



**RAYMOND JAMES 41<sup>ST</sup> ANNUAL INSTITUTIONAL INVESTORS CONFERENCE**

*March 2020*

# Forward-Looking Statements

**Forward-Looking Statements** - Certain statements in this presentation regarding anticipated financial outcomes including Rayonier's earnings guidance, if any, business and market conditions, outlook, expected dividend rate, Rayonier's business strategies, including expected harvest schedules, timberland acquisitions, sales of non-strategic timberlands, the anticipated benefits of Rayonier's business strategies, and other similar statements relating to Rayonier's future events, developments or financial or operational performance or results, are "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, and other federal securities laws. These forward-looking statements are identified by the use of words such as "may," "will," "should," "expect," "estimate," "believe," "intend," "project," "anticipate" and other similar language. However, the absence of these or similar words or expressions does not mean that a statement is not forward-looking. While management believes that these forward-looking statements are reasonable when made, forward-looking statements are not guarantees of future performance or events and undue reliance should not be placed on these statements.

The following important factors, among others, could cause actual results or events to differ materially from those expressed in forward-looking statements that may have been made in this document: the cyclical and competitive nature of the industries in which we operate; fluctuations in demand for, or supply of, our forest products and real estate offerings; entry of new competitors into our markets; changes in global economic conditions and world events; fluctuations in demand for our products in Asia, and especially China; various lawsuits relating to matters arising out of our previously announced internal review and restatement of our consolidated financial statements; the uncertainties of potential impacts of climate-related initiatives; the cost and availability of third party logging and trucking services; the geographic concentration of a significant portion of our timberland; our ability to identify, finance and complete timberland acquisitions; changes in environmental laws and regulations regarding timber harvesting, delineation of wetlands, and endangered species, that may restrict or adversely impact our ability to conduct our business, or increase the cost of doing so; adverse weather conditions, natural disasters and other catastrophic events such as hurricanes, wind storms and wildfires, which can adversely affect our timberlands and the production, distribution and availability of our products; interest rate and currency movements; our capacity to incur additional debt; changes in tariffs, taxes or treaties relating to the import and export of our products or those of our competitors; changes in key management and personnel; our ability to meet all necessary legal requirements to continue to qualify as a real estate investment trust ("REIT") and changes in tax laws that could adversely affect beneficial tax treatment; the cyclical nature of the real estate business generally; a delayed or weak recovery in the housing market; the lengthy, uncertain and costly process associated with the ownership, entitlement and development of real estate, especially in Florida, which also may be affected by changes in law, policy and political factors beyond our control; unexpected delays in the entry into or closing of real estate transactions; changes in environmental laws and regulations that may restrict or adversely impact our ability to sell or develop properties; the timing of construction and availability of public infrastructure; and the availability of financing for real estate development and mortgage loans.

For additional factors that could impact future results, please see Item 1A - Risk Factors in the Company's most recent Annual Report on Form 10-K and similar discussion included in other reports that we subsequently file with the Securities and Exchange Commission ("SEC"). Forward-looking statements are only as of the date they are made, and the Company undertakes no duty to update its forward-looking statements except as required by law. You are advised, however, to review any further disclosures we make on related subjects in our subsequent reports filed with the SEC.

**Non-GAAP Financial Measures** - To supplement Rayonier's financial statements presented in accordance with generally accepted accounting principles in the United States ("GAAP"), Rayonier uses certain non-GAAP measures, including "cash available for distribution," and "Adjusted EBITDA," which are defined and further explained in this communication. Reconciliation of such measures to the nearest GAAP measures can also be found in this communication. Rayonier's definitions of these non-GAAP measures may differ from similarly titled measures used by others. These non-GAAP measures should be considered supplemental to, and not a substitute for, financial information prepared in accordance with GAAP.

# Forward-Looking Statements (continued)

**Important Additional Information and Where to Find It** - In connection with the proposed merger, Rayonier and its subsidiary, Rayonier Operating Partnership LP, will file with the SEC a registration statement on Form S-4 to register the shares of Rayonier common stock and units representing partnership interests in Rayonier Operating Partnership LP to be issued in connection with the merger. The registration statement will include a proxy statement/prospectus which will be sent to the stockholders of Pope Resources seeking their approval of the merger-related proposals. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT ON FORM S-4 AND THE RELATED PROXY STATEMENT/PROSPECTUS, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS AND ANY OTHER RELEVANT DOCUMENTS TO BE FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED MERGER, WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT RAYONIER, POPE RESOURCES AND THE PROPOSED TRANSACTION.

Investors and security holders may obtain copies of these documents free of charge through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov) or from Rayonier at its website, [www.rayonier.com](http://www.rayonier.com), or from Pope Resources at its website, [www.poperesources.com](http://www.poperesources.com). Documents filed with the SEC by Rayonier will be available free of charge by accessing Rayonier's website at [www.rayonier.com](http://www.rayonier.com) under the heading Investor Relations, or, alternatively, by directing a request by telephone or mail to Rayonier at 1 Rayonier Way, Wildlight, FL 32097, and documents filed with the SEC by Pope Resources will be available free of charge by accessing Pope Resources' website at [www.poperesources.com](http://www.poperesources.com) under the heading Investor Relations or, alternatively, by directing a request by telephone or mail to Pope Resources at 19950 Seventh Avenue NE, Suite 200, Poulsbo, WA 98370.

**Participants in the Solicitation** - Rayonier and Pope Resources and certain of their respective directors and executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies from the stockholders of Pope Resources in respect of the proposed transaction under the rules of the SEC. Information about Pope Resources' directors and executive officers is available in Pope Resources' Annual Report on Form 10-K and certain of its Current Reports on Form 8-K. Information about Rayonier's directors and executive officers is available in Rayonier's proxy statement dated April 1, 2019 for its 2019 Annual Meeting of Stockholders, and certain of its Current Reports on Form 8-K. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the proxy statement/prospectus and other relevant materials to be filed with the SEC regarding the merger when they become available. Investors should read the proxy statement/prospectus carefully when it becomes available before making any voting or investment decisions. You may obtain free copies of these documents from Rayonier or Pope Resources using the sources indicated above.

**No Offer or Solicitation** - This Presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended.

# Rayonier At A Glance



2.6 million acres



\$1.8 billion of timberlands acquired since 2011

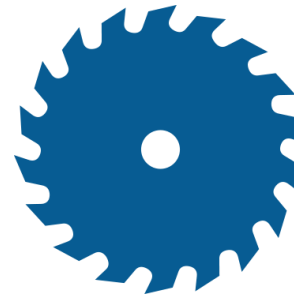


~350 employees

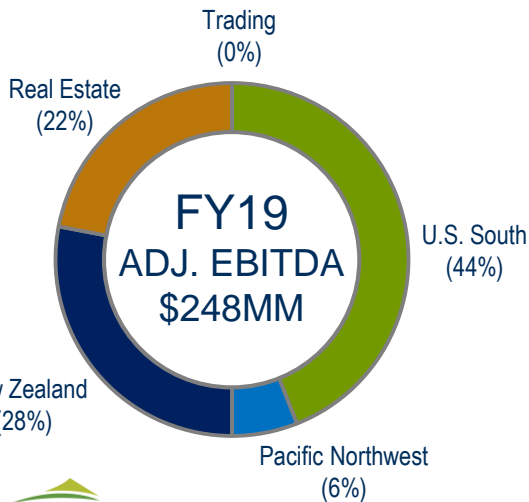
Value-added Real Estate Platform



Sustainable yield of ~10 million tons annually



Established in 1926



Sustainable Certifications



SFI-00023



The mark of responsible forestry



Promoting Sustainable Forest Management

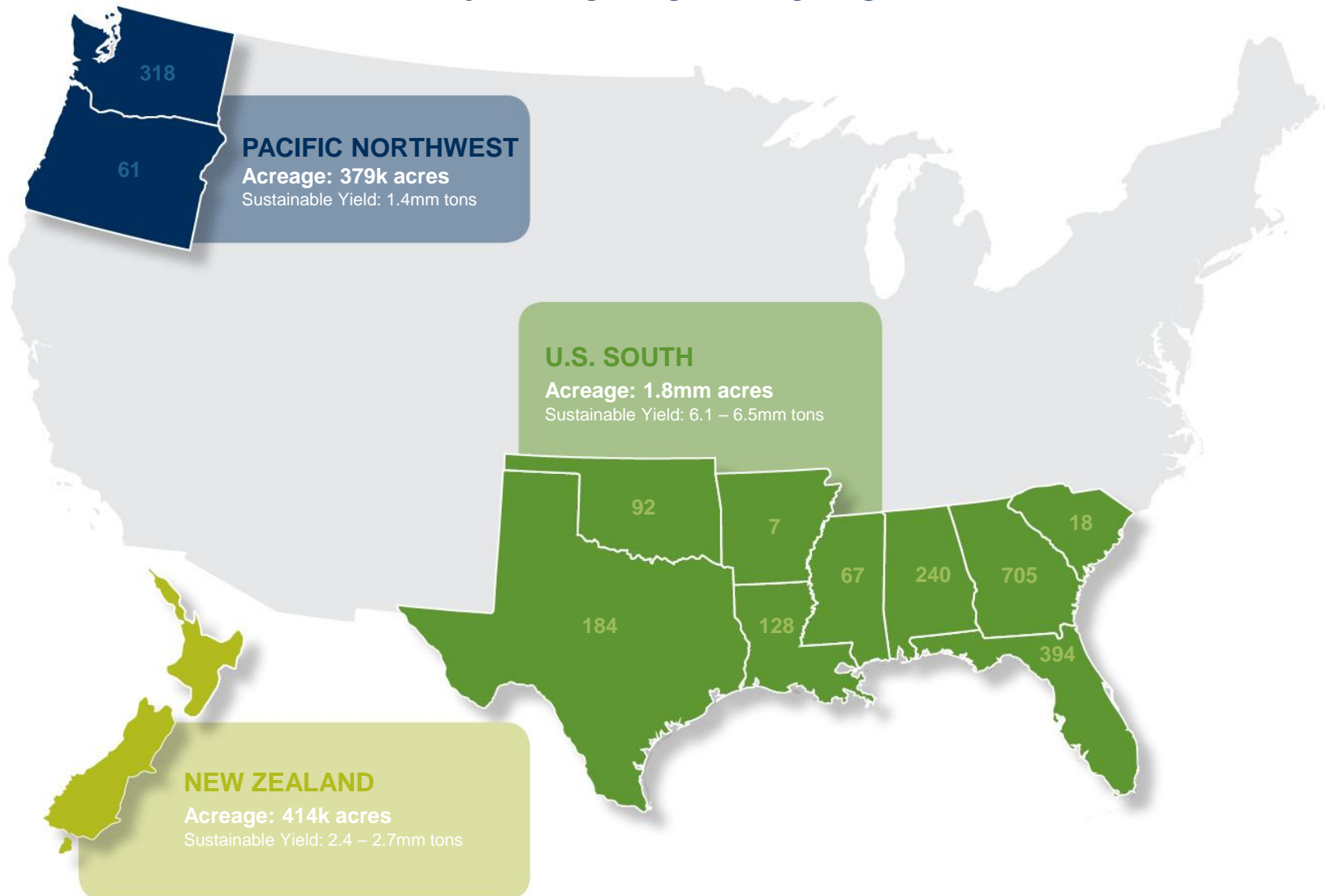
Mission:

Provide industry-leading financial returns to our shareholders while serving as a responsible steward of our lands



# Highly Productive, Geographically Diversified Timberlands

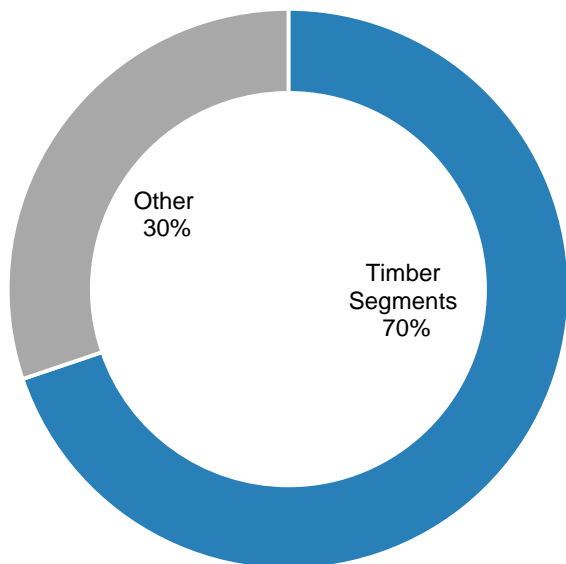
2.6 MILLION TOTAL ACRES



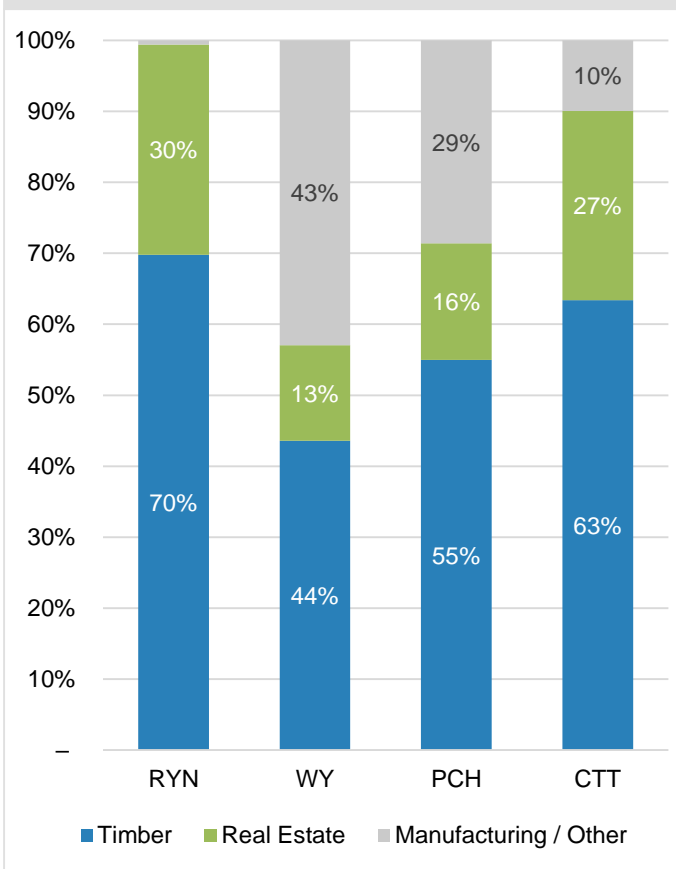
# Rayonier is the Leading “Pure Play” Timber REIT

## Rayonier

2017 – 2019 EBITDA\*  
Composition

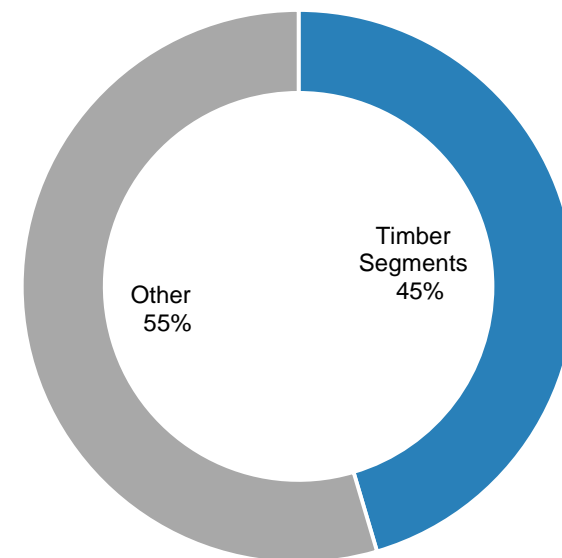


Peer Group EBITDA\* Composition  
(2017 – 2019)



## Peer Group

2017 – 2019 EBITDA\*  
Composition



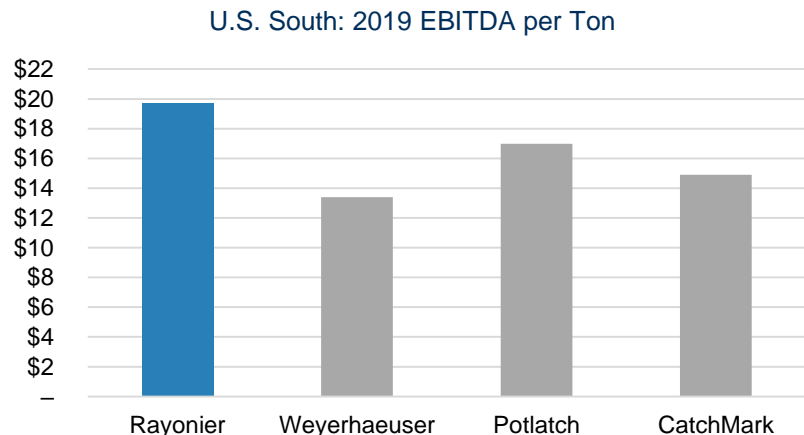
**Over the last three years, Rayonier has generated 70% of its EBITDA\* from timber operations (versus 45% for the peer group).**



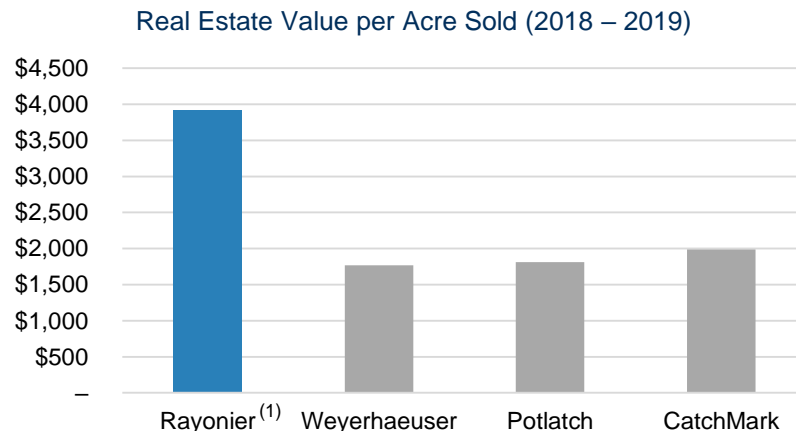
Note: Timberland REIT Peer Group comprised of WY, PCH and CTT. Figures reflect aggregate Timberland REIT Peer Group EBITDA for 2017 – 2019, excluding corporate expenses. Other includes real estate, manufacturing and other reported segments.  
\* Non-GAAP measure or pro forma item (see Appendix for definitions and RYN reconciliations).

# Rayonier Portfolio Highlights

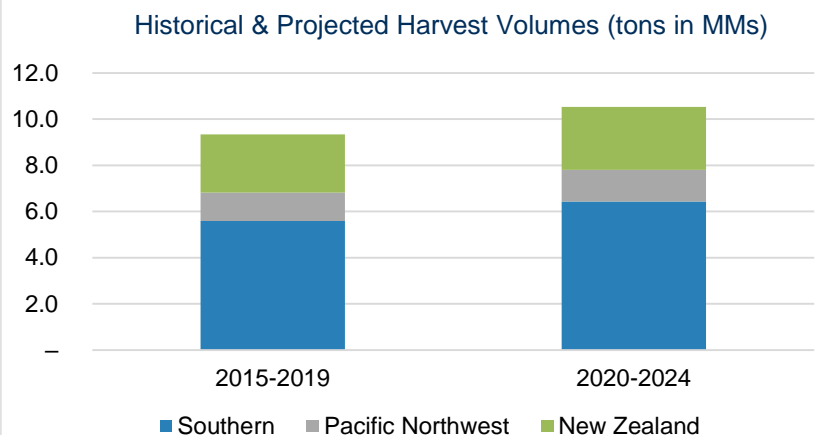
## Sector-Leading U.S. South EBITDA per Ton



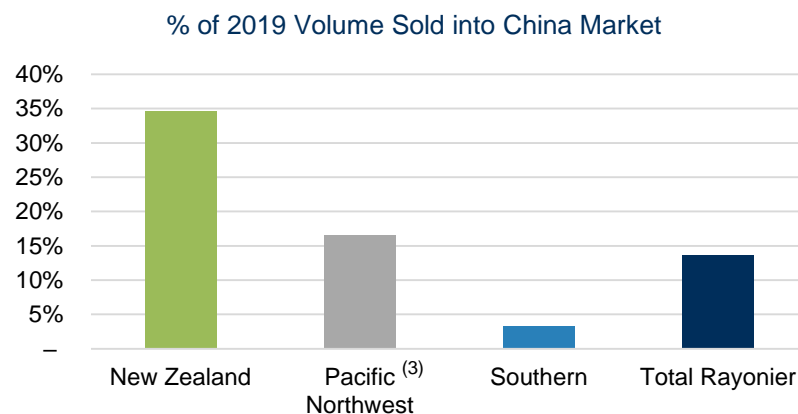
## Sector-Leading HBU Value Realizations



## Improving Harvest Profile<sup>(2)</sup>



## Unique Exposure to China Export Market



- (1) Excludes Large Dispositions and Improved Development.
- (2) Based on Rayonier estimates; assumes current portfolio with no acquisitions or divestitures.
- (3) Based on estimated export volume sold into China market.

