



**Second Quarter 2019
Financial Presentation Materials**

Safe Harbor

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: 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 35% of our 2018 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; 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; 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; 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; the inability to effectively integrate the Tembec acquisition and meet our financial objectives therefrom, and any future acquisitions we may make, may affect our results; and, absent an agreement with our lenders to amend the Company's Senior Secured Credit Facilities, the Company will not meet its secured net leverage covenant contained in such Facilities at the end of the third quarter of 2019.

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.

Non-GAAP Financial Measures

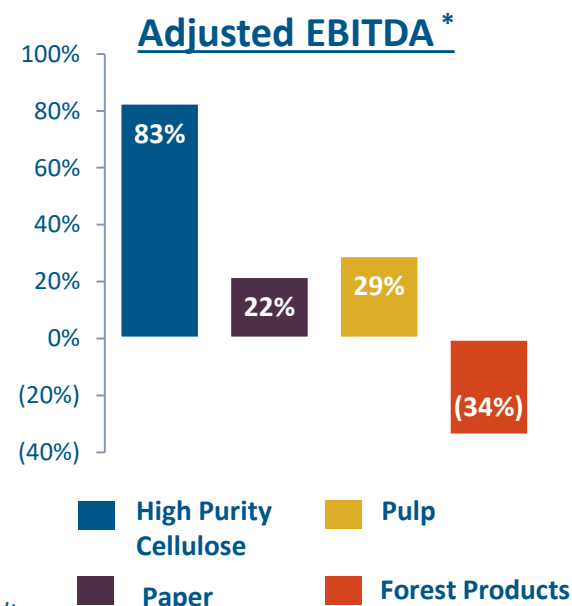
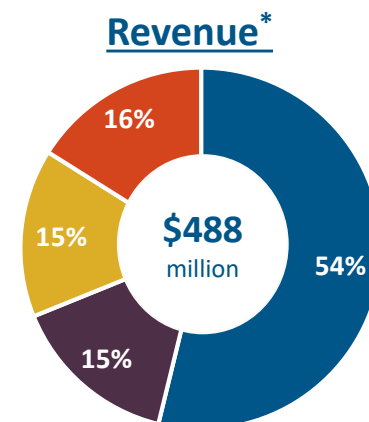
These presentation materials contain certain non-GAAP financial measures, including EBITDA, adjusted EBITDA, adjusted free cash flows, adjusted operating income, adjusted net income and adjusted net debt. These non-GAAP measures are reconciled to each of their respective most directly comparable GAAP financial measures in the appendix of these presentation materials.

We believe these non-GAAP measures provide useful information to our board of directors, management and investors regarding certain trends relating to our financial condition and results of operations. Our management uses these non-GAAP measures to compare our performance to that of prior periods for trend analyses, purposes of determining management incentive compensation and budgeting, forecasting and planning purposes.

We do not consider these non-GAAP measures an alternative to financial measures determined in accordance with GAAP. The principal limitations of these non-GAAP financial measures are that they may exclude significant expenses and income items that are required by GAAP to be recognized in our consolidated financial statements. In addition, they reflect the exercise of management's judgment about which expenses and income items are excluded or included in determining these non-GAAP financial measures. In order to compensate for these limitations, management provides reconciliations of the non-GAAP financial measures we use to their most directly comparable GAAP measures. Non-GAAP financial measures should not be relied upon, in whole or part, in evaluating the financial condition, results of operations or future prospects of the Company.

