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WEYERHAEUSER CO  
Form 8-K  
January 26, 2004

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

January 23, 2004

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(Date of earliest event report)

WEYERHAEUSER COMPANY  
(Exact name of registrant as specified in charter)

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

Federal Way, Washington 98063-9777  
(Address of principal executive offices)  
(zip code)

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

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Item 12. Results of Operations and Financial Condition

On January 23, 2004, Weyerhaeuser Company issued a press release as follows:

FEDERAL WAY, Wash.-- Weyerhaeuser Company (NYSE: WY) today reported fourth quarter net earnings of \$92 million, or 41 cents per share, on net sales of \$5.1 billion. This compares with \$126 million, or 57 cents per share, on net sales of \$4.7 billion for the fourth quarter of 2002.

Fourth quarter 2003 earnings include the following after-tax items:

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- \* A charge of \$29 million, or 14 cents per share, for closure of facilities.
- \* A charge of \$17 million, or 8 cents per share, for integration and restructuring activities.
- \* A charge of \$5 million, or 2 cents per share, associated with the settlement of litigation.
- \* A gain of \$40 million, or 18 cents per share, on the sale of timberlands in Tennessee and the Carolinas.

Fourth quarter 2002 earnings include the following after-tax items:

- \* Gains of \$95 million, or 42 cents per share, on the sale of timberlands in Washington state net of costs associated with the closure of related Wood Products and Timberlands operations, a reduction in depreciation resulting from an adjustment to the preliminary purchase price allocation for the Willamette acquisition and the benefit from insurance proceeds covering a business disruption.
- \* Charges of \$57 million, or 26 cents per share, for the termination of the former MacMillan Bloedel pension plan for U.S. employees, acquisition and integration of Willamette Industries and the closure of other facilities.

Net sales in 2003 were \$19.9 billion compared with \$18.5 billion in 2002. For the full year 2003, Weyerhaeuser reported net earnings of \$277 million, or \$1.25 per share, compared with \$241 million, or \$1.09 per share for the full year 2002.

Significant 2003 accomplishments:

- \* Reduced Weyerhaeuser Company debt, excluding Real Estate and Related Assets, by approximately \$1.1 billion to \$11.6 billion. Total company debt, which includes Real Estate and Related Assets, was reduced by approximately \$1.1 billion to \$12.5 billion at year-end. Weyerhaeuser continues to make excellent progress toward achieving its target financial ratios.
- \* Captured \$300 million in synergies from the Willamette acquisition in half the projected time.
  - Sold approximately 444,000 acres of non-strategic timberlands.
  - Reduced capital spending, excluding Real Estate and Related Assets, to approximately \$626 million, a 35 percent decrease from \$960 million the prior year.
  - Continued to rationalize the company's manufacturing system by closing 12 facilities. In addition, Weyerhaeuser significantly improved the productivity of its remaining manufacturing operations.

"Thanks to the hard work of our employees, during 2003 we successfully completed the integration of Willamette, captured the synergies and continued to reduce debt despite very challenging economic conditions," said Steven R. Rogel, chairman, president and chief executive officer. "Continuing consolidation and a changing customer base are driving significant changes within the forest products industry. These changes underscore the importance of the strategies we pursued in 2003 to aggressively reduce costs, increase productivity, and maintain strong relationships with our customers and suppliers. We're pleased with the progress we made this year, but we recognize that we must constantly improve if we are going to successfully respond to these market challenges.

"In 2004, we plan to become even more efficient and to continue working closely with customers to meet their needs," Rogel said. "This will mean developing the most productive manufacturing system in the industry. We'll also

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continue reducing debt and maximizing our return on assets to position Weyerhaeuser to compete successfully in our evolving industry."

### SUMMARY OF FOURTH QUARTER FINANCIAL HIGHLIGHTS

| Millions (except per share data) | 4Q 2003 | 4Q 2002 | Change          |
|----------------------------------|---------|---------|-----------------|
| Net earnings                     |         | \$92    | \$126 (\$34)    |
| Earnings per share               | \$0.41  |         | \$0.57 (\$0.16) |
| Net sales                        | \$5,145 | \$4,718 | \$427           |

### SUMMARY OF 2003 FINANCIAL HIGHLIGHTS

| Millions (except per share data) | 2003     | 2002     | Change  |
|----------------------------------|----------|----------|---------|
| Net earnings                     | \$277    | 241      | \$36    |
| Earnings per share               | \$1.25   | \$1.09   | \$0.16  |
| Net sales                        | \$19,873 | \$18,521 | \$1,352 |

### SEGMENT RESULTS FOR FOURTH QUARTER 2003

(Contributions to Pre-Tax Earnings)

| Millions                                   | 4Q 2003 | 4Q 2002 | Change        |
|--|---------|---------|---------------|
| Timberlands                                |         | \$185   | \$300 (\$115) |
| Wood Products                              | \$111   | (\$75)  | \$186         |
| Pulp and Paper                             | (\$67)  | \$86    | (\$153)       |
| Containerboard, Packaging<br>and Recycling | \$32    | \$114   | (\$82)        |
| Real Estate and Related Assets             |         | \$109   | \$81 \$28     |

### TIMBERLANDS

|  | 4Q 2003 | 3Q 2003 | Change |
|--|---------|---------|--------|
| Contribution to earnings<br>(millions) | \$185   | \$143   | \$42   |

Excluding the pre-tax gain of \$61 million in the fourth quarter on the sale of non-strategic timberlands in Tennessee and the Carolinas, fourth quarter earnings were down slightly from third quarter. Stronger log prices and improved export markets in the West were offset by lower seasonal fee harvest and lower domestic sales volumes. Log prices in the South remained flat, but lower seasonal fee harvest caused a reduction in earnings.

First quarter earnings are expected to be higher than the fourth quarter -- adjusted for the sale of non-strategic timberlands in the fourth quarter -- due to higher domestic log sales volumes and prices in the West, and higher planned fee harvest in the South.

