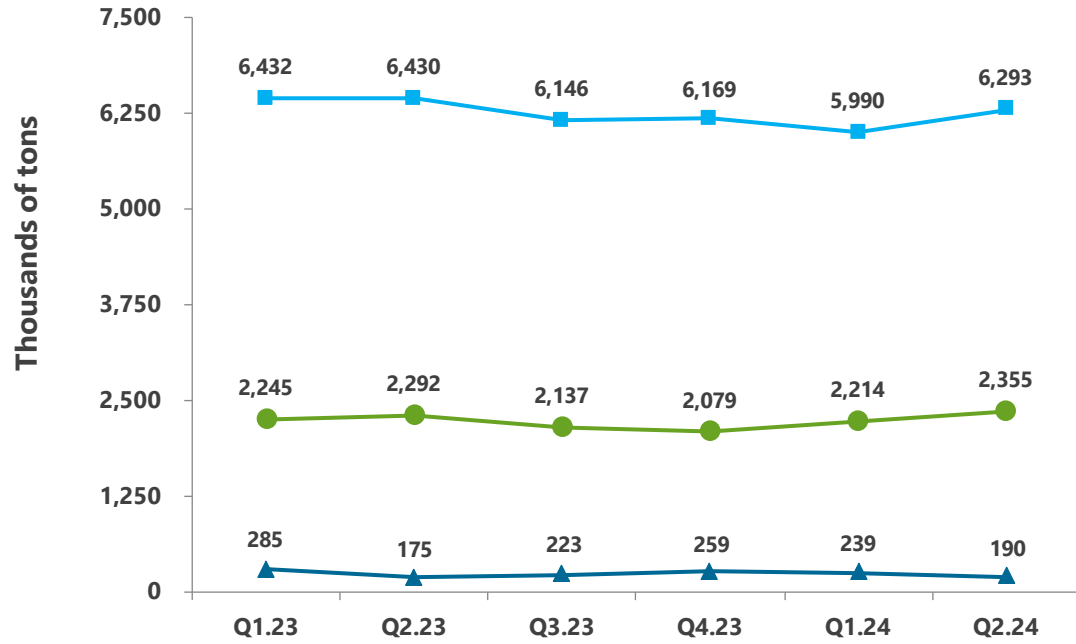


1. Western logs are primarily transacted in MBF but are converted to ton equivalents for external reporting purposes.

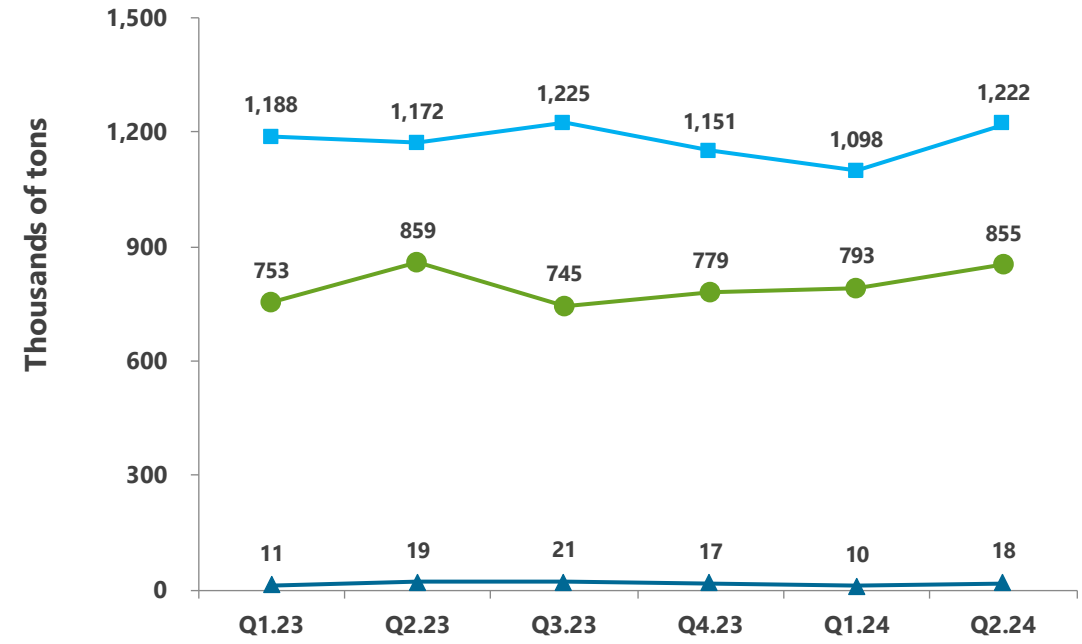
	Q1.23	Q2.23	Q3.23	Q4.23	Q1.24	Q2.24
Japan	62%	70%	78%	64%	72%	67%
China	32%	21%	20%	29%	20%	28%
Korea	6%	9%	2%	7%	8%	5%

FEE HARVEST VOLUMES AND INTERSEGMENT SALES VOLUMES

FEE HARVEST VOLUMES



INTERSEGMENT LOG SALES VOLUMES



■ South ● West ▲ North

REAL ESTATE, ENERGY & NATURAL RESOURCES (ENR) SEGMENT

REAL ESTATE & ENR (\$ Millions)	2024	2024
Adjusted EBITDA by Business	Q1	Q2
Real Estate	\$ 73	\$ 70
Energy & Natural Resources	21	32
Total Adjusted EBITDA¹	\$ 94	\$ 102

