



Rayonier Investor Presentation

June 2016



Safe Harbor Statement

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 and 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, including political changes in particular regions or countries; 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 the 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, 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, and any decision we may make to do so; 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 tax treatment of our specific businesses or reduce the benefits associated with REIT status.

Specifically with respect to our Real Estate business, the following important factors, among others, could cause actual results to differ materially from those expressed in forward-looking statements that may have been made in this document: the cyclical nature of the real estate business generally, including fluctuations in demand for both entitled and unentitled property; 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; the potential for legal challenges to entitlements and permits in connection with our properties; unexpected delays in the entry into or closing of real estate transactions; the existence of competing developers and communities in the markets in which we own property; the pace of development and the rate and timing of absorption of existing entitled property in the markets in which we own property; changes in the demographics affecting projected population growth and migration to the Southeastern U.S.; changes in environmental laws and regulations, including laws regarding water withdrawal and management and delineation of wetlands, that may restrict or adversely impact our ability to sell or develop properties; the cost of the development of property generally, including the cost of property taxes, labor and construction materials; 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 discussions included other reports that we subsequently file with the Securities and Exchange Commission (the "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.

Rayonier Highlights

Rayonier – Best-in-Class, Pure-Play Timber REIT

Leading Pure-Play Timberland REIT

- Second-largest timber REIT with 2.7 million acres of high-quality timberland
- Geographic diversity – U.S. South, Pacific Northwest, New Zealand
- Timberlands strategically positioned in competitive fiber baskets
- Focus on recurring cash flow generation from timber harvest operations

Growing Timberland Base

- Profitably growing timberland base through disciplined acquisition process
- Over \$1.3 billion invested in high-quality timberlands since January 2011
- Investing in advanced genetics to yield long-term volume growth

Attractive Real Estate Platform

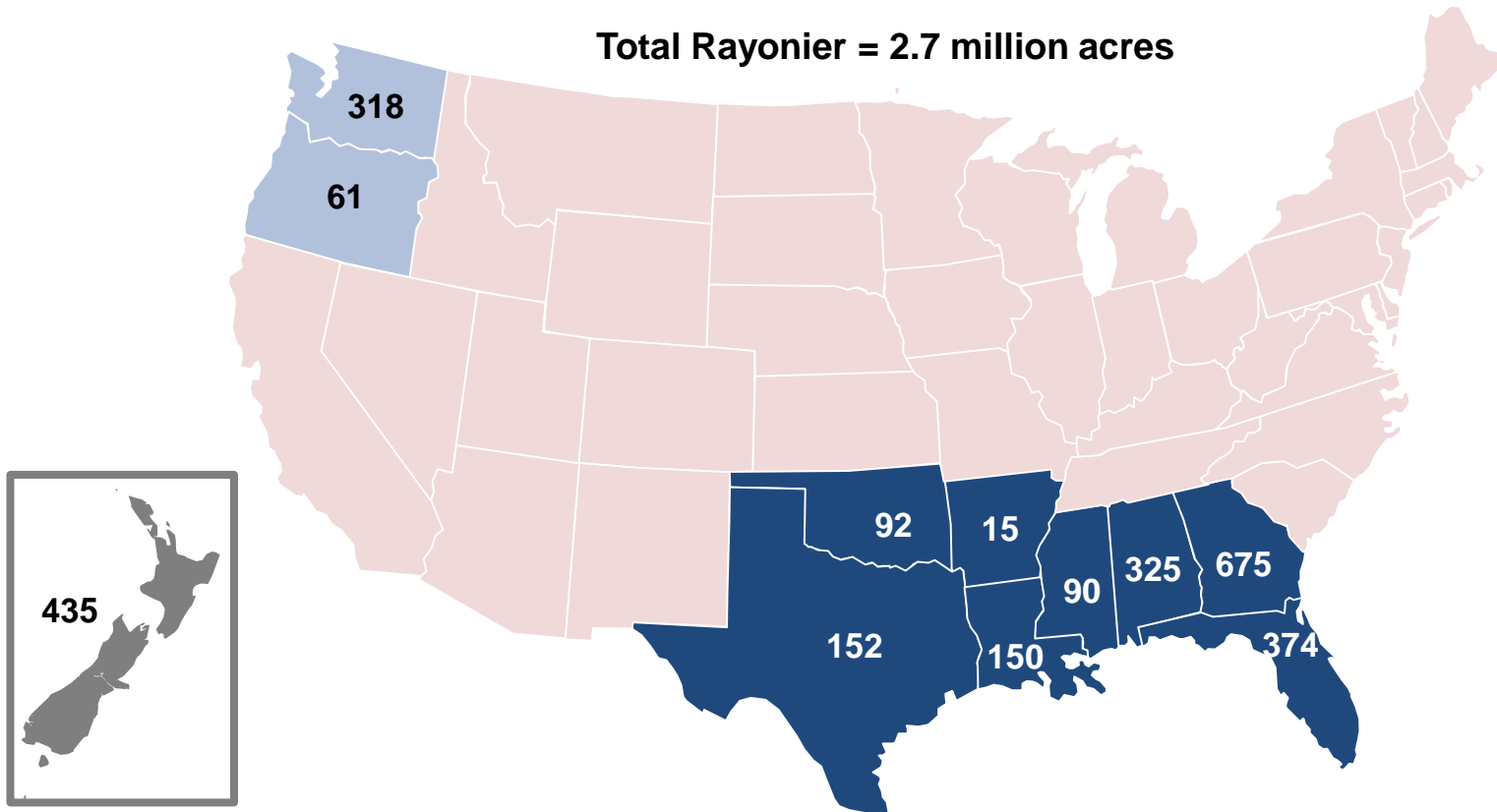
- Attractive HBU opportunities across U.S. South, including Florida and Georgia coastal corridor
- Stable and recurring base of annual rural land sales
- Two active development projects under way (Wildlight and Belfast Commerce)

Strong Capital Structure

- Net debt to enterprise value of 21% at end of Q1 2016
- Favorable financing facilities and access to capital
- Active portfolio management and nimble capital allocation strategy

Highly Productive, Geographically Diversified Timberlands

Total Rayonier = 2.7 million acres



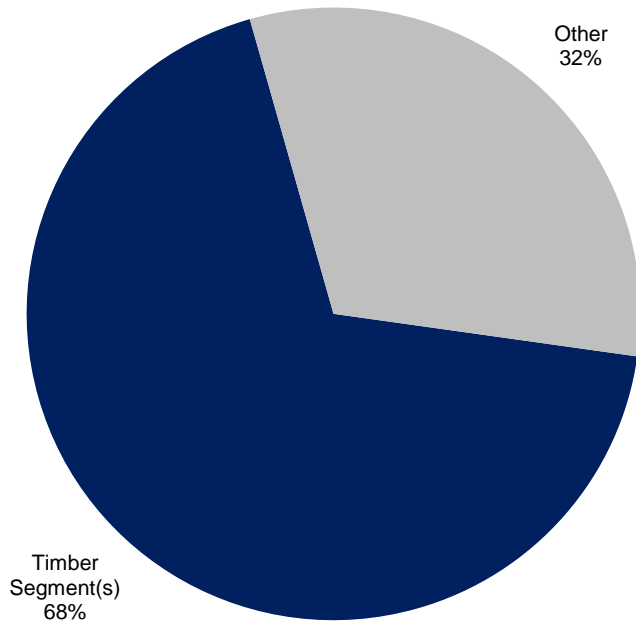
Pacific Northwest 379,000 acres in WA and OR; access to export markets

U.S. South 1.9 million acres – sawlog and pulpwood; Florida & Georgia coastal corridor HBU

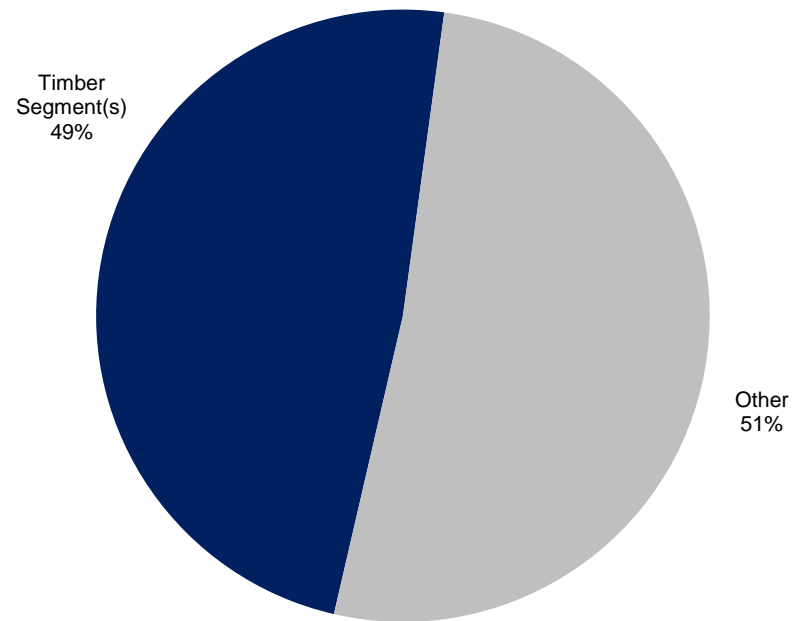
New Zealand 435,000 acres – manage and own ~77% of joint venture

Leading “Pure-Play” Timberland REIT

2015 Adjusted EBITDA – Rayonier



2015 Adjusted EBITDA – Peer Group

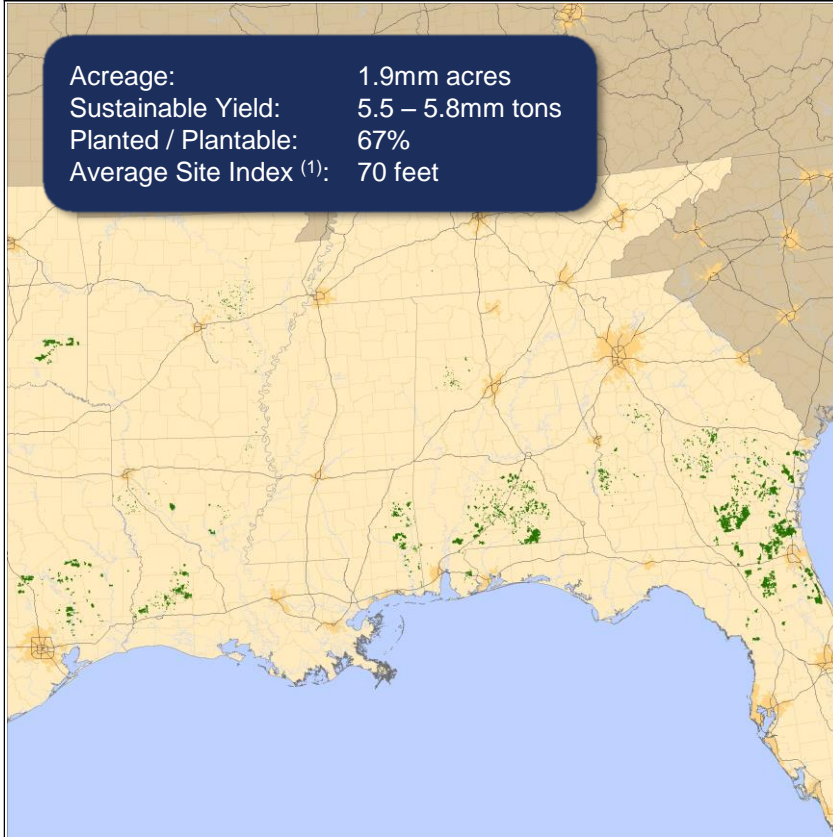


Note: Timberland REIT Peer Group comprised of WY, PCL, PCH and CTT. Figures reflect aggregate Timberland REIT Peer Group 2015 Adjusted EBITDA excluding corporate expenses. Other includes real estate, manufacturing and other reported segments.

Rayonier is a leading “pure-play” timberland REIT that generates the significant majority of its Adjusted EBITDA from recurring timber harvest operations.

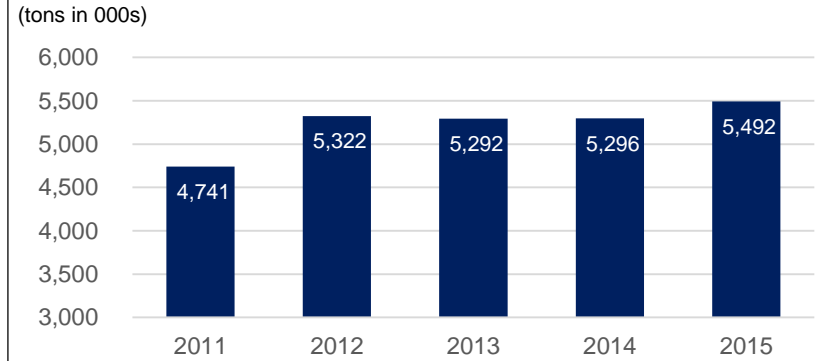
Southern Timber – Segment Overview

Map of Properties

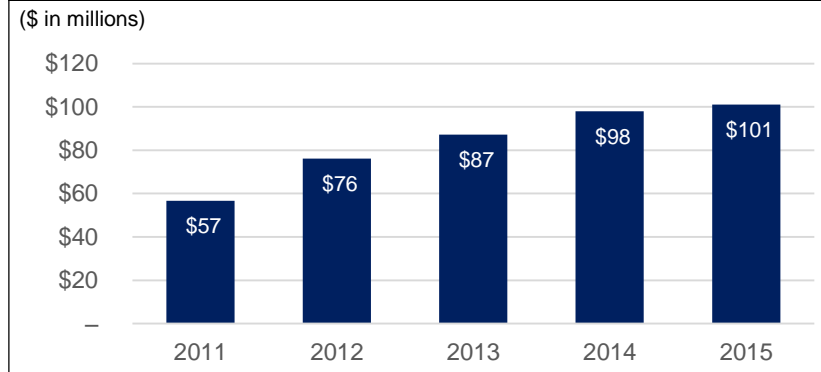


(1) Site index reflects the average height of the dominant and codominant trees at a base age of 25 (U.S. South).

Historical Harvest Volume



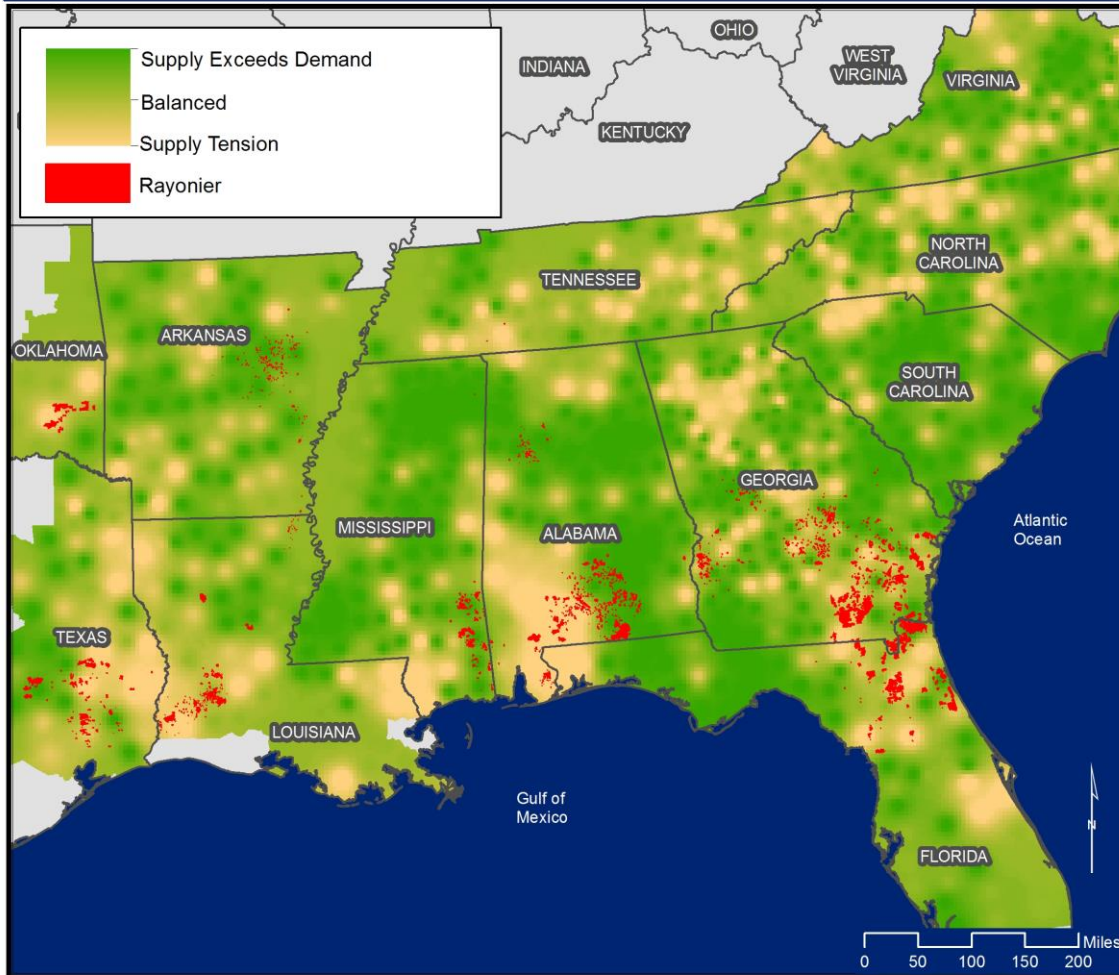
Historical Adjusted EBITDA*



Rayonier's Southern Timber segment has nearly doubled its EBITDA since 2011, driven by acquisitions and price gains in key markets.

