

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

| (In Millions, Except Per Share Amounts) | Nine Months Ended September 30, | |
|--|---------------------------------|---------|
| | 2013 | 2012 |
| REVENUES: | | |
| Timber | \$ 487 | \$ 480 |
| Real Estate | 227 | 243 |
| Manufacturing | 279 | 246 |
| Other | 16 | 16 |
| Total Revenues | 1,009 | 985 |
| COSTS AND EXPENSES: | | |
| Cost of Goods Sold: | | |
| Timber | 364 | 374 |
| Real Estate | 83 | 124 |
| Manufacturing | 237 | 217 |
| Other | 3 | 1 |
| Total Cost of Goods Sold | 687 | 716 |
| Selling, General and Administrative | 89 | 86 |
| Total Costs and Expenses | 776 | 802 |
| Other Operating Income (Expense), net | (2) | 1 |
| Operating Income | 231 | 184 |
| Equity Earnings from Timberland Venture | 47 | 42 |
| Interest Expense, net: | | |
| Interest Expense (Debt Obligations to Unrelated Parties) | 61 | 61 |
| Interest Expense (Note Payable to Timberland Venture) | 43 | 43 |
| Total Interest Expense, net | 104 | 104 |
| Income before Income Taxes | 174 | 122 |
| Provision (Benefit) for Income Taxes | — | (2) |
| Net Income | \$ 174 | \$ 124 |
| PER SHARE AMOUNTS: | | |
| Net Income per Share – Basic | \$ 1.06 | \$ 0.77 |
| Net Income per Share – Diluted | \$ 1.06 | \$ 0.76 |
| Weighted-Average Number of Shares Outstanding | | |
| – Basic | 162.7 | 161.5 |
| – Diluted | 163.2 | 161.8 |

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

| (In Millions, Except Per Share Amounts) | Quarter Ended September 30, | |
|--|-----------------------------|---------|
| | 2013 | 2012 |
| REVENUES: | | |
| Timber | \$ 171 | \$ 168 |
| Real Estate | 96 | 96 |
| Manufacturing | 94 | 85 |
| Other | 5 | 5 |
| Total Revenues | 366 | 354 |
| COSTS AND EXPENSES: | | |
| Cost of Goods Sold: | | |
| Timber | 132 | 130 |
| Real Estate | 31 | 40 |
| Manufacturing | 80 | 74 |
| Other | 1 | — |
| Total Cost of Goods Sold | 244 | 244 |
| Selling, General and Administrative | 28 | 31 |
| Total Costs and Expenses | 272 | 275 |
| Other Operating Income (Expense), net | (3) | — |
| Operating Income | 91 | 79 |
| Equity Earnings from Timberland Venture | 16 | 14 |
| Interest Expense, net: | | |
| Interest Expense (Debt Obligations to Unrelated Parties) | 20 | 21 |
| Interest Expense (Note Payable to Timberland Venture) | 14 | 14 |
| Total Interest Expense, net | 34 | 35 |
| Income before Income Taxes | 73 | 58 |
| Provision (Benefit) for Income Taxes | 1 | (1) |
| Net Income | \$ 72 | \$ 59 |
| PER SHARE AMOUNTS: | | |
| Net Income per Share – Basic | \$ 0.44 | \$ 0.36 |
| Net Income per Share – Diluted | \$ 0.44 | \$ 0.36 |
| Weighted-Average Number of Shares Outstanding | | |
| – Basic | 163.0 | 161.5 |
| – Diluted | 163.4 | 161.9 |

