

WEYERHAEUSER CO  
Form 8-K  
February 03, 2006

**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**FORM 8-K**  
**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of the**  
**Securities Exchange Act of 1934**  
February 3, 2006

(Date of earliest event report)  
**WEYERHAEUSER COMPANY**

(Exact name of registrant as specified in charter)

|  |                          |                                      |
|--|--------------------------|--------------------------------------|
| Washington   | 1-4825                   | 91-0470860                           |
| (State or other jurisdiction of incorporation or organization) | (Commission File Number) | (IRS Employer Identification Number) |

Federal Way, Washington 98063-9777

(Address of principal executive offices)  
(zip code)

Registrant's telephone number, including area code:  
(253) 924-2345

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON D.C., 20549

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On February 3, 2006, Weyerhaeuser Company issued a press release stating the following:

**Weyerhaeuser Reports Net Earnings of \$733 Million for 2005,**

**Or \$2.98 per Diluted Share, on Net Sales of \$22.6 Billion**

**FEDERAL WAY, Wash.** (Feb. 3, 2006) Weyerhaeuser Company (NYSE: WY) today reported net earnings of \$733 million for 2005, or \$2.98 per diluted share, on net sales of \$22.6 billion. This compares with net earnings of \$1.3 billion, or \$5.43 per diluted share, on net sales of \$21.9 billion for the full year 2004.

For the fourth quarter 2005, Weyerhaeuser reported a net loss of \$211 million, or 86 cents per diluted share, on net sales of \$5.9 billion. Last year, Weyerhaeuser reported fourth quarter net earnings of \$199 million, or 82 cents per diluted share, on net sales of \$5.7 billion.

The loss for fourth quarter 2005 included the following after-tax items:

Charges of \$438 million, or \$1.78 per diluted share, for closure of facilities.

Charges of \$32 million, or 13 cents per diluted share, for additional asset impairment charges.

A charge of \$25 million, or 10 cents per diluted share, associated with the settlement of litigation.

A loss of \$10 million, or 4 cents per diluted share, for early extinguishment of debt.

A gain of \$34 million, or 13 cents per diluted share, on the sale of the company's French composite panels assets.

Income of \$28 million, or 12 cents per diluted share, for the cumulative effect of a change to begin capitalizing Weyerhaeuser interest to assets of Weyerhaeuser Real Estate Company.

Fourth quarter 2004 earnings include the following after-tax items:

A loss of \$34 million, or 14 cents per diluted share, for early extinguishment of debt.

A gain of \$24 million, or 10 cents per diluted share, for gains on the sale of facilities.

A charge of \$19 million, or 8 cents per diluted share, for the impairment of assets in the company's French composite panels business.

A charge of \$16 million, or 7 cents per diluted share, recognized in connection with a change in the method of estimating workers' compensation liabilities.

A charge of \$15 million, or 6 cents per diluted share, for the net book value of technology donated to a university.

During 2005, Weyerhaeuser's ongoing strategic review resulted in the following significant actions:

Selling its British Columbia coastal operations, French composite panels business and a laminated beam facility;

Announcing its intention to sell its North American and Irish composite panels assets, a pulp facility, three corrugated sheet plants and a specialty packaging plant; and

Closing a paper facility, a specialty pulp mill, a fine paper machine, a containerboard machine, a large-log sawmill, seven corrugated converting plants, two hardwood facilities, a bag plant, an I-joist facility and a veneer and plywood facility.

Despite extremely challenging business conditions, we took significant steps in 2005 to make us more competitive and position us to generate greater returns while returning cash to shareholders, said Steven R. Rogel, chairman, president and chief executive officer. Our strong cash flow allowed us to pay down debt to our target levels, implement a 25 percent increase in our dividend and initiate a stock buy back program. We also began reorganizing our wood products, containerboard and packaging businesses into integrated supply chains and continued to grow our real estate business. In 2006, we will continue to confront the challenges our businesses face with the goal of creating a stronger company.

#### SUMMARY OF FOURTH QUARTER FINANCIAL HIGHLIGHTS

| Millions (except per share data)  | 4Q 2005  | 4Q 2004  | Change   |
|-----------------------------------|----------|----------|----------|
| Net earnings (loss)               | (\$211)  | \$ 199   | (\$410)  |
| Earnings (loss) per diluted share | (\$0.86) | \$ 0.82  | (\$1.68) |
| Net sales                         | \$ 5,868 | \$ 5,685 | \$ 183   |

#### SUMMARY OF ANNUAL FINANCIAL HIGHLIGHTS

| Millions (except per share data) | 2005      | 2004      | Change   |
|----------------------------------|-----------|-----------|----------|
| Net earnings                     | \$ 733    | \$ 1,283  | (\$550)  |
| Earnings per diluted share       | \$ 2.98   | \$ 5.43   | (\$2.45) |
| Net sales                        | \$ 22,629 | \$ 21,931 | \$ 698   |

#### SEGMENT RESULTS FOR FOURTH QUARTER

##### (Contributions to Pre-Tax Earnings)

| Millions                                | 4Q 2005 | 4Q 2004 | Change  |
|---|---------|---------|---------|
| Timberlands                             | \$ 183  | \$ 217  | (\$34)  |
| Wood Products                           | \$ 26   | \$ 72   | (\$46)  |
| Cellulose Fiber and White Papers        | (\$477) | \$ 35   | (\$512) |
| Containerboard, Packaging and Recycling | (\$188) | \$ 81   | (\$269) |
| Real Estate and Related Assets          | \$ 250  | \$ 217  | \$ 33   |

#### TIMBERLANDS

|   | 4Q 2005 | 3Q 2005 | Change |
|---|---------|---------|--------|
| Contribution to pre-tax earnings (millions) | \$ 183  | \$ 191  | (\$8)  |

Fourth quarter earnings decreased slightly from the third quarter due primarily to salvage costs associated with hurricane Katrina and continued high fuel costs for logging and hauling. Fourth quarter results also include \$3 million of pre-tax timberland severance costs due to the announced closure of the Prince Albert pulp and paper facility in Saskatchewan, Canada.

The continued strength of domestic and export log prices should produce first quarter earnings that are similar to fourth quarter 2005.

**WOOD PRODUCTS**

|   | <b>4Q 2005</b> | <b>3Q 2005</b> | <b>Change</b> |
|---|----------------|----------------|---------------|
| Contribution to pre-tax earnings (millions) | \$ 26          | \$ 124         | (\$98)        |

Earnings in the fourth quarter include \$91 million of pre-tax charges associated with the closure of a plywood mill at Wright City, Oklahoma, the closure of a lumber mill at Aberdeen, Washington, and the potential closure of a lumber mill at Big River, Saskatchewan. Third quarter earnings included \$6 million of pre-tax charges associated with facility closures.

Excluding the charges, earnings decreased \$13 million from the third quarter. Demand for structural panels increased following the hurricanes and caused panel prices to surge early in the quarter, but panel prices returned to normal seasonal levels late in the quarter. Prices and volume for softwood lumber declined due to seasonal factors. Shipment volumes for engineered lumber products also declined on average from the third quarter.

Manufacturing costs for panels increased in the fourth quarter largely due to a significant rise in natural gas prices.

Manufacturing costs for engineered lumber products increased due to the higher prices for oriented strand board.