# Rayonier's Strategic Priorities

## MANAGE FOR LONG-TERM VALUE

- Design harvest strategy to achieve long-term, sustainable yield
- Balance biological growth, harvest cash flow and responsible stewardship

## ACQUIRE HIGH-QUALITY TIMBERLANDS

- Pursue acquisitions that improve portfolio quality and sustainable yield
- Maintain disciplined approach to acquisitions, minimize HBU speculation

## OPTIMIZE PORTFOLIO VALUE

- Opportunistically monetize lands where premium valuations can be achieved
- Pursue value creation activities on select properties to enhance long-term value

## FOCUS ON QUALITY OF EARNINGS

- Focus on harvest operations and rural land sales to support dividends
- De-emphasize sale of “non-strategic” timberlands to augment cash flow

## BEST-IN-CLASS STEWARDSHIP & DISCLOSURE

- Develop and integrate robust ESG policies and best practices
- Establish Rayonier as industry leader in transparent disclosure



# Rayonier to Acquire Pope Resources



## Strategic Benefits

- Significantly expands the scale of Rayonier's Pacific Northwest timberland portfolio
  - Adds 125k<sup>(1)</sup> acres of fee ownership
  - Increases PNW sustainable yield by 57 MMBF
- Significantly improves quality of Rayonier's Pacific Northwest portfolio
  - Increases proportion of Douglas-fir merchantable inventory from 60% to 68%
  - Increases proportion of ground-based logging, with significantly lower operating costs
  - Improves geographic and log market diversity
- Adds 17k "look-through"<sup>(2)</sup> acres from timber fund business
- Opportunity to leverage regional expertise in silvicultural practices, log marketing and logistics
- Enhances pipeline of value-added HBU and real estate development opportunities

## Financial Benefits

- Expected synergies of \$5 million<sup>(3)</sup> annually
  - Reduction of overhead expenses
  - Elimination of redundant public company costs
- Improves PNW cash flow per acre due to strong markets, favorable species mix and lower operating costs
- Expected five-year average annual financial impact:
  - Adjusted EBITDA\*: +\$38 million
  - CAD\*: +\$25 million
- Expected to be accretive to CAD\* / share in first full year<sup>(3)</sup>
- Limits incremental leverage with minimum equity consideration of 70%
  - Opportunity to reduce debt through portfolio optimization / large dispositions
- UPREIT structure offers tax deferral option for Pope unitholders and facilitates future timberland acquisition opportunities for Rayonier

(1) Includes approx. 6,000 acres representing long-term timber deeds, timber reservations from prior land sales, and lands located within real estate project areas.

(2) "Look-through" represents pro-rata ownership of the funds.

(3) Excludes transaction costs and costs required to achieve synergies.

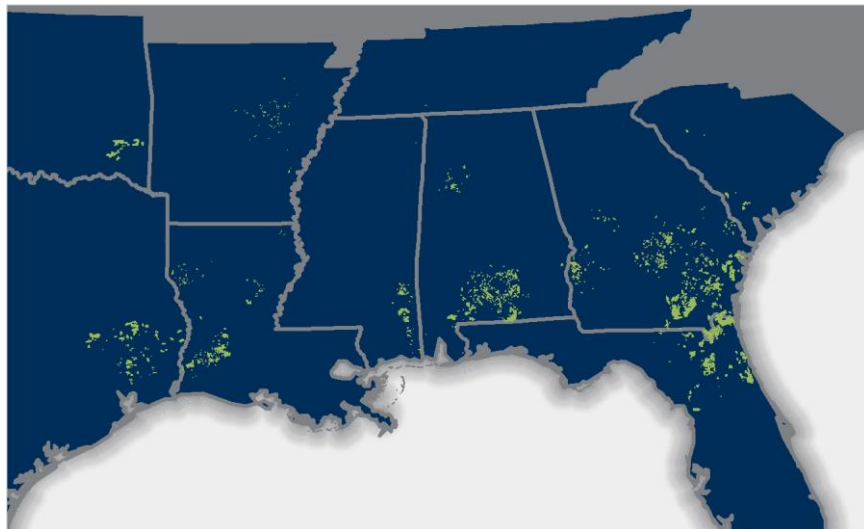
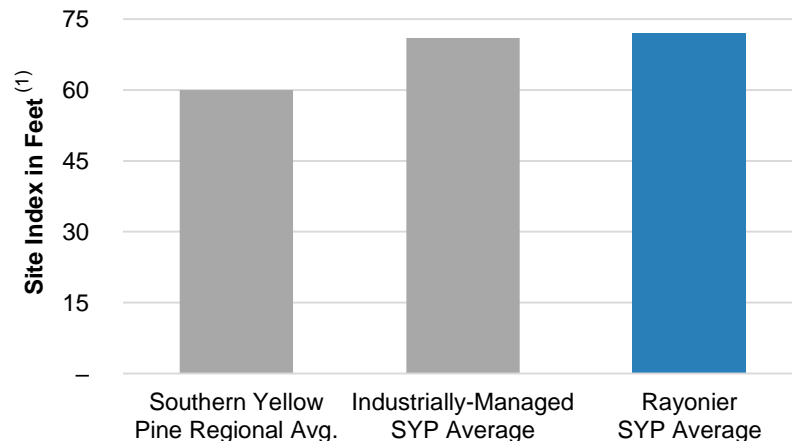
\* Non-GAAP measure (see Appendix for definitions).

# Southern Timber – Portfolio Overview

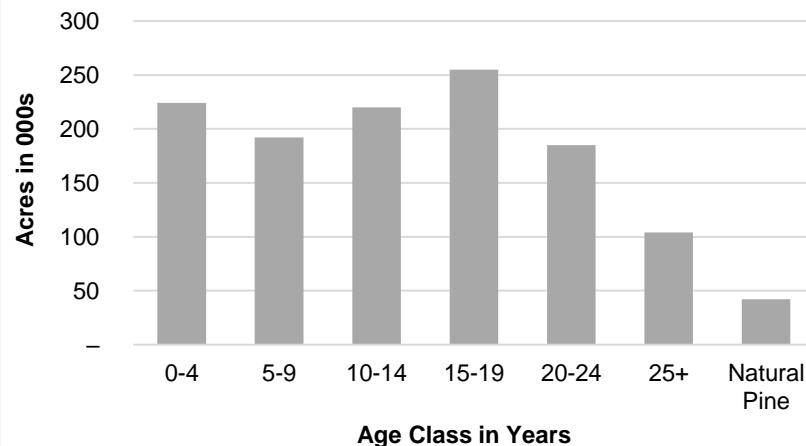
## Highlights / Location

- Acreage: 1.8 million acres
- Sustainable Yield: 6.1 – 6.5 million tons
- Planted / Plantable: 67%
- Average Site Index: 72 feet at age 25<sup>(1)</sup>
- 2019 EBITDA\*: \$119.7 million
- Sustainable Forestry Initiative Certification

## Strong Productivity Characteristics



## Balanced Age Class Profile (2)



(1) Site index reflects the average height of the dominant and codominant trees at a base age of 25 (U.S. South).

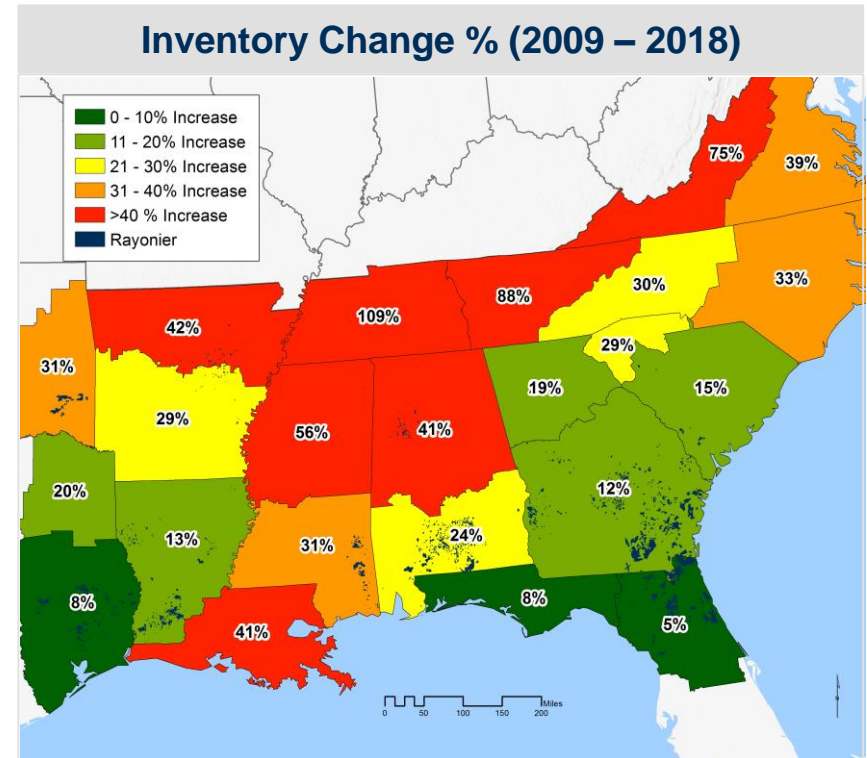
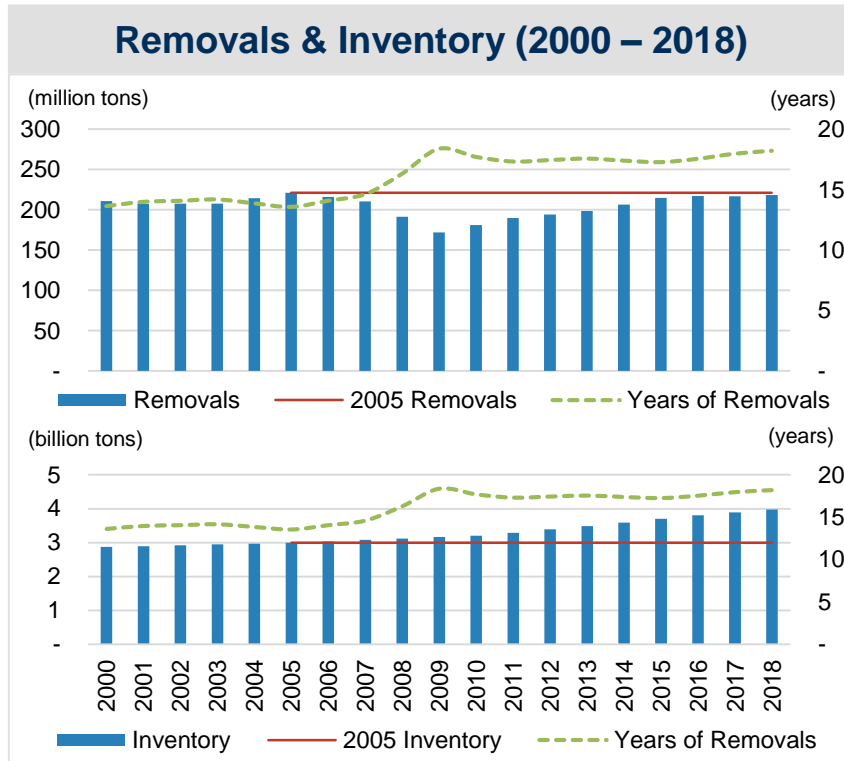
(2) Age class profile as of 09/30/19 per 2019 Form 10-K.

