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

	Six Months Ended June 30			ine 30,
(In Millions, Except Per Share Amounts)		2011		2010
REVENUES:				
Timber	\$	267	\$	284
Real Estate		141		142
Manufacturing		141		138
Other		10		11
Total Revenues		559		575
COSTS AND EXPENSES:				
Cost of Goods Sold:				
Timber		208		209
Real Estate		49		51
Manufacturing		128		122
Other Total Cost of Goods Sold		386	_	202
Selling, General and Administrative		53		383 50
Total Costs and Expenses		439		433
Other Operating Income (Expense), net		3		9
Operating Income		123		151
Equity Earnings from Timberland Venture		30		29
Interest Expense, net:				
Interest Expense (Debt Obligations to Unrelated Parties)		41		39
Interest Expense (Note Payable to Timberland Venture)		29		29
Total Interest Expense, net		70		68
Income before Income Taxes		83		112
Provision for Income Taxes		1		1
Income from Continuing Operations		82		111
Gain on Sale of Properties, net of tax		_		11
Net Income	\$	82	\$	122
PER SHARE AMOUNTS:				
Income from Continuing Operations - Basic	\$	0.51	\$	0.68
Income from Continuing Operations - Diluted	\$	0.50	\$	0.68
8 1			·	
Net Income per Share - Basic	\$	0.51	\$	0.75
Net Income per Share - Diluted	\$	0.50	\$	0.75
Weighted-Average Number of Shares Outstanding		1/10		162 5
- Basic		161.9		162.6
- Diluted		162.2		162.8

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

		Quarter Ended June 30,		
(In Millions, Except Per Share Amounts)		2011		2010
REVENUES:				
Timber	\$	126	\$	133
Real Estate	Ť	79		43
Manufacturing		74		78
Other		5		4
Total Revenues		284		258
COSTS AND EXPENSES:				
Cost of Goods Sold:				
Timber		101		100
Real Estate		27		16
Manufacturing		67		68
Other		1_		1
Total Cost of Goods Sold		196		185
Selling, General and Administrative		25		21
Total Costs and Expenses		221		206
Other Operating Income (Expense), net				4
Operating Income		63		56
Equity Earnings from Timberland Venture		16		15
Internal Engineering				
Interest Expense, net:		20		10
Interest Expense (Nets Payable to Timberland Venture)		20 15		19
Interest Expense (Note Payable to Timberland Venture) Total Interest Expense, net		35		15 34
Income before Income Taxes		44		37
Provision for Income Taxes		_		2
Net Income	\$	44	\$	35
PER SHARE AMOUNTS:	-		<u>-</u>	
Net Income per Share - Basic	\$	0.27	\$	0.21
Net Income per Share - Diluted	\$	0.27	\$	0.21
Weighted-Average Number of Shares Outstanding				
- Basic		162.0		162.3
- Diluted		162.3		162.5

