UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2004

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 1-10239

PLUM CREEK TIMBER COMPANY, INC.

(Exact name of registrant as specified in its charter)

999 Third Avenue, Seattle, Washington 98104-4096 Telephone: (206) 467-3600

Organized in the State of Delaware I.R.S. Employer Identification No. 91-1912863

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 [X] No [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).
Yes [X] No [ ]

The number of outstanding shares of the registrant’s common stock as of April 22, 2004 was 183,239,360.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

PLUM CREEK TIMBER COMPANY, INC.
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

(In Millions, Except Per Share Amounts)	Quarter Ended **March 31, 2004**	March 31, 2003
Revenues:		
Timber	**$ 184**	$ 156
Real Estate	**188**	23
Manufacturing	**122**	92
Other	**3**	2
Total Revenues	**497**	273
Costs and Expenses:		
Cost of Goods Sold:		
Timber	**93**	81
Real Estate	**86**	19
Manufacturing	**108**	96
Other	**1**	1
Total Cost of Goods Sold	**288**	197
Selling, General and Administrative	**18**	17
Total Costs and Expenses	**306**	214
Operating Income	**191**	59
Interest Expense, net	**29**	28
Income before Income Taxes	**162**	31
Benefit (Provision) for Income Taxes	**(7)**	2
Net Income	**$ 155**	$ 33
Net Income per Share – Basic	**$ 0.85**	$ 0.18
Net Income per Share – Diluted	**$ 0.84**	$ 0.18
Dividends Declared per Share	**$ 0.35**	$ 0.35
Weighted average number of Shares outstanding – Basic	**183.2**	184.1
Weighted average number of Shares outstanding – Diluted	**184.0**	184.6

See accompanying Notes to Consolidated Financial Statements

PLUM CREEK TIMBER COMPANY, INC.
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(In Millions, Except per Share Amounts)	**March 31, 2004**	December 31, 2003
ASSETS		
Current Assets:		
Cash and Cash Equivalents	**$ 280**	$ 260
Restricted Advance from Customer	**13**	3
Accounts Receivable	**46**	34
Inventories	**59**	54
Investment in Grantor Trust	**12**	13
Deferred Tax Asset	**11**	11
Other Current Assets	**28**	30
	449	405
Timber and Timberlands – Net	**3,615**	3,674
Property, Plant and Equipment – Net	**297**	303
Other Assets	**7**	5
Total Assets	**$ 4,368**	$ 4,387
LIABILITIES		
Current Liabilities:		
Current Portion of Long-Term Debt	**$ 32**	$ 33
Accounts Payable	**24**	27
Interest Payable	**37**	28
Wages Payable	**10**	23
Taxes Payable	**15**	15
Deferred Revenue	**21**	16
Liabilities Associated with Grantor Trust	**12**	13
Other Current Liabilities	**21**	13
	172	168
Long-Term Debt	**1,436**	1,437
Lines of Credit	**479**	594
Deferred Tax Liability	**43**	37
Other Liabilities	**23**	32
Total Liabilities	**2,153**	2,268
Commitments and Contingencies		
STOCKHOLDERS' EQUITY		
Preferred Stock, $0.01 par value, authorized shares – 75.0, outstanding – none	**--**	--
Common Stock, $0.01 par value, authorized shares – 300.0, issued (including Treasury Stock) – 185.3 at March 31, 2004 and 185.1 at December 31, 2003	**2**	2
Additional Paid-In Capital	**2,155**	2,150
Retained Earnings	**100**	9
Treasury Stock, at cost, Common shares – 2.0	**(43)**	(43)
Other Equity	**1**	1
Total Stockholders' Equity	**2,215**	2,119
Total Liabilities and Stockholders' Equity	**$ 4,368**	$ 4,387

See accompanying Notes to Consolidated Financial Statements

PLUM CREEK TIMBER COMPANY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(In Millions)	Quarter Ended March 31, 2004	Quarter Ended March 31, 2003
Cash Flows From Operating Activities:		
Net Income	**$ 155**	$ 33
Adjustments to Reconcile Net Income to		
Net Cash Provided By Operating Activities:		
Depreciation, Depletion and Amortization	**27**	25
Basis of Real Estate Sold (Including Impairment Losses of $16 in 2004 and $9 in 2003)	**79**	17
Deferred Income Taxes	**7**	(2)
Working Capital Changes	**(20)**	(23)
Other	**(6)**	(4)
Net Cash Provided By Operating Activities	**242**	46
Cash Flows From Investing Activities:		
Property Additions (Excluding Timberland Acquisitions)	**(17)**	(16)
Timberlands Acquired (Including Tax-Deferred Exchange Proceeds, Net)	**(24)**	(1)
Net Cash Used In Investing Activities	**(41)**	(17)
Cash Flows From Financing Activities:		
Dividends	**(64)**	(65)
Borrowings of Long-term Debt and Lines of Credit	**606**	782
Repayments of Long-term Debt and Lines of Credit	**(725)**	(741)
Proceeds from Stock Option Exercises	**2**	--
Acquisition of Treasury Stock	**--**	(43)
Net Cash Used In Financing Activities	**(181)**	(67)
Increase (Decrease) In Cash and Cash Equivalents	**20**	(38)
Cash and Cash Equivalents:		
Beginning of Period	**260**	246
End of Period	**$ 280**	$ 208

See accompanying Notes to Consolidated Financial Statements

PLUM CREEK TIMBER COMPANY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Note 1. Basis of Presentation

When we refer to "Plum Creek", "the company", "we", "us" or "our" we mean Plum Creek Timber Company, Inc., a Delaware corporation and a real estate investment trust, or "REIT", and all of its wholly owned consolidated subsidiaries.

The consolidated financial statements include all of the accounts of Plum Creek. At March 31, 2004, the company owned and managed approximately 7.8 million acres of timberlands in the Northwest, Southern and Northeast United States, and owned and operated ten wood product conversion facilities in the Northwest United States.

Plum Creek has elected to be taxed as a REIT under sections 856-860 of the United States Internal Revenue Code, and as such, is generally not subject to corporate-level income tax. However, the company conducts certain non-REIT activities through various taxable REIT subsidiaries, which are subject to corporate-level income tax. These activities include our manufacturing operations, the harvesting and selling of logs, and sales of some of our higher and better use lands. As a result, the effective tax rate is lower than the federal statutory rate due to the exclusion of the REIT income.

