

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2024**

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM _____ TO _____**

COMMISSION FILE NUMBER: 1-4825

WEYERHAEUSER COMPANY

(Exact name of registrant as specified in its charter)

Washington
(State or other jurisdiction of
incorporation or organization)

220 Occidental Avenue South
Seattle, Washington
(Address of principal executive offices)

91-0470860
(I.R.S. Employer
Identification Number)

98104-7800
(Zip Code)

(206) 539-3000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$1.25 per share	WY	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of July 22, 2024, 727,315 thousand shares of the registrant's common stock (\$1.25 par value) were outstanding.

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PART I – FINANCIAL INFORMATION
Item 1. FINANCIAL STATEMENTS

WEYERHAEUSER COMPANY
CONSOLIDATED STATEMENT OF OPERATIONS
(UNAUDITED)

DOLLAR AMOUNTS IN MILLIONS, EXCEPT PER-SHARE FIGURES	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Net sales (Note 3)	\$ 1,939	\$ 1,997	\$ 3,735	\$ 3,878
Costs of sales	1,535	1,528	2,976	3,040
Gross margin	404	469	759	838
Selling expenses	22	22	44	44
General and administrative expenses	116	108	236	209
Other operating (income) costs, net (Note 13)	(4)	20	13	30
Operating income	270	319	466	555
Non-operating pension and other post-employment benefit costs (Note 6)	(10)	(12)	(21)	(21)
Interest income and other	13	18	29	30
Interest expense, net of capitalized interest	(67)	(70)	(134)	(136)
Earnings before income taxes	206	255	340	428
Income taxes (Note 14)	(33)	(25)	(53)	(47)
Net earnings	\$ 173	\$ 230	\$ 287	\$ 381
Earnings per share, basic and diluted (Note 4)	\$ 0.24	\$ 0.31	\$ 0.39	\$ 0.52
Weighted average shares outstanding (in thousands) (Note 4):				
Basic	729,026	732,021	729,534	732,599
Diluted	729,341	732,362	729,950	732,961

See accompanying [Notes to Consolidated Financial Statements](#).

WEYERHAEUSER COMPANY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(UNAUDITED)

DOLLAR AMOUNTS IN MILLIONS	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Net earnings	\$ 173	\$ 230	\$ 287	\$ 381
Other comprehensive income:				
Foreign currency translation adjustments	(5)	7	(14)	7
Changes in unamortized actuarial loss, net of tax expense of \$2, \$2, \$6 and \$4	7	7	15	14
Changes in unamortized net prior service credit, net of tax benefit of \$0, \$1, \$0 and \$1	—	1	—	1
Total other comprehensive income	2	15	1	22
Total comprehensive income	\$ 175	\$ 245	\$ 288	\$ 403

See accompanying [Notes to Consolidated Financial Statements](#).

WEYERHAEUSER COMPANY
CONSOLIDATED BALANCE SHEET
(UNAUDITED)

<u>DOLLAR AMOUNTS IN MILLIONS, EXCEPT PAR VALUE</u>	JUNE 30, 2024	DECEMBER 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 997	\$ 1,164
Receivables, net	410	354
Receivables for taxes	10	10
Inventories (Note 5)	614	566
Prepaid expenses and other current assets	152	219
Total current assets	2,183	2,313
Property and equipment, less accumulated depreciation of \$3,970 and \$3,901	2,240	2,269
Construction in progress	303	270
Timber and timberlands at cost, less depletion	11,475	11,528
Minerals and mineral rights, less depletion	194	200
Deferred tax assets	13	15
Other assets	392	388
Total assets	\$ 16,800	\$ 16,983
LIABILITIES AND EQUITY		
Current liabilities:		
Current maturities of long-term debt (Note 8)	\$ 210	\$ —
Accounts payable	281	287
Accrued liabilities (Note 7)	504	501
Total current liabilities	995	788
Long-term debt, net (Note 8)	4,862	5,069
Deferred tax liabilities	87	81
Deferred pension and other post-employment benefits (Note 6)	460	461
Other liabilities	351	348
Total liabilities	6,755	6,747
Commitments and contingencies (Note 10)		
Equity:		
Common shares: \$1.25 par value; authorized 1,360 million shares; issued and outstanding: 727,519 thousand shares at June 30, 2024 and 729,753 thousand shares at December 31, 2023	910	912
Other capital	7,530	7,608
Retained earnings	1,897	2,009
Accumulated other comprehensive loss (Note 11)	(292)	(293)
Total equity	10,045	10,236
Total liabilities and equity	\$ 16,800	\$ 16,983

See accompanying [Notes to Consolidated Financial Statements](#).

WEYERHAEUSER COMPANY
CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)

DOLLAR AMOUNTS IN MILLIONS	YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023
Cash flows from operations:		
Net earnings	\$ 287	\$ 381
Noncash charges to earnings:		
Depreciation, depletion and amortization	251	252
Basis of real estate sold	70	46
Pension and other post-employment benefits (Note 6)	31	32
Share-based compensation expense (Note 12)	22	17
Other	4	2
Change in:		
Receivables, net	(57)	(105)
Receivables and payables for taxes	13	27
Inventories	(53)	14
Prepaid expenses and other current assets	33	8
Accounts payable and accrued liabilities	(14)	(30)
Pension and post-employment benefit contributions and payments	(9)	(11)
Other	(22)	(11)
Net cash from operations	556	622
Cash flows from investing activities:		
Capital expenditures for property and equipment	(139)	(119)
Capital expenditures for timberlands reforestation	(31)	(33)
Acquisitions of timberlands (Note 15)	(53)	(2)
Purchase of short-term investments	—	(664)
Other	3	—
Net cash from investing activities	(220)	(818)
Cash flows from financing activities:		
Cash dividends on common shares	(394)	(938)
Net proceeds from issuance of long-term debt (Note 8)	—	743
Repurchases of common shares (Note 4)	(99)	(85)
Other	(10)	(10)
Net cash from financing activities	(503)	(290)
Net change in cash, cash equivalents and restricted cash	(167)	(486)
Cash, cash equivalents and restricted cash at beginning of period	1,164	1,581
Cash, cash equivalents and restricted cash at end of period	\$ 997	\$ 1,095
Cash paid during the period for:		
Interest, net of amount capitalized of \$5 and \$3	\$ 126	\$ 127
Income taxes, net of refunds	\$ 38	\$ 18

See accompanying [Notes to Consolidated Financial Statements](#).

WEYERHAEUSER COMPANY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(UNAUDITED)

DOLLAR AMOUNTS IN MILLIONS, EXCEPT PER-SHARE FIGURES	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Common shares:				
Balance at beginning of period	\$ 912	\$ 916	\$ 912	\$ 916
Issued for exercise of stock options and vested units	—	1	2	2
Repurchases of common shares (Note 4)	(2)	(3)	(4)	(4)
Balance at end of period	910	914	910	914
Other capital:				
Balance at beginning of period	7,566	7,662	7,608	7,691
Issued for exercise of stock options	1	—	3	2
Repurchases of common shares (Note 4)	(48)	(47)	(95)	(81)
Share-based compensation	12	9	22	17
Other transactions, net	(1)	—	(8)	(5)
Balance at end of period	7,530	7,624	7,530	7,624
Retained earnings:				
Balance at beginning of period	1,870	1,738	2,009	2,389
Net earnings	173	230	287	381
Dividends on common shares	(146)	(140)	(399)	(942)
Balance at end of period	1,897	1,828	1,897	1,828
Accumulated other comprehensive loss:				
Balance at beginning of period	(294)	(240)	(293)	(247)
Other comprehensive income	2	15	1	22
Balance at end of period (Note 11)	(292)	(225)	(292)	(225)
Total equity:				
Balance at end of period	\$ 10,045	\$ 10,141	\$ 10,045	\$ 10,141
Dividends paid per common share	\$ 0.20	\$ 0.19	\$ 0.54	\$ 1.28

See accompanying [Notes to Consolidated Financial Statements](#).

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTERS AND YEAR-TO-DATE PERIODS ENDED JUNE 30, 2024 AND 2023**

NOTE 1: BASIS OF PRESENTATION

Our consolidated financial statements provide an overall view of our results of operations, financial condition and cash flows. They include our accounts and the accounts of entities we control, including majority-owned domestic and foreign subsidiaries. They do not include our intercompany transactions and accounts, which are eliminated. Throughout these Notes to Consolidated Financial Statements, unless specified otherwise, references to "Weyerhaeuser," "the company," "we" and "our" refer to the consolidated company.

The accompanying unaudited Consolidated Financial Statements reflect all adjustments that are, in the opinion of management, necessary for a fair presentation of our financial position, results of operations and cash flows for the interim periods presented. Except as otherwise disclosed in these Notes to Consolidated Financial Statements, such adjustments are of a normal, recurring nature. The Consolidated Financial Statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission pertaining to interim financial statements. Certain information and footnote disclosures normally included in our annual Consolidated Financial Statements have been condensed or omitted. These quarterly Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2023. Results of operations for interim periods should not necessarily be regarded as indicative of the results that may be expected for the full year.

NOTE 2: BUSINESS SEGMENTS

We are principally engaged in growing and harvesting timber; maximizing the value of our acreage through the sale of higher and better use (HBU) properties; monetizing the value of surface and subsurface assets through leases and royalties; and manufacturing, distributing and selling products made from trees. Our business segments are organized based primarily on products and services which include:

- Timberlands – Logs, timber, recreational leases and other products;
- Real Estate, Energy and Natural Resources (Real Estate & ENR) – Real Estate (sales of timberlands) and ENR (rights to explore for and extract hard minerals, construction materials, natural gas production and wind and solar) and
- Wood Products – Structural lumber, oriented strand board, engineered wood products and building materials distribution.

