

UNITED STATES 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 -- SEPTEMBER 23, 1998

COMMISSION FILE NUMBER 1-6780

RAYONIER INC.

Incorporated in the State of North Carolina  
I.R.S. Employer Identification Number 13-2607329

1177 Summer Street, Stamford, Connecticut 06905-5529  
(Principal Executive Office)

Telephone Number: (203) 348-7000

## RAYONIER INC.

## TABLE OF CONTENTS

	PAGE
Item 5. Other Events	1
Item 7. Financial Statements and Exhibits	1
Signature	1
Exhibit Index	2

ITEM 5. OTHER EVENTS

Incorporated by reference is a news release issued by the Registrant on September 23, 1998, attached as Exhibit 99.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) See Exhibit Index

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

RAYONIER INC. (Registrant)

BY Kenneth P. Janette  
-----  
Kenneth P. Janette  
Vice President and  
Corporate Controller

September 25, 1998

## EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION	LOCATION
99	News Release issued September 23, 1998	Filed herewith

NEWS RELEASE  
FOR IMMEDIATE RELEASE

For further information  
Media Contact: Martin H. Arnold  
203-964-4621  
Investor Contact: John A. Doumlele  
203-964-4486

RAYONIER CLARIFIES IMPACT OF SOUTHEAST FOREST FIRES

Stamford, CT, September 23, 1998 - Rayonier said today that it has refined estimates of certain non-recurring items including the financial impact of damaged timber resulting from Southeast U.S. forest fires in mid-summer. The estimates of fire damages were first noted in the company's second quarter earnings announcement July 20.

The company said it will take a charge of approximately 5 cents per share in the third quarter to reflect the loss of pre-merchantable timber. In addition, the sale of fire-damaged timber at salvage prices, netted against lower wood costs to company manufacturing facilities, will reduce earnings by approximately 10 cents per share.

For the fourth quarter, earnings are expected to be reduced by approximately 5 cents per share due to salvage timber sales. However, this will be mostly offset by an anticipated gain of 4 to 5 cents per share, based on preliminary estimates, from insurance recoveries related to a fire at the company's sawmill facility at Plummer, Idaho.

Rayonier Senior Vice President and Chief Financial Officer Gerald Pollack said the company is disclosing the effect of the fires at this time to clarify their impact on upcoming quarterly results. "The company is comfortable with the FirstCall consensus earnings estimate, as of September 22, for the third quarter of 57 cents per share, excluding the non-recurring items listed above," Pollack stated.

All of the statements in this release represent good faith estimates and accordingly should be considered forward-looking and made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Changes in the following factors may cause actual results to differ materially from these estimates: changes in the estimates of fire damage

and the rate of harvesting by third parties; additional fires and other adverse weather conditions in the company's operating areas; final results of negotiations with the company's insurance carrier; and other items listed in the company's second quarter earnings announcement and Form 10-Q.

Rayonier is a global supplier of specialty pulps, timber and wood products. The company has 1.5 million acres of timber in the U.S. and New Zealand. About half of Rayonier's sales are to international customers in 70 countries. Visit the company's Web site at [www.rayonier.com](http://www.rayonier.com). Complimentary copies of Rayonier press releases and other financial documents are available by mail or fax by calling 1-800-RYN-7611.

# # #