Favorable Supply / Demand Dynamics in RYN Markets

U.S. South Growth-Drain “Heat Map”



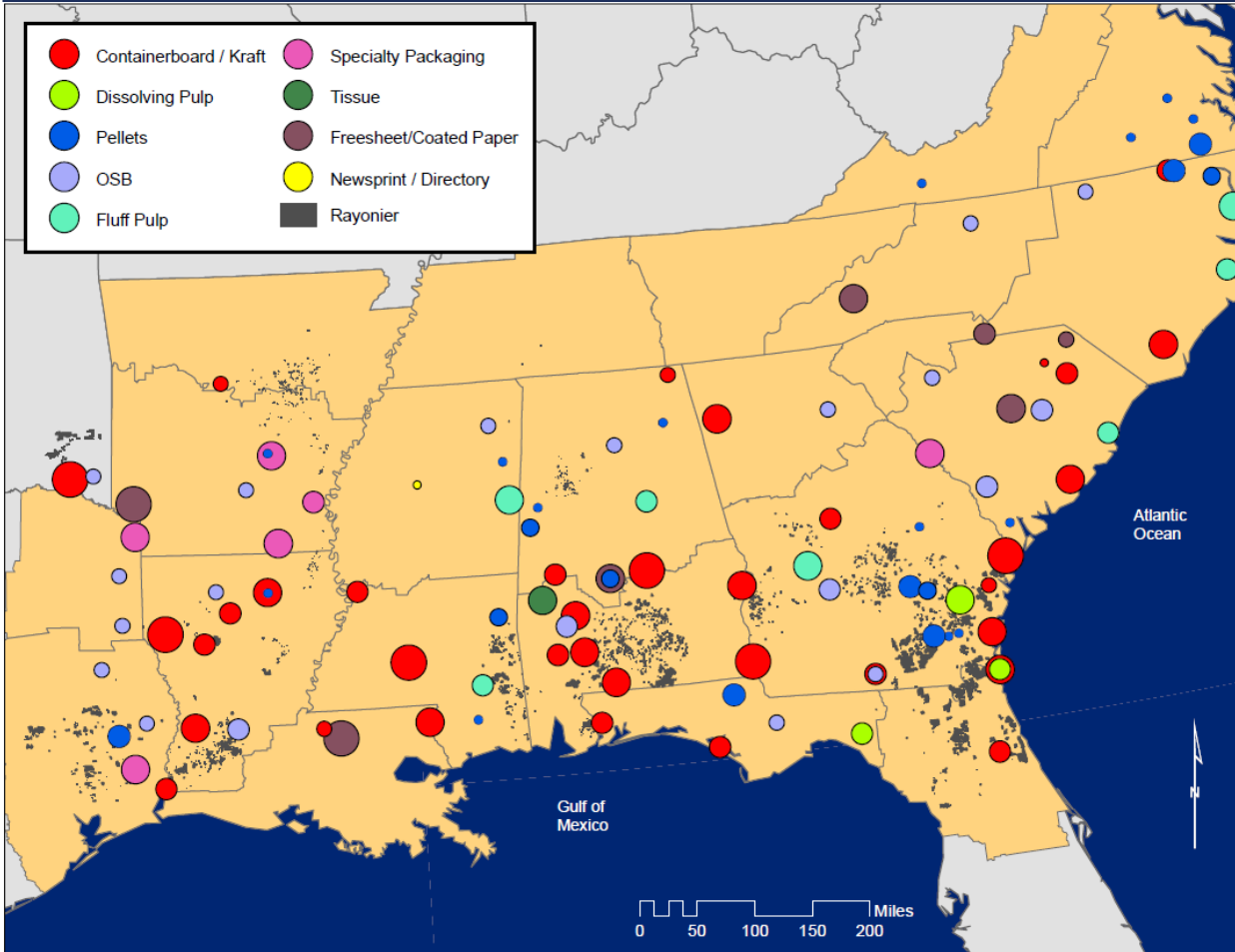
Source: USDA FIA; Rayonier research.

Key Observations

- Local market supply / demand dynamics determine price
- Logs typically travel less than 100 miles
- Supply / demand conditions vary widely across the region
- Tensioned markets yield better timber pricing

RYN Markets Benefit from Strong and Stable Pulpwood Demand

Major Pulpwood Consuming Mills Proximate to RYN Lands



Overview of Rayonier Pulpwood Consumers

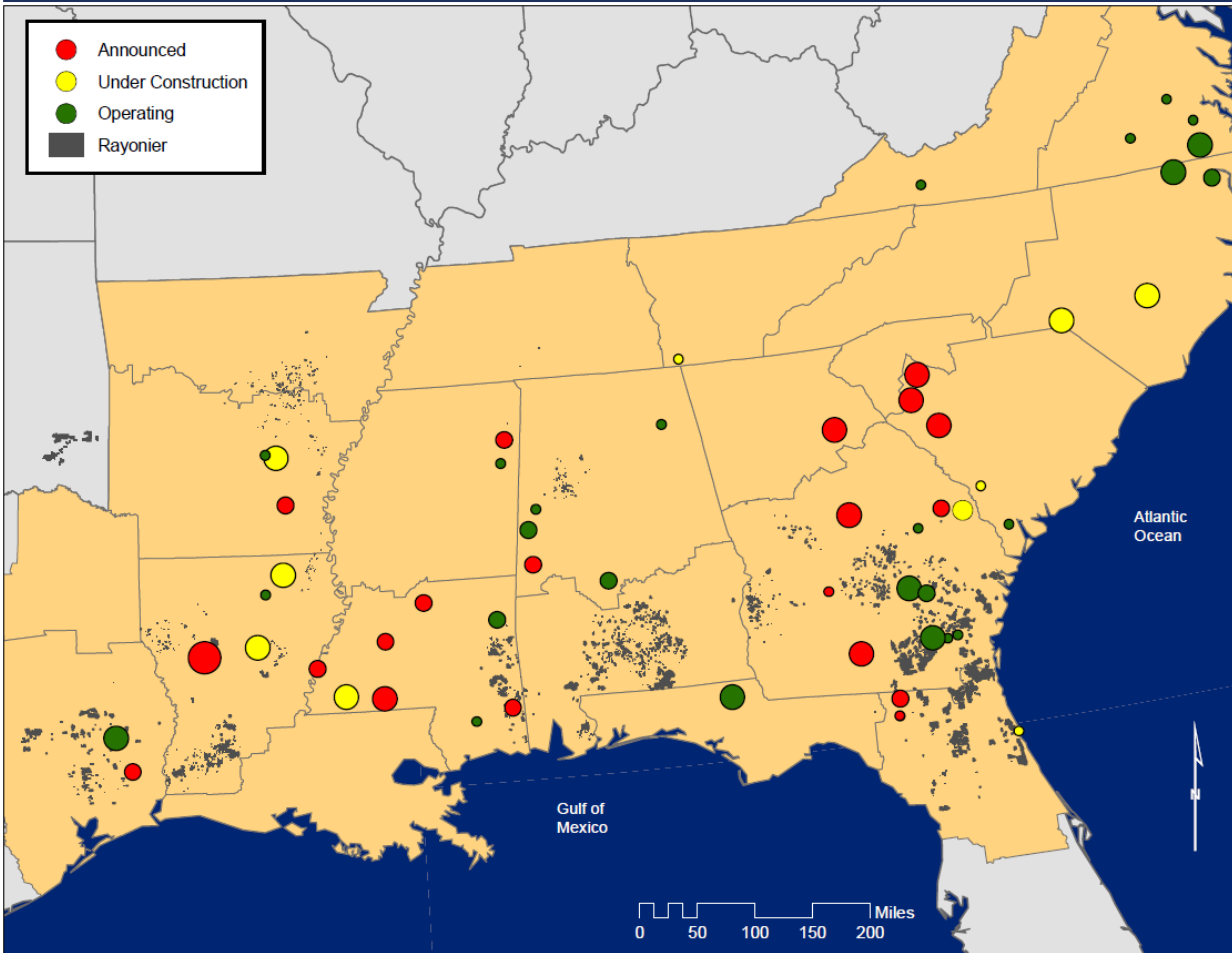
Facility Key End Product	% of 2015 Harvest	Long-Term Demand Trend
Containerboard / Kraft	62%	+
Pellets	8%	+
Dissolving Pulp	8%	+
Oriented Strand Board (OSB)	8%	+
Specialty Packaging	7%	+
Fluff Pulp	4%	+
Other	3%	+
Tissue	–	+
Freesheet / Coated Paper	–	–
Newsprint / Directory	–	–
Total	100%	NA

Note: Estimated based on 2015 harvest.

Rayonier's timberlands are strategically positioned near a variety of major pulpwood consumers that are manufacturing products for stable and/or growing end-markets.

Growth of Pellet Mills Has Further Buoyed Demand

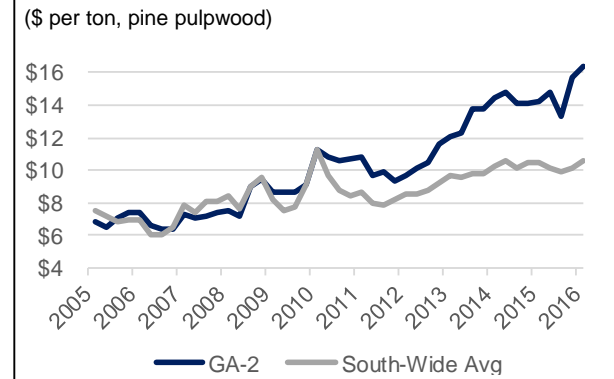
Announced & Operating Pellet Mills



Key Observations

- Majority of operating facilities are located in RYN markets, with a particular focus in Coastal GA
- Currently monitoring facilities announced and under construction in key markets
- Several announced facilities planning to locate near RYN properties

Change in GA-2 Price vs. South Average



Source: Timber Mart-South.

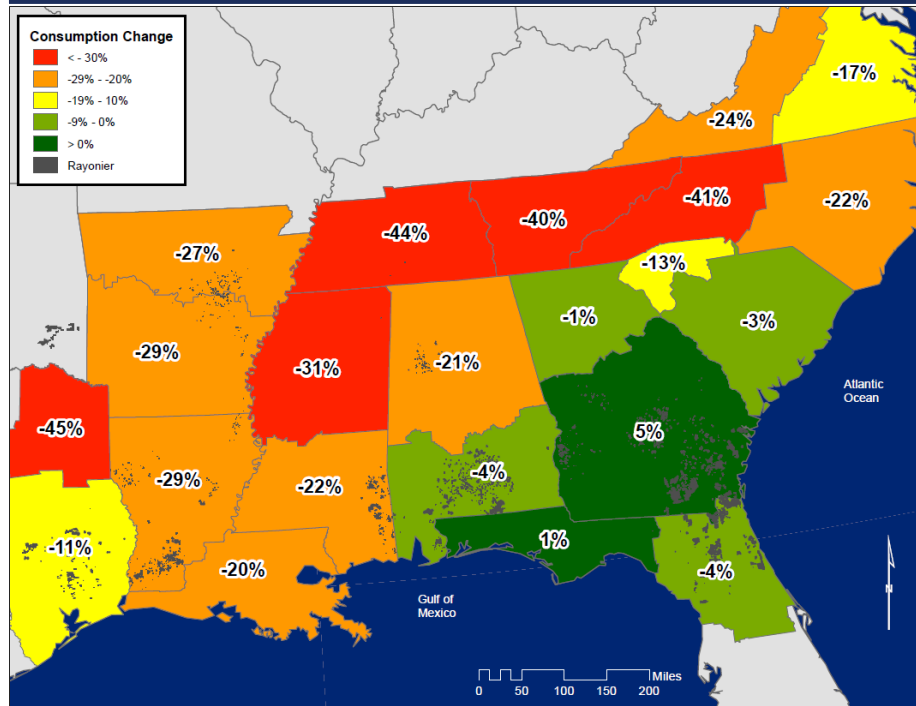
Note: GA-2 represents South GA, including coastal area.

Rayonier's markets have benefited from increased demand from pellet manufacturing facilities, particularly in Georgia and Texas.

Consumption & Price Declines Less Pronounced in RYN Markets

- Gulf Interior region has experienced the largest consumption declines in the U.S. South
- Atlantic Coastal region has benefited from increased pellet and pulp mill demand, which has mitigated overall demand decline

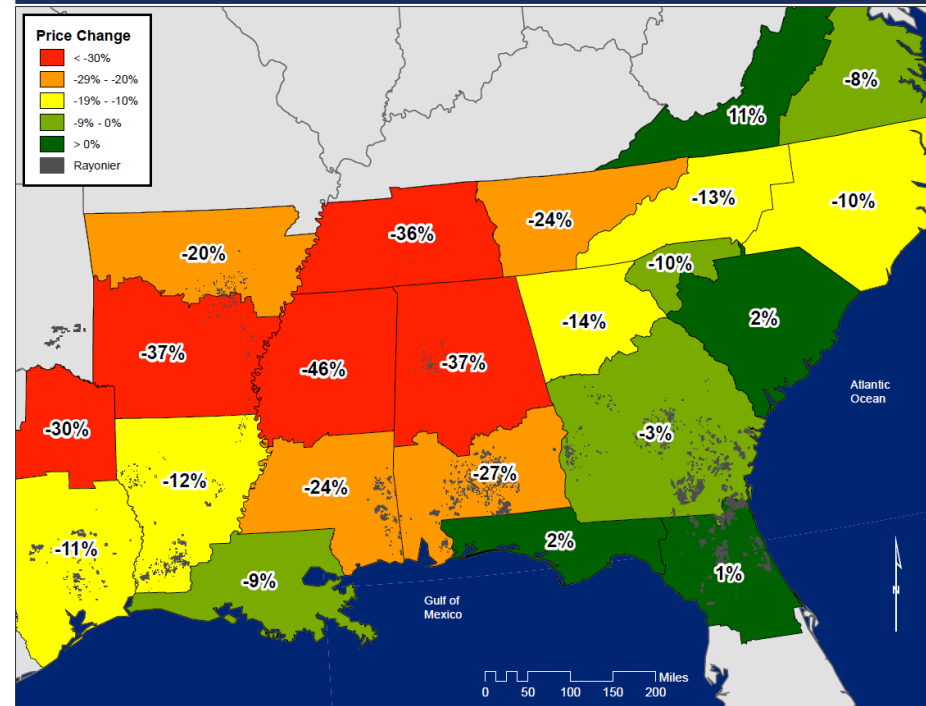
Change in Consumption by Region: 2005 Peak to 2014



Source: USDA FIA Timber Product Output; University of Georgia, Wood Demand Report; Rayonier estimates.

Note: Peak = 2005; Current = 2014

Change in Avg. Stumpage Price by Region: 2005 to 2014

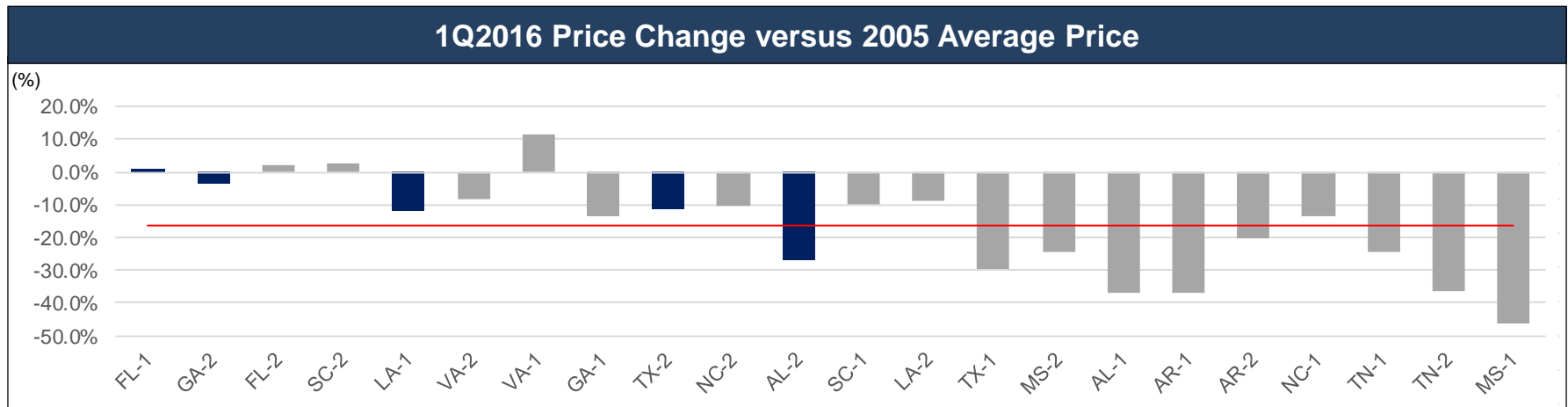
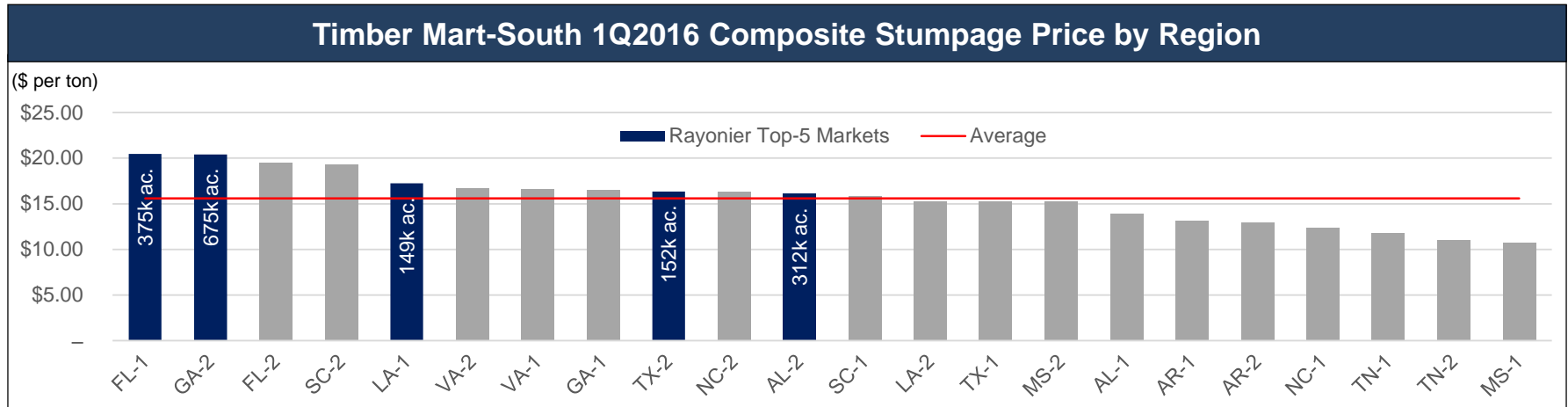


Source: Timber Mart-South.