A reconciliation of our business segment information to the respective information in the [Consolidated Statement of Operations](#) is as follows:

DOLLAR AMOUNTS IN MILLIONS	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Sales to unaffiliated customers:				
Timberlands	\$ 409	\$ 417	\$ 796	\$ 879
Real Estate & ENR	109	80	216	181
Wood Products	1,421	1,500	2,723	2,818
	<u>1,939</u>	<u>1,997</u>	<u>3,735</u>	<u>3,878</u>
Intersegment sales:				
Timberlands	146	150	280	292
Total sales	2,085	2,147	4,015	4,170
Intersegment eliminations	(146)	(150)	(280)	(292)
Total	\$ 1,939	\$ 1,997	\$ 3,735	\$ 3,878
Net contribution (charge) to earnings:				
Timberlands	\$ 81	\$ 104	\$ 161	\$ 224
Real Estate & ENR	59	52	119	105
Wood Products	196	218	324	313
	<u>336</u>	<u>374</u>	<u>604</u>	<u>642</u>
Unallocated items ⁽¹⁾	(63)	(49)	(130)	(78)
Net contribution to earnings	273	325	474	564
Interest expense, net of capitalized interest	(67)	(70)	(134)	(136)
Earnings before income taxes	206	255	340	428
Income taxes	(33)	(25)	(53)	(47)
Net earnings	\$ 173	\$ 230	\$ 287	\$ 381

(1) Unallocated items are gains or charges not related to, or allocated to, an individual operating segment. They include all or a portion of items such as share-based compensation, pension and post-employment costs, elimination of intersegment profit in inventory and LIFO, foreign exchange transaction gains and losses, interest income and other.

NOTE 3: REVENUE RECOGNITION

A reconciliation of revenue recognized by our major products:

DOLLAR AMOUNTS IN MILLIONS	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Net sales to unaffiliated customers:				
Timberlands segment				
Delivered logs:				
West				
Domestic sales	\$ 97	\$ 101	\$ 191	\$ 194
Export grade sales	108	105	190	241
Subtotal West	205	206	381	435
South	153	162	304	330
North	9	7	22	24
Subtotal delivered logs sales	367	375	707	789
Stumpage and pay-as-cut timber	13	15	24	31
Recreational and other lease revenue	19	17	38	35
Other ⁽¹⁾	10	10	27	24
Net sales attributable to Timberlands segment	409	417	796	879
Real Estate & ENR segment				
Real estate	78	47	161	119
Energy and natural resources	31	33	55	62
Net sales attributable to Real Estate & ENR segment	109	80	216	181
Wood Products segment				
Structural lumber	499	573	963	1,088
Oriented strand board	288	215	543	423
Engineered solid section	191	215	368	384
Engineered I-joists	107	126	206	213
Softwood plywood	42	44	83	85
Medium density fiberboard	42	42	81	80
Complementary building products	176	204	317	367
Other ⁽²⁾	76	81	162	178
Net sales attributable to Wood Products segment	1,421	1,500	2,723	2,818
Total net sales	\$ 1,939	\$ 1,997	\$ 3,735	\$ 3,878

(1) Other Timberlands sales include sales of seeds and seedlings from our nursery operations as well as wood chips.

(2) Other Wood Products sales include wood chips, other byproducts and third-party residual log sales from our Canadian Forestlands operations.

NOTE 4: NET EARNINGS PER SHARE AND SHARE REPURCHASES

Our basic and diluted earnings per share were:

- \$0.24 during second quarter 2024 and \$0.39 during year-to-date 2024;
- \$0.31 during second quarter 2023 and \$0.52 during year-to-date 2023.

Basic earnings per share is net earnings divided by the weighted average number of our outstanding common shares, including stock equivalent units where there is no circumstance under which those shares would not be issued. Diluted earnings per share is net earnings divided by the sum of the weighted average number of our outstanding common shares and the effect of our outstanding dilutive potential common shares.

SHARES IN THOUSANDS	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Weighted average common shares outstanding – basic	729,026	732,021	729,534	732,599
Dilutive potential common shares:				
Stock options	106	111	125	124
Restricted stock units	158	20	140	23
Performance share units	51	210	151	215
Total effect of outstanding dilutive potential common shares	315	341	416	362
Weighted average common shares outstanding – dilutive	729,341	732,362	729,950	732,961

We use the treasury stock method to calculate the dilutive effect of our outstanding stock options, restricted stock units and performance share units.

Potential Shares Not Included in the Computation of Diluted Earnings per Share

The following shares were not included in the computation of diluted earnings per share because they were either antidilutive or the required performance or market conditions were not met. Some or all of these shares may be dilutive potential common shares in future periods.

SHARES IN THOUSANDS	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Stock options	607	787	607	787
Performance share units	946	682	946	682

Share Repurchase Program

On September 22, 2021, we announced that our board of directors approved a new share repurchase program (the 2021 Repurchase Program) under which we are authorized to repurchase up to \$1 billion of outstanding shares. Concurrently, the board terminated the remaining repurchase authorization under the share repurchase program approved by the board in February 2019 (the 2019 Repurchase Program).

We repurchased 1,669,145 common shares for approximately \$50 million (including transaction fees) under the 2021 Repurchase Program during second quarter 2024 and 3,141,514 common shares for approximately \$99 million (including transaction fees) under the 2021 Share Repurchase Program during year-to-date 2024. As of June 30, 2024, we had remaining authorization of \$152 million for future share repurchases. During year-to-date 2023, we repurchased 2,805,434 common shares for approximately \$85 million (including transaction fees) under the 2021 Repurchase Program.

All common stock repurchases under the 2021 Repurchase Program were made in open-market transactions. We record share repurchases upon trade date as opposed to the settlement date when cash is disbursed. We record a liability for repurchases that have not yet been settled as of period end. There were 15,765 unsettled shares (approximately \$1 million) as of June 30, 2024 and 13,866 unsettled shares (approximately \$1 million) as of December 31, 2023.

NOTE 5: INVENTORIES

Inventories include raw materials, work-in-process and finished goods, as well as materials and supplies.

DOLLAR AMOUNTS IN MILLIONS	JUNE 30, 2024	DECEMBER 31, 2023
LIFO inventories:		
Logs	\$ 16	\$ 29
Lumber, plywood, oriented strand board and fiberboard	90	77
Other products	13	12
Moving average cost or FIFO inventories:		
Logs	49	49
Lumber, plywood, oriented strand board, fiberboard and engineered wood products	143	115
Other products	144	134
Materials and supplies	159	150
Total	\$ 614	\$ 566

LIFO – the last-in, first-out method – applies to major inventory products held at our U.S. locations. The moving average cost method or FIFO – the first-in, first-out method – applies to the balance of our U.S. raw material and product inventories, all material and supply inventories and all foreign inventories.

NOTE 6: PENSION AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The components of net periodic benefit cost are:

DOLLAR AMOUNTS IN MILLIONS	PENSION			
	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Service cost	\$ 5	\$ 5	\$ 10	\$ 11
Interest cost	29	29	58	59
Expected return on plan assets	(30)	(30)	(61)	(60)
Amortization of actuarial loss	9	11	20	19
Amortization of prior service cost	1	1	1	1
Total net periodic benefit cost – pension	\$ 14	\$ 16	\$ 28	\$ 30

DOLLAR AMOUNTS IN MILLIONS	OTHER POST-EMPLOYMENT BENEFITS			
	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Interest cost	\$ 1	\$ 1	\$ 2	\$ 2
Amortization of actuarial loss	—	1	1	1
Amortization of prior service credit	—	(1)	—	(1)
Total net periodic benefit cost – other post-employment benefits	\$ 1	\$ 1	\$ 3	\$ 2

For the periods presented, service cost is included in “Costs of sales,” “Selling expenses,” and “General and administrative expenses” with the remaining components included in “Non-operating pension and other post-employment benefit costs” in the [Consolidated Statement of Operations](#).

Fair Value of Pension Plan Assets and Obligations

In our year-end reporting process, we estimate the fair value of pension plan assets based upon the information available at that time. For certain assets, primarily private equity funds, the information available consists of net asset values as of an interim date, cash flows between the interim date and the end of the year and market events. We evaluate the year-end estimated fair value of pension plan assets in second quarter of each year to incorporate final net asset values reflected in financial statements received after we have filed our Annual Report on Form 10-K. No adjustments to the fair value of assets or projected benefit obligations were necessary during second quarter 2024.

NOTE 7: ACCRUED LIABILITIES

Accrued liabilities were comprised of the following:

DOLLAR AMOUNTS IN MILLIONS	JUNE 30, 2024	DECEMBER 31, 2023
Compensation and employee benefit costs	\$ 158	\$ 173
Current portion of lease liabilities	21	19
Customer rebates, volume discounts and deferred income	140	124
Interest	62	63
Taxes payable	53	31
Other	70	91
Total	\$ 504	\$ 501

NOTE 8: LONG-TERM DEBT AND LINE OF CREDIT

In May 2023, we completed an offering of debt securities by issuing \$750 million of 4.750 percent notes due in May 2026. The net proceeds after deducting the discount, underwriting fees and issuance costs were \$743 million.

In March 2023, we refinanced and extended our \$1.5 billion five-year senior unsecured revolving credit facility, which expires in March 2028. Borrowings will bear interest at a floating rate based on either the adjusted term Secured Overnight Financing Rate (SOFR) plus a spread or a mutually agreed upon base rate plus a spread. We had no outstanding borrowings on our credit facility as of June 30, 2024 and December 31, 2023.

