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WEYERHAEUSER CO
Form 8-K
July 23, 2002

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

July 23, 2002
(Date of earliest event report)

WEYERHAEUSER COMPANY

(Exact name of registrant as specified in charter)

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

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

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

Item 5. Other Events

On July 23, 2002, Weyerhaeuser Company issued a press release stating the following:

FEDERAL WAY, Wash. - Weyerhaeuser Company (NYSE: WY) today reported second quarter net earnings of \$72 million, or 32 cents per share, on net sales of \$4.9 billion. This compares with \$171 million, or 78 cents per share, on sales of \$3.8 billion for the second quarter of 2001.

Second quarter net earnings for 2002 include a charge of 8 cents per share for costs associated with the closure, or impending closure, of four facilities; a charge of 8 cents per share for one-time costs associated with the integration of Willamette Industries; and a gain of 9 cents per share for the reversal of a countervailing duty accrual.

Results for 2001 second quarter include a gain of 7 cents per share for a one-time reduction in deferred taxes due to a lower Canadian corporate tax rate and charges of 3 cents per share for costs associated with Westwood Shipping Line's transition to a new charter fleet and 3 cents per share for one-time costs associated with the integration of MacMillan Bloedel and Trus Joist.

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Excluding nonrecurring items, earnings for the 2002 second quarter were \$87 million, or 39 cents per share. This compares with \$168 million, or 77 cents per share, for the same quarter last year.

For the first six months of 2002, net earnings before nonrecurring items were \$146 million, or \$0.66 per share. This compares with \$307 million, or \$1.40 per share, for the same period last year.

"Our second quarter results were mixed, reflecting the differential performance of the markets in which we operate and effects of the overvalued U.S. dollar," said Steven R. Rogel, chairman, president and chief executive officer. "We started to see some improvement in the pulp, paper and containerboard markets due in part to the recent weakening of the dollar. The wood product markets continued to be unsettled due to the Canadian softwood lumber issue and excess supply in some product lines. Our real estate business continued to perform well. During the quarter, we continued to focus on integrating Willamette people, practices and operations and identifying synergies."

Including the acquired Willamette operations, results for the second quarter by segment were:

.. Timberlands - Operating earnings were \$175 million compared with \$129 million last year. Domestic log markets remained stable due to higher lumber production. Export log markets improved during the quarter aided by the weakening dollar, a trend expected to continue into the third quarter. Third quarter harvest levels are expected to be lower due to normal seasonal shutdowns and higher than normal fire conditions.

.. Wood Products - Operating earnings, including a \$29 million pre-tax reversal of a countervailing duty accrual, were \$64 million compared with \$110 million for the same quarter last year. Markets continued to be affected by excess supply and the effects of the tariffs on Canadian softwood lumber. Despite strong demand, prices were mixed. Some modest improvement is expected in the third quarter as inventories decrease with continued strong demand.