Q2'19 Consolidated Financial Highlights

- Revenue of \$488 million with Adjusted EBITDA of \$29 million
- Sequential growth in High Purity Cellulose segment
 - Hardwood costs in Jesup improving
 - Temiscaming operations stabilized
 - Commodity viscose and fluff impacted by global weakness and trade uncertainties
- Forest Products, Pulp and Paper remain under pressure from global weakness for commodity products
 - Impacted by \$5 million inventory write-down in Forest Products
- Adjusted Free Cash Flows of \$21 million
 - Aggressive management of working capital
- Solid progress on key strategic initiatives



* Revenue by Segment excludes eliminations, Adjusted EBITDA by Segment excludes Corporate segment results

Key Strategic Updates

Portfolio Optimization

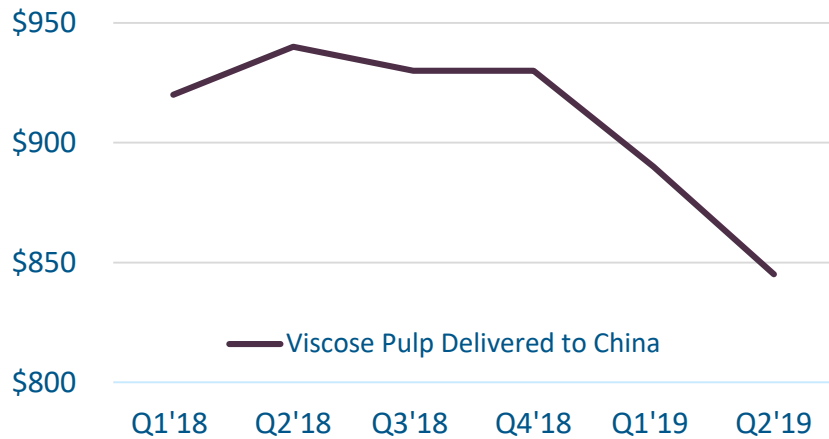
- Matane asset sale for \$175 million
 - LTM EBITDA of ~\$43 million; 3-year average EBITDA of ~\$27 million
 - Reduces exposure to commodity pulp business to 240k MT at Temiscaming site with integrated paperboard and co-located High Purity Cellulose facilities
 - Focuses business around core High Purity Cellulose segment
 - Anticipated to close in Q4, subject to customary closing conditions

Go-to-Market Strategy

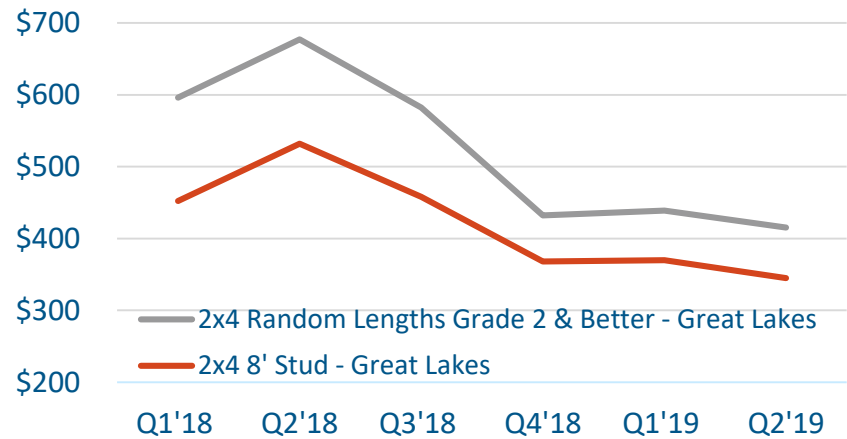
- Asset realignment to streamline production towards most productive use
 - Over half of the Temiscaming CS volume has moved to other production lines
 - New commodity viscose customers qualified in Temiscaming
- Commercial Actions
 - Positive discussions with customers and solid momentum
 - Two new significant contracts yield positive outcomes

