



## Rayonier Advanced Materials Announces Lumber and Newsprint Downtime in Response to COVID-19 Market Demand Impact; Other Facilities to Operate Normally

March 25, 2020

JACKSONVILLE, Fla.--(BUSINESS WIRE)--Mar. 25, 2020-- In response to the COVID-19 outbreak and its impact on certain business markets, Rayonier Advanced Materials Inc. (the "Company") (NYSE:RYAM) announced curtailed production at seven Canadian locations. Starting this week, the Company will cease or reduce operations at all softwood sawmills located in Ontario and Quebec as well as halt production at the Company's newsprint plant in Kapuskasing, Ontario. These curtailments will last at least two weeks and may be extended longer depending on market conditions. Existing sales orders will continue to be fulfilled from current inventory and reduced production at the Kapuskasing sawmill.

All other facilities, including the four High Purity Cellulose (HPC) facilities in the U.S., Canada and France and the Pulp and Paperboard facilities in Temiscaming, Quebec, are expected to operate at normal levels. These facilities, each deemed an "essential business" in its given country, produce a variety of products including many that are critical raw materials for pharmaceutical, food and cleaning products.

Additionally, the Company is taking precautions to protect employees and their communities against the spread of COVID-19, including office personnel working remotely, travel restrictions, robust cleaning and disinfecting of high touch areas, and appropriate social and physical distancing at all sites.

"The safety of our employees, their families and our communities is of highest concern. We will continue to operate all staffed facilities in a safe and fiscally responsible way to mitigate the impact of the COVID-19 outbreak while supplying customers with critical materials required to support the battle against the virus," stated Paul Boynton, Chairman, President and Chief Executive Officer. "Additionally, we are providing key raw materials to state agencies to produce hand sanitizer due to severe supply constraints for this product. While it's a very difficult situation for everyone, our employees will manage through this crisis safely and productively and are proud to play a small but critical role in mitigating the impact of this virus."

### About Rayonier Advanced Materials

*Rayonier Advanced Materials is a global leader of cellulose-based technologies, including high purity cellulose specialties, a natural polymer commonly found in filters, food, pharmaceuticals and other industrial applications. The Company also manufactures products for lumber, paper and packaging markets. With manufacturing operations in the U.S., Canada and France, Rayonier Advanced Materials employs just over 4,000 people and generates approximately \$1.8 billion of revenues. More information is available at [www.rayonieram.com](http://www.rayonieram.com).*

### Forward-Looking Statements

Certain statements in this document regarding anticipated financial, business, legal or other outcomes including business and market conditions, outlook and other similar statements relating to 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," "forecast," "anticipate," "guidance," and other similar language. However, the absence of these or similar words or expressions does not mean a statement is not forward-looking. While we believe 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 we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance these expectations will be attained and it is possible actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks and uncertainties.

Our operations are subject to a number of risks and uncertainties including, but not limited to, those listed below. When considering an investment in our securities, you should carefully read and consider these risks, together with all other information in our Annual Report on Form 10-K and our other filings and submissions to the SEC, which provide much more information and detail on the risks described below. If any of the events described in the following risk factors actually occur, our business, financial condition or operating results, as well as the market price of our securities, could be materially adversely affected. These risks and events include, without limitation:

#### *Business and Operating Risks*

Our businesses we operate are highly competitive and many of them are cyclical, especially in commodity markets, which may result in fluctuations in pricing and volume that can adversely impact our business, financial condition and results of operations; Our ten largest customers represent approximately 33% of our 2019 revenue, and the loss of all or a substantial portion of our revenue from these large customers could have a material adverse effect on us; A material disruption at one of our major manufacturing facilities could prevent us from meeting customer demand, reduce our sales and profitability, increase our cost of production and capital needs, or otherwise adversely affect our business, financial condition and results of operation; Changes in raw material and energy availability and prices could affect our results of operations and financial condition; The availability of, and prices for, wood fiber may significantly impact our business, results of operations and financial condition; We are subject to risks associated with manufacturing and selling products and otherwise doing business outside of the United States; Our operations require substantial capital for ongoing maintenance, repair and replacement of existing facilities and equipment; Currency fluctuations may have a negative impact on our business, financial condition and results of operations; Restrictions on trade through tariffs, countervailing and anti-dumping duties, quotas and other trade barriers, in the United States and internationally, especially with respect to China, Canada and as a result of "Brexit", could adversely affect our ability to access certain markets and otherwise impact our results of operations; We depend on third parties for transportation services and increases in costs and the availability of transportation could adversely affect our business; Our business is subject to extensive environmental laws, regulations and permits that may restrict or adversely affect our ability to conduct our business; The impacts of climate-related initiatives remain uncertain at this time; Our failure to

maintain satisfactory labor relations could have a material adverse effect on our business; We are dependent upon attracting and retaining key personnel, the loss of whom could adversely affect our business; Failure to develop new products or discover new applications for our existing products, or our inability to protect the intellectual property underlying such new products or applications, could have a negative impact on our business; Risk of loss of the Company's intellectual property and sensitive business information, or disruption of its manufacturing operations, in each case due to cyberattacks or cyber security breaches, could adversely impact the Company; and we may need to make significant additional cash contributions to our retirement benefit plans if investment returns on pension assets are lower than expected or interest rates decline, and/or due to changes to regulatory, accounting and actuarial requirements;

#### *Debt-Related Risks*

While the Company has entered into an amendment (the "Amendment") to its Senior Secured Credit Facilities (as amended by the Amendment, the "Credit Agreement") to address the risk of potential non-compliance with certain covenants at the end of the third quarter of 2019, there can be no assurances that the Company will continue in full compliance with the amended covenants provided in the Credit Amendment through December 31, 2021, which is the date covenant relief granted under the Amendment expires; We have significant debt obligations that could adversely affect our business and our ability to meet our obligations; The phase-out of LIBOR as an interest rate benchmark could result in an increase to our borrowing costs; Challenges in the commercial and credit environments may materially adversely affect our future access to capital; and we may need additional financing in the future to meet our capital needs or to make acquisitions, and such financing may not be available on favorable terms, if at all, and may be dilutive to existing stockholders.

Other important factors 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 are described or will be described in our filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Rayonier Advanced Materials assumes no obligation to update these statements except as is required by law.

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