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

Cash and Cash Equivalents 33 2 Accounts Receivable 33 2 Like-Kind Exchange Funds Held in Escrow 35 — Inventories 43 4 Deferred Tax Asset 7 — Assets Held for Sale 39 5 Other Current Assets 16 2 Timber and Timberlands, net 338 3,40 Property, Plant and Equipment, net 142 14 Equity Investment in Timberland Venture 203 20 Deferred Tax Asset 4 6 1 Investment in Grantor Trusts (at Fair Value) 38 3 3 Other Assets 42 4 4 Total Assets 42 4 4 Total Assets 5 5 9 4 4 Current Portion of Long-Term Debt 395 9 9 1 1 1 1 1 1 1 1 1 1 2 2 1 1 2	(In Millions, Except Per Share Amounts)	June 30, Dec 2011		December 31, 2010	
Current Assets 25 25 Cash and Cash Equivalents 33 25 Accounts Receivable 35 - Like-Kind Exchange Funds Held in Escrow 35 - Inventories 43 - Abeer Gard Tax Asset 7 - Assets Held for Sale 39 5 Other Current Assets 16 22 Timber and Timberlands, net 12 42 Property. Plant and Equipment, net 12 4 Equity Investment in Timberland Venture 6 1 Deferred Tax Asset 6 1 Investment in Grantor Trusts (a Fair Value) 38 3 Other Assets 42 4 Total Assets 42 4 Total Assets 25 4 Current Portion of Long-Term Debt \$ 35 9 Line of Credit 227 16 Accounts Payable 36 2 Other Current Liabilities 36 2 Taxes Payable 16	ASSETS				
Accounts Receivable	Current Assets:				
Like-Kind Exchange Funds Held in Escrow 35 43 4 Inventories 43 4 4 4 4 4 4 4 5 5 5 5 5 5 5 5 5 5 5 6 16 2 2 4 6 1 1 2 1 4 1 1 1 4 1 1 4 1 4 1 4 1 4 1 4 1 4 1 4 1 4 1 4 1 4 1 4 1 4 1 4 1 4 1 4 1 4 3	Cash and Cash Equivalents	\$	253	\$	252
Inventories	Accounts Receivable		33		21
Deferred Tax Asset 7 Assets Held for Sale 39 5 Other Current Assets 16 2 Timber and Timberlands, net 3,383 3,40 Property, Plant and Equipment, net 142 14 Equity Investment in Timberland Venture 203 20 Deferred Tax Asset 6 1 Investment in Grantor Trusts (at Fair Value) 38 3 Other Assets 42 4 Total Assets 42 4 Total Assets 42 4 Total Cassets 42 4 Total Cassets 42 4 Total Cassets 42 4 Current Portion of Long-Term Debt \$35 5 Line of Credit 27 16 Accounts Payable 36 2 Line of Credit 3 2 Accounts Payable 36 2 Taxes Payable 12 1 Deferred Revenue 36 2 Other Current Liabil	Like-Kind Exchange Funds Held in Escrow		35		_
Assets Held for Sale 39 5 Other Current Assets 16 2 Timber and Timberlands, net 3,383 3,40 Property, Plant and Equipment, net 142 14 Equity Investment in Timberland Venture 203 20 Deferred Tax Asset 6 1 3 3 Other Assets 42 2 4 Total Assets 42 2 4 Total Assets 42 4 4 Current Portion of Long-Term Debt \$ 395 \$ 9 Line of Credit 227 16 2 2 Accounts Payable 12 2	Inventories		43		49
Other Current Assets 16 2 Timber and Trimberlands, net 3,383 3,40 Property, Plant and Equipment, net 12 14 Equity, Investment in Trimberland Venture 203 20 Deferred Tax Asset 6 1 Investment in Grants (rativalue) 38 3 Other Assets 42 4 Total Assets 42 4 Total Assets 42 4 Current Porticus 227 16 Current Porticus 227 16 Accounts Payable 31 2 Interest Payable 26 2 Wages Payable 12 2 Wages Payable 12 2 Other Current Liabilities 8 2 Deferred Revenue 36 2 Other Liabilities 8 2 Long-Term Debt 1,293 1,64 Note Payable to Timberland Venture 78 7 Total Liabilities 2,0 2,0 <tr< td=""><td>Deferred Tax Asset</td><td></td><td>7</td><td></td><td>7</td></tr<>	Deferred Tax Asset		7		7
Property, Plant and Equipment, net 3,383 3,40 Property, Plant and Equipment, net 142 144 Equity Investment in Trimberland Venture 203 240 Deferred Tax Asset 6 1 Investment in Grantor Trusts (at Fair Value) 38 33 Other Assets 42 44 Total Assets 42 44 Total Assets 42 4 Total Assets 42 4 Total Assets 42 4 Total Assets 42 5 4 Total Assets 42 6 5 4 Total Assets 42 6 6 6 Total Assets 42 7 6 Accounts Portion of Long-Term Debt 395 5 9 Line of Credit 227 6 Accounts Payable 31 2 2 Interest Payable 31 2 2 Taxes Payable 12 2 Taxes Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 8 Total Current Debt 1,293 1,64 Note Payable to Timberland Venture 7,49 7,49 Avote Payable to Timberland Venture 7,49 7,49 Avote Payable to Timberland Venture 7,49 7,49 Avote Payable to Timberland Venture 7,49 7,49 Commitments and Contingencies 8 7,49 Commitments and Contingencies 8 7,40 Commitments and Contingencies 9 7 7,40 Commitments and C	Assets Held for Sale		39		57
Timber and Timber lands, net	Other Current Assets		16		24
Property, Plant and Equipment, net 142 148 Equity Investment in Timberland Venture 203 20 Deferred Tax Asset 6 1 Investment in Grantor Trusts (at Fair Value) 38 33 Other Assets 42 4 Total Assets 42 4 Total Assets 42 4 Current Portion of Long-Term Debt \$ 395 \$ 9 Line of Credit 227 16 Accounts Payable 31 2 Interest Payable 36 2 Mages Payable 12 2 Taxes Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 8 2 Other Deferred Debt 1,93 1,64 Note Payable to Timberland Venture 783 78 Other Liabilities 81 7 Total Liabilities 81 7 Commitments and Contingencies 81 7 STOCKHOLDERS' EQUITY 2			426		410
Property, Plant and Equipment, net 142 148 Equity Investment in Timberland Venture 203 20 Deferred Tax Asset 6 1 Investment in Grantor Trusts (at Fair Value) 38 33 Other Assets 42 4 Total Assets 42 4 Total Assets 42 4 Current Portion of Long-Term Debt \$ 395 \$ 9 Line of Credit 227 16 Accounts Payable 31 2 Interest Payable 36 2 Mages Payable 12 2 Taxes Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 8 2 Other Deferred Debt 1,93 1,64 Note Payable to Timberland Venture 783 78 Other Liabilities 81 7 Total Liabilities 81 7 Commitments and Contingencies 81 7 STOCKHOLDERS' EQUITY 2	Timber and Timberlands net		2 202		3 405
Equity Investment in Timberland Venture 203 20 Deferred Tax Asset 6 1 Investment in Grantor Trusts (at Fair Value) 38 3 Other Assets 42 4 Total Assets \$4,240 \$4,250 LIABILITIES Current Portion of Long-Term Debt \$395 \$9 Line of Credit 227 16 Accounts Payable 31 22 Accounts Payable 12 2 Interest Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 8 2 Long-Term Debt 78 37 Long-Term Debt 78 1,64 Note Payable to Timberland Venture 78 7 Other Liabilities 81 7 Total Liabilities 2,90 2,88 Commitments and Contingencies 81 7 STOCKHOLDERS' EQUITY Preferred Stock, \$0,01 Par Value, Authorized Shares – 75.0, Outstanding (net of Treasury Stock, accounta					