Revenues from sales of timberlands are recognized upon closing of sales contracts in accordance with the full accrual method provided for in the Statement of Financial Accounting Standard No. 66, "Accounting for Sales of Real Estate". Substantially all real estate transactions are settled in cash. Plum Creek may sell timberlands to a single buyer under a multi-year contract covering a series of prescheduled closings and/or options. Under the multi-year contracts, once title and risk of loss have transferred to the buyer for individual properties, the properties sold cannot be returned for a refund. However, deposits for future closings under multi-year contracts may be refunded under certain circumstances. The company treats each closing under a multi-year arrangement as a separate sale and recognizes revenue in accordance with Emerging Issues Task Force ("EITF") No. 00-21, "Revenue Arrangements with Multiple Deliverables".

Intercompany transactions and accounts have been eliminated in consolidation. All transactions are denominated in United States dollars.

The financial statements included in this Form 10-Q are unaudited and do not contain all of the information required by accounting principles generally accepted in the United States of America to be included in a full set of financial statements. The balance sheet at December 31, 2003 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The audited financial statements in the company's 2003 annual report on Form 10-K include a summary of significant accounting policies of the company and should be read in conjunction with this Form 10-Q. In the opinion of management, all material adjustments necessary to present fairly the results of operations for such periods have been included. All such adjustments are of a normal and recurring nature. The results of operations for interim periods are not necessarily indicative of the results of operations for the entire year.

Note 2. Timber and Timberlands, Property, Plant and Equipment, and Inventory

Timber and timberlands consisted of the following (in millions):

	March 31, 2004	December 31, 2003
Timber and logging roads – net	**$ 2,377**	$ 2,404
Timberlands	**1,238**	1,270
Timber and Timberlands – net	**$ 3,615**	$ 3,674

During 2003, the company completed an evaluation of its timberlands in which it identified approximately 1.4 million acres of non-strategic timberlands and approximately 1.35 million acres of higher and better use timberlands. During the first quarter of 2004, the company concluded it was probable that it would sell approximately 52,000 acres of non-strategic timberlands, which have a book basis of $31 million, for $15 million. The company anticipates selling these timberlands during 2004 and, therefore, recorded an impairment of $16 million in the first quarter of 2004.

In January 2003, the company agreed to sell approximately 29,000 acres of non-strategic timberlands for $13 million. This transaction closed in the second quarter of 2003. The timberlands had a book basis of $22 million, and the company therefore recorded an impairment of $9 million in the first quarter of 2003.

Property, plant and equipment consisted of the following (in millions):

	March 31, 2004	December 31, 2003
Land, buildings and improvements	**$ 82**	$ 81
Machinery and equipment	**305**	304
	387	385
Accumulated depreciation	**(90)**	(82)
Property, Plant and Equipment – net	**$ 297**	$ 303

Inventories, accounted for using the lower of average cost or market, consisted of the following (in millions):

	March 31, 2004	December 31, 2003
Raw materials (logs)	**$ 17**	$ 10
Work-in-process	**5**	4
Finished goods	**28**	31
	50	45
Supplies	**9**	9
Total	**$ 59**	$ 54

Note 3. Borrowings

In January of 2004, the company refinanced its revolving line of credit with a new $650 million facility maturing on January 15, 2009. As of March 31, 2004, the interest rate for the new facility was LIBOR plus 1.25%, which included facility fees. This rate can range from LIBOR plus 0.75% to LIBOR plus 1.625% depending on our financial results. Subject to customary covenants, the line of credit allows for borrowings from time to time up to $650 million, including up to $50 million of standby letters of credit. Borrowings on the line of credit fluctuate daily based on cash needs. As of March 31, 2004, we had $479 million of borrowings and $5 million of standby letters of credit outstanding; $166 million remained available for borrowing under our line of credit. On April 1, 2004, $185 million of the borrowings under our line of credit was repaid.

Note 4. Earnings Per Share

The following table sets forth the reconciliation of basic and diluted earnings per share for the **quarters ended March 31** (in millions, except per share amounts):

	2004	2003
Net income	**$ 155**	$ 33
Denominator for basic earnings per share	**183.2**	184.1
Effect of dilutive securities – stock options	**0.6**	0.3
Effect of dilutive securities – restricted stock, dividend equivalents, and value management plan	**0.2**	0.2
Denominator for diluted earnings per share – adjusted for dilutive securities	**184.0**	184.6
Basic Earnings per Share	**$ 0.85**	$ 0.18
Diluted Earnings per Share	**$ 0.84**	$ 0.18

Options to purchase approximately 1.1 million shares of common stock at exercise prices of $23.97 to $30.70 per share were outstanding during the first quarter of 2003, but were excluded from the computation of diluted earnings per shares because the options' exercise prices were greater than the average market price of the common shares for the quarter. The options expire on or before January 2, 2013. During the first quarter of 2004, there were no antidilutive options outstanding.

Note 5. Capital

The changes in the company's capital accounts were as follows for the **quarter ended March 31, 2004** (in millions):

	Common Stock						
	Shares	Dollars	Paid-in Capital	Retained Earnings	Other Equity	Treasury Stock [(B)]	Total Equity
December 31, 2003	183.1	$ 2	$ 2,150	$ 9	$ 1	$ (43)	$ 2,119
Net Income				**155**			**155**
Dividends				**(64)**			**(64)**
Stock Option Exercises	**0.1**		**2**				**2**
VMA Shares Issued [(A)]	**0.1**		**2**				**2**
Deferred Compensation and Other Comprehensive Loss			**1**				**1**
March 31, 2004	**183.3**	**$ 2**	**$ 2,155**	**$ 100**	**$ 1**	**$ (43)**	**$ 2,215**

(A) At December 31, 2002, participants in Plum Creek's Stock Incentive Plan earned 44,870 value management awards, which had a face value of $200 per award, or $9 million in total. Under the terms of the plan, the awards were paid 50% in the first quarter of 2003 and 50% in the first quarter of 2004. Furthermore, each payment was made 50% in cash and 50% in Plum Creek stock.

(B) In October of 2002, the company's Board of Directors authorized the company to repurchase up to $200 million of the company's common stock. As of March 31, 2004, the company had repurchased approximately 2 million shares of common stock for a total cost of $43 million at an average price of $21.53 per share.

