

Plum Creek Timber Company, Inc.  
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## News Release

For immediate release  
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### **Plum Creek Timber Company, Inc. Increases Quarterly Dividend 5 Percent to \$0.44 per Share**

**SEATTLE** – Plum Creek Timber Company, Inc. (NYSE: PCL) today announced a quarterly cash dividend of \$0.44 per share, an increase of \$0.02 per share, or approximately 5 percent. The dividend is payable on May 31, 2013, to shareholders of record as of May 17, 2013.

“Paying a reliable and attractive dividend to our shareholders is one of the most direct and transparent means we have of delivering shareholder value,” said Rick Holley, chief executive officer. “This increase in our dividend reflects our expectations for continued growth of long-term, sustainable cash flow from the company. In 2012 the cash generated by our manufacturing and timber resource businesses grew by a combined \$44 million and we expect further growth from these businesses in 2013.”

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 capital gain rate of 20 percent for most U.S. taxpayers.

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Plum Creek is among the largest and most geographically diverse private landowners in the nation with approximately 6.3 million acres of timberlands in major timber producing regions of the United States and wood products manufacturing facilities in the Northwest. For more information, visit [www.plumcreek.com](http://www.plumcreek.com).

#### Forward Looking Statements

This press release contains forward-looking statements. Some of the forward-looking statements can be identified by the use of forward-looking words such as “expects”, “expectations” and “continued”, or other comparable terminology. Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those described in the forward-looking statements. Some of these factors include, but are not limited to: changes in economic conditions and competition in our domestic and export markets; an unanticipated reduction in the demand for timber products and/or an unanticipated increase in the supply of timber products; changes in governmental, legislative and environmental restrictions; catastrophic losses from

fires, floods, windstorms, earthquakes, volcanic eruptions, insect infestations or diseases; our failure to qualify as a REIT or our failure to achieve the expected competitive advantages of operating as a REIT; our failure to make strategic acquisitions or to integrate any such acquisitions effectively or, conversely, our failure to make strategic divestitures; and other factors described from time to time in our filings with the Securities and Exchange Commission. Forward-looking statements are not guarantees of performance, and speak only as of the date made, and neither Plum Creek nor its management undertakes any obligation to update or revise any forward-looking statements.