

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported) June 30, 2003

Pope Resources, A Delaware Limited Partnership
(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

91-1313292

(I.R.S. Employer
Identification No.)

19245 Tenth Avenue NE, Poulsbo, Washington 98370

(Address of principal executive offices) (ZIP Code)

Registrant's telephone number, including area code (360) 697-6626

NOT APPLICABLE

(Former name or former address, if changed since last report.)

INFORMATION TO BE INCLUDED IN THE REPORT

Item 5. OTHER EVENTS AND REGULATION FD DISCLOSURE

On July 21, 2003 the registrant issued a press release relating to its earnings for the quarter ended June 30, 2003. A copy of that press release is attached hereto as Exhibit 99.1.

Item 7. FINANCIAL STATEMENTS AND EXHIBITS

Exhibit No.	Description
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99.1	Press release of the registrant dated July 21, 2003

SIGNATURES

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

POPE RESOURCES, A DELAWARE LIMITED
PARTNERSHIP

DATE: July 21, 2003

BY: /s/ Thomas M. Ringo

Thomas M. Ringo

Vice President and Chief Financial
Officer, Pope Resources, A Delaware
Limited Partnership, and Pope MGP,
Inc., General Partner

Pope Resources Reports Second Quarter Earnings of \$1.3 Million

POULSBO, Wash.--(BUSINESS WIRE)--July 21, 2003--Pope Resources (Nasdaq:POPEZ) reported net income of \$1.3 million, or 29 cents per diluted ownership unit, on revenues of \$7.5 million for the second quarter ended June 30, 2003.

This compares to net income of \$1.6 million, or 35 cents per diluted ownership unit, on revenues of \$9.9 million, for the same period in 2002.

Net income for the six months ended June 30, 2003 totaled \$2.6 million, or 57 cents per diluted ownership unit, on revenues of \$14.8 million. Net income for the corresponding period in 2002 totaled \$1.6 million, or 35 cents per diluted ownership unit, on revenues of \$15.8 million.

"Our first half results compare favorably with those from the same period in 2002 primarily due to a decision to front-load our annual timber production volume in 2003," said David L. Nunes, President and CEO. "We have produced nearly 60% of our planned log volume for the year in these first six months, while last year at this time we were at 50% of our annual production. This front-loading of 2003 log production has been intentional because we expected going into this year that prices would soften as the year progressed. We have, in fact, seen this pattern unfold. Log prices have been soft and we expect this softness to continue over the balance of the year. Year-to-date results in 2003 for our Real Estate segment are much improved over last year's comparable period due primarily to \$895,000 of expense accruals recorded in the second quarter of 2002 that did not recur in 2003. Offsetting a good portion of these improvements, however, is the decline in income from our third-party Timberland Management and Consulting segment associated with significantly reduced acres under management in 2003. Adjusting for this lower business activity level, overhead costs have been commensurately trimmed in 2003 by 20% on a comparative year-to-date basis. While market conditions remain weak, we remain confident that the organizational changes put in place over the past year will help to improve our overall competitiveness and profitability."

Fee Timber

Operating income from Fee Timber operations totaled \$2.7 million in the second quarter of 2003 versus \$3.4 million in the second quarter of last year. Harvest volume of 12.7 million board feet (MMBF) was down 1.9 MMBF, or 13% lower compared with the harvest volume in the same quarter a year ago. The Partnership's weighted average log price of \$482 per thousand board feet (MBF) for the second quarter of 2003 was down \$9/MBF or 2% from the second quarter of 2002, and down \$13/MBF or 3% from the first quarter of 2003. Average export log prices realized were up \$33/MBF or 6% in the second quarter of 2003 compared with the second quarter of 2002, but declined \$28/MBF or 5% in the second quarter of 2003 from the first quarter of 2003. The continuing weak export market is evidenced by the fact that approximately 10% of our overall production was sold into this market in the second quarter of 2003 compared to nearly 24% of total production two years ago. In our domestic log market, soft lumber pricing due to excess supply pushed log prices down \$12/MBF or 2% lower per MBF in the current quarter compared to the second quarter of 2002, but still the Partnership managed an increase of \$8/MBF or 2% increase when compared to the first quarter of 2003.