The company incurred \$16 million in countervailing and anti-dumping duties and related costs on Canadian softwood lumber the company sold into the United States in the fourth quarter, compared with \$19 million in the third quarter. Starting in December, the company is paying a combined duty rate of 13.1 percent, down from the 25.9 percent rate that was in effect since December 2004. At this new rate, the segment expects to incur approximately \$10 million per quarter in duties and related costs.

Weyerhaeuser expects lower first quarter 2006 earnings compared with fourth quarter 2005 earnings before special charges. During the first quarter, demand for wood products should follow the normal seasonal trends with pricing remaining similar to fourth quarter levels. The company expects manufacturing expenses to increase due to higher energy and raw material costs.

**CELLULOSE FIBER AND WHITE PAPERS**

|  | <b>4Q 2005</b> | <b>3Q 2005</b> | <b>Change</b> |
|--|----------------|----------------|---------------|
| Contribution (charge) to pre-tax earnings (millions) | (\$477)        | (\$2)          | (\$475)       |

In the fourth quarter, Weyerhaeuser recorded \$427 million of pre-tax charges related to the announced closures of the Prince Albert pulp and paper operations and a paper machine at Dryden. Manufacturing costs continued to escalate due to higher energy, freight, chemical and raw material costs. Prices for fine paper and pulp remained unchanged. Fine paper volumes increased modestly while pulp experienced a normal seasonal decline in shipments.

Announced first quarter price increases for market pulp and fine paper should result in improved earnings in the first quarter 2006 despite continued cost pressures.

**CONTAINERBOARD, PACKAGING AND RECYCLING**

|  | <b>4Q 2005</b> | <b>3Q 2005</b> | <b>Change</b> |
|--|----------------|----------------|---------------|
| Contribution (charge) to pre-tax earnings (millions) | (\$188)        | \$ 36          | (\$224)       |

Fourth quarter earnings include a pre-tax charge of \$130 million related to the closure of several facilities and a pre-tax charge of \$38 million related to a settlement of linerboard antitrust lawsuits. Earnings, excluding charges, decreased significantly from the third quarter due to lower box prices coupled with higher energy and transportation costs. Costs for old corrugated containers (OCC) were lower in fourth quarter.

The company expects higher pricing, increased box shipments and lower OCC costs to result in improved first quarter earnings for the segment.

**REAL ESTATE AND RELATED ASSETS**

|   | <b>4Q 2005</b> | <b>3Q 2005</b> | <b>Change</b> |
|---|----------------|----------------|---------------|
| Contribution to pre-tax earnings (millions) | \$ 250         | \$ 145         | \$ 105        |

Fourth quarter earnings increased from third quarter primarily due to the expected strong single-family home closings and higher single-family margins, partially offset by a \$33 million pre-tax impairment charge related to unimproved land in Northern California.

The backlog of homes sold, but not closed, at the end of the fourth quarter was comparable to year-ago levels. Weyerhaeuser expects lower first quarter 2006 earnings due to a normal seasonal decline in single-family home closings.

**OTHER**

The company will hold a live conference call at 7 a.m. Pacific (10 a.m. Eastern) on Feb. 3 to discuss the fourth quarter results.

To access the conference call, listeners calling from within North America should dial 1-888-221-5699 at least 15 minutes before the start of the conference call. Those wishing to access the call from outside North America should dial 1-706-643-3795. Replays of the call will be available for one week following completion of the live call and can be accessed at 1-800-642-1687 (access code 3890458) within North America and at 1-706-645-9291 (access code 3890458) from outside North America.

The call is being web cast and can be accessed through Weyerhaeuser's Internet site at <http://investor.weyerhaeuser.com> by clicking on the Q4 2005 Earnings Conference Call link.

The web cast also is being distributed through the Thomson StreetEvents Network to both institutional and individual investors. Individual investors can listen to the call at [www.fulldisclosure.com](http://www.fulldisclosure.com), Thomson/CCBN's individual investor portal, powered by StreetEvents. Institutional investors can access the call via Thomson's password-protected event management site, StreetEvents ([www.streetevents.com](http://www.streetevents.com)).

Weyerhaeuser Company, one of the world's largest integrated forest products companies, was incorporated in 1900. In 2005, sales were \$22.6 billion. It has offices or operations in 18 countries, with customers worldwide. Weyerhaeuser is principally engaged in the growing and harvesting of timber; the manufacture, distribution and sale of forest products; and real estate construction, development and related activities. Additional information about Weyerhaeuser's businesses, products and practices is available at <http://www.weyerhaeuser.com>.

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This news release 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. Some of these forward-looking statements can be identified by the use of forward-looking terminology such as expects, may, will, believes, should, approximately, anticipates, estimates, and plans, and the negative or other variations of those or comparable terminology or by discussions of strategy, plans or intentions. In particular, some of these forward-looking statements deal with expectations regarding the company's markets in the first quarter 2006; expected earnings and performance of the company's business segments during the first quarter 2006, demand and pricing for the company's products in the first quarter 2006, higher raw material, energy, chemical, transportation and manufacturing costs in the first quarter 2006, seasonal slowdowns in single-family home closings in the first quarter of 2006, and related matters. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to:

The effect of general economic conditions, including the level of interest rates and housing starts;

Market demand for the company's products, which may be tied to the relative strength of various U.S. business segments;

Energy prices;

Raw material prices;

Chemical prices;

Performance of the company's manufacturing operations;

The successful execution of internal performance plans;

The level of competition from domestic and foreign producers;

The effect of forestry, land use, environmental and other governmental regulations, and changes in accounting regulations;

The effect of weather;

The risk of loss from fires, floods and other natural disasters;

Transportation costs;

Legal proceedings; and

Performance of pension fund investments and related derivatives.

The company is also a large exporter and is affected by changes in economic activity in Europe and Asia, particularly Japan, and by changes in currency exchange rates, particularly the relative value of the U.S. dollar to the Euro and the Canadian dollar, and restrictions on international trade or tariffs imposed on imports, including the countervailing and anti-dumping duties imposed on the company's softwood lumber shipments from Canada to the United States. These and other factors could cause or contribute to actual results differing materially from such forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will occur, or if any of them occurs, what effect they will have on the company's results of operations or financial condition. The company expressly declines any obligation to publicly revise any forward-looking statements that have been made to reflect the occurrence of events after the date of this news release.

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**WEYERHAEUSER COMPANY**  
**STATISTICAL INFORMATION (unaudited)**