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

| (In Millions, Except Per Share Amounts) | September 30, 2013 | December 31, 2012 |
|---|-----------------------|----------------------|
| ASSETS | | |
| Current Assets: | | |
| Cash and Cash Equivalents | \$ 439 | \$ 356 |
| Accounts Receivable | 35 | 22 |
| Inventories | 53 | 49 |
| Deferred Tax Asset | 8 | 7 |
| Assets Held for Sale | 38 | 61 |
| Other Current Assets | 17 | 13 |
| | <u>590</u> | <u>508</u> |
| Timber and Timberlands, net | 3,395 | 3,363 |
| Mineral Rights, net | 242 | 87 |
| Property, Plant and Equipment, net | 118 | 127 |
| Equity Investment in Timberland Venture | 195 | 204 |
| Deferred Tax Asset | 19 | 19 |
| Investment in Grantor Trusts (at Fair Value) | 42 | 39 |
| Other Assets | 30 | 37 |
| Total Assets | <u>\$ 4,631</u> | <u>\$ 4,384</u> |
| LIABILITIES | | |
| Current Liabilities: | | |
| Current Portion of Long-Term Debt | \$ 74 | \$ 248 |
| Line of Credit | 507 | 104 |
| Accounts Payable | 30 | 26 |
| Interest Payable | 21 | 26 |
| Wages Payable | 22 | 29 |
| Taxes Payable | 16 | 9 |
| Deferred Revenue | 29 | 23 |
| Other Current Liabilities | 10 | 7 |
| | <u>709</u> | <u>472</u> |
| Long-Term Debt | 1,815 | 1,815 |
| Note Payable to Timberland Venture | 783 | 783 |
| Other Liabilities | 94 | 91 |
| Total Liabilities | <u>3,401</u> | <u>3,161</u> |
| 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) – 163.0 at September 30, 2013 and 162.0 at December 31, 2012 | 2 | 2 |
| Additional Paid-In Capital | 2,330 | 2,288 |
| Retained Earnings (Accumulated Deficit) | (135) | (97) |
| Treasury Stock, at Cost, Common Shares – 27.0 at September 30, 2013 and 26.9 at December 31, 2012 | (940) | (938) |
| Accumulated Other Comprehensive Income (Loss) | (27) | (32) |
| Total Stockholders' Equity | <u>1,230</u> | <u>1,223</u> |
| Total Liabilities and Stockholders' Equity | <u>\$ 4,631</u> | <u>\$ 4,384</u> |

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

| (In Millions) | Nine Months Ended September 30, | |
|--|---------------------------------|---------|
| | 2013 | 2012 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net Income | \$ 174 | \$ 124 |
| Adjustments to Reconcile Net Income to Net Cash Provided By Operating Activities: | | |
| Depreciation, Depletion and Amortization (Includes \$4 Loss Related to Forest Fires in 2013) | 86 | 87 |
| Basis of Real Estate Sold | 69 | 111 |
| Equity Earnings from Timberland Venture | (47) | (42) |
| Distributions from Timberland Venture | 56 | 56 |
| Deferred Income Taxes | (1) | (1) |
| Deferred Revenue from Long-Term Gas Leases (Net of Amortization) | (6) | (6) |
| Timber Deed Acquired | (18) | (98) |
| Pension Plan Contributions | — | (10) |
| Working Capital Changes | (12) | 5 |
| Other | 19 | 11 |
| Net Cash Provided By (Used In) Operating Activities | 320 | 237 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Capital Expenditures (Excluding Timberland Acquisitions) | (51) | (52) |
| Timberlands Acquired | (80) | (18) |
| Mineral Rights Acquired | (156) | — |
| Other | — | (1) |
| Net Cash Provided By (Used In) Investing Activities | (287) | (71) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividends | (212) | (204) |
| Borrowings on Line of Credit | 1,251 | 1,712 |
| Repayments on Line of Credit | (848) | (1,709) |
| Proceeds from Issuance of Long-Term Debt | — | 450 |
| Debt Issuance Costs | — | (3) |
| Principal Payments and Retirement of Long-Term Debt | (174) | (350) |
| Proceeds from Stock Option Exercises | 35 | 5 |
| Acquisition of Treasury Stock | (2) | (1) |
| Net Cash Provided By (Used In) Financing Activities | 50 | (100) |
| Increase (Decrease) In Cash and Cash Equivalents | 83 | 66 |
| Cash and Cash Equivalents: | | |
| Beginning of Period | 356 | 254 |
| End of Period | \$ 439 | \$ 320 |