### WOOD PRODUCTS

|  | 4Q 2003 | 3Q 2003 | Change |
|--|---------|---------|--------|
| Contribution to earnings<br>(millions) | \$111   | \$151   | (\$40) |

The net reduction in earnings from the third quarter was due primarily due to volatile prices for wood products. Prices increased for oriented strand board and plywood before declining sharply late in the quarter. Declines in Western lumber prices, lower volumes and higher raw material costs reduced lumber results. Higher OSB prices negatively affected margins for engineered wood products. The late quarter decline in structural panel prices negatively affected earnings in the company's building products distribution centers. Wood Products recognized pre-tax charges of \$13 million in the fourth quarter compared with \$31 million in the third quarter for the closure of facilities. The segment also incurred \$22 million in countervailing and anti-dumping duties

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and related costs on Canadian softwood lumber the company sold into the United States in the fourth quarter. This compares to \$25 million in the third quarter. For the year, Weyerhaeuser incurred \$97 million in countervailing and anti-dumping duties.

First quarter results are expected to be lower than fourth quarter due primarily to price decreases in lumber and structural panels. The company expects the Canadian softwood lumber issue to continue to affect earnings.

### PULP AND PAPER

|   | 4Q 2003 | 3Q 2003 | Change |
|---|---------|---------|--------|
| Contribution (charge)<br>to earnings (millions) | (\$67)  | (\$18)  | (\$49) |

A weak paper market combined with pre-tax charges of \$30 million associated with the closure of the paper machine at Longview, Wash., resulted in significantly lower earnings compared with the prior quarter. Paper prices were slightly lower during the quarter. To balance supply to demand, the paper business took 96,000 tons of market-related downtime during the quarter. Pulp earnings were steady as higher pulp prices were mostly offset by higher manufacturing costs.

First quarter losses are expected to narrow from fourth quarter due to increased demand for fine paper and improving softwood pulp prices.

### CONTAINERBOARD, PACKAGING AND RECYCLING

|                                     | 4Q 2003 | 3Q 2003 | Change |
|-------------------------------------|---------|---------|--------|
| Contribution to earnings (millions) | \$32    | \$42    | (\$10) |

Excluding pre-tax charges of \$40 million in the third quarter associated with the closure of facilities and settlement of litigation, fourth quarter earnings were down \$50 million from third quarter. Prices for boxes and containerboard declined through the quarter. Packaging volumes declined seasonally, but were higher than levels a year ago. Manufacturing costs rose modestly during the quarter. The mills took 71,000 tons of market-related downtime to adjust production to the seasonal decline in shipments.

Earnings in the first quarter are expected to be down slightly due primarily to higher raw material costs for old corrugated containers (OCC). This is expected to be partially offset by anticipated containerboard price increases late in the quarter. Volumes should improve seasonally and year-over-year. Increases in operating rates are expected to result in lower manufacturing costs.

### REAL ESTATE AND RELATED ASSETS

|                                     | 4Q 2003 | 3Q 2003 | Change |
|-------------------------------------|---------|---------|--------|
| Contribution to earnings (millions) | \$109   | \$97    | \$12   |

A continued strong housing market, low interest rates and a quarterly record for closings produced increased earnings from the prior quarter.

Continued strong markets are expected to produce first quarter earnings that are comparable to fourth quarter. The company currently has a backlog of approximately six months of homes sold, but not closed.

### OTHER

The company will hold a live conference call at 7 a.m. PST (10 a.m. EST) on Jan. 23 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 prior to the start of the conference call. Those wishing to access the call from outside North America should dial 1-706-643-3795. Supporting slides are available at <http://www.weyerhaeuser.com> by clicking "Listen to Our Webcast and View Supporting Slides." Replays of the call will be available for one week following

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completion of the live call and can be accessed at 1-800-642-1687 (access code 4861240) within North America and at 1-706-645-9291 (access code 4861240) from outside North America.

Weyerhaeuser Company, one of the world's largest integrated forest products companies, was incorporated in 1900. In 2003, sales were \$19.9 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>.

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 terms or comparable terminology or by discussions of strategy, plans or intentions. In particular, some of these forward-looking statements deal with expectations regarding debt reduction, continued savings, increasing productivity in the manufacturing system, management of asset base, the company's markets in the first quarter; and expected earnings and performance of the company's business segments during the first quarter. 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; 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; fires, floods and other natural disasters; and legal proceedings. 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 dumping duties imposed on the company's softwood lumber shipments from Canada to the United States. These and other factors that could cause or contribute to actual results differing materially from such forward looking statements are discussed in greater detail in the company's Securities and Exchange Commission filings.

### WEYERHAEUSER COMPANY STATISTICAL INFORMATION (unaudited)

| CONSOLIDATED EARNINGS (1)         | Q1            |               | Q2           |              | Q3            |               |
|-----------------------------------|---------------|---------------|--------------|--------------|---------------|---------------|
|                                   | March<br>2003 | March<br>2002 | June<br>2003 | June<br>2002 | Sept.<br>2003 | Sept.<br>2002 |
| (in millions)                     | 30,           | 31,           | 29,          | 30,          | 28,           | 29,           |
| Net sales and revenues:           |               |               |              |              |               |               |
| Weyerhaeuser (2)                  | \$4,169       | \$3,595       | \$4,498      | \$4,501      | \$4,650       | \$4,422       |
| Real estate and related<br>assets | 445           | 396           | 432          | 421          | 534           | 468           |
| Total net sales and<br>revenues   | 4,614         | 3,991         | 4,930        | 4,922        | 5,184         | 4,890         |
| Costs and expenses:               |               |               |              |              |               |               |
| Weyerhaeuser:                     |               |               |              |              |               |               |