Deferred Tax Asset 6 1 Investment in Grantor Trusts (at Fair Value) 38 3 Other Assets 42 4.5 Total Assets 4,240 \$ 4.55 LARBILITIES Current Liabilities: Current Portion of Long-Term Debt 237 16 Accounts Payable 31 2 Accounts Payable 31 2 Interest Payable 12 2 Wages Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 749 37 Long-Term Debt 1,293 1,64 Note Payable to Timberland Venture 783 78 Other Liabilities 81 7 Total Liabilities 81 7 Commitments and Contingencies 81 7 Commitments and Contingencies STOCKHOLDERS' EQUITY Perfered Stock, \$0,01 Par Value, Authorized Shares – 75.0, Outstanding – None — — Common Stock, \$0,01 Par Va					
Note Payable 129					
Other Assets 42 4 Total Assets 4,240 8,250 LABILITIES Current Portion of Long-Term Debt \$ 395 \$ 9 Line of Credit 227 16 Accounts Payable 31 2 Interest Payable 12 2 Wages Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 8 1 Long-Term Debt 1,293 1,64 Note Payable to Timberland Venture 783 78 Other Liabilities 81 7 Total Liabilities 81 7 Total Liabilities 81 7 Tommitments and Contingencies 2,906 2,87 STOCKHOLDERS' EQUITY Prefered Stock, \$0,01 Par Value, Authorized Shares - 75,0,0utstanding - None - - - Common Stock, \$0,01 Par Value, Authorized Shares - 300,6, Outstanding Incredit 2,26 2,24 2,25 2,24 Retained Earnings (Accumulated Deficit) 3					10
Total Assets					
LIABILITIES Current Liabilities: Superior Liabilities Current Portion of Long-Term Debt \$ 395 \$ 9 Line of Credit 227 16 Accounts Payable 31 2 Interest Payable 26 2 Wages Payable 12 2 Taxes Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 8 749 37 Long-Term Debt 1,293 1,64 Note Payable to Timberland Venture 783 78 Other Liabilities 81 7 Total Liabilities 81 7 Total Liabilities 7 7 Commitments and Contingencies STOCKHOLDERS' EOUTY Preferred Stock, \$0.01 Par Value, Authorized Shares - 75.0, Outstanding - None - Common Stock, \$0.01 Par Value, Authorized Shares - 300.6, Outstanding (net of Treasury Stock) - 162.0 at June 30, 2011 and 161.6 at December 31, 2010 2 Additional Paid-In Capital 2,256 2,24 Retained Earnings (Accumulated Deficit) (912 91) Accumulated Other Comprehensive Income (Loss) (9) (11) Total Stockholders' Equity 1,334 1,337 1,334 1,337 Total Stockholders' Equity 1,334 1,337 1,334 1,337 Control Loss (1,334 1,337 1,		ф		Φ.	44
Current Portion of Long-Term Debt \$ 395 \$ 9 Line of Credit 227 16 Accounts Payable 31 2 Interest Payable 26 2 Wages Payable 12 2 Taxes Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 8 749 Long-Term Debt 1,293 1,64 Note Payable to Timberland Venture 783 78 Other Liabilities 81 7 Total Liabilities 81 7 Total Liabilities 2,906 2,87 Commitments and Contingencies STOCKHOLDERS' EOUTY Preferred Stock, \$0.01 Par Value, Authorized Shares – 75.0, Outstanding – None — — Common Stock, \$0.01 Par Value, Authorized Shares – 300.6, Outstanding (net of Treasury Stock, a Long June 30, 2011 and 161.6 at December 31, 2010 2 Additional Paid-In Capital 2,256 2,24 Retained Earnings (Accumulated Deficit) (3) 5 Treasury Stock, at Cost, Common Shares – 26.	Total Assets	>	4,240	3	4,251
Line of Credit 227 16 Accounts Payable 31 2 Interest Payable 26 2 Wages Payable 12 2 Taxes Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 8 749 37 Long-Term Debt 1,293 1,64 Note Payable to Timberland Venture 783 78 Other Liabilities 81 7 Total Liabilities 81 7 Commitments and Contingencies 2,906 2,87 STOCKHOLDERS' EQUITY Preferred Stock, \$0.01 Par Value, Authorized Shares – 75.0, Outstanding – None — — Common Stock, \$0.01 Par Value, Authorized Shares – 300.6, Outstanding (net of Treasury Stock) – 162.0 at June 30, 2011 and 161.6 at December 31, 2010 2 Additional Paid-In Capital 2,256 2,24 Retained Earnings (Accumulated Deficit) (3) 5 Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 (912) (91 Accumulated Other Comprehensive Income (Loss)	LIABILITIES Current Liabilities:				
Line of Credit 227 16 Accounts Payable 31 2 Interest Payable 26 2 Wages Payable 12 2 Taxes Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 8 749 37 Long-Term Debt 1,293 1,64 Note Payable to Timberland Venture 783 78 Other Liabilities 81 7 Total Liabilities 81 7 Commitments and Contingencies 2,906 2,87 STOCKHOLDERS' EQUITY Preferred Stock, \$0.01 Par Value, Authorized Shares – 75.0, Outstanding – None — — Common Stock, \$0.01 Par Value, Authorized Shares – 300.6, Outstanding (net of Treasury Stock) – 162.0 at June 30, 2011 and 161.6 at December 31, 2010 2 Additional Paid-In Capital 2,256 2,24 Retained Earnings (Accumulated Deficit) (3) 5 Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 (912) (91 Accumulated Other Comprehensive Income (Loss)	Current Portion of Long-Term Debt	\$	395	\$	94
Accounts Payable 31 2 Interest Payable 26 2 Wages Payable 12 2 Taxes Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 8		Ψ		Ψ	166
Interest Payable 26 2 Wages Payable 12 2 Taxes Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 8	Accounts Payable				25
Wages Payable 12 2 Taxes Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 8 749 37 Long-Term Debt 1,293 1,64 Note Payable to Timberland Venture 783 78 Other Liabilities 81 7 Total Liabilities 81 7 Commitments and Contingencies 2,906 2,87 STOCKHOLDERS' EQUITY Preferred Stock, \$0.01 Par Value, Authorized Shares – 75.0, Outstanding – None — — Common Stock, \$0.01 Par Value, Authorized Shares – 300.6, Outstanding (net of Treasury Stock) – 162.0 at June 30, 2011 and 161.6 at December 31, 2010 2 Additional Paid-In Capital 2,256 2,24 Retained Earnings (Accumulated Deficit) (3) 5 Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 (912) (91 Accumulated Other Comprehensive Income (Loss) (9) (1 Total Stockholders' Equity 1,334 1,337	·				23
Taxes Payable 14 1 Deferred Revenue 36 2 Other Current Liabilities 8 749 37 Long-Term Debt 1,293 1,64 Note Payable to Timberland Venture 783 78 Other Liabilities 81 7 Total Liabilities 81 7 Commitments and Contingencies 2,906 2,87 STOCKHOLDERS' EOUTY Preferred Stock, \$0.01 Par Value, Authorized Shares – 75.0, Outstanding – None	•				23