Sharp Commodity Price Declines

Viscose Pulp

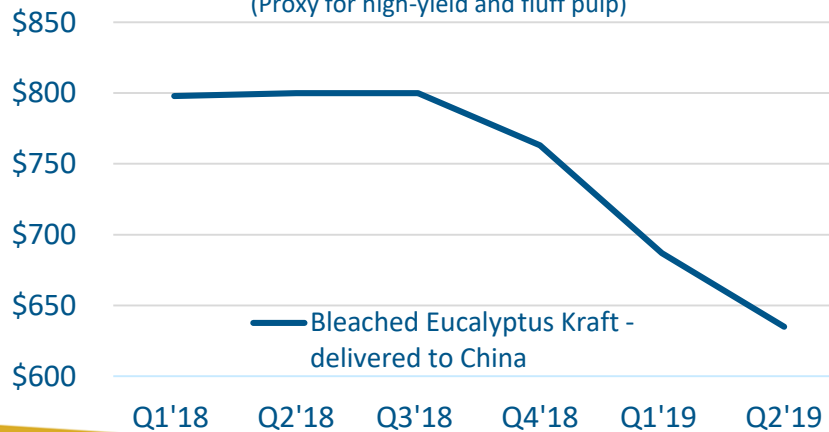


Lumber

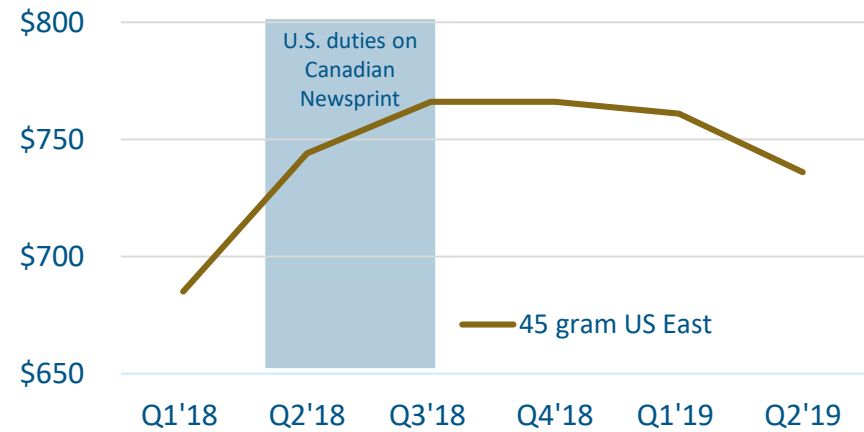


Bleached Eucalyptus Kraft

(Proxy for high-yield and fluff pulp)



Newsprint



Covenant Update

■ Senior Secured Credit Facility

- Includes \$599 million of Term Loans and \$250 million of Revolving Credit Facilities, including \$50 million funded as of Q2
- Contains two financial maintenance covenants:
 - ◆ Net Secured Debt to Covenant EBITDA < 3.00x
 - ◆ Covenant EBITDA to Interest Expense > 3.00x
 - Covenant EBITDA based on “Last Twelve Month” period

■ In compliance with Covenants as of end of Q2

- ◆ Net Secured Debt to Covenant EBITDA = 2.85x
- ◆ Covenant EBITDA to Interest Expense = 3.79x

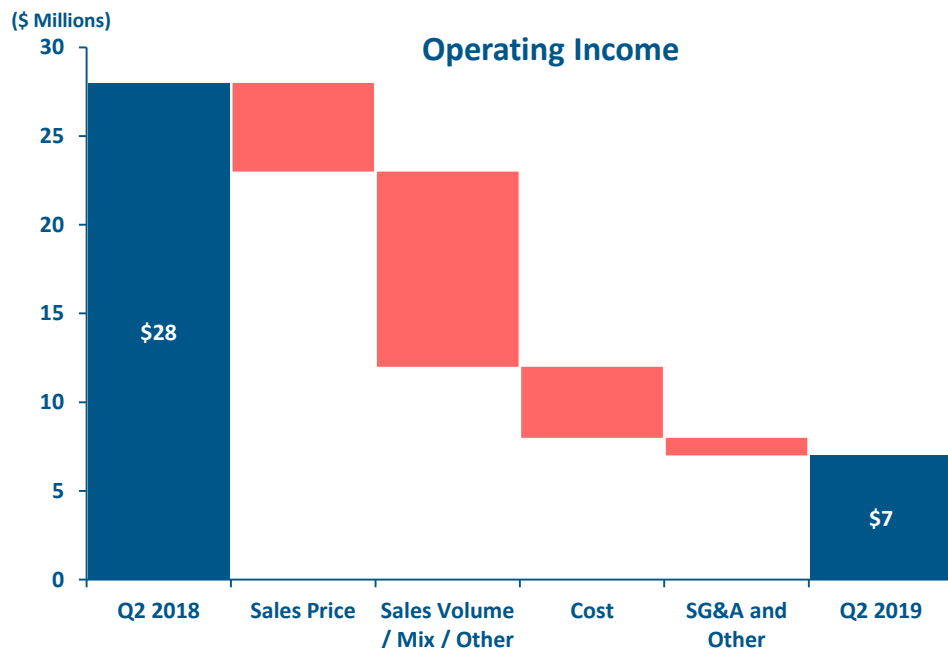
■ With weakness in commodity markets expected to continue, Company engaged in discussions with lenders to amend covenants to help it manage through the commodity market cycle

