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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d)**  
**of the Securities Exchange Act of 1934**

**Date of Report (date of earliest event reported): November 20, 2014**

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**RAYONIER INC.**  
(Exact name of registrant as specified in its charter)

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**North Carolina**  
(State or Other Jurisdiction  
of Incorporation)

**1-6780**  
(Commission  
File Number)

**13-2607329**  
(IRS Employer  
Identification Number)

**225 Water Street, Suite 1400, Jacksonville, Florida**  
(Address of principal executive offices)

**32202**  
(Zip Code)

**Registrant's telephone number, including area code: (904) 357-9100**

**Not Applicable**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrants under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## Item 7.01 Regulation FD Disclosure

Beginning on November 20, 2014, and at certain other times thereafter, Rayonier Inc. (“Rayonier”) intends to use or otherwise provide the presentation materials attached to this Current Report on Form 8-K as Exhibit 99.1, which exhibit is incorporated herein by reference, in connection with webcasts, presentations, meetings or other communications with various investors or securities market professionals.

The information in Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any registration statement or other document filed under the U.S. Securities Exchange Act of 1933, as amended, or the Exchange Act, except as otherwise expressly dated in such filing.

*Certain statements in the presentation attached to this Current Report on Form 8-K as Exhibit 99.1 and incorporated herein by reference regarding anticipated financial, legal or other outcomes, including Rayonier’s earnings guidance, if any, business and market conditions, outlook, expected dividend rate, Rayonier’s realigned business strategy, including expected harvest schedules, timberland acquisitions and sales of non-strategic timberlands, the anticipated benefits of Rayonier’s realigned business strategy, 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; 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.*

*Additional factors are described in the company's most recent Form 10-K/A and 10-Q and other reports on file with the Securities and Exchange Commission. Rayonier assumes no obligation to update these statements except as is required by law.*

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

The following is filed as an Exhibit to this Report.

<u>Exhibit No.</u>	<u>Exhibit Description</u>
99.1	Presentation, dated November 20, 2014.

**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.

Date: November 20, 2014

RAYONIER INC.

By: /s/ CHRISTOPHER A. VAN TUYL

Name: Christopher A. Van Tuyl

Title: Corporate Secretary

**EXHIBIT INDEX**

<u>EXHIBIT NO.</u>	<u>DESCRIPTION</u>	<u>LOCATION</u>
99.1	Presentation, dated November 20, 2014.	Furnished herewith.



# Investor Presentation

November 2014



# Safe Harbor Statement

Certain statements in this document regarding anticipated financial, legal or other outcomes, including Rayonier's earnings guidance, if any, business and market conditions, outlook, expected dividend rate, Rayonier's realigned business strategy, including expected harvest schedules, timberland acquisitions and sales of non-strategic timberlands, the anticipated benefits of Rayonier's realigned business strategy, 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; 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.

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# Rayonier: Best-in-Class, Pure-Play Timberland REIT

## Leading Pure-Play Timberland REIT

- Third-largest timber REIT with 2.6 million acres of high-quality timberland
- Advantageous REIT structure
- Geographic diversity – U.S. South, Pacific Northwest, New Zealand

## Growing Timberland Base

- ~\$790 million invested in high-quality timberlands since early 2011
- Profitably grow timberland base through disciplined acquisition process
- Best-in-class genetic selection of seedlings yields long-term volume growth

## Attractive Real Estate

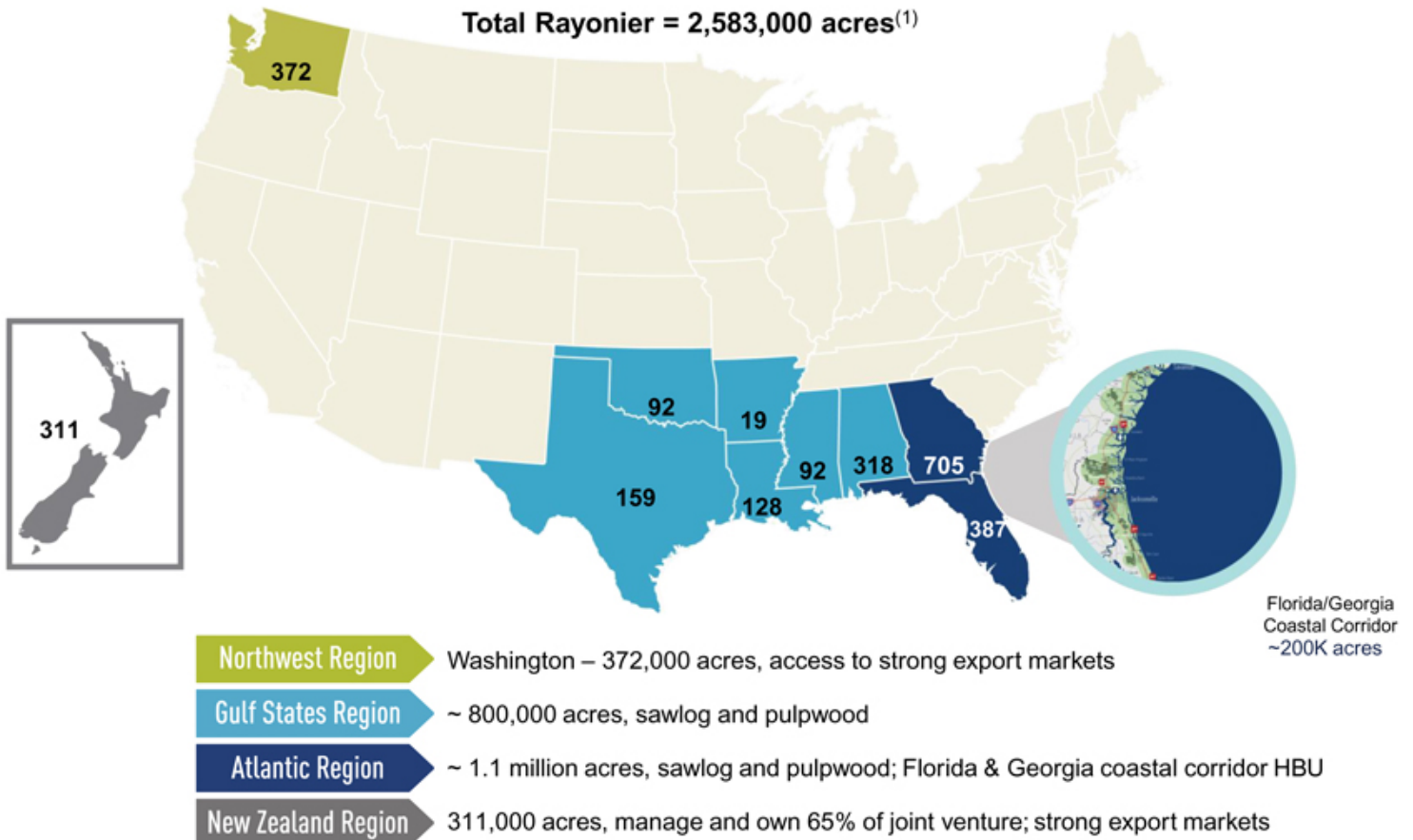
- Strong Real Estate platform across U.S. South, including Florida and Georgia coastal corridor
- Over 39,000 acres with land-use entitlements
- Stable base of annual rural land sales

## Strong Capital Structure

- Conservative leverage
- Favorable financing facilities
- Flexibility to pursue timberland acquisitions



# Highly Productive, Geographically Diversified Land Resources



(1) Acres owned or managed as of September 30, 2014.