Deferred Revenue 36 2 Other Current Liabilities 8 749 37 Long-Term Debt 1,293 1,64 Note Payable to Timberland Venture 783 78 Other Liabilities 81 7 Total Liabilities 2,906 2,87 Commitments and Contingencies STOCKHOLDERS' EOUTTY Preferred Stock, \$0.01 Par Value, Authorized Shares – 75.0, Outstanding – None — — Common Stock, \$0.01 Par Value, Authorized Shares – 300.6, Outstanding (net of Treasury Stock) – 162.0 at June 30, 2011 and 161.6 at December 31, 2010 2 2 Additional Paid-In Capital 2,256 2,24 Retained Earnings (Accumulated Deficit) (3) 5 Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 (912) (91 Accumulated Other Comprehensive Income (Loss) (9) (1 Total Stockholders' Equity 1,334 1,37					12
Other Current Liabilities 8 749 37 Long-Term Debt 1,293 1,64 Note Payable to Timberland Venture 783 78 Other Liabilities 81 7 Total Liabilities 2,906 2,87 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 - 300.6, Outstanding (net of Treasury 5 2 2 Additional Paid-In Capital 2,256 2,24 2,256 2,24 Retained Earnings (Accumulated Deficit) (3) 5 Treasury Stock, at Cost, Common Shares - 26.2 at June 30, 2011 and 26.2 at December 31, 2010 (912) (91 Accumulated Other Comprehensive Income (Loss) (9) (1 Total Stockholders' Equity 1,334 1,37	·				25
Table Tabl	Other Current Liabilities				7
Note Payable to Timberland Venture Other Liabilities Total Liabilities 2,906 2,87 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 – 300.6, Outstanding (net of Treasury Stock) – 162.0 at June 30, 2011 and 161.6 at December 31, 2010 2 Additional Paid-In Capital Retained Earnings (Accumulated Deficit) Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 (912) (91) Accumulated Other Comprehensive Income (Loss) (9) (1) Total Stockholders' Equity				-	375
Note Payable to Timberland Venture Other Liabilities Total Liabilities 2,906 2,87 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 – 300.6, Outstanding (net of Treasury Stock) – 162.0 at June 30, 2011 and 161.6 at December 31, 2010 2 Additional Paid-In Capital Retained Earnings (Accumulated Deficit) Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 (912) (91) Accumulated Other Comprehensive Income (Loss) (9) (1) Total Stockholders' Equity	Lang Tama Dala		4 000		1.640
Other Liabilities 81 7 Total Liabilities 2,906 2,87 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 – 300.6, Outstanding (net of Treasury Stock) – 162.0 at June 30, 2011 and 161.6 at December 31, 2010 Additional Paid-In Capital 2,256 2,24 Retained Earnings (Accumulated Deficit) (3) 5 Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 (912) (91 Accumulated Other Comprehensive Income (Loss) (9) (1 Total Stockholders' Equity 1,334 1,37	·				
Total Liabilities 2,906 2,87 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 – 300.6, Outstanding (net of Treasury Stock) – 162.0 at June 30, 2011 and 161.6 at December 31, 2010 Additional Paid-In Capital Retained Earnings (Accumulated Deficit) Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 Accumulated Other Comprehensive Income (Loss) Total Stockholders' Equity 2,906 2,87 2,906 2,87 2 4 2 4 2 5 6 7 7 7 7 7 7 7 7 7 7 7 7	·				
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 – 300.6, Outstanding (net of Treasury Stock) – 162.0 at June 30, 2011 and 161.6 at December 31, 2010 Additional Paid-In Capital Retained Earnings (Accumulated Deficit) Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 Accumulated Other Comprehensive Income (Loss) Total Stockholders' Equity 9 1,334 1,37					76
STOCKHOLDERS' EQUITY Preferred Stock, \$0.01 Par Value, Authorized Shares – 75.0, Outstanding – None Common Stock, \$0.01 Par Value, Authorized Shares – 300.6, Outstanding (net of Treasury Stock) – 162.0 at June 30, 2011 and 161.6 at December 31, 2010 Additional Paid-In Capital Retained Earnings (Accumulated Deficit) Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 Accumulated Other Comprehensive Income (Loss) Total Stockholders' Equity STOCKHOLDERS' EQUITY 2	Total Liabilities		2,906		2,877
Preferred Stock, \$0.01 Par Value, Authorized Shares – 75.0, Outstanding – None Common Stock, \$0.01 Par Value, Authorized Shares – 300.6, Outstanding (net of Treasury Stock) – 162.0 at June 30, 2011 and 161.6 at December 31, 2010 Additional Paid-In Capital Retained Earnings (Accumulated Deficit) Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 Accumulated Other Comprehensive Income (Loss) Total Stockholders' Equity — — — — — — — — — — — — — — — — — — —	Commitments and Contingencies				
Stock) – 162.0 at June 30, 2011 and 161.6 at December 31, 2010 2 Additional Paid-In Capital 2,256 2,24 Retained Earnings (Accumulated Deficit) (3) 5 Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 (912) (91 Accumulated Other Comprehensive Income (Loss) (9) (1 Total Stockholders' Equity 1,334 1,37	STOCKHOLDERS' EQUITY Preferred Stock, \$0.01 Par Value, Authorized Shares – 75.0, Outstanding – None		_		_
Additional Paid-In Capital Retained Earnings (Accumulated Deficit) Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 Accumulated Other Comprehensive Income (Loss) Total Stockholders' Equity 2,256 2,24 (3) 5 (91 (912) (91 1,334 1,37	Common Stock, \$0.01 Par Value, Authorized Shares – 300.6, Outstanding (net of Treasury Stock) – 162.0 at June 30, 2011 and 161.6 at December 31, 2010		2		2
Retained Earnings (Accumulated Deficit) Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 Accumulated Other Comprehensive Income (Loss) Total Stockholders' Equity (3) 5 (912) (912) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	Additional Paid-In Capital				2,243
Treasury Stock, at Cost, Common Shares – 26.2 at June 30, 2011 and 26.2 at December 31, 2010 Accumulated Other Comprehensive Income (Loss) Total Stockholders' Equity (91 1,334 1,37	Retained Earnings (Accumulated Deficit)				51
Accumulated Other Comprehensive Income (Loss) Total Stockholders' Equity (9) (1) 1,334 1,375					(911)
Total Stockholders' Equity 1,334 1,37	<u> </u>				(11)
	•				1,374
1 Otal Elabilities and Stockholders Equity 5 4.240 5 4.25	Total Liabilities and Stockholders' Equity	\$	4,240	\$	4,251