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

| (In Millions) | Quarter Ended September 30, | |
|--|-----------------------------|---------------|
| | 2013 | 2012 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net Income | \$ 72 | \$ 59 |
| Adjustments to Reconcile Net Income to Net Cash Provided By Operating Activities: | | |
| Depreciation, Depletion and Amortization (Includes \$4 Loss Related to Forest Fires in 2013) | 35 | 31 |
| Basis of Real Estate Sold | 27 | 36 |
| Equity Earnings from Timberland Venture | (16) | (14) |
| Distributions from Timberland Venture | 29 | 28 |
| Deferred Revenue from Long-Term Gas Leases (Net of Amortization) | (2) | (1) |
| Pension Plan Contributions | — | (3) |
| Working Capital Changes | 28 | 7 |
| Other | 7 | 5 |
| Net Cash Provided By (Used In) Operating Activities | 180 | 148 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Capital Expenditures (Excluding Timberland Acquisitions) | (20) | (17) |
| Timberlands Acquired | (2) | (5) |
| Mineral Rights Acquired | (156) | — |
| Net Cash Provided By (Used In) Investing Activities | (178) | (22) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividends | (72) | (68) |
| Borrowings on Line of Credit | 530 | 583 |
| Repayments on Line of Credit | (376) | (683) |
| Proceeds from Issuance of Long-Term Debt | — | 450 |
| Principal Payments and Retirement of Long-Term Debt | — | (350) |
| Proceeds from Stock Option Exercises | — | 2 |
| Net Cash Provided By (Used In) Financing Activities | 82 | (66) |
| Increase (Decrease) In Cash and Cash Equivalents | 84 | 60 |
| Cash and Cash Equivalents: | | |
| Beginning of Period | 355 | 260 |
| End of Period | \$ 439 | \$ 320 |

PLUM CREEK TIMBER COMPANY, INC.
SEGMENT DATA
(UNAUDITED)

| (In Millions) | Nine Months Ended September 30, | |
|---|---------------------------------|--------|
| | 2013 | 2012 |
| Revenues: | | |
| Northern Resources | \$ 194 | \$ 185 |
| Southern Resources | 313 | 312 |
| Real Estate | 227 | 243 |
| Manufacturing | 279 | 246 |
| Other | 16 | 16 |
| Eliminations | (20) | (17) |
| Total Revenues | \$ 1,009 | \$ 985 |
| Operating Income (Loss): | | |
| Northern Resources | \$ 24 | \$ 15 |
| Southern Resources | 74 | 66 |
| Real Estate | 138 | 113 |
| Manufacturing | 35 | 22 |
| Other | 14 | 14 |
| Other Costs and Eliminations, net ^(A) | (54) | (46) |
| Total Operating Income | \$ 231 | \$ 184 |
| Adjusted EBITDA by Segment: ^(B) | | |
| Northern Resources | \$ 47 | \$ 35 |
| Southern Resources | 119 | 118 |
| Real Estate | 208 | 225 |
| Manufacturing | 47 | 33 |
| Other | 16 | 14 |
| Other Costs and Eliminations, net | (53) | (45) |
| Total | \$ 384 | \$ 380 |

(A) During the first nine months of 2013, the company recorded a loss of \$5 million related to the early termination of an equipment lease. The lease was accounted for as an operating lease. This amount is reported as an operating loss in Other Costs and Eliminations, net and is included in Other Operating Income (Expense), net in the Consolidated Statements of Income.

(B) Refer to the separate schedule, "Segment Data - Adjusted EBITDA" for reconciliations of Adjusted EBITDA to operating income and net cash provided by operating activities.

PLUM CREEK TIMBER COMPANY, INC.
SEGMENT DATA
(UNAUDITED)

| (In Millions) | Quarter Ended September 30, | |
|---|-----------------------------|--------|
| | 2013 | 2012 |
| Revenues: | | |
| Northern Resources | \$ 67 | \$ 65 |
| Southern Resources | 111 | 110 |
| Real Estate | 96 | 96 |
| Manufacturing | 94 | 85 |
| Other | 5 | 5 |
| Eliminations | (7) | (7) |
| Total Revenues | \$ 366 | \$ 354 |
| Operating Income (Loss): | | |
| Northern Resources | \$ 5 | \$ 5 |
| Southern Resources | 27 | 23 |
| Real Estate | 63 | 54 |
| Manufacturing | 11 | 9 |
| Other | 5 | 5 |
| Other Costs and Eliminations, net ^(A) | (20) | (17) |
| Total Operating Income | \$ 91 | \$ 79 |
| Adjusted EBITDA by Segment: ^(B) | | |
| Northern Resources | \$ 16 | \$ 12 |
| Southern Resources | 44 | 42 |
| Real Estate | 91 | 90 |
| Manufacturing | 15 | 13 |
| Other | 6 | 5 |
| Other Costs and Eliminations, net | (20) | (16) |
| Total | \$ 152 | \$ 146 |

- (A) During the third quarter of 2013, the company recorded a loss of \$5 million related to the early termination of an equipment lease. The lease was accounted for as an operating lease. This amount is reported as an operating loss in Other Costs and Eliminations, net and is included in Other Operating Income (Expense), net in the Consolidated Statements of Income.
- (B) Refer to the separate schedule, "Segment Data - Adjusted EBITDA" for reconciliations of Adjusted EBITDA to operating income and net cash provided by operating activities.