# Realignment of Strategic Priorities

## Manage for Sustainability

- ▶ Design harvest strategy to achieve long-term, sustainable yield
- ▶ Achieve optimal balance among biological growth, harvest cash flow and responsible stewardship
- ▶ Adjust short-term harvest levels as appropriate to capitalize on then-current market conditions

## Acquire High-Quality Timberlands

- ▶ Selectively pursue timberland acquisitions that improve portfolio quality and sustainable yield
- ▶ Focus acquisition efforts in core U.S. South and Pacific Northwest regions
- ▶ Maintain disciplined approach to acquisitions; minimize speculation / reliance on land sales

## Optimize Portfolio Value

- ▶ Opportunistically monetize properties where premium valuations can be achieved
- ▶ Improve average portfolio quality by selectively monetizing lower quality timberland assets
- ▶ Pursue value creation activities on select properties to enhance long-term value potential

## Focus on Quality of Earnings

- ▶ Focus on core harvest operations to provide durable cash flow and support dividends
- ▶ De-emphasize sale of "non-strategic" timberlands to augment cash flow generation
- ▶ Emphasize rural residential and rural recreation land sales

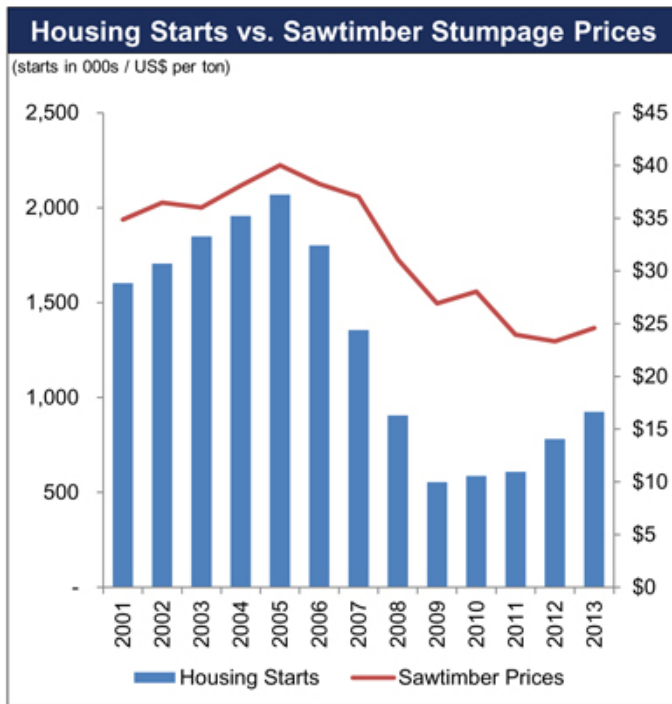
## Enhance Disclosure

- ▶ Establish Rayonier as industry leader in transparent disclosure
- ▶ Provide investors with meaningful information about timberland portfolio characteristics
- ▶ Act as responsible steward of our investors' capital and our timberland resources

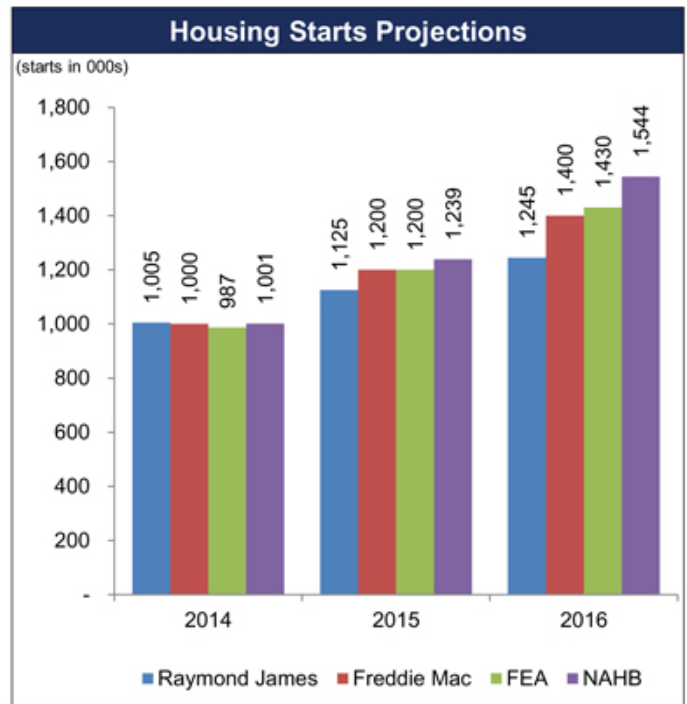


**Rayonier's goal is to provide an attractive, growing dividend funded from core, recurring cash flows in a tax-efficient REIT structure.**

# Housing Starts Drive Sawtimber Prices



Source: Timber Mart-South south-wide average sawtimber prices. U.S. Census Bureau.



Source: Raymond James equity research, Freddie Mac, Forest Economic Advisors and National Association of Homebuilders.

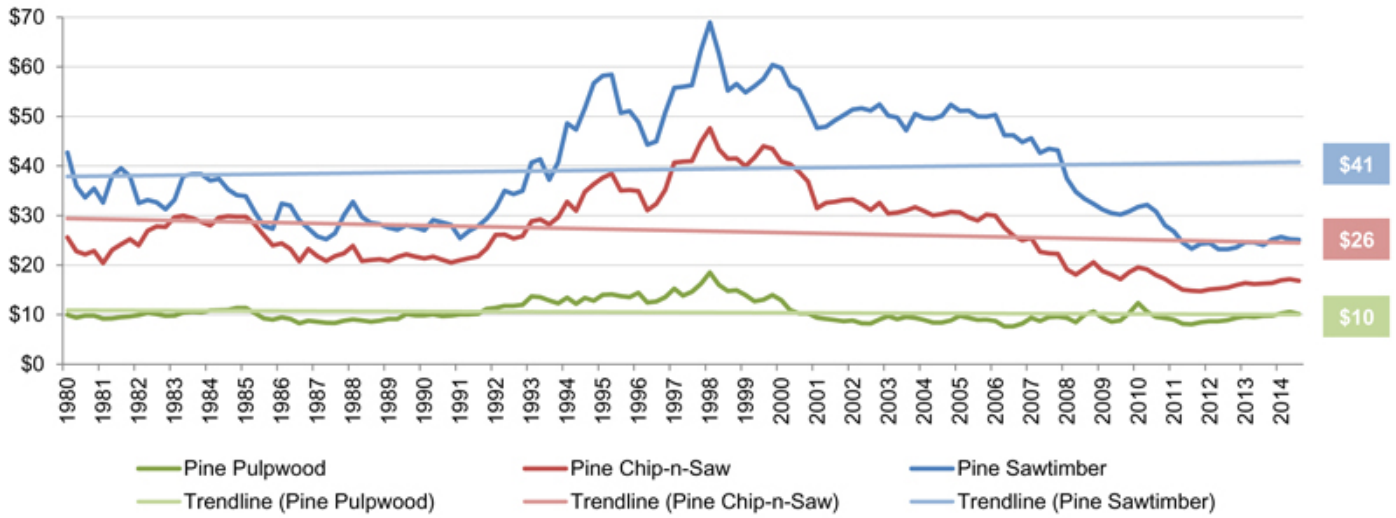


A housing recovery is demonstrably underway, which should drive sawtimber prices higher.

