



# NAREIT'S REITWORLD 2020 ANNUAL CONFERENCE

*November 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 the recent acquisition of Pope Resources, expected harvest schedules, timberland acquisitions and dispositions, 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; business disruptions arising from public health crises and outbreaks of communicable diseases, including the recent outbreak of the virus known as the novel coronavirus; fluctuations in demand for our products in Asia, and especially China; 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 downturn 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 (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.

**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," "pro forma sales," "pro forma operating income (loss)," "pro forma net (loss) income," "Consolidated EBITDA," 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.

# Rayonier At A Glance



2.7 Million<sup>(1)</sup> acres

\$1.6 billion<sup>(2)</sup> of acquisitions since spin-off

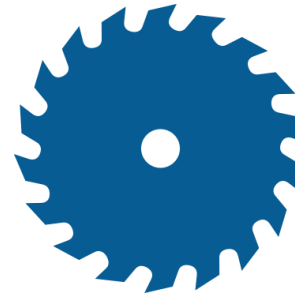


~400 employees

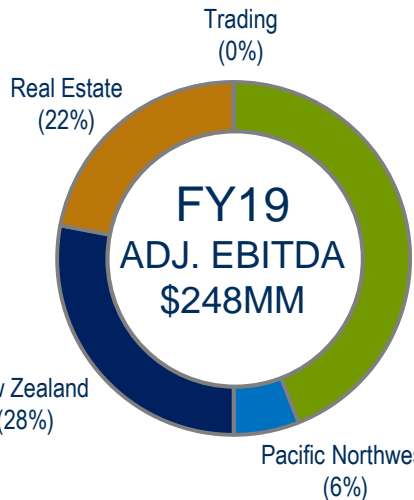
Value-added Real Estate Platform



Sustainable yield of ~11 million tons<sup>(1)</sup> annually



Established in 1926



U.S. South (44%)

Sustainable Certifications



SFI-00023



The mark of responsible forestry



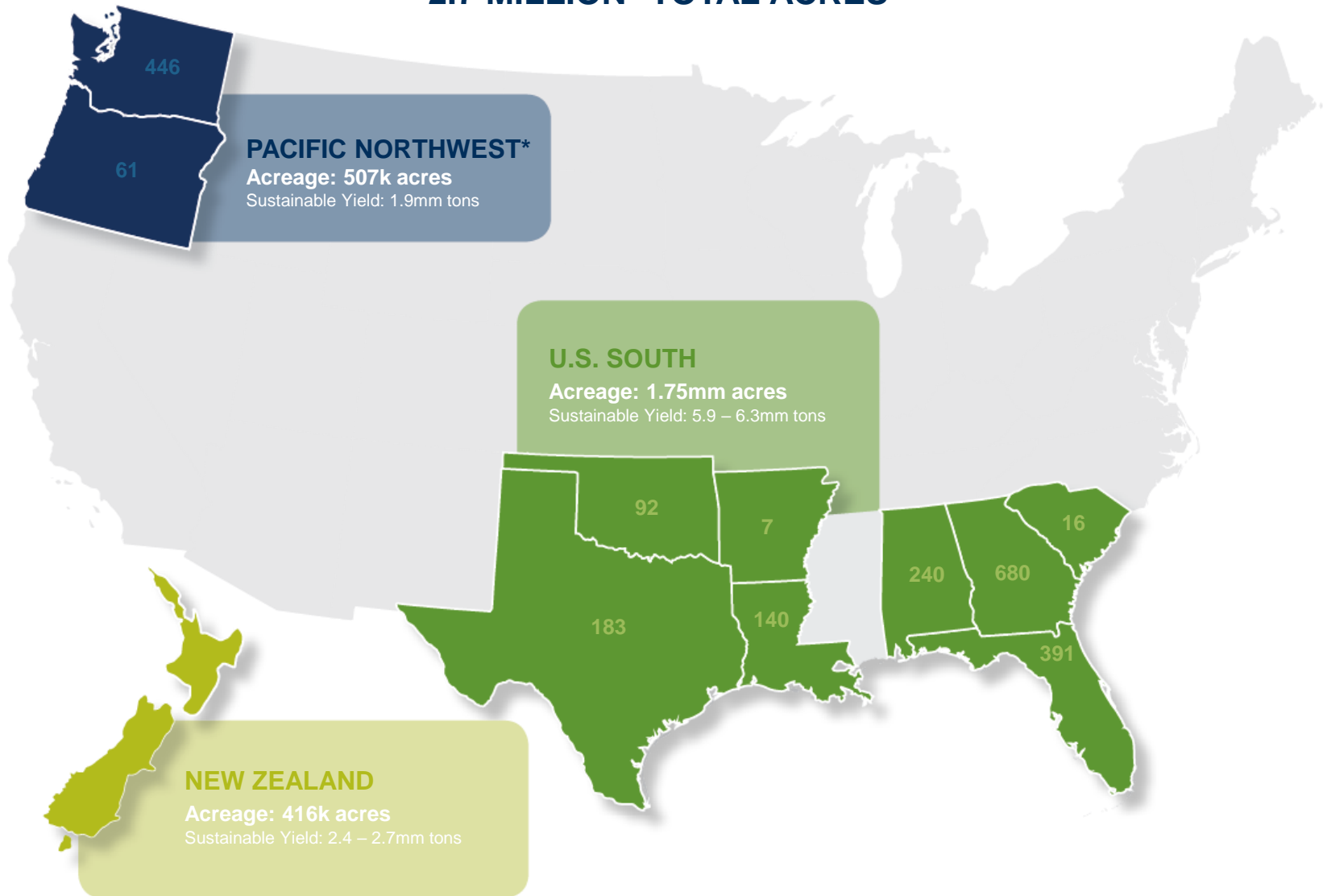
Mission:

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



# Highly Productive, Geographically Diversified Timberlands

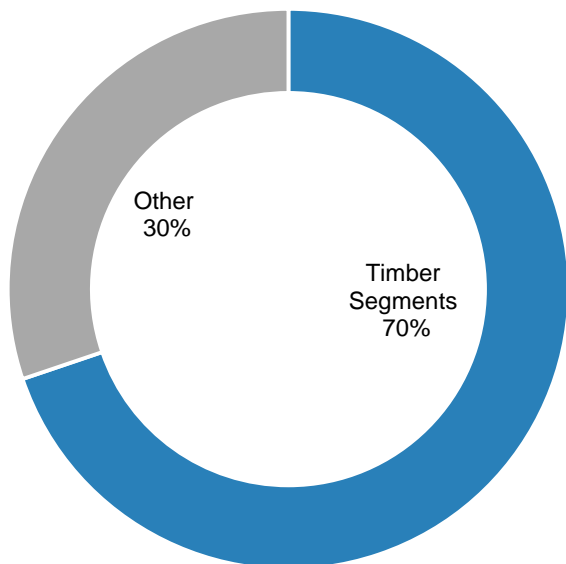
2.7 MILLION\* TOTAL ACRES



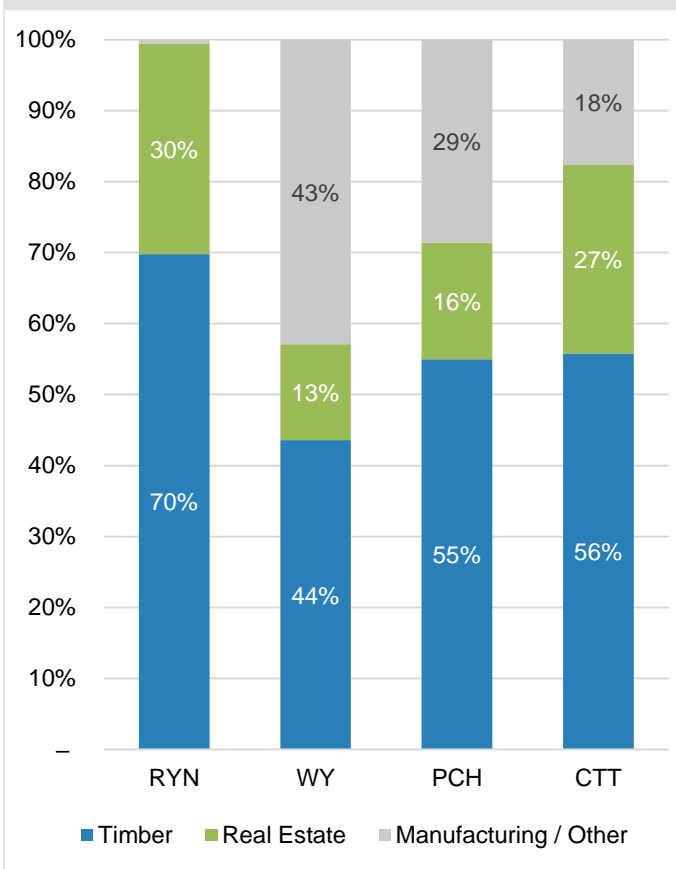
# Rayonier is the Leading “Pure Play” Timber REIT