Note: Assumes mix of 50% pulpwood, 30% chip-n-saw and 20% sawtimber comparing Timber Mart-South prices in Q1 2016 versus 2005 average.

Due to strong and growing pulpwood demand, Rayonier's markets have experienced less pronounced declines in consumption and average stumpage pricing.

Favorable Supply-Demand Dynamics = Better Pricing

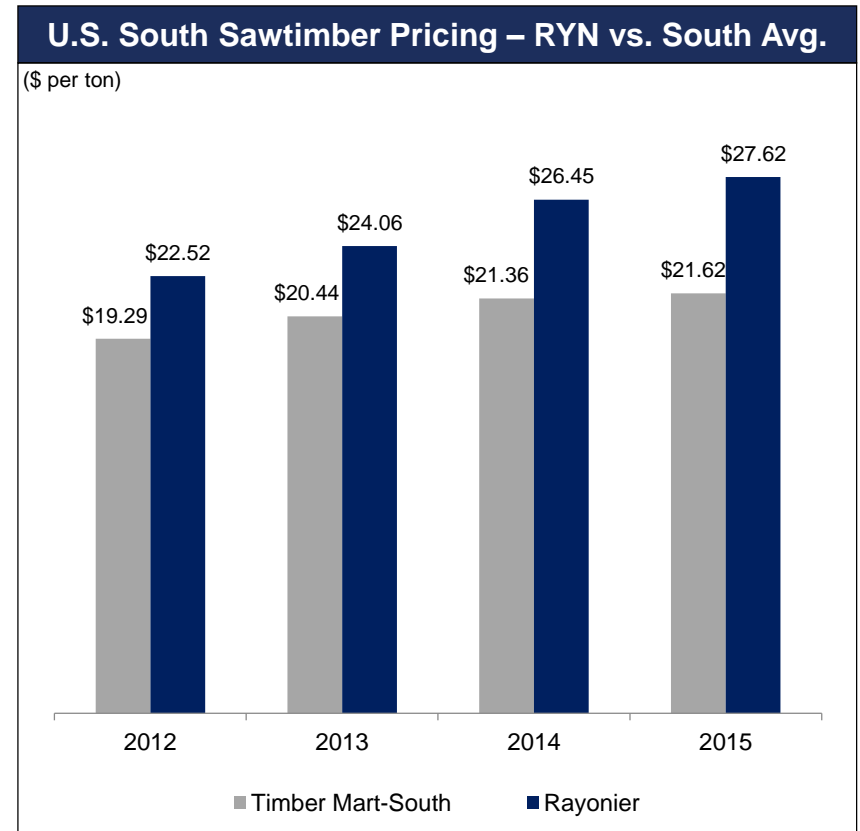
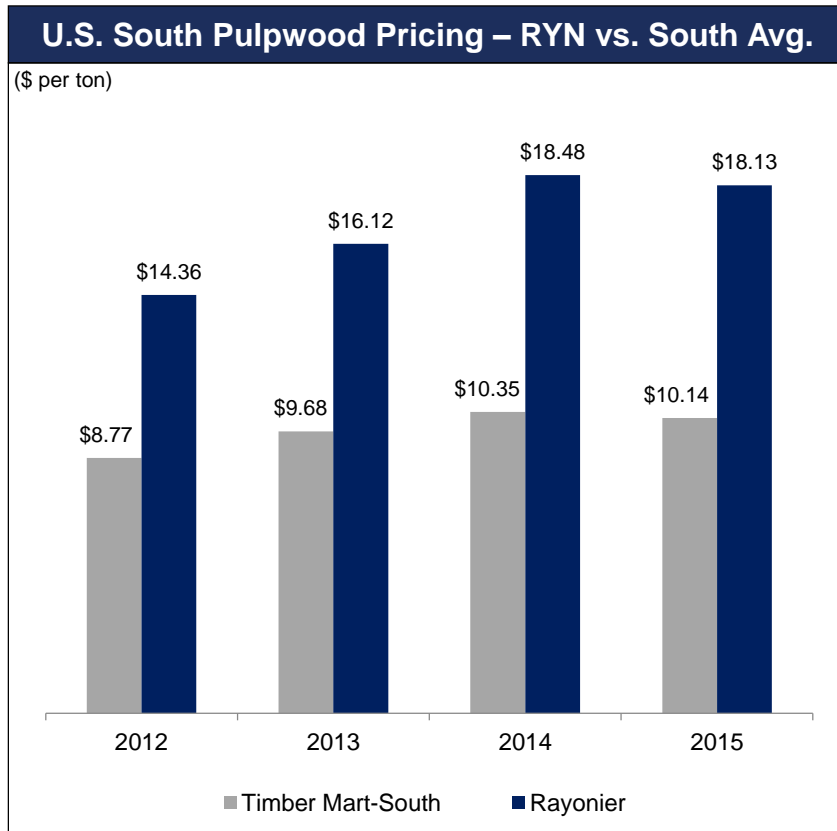


Source: Timber Mart-South.

Note: Composite price by region calculated based on assumed mix of 50% pulpwood, 30% chip-n-saw and 20% sawtimber.

Rayonier's U.S. South timberlands are located in some of the strongest markets, with a significant concentration (~56%) in the Coastal FL/GA region.

RYN Pricing Materially Better Than Market Averages

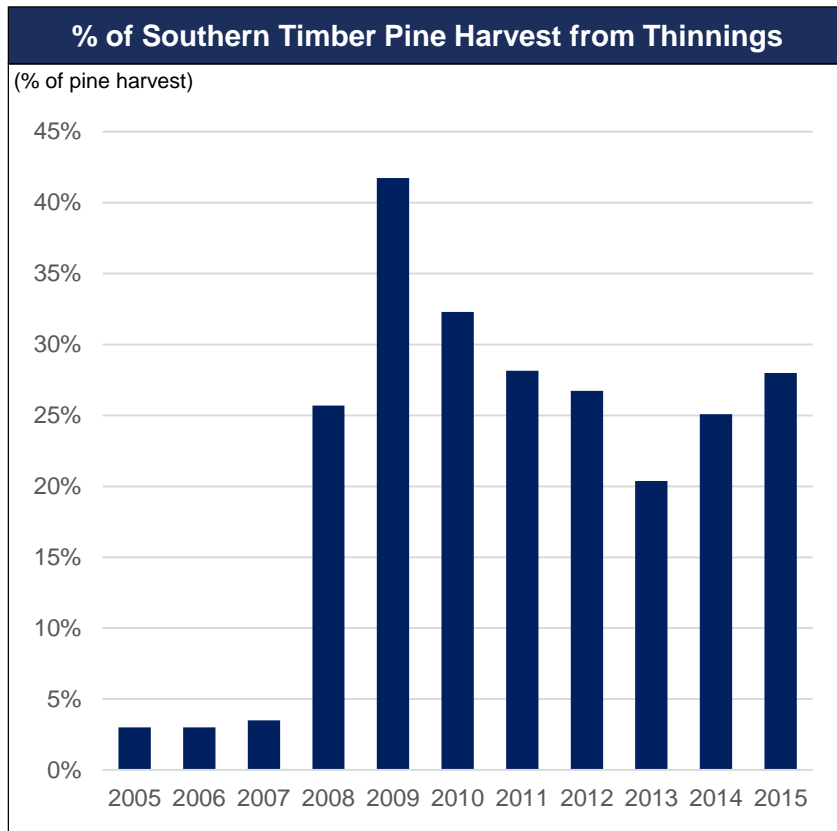


Source: Timber Mart-South.

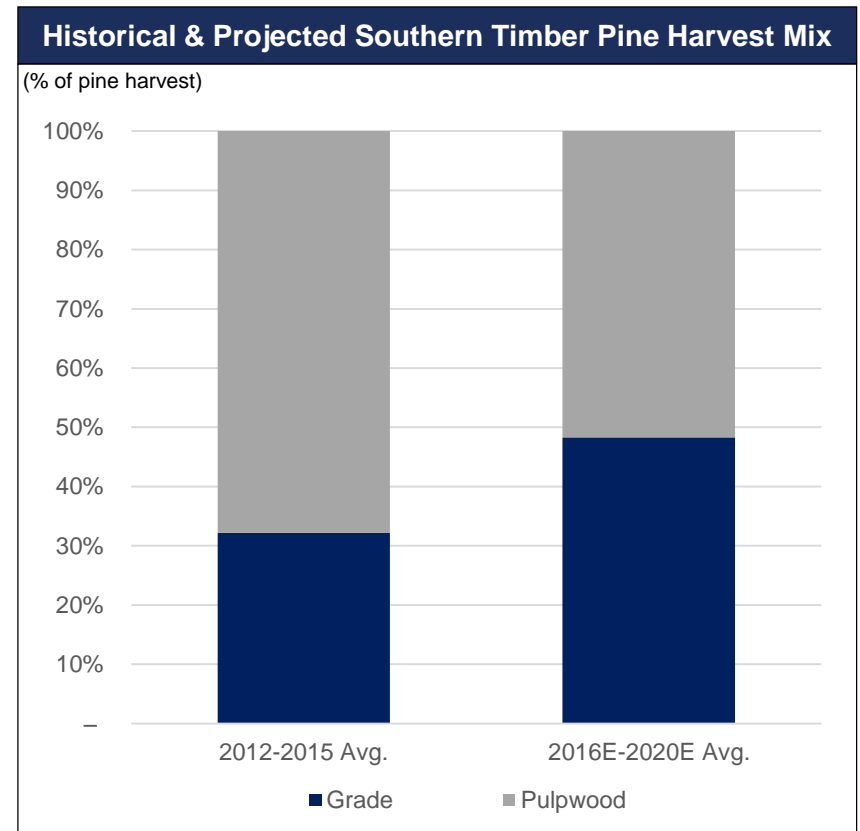
Note: Timber Mart-South figures represent average of quarterly reported South-wide average stumpage prices. Timber Mart-South sawtimber prices reflect average of reported sawtimber and chip-n-saw prices. Rayonier prices reflect actual price realizations for pulpwood and sawtimber (including chip-n-saw) based on actual product mix.

Favorable supply-demand dynamics in key Rayonier markets drive significant pricing premiums relative to market averages.

Enhanced Silviculture Driving Shift to Higher-Value Mix



Note: Estimated based on harvest records.



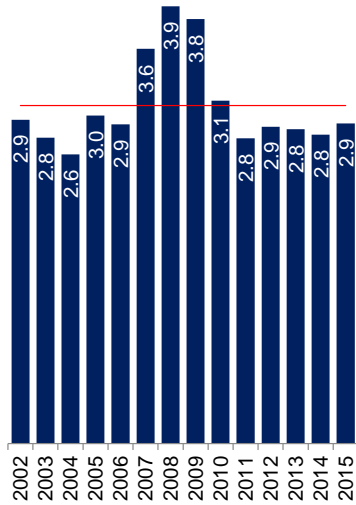
Notes: Based on current harvest scheduling model (subject to change).
Grade includes chip-n-saw and sawtimber.

Rayonier's enhanced silviculture activity and thinning regime implemented in 2008 are expected to yield a higher proportion of grade timber going forward.

U.S. South Peer Group Harvest Trends

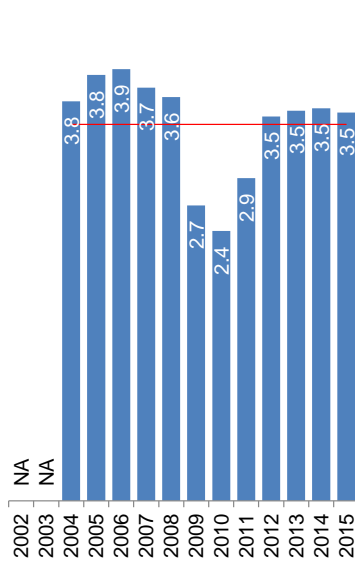
(tons per acre)

Average = 3.1



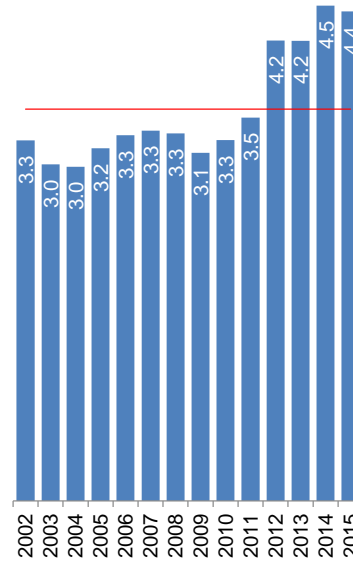
Rayonier
(1.9mm Acres)

Average = 3.4



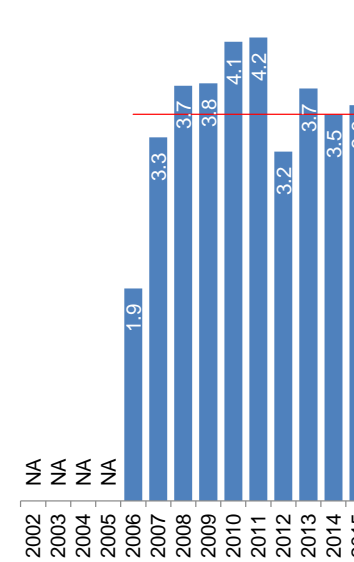
Weyerhaeuser
(4.0mm Acres)

Average = 3.5



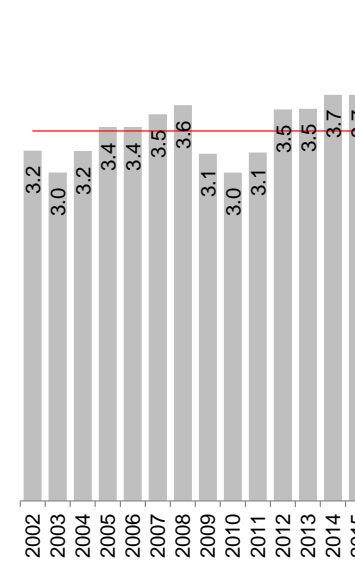
Plum Creek
(3.4mm Acres)

Average = 3.5



Potlatch
(0.6mm Acres)

Average = 3.3

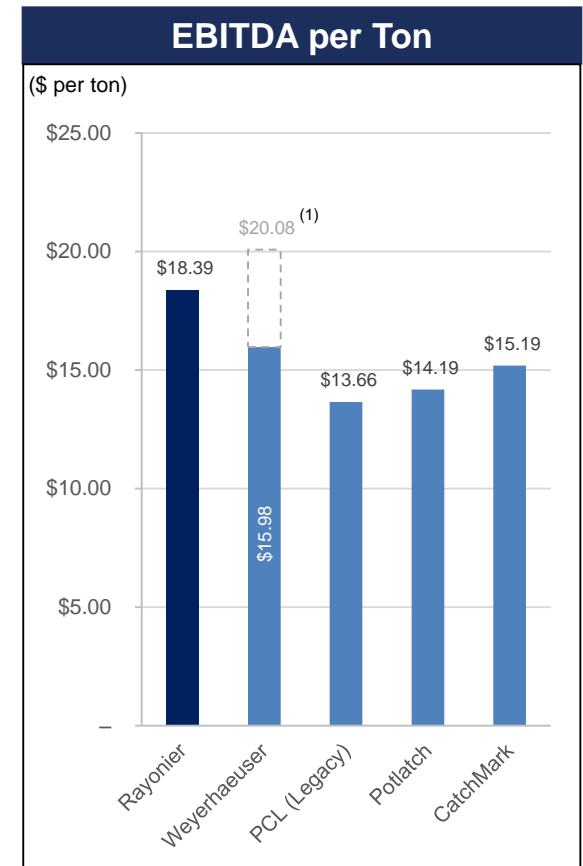
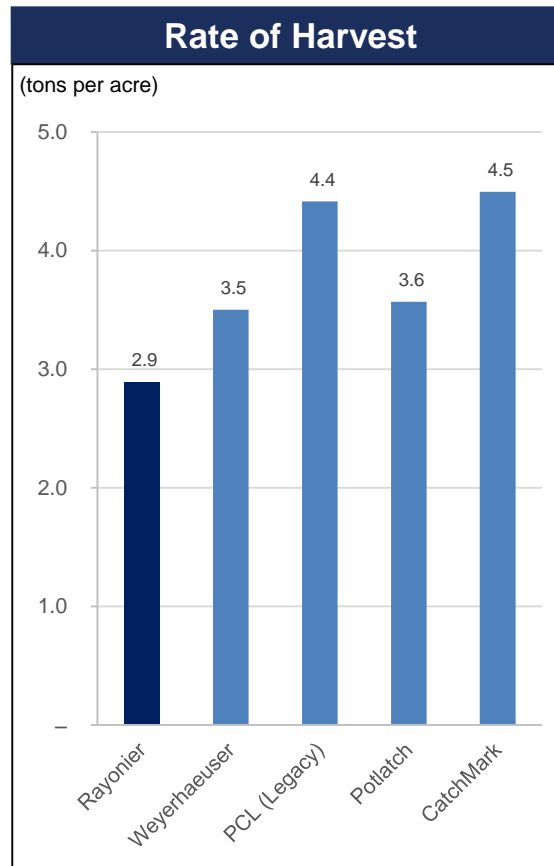
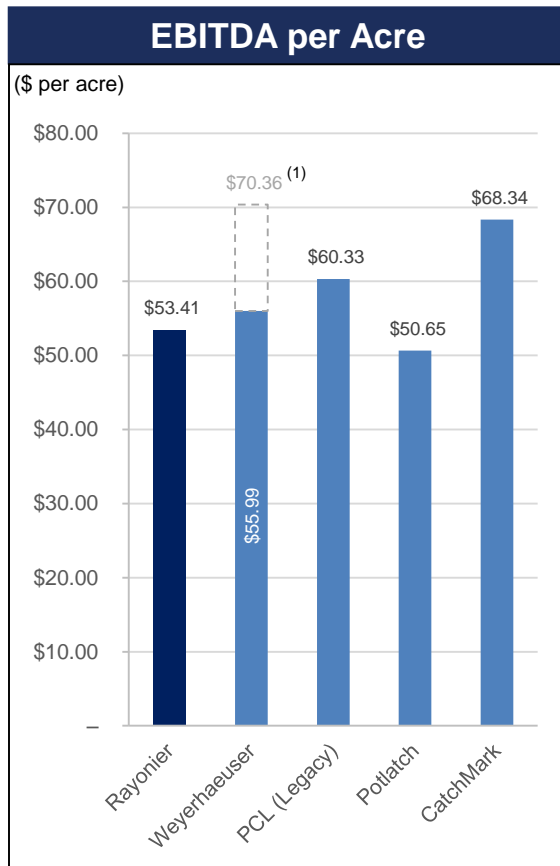


Peer Average (1)
(10.9mm Acres)

Source: Company filings. Represents annual harvest volume divided by estimated weighted average acres by year (adjusted for large acquisitions / dispositions).
(1) Peer average includes Rayonier, Weyerhaeuser, Plum Creek, Potlatch, CatchMark (not shown) and Deltic (not shown).