# Return to Trendline Implies Significant Price Recovery in U.S. South

## U.S. South Stumpage Prices (Real) – Timber Mart-South

(\$ per ton)

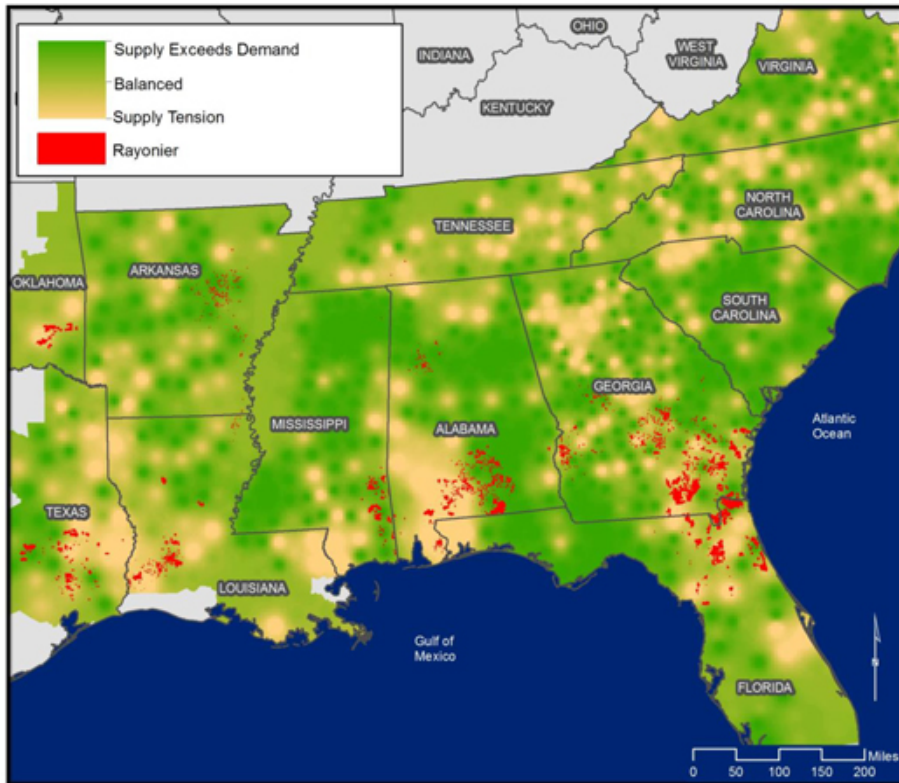


	Current Pricing (9/30/2014)	Trendline Pricing	Difference from Trendline	Implied Annual Growth Rate to Reach Trendline	
				5 Year	10 Year
Sawtimber	\$25.11 / Ton	\$41.00 / Ton	(38.8%)	+ 10.3%	+ 5.0%
Chip-n-saw	\$16.85 / Ton	\$26.00 / Ton	(35.2%)	+ 9.1%	+ 4.4%
Pulpwood	\$10.10 / Ton	\$10.00 / Ton	1.0%	0%	0%

Source: Timber Mart-South south-wide average stumpage prices.

Note: Prices are adjusted for inflation and converted to 2013 dollars based on the Producer Price Index (PPI).

# Favorable Supply / Demand Dynamics in Rayonier Markets



- Local market supply / demand dynamics determine price
- Logs typically travel less than 100 miles
- Supply / demand conditions vary widely across the region
- Significant sawlog price increases anticipated as recovery in U.S. housing starts progresses

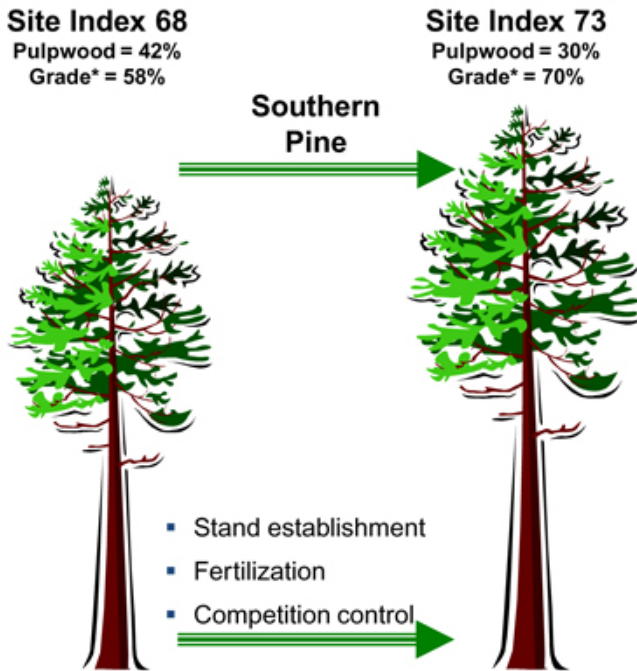
Source: USDA FIA; Rayonier research.

Note: Most current FIA cycle data by state (vintage years vary by state).



# Advanced Silviculture Increases Harvest Yields

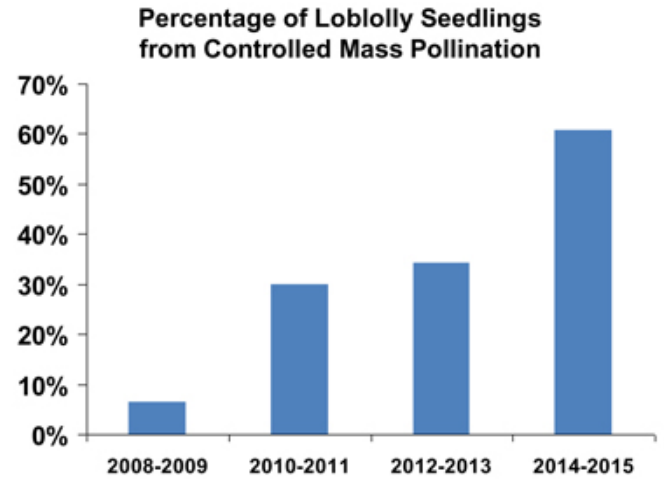
## Site Management



\* Sawlogs and Chip-n-saw

## Genetics

- Industry leader in controlled mass pollination plantings
- Future Southeast plantings will be approximately 70% Loblolly



Through advanced silviculture, harvest volumes should increase by ~20% over a full rotation cycle.