## Rayonier

2017 – 2019 EBITDA\*  
Composition

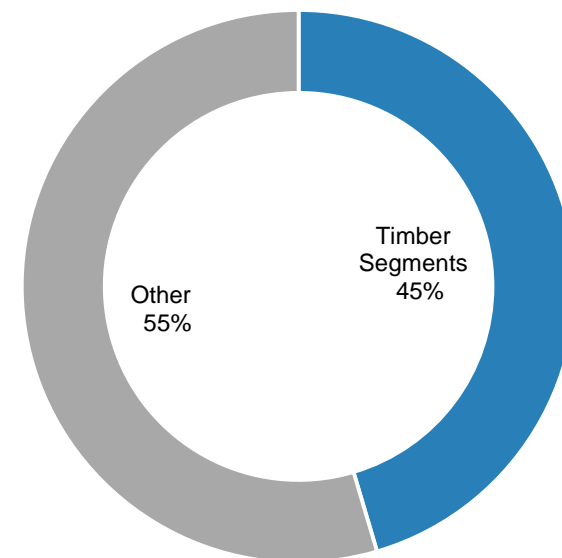


Peer Group EBITDA\* Composition  
(2017 – 2019)



## Peer Group

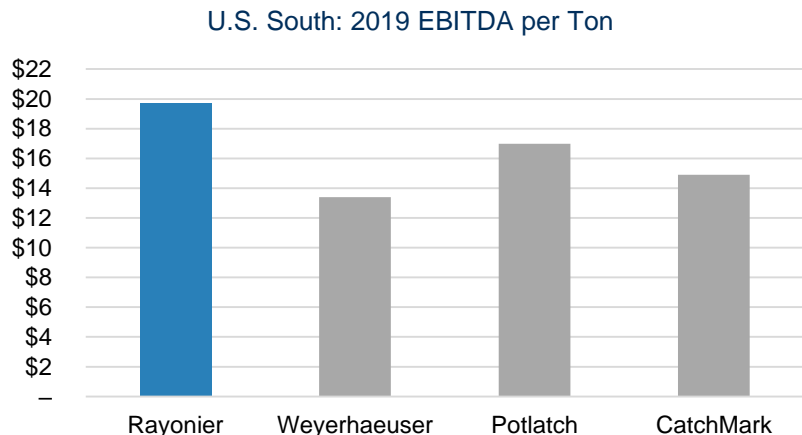
2017 – 2019 EBITDA\*  
Composition



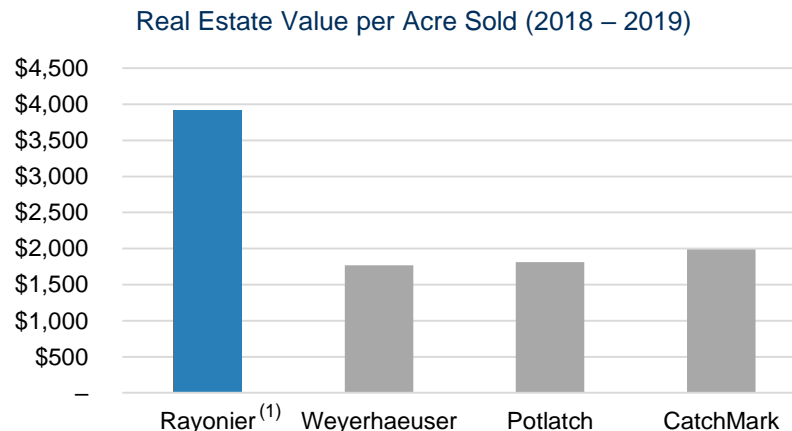
**Over the last three years, Rayonier has generated 70% of its EBITDA\* from timber operations (versus 45% for the peer group).**

# Rayonier Portfolio Highlights

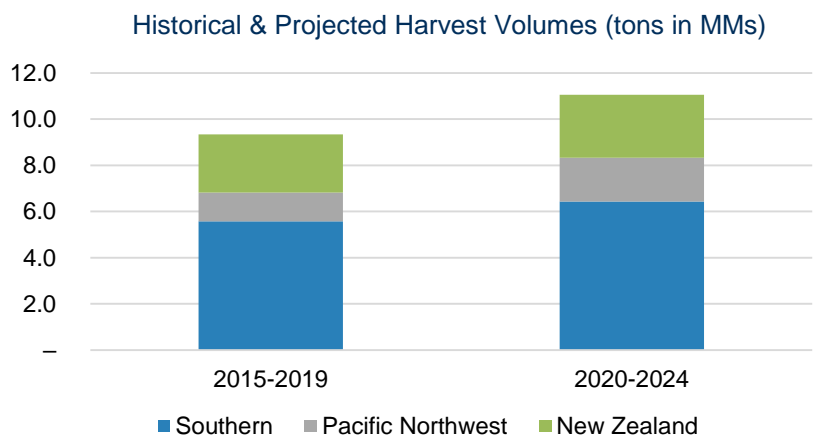
## Sector-Leading U.S. South EBITDA per Ton



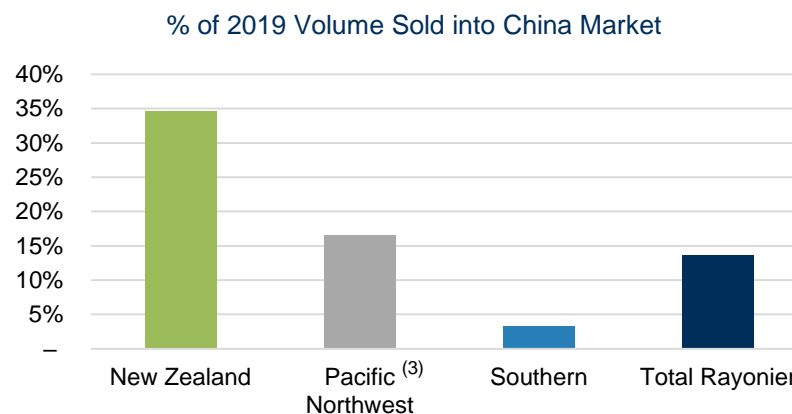
## Sector-Leading HBU Value Realizations



## 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; 2020-2024 pro forma for acquisition of Pope Resources.  
 (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 Completed Acquisition of Pope Resources



## Strategic Benefits

- Significantly expands the scale of Rayonier's Pacific Northwest timberland portfolio
  - Adds 124k <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 Funds 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 ~70% equity consideration
  - 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. 5,000 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 Timber Funds business.

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

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

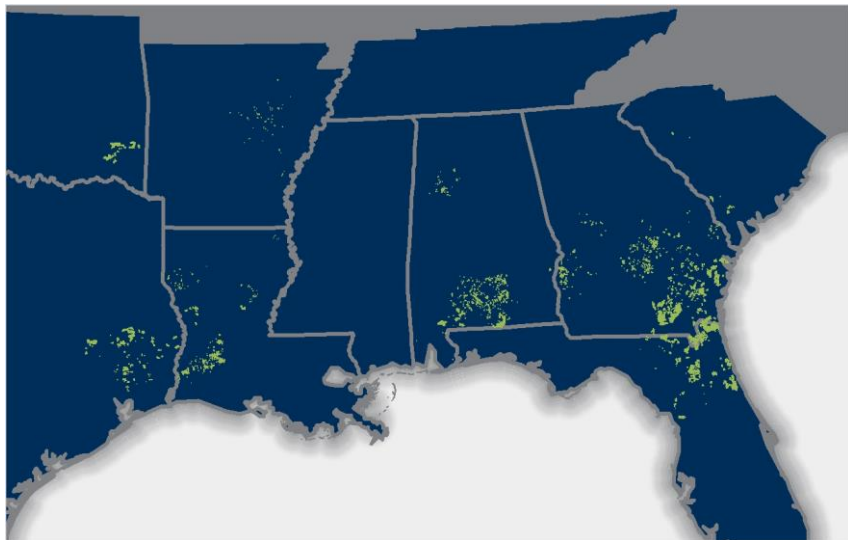
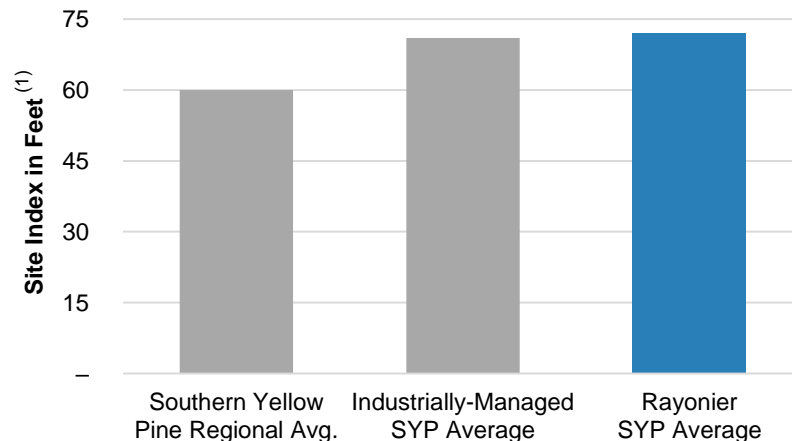


