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

	Year Ended	December 31,
(In Millions, Except Per Share Amounts)	2011	2010
REVENUES:		
Timber	\$ 572	\$ 569
Real Estate	301	336
Manufacturing	273	265
Other	21	20
Total Revenues	1,167	1,190
COSTS AND EXPENSES:		
Cost of Goods Sold:		
Timber	445	421
Real Estate	92	148
Manufacturing	250	236
Other	2	2
Total Cost of Goods Sold	789	807
Selling, General and Administrative	106	95
Total Costs and Expenses	895	902
10m. 00m mm 2.1p4.1000		
Other Operating Income (Expense), net	3	9
Operating Income	275	297
Equity Earnings from Timberland Venture	56	57
- 1 · · · · · · · · · · · · · · · · · ·		
Interest Expense, net:		
Interest Expense (Debt Obligations to Unrelated Parties)	81	80
Interest Expense (Note Payable to Timberland Venture)	58	58
Total Interest Expense, net	139	138
Loss on Extinguishment of Dobt		(12
Loss on Extinguishment of Debt	<u></u>	(13
Income before Income Taxes	192	203
Provision (Benefit) for Income Taxes	(1)	1
Income from Continuing Operations	193	202
Gain on Sale of Properties, net of tax	_	11
Net Income	\$ 193	\$ 213
PER SHARE AMOUNTS:		
Income from Continuing Operations – Basic	\$ 1.19	\$ 1.25
Income from Continuing Operations – Diluted	\$ 1.19	\$ 1.24
Nat Income per Share Regio	\$ 1.19	\$ 1.31
Net Income per Share – Basic		
Net Income per Share – Diluted	\$ 1.19	\$ 1.31
Weighted-Average Number of Shares Outstanding		
– Basic	161.7	162.1
– Diluted	162.0	162.3

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

	Quarter Endec	d December 31,
(In Millions, Except Per Share Amounts)	2011	2010
REVENUES:		
Timber	\$ 151	\$ 140
Real Estate	93	155
Manufacturing	65	57
Other	6	4
Total Revenues	315	356
Costs and Expenses:		
Cost of Goods Sold:		
Timber	118	104
Real Estate	24	79
Manufacturing	60	52
Other	1	1
Total Cost of Goods Sold	203	236
Selling, General and Administrative	29	25
Total Costs and Expenses	232	261
Total Costs and Expenses		201
Other Operating Income (Expense), net	<u></u>	
Operating Income	83	95
Equity Earnings from Timberland Venture	12	13
Interest Expense, net:		
Interest Expense (Debt Obligations to Unrelated Parties)	20	21
Interest Expense (Note Payable to Timberland Venture)	15	15
Total Interest Expense, net	35	36
Loss on Extinguishment of Debt	_	(13
Income before Income Taxes	60	59
Provision (Benefit) for Income Taxes	(1)	_
Net Income	\$ 61	\$ 59
D C		
PER SHARE AMOUNTS:		
Net Income per Share – Basic	\$ 0.38	\$ 0.37
Net Income per Share – Diluted	\$ 0.38	\$ 0.37
Weighted-Average Number of Shares Outstanding		
– Basic	161.4	161.6
– Diluted	161.6	161.9

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

(In Millions, Except Per Share Amounts)	December 31, 2011		December 31, 2010	
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$	254	\$	252
Accounts Receivable		28		21
Inventories		48		49
Deferred Tax Asset		6		7
Assets Held for Sale		103		57
Other Current Assets		15		24
		454		410
m' 1 1m' 1 1 1 1		2.255		2.405
Timber and Timberlands, net		3,377		3,405
Property, Plant and Equipment, net		138		146
Equity Investment in Timberland Venture		201		201
Deferred Tax Asset		17		10
Investment in Grantor Trusts (at Fair Value)		36		35
Other Assets	_	36	Φ.	44
Total Assets	\$	4,259	\$	4,251
LIABILITIES				
Current Liabilities:				
Current Portion of Long-Term Debt	\$	352	\$	94
Line of Credit	•	348	•	166
Accounts Payable		25		25
Interest Payable		26		23
Wages Payable		20		23
Taxes Payable		9		12
Deferred Revenue		27		25
Other Current Liabilities		8		7
		815		375
Long-Term Debt		1,290		1,643
Note Payable to Timberland Venture		783		783
Other Liabilities		108		76
Total Liabilities		2,996		2,877
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) – 161.3 at December 31, 2011 and 161.6 at December 31, 2010		2		2
Additional Paid-In Capital		2,261		2,243
Retained Earnings (Accumulated Deficit)		(28)		51
Treasury Stock, at Cost, Common Shares $-26.9$ at December 31, 2011 and 26.2 at December 31, 2010		(937)		(911)
Accumulated Other Comprehensive Income (Loss)		(35)		(11)
Total Stockholders' Equity		1,263		1,374
Total Liabilities and Stockholders' Equity	\$	4,259	\$	4,251