# Rayonier Continues to Upgrade Timberland Base Through Active Portfolio Management

## 2014 Acquisitions vs. Dispositions



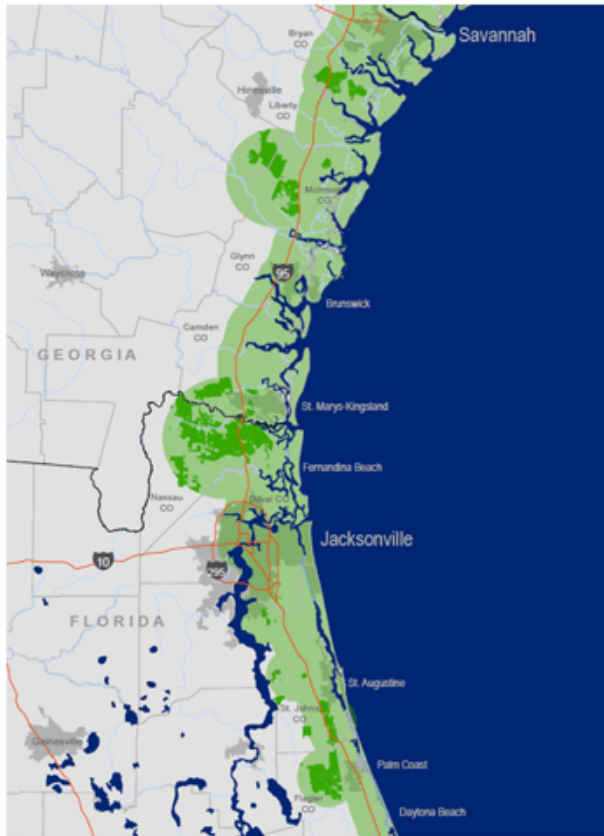
(1) 10-year estimate.



# Overview of Real Estate Strategy



# Significant HBU Potential in FL and GA Coastal Corridor



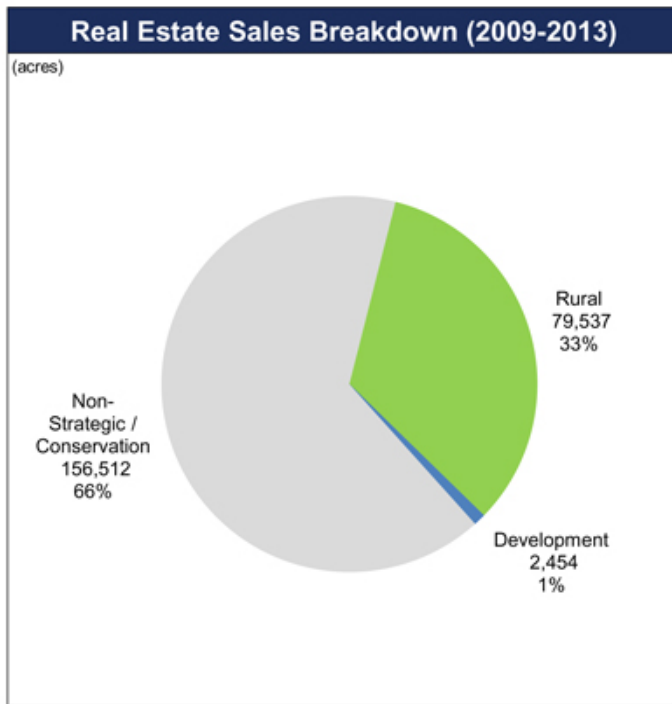
■ = Rayonier landholdings

- 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
- Value creation efforts focused on highest potential projects across 25 planning nodes spanning coastal corridor ownership

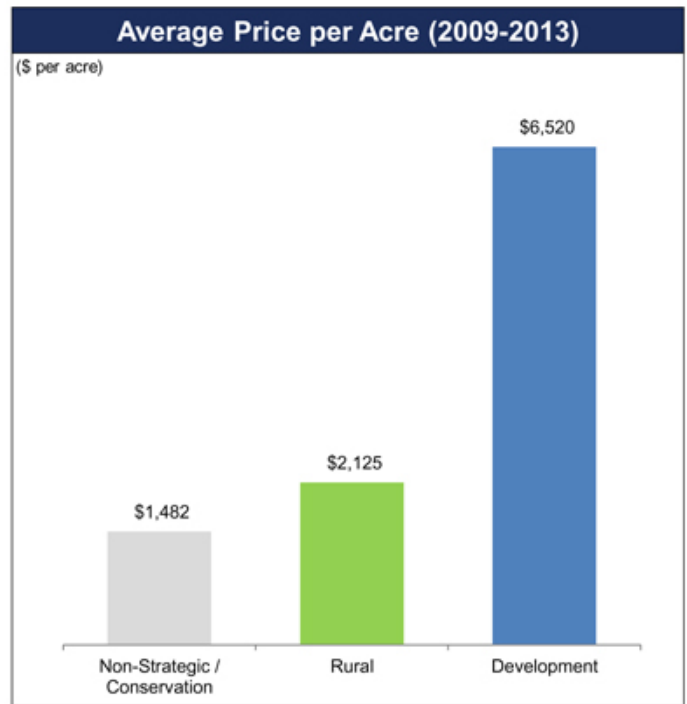
## Disciplined Approach with Focus on Risk / Reward

Project	Belfast Commerce Centre	St. Johns North	East Nassau Market Street
Location	Bryan Co, GA	St. Johns Co, FL	Nassau Co, FL
Market Characteristics	Port of Savannah's growth driving industrial sector	Strong market driving 50% of new home sales of Jacksonville MSA	Emerging market
Market Segment	Industrial	Residential	Mixed use
Approach	Horizontal development / entitled	Undeveloped / entitled	To be determined
Status	Infrastructure development and marketing underway, 45 acres sold	~2,000 acres under contract	Site planning underway

# Historical Real Estate Sales Summary

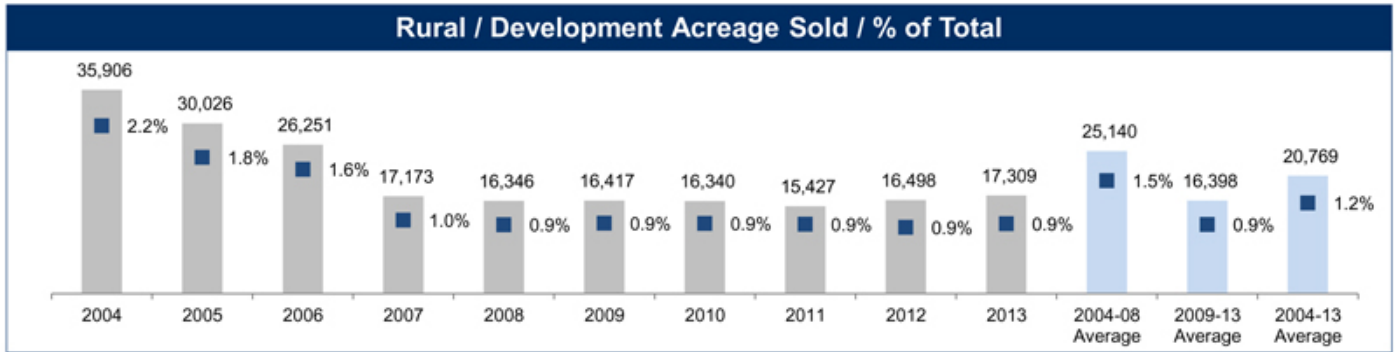


Note: Excludes 2013 sale of 128,000 acres in New York for \$57 million.