PLUM CREEK TIMBER COMPANY, INC.
SELECTED OPERATING STATISTICS
(UNAUDITED)

| | | 2013 | | | | |
|---------------------------|------------------|---------|---------|---------|---------|---------|
| | | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | YTD |
| Sales Realization | | | | | | |
| Units | | | | | | |
| Southern Resources | | | | | | |
| Sawlog | \$/Ton Stumpage | \$ 21 | \$ 21 | \$ 22 | | \$ 21 |
| Pulpwood | \$/Ton Stumpage | \$ 11 | \$ 11 | \$ 11 | | \$ 11 |
| Northern Resources | | | | | | |
| Sawlog | \$/Ton Delivered | \$ 77 | \$ 79 | \$ 79 | | \$ 78 |
| Pulpwood | \$/Ton Delivered | \$ 43 | \$ 42 | \$ 43 | | \$ 43 |
| Lumber ⁽¹⁾ | \$/MBF | \$ 568 | \$ 544 | \$ 498 | | \$ 533 |
| Plywood ⁽¹⁾ | \$/MSF | \$ 462 | \$ 464 | \$ 457 | | \$ 461 |
| Fiberboard ⁽¹⁾ | \$/MSF | \$ 639 | \$ 668 | \$ 680 | | \$ 663 |
| Sales Volume | | | | | | |
| Southern Resources | | | | | | |
| Sawlog | 1,000 Tons | 1,339 | 1,276 | 1,544 | | 4,159 |
| Pulpwood | 1,000 Tons | 1,771 | 1,688 | 1,952 | | 5,411 |
| Total Harvest | | 3,110 | 2,964 | 3,496 | — | 9,570 |
| Northern Resources | | | | | | |
| Sawlog | 1,000 Tons | 704 | 581 | 636 | | 1,921 |
| Pulpwood | 1,000 Tons | 414 | 209 | 387 | | 1,010 |
| Total Harvest | | 1,118 | 790 | 1,023 | — | 2,931 |
| Lumber | MBF | 30,535 | 36,770 | 40,622 | | 107,927 |
| Plywood | MSF | 46,905 | 48,364 | 46,709 | | 141,978 |
| Fiberboard | MSF | 52,329 | 60,273 | 54,795 | | 167,397 |
| | | 2012 | | | | |
| | | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | YTD |
| Sales Realization | | | | | | |
| Units | | | | | | |
| Southern Resources | | | | | | |
| Sawlog | \$/Ton Stumpage | \$ 19 | \$ 20 | \$ 20 | \$ 20 | \$ 20 |
| Pulpwood | \$/Ton Stumpage | \$ 10 | \$ 10 | \$ 10 | \$ 11 | \$ 10 |
| Northern Resources | | | | | | |
| Sawlog | \$/Ton Delivered | \$ 67 | \$ 71 | \$ 69 | \$ 68 | \$ 69 |
| Pulpwood | \$/Ton Delivered | \$ 42 | \$ 42 | \$ 42 | \$ 42 | \$ 42 |
| Lumber ⁽¹⁾ | \$/MBF | \$ 529 | \$ 551 | \$ 525 | \$ 521 | \$ 532 |
| Plywood ⁽¹⁾ | \$/MSF | \$ 387 | \$ 409 | \$ 432 | \$ 450 | \$ 419 |
| Fiberboard ⁽¹⁾ | \$/MSF | \$ 607 | \$ 620 | \$ 636 | \$ 634 | \$ 625 |
| Sales Volume | | | | | | |
| Southern Resources | | | | | | |
| Sawlog | 1,000 Tons | 1,340 | 1,533 | 1,533 | 1,333 | 5,739 |
| Pulpwood | 1,000 Tons | 1,842 | 1,933 | 2,151 | 2,084 | 8,010 |
| Total Harvest | | 3,182 | 3,466 | 3,684 | 3,417 | 13,749 |
| Northern Resources | | | | | | |
| Sawlog | 1,000 Tons | 656 | 632 | 679 | 634 | 2,601 |
| Pulpwood | 1,000 Tons | 452 | 316 | 441 | 377 | 1,586 |
| Total Harvest | | 1,108 | 948 | 1,120 | 1,011 | 4,187 |
| Lumber | MBF | 30,199 | 30,340 | 27,645 | 27,158 | 115,342 |
| Plywood | MSF | 53,301 | 51,397 | 48,984 | 45,674 | 199,356 |
| Fiberboard | MSF | 44,701 | 52,475 | 54,992 | 47,314 | 199,482 |

(1) Represents prices at mill level.