Source: U.S. Dept. of Agriculture, Society of American Foresters Journal of Forestry.

\* Non-GAAP measure (see Appendix for definitions and RYN reconciliations).

# U.S. South Softwood Inventory Build

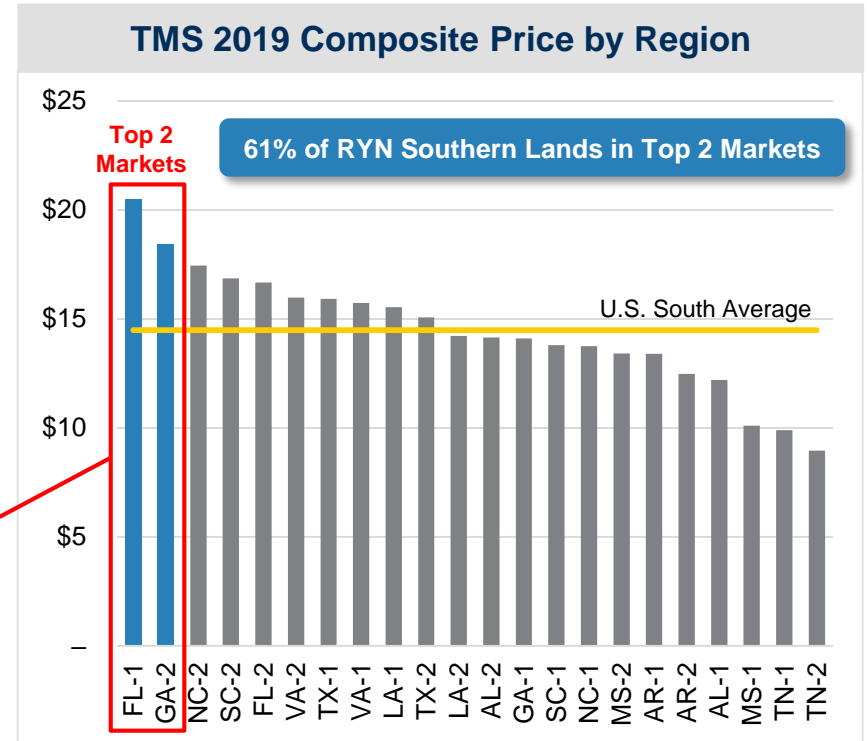
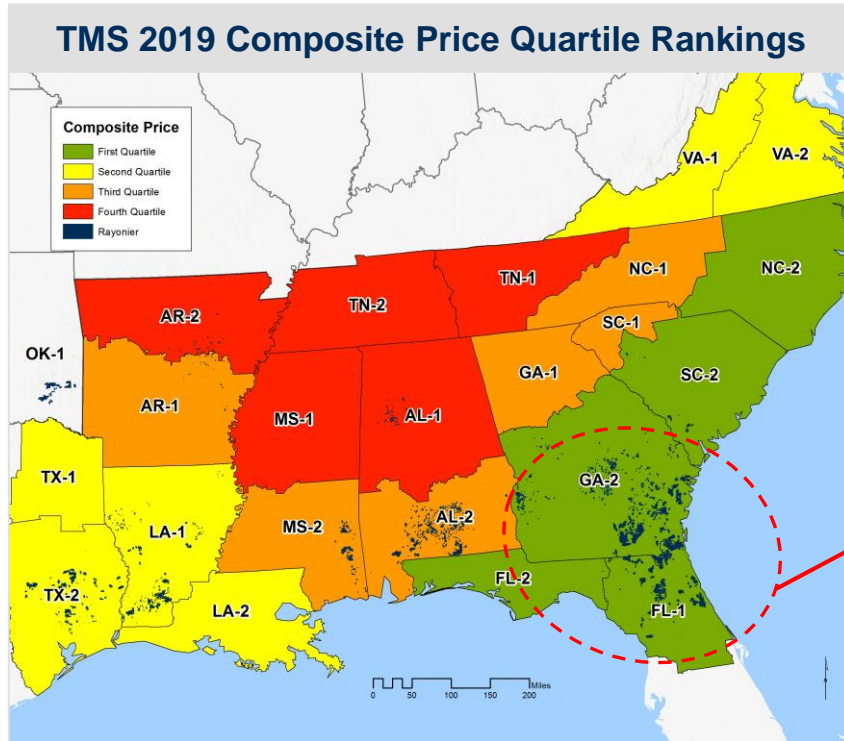
- Timber markets across the South have experienced differing levels of inventory and demand changes
- U.S. South removals are at pre-recession level; however, inventory has increased by over 1 billion tons
- Standing timber inventories have increased disproportionately in the Inland Gulf area



**Removals have recovered to pre-recession level; however, total U.S. South inventory has increased significantly. Weaker markets are experiencing disproportionate inventory build.**

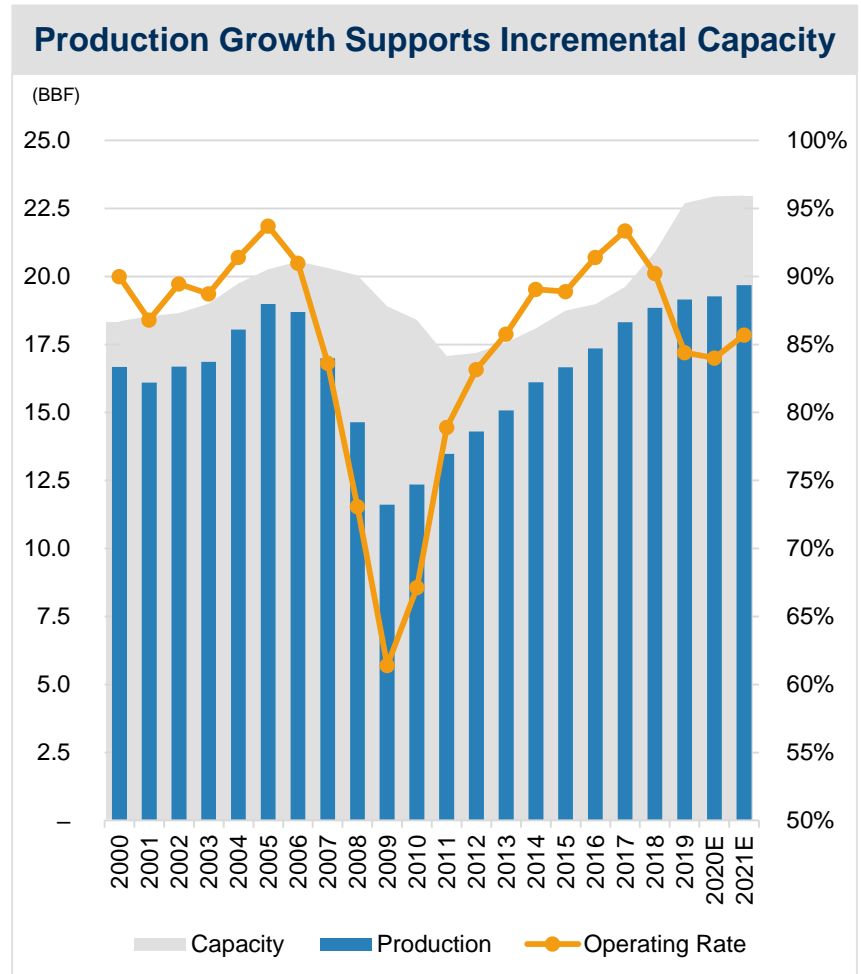
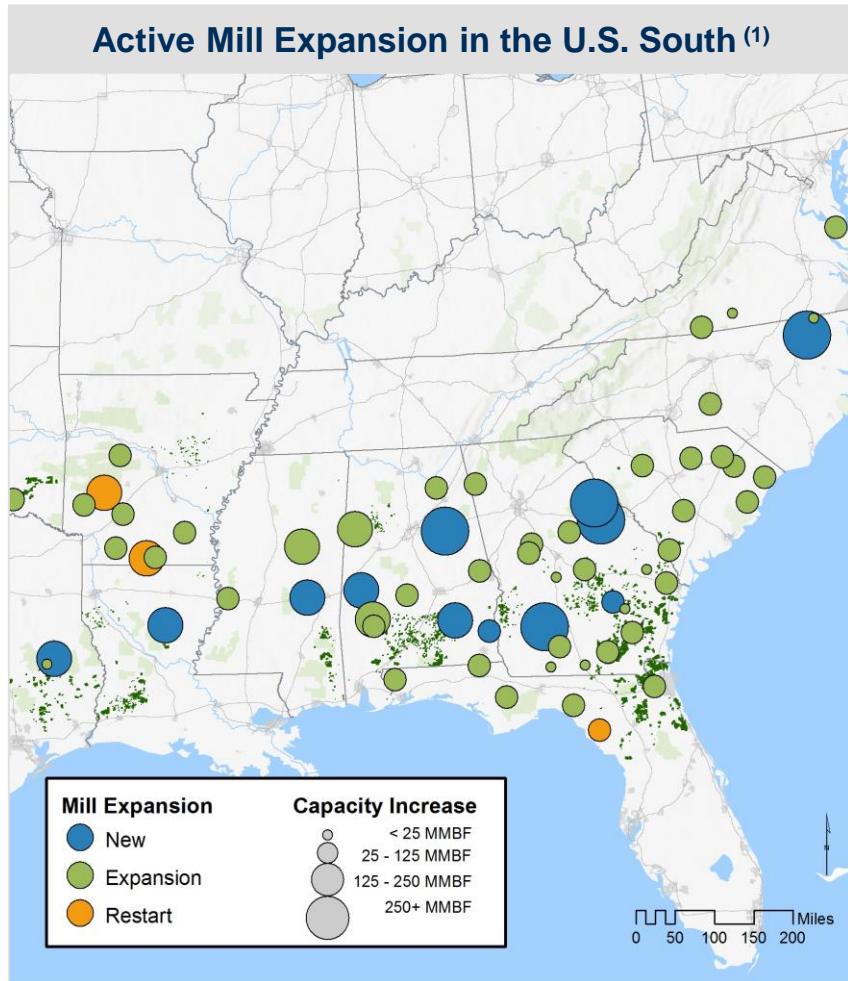
# RYN Concentrated in Strongest U.S. South Markets

- Supply / demand dynamics are highly localized, as logs generally travel less than 100 miles
- Timber consumption vs. inventory growth remains much more tensioned in Coastal Atlantic markets



Approximately 61% of Rayonier's Southern timberlands are located in the top two markets (ranked by TimberMart-South composite stumpage pricing).

