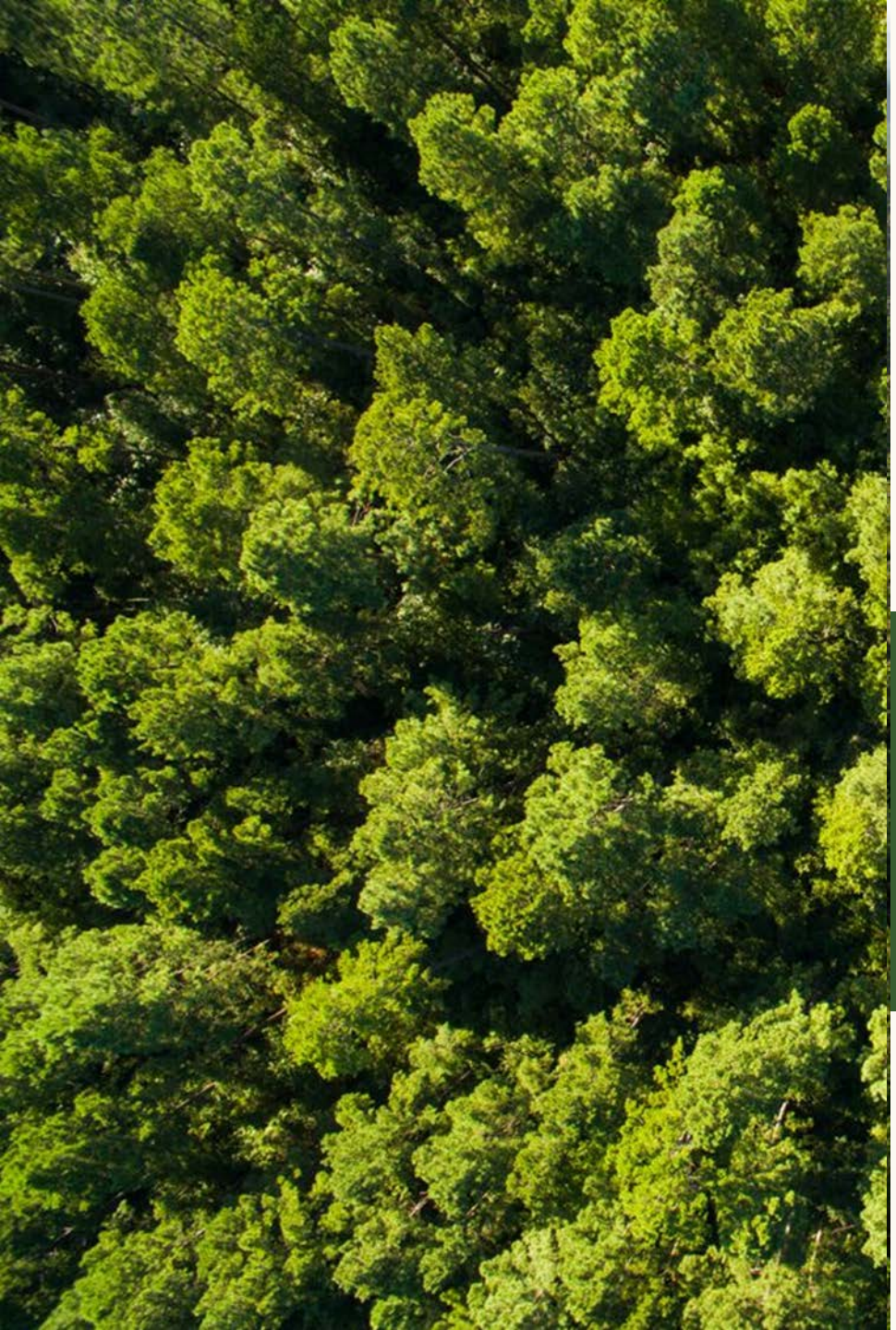


PotlatchDeltic

Q3 2019 Earnings

October 29, 2019



Forward-Looking Statements & Non-GAAP Measures

FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 as amended, including without limitation, our expectations regarding our stepped-up capital expenditure program, the U.S. housing market and repair and remodel market; U.S housing starts; lumber demand, pricing, revenues and Q4 costs and expenses; Q4 lumber shipments; 2019 lumber shipments; effects of announced curtailments and permanent closures of sawmills; expectation that shortfall in Southern harvest will be made up in the fourth quarter of 2019; Q4 2019 Northern and Southern timber harvest volumes and sawlog prices; expected 2020 timber harvest volumes; Q4 2019 Northern and Southern sawlog mix; 2019 harvest plan; Wood Products 2019 capital expenditures; total 2019 capital expenditures; real estate sales, pricing and cost basis; development real estate sales, pricing and land basis; the direction of our business markets; business conditions; Q4 2019 Adjusted EBITDDA; Q4 2019 interest expense; Q4 2019 corporate expense; Q4 2019 income tax; dividend payout ratio; plan to refinance debt scheduled to mature in Q4; and similar matters. Words such as “anticipate,” “expect,” “will,” “intend,” “plan,” “target,” “project,” “believe,” “seek,” “schedule,” “estimate,” “could,” “can,” “may,” and similar expressions are intended to identify such forward-looking statements. You should carefully read forward-looking statements, including statements that contain these words, because they discuss the future expectations or state other “forward-looking” information about PotlatchDeltic. A number of important factors could cause actual results or events to differ materially from those indicated by such forward-looking statements, many of which are beyond PotlatchDeltic’s control, including the U.S. housing market; changes in timberland values; changes in timber harvest levels on the company's lands; changes in timber prices; changes in policy regarding governmental timber sales; availability of logging contractors and shipping capacity; changes in the United States and international economies; changes in interest rates; changes in the level of construction activity; changes in Asia demand; changes in tariffs, quotas and trade agreements involving wood products; currency fluctuation; changes in demand for our products and real estate; changes in production and production capacity in the forest products industry; competitive pricing pressures for our products; unanticipated manufacturing disruptions; changes in general and industry-specific environmental laws and regulations; unforeseen environmental liabilities or expenditures; weather conditions; restrictions on harvesting due to fire danger; changes in raw material, fuel and other costs; transportation disruptions; share price; the successful execution of the company’s strategic plans; the company’s ability to meet expectations; and the other factors described in PotlatchDeltic’s Annual Report on Form 10-K and in the company’s other filings with the SEC. PotlatchDeltic assumes no obligation to update the information in this communication, except as otherwise required by law. Readers are cautioned not to place undue reliance on these forward-looking statements, all of which speak only as of the date hereof.

NON-GAAP MEASURES

This presentation includes non-GAAP financial information. A reconciliation of those numbers to U.S. GAAP is included in this presentation, which is available on the company’s website at www.potlatchdeltic.com.



