

The example below illustrates the tax basis calculations for a shareholder who purchased Plum Creek Timber Company, Inc. after July 1, 1999.

100 PCL shares purchased at \$26.25 on July 24, 2000  
 100 PCL shares sold December 31, 2014

|  |    |                   |  |
|--|----|-------------------|--|
| Tax Basis on July 24, 2000                           | \$ | 2,625.00          | \$26.25/share x 100 shares                       |
| 2000 Reported Return of Capital (from 2000 1099-DIV) |    | (67.20)           | \$.672/share return of capital x 100 shares      |
| 2001 Reported Return of Capital (from 2001 1099-DIV) |    | (41.61)           | \$.4161/share return of capital x 100 shares     |
| 2002 Reported Return of Capital (from 2002 1099-DIV) |    | (28.60)           | \$.285962/share return of capital x 100 shares   |
| 2003 Reported Return of Capital (from 2003 1099-DIV) |    | (38.85)           | \$.388469/share return of capital x 100 shares   |
| 2004 Reported Return of Capital (from 2004 1099-DIV) |    | (14.64)           | \$.146437/share return of capital x 100 shares   |
| 2005 Reported Return of Capital (from 2005 1099-DIV) |    | (19.60)           | \$.196/share return of capital x 100 shares      |
| 2006 Reported Return of Capital (from 2006 1099-DIV) |    | -                 | \$.000/share return of capital x 100 shares      |
| 2007 Reported Return of Capital (from 2007 1099-DIV) |    | -                 | \$.000/share return of capital x 100 shares      |
| 2008 Reported Return of Capital (from 2008 1099-DIV) |    | -                 | \$.000/share return of capital x 100 shares      |
| 2009 Reported Return of Capital (from 2009 1099-DIV) |    | -                 | \$.000/share return of capital x 100 shares      |
| 2010 Reported Return of Capital (from 2010 1099-DIV) |    | -                 | \$.000/share return of capital x 100 shares      |
| 2011 Reported Return of Capital (from 2011 1099-DIV) |    | -                 | \$.000/share return of capital x 100 shares      |
| 2012 Reported Return of Capital (from 2012 1099-DIV) |    | -                 | \$.000/share return of capital x 100 shares      |
| 2013 Reported Return of Capital (from 2013 1099-DIV) |    | -                 | \$.000/share return of capital x 100 shares      |
| 2014 Reported Return of Capital (from 2014 1099-DIV) |    | -                 | \$.000/share return of capital x 100 shares      |
|  |    | <hr/>             |  |
| Tax Basis as of December 31, 2014                    | \$ | 2,414.50          | (\$2,625.00 - \$210.50 annual return of capital) |
| Proceeds from December 31, 2014 sale                 | \$ | 4,101.00          | 100 shares sold at \$41.01 /share                |
| Tax Basis as of December 31, 2014                    | \$ | <u>(2,414.50)</u> |  |
| Gain on sale of PCL                                  | \$ | 1,686.50          |  |

The above is intended as an illustrative example. The impact of brokerage commissions and fees is not considered. No example can cover all circumstances for all shareholders, as each shareholder's tax situation is different. Contact your tax advisor regarding the particular tax consequences for your situation.