NOTE 9: FAIR VALUE OF FINANCIAL INSTRUMENTS

The estimated fair value and carrying value of our long-term debt consisted of the following:

DOLLAR AMOUNTS IN MILLIONS	JUNE 30, 2024		DECEMBER 31, 2023	
	CARRYING VALUE	FAIR VALUE (LEVEL 2)	CARRYING VALUE	FAIR VALUE (LEVEL 2)
Long-term debt (including current maturities) and line of credit:				
Fixed rate	\$ 4,823	\$ 4,718	\$ 4,820	\$ 4,853
Variable rate	249	250	249	250
Total debt	\$ 5,072	\$ 4,968	\$ 5,069	\$ 5,103

To estimate the fair value of fixed rate long-term debt, we used the market approach, which is based on quoted market prices we received for the same types and issues of our debt. We believe that our variable-rate long term debt and line of credit instruments have net carrying values that approximate their fair value with only insignificant differences. The inputs to the valuations of our long-term debt are based on market data obtained from independent sources or information derived principally from observable market data. The difference between the fair value and the carrying value represents the theoretical net premium or discount we would pay or receive to retire all debt at the measurement date.

Fair Value of Other Financial Instruments

We believe that our other financial instruments, including cash and cash equivalents, short-term investments, receivables and payables, have net carrying values that approximate their fair values with only insignificant differences. This is primarily due to the short-term nature of these instruments and the allowance for doubtful accounts.

NOTE 10: LEGAL PROCEEDINGS, COMMITMENTS AND CONTINGENCIES

Legal Proceedings

We are party to various legal proceedings arising in the ordinary course of business. We are not currently a party to any legal proceeding that management believes could have a material adverse effect on our [Consolidated Statement of Operations](#), [Consolidated Balance Sheet](#) or [Consolidated Statement of Cash Flows](#).

Environmental Matters

Site Remediation

Under the federal Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) – commonly known as the “Superfund” – and similar state laws, we:

- are a party to various proceedings related to the cleanup of hazardous waste sites and
- have been notified that we may be a potentially responsible party related to the cleanup of other hazardous waste sites for which proceedings have not yet been initiated.

As of June 30, 2024, our total accrual for future estimated remediation costs on active Superfund sites and other sites for which we are potentially responsible was approximately \$79 million. These amounts are recorded in "Accrued liabilities" and "Other liabilities" on our [Consolidated Balance Sheet](#).

NOTE 11: ACCUMULATED OTHER COMPREHENSIVE LOSS

Changes in amounts included in our accumulated other comprehensive loss by component are:

DOLLAR AMOUNTS IN MILLIONS	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Pension⁽¹⁾				
Balance at beginning of period	\$ (506)	\$ (451)	\$ (515)	\$ (458)
Other comprehensive (loss) income before reclassifications	—	(2)	1	(1)
Amounts reclassified from accumulated other comprehensive loss to earnings ⁽²⁾	8	9	16	15
Total other comprehensive income	8	7	17	14
Balance at end of period	\$ (498)	\$ (444)	\$ (498)	\$ (444)
Other post-employment benefits⁽¹⁾				
Balance at beginning of period	\$ 23	\$ 20	\$ 24	\$ 20
Other comprehensive (loss) income before reclassifications	(1)	1	(3)	1
Amounts reclassified from accumulated other comprehensive loss to earnings ⁽²⁾	—	—	1	—
Total other comprehensive (loss) income	(1)	1	(2)	1
Balance at end of period	\$ 22	\$ 21	\$ 22	\$ 21
Translation adjustments and other				
Balance at beginning of period	\$ 189	\$ 191	\$ 198	\$ 191
Translation adjustments	(5)	7	(14)	7
Total other comprehensive (loss) income	(5)	7	(14)	7
Balance at end of period	184	198	184	198
Accumulated other comprehensive loss, end of period	\$ (292)	\$ (225)	\$ (292)	\$ (225)

(1) Amounts presented are net of tax.

(2) Amounts of actuarial loss and prior service (cost) credit are components of net periodic benefit cost. See [Note 6: Pension and Other Post-Employment Benefit Plans](#).

NOTE 12: SHARE-BASED COMPENSATION

Share-based compensation activity during year-to-date 2024 included the following:

SHARES IN THOUSANDS	GRANTED	VESTED
Restricted stock units (RSUs)	915	684
Performance share units (PSUs)	412	317

A total of 746 thousand shares of common stock were issued as a result of RSU and PSU vestings.

Restricted Stock Units

The weighted average fair value of the RSUs granted in 2024, calculated as an average of the high and low prices on grant date, was \$32.92. The vesting provisions for RSUs granted in 2024 were consistent with prior year grants.

Performance Share Units

The weighted average grant date fair value of PSUs granted in 2024 was \$37.90. The final number of shares granted in 2024 will vest between a range of 0 percent to 150 percent of each grant's target, depending upon actual company total shareholder return (TSR) compared against the TSR of an industry peer group. TSR assumes full reinvestment of dividends. PSUs granted in 2024 will vest at a maximum of 100 percent of target value in the event of negative absolute company TSR.

Weighted Average Assumptions Used in Estimating the Value of Performance Share Units Granted in 2024

	PERFORMANCE SHARE UNITS
Performance period	2/09/2024 – 12/31/2026
Valuation date closing stock price	\$33.28
Risk-free rate	4.19% – 4.27%
Expected volatility	21.50% – 27.60%

NOTE 13: OTHER OPERATING (INCOME) COSTS, NET

Other operating (income) costs, net were comprised of the following:

DOLLAR AMOUNTS IN MILLIONS	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Environmental remediation charges	\$ 4	\$ 12	\$ 6	\$ 13
Foreign exchange losses (gains), net	1	(3)	1	(2)
Litigation expense, net	12	1	18	2
Product remediation recovery	(25)	—	(25)	—
Research and development expenses	3	1	4	3
Other, net	1	9	9	14
Total other operating (income) costs, net	\$ (4)	\$ 20	\$ 13	\$ 30

NOTE 14: INCOME TAXES

As a real estate investment trust (REIT), we generally are not subject to federal corporate income taxes on REIT taxable income that is distributed to shareholders. We are required to pay corporate income taxes on earnings of our wholly-owned Taxable REIT Subsidiaries (TRSs), which include our Wood Products segment and a portion of our Timberlands and Real Estate & ENR segments.

The quarterly provision for income taxes is based on our current estimate of the annual effective tax rate and is adjusted for discrete taxable events that have occurred during the year. Our 2024 estimated annual effective tax rate, excluding discrete items, differs from the U.S. federal statutory tax rate of 21 percent primarily due to state and foreign income taxes and tax benefits associated with our nontaxable REIT earnings.

NOTE 15: TIMBERLAND ACQUISITIONS

On July 25, 2024, we announced acquisitions totaling 84 thousand acres of Alabama timberlands for approximately \$244 million. The first transaction was completed on May 30, 2024 and was comprised of 13 thousand acres for approximately \$48 million. We recorded \$47 million of timberland assets in "Timber and timberlands at cost, less depletion" and \$1 million of related assets in "Property and equipment, net" on our [Consolidated Balance Sheet](#). The remaining transactions are subject to customary closing conditions and are expected to close in second half 2024.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (MD&A)

NOTE ABOUT FORWARD-LOOKING STATEMENTS

This report contains statements concerning our future results and performance that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These include, without limitation, statements relating to: our expected future financial and operating performance; our plans, strategies, intentions and expectations; our capital structure and the sufficiency of our liquidity position to meet future cash requirements; our cash dividend framework, including our target percentage return to shareholders of Adjusted Funds Available for Distribution, including expected supplemental cash dividends and future share repurchases; compliance with covenants in our debt agreements; our expectations concerning our contingent liabilities and the sufficiency of related reserves and accruals including, but not limited to, cost estimates of future litigation and environmental remediation; our provision for income taxes; expected capital expenditures; expected returns on pension plan assets; market and general economic conditions, including related influencing factors such as the trajectory of U.S. housing activity, repair and remodel activity, inflation trends and interest rates; expected adjustments to our lumber production in third quarter 2024; our expectations about our future opportunities in emerging carbon credit and carbon capture and storage markets; assumptions used in valuing incentive compensation and related expense and pending timberland acquisition transactions.

Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often involve use of words such as "anticipate," "believe," "committed," "continue," "estimate," "expect," "foreseeable," "maintain," "may," "plan," "potential," and "will," or similar words or terminology. They may use the positive, negative or another variation of those and similar words. These forward-looking statements are based on our current expectations and assumptions and are not guarantees of future events or performance. The realization of our expectations and the accuracy of our assumptions are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. There is no guarantee that any of the events anticipated by our forward-looking statements will occur. If any of the events occur, there is no guarantee what effect it will have on our operations, cash flows, or financial condition. We undertake no obligation to update our forward-looking statements after the date of this report. The factors listed below, as well as other factors not described herein because they are not currently known to us or we currently judge them to be immaterial, may cause our actual results to differ significantly from our forward-looking statements:

- the effect of general economic conditions, including employment rates, interest rates, inflation rates, housing starts, general availability and cost of financing for home mortgages and the relative strength of the U.S. dollar;
- market demand for the company's products, including market demand for our timberland properties with higher and better uses, which is related to, among other factors, the strength of the various U.S. business segments and U.S. and international economic conditions;
- changes in currency exchange rates, particularly the relative value of the U.S. dollar to the Japanese yen, the Chinese yuan and the Canadian dollar, and the relative value of the euro to the yen;
- restrictions on international trade and tariffs imposed on imports or exports;
- the availability and cost of shipping and transportation;
- economic activity in Asia, especially Japan and China;
- performance of our manufacturing operations, including maintenance and capital requirements;
- potential disruptions in our manufacturing operations;
- the level of competition from domestic and foreign producers;
- the successful execution of our internal plans and strategic initiatives, including restructuring and cost reduction initiatives;
- our ability to hire and retain capable employees;
- the successful and timely execution and integration of our strategic acquisitions, including our ability to realize expected benefits and synergies, and the successful and timely execution of our strategic divestitures, each of which is subject to a number of risks and conditions beyond our control including, but not limited to, timing and required regulatory approvals or the occurrence of any event, change or other circumstances that could give rise to a termination of any acquisition or divestiture transaction under the terms of the governing transaction agreements;
- raw material availability and prices;
- the effect of weather;
- changes in global or regional climate conditions and governmental response to such changes;
- the risk of loss from fires, floods, windstorms, hurricanes, pest infestation and other natural disasters;
- the effects of significant geopolitical conditions or developments such as significant international trade disputes or domestic or foreign terrorist attacks, armed conflict and political unrest;
- the occurrence of regional or global health epidemics and their potential effects on our business, results of operations, cash flows, financial condition and future prospects;
- energy prices;
- transportation and labor availability and costs;
- federal tax policies;
- the effect of forestry, land use, environmental and other governmental regulations;
- legal proceedings;
- performance of pension fund investments and related derivatives;
- the effect of timing of employee retirements as it relates to the cost of pension benefits and changes in the market price of our common stock on charges for share-based compensation;
- the accuracy of our estimates of costs and expenses related to contingent liabilities and the accuracy of our estimates of charges related to casualty losses;

- changes in accounting principles and
- other risks and uncertainties described in this report under [Management's Discussion and Analysis of Financial Condition and Results of Operations \(MD&A\)](#) and in our 2023 Annual Report on Form 10-K, as well as those set forth from time to time in our other public statements, reports, registration statements, prospectuses, information statements and other filings with the SEC.