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

Basis of Real Estate Sold   77   132     Equity Earnings from Timberland Venture   (56)   (57)     Distributions from Timberland Venture   566   57     Deferred Income Taxes   -   11     Gain on Sale of Properties and Other Assets   -   (13)     Loss on Extinguishment of Debt   -   13     Deferred Revenue from Long-Term Gas Leases (Net of Amortization)   11   3     Timber Deed Acquired   (5)   -     Pension Plan Contributions   (3)   (4     Working Capital Changes Impacting Cash Flow:		Y	ear Ended I	December 31,
Net Income	(In Millions)		2011	2010
Adjustments to Reconcile Net Income to Net Cash Provided By Operating Activities:   Depreciation, Depletion and Amortization   96   96     Basis of Real Estate Sold   77   132     Equity Earnings from Timberland Venture   56   57     Distributions from Timberland Venture   56   57     Distributions from Timberland Venture   56   57     Deferred Income Taxes   —   13     Deferred Income Taxes   —   (13     Loss on Extinguishment of Debt   —   13     Deferred Revenue from Long-Term Gas Leases (Net of Amortization)   11   3     Timber Deed Acquired   (5   —     Pension Plan Contributions   (3)   (4     Working Capital Changes Impacting Cash Flow:	CASH FLOWS FROM OPERATING ACTIVITIES			
Depreciation, Depletion and Amortization   96   96   96   98	Net Income	\$	193	\$ 213
Basis of Real Estate Sold   77   132     Equity Earnings from Timberland Venture   76   56   57     Distributions from Timberland Venture   76   56   57     Deferred Income Taxes	Adjustments to Reconcile Net Income to Net Cash Provided By Operating Activities:			
Equity Earnings from Timberland Venture	Depreciation, Depletion and Amortization		96	96
Distributions from Timberland Venture         56         57           Deferred Income Taxes         —         1           Gain on Sale of Properties and Other Assets         —         (13           Loss on Extinguishment of Debt         —         13           Deferred Revenue from Long-Term Gas Leases (Net of Amortization)         11         3           Timber Deed Acquired         (5)         —           Pension Plan Contributions         (3)         (4           Working Capital Changes Impacting Cash Flow:         Income Tax Receivable         (1)         13           Other Working Capital Changes         (7)         (17           Other Working Capital Changes         (7)         (17           Other Working Capital Changes         (7)         (17           Net Cash Provided By Operating Activities         374         449           Capital Expenditures (Excluding Timberland Acquisitions)             (70)             (71               Timberlands and Minerals Acquired             (101)             —               Proceeds from Sale of Properties and Other Assets             —             13               Purchases of Marketable Securities             —             (2)               Other             —             (2) <td>Basis of Real Estate Sold</td> <td></td> <td>77</td> <td>132</td>	Basis of Real Estate Sold		77	132
Deferred Income Taxes	Equity Earnings from Timberland Venture		(56)	(57)
Gain on Sale of Properties and Other Assets	Distributions from Timberland Venture		56	57
Loss on Extinguishment of Debt   Deferred Revenue from Long-Term Gas Leases (Net of Amortization)   11   3   3   11   3   3   12   15   15   15   15   15   15   15	Deferred Income Taxes		_	1
Deferred Revenue from Long-Term Gas Leases (Net of Amortization)   11   3   Timber Deed Acquired   (5)   —   Pension Plan Contributions   (3)   (4   Working Capital Changes Impacting Cash Flow:	Gain on Sale of Properties and Other Assets		_	(13)
Timber Deed Acquired         (5)         —           Pension Plan Contributions         (3)         (4           Working Capital Changes Impacting Cash Flow:         Income Tax Receivable         (1)         13           Other Working Capital Changes         (7)         (17           Other         13         12           Net Cash Provided By Operating Activities         374         449           CASH FLOWS FROM INVESTING ACTIVITIES         Capital Expenditures (Excluding Timberland Acquisitions)         (70)         (71           Timberlands and Minerals Acquired         (101)         —           Proceeds from Sale of Properties and Other Assets         —         13           Purchases of Marketable Securities         —         (2           Other         —         2           Net Cash Used In Investing Activities         (171)         (58           CASH FLOWS FROM FINANCING ACTIVITIES         Capital Expenditures (173)         (173)           Dividends         (272)         (272           Borrowings on Line of Credit         (1,739)         (1,937)           Proceeds from Issuance of Long-Term Debt         —         575           Debt Issuance Costs         —         (70           Proceeds from Stock Option Exercises         10<	Loss on Extinguishment of Debt		_	13
Pension Plan Contributions   Gay   Cash Flow:	Deferred Revenue from Long-Term Gas Leases (Net of Amortization)		11	3
Working Capital Changes Impacting Cash Flow:			(5)	_
Norking Capital Changes Impacting Cash Flow:	Pension Plan Contributions		(3)	(4)
Income Tax Receivable         (1)         13           Other Working Capital Changes         (7)         (17           Other         13         12           Net Cash Provided By Operating Activities         374         449           CASH FLOWS FROM INVESTING ACTIVITIES         Separate Interest (Excluding Timberland Acquisitions)         (70)         (71           Timberlands and Minerals Acquired         (101)         —           Proceeds from Sale of Properties and Other Assets         —         13           Purchases of Marketable Securities         —         (2           Other         —         2         2           Net Cash Used In Investing Activities         —         (2           CASH FLOWS FROM FINANCING ACTIVITIES         Separate Interest of Credit         1,921         1,783           Repayments on Line of Credit         1,921         1,783           Repayments on Line of Credit         1,921         1,783           Proceeds from Issuance of Long-Term Debt         —         575           Debt Issuance Costs         —         (7           Principal Payments and Retirement of Long-Term Debt         95         (531           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stoc	Working Capital Changes Impacting Cash Flow:			
Other         13         12           Net Cash Provided By Operating Activities         374         449           Cash FLOWS FROM INVESTING ACTIVITIES         Capital Expenditures (Excluding Timberland Acquisitions)         (70)         (71           Timberlands and Minerals Acquired         (101)         —           Proceeds from Sale of Properties and Other Assets         —         13           Purchases of Marketable Securities         —         (2           Other         —         —         (2           Net Cash Used In Investing Activities         (171)         (58           CASH FLOWS FROM FINANCING ACTIVITIES         Cash Borrowings on Line of Credit         1,921         1,783           Berrowings on Line of Credit         (1,739)         (1)937           Proceeds from Issuance of Long-Term Debt         —         575           Debt Issuance Osts         —         (7           Principal Payments and Retirement of Long-Term Debt         —         (7           Principal Payments and Retirement of Long-Term Debt         (95)         (531           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stock         (26)         (51           Net Cash Used In Financing Activities         (201)         (438			(1)	13