| CONSOLIDATED EARNINGS<br><br>(in millions)   | Q1                   |                      | Q2                  |                     | Q3                   |                      | Q4                  |                     | Year ended       |                  |
|--|----------------------|----------------------|---------------------|---------------------|----------------------|----------------------|---------------------|---------------------|------------------|------------------|
|  | March<br>27,<br>2005 | March<br>28,<br>2004 | June<br>26,<br>2005 | June<br>27,<br>2004 | Sept.<br>25,<br>2005 | Sept.<br>26,<br>2004 | Dec.<br>25,<br>2005 | Dec.<br>26,<br>2004 | Dec. 25,<br>2005 | Dec. 26,<br>2004 |
| Net sales and revenues:                      |                      |                      |                     |                     |                      |                      |                     |                     |                  |                  |
| Weyerhaeuser <sup>(1)</sup>                  | \$4,716              | \$4,418              | \$5,160             | \$5,179             | \$4,986              | \$5,065              | \$4,852             | \$4,774             | \$19,714         | \$19,436         |
| Real Estate and Related Assets               | 655                  | 469                  | 648                 | 524                 | 596                  | 591                  | 1,016               | 911                 | 2,915            | 2,495            |
| Total net sales and revenues                 | 5,371                | 4,887                | 5,808               | 5,703               | 5,582                | 5,656                | 5,868               | 5,685               | 22,629           | 21,931           |
| Costs and expenses:                          |                      |                      |                     |                     |                      |                      |                     |                     |                  |                  |
| Weyerhaeuser:                                |                      |                      |                     |                     |                      |                      |                     |                     |                  |                  |
| Costs of products sold                       | 3,621                | 3,408                | 3,947               | 3,766               | 3,912                | 3,735                | 3,980               | 3,706               | 15,460           | 14,615           |
| Depreciation, depletion and amortization     | 323                  | 315                  | 325                 | 316                 | 327                  | 314                  | 332                 | 318                 | 1,307            | 1,263            |
| Selling expenses                             | 117                  | 119                  | 118                 | 121                 | 118                  | 122                  | 108                 | 119                 | 461              | 481              |
| General and administrative expenses          | 223                  | 238                  | 217                 | 233                 | 236                  | 225                  | 223                 | 246                 | 899              | 942              |
| Research and development expenses            | 14                   | 12                   | 12                  | 13                  | 18                   | 13                   | 17                  | 17                  | 61               | 55               |
| Taxes other than payroll and income taxes    | 46                   | 48                   | 48                  | 47                  | 69                   | 51                   | 16                  | 48                  | 179              | 194              |
| Charges for integration and restructuring    | 5                    | 15                   | 4                   | 13                  | 2                    | 8                    | 10                  | 3                   | 21               | 39               |
| Charges for closure of facilities            | 5                    | 4                    | 3                   |                     | 29                   | 13                   | 656                 | 0                   | 693              | 17               |
| Other operating costs, net <sup>(2)(3)</sup> | 9                    | 17                   | (40)                | 43                  | (32)                 | (300)                | 3                   | 7                   | (60)             | (233)            |
|  | 4,363                | 4,176                | 4,634               | 4,552               | 4,679                | 4,181                | 5,345               | 4,464               | 19,021           | 17,373           |
| Real Estate and Related Assets:              |                      |                      |                     |                     |                      |                      |                     |                     |                  |                  |
| Costs and operating expenses                 | 426                  | 321                  | 441                 | 381                 | 401                  | 414                  | 677                 | 647                 | 1,945            | 1,763            |
| Depreciation and amortization                | 3                    | 2                    | 4                   | 4                   | 4                    | 3                    | 5                   | 5                   | 16               | 14               |
| Selling expenses                             | 33                   | 27                   | 36                  | 30                  | 36                   | 31                   | 46                  | 37                  | 151              | 125              |
| General and administrative expenses          | 24                   | 17                   | 25                  | 19                  | 27                   | 19                   | 28                  | 26                  | 104              | 81               |
| Taxes other than payroll and income taxes    | 1                    | 1                    |                     |                     | 1                    | 1                    | 1                   |                     | 3                | 2                |
| Other operating costs, net                   |                      | 1                    | (2)                 | 1                   | (2)                  | (19)                 | 1                   |                     | (3)              | (17)             |
| Impairment of long-lived assets              |                      |                      |                     |                     |                      |                      | 33                  |                     | 33               |                  |
|  | 487                  | 369                  | 504                 | 435                 | 467                  | 449                  | 791                 | 715                 | 2,249            | 1,968            |

|                          |       |       |       |       |       |       |       |       |        |        |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|
| Total costs and expenses | 4,850 | 4,545 | 5,138 | 4,987 | 5,146 | 4,630 | 6,136 | 5,179 | 21,270 | 19,341 |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|

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| CONSOLIDATED EARNINGS<br>(in millions)                             | Q1                   |                      | Q2                  |                     | Q3                   |                      | Q4                  |                     | Year ended          |                     |
|--|----------------------|----------------------|---------------------|---------------------|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
|  | March<br>27,<br>2005 | March<br>28,<br>2004 | June<br>26,<br>2005 | June<br>27,<br>2004 | Sept.<br>25,<br>2005 | Sept.<br>26,<br>2004 | Dec.<br>25,<br>2005 | Dec.<br>26,<br>2004 | Dec.<br>25,<br>2005 | Dec.<br>26,<br>2004 |
| Operating income   | 521                  | 342                  | 670                 | 716                 | 436                  | 1,026                | (268)               | 506                 | 1,359               | 2,590               |
| Interest expense and other:  |                      |                      |                     |                     |                      |                      |                     |                     |                     |                     |
| Weyerhaeuser:  |                      |                      |                     |                     |                      |                      |                     |                     |                     |                     |
| Interest expense incurred <sup>(4)</sup>                           | (196)                | (195)                | (179)               | (218)               | (193)                | (184)                | (171)               | (241)               | (739)               | (838)               |
| Less interest capitalized  |                      | 3                    | 2                   | 1                   | 3                    | 0                    | 4                   | 5                   | 9                   | 9                   |
| Interest income and other  | 27                   | 3                    | 20                  | 5                   | 143                  | 7                    | 24                  | 9                   | 214                 | 24                  |
| Equity in income (loss) of affiliates <sup>(5)</sup>               |                      |                      | 4                   | 7                   | 2                    | 4                    | (12)                | 3                   | (6)                 | 14                  |
| Real Estate and Related Assets:                                    |                      |                      |                     |                     |                      |                      |                     |                     |                     |                     |
| Interest expense incurred  | (14)                 | (15)                 | (14)                | (14)                | (13)                 | (14)                 | (14)                | (14)                | (55)                | (57)                |
| Less interest capitalized  | 14                   | 15                   | 14                  | 14                  | 13                   | 14                   | 14                  | 14                  | 55                  | 57                  |
| Interest income and other  | 5                    | 11                   | (2)                 | 9                   | 4                    | 1                    | 5                   | 10                  | 12                  | 31                  |
| Equity in income of unconsolidated entities                        | 10                   | 9                    | 13                  | 20                  | 14                   | 12                   | 20                  | 11                  | 57                  | 52                  |
| Earnings before income taxes                                       | 367                  | 173                  | 528                 | 540                 | 409                  | 866                  | (398)               | 303                 | 906                 | 1,882               |
| Income taxes <sup>(6)</sup>  | (128)                | (57)                 | (229)               | (183)               | (120)                | (293)                | 153                 | (94)                | (324)               | (627)               |
| Earnings from continuing operations                                | 239                  | 116                  | 299                 | 357                 | 289                  | 573                  | (245)               | 209                 | 582                 | 1,255               |
| Earnings from discontinued operations, net of taxes <sup>(7)</sup> |                      | 5                    | 121                 | 12                  | (4)                  | 21                   | 34                  | (10)                | 151                 | 28                  |
| Net earnings   | \$ 239               | \$ 121               | \$ 420              | \$ 369              | \$ 285               | \$ 594               | \$ (211)            | \$ 199              | \$ 733              | \$ 1,283            |
| Basic net earnings per share:                                      |                      |                      |                     |                     |                      |                      |                     |                     |                     |                     |
| Continuing operations  | \$ 0.98              | \$ 0.52              | \$ 1.23             | \$ 1.52             | \$ 1.17              | \$ 2.37              | \$ (1.00)           | \$ 0.86             | \$ 2.38             | \$ 5.33             |
| Discontinued operations  |                      | 0.02                 | 0.49                | 0.05                | (0.01)               | 0.09                 | 0.14                | (0.04)              | 0.62                | 0.12                |
| Net earnings per share   | \$ 0.98              | \$ 0.54              | \$ 1.72             | \$ 1.57             | \$ 1.16              | \$ 2.46              | \$ (0.86)           | \$ 0.82             | \$ 3.00             | \$ 5.45             |