PLUM CREEK TIMBER COMPANY, INC.
LAND SALE STATISTICS
(UNAUDITED)

| | 2013 | | | | |
|---|----------|------------------------|----------|----------|----------|
| | 1st Qtr | 2nd Qtr | 3rd Qtr | 4th Qtr | YTD |
| Acres Sold | | | | | |
| Small Non-strategic | 5,685 | 17,130 | 17,300 | | 40,115 |
| Large Non-strategic ⁽¹⁾ | 36,000 | — | 15,370 | | 51,370 |
| Conservation | 970 | 17,525 | 1,385 | | 19,880 |
| HBU/Recreation | 7,595 | 9,825 | 9,455 | | 26,875 |
| Development Properties | — | — | — | | — |
| Conservation Easements | n/a | n/a | n/a | | n/a |
| | 50,250 | 44,480 | 43,510 | — | 138,240 |
| Price per Acre | | | | | |
| Small Non-strategic | \$ 1,230 | \$ 1,185 | \$ 1,280 | | \$ 1,230 |
| Large Non-strategic | \$ 1,475 | \$ — | \$ 3,415 | | \$ 2,040 |
| Conservation | \$ 2,580 | \$ 835 | \$ 1,920 | | \$ 995 |
| HBU/Recreation | \$ 2,015 | \$ 1,925 | \$ 1,925 | | \$ 1,945 |
| Development Properties | \$ — | \$ — | \$ — | | \$ — |
| Conservation Easements | \$ — | \$ — | \$ — | | \$ — |
| Revenue, (\$ millions) | | | | | |
| Small Non-strategic | \$ 7 | \$ 20 | \$ 22 | | \$ 49 |
| Large Non-strategic | \$ 53 | \$ — | \$ 53 | | \$ 106 |
| Conservation | \$ 3 | \$ 14 | \$ 3 | | \$ 20 |
| HBU/Recreation | \$ 15 | \$ 19 | \$ 18 | | \$ 52 |
| Development Properties | \$ — | \$ — | \$ — | | \$ — |
| Conservation Easements | \$ — | \$ — | \$ — | | \$ — |
| | \$ 78 | \$ 53 | \$ 96 | \$ — | \$ 227 |
| Proceeds from Real Estate Joint Venture ⁽³⁾ | \$ — | \$ — | \$ — | | \$ — |
| Basis of Real Estate Sold ⁽⁴⁾ | \$ 25 | \$ 17 | \$ 26 | | \$ 68 |
| | 2012 | | | | |
| | 1st Qtr | 2nd Qtr ⁽²⁾ | 3rd Qtr | 4th Qtr | YTD |
| Acres Sold | | | | | |
| Small Non-strategic | 4,385 | 17,870 | 5,750 | 17,115 | 45,120 |
| Large Non-strategic ⁽¹⁾ | 69,770 | — | 99,800 | 16,600 | 186,170 |
| Conservation | 1,145 | 1,320 | 5,400 | 3,565 | 11,430 |
| HBU/Recreation | 4,030 | 6,720 | 5,410 | 9,735 | 25,895 |
| Development Properties | — | — | — | — | — |
| Conservation Easements | n/a | n/a | n/a | n/a | n/a |
| | 79,330 | 25,910 | 116,360 | 47,015 | 268,615 |
| Price per Acre | | | | | |
| Small Non-strategic | \$ 1,115 | \$ 1,165 | \$ 1,455 | \$ 1,365 | \$ 1,270 |
| Large Non-strategic | \$ 1,210 | \$ — | \$ 675 | \$ 3,510 | \$ 1,130 |
| Conservation | \$ 1,560 | \$ 2,315 | \$ 905 | \$ 2,260 | \$ 1,555 |
| HBU/Recreation | \$ 2,140 | \$ 1,955 | \$ 2,100 | \$ 1,940 | \$ 2,000 |
| Development Properties | \$ — | \$ — | \$ — | \$ — | \$ — |
| Conservation Easements | \$ — | \$ 28 | \$ — | \$ — | \$ 28 |
| Revenue, (\$ millions) | | | | | |
| Small Non-strategic | \$ 5 | \$ 21 | \$ 8 | \$ 24 | \$ 58 |
| Large Non-strategic | \$ 84 | \$ — | \$ 67 | \$ 58 | \$ 209 |
| Conservation | \$ 2 | \$ 3 | \$ 5 | \$ 8 | \$ 18 |
| HBU/Recreation | \$ 9 | \$ 13 | \$ 11 | \$ 19 | \$ 52 |
| Development Properties | \$ — | \$ — | \$ — | \$ — | \$ — |
| Conservation Easements | \$ — | \$ 10 | \$ — | \$ — | \$ 10 |
| | \$ 100 | \$ 47 | \$ 91 | \$ 109 | \$ 347 |
| Proceeds from Real Estate Joint Venture ⁽³⁾ | \$ — | \$ — | \$ 5 | \$ — | \$ 5 |
| Basis of Real Estate Sold ⁽⁴⁾ | \$ 63 | \$ 12 | \$ 36 | \$ 27 | \$ 138 |