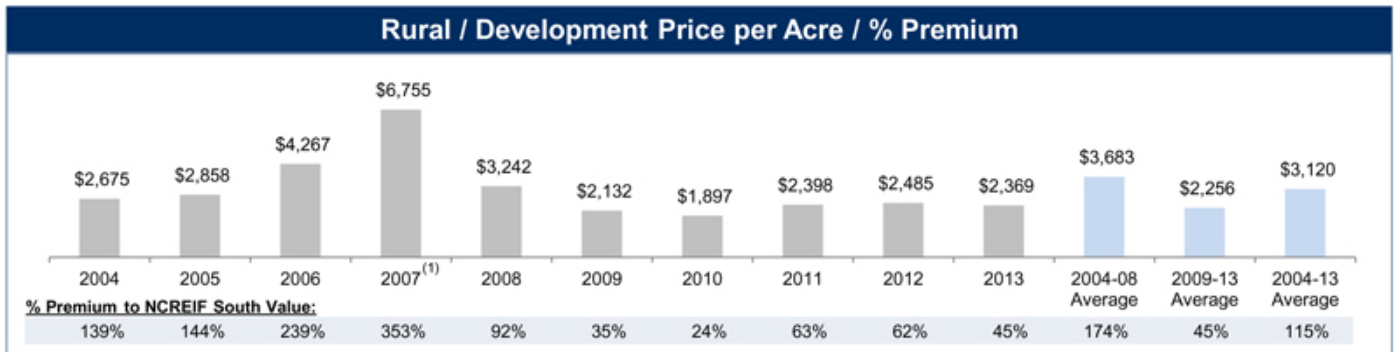


Rural land sales is the key driver of Rayonier's real estate business.

# Real Estate Sales Overview (excl. Non-Strategic Sales)



Note: Percent of total calculated based on prior year-end U.S. South acreage (i.e., Eastern Forest Resources for 2003-10; Atlantic / Gulf for 2011-13).



Note: Premium calculated based on annual year-end NCREIF South value per acre.  
 (1) 2007 reflects rural sale of 3,100 acres at \$15k per acre.



Excluding non-strategic sales, Rayonier has consistently sold ~1% of its U.S. South acreage annually at attractive premiums to timberland values.

# Financial Highlights

(\$ in millions, except per share data)

Profitability	3Q 2014	2Q 2014	3Q 2013
Sales	\$150	\$163	\$159
Operating income	32	38	20
Pro forma operating income <sup>(1)</sup>	35	38	20
Net income attributable to Rayonier Inc.	33	16	57
Pro forma net income <sup>(1)</sup>	36	8	14
Diluted Earnings Per Share:			
Income from continuing operations	0.25	0.03	0.11
Net income	0.25	0.12	0.44
Pro forma net income <sup>(1)</sup>	0.27	0.06	0.11
Average diluted shares (millions)	129.8	132.3	130.9

Capital Resources & Liquidity	Nine months ended September 30,	
	2014	2013
Cash provided by Operating Activities	\$281	\$334
Cash used for Investing Activities	(152)	(339)
Cash used for Financing Activities	(145)	(15)
EBITDA <sup>(1)</sup>	282	509
Adjusted EBITDA <sup>(1)</sup>	289	513
Pro Forma Adjusted EBITDA <sup>(1)</sup>	183	144
Cash Available for Distribution (CAD) <sup>(1)</sup>	120	95

	9/30/2014	12/31/2013
Debt	736	1,574
Cash	183	200
Net Debt	553	1,374
Net Debt / Net Capitalization <sup>(2)</sup>	14%	35%

(1) Non-GAAP measures (see page 24 for definitions and pages 25-29 for reconciliations).

(2) Net capitalization based on equity market capitalization and net debt.

# 2014 and 2015 Financial Guidance

(\$ in millions)

	2013 Continuing Operations	2014 Guidance	2015 Guidance
Sales	\$660 <sup>(1)</sup>	\$590 - 600	~ \$575
<u>Segment Operating Income</u>			
Forest Resources	\$81	~\$80	\$80 - 90
Real Estate	56 <sup>(1)</sup>	47 - 50	25 - 35
Corporate <sup>(2)</sup>	(43)	~(20)	~(20)
Total	\$94	\$107 - 110	\$85 - 105
<u>Segment Adjusted EBITDA <sup>(3)</sup></u>			
Forest Resources	\$180	~\$190	\$175 - 185
Real Estate	83	68 - 72	45 - 55
Corporate <sup>(2)</sup>	(44)	~(20)	~(20)
Total	\$219	\$238 - 242	\$200 - 220
CapEx	63	65 - 67	75 - 80
DD&A	115	122 - 125	105 - 110
Non-cash cost basis of real estate sold (Real Estate)	10	~8	~10

(1) Includes the impact of the 2013 sale of New York timberlands (sales \$57 million, operating income \$3 million).

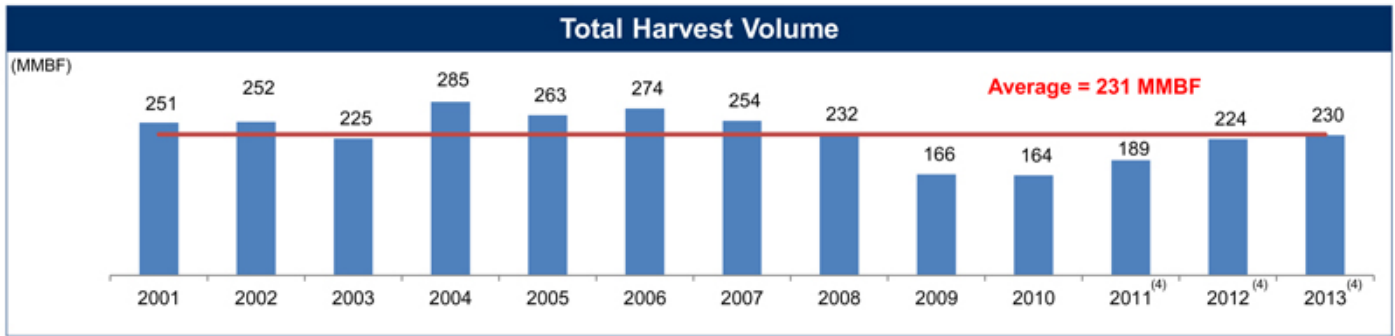
(2) Excludes a \$16 million gain related to the consolidation of the New Zealand JV. Post-separation, normalized corporate expenses are expected to approximate \$20 million.

(3) Non-GAAP measure (see page 24 for definition and pages 25-29 for reconciliations).