# Lumber Capacity Expansion in U.S. South



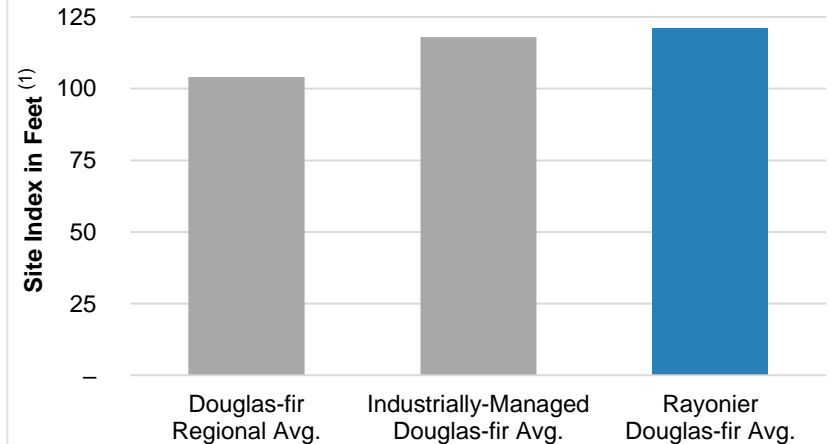
Lumber production and capacity in the U.S. South has grown significantly over the last several years.

# Pacific Northwest Timber – Portfolio Overview

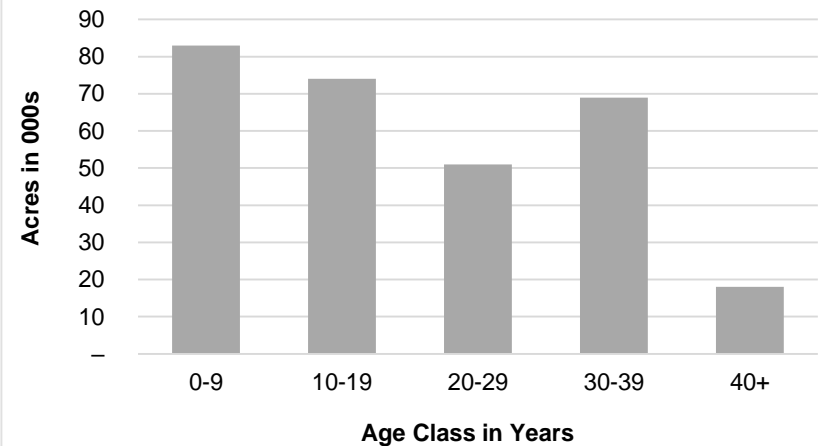
## Highlights / Location

- Acreage: 379,000 acres
- Sustainable Yield: 1.4 million tons
- Planted / Plantable: 77%
- Average Site Index: 116 feet at age 50<sup>(1)</sup>
- 2019 EBITDA\*: \$16.7 million
- Sustainable Forestry Initiative Certification

## Strong Productivity Characteristics



## Improving Age Class Profile<sup>(2)</sup>



(1) Site index reflects the average height of the dominant and codominant trees at a base age of 50 (Pacific Northwest); based on King 1966 site index equation for Douglas-fir and Wiley 1978 site index equation for Western Hemlock.

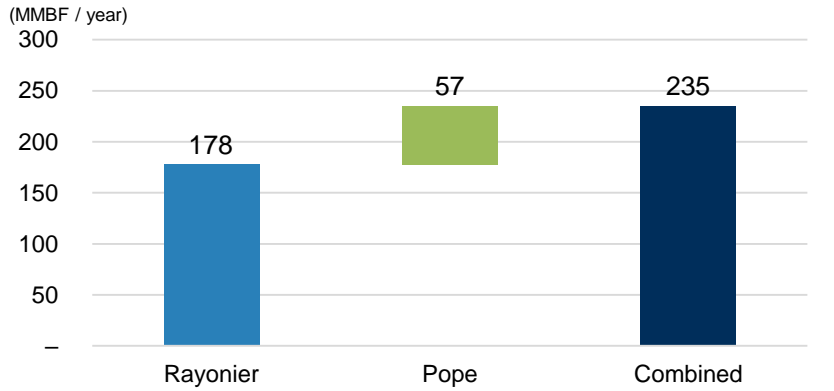
(2) Age class profile as of 9/30/19 per 2019 Form 10-K.

Source: U.S. Dept. of Agriculture, Society of American Foresters Journal of Forestry.

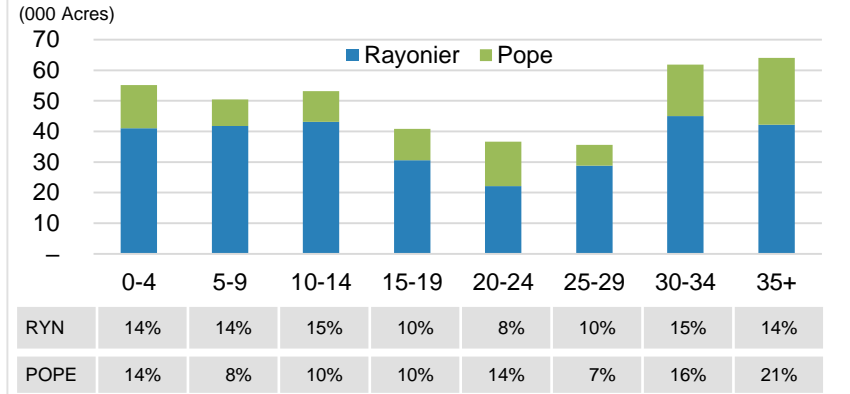
\* Non-GAAP measure (see Appendix for definitions and RYN reconciliations).

# Pope Timberlands Significantly Enhance Rayonier Portfolio

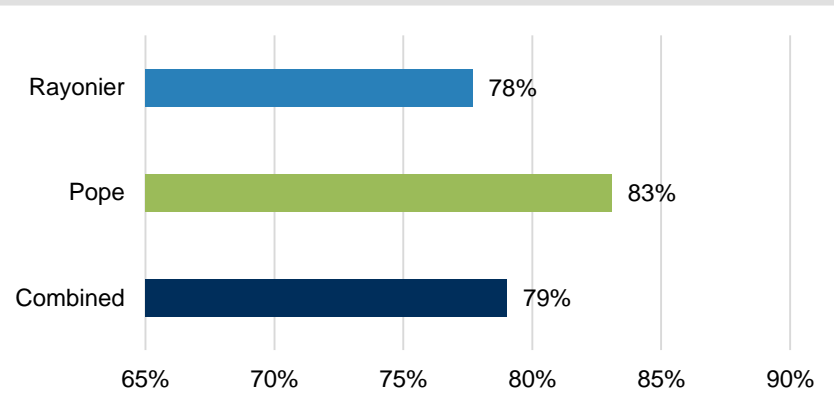
## Pro Forma Sustainable Yield (1)



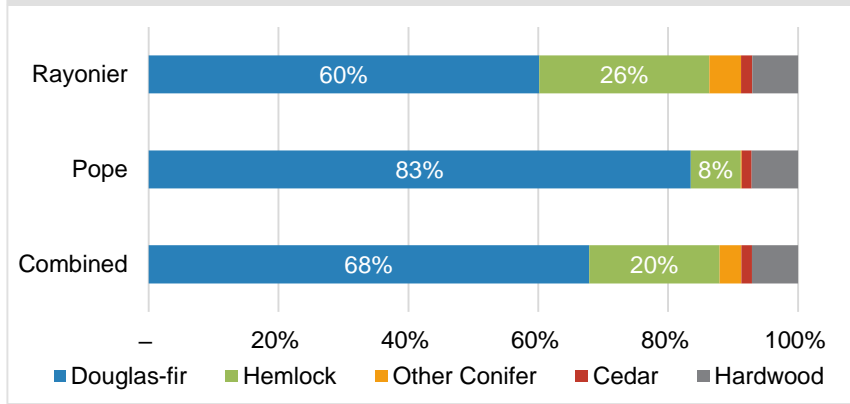
## Acres and % by Age-Class (2)



## % Productive Forest



## Merchantable Volume Species Mix (2)



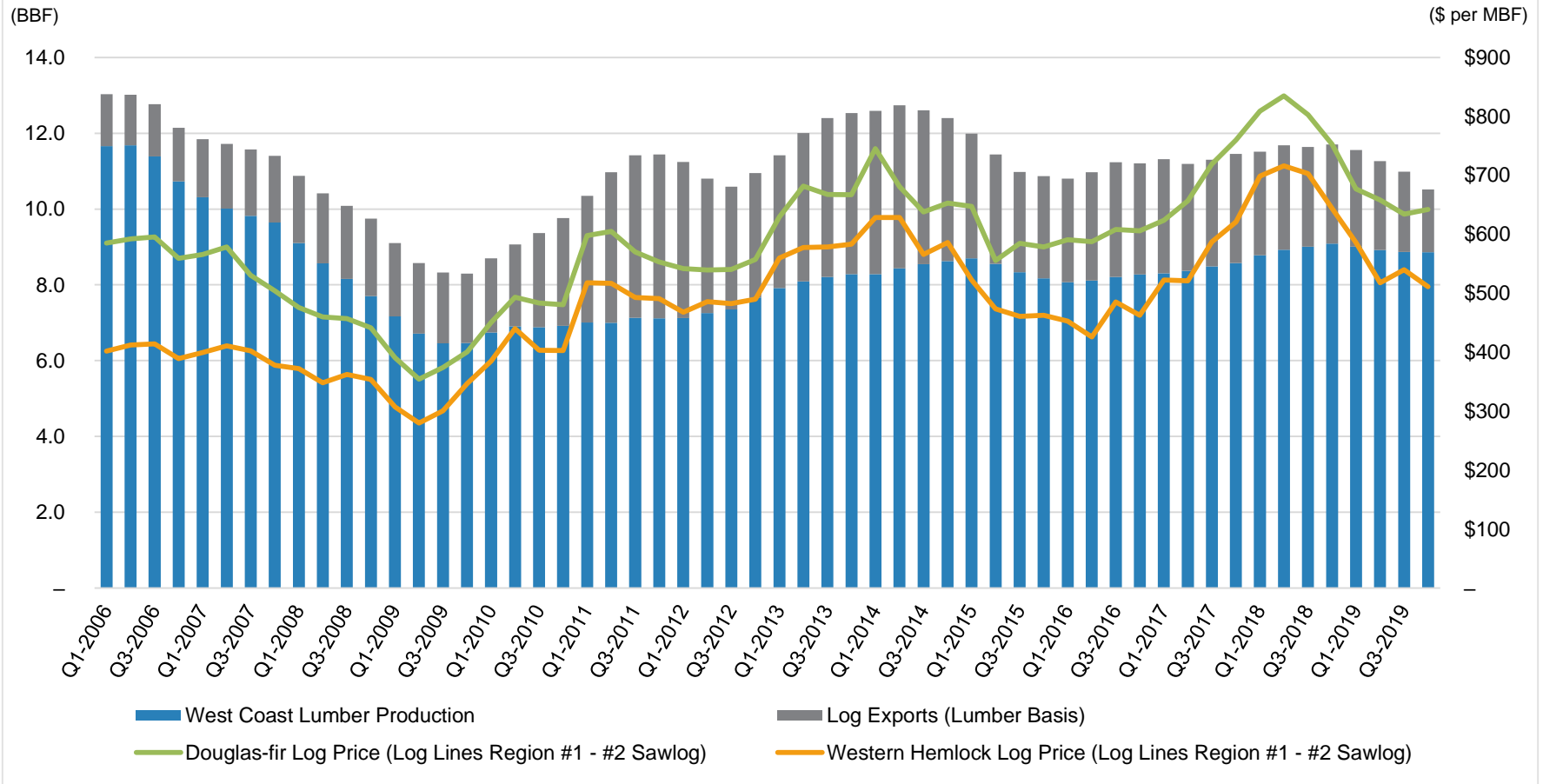
**Pope Resources' partnership timberland complements Rayonier's existing age-class distribution and materially upgrades the quality of our Pacific Northwest portfolio.**



(1) See definition of sustainable yield in Rayonier's most recent Form 10-K.  
 (2) Rayonier age class and 35+ year old merchantable volume as of 09/30/19. Pope age class and 35+ year old merchantable volume represents partnership / fee timber only and is projected as of 12/31/19.