Other         13         12           Net Cash Provided By Operating Activities         374         449           Cash FLOWS FROM INVESTING ACTIVITIES         Capital Expenditures (Excluding Timberland Acquisitions)         (70)         (71           Timberlands and Minerals Acquired         (101)         —           Proceeds from Sale of Properties and Other Assets         —         13           Purchases of Marketable Securities         —         (2           Other         —         —         (2           Net Cash Used In Investing Activities         (171)         (58           CASH FLOWS FROM FINANCING ACTIVITIES         Cash Borrowings on Line of Credit         1,921         1,783           Berrowings on Line of Credit         (1,739)         (1)937           Proceeds from Issuance of Long-Term Debt         —         575           Debt Issuance Osts         —         (7           Principal Payments and Retirement of Long-Term Debt         —         (7           Principal Payments and Retirement of Long-Term Debt         (95)         (531           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stock         (26)         (51           Net Cash Used In Financing Activities         (201)         (438	Other Working Capital Changes		(7)	(17)
Net Cash Provided By Operating Activities         374         449           CASH FLOWS FROM INVESTING ACTIVITIES         700         (71           Capital Expenditures (Excluding Timberland Acquisitions)         (70)         (71           Timberlands and Minerals Acquired         (101)         —           Proceeds from Sale of Properties and Other Assets         —         13           Purchases of Marketable Securities         —         (2           Other         —         2           Net Cash Used In Investing Activities         (171)         (58           CASH FLOWS FROM FINANCING ACTIVITIES         S           Dividends         (272)         (272           Borrowings on Line of Credit         1,921         1,783           Repayments on Line of Credit         (1,739)         (1,937           Proceeds from Issuance of Long-Term Debt         —         67           Principal Payments and Retirement of Long-Term Debt         (95)         (531           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stock         (26)         (51           Net Cash Used In Financing Activities         (26)         (51           Increase (Decrease) In Cash and Cash Equivalents         2         (47				12
CASH FLOWS FROM INVESTING ACTIVITIES           Capital Expenditures (Excluding Timberland Acquisitions)         (70)         (71           Timberlands and Minerals Acquired         (101)         —           Proceeds from Sale of Properties and Other Assets         —         13           Purchases of Marketable Securities         —         (2           Other         —         —         2           Net Cash Used In Investing Activities         (171)         (58           CASH FLOWS FROM FINANCING ACTIVITIES           Dividends         (272)         (272           Borrowings on Line of Credit         1,921         1,783           Repayments on Line of Credit         (1,739)         (1,937           Proceeds from Issuance of Long-Term Debt         —         575           Debt Issuance Costs         —         (7           Principal Payments and Retirement of Long-Term Debt         (95)         (531           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stock         (26)         (51           Net Cash Used In Financing Activities         (201)         (438           Increase (Decrease) In Cash and Cash Equivalents         2         (47           Cash and Cash Equivalents: </td <td>Net Cash Provided By Operating Activities</td> <td></td> <td>374</td> <td>449</td>	Net Cash Provided By Operating Activities		374	449
Capital Expenditures (Excluding Timberland Acquisitions)         (70)         (71           Timberlands and Minerals Acquired         (101)         —           Proceeds from Sale of Properties and Other Assets         —         13           Purchases of Marketable Securities         —         (2           Other         —         2           Net Cash Used In Investing Activities         (171)         (58           CASH FLOWS FROM FINANCING ACTIVITIES         Use Cash Used In Investing Of Credit         1,921         1,783           Repayments on Line of Credit         (1,739)         (1,937)         1,933           Proceeds from Issuance of Long-Term Debt         —         575           Debt Issuance Costs         —         (7           Principal Payments and Retirement of Long-Term Debt         (95)         (331           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stock         (26)         (51           Net Cash Used In Financing Activities         (201)         (438           Increase (Decrease) In Cash and Cash Equivalents         2         (47           Cash and Cash Equivalents:         Beginning of Period         252         299				
Timberlands and Minerals Acquired         (101)         —           Proceeds from Sale of Properties and Other Assets         —         13           Purchases of Marketable Securities         —         (2           Other         —         2           Net Cash Used In Investing Activities         (171)         (58           CASH FLOWS FROM FINANCING ACTIVITIES           Dividends         (272)         (272)           Borrowings on Line of Credit         1,921         1,783           Repayments on Line of Credit         (1,739)         (1,937)           Proceeds from Issuance of Long-Term Debt         —         (7           Principal Payments and Retirement of Long-Term Debt         (95)         (531           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stock         (26)         (51           Net Cash Used In Financing Activities         (201)         (438           Increase (Decrease) In Cash and Cash Equivalents         2         (47           Cash and Cash Equivalents:         Beginning of Period         252         299	CASH FLOWS FROM INVESTING ACTIVITIES			
Timberlands and Minerals Acquired         (101)         —           Proceeds from Sale of Properties and Other Assets         —         13           Purchases of Marketable Securities         —         (2           Other         —         2           Net Cash Used In Investing Activities         (171)         (58           CASH FLOWS FROM FINANCING ACTIVITIES           Dividends         (272)         (272)           Borrowings on Line of Credit         1,921         1,783           Repayments on Line of Credit         (1,739)         (1,937)           Proceeds from Issuance of Long-Term Debt         —         (7           Principal Payments and Retirement of Long-Term Debt         (95)         (531           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stock         (26)         (51           Net Cash Used In Financing Activities         (201)         (438           Increase (Decrease) In Cash and Cash Equivalents         2         (47           Cash and Cash Equivalents:         Beginning of Period         252         299	Capital Expenditures (Excluding Timberland Acquisitions)		(70)	(71)
Purchases of Marketable Securities         —         (2           Other         —         2           Net Cash Used In Investing Activities         (171)         (58           CASH FLOWS FROM FINANCING ACTIVITIES           Dividends         (272)         (272           Borrowings on Line of Credit         1,921         1,783           Repayments on Line of Credit         (1,739)         (1,937           Proceeds from Issuance of Long-Term Debt         —         575           Debt Issuance Costs         —         (7           Principal Payments and Retirement of Long-Term Debt         (95)         (531           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stock         (26)         (51           Net Cash Used In Financing Activities         (201)         (438           Increase (Decrease) In Cash and Cash Equivalents         2         (47           Cash and Cash Equivalents:         Beginning of Period         252         299			(101)	<u>`—</u>