# Southern Timber – Portfolio Overview

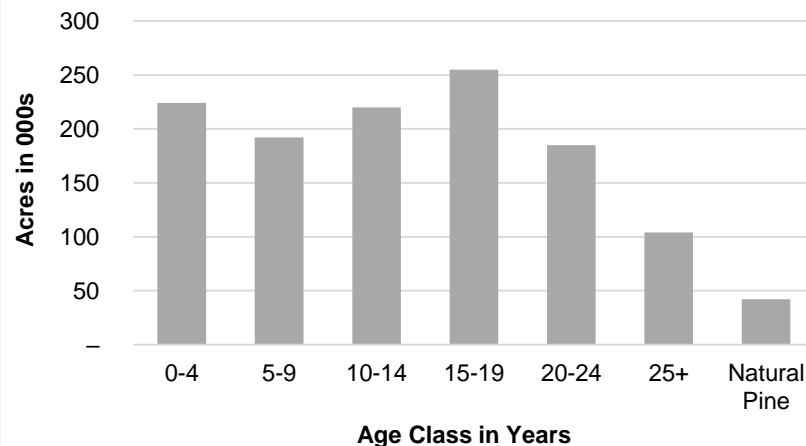
## Highlights / Location

- Acreage: 1.75 million acres
- Sustainable Yield: 5.9 – 6.3 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 <sup>(2)</sup>



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

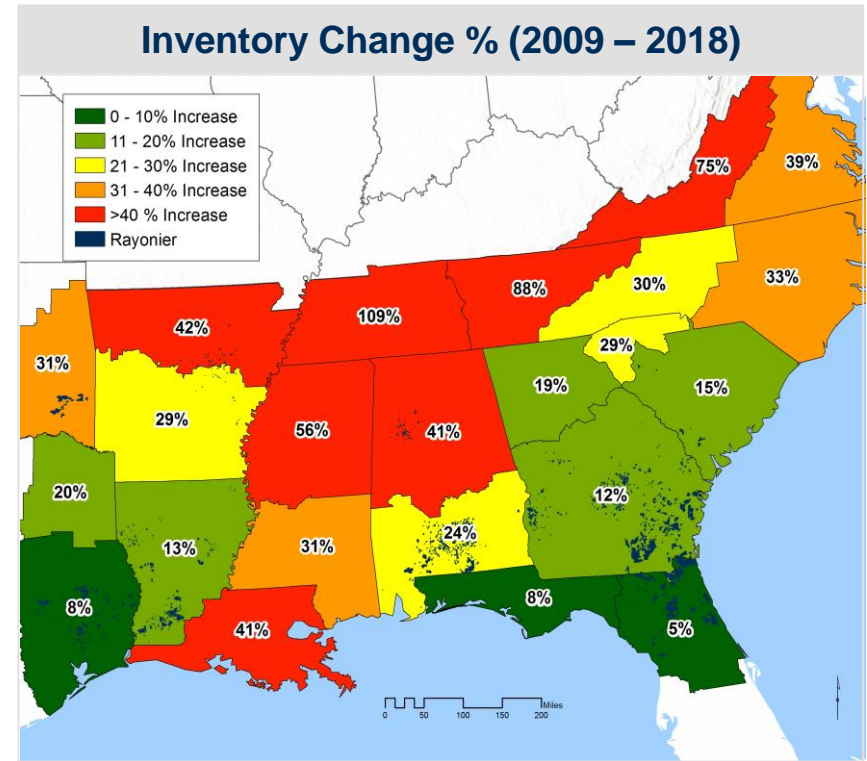
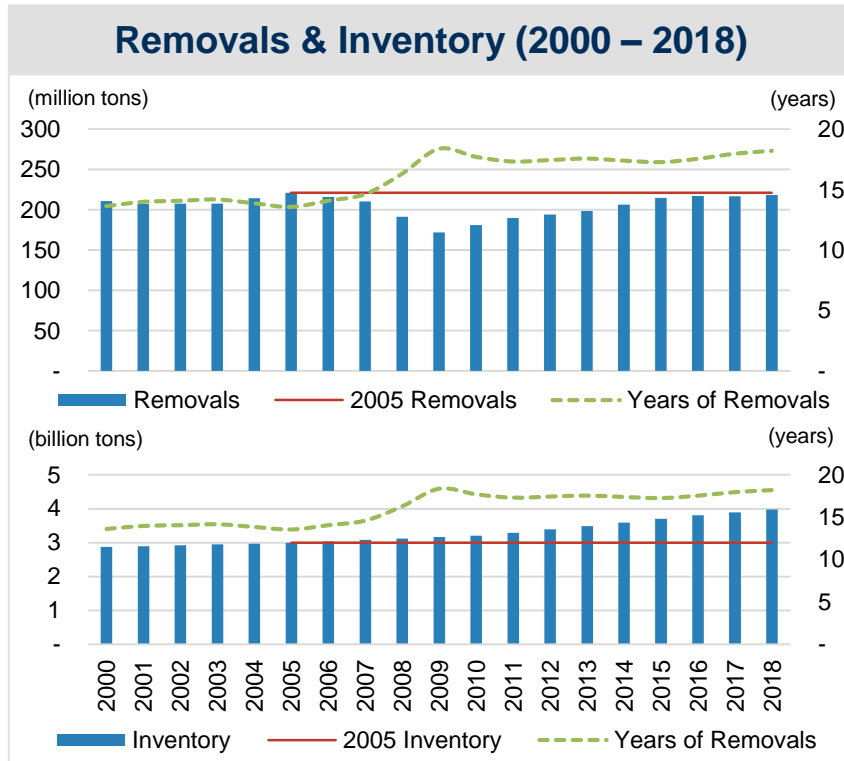
<sup>(2)</sup> Age class profile as of 09/30/19 per 2019 Form 10-K.

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

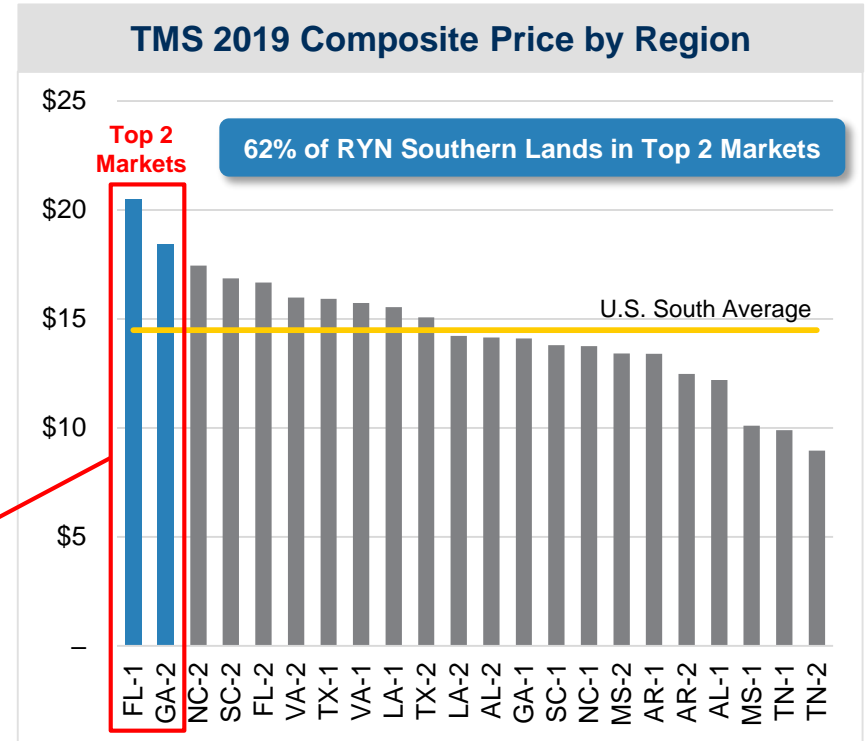
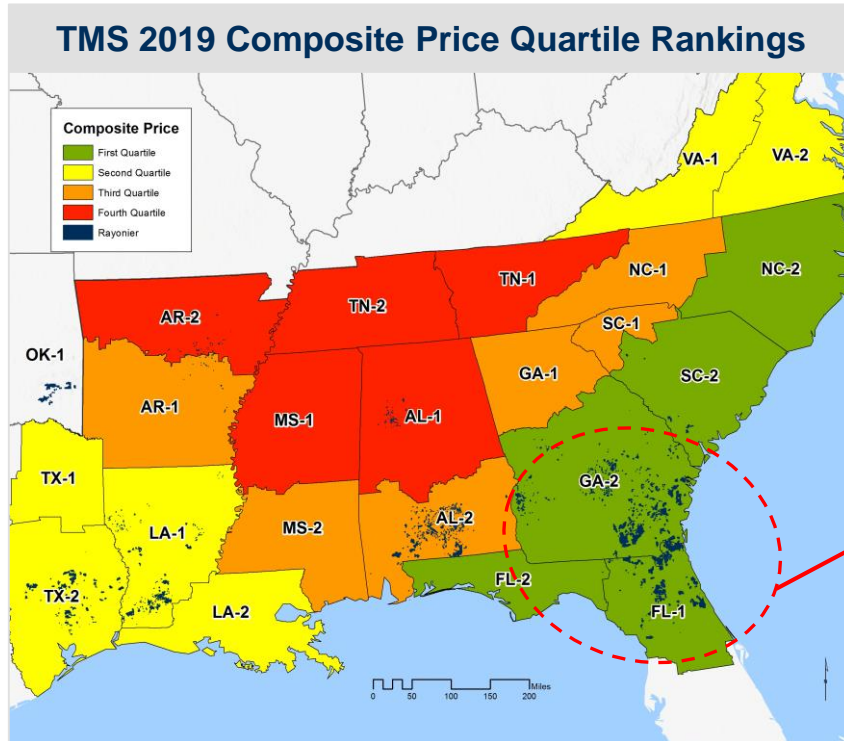
- Timber markets across the South have experienced differing levels of inventory and demand changes
- U.S. South removals are at pre-recession level; however, inventory has increased by over 1 billion tons
- Standing timber inventories have increased disproportionately in the Inland Gulf area