On average, the public timber REITs have harvested 3.0 to 3.5 tons per acre per year from their U.S. South timberlands over the last 10 to 15 years.

U.S. South Peer Group Profitability Comparison (2015)

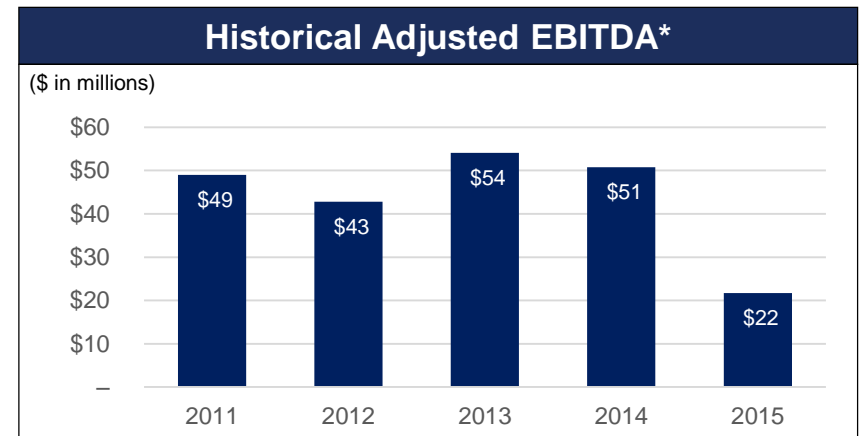
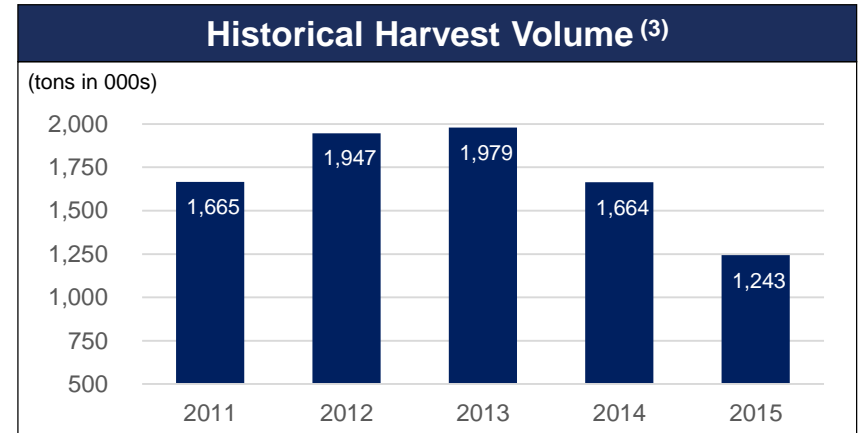
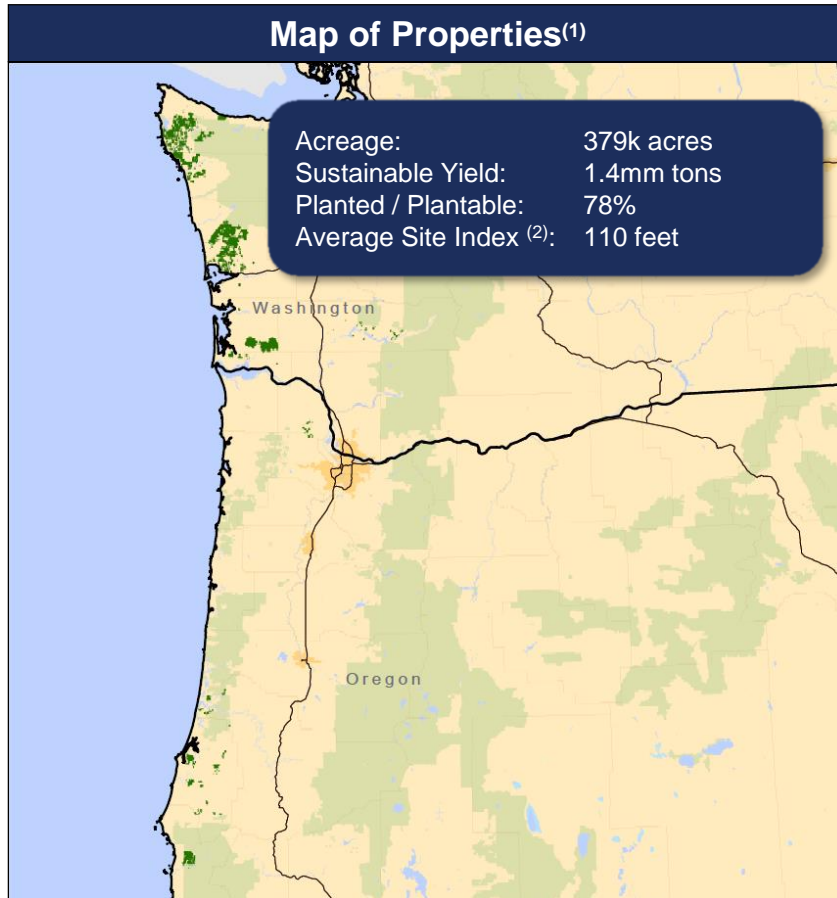


Source: Company filings and Rayonier analysis; see p. 46 for reconciliations.

(1) Weyerhaeuser reported U.S. South segment EBITDA adjusted to exclude estimated land sales contribution.

After adjusting for rate of harvest, Rayonier's profitability on a *per ton basis* compares very favorably to its peers.

Pacific Northwest Timberlands – Segment Overview



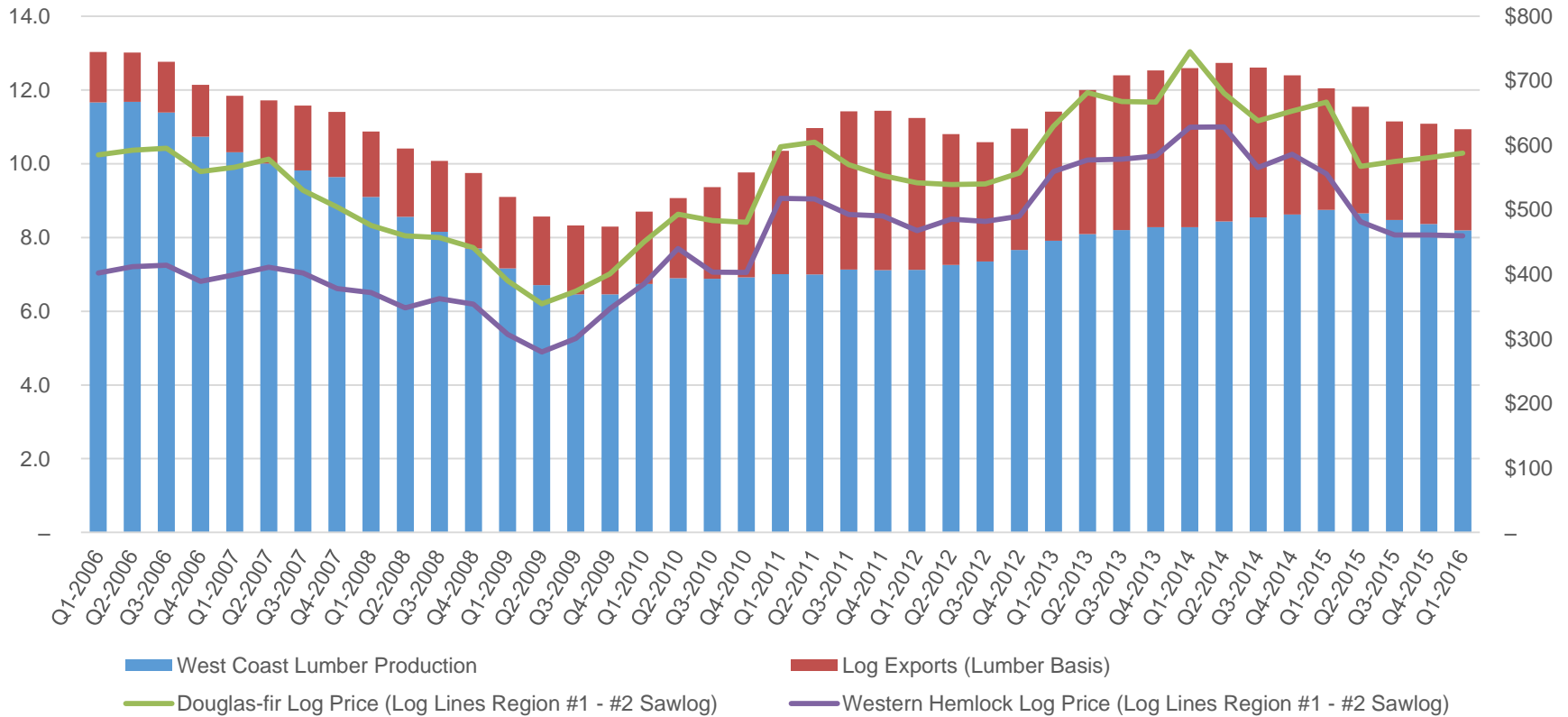
- (1) Reflects recently-announced acquisition of 61k acres and disposition of 55k acres.
- (2) Site index reflects the average height of the dominant and codominant trees at a base age of 50 (Pacific Northwest).
- (3) 2013 and prior results include volumes from New York timberlands.

Following the recently-announced portfolio repositioning, Rayonier expects to harvest roughly 1.3 million tons in the Pacific Northwest over the next five years.

Pacific Northwest Demand and Pricing Have Recovered

Pacific Northwest Log Demand & Pricing

(BBF / \$ per MBF)



Source: Forest Economic Advisors; RISI.

Note: Log exports converted to lumber basis assuming 2.35 recovery rate.

Pacific Northwest log demand and pricing had recovered to pre-recession levels due to increased export demand, but have been challenged more recently.

Pacific Northwest Portfolio Repositioning Overview

Acquisition

- ▶ Rayonier acquired 61,000 acres of high quality timberland in Oregon and Washington for \$263 million

Disposition

- ▶ Rayonier sold 55,000 acres of predominantly pre-merchantable timber in Washington for \$130 million

Asset Quality

- ▶ Significantly increases mix of Douglas-fir and improves overall site index
- ▶ Complements RYN's age-class distribution, improves sustainable yield ⁽¹⁾

Market Access

- ▶ Dispersion of parcels across strong domestic markets improves operational flexibility
- ▶ Competitive log markets fit RYN's log / stumpage sales program well

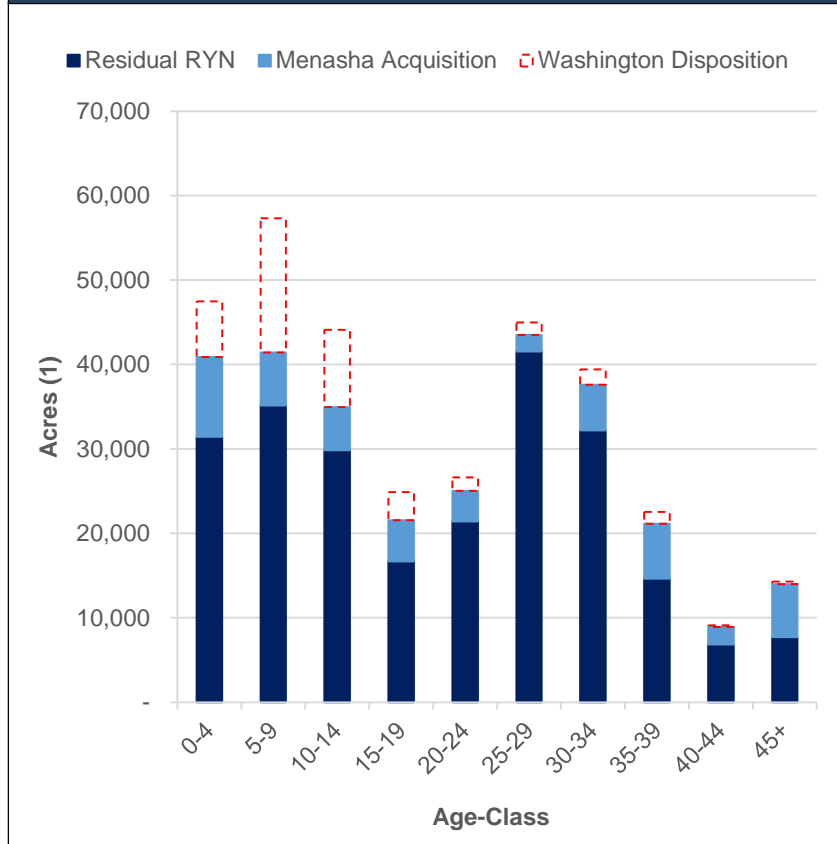
Financial Profile

- ▶ More mature age-class profile improves near-term harvest and cash flow
- ▶ Diversifies cash flow profile; increases contribution from Pacific Northwest segment

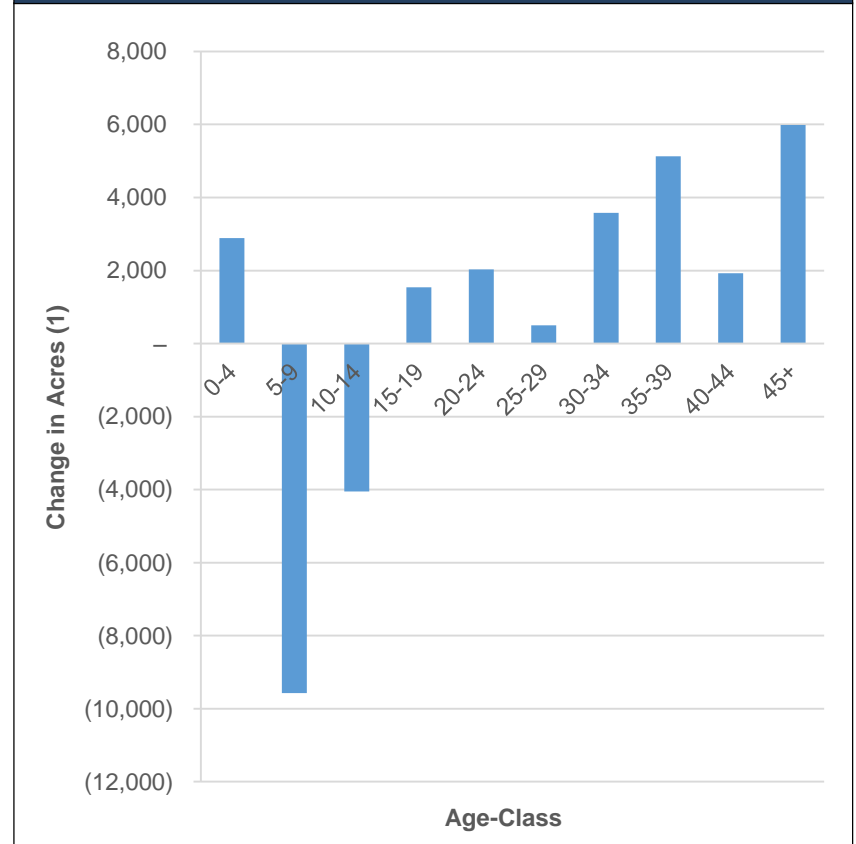
Rayonier's PNW portfolio repositioning improves asset quality, diversifies species mix and regional log markets, and enhances near-term cash flow.