Other         —         2           Net Cash Used In Investing Activities         (171)         (58           CASH FLOWS FROM FINANCING ACTIVITIES           Dividends         (272)         (272           Borrowings on Line of Credit         1,921         1,783           Repayments on Line of Credit         (1,739)         (1,937           Proceeds from Issuance of Long-Term Debt         —         (7           Principal Payments and Retirement of Long-Term Debt         (95)         (531           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stock         (26)         (51           Net Cash Used In Financing Activities         (201)         (438           Increase (Decrease) In Cash and Cash Equivalents         2         (47           Cash and Cash Equivalents:         Beginning of Period         252         299	Proceeds from Sale of Properties and Other Assets		<u> </u>	13
Other         —         2           Net Cash Used In Investing Activities         (171)         (58           CASH FLOWS FROM FINANCING ACTIVITIES           Dividends         (272)         (272           Borrowings on Line of Credit         1,921         1,783           Repayments on Line of Credit         (1,739)         (1,937           Proceeds from Issuance of Long-Term Debt         —         (7           Principal Payments and Retirement of Long-Term Debt         (95)         (531           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stock         (26)         (51           Net Cash Used In Financing Activities         (201)         (438           Increase (Decrease) In Cash and Cash Equivalents         2         (47           Cash and Cash Equivalents:         Beginning of Period         252         299	Purchases of Marketable Securities		_	(2)
CASH FLOWS FROM FINANCING ACTIVITIES           Dividends         (272)         (272)           Borrowings on Line of Credit         1,921         1,783           Repayments on Line of Credit         (1,739)         (1,937)           Proceeds from Issuance of Long-Term Debt         —         575           Debt Issuance Costs         —         (7           Principal Payments and Retirement of Long-Term Debt         (95)         (531           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stock         (26)         (51           Net Cash Used In Financing Activities         (201)         (438           Increase (Decrease) In Cash and Cash Equivalents         2         (47           Cash and Cash Equivalents:         Beginning of Period         252         299	Other		_	2
CASH FLOWS FROM FINANCING ACTIVITIES           Dividends         (272)         (272)           Borrowings on Line of Credit         1,921         1,783           Repayments on Line of Credit         (1,739)         (1,937)           Proceeds from Issuance of Long-Term Debt         —         575           Debt Issuance Costs         —         (7           Principal Payments and Retirement of Long-Term Debt         (95)         (531           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stock         (26)         (51           Net Cash Used In Financing Activities         (201)         (438           Increase (Decrease) In Cash and Cash Equivalents         2         (47           Cash and Cash Equivalents:         Beginning of Period         252         299	Net Cash Used In Investing Activities		(171)	(58)
Dividends         (272)         (272)           Borrowings on Line of Credit         1,921         1,783           Repayments on Line of Credit         (1,739)         (1,937)           Proceeds from Issuance of Long-Term Debt         —         575           Debt Issuance Costs         —         (7           Principal Payments and Retirement of Long-Term Debt         (95)         (531           Proceeds from Stock Option Exercises         10         2           Acquisition of Treasury Stock         (26)         (51           Net Cash Used In Financing Activities         (201)         (438           Increase (Decrease) In Cash and Cash Equivalents         2         (47           Cash and Cash Equivalents:         Beginning of Period         252         299				
Borrowings on Line of Credit Repayments on Line of Credit (1,739) Repayments on Line of Credit Proceeds from Issuance of Long-Term Debt Debt Issuance Costs Principal Payments and Retirement of Long-Term Debt Proceeds from Stock Option Exercises Acquisition of Treasury Stock Ret Cash Used In Financing Activities  Increase (Decrease) In Cash and Cash Equivalents Cash and Cash Equivalents: Beginning of Period  1,783 Repayments 1,783 Repayments 1,783 Repayments on Line of Credit (1,739) (1,937 C7 (1,937 C7 (7) (7) (7) (7) (7) (7) (7) (7) (7) (7	CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments on Line of Credit (1,739) (1,937 Proceeds from Issuance of Long-Term Debt — 575 Debt Issuance Costs — (7 Principal Payments and Retirement of Long-Term Debt (95) (531 Proceeds from Stock Option Exercises 10 2 Acquisition of Treasury Stock (26) (51 Net Cash Used In Financing Activities (201) (438) Increase (Decrease) In Cash and Cash Equivalents 2 (47 Cash and Cash Equivalents: Beginning of Period 252 299	Dividends		(272)	(272)
Repayments on Line of Credit (1,739) (1,937 Proceeds from Issuance of Long-Term Debt — 575 Debt Issuance Costs — (7 Principal Payments and Retirement of Long-Term Debt (95) (531 Proceeds from Stock Option Exercises 10 2 Acquisition of Treasury Stock (26) (51 Net Cash Used In Financing Activities (201) (438  Increase (Decrease) In Cash and Cash Equivalents 2 (47 Cash and Cash Equivalents: Beginning of Period 252 299	Borrowings on Line of Credit		1,921	1,783
Proceeds from Issuance of Long-Term Debt — 575 Debt Issuance Costs — (7 Principal Payments and Retirement of Long-Term Debt (95) (531 Proceeds from Stock Option Exercises 10 2 Acquisition of Treasury Stock (26) (51 Net Cash Used In Financing Activities (201) (438  Increase (Decrease) In Cash and Cash Equivalents 2 (47 Cash and Cash Equivalents: Beginning of Period 252 299			(1,739)	(1,937)
Debt Issuance Costs — (7 Principal Payments and Retirement of Long-Term Debt (95) (531 Proceeds from Stock Option Exercises 10 2 Acquisition of Treasury Stock (26) (51 Net Cash Used In Financing Activities (201) (438  Increase (Decrease) In Cash and Cash Equivalents 2 (47 Cash and Cash Equivalents: Beginning of Period 252 299				575
Principal Payments and Retirement of Long-Term Debt Proceeds from Stock Option Exercises 10 2 Acquisition of Treasury Stock Ret Cash Used In Financing Activities (26) (51 Net Cash Used In Financing Activities  Increase (Decrease) In Cash and Cash Equivalents Cash and Cash Equivalents: Beginning of Period 252 299	<u> </u>		_	(7)
Proceeds from Stock Option Exercises Acquisition of Treasury Stock (26) (51 Net Cash Used In Financing Activities (201) (438  Increase (Decrease) In Cash and Cash Equivalents Cash and Cash Equivalents: Beginning of Period 2 (47) 2 (29)	Principal Payments and Retirement of Long-Term Debt		(95)	(531)
Acquisition of Treasury Stock  Net Cash Used In Financing Activities  Increase (Decrease) In Cash and Cash Equivalents  Cash and Cash Equivalents:  Beginning of Period  252 299				2
Net Cash Used In Financing Activities (201) (438)  Increase (Decrease) In Cash and Cash Equivalents 2 (47)  Cash and Cash Equivalents:  Beginning of Period 252 299			(26)	(51)
Increase (Decrease) In Cash and Cash Equivalents Cash and Cash Equivalents: Beginning of Period  2 (47) 252 299	1			(438)
Cash and Cash Equivalents: Beginning of Period  252 299			,	
Cash and Cash Equivalents:  Beginning of Period  252 299	Increase (Decrease) In Cash and Cash Equivalents		2	(47)
Beginning of Period 252 299				
			252	299
End of Period <b>\$ 254 \$</b> 252				
	End of Period	\$	254	\$ 252