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

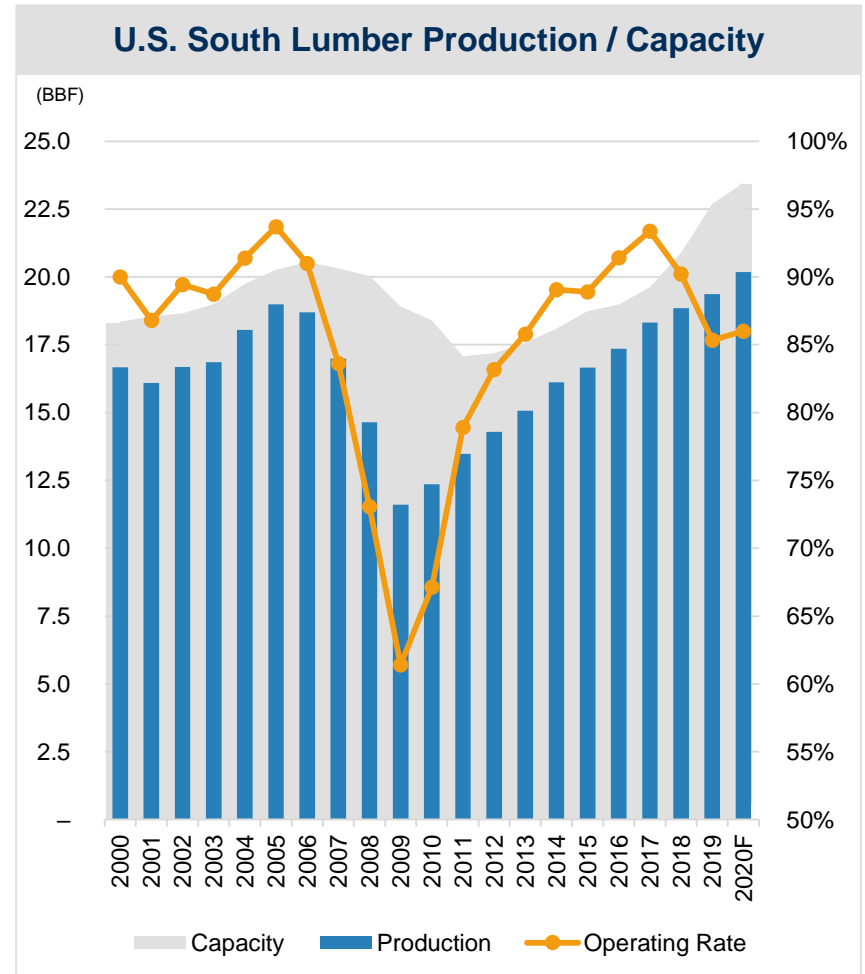
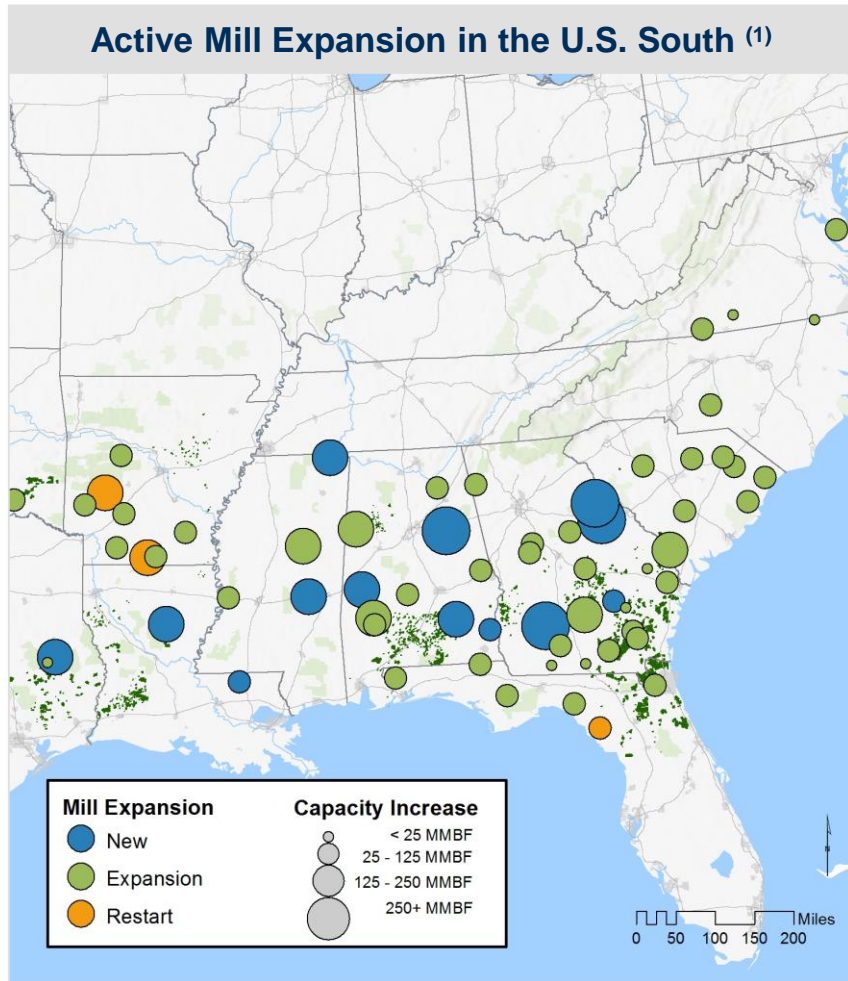
# RYN Concentrated in Strongest U.S. South Markets

- 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 62% 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



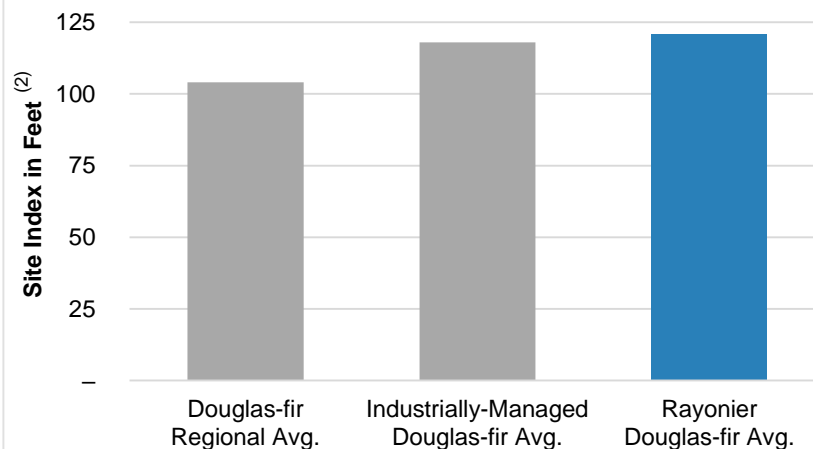
Lumber production and capacity in the U.S. South has grown significantly over the last several years.

# Pacific Northwest Timber – Portfolio Overview

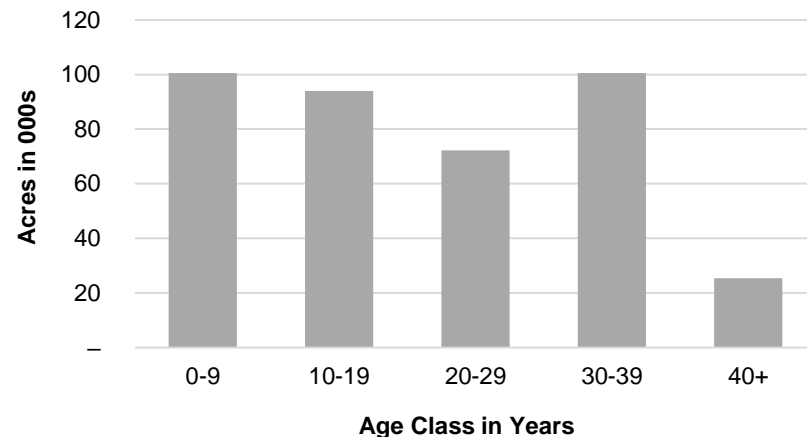
## Highlights / Location

- Acreage: 507,000 acres <sup>(1)</sup>
- Sustainable Yield: 1.9 million tons <sup>(1)</sup>
- Planted / Plantable: 79% <sup>(1)</sup>
- Average Site Index: 116 feet at age 50 <sup>(2)</sup>
- 2019 EBITDA\*: \$16.7 million
- Sustainable Forestry Initiative Certification

## Strong Productivity Characteristics



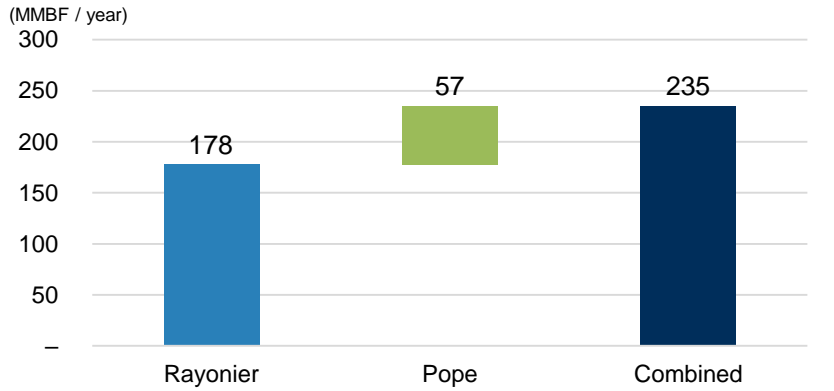
## Improving Age Class Profile <sup>(3)</sup>