■ *See additional disclosures in 10-Q*

High Purity Cellulose – Results & Outlook

Quarter Ended

Key Financials (\$ millions)	Quarter Ended		
	Jun 29, 2019	Mar 31, 2019	Jun 30, 2018
Net Sales	\$ 269	\$ 286	\$ 285
Operating Income	7	(3)	28
Adjusted EBITDA	34	25	56



Q2 2019 Results:

- Sales decreased \$16 million from Q2'18 driven by a 1% decline in CS sales price due to Chinese tariffs, sales mix and the sale of the resin business in September 2018 partially offset by a 9% increase in commodity volumes
- Adjusted EBITDA decreased \$22 million primarily from CS lower sales price and mix and higher wood and maintenance costs

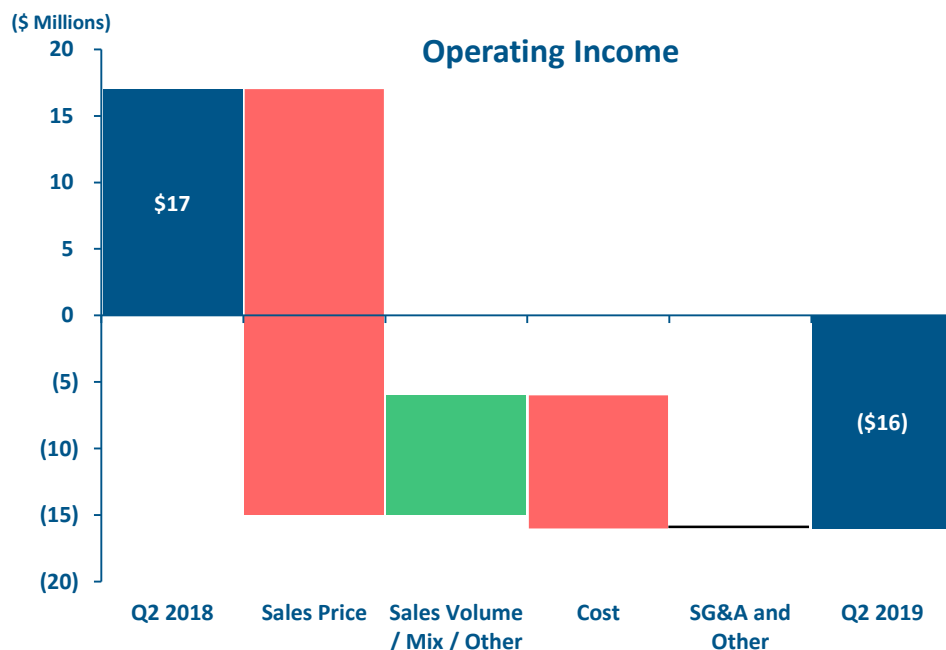
2019 Outlook:

- CS prices expected down 1-2% from prior year with volumes down 4-5% due to weakness in acetate and automotive markets
- Commodity products expect continued price pressure due to global trade concerns
- Expect improved production costs for remainder of 2019
- Full Year Adjusted EBITDA anticipated to be in the range of \$150-\$160 million

