

WEYERHAEUSER CO
Form 10-Q
May 01, 2015

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 MARCH 31, 2015

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

Washington (State or other jurisdiction of incorporation or organization)	91-0470860 (I.R.S. Employer Identification Number)
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33663 Weyerhaeuser Way South Federal Way, Washington (Address of principal executive offices) (253) 924-2345 (Registrant's telephone number, including area code)	98063-9777 (Zip Code)
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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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes No

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

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

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 April 24, 2015, 517,745,024 shares of the registrant's common stock (\$1.25 par value) were outstanding.

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FINANCIAL INFORMATION

WEYERHAEUSER COMPANY
CONSOLIDATED STATEMENT OF OPERATIONS
(UNAUDITED)

DOLLAR AMOUNTS IN MILLIONS, EXCEPT PER-SHARE FIGURES	QUARTER ENDED	
	MARCH 2015	MARCH 2014
Net sales	\$1,721	\$1,736
Cost of products sold	1,385	1,361
Gross margin	336	375
Selling expenses	28	28
General and administrative expenses	74	88
Research and development expenses	5	7
Charges for restructuring, closures and impairments <u>(Note 12)</u>	14	19
Other operating costs (income), net <u>(Note 13)</u>	15	(75)
Operating income	200	308
Interest income and other	3	9
Interest expense, net of capitalized interest	(83)	(83)
Earnings before income taxes	120	234
Income taxes <u>(Note 14)</u>	(19)	(50)
Earnings from continuing operations	101	184
Earnings from discontinued operations, net of income taxes <u>(Note 3)</u>	—	10
Net earnings	101	194
Dividends on preference shares	(11)	(11)
Net earnings attributable to Weyerhaeuser common shareholders	\$90	\$183
Earnings per share attributable to Weyerhaeuser common shareholders, basic and diluted <u>(Note 4)</u> :		
Continuing operations	\$0.17	\$0.29
Discontinued operations	—	0.02
Net earnings per share	\$0.17	\$0.31
Dividends paid per share	\$0.29	\$0.22
Weighted average shares outstanding (in thousands) <u>(Note 4)</u> :		
Basic	523,426	584,915
Diluted	527,423	589,312

See accompanying Notes to Consolidated Financial Statements.

WEYERHAEUSER COMPANY
 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 (UNAUDITED)

DOLLAR AMOUNTS IN MILLIONS	QUARTER ENDED	
	MARCH 2015	MARCH 2014
Consolidated net earnings	\$101	\$194
Other comprehensive income (loss):		
Foreign currency translation adjustments	(47) (22
Actuarial gains, net of tax expense of \$26 and \$15	62	36
Prior service costs, net of tax benefit of \$0 and \$18	(2) (29
Unrealized gains on available-for-sale securities	1	—
Total other comprehensive income (loss)	14	(15
Comprehensive income	\$115	\$179

See accompanying Notes to Consolidated Financial Statements.

WEYERHAEUSER COMPANY
CONSOLIDATED BALANCE SHEET
(UNAUDITED)

DOLLAR AMOUNTS IN MILLIONS	MARCH 31, 2015	DECEMBER 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$1,158	\$ 1,580
Receivables, less allowances of \$3 and \$3	539	525
Receivables for taxes	23	25
Inventories (<u>Note 5</u>)	645	595
Prepaid expenses	95	80
Deferred tax assets	192	228
Total current assets	2,652	3,033
Property and equipment, less accumulated depreciation of \$6,304 and \$6,324	2,524	2,623
Construction in progress	171	131
Timber and timberlands at cost, less depletion charged to disposals	6,552	6,530
Investments in and advances to equity affiliates	183	188
Goodwill	40	40
Deferred tax assets	3	8
Other assets	269	289
Restricted financial investments held by variable interest entities	615	615
Total assets	\$13,009	\$ 13,457
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$319	\$ 331
Accrued liabilities (<u>Note 7</u>)	533	587
Total current liabilities	852	918
Long-term debt (<u>Note 8</u>)	4,891	4,891
Long-term debt (nonrecourse to the company) held by variable interest entities	511	511
Deferred income taxes	195	206
Deferred pension and other postretirement benefits	1,249	1,319
Other liabilities	284	308