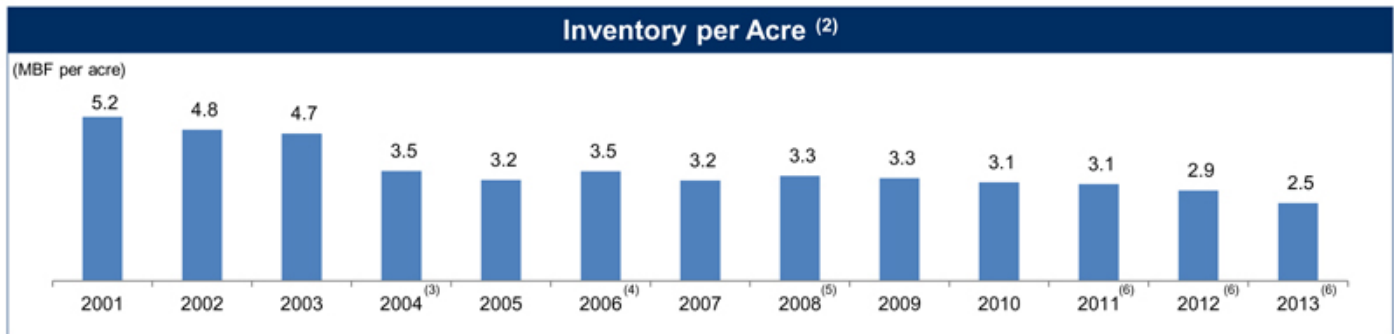
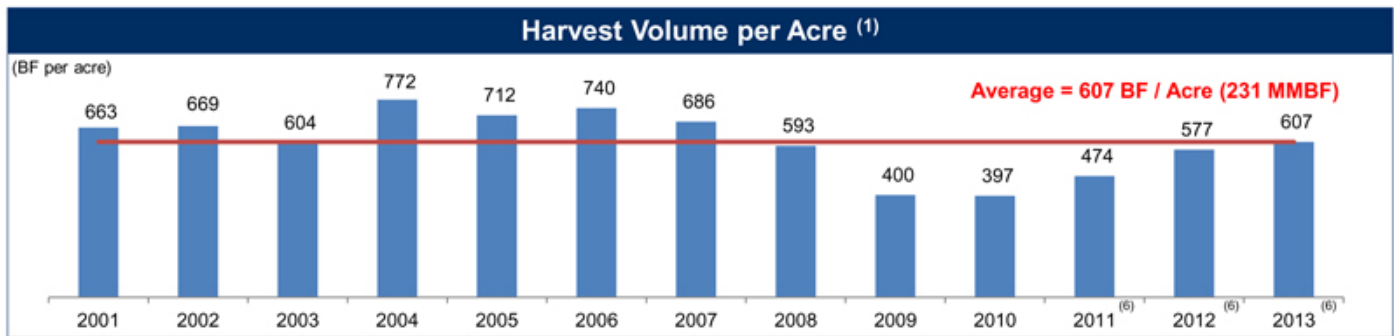
# Appendix

# U.S. Pacific Northwest – Historical Harvest / Inventory



- Note: Assumes conversion ratio of 8 tons per MBF for 2011 to 2013.
- (1) Rayonier excluded 294 MMBF (~0.8 MBF per acre) of timber located in environmentally sensitive areas from its merchantable timber inventory.
  - (2) Rayonier decreased the age at which it moves timber into its merchantable timber inventory from 41 years to 35 years, which added 338 MMBF of timber to merchantable inventory (~0.9 MBF per acre).
  - (3) Rayonier acquired 56,300 acres of timberland with total inventory of 319 MMBF (~5.7 MBF per acre).
  - (4) U.S. Pacific Northwest only; data in Company filings previously included New York from 2011 – 2013.

# U.S. Pacific Northwest – Historical Harvest / Inventory per Acre



Note: Assumes conversion ratio of 8 tons per MBF for 2011 to 2013.

(1) Represents annual harvest volume divided by average of prior year-end and year-end acreage.

(2) Represents year-end inventory divided by year-end acreage.

(3) Rayonier excluded 294 MMBF (~0.8 MBF per acre) of timber located in environmentally sensitive areas from its merchantable timber inventory.

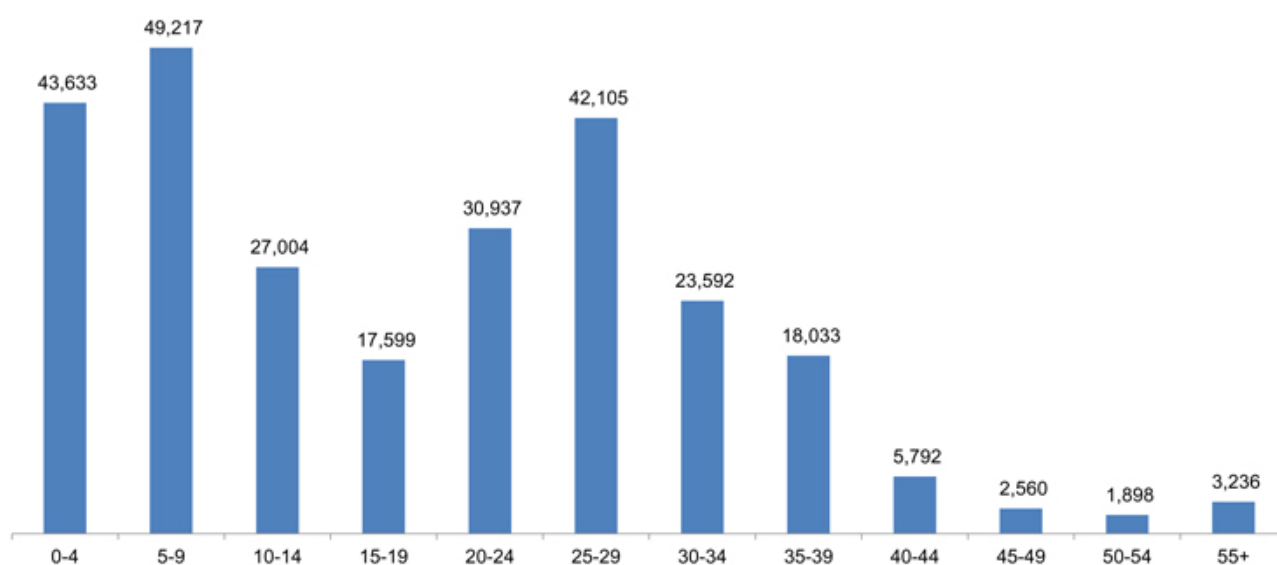
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# U.S. Pacific Northwest – Age Class Profile