PNW Portfolio Repositioning Improves Age Class Profile

Pro Forma Pacific Northwest Age Class Profile



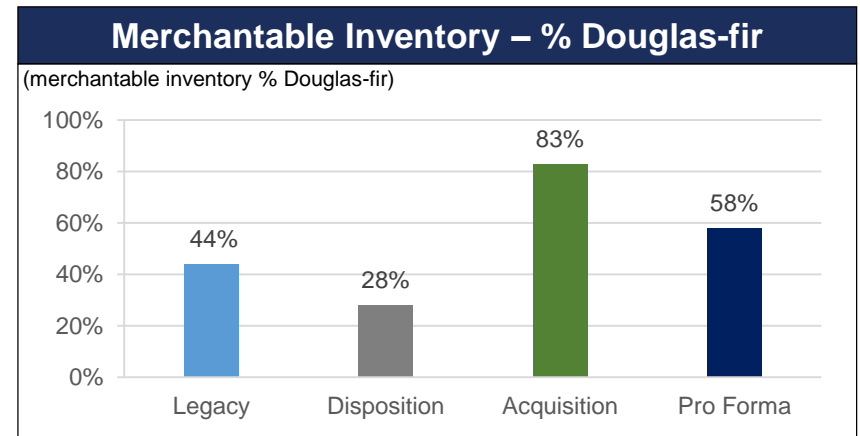
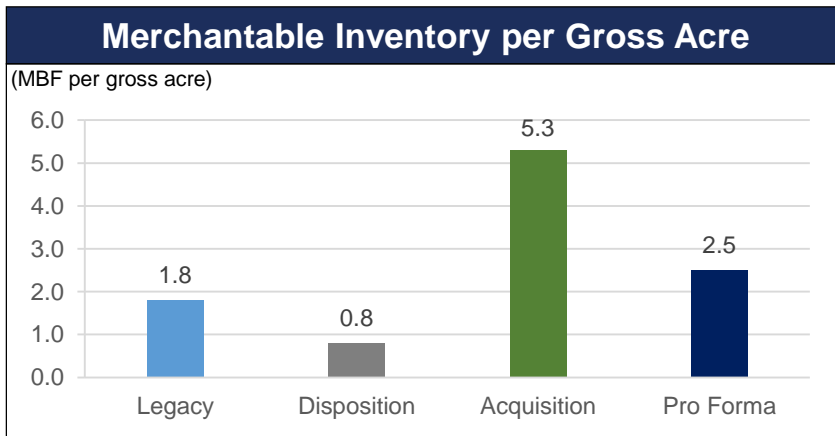
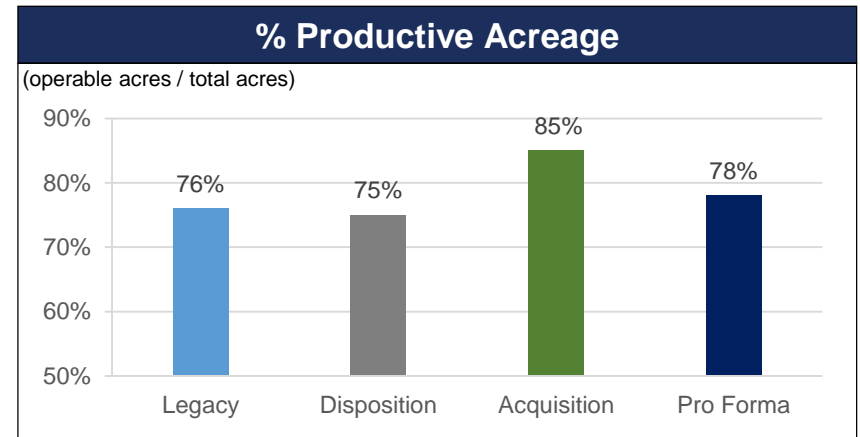
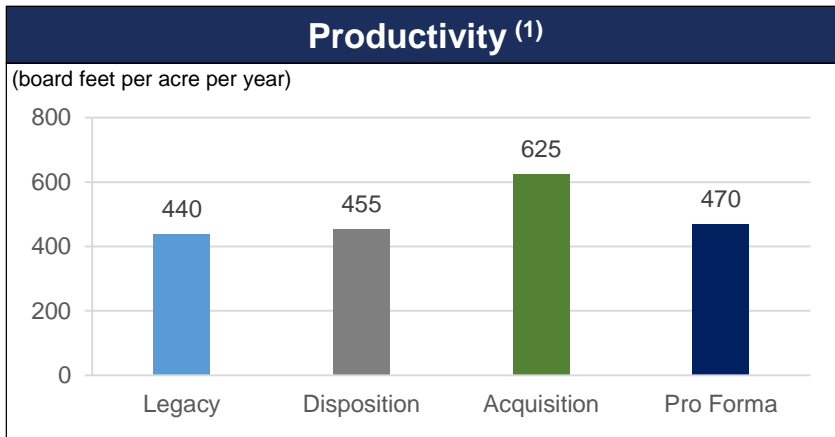
Net Change in Operable Acres by Age Class



Pro forma for the Menasha acquisition and the Washington disposition, Rayonier's Pacific Northwest age-class profile will be significantly improved and more evenly distributed.

(1) Charts exclude non-operable and non-commercial acres.

PNW Portfolio Repositioning – Comparison of Key Metrics

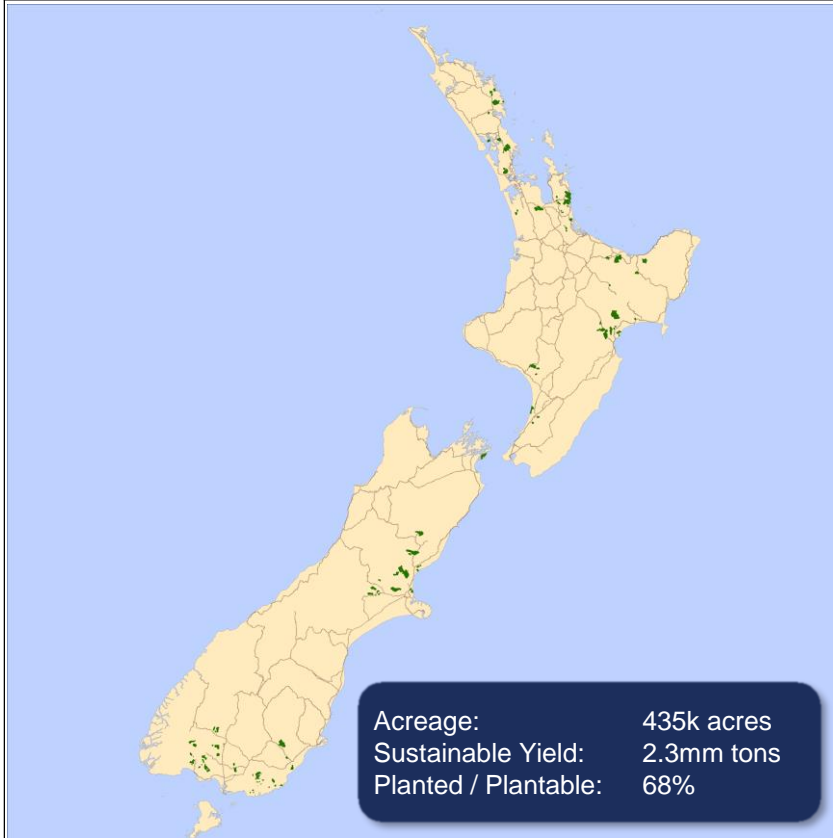


The combination of the Menasha acquisition and the Washington disposition will significantly enhance Rayonier’s Pacific Northwest timberland portfolio.

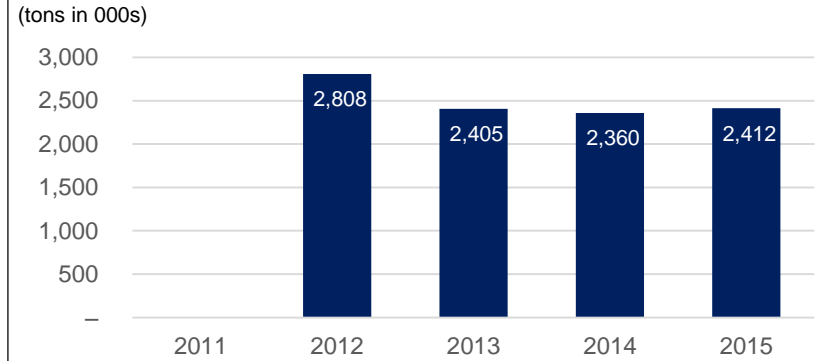
(1) Productivity based on “sustainable yield,” as defined in the Company’s latest report on Form 10-K.

New Zealand Timberlands – Segment Overview

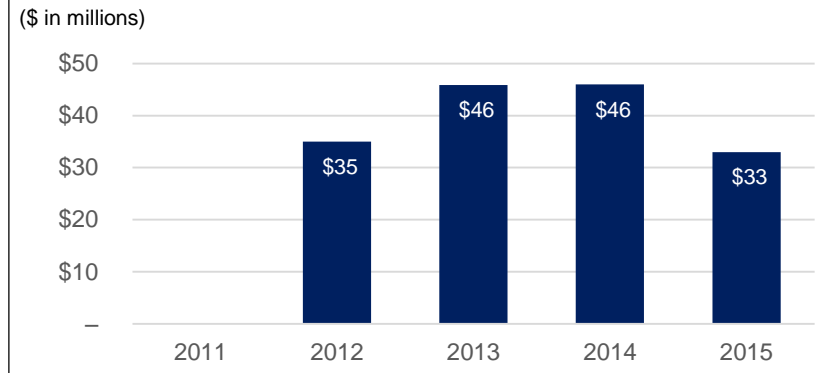
Map of Properties



Historical Harvest Volume



Historical Adjusted EBITDA*

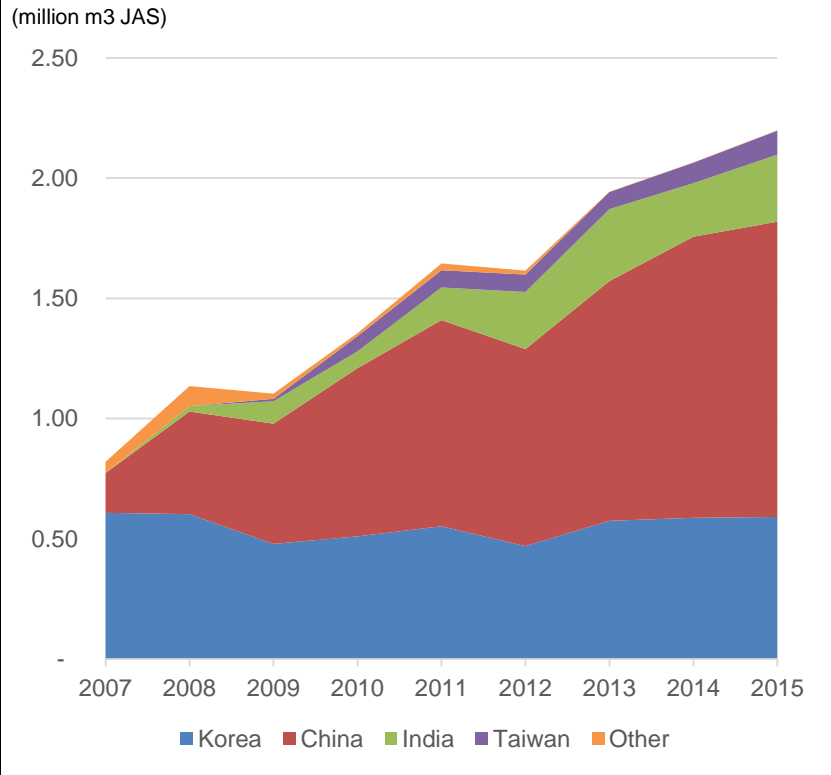


Note: New Zealand Timber was consolidated on April 4, 2013 when we acquired a majority interest in the New Zealand JV. Prior to the acquisition date, we accounted for our 26% interest in the New Zealand JV as an equity method investment. The 2013 and 2012 information shown here reflects full year results.

Rayonier's ~77%-owned joint venture in New Zealand provides geographic, species and market diversification.

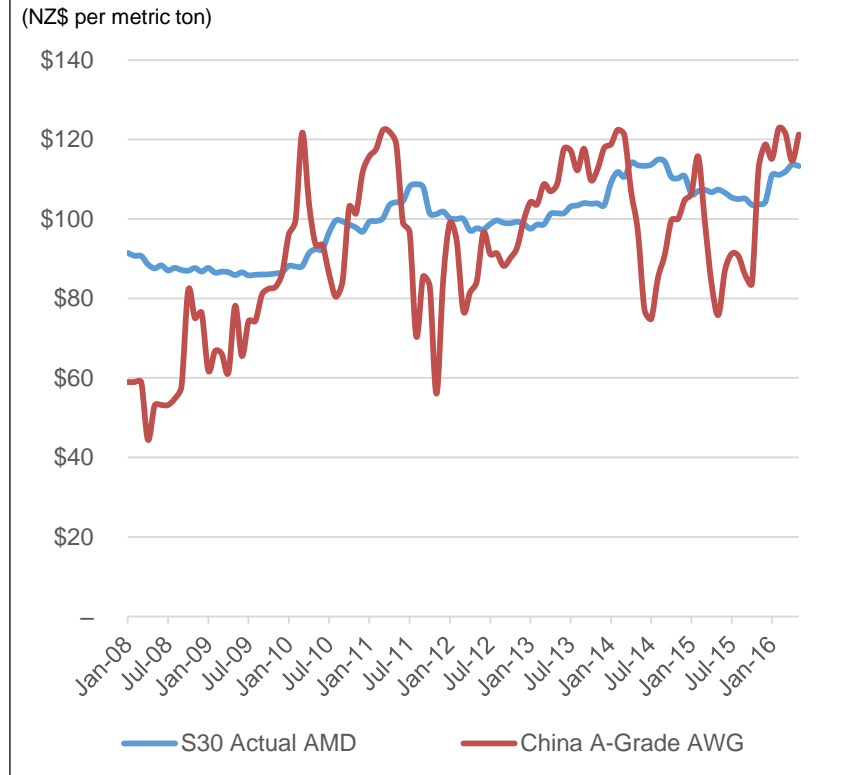
New Zealand JV Increases Exposure to Export Markets

Mix Shift of New Zealand Export Volume



Note: Represents NZ joint venture export volume and third-party Log Trading segment volume.

New Zealand Export vs. Domestic Pricing



Note: Represents at wharf gate (AWG) or at mill door (AMD) prices.

Rayonier's New Zealand JV increases the company's exposure to attractive and growing export markets in the Pacific Rim.

Overview of Timberland Acquisition Strategy

Location

- Timber end markets with favorable supply / demand tension
- Well-developed infrastructure, access to ports and other transportation hubs
- Potential for land appreciation driven by local and regional demographics

Asset Quality

- Softwood investments in regions with strong biological growth
- Complementary age-class distribution that improves sustainable harvest
- Highly operable land with favorable logging conditions

Optionality

- Fee simple ownership while seeking to avoid wood supply agreements
- Ability to market timber through delivered log or stumpage sales during price spikes
- Diversity in customer base from timber, HBU sales and non-timber income

Value Creation

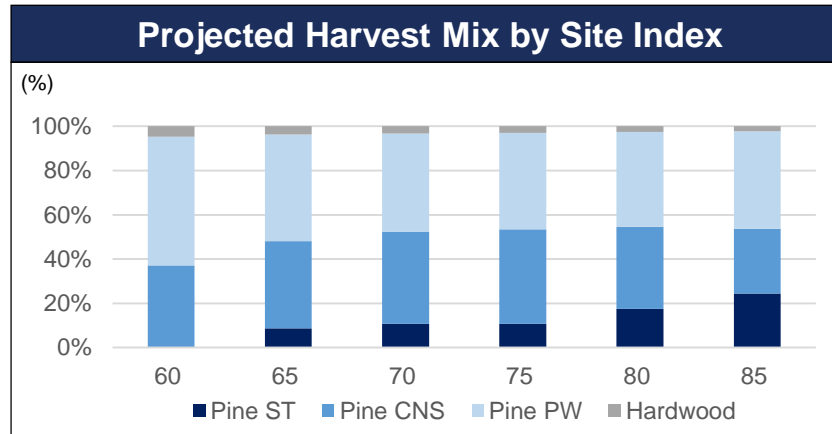
- Ability to enhance returns through intensive silviculture and genetics
- HBU value creation opportunities through effective planning and management
- Properties with non-timber income upside potential

Financial Profile

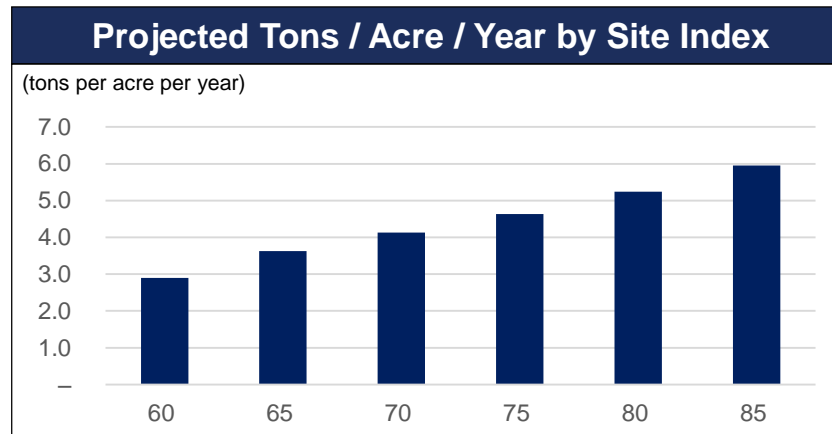
- Ability to generate strong recurring cash flow from harvest and non-timber income
- Accretive to Cash Available for Distribution
- Focus only on acquisitions that we expect to exceed our cost of capital