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|   |       |       |       |       |       |       |
|---|-------|-------|-------|-------|-------|-------|
| Costs of products sold                      | 3,322 | 2,831 | 3,611 | 3,519 | 3,598 | 3,576 |
| Depreciation, amortization and fee stumpage | 321   | 264   | 313   | 311   | 320   | 304   |
| Selling expenses                            | 107   | 103   | 111   | 116   | 117   | 116   |
| General and administrative expenses         | 231   | 186   | 232   | 231   | 249   | 201   |
| Research and development expenses           | 12    | 12    | 12    | 13    | 10    | 11    |
| Taxes other than payroll and income taxes   | 47    | 38    | 48    | 53    | 45    | 48    |
| Charges for integration and restructuring   | 29    | 2     | 25    | 23    | 24    | 17    |
| Charges for closure of facilities           | 22    | 27    | 12    | 28    | 48    | --    |
| Other operating costs, net (3) (4)          | 37    | 4     | (205) | (27)  | 16    | 19    |
|   | 4,128 | 3,467 | 4,159 | 4,267 | 4,427 | 4,292 |
| Real estate and related assets:             |       |       |       |       |       |       |
| Costs and operating expenses                | 330   | 291   | 316   | 317   | 406   | 359   |
| Depreciation and amortization               | 3     | 2     | 2     | 1     | 3     | 1     |
| Selling expenses                            | 24    | 21    | 25    | 24    | 27    | 23    |
| General and administrative expenses         | 14    | 10    | 14    | 11    | 15    | 14    |
| Taxes other than payroll and income taxes   | 1     | 1     | 1     | 1     | --    | 1     |
| Other operating costs, net                  | (7)   | (8)   | --    | 2     | 2     | 6     |
|   | 365   | 317   | 358   | 356   | 453   | 404   |
| Total costs and expenses                    | 4,493 | 3,784 | 4,517 | 4,623 | 4,880 | 4,696 |
| Operating income                            | 121   | 207   | 413   | 299   | 304   | 194   |
| Interest expense and other:                 |       |       |       |       |       |       |
| Weyerhaeuser:                               |       |       |       |       |       |       |
| Interest expense incurred (5)               | (208) | (178) | (205) | (222) | (200) | (214) |
| Less interest capitalized                   | 5     | 4     | 6     | 16    | 3     | 16    |
| Equity in income (loss) of affiliates       | (5)   | (4)   | 3     | (2)   | (3)   | (6)   |
| Interest income and other                   | 6     | 5     | 6     | 6     | 3     | 9     |
| Real estate and related assets:             |       |       |       |       |       |       |
| Interest expense incurred                   | (14)  | (13)  | (13)  | (13)  | (13)  | (12)  |
| Less interest capitalized                   | 14    | 13    | 13    | 13    | 13    | 12    |
| Equity in income of Unconsolidated          |       |       |       |       |       |       |

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|   |           |        |        |        |        |        |
|---|-----------|--------|--------|--------|--------|--------|
| entities  | 5         | 6      | 7      | 6      | 11     | 10     |
| Interest income and other   | 11        | 6      | 8      | 8      | 6      | 11     |
| Earnings before income taxes and cumulative effect of a change in accounting principle    | (65)      | 46     | 238    | 111    | 124    | 20     |
| Income taxes  | 22        | (16)   | (81)   | (39)   | (42)   | (7)    |
| Earnings before cumulative effect of a change in accounting principle                     | (43)      | 30     | 157    | 72     | 82     | 13     |
| Cumulative effect of a change in accounting principle, net of applicable taxes of \$6 (6) | (11)      | --     | --     | --     | --     | --     |
| Net earnings (loss)   | \$ (54)   | \$30   | \$157  | \$72   | \$82   | \$13   |
| Basic and diluted net earnings (loss) per share:  |           |        |        |        |        |        |
| Net earnings (loss) before cumulative effect of a change in accounting principle          | \$ (0.19) | \$0.14 | \$0.71 | \$0.32 | \$0.37 | \$0.06 |
| Cumulative effect of a change in accounting principle                                     | (0.05)    | --     | --     | --     | --     | --     |
| Net earnings (loss)   | \$ (0.24) | \$0.14 | \$0.71 | \$0.32 | \$0.37 | \$0.06 |
| Dividends paid per share  | \$0.40    | \$0.40 | \$0.40 | \$0.40 | \$0.40 | \$0.40 |

WEYERHAEUSER COMPANY  
STATISTICAL INFORMATION (unaudited)

| CONSOLIDATED EARNINGS (1)<br>(in millions)  | Q4               |                  | Year ended       |                  |
|---|------------------|------------------|------------------|------------------|
|   | Dec. 28,<br>2003 | Dec. 29,<br>2002 | Dec. 28,<br>2003 | Dec. 29,<br>2002 |
| Net sales and revenues:                     |                  |                  |                  |                  |
| Weyerhaeuser (2)                            | \$4,527          | \$4,253          | \$17,844         | \$16,771         |
| Real estate and related assets              | 618              | 465              | 2,029            | 1,750            |
| Total net sales and revenues                | 5,145            | 4,718            | 19,873           | 18,521           |
| Costs and expenses:                         |                  |                  |                  |                  |
| Weyerhaeuser:                               |                  |                  |                  |                  |
| Costs of products sold                      | 3,547            | 3,285            | 14,078           | 13,211           |
| Depreciation, amortization and fee stumpage | 353              | 335              | 1,307            | 1,214            |
| Selling expenses                            | 122              | 115              | 457              | 450              |
| General and administrative expenses         | 238              | 229              | 950              | 847              |
| Research and development expenses           | 17               | 16               | 51               | 52               |
| Taxes other than payroll and income taxes   | 45               | 39               | 185              | 178              |
| Charges for integration and restructuring   | 25               | 30               | 103              | 72               |
| Charges for closure of facilities           | 45               | 40               | 127              | 95               |
| Other operating costs, net (3) (4)          | (92)             | (135)            | (244)            | (139)            |
|   | 4,300            | 3,954            | 17,014           | 15,980           |