KEY DRIVERS: 2024 Q2 vs. 2024 Q1

ENR

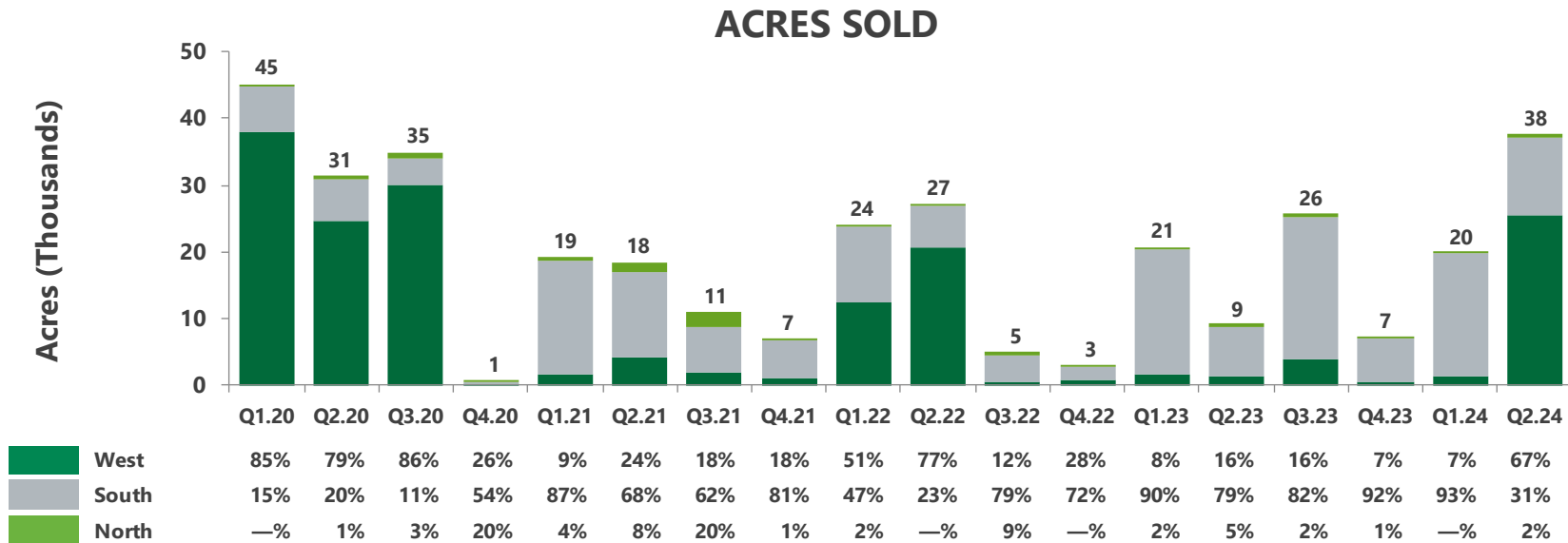
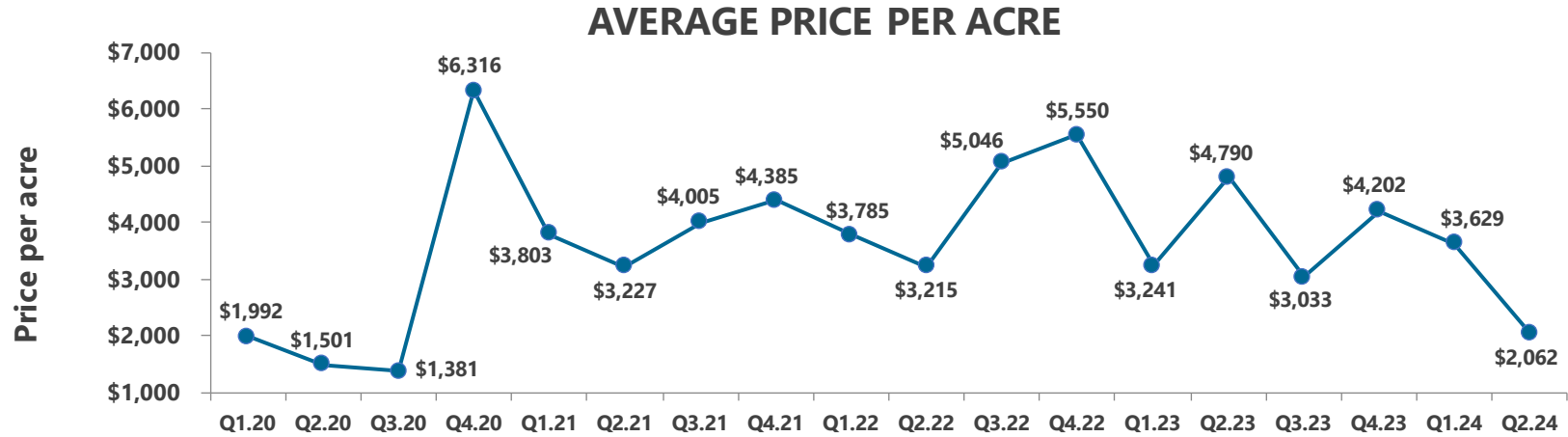
Higher, partially driven by an increase in royalty income from construction materials

1. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 26](#).

REAL ESTATE & ENR (\$ Millions)	2024	2024
Segment Statement of Operations	Q1	Q2
Total sales	\$ 107	\$ 109
Costs of sales	41	46
Gross margin	66	63
SG&A expenses	6	8
Other income, net	—	(4)
Net Contribution to Earnings	\$ 60	\$ 59
Adjusted EBITDA¹	\$ 94	\$ 102



REAL ESTATE, ENERGY & NATURAL RESOURCES (ENR) SEGMENT



WOOD PRODUCTS SEGMENT

WOOD PRODUCTS (\$ Millions)	2024	2024
Adjusted EBITDA by Business	Q1	Q2
Lumber	\$ (5)	\$ (8)
OSB	87	122
Engineered Wood Products	86	92
Distribution	20	18
Other	(4)	1
Total Adjusted EBITDA¹	\$ 184	\$ 225

- 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 27](#).
- Second quarter 2024 excludes a \$25 million product remediation recovery. This is included in Special items, pretax.
- Adjusted EBITDA divided by total sales.
- Net contribution to earnings before special items divided by total sales.