# Pacific Northwest Demand & Pricing Trends

## Pacific Northwest Log Demand & Pricing



**Pacific Northwest pricing has been impacted recently by the decline in export demand.**

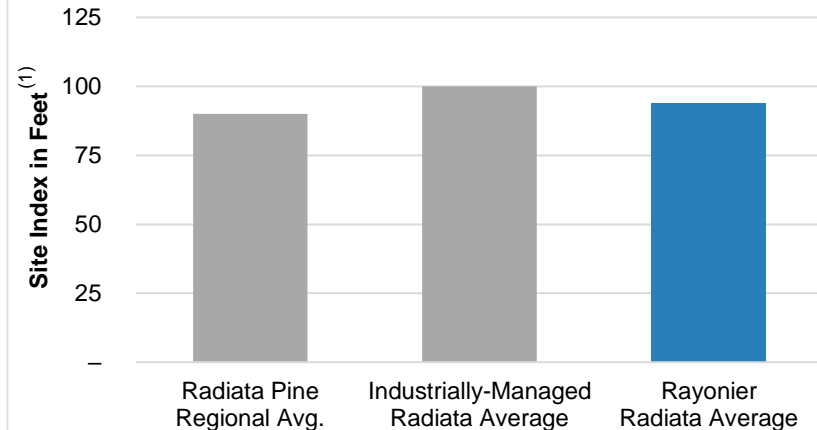


# New Zealand Timber – Portfolio Overview

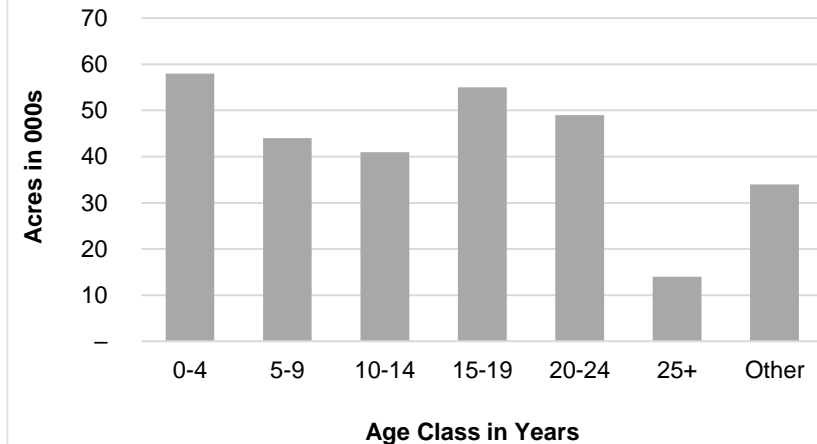
## Highlights / Location

- Acreage: 414,000 acres (295,000 productive acres)
- Sustainable Yield: 2.4 - 2.7 million tons
- Planted / Plantable: 71%
- Average Site Index: 94 feet at age 20<sup>(1)</sup>
- 2019 EBITDA\*: \$75.8 million
- FSC® and PEFC™ Certified
- Appraised value as of 12/31/19: NZ\$1,514 million (NZ\$5,138 / productive acre)<sup>(3)</sup>

## Strong Productivity Characteristics



## Balanced Age Class Profile (Radiata)<sup>(2)</sup>



(1) Site index reflects the average height of the dominant and codominant trees at a base age of 20 (New Zealand).

(2) Age class profile as of 12/31/19 per 2019 Form 10-K.

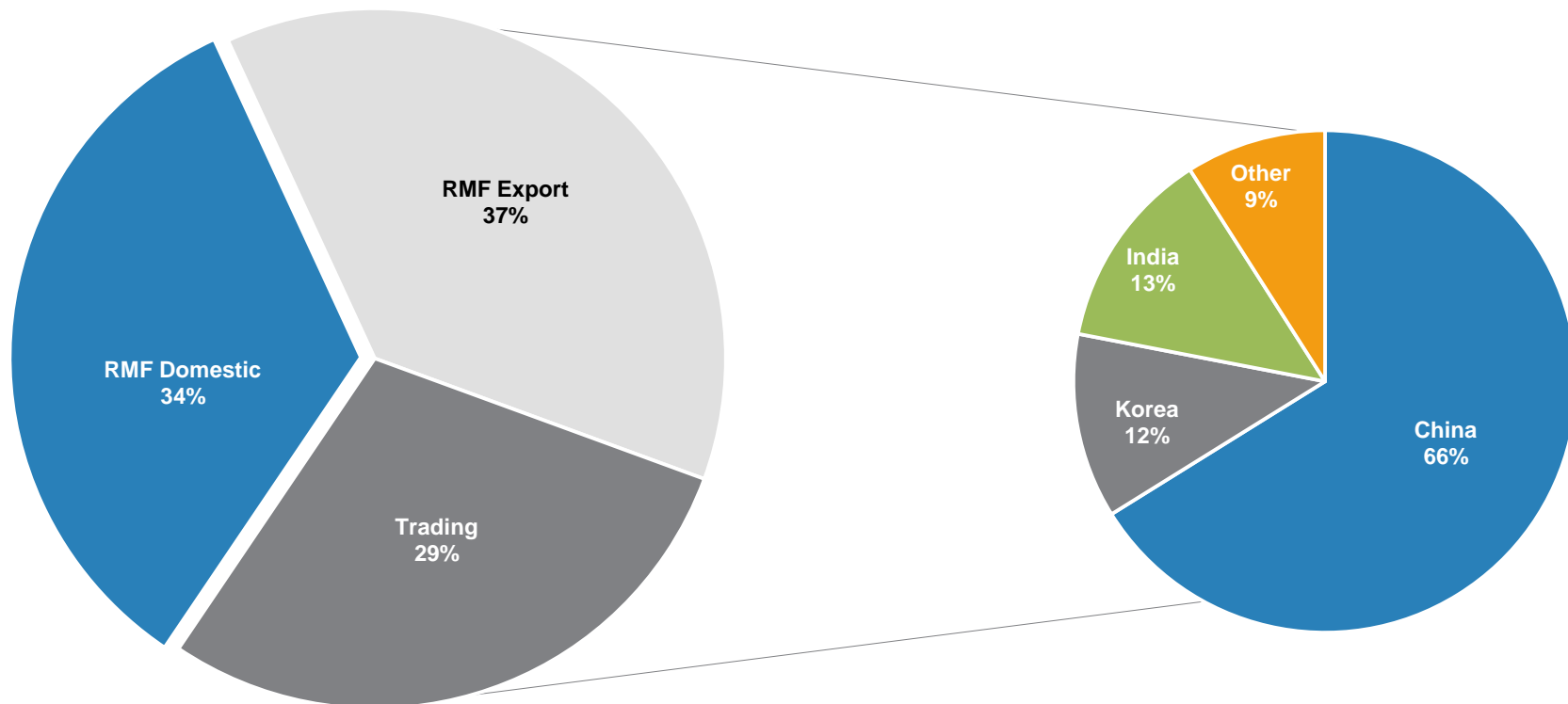
(3) Annual appraisals are obtained by Matariki Forestry Group for compliance with statutory financial reporting requirements.

Source: NZ Ministry for Primary Industries, New Zealand Journal of Forestry.

\* Non-GAAP measure (see Appendix for definitions and RYN reconciliations).