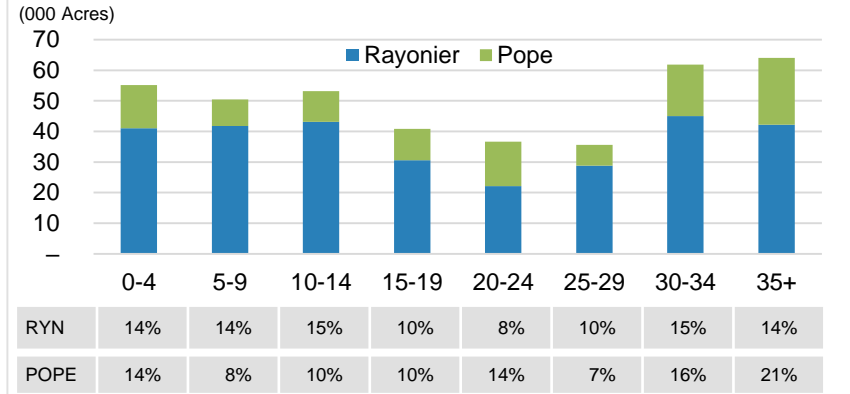
(1) Excludes "look-through" acres in Timber Funds business.  
 (2) Site index reflects the average height of the dominant and codominant trees at a base age of 50 (Pacific Northwest); based on King 1966 site index equation for Douglas-fir and Wiley 1978 site index equation for Western Hemlock; excludes Pope Resources acquisition.  
 (3) Age class profile represents commercial forest acres as of 9/30/19 per 2019 Form 10-K pro forma for Pope Resources acquisition.  
 (4) 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

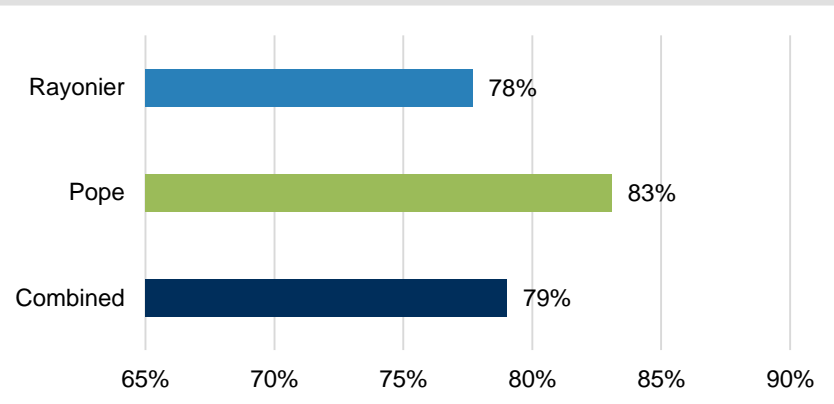
## Pro Forma Sustainable Yield (1)



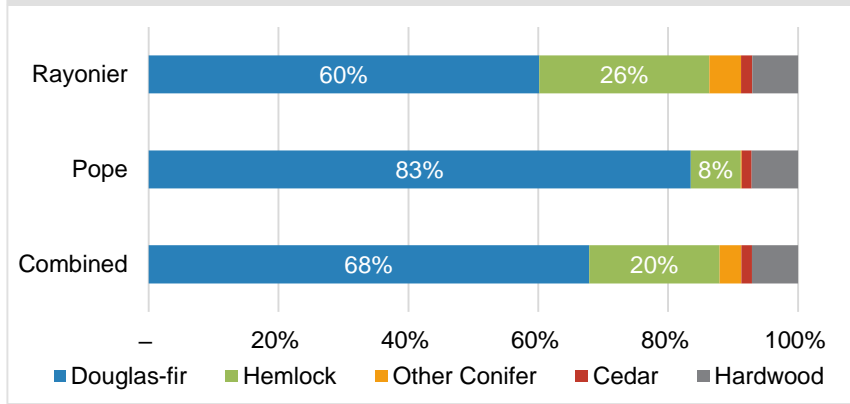
## Acres and % by Age-Class (2)



## % Productive Forest



## Merchantable Volume Species Mix (2)



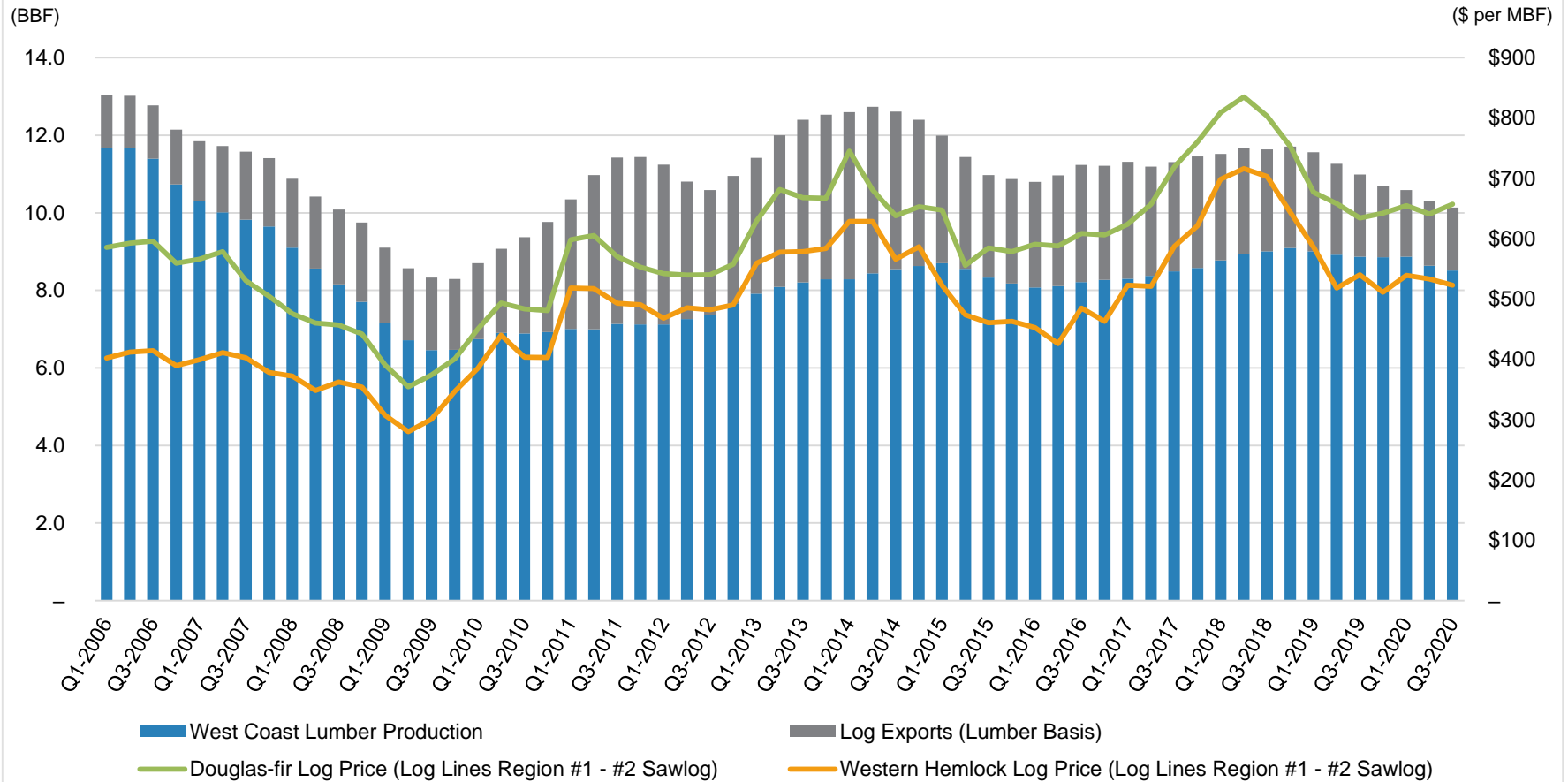
**Pope Resources' partnership timberland complements Rayonier's existing age-class distribution and materially upgrades the quality of our Pacific Northwest portfolio.**



(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



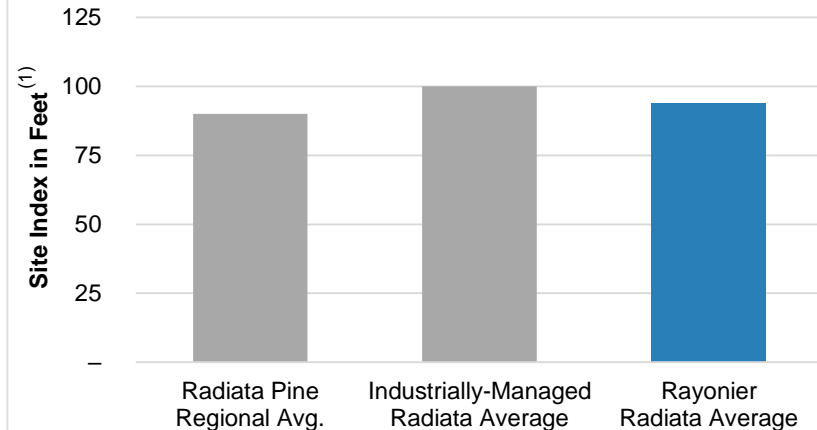
**Pacific Northwest pricing has been impacted by fluctuations in export demand.**