WOOD PRODUCTS (\$ Millions)	2024	2024
Segment Statement of Operations	Q1	Q2
Total sales	\$ 1,302	\$ 1,421
Costs of sales	1,107	1,185
Gross margin	195	236
SG&A expenses	61	59
Other expense, net ²	6	6
Net Contribution to Earnings Before Special Items	\$ 128	\$ 171
Special items, pretax ²	—	25
Net Contribution to Earnings	\$ 128	\$ 196
Adjusted EBITDA¹	\$ 184	\$ 225
Adjusted EBITDA Margin Percentage³	14%	16%
Operating Margin Percentage⁴	10%	12%

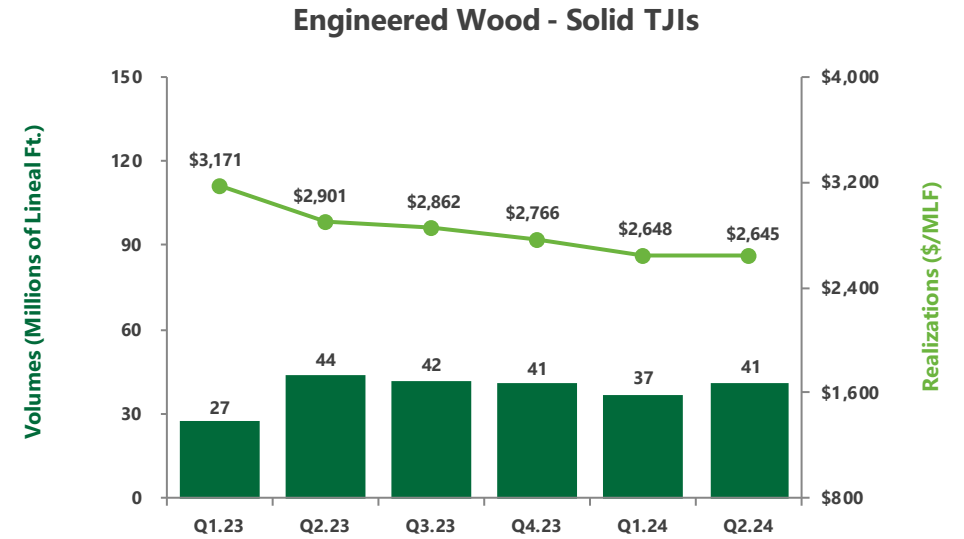
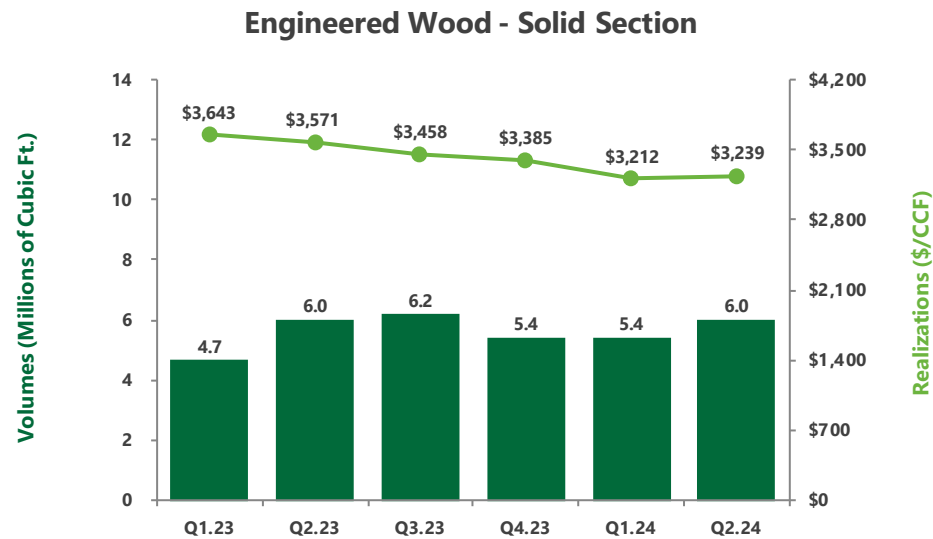
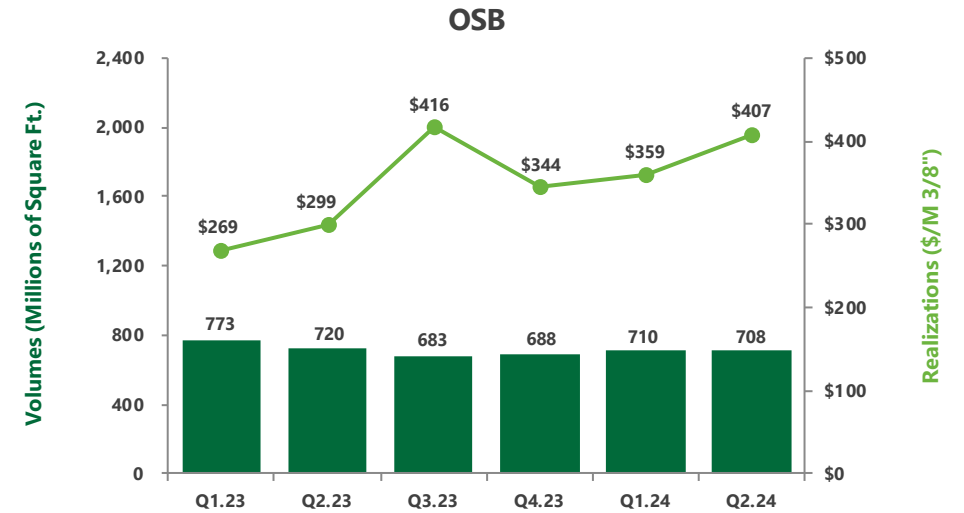
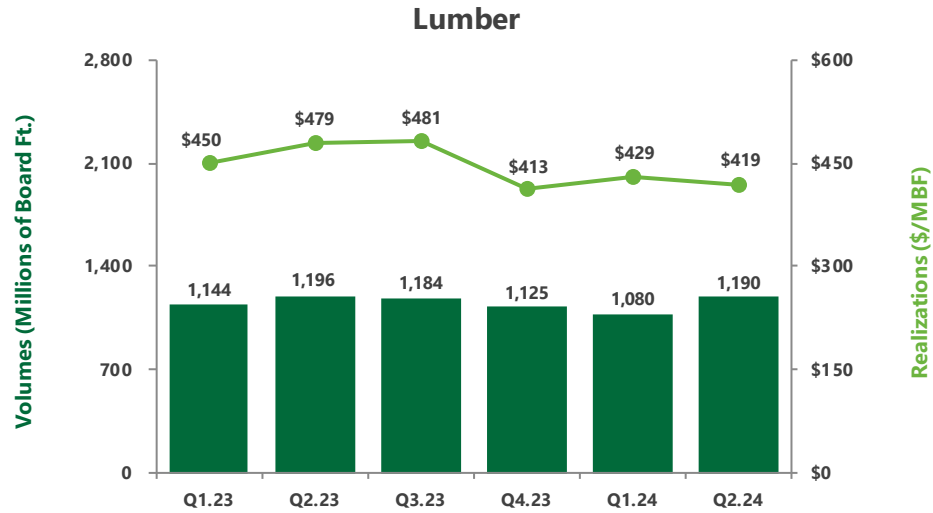