Productivity is a Key Driver of Timberland Value

Current Harvested Stands
Expressed Site Index:
High 60's



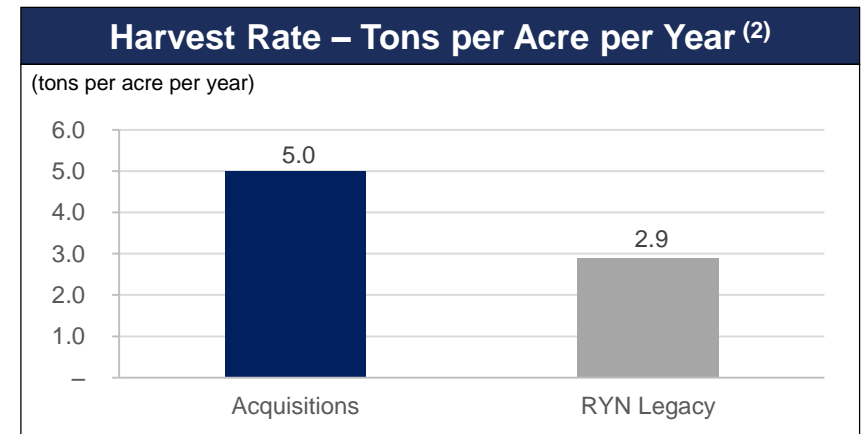
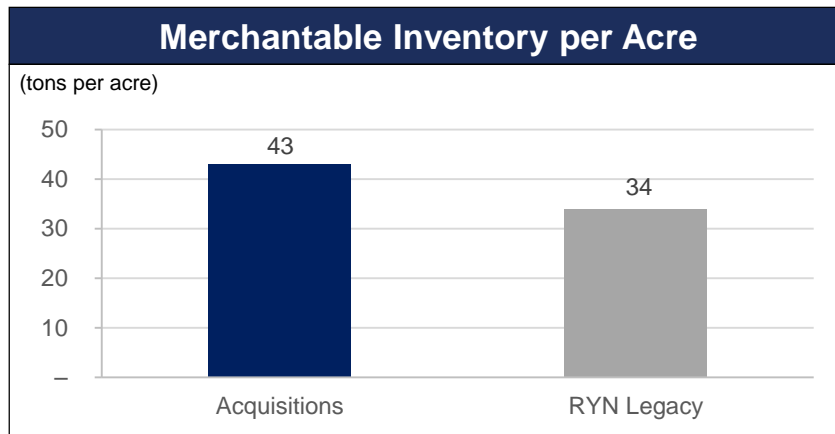
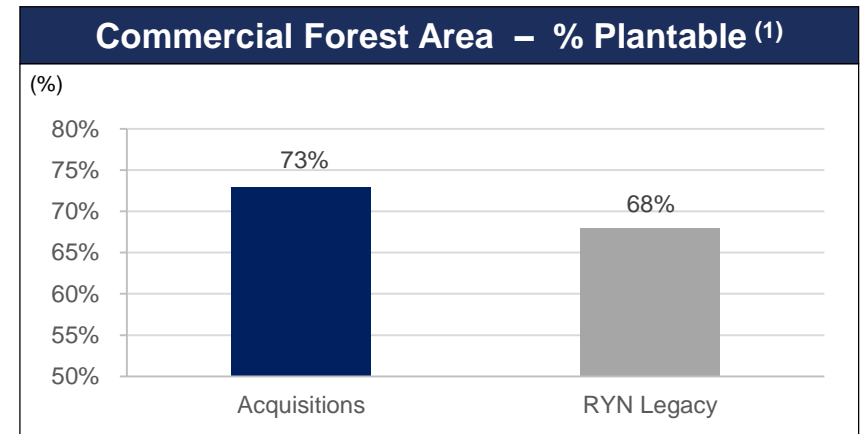
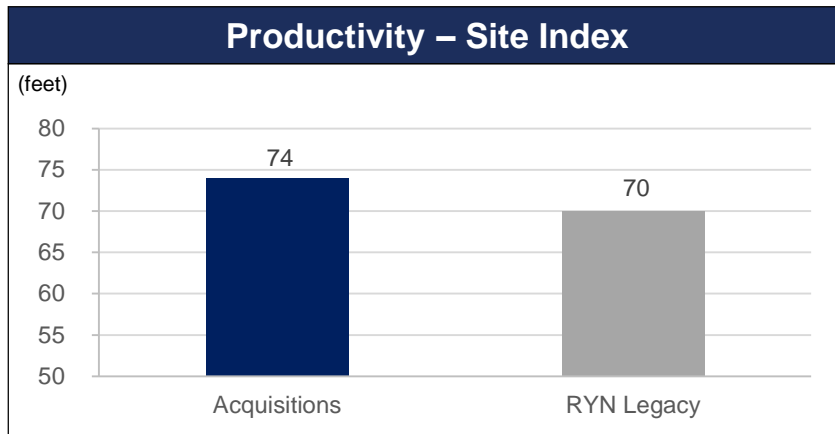
Current Planted Stands
Implied Site Index:
High 70's+



Source: Yield predictions based on PMRC (Plantation Management Research Cooperative) Technical Report 1996-1 (Yield Prediction and Growth Projection for Site-Prepared Loblolly Pine Plantations in the Carolinas, Georgia, Alabama and Florida). Assumes 70% pine plantation and 30% hardwoods and non-forested areas.

Plantation productivity is a key driver of value, as higher site index properties generate greater harvest yields and a more valuable product mix.

Disciplined Acquisition Process = Improved Portfolio



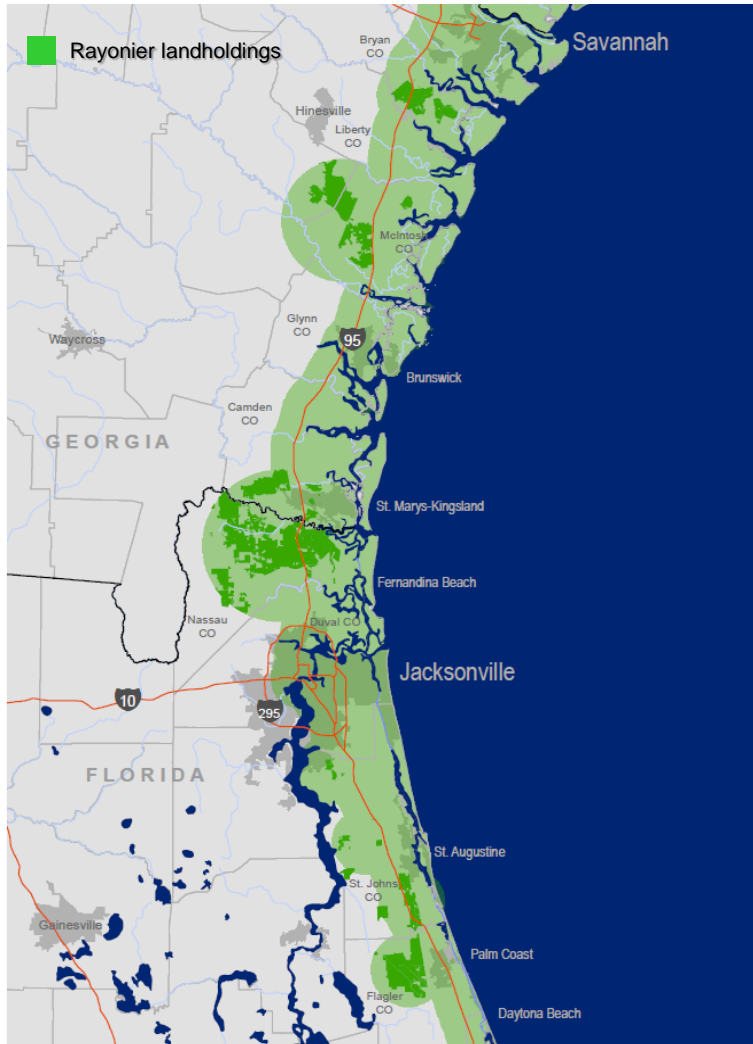
Note: Comparison charts reflect data for U.S. South legacy acreage (as of 3Q2014) and 2014-1Q2016 U.S. South acquisitions based on Company estimates.

(1) Includes land classified as natural plantable.

(2) Harvest rate for RYN Legacy assumes sustainable yield of 5.4 to 5.7 million tons for Southern Timber. Harvest rate for acquisitions based on projected 10-year harvest.

Since 2014, Rayonier has acquired 165,000 acres of timberland for nearly \$500 million, improving the overall productivity of our portfolio.

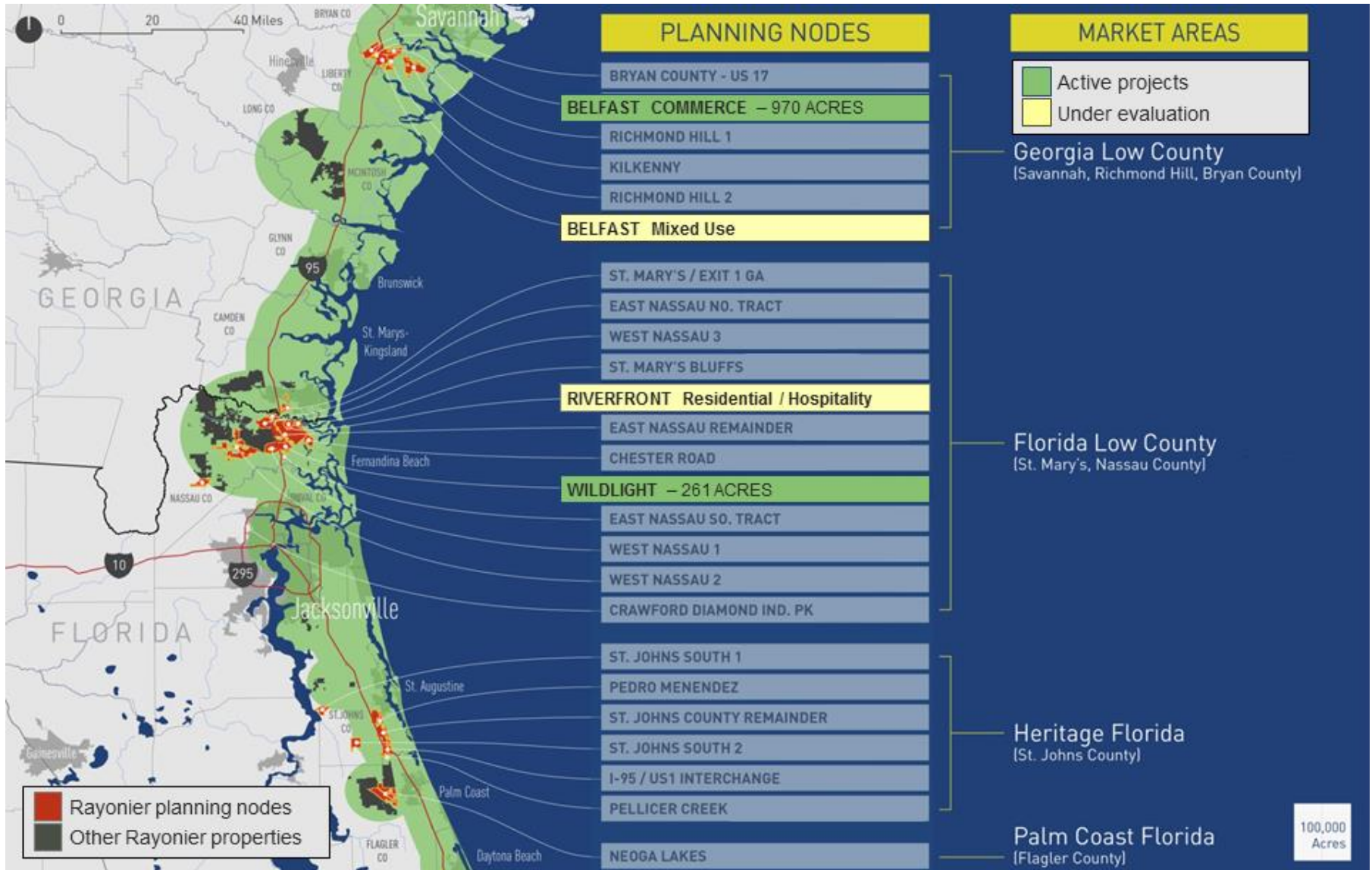
Significant HBU Potential in FL and GA Coastal Corridor



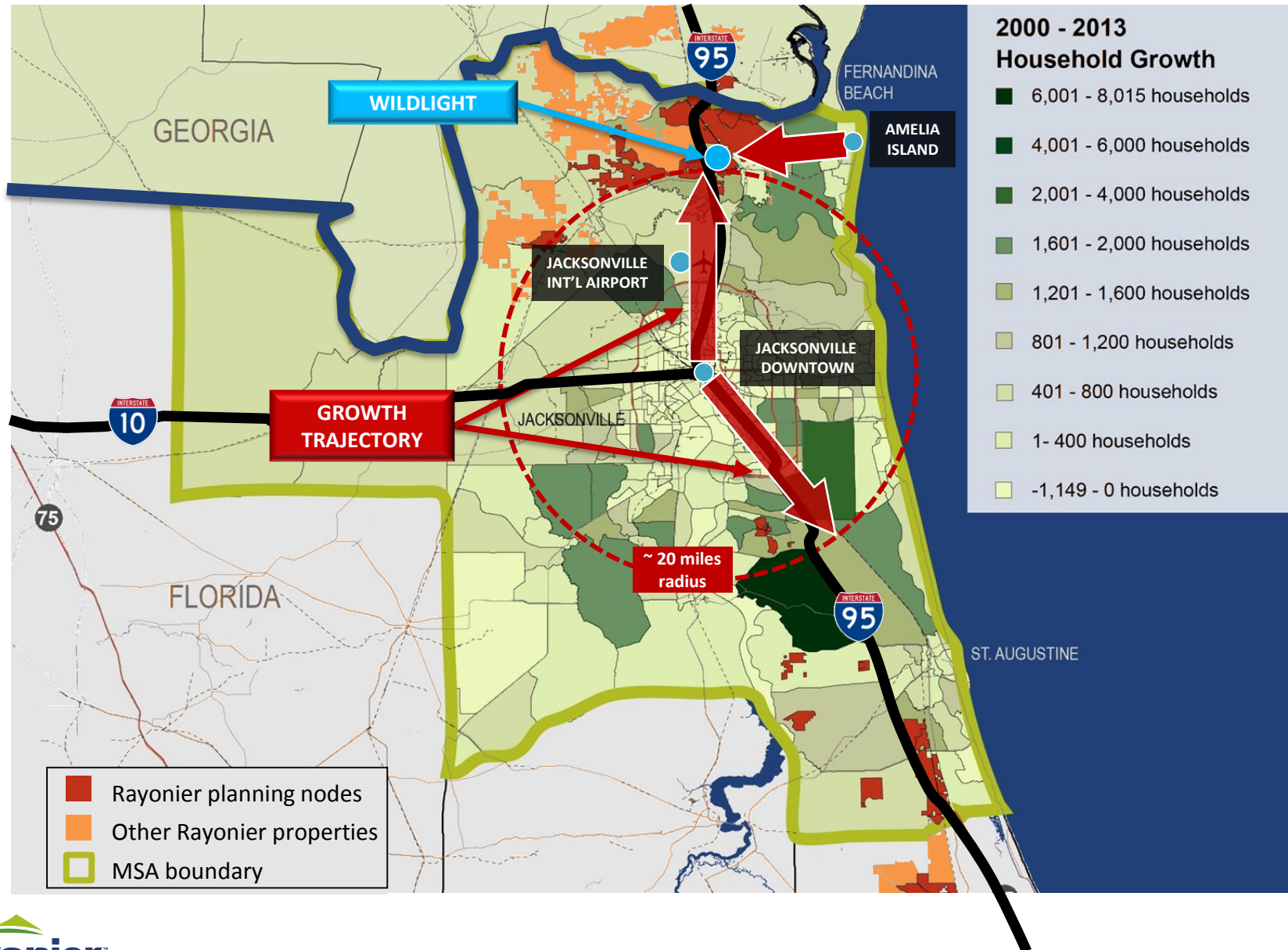
Overview of Coastal Corridor Properties

- Timberland ownership base of ~200,000 acres
- Approximately 40 miles of water frontage
- Approximately 250 miles of road and highway frontage
- Land holdings at five interchanges on I-95 and two planned future interchanges
- Residential, commercial, and industrial land-use entitlements in hand
- Proximity and connection to international airports and seaports, with multiple sites served by rail
- Intensive land classification effort has identified 25 distinct planning nodes spanning coastal corridor ownership

Getting “Micro” to Unlock Opportunities



Wildlight Situated in Jacksonville's "Path of Growth"



Wildlight – Project Overview

Location

Nassau Co, FL approx 21-miles north of Jacksonville at I-95 / A1A interchange

Type

Community Multi-Use

Market

Northeast FL / Southeast GA

Size

261 acres

Highlights

- Catalyzed by new K-5 school opening fall of 2017
- Highly visible location, avg. 40,000 vehicles passing the site daily
- Over 20,000 acres of Rayonier ownership within a 5-mile radius
- Market data indicates high potential for mixed use



Term

~10 years

Gross revenue

~\$60 MM

Gross margin

~20%

Unlevered IRR

~15%

Peak capital

~\$13 MM

Note: Anticipated financial results based on project forecast.

Belfast Commerce Park – Project Overview

Location

23 miles south of Savannah, GA

Type

Class A Industrial Park

Market

Southeastern U.S.

Size

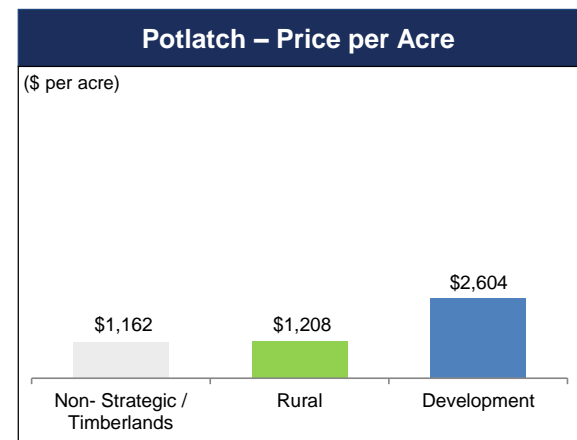
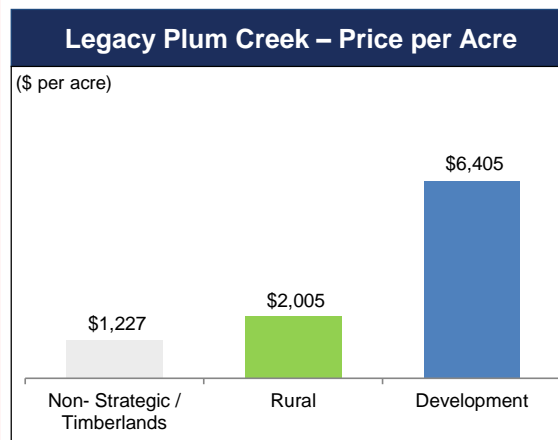
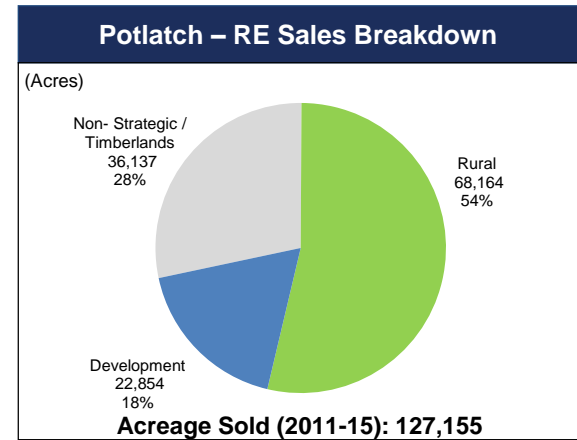
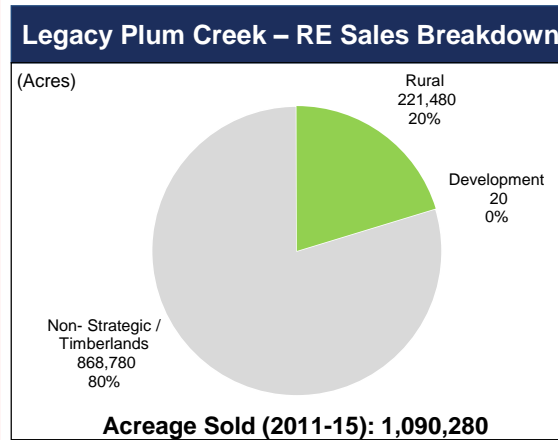
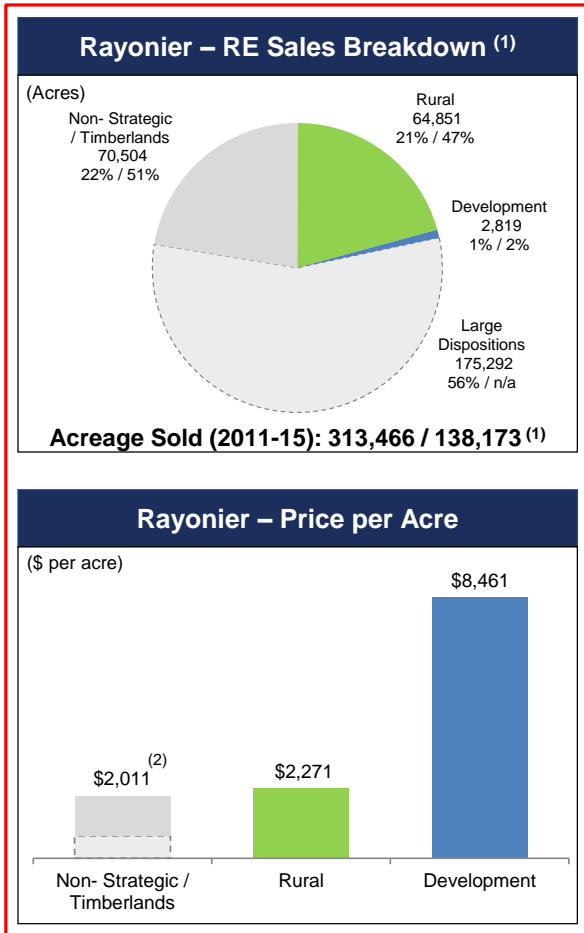
970 acres (140 sold)

