



News Release

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For Immediate Release

Separation of Rayonier Advanced Materials Expected to Close June 27

U.S. Securities and Exchange Commission Declares Form 10 Effective; IRS Confirms Tax-free Status of Spin-off

JACKSONVILLE, Fla., June 16, 2014 – Rayonier Inc. (NYSE:RYN) today announced significant progress toward completing the planned separation of its Performance Fibers business from its Forest Resources and Real Estate businesses. The separation will occur by means of a tax-free spin-off of 100% of the common stock of Rayonier Advanced Materials Inc., which will contain the Performance Fibers business. The common stock of Rayonier Advanced Materials is expected to trade on the New York Stock Exchange (NYSE) under the symbol “RYAM.”

Rayonier announced that the U.S. Securities and Exchange Commission has declared effective the Registration Statement on Form 10 filed by Rayonier Advanced Materials in connection with the spin-off. Additionally, the company announced that it also received a private letter ruling from the U.S. Internal Revenue Service (IRS) confirming the tax-free status of the planned spin-off, including certain related internal reorganization transactions.

“With these latest developments, we are now firmly on track to separate effective June 27,” said Paul Boynton, Chairman, President and CEO. “This has been a complex endeavor, requiring significant effort throughout the company. Thanks to the tremendous effort of our employees, as well as our advisors, we will soon be two independent, industry-leading companies that will continue to deliver value to our shareholders.”

IRS Private Letter Ruling

Based on certain facts, assumptions, representations and undertakings set forth in the IRS ruling, for U.S. federal income tax purposes, the distribution of Rayonier Advanced Materials common stock generally will not be taxable to Rayonier or to U.S. holders of Rayonier common stock, except in respect to cash received in lieu of fractional shares, which generally will be taxable to the holders as capital gain. The spin-off is subject to the continued validity of the private letter ruling from the IRS.



Initial Trading Details

On May 27, 2014, Rayonier's board of directors approved the separation and declared a special distribution of one share of Rayonier Advanced Materials common stock for every three common shares of Rayonier held by Rayonier shareholders as of the close of business on June 18, 2014. With these latest approvals, the distribution is expected to be effective at 11:59 p.m., Eastern Time, on June 27, 2014.

There is no current market for Rayonier Advanced Materials common stock. The NYSE has authorized the listing of Rayonier Advanced Materials common stock under the symbol "RYAM" following the distribution. Rayonier Advanced Materials has been advised that trading in its common stock is expected to begin on a "when issued" basis on June 16, 2014, under the symbol "RYAM WI." "When issued" trading of Rayonier Advanced Materials common stock will continue until Rayonier makes the distribution of Rayonier Advanced Materials common stock on June 27, 2014. "When issued" trades of Rayonier Advanced Materials common stock will settle after June 27, 2014, when Rayonier Advanced Materials becomes a standalone company.

Beginning on June 16, 2014, and continuing through June 27, 2014, Rayonier expects that Rayonier common shares will trade in two markets on the NYSE: the "regular-way" market under the symbol "RYN" and the "ex-distribution" market under the symbol "RYN WI." Rayonier common shares trading under "RYN" will carry the right to receive shares of Rayonier Advanced Materials through the distribution. Rayonier shares trading under "RYN WI" will not carry the right to receive shares of Rayonier Advanced Materials through the distribution.

Rayonier shareholders who sell their shares in the "regular-way" market on or before June 27, 2014, will also be selling their entitlement to receive the distribution of Rayonier Advanced Materials common stock. Rayonier shareholders are encouraged to consult with their financial advisors regarding the specific consequences of selling Rayonier common shares on or before June 27, 2014.

On June 30, 2014, "regular-way" trading will commence on the NYSE for Rayonier Advanced Materials common stock under the symbol "RYAM" and will continue for Rayonier common shares under the symbol "RYN."

Post-Separation

After the separation, Rayonier will own and operate the company's existing Forest Resources and Real Estate businesses. Rayonier will be a geographically diverse forest resources company with 2.6 million acres of high-quality timberlands, including approximately 200,000 acres well situated for real estate development along coastal Florida and Georgia. The company will maintain its status as a tax-efficient real estate



investment trust. The company intends to maintain its strong balance sheet and pay a competitive dividend to its shareholders and expects to retain an investment-grade credit profile.

Rayonier Advanced Materials will be the world's leading producer of high-value specialty cellulose fibers, with proprietary cellulose chemistry expertise and manufacturing process knowledge developed over 85 years. The company's production facilities in Florida and Georgia manufacture a wide range of customized high purity products, using both hardwood and softwood. The company is expected to continue to generate strong cash flows and to pay a dividend competitive with its peer group. Rayonier Advanced Materials has secured a BB+/Ba2 grade credit rating.

Certain statements in this document regarding anticipated financial, legal or other outcomes including business and market conditions, outlook and other similar statements relating to Rayonier's and Rayonier Advanced Materials' 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," "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.

Although Rayonier and Rayonier Advanced Materials believe that the expectations reflected in any forward-looking statements are based on reasonable assumptions, they can give no assurance that these expectations will be attained and it is possible that actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks and uncertainties. Such risks and uncertainties include, but are not limited to: uncertainties as to the timing of the spin-off and whether it will be completed, the possibility that various closing conditions for the spin-off may not be satisfied or waived, the impact of the spin-off on the businesses of Rayonier and Rayonier Advanced Materials, the ability of both companies to meet debt service requirements, the availability and terms of financing and expectations of credit rating. Other important factors are described in Rayonier's most recent Form 10-K and 10-Q reports on file with the Securities and Exchange Commission and in Rayonier Advanced Materials' Registration Statement on Form 10 that could cause actual results or events to differ materially from those expressed in forward-looking statements that may have been made in this document. Neither Rayonier nor Rayonier Advanced Materials assumes no obligation to update these statements except as required by law.



About Rayonier

Rayonier is a leading international forest products company with three core businesses: Forest Resources, Real Estate and Performance Fibers. The company owns, leases or manages 2.6 million acres of timber and land in the United States and New Zealand. The company's holdings include approximately 200,000 acres with residential and commercial development potential along the Interstate 95 corridor between Savannah, Ga., and Daytona Beach, Fla. Its Performance Fibers business is one of the world's leading producers of high-value specialty cellulose fibers, which are used in products such as filters, pharmaceuticals and LCD screens. Approximately 50 percent of the company's sales are outside the U.S. to customers in approximately 20 countries. Rayonier is structured as a real estate investment trust. More information is available at www.rayonier.com.

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