Note 6. Segment Information

The table below presents information about reported segments for the **quarters ended March 31** (in millions):

	Northern Resources	Southern Resources	Real Estate [(A)]	Manu-factured Products	Other [(B)]	Total
2004						
External revenues	**$ 68**	**$ 116**	**$ 188**	**$ 122**	**$ 3**	**$ 497**
Intersegment revenues	**27**	**-**	**-**	**-**	**-**	**27**
Depreciation, depletion and amortization	**8**	**12**	**-**	**7**	**-**	**27**
Operating income	**32**	**56**	**102**	**11**	**2**	**203**
2003						
External revenues	$ 57	$ 99	$ 23	$ 92	$ 2	$ 273
Intersegment revenues	24	-	-	-	-	24
Depreciation, depletion and amortization	8	11	-	6	-	25
Operating income (loss)	23	49	4	(5)	1	72

(A) During the first quarter of 2004, the Real Estate segment recorded a $16 million impairment loss as a part of cost of goods sold on a proposed sale of timberlands, compared to a $9 million impairment loss during the first quarter of 2003. See Note 2 of the Notes to Financial Statements. During 2003, we completed an evaluation of our timberlands in which we identified approximately 1.4 million acres of non-strategic timberlands and approximately 1.35 million acres of higher and better use timberlands. Approximately half of the non-strategic timberlands are made up of large blocks of property that are expected to be sold over the next two years. The other half of non-strategic timberlands consists generally of smaller properties that are expected to be sold over the next five to ten years. In the meantime, these timberlands continue to be used productively in our business of growing and selling timber. During the first quarter of 2004, approximately 200,000 acres of the 700,000 acres of large non-strategic timberlands were sold for $118 million.

(B) Since 2001, Plum Creek has been a party to a joint operating agreement with Geomet, Inc., a coalbed methane developer, with whom the company jointly explored for and developed coalbed methane gas found on certain of its lands in West Virginia and Virginia. During the first quarter of 2004, the company entered into a binding agreement to sell its working interest in the joint operating agreement to Geomet, Inc. for $27 million. The transaction closed in the second quarter of 2004 and resulted in a gain of $5 million. In addition, the agreement provides for contingent additional sales proceeds of up to $3 million payable in 2008. Plum Creek retained its royalty interest in the project.

A reconciliation of total operating income to income before income taxes is presented below for the **quarters ended March 31** (in millions):

	2004	2003
Total segment operating income	**$ 203**	$ 72
Interest expense, net	**(29)**	(28)
Corporate and other unallocated expenses	**(12)**	(13)
Income before income taxes	**$ 162**	$ 31

Note 7. Employee Pension Plan

The components of net periodic benefit cost were as follows for the **quarters ended March 31** (in millions):

	2004	2003
Service cost	**$ 1**	$1
Interest cost	**1**	1
Expected return on plan assets	**(1)**	(1)
Net periodic benefit cost	**$ 1**	$ 1

Note 8. Stock-Based Compensation

The company has adopted the fair value recognition provisions of SFAS No. 123, “Accounting for Stock-Based Compensation”, for stock-based employee compensation. Under the prospective method adopted by the company in 2002, stock-based employee compensation cost is recognized in accordance with the fair value recognition provisions of Statement 123 for all employee awards granted, modified, or settled on or after January 1, 2002. Had the company used the fair value method of accounting for all unvested outstanding stock option, net income for the quarters ending March 31, 2004 and March 31, 2003 would have been reduced by $0.1 million.

Note 9. Commitments and Contingencies

Contingencies. The company is subject to regulations regarding forest and harvest practices and is, from time to time, involved in various legal proceedings, including environmental matters, incidental to its business. While administration of current regulations and any new regulations or proceedings have elements of uncertainty, it is anticipated that no pending legal proceedings or regulatory matters will have a materially adverse effect on the financial position, results of operations or liquidity of the company.

Environmental Contingencies. In connection with The Timber Company Merger in 2001, Plum Creek agreed to indemnify Georgia-Pacific for substantially all of the liabilities attributed to The Timber Company. During the fourth quarter of 2003, Georgia-Pacific provided Plum Creek with information for the first time about the existence of mine tailings and approximately 4.5 billion gallons of acidic surface water on approximately 90 acres in Hot Spring County, Arkansas on former Georgia-Pacific properties. Barite mining and related activities were conducted on the site between 1939 and 1981 in part by lessees of an entity that was acquired by Georgia-Pacific. The environmental issues associated with this site are currently being investigated and no remediation plan has yet been approved. There is not sufficient information, therefore, to adequately assess the costs, if any, associated with this matter or Georgia-Pacific's degree of responsibility. No amounts have been accrued for this potential liability, as Plum Creek's liability in this matter cannot be reasonably determined at this time. Furthermore, to the extent Plum Creek is required to indemnify Georgia-Pacific for its share of the remediation costs Plum Creek may be able to recover a portion of its cost from Georgia-Pacific's insurance policy, or indemnity obligations of various lessees that conducted mining operations on the property, or both.

Note 10. Subsequent Event

On April 29, 2004, the Board of Directors authorized the company to make a dividend payment of $0.35 per share, or approximately $64 million, which will be paid on May 28, 2004 to stockholders of record on May 14, 2004.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

References to "Plum Creek", "the company", "we", "us" or "our" are references to Plum Creek Timber Company, Inc., a Delaware corporation and a real estate investment trust, or REIT, for federal income tax purposes, and all of its wholly owned subsidiaries.

This Report contains forward-looking statements within the meaning of the Private Litigation Reform Act of 1995. Some of the forward-looking statements can be identified by the use of forward-looking words such as "believes", "expects", "may", "will", "should", "seeks", "approximately", "intends", "plans", "estimates", "projects", "strategy", or "anticipates", or the negative of those words or other comparable terminology. Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those described in the forward-looking statements, including those factors described in "Risk Factors" below. Some factors include changes in governmental, legislative and environmental restrictions, catastrophic losses from fires, floods, windstorms, earthquakes, volcanic eruptions, insect infestations or diseases, as well as changes in economic conditions and competition in our domestic and export markets and other factors described from time to time in our filings with the Securities and Exchange Commission. In addition, factors that could cause our actual results to differ from those contemplated by our projected, forecasted, estimated or budgeted results as reflected in forward-looking statements relating to our operations and business include, but are not limited to:

- our failure to qualify as a real estate investment trust, or REIT;
- an unanticipated reduction in the demand for timber products and/or an unanticipated increase in the supply of timber products;
- an unanticipated reduction in demand for higher and better use timberlands or non-strategic timberlands;
- our failure to make strategic acquisitions or to integrate any such acquisitions effectively or, conversely, our failure to make strategic divestitures; and
- the failure to meet our expectations with respect to our likely future performance.

It is likely that if one or more of the risks materializes, or if one or more assumptions prove to be incorrect, the current expectations of Plum Creek and its management will not be realized. Forward-looking statements speak only as of the date made, and neither Plum Creek nor its management undertakes any obligation to update or revise any forward-looking statements.