Key Highlights – Q3 2019

Performance

- Total Adjusted EBITDDA:[1]
  - $55.0 million
  - Total Adjusted EBITDDA margin of 24%
- Segment Adjusted EBITDDA
  - Timberlands - $43.0 million
  - 1.6 million tons harvest volume
  - Wood Products - $5.9 million
  - 299 MMBF lumber shipments
  - $363/MBF average lumber price
  - Real Estate - $14.7 million
  - Sold 6 commercial acres for $512,500/acre
  - Sold 42 residential lots for $110,500/lot
- Cash Available for Distribution (CAD):
  - $75.8 million[2]

Strategy

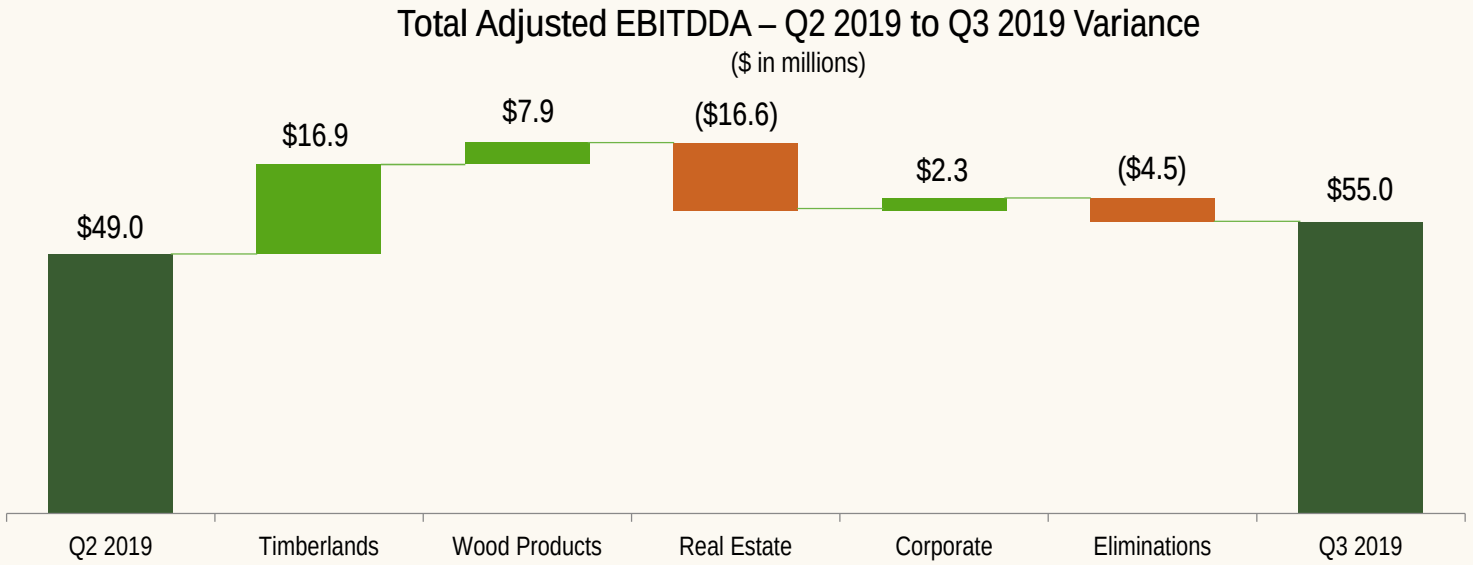
- Solid long-term lumber fundamentals
  - Housing demand supported by demographics
  - Restricted Canadian supply
  - Low interest rate environment
- Integrated model is a benefit
  - Net log buyer in South
  - Low southern sawlog prices = higher lumber margins
- Northern Timberlands contribution benefits from indexing Idaho sawlogs to lumber prices and from cedar sawlogs
- Real Estate:
  - Rural - maximize land value through land stratification
  - Development – high end master planned community in Little Rock, AR

Capital Allocation

- Share Repurchases:
  - 686,240 shares YTD at an average of $36.65/share - $25.2 million
  - No share repurchases Q3 2019
  - Current stock price exceeds average stock repurchase price by 17%
- Dividend:
  - $1.60/share, 3.9% yield[3]
- Capital Expenditures:
  - Expected 2019 total: $65 - $70 million
  - Wood Products portion is elevated/on track
- Debt:
  - Undrawn $380 million revolver
  - Investment grade rated
  - Plan to refinance $40 million maturing December 2019; modest interest savings

(1) Total Adjusted EBITDDA is a non-GAAP measure. See appendix for definition and reconciliation. Total Adjusted EBITDDA margin is Total Adjusted EBITDDA divided by revenues.
(2) Cash Available for Distribution (CAD) is for the trailing twelve months ended September 30, 2019. CAD is a non-GAAP measure; see appendix for definition and reconciliation.
(3) Based on closing stock price of $41.09 on September 30, 2019.

Q3 2019 Consolidated Results

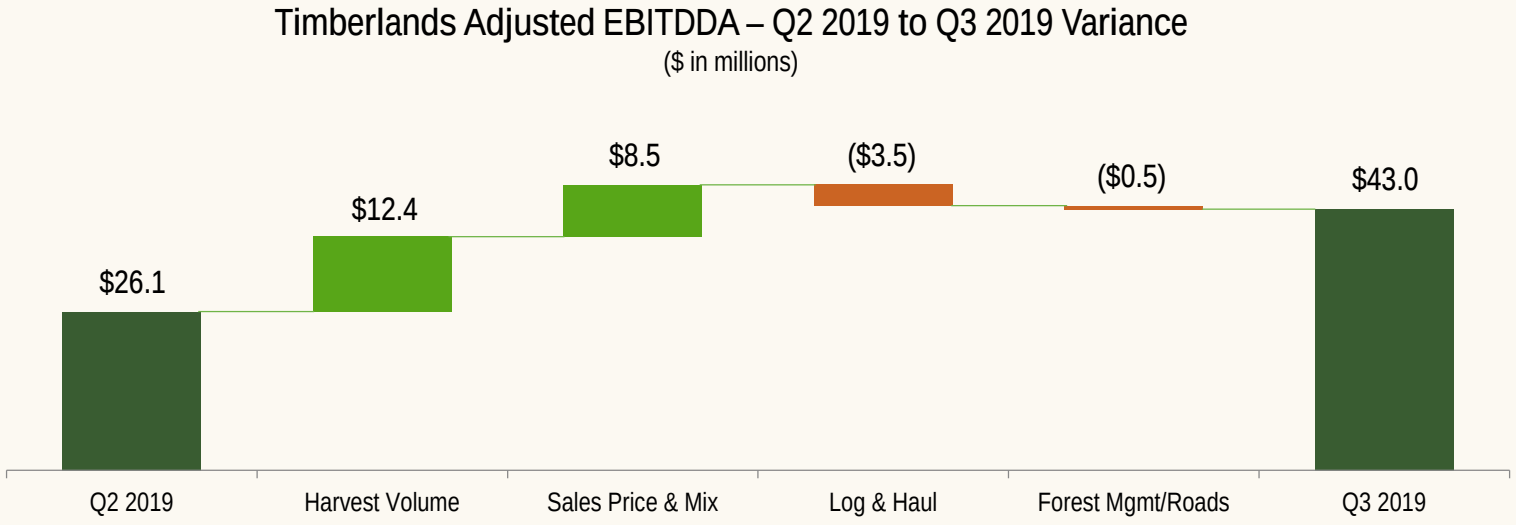


Key Consolidated Highlights:

- Total Adjusted EBITDDA increased $6.0 million from Q2 2019 levels
- Timberlands driven by seasonally higher harvest volumes and higher sawlog prices
- Wood Products Adjusted EBITDDA increase due primarily to increased lumber shipments and lower per-unit manufacturing and log costs
- Real Estate sold commercial land for $3.1 million Q3; Q2 included the sale of a former Deltic tract for $19.6 million

Note: Total Adjusted EBITDDA is a non-GAAP measure. See appendix for definition and reconciliation.