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

- (1) During the third quarter of 2013, the company sold 15,300 acres of Large Non-strategic lands located in Oregon for \$52.5 million. During the first quarter of 2013, the company sold 36,000 acres of Large Non-strategic lands located in Texas and Oklahoma for \$52.7 million. During the first quarter of 2012, the company sold 69,800 acres of Large Non-strategic lands located in the Florida panhandle area for \$84.5 million. During the third quarter of 2012, the company sold 99,800 acres of Large Non-strategic lands located in Wisconsin for \$67.1 million. During the fourth quarter of 2012, the company sold 16,600 acres of Large Non-strategic lands located in Oregon for \$58.2 million.
- (2) During the second quarter of 2012, the company received \$10 million in exchange for placing a conservation easement on approximately 360,000 acres in Maine.
- (3) Not reflected in the land sale statistics (acres sold, price per acre and revenue).
- (4) Includes \$9 million in the third quarter of 2013 for a 15,400 acre Large Non-Strategic sale located in Oregon and \$18 million in the first quarter of 2013 from a 36,000 acre Large Non-strategic sale located in Texas and Oklahoma. Includes \$58 million in the first quarter of 2012 from a 69,800 acre Large Non-strategic sale located primarily in the Florida panhandle area, \$26 million in the third quarter of 2012 from a 99,800 acre Large Non-strategic sale in Wisconsin and \$12 million in the fourth quarter of 2012 from a 16,600 acre Large Non-strategic sale in Oregon.

PLUM CREEK TIMBER COMPANY, INC.
DEBT MATURITIES SCHEDULE
September 30, 2013
(UNAUDITED)

| | Borrowings | |
|--|------------|--------------------------------|
| | Principal | Weighted Avg. Interest Rate |
| <u>Quarterly Maturities through 2013:</u> | | |
| 4th Qtr 2013 | \$ 76 | 7.773% ⁽¹⁾ |
| <u>Annual Maturities through 2015:</u> | | |
| 2014 | \$ 3 | 8.050% |
| 2015 | \$ 462 | 5.891% ⁽²⁾ |

(1) Principal amount composed of senior notes with principal amounts of \$3 million and \$73 million and interest rates of 8.050% and 7.760%, respectively.

(2) Principal amount composed of senior notes with principal amounts of \$4 million and \$458 million and interest rates of 8.050% and 5.875%, respectively.

Plum Creek Timber Company, Inc.
Segment Data - Adjusted EBITDA
Reconciliation of Operating Income and Net Cash
Provided by Operating Activities
(Unaudited)

We define Adjusted EBITDA as earnings from continuing operations, excluding equity method earnings, and before interest, taxes, depreciation, depletion, amortization, and basis in lands sold. Adjusted EBITDA is not considered a measure of financial performance under U.S. generally accepted accounting principles (U.S. GAAP) and the items excluded from Adjusted EBITDA are significant components of our consolidated financial statements.