It is not possible to predict or identify all risks and uncertainties that might affect the accuracy of our forward-looking statements and, consequently, our descriptions of such risks and uncertainties should not be considered exhaustive. There is no guarantee that any of the events anticipated by these forward-looking statements will occur, and if any of the events do occur, there is no guarantee what effect they will have on the company's business, results of operations, cash flows, financial condition and future prospects.

Forward-looking statements speak only as of the date they are made, and we undertake no obligation to publicly update or revise any forward-looking statements, whether because of new information, future events, or otherwise.

RESULTS OF OPERATIONS

In reviewing our results of operations, it is important to understand these terms:

- Sales realizations for Timberlands and Wood Products refer to net selling prices. This includes selling price plus freight, minus normal sales deductions. Real Estate transactions are presented at the contract sales price before commissions and closing costs, net of any credits.
- Net contribution (charge) to earnings does not include interest expense or income taxes.

ECONOMIC AND MARKET CONDITIONS AFFECTING OUR OPERATIONS

Our market conditions and the strength of the broader U.S. economy are, and will continue to be, influenced by the trajectory of activity in the U.S. housing and repair and remodel segments, inflation trends and interest rates. The demand for sawlogs within our Timberlands segment is directly affected by domestic production of wood-based building products. The strength of the U.S. housing market, particularly new residential construction, strongly affects demand in our Wood Products segment, as does repair and remodeling activity. Seasonal weather patterns impact the level of construction activity in the U.S., which in turn affects demand for our logs and wood products. Our Timberlands segment, specifically the Western region, is also affected by export demand and trade policy. Japanese housing starts are a key driver of export log demand in Japan. The demand for pulpwood from our Timberlands segment is directly affected by the production of pulp, paper and oriented strand board (OSB), as well as the demand for biofuels, such as wood-burning pellets made from pulpwood. Our Timberlands segment is also influenced by the availability of harvestable timber. In general, Western log markets are highly tensioned by available supply, while Southern log markets have more available supply. However, additional mill capacity being added in the U.S. South has led to tightening of markets in certain geographies. Our Real Estate, Energy and Natural Resources segment is affected by a variety of factors, including the general state of the economy, local real estate market conditions, the level of construction activity in the U.S. and evolution of emerging renewable energy and carbon-related markets.

Over the first half of the year, home sales and building activity moderated in part due to continued elevated mortgage interest rates, reduced affordability and general macroeconomic conditions. Specifically, multi-family construction has been hampered by a large supply of recently completed projects as well as higher interest rates and other factors constraining the underwriting of proposed projects. In contrast, new single-family home construction has remained resilient, as existing homeowners continued to be constrained by the lock-in effect of lower mortgage rates. On a seasonally adjusted annual basis, as reported by the U.S. Census Bureau, housing starts for second quarter 2024 averaged 1.35 million units, a 4.2 percent decrease from first quarter 2024. Single-family starts averaged 1.0 million units in second quarter 2024, a 5.2 percent decrease from first quarter 2024. Multi-family starts averaged 342 thousand units in second quarter 2024, which was a 1.0 percent decrease from first quarter 2024. Single-family construction is the primary driver for our business as compared to multi-family due to the amount of wood products used. Sales of newly built, single-family homes averaged a seasonally adjusted annual rate of 656 thousand units for second quarter 2024, a decrease of 1.1 percent from first quarter 2024, with slower activity primarily due to high mortgage rates. Over the medium to long-term, we expect a favorable U.S. housing construction market supported by strong demographics in the key home buying age cohorts, a decade of under building and historically low housing inventory.

Repair and remodeling expenditures increased by 1.1 percent from first quarter 2024 to second quarter 2024 according to the Census Bureau Advance Retail Spending report. While there continues to be steady demand due to growing home equity and the lock-in effect of having lower mortgage rates compared to current rates, many homeowners have become more cautious in discretionary spending on large projects. Additionally, some repair and remodeling activity was accelerated during the pandemic which has had an impact on the level of spending. This softness has been reflected in both the do-it-yourself (DIY) and professionally built segments. Over the longer term, we expect this sector to resume pre-pandemic growth trends with healthy household balance sheets, elevated home equity and an aging U.S. housing stock, with a median age of 43 years.

In U.S. wood product markets, demand for lumber and OSB was influenced by cautious buyer sentiment during the second quarter of 2024. As the quarter progressed, demand was mixed as continued strength in single-family housing starts was offset by weaker multi-family construction and repair and remodel activity. The Random Lengths Framing Lumber Composite price averaged \$384/MBF and the OSB Composite averaged \$487/MSF in second quarter 2024. Over the course of the second quarter, composite prices for lumber decreased from \$422/MBF to \$366/MBF and composite prices for OSB decreased from \$603/MSF to \$352/MSF. Lumber markets have been particularly challenged due to an imbalance of supply and demand, which has resulted in a sustained, weak pricing environment. In light of these conditions, Weyerhaeuser expects to reduce its lumber production by 5 to 10 percent in third quarter 2024. This reduction is inclusive of the company's decision to indefinitely curtail its lumber mill in New Bern, North Carolina. The company will continue to assess its operating rates in light of current market conditions on a go-forward basis.

In Western log markets, Douglas fir sawlog prices decreased 4.9 percent in second quarter 2024 compared with first quarter 2024, as reported by Fastmarkets RISI Log Lines based on Weyerhaeuser's sales mix. Overall, domestic log demand and prices faced downward pressure through the quarter, as mills continued to adjust to a soft lumber market and worked through elevated log inventories. In the South, delivered sawlog prices decreased 1.0 percent in second quarter 2024 compared to first quarter 2024 and declined 1.7 percent from second quarter 2023 as reported by TimberMart-South. While there continued to be demand for logs across the region and markets generally had ample log supply, a number of mills faced elevated inventories and were adjusting operations due to lower lumber prices.

Currency exchange rates, available supply from other countries and trade policy affect our export businesses. During second quarter 2024, end use demand in export markets moderated. In Japan, total housing starts decreased 4.0 percent year to date through May compared to the same period in 2023, while the key Post and Beam segment saw a 4.4 percent decrease. Lumber imports to Japan from Europe were reduced due to supply chain costs, which provided some support for log sales. China's weaker end use demand for logs and lumber led to a decrease in pricing for logs from the West.

Interest rates affect our business primarily through their impact on mortgage rates and housing affordability, their general impact on the economy and their influence on our capital management activities. Actions by the U.S. Federal Reserve, the overall condition of the economy and fluctuations in financial markets are all factors that influence long-term interest rates. 30-year mortgage rates, which are correlated with long-term interest rates, increased from 6.8 percent at the end of first quarter 2024 to 6.9 percent at the end of second quarter 2024, according to economic data from Freddie Mac. Many builders have been able to offset higher mortgage rates through discounts, mortgage rate buydowns and modifying product offerings such as home sizes and finishes. Higher rates have also locked-in many existing homeowners from selling, reducing inventories of existing homes for sale which has led to increased demand for available new homes.

Increased inflation affects the cost of our operations across each of our business segments, including costs for raw materials, transportation, energy and labor. The Consumer Price Index increased at an annual rate of 3.0 percent as of June 2024, which is markedly down from its peak of over 9.0 percent in June 2022. While we can offset some of the impacts of inflation through our sales activities, operational excellence initiatives and procurement practices, not all of the costs associated with inflation can be fully mitigated or passed on to the consumer.

The condition of the labor market affects all of our businesses as it relates to our ability to attract and retain employees and contractors. The unemployment rate of 4.1 percent in June 2024 has increased moderately above historically low levels and increased 0.3 percent from the end of first quarter 2024.

Governments and businesses across the globe are taking action on climate change and are making significant commitments towards decarbonizing operations and reducing greenhouse gas emissions to net zero. Achieving these commitments will require governments and companies to take major steps to modify operations, invest in low-carbon activities and purchase credits to reduce environmental impacts. We believe we are uniquely positioned to help entities achieve these commitments through natural climate solutions, including forest carbon sequestration, carbon capture and storage and renewable energy activities.