Q3 2019 Timberlands Results



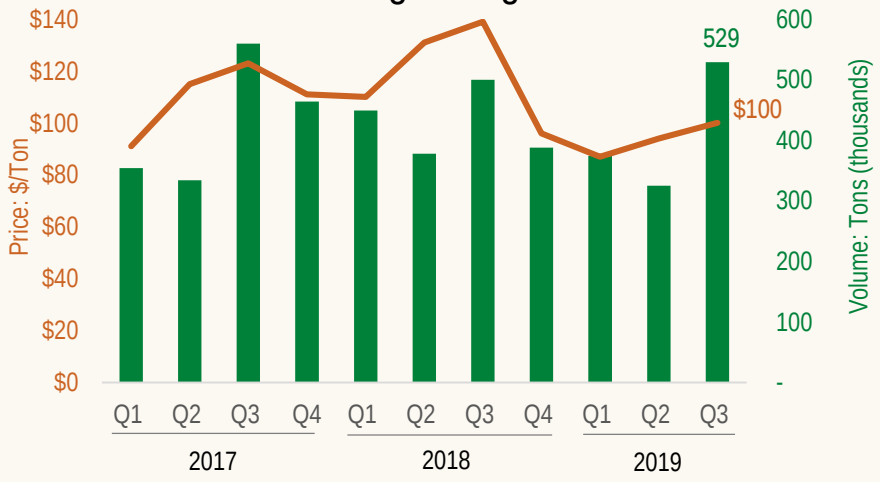
Key Timberlands Highlights:

- Timberlands Adjusted EBITDDA increased $16.9 million from Q2 2019 levels
- Northern and Southern harvest volumes increased seasonally, but were below plan
- Northern sawlog prices increased 7%, reflecting slightly higher lumber prices on indexed volume and seasonally lighter logs
- Increase in log & haul costs driven by higher Northern volumes

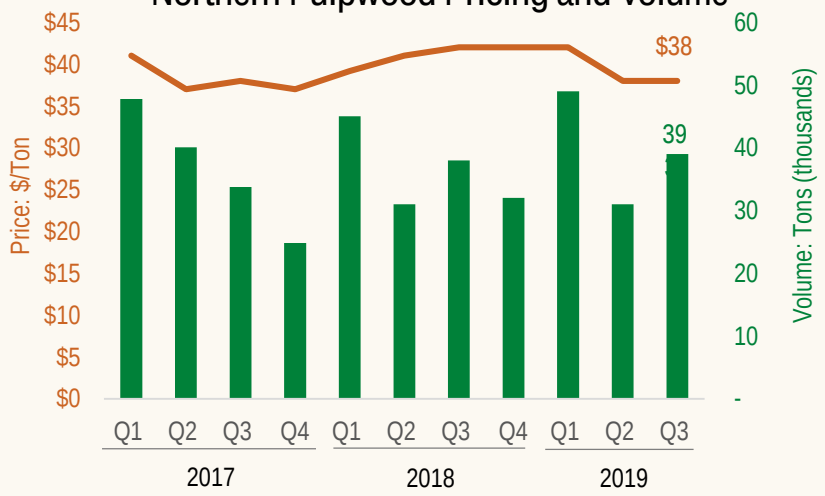
Q3 2019 Timberlands Results

Northern Region

Northern Sawlog Pricing and Volume

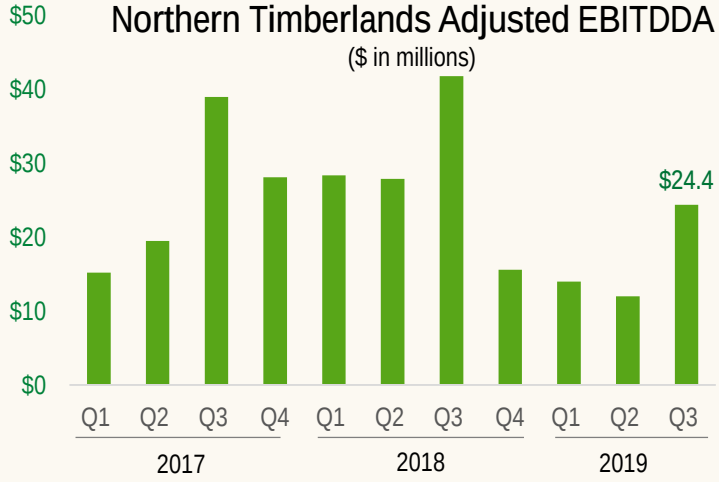


Northern Pulpwood Pricing and Volume



Northern Timberlands Adjusted EBITDDA

($ in millions)



Q2 2019 vs Q3 2019

Northern Timberlands - Key Results

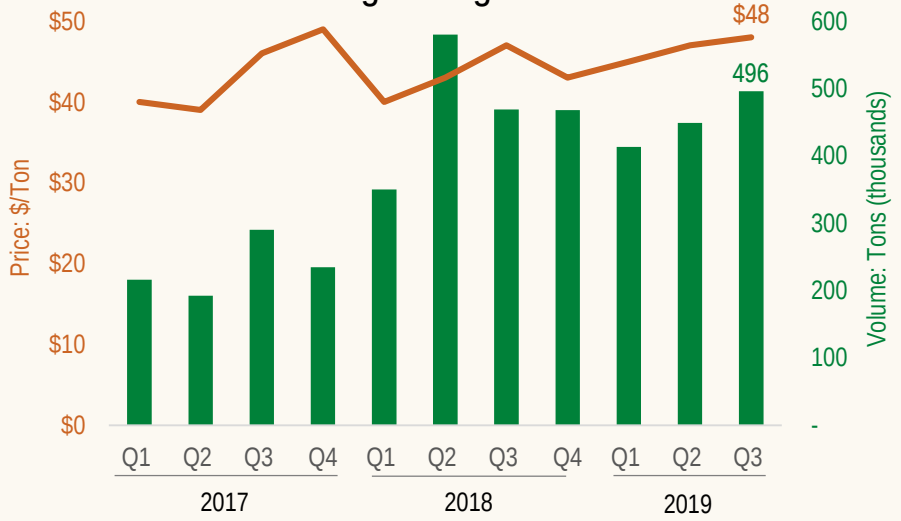
($ in millions - Unaudited)	Q2 2019	Q3 2019	Change
Northern Revenues	$ 32.0	$ 55.8	$ 23.8
Northern Timberlands Adjusted EBITDDA	$ 11.9	$ 24.4	$ 12.5
Margin (%)	37.2%	43.7%	6.5 pts
Northern sawlog harvest volume ('000 tons)	325	529	204
Northern sawlog price ($ / ton)	$ 94	$ 100	$ 6
Northern pulpwood harvest volume ('000 tons)	31	39	8
Northern pulpwood price ($ / ton)	$ 38	$ 38	$ -

Volumes include tonnage harvested from company-owned fee land, while pricing data includes revenue generated from both company-owned fee land and non-fee stumpage purchased from third parties.