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

(CNACDITED)			
		Ionths Ended	
In Millions)	201	1	2010
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Income	\$	82 \$	122
Adjustments to Reconcile Net Income to Net Cash Provided By Operating Activities:			
Depreciation, Depletion and Amortization		44	48
Basis of Real Estate Sold		43	43
Equity Earnings from Timberland Venture		(30)	(29
Distributions from Timberland Venture		28	28
Deferred Income Taxes		4	1
Gain on Sale of Properties and Other Assets		_	(13
Deferred Revenue from Long-Term Gas Leases (Net of Amortization)		12	6
Working Capital Changes Impacting Cash Flow:			
Like-Kind Exchange Funds		(35)	
Other Working Capital Changes		4	(7
Other		5	8
et Cash Provided By Operating Activities		157	207
ASH FLOWS FROM INVESTING ACTIVITIES			
Capital Expenditures (Excluding Timberland Acquisitions)		(28)	(31
Timberlands and Minerals Acquired		(12)	(31
Proceeds from Sale of Properties and Other Assets			13
let Cash Used In Investing Activities		(40)	(18
		(10)	(10
ASH FLOWS FROM FINANCING ACTIVITIES			
Dividends		(136)	(136
Borrowings on Line of Credit		555	1,137
Repayments on Line of Credit		(494)	(1,137
Principal Payments and Retirement of Long-Term Debt		(49)	(53
Proceeds from Stock Option Exercises		9	2
Acquisition of Treasury Stock		(1)	(51
let Cash Used In Financing Activities		(116)	(238
ncrease (Decrease) In Cash and Cash Equivalents		1	(49
ash and Cash Equivalents:		-	(1)
Beginning of Period		252	299
End of Period	\$	253 \$	250
	Ψ		

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

	Quarter Ended June 3		ne 30,	
(In Millions)		2011		2010
CASH FLOWS FROM OPERATING ACTIVITIES				
Net Income	\$	44	\$	35
Adjustments to Reconcile Net Income to Net Cash Provided By Operating Activities:	*		_	
Depreciation, Depletion and Amortization		22		24
Basis of Real Estate Sold		24		11
Equity Earnings from Timberland Venture		(16)		(15
Deferred Income Taxes		1		
Gain on Sale of Properties and Other Assets		_		(2
Deferred Revenue from Long-Term Gas Leases (Net of Amortization)		5		(2
Working Capital Changes Impacting Cash Flow:				(-
Like-Kind Exchange Funds		(35)		_
Other Working Capital Changes		34		25
Other		2		2
Net Cash Provided By Operating Activities		81		78
				,
CASH FLOWS FROM INVESTING ACTIVITIES				
Capital Expenditures (Excluding Timberland Acquisitions)		(16)		(18
Timberlands and Minerals Acquired		(12)		_
Proceeds from Sale of Properties and Other Assets				2
Net Cash Used In Investing Activities		(28)		(16
		(==)		
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends		(68)		(68
Borrowings on Line of Credit		310		569
Repayments on Line of Credit		(298)		(569
Proceeds from Stock Option Exercises		2		2
Acquisition of Treasury Stock		_		(50
Net Cash Used In Financing Activities		(54)		(116
Increase (Decrease) In Cash and Cash Equivalents		(1)		(54
Cash and Cash Equivalents:		(=)		(3
Beginning of Period		254		304
End of Period		253	\$	250
	Ψ	433	Ψ	

Plum Creek Timber Company, Inc. Segment Data (Unaudited)

		Six Months E	June 30,	
n Millions)		2011		2010
Revenues:				
Northern Resources	\$	99	\$	105
Southern Resources		173		187
Real Estate		141		142
Manufacturing		141		138
Other		10		11
Eliminations		(5)		(8)
Total Revenues	\$	559	\$	575
Operating Income (Loss):				
Northern Resources	\$	10	\$	7
Southern Resources		34		54
Real Estate		88		88
Manufacturing		9		14
Other (A)		11		15
Other Costs and Eliminations, net		(29)		(27)
Total Operating Income	\$	123	\$	151

(A) During the first quarter of 2011, the company received a payment of \$2 million for the settlement of a dispute that related to certain mineral rights. During the first quarter of 2010, the company agreed to terminate a land lease, accounted for as an operating lease, for consideration of \$5 million from the lessor. The consideration was primarily for the release of mineral rights. These amounts are reported as Other Operating Gain/(Loss) in our Other Segment and are included in Other Operating Income (Expense), net in the Consolidated Statements of Income.