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|   |        |        |        |        |
|---|--------|--------|--------|--------|
| Real estate and related assets:   |        |        |        |        |
| Costs and operating expenses  | 464    | 359    | 1,516  | 1,326  |
| Depreciation and amortization   | 3      | 7      | 11     | 11     |
| Selling expenses  | 31     | 22     | 107    | 90     |
| General and administrative expenses   | 20     | 13     | 63     | 48     |
| Taxes other than payroll and income taxes   | 1      | 1      | 3      | 4      |
| Other operating costs, net  | (4)    | (1)    | (9)    | (1)    |
|   | 515    | 401    | 1,691  | 1,478  |
| Total costs and expenses  | 4,815  | 4,355  | 18,705 | 17,458 |
| Operating income  | 330    | 363    | 1,168  | 1,063  |
| Interest expense and other:   |        |        |        |        |
| Weyerhaeuser:   |        |        |        |        |
| Interest expense incurred (5)   | (202)  | (207)  | (815)  | (821)  |
| Less interest capitalized   | 5      | 14     | 19     | 50     |
| Equity in income (loss) of affiliates   | (1)    | (1)    | (6)    | (13)   |
| Interest income and other   | 2      | 8      | 17     | 28     |
| Real estate and related assets:   |        |        |        |        |
| Interest expense incurred   | (13)   | (15)   | (53)   | (53)   |
| Less interest capitalized   | 13     | 15     | 53     | 53     |
| Equity in income of unconsolidated entities   | (3)    | 9      | 20     | 31     |
| Interest income and other   | 8      | 8      | 33     | 33     |
| Earnings before income taxes and cumulative effect of a change in accounting principle    | 139    | 194    | 436    | 371    |
| Income taxes  | (47)   | (68)   | (148)  | (130)  |
| Earnings before cumulative effect of a change in accounting principle                     | 92     | 126    | 288    | 241    |
| Cumulative effect of a change in accounting principle, net of applicable taxes of \$6 (6) | --     | --     | (11)   | --     |
| Net earnings (loss)   | \$92   | \$126  | \$277  | \$241  |
| Basic and diluted net earnings (loss) per share:  |        |        |        |        |
| Net earnings (loss) before cumulative effect of a change in accounting principle          | \$0.41 | \$0.57 | \$1.30 | \$1.09 |
| Cumulative effect of a change in accounting principle                                     | --     | --     | (0.05) | --     |
| Net earnings (loss)   | \$0.41 | \$0.57 | \$1.25 | \$1.09 |
| Dividends paid per share  | \$0.40 | \$0.40 | \$1.60 | \$1.60 |

(1) Certain reclassifications have been made to conform prior period data with the current presentation.

(2) The first, second, third and fourth quarters of 2003 include charges of \$24 million, \$26 million, \$25 million, and \$22 million, respectively, or a total of \$97 million for the year for countervailing and anti-dumping duties and related costs. 2002 first quarter includes \$13 million of charges for countervailing and



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anti-dumping duties and related costs and a credit of \$18 million for the reversal of countervailing and anti-dumping duties accrued in 2001. The 2002 second quarter includes \$7 million of charges for countervailing and anti-dumping duties and related costs, a credit of \$29 million for the reversal of charges accrued in 2001 and a credit of \$13 million for charges accrued in the first quarter of 2002. The 2002 third and fourth quarters include charges of \$31 million and \$26 million, respectively, for countervailing and anti-dumping duties and related costs. The 2002 impact of countervailing and anti-dumping duties and related costs is a net charge of \$17 million which includes current year charges of \$64 million and \$47 million of credits related to the reversal of charges accrued in 2001.

- (3) 2003 first, second, third and fourth quarters include net foreign exchange gains (losses) of \$35 million, \$47 million, (\$4) million, and \$30 million, respectively, for a total net gain of \$108 million for the year. 2002 includes \$33 million in net foreign exchange gains. Gains of \$8 million, \$27 million and \$14 million are included in the first, second and fourth quarters, respectively. A loss of \$16 million is included in the third quarter.
- (4) The first quarter of 2003 includes a \$79 million charge for a lawsuit involving the market for Pacific Northwest alder logs. 2003 second quarter includes a \$144 million gain on the sales of timberlands in Washington state and a \$25 million gain for the settlement of an insurance claim relating to the Cemwood litigation. 2003 third quarter includes a \$23 million charge associated with the settlement of a class action linerboard antitrust lawsuit. 2003 fourth quarter includes a \$61 million gain on the sales of timberlands in Tennessee and the Carolinas and an \$8 million charge associated with the settlement of litigation related to workers compensation claims. 2002 fourth quarter includes a \$117 million gain on the sale of timberlands in Washington state.
- (5) 2002 first quarter includes a \$35 million charge to write off debt issue costs in connection with the refinancing of debt in connection with the acquisition of Willamette Industries.
- (6) Statement of Financial Accounting Standards No. 143, Accounting for Asset Retirement Obligations, was adopted as of the beginning of 2003. Results for 2002 were not impacted by the change in accounting principle.

### WEYERHAEUSER COMPANY STATISTICAL INFORMATION (unaudited)

|  | Q1    |       | Q2    |       | Q3    |       |
|--|-------|-------|-------|-------|-------|-------|
|  | March | March | June  | June  | Sept. | Sept. |
| (in millions):                             | 30,   | 31,   | 29,   | 30,   | 28,   | 29,   |
|  | 2003  | 2002  | 2003  | 2002  | 2003  | 2002  |
| Net sales and revenues                     |       |       |       |       |       |       |
| Timberlands:                               |       |       |       |       |       |       |
| Raw materials (logs, timber and chips)     | \$203 | \$142 | \$213 | \$184 | \$212 | \$193 |
| Other products                             | 21    | 19    | 24    | 21    | 18    | 18    |
|  | 224   | 161   | 237   | 205   | 230   | 211   |
| Wood Products:                             |       |       |       |       |       |       |
| Softwood lumber                            | 752   | 692   | 846   | 901   | 890   | 845   |
| Plywood and veneer                         | 174   | 158   | 182   | 203   | 228   | 195   |
| Oriented strand board, composite and other |       |       |       |       |       |       |

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|  |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|
| panels                                   | 257     | 240     | 331     | 320     | 445     | 217     |
| Hardwood lumber                          | 80      | 76      | 86      | 81      | 75      | 72      |
| Engineered lumber products               | 254     | 253     | 308     | 315     | 329     | 324     |
| Raw materials (logs, timber and chips)   | 81      | 106     | 82      | 129     | 72      | 120     |
| Other products                           | 174     | 176     | 221     | 198     | 213     | 184     |
|  | 1,772   | 1,701   | 2,056   | 2,147   | 2,252   | 1,957   |
| Pulp and Paper:                          |         |         |         |         |         |         |
| Pulp                                     | 309     | 280     | 321     | 297     | 333     | 300     |
| Paper                                    | 596     | 416     | 546     | 563     | 530     | 590     |
| Coated groundwood                        | 36      | 30      | 32      | 30      | 39      | 32      |
| Liquid packaging board                   | 47      | 40      | 52      | 51      | 50      | 37      |
| Other products                           | 10      | 6       | 7       | 10      | 6       | 8       |
|  | 998     | 772     | 958     | 951     | 958     | 967     |
| Containerboard, Packaging and Recycling: |         |         |         |         |         |         |
| Containerboard                           | 77      | 73      | 81      | 90      | 73      | 101     |
| Packaging                                | 879     | 758     | 922     | 935     | 898     | 909     |
| Recycling                                | 60      | 48      | 63      | 51      | 60      | 67      |
| Bags                                     | 20      | 10      | 20      | 20      | 19      | 22      |
| Other products                           | 33      | 10      | 35      | 34      | 40      | 28      |
|  | 1,069   | 899     | 1,121   | 1,130   | 1,090   | 1,127   |
| Real Estate and Related Assets           | 445     | 396     | 432     | 421     | 534     | 468     |
| Corporate and Other                      | 106     | 62      | 126     | 68      | 120     | 160     |
|  | \$4,614 | \$3,991 | \$4,930 | \$4,922 | \$5,184 | \$4,890 |