Forest Products – Results & Outlook

Quarter Ended

Key Financials (\$ millions)	Quarter Ended		
	Jun 29, 2019	Mar 31, 2019	Jun 30, 2018
Net Sales	\$ 81	\$ 75	\$ 97
Operating Income (Loss)	(16)	(5)	17
Adjusted EBITDA	(14)	(3)	18



Q2 2019 Results:

- Sales decreased \$16 million from Q2'18 driven by 33% decline in sale price for lumber partially offset by 18% higher volumes due to increased productivity and inventory reductions
- Adjusted EBITDA decreased \$32 million primarily from lower sales, higher transportation and wood costs and a write-down of inventories
 - \$7 million of duties collected and expensed in the quarter; \$48 million collected since inception

2019 Outlook:

- U.S. housing market remains key driver for lumber
 - Poor weather negatively impacting housing starts in first half of 2019
- Abundance of supply and tariffs on Canadian producers impacting prices
- Decreased supply from announced curtailments expected to improve future pricing

Pulp – Results & Outlook

Quarter Ended

	Jun 29, 2019	Mar 31, 2019	Jun 30, 2018
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Key Financials (\$ millions)

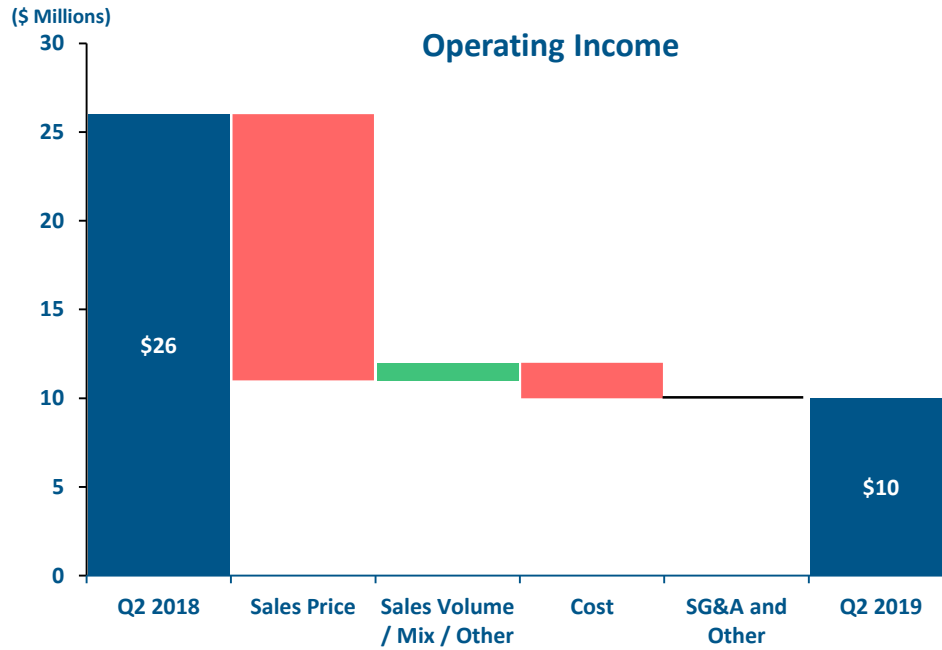
Net Sales	\$ 78	\$ 70	\$ 91
Operating Income	10	10	26
Adjusted EBITDA	12	12	27

Q2 2019 Results:

- Sales decreased \$13 million from Q2'18 driven by 17% decline in pulp sales price partially offset by higher sales volumes
- Adjusted EBITDA decreased \$15 million primarily from lower sales and higher transportation costs

2019 Outlook:

- Pricing pressure as weakness amidst trade issues between China and the U.S.
- Prices expected to bottom in third quarter as prices near cash cost of highest cost producers
- Matane facility sale may impact volumes in the fourth quarter, subject to the timing of the sale