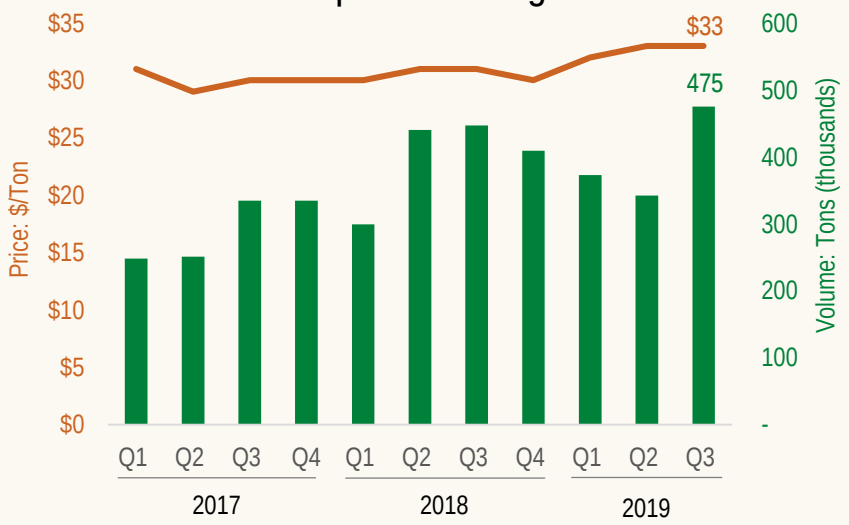
Q3 2019 Timberlands Results

Southern Region

Southern Sawlog Pricing and Volume

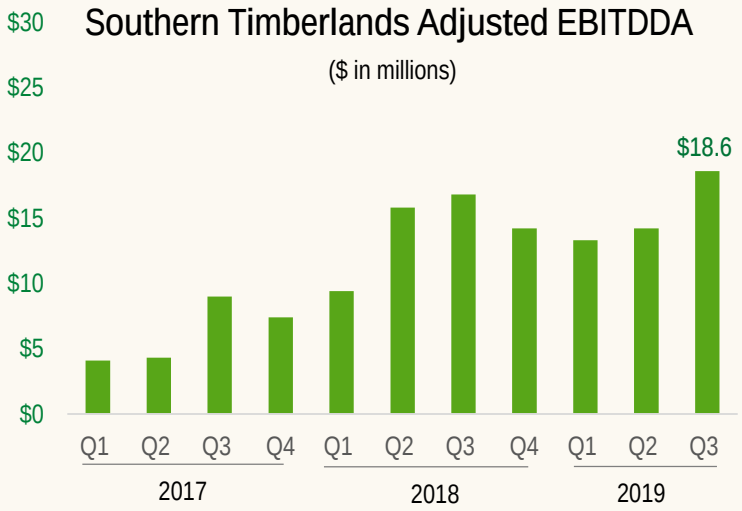


Southern Pulpwood Pricing and Volume



Southern Timberlands Adjusted EBITDDA

($ in millions)



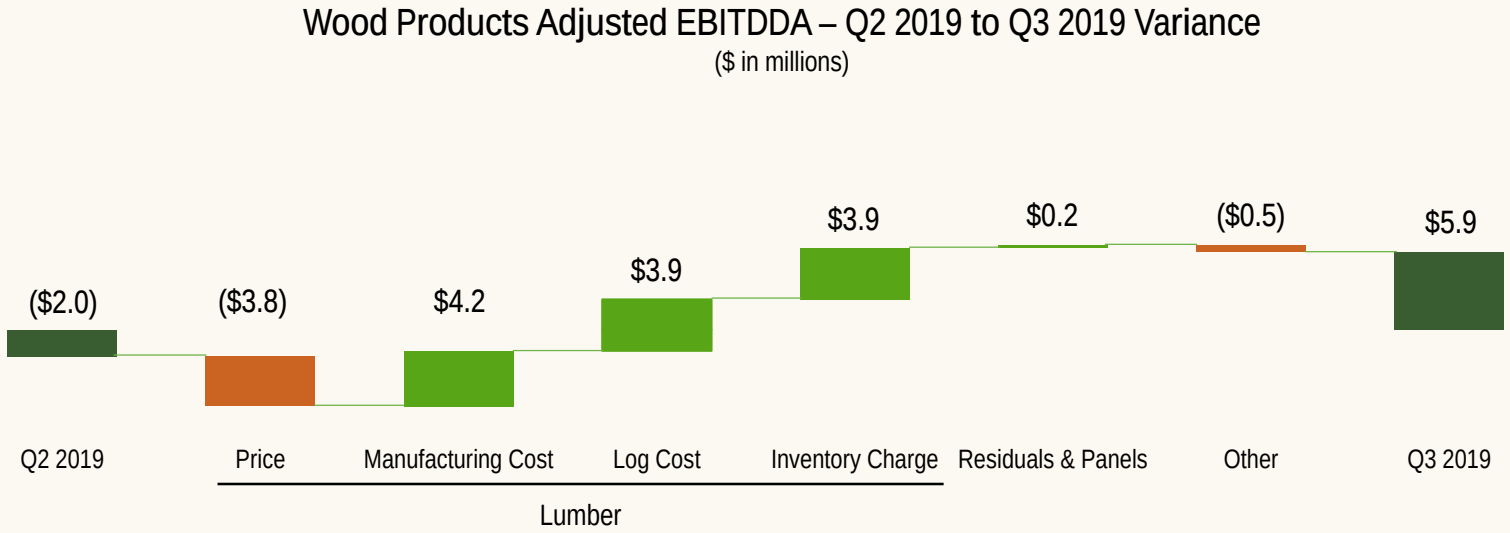
Q2 2019 vs Q3 2019

Southern Timberlands - Key Results

($ in millions - Unaudited)	Q2 2019	Q3 2019	Change
Southern Revenues	$ 35.0	$ 43.1	$ 8.1
Southern Timberlands Adjusted EBITDDA	$ 14.2	$ 18.6	$ 4.4
Margin (%)	40.6%	43.2%	2.6 pts
Southern sawlog harvest volume ('000 tons)	449	496	47
Southern sawlog price ($ / ton)	$ 47	$ 48	$ 1
Southern pulpwood harvest volume ('000 tons)	342	475	133
Southern pulpwood price ($ / ton)	$ 33	$ 33	$ -

Volumes include tonnage harvested from company-owned fee land, while pricing data includes revenue generated from both company-owned fee land and non-fee stumpage purchased from third parties.

Q3 2019 Wood Products Results

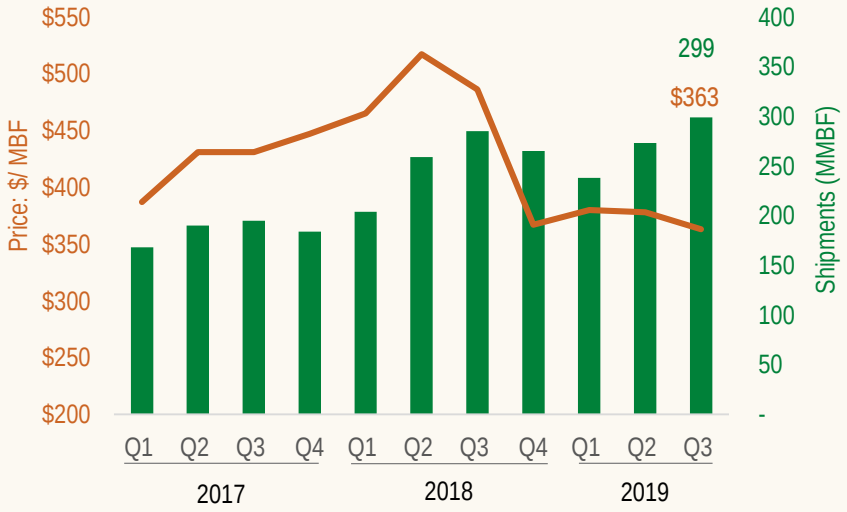


Key Wood Products Highlights:

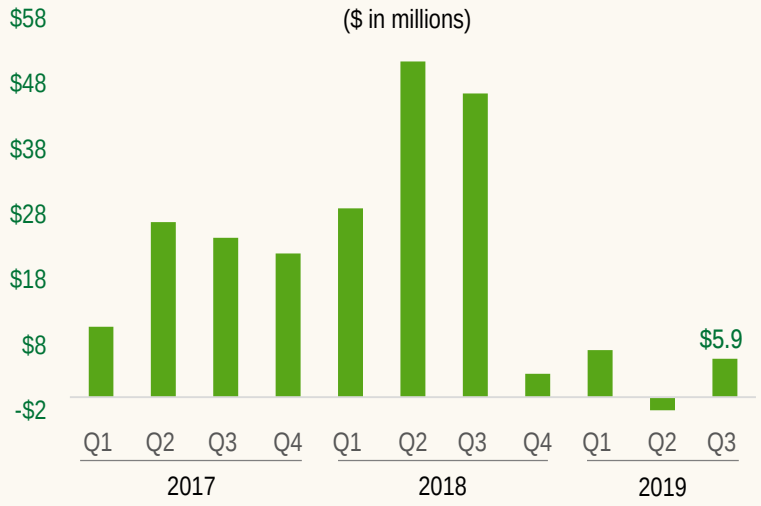
- Wood Products Adjusted EBITDDA increased $7.9 million from Q2 2019 levels
- Average lumber price was $363 per MBF Q3 2019, down 4% from Q2 2019
- The segment set records for quarterly lumber production and shipment volumes Q3 2019
- Log and manufacturing costs were lower on a per-unit basis Q3 2019
- Lumber inventory at end of Q3 2019 was written down $3.5 million compared to $7.4 million Q2 2019

Q3 2019 Wood Products Results

Lumber Pricing and Shipments



Wood Products Adjusted EBITDDA

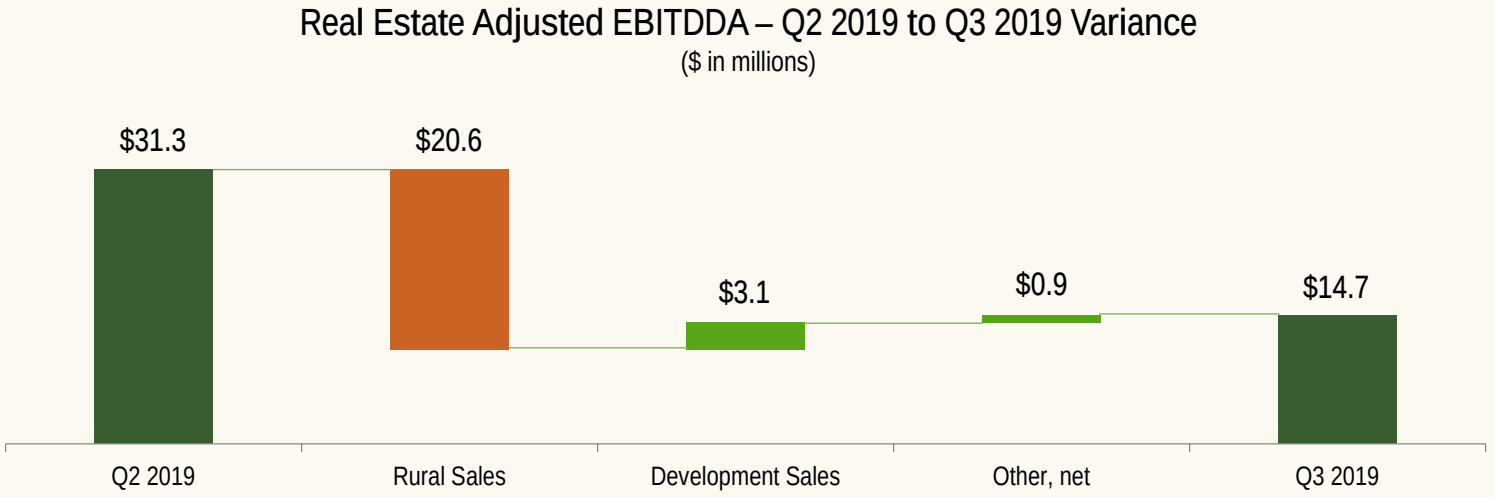


Q2 2019 vs Q3 2019

Wood Products - Key Results ($ in millions - Unaudited)	Q2 2019	Q3 2019	Change
Wood Products Revenues	$ 138.0	$ 143.7	$ 5.7
Wood Products Adjusted EBITDDA	$ (2.0)	$ 5.9	$ 7.9
Margin (%)	(1.4%)	4.1%	5.5 pts
Lumber shipment volume (MMBF)	273	299	26
Lumber price ($ / MBF)	$ 378	$ 363	$ (15)



Q3 2019 Real Estate Results



Key Real Estate Highlights:

- Real Estate Adjusted EBITDDA decreased $16.6 million as the sale of a former Deltic tract for $19.6 million in Q2 2019 was partially offset by commercial land sale of $3.1 million Q3 2019

Real Estate - Rural:

- Sold 6,225 acres – 41 transactions
- Average rural price $1,557/acre
- 16% HBU / 81% Recreation / 3% Non-Strategic

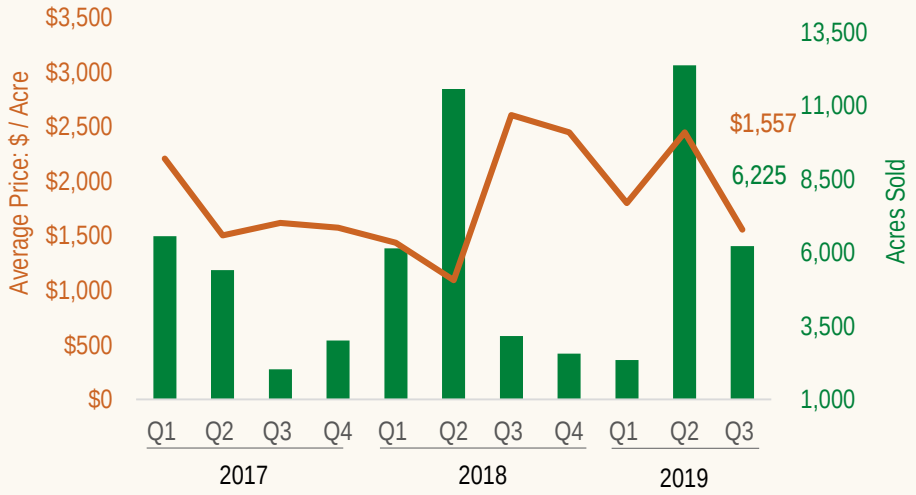
Real Estate - Development:

- Sold 42 residential lots at an average $110,500/lot in Q3 2019
- Sold 6 acres of commercial land for $512,500/acre in Q3 2019