# New Zealand Timber – Portfolio Overview

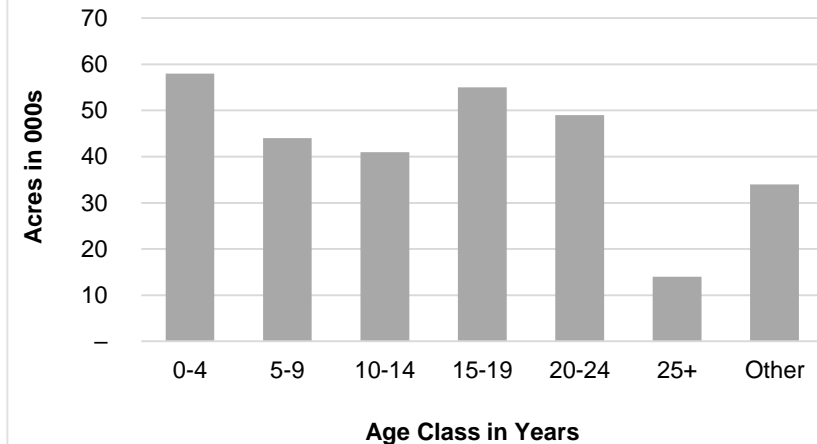
## Highlights / Location

- Acreage: 416,000 acres (296,000 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™ Certification
- 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>

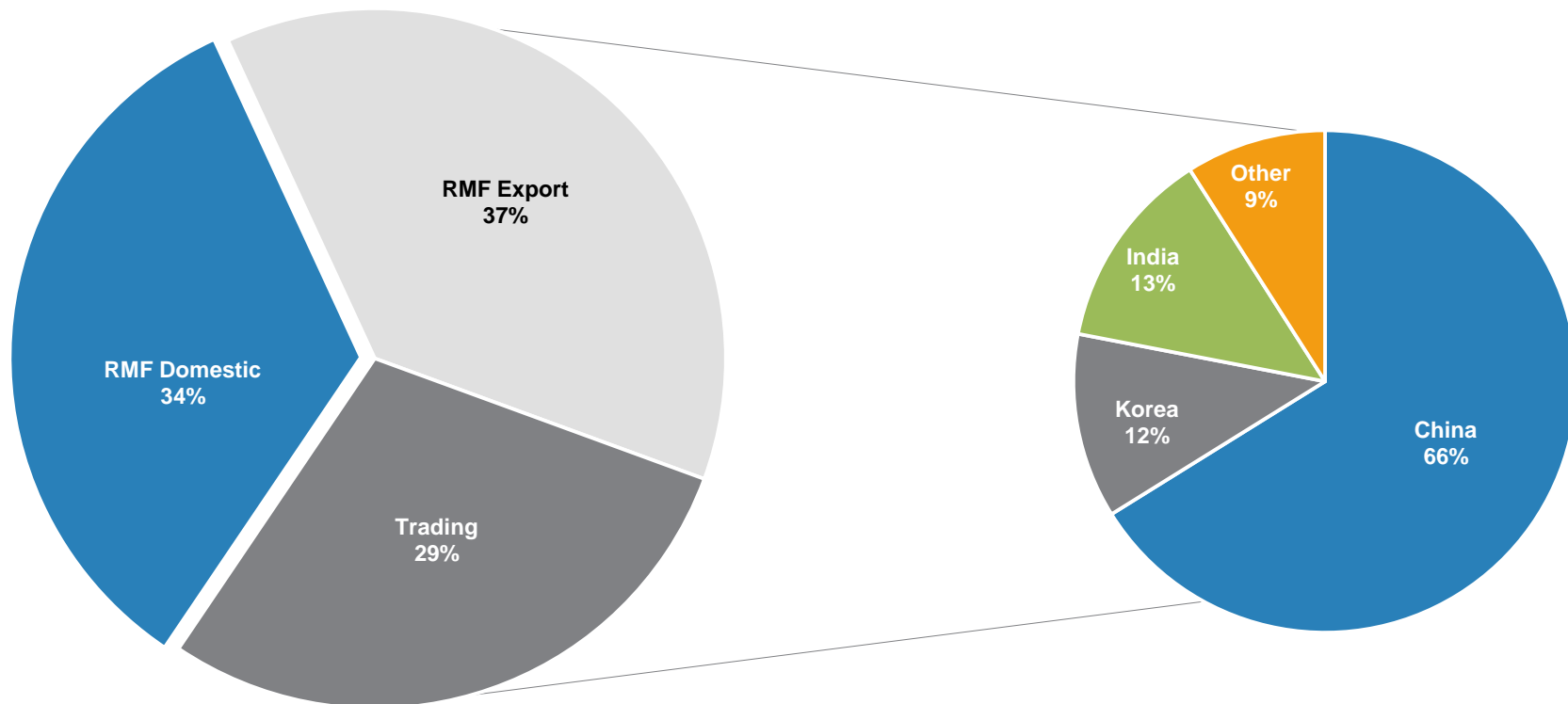


(1) Site index reflects the average height of the dominant and codominant trees at a base age of 20 (New Zealand).  
 (2) Age class profile as of 12/31/19 per 2019 Form 10-K.  
 (3) Annual appraisals are obtained by Matariki Forestry Group for compliance with statutory financial reporting requirements.  
 Source: NZ Ministry for Primary Industries, New Zealand Journal of Forestry.  
 \* Non-GAAP measure (see Appendix for definitions and RYN reconciliations).



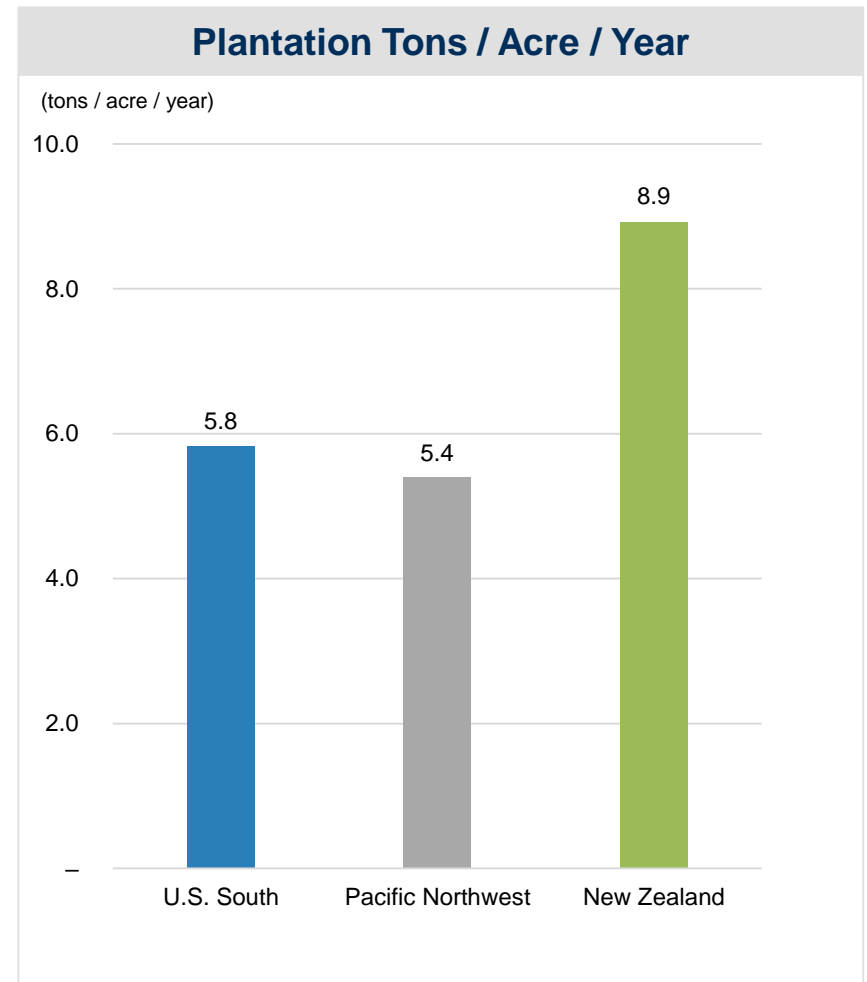
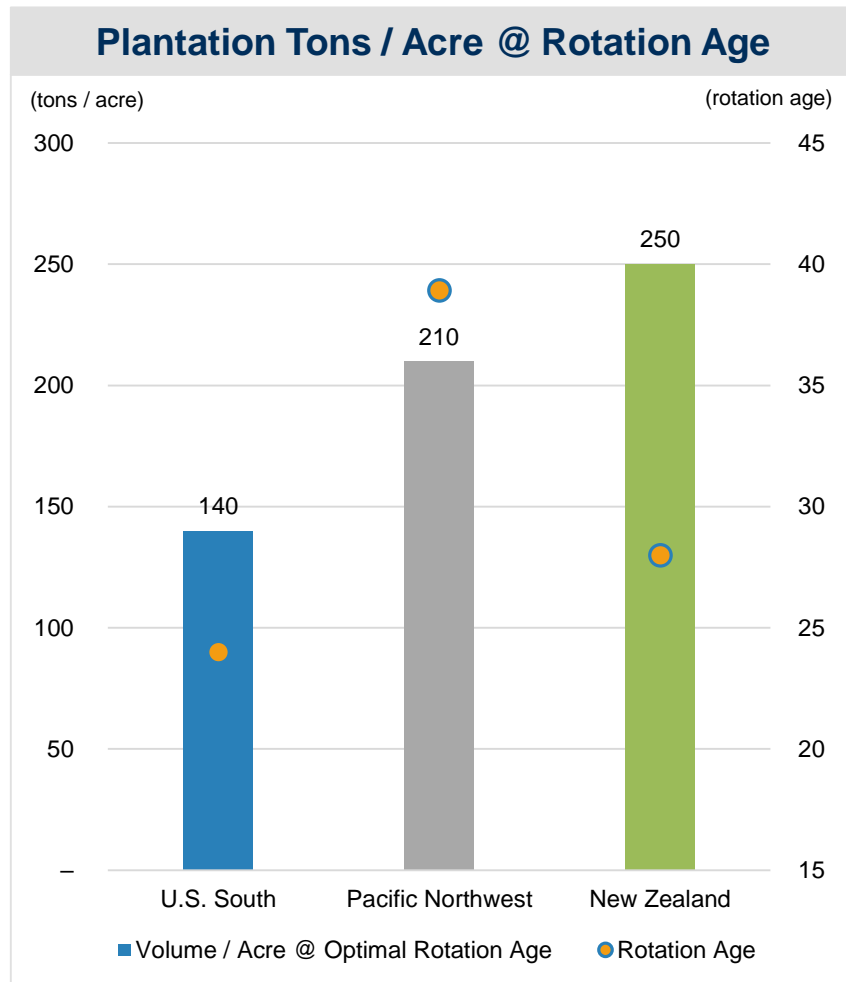
# Diversified Mix of Domestic & Export Markets