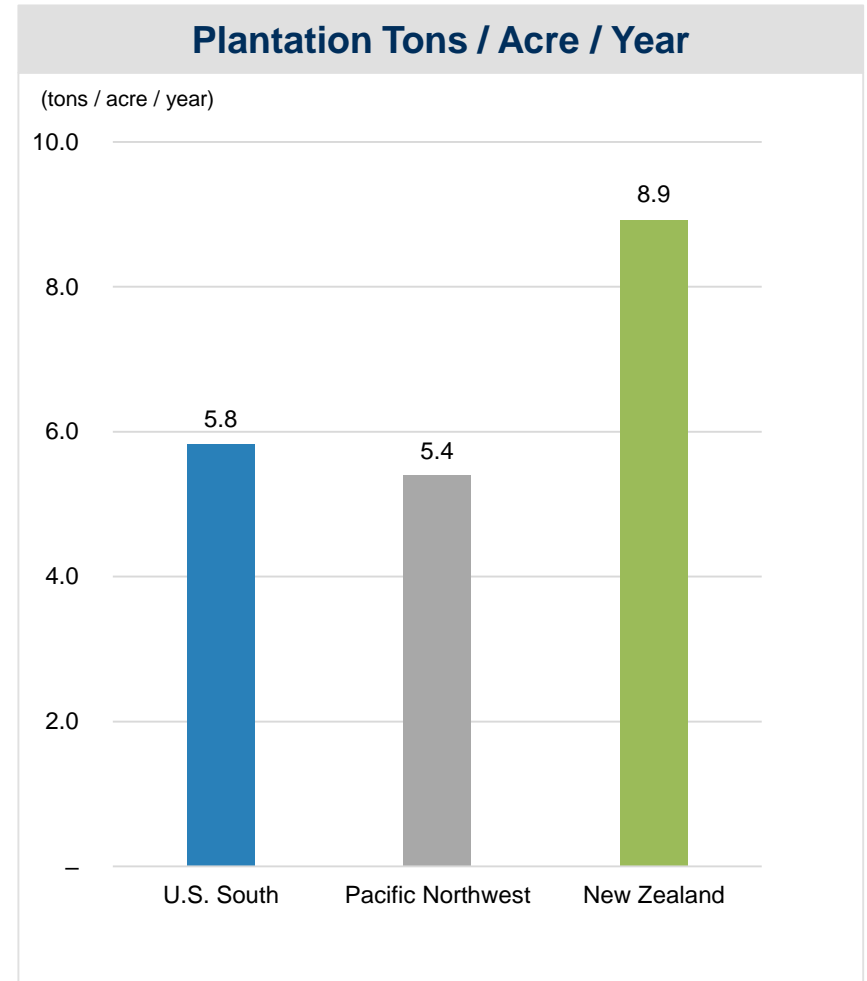
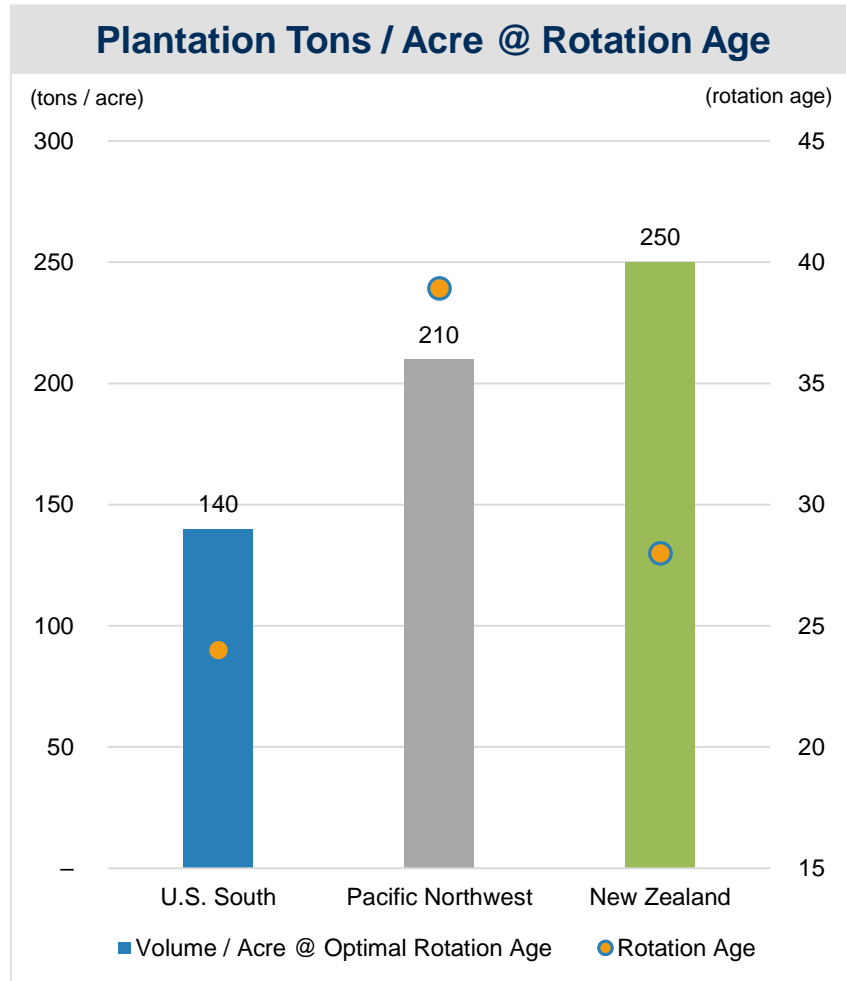
# Diversified Mix of Domestic & Export Markets

Volume by Market Destination (2019)








Over half of the New Zealand segment's volume (excluding Trading volume) is sold into export markets, with China being the largest source of demand.


# New Zealand Productivity Strong Relative to U.S.



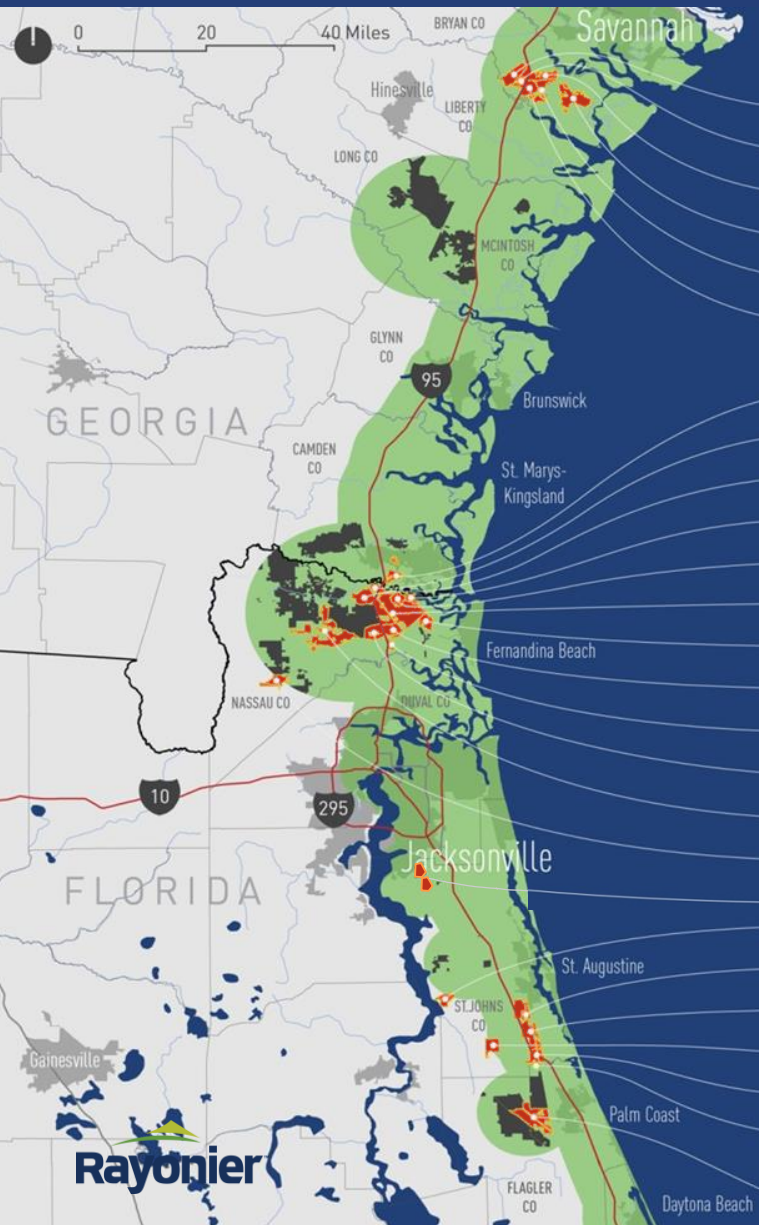
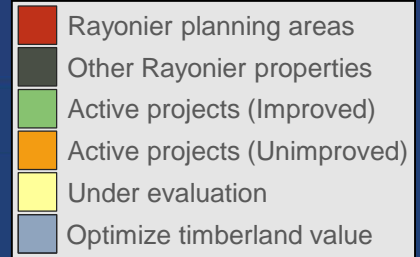
**In addition to providing market diversification, New Zealand offers superior softwood plantation productivity relative to the U.S.**

# Real Estate Strategy – Optimize Value & Create Optionality

Timberlands		Real Estate		
 <p><b>Large Dispositions</b></p>	 <p><b>Non-Strategic / Timberlands</b></p>	 <p><b>Rural Places + Properties</b></p>	 <p><b>Unimproved Development</b></p>	 <p><b>Improved Development</b></p>
<p><b>Strategic sales of timberland</b></p> <ul style="list-style-type: none"> <li>Opportunistic-only for capital allocation</li> <li>Upgrade portfolio</li> <li>Excluded from Adj. EBITDA and pro-forma financials</li> </ul>	<p><b>Sale of non-strategic and timberland assets</b></p> <ul style="list-style-type: none"> <li>Timberland: capture a financial premium</li> <li>Non-Strategic: monetize and repurpose “dead-capital”</li> </ul>	<p><b>Sale of rural properties</b></p> <ul style="list-style-type: none"> <li>Stable and recurring source of cash flows</li> <li>Build a pipeline of enhanced rural properties in higher potential markets</li> </ul>	<p><b>Sale of properties with development rights</b></p> <ul style="list-style-type: none"> <li>Invest in securing development rights</li> <li>Build a pipeline of entitled properties in higher potential markets</li> </ul>	<p><b>Sale of developed land parcels</b></p> <ul style="list-style-type: none"> <li>Invest in infrastructure and amenities</li> <li>Enhance value and create optionality of adjacent RYN properties</li> </ul>
<p><b>Timberland value</b></p>	<p><b>Timberland premium</b></p>	<p><b>HBU premium + ROI</b></p>	<p><b>HBU premium + ROI</b></p>	<p><b>HBU premium + ROI + optionality</b></p>
<p>Opportunistic</p>	<p>Reduce reliance</p>	<p>Grow moderately</p>	<p>Grow in select markets</p>	<p>Grow in <u>very</u> select markets</p>

<p><b>Land Resources</b></p>	 <p><b>Sale of access to use properties / extract resources</b></p>	<ul style="list-style-type: none"> <li>Maximize and grow annual gross margin/ac</li> <li>Build diverse portfolio of cash flows</li> <li>Develop new business growth</li> </ul>	<p><b>Annual gross margin per acre</b></p>	<p>Grow moderately</p>
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# I-95 Coastal Corridor – Active Portfolio Management



## PLANNING NODES

BRYAN COUNTY – US 17

## BELFAST Commerce Park

BELFAST 1

KILKENNY

BELFAST 2

## RICHMOND HILL Mixed Use

ST MARYS / CAMDEN GA

EAST NASSAU NORTHERN

WEST NASSAU 3

ST MARYS BLUFF'S

## EAST NASSAU Residential / Hospitality

EAST NASSAU REMAINDER

## CHESTER RD.

## WILDLIGHT

EAST NASSAU SOUTHERN

WEST NASSAU 1

WEST NASSAU 2

CRAWFORD DIAMOND ★ sold

## NORTH ST. JOHNS

DEEP CREEK ★ sold

SOUTH ST. JOHNS 1 ★ sold

SOUTH ST. JOHNS 2 ★ sold

ST. JOHNS REMAINDER

SOUTH ST. JOHNS 3 ★ sold

SOUTH ST. JOHNS 4 ★ sold

NEOGA LAKES

Georgia Low County  
(Savannah, Richmond Hill, Bryan County)