Plum Creek Timber Company, Inc. Segment Data (Unaudited)

		Quarter Ended June 30,					
(In Millions)	2	011	2010				
Revenues:							
Northern Resources	\$	44 \$	46				
Southern Resources		84	89				
Real Estate		79	43				
Manufacturing		74	78				
Other		5	4				
Eliminations		(2)	(2)				
Total Revenues	<u>\$</u>	284 \$	258				
Operating Income (Loss):							
Northern Resources	\$	3 \$	3				
Southern Resources		15	24				
Real Estate		50	26				
Manufacturing		5	10				
Other		4	4				
Other Costs and Eliminations, net		(14)	(11)				
Total Operating Income	\$	63 \$	56				

Plum Creek Timber Company, Inc Selected Operating Statistics (Unaudited)

2011

		1	. Ota	2.	d Ota	2 md		441	h Otu	₹7	TD
Sales Realization	Units	15	t Qtr	2n	d Qtr	sra	Qtr	40	h Qtr	<u>Y</u>	TD
Southern Resources	Cints										
Sawlog	\$/Ton Stumpage	\$	20	\$	19					\$	19
Pulpwood	\$/Ton Stumpage	\$	10	\$	9					\$	9
Northern Resources	φ/ ron Stumpage	φ	10	φ	,					φ	,
Sawlog	\$/Ton Delivered	\$	69	\$	72					\$	70
Pulpwood	\$/Ton Delivered	\$	40	\$	40					\$	40
- (1)											
Lumber (1)	\$/MBF	\$	533	\$	529					\$	531
Plywood ⁽¹⁾ Fiberboard ⁽¹⁾	\$/MSF	\$	371	\$	382					\$	377
Sales Volume	\$/MSF	\$	608	\$	608					\$	608
Southern Resources											
	1 000 T		1.007		1 100						2 412
Sawlog	1,000 Tons		1,286		1,126						2,412
Pulpwood	1,000 Tons		1,494		1,592						3,086
Total Harvest			2,780		2,718		_		_		5,498
Northern Resources											
Sawlog	1,000 Tons		506		471						977
Pulpwood	1,000 Tons		478		244						722
Total Harvest			984		715		_		_		1,699
Lumber	MBF		29,250		29,654						58,904
Plywood	MSF		44,156		44,842						88,998
Fiberboard	MSF		40,690		43,070						83,760
						20	10				
			. 04	2	1.04			441	. 04	▼7	TD
Sales Realization	Units	15	t Qtr		d Qtr	310	Qtr	40	h Qtr		TD
Southern Resources	Units										
	¢/T C4	\$	23	\$	23	\$	23	¢	22	\$	23
Sawlog	\$/Ton Stumpage							\$			
Pulpwood	\$/Ton Stumpage	\$	13	\$	12	\$	11	\$	10	\$	12
Northern Resources	ф/ / В 11 — 1	Φ.	5 0	Φ.		Φ.		Φ.		ф	
Sawlog	\$/Ton Delivered	\$	59	\$	66	\$	66	\$	62	\$	63
Pulpwood	\$/Ton Delivered	\$	38	\$	38	\$	39	\$	39	\$	39
Lumber (1)	\$/MBF	\$	501	\$	522	\$	490	\$	514	\$	507
Plywood (1)	\$/MSF	\$	352	\$	397	\$	388	\$	374	\$	378
Fiberboard ⁽¹⁾	\$/MSF	\$	588	\$	607	\$	629	\$	598	\$	606
Sales Volume	φ/11151	Ψ	200	Ψ	007	Ψ	02)	Ψ	370	Ψ	000
Southern Resources											
Sawlog	1,000 Tons		1,274		1,122		1,209		1,416		5,021
Pulpwood	1,000 Tons		1,526		1,448		1,674		1,798		6,446
Total Harvest	1,000 1003		2,800		2,570		2,883		3,214		11,467
Northern Resources			2,000		2,370		2,003		3,214		11,407
Sawlog	1,000 Tons		627		484		537		486		2,134
Pulpwood	1,000 Tons		527		348		517		431		1,823
	1,000 1008										
Total Harvest			1,154		832		1,054		917		3,957
Lumber	MBF		28,791		30,813		29,305		27,181	1	16,090
Plywood	MSF		45,104		47,002		44,223		36,387		72,716
Fiberboard	MSF		35,347		50,010		39,394		32,266	1	57,017

⁽¹⁾ Represents prices at mill level.

Plum Creek Timber Company, Inc. Land Sale Statistics (Unaudited)