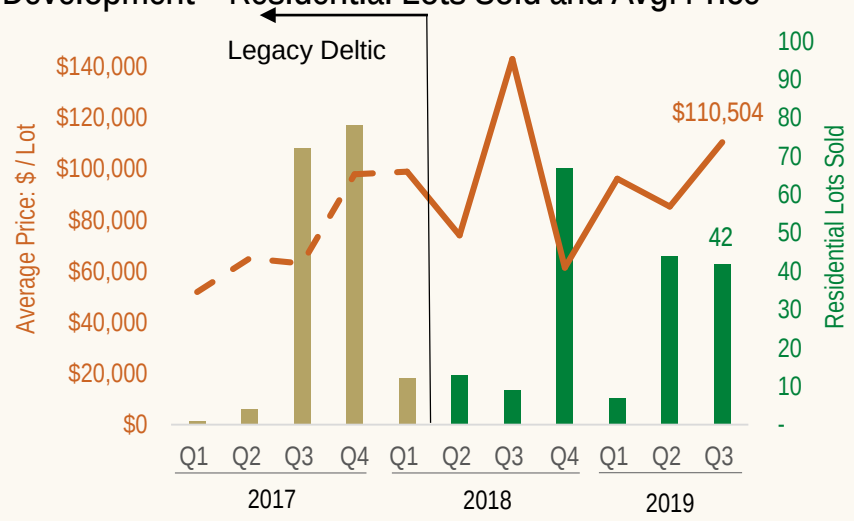


Q3 2019 Real Estate Results

Rural - Acres Sold and Avg. Price

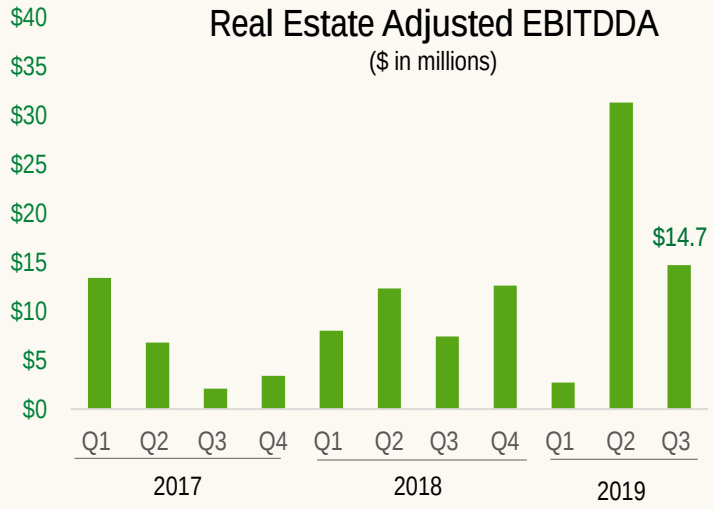


Development – Residential Lots Sold and Avg. Price



Real Estate Adjusted EBITDDA

($ in millions)



Q2 2019 vs Q3 2019

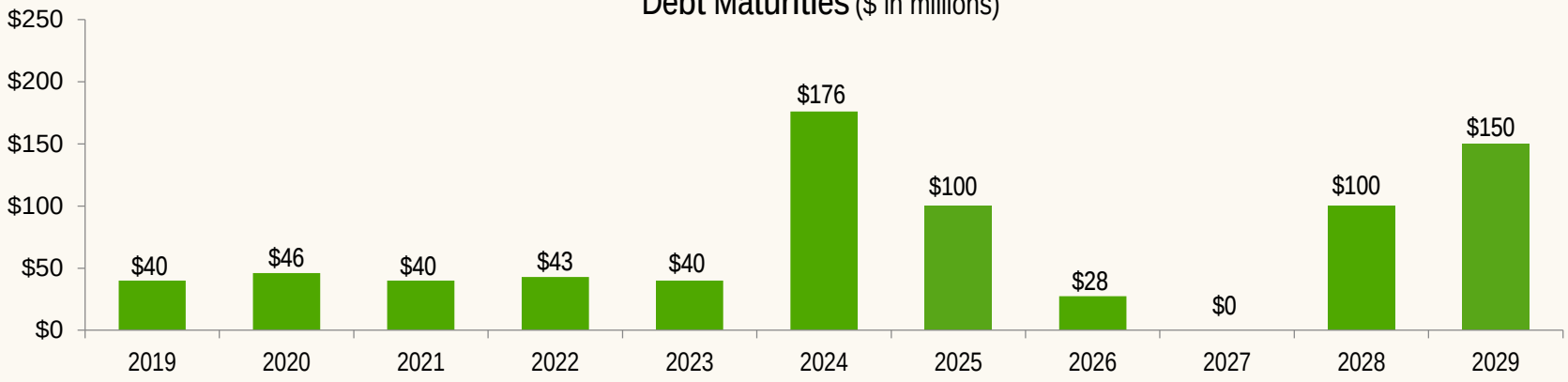
Real Estate - Key Results

($ in millions - Unaudited)	Q2 2019	Q3 2019	Change
Real Estate Revenues	$ 36.4	$ 18.9	$ (17.5)
Real Estate Adjusted EBITDDA	$ 31.3	$ 14.7	$ (16.6)
Margin (%)	86.0%	77.8%	(8.2) pts
Rural acres sold	12,375	6,225	(6,150)
Price ($ / acre)	$ 2,450	$ 1,557	$ (893)
Residential lots sold	44	42	(2)
Price ($ / lot)	$ 85,345	$ 110,504	$ 25,159

Residential Lots Sold by Price Ranges

	Up to $80K	$80k to $100k	$100k to $150K	$150k +
Q1 2019	4	-	3	-
Q2 2019	21	5	17	1
Q3 2019	13	7	17	5

Favorable Capital Structure



Unaudited, $ in millions		September 30, 2019
Market capitalization [1]	$	2,762
Net debt		662
Enterprise value	$	3,424
Cash and cash equivalents	$	95
Net debt to enterprise value [2]		19.3%
EBITDDA leverage [3]		3.9X
Weighted average cost of debt [4]		3.3%
Dividend yield[1]		3.9%

Key Highlights:

- Investment grade rated by Moody's and S&P
- Undrawn $380 million revolver
  - Maturity: April 2023
  - Accordion: $420 million
- Plan to refinance $40 million debt maturing December 2019

(1) Based on closing stock price of $41.09 on September 30, 2019.
(2) Net debt to enterprise value is a non-GAAP measure. See appendix for definition.
(3) EBITDDA leverage is a non-GAAP measure for the trailing twelve months ended September 30, 2019. See appendix for definition.
(4) Weighted average cost of debt excludes amortization of deferred issuance costs and credit facility fees and includes annual estimated patronage credit on term loan debt.



Q4 2019 Outlook

TIMBERLANDS

Harvest volume	1.5 – 1.6 million tons
Geographic harvest	~ 70% of volume in South
Sawlog mix	North: ~ 95% sawlogs
	South: ~ 50% sawlogs
Sawlog pricing	North: ↓ seasonally heavier logs
	South: ↓

WOOD PRODUCTS

Lumber shipments	~290 MMBF
Lumber prices	↔ flat

REAL ESTATE

	Rural	Development
Land sales	~ 3,000 acres	~ 50 lots
Average price	$1,800/acre	$70,000/lot
Land basis	~ 30%	~ 80%

OTHER

Corporate	~ $9 million
Interest expense	~ $8 million
Income taxes	zero

PotlatchDeltic



Appendix

Total Company Summary

(Dollars in millions except per-share amounts – unaudited)