CONSOLIDATED RESULTS

How We Did Second Quarter 2024 and Year-to-Date 2024

<u>DOLLAR AMOUNTS IN MILLIONS, EXCEPT PER-SHARE FIGURES</u>	<u>QUARTER ENDED</u>		<u>AMOUNT OF CHANGE</u>	<u>YEAR-TO-DATE ENDED</u>		<u>AMOUNT OF CHANGE</u>
	<u>JUNE 2024</u>	<u>JUNE 2023</u>	<u>2024 VS. 2023</u>	<u>JUNE 2024</u>	<u>JUNE 2023</u>	<u>2024 VS. 2023</u>
Net sales	\$ 1,939	\$ 1,997	\$ (58)	\$ 3,735	\$ 3,878	\$ (143)
Costs of sales	\$ 1,535	\$ 1,528	\$ 7	\$ 2,976	\$ 3,040	\$ (64)
Operating income	\$ 270	\$ 319	\$ (49)	\$ 466	\$ 555	\$ (89)
Net earnings	\$ 173	\$ 230	\$ (57)	\$ 287	\$ 381	\$ (94)
Earnings per share, basic and diluted	\$ 0.24	\$ 0.31	\$ (0.07)	\$ 0.39	\$ 0.52	\$ (0.13)

Comparing Second Quarter 2024 with Second Quarter 2023

Net sales

Net sales decreased \$58 million – 3 percent – primarily due to a \$79 million decrease in Wood Products net sales to unaffiliated customers attributable to decreased sales realizations and sales volumes across most product lines, partially offset by a \$29 million increase in Real Estate, Energy and Natural Resources net sales attributable to an increase in acres sold.

Costs of sales

Costs of sales increased \$7 million – less than 1 percent – primarily due to an increase in acres sold in our Real Estate, Energy and Natural Resources segment, partially offset by decreased sales volumes across most product lines in our Wood Products segment.

Operating income

Operating income decreased \$49 million – 15 percent – primarily due to a \$65 million decrease in consolidated gross margin (see discussion of components above), partially offset by a \$25 million product remediation recovery recorded in second quarter 2024 (refer to [Note 13: Other Operating \(Income\) Costs, Net](#)).

Net earnings

Net earnings decreased \$57 million – 25 percent – primarily due to the \$49 million decrease in operating income, as discussed above, as well as an \$8 million increase in income tax expense (refer to [Income Taxes](#)).

Comparing Year-to-Date 2024 with Year-to-Date 2023

Net sales

Net sales decreased \$143 million – 4 percent – primarily due to a \$95 million decrease in Wood Products net sales to unaffiliated customers attributable to decreased sales realizations across most product lines, as well as an \$83 million decrease in Timberlands net sales to unaffiliated customers attributable to decreased sales volumes and sales realizations.

Costs of sales

Costs of sales decreased \$64 million – 2 percent – primarily due to decreased sales volumes for oriented strand board and structural lumber in our Wood Products segment.

Operating income

Operating income decreased \$89 million – 16 percent – primarily due to a \$79 million decrease in gross margin (see discussion of components above).

Net earnings

Net earnings decreased \$94 million – 25 percent – primarily due to the \$89 million decrease in operating income, as discussed above.

TIMBERLANDS

How We Did Second Quarter 2024 and Year-to-Date 2024

DOLLAR AMOUNTS IN MILLIONS	QUARTER ENDED		AMOUNT OF	YEAR-TO-DATE ENDED		AMOUNT OF
	JUNE 2024	JUNE 2023	2024 VS.	JUNE 2024	JUNE 2023	2024 VS.
			2023			2023
Net sales to unaffiliated customers:						
Delivered logs:						
West	\$ 205	\$ 206	\$ (1)	\$ 381	\$ 435	\$ (54)
South	153	162	(9)	304	330	(26)
North	9	7	2	22	24	(2)
Subtotal delivered logs sales	367	375	(8)	707	789	(82)
Stumpage and pay-as-cut timber	13	15	(2)	24	31	(7)
Recreational and other lease revenue	19	17	2	38	35	3
Other ⁽¹⁾	10	10	—	27	24	3
Subtotal net sales to unaffiliated customers	409	417	(8)	796	879	(83)
Intersegment sales	146	150	(4)	280	292	(12)
Total sales	\$ 555	\$ 567	\$ (12)	\$ 1,076	\$ 1,171	\$ (95)
Costs of sales	\$ 450	\$ 439	\$ 11	\$ 865	\$ 900	\$ (35)
Operating income	\$ 80	\$ 104	\$ (24)	\$ 160	\$ 224	\$ (64)
Interest income and other	1	—	1	1	—	1
Net contribution to earnings	\$ 81	\$ 104	\$ (23)	\$ 161	\$ 224	\$ (63)

(1) Other Timberlands sales include sales of seeds and seedlings from our nursery operations as well as wood chips.

Comparing Second Quarter 2024 with Second Quarter 2023

Net sales to unaffiliated customers

Net sales to unaffiliated customers decreased \$8 million – 2 percent – primarily due to a \$9 million decrease in Southern log sales attributable to a 4 percent decrease in sales volumes and a 2 percent decrease in sales realizations.

Intersegment sales

Intersegment sales decreased \$4 million – 3 percent – primarily due to a 5 percent decrease in sales realizations, partially offset by a 2 percent increase in sales volumes.

Costs of sales

Costs of sales increased \$11 million – 3 percent – primarily due to increased Western logging, hauling and freight costs.

Net contribution to earnings

Net contribution to earnings decreased \$23 million – 22 percent – primarily due to the change in the components of gross margin, as discussed above.

Comparing Year-to-Date 2024 with Year-to-Date 2023

Net sales to unaffiliated customers

Net sales to unaffiliated customers decreased \$83 million – 9 percent – primarily due to a \$54 million decrease in Western log sales attributable to a 6 percent decrease in sales volumes and sales realizations, as well as a \$26 million decrease in Southern log sales attributable to a 6 percent decrease in sales volumes and a 3 percent decrease in sales realizations.

Intersegment sales

Intersegment sales decreased \$12 million – 4 percent – primarily due to a 4 percent decrease in sales realizations.

Costs of sales

Costs of sales decreased \$35 million – 4 percent – primarily due to decreased Western third-party log purchases and decreased Southern sales volumes, partially offset by increased Western logging and hauling costs.

Net contribution to earnings

Net contribution to earnings decreased \$63 million – 28 percent – primarily due to the change in the components of gross margin, as discussed above.

Third-Party Log Sales Volumes and Fee Harvest Volumes

VOLUMES IN THOUSANDS	QUARTER ENDED		AMOUNT OF CHANGE	YEAR-TO-DATE ENDED		AMOUNT OF CHANGE
	JUNE 2024	JUNE 2023	2024 VS. 2023	JUNE 2024	JUNE 2023	2024 VS. 2023
Third-party log sales – tons:						
West ⁽¹⁾	1,668	1,661	7	3,120	3,335	(215)
South	4,154	4,341	(187)	8,243	8,727	(484)
North	118	98	20	293	302	(9)
Total	5,940	6,100	(160)	11,656	12,364	(708)
Fee harvest volumes – tons:						
West ⁽¹⁾	2,355	2,292	63	4,569	4,537	32
South	6,293	6,430	(137)	12,283	12,862	(579)
North	190	175	15	429	460	(31)
Total	8,838	8,897	(59)	17,281	17,859	(578)

(1) Western logs are primarily transacted in thousand board feet (MBF) but are converted to ton equivalents for external reporting purposes.

REAL ESTATE, ENERGY AND NATURAL RESOURCES

How We Did Second Quarter 2024 and Year-to-Date 2024

DOLLAR AMOUNTS IN MILLIONS	QUARTER ENDED		AMOUNT OF CHANGE	YEAR-TO-DATE ENDED		AMOUNT OF CHANGE
	JUNE 2024	JUNE 2023	2024 VS. 2023	JUNE 2024	JUNE 2023	2024 VS. 2023
Net sales:						
Real estate	\$ 78	\$ 47	\$ 31	\$ 161	\$ 119	\$ 42
Energy and natural resources	31	33	(2)	55	62	(7)
Total	\$ 109	\$ 80	\$ 29	\$ 216	\$ 181	\$ 35
Costs of sales	\$ 46	\$ 21	\$ 25	\$ 87	\$ 62	\$ 25
Operating income and Net contribution to earnings	\$ 59	\$ 52	\$ 7	\$ 119	\$ 105	\$ 14

The volume of real estate sales is a function of many factors, including the general state of the economy, demand in local real estate markets, the ability of buyers to obtain financing, the number of competing properties listed for sale, the seasonal nature of sales, the plans of adjacent landowners, our expectation of future price appreciation, the timing of harvesting activities and the availability of government and not-for-profit funding. In any period, the average price per acre will vary based on the location and physical characteristics of parcels sold.

Comparing Second Quarter 2024 with Second Quarter 2023

Net sales

Net sales increased \$29 million – 36 percent – primarily due to an increase in acres sold, partially offset by a decrease in average price per acre sold.

Costs of sales

Costs of sales increased \$25 million – 119 percent – primarily due to an increase in acres sold.

Operating income and Net contribution to earnings

Operating income and net contribution to earnings increased \$7 million – 13 percent – primarily due to the change in the components of gross margin, as discussed above.

Comparing Year-to-Date 2024 with Year-to-Date 2023

Net sales

Net sales increased \$35 million – 19 percent – primarily due to an increase in acres sold, partially offset by a decrease in average price per acre sold and a decrease in royalty income from our Energy and Natural Resources business.

Costs of sales

Costs of sales increased \$25 million – 40 percent – primarily due to an increase in acres sold.

Operating income and Net contribution to earnings

Operating income and net contribution to earnings increased \$14 million – 13 percent – primarily due to the change in the components of gross margin, as discussed above.