WOOD PRODUCTS KEY DRIVERS: 2024 Q2 vs. 2024 Q1

BUSINESS	KEY DRIVERS
LUMBER	<ul style="list-style-type: none"> • Sales Realizations: Decreased 2% • Sales Volumes: Moderately higher, partially due to increased production following Q1 winter weather disruptions • Unit Manufacturing Costs: Moderately lower • Log Costs: Slightly lower
ORIENTED STRAND BOARD	<ul style="list-style-type: none"> • Sales Realizations: Increased 13% • Sales Volumes: Comparable • Unit Manufacturing Costs: Comparable • Fiber Costs: Slightly lower
ENGINEERED WOOD PRODUCTS	<ul style="list-style-type: none"> • Sales Realizations: Comparable for most products; lower for plywood • Sales Volumes: Higher for all products • Unit Manufacturing Costs: Slightly lower • Raw Material Costs: Lower for solid section products; higher for I-joist products, primarily for OSB webstock
DISTRIBUTION	<ul style="list-style-type: none"> • Slightly lower



THIRD-PARTY SALES VOLUMES AND REALIZATIONS¹



1. Sales volumes include sales of internally produced products and products purchased for resale primarily through our Distribution business.

UNALLOCATED ITEMS

UNALLOCATED ITEMS (\$ Millions) ¹	2024	
	Q1	Q2
Unallocated corporate function expenses and variable compensation expense	\$ (38)	\$ (37)
Liability classified share-based compensation	(1)	3
Foreign exchange loss	(1)	—
Elimination of intersegment profit in inventory and LIFO	(6)	6
Non-operating pension and other post-employment benefit costs	(11)	(10)
Other, including interest income	(10)	(25)
Net Charge to Earnings	\$ (67)	\$ (63)
Adjusted EBITDA²	\$ (70)	\$ (64)

UNALLOCATED ITEMS (\$ Millions) ¹	2024	
	Q1	Q2
Costs of sales ³	\$ (12)	\$ —
G&A expense ⁴	(49)	(46)
Other expense, net	(6)	(17)
Net Charge to Earnings	\$ (67)	\$ (63)

1. Unallocated items are gains or charges not related to or allocated to an individual operating segment.
2. Our definition of Adjusted EBITDA and a reconciliation to GAAP are set forth on [Slide 28](#).
3. Costs of sales is composed primarily of elimination of intersegment profit in inventory and LIFO and incentive compensation.
4. G&A expense is comprised primarily of share-based compensation, pension service costs, corporate function expenses and incentive compensation.



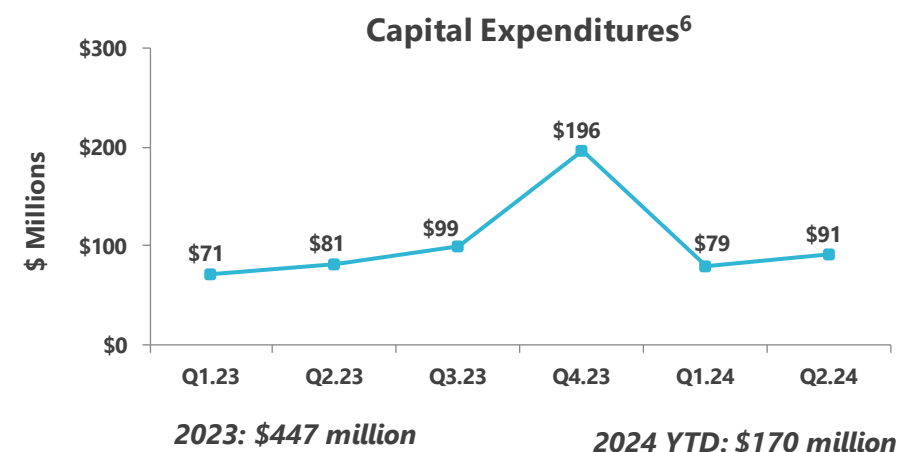
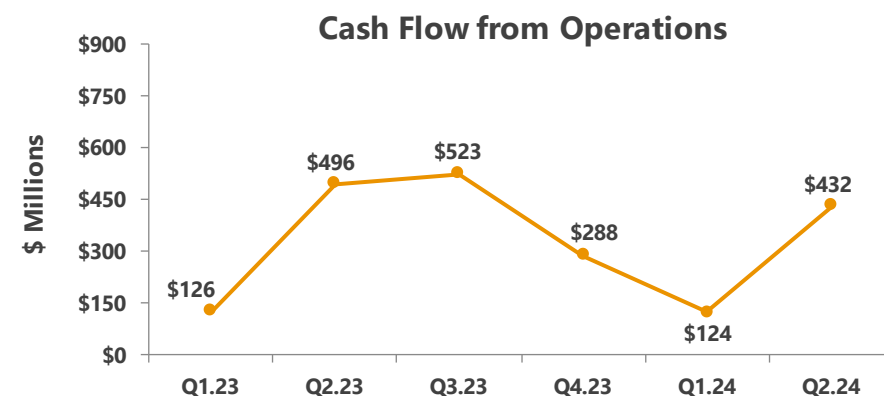
FINANCIAL ITEMS