We present Adjusted EBITDA as a supplemental performance measure because we believe it facilitates operating performance comparisons from period to period, and each business segment's contribution to that performance, by eliminating non-cash charges to earnings, which can vary significantly by business segment. These non-cash charges include timber depletion, depreciation of fixed assets and the basis in lands sold. We also use Adjusted EBITDA as a supplemental liquidity measure because we believe it is useful in measuring our ability to generate cash. In addition, we believe Adjusted EBITDA is commonly used by investors, lenders and rating agencies to assess our financial performance.

A reconciliation of Adjusted EBITDA to net income and net cash from operating activities, the most directly comparable U.S. GAAP performance and liquidity measures, is provided in the following schedules:

| | Nine Months Ended September 30, 2013 | | | |
|--|---|---|------------------------------|--------------------|
| | Operating Income | Depreciation, Depletion and Amortization ⁽¹⁾ | Basis of Real Estate Sold | Adjusted EBITDA |
| By Segment | | | | |
| Northern Resources | \$ 24 | \$ 23 | \$ — | \$ 47 |
| Southern Resources | 74 | 45 | — | 119 |
| Real Estate | 138 | 1 | 69 | 208 |
| Manufacturing | 35 | 12 | — | 47 |
| Other | 14 | 2 | — | 16 |
| Other Costs and Eliminations | (51) | 1 | — | (50) |
| Other Unallocated Operating Income (Expense), net | (3) | — | — | (3) |
| Total | <u>\$ 231</u> | <u>\$ 84</u> | <u>\$ 69</u> | <u>\$ 384</u> |
| Reconciliation to Net Income ⁽²⁾ | | | | |
| Equity Earnings from Timberland Venture | 47 | | | |
| Interest Expense | (104) | | | |
| (Provision) Benefit for Income Taxes | — | | | |
| Net Income | <u>\$ 174</u> | | | |
| Reconciliation to Net Cash Provided By Operating Activities | | | | |
| Net Cash Flows from Operations | | | \$ 320 | |
| Interest Expense | | | | 104 |
| Amortization of Debt Costs | | | | (2) |
| Provision / (Benefit) for Income Taxes | | | | — |
| Distributions from Timberland Venture | | | | (56) |
| Deferred Income Taxes | | | | 1 |
| Gain on Sale of Properties and Other Assets | | | | — |
| Deferred Revenue from Long-Term Gas Leases | | | | 6 |
| Timber Deed Acquired | | | | 18 |
| Pension Plan Contributions | | | | — |
| Working Capital Changes | | | | 12 |
| Other | | | | (19) |
| Adjusted EBITDA | | | | <u>\$ 384</u> |

(1) Includes a \$4 million loss due to fire damages in the Northern Resources Segment.

(2) Includes reconciling items not allocated to segments for financial reporting purposes.

Nine Months Ended September 30, 2012

| | Operating Income | Depreciation, Depletion and Amortization | Basis of Real Estate Sold | Adjusted EBITDA |
|--|---------------------|--|------------------------------|--------------------|
| By Segment | | | | |
| Northern Resources | \$ 15 | \$ 20 | \$ — | \$ 35 |
| Southern Resources | 66 | 52 | — | 118 |
| Real Estate | 113 | 1 | 111 | 225 |
| Manufacturing | 22 | 11 | — | 33 |
| Other | 14 | — | — | 14 |
| Other Costs and Eliminations | (47) | 1 | — | (46) |
| Other Unallocated Operating Income (Expense), net | 1 | — | — | 1 |
| Total | <u>\$ 184</u> | <u>\$ 85</u> | <u>\$ 111</u> | <u>\$ 380</u> |
| Reconciliation to Net Income ⁽¹⁾ | | | | |
| Equity Earnings from Timberland Venture | 42 | | | |
| Interest Expense | (104) | | | |
| (Provision) Benefit for Income Taxes | 2 | | | |
| Net Income | <u>\$ 124</u> | | | |
| Reconciliation to Net Cash Provided By Operating Activities | | | | |
| Net Cash Flows from Operations | | | \$ | 237 |
| Interest Expense | | | | 104 |
| Amortization of Debt Costs | | | | (2) |
| Provision / (Benefit) for Income Taxes | | | | (2) |
| Distributions from Timberland Venture | | | | (56) |
| Deferred Income Taxes | | | | 1 |
| Gain on Sale of Properties and Other Assets | | | | — |
| Deferred Revenue from Long-Term Gas Leases | | | | 6 |
| Timber Deed Acquired | | | | 98 |
| Pension Plan Contributions | | | | 10 |
| Working Capital Changes | | | | (5) |
| Other | | | | (11) |
| Adjusted EBITDA | | | <u>\$</u> | <u>380</u> |

(1) Includes reconciling items not allocated to segments for financial reporting purposes.

