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EL DORADO, AR. President and Chief Executive Officer, Ron L. Pearce, of Deltic Timber Corporation (NYSE-DEL) announced today that net income for the first quarter of 2000 was \$2.2 million, \$.13 a share, compared to \$3.9 million, \$.26 a share, a year ago which included a \$4.3 million commercial sale in the Company's Real Estate segment. Net cash provided by operating activities, excluding changes in operating working capital, was \$10.6 million for the first quarter of 2000, compared to \$11.5 million a year ago. Capital expenditures were \$7 million in the current quarter which compares to \$7.4 million for the first quarter of 1999.

Mr. Pearce commented, "Our Woodlands, Mills, and Agriculture segments reported increases in operating income, compared to the first quarter of 1999, with the Woodlands segment leading the way. While the quarter's commercial sales in the Real Estate segment were significantly less than the corresponding quarter of 1999, we are cautiously optimistic that there will be substantial commercial sales recorded during 2000." Mr. Robert C. Nolan, Chairman, said, "Efforts to effect an exchange of our agriculture holdings for pine timberlands in a tax-efficient manner are progressing on schedule with a significant amount of interest being expressed. Our \$10 million share repurchase program announced in February is proceeding, with the purchase of over 94,000 shares thus far."

The Woodlands segment earned \$7.3 million in the first quarter of 2000, an increase of 27 percent when compared to \$5.8 million for the same period of 1999. Pine sawtimber harvest increased 53,000 tons to 205,000 tons in 2000. Deltic's average pine sawtimber price was \$48 per ton in the current period, a slight increase from \$47 per ton in the corresponding quarter of 1999.

Operating income for the Company's Mills segment was \$.8 million in the current quarter compared to \$.5 million a year ago, an increase of 69 percent. Lumber sales volume increased 21 percent to 50.2 million board feet, while sales price decreased \$5 per thousand board feet to \$364.

The Company's Real Estate segment earned \$.3 million in the first quarter of 2000, a decrease of \$3.8 million when compared to \$4.1 million a year ago. Results for 1999 included the sale of a 72-acre commercial site at \$60,000 per acre, while a .7-acre outparcel sale for \$206,500 per acre was recorded during 2000's first quarter. Residential lot sales decreased by 12 lots to 36.

Corporate operating expense was \$2.1 million for the current quarter, which compares to \$1.7 million for the same quarter of 1999. The increase was a result of higher general and administrative expenses, due primarily to costs related to awards under the Company's incentive plans.

The Company's share of equity in Del-Tin Fiber's operating loss was \$2.3 million for the first quarter of 2000, compared to a loss of \$1.6 million for 1999's first quarter which benefited from prior-period adjustments related to plant start-up costs. Income tax expense of \$1.1 million for the current quarter decreased \$1.5 million due to lower pretax income and lower state income taxes.

Statements included herein that are not historical in nature are intended to be, and are hereby identified as, "forward-looking statements" within the meaning of the Federal Securities Laws. Such statements reflect the Company's current expectations and involve certain risks and uncertainties. Actual results could differ materially from those included in such forward-looking statements. Factors that could cause such differences include the cyclical nature of the industry, changes in interest rates and general economic conditions, adverse weather, cost and availability of materials used to manufacture the Company's products, and the risk factors described from time to time in the reports and disclosure documents filed by the Company with the Securities and Exchange Commission.

Summary financial data and operating statistics for the first quarter of 2000 with comparison to 1999 are contained in the following tables.

Deltic Timber Corporation  
SEGMENTAL RESULTS OF OPERATIONS (Unaudited)  
(Millions of dollars)

	Three Months Ended		Three Months Ended	
	March 31, 2000		March 31, 1999	
	Net	Operating	Net	Operating
	Sales	Income	Sales	Income
Woodlands	\$ 10.9	7.3	8.2	5.8
Mills	21.1	0.8	18.3	0.5
Real Estate	2.8	0.3	7.7	4.1
Agriculture	3.7	0.3	0.5	0.1
Corporate	-	(2.1)	-	(1.7)
Eliminations	(5.0)	(0.1)	(3.4)	-
<u>Total net sales/operating income</u>	<u>\$ 33.5</u>	<u>6.5</u>	<u>31.3</u>	<u>8.8</u>

Deltic Timber Corporation  
CONSOLIDATED STATEMENTS OF INCOME (Unaudited)  
(Thousands of dollars, except per share amounts)

	Three Months Ended	
	March 31,	
	<u>2000</u>	<u>1999</u>
Net sales	\$ 33,471	31,325
Costs and expenses		
Cost of sales	20,647	17,652
Depreciation, amortization, and cost of fee timber harvested	3,999	3,071
General and administrative expenses	<u>2,360</u>	<u>1,833</u>
	<u>27,006</u>	<u>22,556</u>
Operating income	6,465	8,769
Equity in loss of Del-Tin Fiber	(2,252)	(1,629)
Interest income	55	67
Interest expense	(1,030)	(779)
Other income/(expense)	<u>87</u>	<u>79</u>
Income before income taxes	3,325	6,507
Income taxes	<u>(1,143)</u>	<u>(2,612)</u>
Net income	\$ <u>2,182</u>	<u>3,895</u>
Earnings per common share		
Basic	\$ .13	.26
Assuming dilution	\$ .13	.26
Dividends per common share	\$ .0625	.0625
Average common shares outstanding (thousands)	12,374	12,745

Deltic Timber Corporation  
BALANCE SHEET DATA  
(Thousands of dollars)

	(Unaudited)	
	March 31, <u>2000</u>	Dec. 31, <u>1999</u>
Working capital	\$ 18,480	20,691
Total assets	278,836	277,898
Long-term debt	55,434	55,570
Redeemable preferred stock	30,000	30,000
Stockholders' equity	177,207	178,408

Deltic Timber Corporation  
OTHER DATA (Unaudited)

	Three Months Ended March 31,	
	<u>2000</u>	<u>1999</u>
Capital expenditures - thousands of dollars		
Woodlands	\$ 3,393	1,322
Mills	890	2,762
Real Estate	2,449	3,213
Agriculture	1	49
Corporate	<u>235</u>	<u>46</u>
Total	\$ <u>6,968</u>	<u>7,392</u>
Net cash from operating activities, excluding changes in operating working capital - thousands of dollars	\$ <u>10,560</u>	<u>11,506</u>
Woodlands		
Pine sawtimber harvested from fee lands - tons	204,954	151,982
Pine sawtimber price - average dollars per ton	\$ 48	47
Mills		
Finished lumber sales - thousands of board feet	50,235	41,594
Finished lumber price - average dollars per thousand board feet	\$ 364	369
Real Estate		
Residential		
Lots sold	36	48
Average price per lot sold	\$ 48,900	54,200
Commercial		
Acres sold	0.69	71.92
Average price per acre sold	\$ 206,500	60,000
Undeveloped acreage		
Acres sold	-	16.62
Average price per acre sold	\$ -	2,000