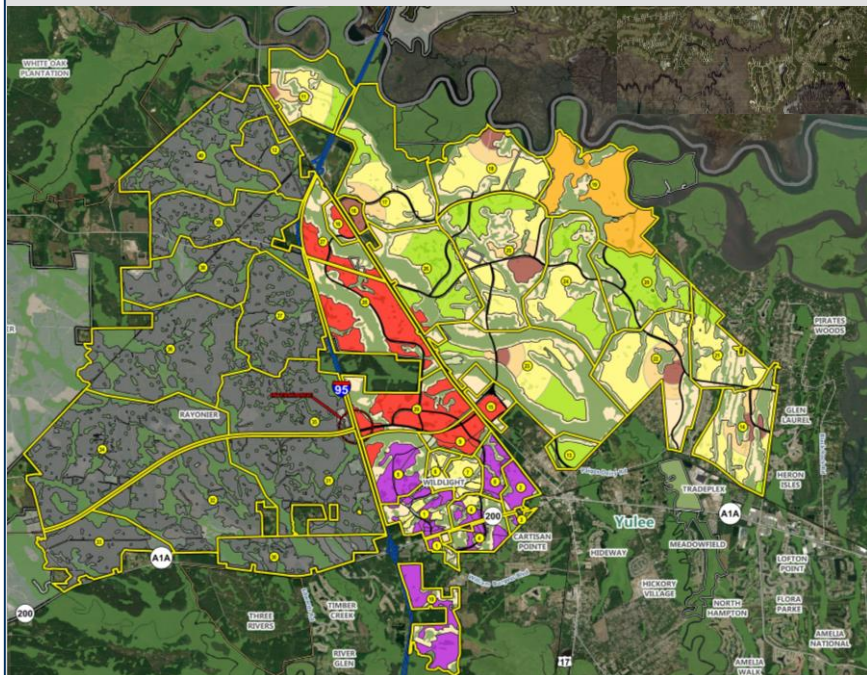
Florida Low County  
(St. Mary's, Nassau County)

Selected Transactions (2013 – 2019)

• Wildlight	91 ac	\$222,301/ac
• Richmond Hill	6.86 ac	\$145,773/ac
• Belfast 1	8.8 ac	\$91,429/ac
• Belfast Com. Ctr.	187 ac	\$35,244/ac
• North St. Johns	1,383 ac	\$18,323/ac
• Crawford Diamond	2,209 ac	\$10,000/ac
• South St. Johns	11,488 ac	\$3,644/ac
• Deep Creek	1,994 ac	\$3,200/ac

# Real Estate Development: Focused Strategy

## Florida HBU Portfolio



~24,000 acres north of Jacksonville, FL

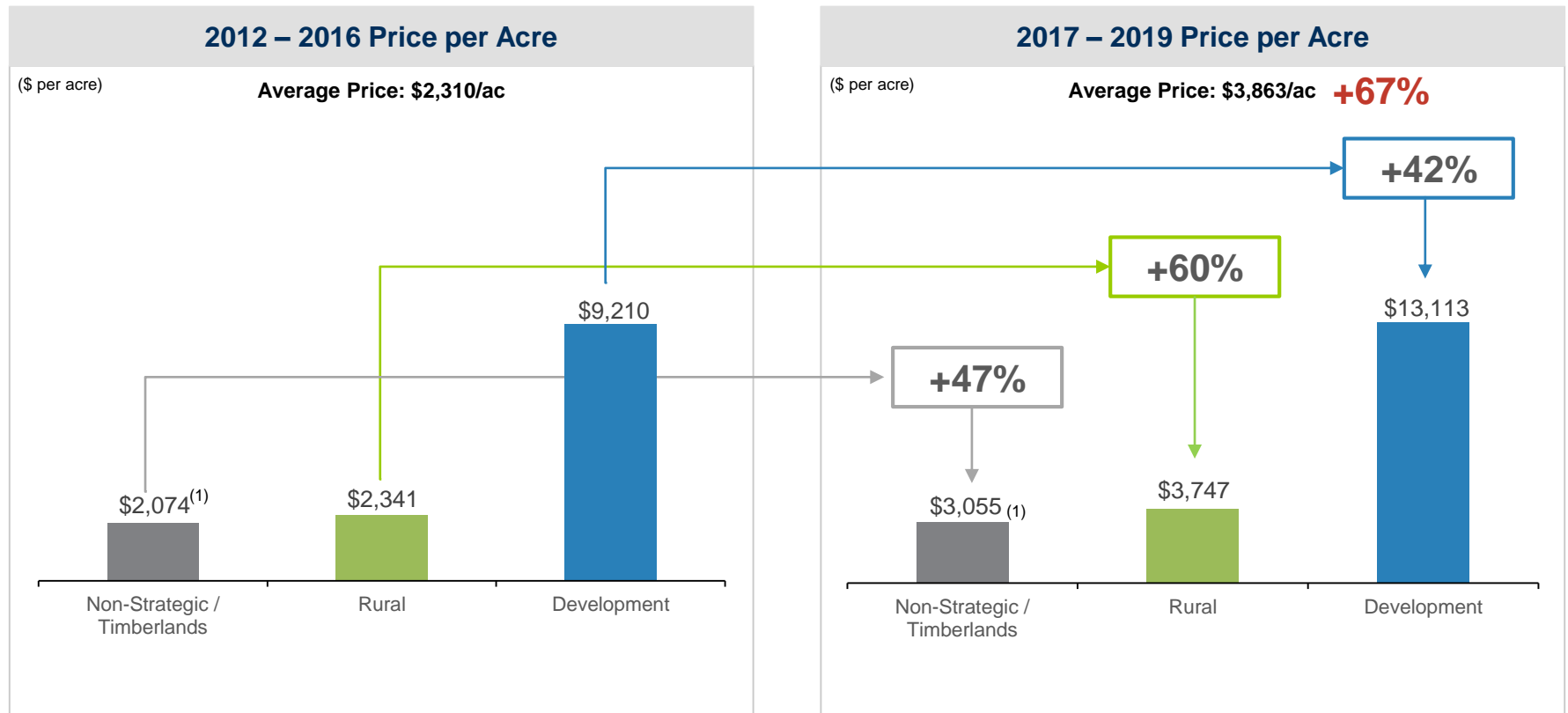
## Georgia HBU Portfolio



~20,000 acres south of Savannah, GA

Rayonier has two unique HBU land portfolios located in close proximity to I-95 north of Jacksonville, FL and south of Savannah, GA, which provide long-term development opportunities.

# Strategic Focus on Maximizing HBU Premium



Rayonier has significantly improved its average HBU price realizations in recent years.



Note: Price per acre based on weighted average sales price over the periods shown.  
 (1) Acres sold and price per acre for NS / Timberlands only, excludes Large Dispositions.

# Appendix



# Definitions of Non-GAAP Measures & Pro Forma Items

**Adjusted EBITDA** is defined as earnings before interest, taxes, depreciation, depletion, amortization, the non-cash cost of land and improved development, non-operating income and expense, costs related to shareholder litigation, the gain on foreign currency derivatives, Large Dispositions, internal review and restatement costs and discontinued operations. Adjusted EBITDA is a non-GAAP measure that management uses to make strategic decisions about the business and that investors can use to evaluate the operational performance of the assets under management. It removes the impact of specific items that management believes do not directly reflect the core business operations on an ongoing basis.

**EBITDA** by segment is calculated as operating income less depreciation, depletion, amortization and specific items that are not indicative of ongoing operating results. EBITDA by segment for Rayonier is equal to Adjusted EBITDA.

**Cash Available for Distribution (CAD)** is defined as cash provided by operating activities adjusted for capital spending (excluding timberland acquisitions and real estate development investments) and working capital and other balance sheet changes. CAD is a non-GAAP measure of cash generated during a period that is available for common stock dividends, distributions to the New Zealand minority shareholder, repurchase of the Company's common shares, debt reduction, timberland acquisitions and real estate development investments. CAD is not necessarily indicative of the CAD that may be generated in future periods.

**Costs related to shareholder litigation** is defined as expenses incurred as a result of the shareholder litigation, shareholder derivative demands and Rayonier's response on an SEC subpoena.

**Gain on foreign currency derivatives** is the gain resulting from the foreign exchange derivatives the Company used to mitigate the risk of fluctuations in foreign exchange rates while awaiting the capital contribution to the New Zealand subsidiary.

# Reconciliation of Net Debt

(\$ in millions)

<u>Q4 2019</u>	
Current maturities of long-term debt	\$82.0
Long-term debt, net of deferred financing costs	\$973.1
Deferred financing costs	1.9
<b>Total Debt</b>	<b>\$1,057.0</b>
Cash and cash equivalents	(68.7)
<b>Net Debt</b>	<b>\$988.3</b>

# Reconciliation of Net Income to Adjusted EBITDA

(\$ in millions)	2019	2018	2017
Net income	\$67.7	\$117.3	\$161.5
Interest, net, continuing operations	29.1	29.7	32.2
Income tax expense (benefit), continuing operations	12.9	25.2	21.8
Depreciation, depletion and amortization	128.2	144.1	127.6
Non-cash cost of land and improved development	12.6	23.6	13.7
Non-operating (income) / expense	(2.7)	(2.2)	-
Costs related to shareholder litigation <sup>(1)</sup>	-	-	0.7
Gain on foreign currency derivatives <sup>(1)</sup>	-	-	-
Large Dispositions <sup>(1)</sup>	-	-	(67.0)
Internal review and restatement costs <sup>(1)</sup>	-	-	-
Net income from discontinued operations <sup>(1)</sup>	-	-	-
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$247.8</b>	<b>\$337.7</b>	<b>\$290.5</b>

(1) Non-GAAP measure or pro forma item (see Appendix for definitions and reconciliations).

# Reconciliation of Operating Income (Loss) to Adjusted EBITDA by Segment

(\$ in millions)	Southern Timber	Pacific Northwest Timber	New Zealand Timber	Real Estate	Trading	Corporate and Other	Total
<b>2019</b>							
Operating Income (loss)	\$57.8	(\$12.4)	\$48.0	\$38.7	\$0.0	(\$25.1)	\$107.0
Depreciation, depletion & amortization	61.9	29.2	27.8	8.2	-	1.2	128.2
Non-cash cost of land and real estate sold	-	-	-	12.6	-	-	12.6
Adjusted EBITDA <sup>(1)</sup>	\$119.7	\$16.7	\$75.8	\$59.5	\$0.0	(\$23.9)	\$247.8
<b>2018</b>							
Operating Income	\$44.2	\$8.1	\$62.8	\$76.2	\$1.0	(\$22.3)	\$170.1
Depreciation, depletion & amortization	58.6	32.8	28.0	23.6	-	1.2	144.1
Non-cash cost of land and real estate sold	-	-	-	23.6	-	-	23.6
Adjusted EBITDA <sup>(1)</sup>	\$102.8	\$40.9	\$90.8	\$123.4	\$1.0	(\$21.1)	\$337.7
<b>2017</b>							
Operating Income	\$42.2	\$1.1	\$57.6	\$130.9	\$4.6	(\$20.9)	\$215.5
Depreciation, depletion & amortization	49.4	32.0	27.5	17.9	-	0.8	127.6
Non-cash cost of land and real estate sold	-	-	-	13.7	-	-	13.7
Costs related to shareholder litigation <sup>(1)</sup>	-	-	-	-	-	0.7	0.7
Large Dispositions <sup>(1)</sup>	-	-	-	(67.0)	-	-	(67.0)
Adjusted EBITDA <sup>(1)</sup>	\$91.6	\$33.1	\$85.1	\$95.5	\$4.6	(\$19.4)	\$290.5

(1) Non-GAAP measure or pro forma item (see Appendix for definitions and reconciliations).