The following discussion and analysis should be read in conjunction with the financial information and analysis included in our 2003 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 3, 2004.

Results of Operations -- First Quarter 2004 Compared to First Quarter 2003

The following table and narrative compares operating results by segment for the **quarters ended March 31** (in millions):

	2004	2003	Change
Operating Income (Loss) by Segment			
Northern Resources	**$ 32**	$ 23	$ 9
Southern Resources	**56**	49	7
Real Estate	**102**	4	98
Manufactured Products	**11**	(5)	16
Other	**2**	1	1
Total Segment Operating Income	**203**	72	131
Other Costs & Eliminations	**(12)**	(13)	1
Operating Income	**$ 191**	$ 59	$ 132

Northern Resources Segment. Revenues increased by $14 million, or 17%, to $95 million in 2004. This increase was due primarily to higher harvest volumes ($8 million) and higher sawlog and pulpwood prices ($6 million). Harvest volumes were 9% higher due primarily to favorable harvesting conditions during the first quarter of 2004 compared to poor weather and difficult harvesting conditions during the first quarter of 2003. Sawlog prices increased by 6% due primarily to strong lumber and plywood markets. Pulpwood prices increased by 21% due primarily to low mill fiber inventories and a shortage of logging contractors.

Northern Resources Segment operating income was 34% of its revenues for 2004 and 28% for 2003. This increase was due primarily to higher sawlog and pulpwood prices. Segment costs and expenses increased by $5 million, or 9%, to $63 million. This increase was due primarily to the increase in sales volume.

Southern Resources Segment. Revenues increased by $17 million, or 17%, to $116 million in 2004. This increase was due primarily to higher harvest volumes ($7 million) and a higher percentage of delivered log sales ($6 million). Harvest volumes were 10% higher due primarily to accelerating harvesting into the first quarter of 2004 from future quarters in 2004 as a result of low mill log inventories, favorable harvesting conditions, and increased log demand resulting from strong lumber and plywood prices.

Revenues increased by $6 million due to the company's increased percentage of delivered log sales. The company increased its percentage of delivered log sales by decreasing its percentage of sales of standing timber. Under its delivered log sale agreements, the company is responsible for log and haul costs. When standing timber is sold the buyer incurs the log and haul costs. While revenues are higher when the company is responsible for the logging and hauling of timber, costs of sales generally increase by a similar amount. As a result, the company realizes lower operating income as a percentage of revenue, although operating income is not generally affected.

Southern Resources Segment operating income was 48% of its revenues for 2004 and 50% for 2003. Southern Resources Segment costs and expenses increased by $10 million, or 20%, to $60 million in 2004. This increase of $10 million was due primarily to an increase in log and haul costs as a result of a higher percentage of delivered log sales compared to sales of standing timber and higher sales volumes.

Real Estate Segment. Revenues increased by $165 million to $188 million in 2004. During 2003, we completed an evaluation of our timberlands in which we identified approximately 1.4 million acres of non-strategic timberlands and approximately 1.35 million acres of higher and better use timberlands. Approximately half of the non-strategic timberlands are made up of large blocks of property that are expected to be sold over the next two years. The other half of the non-strategic timberlands consists generally of smaller properties that are expected to be sold over the next five to ten years. During the first quarter of 2004, approximately 200,000 acres of the 700,000 acres of large non-strategic timberlands were sold for $118 million. Excluding revenues from these large non-strategic timberland sales, revenues increased by $47 million, or 204%, to $70 million due primarily to the timing of sales. The timing of sales is a function of many factors, including the availability of government and not-for-profit funding, the general state of the economy, the plans of adjacent landowners, the company's expectation of future price appreciation, and the timing of harvesting activities. We expect real estate sales for the remainder of the year to range between $70 million and $90 million. Real Estate sales could be higher depending on the extent of large non-strategic timberlands sold during the remainder of the year.

Real Estate Segment operating income was 54% of its first quarter revenues for 2004, compared to 17% for 2003. This increase was due primarily to an impairment loss of $9 million recognized during the first quarter of 2003 in connection with the sale of 29,000 acres of timberlands during the second quarter of 2003. Real Estate Segment costs and expenses increased by $67 million to $86 million. This increase of $67 million was due primarily to the sale of large non-strategic timberlands, the timing of other real estate sales and a $16 million impairment loss. We recognized costs and expenses of $34 million in connection with the sale of approximately 200,000 acres of large parcel timberlands during the first quarter of 2004. We also recorded an impairment loss of $16 million during the first quarter of 2004 in connection with the potential future sale of approximately 52,000 acres of large parcel non-strategic timberlands.

Manufactured Products Segment. Revenues increased by $30 million, or 33%, to $122 million in the first quarter of 2004. This increase was due primarily to higher plywood prices ($10 million), higher lumber prices ($9 million) and higher MDF sales volume ($8 million). Plywood prices increased by 37% due primarily to near record high structural panel (plywood and oriented strand board) prices. Structural panel prices were at near record high levels during the first quarter of 2004 as a result of exceptionally strong housing starts, improved industrial demand and low field inventories. Wholesalers and distributors continued their just-in-time buying pattern during 2003 and, as a result, field inventories were not sufficient to meet exceptionally strong demand during the first quarter of 2004. Lumber prices increased by 23% due primarily to continued strong housing starts and limited log availability. Log availability was limited during the first quarter of 2004 as a result of severe forest fires in the Western United States and Canada during the second half of 2003. Furthermore, a weaker U.S. dollar compared to the Canadian dollar and the Euro has limited lumber imports despite strong prices.

Manufactured Products Segment operating income was $11 million for the first quarter of 2004, compared to an operating loss of $5 million for the first quarter of 2003. The improvement in operating performance was due primarily to higher lumber and plywood prices. Manufactured Products Segment costs and expenses increased by $14 million, or 14%, to $111 million in the first quarter of 2004. This increase in costs was due primarily to higher MDF sales volume and slightly higher lumber and plywood sales volume.

Provision for Income Taxes. The provision for income taxes was a $7 million expense for the first quarter of 2004, compared to a $2 million benefit for the first quarter of 2003. This change of $9 million was due primarily to the $16 million improvement in the operating performance for the Manufactured Products Segment and a $7 million increase in operating income of the other taxable REIT subsidiaries. Plum Creek has elected to be taxed as a REIT under sections 856-860 of the United States Internal Revenue Code, and as such, is generally not subject to corporate-level income tax. However, the company conducts certain non-REIT activities through various taxable REIT subsidiaries, which are subject to corporate-level income tax. These activities include our manufacturing operations, the harvesting and selling of logs, and sales of some of our higher and better use lands.