	2018					2019			
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Total
Operating income:									
Timberlands	$ 29.0	$ 29.1	$ 46.0	$ 17.5	$ 121.6	$ 16.6	$ 15.7	$ 30.9	$ 63.2
Wood Products	25.6	45.5	40.6	(3.3)	108.4	2.2	(7.9)	(0.2)	(5.9)
Real Estate	4.3	9.3	3.1	6.2	22.9	0.9	23.7	9.3	33.9
Corporate[1]	(30.0)	(12.5)	(10.1)	(9.9)	(62.5)	(11.0)	(9.5)	(7.2)	(27.7)
Gain on sale of facility	—	—	—	—	—	9.2	—	—	9.2
Eliminations	(1.1)	(2.0)	(1.8)	(0.6)	(5.5)	2.2	3.0	(1.6)	3.6
Total operating income	27.8	69.4	77.8	9.9	184.9	20.1	25.0	31.2	76.3
Interest expense, net	(5.7)	(9.3)	(10.1)	(10.1)	(35.2)	(5.4)	(7.9)	(8.5)	(21.8)
Loss on extinguishment of debt	—	—	—	—	—	(5.5)	—	—	(5.5)
Non-operating pension and OPEB costs	(1.8)	(2.0)	(1.9)	(1.9)	(7.6)	(1.0)	(1.0)	(0.8)	(2.8)
Income (loss) before taxes	20.3	58.1	65.8	(2.1)	142.1	8.2	16.1	21.9	46.2
Income taxes[2]	(5.7)	(12.0)	(5.4)	3.9	(19.2)	(1.6)	1.0	(1.3)	(1.9)
Net income (GAAP)	$ 14.6	$ 46.1	$ 60.4	$ 1.8	$ 122.9	$ 6.6	$ 17.1	$ 20.6	$ 44.3
Diluted EPS (GAAP)	$ 0.29	$ 0.73	$ 0.93	$ 0.03	$ 1.99	$ 0.10	$ 0.25	$ 0.30	$ 0.65
Distributions per share [3]	$ 0.40	$ 0.40	$ 0.40	$ 3.94	$ 5.14	$ 0.40	$ 0.40	$ 0.40	$ 1.20

(1) Includes Deltic merger related costs of $19.4 million Q1 2018, $1.0 million Q2 2018, $0.9 million Q3 2018 and $0.9 million Q4 2018.
(2) Incudes tax benefit of $5.0 million in Q3 2018 related to contributions to qualified pension plans.
(3) Distributions per share in Q4 2018 include the Deltic earnings and profit special distribution of $222 million, or approximately $3.54 per share.



Non-GAAP Reconciliation:
Operating Segment Adjusted EBITDDA (in millions – unaudited)

	2018					2019			
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Total
Timberlands									
Northern Timberlands Operating Income	$ 26.2	$ 26.0	$ 39.6	$ 13.6	$ 105.4	$ 11.7	$ 10.1	$ 22.4	$ 44.2
Depreciation, depletion and amortization	2.1	1.9	2.3	2.0	8.3	2.0	1.8	2.0	5.8
Northern Timberlands Adjusted EBITDDA	28.3	27.9	41.9	15.6	113.7	13.7	11.9	24.4	50.0
Southern Timberlands Operating Income	2.8	3.1	6.4	3.9	16.2	4.9	5.6	8.5	19.0
Depreciation, depletion and amortization	6.6	12.7	10.4	10.3	40.0	8.3	8.6	10.1	27.0
Southern Timberlands Adjusted EBITDDA	9.4	15.8	16.8	14.2	56.2	13.2	14.2	18.6	46.0
Timberlands Adjusted EBITDDA	$ 37.7	$ 43.7	$ 58.7	$ 29.8	$ 169.9	$ 26.9	$ 26.1	$ 43.0	$ 96.0
Wood Products									
Operating income (loss)	$ 25.6	$ 45.5	$ 40.6	$ (3.3)	$ 108.4	$ 2.2	$ (7.9)	$ (0.2)	$ (5.9)
Depreciation, amortization, & eliminations	3.4	6.0	5.9	6.2	21.5	5.0	5.9	5.8	16.7
Loss on fixed assets	—	—	—	0.7	0.7	—	—	0.3	0.3
Wood Products Adjusted EBITDDA	$ 29.0	$ 51.5	$ 46.5	$ 3.6	$ 130.6	$ 7.2	$ (2.0)	$ 5.9	$ 11.1
Real Estate									
Operating Income	$ 4.3	$ 9.3	$ 3.1	$ 6.2	$ 22.9	$ 0.9	$ 23.7	$ 9.3	$ 33.9
Basis of land and depreciation	3.7	3.0	4.3	6.4	17.4	1.8	7.6	5.4	14.8
Real Estate Adjusted EBITDDA	$ 8.0	$ 12.3	$ 7.4	$ 12.6	$ 40.3	$ 2.7	$ 31.3	$ 14.7	$ 48.7
Eliminations	$ (1.3)	$ (2.0)	$ (1.8)	$ (0.7)	$ (5.8)	$ 2.2	$ 2.9	$ (1.6)	$ 3.5
Corporate									
Corporate expense	$ (30.0)	$ (12.5)	$ (10.1)	$ (9.9)	$ (62.5)	$ (11.0)	$ (9.5)	$ (7.2)	$ (27.7)
Depreciation and eliminations	0.2	0.2	0.2	0.2	0.8	0.3	0.2	0.2	0.7
Deltic merger-related costs	19.3	1.0	0.9	0.9	22.1	—	—	—	—
Inventory purchase price adjustments	1.8	—	—	—	1.8	—	—	—	—
Corporate Adjusted EBITDDA	$ (8.7)	$ (11.3)	$ (9.0)	$ (8.8)	$ (37.8)	$ (10.7)	$ (9.3)	$ (7.0)	$ (27.0)
Total Adjusted EBITDDA	$ 64.7	$ 94.2	$ 101.8	$ 36.5	$ 297.2	$ 28.3	$ 49.0	$ 55.0	$ 132.3



Non-GAAP Reconciliation:

Total Adjusted EBITDDA and Cash Available for Distribution (in millions – unaudited)

	2018					2019			
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Total
Total Adjusted EBITDDA									
Net Income (GAAP)	$ 14.6	$ 46.1	$ 60.4	$ 1.8	$ 122.9	$ 6.6	$ 17.1	$ 20.6	$ 44.3
Interest expense, net	5.6	9.4	10.1	10.1	35.2	5.4	7.9	8.5	21.8
Income taxes	5.7	12.0	5.4	(3.9)	19.2	1.6	(1.0)	1.3	1.9
Depreciation, depletion and amortization	12.2	21.0	18.8	18.9	70.9	15.8	16.7	18.8	51.3
Basis of real estate sold	3.6	2.8	4.3	6.0	16.7	1.6	7.4	5.2	14.2
Loss on extinguishment of debt	—	—	—	—	—	5.5	—	—	5.5
Non-operating pension and OPEB costs	1.9	1.9	1.9	2.0	7.7	1.0	1.0	0.8	2.8
Deltic merger-related costs	19.3	1.0	0.9	0.9	22.1	—	—	—	—
Gain on sale of facility	—	—	—	—	—	(9.2)	—	—	(9.2)
Inventory purchase price adjustment	1.8	—	—	—	1.8	—	—	—	—
(Gain) loss on fixed assets	—	—	—	0.7	0.7	—	(0.1)	(0.2)	(0.3)
Total Adjusted EBITDDA	$ 64.7	$ 94.2	$ 101.8	$ 36.5	$ 297.2	$ 28.3	$ 49.0	$ 55.0	$ 132.3
Cash Available for Distribution									
Cash from operating activities	$ 34.9	$ 60.4	$ 53.0	$ 30.5	$ 178.8	$ 19.1	$ 48.5	$ 37.9	$ 105.5
Capital expenditures and timberland acquisitions	(6.5)	(12.1)	(12.5)	(21.0)	(52.1)	(8.0)	(16.0)	(15.2)	(39.2)
Cash Available for Distribution	$ 28.4	$ 48.3	$ 40.5	$ 9.5	$ 126.7	$ 11.1	$ 32.5	$ 22.7	$ 66.3
Net cash (used in) provided by investing activities	$ (2.8)	$ (11.9)	$ (12.3)	$ (20.9)	$ (47.9)	$ 52.2	$ (16.9)	$ (13.1)	$ 22.2
Net cash used in financing activities	$ (50.2)	$ (25.2)	$ (25.1)	$ (71.5)	$ (172.0)	$ (42.3)	$ (42.0)	$ (27.0)	$ (111.3)