| CONSOLIDATED EARNINGS<br>(in millions)                | Q1                   |                      | Q2               |                  | Q3                |                   | Q4               |                  | Year end         |                  |
|---|----------------------|----------------------|------------------|------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|
|   | March<br>27,<br>2005 | March<br>28,<br>2004 | June 26,<br>2005 | June 27,<br>2004 | Sept. 25,<br>2005 | Sept. 26,<br>2004 | Dec. 25,<br>2005 | Dec. 26,<br>2004 | Dec. 25,<br>2005 | Dec. 25,<br>2005 |
| Net earnings per share:                               |                      |                      |                  |                  |                   |                   |                  |                  |                  |                  |
| Continuing operations                                 | \$ 0.98              | \$ 0.52              | \$ 1.22          | \$ 1.52          | \$ 1.17           | \$ 2.36           | \$ (1.00)        | \$ 0.86          | \$ 2.36          | \$ 2.36          |
| Discontinued operations                               |                      | 0.02                 | 0.49             | 0.05             | (0.01)            | 0.09              | 0.14             | (0.04)           | 0.62             | 0.62             |
| Net earnings per share                                | \$ 0.98              | \$ 0.54              | \$ 1.71          | \$ 1.57          | \$ 1.16           | \$ 2.45           | \$ (0.86)        | \$ 0.82          | \$ 2.98          | \$ 2.98          |
| Dividends paid per share                              | \$ 0.40              | \$ 0.40              | \$ 0.50          | \$ 0.40          | \$ 0.50           | \$ 0.40           | \$ 0.50          | \$ 0.40          | \$ 1.90          | \$ 1.90          |
| Weighted average shares<br>outstanding (in thousands) | 242,863              | 223,728              | 244,702          | 234,494          | 245,009           | 241,621           | 245,215          | 242,114          | 244,447          | 244,447          |
|   | 244,185              | 225,072              | 245,881          | 235,475          | 246,190           | 242,649           | 246,198          | 243,472          | 245,559          | 245,559          |

(1) The first, second, third and fourth quarters of 2005 include charges of \$22 million, \$27 million, \$19 million and \$16 million, respectively, or \$84 million year-to-date, for countervailing and anti-dumping duties and related costs. The first, second, third and fourth quarters of 2004 include charges of \$26 million, \$34 million, \$31 million and \$27 million, respectively, or

\$118 million year-to-date, for countervailing and anti-dumping duties and related costs.

- (2) The first, second, third and fourth quarters of 2005 include net foreign exchange gains (losses) of \$13 million, (\$13) million, \$37 million and (\$21) million, respectively, for a year-to-date net gain of \$16 million. The first, second, third and fourth quarters of 2004 include net foreign exchange gains (losses) of (\$9) million, (\$7) million, \$16 million and \$27 million, respectively, for a total year-to-date net gain of \$27 million. These gains and losses result primarily from fluctuations in Canadian and New Zealand exchange rates.
- (3) The first quarter of 2005 includes a \$12 million

charge for the settlement of a linerboard antitrust lawsuit. The second quarter of 2005 includes an \$18 million charge related to alder litigation and \$57 million of income related to the recognition of a deferred gain from previous timberlands sales. The third quarter of 2005 includes a \$115 million gain on the sale of an investment in a joint venture. The fourth quarter of 2005 includes a \$38 million charge for the settlement of linerboard antitrust litigation and \$43 million of income for the cumulative effect of a change to begin capitalizing Weyerhaeuser interest to assets of Weyerhaeuser Real Estate Company. The first quarter of 2004 includes a \$49 million charge for the settlement of lawsuits

involving the market for Pacific Northwest alder logs and a \$33 million gain on the sale of an oriented strand board mill in Slave Lake, Alberta. The second quarter of 2004 includes a \$16 million charge resulting from an adverse judgment in a lawsuit involving the market for Pacific Northwest alder logs. The third quarter of 2004 includes a \$271 million gain on the sale of timberlands in Georgia, and a \$20 million gain due to the reduction of the reserve for hardboard siding claims. The fourth quarter of 2004 includes a net gain of \$36 million on the sale of facilities, and charges of \$24 million recognized in connection with a change in the method of estimating workers compensation

liabilities and \$23 million for the net book value of technology donated to a university.

- (4) The third and fourth quarters of 2005 include charges of \$21 million and \$15 million, respectively, for the early extinguishment of debt. The second and fourth quarters of 2004 include charges of \$21 million and \$52 million, respectively, for the early extinguishment of debt.
- (5) The fourth quarter of 2005 includes a \$15 million charge related to the impairment of an investment in an equity affiliate.
- (6) The second quarter of 2005 includes a charge of \$44 million related to the repatriation of \$1.1 billion of eligible Canadian earnings under the provisions

of the American  
Jobs Creation  
Act of 2004.

The third  
quarter of 2005  
includes a  
one-time tax  
benefit of  
\$14 million  
related to a  
change in the  
Ohio state  
income tax law.

- (7) Includes the net operating results of the company's coastal British Columbia and French composites operations. The second quarter of 2005 includes a gain of \$110 million, including a tax benefit of \$46 million, related to the sale of the coastal British Columbia operations. The third quarter of 2005 includes a \$1 million charge related to the termination of pension plans associated with these operations. The fourth quarter of 2005 includes a pretax gain of \$57 million and related tax expense of \$23 million associated with

the sale of the French composites operations. The third quarter of 2004 includes a \$25 million gain from a tenure reallocation agreement with the British Columbia government. The fourth quarter of 2004 includes a \$29 million charge for the impairment of assets in the French composites operations.

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**WEYERHAEUSER COMPANY**  
**STATISTICAL INFORMATION (unaudited)**