Highlights

- Zoning allows 15.0 million square feet industrial uses
- CSX Select Site, direct rail service into the Port of Savannah (16 miles); \$700 million port expansion underway
- 9,105 feet of rail frontage
- 11,100 feet of I-95 frontage, 16 miles to I-16 interchange
- Future I-95 interchange approved, currently in design and permitting
- Catalyzed by Caesarstone's 260KSF manufacturing facility (May 2015)
- 140 acres sold for ~\$42,000/acre



Real Estate Sales Summary – Peer Comparison



Note: Real Estate acreage breakdown based on total acres sold over the last five years. Price per acre based on weighted average sales price over the last five years.
 (1) Percentages represent % of total including / excluding large dispositions (respectively). Total represents total acres sold including / excluding large dispositions (respectively).
 (2) Represents weighted average price per acre excluding large dispositions. Average price per acre of large dispositions (including New York) is \$725 per acre.

Rayonier has realized stronger pricing on real estate sales than its timber REIT peers. Excluding “large dispositions” (which Rayonier excludes from Adjusted EBITDA), Rayonier’s real estate sales are heavily focused on HBU properties.

Rayonier Debt Structure & Maturity Profile

Debt Profile

(\$ in millions)

	Balance @ 3/31/2016	Interest Rate	Annual Interest	% Fixed	Years to Maturity
Senior Notes due 2022	\$325.0	3.75%	\$12.2	100.0%	5.9
Term Loan due 2024	350.0	3.33%	11.7	100.0%	8.3
New Term Loan due 2026 ⁽¹⁾	300.0	2.55%	7.6	66.7%	10.0
Mortgage Notes due 2017	42.5	4.35%	1.9	100.0%	1.3
Revolving Credit Facility due 2020 ⁽²⁾	–	1.70%	0.4	–	4.3
Solid Waste Bond due 2020	15.0	1.70%	0.3	–	4.0
NZ Working Capital Facility due 2016	12.2	3.20%	0.4	–	0.2
NZ Shareholder Loan ⁽³⁾	23.1	NA	NA	NA	NA
Total / Weighted Avg.	\$1,067.8	3.22%	\$34.3	87.8%	7.6

(1) Assumes fixed rate portion of 2.93%, floating rate portion of L + 1.33% (net of patronage), and LIBOR of 0.45%.

(2) Interest on revolver represents unused facility fee of 0.175%.

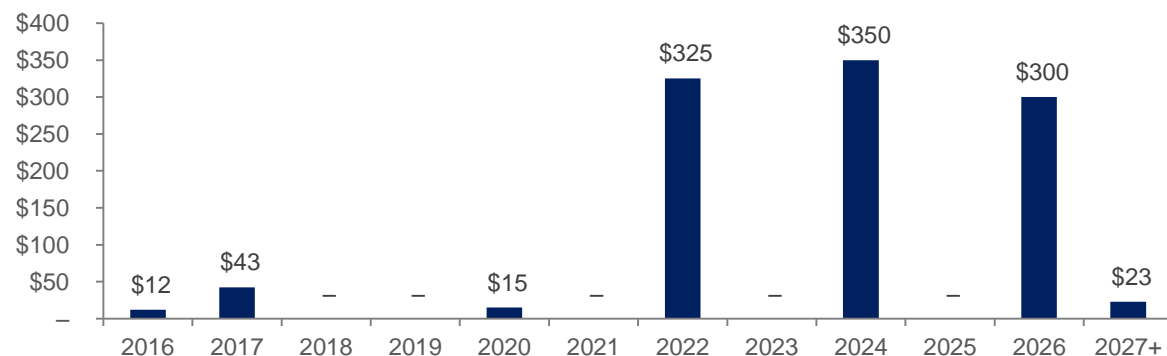
(3) Minority share of New Zealand shareholder loan; does not represent third-party indebtedness.

Highlights

- Average interest rate of 3.2%
- 88% fixed rate debt
- Average maturity of nearly 8 years

Maturity Profile

(\$ in millions)



Highlights

- Well staggered maturity profile
- Nearest significant maturity in 2022
- No significant stacked maturities

Rayonier has a very attractive debt structure and maturity profile.

Recap of Rayonier's Strategic Priorities

Manage for Sustainability

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

Acquire High-Quality Timberlands

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

Optimize Portfolio Value

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

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 generation

Enhance Disclosure

- ▶ Establish Rayonier as industry leader in transparent disclosure
- ▶ Provide investors with meaningful information about timberland portfolio

Rayonier's goal is to provide an attractive, growing dividend funded from core, recurring cash flows in a tax-efficient REIT structure.

Rayonier Represents an Attractive Investment Opportunity

Timber Asset Class Poised for Growth

- Steady improvement in housing starts projected over next few years
- Favorable supply dynamics relative to last peak in housing starts along with decline in Canadian supply
- Demand from China that was not present during last housing start peak

Rayonier Uniquely Positioned

- Geographic market diversification across strongest timber markets in U.S. South, Pacific Northwest, and New Zealand
- Superior pricing in U.S. South based on tensioned wood baskets
- Advantageous real estate platform with projects underway in FL/GA coastal regions

Strategies to Deliver Sustainable Results

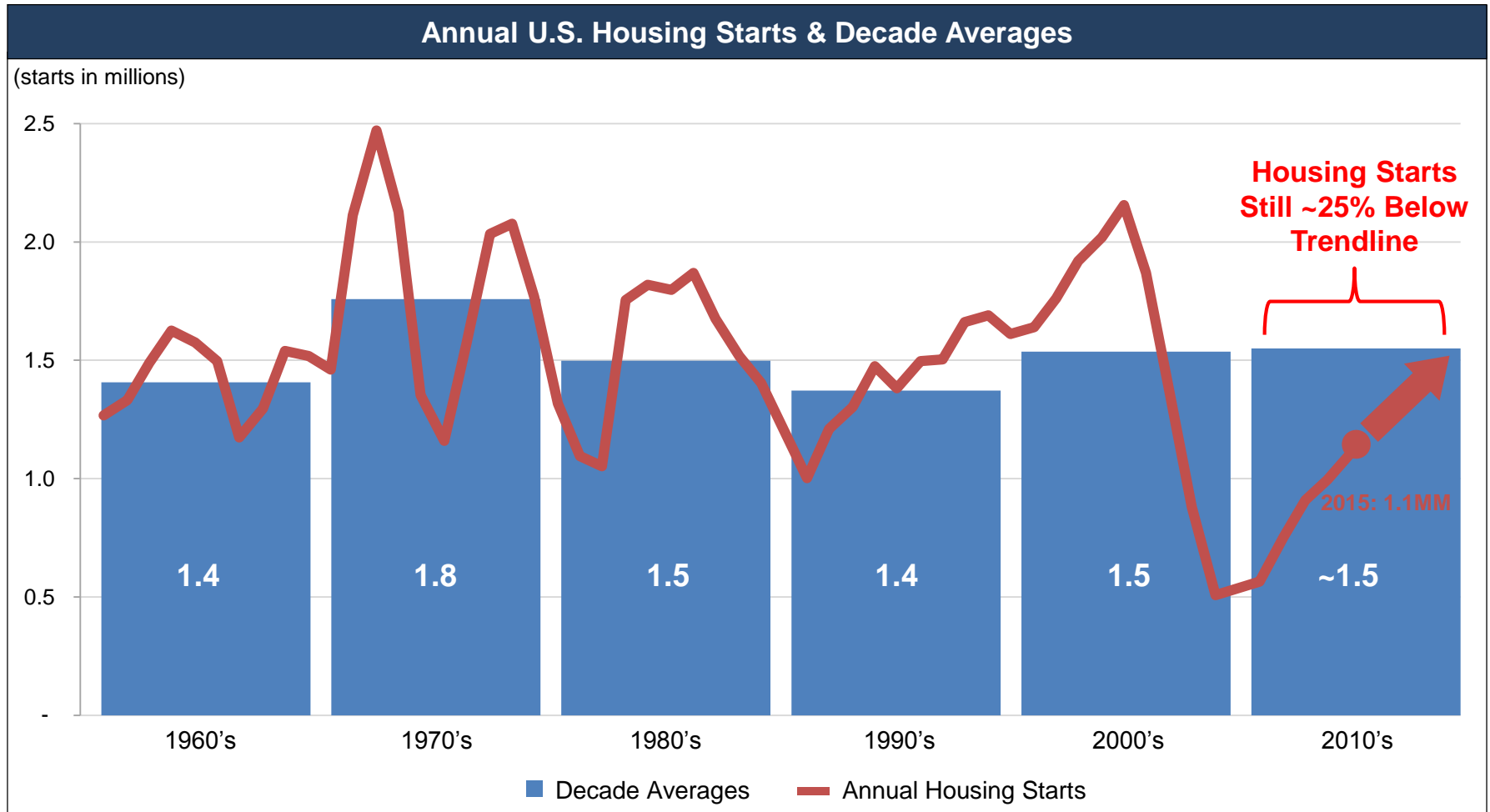
- Highest proportion of cash flows within Timber REIT sector from recurring timber harvest operations
- Dividend level established and supported without overreliance on sales of core timberlands
- Industry leader in transparent investor communications

Discount to Underlying Asset Value

- Significant decline in share value following Q3 2014 earnings release and related announcements
- Currently trading at discount to estimated net asset value

Appendix A: Industry Dynamics

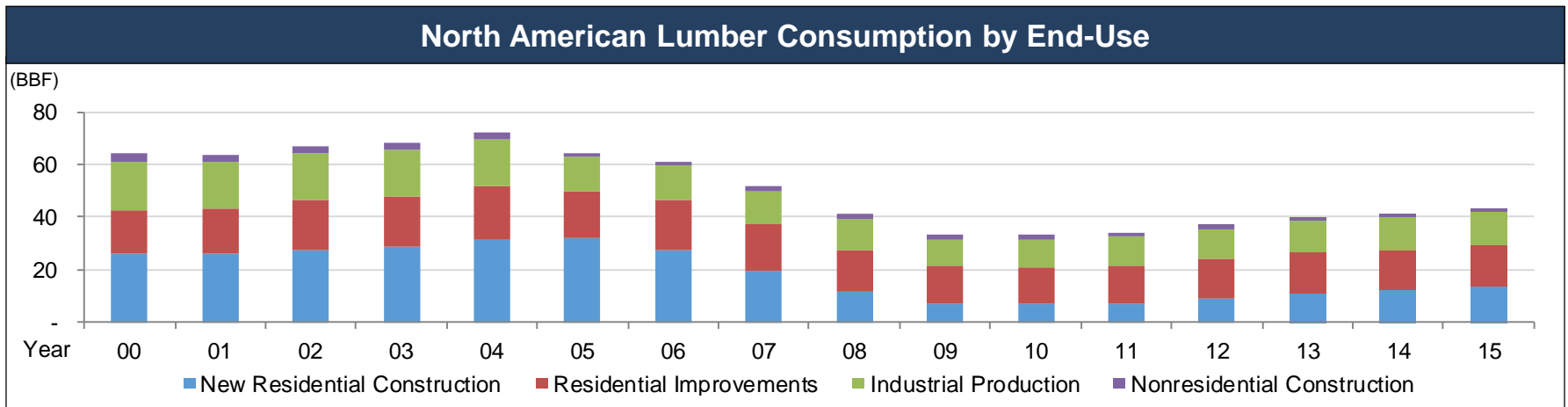
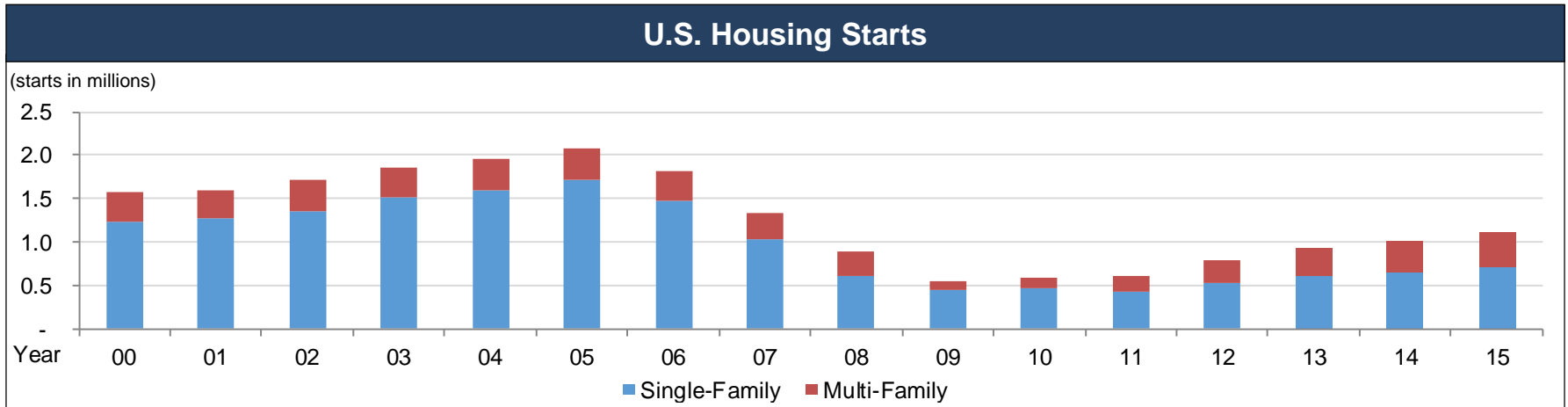
Recovery In Residential Construction Is Underway



Source: U.S. Census Bureau; Forest Economic Advisors.

Housing starts have begun to recover and are expected to return to a trendline level of 1.5mm+ over the next several years.

U.S. Housing Starts Drive Lumber Consumption...

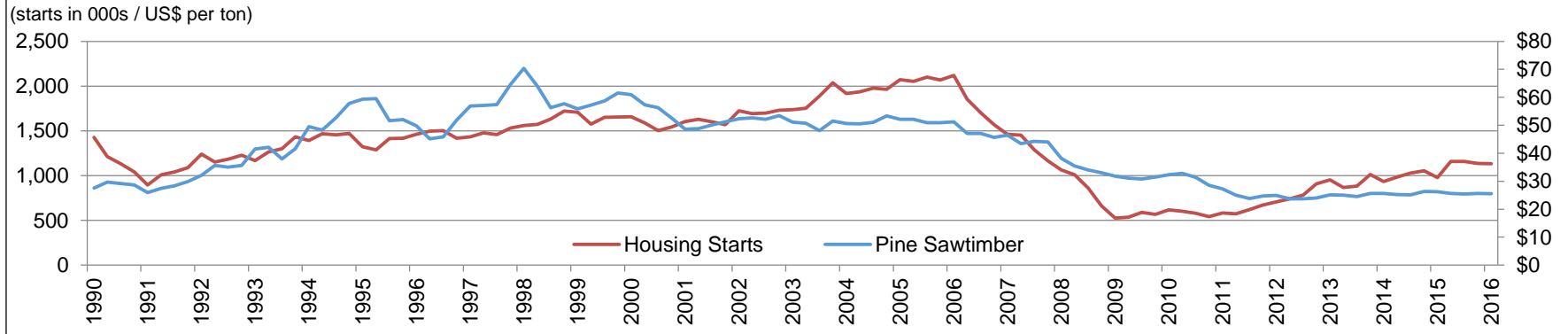


Source: U.S. Census Bureau; Forest Economic Advisors.