Financial Condition and Liquidity

Net cash provided by operating activities totaled $242 million, compared to $46 million for the same period in 2003. The increase of $196 million was due primarily to a $165 million increase in revenues from timberland sales, including $118 million of revenues from sales of large parcels of non-strategic timberlands during the first quarter of 2004, which was used to repay debt, and a $16 million improvement in operating income from our manufacturing facilities.

In October of 2002, our Board of Directors authorized the company to repurchase up to $200 million of the company's common stock. As of March 31, 2004, the company had repurchased approximately 2 million shares of common stock for a total cost of $43 million at an average price of $21.53 per share.

In January of 2004, the company refinanced its revolving line of credit with a new $650 million facility maturing on January 15, 2009. As of March 31, 2004, the interest rate for the new facility was LIBOR plus 1.25%, which included facility fees. This rate can range from LIBOR plus 0.75% to LIBOR plus 1.625% depending on our financial results. Subject to customary covenants, the line of credit allows for borrowings from time to time up to $650 million, including up to $50 million of standby letters of credit. Borrowings on the line of credit fluctuate daily based on cash needs. As of March 31, 2004, we had $479 million of borrowings and $5 million of standby letters of credit outstanding; $166 million remained available for borrowing under our line of credit. On April 1, 2004, $185 million of the borrowings under our line of credit was repaid.

Our borrowing agreements contain various restrictive covenants, including limitations on harvest levels, sales of assets, the incurrence of indebtedness and making restricted payments (such as payments of cash dividends or stock repurchases). Our borrowing agreements limit our ability to make restricted payments based on available cash, which is generally our net income (excluding gains on the sale of capital assets) after adjusting for non-cash charges (such as depreciation and depletion), changes in various reserves, less capital expenditures and principal payments on indebtedness that are not financed. Additionally, the amount of available cash may be increased by the amount of proceeds from the sale of higher and better use properties and, under certain circumstances, by 50% of the amount of net proceeds from the sale of other assets. Furthermore, our line of credit requires that we maintain certain interest coverage and maximum leverage ratios. We were in compliance with all of our borrowing agreement covenants as of March 31, 2004.

The company’s leverage strategy is to maintain a balance sheet that provides the financial flexibility to pursue our strategic objectives. In order to maintain this financial flexibility, the company strives to maintain an investment grade credit profile. This is reflected in our moderate use of debt, good access to credit markets and no material covenant restrictions in our debt agreements that would prevent us from prudently using debt capital.

Cash required to meet our financial needs will be significant. We believe, however, that cash on hand and cash flows from continuing operations will be sufficient to fund planned capital expenditures, and interest and principal payments on our indebtedness for the next year. In 2006 and 2007, the company has significant long-term debt principal payment requirements. The company intends to refinance these principal payments at the time of maturity. The company, however, may not refinance the entire amount and may use cash generated from operations for a portion of the principal payments.

On April 29, 2004, our Board of Directors declared a dividend of $0.35 per share, or approximately $64 million, which will be paid on May 28, 2004 to stockholders of record on May 14, 2004. Future dividends will be determined by our Board of Directors, in its sole discretion, based on consideration of a number of factors including, but not limited to, our results of operations, cash flow and capital requirements, economic conditions, tax considerations, debt covenant restrictions that may impose limitations on the company’s ability to make cash payments, borrowing capacity, changes in the prices of and demand for Plum Creek’s products, and changes in our ability to sell timberlands at attractive prices. Other factors that our Board of Directors considers include the appropriate timing of timber harvests, acquisition and divestiture opportunities, stock repurchases, debt repayment and other means by which the company could deliver value to its stockholders.

Capital expenditures, excluding the acquisition of timberlands, for the first quarter of 2004 were $17 million, compared to $16 million for same period in 2003. Planned capital expenditures for 2004 are expected to be approximately $84 million and include approximately $65 million for our timberlands and $8 million for our manufacturing facilities. The timberland expenditures are primarily for reforestation and other expenditures associated with the planting and growing of trees.

Risk Factors Applicable to the Business of Plum Creek

Business and Operating Risks

The Cyclical Nature of Our Business Could Adversely Affect Our Results of Operations

Our results of operations are affected by the cyclical nature of the forest products industry. Historical prices for logs and manufactured wood products have been volatile, and we, like other participants in the forest products industry, have limited direct influence over the time and extent of price changes for logs and wood products. The demand for logs and wood products is affected primarily by the level of new residential construction activity and, to a lesser extent, repair and remodeling activity and other industrial uses. The demand for logs is also affected by the demand for wood chips in the pulp and paper markets. These activities are, in turn, subject to fluctuations due to, among other factors:

- changes in domestic and international economic conditions;
- interest rates;
- population growth and changing demographics; and
- seasonal weather cycles (e.g., dry summers, wet winters).

Decreases in the level of residential construction activity generally reduce demand for logs and wood products. This results in lower revenues, profits and cash flows. In addition, industry-wide increases in the supply of logs and wood products during favorable price environments can also lead to downward pressure on prices. Timber owners generally increase production volumes for logs and wood products during favorable price environments. Such increased production, however, when coupled with even modest declines in demand for these products in general, could lead to oversupply and lower prices.

Our results of operations may also be subject to global economic changes as global supplies of wood fiber shift in response to changing economic conditions. Changes in global economic conditions that could affect our results of operations include, but are not limited to, new timber supply sources and changes in currency exchange rates, foreign and domestic interest rates and foreign and domestic trade policies.

In addition, changes in our ability to sell or exchange non-strategic timberlands and timberland properties that have higher and better uses at attractive prices could have a significant effect on our results of operations.

The following factors, among others, may adversely affect the timing and amount of our income generated by our land sales:

- general economic conditions;
- availability of funding for governmental agencies, developers, conservation organizations, individuals and others to purchase our lands for conservation, recreation, residential or other purposes;
- local real estate market conditions, such as oversupply of, or reduced demand for, properties sharing the same or similar characteristics as those in our portfolio;
- relative illiquidity of real estate investments;
- impact of federal, state and local land use and environmental protection laws; or
- changes in tax, real estate and zoning laws.

The Forest Products Industry is Highly Competitive

The forest products industry is highly competitive in terms of price and quality. Wood products are subject to increasing competition from a variety of substitute products, including non-wood and engineered wood products. For example, plywood markets are subject to competition from oriented strand board, and U.S. lumber and log markets are subject to competition from other worldwide suppliers.