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

	Qu	arter Ended	l Dece	ember 31,
(In Millions)		2011		2010
CASH FLOWS FROM OPERATING ACTIVITIES				
Net Income	\$	61	\$	59
Adjustments to Reconcile Net Income to Net Cash Provided By Operating Activities:				
Depreciation, Depletion and Amortization		26		24
Basis of Real Estate Sold		20		75
Equity Earnings from Timberland Venture		(12)		(13)
Distributions from Timberland Venture				1
Deferred Income Taxes		(2)		
Loss on Extinguishment of Debt		_		13
Deferred Revenue from Long-Term Gas Leases (Net of Amortization)		(3)		(2
Timber Deed Acquired		(5)		<u> </u>
Working Capital Changes		(8)		(16
Other		3		(4
Net Cash Provided By Operating Activities		80		137
CASH FLOWS FROM INVESTING ACTIVITIES				
Capital Expenditures (Excluding Timberland Acquisitions)		(27)		(20
Timberlands and Minerals Acquired		(13)		
Purchases of Marketable Securities		`—		(2
Other				1
Net Cash Used In Investing Activities		(40)		(21
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends		(67)		(67
Borrowings on Line of Credit		824		278
Repayments on Line of Credit		(778)		(432
Proceeds from Issuance of Long-Term Debt		(770)		575
Debt Issuance Costs				(7
Principal Payments and Retirement of Long-Term Debt		(46)		(478
Proceeds from Stock Option Exercises		1		(170
Acquisition of Treasury Stock		(10)		
Other		(1)		
Net Cash Used In Financing Activities		(77)		(131
Increase (Decrease) In Cash and Cash Equivalents		(37)		(15
Cash and Cash Equivalents:				
Beginning of Period		291		267
End of Period	\$	254	\$	252
End of 1 chod	Þ	234	Φ	232