| Contribution (charge) to earnings(1):<br>(in millions) | Q1             |                | Q2            |               | Q3             |                |
|--|----------------|----------------|---------------|---------------|----------------|----------------|
|  | March 30, 2003 | March 31, 2002 | June 29, 2003 | June 30, 2002 | Sept. 28, 2003 | Sept. 29, 2002 |
| Timberlands (2)  | \$149          | \$107          | \$300         | \$162         | \$143          | \$133          |
| Wood Products (3) (4) (5)                              | (150)          | 9              | (53)          | 64            | 151            | (18)           |
| Pulp and Paper (6) (7)                                 | 10             | 1              | (7)           | (15)          | (18)           | 10             |
| Containerboard, Packaging and Recycling (8) (9)        | 80             | 58             | 108           | 75            | 42             | 88             |
| Real Estate and Related Assets (10)                    | 95             | 91             | 91            | 79            | 97             | 85             |
| Corporate and Other (11) (12) (13)                     | (46)           | (46)           | (2)           | (48)          | (94)           | (80)           |
|  | \$138          | \$220          | \$437         | \$317         | \$321          | \$218          |

WEYERHAEUSER COMPANY  
STATISTICAL INFORMATION (unaudited)

Net sales and revenues (in millions):

|  | Q4            |               | Year ended    |               |
|--|---------------|---------------|---------------|---------------|
|  | Dec. 28, 2003 | Dec. 29, 2002 | Dec. 28, 2003 | Dec. 29, 2002 |

|  |       |       |       |       |
|--|-------|-------|-------|-------|
| Timberlands:                           |       |       |       |       |
| Raw materials (logs, timber and chips) | \$207 | \$254 | \$835 | \$773 |
| Other products                         | 26    | 39    | 89    | 97    |
|  | 233   | 293   | 924   | 870   |

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|   |         |         |          |          |
|---|---------|---------|----------|----------|
| Wood Products:                                    |         |         |          |          |
| Softwood lumber                                   | 793     | 748     | 3,281    | 3,186    |
| Plywood and veneer                                | 239     | 178     | 823      | 734      |
| Oriented strand board, composite and other panels | 469     | 251     | 1,502    | 1,028    |
| Hardwood lumber                                   | 79      | 77      | 320      | 306      |
| Engineered lumber products                        | 288     | 256     | 1,179    | 1,148    |
| Raw materials (logs, timber and chips)            | 86      | 117     | 321      | 472      |
| Other products                                    | 210     | 160     | 818      | 718      |
|   | 2,164   | 1,787   | 8,244    | 7,592    |
| Pulp and Paper:                                   |         |         |          |          |
| Pulp  | 342     | 319     | 1,305    | 1,196    |
| Paper   | 510     | 594     | 2,182    | 2,163    |
| Coated groundwood                                 | 33      | 34      | 140      | 126      |
| Liquid packaging board                            | 49      | 51      | 198      | 179      |
| Other products                                    | 14      | 10      | 37       | 34       |
|   | 948     | 1,008   | 3,862    | 3,698    |
| Containerboard, Packaging and Recycling:          |         |         |          |          |
| Containerboard                                    | 73      | 86      | 304      | 350      |
| Packaging   | 845     | 864     | 3,544    | 3,466    |
| Recycling   | 64      | 63      | 247      | 229      |
| Bags  | 21      | 23      | 80       | 75       |
| Other products                                    | 39      | 20      | 147      | 92       |
|   | 1,042   | 1,056   | 4,322    | 4,212    |
| Real Estate and Related Assets                    | 618     | 465     | 2,029    | 1,750    |
| Corporate and Other                               | 140     | 109     | 492      | 399      |
|   | \$5,145 | \$4,718 | \$19,873 | \$18,521 |

|   |          |          |            |          |
|---|----------|----------|------------|----------|
| Contribution (charge) to earnings(1):           | Q4       |          | Year ended |          |
| (in millions)                                   | Dec. 28, | Dec. 29, | Dec. 28,   | Dec. 29, |
|   | 2003     | 2002     | 2003       | 2002     |
| Timberlands (2)                                 | \$185    | \$300    | \$777      | \$702    |
| Wood Products (3) (4) (5)                       | 111      | (75)     | 59         | (20)     |
| Pulp and Paper (6) (7)                          | (67)     | 86       | (82)       | 82       |
| Containerboard, Packaging and Recycling (8) (9) | 32       | 114      | 262        | 335      |
| Real Estate and Related Assets (10)             | 109      | 81       | 392        | 336      |
| Corporate and Other (11) (12) (13)              | (34)     | (119)    | (176)      | (293)    |
|   | \$336    | \$387    | \$1,232    | \$1,142  |

(1) Certain reclassifications have been made to conform prior period data with the current presentation.

(2) 2003 second quarter includes a \$144 million gain on the sales of timberlands in Washington state. 2003 fourth quarter includes a \$61 million gain on the sale of timberlands in Tennessee and the Carolinas. 2002 fourth quarter includes a \$117 million gain on the sale of timberlands in Washington state.

