

Citigroup Conference

**Dick Taggart, Executive Vice President,
Chief Financial Officer**

**Patty Bedient, Senior Vice President,
Finance and Strategic Planning**

**New York City
December 7, 2006**



Forward-looking Statement

This presentation contains statements concerning the company's and "new Domtar's" future growth, results of operations, performance and business prospects and opportunities that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Some of these forward-looking statements can be identified by the use of forward-looking terminology such as "expects," "may," "will," "believes," "should," "approximately," "anticipates," "estimates," and "plans," and the negative or other variations of those terms or comparable terminology or by discussions of strategy, plans or intentions. In particular, some of these forward-looking statements deal with Weyerhaeuser's markets in the fourth quarter 2006; expected earnings and performance of Weyerhaeuser's business segments during the fourth quarter 2006, demand and pricing for Weyerhaeuser's products in the fourth quarter 2006, lower domestic log prices in the fourth quarter 2006, lower prices and reduced shipment volumes for lumber, oriented strand board, and engineered lumber products in the fourth quarter 2006, higher wood products manufacturing costs due to lower production volumes in the fourth quarter 2006, seasonal increases in real estate earnings, higher raw material and energy costs in the fourth quarter 2006 and related matters. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to: The effect of general economic conditions, including the level of interest rates and housing starts; market demand for Weyerhaeuser's products, which may be tied to the relative strength of various U.S. business segments; energy prices; raw material prices; chemical prices; performance of Weyerhaeuser's manufacturing operations including unexpected maintenance requirements; the successful execution of internal performance plans; the level of competition from domestic and foreign producers; the effect of forestry, land use, environmental and other governmental policies and regulations, and changes in accounting regulations; the effect of weather; the risk of loss from fires, floods, windstorms, hurricanes and other natural disasters; transportation costs; legal proceedings; the effect of timing of retirements and changes in the market price of company stock on charges for stock-based compensation; and performance of pension fund investments and related derivatives.

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



Creating Value for Shareholders

- Executing business strategies to improve performance
 - Containerboard Packaging
 - Wood Products
 - Cellulose Fibers
- Investing for growth
 - Real Estate and Homebuilding
 - Timberlands



Returning Value to Shareholders

- Increased annual dividend 20% to \$2.40 per share
- More than 5.5 million shares of common stock repurchased as of the end of the third quarter
- Creating new leader in fine paper through value-enhancing transaction with Domtar
 - Tax free transaction for Weyerhaeuser and its U.S. shareholders
 - Opportunity for shareholders to participate in value created by synergies



New Domtar Positioned for Success

- Transaction creates the North American leader in uncoated freesheet paper
- Enhanced scale and asset quality with low cost profile
- Strong management team with proven track-record of achieving synergies



New Domtar Transition Proceeding Smoothly

- Transaction expected to close in the first quarter of 2007
 - Regulatory approval process on-track
 - Distribution to Weyerhaeuser shareholder will be accomplished via either spin-off or split-off
- New Board of Directors identified
 - Harold McKay, non-executive Chairman of the New Domtar, leading efforts to finalize governance structure
- Strong and experienced management team named
 - Raymond Royer, President and CEO
 - Daniel Buron, CFO
 - Marvin Cooper, COO
 - Mike Edwards, Pulp & Paper Manufacturing
 - Richard Thomas, Sales
 - Steven Barker, Marketing



New Domtar Positioned for Success

Performance of Weyerhaeuser Assets Merging with Domtar

Third Quarter 2006
\$ Millions
(Unaudited and Estimated)

Sales	\$816
Pretax Earnings	\$69
Depreciation	\$74
Capital Expenditures	\$24
Total Assets	\$4,073

Balance Sheet at WY Remains Strong

\$ millions	3Q'06 as reported	Proforma transaction adjustments*	3Q'06 Proforma*
Total Net Debt	\$8,655	(\$1,350)	\$7,305
Deferred Taxes	\$3,848	(\$766)	\$3,082
Shareholders' Interest	\$9,221	(\$1,607)	\$7,614
Debt to Total Capital	39.8%		40.6%

* Unaudited and estimated assuming transaction as of third quarter 2006



Housing Cycle: Impact on Weyerhaeuser Businesses

- Weyerhaeuser Real Estate Company
 - Delayed earnings impact due to existing backlog
- Wood Products
 - Housing downturn immediately impacts earnings
 - Experiencing significantly lower lumber and panel prices
 - 70% of facilities impacted by curtailments in the fourth quarter
- Timberlands
 - Moderate impact from lower wood products prices and volumes
 - Japanese market remains strong



Financial Priorities

- Maintain target capital structure
- 18 million share repurchase program
- Fund selective growth opportunities
- Continue capital spending discipline





Richard J. Taggart
*Executive Vice President and
Chief Financial Officer*

Richard J. Taggart was elected executive vice president and chief financial officer in April 2003. Since October 2001 he served as vice president, Finance. From 1998 to 2001 he was vice president and treasurer. He also served as vice president of Investor Relations from 1996–1998 and director of Investor Relations from 1994–1996. Taggart has been a member of the Pension Fund Investment Committee since 1994, serving as its chairman since 1999.

Taggart joined Weyerhaeuser Company in 1974 as a project manager in Information Systems. Since then he has held numerous positions in industry analysis, business and corporate planning, and business financial management, including director of finance and planning for Weyerhaeuser's Engineered Fiber Products business.

From 1970 to 1974 he was employed by Ford Motor Company where he worked in the areas of operations research and systems development.

Taggart earned a bachelor of science degree in 1967, and a master of science degree in 1970 in agricultural economics from the University of Wyoming, specializing in natural resource management. He is a graduate of the University of Washington Executive Management Program.

Taggart is a member of the Advisory Board of the Ruckelshaus Institute of Environment and Natural Resources at the University of Wyoming.



Patricia M. Bedient
*Senior Vice President,
Finance and Strategic Planning*

Patricia M. Bedient was appointed senior vice president, finance and strategic planning in February 2006. From February 2003 to 2006 she served as vice president, strategic planning. In her new role she will manage the integration of all company planning processes, including financial planning and budgeting, investment evaluation and investment direction setting.

Prior to joining the company, Bedient was with Arthur Andersen LLP for 27 years, where she served a number of clients in the forest products, manufacturing, distribution and educational service industries. She began her career with Arthur Andersen in Portland, Oregon, becoming a partner in 1987. In 1993 she transferred to the Boise, Idaho, office. From 1999–2002 she served as the managing partner for the Seattle office and as the partner in charge of the firm’s forest products practice.

Patty attended Oregon State University where she received a bachelor of science degree in business administration, with a concentration in accounting and finance.

Bedient is a certified public accountant and is a member of the American Institute of CPAs and the Washington Society of CPAs.

She currently serves on the board of directors of Alaska Air Group, the Weyerhaeuser Company Foundation, the Oregon State University Foundation board of trustees, the advisory board for the University of Washington School of Business, and the San Francisco regional advisory board for FM Global.

She has served on the boards of the World Forestry Center, the Forest History Society, and the Forest Research Lab advisory committee, Oregon State University. She has also served as past president, City Club of Portland; past chair, board of regents, St. Mary’s Academy of Portland; past vice chair, Boise Chamber of Commerce; and past treasurer for both United Way of Ada County, Idaho, and Alliance for Education in Seattle.