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

	•	Year Ended Dece	mber 31,
(In Millions)		2011	2010
Revenues:			
Northern Resources	\$	233 \$	210
Southern Resources		359	377
Real Estate		301	336
Manufacturing		273	265
Other		21	20
Eliminations		(20)	(18)
Total Revenues	\$	1,167 \$	1,190
Operating Income (Loss):			
Northern Resources	\$	24 \$	13
Southern Resources		74	107
Real Estate		195	180
Manufacturing		15	24
Other (A)		21	23
Other Costs and Eliminations, net		(54)	(50)
Total Operating Income	<u>\$</u>	275 \$	297

(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 E	Quarter Ended December 31,					
(In Millions)	2011		2010				
Revenues:							
Northern Resources	\$	56 \$	48				
Southern Resources		93	97				
Real Estate		93	155				
Manufacturing		65	57				
Other		6	4				
Eliminations		(8)	(5)				
Total Revenues	\$ 3	15 \$	356				
Operating Income (Loss):							
Northern Resources	\$	7 \$	1				
Southern Resources		19	28				
Real Estate		51	73				
Manufacturing		3	3				
Other		5	3				
Other Costs and Eliminations, net		12)	(13)				
Total Operating Income	\$	<del>33</del> \$	95				

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

							2011				
		19	st Qtr	2	2nd Qtr	:	3rd Qtr		4th Qtr		YTD
Sales Realization	Units										
Southern Resources											
Sawlog	\$/Ton Stumpage	\$	20	\$	19	\$	20	\$	20	\$	19
Pulpwood	\$/Ton Stumpage	\$	10	\$	9	\$	9	\$	9	\$	9
Northern Resources											
Sawlog	\$/Ton Delivered	\$	69	\$	72	\$	71	\$	67	\$	69
Pulpwood	\$/Ton Delivered	\$	40	\$	40	\$	42	\$	41	\$	41
Lumber (1)	\$/MBF	\$	533	\$	529	\$	493	\$	515	\$	518
Plywood (1)	\$/MSF	\$	371	\$	382	\$	382	\$	379	\$	379
Fiberboard <sup>(1)</sup>	\$/MSF	\$	608	\$	608	\$	607	\$	611	\$	608
Sales Volume											
Southern Resources											
Sawlog	1,000 Tons		1,286		1,126		1,289		1,268		4,969
Pulpwood	1,000 Tons		1,494		1,592		1,833		1,903		6,822
Total Harvest	1,000 10113		2,780	_	2,718	_	3,122	_	3,171	_	11,791
Northern Resources			2,700		2,710		3,122		3,171		11,771
Sawlog	1,000 Tons		506		471		661		681		2,319
Pulpwood	1,000 Tons		478		244		500		458		1,680
Total Harvest	1,000 10115		984		715		1,161		1,139		3,999
Lumber	MBF		29,250		29,654		29,979		27,042		115,925
Plywood	MSF		44,156		44,842		41,632		41,803		172,433
Fiberboard	MSF		40,690		43,070		38,485		37,899		160,144
							2010				
		15	st Qtr	2	2nd Qtr	-	2010 3rd Qtr		4th Qtr		YTD
Sales Realization	Units	19	st Qtr		2nd Qtr				4th Qtr		YTD
Sales Realization Southern Resources	Units	19	st Qtr	2	and Qtr				4th Qtr		YTD
	Units  \$/Ton Stumpage	\$	st Qtr	\$	2nd Qtr	\$		\$	4th Qtr	\$	YTD 23
Southern Resources							3rd Qtr			\$ \$	
Southern Resources Sawlog	\$/Ton Stumpage	\$	23	\$	23	\$	3rd Qtr	\$	22		23
Southern Resources Sawlog Pulpwood	\$/Ton Stumpage	\$	23	\$	23	\$	3rd Qtr	\$	22		23
Southern Resources Sawlog Pulpwood Northern Resources	\$/Ton Stumpage \$/Ton Stumpage	\$ \$	23 13	\$ \$	23	\$	23 11	\$ \$	22 10	\$	23 12 63
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood	\$/Ton Stumpage \$/Ton Stumpage \$/Ton Delivered \$/Ton Delivered	\$ \$ \$ \$	23 13 59 38	\$ \$ \$	23 12 66 38	\$ \$ \$	23 11 66 39	\$ \$ \$ \$	22 10 62 39	\$ \$ \$	23 12 63 39
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber (1)	\$/Ton Stumpage \$/Ton Stumpage \$/Ton Delivered \$/Ton Delivered \$/MBF	\$ \$ \$ \$	23 13 59 38 501	\$ \$ \$ \$	23 12 66 38 522	\$ \$ \$ \$	23 11 66 39 490	\$ \$ \$ \$	22 10 62 39 514	\$ \$ \$ \$	23 12 63 39 507
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber (1) Plywood (1)	\$/Ton Stumpage \$/Ton Stumpage \$/Ton Delivered \$/Ton Delivered \$/MBF \$/MSF	\$ \$ \$ \$ \$	23 13 59 38 501 352	\$ \$ \$ \$ \$	23 12 66 38 522 397	\$ \$ \$ \$ \$	23 11 66 39 490 388	\$ \$ \$ \$ \$	22 10 62 39 514 374	\$ \$ \$ \$ \$	23 12 63 39 507 378
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber <sup>(1)</sup> Plywood <sup>(1)</sup> Fiberboard <sup>(1)</sup>	\$/Ton Stumpage \$/Ton Stumpage \$/Ton Delivered \$/Ton Delivered \$/MBF	\$ \$ \$ \$	23 13 59 38 501	\$ \$ \$ \$	23 12 66 38 522	\$ \$ \$ \$ \$	23 11 66 39 490	\$ \$ \$ \$	22 10 62 39 514	\$ \$ \$ \$	23 12 63 39 507 378
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber (1) Plywood (1) Fiberboard (1) Sales Volume	\$/Ton Stumpage \$/Ton Stumpage \$/Ton Delivered \$/Ton Delivered \$/MBF \$/MSF	\$ \$ \$ \$ \$	23 13 59 38 501 352	\$ \$ \$ \$ \$	23 12 66 38 522 397	\$ \$ \$ \$ \$	23 11 66 39 490 388	\$ \$ \$ \$ \$	22 10 62 39 514 374	\$ \$ \$ \$ \$	23 12 63 39 507 378
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber (1) Plywood (1) Fiberboard (1) Sales Volume Southern Resources	\$/Ton Stumpage \$/Ton Stumpage \$/Ton Delivered \$/Ton Delivered \$/MBF \$/MSF \$/MSF	\$ \$ \$ \$ \$	23 13 59 38 501 352 588	\$ \$ \$ \$ \$	23 12 66 38 522 397 607	\$ \$ \$ \$ \$	23 11 66 39 490 388 629	\$ \$ \$ \$ \$	22 10 62 39 514 374 598	\$ \$ \$ \$ \$	23 12 63 39 507 378 606