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.



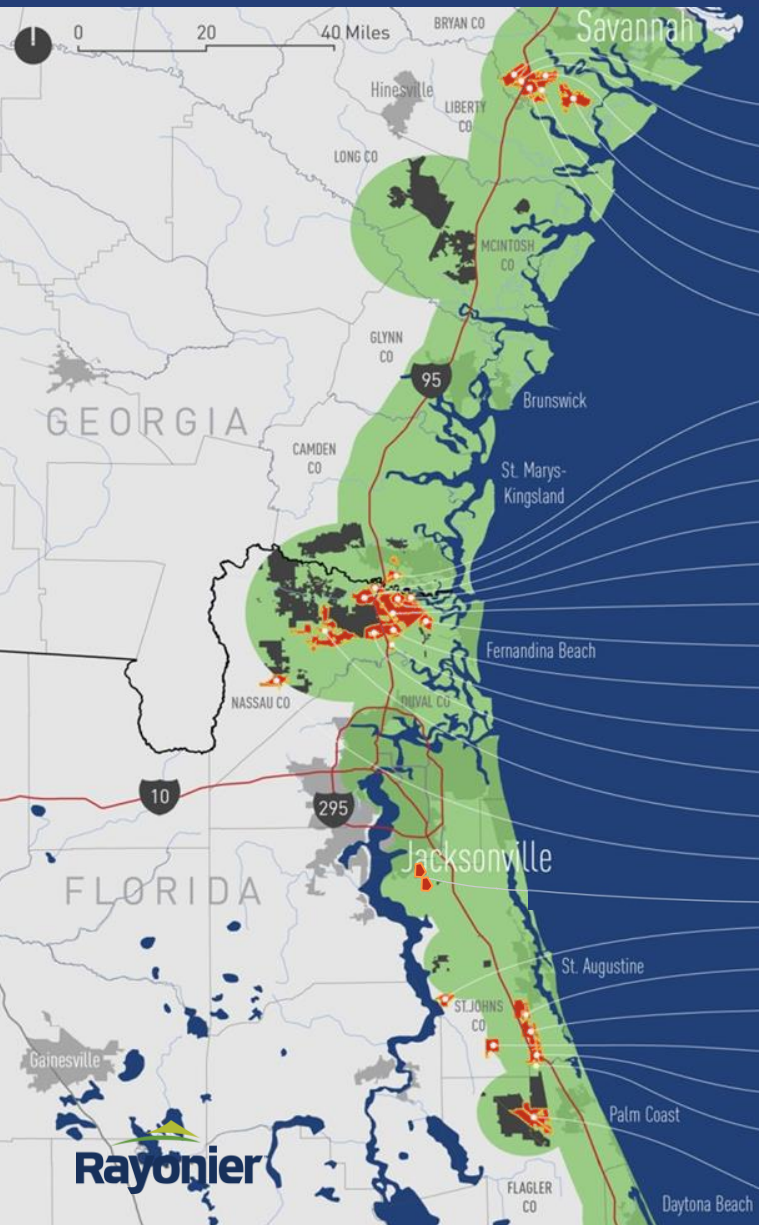
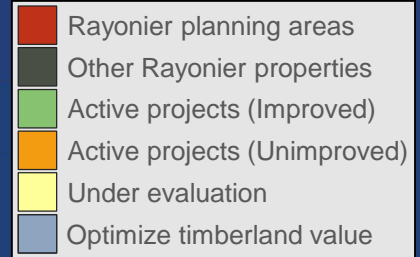
**In addition to providing market diversification, New Zealand offers superior softwood plantation productivity relative to the U.S.**

# Real Estate Strategy – Optimize Value & Create Optionality

Timberlands		Real Estate		
 <p><b>Large Dispositions</b></p> <p><b>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>Timberland value</b></p> <p>Opportunistic</p>	 <p><b>Timberland &amp; Non-Strategic</b></p> <p><b>Sale of timberland &amp; non-strategic assets</b></p> <ul style="list-style-type: none"> <li>Little to no premium to timberland value</li> <li>Monetize and repurpose “dead capital”</li> </ul> <p><b>De minimis premium</b></p> <p>Reduce reliance</p>	 <p><b>Rural</b></p> <p><b>Sale of rural places &amp; properties</b></p> <ul style="list-style-type: none"> <li>Capture premium to timberland value</li> <li>Build a pipeline of enhanced rural properties in higher potential markets</li> </ul> <p><b>HBU premium + ROI</b></p> <p>Grow moderately</p>	 <p><b>Unimproved Development</b></p> <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>HBU premium + ROI</b></p> <p>Grow in select markets</p>	 <p><b>Improved Development</b></p> <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>HBU premium + ROI + optionality</b></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

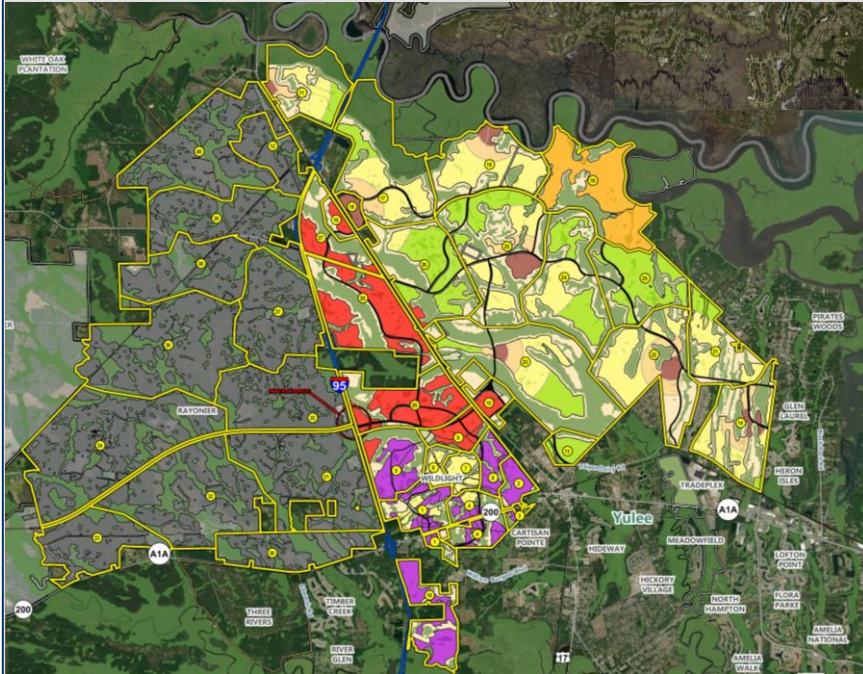
Georgia Low County  
(Savannah, Richmond Hill, Bryan County)

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

Selected Transactions (2013 – 2020)		
• Wildlight	96.5 ac	\$230,846/ac
• Richmond Hill	6.86 ac	\$145,773/ac
• Belfast 1	8.8 ac	\$91,429/ac
• Belfast Com. Ctr.	306 ac	\$39,025/ac
• North St. Johns	1,953 ac	\$17,289/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.

# 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, operating loss attributable to noncontrolling interest in Timber Funds, costs related to the merger with Pope Resources, timber write-offs resulting from casualty events and Large Dispositions. 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 attributable to Rayonier.

**Consolidated 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 the merger with Pope Resources, timber write-offs resulting from casualty events and Large Dispositions. Consolidated 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.

**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), CAD attributable to noncontrolling interest in Timber Funds 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 noncontrolling interest in the Operating Partnership, 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 the merger with Pope Resources** include legal, accounting, due diligence, consulting and other costs related to the merger with Pope Resources.