Historically, Canada has been a significant source of lumber for the U.S. market, particularly in the new home construction market. This source of lumber was constrained in April 1996 when a five-year lumber trade agreement between the U.S. and Canada went into effect. The trade agreement was intended to limit the volume of Canadian lumber exported into the U.S. through the assessment of an export tariff on annual lumber exports to the U.S. in excess of certain levels from the four major producing Canadian provinces.

The trade agreement expired in March 2001, and soon thereafter a U.S. industry coalition, of which Plum Creek is a member, submitted anti-dumping and countervailing duty petitions to the International Trade Commission and the U.S. Department of Commerce. In March 2002, the Department of Commerce rendered a final determination in favor of the U.S. industry coalition and set a 19.3% countervailing duty on Canadian lumber imports and an anti-dumping duty on all non-investigated Canadian exporters averaging 9.7% (representing the weighted average of the anti-dumping rates imposed on the investigated Canadian exporters). The Department of Commerce decreased these duties in April 2002 to 18.8% and 8.4%, respectively. In May 2002, the International Trade Commission rendered a final determination that the U.S. industry was threatened with material injury from Canadian lumber imports. Following this determination, the Department of Commerce put into effect the countervailing and anti-dumping duties in May 2002. Reports indicate, however, that the final duties have not had the effect of decreasing Canadian lumber imports into the U.S.

The future of the U.S.-imposed import duties on Canadian lumber remains uncertain. Canada appealed both the anti-dumping duty and the countervailing duty to the WTO and NAFTA appeal boards. Both the WTO and NAFTA issued initial rulings that affirmed the U.S. position that Canadian stumpage practices are, in fact, providing a subsidy to the Canadian industry, and upheld the validity of antidumping duties imposed on most Canadian producers. Both the WTO and NAFTA rulings also included provisions for re-examining the calculation and level of the countervailing and the anti-dumping duties. As a result of these re-examinations, the countervailing duty was lowered to 12%, and the anti-dumping duty was lowered only slightly, although a recent WTO reversal of its position could lead to an increase back up to original levels. However, on April 30, 2004, NAFTA ruled that the International Trade Commission's determination of injury to U.S. industry from Canadian lumber imports, which is the basis for imposing the duties, was not supported with substantial evidence. The commission was given 21 days to respond to the ruling.

To avoid protracted litigation, the U.S. and representatives of the Canadian government continue to pursue a settlement agreement. However, there can be no assurance that an agreement will be reached, or that the terms of any such final agreement would be favorable to the U.S. lumber industry's interests. Therefore, other factors remaining unchanged, the downward pressure on domestic lumber and log prices caused by Canadian imports could continue or increase.

Our Cash Dividends are Not Guaranteed and May Fluctuate

We have elected to be taxed as a REIT under sections 856-860 of the United States Internal Revenue Code of 1986, as amended. Generally, REITs are required to distribute 90% of their taxable income. However, REITs are required to distribute only their ordinary taxable income and not their net capital gains income. Accordingly, we do not believe that we are required to distribute material amounts of cash given that the majority of our taxable income is treated as capital gains income. Our Board of Directors, in its sole discretion, determines the amount of the quarterly dividends to be provided to our stockholders based on consideration of a number of factors including, but not limited to, our results of operations, cash flow and capital requirements, economic conditions, tax considerations, borrowing capacity and other factors, including debt covenant restrictions that may impose limitations on cash payments, future acquisitions and divestitures, harvest levels, changes in the price and demand for our products and general market demand for timberlands including those timberland properties that have higher and better uses. Consequently, our dividend levels may fluctuate.

We May Be Unsuccessful in Carrying Out Our Acquisition Strategy

We intend to pursue acquisitions of strategic timberland properties. As with any investment, our future acquisitions, if any, may not perform in accordance with our expectations. In addition, we anticipate financing such acquisitions through cash from operations, borrowings under our unsecured credit facilities, proceeds from equity or debt offerings (including offerings of limited partnership units by our operating partnership) or proceeds from asset dispositions, or any combination thereof. Our inability to finance future acquisitions on favorable terms or the failure of any acquisitions to conform to our expectations, could adversely affect our results of operations.

We Depend on External Sources of Capital for Future Growth

Our ability to finance growth is dependent to a significant degree on external sources of capital. Our ability to access such capital on favorable terms could be hampered by a number of factors, many of which are outside of our control, including, without limitation, a decline in general market conditions, increases in interest rates, an unfavorable market perception of our growth potential, a decrease in our current or estimated future earnings or a decrease in the market price of our common stock. In addition, our ability to access additional capital may also be limited by the terms of our existing indebtedness, which, among other things, restricts our incurrence of debt and the payment of dividends. Any of these factors, individually or in combination, could prevent us from being able to obtain the capital we require on terms that are acceptable to us, and the failure to obtain necessary capital could materially adversely affect our future growth.

Our Ability to Harvest Timber May Be Subject to Limitations Which Could Adversely Affect Our Operations

Weather conditions, timber growth cycles, access limitations and regulatory requirements associated with the protection of wildlife and water resources may restrict harvesting of timberlands as may other factors, including damage by fire, insect infestation, disease, prolonged drought and other natural disasters. Although damage from such natural causes usually is localized and affects only a limited percentage of the timber, there can be no assurance that any damage affecting our timberlands will in fact be so limited. As is common in the forest products industry, we do not maintain insurance coverage with respect to damage to our timberlands.

Our revenues, net income and cash flow from our operations are dependent to a significant extent on the pricing of our products and our continued ability to harvest timber at adequate levels. In addition, the terms of our long-term debt agreements and lines of credit limit our ability to fund dividends to stockholders by accelerating the harvest of significant amounts of timber.

Our Timberlands and Manufacturing Facilities Are Subject to Federal and State Environmental Regulations

We are subject to regulation under, among other laws, the Clean Air Act, the Clean Water Act, the Resource Conservation and Recovery Act, the Comprehensive Environmental Response Compensation and Liability Act of 1980, the National Environmental Policy Act, and the Endangered Species Act, as well as comparable state laws and regulations. Violations of various statutory and regulatory programs that apply to our operations could result in civil penalties, remediation expenses, potential injunctions, cease and desist orders and criminal penalties.

We engage in the following activities that are subject to regulation:

- forestry activities, including harvesting, planting and road building, use and maintenance;
- the generation of air emissions;
- the discharge of industrial wastewater and storm water; and
- the generation and disposal of both hazardous and non-hazardous wastes.