REAL ESTATE SALES STATISTICS

	QUARTER ENDED		AMOUNT OF CHANGE	YEAR-TO-DATE ENDED		AMOUNT OF CHANGE
	JUNE 2024	JUNE 2023	2024 VS. 2023	JUNE 2024	JUNE 2023	2024 VS. 2023
Acres sold	37,665	9,281	28,384	57,439	30,034	27,405
Average price per acre	\$ 2,062	\$ 4,790	\$ (2,728)	\$ 2,601	\$ 3,720	\$ (1,119)

WOOD PRODUCTS

How We Did Second Quarter 2024 and Year-to-Date 2024

DOLLAR AMOUNTS IN MILLIONS	QUARTER ENDED		AMOUNT OF CHANGE	YEAR-TO-DATE ENDED		AMOUNT OF CHANGE
	JUNE 2024	JUNE 2023	2024 VS. 2023	JUNE 2024	JUNE 2023	2024 VS. 2023
Net sales:						
Structural lumber	\$ 499	\$ 573	\$ (74)	\$ 963	\$ 1,088	\$ (125)
Oriented strand board	288	215	73	543	423	120
Engineered solid section	191	215	(24)	368	384	(16)
Engineered I-joists	107	126	(19)	206	213	(7)
Softwood plywood	42	44	(2)	83	85	(2)
Medium density fiberboard	42	42	—	81	80	1
Complementary building products	176	204	(28)	317	367	(50)
Other products produced ⁽¹⁾	76	81	(5)	162	178	(16)
Total	\$ 1,421	\$ 1,500	\$ (79)	\$ 2,723	\$ 2,818	\$ (95)
Costs of sales	\$ 1,185	\$ 1,218	\$ (33)	\$ 2,292	\$ 2,377	\$ (85)
Operating income and Net contribution to earnings	\$ 196	\$ 218	\$ (22)	\$ 324	\$ 313	\$ 11

(1) Other products produced sales include wood chips, other byproducts and third-party residual log sales from our Canadian Forestlands operations.

Comparing Second Quarter 2024 with Second Quarter 2023

Net sales

Net sales decreased \$79 million – 5 percent – primarily due to:

- a \$74 million decrease in structural lumber sales attributable to a 13 percent decrease in sales realizations;
- a \$28 million decrease in complementary building products sales attributable to decreased sales realizations and sales volumes across most products;
- a \$24 million decrease in engineered solid section sales attributable to a 9 percent decrease in sales realizations and
- a \$19 million decrease in engineered I-joint sales attributable to a 9 percent decrease in sales realizations, as well as a 7 percent decrease in sales volumes.

These decreases were partially offset by a \$73 million increase in oriented strand board sales attributable to a 36 percent increase in sales realizations.

Costs of sales

Costs of sales decreased \$33 million – 3 percent – primarily due to decreased sales volumes across most product lines.

Operating income and Net contribution to earnings

Operating income and net contribution to earnings decreased \$22 million – 10 percent – primarily due to the change in the components of gross margin, as discussed above, partially offset by a \$25 million product remediation recovery recorded in second quarter 2024 (refer to [Note 13: Other Operating \(Income\) Costs, Net](#)).

Comparing Year-to-Date 2024 with Year-to-Date 2023

Net sales

Net sales decreased \$95 million – 3 percent – primarily due to:

- a \$125 million decrease in structural lumber sales attributable to a 9 percent decrease in sales realizations, as well as a 3 percent decrease in sales volumes;
- a \$50 million decrease in complementary building products sales attributable to decreased sales realizations and sales volumes across most products;
- a \$16 million decrease in engineered solid section sales attributable to a 10 percent decrease in sales realizations, partially offset by a 7 percent increase in sales volumes and
- a \$16 million decrease in other products produced primarily attributable to decreased sales realizations for wood chips.

These decreases were partially offset by a \$120 million increase in oriented strand board sales attributable to a 35 percent increase in sales realizations, partially offset by a 5 percent decrease in sales volumes.

Costs of sales

Costs of sales decreased \$85 million – 4 percent – primarily due to decreased sales volumes for oriented strand board and structural lumber, as discussed above, as well as decreased raw material costs across most product lines.

Operating income and Net contribution to earnings

Operating income and net contribution to earnings increased \$11 million – 4 percent – primarily due to a \$25 million product remediation recovery recorded in second quarter 2024 (refer to [Note 13: Other Operating \(Income\) Costs, Net](#)), partially offset by the change in the components of gross margin, as discussed above.

Third-Party Sales Volumes

VOLUMES IN MILLIONS ⁽¹⁾	QUARTER ENDED		AMOUNT OF CHANGE	YEAR-TO-DATE ENDED		AMOUNT OF CHANGE
	JUNE 2024	JUNE 2023	2024 VS. 2023	JUNE 2024	JUNE 2023	2024 VS. 2023
Structural lumber – board feet	1,190	1,196	(6)	2,270	2,340	(70)
Oriented strand board – square feet (3/8")	708	720	(12)	1,418	1,493	(75)
Engineered solid section – cubic feet	6.0	6.0	—	11.4	10.7	0.7
Engineered I-joists – lineal feet	41	44	(3)	78	71	7
Softwood plywood – square feet (3/8")	90	94	(4)	171	177	(6)
Medium density fiberboard – square feet (3/4")	36	31	5	69	60	9

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

PRODUCTION AND OUTSIDE PURCHASE VOLUMES

Outside purchase volumes are primarily purchased for resale through our distribution business. Production volumes are produced for sale through our own sales organizations and through our distribution business. Production of oriented strand board and engineered solid section are also used to manufacture engineered I-joists.

VOLUMES IN MILLIONS	QUARTER ENDED		AMOUNT OF	YEAR-TO-DATE ENDED		AMOUNT OF
	JUNE 2024	JUNE 2023	CHANGE 2024 VS. 2023	JUNE 2024	JUNE 2023	CHANGE 2024 VS. 2023
Structural lumber – board feet:						
Production	1,163	1,164	(1)	2,248	2,307	(59)
Outside purchase	39	36	3	72	75	(3)
Total	1,202	1,200	2	2,320	2,382	(62)
Oriented strand board – square feet (3/8"):						
Production	744	727	17	1,479	1,488	(9)
Outside purchase	18	19	(1)	38	36	2
Total	762	746	16	1,517	1,524	(7)
Engineered solid section – cubic feet:						
Production	6.1	5.9	0.2	11.8	10.5	1.3
Outside purchase	3.5	4.0	(0.5)	6.3	6.0	0.3
Total	9.6	9.9	(0.3)	18.1	16.5	1.6
Engineered I-joists – lineal feet:						
Production	41	38	3	84	63	21
Outside purchase	1	—	1	2	1	1
Total	42	38	4	86	64	22
Softwood plywood – square feet (3/8"):						
Production	82	84	(2)	154	158	(4)
Outside purchase	8	11	(3)	17	23	(6)
Total	90	95	(5)	171	181	(10)
Medium density fiberboard – square feet (3/4"):						
Production	34	33	1	68	67	1
Total	34	33	1	68	67	1

UNALLOCATED ITEMS

Unallocated items are gains or charges not related to, or allocated to, an individual operating segment. They include all or a portion of items such as share-based compensation, pension and post-employment costs, elimination of intersegment profit in inventory and LIFO, foreign exchange transaction gains and losses, interest income and other.

Net Charge to Earnings – Unallocated Items

DOLLAR AMOUNTS IN MILLIONS	QUARTER ENDED		AMOUNT OF CHANGE	YEAR-TO-DATE ENDED		AMOUNT OF CHANGE
	JUNE 2024	JUNE 2023	2024 VS. 2023	JUNE 2024	JUNE 2023	2024 VS. 2023
Unallocated corporate function and variable compensation expense	\$ (37)	\$ (32)	\$ (5)	\$ (75)	\$ (59)	\$ (16)
Liability classified share-based compensation	3	(2)	5	2	(2)	4
Foreign exchange gain (loss)	—	2	(2)	(1)	1	(2)
Elimination of intersegment profit in inventory and LIFO	6	3	3	—	12	(12)
Other	(37)	(26)	(11)	(63)	(39)	(24)
Operating loss	(65)	(55)	(10)	(137)	(87)	(50)
Non-operating pension and other post-employment benefit costs	(10)	(12)	2	(21)	(21)	—
Interest income and other	12	18	(6)	28	30	(2)
Net charge to earnings	\$ (63)	\$ (49)	\$ (14)	\$ (130)	\$ (78)	\$ (52)

Comparing Second Quarter 2024 with Second Quarter 2023

Net charge to earnings increased \$14 million – 29 percent – primarily due to:

- a \$6 million decrease in interest income and other, primarily attributable to a decrease in our cash and short-term investment accounts;
- a \$5 million increase in unallocated corporate function and variable compensation expense and
- a \$2 million decrease in foreign exchange gain.

Comparing Year-to-Date 2024 with Year-to-Date 2023

Net charge to earnings increased \$52 million – 67 percent – primarily due to a \$16 million increase in unallocated corporate function and variable compensation expense and a \$12 million increase in elimination of intersegment profit in inventory and LIFO.

INTEREST EXPENSE

Our interest expense, net of capitalized interest, was:

- \$67 million for second quarter 2024 and \$134 million year-to-date 2024;
- \$70 million for second quarter 2023 and \$136 million year-to-date 2023.

Interest expense decreased by \$3 million compared to second quarter 2023 and decreased by \$2 million compared to year-to-date 2023 primarily due to a series of debt issuances and retirements during 2023 that decreased our average outstanding debt.

Refer to [Note 8: Long-Term Debt and Line of Credit](#) for further information.

INCOME TAXES

Our provision for income taxes was:

- a \$33 million expense for second quarter 2024 and \$53 million year-to-date 2024;
- a \$25 million expense for second quarter 2023 and \$47 million year-to-date 2023.

Our provision for income taxes is primarily driven by earnings generated by our TRSs. Income tax expense increased by \$6 million compared to year-to-date 2023 primarily due to a \$25 million product remediation recovery received during second quarter 2024.

Refer to [Note 13: Other Operating \(Income\) Costs, Net](#) and [Note 14: Income Taxes](#) for further information.