| Net sales and revenues (in millions): | Q1                   |                      | Q2                  |                     | Q3                   |                      | Q4                  |                     | Year ended          |                     |
|---------------------------------------|----------------------|----------------------|---------------------|---------------------|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
|                                       | March<br>27,<br>2005 | March<br>28,<br>2004 | June<br>26,<br>2005 | June<br>27,<br>2004 | Sept.<br>25,<br>2005 | Sept.<br>26,<br>2004 | Dec.<br>25,<br>2005 | Dec.<br>26,<br>2004 | Dec.<br>25,<br>2005 | Dec.<br>26,<br>2004 |
| Timberlands:                          |                      |                      |                     |                     |                      |                      |                     |                     |                     |                     |
| Logs                                  | \$ 182               | \$ 193               | \$ 195              | \$ 211              | \$ 188               | \$ 197               | \$ 196              | \$ 221              | \$ 761              | \$ 822              |
| Other products                        | 82                   | 58                   | 63                  | 66                  | 65                   | 51                   | 76                  | 105                 | 286                 | 280                 |
|                                       | 264                  | 251                  | 258                 | 277                 | 253                  | 248                  | 272                 | 326                 | 1,047               | 1,102               |
| Wood Products:                        |                      |                      |                     |                     |                      |                      |                     |                     |                     |                     |
| Softwood lumber                       | 892                  | 819                  | 1,032               | 1,106               | 889                  | 1,089                | 811                 | 901                 | 3,624               | 3,915               |
| Plywood                               | 183                  | 221                  | 196                 | 263                 | 184                  | 237                  | 172                 | 208                 | 735                 | 929                 |
| Veneer                                | 13                   | 11                   | 10                  | 12                  | 9                    | 11                   | 12                  | 10                  | 44                  | 44                  |
| Composite panels                      | 120                  | 108                  | 132                 | 133                 | 122                  | 138                  | 123                 | 122                 | 497                 | 501                 |
| OSB                                   | 288                  | 338                  | 306                 | 456                 | 267                  | 341                  | 303                 | 255                 | 1,164               | 1,390               |
| Hardwood lumber                       | 94                   | 90                   | 102                 | 100                 | 95                   | 89                   | 99                  | 86                  | 390                 | 365                 |
| Engineered I-Joists                   | 160                  | 134                  | 213                 | 178                 | 202                  | 189                  | 181                 | 177                 | 756                 | 678                 |
| Engineered Solid Section              | 190                  | 148                  | 241                 | 194                 | 244                  | 203                  | 221                 | 189                 | 896                 | 734                 |
| Logs                                  | 27                   | 23                   | 24                  | 38                  | 6                    | 32                   | 5                   | 32                  | 62                  | 125                 |
| Other products                        | 272                  | 255                  | 339                 | 312                 | 326                  | 315                  | 290                 | 280                 | 1,227               | 1,162               |
|                                       | 2,239                | 2,147                | 2,595               | 2,792               | 2,344                | 2,644                | 2,217               | 2,260               | 9,395               | 9,843               |
| Cellulose Fiber and White Papers:     |                      |                      |                     |                     |                      |                      |                     |                     |                     |                     |
| Pulp                                  | 376                  | 339                  | 355                 | 371                 | 381                  | 381                  | 370                 | 380                 | 1,482               | 1,471               |
| Paper                                 | 599                  | 535                  | 611                 | 538                 | 604                  | 583                  | 603                 | 570                 | 2,417               | 2,226               |
| Coated groundwood                     | 42                   | 36                   | 47                  | 37                  | 45                   | 39                   | 46                  | 44                  | 180                 | 156                 |
| Liquid packaging board                | 47                   | 49                   | 52                  | 53                  | 50                   | 53                   | 54                  | 53                  | 203                 | 208                 |
| Other products                        | 14                   | 10                   | 12                  | 13                  | 16                   | 15                   | 12                  | 16                  | 54                  | 54                  |
|                                       | 1,078                | 969                  | 1,077               | 1,012               | 1,096                | 1,071                | 1,085               | 1,063               | 4,336               | 4,115               |

| Net sales and revenues (in millions):    | Q1          |             | Q2          |             | Q3          |             | Q4          |             | Year ended |          |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|----------|
|  | March       | March       | June        | June        | Sept.       | Sept.       | Dec.        | Dec.        | Dec. 25,   | Dec. 26, |
|  | 27,<br>2005 | 28,<br>2004 | 26,<br>2005 | 27,<br>2004 | 25,<br>2005 | 26,<br>2004 | 25,<br>2005 | 26,<br>2004 | 2005       | 2004     |
| Containerboard, Packaging and Recycling: |             |             |             |             |             |             |             |             |            |          |
| Containerboard                           | 117         | 81          | 101         | 80          | 86          | 94          | 91          | 113         | 395        | 368      |
| Packaging                                | 898         | 853         | 969         | 918         | 929         | 916         | 914         | 897         | 3,710      | 3,584    |
| Recycling                                | 92          | 80          | 92          | 91          | 87          | 87          | 81          | 89          | 352        | 347      |
| Bags                                     | 22          | 19          | 21          | 18          | 20          | 20          | 20          | 23          | 83         | 80       |
| Other products                           | 34          | 33          | 40          | 34          | 47          | 43          | 46          | 46          | 167        | 156      |
|  | 1,163       | 1,066       | 1,223       | 1,141       | 1,169       | 1,160       | 1,152       | 1,168       | 4,707      | 4,535    |
| Real Estate and Related Assets           | 655         | 469         | 648         | 524         | 596         | 591         | 1,016       | 911         | 2,915      | 2,495    |
| Corporate and Other                      | 149         | 135         | 151         | 147         | 146         | 135         | 154         | 158         | 600        | 575      |
| Less sales of discontinued operations    | (177)       | (150)       | (144)       | (190)       | (22)        | (193)       | (28)        | (201)       | (371)      | (734)    |
|  | \$5,371     | \$4,887     | \$5,808     | \$5,703     | \$5,582     | \$5,656     | \$5,868     | \$5,685     | \$22,629   | \$21,931 |

| Contribution (charge) to earnings:<br><br>(in millions)   | Q1          |             | Q2          |             | Q3          |             | Q4          |             | Year ended |          |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|----------|
|   | March       | March       | June        | June        | Sept.       | Sept.       | Dec.        | Dec.        | Dec. 25,   | Dec. 26, |
|   | 27,<br>2005 | 28,<br>2004 | 26,<br>2005 | 27,<br>2004 | 25,<br>2005 | 26,<br>2004 | 25,<br>2005 | 26,<br>2004 | 2005       | 2004     |
| Timberlands <sup>(1)(2)</sup>                             | \$200       | \$159       | \$210       | \$201       | \$191       | \$450       | \$183       | \$217       | \$784      | \$1,027  |
| Wood Products <sup>(3)(4)(5)(6)</sup>                     | 131         | 173         | 204         | 448         | 124         | 362         | 26          | 72          | 485        | 1,055    |
| Cellulose Fiber and White Papers <sup>(7)</sup>           | 19          | (25)        | 16          | 14          | (2)         | 80          | (477)       | 35          | (444)      | 104      |
| Containerboard, Packaging and Recycling <sup>(8)(9)</sup> | 48          | 24          | 99          | 62          | 36          | 82          | (188)       | 81          | (5)        | 249      |
| Real Estate and Related Assets <sup>(10)</sup>            | 183         | 120         | 156         | 118         | 145         | 155         | 250         | 217         | 734        | 610      |
| Corporate and Other <sup>(11)(12)(13)</sup>               | (17)        | (76)        | 99          | (67)        | 101         | (45)        | 33          | (83)        | 216        | (271)    |
|   | \$564       | \$375       | \$784       | \$776       | \$595       | \$1,084     | \$(173)     | \$539       | \$1,770    | \$2,774  |

(1) The 2004 third quarter includes a \$271 million gain on the sale of timberlands in Georgia and a \$5 million gain from a tenure reallocation

agreement with the British Columbia government.

- (2) The first quarter of 2005 includes \$3 million of charges related to the closure of facilities. The third quarter of 2005 includes a \$5 million loss related to hurricane damage. The fourth quarter of 2005 includes charges of \$3 million related to the closure of facilities and \$6 million for losses associated with hurricane damage.
- (3) The first, second, third and fourth quarters of 2005 include charges of \$22 million, \$27 million, \$19 million and \$16 million, respectively, or \$84 million year-to-date, for countervailing and anti-dumping duties and related costs. The first, second, third and fourth quarters of 2004

include charges  
of \$26 million,  
\$34 million,  
\$31 million and  
\$27 million,  
respectively, or  
\$118 million  
year-to-date, for  
countervailing  
and  
anti-dumping  
duties and  
related costs.