For the first six months of 2003, operating income was \$5.8 million compared to \$5.0 million for the first six months of 2002. Harvest volume of 25.8 MMBF for the first six months of 2003 was up over 4.1 MMBF, or 19% higher compared with the harvest level in the same period a year ago, again owing to our front-loading of planned volume for the year. The Partnership's weighted average log price of \$489/MBF for the first six months of 2003 was down \$5/MBF or 1% from the comparable period in 2002. Average export log prices realized were up \$38/MBF or 7% in the first six months of 2003 compared with the same period in 2002. In our domestic log market, average log prices were down \$19/MBF or 3% in the first six months of 2003 compared with the same period in 2002. Overall log realizations benefited from significantly higher hardwood log prices, which increased \$76/MBF or 16% for the first six months of 2003 compared with the same period in 2002.

For the balance of 2003 the Partnership expects to harvest approximately 19 MMBF for a total annual harvest of 45 MMBF, an annual cut that is anticipated to be sustainable for the foreseeable future.

This segment generated operating losses of \$194,000 and \$323,000 for the second quarter and first six months of 2003, respectively. For the second quarter and first six months of 2002, this segment generated operating income of \$422,000 and \$514,000, respectively. The Partnership's acres under management have declined significantly since late 2002 with the expiration of a major contract at December 31, 2002. This factor has contributed approximately \$500,000 to the negative variance between 2003 and 2002 year-to-date results.

Real Estate

For the second quarter of 2003, the Real Estate segment recorded operating income of \$230,000 compared to an operating loss of \$960,000 for the comparable period in 2002. The second quarter of 2003 results reflect a \$400,000 gain on the \$591,000 sale of a 6-acre parcel in Everett, Washington while the second quarter of 2002 results were greatly influenced by two accruals totaling \$895,000: one for environmental cleanup in Port Gamble (\$730,000) and the other for home warranty liabilities in Port Ludlow (\$165,000). Prior to those accruals, the segment generated an operating loss of \$65,000 for the second quarter of 2002. For the first six months of 2003 and 2002, the Real Estate segment recorded operating losses of \$66,000 and \$1.1 million, respectively. The disparity in comparative year-to-date results is due principally to the aforementioned 2002 expense accruals of \$895,000. Prior to these accruals, the segment generated an operating loss of \$233,000 for the first six months of 2002.

General and Administrative

General and administrative costs for the second quarter 2003 declined by 26% from the second quarter of 2002 to \$723,000, reflecting reductions in the Partnership's overhead cost structure in response to the loss of acres under management at the end of 2002. Year-to-date costs of \$1.5 million are 20% below the comparable level in 2002 due to the same reduction in acres under management.

Capital expenditures for the first six months of 2003 and 2002 were \$716,000 and \$1.1 million, respectively. The Partnership's debt to total capitalization ratio was 45% as of June 30, 2003, down from 48% at the end of the second quarter of 2002 and 47% from the end of 2002.

About Pope Resources

Pope Resources, a publicly traded limited partnership, and its subsidiaries Olympic Resource Management and Olympic Property Group, own or manage nearly 235,000 acres of timberland and development property in Washington, Oregon, and California. In addition, we provide forestry consulting and timberland management services to third-party owners and managers of timberland. The company and its predecessor companies have owned and managed timberlands and development properties for more than 150 years. Additional information on the company can be found at www.orm.com. The contents of our website are not incorporated into this release or into our filings with the Securities and Exchange Commission.