Laws and regulations protecting the environment have generally become more stringent in recent years and could become more stringent in the future. Some environmental statutes impose strict liability, rendering a person liable for environmental damage without regard to the person's negligence or fault. These laws or future legislation or administrative or judicial action with respect to protection of the environment may adversely affect our business.

The Endangered Species Act and comparable state laws protect species threatened with possible extinction. A number of species on our timberlands have been and in the future may be protected under these laws, including the northern spotted owl, marbled murrelet, gray wolf, grizzly bear, bald eagle, Karner blue butterfly, red-cockaded woodpecker, bull trout, and various other trout and salmon species. Protection of threatened and endangered species may include restrictions on timber harvesting, road building and other forest practices on private, federal and state land containing the affected species.

Stock Ownership

Provisions in Our Certificate of Incorporation and Delaware Law May Prevent a Change in Control

Some provisions of our certificate of incorporation may discourage a third party from seeking to gain control of us. For example, the ownership limitations described in our certificate of incorporation could have the effect of delaying, deferring, or limiting a change of control in which holders of our common stock might receive a premium for their shares over the then prevailing market price. The following is a summary of provisions of our certificate of incorporation that may have this effect.

Ownership Limit. In order for us to maintain our qualification as a REIT, not more than 50% of the value of our outstanding shares of capital stock may be owned, directly or indirectly, by five or fewer individuals, as defined in the Internal Revenue Code. For the purpose of preserving our REIT qualification, our certificate of incorporation prohibits ownership, either directly or under the applicable attribution rules of the Internal Revenue Code, of more than 5% of the lesser of the total number of shares of our common stock outstanding or the value of the outstanding shares of our common stock by any stockholder other than by some designated persons agreed to by us or as set forth in our certificate of incorporation (the "Ownership Limit"). The Ownership Limit may have the effect of discouraging an acquisition of control of us without the approval of our Board of Directors.

The Ownership Limit in our certificate of incorporation also restricts the transfer of our common stock. For example, any transfer of our equity is null and void if the transfer would:

- result in any person owning, directly or indirectly, equity in excess of the Ownership Limit;
- result in our equity being owned, directly or indirectly, by fewer than 100 persons;
- result in us being "closely held" (as defined in the Internal Revenue Code);
- result in us failing to qualify as a "domestically controlled REIT" (as defined in the Internal Revenue Code); or
- otherwise cause us to fail to qualify as a REIT.

Preferred Stock. Our certificate of incorporation authorizes our Board of Directors to issue up to 75 million shares of preferred stock. Upon issuance, our Board of Directors will establish the preferences and rights for this preferred stock. These preferences and rights may include the right to elect additional directors. The issuance of preferred stock could have the effect of delaying or preventing a change in control of us even if a change in control were in our stockholders' best interests.

Section 203 of the Delaware General Corporation Law. Section 203 of the Delaware General Corporation Law generally prohibits us from engaging in business transactions with a person or entity that owns 15% or more of our voting stock for a period of three years following the time such person or entity became an "interested stockholder" unless, prior to such time, our Board of Directors approved either the business combination or the transaction which resulted in such person or entity becoming an interested stockholder. A business transaction may include mergers, asset sales and other transactions resulting in financial benefit to the person or entity that owns 15% or more of our voting stock.

Tax Risks

If We Fail to Qualify as a REIT, We Would Be Subject to Tax at Corporate Rates and Would Not Be Able to Deduct Dividends to Stockholders When Computing Our Taxable Income

If in any taxable year we fail to qualify as a REIT:

- we would be subject to federal and state income tax on our taxable income at regular corporate rates of approximately 40%;
- we would not be allowed to deduct dividends to stockholders in computing our taxable income; and
- unless we were entitled to relief under the Internal Revenue Code, we would also be disqualified from treatment as a REIT for the four taxable years following the year during which we lost qualification.

If we fail to qualify as a REIT, we might need to borrow funds or liquidate some investments in order to pay the additional tax liability. Accordingly, funds available for investment or dividends to our stockholders would be reduced for each of the years involved.

Qualification as a REIT involves the application of highly technical and complex provisions of the Internal Revenue Code to our operations and the determination of various factual matters and circumstances not entirely within our control. There are only limited judicial or administrative interpretations of these provisions. Although we operate in a manner consistent with the REIT qualification rules, we cannot assure you that we are or will remain so qualified.

In addition, the rules dealing with federal income taxation are constantly under review by persons involved in the legislative process and by the Internal Revenue Service and the United States Department of the Treasury. Changes to the tax law could adversely affect our stockholders. We cannot predict with certainty whether, when, in what forms, or with what effective dates, the tax laws applicable to us or our stockholders may be changed.

If We Failed to Distribute the Earnings and Profits of The Timber Company, We Would Be Subject to Adverse Tax Consequences

In connection with The Timber Company's October 6, 2001 merger with Plum Creek, we were required by January 31, 2002 to distribute the earnings and profits acquired from the six entities that comprised The Timber Company. We believe that the accelerated payment of our fourth quarter dividend for 2001, which we paid on December 28, 2001, was sufficient to distribute these earnings and profits. If we failed to distribute an amount equal to these earnings and profits, we might be subject to adverse tax consequences. We expect that, even if the earnings and profits were subsequently adjusted upward by the Internal Revenue Service, the amount we distributed exceeded such earnings and profits. Nevertheless, such an adjustment may give rise to the imposition of the 4% excise tax on the excess income required to be distributed over the amounts treated as distributed after application of the earnings and profits rule.

Certain of Our Business Activities are Potentially Subject to Prohibited Transactions Tax or Corporate Level Income Tax.

REITs are generally intended to be passive entities and can thus only engage in those activities permitted by the Internal Revenue Code (Code), which for Plum Creek generally include: owning and managing a timberland portfolio; growing timber; and the sale of standing timber. Accordingly, the manufacture and sale by us of wood products, certain types of timberlands sales and sales of logs are conducted through one or more of our taxable REIT subsidiaries ("TRSs") because such activities could generate non-qualifying REIT income and could constitute "prohibited transactions". Prohibited transactions are defined by the Code to be sales or other dispositions of property to customers in the ordinary course of a trade or business.