KEY FINANCIAL METRICS (\$ Millions)	2024	
	Q1	Q2
Ending cash balance	\$ 871	\$ 997
Total debt	\$ 5,071	\$ 5,072
Net debt to Adjusted EBITDA (LTM) ¹	2.5	2.6
Net debt to enterprise value ²	14%	16%

ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION ³ (\$ Millions)	2024	
	Q2	YTD
Net cash from operations	\$ 432	\$ 556
Capital expenditures	(91)	(170)
Adjustments to FAD ⁴	(25)	(25)
Adjusted Funds Available for Distribution	\$ 316	\$ 361

SHARE REPURCHASES (\$ Millions)	2024	
	Q1	Q2
Share repurchases ⁵	\$ 49	\$ 50

SCHEDULED DEBT MATURITIES AS OF JUNE 30, 2024 (\$ Millions)	2024	2025	2026	2027	2028
	Debt maturities	\$ —	\$ 210	\$ 1,022	\$ 300



1. LTM = last twelve months. A reconciliation to GAAP is set forth on [Slide 29](#).

2. Total debt, net of cash and cash equivalents and short-term investments, divided by enterprise value. Enterprise value is defined as total debt, net of cash and cash equivalents and short-term investments, plus market capitalization as of the end of the quarter.

3. Our definition of Adjusted Funds Available for Distribution (Adjusted FAD) and a reconciliation to GAAP are set forth on [Slide 30](#).

4. Adjustments to FAD include a \$25 million product remediation recovery.

5. Average price paid per share for first quarter 2024 and second quarter 2024 were \$33.52 and \$29.96, respectively. There were 15,765 unsettled shares (approximately \$1 million) as of June 30, 2024 and no unsettled shares as of March 31, 2024.

6. Total capital expenditures is inclusive of capitalized interest.

ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION

Allocation Framework and Cash Return Calculation

ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION¹

Allocation Framework

Return 75-80% of Adjusted FAD to Shareholders



SUSTAINABLE BASE DIVIDEND

supported by Timberlands and Real Estate & ENR cash flow, even at the bottom of the cycle



SUPPLEMENTAL DIVIDEND² AND/OR SHARE REPURCHASE

to achieve targeted return of 75-80% of annual Adjusted FAD

20-25% of Adjusted FAD



EXCESS CASH

available for growth, debt paydown and additional share repurchase

TARGETED RETURN OF CASH TO SHAREHOLDERS

Calculated on an Annual Basis

Adjusted FAD

✘ 75-80% Payout

≡ Targeted Return to Shareholders

— Quarterly Base Cash Dividends

≡ Cash Available for Allocation Between
Supplemental Dividend² and/or
Opportunistic Share Repurchase

To Achieve
75-80%
Payout

1. Our definition of Adjusted Funds Available for Distribution (Adjusted FAD) is set forth on [Slide 30](#).
2. Normally declared and paid annually in the first quarter, based on prior year results.

TIMBERLANDS GROWTH STRATEGY UPDATE

Disciplined Approach to Growing the Value of Our Timberlands

TARGET

\$1 Billion of Disciplined Investments from 2022 to 2025



PROGRESS

~\$775 Million¹

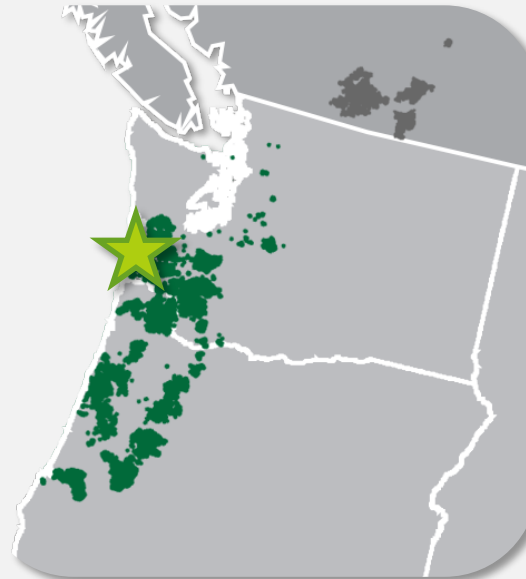
Including announced acquisitions in Washington, Carolinas, Mississippi & Alabama

1. Includes approximately \$30 million of smaller bolt-on acquisitions, not separately announced.
2. Timberlands acquired in fourth quarter 2023 in the Carolinas and Mississippi were associated with a purchase and sale agreement, structured as a tax-efficient like-kind exchange. Final purchase price and acres acquired for this transaction include closing adjustments.
3. Represents multiple transactions in Alabama, one of which closed in second quarter 2024 for \$48 million. The remaining transactions are under contract and expected to close in second half 2024, subject to customary closing conditions.