(3) The first, second, third and fourth quarters of 2003 include charges of \$24 million, \$26 million, \$25 million, and \$22 million, respectively, or a total of \$97 million for the year for countervailing and anti-dumping duties and related costs. 2002 first quarter includes \$13 million of charges for countervailing and anti-dumping duties and related costs and a credit of \$18 million for

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the reversal of countervailing and anti-dumping duties accrued in 2001. The 2002 second quarter includes \$7 million of charges for countervailing and anti-dumping duties and related costs, a credit of \$29 million for the reversal of charges accrued in 2001 and a credit of \$13 million for charges accrued in the first quarter of 2002. The 2002 third and fourth quarters include charges of \$31 million and \$26 million, respectively, for countervailing and anti-dumping duties and related costs. The 2002 impact of countervailing and anti-dumping duties and related costs is a net charge of \$17 million which includes current year charges of \$64 million and \$47 million of credits related to the reversal of charges accrued in 2001.

- (4) The first quarter of 2003 includes a \$79 million charge for a lawsuit involving the market for Pacific Northwest alder logs.
- (5) 2003 first, second, third and fourth quarters include costs for the closure of facilities of \$22 million, \$11 million, \$31 million, and \$14 million, respectively. 2003 second quarter also includes a charge of \$16 million to recognize impairment associated with an impending facility sale that closed in the fourth quarter of 2003. 2002 includes closure costs of \$51 million (\$17 million in the first quarter and \$34 million in the fourth quarter).
- (6) 2002 includes \$12 million in net business disruption costs associated with the recovery boiler explosion at the Plymouth, N.C., paper facility. Costs of \$22 million and \$30 million are included in the second and third quarters, respectively. Net recoveries of \$40 million are included in the fourth quarter.
- (7) 2003 second quarter includes \$3 million of closure costs. 2003 fourth quarter includes \$30 million of closure costs. 2002 fourth quarter results include an \$8 million benefit resulting from adjustments to closure reserves established in 2001.
- (8) The third quarter of 2003 includes a \$23 million charge associated with the settlement of a class action linerboard antitrust lawsuit.
- (9) 2003 second quarter includes the reversal of an accrual for closure charges of \$2 million. 2003 third and fourth quarters include closure costs of \$17 million and \$1 million, respectively. 2002 includes closure costs of \$52 million (\$10 million in the first quarter, \$28 million in the second quarter and \$14 million in the fourth quarter).
- (10) 2003 first quarter includes gains of \$8 million for the sale of two office buildings and \$10 for the sale of an apartment complex. 2003 second quarter includes a gain of \$12 million for the sale of commercial property. 2002 includes \$21 million in gains from sales of apartment complexes, including \$7 million in the second quarter and \$14 million in the third quarter.
- (11) 2003 second quarter includes a \$6 million charge to reflect the final settlement in connection with the termination of the former MacMillan Bloedel pension plan for U.S. employees. 2002 results include a \$35 million charge in the fourth quarter related to the termination of this pension plan.
- (12) 2003 second quarter includes a \$25 million gain for the settlement of an insurance claim relating to the Cemwood litigation. 2003 fourth quarter includes an \$8 million charge for the settlement of litigation related to workers compensation claims.

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(13) 2003 results include net foreign exchange gains (losses) of \$35 million in the first quarter, \$46 million in the second quarter, (\$4) million in the third quarter, and \$30 million in the fourth quarter, for a net 2003 gain of \$107 million. 2002 results include net foreign exchange gains (losses) of \$8 million in the first quarter, \$27 million in the second quarter, (\$17 million) in the third quarter and \$14 million in the fourth quarter, for a 2002 net gain of \$32 million. These gains and losses result primarily from fluctuations in Canadian and New Zealand exchange rates.

WEYERHAEUSER COMPANY  
STATISTICAL INFORMATION (unaudited)

| Third party sales volumes:                          | Q1     |        | Q2     |        | Q3     |        |
|---|--------|--------|--------|--------|--------|--------|
|   | March  | March  | June   | June   | Sept.  | Sept.  |
|   | 30,    | 31,    | 29,    | 30,    | 28,    | 29,    |
|   | 2003   | 2002   | 2003   | 2002   | 2003   | 2002   |
| Timberlands (millions):                             |        |        |        |        |        |        |
| Raw materials - cubic feet                          | 96     | 67     | 110    | 102    | 102    | 91     |
| Wood Products (millions):                           |        |        |        |        |        |        |
| Softwood lumber - board feet                        | 2,175  | 1,845  | 2,385  | 2,262  | 2,298  | 2,362  |
| Plywood and veneer - square feet (3/8")             | 726    | 624    | 760    | 815    | 744    | 792    |
| Composite panels - square feet (3/4")               | 278    | 308    | 317    | 445    | 313    | 95     |
| Oriented strand board - square feet (3/8")          | 1,025  | 945    | 1,206  | 1,095  | 1,129  | 1,117  |
| Hardwood lumber - board feet                        | 106    | 108    | 113    | 113    | 103    | 104    |
| Raw materials - cubic feet                          | 128    | 143    | 118    | 164    | 112    | 161    |
| Pulp and Paper (thousands):                         |        |        |        |        |        |        |
| Pulp - air-dry metric tons                          | 623    | 563    | 596    | 618    | 632    | 561    |
| Paper - tons  | 737    | 546    | 690    | 717    | 707    | 749    |
| Coated groundwood - tons                            | 61     | 48     | 55     | 49     | 64     | 55     |
| Liquid packaging board - tons                       | 60     | 53     | 67     | 61     | 64     | 47     |
| Paper converting - tons                             | 502    | 375    | 472    | 488    | 478    | 499    |
| Containerboard, Packaging and Recycling (thousands) |        |        |        |        |        |        |
| Containerboard - tons                               | 221    | 209    | 233    | 260    | 214    | 283    |
| Packaging - MSF                                     | 17,752 | 15,001 | 18,577 | 19,285 | 18,545 | 18,553 |
| Recycling - tons                                    | 593    | 604    | 566    | 552    | 538    | 539    |
| Kraft bags and sacks - tons                         | 25     | 13     | 24     | 26     | 25     | 26     |
| Total production volumes:                           | Q1     |        | Q2     |        | Q3     |        |
|   | March  | March  | June   | June   | Sept.  | Sept.  |