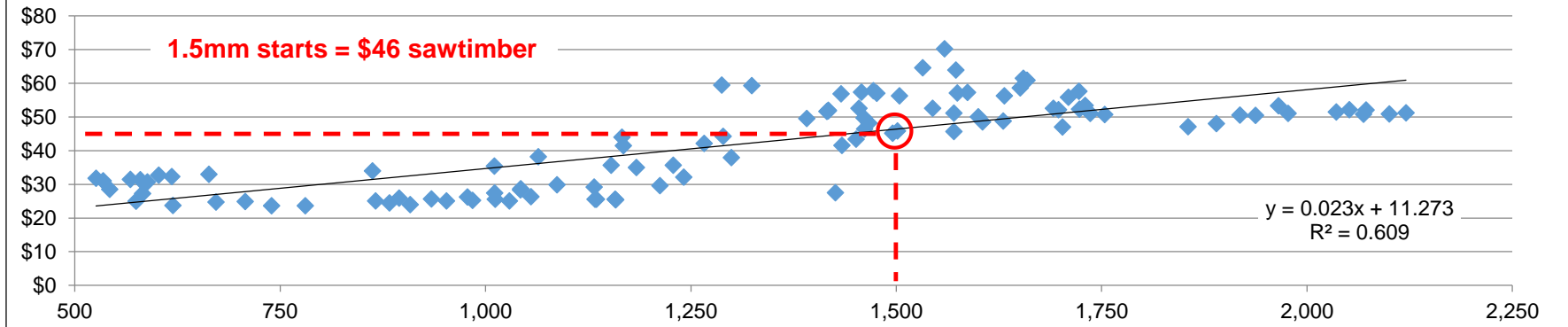
Residential construction is the key driver of lumber demand...

... Which, In Turn, Drives Sawtimber Pricing

Annual Housing Starts vs. Real Pine Sawtimber Prices



Annual Housing Starts vs. Real Pine Sawtimber Prices – Regression Analysis

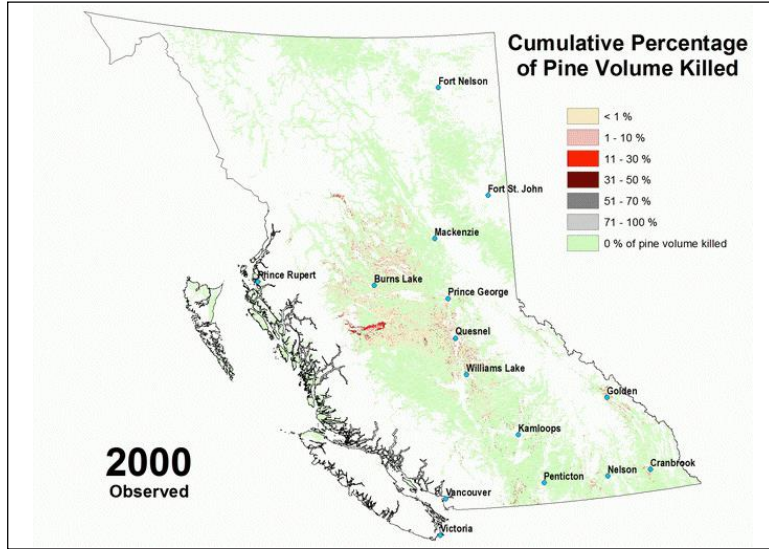


Source: Timber Mart-South South-wide Average Sawtimber Prices.

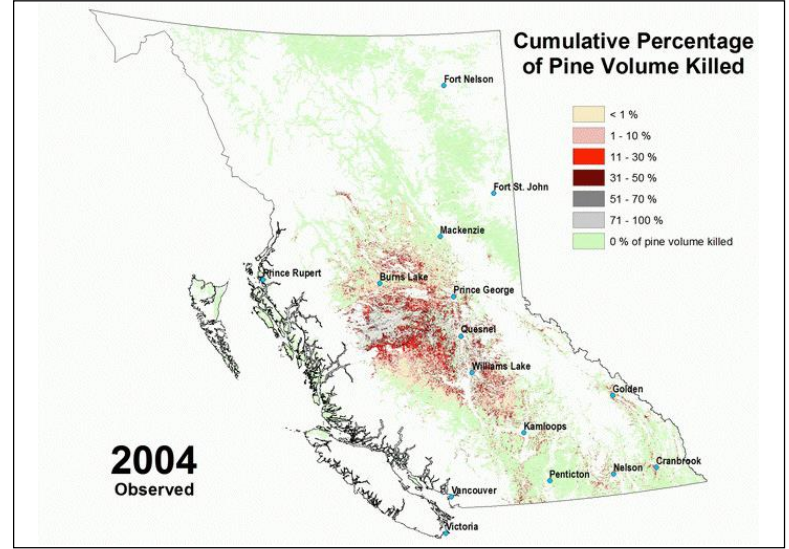
Note: Prices are adjusted for inflation and converted to 2014 dollars based on the Producer Price Index (PPI).

**U.S. South sawtimber pricing has historically trended in line with residential construction:
~1.5 million starts = ~\$46 sawtimber.**

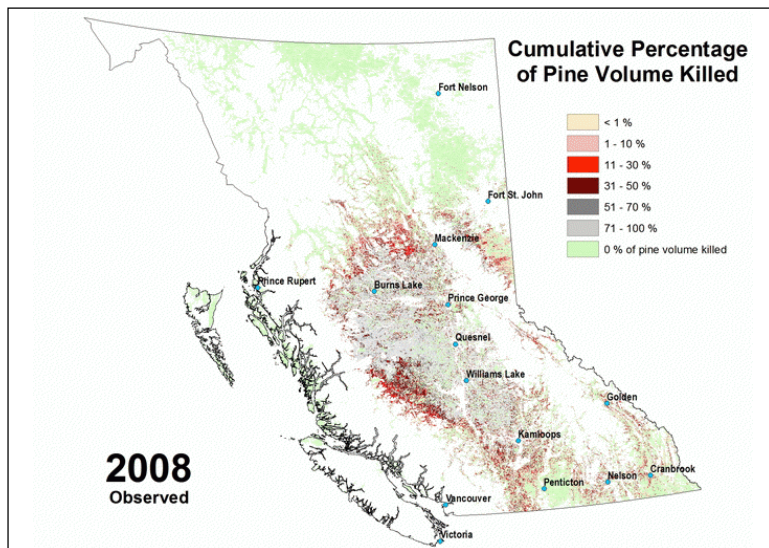
Mountain Pine Beetle Has Devastated B.C. Forests



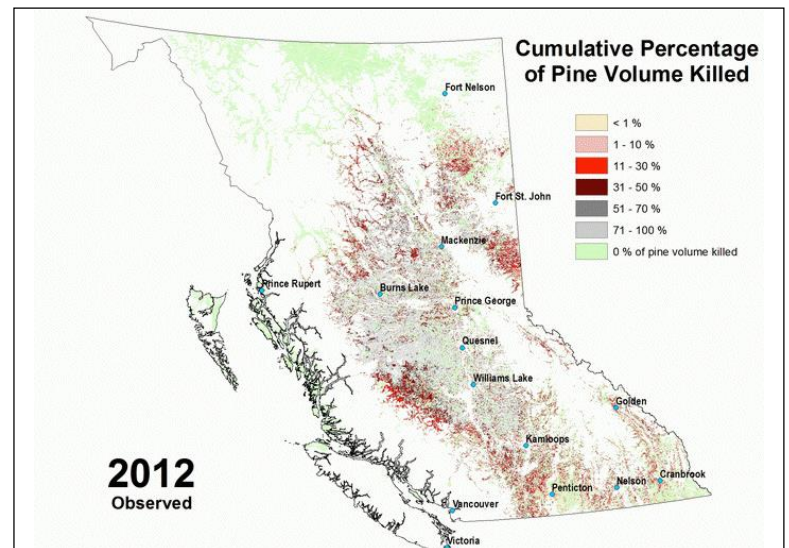
~ 1%
Mortality



~ 15%
Mortality



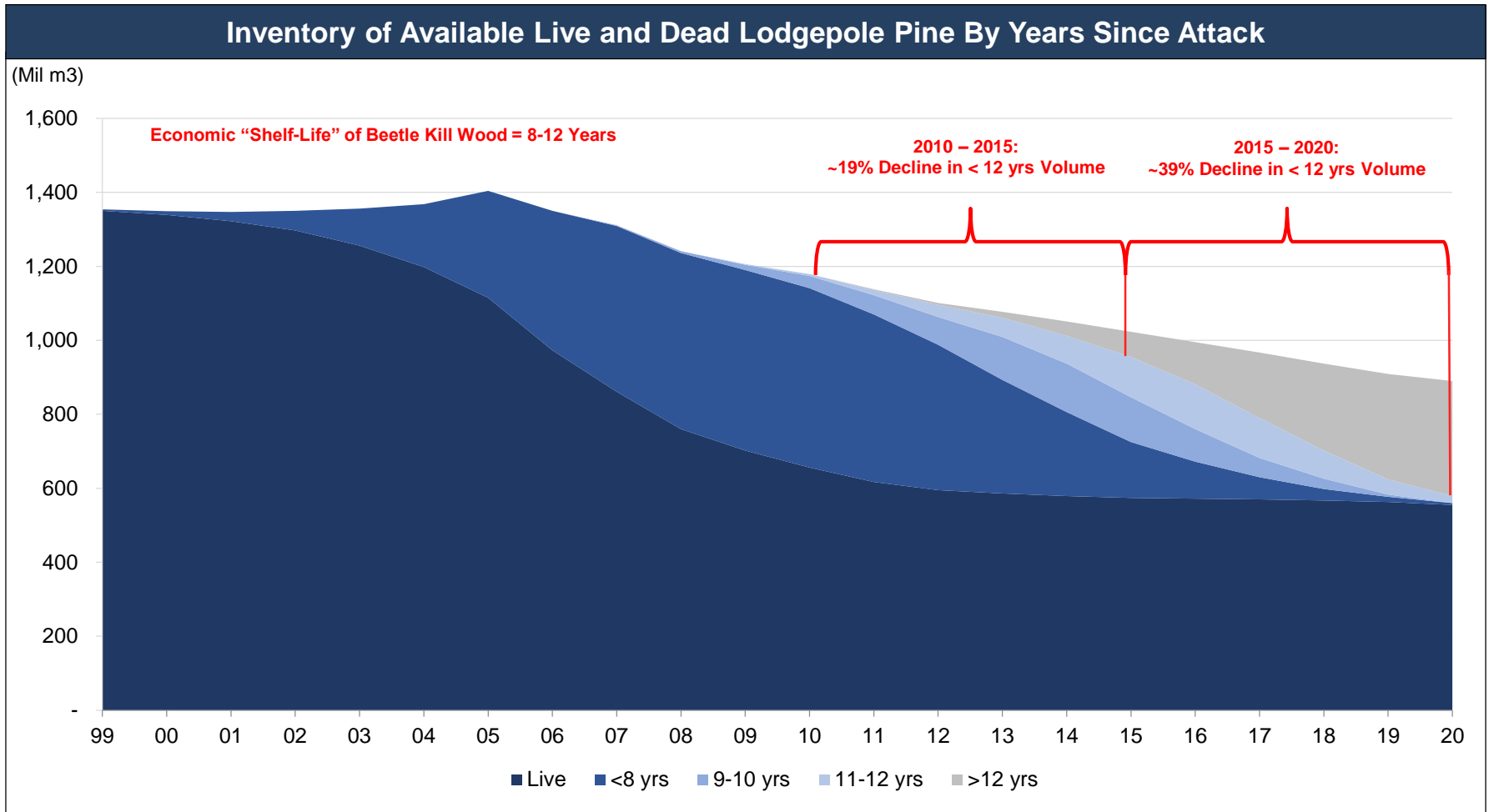
~ 45%
Mortality



~ 55%
Mortality

Source: B.C. Ministry of Forests.

Availability of Viable B.C. Timber Is Expected to Decline Rapidly



Source: B.C. Ministry of Forests; Forest Economic Advisors.

The mountain pine beetle epidemic is expected to significantly constrain the availability of economically viable pine inventory in B.C. for many decades.

Appendix B: Reconciliation of Non-GAAP Measures

Definitions of Non-GAAP Measures

Pro Forma Operating Income is defined as operating income adjusted for costs related to shareholder litigation and in 2014, internal review and restatement costs and a cumulative out-of-period adjustment for depletion expense.

Pro Forma Net Income is defined as net income attributable to Rayonier Inc. adjusted for costs related to shareholder litigation, costs related to the write-off of capitalized financing costs, costs related to spin-off of the Performance Fibers business, a cumulative out-of-period adjustment for depletion expense, internal review and restatement costs, discontinued operations and the gain related to the consolidation of the New Zealand joint venture.

Adjusted EBITDA is defined as earnings before interest, taxes, depreciation, depletion, amortization, the non-cash cost of land and real estate sold, costs related to shareholder litigation, costs related to spin-off of the Performance Fibers business, internal review and restatement costs, large dispositions, discontinued operations and the gain related to the consolidation of the New Zealand joint venture. Adjusted EBITDA is a non-GAAP measure used by our Chief Operating Decision Maker, existing shareholders and potential shareholders to measure how the Company is performing relative to the assets under management.

Cash Available for Distribution (CAD) is defined as cash provided by operating activities adjusted for capital spending (excluding timberland acquisitions), large dispositions, cash provided by discontinued operations and working capital and other balance sheet changes. CAD is a non-GAAP measure of cash generated during a period that is available for dividend distribution, repurchase of the Company's common shares, debt reduction and strategic acquisitions. 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 securities litigation, the shareholder derivative demands and the Securities and Exchange Commission investigation. See Note 10 — *Contingencies* of Item 8 — Financial Statements in the Company's most recent Annual Report on Form 10-K.

Large Dispositions are defined as transactions involving the sale of timberland that exceed \$20 million in size and do not have any identified HBU premium relative to timberland value.

Reconciliation of Operating Income to Adjusted EBITDA by Segment

(\$ in millions)

	Southern Timber	Pacific Northwest Timber	New Zealand Timber	Real Estate	Trading	Corporate and Other	Total
2015							
Operating Income	\$46.7	\$6.9	\$2.8	\$44.3	\$1.2	(\$24.1)	\$77.8
Non-operating expense						(0.1)	(0.1)
Depreciation, depletion & amortization	54.3	14.8	29.7	14.5	—	0.4	113.7
Non-cash cost of land and real estate sold	—	—	0.5	12.0	—	—	12.5
Costs related to shareholder litigation ¹	—	—	—	—	—	4.1	4.1
Adjusted EBITDA	\$101.0	\$21.7	\$33.0	\$70.8	\$1.2	(\$19.7)	\$208.0
2014							
Operating Income	\$45.7	\$29.5	\$9.5	\$47.5	\$1.7	(\$35.6)	\$98.3
Depreciation, depletion & amortization	52.2	21.3	32.2	13.4	—	0.9	120.0
Non-cash cost of land and real estate sold	—	—	4.3	8.9	—	—	13.2
Large dispositions ¹	—	—	—	(21.4)	—	—	(21.4)
Internal review and restatement costs	—	—	—	—	—	\$3.4	3.4
Adjusted EBITDA	\$97.9	\$50.8	\$46.0	\$48.4	\$1.7	(\$31.3)	\$213.5
2013							
Operating Income	\$37.8	\$32.7	\$10.6	\$55.9	\$1.8	(\$30.1)	\$108.7
Depreciation, depletion & amortization	49.4	21.4	27.7	17.4	—	1.0	116.9
Non-cash cost of land and real estate sold	—	—	—	10.2	—	—	10.2
Large dispositions ¹	—	—	—	(25.7)	—	—	(25.7)
Gain related to consolidation of New Zealand JV	—	—	—	—	—	(16.2)	(16.2)
Adjusted EBITDA	\$87.2	\$54.1	\$38.3	\$57.8	\$1.8	(\$45.3)	\$193.9

(1) Pro forma item (see page 43 for definition).

Reconciliation of Operating Income to Adjusted EBITDA by Segment (cont.)

(\$ in millions)

	Southern Timber	Pacific Northwest Timber	New Zealand Timber	Real Estate	Trading	Corporate and Other	Total
2012							
Operating Income	\$23.4	\$20.6	\$2.0	\$32.0	(\$0.1)	(\$45.8)	\$32.1
Depreciation, depletion & amortization	52.7	22.2	0.2	8.1	—	1.4	84.6
Non-cash cost of land and real estate sold	—	—	—	4.7	—	—	4.7
Adjusted EBITDA	\$76.1	\$42.8	\$2.2	\$44.8	(\$0.1)	(\$44.4)	\$121.4
2011							
Operating Income	\$13.4	\$29.5	4.2	\$47.3	\$1.5	(\$40.8)	\$55.1
Depreciation, depletion & amortization	43.3	19.5	0.2	12.2	—	1.3	76.5
Non-cash cost of land and real estate sold	—	—	—	4.3	—	—	4.3
Large dispositions ¹	—	—	—	(24.6)	—	—	(24.6)
Adjusted EBITDA	\$56.7	\$49.0	\$4.4	\$39.2	\$1.5	(\$39.5)	\$111.3

(1) Pro forma item (see page 43 for definition).

Reconciliation of Peer Group EBITDA Analysis

Estimated U.S. South EBITDA & Key Metrics by Peer Company

(\$ in millions, except per acre and per ton data)

	Rayonier	Weyerhaeuser (pre-merger)	Plum Creek (pre-merger)	Potlatch	CatchMark
2015 Reported EBITDA ⁽¹⁾	\$101.0	\$284.0	\$207.0	\$31.0	\$32.2
(-) Adjustments ⁽²⁾	–	(58.0)	–	–	(4.2)
2015 EBITDA (as adjusted)	\$101.0	\$226.0	\$207.0	\$31.0	\$28.0
Southern Harvest Volume (tons)	5,492	14,143	15,155	2,185	1,840
Acreage (year-end 2014)	1,906	4,040	3,500	611	393
Acreage (year-end 2015)	1,876	4,033	3,362	613	425
Acreage (average)	1,891	4,037	3,431	612	409
Tons per Acre	2.9	3.5	4.4	3.6	4.5
EBITDA per Acre ⁽³⁾	\$53.41	\$55.99	\$60.33	\$50.65	\$68.34
EBITDA per Ton ⁽³⁾	\$18.39	\$15.98	\$13.66	\$14.19	\$15.19

(1) Reported EBITDA reflects Southern segment EBITDA for RYN, WY, PCL and PCH; and total EBITDA for CTT.

(2) Weyerhaeuser adjustment excludes estimated land sales contribution of \$58mm (i.e., \$76mm sales less \$18mm cost basis). Assumes all land sales in South.

CatchMark adjustment excludes estimated land sales contribution (-\$11.0mm) and corporate G&A net of stock compensation already added back (+\$6.8mm).

(3) Based on 2015 EBITDA (as adjusted).