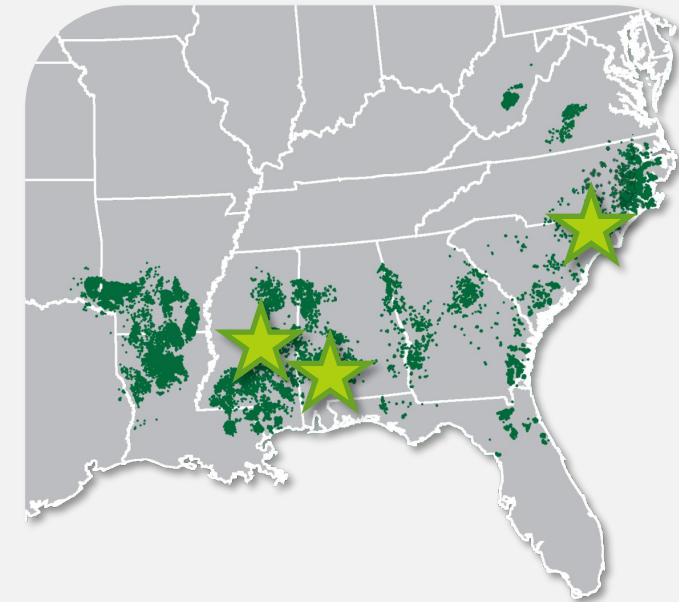
ANNOUNCED ACQUISITIONS

Approximate Location of Transaction Activity

Western Timberlands



Southern Timberlands



YEAR	LOCATION	PURCHASE PRICE (\$ Millions)	ACRES (Thousands)
2022	Washington & Carolinas	\$283	84.8
2023	Carolinas & Mississippi ²	\$219	82.7
2024	Alabama ³	\$244	84.3



OUTLOOK: 2024 Q3

SEGMENT	EXPECTED EARNINGS ¹ & ADJUSTED EBITDA	KEY DRIVERS		
TIMBERLANDS	Approximately \$20-\$30 million lower than 2024 Q2	West Fee Harvest Volumes: Slightly lower Sales Volumes: Moderately lower, primarily export Sales Realizations: Moderately lower Per Unit Log and Haul Costs: Lower Forestry and Road Costs: Higher, seasonal	South Fee Harvest Volumes: Moderately higher Sales Realizations: Comparable Per Unit Log and Haul Costs: Comparable Forestry and Road Costs: Higher, seasonal	North Fee Harvest Volumes: Significantly higher, seasonal Sales Realizations: Moderately lower
REAL ESTATE, ENERGY & NATURAL RESOURCES	Earnings ~\$10 million lower than 2024 Q2 Adjusted EBITDA ~\$30 million lower than 2024 Q2	Q3 Timing and mix of real estate sales Full Year 2024 Adjusted EBITDA now expected to be approximately \$330 million, a \$10 million increase from prior outlook Continue to expect basis as a percentage of real estate sales to be 35 to 45 percent		
WOOD PRODUCTS	Lower than 2024 Q2, excluding the effect of changes in average sales realizations for lumber and oriented strand board	Lumber Sales Volumes: Lower Log Costs: Slightly lower Unit Manufacturing Costs: Higher	OSB Sales Volumes: Comparable Fiber Costs: Slightly higher Unit Manufacturing Costs: Moderately higher	Engineered Wood Products Sales Volumes: Comparable Sales Realizations: Moderately lower, primarily for plywood and MDF Raw Material Costs: Lower Distribution Slightly lower



1. Earnings before special items.



WOOD PRODUCTS SALES REALIZATIONS: CURRENT VS. 2024 Q2

WEYERHAEUSER'S AVERAGE SALES REALIZATIONS

Approximate Change
As of July 19, 2024

LUMBER ¹				WY's SENSITIVITY CHANGE IN REALIZATIONS \$10/MBF ≈ \$50 million EBITDA ANNUALLY
	Q3 QTD vs. Q2 AVERAGE		-\$25/MBF LOWER	
	CURRENT vs. Q2 AVERAGE		-\$20/MBF LOWER	
OSB ²				WY's SENSITIVITY CHANGE IN REALIZATIONS \$10/MSF ≈ \$30 million EBITDA ANNUALLY
	Q3 QTD vs. Q2 AVERAGE		-\$100/MSF LOWER	
	CURRENT vs. Q2 AVERAGE		-\$100/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.

SUPPLEMENTAL TIMBERLANDS INFORMATION

Adjusted EBITDA¹ Per Acre

WESTERN TIMBERLANDS	2022		2023		2024	
	FY	FY	Q1	Q2	YTD	
Adjusted EBITDA ¹ (\$ Millions)	\$ 473	\$ 344	\$ 76	\$ 79	\$ 155	
Acres ² (Thousands)	2,546	2,539	2,539	2,539	2,539	
Reported Adjusted EBITDA Per Acre	\$ 186	\$ 135	\$ 30	\$ 31	\$ 61	
Adjusted EBITDA attributable to Western ENR ³ (\$ Millions)	20	15	3	6	9	
Total Adjusted EBITDA Per Acre⁴	\$ 194	\$ 141	\$ 31	\$ 34	\$ 65	

SOUTHERN TIMBERLANDS	2022		2023		2024	
	FY	FY	Q1	Q2	YTD	
Adjusted EBITDA ¹ (\$ Millions)	\$ 307	\$ 306	\$ 69	\$ 70	\$ 139	
Acres ² (Thousands)	6,823	6,756	6,756	6,756	6,756	
Reported Adjusted EBITDA Per Acre	\$ 45	\$ 45	\$ 10	\$ 11	\$ 21	
Adjusted EBITDA attributable to Southern ENR ³ (\$ Millions)	92	91	16	20	36	
Total Adjusted EBITDA Per Acre⁴	\$ 58	\$ 59	\$ 13	\$ 13	\$ 26	

1. Our definition of Adjusted EBITDA is set forth on [Slide 25](#).
2. As of year end for 2022 and 2023. For 2024, as of year end 2023.
3. Reported in the company's Real Estate, Energy & Natural Resources segment.
4. To improve comparability with peer disclosures, amounts shown include Adjusted EBITDA from both Timberlands and Energy & Natural Resources businesses.