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber (1) Plywood (1) Fiberboard (1) Sales Volume Southern Resources Sawlog	\$/Ton Stumpage \$/Ton Stumpage \$/Ton Delivered \$/Ton Delivered \$/MBF \$/MSF \$/MSF	\$ \$ \$ \$ \$	23 13 59 38 501 352 588	\$ \$ \$ \$ \$	23 12 66 38 522 397 607	\$ \$ \$ \$ \$	23 11 66 39 490 388 629	\$ \$ \$ \$ \$	22 10 62 39 514 374 598	\$ \$ \$ \$ \$	23 12 63 39 507 378 606
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber (1) Plywood (1) Fiberboard (1) Sales Volume Southern Resources Sawlog Pulpwood	\$/Ton Stumpage \$/Ton Stumpage \$/Ton Delivered \$/Ton Delivered \$/MBF \$/MSF \$/MSF	\$ \$ \$ \$ \$	23 13 59 38 501 352 588	\$ \$ \$ \$ \$	23 12 66 38 522 397 607	\$ \$ \$ \$ \$	23 11 66 39 490 388 629	\$ \$ \$ \$ \$	22 10 62 39 514 374 598	\$ \$ \$ \$ \$	23 12 63 39 507 378 606
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber (1) Plywood (1) Fiberboard (1) Sales Volume Southern Resources Sawlog Pulpwood Total Harvest	\$/Ton Stumpage \$/Ton Stumpage \$/Ton Delivered \$/Ton Delivered \$/MBF \$/MSF \$/MSF	\$ \$ \$ \$ \$	23 13 59 38 501 352 588	\$ \$ \$ \$ \$	23 12 66 38 522 397 607	\$ \$ \$ \$ \$	23 11 66 39 490 388 629	\$ \$ \$ \$ \$	22 10 62 39 514 374 598	\$ \$ \$ \$ \$	23 12 63 39 507 378 606
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber (1) Plywood (1) Fiberboard (1) Sales Volume Southern Resources Sawlog Pulpwood Total Harvest Northern Resources	\$/Ton Stumpage \$/Ton Stumpage \$/Ton Delivered \$/Ton Delivered \$/MBF \$/MSF \$/MSF	\$ \$ \$ \$ \$	23 13 59 38 501 352 588 1,274 1,526 2,800	\$ \$ \$ \$ \$	23 12 66 38 522 397 607	\$ \$ \$ \$ \$	23 11 66 39 490 388 629 1,209 1,674 2,883	\$ \$ \$ \$ \$	22 10 62 39 514 374 598 1,416 1,798 3,214	\$ \$ \$ \$ \$	23 12 63 39 507 378 606 5,021 6,446 11,467
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber (1) Plywood (1) Fiberboard (1) Sales Volume Southern Resources Sawlog Pulpwood Total Harvest Northern Resources Sawlog	\$/Ton Stumpage \$/Ton Stumpage \$/Ton Delivered \$/Ton Delivered \$/MBF \$/MSF \$/MSF 1,000 Tons 1,000 Tons	\$ \$ \$ \$ \$	23 13 59 38 501 352 588 1,274 1,526 2,800	\$ \$ \$ \$ \$	23 12 66 38 522 397 607 1,122 1,448 2,570	\$ \$ \$ \$ \$	23 11 66 39 490 388 629 1,209 1,674 2,883	\$ \$ \$ \$ \$	22 10 62 39 514 374 598 1,416 1,798 3,214	\$ \$ \$ \$ \$	23 12 63 39 507 378 606 5,021 6,446 11,467
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber (1) Plywood (1) Fiberboard (1) Sales Volume Southern Resources Sawlog Pulpwood Total Harvest Northern Resources Sawlog Pulpwood	\$/Ton Stumpage \$/Ton Stumpage \$/Ton Delivered \$/Ton Delivered \$/MBF \$/MSF \$/MSF	\$ \$ \$ \$ \$	23 13 59 38 501 352 588 1,274 1,526 2,800 627 527	\$ \$ \$ \$ \$	23 12 66 38 522 397 607 1,122 1,448 2,570 484 348	\$ \$ \$ \$ \$	23 11 66 39 490 388 629 1,209 1,674 2,883 537 517	\$ \$ \$ \$ \$	22 10 62 39 514 374 598 1,416 1,798 3,214 486 431	\$ \$ \$ \$ \$	23 12 63 39 507 378 606 5,021 6,446 11,467 2,134 1,823
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber (1) Plywood (1) Fiberboard (1) Sales Volume Southern Resources Sawlog Pulpwood Total Harvest Northern Resources Sawlog	\$/Ton Stumpage \$/Ton Stumpage  \$/Ton Delivered \$/Ton Delivered  \$/MBF \$/MSF  \$/MSF  1,000 Tons  1,000 Tons  1,000 Tons  1,000 Tons	\$ \$ \$ \$ \$	23 13 59 38 501 352 588 1,274 1,526 2,800 627 527 1,154	\$ \$ \$ \$ \$	23 12 66 38 522 397 607 1,122 1,448 2,570 484 348 832	\$ \$ \$ \$ \$	23 11 66 39 490 388 629 1,209 1,674 2,883 537 517 1,054	\$ \$ \$ \$ \$	22 10 62 39 514 374 598 1,416 1,798 3,214 486 431 917	\$ \$ \$ \$ \$	23 12 63 39 507 378 606 5,021 6,446 11,467 2,134 1,823 3,957
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber (1) Plywood (1) Fiberboard (1) Sales Volume Southern Resources Sawlog Pulpwood Total Harvest Northern Resources Sawlog Pulpwood Total Harvest Lumber	\$/Ton Stumpage \$/Ton Stumpage \$/Ton Delivered \$/Ton Delivered \$/MBF \$/MSF \$/MSF 1,000 Tons 1,000 Tons	\$ \$ \$ \$ \$	23 13 59 38 501 352 588 1,274 1,526 2,800 627 527	\$ \$ \$ \$ \$	23 12 66 38 522 397 607 1,122 1,448 2,570 484 348	\$ \$ \$ \$ \$	23 11 66 39 490 388 629 1,209 1,674 2,883 537 517	\$ \$ \$ \$ \$	22 10 62 39 514 374 598 1,416 1,798 3,214 486 431	\$ \$ \$ \$ \$	23 12 63 39 507 378 606 5,021 6,446 11,467 2,134 1,823
Southern Resources Sawlog Pulpwood Northern Resources Sawlog Pulpwood Lumber (1) Plywood (1) Fiberboard (1) Sales Volume Southern Resources Sawlog Pulpwood Total Harvest Northern Resources Sawlog Pulpwood Total Harvest Northern Resources Sawlog Pulpwood Total Harvest	\$/Ton Stumpage \$/Ton Stumpage  \$/Ton Delivered \$/Ton Delivered  \$/MBF \$/MSF  \$/MSF  1,000 Tons  1,000 Tons  1,000 Tons  1,000 Tons	\$ \$ \$ \$ \$	23 13 59 38 501 352 588 1,274 1,526 2,800 627 527 1,154	\$ \$ \$ \$ \$	23 12 66 38 522 397 607 1,122 1,448 2,570 484 348 832	\$ \$ \$ \$ \$	23 11 66 39 490 388 629 1,209 1,674 2,883 537 517 1,054	\$ \$ \$ \$ \$	22 10 62 39 514 374 598 1,416 1,798 3,214 486 431 917	\$ \$ \$ \$ \$	23 12 63 39 507 378 606 5,021 6,446 11,467 2,134 1,823 3,957