This press release contains a number of projections and statements about our expected financial condition, operating results, business plans and objectives. These statements reflect management's estimates based on current goals and its expectations about future developments. Because these statements describe our goals, objectives, and anticipated performance, they are inherently uncertain, and some or all of these statements may not come to pass. Accordingly, they should not be interpreted as promises of future management actions or financial performance. Our future actions and actual performance will vary from current expectations and under various circumstances these variations may be material and adverse. Some of the factors that may cause actual operating results and financial condition to fall short of expectations are set forth in that part of our Annual Report on Form 10-K entitled "Management's Discussion & Analysis of Financial Condition and Results of Operation -- Risks and Uncertainties." Other issues that may have an adverse and material impact on our business, operating results, and financial condition include those risks and uncertainties discussed in our other filings with the Securities and Exchange Commission, as well as factors that affect our ability to respond adequately to fluctuations in the market prices for our products; environmental and land use regulations that limit our ability to harvest timber and develop property; labor, equipment and transportation costs that affect our net income; and economic conditions that affect consumer demand for our products and the prices we receive for them.

The Company considers earnings (net income or loss) before interest expense, income taxes, depreciation, depletion and amortization (EBITDDA) to be a relevant and meaningful indicator of liquidity and earnings performance commonly used by investors, financial analysts and others in evaluating companies in its industry and, as such, has provided this information in addition to the generally accepted accounting principle-based presentation of net income or loss.

Pope Resources, A Delaware Limited Partnership
Unaudited

CONSOLIDATED STATEMENTS OF OPERATIONS
(all amounts in \$000's)

	Three months ended June 30,		Six months ended June 30,	
	2003	2002	2003	2002
Revenues	\$7,480	\$9,935	\$14,792	\$15,772
Costs and expenses:				
Cost of sales	(3,192)	(3,789)	(6,126)	(5,515)
Operating expenses	(2,289)	(4,294)	(4,668)	(7,667)
Operating income	1,999	1,852	3,998	2,590
Interest, net	(694)	(682)	(1,408)	(1,424)
Minority interest	-	(32)	-	(32)
Income before income taxes	1,305	1,138	2,590	1,134
Income tax benefit/(provision)	(9)	425	(3)	441
Net income	1,296	1,563	2,587	1,575
Average units outstanding - Basic (000's)	4,518	4,518	4,518	4,518
Average units outstanding - Diluted (000's)	4,519	4,520	4,519	4,520
Basic net income per unit	\$ 0.29	\$ 0.35	\$ 0.57	\$ 0.35
Diluted net income per unit	\$ 0.29	\$ 0.35	\$ 0.57	\$ 0.35

CONSOLIDATED BALANCE SHEETS
(all amounts in \$000's)

	June 30,	
	2003	2002
Assets:		
Cash and short-term investments	\$7,602	\$3,709
Other current assets	2,092	3,062
Roads and timber	49,033	50,900
Properties and equipment	23,543	23,391
Other assets	3,188	3,761
Total	85,458	84,823
Liabilities and partners' capital:		
Current liabilities	3,192	4,994
Long-term debt, excluding current portion	36,057	37,025
Other long-term liabilities	468	554
Total liabilities	39,717	42,573
Partners' capital	45,741	42,250
Total	85,458	84,823

RECONCILIATION BETWEEN NET INCOME AND EBITDDA
(all amounts in \$000's)

	Three months ended		
	30-Jun-03	30-Jun-02	31-Mar-03
Net income	\$1,296	\$1,563	\$1,291
Added back:			
Interest, net	694	682	714
Depletion	811	1,040	843
Depreciation and amortization	162	200	167
Income tax expense	9	-	-
Less:			
Income tax benefit	-	(425)	(6)
EBITDDA	\$2,972	\$3,060	\$3,009

RECONCILIATION BETWEEN CASH FROM OPERATIONS AND EBITDDA
(all amounts in \$000's)

	Three months ended		
	30-Jun-03	30-Jun-02	31-Mar-03
Cash from operations	\$1,960	\$4,069	\$1,947
Added back:			
Change in working capital	328	-	372
Interest	694	682	714
Deferred profit	-	14	-
Other	-	11	9
Less:			
Change in working capital	-	(1,046)	-
Deferred profit	(2)	-	(27)
Income tax benefit	-	(425)	(6)
Other	(8)	(245)	-
EBITDDA	\$2,972	\$3,060	\$3,009