EARNINGS SUMMARY

\$ Millions (except EPS)	2023				2024	
	Q1	Q2	Q3	Q4	Q1	Q2
Adjusted EBITDA by Segment						
Timberlands	\$ 188	\$ 172	\$ 143	\$ 143	\$ 144	\$ 147
Real Estate, Energy & Natural Resources	89	70	94	67	94	102
Wood Products	148	270	328	159	184	225
Unallocated Items	(30)	(43)	(56)	(48)	(70)	(64)
Total Adjusted EBITDA¹	\$ 395	\$ 469	\$ 509	\$ 321	\$ 352	\$ 410
DD&A, basis of real estate sold, non-operating pension and post-employment costs, and interest income and other	(156)	(133)	(144)	(129)	(151)	(162)
Net Contribution to Earnings Before Special Items	\$ 239	\$ 336	\$ 365	\$ 192	\$ 201	\$ 248
Interest expense, net	(66)	(70)	(72)	(72)	(67)	(67)
Income taxes ²	(22)	(28)	(54)	1	(20)	(27)
Net Earnings Before Special Items³	\$ 151	\$ 238	\$ 239	\$ 121	\$ 114	\$ 154
Special items, after-tax ²	—	(8)	—	98	—	19
Net Earnings	\$ 151	\$ 230	\$ 239	\$ 219	\$ 114	\$ 173
Diluted EPS Before Special Items³	\$ 0.21	\$ 0.32	\$ 0.33	\$ 0.16	\$ 0.16	\$ 0.21
Diluted EPS	\$ 0.21	\$ 0.31	\$ 0.33	\$ 0.30	\$ 0.16	\$ 0.24

1. See [Slide 24](#) 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 23](#).



EARNINGS PER SHARE RECONCILIATION

	2023				2024	
	Q1	Q2	Q3	Q4	Q1	Q2
Diluted EPS Before Special Items	\$ 0.21	\$ 0.32	\$ 0.33	\$ 0.16	\$ 0.16	\$ 0.21
Special Items:						
Environmental remediation charge	—	(0.01)	—	—	—	—
Gain on sale of timberlands	—	—	—	0.12	—	—
Insurance recovery	—	—	—	0.01	—	—
Legal benefit	—	—	—	0.03	—	—
Legal expense	—	—	—	(0.02)	—	—
Product remediation recovery	—	—	—	—	—	0.03
Diluted EPS (GAAP)	\$ 0.21	\$ 0.31	\$ 0.33	\$ 0.30	\$ 0.16	\$ 0.24



ADJUSTED EBITDA RECONCILIATION

By Segment

\$ Millions	2021		2022		2023				2024		
	FY	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	LTM ¹	
Timberlands	\$ 693	\$ 784	\$ 188	\$ 172	\$ 143	\$ 143	\$ 646	\$ 144	\$ 147	\$ 577	
Real Estate & ENR	296	329	89	70	94	67	320	94	102	357	
Wood Products	3,357	2,737	148	270	328	159	905	184	225	896	
Unallocated Items	(252)	(196)	(30)	(43)	(56)	(48)	(177)	(70)	(64)	(238)	
Adjusted EBITDA²	\$ 4,094	\$ 3,654	\$ 395	\$ 469	\$ 509	\$ 321	\$ 1,694	\$ 352	\$ 410	\$ 1,592	
Depletion, depreciation & amortization	(477)	(480)	(126)	(126)	(122)	(126)	(500)	(125)	(126)	(499)	
Basis of real estate sold	(71)	(84)	(33)	(13)	(34)	(13)	(93)	(31)	(39)	(117)	
Special items in operating income	97	(10)	—	(11)	—	96	85	—	25	121	
Operating Income (GAAP)	\$ 3,643	\$ 3,080	\$ 236	\$ 319	\$ 353	\$ 278	\$ 1,186	\$ 196	\$ 270	\$ 1,097	
Non-operating pension and other post-employment benefit costs	(19)	(254)	(9)	(12)	(12)	(12)	(45)	(11)	(10)	(45)	
Interest income and other	5	25	12	18	24	22	76	16	13	75	
Net Contribution to Earnings	\$ 3,629	\$ 2,851	\$ 239	\$ 325	\$ 365	\$ 288	\$ 1,217	\$ 201	\$ 273	\$ 1,127	
Interest expense, net	(313)	(270)	(66)	(70)	(72)	(72)	(280)	(67)	(67)	(278)	
Loss on debt extinguishment	—	(276)	—	—	—	—	—	—	—	—	
Income taxes	(709)	(425)	(22)	(25)	(54)	3	(98)	(20)	(33)	(104)	
Net Earnings (GAAP)	\$ 2,607	\$ 1,880	\$ 151	\$ 230	\$ 239	\$ 219	\$ 839	\$ 114	\$ 173	\$ 745	

1. LTM = last twelve months.

2. 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	2023				2024	
	Q1	Q2	Q3	Q4	Q1	Q2
West	\$ 105	\$ 94	\$ 72	\$ 73	\$ 76	\$ 79
South	81	79	73	73	69	70
North	4	—	1	1	2	1
Other	(2)	(1)	(3)	(4)	(3)	(3)
Total Timberlands Adjusted EBITDA¹	\$ 188	\$ 172	\$ 143	\$ 143	\$ 144	\$ 147
West	(28)	(29)	(27)	(27)	(27)	(29)
South	(38)	(37)	(37)	(37)	(35)	(36)
North	(2)	(1)	(1)	(2)	(2)	(1)
Other	—	(1)	—	—	—	(1)
Total depletion, depreciation & amortization	\$ (68)	\$ (68)	\$ (65)	\$ (66)	\$ (64)	\$ (67)
Special items	—	—	—	109	—	—
Operating Income (GAAP)	\$ 120	\$ 104	\$ 78	\$ 186	\$ 80	\$ 80
Interest income and other	—	—	—	—	—	1
Net Contribution to Earnings (GAAP)	\$ 120	\$ 104	\$ 78	\$ 186	\$ 80	\$ 81