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- (4) The second quarter of 2005 includes an \$18 million charge related to alder litigation. The third quarter of 2005 includes \$9 million of income related to the reduction of reserves for alder litigation and an insurance settlement related to product liability claims. The first quarter of 2004 includes a \$49 million charge for the settlement of lawsuits involving the market for Pacific Northwest alder logs. The second quarter of 2004 includes a \$16 million charge resulting from an adverse judgment in a lawsuit involving the market for Pacific Northwest alder logs. The third quarter of 2004 includes a \$20 million gain due to the reduction of the reserve for

hardboard  
siding claims.

- (5) The second quarter of 2005 includes a \$6 million gain related to a tenure reallocation agreement with the British Columbia government. The third quarter of 2004 includes a \$20 million gain from a tenure reallocation agreement with the British Columbia government.
- (6) The first, second, third and fourth quarters of 2005 include charges of \$1 million, \$1 million, \$6 million and \$91 million, respectively, associated with the closure of facilities. The first quarter of 2004 includes a credit of \$2 million for the reversal of closure costs accrued in prior years and a \$33 million gain on the sale of an oriented strand board mill in Slave Lake,

Alberta. The second quarter of 2004 includes a \$5 million net loss on the sale of facilities. The third quarter of 2004 includes a \$2 million net gain on the sale or closure of facilities. The fourth quarter of 2004 includes charges of \$3 million for the closure of facilities and a gain of \$36 million on the sale of facilities.

- (7) The third and fourth quarters of 2005 include net charges of \$22 million and \$427 million, respectively, related to facility closures. The second quarter of 2004 includes a \$2 million asset impairment charge related to assets held for sale.
- (8) The first and fourth quarters of 2005 include charges of \$12 million and \$38 million, respectively, associated with the settlement of linerboard

antitrust lawsuits. The third quarter of 2005 includes a \$1 million loss related to hurricane damage.

- (9) The first, second, third and fourth quarters of 2005 include charges of \$4 million, \$2 million, \$1 million and \$130 million, respectively, for the closure of facilities. The first quarter of 2004 includes closure costs of \$3 million. The second quarter of 2004 includes a net gain of \$1 million on the sales of a facility and a joint venture investment. The third quarter of 2004 includes closure costs of \$12 million, including a pension termination charge of \$9 million related to a closure that occurred in a previous year. The fourth quarter of 2004 includes a credit of \$3 million for the reversal of

closure costs  
accrued in prior  
years.

- (10) The first, second, third and fourth quarters of 2005 include net gains (losses) on land and lot sales of \$57 million, \$21 million, (\$1) and \$2 million, respectively. The fourth quarter of 2005 also includes a \$33 million charge for the impairment of unimproved land. The first quarter of 2004 includes a \$22 million gain on a land sale. The third quarter of 2004 includes a gain of \$18 million on the sale of a multi-family site. The fourth quarter of 2004 includes a \$24 million net gain on land and lot sales.
- (11) The second quarter of 2005 includes a \$64 million pretax gain on the sale of the company's operations in coastal British

Columbia and \$57 million of income related to the recognition of a deferred gain from previous timberlands sales. The third quarter of 2005 includes a \$115 million gain on the sale of an investment in a joint venture. The fourth quarter of 2005 includes a \$57 million gain on the sale of the company's French composites operations and \$43 million of income for the cumulative effect of a change to begin capitalizing Weyerhaeuser interest to assets of Weyerhaeuser Real Estate Company. The fourth quarter of 2004 includes a \$7 million gain for the settlement of an insurance claim relating to the Cemwood litigation.

- (12) The fourth quarter of 2005 includes charges of \$15 million related to the

impairment of an investment in an equity affiliate and a \$5 million charge related to the closure of facilities. The fourth quarter of 2004 includes charges of \$29 million for the impairment of assets in the company's French composites operations, \$24 million recognized in connection with a change in the method of estimating workers compensation liabilities and \$23 million for the net book value of technology donated to a university.

- (13) The first, second, third and fourth quarters of 2005 include net foreign exchange gains (losses) of \$13 million, (\$12) million, \$38 million and (\$20) million, respectively, for a year-to-date net gain of \$19 million. The first, second,

third and fourth  
quarters of 2004  
include net  
foreign  
exchange gains  
(losses) of (\$10)  
million, (\$6)  
million,  
\$16 million and  
\$26 million,  
respectively, for  
a \$26 million  
net gain  
year-to-date.  
These gains and  
losses result  
primarily from  
fluctuations in  
Canadian and  
New Zealand  
exchange rates.

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**WEYERHAEUSER COMPANY**  
**STATISTICAL INFORMATION (unaudited)**

**Third party sales volumes:**

|  | Q1                   |                      | Q2                  |                     | Q3                   |                      | Q4                  |                     | Year ended          |                     |
|--|----------------------|----------------------|---------------------|---------------------|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
|  | March<br>27,<br>2005 | March<br>28,<br>2004 | June<br>26,<br>2005 | June<br>27,<br>2004 | Sept.<br>25,<br>2005 | Sept.<br>26,<br>2004 | Dec.<br>25,<br>2005 | Dec.<br>26,<br>2004 | Dec.<br>25,<br>2005 | Dec.<br>26,<br>2004 |
| Timberlands<br>(thousands):                            |                      |                      |                     |                     |                      |                      |                     |                     |                     |                     |
| Logs cunits  | 864                  | 1,044                | 863                 | 954                 | 886                  | 904                  | 939                 | 1,018               | 3,552               | 3,920               |
| Wood Products<br>(millions):                           |                      |                      |                     |                     |                      |                      |                     |                     |                     |                     |
| Softwood   |                      |                      |                     |                     |                      |                      |                     |                     |                     |                     |
| lumber board<br>feet                                   | 2,057                | 2,054                | 2,355               | 2,393               | 2,179                | 2,299                | 2,059               | 2,144               | 8,650               | 8,890               |
| Plywood square<br>feet (3/8 )                          | 537                  | 642                  | 600                 | 668                 | 558                  | 672                  | 485                 | 647                 | 2,180               | 2,629               |
| Veneer square<br>feet (3/8 )                           | 60                   | 55                   | 59                  | 60                  | 51                   | 55                   | 61                  | 55                  | 231                 | 225                 |
| Composite<br>panels square<br>feet (3/4 )              | 299                  | 301                  | 317                 | 324                 | 308                  | 315                  | 305                 | 294                 | 1,229               | 1,234               |
| Oriented strand<br>board square<br>feet (3/8 )         | 908                  | 981                  | 1,041               | 1,143               | 1,008                | 1,078                | 991                 | 1,011               | 3,948               | 4,213               |
| Hardwood<br>lumber board<br>feet                       | 102                  | 103                  | 114                 | 117                 | 105                  | 102                  | 106                 | 95                  | 427                 | 417                 |
| Engineered<br>I-Joists LF                              | 108                  | 108                  | 138                 | 132                 | 125                  | 133                  | 113                 | 123                 | 484                 | 496                 |
| Engineered<br>Solid Section<br>CF                      | 9                    | 8                    | 10                  | 10                  | 10                   | 10                   | 9                   | 9                   | 38                  | 37                  |
| Logs cunits (in<br>thousands)                          | 187                  | 170                  | 177                 | 279                 | 41                   | 237                  | 46                  | 248                 | 451                 | 934                 |
| Cellulose Fiber<br>and White<br>Papers<br>(thousands): |                      |                      |                     |                     |                      |                      |                     |                     |                     |                     |
| Pulp air-dry<br>metric tons                            | 629                  | 624                  | 587                 | 642                 | 653                  | 633                  | 633                 | 659                 | 2,502               | 2,558               |
| Paper tons   | 736                  | 741                  | 742                 | 718                 | 757                  | 737                  | 761                 | 680                 | 2,996               | 2,876               |
| Coated<br>groundwood<br>tons                           | 58                   | 59                   | 62                  | 61                  | 56                   | 60                   | 56                  | 63                  | 232                 | 243                 |

