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**PLUM CREEK TIMBER COMPANY, INC. REPORTS RESULTS  
FOR FIRST QUARTER 2001**

SEATTLE, WASHINGTON – April 19, 2001 -- Plum Creek Timber Company, Inc. (NYSE: PCL) today announced first quarter earnings of \$51.1 million, or \$0.74 per share, including a one-time gain of \$24.7 million, or \$0.36 per share, from the March sale of its southwest Washington timberlands to Pope Resources, L.P. First quarter 2000 earnings were \$80.6 million, or \$1.16 per share, including a one-time gain of \$49.5 million, or \$0.72 per share, from the sale of its St. Maries, Idaho, timberlands to Crown Pacific Partners. As a result of an amendment to the Internal Revenue Code, the Company's results for the current quarter are presented on a consolidated basis, inclusive of its operating subsidiaries.

EBITDA, a measure of cash flow defined as operating income plus depreciation, depletion and amortization, was \$53.4 million for the first quarter, compared to \$62.1 million for the first quarter of 2000. The Company ended the quarter with \$195.6 million in cash and cash equivalents.

Plum Creek's quarterly dividend will be announced on April 25, following the Company's Board of Directors' meeting.

"Our results in the first quarter reflect our focus on active, expert management of our entire resource base to deliver value for our shareholders – even in the most difficult market conditions," said Plum Creek President and CEO Rick R. Holley. "While continued weakness in wood product markets impacted the quarter's log and lumber results, we offset that with a strong real estate and conservation sales program and the completion of a sale of non-strategic timberland at an excellent value."

"Overall, wood product demand is generally good although lower than in 2000," Holley noted. "However, significant oversupply conditions persist and declining consumer confidence has adversely affected industrial markets. Ongoing lumber and plywood production curtailments should help to correct the supply and demand imbalance that led to last year's steep product price declines," Holley concluded.

## **Review of Operations**

In the Company's Cascade Region, the weak Japanese economy contributed to reduced export log demand, with prices 17% below those of the first quarter of 2000. Domestic log prices in the Cascade Region were 21% lower than a year ago due to weakness in regional lumber markets. In the Rockies Region, log prices dropped 16% below year-ago levels, resulting from excess timber supply due to salvage harvests from last year's fires by state and private landowners, and reduced demand due to regional mill closures and curtailments.

Southern Region sawlog prices declined 23% for the quarter compared to a year ago, due to weak softwood sawlog demand. Southern Region pulpwood prices were 9% lower than a year ago, but improved modestly during the quarter due to wet weather-related supply constraints. In the Northeast Region, overall sawlog prices were 6% above those of the first quarter of 2000. Larger amounts of high-value hardwood sawlog sales offset weak softwood demand caused by uncertainty related to the expiration of the U.S.-Canada Softwood Lumber Agreement. Pulpwood prices in the Northeast Region were consistent with those of the prior year.

Average prices for the Company's Northwest lumber products were 18% lower in the quarter compared to the first quarter of 2000, due to the overall weakness in lumber markets. The Company's average plywood price in the quarter declined 2% from a year ago, performing better than industry averages due to an improved product mix. Prices for Plum Creek's medium density fiberboard were 6% lower in the first quarter than a year ago, due to weaker demand resulting from the softer U.S. economy.

Reflecting strong demand for development and conservation properties, Plum Creek's first quarter higher and better use (HBU) land sales income was \$24.4 million, which was more than double that of the first quarter of 2000.

## **Outlook**

Compared to the first quarter, Plum Creek expects log prices in the second quarter to remain flat or be slightly lower. Due to lower interest rates and the effect of mill closures and production curtailments, the Company's lumber markets began showing modest improvement in March, and this improvement is expected to continue into the spring building season. Plywood and MDF markets are expected to improve slightly. Strong nationwide real estate markets should continue to keep Plum Creek's conservation and development properties in high demand.

Operating details for the first quarter and forecast statistics for 2001 are provided in the supplemental financial package available on Plum Creek's website at [www.plumcreek.com](http://www.plumcreek.com).

## **Earnings Conference Call and Supplemental Information**

Plum Creek will hold a conference call today, April 19, at 5:30 p.m. Eastern Time to discuss these results. To participate in the call, dial (877) 679-9049, with access code: 5086123.

A live webcast as well as a webcast replay will also be available from the Investor Information section of the Company's website at [www.plumcreek.com](http://www.plumcreek.com). A voice replay will be available after the call's conclusion, by dialing (800) 615-3210, with access code: 5086123. Plum Creek also publishes a supplemental financial package on its website to aid in interpreting our financial results.

Plum Creek, a real estate investment trust, is the fourth largest private timberland owner in the nation, with timberlands in the Northwest, South and Northeast regions of the United States, and nine wood product mills in the Northwest. On July 18, 2000 Plum Creek announced an agreement to merge with The Timber Company, a separate operating group of Georgia-Pacific Corporation, which, when completed, will create the second largest private timberland owner in the U.S., with approximately 7.9 million acres.

### **Forward-looking Statements**

This press release contains forward-looking statements within the meaning of the Private Litigation Reform Act of 1995. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions including, but not limited to, the cyclical nature of the forest products industry, our ability to harvest our timber, our ability to execute our acquisition strategy, and regulatory constraints. These risks are detailed from time to time in our filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date made, and neither the Company nor its management undertakes any obligation to update or revise any forward-looking statements. It is likely that if one or more of the risks and uncertainties materializes, the current expectations of the Company and its management will not be realized.

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