Quarter Ended September 30, 2013

| | Operating Income | Depreciation, Depletion and Amortization ⁽¹⁾ | Basis of Real Estate Sold | Adjusted EBITDA |
|--|---------------------|---|------------------------------|--------------------|
| By Segment | | | | |
| Northern Resources | \$ 5 | \$ 11 | \$ — | \$ 16 |
| Southern Resources | 27 | 17 | — | 44 |
| Real Estate | 63 | 1 | 27 | 91 |
| Manufacturing | 11 | 4 | — | 15 |
| Other | 5 | 1 | — | 6 |
| Other Costs and Eliminations | (16) | — | — | (16) |
| Other Unallocated Operating Income (Expense), net | (4) | — | — | (4) |
| Total | <u>\$ 91</u> | <u>\$ 34</u> | <u>\$ 27</u> | <u>\$ 152</u> |
| Reconciliation to Net Income ⁽²⁾ | | | | |
| Equity Earnings from Timberland Venture | 16 | | | |
| Interest Expense | (34) | | | |
| (Provision) Benefit for Income Taxes | (1) | | | |
| Net Income | <u>\$ 72</u> | | | |
| Reconciliation to Net Cash Provided By Operating Activities | | | | |
| Net Cash Flows from Operations | | | \$ 180 | |
| Interest Expense | | | 34 | |
| Amortization of Debt Costs | | | (1) | |
| Provision / (Benefit) for Income Taxes | | | 1 | |
| Distributions from Timberland Venture | | | (29) | |
| Deferred Income Taxes | | | — | |
| Gain on Sale of Properties and Other Assets | | | — | |
| Deferred Revenue from Long-Term Gas Leases | | | 2 | |
| Timber Deed Acquired | | | — | |
| Pension Plan Contributions | | | — | |
| Working Capital Changes | | | (28) | |
| Other | | | (7) | |
| Adjusted EBITDA | | | <u>\$ 152</u> | |

(1) Includes a \$4 million loss due to fire damages in the Northern Resources Segment.

(2) Includes reconciling items not allocated to segments for financial reporting purposes.

Quarter Ended September 30, 2012

| | Operating Income | Depreciation, Depletion and Amortization | Basis of Real Estate Sold | Adjusted EBITDA |
|--|---------------------|--|------------------------------|--------------------|
| By Segment | | | | |
| Northern Resources | \$ 5 | \$ 7 | \$ — | \$ 12 |
| Southern Resources | 23 | 19 | — | 42 |
| Real Estate | 54 | — | 36 | 90 |
| Manufacturing | 9 | 4 | — | 13 |
| Other | 5 | — | — | 5 |
| Other Costs and Eliminations | (17) | 1 | — | (16) |
| Other Unallocated Operating Income (Expense), net | — | — | — | — |
| Total | <u>\$ 79</u> | <u>\$ 31</u> | <u>\$ 36</u> | <u>\$ 146</u> |
| Reconciliation to Net Income ⁽¹⁾ | | | | |
| Equity Earnings from Timberland Venture | 14 | | | |
| Interest Expense | (35) | | | |
| (Provision) Benefit for Income Taxes | 1 | | | |
| Net Income | <u>\$ 59</u> | | | |
| Reconciliation to Net Cash Provided By Operating Activities | | | | |
| Net Cash Flows from Operations | | | \$ | 148 |
| Interest Expense | | | | 35 |
| Amortization of Debt Costs | | | | — |
| Provision / (Benefit) for Income Taxes | | | | (1) |
| Distributions from Timberland Venture | | | | (28) |
| Deferred Income Taxes | | | | — |
| Gain on Sale of Properties and Other Assets | | | | — |
| Deferred Revenue from Long-Term Gas Leases | | | | 1 |
| Timber Deed Acquired | | | | — |
| Pension Plan Contributions | | | | 3 |
| Working Capital Changes | | | | (7) |
| Other | | | | (5) |
| Adjusted EBITDA | | | <u>\$</u> | <u>146</u> |

(1) Includes reconciling items not allocated to segments for financial reporting purposes.