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|  |        |        |        |        |        |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Liquid packaging board tons                              | 60     | 66     | 65     | 72     | 64     | 69     | 69     | 69     | 258    | 276    |
| Paper converting tons                                    | 475    | 467    | 494    | 459    | 494    | 470    | 501    | 443    | 1,964  | 1,839  |
| Containerboard, Packaging and Recycling (thousands):     |        |        |        |        |        |        |        |        |        |        |
| Containerboard tons                                      | 295    | 250    | 259    | 221    | 238    | 245    | 254    | 285    | 1,046  | 1,001  |
| Packaging MSF  | 17,354 | 18,146 | 18,600 | 18,917 | 18,560 | 18,287 | 19,117 | 17,535 | 73,631 | 72,885 |
| Recycling tons   | 692    | 678    | 695    | 701    | 665    | 645    | 676    | 670    | 2,728  | 2,694  |
| Kraft bags and sacks tons                                | 23     | 24     | 22     | 23     | 22     | 23     | 22     | 25     | 89     | 95     |
| Real Estate and Related Assets:                          |        |        |        |        |        |        |        |        |        |        |
| Single-family homes sold                                 | 1,378  | 1,506  | 1,525  | 1,564  | 1,608  | 1,313  | 1,174  | 992    | 5,685  | 5,375  |
| Single-family homes closed                               | 1,189  | 1,065  | 1,279  | 1,216  | 1,257  | 1,345  | 1,922  | 1,638  | 5,647  | 5,264  |
| Single-family homes sold but not closed at end of period | 2,561  | 2,702  | 2,807  | 3,050  | 3,158  | 3,018  | 2,410  | 2,372  | 2,410  | 2,372  |

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**Total production volumes:**

|   | Q1                   |                      | Q2                  |                     | Q3                   |                      | Q4                  |                     | Year ended          |                     |
|---|----------------------|----------------------|---------------------|---------------------|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
|   | March<br>27,<br>2005 | March<br>28,<br>2004 | June<br>26,<br>2005 | June<br>27,<br>2004 | Sept.<br>25,<br>2005 | Sept.<br>26,<br>2004 | Dec.<br>25,<br>2005 | Dec.<br>26,<br>2004 | Dec.<br>25,<br>2005 | Dec.<br>26,<br>2004 |
| Timberlands<br>(thousands):<br>Fee Depletion<br>cunits                                | 2,248                | 2,265                | 2,231               | 2,404               | 2,098                | 2,189                | 2,153               | 2,155               | 8,730               | 9,013               |
| Wood Products<br>(millions):<br>Softwood<br>lumber board<br>feet                      | 1,821                | 1,760                | 1,869               | 1,881               | 1,651                | 1,819                | 1,645               | 1,727               | 6,986               | 7,187               |
| Plywood square<br>feet (3/8 )   | 303                  | 422                  | 302                 | 405                 | 296                  | 405                  | 254                 | 396                 | 1,155               | 1,628               |
| Veneer square<br>feet (3/8 ) <sup>(1)</sup>   | 517                  | 585                  | 529                 | 609                 | 486                  | 592                  | 447                 | 600                 | 1,979               | 2,386               |
| Composite<br>panels square<br>feet (3/4 )   | 267                  | 268                  | 282                 | 281                 | 268                  | 272                  | 263                 | 245                 | 1,080               | 1,066               |
| Oriented strand<br>board square<br>feet (3/8 )  | 1,007                | 1,031                | 1,019               | 1,056               | 1,017                | 1,022                | 1,035               | 972                 | 4,078               | 4,081               |
| Hardwood<br>lumber board<br>feet  | 92                   | 89                   | 96                  | 96                  | 91                   | 84                   | 85                  | 80                  | 364                 | 349                 |
| Engineered<br>I-Joists LF   | 133                  | 110                  | 132                 | 124                 | 108                  | 136                  | 110                 | 134                 | 483                 | 504                 |
| Engineered<br>Solid Section<br>CF   | 11                   | 9                    | 10                  | 11                  | 10                   | 11                   | 10                  | 10                  | 41                  | 42                  |
| Cellulose Fiber<br>and White<br>Papers<br>(thousands):<br>Pulp air-dry<br>metric tons | 621                  | 619                  | 614                 | 636                 | 663                  | 652                  | 604                 | 639                 | 2,502               | 2,546               |
| Paper ton <sup>(2)</sup>  | 763                  | 743                  | 752                 | 736                 | 765                  | 766                  | 780                 | 761                 | 3,060               | 3,006               |
| Coated<br>groundwood<br>tons  | 55                   | 55                   | 59                  | 61                  | 60                   | 62                   | 60                  | 62                  | 234                 | 240                 |
| Liquid<br>packaging board<br>tons   | 60                   | 61                   | 64                  | 67                  | 69                   | 71                   | 71                  | 67                  | 264                 | 266                 |

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|   |        |        |        |        |        |        |        |        |        |        |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Paper converting<br>tons                                      | 475    | 460    | 487    | 442    | 483    | 471    | 505    | 465    | 1,950  | 1,838  |
| Containerboard,<br>Packaging and<br>Recycling<br>(thousands): |        |        |        |        |        |        |        |        |        |        |
| Containerboard<br>tons <sup>(3)</sup>                         | 1,503  | 1,503  | 1,581  | 1,598  | 1,597  | 1,604  | 1,587  | 1,586  | 6,268  | 6,291  |
| Packaging MSF   | 18,628 | 19,493 | 19,915 | 20,208 | 19,416 | 19,473 | 20,130 | 18,648 | 78,089 | 77,822 |
| Recycling tons<br><sup>(4)</sup>                              | 1,624  | 1,607  | 1,673  | 1,707  | 1,716  | 1,703  | 1,730  | 1,701  | 6,743  | 6,718  |
| Kraft bags and<br>sacks tons                                  | 23     | 24     | 22     | 23     | 21     | 23     | 22     | 24     | 88     | 94     |

(1) Veneer production represents lathe production and includes volumes that are further processed into plywood and engineered lumber products by company mills.

(2) Paper production includes unprocessed rolls and converted paper volumes.

(3) Containerboard production represents machine production and includes volumes that are further processed into packaging and kraft bags and sacks by company facilities.