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|                           |        |        |        |        |        |        |
|---------------------------|--------|--------|--------|--------|--------|--------|
|                           | 30,    | 31,    | 29,    | 30,    | 28,    | 29,    |
|                           | 2003   | 2002   | 2003   | 2002   | 2003   | 2002   |
| Timberlands (millions):   |        |        |        |        |        |        |
| Logs - cubic feet         | 182    | 153    | 152    | 191    | 147    | 164    |
| Wood Products (millions): |        |        |        |        |        |        |
| Softwood lumber -         |        |        |        |        |        |        |
| board feet                | 1,842  | 1,530  | 1,825  | 1,702  | 1,742  | 1,728  |
| Plywood and veneer -      |        |        |        |        |        |        |
| square feet (3/8")        | 672    | 471    | 557    | 649    | 596    | 638    |
| Composite panels -        |        |        |        |        |        |        |
| square feet (3/4")        | 231    | 218    | 252    | 183    | 253    | 235    |
| Oriented strand board -   |        |        |        |        |        |        |
| square feet (3/8")        | 1,011  | 957    | 1,051  | 944    | 1,061  | 1,115  |
| Hardwood lumber -         |        |        |        |        |        |        |
| board feet                | 115    | 96     | 111    | 99     | 109    | 107    |
| Pulp and Paper            |        |        |        |        |        |        |
| (thousands):              |        |        |        |        |        |        |
| Pulp - air-dry metric     |        |        |        |        |        |        |
| tons                      | 654    | 607    | 619    | 492    | 604    | 630    |
| Paper - tons              | 757    | 510    | 712    | 667    | 706    | 704    |
| Coated groundwood - tons  | 62     | 48     | 55     | 60     | 61     | 43     |
| Liquid packaging board    |        |        |        |        |        |        |
| - tons                    | 56     | 63     | 68     | 67     | 72     | 31     |
| Paper converting - tons   | 516    | 353    | 479    | 496    | 472    | 502    |
| Containerboard, Packaging |        |        |        |        |        |        |
| and Recycling (thousands) |        |        |        |        |        |        |
| Containerboard - tons     | 1,429  | 1,250  | 1,568  | 1,600  | 1,512  | 1,621  |
| Packaging - MSF           | 18,977 | 16,174 | 19,955 | 20,521 | 19,865 | 19,596 |
| Recycling - tons          | 1,528  | 1,387  | 1,644  | 1,588  | 1,507  | 1,551  |
| Kraft bags and sacks -    |        |        |        |        |        |        |
| tons                      | 25     | 13     | 25     | 25     | 23     | 27     |

WEYERHAEUSER COMPANY  
STATISTICAL INFORMATION (unaudited)

| Third party sales volumes:       | Q4       |          | Year ended |          |
|----------------------------------|----------|----------|------------|----------|
|                                  | Dec. 28, | Dec. 29, | Dec. 28,   | Dec. 29, |
|                                  | 2003     | 2002     | 2003       | 2002     |
| Timberlands (millions):          |          |          |            |          |
| Raw materials - cubic feet       | 105      | 110      | 413        | 370      |
| Wood Products (millions):        |          |          |            |          |
| Softwood lumber - board feet     | 2,123    | 2,154    | 8,981      | 8,623    |
| Plywood and veneer - square feet |          |          |            |          |
| (3/8")                           | 674      | 672      | 2,904      | 2,903    |
| Composite panels - square feet   |          |          |            |          |
| (3/4")                           | 302      | 299      | 1,210      | 1,147    |
| Oriented strand board - square   |          |          |            |          |
| feet (3/8")                      | 1,304    | 1,048    | 4,664      | 4,205    |
| Hardwood lumber - board feet     | 105      | 102      | 427        | 427      |
| Raw materials - cubic feet       | 130      | 127      | 488        | 595      |
| Pulp and Paper (thousands):      |          |          |            |          |
| Pulp - air-dry metric tons       | 628      | 636      | 2,479      | 2,378    |
| Paper - tons                     | 688      | 730      | 2,822      | 2,742    |
| Coated groundwood - tons         | 54       | 58       | 234        | 210      |

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|   |          |          |            |          |
|---|----------|----------|------------|----------|
| Liquid packaging board - tons                       | 65       | 68       | 256        | 229      |
| Paper converting - tons                             | 430      | 497      | 1,882      | 1,859    |
| Containerboard, Packaging and Recycling (thousands) |          |          |            |          |
| Containerboard - tons                               | 222      | 231      | 890        | 983      |
| Packaging - MSF                                     | 17,867   | 17,491   | 72,741     | 70,330   |
| Recycling - tons                                    | 593      | 597      | 2,290      | 2,292    |
| Kraft bags and sacks - tons                         | 26       | 28       | 100        | 93       |
| Total production volumes:                           |          |          |            |          |
|   | Q4       |          | Year ended |          |
|   | Dec. 28, | Dec. 29, | Dec. 28,   | Dec. 29, |
|   | 2003     | 2002     | 2003       | 2002     |
| Timberlands (millions):                             |          |          |            |          |
| Logs - cubic feet                                   | 148      | 155      | 629        | 663      |
| Wood Products (millions):                           |          |          |            |          |
| Softwood lumber - board feet                        | 1,704    | 1,871    | 7,113      | 6,831    |
| Plywood and veneer - square feet (3/8")             | 586      | 520      | 2,411      | 2,278    |
| Composite panels - square feet (3/4")               | 252      | 228      | 988        | 864      |
| Oriented strand board - square feet (3/8")          | 1,047    | 1,033    | 4,170      | 4,049    |
| Hardwood lumber - board feet                        | 106      | 104      | 441        | 406      |
| Pulp and Paper (thousands):                         |          |          |            |          |
| Pulp - air-dry metric tons                          | 645      | 552      | 2,522      | 2,281    |
| Paper - tons  | 658      | 730      | 2,833      | 2,611    |
| Coated groundwood - tons                            | 61       | 59       | 239        | 210      |
| Liquid packaging board - tons                       | 65       | 66       | 261        | 227      |
| Paper converting - tons                             | 415      | 493      | 1,882      | 1,844    |
| Containerboard, Packaging and Recycling (thousands) |          |          |            |          |
| Containerboard - tons                               | 1,494    | 1,533    | 6,003      | 6,004    |
| Packaging - MSF                                     | 19,033   | 18,809   | 77,830     | 75,100   |
| Recycling - tons                                    | 1,537    | 1,566    | 6,216      | 6,092    |
| Kraft bags and sacks - tons                         | 25       | 28       | 98         | 93       |

