

Plum Creek Timber Company, Inc.  
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## News Release

For immediate release  
May 1, 2007

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### **Plum Creek Timber Company, Inc. Announces Quarterly Dividend of \$0.42 Per Share, Increases Share Repurchase Authorization**

**SEATTLE, Wash.** – Plum Creek Timber Company, Inc. (NYSE: PCL) today announced a quarterly cash dividend of \$0.42 per share. The dividend is payable on May 31, 2007, to shareholders of record as of May 16, 2007. Plum Creek's dividend is expected to be characterized as long-term capital gain income primarily because the income generated by the sale of Plum Creek's timber is considered long-term capital gain. As such, Plum Creek's dividend is expected to be taxed at a maximum rate of 15 percent for most U.S. taxpayers.

In addition, the company announced that its board of directors approved an increase in the company's previously authorized stock repurchase program. As a result, the company's current authorization to repurchase stock is an aggregate amount of up to \$200 million. The program authorizes the company to buy back shares of its outstanding common stock from time to time through open-market and privately negotiated purchases, or a combination of the two, as market conditions warrant.

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Plum Creek is the largest and most geographically diverse private landowner in the nation with more than 8 million acres of timberlands in major timber producing regions of the United States and 10 wood products manufacturing facilities in the Northwest.