- (4) Recycling production includes volumes processed in Weyerhaeuser recycling facilities that are consumed by company facilities and brokered volumes.
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**WEYERHAEUSER COMPANY**  
**STATISTICAL INFORMATION**  
**CONDENSED CONSOLIDATED BALANCE SHEET (unaudited)**  
(in millions)

|   | <b>March<br/>27,<br/>2005</b> | <b>June 26,<br/>2005</b> | <b>Sept. 25,<br/>2005</b> | <b>Dec. 25,<br/>2005</b> | <b>Dec. 26,<br/>2004</b> |
|---|-------------------------------|--------------------------|---------------------------|--------------------------|--------------------------|
| <b>Assets</b>   |                               |                          |                           |                          |                          |
| <b>Weyerhaeuser</b>   |                               |                          |                           |                          |                          |
| Current assets:   |                               |                          |                           |                          |                          |
| Cash and short-term investments                                     | \$ 402                        | \$ 1,704                 | \$ 885                    | \$ 818                   | \$ 1,044                 |
| Receivables, less allowances  | 1,816                         | 1,987                    | 1,948                     | 1,727                    | 1,534                    |
| Inventories   | 2,109                         | 2,004                    | 1,977                     | 1,917                    | 1,876                    |
| Prepaid expenses  | 633                           | 611                      | 580                       | 414                      | 588                      |
| Assets of discontinued operations                                   | 1,166                         | 41                       | 38                        |                          | 1,183                    |
| Total current assets  | 6,126                         | 6,347                    | 5,428                     | 4,876                    | 6,225                    |
| Property and equipment  | 11,439                        | 11,170                   | 11,089                    | 10,510                   | 11,661                   |
| Construction in progress  | 323                           | 451                      | 544                       | 533                      | 268                      |
| Timber and timberlands at cost, less depletion charged to disposals | 3,712                         | 3,709                    | 3,691                     | 3,705                    | 3,733                    |
| Investments in and advances to equity affiliates                    | 491                           | 495                      | 496                       | 486                      | 489                      |
| Goodwill  | 2,997                         | 2,977                    | 2,988                     | 2,982                    | 2,996                    |
| Deferred pension and other assets                                   | 1,197                         | 1,249                    | 1,309                     | 1,314                    | 1,201                    |
| Restricted assets held by special purpose entities                  | 914                           | 916                      | 914                       | 916                      | 909                      |
|   | 27,199                        | 27,314                   | 26,459                    | 25,322                   | 27,482                   |
| <b>Real Estate and Related Assets</b>                               |                               |                          |                           |                          |                          |
| Cash and short-term investments                                     | 5                             | 11                       | 4                         | 286                      | 153                      |
| Receivables, less allowances  | 60                            | 57                       | 49                        | 42                       | 43                       |
| Real estate and land for sale and development                       | 2,083                         | 2,333                    | 2,288                     | 2,222                    | 1,947                    |
| Other assets  | 323                           | 278                      | 357                       | 357                      | 329                      |
|   | 2,471                         | 2,679                    | 2,698                     | 2,907                    | 2,472                    |
| Total assets  | \$ 29,670                     | \$ 29,993                | \$ 29,157                 | \$ 28,229                | \$ 29,954                |

|  | <b>March<br/>27,<br/>2005</b> | <b>June 26,<br/>2005</b> | <b>Sept. 25,<br/>2005</b> | <b>Dec. 25,<br/>2005</b> | <b>Dec. 26,<br/>2004</b> |
|--|-------------------------------|--------------------------|---------------------------|--------------------------|--------------------------|
| <b>Liabilities and Shareholders Interest</b>                               |                               |                          |                           |                          |                          |
| <b>Weyerhaeuser</b>  |                               |                          |                           |                          |                          |
| Current liabilities:   |                               |                          |                           |                          |                          |
| Notes payable and commercial paper   | \$ 2                          | \$ 2                     | \$ 3                      | \$ 3                     | \$ 3                     |
| Current maturities of long-term debt                                       | 95                            | 225                      | 182                       | 189                      | 488                      |
| Accounts payable   | 1,122                         | 1,198                    | 1,144                     | 1,241                    | 1,130                    |
| Accrued liabilities  | 1,311                         | 1,654                    | 1,560                     | 1,622                    | 1,431                    |
| Liabilities of discontinued operations                                     | 301                           | 30                       | 27                        |                          | 292                      |
| <b>Total current liabilities</b>   | <b>2,831</b>                  | <b>3,109</b>             | <b>2,916</b>              | <b>3,055</b>             | <b>3,344</b>             |
| Long-term debt   | 9,263                         | 8,926                    | 8,010                     | 7,604                    | 9,277                    |
| Deferred income taxes  | 4,355                         | 4,320                    | 4,396                     | 4,035                    | 4,351                    |
| Deferred pension, other postretirement benefits and other liabilities      | 1,492                         | 1,558                    | 1,583                     | 1,591                    | 1,497                    |
| Liabilities (nonrecourse to Weyerhaeuser) held by special purpose entities | 820                           | 784                      | 783                       | 764                      | 815                      |
|  | 18,761                        | 18,697                   | 17,688                    | 17,049                   | 19,284                   |
| <b>Real Estate and Related Assets</b>                                      |                               |                          |                           |                          |                          |
| Notes payable and commercial paper   | 2                             | 5                        | 3                         | 7                        | 2                        |
| Long-term debt   | 869                           | 854                      | 852                       | 851                      | 867                      |
| Other liabilities  | 533                           | 588                      | 488                       | 522                      | 546                      |
|  | 1,404                         | 1,447                    | 1,343                     | 1,380                    | 1,415                    |
| <b>Total liabilities</b>   | <b>20,165</b>                 | <b>20,144</b>            | <b>19,031</b>             | <b>18,429</b>            | <b>20,699</b>            |
| Shareholders interest  | 9,505                         | 9,849                    | 10,126                    | 9,800                    | 9,255                    |
| <b>Total liabilities and shareholders interest</b>                         | <b>\$ 29,670</b>              | <b>\$ 29,993</b>         | <b>\$ 29,157</b>          | <b>\$ 28,229</b>         | <b>\$ 29,954</b>         |

**STATEMENT OF CASH FLOWS**  
**SELECTED INFORMATION (unaudited)**  
(in millions)

|   | Q1       |         | Q2     |        | Q3     |        | Q4     |        | Year ended |          |
|---|----------|---------|--------|--------|--------|--------|--------|--------|------------|----------|
|   | March    | March   | June   | June   | Sept.  | Sept.  | Dec.   | Dec.   | Dec.       | Dec.     |
|   | 27,      | 28,     | 26,    | 27,    | 25,    | 26,    | 25,    | 26,    | 25,        | 26,      |
|   | 2005     | 2004    | 2005   | 2004   | 2005   | 2004   | 2005   | 2004   | 2005       | 2004     |
| <b>(Weyerhaeuser only, excludes Real Estate &amp; Related Assets)</b>   |          |         |        |        |        |        |        |        |            |          |
| Net cash from operations  | \$ (203) | \$ (89) | \$ 713 | \$ 787 | \$ 441 | \$ 592 | \$ 669 | \$ 745 | \$ 1,620   | \$ 2,035 |
| Cash paid for property and equipment                                    | (117)    | (79)    | (196)  | (80)   | (220)  | (93)   | (310)  | (222)  | (843)      | (474)    |
| Cash paid for timberlands reforestation                                 | (12)     | (12)    | (6)    | (6)    | (6)    | (5)    | (8)    | (7)    | (32)       | (30)     |
| Cash received from issuances of debt                                    |          |         | 1      |        |        |        |        | 1      | 1          | 1        |
| Revolving credit facilities, notes and commercial paper borrowings, net | 19       | 67      | 23     | (80)   | (40)   | (6)    | 170    | 35     | 172        | 16       |
| Payments on debt  | (404)    | (60)    | (206)  | (813)  | (965)  | (253)  | (603)  | (742)  | (2,178)    | (1,868)  |
| Proceeds from equity offering   |          |         |        | 954    |        |        |        |        |            | 954      |
| Proceeds from the sale of operations                                    |          |         | 1,107  |        |        |        | 102    |        | 1,209      |          |

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**WEYERHAEUSER COMPANY**

By: /s/ Jeanne Hillman  
Its: Vice President and  
Controller

Date: February 3, 2006