

Weyerhaeuser Announces Plans to Purchase Longview Timber, Some Grays Harbor Property

Local News

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FEDERAL WAY, Wash. (PRNewswire) - Weyerhaeuser Company (NYSE: WY) announced on Sunday that it has a signed definitive stock purchase agreement to acquire Longview Timber LLC from affiliates of Brookfield Asset Management Inc. for \$2.65 billion, which includes the assumption of debt. The transaction is subject to the satisfaction of customary closing conditions and is expected to close in July 2013. The company is acquiring approximately 645,000 acres of unique, high-quality timberlands in Washington and Oregon that are highly complementary and contiguous with the company's existing acreage. This transaction will expand Weyerhaeuser's timber holdings in the Pacific Northwest by 33 percent to approximately 2.6 million acres and increase the total amount of U.S. timberlands it owns or controls to approximately 6.6 million acres. The company expects to reach annual synergies of approximately \$20 million within two years of closing



Longview Timberlands LLC is offering approximately 1,300 acres of timberland for sale in the Copalis Beach area of Grays Harbor County. The property consists of primarily Douglas fir and Western Hemlock reproduction in various age classes as well as a small component of merchantable timber.

Upon closing, Weyerhaeuser expects the acquisition to be immediately accretive to the company's funds available for distribution per share. In conjunction with and subject to the completion of the acquisition, the company intends to increase its quarterly dividend from \$0.20 per share to \$0.22 per share beginning with the third quarter dividend, payable in September 2013. Weyerhaeuser expects that the cash flows and synergies from the acquisition will enhance its ability to further increase its dividend in the future. "We believe our company is uniquely positioned to maximize the value of these timberlands," said Dan Fulton, Weyerhaeuser president and chief executive officer. "The acquired timberlands are highly complementary to our existing acreage in Washington and Oregon, where we have more than 100 years of experience managing Douglas fir. By increasing our high-value timber holdings west of the Cascade mountain range, we will leverage our infrastructure as well as our expertise in silviculture, logistics and marketing, giving us a distinct competitive advantage both domestically and with export markets." Importantly, this transaction delivers immediate value to our shareholders, and enhances Weyerhaeuser's ability to increase the quarterly dividend," Fulton continued. "We recognize that these timberlands have been well managed by a seasoned and experienced team and we look forward to welcoming those highly talented employees to Weyerhaeuser."