LIQUIDITY AND CAPITAL RESOURCES

We are committed to maintaining an appropriate capital structure that provides financial flexibility and enables us to protect the interests of our shareholders and meet our obligations to our lenders, while also maintaining access to all major financial markets. As of June 30, 2024, we had \$997 million in cash and cash equivalents and \$1.5 billion of availability on our line of credit, which expires in March 2028. We believe we have sufficient liquidity to meet our cash requirements for the foreseeable future.

CASH FROM OPERATIONS

Consolidated net cash from operations was:

- \$556 million for year-to-date 2024 and
- \$622 million for year-to-date 2023.

Net cash from operations decreased \$66 million primarily due to decreased cash flows from our business operations, as well as a \$20 million increase in cash paid for income taxes.

CASH FROM INVESTING ACTIVITIES

Consolidated net cash from investing activities was:

- \$(220) million for year-to-date 2024 and
- \$(818) million for year-to-date 2023.

Net cash from investing activities increased \$598 million primarily due to a \$664 million decrease in cash paid for short-term investments, partially offset by a \$51 million increase in cash paid for acquisitions of timberlands.

Summary of Capital Spending by Business Segment

DOLLAR AMOUNTS IN MILLIONS	YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023
Timberlands	\$ 52	\$ 48
Wood Products	105	99
Unallocated Items	13	5
Total	\$ 170	\$ 152

We anticipate our capital expenditures for 2024 to be approximately \$440 million. The amount we spend on capital expenditures could change.

CASH FROM FINANCING ACTIVITIES

Consolidated net cash from financing activities was:

- \$(503) million for year-to-date 2024 and
- \$(290) million for year-to-date 2023.

Net cash from financing activities decreased \$213 million primarily due to a \$743 million decrease in net proceeds from issuance of long-term debt, partially offset by a \$544 million decrease in cash used for payments of dividends.

Line of Credit

We had no outstanding borrowings on our \$1.5 billion five-year senior unsecured revolving credit facility as of June 30, 2024 or December 31, 2023. This credit facility expires in March 2028.

Refer to [Note 8: Long-Term Debt and Line of Credit](#) for further information.

Long-Term Debt

We have \$210 million of long-term debt, with a weighted average interest rate of 8.314 percent, scheduled to mature during first quarter 2025.

In May 2023, we completed an offering of debt securities by issuing \$750 million of 4.750 percent notes due in May 2026. The net proceeds after deducting the discount, underwriting fees and issuance costs were \$743 million.

Refer to [Note 8: Long-Term Debt and Line of Credit](#) for further information.

Debt Covenants

As of June 30, 2024, Weyerhaeuser Company was in compliance with its debt covenants. There have been no significant changes to the debt covenants presented in our 2023 Annual Report on Form 10-K for our long-term debt instruments, and we expect to remain in compliance with our debt covenants for the foreseeable future.

Dividend Payments

We paid cash dividends on common shares of:

- \$394 million for year-to-date 2024 and
- \$938 million for year-to-date 2023.

The decrease in dividends paid is primarily due to a supplemental dividend of \$0.14 per share based on 2023 financial results for a total of \$102 million paid in first quarter 2024 in comparison to a supplemental dividend of \$0.90 per share based on 2022 financial results for a total of \$660 million paid in first quarter 2023.

We plan to supplement our base dividend each year with an additional return of cash, in the form of a supplemental cash dividend and/or share repurchase, to achieve our targeted annual payout of total cash to shareholders of 75 to 80 percent of Adjusted Funds Available for Distribution (Adjusted FAD). For further information on Adjusted FAD see [Performance and Liquidity Measures](#).

Share Repurchases

We repurchased 1,669,145 common shares for approximately \$50 million (including transaction fees) during second quarter 2024 and 3,141,514 common shares for approximately \$99 million (including transaction fees) during year-to-date 2024 under the 2021 Repurchase Program. During second quarter 2023, we repurchased 1,689,874 common shares for approximately \$50 million (including transaction fees) and 2,805,434 common shares for approximately \$85 million (including transaction fees) during year-to-date 2023 under the 2021 Repurchase Program. There were 15,765 unsettled shares (approximately \$1 million) as of June 30, 2024 and 13,866 unsettled shares (approximately \$1 million) as of December 31, 2023. Refer to [Note 4: Net Earnings Per Share and Share Repurchases](#) for further information.

PERFORMANCE AND LIQUIDITY MEASURES

Adjusted EBITDA by Segment

We use Adjusted EBITDA as a key performance measure to evaluate the performance of the consolidated company and our business segments. This measure should not be considered in isolation from, and is not intended to represent an alternative to, our results reported in accordance with U.S. generally accepted accounting principles (U.S. GAAP). However, we believe Adjusted EBITDA provides meaningful supplemental information for investors about our operating performance, better facilitates period to period comparisons and is widely used by analysts, lenders, rating agencies and other interested parties. Our definition of Adjusted EBITDA may be different from similarly titled measures reported by other companies. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold and special items.

DOLLAR AMOUNTS IN MILLIONS	QUARTER ENDED		AMOUNT OF CHANGE	YEAR-TO-DATE ENDED		AMOUNT OF CHANGE
	JUNE 2024	JUNE 2023	2024 VS. 2023	JUNE 2024	JUNE 2023	2024 VS. 2023
Adjusted EBITDA by Segment:						
Timberlands	\$ 147	\$ 172	\$ (25)	\$ 291	\$ 360	\$ (69)
Real Estate & ENR	102	70	32	196	159	37
Wood Products	225	270	(45)	409	418	(9)
	474	512	(38)	896	937	(41)
Unallocated Items	(64)	(43)	(21)	(134)	(73)	(61)
Adjusted EBITDA	\$ 410	\$ 469	\$ (59)	\$ 762	\$ 864	\$ (102)

We reconcile Adjusted EBITDA to net earnings for the consolidated company and to operating income (loss) for the business segments, as those are the most directly comparable U.S. GAAP measures for each.

The table below reconciles Adjusted EBITDA for the quarter ended June 30, 2024:

DOLLAR AMOUNTS IN MILLIONS	Timberlands	Real Estate & ENR	Wood Products	Unallocated Items	Total
Adjusted EBITDA by Segment:					
Net earnings					\$ 173
Interest expense, net of capitalized interest					67
Income taxes					33
Net contribution (charge) to earnings	\$ 81	\$ 59	\$ 196	\$ (63)	\$ 273
Non-operating pension and other post-employment benefit costs	—	—	—	10	10
Interest income and other	(1)	—	—	(12)	(13)
Operating income (loss)	80	59	196	(65)	270
Depreciation, depletion and amortization	67	4	54	1	126
Basis of real estate sold	—	39	—	—	39
Special items included in operating income (loss) ⁽¹⁾	—	—	(25)	—	(25)
Adjusted EBITDA	\$ 147	\$ 102	\$ 225	\$ (64)	\$ 410

(1) Operating income (loss) for Wood Products includes a pretax special item consisting of a \$25 million product remediation recovery.

The table below reconciles Adjusted EBITDA for the quarter ended June 30, 2023:

DOLLAR AMOUNTS IN MILLIONS	Timberlands	Real Estate & ENR	Wood Products	Unallocated Items	Total
Adjusted EBITDA by Segment:					
Net earnings					\$ 230
Interest expense, net of capitalized interest					70
Income taxes					25
Net contribution (charge) to earnings	\$ 104	\$ 52	\$ 218	\$ (49)	\$ 325
Non-operating pension and other post-employment benefit costs	—	—	—	12	12
Interest income and other	—	—	—	(18)	(18)
Operating income (loss)	104	52	218	(55)	319
Depreciation, depletion and amortization	68	5	52	1	126
Basis of real estate sold	—	13	—	—	13
Special items included in operating income (loss) ⁽¹⁾	—	—	—	11	11
Adjusted EBITDA	\$ 172	\$ 70	\$ 270	\$ (43)	\$ 469

(1) Operating income (loss) for Unallocated Items includes a pretax special item consisting of an \$11 million noncash environmental remediation charge.

The table below reconciles Adjusted EBITDA for the year-to-date period ended June 30, 2024:

DOLLAR AMOUNTS IN MILLIONS	Timberlands	Real Estate & ENR	Wood Products	Unallocated Items	Total
Adjusted EBITDA by Segment:					
Net earnings					\$ 287
Interest expense, net of capitalized interest					134
Income taxes					53
Net contribution (charge) to earnings	\$ 161	\$ 119	\$ 324	\$ (130)	\$ 474
Non-operating pension and other post-employment benefit costs	—	—	—	21	21
Interest income and other	(1)	—	—	(28)	(29)
Operating income (loss)	160	119	324	(137)	466
Depreciation, depletion and amortization	131	7	110	3	251
Basis of real estate sold	—	70	—	—	70
Special items included in operating income (loss) ⁽¹⁾	—	—	(25)	—	(25)
Adjusted EBITDA	\$ 291	\$ 196	\$ 409	\$ (134)	\$ 762

(1) Operating income (loss) for Wood Products includes a pretax special item consisting of a \$25 million product remediation recovery.

The table below reconciles Adjusted EBITDA for the year-to-date period ended June 30, 2023:

DOLLAR AMOUNTS IN MILLIONS	Timberlands	Real Estate & ENR	Wood Products	Unallocated Items	Total
Adjusted EBITDA by Segment:					
Net earnings					\$ 381
Interest expense, net of capitalized interest					136
Income taxes					47
Net contribution (charge) to earnings	\$ 224	\$ 105	\$ 313	\$ (78)	\$ 564
Non-operating pension and other post-employment benefit costs	—	—	—	21	21
Interest income and other	—	—	—	(30)	(30)
Operating income (loss)	224	105	313	(87)	555
Depreciation, depletion and amortization	136	8	105	3	252
Basis of real estate sold	—	46	—	—	46
Special items included in operating income (loss) ⁽¹⁾	—	—	—	11	11
Adjusted EBITDA	\$ 360	\$ 159	\$ 418	\$ (73)	\$ 864

(1) Operating income (loss) for Unallocated Items includes a pretax special item consisting of an \$11 million noncash environmental remediation charge.