WEYERHAEUSER COMPANY  
STATISTICAL INFORMATION

CONDENSED CONSOLIDATED BALANCE SHEET (unaudited)  
(in millions)

|                                 | March 30, | June 29, | Sept. 28, | Dec. 28, | Dec. 29, |
|---------------------------------|-----------|----------|-----------|----------|----------|
| Assets                          | 2003      | 2003     | 2003      | 2003     | 2002     |
| Weyerhaeuser                    |           |          |           |          |          |
| Current assets:                 |           |          |           |          |          |
| Cash and short-term investments | \$59      | \$47     | \$57      | \$171    | \$115    |
| Receivables, less allowances    | 1,573     | 1,671    | 1,661     | 1,484    | 1,413    |
| Inventories                     | 2,167     | 2,093    | 1,959     | 1,911    | 1,941    |
| Prepaid expenses                | 455       | 427      | 436       | 455      | 419      |
| Total current assets            | 4,254     | 4,238    | 4,113     | 4,021    | 3,888    |
| Property and equipment          | 12,228    | 12,274   | 12,235    | 12,243   | 12,278   |

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|   |          |          |          |          |          |
|---|----------|----------|----------|----------|----------|
| Construction in progress  | 709      | 669      | 514      | 403      | 687      |
| Timber and timberlands<br>at cost, less fee<br>stumpage charged to<br>disposals | 4,450    | 4,454    | 4,440    | 4,287    | 4,402    |
| Investments in and<br>advances to equity<br>affiliates                          | 538      | 564      | 560      | 603      | 578      |
| Goodwill  | 3,191    | 3,224    | 3,221    | 3,237    | 3,131    |
| Deferred pension and<br>other assets  | 1,337    | 1,349    | 1,300    | 1,311    | 1,285    |
|   | 26,707   | 26,772   | 26,383   | 26,105   | 26,249   |
| Real estate and related<br>assets   | 1,989    | 2,065    | 2,064    | 2,004    | 1,970    |
| Total assets  | \$28,696 | \$28,837 | \$28,447 | \$28,109 | \$28,219 |

Liabilities and Shareholders' Interest

Weyerhaeuser

Current liabilities:

|  |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|
| Notes payable and<br>commercial paper  | \$321  | \$238  | \$155  | \$4    | \$2    |
| Current maturities of<br>long-term debt  | 595    | 594    | 92     | 90     | 786    |
| Accounts payable   | 975    | 1,046  | 975    | 1,041  | 983    |
| Accrued liabilities  | 1,162  | 1,192  | 1,214  | 1,390  | 1,223  |
| Total current<br>liabilities   | 3,053  | 3,070  | 2,436  | 2,525  | 2,994  |
| Long-term debt   | 12,129 | 11,866 | 12,120 | 11,503 | 11,907 |
| Deferred income taxes,<br>pension, other<br>postretirement benefits<br>and other liabilities | 5,541  | 5,612  | 5,632  | 5,671  | 5,346  |
|  | 20,723 | 20,548 | 20,188 | 19,699 | 20,247 |

Real estate and related assets

|   |          |          |          |          |          |
|---|----------|----------|----------|----------|----------|
| Notes payable and<br>commercial paper           | 115      | 130      | 100      | 1        | 63       |
| Long-term debt                                  | 764      | 762      | 762      | 893      | 814      |
| Other liabilities                               | 466      | 491      | 476      | 407      | 472      |
|   | 1,345    | 1,383    | 1,338    | 1,301    | 1,349    |
| Total liabilities                               | 22,068   | 21,931   | 21,526   | 21,000   | 21,596   |
| Shareholders' interest                          | 6,628    | 6,906    | 6,921    | 7,109    | 6,623    |
| Total liabilities and<br>shareholders' interest | \$28,696 | \$28,837 | \$28,447 | \$28,109 | \$28,219 |

STATEMENT OF CASH FLOWS

| SELECTED INFORMATION (unaudited)<br>(in millions)<br>(Weyerhaeuser only, excludes real<br>estate & related assets) | Q1                   |                      | Q2                  |                     | Q3                   |                      |
|--|----------------------|----------------------|---------------------|---------------------|----------------------|----------------------|
|  | March<br>30,<br>2003 | March<br>31,<br>2002 | June<br>29,<br>2003 | June<br>30,<br>2002 | Sept.<br>28,<br>2003 | Sept.<br>29,<br>2002 |
| Net cash from operations   | \$(126)              | \$(90)               | \$397               | \$379               | \$557                | \$268                |
| Cash paid for property and<br>equipment  | (128)                | (158)                | (172)               | (288)               | (146)                | (237)                |



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|   |       |         |       |       |       |       |
|---|-------|---------|-------|-------|-------|-------|
| Cash paid for timberlands reforestation                                 | (14)  | (12)    | (5)   | (8)   | (6)   | (6)   |
| Cash received from issuances of debt                                    | 1     | 13,001  | --    | 100   | 12    | 26    |
| Revolving credit facilities, notes and commercial paper borrowings, net | 599   | 30      | (333) | (150) | 166   | 122   |
| Payments on debt  | (251) | (6,593) | (14)  | (97)  | (509) | (159) |

| STATEMENT OF CASH FLOWS<br>SELECTED INFORMATION (unaudited)<br>(in millions)<br>(Weyerhaeuser only, excludes real estate & related assets) | Q4               |                  | Year ended       |                  |
|--|------------------|------------------|------------------|------------------|
|  | Dec. 28,<br>2003 | Dec. 29,<br>2002 | Dec. 28,<br>2003 | Dec. 29,<br>2002 |
| Net cash from operations   | \$819            | \$701            | \$1,647          | \$1,258          |
| Cash paid for property and equipment   | (146)            | (241)            | (592)            | (924)            |
| Cash paid for timberlands reforestation  | (9)              | (10)             | (34)             | (36)             |
| Cash received from issuances of debt   | 31               | 1,015            | 44               | 14,142           |
| Revolving credit facilities, notes and commercial paper borrowings, net  | (750)            | (230)            | (318)            | (228)            |
| Payments on debt   | (50)             | (1,375)          | (824)            | (8,224)          |

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/ Steven J. Hillyard  
Its: Vice President and  
Chief Accounting Officer

Date: January 23, 2004