

Weyerhaeuser to Acquire Timberlands in Southwest Alabama

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SEATTLE, Feb. 25, 2021 /PRNewswire/ -- **Weyerhaeuser Company** (NYSE: WY) today announced an agreement to purchase 69,200 acres of high-quality Alabama timberlands from Soterra, a subsidiary of Greif, Inc., for approximately \$149 million. The acquisition is comprised of highly productive timberlands situated in southwest Alabama, approximately 100 miles north of Mobile.

Key attributes include:

- Strategically located in one of the strongest inland sawlog and fiber markets in the U.S. South, with a deep and expanding base of customers and future export opportunities
- Fee simple ownership, highly integrated with existing Weyerhaeuser timberland operations
- Excellent operability, with significant all-weather logging access and well-developed road network
- Well-stocked timber inventory, including 76-percent plantation acreage with average age of 14 years, and an opportunity for increased productivity over time
- Immediate and sustained cash flow, with anticipated 10-year average Adjusted EBITDA of approximately \$7 million annually



"This transaction is a great opportunity to enhance our portfolio by acquiring high-quality, well-managed timberlands with low operating risk," said Devin W. Stockfish, president and chief executive officer. "These timberlands are located in favorable markets and well-integrated with our existing supply chain, and we have strong relationships with a diverse and reliable set of customers in the area. We expect these timberlands to drive long-term value for our company."

Weyerhaeuser owns or manages nearly 600,000 acres and also operates two mills and a nursery in Alabama. The transaction is subject to customary closing conditions and is expected to close in the second quarter of 2021.

ABOUT WEYERHAEUSER

Weyerhaeuser Company, one of the world's largest private owners of timberlands, began operations in 1900. We own or control approximately 11 million acres of timberlands in the U.S. and manage additional timberlands under long-term licenses in Canada. We manage these timberlands on a sustainable basis in compliance with internationally recognized forestry standards. We are also one of the largest manufacturers of wood products in America. Our company is a real estate investment trust. In 2020, we generated \$7.5 billion in net sales and employed approximately 9,400 people who serve customers worldwide. We are listed on the Dow Jones Sustainability North America Index. Our common stock trades on the New York Stock Exchange under the symbol WY. Learn more at www.weyerhaeuser.com.

NON-GAAP FINANCIAL MEASURES

This news release references Adjusted EBITDA, which is a non-GAAP measure that management uses to evaluate the performance of the company. Adjusted EBITDA, as we define it, is operating income adjusted for depreciation, depletion, amortization, basis of real estate sold and special items. Adjusted EBITDA should not be considered in isolation from, and is not intended to represent an alternative to, our GAAP results. We have not provided a reconciliation of this forward-looking non-GAAP financial measure to the most comparable GAAP measure because Adjusted EBITDA excludes the impact of certain items described above and management cannot estimate the impact these items will have on Adjusted EBITDA without unreasonable effort. We believe that the probable significance of providing this forward-looking non-GAAP financial measure without a reconciliation to net income is that investors and analysts will have certain information that we believe is useful and meaningful regarding the acquisition, but they will not have that information on a GAAP basis. As a result, investors and analysts may be unable to accurately compare the expected impact of the acquisition to our historical results or the results or expected results of other companies that may have treated such matters differently. Management believes that, given the inherent uncertainty of forward-looking statements, investors and analysts will be able to understand and appropriately take into account the limitations in the information we have provided. Investors are cautioned that we cannot predict the occurrence, timing or amount of all non-GAAP items that we exclude from Adjusted EBITDA. Accordingly, the actual effect of these items, when determined, could potentially be significant to the calculation of Adjusted EBITDA over the medium-term.

FORWARD-LOOKING STATEMENTS

This news release contains statements that are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934 including, without limitation, with respect to the company's expectations concerning the occurrence, timing, tax implications and expected financial contributions and economic results of the closing of its acquisition of certain Alabama timberlands. Forward-looking statements may be identified by our use of certain words in such statements, including without limitation words such as "anticipated," "expect," "future," "opportunities," "sustained" and similar words, terms and phrases using such terms and words. We may reference expected performance through, or events to occur by or at, a future date, and such references may also constitute forward-looking statements. All forward-looking statements speak only as of the date hereof, are based on current expectations and involve and are subject to a number of assumptions, risks and uncertainties that could cause actual results to differ materially from such forward-looking statements. These risks and uncertainties include, but are not limited to, those identified in our 2020 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. In addition, Weyerhaeuser may not be able to complete the transaction within the stated time period, or at all, because of a number of factors, including without limitation: the occurrence of any event, change or other circumstances that could give rise to a termination of the transaction under the terms of the purchase and sale agreement governing the transaction, or the failure to satisfy other closing conditions. There is no guarantee that any of the events anticipated by these forward-looking statements will occur. If any of the events 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. The company undertakes no obligation to update these forward-looking statements after the date of this news release.

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SOURCE Weyerhaeuser Company

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