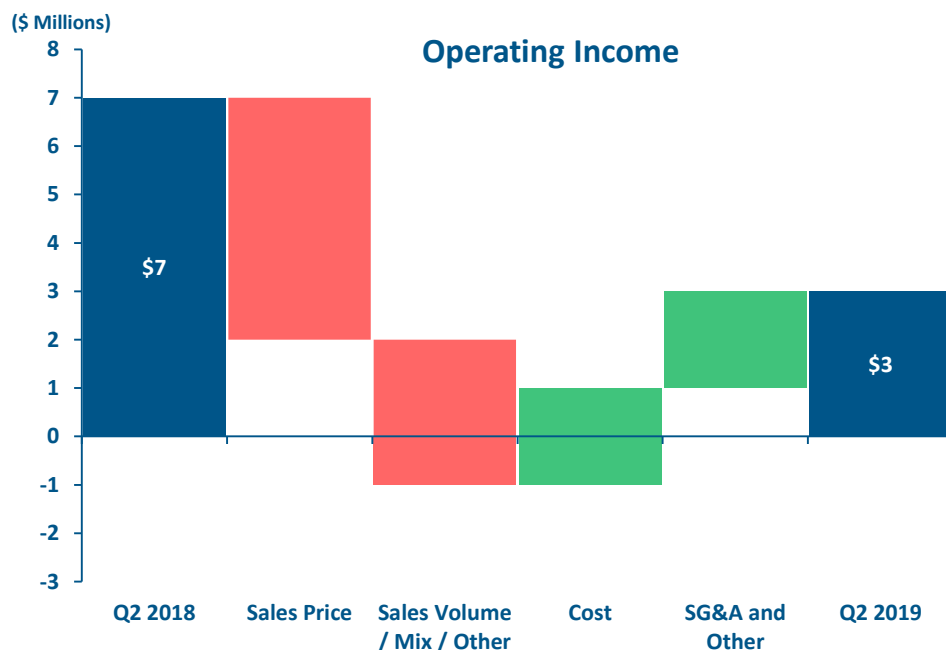
Paper – Results & Outlook

Quarter Ended

	Jun 29, 2019	Mar 31, 2019	Jun 30, 2018
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Key Financials (\$ millions)

Net Sales	\$ 74	\$ 70	\$ 84
Operating Income	3	(1)	7
Adjusted EBITDA	9	5	13



Q2 2019 Results:

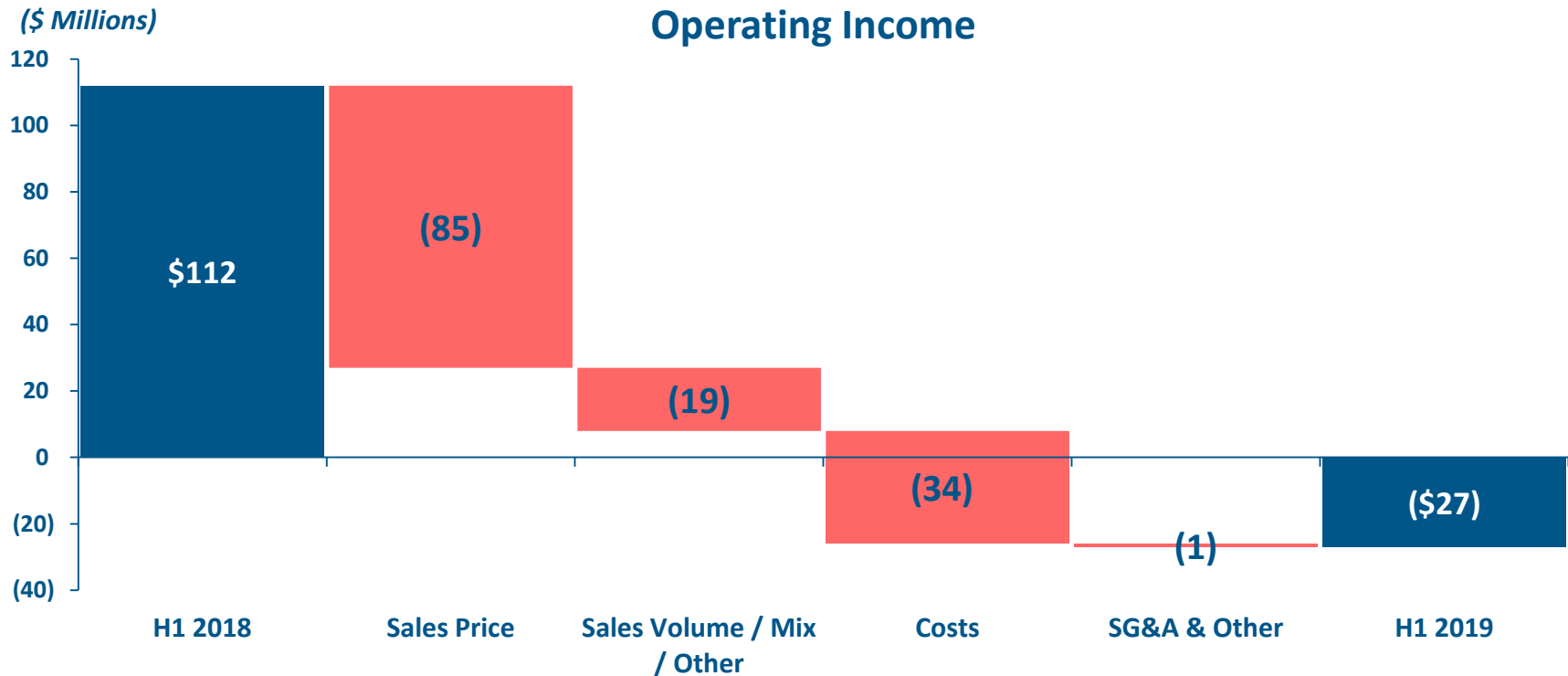
- Sales decreased \$10 million from Q2'18 driven primarily by 17% decline in newsprint pricing and 15% lower newsprint volumes due to reliability issues and energy-related curtailments
- Paperboard sales prices also declined by 2%
- Adjusted EBITDA decreased \$4 million as lower sales were partially offset by receipt of an electrical credit associated with the energy curtailment

2019 Outlook:

- Expect paperboard prices to remain under pressure due to increased domestic supply and imports as producers redirect sales from weaker markets
- Industry production capacity remains stable as demand declines resulting in continued pricing pressure

Bridge H1'18 to H1'19

Operating Income



- Sales price driving \$85 million of first half decline from prior year, primarily from commodity products
- Volumes impacted by reliable productivity including Temiscaming boiler issues, Kapuskasing production and hardwood shortages
- Higher cost driven by wood, transportation and maintenance, mostly in Q1
- Benefits from Strategic pillars partially offset all categories, but overshadowed by commodity market pressure

Financial Highlights

(\$ Millions)	Three Months Ended		Six Months Ended	
	June 29, 2019	June 30, 2018	June 29, 2019	June 30, 2018
Sales	\$ 488	\$ 542	\$ 971	\$ 1,064
Operating Income (Loss)	(8)	66	(27)	112
Net Income (Loss)	(15)	54	(37)	78
Diluted Earnings Per Share	\$ (0.37)	\$ 0.83	\$ (0.89)	\$ 1.22
Adjusted EBITDA*	29	106	49	192
Adjusted Free Cash Flows	22	35	(33)	48
Adjusted Net Debt*			1,151	
LTM Net Leverage			5.2x	
Cash			90	

- Sales primarily impacted by lower commodity prices
- Adjusted EBITDA negatively impacted by lower sales price and increased costs
 - Sequential improvement from Q1'19
- Adjusted Free Cash Flow improved \$21 million in Q2'19 with focus on working capital enhancements
- \$90 million of cash provides short-term liquidity
 - Expect amendment to covenants to enhance liquidity position
 - Matane asset sale for \$175 million expected to close in Q4

* Non-GAAP measures (see Appendix for definitions and reconciliations)
 ** See Basis of Presentation disclosure



Appendix

Definitions of Non-GAAP Measures

EBITDA is defined as earnings before interest, taxes, depreciation and amortization. EBITDA is a non-GAAP measure used by our Chief Operating Decision Maker, existing stockholders and potential stockholders to measure how the Company is performing relative to the assets under management.