By conducting our business in this manner we satisfy the REIT requirements of the Code and avoid the 100% tax that could be imposed if a REIT were to conduct a prohibited transaction. We may not always be successful, however, in limiting such activities to our TRSs. Therefore, we could be subject to the 100% prohibited transactions tax if such instances were to occur. The net income of our TRSs is subject to corporate level income tax.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Approximately $1.4 billion of the long-term debt of the company bears interest at fixed rates, and therefore the fair value of these instruments is affected by changes in market interest rates. The following table presents contractual principal cash flows based upon maturity dates of the company's debt obligations and the related weighted-average contractual interest rates by expected maturity dates for the fixed rate debt (in millions):

	2004	2005	2006	2007	2008	Thereafter	Total	Fair Value (B)
March 31, 2004								
Fixed Rate Debt								
Principal due (A)	**$ 27**	**$ 27**	**$ 157**	**$ 123**	**$ 147**	**$ 953**	**$ 1,434**	**$ 1,621**
Avg. interest rate	**7.6%**	**7.5%**	**7.5%**	**7.4%**	**7.5%**	**7.2%**		
Variable Rate Debt (C)					**$20**	**$ 479**	**$ 499**	**$ 499**

	2003	2004	2005	2006	2007	Thereafter	Total	Fair Value (B)
March 31, 2003								
Fixed Rate Debt								
Principal due (A)	$ 27	$ 27	$ 27	$ 157	$ 123	$ 1,100	$ 1,461	$ 1,633
Avg. interest rate	7.7%	7.6%	7.5%	7.5%	7.4%	7.3%		
Variable Rate Debt			$ 412			$ 20	$ 432	$ 432

(A) Excludes unamortized premium of $14 million at March 31, 2004 and $20 million at March 31, 2003.

(B) The decrease in the fair value of our fixed rate debt compared to March 31, 2003 was due primarily to the repayment of $27 million of borrowings during the second quarter of 2003 offset in part by a decline in market interest rates for long-term debt.

(C) As of March 31, 2004, the average interest rate on the $479 million borrowings under our $650 million revolving line of credit maturing on January 15, 2009 was based on LIBOR plus 1.25%, which included facility fees. This rate can range from LIBOR plus 0.75% to LIBOR plus 1.625% depending on our financial results. On April 1, 2004, $185 million of variable rate debt was repaid. The interest rate on the $20 million variable rate senior-note borrowings due in 2008 is based on 3-month LIBOR plus 1.445%.

ITEM 4. CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures

The company's management, with the participation of the company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this report. Based on that evaluation, the company's management, including the Chief Executive Officer and Chief Financial Officer, has concluded that the company's disclosure controls and procedures were effective as of the end of such period.

(b) Control over Financial Reporting

There have been no changes in the company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended) during the quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the company's internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

There is no pending or threatened litigation involving the company that we believe would have a material adverse effect on the company's financial position, results of operations or liquidity.

Items 2, 3, 4 and 5 of Part II are not applicable and have been omitted.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) List of Exhibits

Each exhibit set forth below in the Index to Exhibits is filed as a part of this report. All exhibits not filed herewith are incorporated herein by reference to a prior filing as indicated.

INDEX TO EXHIBITS

Exhibit Designation	Nature of Exhibit
2.4	Agreement and Plan of Merger by and among Georgia-Pacific Corporation, North American Timber Corp., NPI Timber, Inc., GNN Timber, Inc., GPW Timber, Inc., LRFP Timber, Inc., NPC Timber, Inc. and Plum Creek Timber Company, Inc. (Form 8-K/A, File No. 1-10239, dated July 18, 2000). Amendment No. 1 to the Agreement and Plan of Merger, dated as of June 12, 2001 (Form 8-K, File No. 1-10239, dated June 12, 2001).
3.1	Restated Certificate of Incorporation of Plum Creek Timber Company, Inc. (Form 10-Q, File No. 1-10239, for the quarter ended March 31, 2002).

3.2 Amendment and Restated By-laws of Plum Creek Timber Company, Inc. (Form 10-Q, File No. 1-10239, for the quarter ended March 31, 2002).

4.3 The registrant agrees that it will furnish to the Commission a copy of any of its debt instruments not listed herein upon request.

10.1 Credit Agreement, dated as of January 15, 2004, among Plum Creek Timberlands, L.P., Bank of America, N.A., as Administrative Agent, The Bank of Tokyo-Mitsubishi, Ltd., Seattle Branch, as Syndication Agent, Suntrust Bank, The Bank of Nova Scotia, Northwest Farm Credit Services, PCA and Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A., "Rabobank International", New York Branch, as Documentation Agents, Bank of America Securities LLC as Sole Lead Arranger and Sole Book Manager and the Other Financial Institutions Party Thereto.

31.1 Certification of Rick R. Holley, President and Chief Executive Officer, pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.

31.2 Certification of William R. Brown, Executive Vice President and Chief Financial Officer, pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.

32.1 Certification of Rick R. Holley, President and Chief Executive Officer, pursuant to Rules 13a-14(b) and 15d-14(b) of the Securities Exchange Act of 1934, as amended, and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2 Certification of William R. Brown, Executive Vice President and Chief Financial Officer, pursuant to Rules 13a-14(b) and 15d-14(b) of the Securities Exchange Act of 1934, as amended, and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K

The company filed a Current Report on Form 8-K, dated January 22, 2004, furnishing a copy of its press release announcing the company's results of operations for the year ended December 31, 2003, and certain related information.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PLUM CREEK TIMBER COMPANY, INC.
(Registrant)

By:
WILLIAM R. BROWN
Executive Vice President and Chief Financial Officer
(Duly Authorized Officer and Principal Financial Officer)

Date: May 5, 2004

EXHIBIT 31.1

Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, **Rick R. Holley, President and Chief Executive Officer**, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Plum Creek Timber Company, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended) for the registrant and we have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   (b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and

   (c) disclosed in this quarterly report any changes in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: May 5, 2004

By: /s/ RICK R. HOLLEY

RICK R. HOLLEY

President and Chief Executive Officer

EXHIBIT 31.2

Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, **William R. Brown, Executive Vice President and Chief Financial Officer**, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Plum Creek Timber Company, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended) for the registrant and we have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   (b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and

   (c) disclosed in this quarterly report any changes in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: May 5, 2004

By: /s/ WILLIAM R. BROWN

WILLIAM R. BROWN

Executive Vice President and Chief Financial Officer

EXHIBIT 32.1

Certification Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Plum Creek Timber Company, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Rick R. Holley, as Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of section 13a or section 15d of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: May 5, 2004

By: /s/ Rick R. Holley

RICK R. HOLLEY

President and Chief Executive Officer

EXHIBIT 32.2

Certification Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Plum Creek Timber Company, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), William R. Brown, as Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of section 13a or section 15d of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: May 5, 2004

By: /s/ William R. Brown

WILLIAM R. BROWN

Executive Vice President and Chief Financial Officer