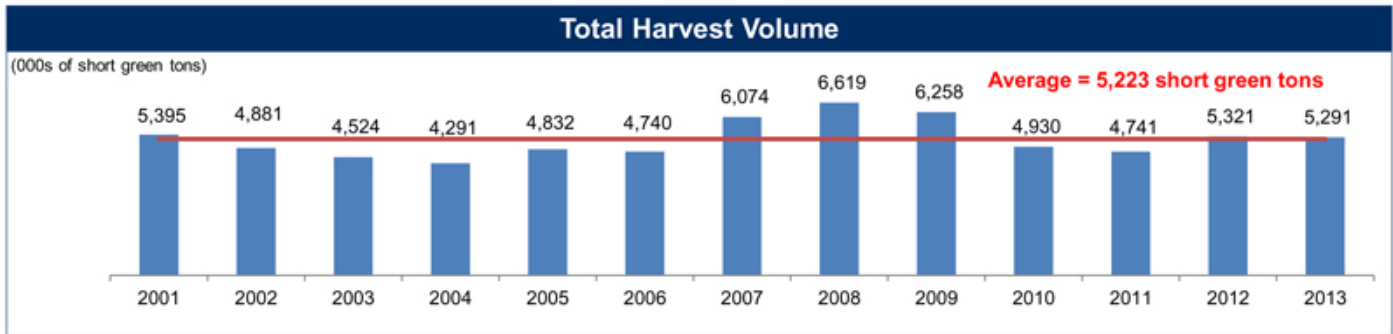
(Acres)



% of Total	16.4%	18.5%	10.2%	6.6%	11.6%	15.9%	8.9%	6.8%	2.2%	1.0%	0.7%	1.2%
Avg. Acres / Year	8,727	9,843	5,401	3,520	6,187	8,421	4,718	3,607	1,158	512	380	NM
% of Total	3.3%	3.7%	2.0%	1.3%	2.3%	3.2%	1.8%	1.4%	0.4%	0.2%	0.1%	NM
Avg. MBF / Acre	NA	NA	NA	2.4	4.8	9.4	14.0	18.1	19.1	23.1	26.9	27.8

Note: Does not reflect approximately 20,000 acres located in restricted or environmentally sensitive areas, which include approximately 285 MMBF that we believe may be lawfully harvested within those areas and that are included in our estimate of merchantable timber inventory as of December 31, 2013.

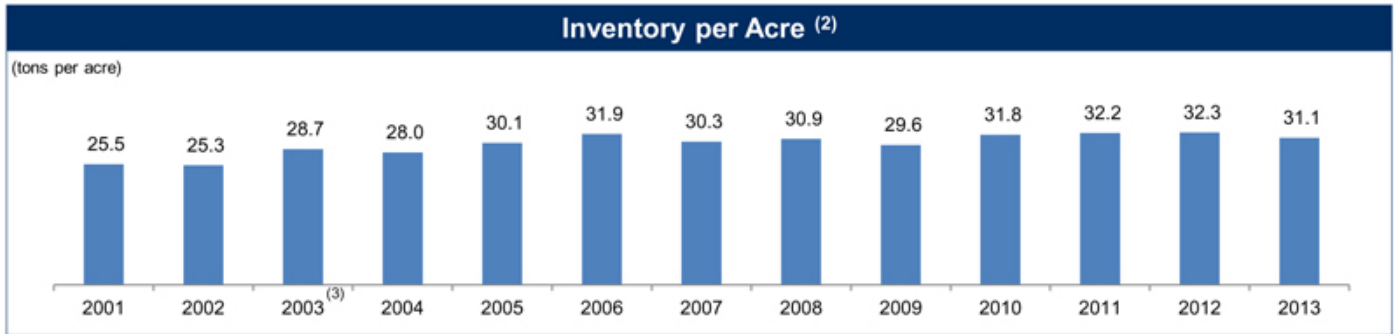
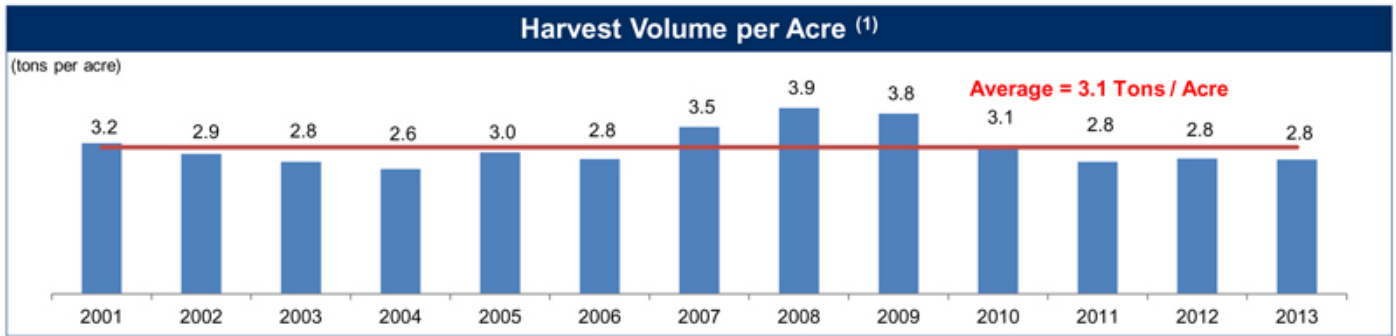
# U.S. South – Historical Harvest / Inventory



Note: 2006-07 acreage and inventory includes 75k acres in New York; 2008-10 acreage and inventory includes 129k acres in New York. 2006 harvest volume includes New York; all other harvest volumes exclude New York.

(1) Rayonier decreased the pine merchantable age from 19 years to 16 years.

# U.S. South – Historical Harvest / Inventory per Acre



Note: 2006-07 acreage and inventory includes 75k acres in New York; 2008-10 acreage and inventory includes 129k acres in New York. 2006 harvest volume includes New York; all other harvest volumes exclude New York.

- (1) Represents annual harvest volume divided by average of prior year-end and year-end acreage.
- (2) Represents year-end inventory divided by year-end acreage.
- (3) Rayonier decreased the pine merchantable age from 19 years to 16 years.

# U.S. South – Age Class Profile



Note: Totals in chart represent net plantation acres; excludes ~60k gross non-timbered acres (i.e., roads, rights of way, etc.) and ~640k acres of hardwoods and natural stands.



## Definitions of Non-GAAP Measures

**EBITDA** is defined as earnings before interest, taxes, depreciation, depletion and amortization. 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.

**Adjusted EBITDA** is defined as earnings before interest, taxes, depreciation, depletion, amortization, and the non-cash cost basis of real estate sold. 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.

**Pro Forma Adjusted EBITDA** is defined as earnings before interest, taxes, depreciation, depletion, amortization and non-cash cost basis of real estate sold excluding discontinued operations and separation costs related to the Performance Fibers spin-off. Pro forma 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 relating to the assets under management.

**Cash Available for Distribution (CAD)** is defined as cash provided by operating activities adjusted for capital spending, strategic divestitures, the change in committed cash, and other items which include cash provided by discontinued operations, excess tax benefits on stock-based compensation and the change in capital expenditures purchased on account. 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.

**Pro Forma Net Income** is defined as net income attributable to Rayonier Inc. adjusted for separation costs related to the Performance Fibers spin-off, discontinued operations and the cumulative adjustment for out-of-period error in depletion expense.

**Pro Forma Operating Income** is defined as operating income adjusted for the gain related to consolidation of New Zealand joint venture and the cumulative adjustment for out-of-period error in depletion expense.