<sup>(1)</sup> Represents prices at mill level.

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

						2011				
	1s	st Qtr (1)	21	ıd Qtr <sup>(2)</sup>	:	3rd Qtr	4	th Qtr (1)		YTD
Acres Sold										
Small Non-strategic		2,560		2,695		11,525		5,385		22,165
Large Non-strategic		30,295		_		_		18,155		48,450
Conservation		335		59,425		370		7,295		67,425
HBU/Recreation		7,795		6,320		24,500		8,680		47,295
Development Properties		_		_		20		_		20
Conservation Easements		n/a		n/a		n/a		n/a		n/a
		40,985		68,440		36,415		39,515		185,355
Price per Acre										
Small Non-strategic	\$	1,015	\$	1,125	\$	1,230	\$	1,345	\$	1,220
Large Non-strategic	\$	1,405	\$	_	\$	_	\$	3,300	\$	2,115
Conservation	\$	1,685	\$	1,050	\$	1,270	\$	980	\$	1,050
HBU/Recreation	\$	2,100	\$	2,060	\$	1,950	\$	2,100	\$	2,015
Development Properties	\$	_	\$	_	\$	6,405	\$	_	\$	6,405
Conservation Easements	\$	_	\$	_	\$	460	\$	_	\$	460
Revenue, (\$ millions)										
Small Non-strategic	\$	2	\$	4	\$	14	\$	7	\$	27
Large Non-strategic	\$	43	\$	_	\$	<u> </u>	\$	60	\$	103
Conservation	\$	1	\$	62	\$	_	\$	7	\$	70
HBU/Recreation	\$	16	\$	13	\$	48	\$	19	\$	96
Development Properties	\$	_	\$	_	\$	_	\$	_	\$	_
Conservation Easements	\$	_	\$	_	\$	5	\$	_	\$	5
	\$	62	\$	79	\$	67	\$	93	\$	301
Basis of Real Estate Sold (5)	\$	19	\$	24	\$	14	\$	19	\$	76
Dasis of Real Estate Sold	Ψ	1)	Ψ	24	Ψ		Ψ	17	Ψ	70
	15	at Otr (3)		2nd Otr	- 3	2010 3rd Otr	4	th Otr (4)		YTD
Acres Sold		st Qtr (3)		2nd Qtr		3rd Qtr	4	th Qtr (4)		YTD
Acres Sold Small Non-strategic	18					3rd Qtr	4			
Small Non-strategic	18	29,640		1,950		3rd Qtr 10,270	4	21,375		63,235
Small Non-strategic Large Non-strategic	18	29,640 24,310		1,950		10,270	4	21,375		63,235 24,310
Small Non-strategic Large Non-strategic Conservation	15	29,640 24,310 35,120		1,950 — 215		10,270 — 2,870	4	21,375 — 77,900		63,235 24,310 116,105
Small Non-strategic Large Non-strategic Conservation HBU/Recreation	1s	29,640 24,310 35,120 9,080		1,950 — 215 18,175		10,270	4	21,375 — 77,900 16,140		63,235 24,310 116,105 53,265
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties	15	29,640 24,310 35,120 9,080 730		1,950 — 215 18,175 60		10,270 — 2,870 9,870	4	21,375 — 77,900 16,140 55		63,235 24,310 116,105 53,265 845
Small Non-strategic Large Non-strategic Conservation HBU/Recreation	18	29,640 24,310 35,120 9,080		1,950 — 215 18,175		10,270 — 2,870	4	21,375 — 77,900 16,140		63,235 24,310 116,105 53,265 845 n/s
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties	18	29,640 24,310 35,120 9,080 730 n/a		1,950 — 215 18,175 60 n/a		10,270 — 2,870 9,870 — n/a	4	21,375 — 77,900 16,140 55 n/a		63,235 24,310 116,105 53,265 845 n/s
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements		29,640 24,310 35,120 9,080 730 n/a	\$	1,950 — 215 18,175 60 n/a	\$	10,270 — 2,870 9,870 — n/a	\$	21,375 — 77,900 16,140 55 n/a	\$	63,235 24,310 116,105 53,265 845 n/s 257,760
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements  Price per Acre	_	29,640 24,310 35,120 9,080 730 n/a 98,880		1,950 ————————————————————————————————————	\$	10,270 — 2,870 9,870 — n/a 23,010		21,375 — 77,900 16,140 55 n/a 115,470	\$ \$	63,235 24,310 116,105 53,265 845 n/s 257,760
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements  Price per Acre Small Non-strategic	\$	29,640 24,310 35,120 9,080 730 n/a 98,880	\$	1,950 — 215 18,175 60 n/a 20,400 1,120	\$	10,270	\$	21,375 — 77,900 16,140 55 n/a 115,470 1,045		63,233 24,310 116,103 53,265 843 n/3 257,760
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements  Price per Acre Small Non-strategic Large Non-strategic	\$ \$ \$	29,640 24,310 35,120 9,080 730 n/a 98,880 885 1,320	\$ \$	1,950 — 215 18,175 60 n/a 20,400 1,120	\$ \$	10,270	\$ \$ \$ \$	21,375 — 77,900 16,140 55 n/a 115,470 1,045 —	\$	63,23: 24,310 116,10: 53,26: 84: n/: 257,760 970 1,320 1,050
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements  Price per Acre Small Non-strategic Large Non-strategic Conservation	\$ \$ \$ \$	29,640 24,310 35,120 9,080 730 n/a 98,880 885 1,320 545	\$ \$ \$ \$	1,950 — 215 18,175 60 n/a 20,400 1,120 — 1,450	\$ \$ \$	10,270	\$ \$ \$ \$	21,375 — 77,900 16,140 55 n/a 115,470 1,045 — 1,245	\$ \$	63,235 24,310 116,105 53,265 845 n/a 257,760 970 1,320 1,050 2,140
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements  Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation	\$ \$ \$ \$ \$	29,640 24,310 35,120 9,080 730 n/a 98,880 885 1,320 545 2,125	\$ \$ \$ \$	1,950 ————————————————————————————————————	\$ \$ \$ \$	10,270  2,870  9,870  n/a  23,010  1,025  1,865 2,335	\$ \$ \$ \$ \$	21,375 — 77,900 16,140 55 n/a 115,470 1,045 — 1,245 1,950	\$ \$ \$	63,23: 24,310 116,10: 53,26: 84: n/s 257,760 970 1,320 1,050 2,140 3,41:
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements  Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements	\$ \$ \$ \$ \$	29,640 24,310 35,120 9,080 730 n/a 98,880 885 1,320 545 2,125 3,050	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1,950 ————————————————————————————————————	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$	10,270  2,870  9,870  n/a  23,010  1,025  1,865  2,335	\$ \$ \$ \$ \$	21,375 — 77,900 16,140 55 n/a 115,470  1,045 — 1,245 1,950 5,535	\$ \$ \$ \$	63,23: 24,310 116,10: 53,26: 84: n/s 257,760 970 1,320 1,050 2,140 3,41:
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements  Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements  Revenue, (\$ millions)	\$ \$ \$ \$ \$ \$	29,640 24,310 35,120 9,080 730 n/a 98,880 885 1,320 545 2,125 3,050	\$ \$ \$ \$ \$ \$ \$	1,950 ————————————————————————————————————	\$ \$ \$ \$ \$ \$	10,270	\$ \$ \$ \$ \$ \$	21,375 — 77,900 16,140 55 n/a 115,470  1,045 — 1,245 1,950 5,535 455	\$ \$ \$ \$	63,23: 24,310 116,10: 53,26: 84: n/: 257,760 970 1,320 1,050 2,140 3,41: 45:
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements  Price per Acre Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties Conservation Easements  Revenue, (\$ millions) Small Non-strategic	\$ \$ \$ \$ \$ \$	29,640 24,310 35,120 9,080 730 n/a 98,880 885 1,320 545 2,125 3,050	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1,950 ————————————————————————————————————	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	10,270	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	21,375 — 77,900 16,140 55 n/a 115,470  1,045 — 1,245 1,950 5,535 455	\$ \$ \$ \$ \$	63,235 24,310 116,105 53,265 845 n/a 257,760 970 1,320 1,050 2,140 3,415 455
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties 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 Large Non-strategic	\$ \$ \$ \$ \$ \$ \$	29,640 24,310 35,120 9,080 730 n/a 98,880 885 1,320 545 2,125 3,050 —	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1,950 ————————————————————————————————————	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	10,270	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	21,375 — 77,900 16,140 55 n/a 115,470  1,045 — 1,245 1,950 5,535 455	\$ \$ \$ \$ \$	63,235 24,310 116,105 53,265 845 n/a 257,760 970 1,320 1,050 2,140 3,415 455
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties 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 Conservation	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	29,640 24,310 35,120 9,080 730 n/a 98,880 885 1,320 545 2,125 3,050 —	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1,950 ————————————————————————————————————	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	10,270	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	21,375 — 77,900 16,140 55 n/a 115,470  1,045 — 1,245 1,950 5,535 455  22 — 98	\$ \$ \$ \$ \$ \$	63,235 24,310 116,105 53,265 845 1/2 257,760 970 1,320 1,050 2,140 3,415 455
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties 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 Conservation HBU/Recreation HBU/Recreation	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	29,640 24,310 35,120 9,080 730 n/a 98,880  885 1,320 545 2,125 3,050 — 26 32 19	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1,950 ————————————————————————————————————	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	10,270	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	21,375 — 77,900 16,140 55 n/a 115,470  1,045 — 1,245 1,950 5,535 455  22 — 98 31	\$ \$ \$ \$ \$ \$	63,23: 24,310 116,10: 53,26: 84: n/s 257,760  970 1,320 1,050 2,140 3,41: 45: 6 32: 112:
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties 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 Conservation HBU/Recreation Development Properties Conservation HBU/Recreation Development Properties	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	29,640 24,310 35,120 9,080 730 n/a 98,880 885 1,320 545 2,125 3,050 —	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1,950 ————————————————————————————————————	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	10,270	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	21,375	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	63,235 24,310 116,105 53,265 845 n/s 257,760 970 1,320 1,050 2,140 3,415 455
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties 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 Conservation HBU/Recreation HBU/Recreation	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	29,640 24,310 35,120 9,080 730 n/a 98,880  885 1,320 545 2,125 3,050 — 26 32 19	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1,950 ————————————————————————————————————	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	10,270	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	21,375 — 77,900 16,140 55 n/a 115,470  1,045 — 1,245 1,950 5,535 455  22 — 98 31	\$ \$ \$ \$ \$ \$	63,235 24,310 116,105 53,265 845 n/s 257,760 970 1,320 1,050 2,140 3,415 455
Small Non-strategic Large Non-strategic Conservation HBU/Recreation Development Properties 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 Conservation HBU/Recreation Development Properties Conservation HBU/Recreation Development Properties	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	29,640 24,310 35,120 9,080 730 n/a 98,880  885 1,320 545 2,125 3,050 — 26 32 19 19 3 —	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1,950 — 215 18,175 60 n/a 20,400  1,120 — 1,450 2,210 5,985 — 2 — 41 — — —	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	10,270	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	21,375	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	63,235

#### 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. During the fourth quarter of 2011, the company sold 18,200 acres of Large Non-strategic lands located in Oregon for \$60.0 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 December 31, 2011 (Unaudited)

		owings	
	Pri	ncipal	Weighted Avg. Interest Rate
Quarterly Maturities through 2012:			
3rd Qtr 2012	\$	350	% <sup>(1)</sup>
4th Qtr 2012	\$	3	8.050%
Annual Maturities through 2014:			
2013	\$	250	6.663% (2)
2014	\$	3	8.050%

- (1) Represents the company's term credit agreement. As of December 31, 2011, the interest rate is based on LIBOR plus 0.375%.
- (2) 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.

### Plum Creek Timber Company, Inc. Acreage Ownership by State December 31, 2011 (Unaudited)

Alabama	113,000
Arkansas	724,000
Florida	520,000
Georgia	772,000
Louisiana	418,000
Maine	883,000
Michigan	582,000
Mississippi	602,000
Montana	899,000
New Hampshire	30,000
North Carolina	4,000
Oklahoma	6,000
Oregon	402,000
South Carolina	175,000
Texas	34,000
Vermont	86,000
Washington	90,000
West Virginia	111,000
Wisconsin	188,000
Total	6,639,000