Adjusted FAD

We use Adjusted Funds Available for Distribution (Adjusted FAD) to evaluate the company's liquidity and measure cash generated during the period (net of capital expenditures and significant non-recurring items) that is available for dividends, repurchases of common shares, debt reduction, acquisitions and other discretionary and nondiscretionary capital allocation activities. Adjusted FAD should not be considered in isolation from, and is not intended to represent an alternative to, our results reported in accordance with U.S. GAAP. However, we believe the measure provides meaningful supplemental information for our investors about our liquidity. Adjusted FAD, as we define it, is net cash from operations adjusted for capital expenditures and significant non-recurring items. Our definition of Adjusted FAD may be different from similarly titled measures reported by other companies, including those in our industry. We reconcile Adjusted FAD to net cash from operations, as that is the most directly comparable U.S. GAAP measure.

The table below reconciles Adjusted FAD to net cash from operations:

DOLLAR AMOUNTS IN MILLIONS	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Net cash from operations	\$ 432	\$ 496	\$ 556	\$ 622
Capital expenditures	(91)	(81)	(170)	(152)
FAD	341	415	386	470
Cash from product remediation recovery	(25)	—	(25)	—
Adjusted FAD	\$ 316	\$ 415	\$ 361	\$ 470
Net cash from investing activities	\$ (143)	\$ (749)	\$ (220)	\$ (818)
Net cash from financing activities	\$ (195)	\$ 551	\$ (503)	\$ (290)

Net Earnings and Net Earnings per Diluted Share Before Special Items

We use net earnings before special items and net earnings per diluted share before special items as key performance measures to evaluate the performance of the consolidated company. These measures should not be considered in isolation from, and are not intended to represent an alternative to, our results reported in accordance with U.S. GAAP. However, we believe the measures provide meaningful supplemental information for investors about our operating performance, better facilitate period to period comparisons and are widely used by analysts, lenders, rating agencies and other interested parties.

Net Earnings Before Special Items

DOLLAR AMOUNTS IN MILLIONS	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Net earnings	\$ 173	\$ 230	\$ 287	\$ 381
Environmental remediation charge	—	8	—	8
Product remediation recovery	(19)	—	(19)	—
Net earnings before special items	\$ 154	\$ 238	\$ 268	\$ 389

Net Earnings per Diluted Share Before Special Items

	QUARTER ENDED		YEAR-TO-DATE ENDED	
	JUNE 2024	JUNE 2023	JUNE 2024	JUNE 2023
Net earnings per diluted share	\$ 0.24	\$ 0.31	\$ 0.39	\$ 0.52
Environmental remediation charge	—	0.01	—	0.01
Product remediation recovery	(0.03)	—	(0.02)	—
Net earnings per diluted share before special items	\$ 0.21	\$ 0.32	\$ 0.37	\$ 0.53

CRITICAL ACCOUNTING ESTIMATES

There have been no significant changes during year-to-date 2024 to the critical accounting estimates presented in our 2023 Annual Report on Form 10-K.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

LONG-TERM DEBT OBLIGATIONS

The following summary of our long-term debt obligations includes:

- scheduled principal repayments for the next five years and after;
- weighted average interest rates for debt maturing in each of the next five years and after and
- estimated fair values of outstanding obligations.

We estimate the fair value of long-term debt based on quoted market prices we receive for the same types and issues of our debt or on the discounted value of the future cash flows using market yields for the same type and comparable issues of debt. Changes in market rates of interest affect the fair value of our fixed-rate debt.

Summary of Long-Term Debt Obligations as of June 30, 2024

DOLLAR AMOUNTS IN MILLIONS	2024	2025	2026	2027	2028	THEREAFTER	TOTAL ⁽¹⁾	FAIR VALUE
Fixed-rate debt	\$ —	\$ 210	\$ 1,022	\$ 300	\$ —	\$ 3,333	\$ 4,865	\$ 4,718
Average interest rate	—%	8.31%	5.52%	6.95%	—%	4.82%	5.25%	N/A
Variable-rate debt ⁽²⁾	\$ —	\$ —	\$ —	\$ —	\$ 250	\$ —	\$ 250	\$ 250

(1) Excludes \$43 million of unamortized discounts and capitalized debt expense.

(2) As of June 30, 2024, the interest rate for our variable-rate debt was 7.29 percent, excluding estimated patronage refunds.

Item 4. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls are controls and other procedures that are designed to ensure that information required to be disclosed in the reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, to allow timely decisions regarding required disclosure. The company's principal executive officer and principal financial officer have concluded that the company's disclosure controls and procedures were effective as of June 30, 2024, based on an evaluation of the company's disclosure controls and procedures as of that date.

CHANGES IN INTERNAL CONTROLS

No changes occurred in the company's internal control over financial reporting during year-to-date 2024 that have materially affected, or are reasonably likely to materially affect, the company's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

Refer to [Note 10: Legal Proceedings, Commitments and Contingencies](#). SEC regulations require us to disclose certain information about proceedings arising under federal, state or local environmental provisions if we reasonably believe that such proceedings may result in monetary sanctions above a stated threshold. In accordance with these regulations, the company uses a threshold of \$1 million for purposes of determining whether disclosure of any such proceedings is required pursuant to this item.

Item 1A. RISK FACTORS

There have been no material changes with respect to the risk factors disclosed in our 2023 Annual Report on Form 10-K.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

The following table provides information with respect to purchases of common stock made by the company during second quarter 2024:

<u>COMMON SHARE REPURCHASES DURING SECOND QUARTER 2024</u>	<u>TOTAL NUMBER OF SHARES PURCHASED</u>	<u>AVERAGE PRICE PAID PER SHARE</u>	<u>TOTAL NUMBER OF SHARES PURCHASED AS PART OF PUBLICLY ANNOUNCED PROGRAMS</u>	<u>APPROXIMATE DOLLAR VALUE OF SHARES THAT MAY YET BE PURCHASED UNDER THE PROGRAMS</u>
April 1 – April 30	209,671	\$ 31.94	209,671	\$ 195,749,652
May 1 – May 31	522,048	\$ 30.31	522,048	\$ 179,928,242
June 1 – June 30	937,426	\$ 29.32	937,426	\$ 152,446,072
Total	1,669,145	\$ 29.96	1,669,145	

On September 22, 2021, we announced that our board had approved a new share repurchase program (the 2021 Repurchase Program) under which we are authorized to repurchase up to \$1 billion of outstanding shares. Concurrently, the board terminated the remaining repurchase authorization under the 2019 Repurchase Program.

During second quarter 2024, we repurchased 1,669,145 shares for approximately \$50 million (including transaction fees) under the 2021 Repurchase Program in open-market transactions. Transaction fees incurred for repurchases are not counted as use of funds authorized for repurchases under the 2021 Repurchase Program. As of June 30, 2024, we had remaining authorization of \$152 million for future stock repurchases.

Item 5. OTHER INFORMATION

Rule 10b5-1 Trading Arrangements

During second quarter 2024, one of the company's "officers" (as that term is defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) adopted a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act.

David M. Wold, senior vice president and chief financial officer, adopted a plan on April 30, 2024 to initiate the cashless exercise of 4,402 stock options which expire on February 12, 2025, and thereby sell on the open market 4,402 shares of common stock underlying the stock options at a designated strike price. Mr. Wold's plan expires when all of the stock options are exercised and all of the underlying shares are sold or on February 12, 2025, whichever occurs first.

Item 6. EXHIBITS

- [31.1](#) [Certification of Chief Executive Officer pursuant to Rule 13a-14\(a\) under the Securities Exchange Act of 1934, as amended.](#)
- [31.2](#) [Certification of Chief Financial Officer pursuant to Rule 13a-14\(a\) under the Securities Exchange Act of 1934, as amended.](#)
- [32](#) [Certification pursuant to Rule 13a-14\(b\) under the Securities Exchange Act of 1934, as amended, and Section 1350 of Chapter 63 of Title 18 of the United States Code \(18 U.S.C. 1350\).](#)
- 101.INS XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
- 101.SCH Inline XBRL Taxonomy Extension Schema Document
- 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document
- 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document
- 101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document
- 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document
- 104 The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, has been formatted in Inline XBRL.

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 thereunto duly authorized.

**WEYERHAEUSER COMPANY
(Registrant)**

Date: July 26, 2024

By: /s/ David M. Wold

David M. Wold

Senior Vice President and Chief Financial Officer

(Principal Financial and Accounting Officer and Duly Authorized Officer)

Certification Pursuant to Rule 13a-14(a)
Under the Securities Exchange Act of 1934

I, Devin W. Stockfish, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Weyerhaeuser Company.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 26, 2024

/s/ DEVIN W. STOCKFISH

Devin W. Stockfish

President and Chief Executive Officer

**Certification Pursuant to Rule 13a-14(a)
Under the Securities Exchange Act of 1934**

I, David M. Wold, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Weyerhaeuser Company.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 26, 2024

/s/ DAVID M. WOLD

David M. Wold

Senior Vice President and Chief Financial Officer

**Certification Pursuant to Rule 13a-14(b)
Under the Securities Exchange Act of 1934 and
Section 1350, Chapter 63 of Title 18, United States Code**

Pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and Section 1350, Chapter 63 of Title 18, United States Code, each of the undersigned officers of Weyerhaeuser Company, a Washington corporation (the "Company"), hereby certifies that:

The Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 and dated July 26, 2024 (the "Form 10-Q") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ DEVIN W. STOCKFISH

Devin W. Stockfish
President and Chief Executive Officer

Dated: July 26, 2024

/s/ DAVID M. WOLD

David M. Wold
Senior Vice President and Chief Financial Officer

Dated: July 26, 2024