# Pro Forma EBITDA by Segment (Three months ended)

(\$ in millions)

Three Months Ended	Forest Resources	Real Estate	Other Operations	Corporate and Other	Total
<b>September 30, 2014</b>					
Operating Income	\$19	\$16	\$3	(\$6)	\$32
Depreciation, depletion & amortization	30	4	–	–	34
EBITDA	\$49	\$20	\$3	(\$6)	\$66
Non-cash cost basis of real estate sold	–	3	–	–	3
Adjusted EBITDA	\$49	\$23	\$3	(\$6)	\$69
<b>June 30, 2014</b>					
Operating Income	\$20	\$28	–	(\$10)	\$38
Depreciation, depletion & amortization	24	6	–	–	30
Costs related to spin-off of Performance Fibers Business	–	–	–	(4)	(4)
Discontinued Operations <sup>(1)</sup>	–	–	–	41	41
EBITDA	\$44	\$34	–	\$27	\$105
Non-cash cost basis of real estate sold	–	2	–	–	2
Adjusted EBITDA	\$44	\$36	–	\$27	\$107
Costs related to spin-off of Performance Fibers Business	–	–	–	4	4
Discontinued Operations <sup>(1)</sup>	–	–	–	(41)	(41)
Pro Forma EBITDA	\$44	\$36	–	(\$10)	\$70
<b>September 30, 2013</b>					
Operating Income	\$23	\$8	–	(\$11)	\$20
Depreciation, depletion & amortization	28	2	–	1	31
Discontinued Operations <sup>(1)</sup>	–	–	–	86	86
EBITDA	\$51	\$10	–	\$76	\$137
Non-cash cost basis of real estate sold	–	2	–	–	2
Adjusted EBITDA	\$51	\$12	–	\$76	\$139
Discontinued Operations <sup>(1)</sup>	–	–	–	(86)	(86)
Pro Forma EBITDA	\$51	\$12	–	(\$10)	\$53

(1) Includes income, interest and depreciation and amortization from discontinued operations.

# Pro Forma EBITDA by Segment (Nine months ended)

(\$ in millions)

Nine Months Ended	Forest Resources	Real Estate	Other Operations	Corporate and Other	Total
<b>September 30, 2014</b>					
Operating Income	\$65	\$45	\$2	(\$28)	\$84
Depreciation, depletion & amortization	80	11	–	1	92
Costs related to the spin-off of the Performance Fibers business	–	–	–	(4)	(4)
Discontinued Operations <sup>(1)</sup>	–	–	–	110	110
EBITDA	\$145	\$56	\$2	\$79	\$282
Non-cash cost basis of real estate sold	–	7	–	–	7
Adjusted EBITDA	\$145	\$63	\$2	\$79	\$289
Costs related to the spin-off of the Performance Fibers business	–	–	–	4	4
Discontinued Operations <sup>(1)</sup>	–	–	–	(110)	(110)
Pro Forma EBITDA	\$145	\$63	\$2	(\$27)	\$183
<b>September 30, 2013</b>					
Operating Income	\$57	\$30	\$1	(\$14)	\$74
Depreciation, depletion & amortization	72	9	–	1	82
Discontinued Operations <sup>(1)</sup>	–	–	–	353	353
EBITDA	\$129	\$39	\$1	\$340	\$509
Non-cash cost basis of real estate sold	–	4	–	–	4
Adjusted EBITDA	\$129	\$43	\$1	\$340	\$513
Gain related to consolidation of New Zealand JV	–	–	–	(16)	(16)
Discontinued Operations <sup>(1)</sup>	–	–	–	(353)	(353)
Pro Forma EBITDA	\$129	\$43	\$1	(\$29)	\$144

(1) Includes income, interest and depreciation and amortization from discontinued operations.

# Reconciliation of Reported to Pro Forma Earnings

(\$ in millions, except per share amounts)

Three Months Ended	September 30, 2014		June 30, 2014		September 30, 2013	
	\$	EPS	\$	EPS	\$	EPS
Operating Income	\$32		\$38		\$20	
Cumulative adjustment for out-of-period error in depletion expense	3		-		-	
Pro Forma Operating Income	\$35		\$38		\$20	
Net Income attributable to Rayonier Inc.	\$33	\$0.25	\$16	\$0.12	\$57	\$0.44
Cumulative adjustment for out-of-period error in depletion expense	3	0.02	-	-	-	-
Costs related to spin-off of Performance Fibers business	-	-	4	0.03	-	-
Discontinued Operations, net	-	-	(12)	(0.09)	(43)	(0.33)
Pro Forma Net Income	\$36	\$0.27	\$8	\$0.06	\$14	\$0.11

Nine Month Ended	September 30, 2014		September 30, 2013	
	\$	EPS	\$	EPS
Operating Income	\$84		\$74	
Cumulative adjustment for out-of-period error in depletion expense	3		-	
Gain related to consolidation of New Zealand JV	-		(16)	
Pro Forma Operating Income	\$87		\$58	
Net Income attributable to Rayonier Inc.	\$90	\$0.69	\$292	\$2.23
Cumulative adjustment for out-of-period error in depletion expense	3	0.02	-	-
Gain related to consolidation of New Zealand JV	-	-	(16)	(0.12)
Costs related to spin-off of Performance Fibers business	4	0.03	-	-
Discontinued Operations, net	(43)	(0.33)	(220)	(1.68)
Pro Forma Net Income	\$54	\$0.41	\$56	\$0.43

# Reconciliation of Adjusted EBITDA

## Pro Forma Adjusted EBITDA

(\$ in millions)

Twelve Months Ended	Forest Resources	Real Estate	Other Operations	Corporate and Other	Total
<b>December 31, 2013</b>					
Operating Income	\$81	\$56	\$2	(\$31)	\$108
Depreciation, depletion & amortization	99	17	–	1	117
Discontinued Operations <sup>(1)</sup>	–	–	–	453	453
EBITDA	\$180	\$73	\$2	\$423	\$678
Non-cash cost basis of real estate sold	–	10	–	–	10
Adjusted EBITDA	\$180	\$83	\$2	\$423	\$688
Gain related to consolidation of New Zealand JV	–	–	–	(16)	(16)
Discontinued Operations <sup>(1)</sup>	–	–	–	(453)	(453)
Pro forma Adjusted EBITDA	\$180	\$83	\$2	(\$46)	\$219

(1) Includes income, interest and depreciation from discontinued operations

## 2015 Guidance - Adjusted EBITDA

(\$ in millions)

### Full Year 2015

Net Income	~ \$65 - 75
Interest, net	~ 30
Income tax benefit	~ (5 - 10)
Depreciation, depletion, and amortization	~ 105 - 110
EBITDA	~ \$190 - 210
Non-cash cost basis of real estate sold	~ 10
Adjusted EBITDA	~ \$200 - 220

# Cash Available for Distribution

(\$ in millions, except per share data)

	Nine Months Ended September 30,	
	2014	2013
Cash provided by operating activities	\$281	\$334
Capital expenditures <sup>(1)</sup>	(106)	(122)
Change in committed cash	5	1
Excess tax benefit on stock-based comp.	–	8
Other	4	1
Discontinued operations	(64)	(127)
Cash Available for Distribution	\$120	\$95

(1) Capital expenditures exclude strategic capital.