1	Λ	1	1	
L	u	ш		

						2011				
	1st	Qtr (1)	2nd	l Qtr (2)	3r	d Qtr	4tl	h Qtr		YTD
Acres Sold										
Small Non-strategic		2,560		2,695						5,255
Large Non-strategic		30,295		_						30,295
Conservation		335		59,425						59,760
HBU/Recreation		7,795		6,320						14,115
Development Properties										
Conservation Easements		n/a		n/a						n/a
		40,985		68,440						109,425
Price per Acre										
Small Non-strategic	\$	1,015	\$	1,125					\$	1,070
Large Non-strategic	\$	1,405	\$						\$	1,405
Conservation	\$	1,685	\$	1,050					\$	1,055
HBU/Recreation	\$	2,100	\$	2,060					\$	2,080
Development Properties	\$		\$	_,000					\$	2,000
Conservation Easements	\$		\$						\$	
Revenue, (\$ millions)	Ψ		Ψ						Ψ	
	ø	2	¢	4					ф	(
Small Non-strategic	\$	2	\$	4					\$	6
Large Non-strategic	\$	43	\$	-					\$	43
Conservation	\$	1	\$	62					\$	63
HBU/Recreation	\$	16	\$	13					\$	29
Development Properties	\$	_	\$	_					\$	_
Conservation Easements	\$		\$						\$	
	\$	62	\$	79					\$	141
Basis of Real Estate Sold (5)	\$	19	\$	24					\$	43
245.5 01 1104.1 2544.0 5014	Ψ		Ψ.		·	2010			Ψ	
	1st	Qtr (3)	2r	nd Qtr		d Qtr	4th	Qtr (4)		YTD
Acres Sold	150	<u> </u>		iu Qu		u Qu		- Vii		112
Small Non-strategic		29,640		1,950		10,270		21,375		63,235
Large Non-strategic		24,310		_				_		24,310
Conservation		35,120		215		2,870		77,900		116,105
HBU/Recreation		55,120		213		2,070				53,265
		9.080		18 175		9.870		16 140		
Development Properties		9,080 730		18,175 60		9,870		16,140		
Development Properties Conservation Fasements		730		60				55		845
Development Properties Conservation Easements		730 n/a		60 n/a		n/a		55 n/a		845 n/a
Conservation Easements	_	730	_	60				55		845
Conservation Easements Price per Acre		730 n/a 98,880	-	60 n/a 20,400	•			55 n/a 115,470		845 n/a 257,760
Conservation Easements Price per Acre Small Non-strategic		730 n/a 98,880	\$	60 n/a 20,400	\$	n/a 23,010 1,025	\$	55 n/a 115,470		845 n/a 257,760 970
Price per Acre Small Non-strategic Large Non-strategic	\$	730 n/a 98,880 885 1,320	\$	60 n/a 20,400 1,120	\$	n/a 23,010 1,025	\$ \$	55 n/a 115,470 1,045	\$	845 n/a 257,760 970 1,320
Price per Acre Small Non-strategic Large Non-strategic Conservation	\$ \$	730 n/a 98,880 885 1,320 545	\$ \$	60 n/a 20,400 1,120 — 1,450	\$ \$	n/a 23,010 1,025 1,865	\$ \$ \$	55 n/a 115,470 1,045 — 1,245	\$ \$	845 n/a 257,760 970 1,320 1,050
Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation	\$ \$ \$	730 n/a 98,880 885 1,320 545 2,125	\$ \$ \$	60 n/a 20,400 1,120 — 1,450 2,210	\$ \$ \$	n/a 23,010 1,025 1,865 2,335	\$ \$ \$ \$	55 n/a 115,470 1,045 — 1,245 1,950	\$ \$ \$	845 n/a 257,760 970 1,320 1,050 2,140
Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties	\$ \$ \$ \$	730 n/a 98,880 885 1,320 545	\$ \$ \$ \$	60 n/a 20,400 1,120 — 1,450	\$ \$ \$ \$	n/a 23,010 1,025 1,865	\$ \$ \$ \$	55 n/a 115,470 1,045 — 1,245 1,950 5,535	\$ \$ \$ \$	845 n/a 257,760 970 1,320 1,050 2,140 3,415
Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements	\$ \$ \$	730 n/a 98,880 885 1,320 545 2,125	\$ \$ \$	60 n/a 20,400 1,120 — 1,450 2,210	\$ \$ \$	n/a 23,010 1,025 1,865 2,335	\$ \$ \$ \$	55 n/a 115,470 1,045 — 1,245 1,950	\$ \$ \$	845 n/a 257,760 970 1,320 1,050 2,140
Conservation Easements Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements Revenue, (\$ millions)	\$ \$ \$ \$	730 n/a 98,880 885 1,320 545 2,125 3,050	\$ \$ \$ \$	60 n/a 20,400 1,120 — 1,450 2,210 5,985 —	\$ \$ \$ \$		\$ \$ \$ \$ \$	55 n/a 115,470 1,045 — 1,245 1,950 5,535 455	\$ \$ \$ \$	845 n/a 257,760 970 1,320 1,050 2,140 3,415 455
Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements Revenue, (\$ millions) Small Non-strategic	\$ \$ \$ \$ \$	730 n/a 98,880 885 1,320 545 2,125 3,050 —	\$ \$ \$ \$ \$	60 n/a 20,400 1,120 — 1,450 2,210 5,985 —	\$ \$ \$ \$	n/a 23,010 1,025 1,865 2,335	\$ \$ \$ \$ \$	55 n/a 115,470 1,045 — 1,245 1,950 5,535	\$ \$ \$ \$	845 n/a 257,760 970 1,320 1,050 2,140 3,415 455
Conservation Easements Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements Revenue, (\$ millions) Small Non-strategic Large Non-strategic	\$ \$ \$ \$ \$	730 n/a 98,880 885 1,320 545 2,125 3,050 — 26 32	\$ \$ \$ \$ \$	60 n/a 20,400 1,120 — 1,450 2,210 5,985 — 2	\$ \$ \$ \$ \$		\$ \$ \$ \$ \$ \$	55 n/a 115,470 1,045 1,245 1,950 5,535 455	\$ \$ \$ \$ \$	845 n/a 257,760 970 1,320 1,050 2,140 3,415 455
Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements Revenue, (\$ millions) Small Non-strategic Large Non-strategic Conservation	\$ \$ \$ \$ \$ \$	730 n/a 98,880 885 1,320 545 2,125 3,050 — 26 32 19	\$ \$ \$ \$ \$ \$	60 n/a 20,400 1,120 — 1,450 2,210 5,985 — 2 —	\$ \$ \$ \$ \$		\$ \$ \$ \$ \$ \$	55 n/a 115,470 1,045	\$ \$ \$ \$ \$ \$	845 n/a 257,760 970 1,320 1,050 2,140 3,415 455 61 32 122
Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements Revenue, (\$ millions) Small Non-strategic Large Non-strategic Conservation HBU/Recreation	\$ \$ \$ \$ \$ \$ \$	730 n/a 98,880 885 1,320 545 2,125 3,050 — 26 32 19 19	\$ \$ \$ \$ \$ \$	60 n/a 20,400 1,120 1,450 2,210 5,985 — 2 — 41	\$ \$ \$ \$ \$ \$		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	55 n/a 115,470 1,045 1,245 1,950 5,535 455 22 98 31	\$ \$ \$ \$ \$ \$	845 n/a 257,760 970 1,320 1,050 2,140 3,415 455 61 32 122 114
Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements Revenue, (\$ millions) Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties	\$ \$ \$ \$ \$ \$ \$ \$	730 n/a 98,880 885 1,320 545 2,125 3,050 — 26 32 19 19 3	\$ \$ \$ \$ \$ \$ \$	60 n/a 20,400 1,120 — 1,450 2,210 5,985 — 2 — 41 —	\$ \$ \$ \$ \$ \$ \$		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	55 n/a 115,470 1,045 1,245 1,950 5,535 455 22 98 31	\$ \$ \$ \$ \$ \$ \$	845 n/a 257,760 970 1,320 1,050 2,140 3,415 455 61 32 122 114 3
Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements Revenue, (\$ millions) Small Non-strategic Large Non-strategic Conservation HBU/Recreation	\$ \$ \$ \$ \$ \$ \$ \$ \$	730 n/a 98,880 885 1,320 545 2,125 3,050 — 26 32 19 19 3 —	\$ \$ \$ \$ \$ \$ \$ \$	60 n/a 20,400 1,120 1,450 2,210 5,985 2 41	\$ \$ \$ \$ \$ \$ \$		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	55 n/a 115,470 1,045	\$ \$ \$ \$ \$ \$ \$ \$	845 n/a 257,760 970 1,320 1,050 2,140 3,415 455 61 32 122 114 3 4
Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements Revenue, (\$ millions) Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties	\$ \$ \$ \$ \$ \$ \$ \$	730 n/a 98,880 885 1,320 545 2,125 3,050 — 26 32 19 19 3	\$ \$ \$ \$ \$ \$ \$	60 n/a 20,400 1,120 — 1,450 2,210 5,985 — 2 — 41 —	\$ \$ \$ \$ \$ \$ \$		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	55 n/a 115,470 1,045 1,245 1,950 5,535 455 22 98 31	\$ \$ \$ \$ \$ \$ \$	845 n/a 257,760 970 1,320 1,050 2,140 3,415 455 61 32 122 114 3
Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements Revenue, (\$ millions) Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties	\$ \$ \$ \$ \$ \$ \$ \$ \$	730 n/a 98,880 885 1,320 545 2,125 3,050 — 26 32 19 19 3 —	\$ \$ \$ \$ \$ \$ \$ \$	60 n/a 20,400 1,120 1,450 2,210 5,985 2 41	\$ \$ \$ \$ \$ \$ \$		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	55 n/a 115,470 1,045	\$ \$ \$ \$ \$ \$ \$ \$	845 n/a 257,760 970 1,320 1,050 2,140 3,415 455 61 32 122 114 3 4