SEGMENT INFORMATION
(all amounts in \$000's)

	Three months ended June 30,		Six months ended June 30,	
	2003	2002	2003	2002
Revenues:				
Fee Timber	\$6,338	\$7,350	\$13,113	\$11,324
Timberland Management & Consulting (TM&C)	299	1,922	683	3,542
Real Estate	843	663	996	906
Total	7,480	9,935	14,792	15,772
EBITDDA:				
Fee Timber	3,531	4,433	7,561	6,629
TM&C	(180)	473	(289)	623
Real Estate	250	(946)	(27)	(1,099)
General & administrative	(629)	(900)	(1,264)	(1,633)
Total	2,972	3,060	5,981	4,520
Depreciation, depletion and amortization:				
Fee Timber	845	1,068	1,719	1,597
TM&C	14	51	34	109
Real Estate	20	14	39	29
General & administrative	94	107	191	227
Total	973	1,240	1,983	1,962
Operating income/(loss):				
Fee Timber	2,686	3,365	5,842	5,032
TM&C	(194)	422	(323)	514
Real Estate	230	(960)	(66)	(1,128)
General & administrative	(723)	(975)	(1,455)	(1,828)
Total	1,999	1,852	3,998	2,590

SELECTED STATISTICS

	Three months ended		Six months ended	
	30-Jun-03	30-Jun-02	30-Jun-03	30-Jun-02
Log sale volumes (thousand board feet):				
Export conifer	1,203	1,406	2,633	2,672
Domestic conifer	8,939	10,960	18,226	15,442
Pulp conifer	2,069	1,904	3,748	2,845
Hardwoods	464	329	1,234	778
Total	12,675	14,599	25,841	21,737
	=====	=====	=====	=====

Average price realizations
(per thousand board feet):

Export conifer	\$564	\$531	\$579	\$541
Domestic conifer	532	544	528	547
Pulp conifer	200	164	216	167
Hardwoods	563	459	543	467
Overall	482	491	489	494

Owned acres	112,200	112,200	112,200	112,200
Acres under management	123,597	455,553	123,597	455,553
Capital expenditures (\$000's)	303	729	716	1,142
Depletion (\$000's)	811	1,040	1,654	1,546
Depreciation (\$000's)	162	200	329	416
Debt to total capitalization	45%	48%	45%	48%

QUARTER TO QUARTER COMPARISONS
(Amounts in \$000's except per unit data)

	Q2 2003 vs. Q2 2002		Q2 2003 vs. Q1 2003	
	Total	Per Unit	Total	Per Unit
Net income:				
2nd Quarter 2003	1,296	0.29	1,296	0.29
1st Quarter 2003			1,291	0.29
2nd Quarter 2002	1,563	0.35		
Variance	(267)	(0.06)	5	0.00
Detail of earnings variance:				
Fee Timber				
Log price realizations (A)	(131)	(0.03)	(171)	(0.04)
Log volumes (B)	(763)	(0.17)	(322)	(0.07)
Timberland sale income	40	0.01	40	0.01
Depletion	229	0.05	32	0.01
Other Fee Timber	(54)	(0.01)	(49)	(0.01)
Timberland Management & Consulting				
Management fee changes	(953)	(0.21)	(5)	(0.00)
Other Timberland Mgmt & Consulting	337	0.07	(60)	(0.01)
Real Estate				
Environmental remediation reserve	730	0.16		
Operating results from sold RE op's	112	0.02		
Other Real Estate	348	0.08	526	0.11
General & administrative costs	252	0.06	9	0.00
Interest expense	41	0.01	22	0.00
Other (taxes, minority int., interest inc.)	(455)	(0.10)	(17)	(0.00)
Total change in earnings	(267)	(0.06)	5	0.00
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(A) Price variance allocated based on changes in price using the higher period volume.

(B) Volume variance allocated based on change in sales volume and the average log sales price for higher margin less variance in log production costs.

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