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

**Pro Forma Sales** is defined as revenue adjusted for Large Dispositions and sales attributable to noncontrolling interest in Timber Funds. Rayonier believes that this non-GAAP financial measure provides investors with useful information to evaluate our core business operations because it excludes items that are not indicative of ongoing operating results attributable to Rayonier.

**Pro Forma Operating Income (Loss)** is defined as operating income (loss) adjusted for operating loss attributable to noncontrolling interest in Timber Funds, costs related to the merger with Pope Resources, timber write-offs resulting from casualty events and Large Dispositions. Rayonier believes that this non-GAAP financial measure provides investors with useful information to evaluate our core business operations because it excludes specific items that are not indicative of ongoing operating results attributable to Rayonier.

**Pro Forma Net (Loss) Income** is defined as net (loss) income attributable to Rayonier Inc. adjusted for costs related to the merger with Pope Resources, timber write-offs resulting from casualty events and Large Dispositions. Rayonier believes that this non-GAAP financial measure provides investors with useful information to evaluate our core business operations because it excludes specific items that are not indicative of ongoing operating results attributable to Rayonier.

**Timber write-offs resulting from casualty events** include the write-off of merchantable and pre-merchantable timber volume destroyed by casualty events which cannot be salvaged.

# Reconciliation of Net Debt

(\$ in millions)

<b>Q3 2020</b>	
Current Maturities of Long-term Debt	-
Long-term debt, net of deferred financing costs (excluding Timber Funds)	1,318.2
Less - Fair Market Value Adjustments	(8.1)
Plus - Deferred financing costs	2.7
<b>Total Debt, (Principal Only, Excluding Timber Funds)</b>	<b>\$1,312.7</b>
Cash and cash equivalents, Excluding Timber Funds	(75.2)
<b>Net Debt</b>	<b>\$1,237.5</b>



# Reconciliation of Net Income to Adjusted EBITDA

(\$ in millions)	2020 YTD	2019	2018	2017	2016	2015	2014	2013
<b>Net income</b>	<b>\$17.4</b>	<b>\$67.7</b>	<b>\$117.3</b>	<b>\$161.5</b>	<b>\$217.8</b>	<b>\$43.9</b>	<b>\$97.8</b>	<b>\$373.8</b>
Operating loss attributable to NCI in Timber Funds	12.3	-	-	-	-	-	-	-
Interest, net attributable to NCI in Timber Funds	0.3	-	-	-	-	-	-	-
Income Tax expense attributable to NCI in Timber Funds	0.2	-	-	-	-	-	-	-
<b>Net Income (Excluding NCI in Timber Funds)</b>	<b>\$30.2</b>	<b>\$67.7</b>	<b>\$117.3</b>	<b>\$161.5</b>	<b>\$217.8</b>	<b>\$43.9</b>	<b>\$97.8</b>	<b>\$373.8</b>
<b>Pro forma Items</b>								
Timber write-offs resulting from casualty events attributable to Rayonier <sup>(1)</sup>	7.9	-	-	-	-	-	-	-
Costs related to the Merger with Pope Resources <sup>(1)</sup>	16.4	-	-	-	-	-	-	-
Costs related to shareholder litigation <sup>(1)</sup>	-	-	-	0.7	2.2	4.1	-	-
Gain on foreign currency derivatives <sup>(1)</sup>	-	-	-	-	(1.2)	-	-	-
Large Dispositions <sup>(1)</sup>	(28.7)	0.0	0.0	(67.0)	(143.9)	-	(21.4)	(25.7)
Internal review and restatement costs <sup>(1)</sup>	-	-	-	-	-	-	3.4	-
Gain related to consolidation of New Zealand subsidiary <sup>(1)</sup>	-	-	-	-	-	-	-	(16.2)
Net income from discontinued operations <sup>(1)</sup>	-	-	-	-	-	-	(43.4)	(267.9)
Interest, net, continuing operations	27.9	29.1	29.7	32.2	33.0	34.7	49.7	38.5
Income tax expense (benefit), continuing operations	7.3	12.9	25.2	21.8	5.0	(0.9)	(9.6)	(35.7)
Depreciation, depletion and amortization	112.2	128.2	144.1	127.6	115.1	113.7	120.0	116.9
Non-cash cost of land and improved development	20.7	12.6	23.6	13.7	11.7	12.5	13.2	10.2
Non-operating (income) / expense	(1.0)	(2.7)	(2.2)	-	-	0.1	3.8	-
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$192.9</b>	<b>\$247.8</b>	<b>\$337.7</b>	<b>\$290.5</b>	<b>\$239.7</b>	<b>\$208.1</b>	<b>\$213.5</b>	<b>\$193.9</b>

<sup>(1)</sup> 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	Timber Funds	Real Estate	Trading	Corporate and Other	Total
<b>Q3 YTD 2020</b>								
Operating Income	\$31.4	(\$9.5)	\$21.1	(\$14.3)	\$61.1	(0.5)	(\$37.3)	\$52.0
Operating loss attributable to NCI in Timber Funds	-	-	-	12.3	-	-	-	\$12.3
Timber write-offs resulting from casualty events attributable to Rayonier <sup>(1)</sup>	6.0	-	-	1.8	-	-	-	7.9
Costs related to the Merger with Pope Resources <sup>(1)</sup>	-	-	-	-	-	-	16.4	\$16.4
Large Dispositions <sup>(1)</sup>	-	-	-	-	(28.7)	-	-	(\$28.7)
<b>Pro forma operating income (loss)</b>	<b>37.4</b>	<b>(9.5)</b>	<b>21.1</b>	<b>(0.1)</b>	<b>32.4</b>	<b>(0.5)</b>	<b>(20.9)</b>	<b>59.9</b>
Depreciation, depletion & amortization	48.4	32.2	17.1	1.0	12.6	-	1.0	\$112.2
Non-cash cost of land and real estate sold	-	-	-	-	20.7	-	-	\$20.7
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$85.8</b>	<b>\$22.8</b>	<b>\$38.2</b>	<b>\$0.8</b>	<b>\$65.7</b>	<b>(\$0.5)</b>	<b>(\$19.9)</b>	<b>\$192.9</b>
<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
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$119.7</b>	<b>\$16.7</b>	<b>\$75.8</b>	<b>-</b>	<b>\$59.5</b>	<b>\$0.0</b>	<b>(\$23.9)</b>	<b>\$247.8</b>
<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
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$102.8</b>	<b>\$40.9</b>	<b>\$90.8</b>	<b>-</b>	<b>\$123.4</b>	<b>\$1.0</b>	<b>(\$21.1)</b>	<b>\$337.7</b>
<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)
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$91.6</b>	<b>\$33.1</b>	<b>\$85.1</b>	<b>-</b>	<b>\$95.5</b>	<b>\$4.6</b>	<b>(\$19.4)</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>2016</b>							
Operating Income (loss)	\$43.1	(\$4.0)	\$33.0	\$202.4	\$2.0	(\$20.8)	\$255.8
Depreciation, depletion & amortization	49.8	25.2	23.4	16.3	-	0.4	115.1
Non-cash cost of land and real estate sold	-	-	-	11.7	-	-	11.7
Costs related to shareholder litigation <sup>(1)</sup>	-	-	-	-	-	2.2	2.2
Gain on foreign currency derivatives <sup>(1)</sup>	-	-	-	-	-	(1.2)	(1.2)
Large Dispositions <sup>(1)</sup>	-	-	-	(143.9)	-	-	(143.9)
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$92.9</b>	<b>\$21.2</b>	<b>\$56.5</b>	<b>\$86.6</b>	<b>\$2.0</b>	<b>(\$19.4)</b>	<b>\$239.7</b>
<b>2015</b>							
Operating Income	\$46.7	\$6.9	\$1.6	\$45.5	\$1.2	(\$24.1)	\$77.8
Depreciation, depletion & amortization	54.3	14.8	25.5	18.7	-	0.4	113.7
Non-cash cost of land and real estate sold	-	-	-	12.5	-	-	12.5
Costs related to shareholder litigation <sup>(1)</sup>	-	-	-	-	-	4.1	4.1
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$101.0</b>	<b>\$21.7</b>	<b>\$27.1</b>	<b>\$76.7</b>	<b>\$1.2</b>	<b>(\$19.6)</b>	<b>\$208.1</b>
<b>2014</b>							
Operating Income	\$45.7	\$29.5	\$8.7	\$48.3	\$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	-	-	-	13.2	-	-	13.2
Large Dispositions <sup>(1)</sup>	-	-	-	(21.4)	-	-	(21.4)
Internal review and restatement costs <sup>(1)</sup>	-	-	-	-	-	3.4	3.4
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$97.9</b>	<b>\$50.8</b>	<b>\$40.9</b>	<b>\$53.5</b>	<b>\$1.7</b>	<b>(\$31.3)</b>	<b>\$213.5</b>
<b>2013</b>							
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 <sup>(1)</sup>	-	-	-	(25.7)	-	-	(25.7)
Gain on Consolidation of New Zealand JV <sup>(1)</sup>	-	-	-	-	-	(16.2)	(16.2)
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$87.2</b>	<b>\$54.1</b>	<b>\$38.3</b>	<b>\$57.8</b>	<b>\$1.8</b>	<b>(\$45.3)</b>	<b>\$193.9</b>

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