Plum Creek Timber Company, Inc. Notes to Land Sale Statistics (Unaudited)

- (1) During the first quarter of 2011, the company sold 30,300 acres of Large Non-strategic lands located in Mississippi for \$42.6 million.
- (2) During the second quarter of 2011, the company's Conservation sales consisted primarily of 26,800 acres in Arkansas and Louisiana and 31,500 acres in Florida.
- (3) During the first quarter of 2010, the company sold 24,000 acres of Large Non-strategic lands located in Louisiana for \$32 million. In addition, the company sold two larger Conservation properties totaling 35,000 acres in Wisconsin and Arkansas and an aggregation of 23,000 acres of Small Non-strategic timberlands located primarily in the Lake States region.
- (4) During the fourth quarter of 2010, the company sold 69,600 acres in Montana to a conservation buyer for \$88.8 million. The sale is presented as a Conservation sale. The transaction included 60,900 acres of Conservation property and 8,700 acres of HBU property.
- (5) Includes \$13 million in the first quarter of 2011 from a 30,300 acre Large Non-strategic sale in Mississippi, \$52 million in the fourth quarter of 2010 from a 69,600 acre Conservation sale in Montana, and \$7 million in the first quarter of 2010 for a 24,000 acre Large Non-strategic sale in Louisiana.

Plum Creek Timber Company, Inc. Debt Maturities Schedule June 30, 2011 (Unaudited)

	Borrowings					
	P	rincipal	Weighted Avg. Interest Rate			
Quarterly Maturities through 2012:						
4th Qtr 2011	\$	46	7.712%	(1)		
2nd Qtr 2012	\$	350	—%	(2)		
4th Qtr 2012	\$	3	8.050%			
Annual Maturities through 2014:						
2013	\$	250	6.663%	(3)		
2014	\$	3	8.050%			

- (1) Principal amount composed of senior notes with principal amounts of \$3 million, \$3 million and \$40 million and interest rates of 7.970%, 8.050% and 7.660%, respectively.
- (2) Represents the company's term credit agreement. As of June 30, 2011, the interest rate is based on LIBOR plus 0.375%.
- (3) Principal amount composed of senior notes with principal amounts of \$3 million, \$73 million and \$174 million and interest rates of 8.050%, 7.760% and 6.180%, respectively.