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	2023				2024	
	Q1	Q2	Q3	Q4	Q1	Q2
Real Estate	\$ 63	\$ 40	\$ 71	\$ 32	\$ 73	\$ 70
Energy & Natural Resources	26	30	23	35	21	32
Total Real Estate & ENR Adjusted EBITDA¹	\$ 89	\$ 70	\$ 94	\$ 67	\$ 94	\$ 102
Depletion, depreciation & amortization	(3)	(5)	(4)	(4)	(3)	(4)
Basis of real estate sold	(33)	(13)	(34)	(13)	(31)	(39)
Operating Income and Net Contribution to Earnings (GAAP)	\$ 53	\$ 52	\$ 56	\$ 50	\$ 60	\$ 59

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	2023				2024	
	Q1	Q2	Q3	Q4	Q1	Q2
Lumber	\$ 8	\$ 51	\$ 58	\$ (34)	\$ (5)	\$ (8)
OSB	22	37	118	73	87	122
EWP	82	144	125	104	86	92
Distribution	22	34	31	16	20	18
Other	14	4	(4)	—	(4)	1
Total Wood Products Adjusted EBITDA^{1, 2}	\$ 148	\$ 270	\$ 328	\$ 159	\$ 184	\$ 225
Lumber	(30)	(30)	(30)	(30)	(31)	(32)
OSB	(10)	(11)	(10)	(11)	(11)	(10)
EWP	(9)	(9)	(9)	(10)	(10)	(9)
Distribution	(1)	(2)	(1)	(2)	(2)	(1)
Other	(3)	—	(1)	(1)	(2)	(2)
Total depletion, depreciation & amortization	\$ (53)	\$ (52)	\$ (51)	\$ (54)	\$ (56)	\$ (54)
Special items	—	—	—	14	—	25
Operating Income and Net Contribution to Earnings (GAAP)	\$ 95	\$ 218	\$ 277	\$ 119	\$ 128	\$ 196

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.

2. 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	2023				2024	
	Q1	Q2	Q3	Q4	Q1	Q2
Total Unallocated Adjusted EBITDA¹	\$ (30)	\$ (43)	\$ (56)	\$ (48)	\$ (70)	\$ (64)
Total depletion, depreciation & amortization	(2)	(1)	(2)	(2)	(2)	(1)
Special items included in operating loss	—	(11)	—	(27)	—	—
Operating Loss (GAAP)	\$ (32)	\$ (55)	\$ (58)	\$ (77)	\$ (72)	\$ (65)
Non-operating pension and other post-employment benefit costs	(9)	(12)	(12)	(12)	(11)	(10)
Interest income and other	12	18	24	22	16	12
Net Charge to Earnings (GAAP)	\$ (29)	\$ (49)	\$ (46)	\$ (67)	\$ (67)	\$ (63)

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	2023				2024	
	Q1	Q2	Q3	Q4	Q1	Q2
Net Debt to Adjusted EBITDA (LTM)^{1, 2}	1.7	2.2	2.2	2.3	2.5	2.6
Total debt	\$ 5,053	\$ 5,797	\$ 5,679	\$ 5,069	\$ 5,071	\$ 5,072
Less: cash and cash equivalents and short-term investments	797	1,760	1,841	1,164	871	997
Net Debt	\$ 4,256	\$ 4,037	\$ 3,838	\$ 3,905	\$ 4,200	\$ 4,075
Adjusted EBITDA (LTM)	\$ 2,552	\$ 1,816	\$ 1,742	\$ 1,694	\$ 1,651	\$ 1,592
Depletion, depreciation & amortization	(484)	(491)	(494)	(500)	(499)	(499)
Basis of real estate sold	(86)	(60)	(87)	(93)	(91)	(117)
Special items in operating income	(10)	(21)	(21)	85	85	121
Operating Income (LTM) (GAAP)	\$ 1,972	\$ 1,244	\$ 1,140	\$ 1,186	\$ 1,146	\$ 1,097
Non-operating pension and other post-employment benefit costs	(248)	(249)	(249)	(45)	(47)	(45)
Interest income and other	38	55	70	76	80	75
Net Contribution to Earnings (LTM)	\$ 1,762	\$ 1,050	\$ 961	\$ 1,217	\$ 1,179	\$ 1,127
Interest expense, net of capitalized interest	(264)	(269)	(274)	(280)	(281)	(278)
Income taxes	(238)	(79)	(56)	(98)	(96)	(104)
Net Earnings (LTM) (GAAP)	\$ 1,260	\$ 702	\$ 631	\$ 839	\$ 802	\$ 745

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 and short-term investments divided by the last twelve months of Adjusted EBITDA. See [Slide 24](#) for our definition of Adjusted EBITDA.



FUNDS AVAILABLE FOR DISTRIBUTION RECONCILIATION

ADJUSTED FUNDS AVAILABLE FOR DISTRIBUTION (\$ Millions)	2021		2022		2023		2024	
	FY	FY	FY	FY	Q1	Q2	YTD	
Net cash from operations	\$ 3,159	\$ 2,832	\$ 1,433	\$ 124	\$ 432	\$ 556		
Capital expenditures	(441)	(468)	(447)	(79)	(91)	(170)		
Funds Available for Distribution¹	\$ 2,718	\$ 2,364	\$ 986	\$ 45	\$ 341	\$ 386		
Cash from product remediation recoveries	—	(37)	—	—	(25)	(25)		
Cash tax refund associated with contribution to our U.S. qualified pension plan	(95)	—	—	—	—	—		
Adjusted Funds Available for Distribution²	\$ 2,623	\$ 2,327	\$ 986	\$ 45	\$ 316	\$ 361		

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.