Statistics: Timberlands and Wood Products

(unaudited)

	2018					2019			
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Total
Timberlands									
Fee Volumes (tons)									
Northern Region									
Sawlog	448,782	377,636	500,138	387,598	1,714,154	373,865	324,556	529,030	1,227,451
Pulpwood	45,428	31,389	37,953	31,978	146,749	48,643	30,520	39,371	118,534
Stumpage	5,836	4,222	3,210	135	13,403	7,376	-	602	7,978
Total	500,046	413,247	541,302	419,711	1,874,306	429,884	355,076	569,003	1,353,963
Southern Region									
Sawlog	349,584	580,296	469,336	453,821	1,853,037	412,834	448,918	496,388	1,358,140
Pulpwood	298,553	439,551	446,914	408,886	1,593,904	373,264	341,909	475,313	1,190,486
Stumpage	32,332	92,988	61,690	34,536	221,546	42,349	22,807	58,659	123,815
Total	680,469	1,112,835	977,940	897,243	3,668,487	828,447	813,634	1,030,360	2,672,441
Total Fee Volume	1,180,515	1,526,082	1,519,242	1,316,954	5,542,793	1,258,331	1,168,710	1,599,363	4,026,404
Sales Price/Unit ($ per ton)									
Northern Region									
Sawlog	$ 110	$ 131	$ 139	$ 96	$ 119	$ 87	$ 94	$ 100	$ 95
Pulpwood	$ 39	$ 41	$ 42	$ 42	$ 41	$ 42	$ 38	$ 38	$ 40
Stumpage	$ 14	$ 14	$ 12	$ 8	$ 12	$ 14	$ -	$ 5	$ 14
Southern Region									
Sawlog	$ 42	$ 43	$ 47	$ 43	$ 44	$ 45	$ 47	$ 48	$ 47
Pulpwood	$ 30	$ 31	$ 31	$ 30	$ 31	$ 32	$ 33	$ 33	$ 33
Stumpage	$ 12	$ 11	$ 11	$ 9	$ 11	$ 8	$ 6	$ 13	$ 10
Wood Products									
Lumber shipments (MBF)	204,145	259,249	284,566	267,425	1,015,385	238,403	272,523	298,807	809,733
Lumber sales prices ($ per MBF)	$ 465	$ 517	$ 486	$ 367	$ 457	$ 380	$ 378	$ 363	$ 373

Statistics: Real Estate

(unaudited)

	2018					2019			
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Total
Real Estate									
Rural									
Acres Sold									
HBU Development	1,796	1,133	1,136	1,326	5,391	759	2,497	975	4,231
Recreation Real Estate	3,461	2,280	2,024	1,160	8,925	1,143	1,637	5,037	7,817
Non-Strategic Timberlands	887	8,158	—	80	9,125	440	8,241	213	8,894
	6,144	11,571	3,160	2,566	23,441	2,342	12,375	6,225	20,942
Revenues by Product Type (millions)									
HBU Development	$ 4.3	$ 2.4	$ 5.2	$ 4.6	$ 16.5	$ 2.4	$ 21.3	$ 3.1	$ 26.8
Recreation Real Estate	3.7	3.0	3.0	1.6	11.3	1.4	2.3	$ 6.4	10.1
Non-Strategic Timberlands	0.8	7.3	—	0.1	8.2	0.4	6.7	$ 0.2	7.3
	$ 8.8	$ 12.7	$ 8.2	$ 6.3	$ 36.0	$ 4.2	$ 30.3	$ 9.7	$ 44.2
Sales Price per Acre									
HBU Development	$ 2,395	$ 2,113	$ 4,615	$ 3,458	$ 3,065	$ 3,195	$ 8,551	$ 3,225	$ 6,363
Recreation Real Estate	$ 1,075	$ 1,290	$ 1,480	$ 1,395	$ 1,264	$ 1,221	$ 1,382	$ 1,261	$ 1,281
Non-Strategic Timberlands	$ 913	$ 899	$ —	$ 988	$ 903	$ 903	$ 813	$ 906	$ 820
Transactions by Product Type									
HBU Development	23	11	9	19	62	8	13	16	37
Recreation Real Estate	24	26	29	20	99	17	22	22	61
Non-Strategic Timberlands	5	4	—	3	12	4	5	3	12
	52	41	38	42	173	29	40	41	110
Development									
Residential lots									
Lots sold	12	13	9	67	101	7	44	42	93
Average price per lot	$ 98,975	$ 74,054	$ 143,000	$ 61,384	$ 74,753	$ 96,129	$ 85,345	$ 110,504	$ 97,519
Commercial Acres									
Acres sold	—	—	—	13	13	—	—	6	6
Average price per acre	$ —	$ —	$ —	$ 347,581	$ 347,581	$ —	$ —	$ 512,506	$ 512,506

Share Count Changes

(unaudited)

- In Q1 2018, 22 million shares were issued to complete the Deltic Timber merger
- In November of 2018, 4.8 million shares were issued as part of the $222 million special distribution

Thousands	2018					2019			
Common shares outstanding	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Total
Beginning of the period	40,612	62,755	62,754	62,755	40,612	67,570	67,588	67,186	67,570
Shares issued to complete the Deltic Timber merger	21,981	-	-	-	21,981	-	-	-	-
Shares issued in special distribution	-	-	-	4,815	4,815	-	-	-	-
Share-based equity compensation	162	(1)	1	-	162	297	5	35	337
Share repurchases	-	-	-	-	-	(279)	(407)	-	(686)
End of the period	62,755	62,754	62,755	67,570	67,570	67,588	67,186	67,221	67,221
Weighted average shares outstanding	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Total
Basic	50,425	62,980	62,986	65,486	60,534	67,860	67,664	67,446	67,781
Diluted	50,786	63,316	64,722	68,110	61,814	67,916	67,713	67,545	67,848



Definitions

Total Adjusted EBITDDA is a non-GAAP measure and is calculated as net income (loss) adjusted for interest expense, income taxes, depletion, depreciation and amortization, basis of real estate sold, non-operating pension and other post-retirement benefit costs, gains and losses on disposition of fixed assets, acquisition costs included in cost of goods sold, environmental charges, Deltic merger-related costs, gain on sale of facility, loss on debt extinguishment, non-cash impairments and other special items.

Adjusted Net Income is a non-GAAP measure and is net income (loss) adjusted for acquisition costs included in cost of goods sold, environmental charges, Deltic merger-related costs, gain on sale of facility, loss on debt extinguishment, non-cash impairments and other special items.

EBITDDA Leverage is a non-GAAP measure and is calculated as net debt divided by Total Adjusted EBITDDA.

Segment Adjusted EBITDDA is calculated as segment operating income (loss) adjusted for depletion, depreciation and amortization, basis of real estate sold, gains and losses on disposition of fixed assets, non-cash impairments and other special items.

Cash Available for Distribution (CAD) is a non-GAAP measure and is calculated as cash from operations minus capital expenditures and timberland acquisitions.

Net debt to enterprise value is a non-GAAP measure and is calculated as net debt divided by enterprise value. Net Debt is a non-GAAP measure and, is calculated as long-term debt (plus long-term debt due within a year), less cash and cash equivalents.



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