Adjusted EBITDA is defined as EBITDA adjusted for items management believes do not represent core operations. Management believes this measure is useful to evaluate the Company's performance.

Adjusted Free Cash Flows is defined as cash provided by (used for) operating activities adjusted for capital expenditures excluding strategic capital. Adjusted free cash flows is a non-GAAP measure of cash generated during a period which is available for dividend distribution, debt reduction, strategic acquisitions and repurchase of our common stock. Adjusted free cash flows is not necessarily indicative of the adjusted free cash flows that may be generated in future periods.

Adjusted Net Debt is defined as the amount of debt after the consideration of the original issue discount, premiums, and debt issuance costs, less cash. Adjusted net debt is a non-GAAP measure of debt and is not necessarily indicative of the adjusted net debt that may occur in future periods.

Adjusted Net Income (Loss) is defined as net income (loss) adjusted net of tax for certain non-recurring expenses and the gain on bargain purchase.

Adjusted Operating Income (Loss) is defined as operating income adjusted for non-recurring costs related to the Company's review of its commodity asset portfolio.

Reconciliation of Non-GAAP Measures

(\$ Millions)

Three Months Ended	Forest Products	Pulp	Paper	High Purity Cellulose	Corporate & Other	Total
June 29, 2019						
Net Income (Loss)	\$ (17)	\$ 11	\$ 5	\$ 6	\$ (20)	\$ (15)
Depreciation and amortization	3	1	4	28	—	36
Interest expense, net	—	—	—	—	16	16
Income tax expense	—	—	—	—	(9)	(9)
EBITDA	\$ (14)	\$ 12	\$ 9	\$ 34	\$ (13)	\$ 28
Non-recurring expense	—	—	—	—	1	1
Adjusted EBITDA	\$ (14)	\$ 12	\$ 9	\$ 34	\$ (12)	\$ 29
June 30, 2018						
Net Income (Loss)	\$ 16	\$ 26	\$ 9	\$ 33	\$ (30)	\$ 54
Depreciation and amortization	2	1	4	26	—	33
Interest expense, net	—	—	—	—	15	15
Income tax expense	—	—	—	—	19	19
EBITDA	\$ 18	\$ 27	\$ 13	\$ 59	\$ 4	\$ 121
Gain on bargain purchase	—	—	—	(3)	(12)	(15)
Adjusted EBITDA	\$ 18	\$ 27	\$ 13	\$ 56	\$ (8)	\$ 106

Reconciliation of Non-GAAP Measures

(\$ Millions)

Six Months Ended	Forest Products	Pulp	Paper	High Purity Cellulose	Corporate & Other	Total
June 29, 2019						
Net Income (Loss)	\$ (22)	\$ 21	\$ 5	\$ 2	\$ (43)	\$ (37)
Depreciation and amortization	4	3	9	57	—	73
Interest expense, net	—	—	—	—	30	30
Income tax expense	—	—	—	—	(18)	(18)
EBITDA	\$ (18)	\$ 24	\$ 14	\$ 59	\$ (31)	\$ 48
Non-recurring expense	—	—	—	—	1	1
Adjusted EBITDA	\$ (18)	\$ 24	\$ 14	\$ 59	\$ (30)	\$ 49
June 30, 2018						
Net Income (Loss)	\$ 27	\$ 49	\$ 14	\$ 57	\$ (69)	\$ 78
Depreciation and amortization	3	2	9	56	—	70
Interest expense, net	—	—	—	—	30	30
Income tax expense	—	—	—	—	29	29
EBITDA	\$ 30	\$ 51	\$ 23	\$ 113	\$ (10)	\$ 207
Gain on bargain purchase	—	—	—	(3)	(12)	(15)
Adjusted EBITDA	\$ 30	\$ 51	\$ 23	\$ 110	\$ (22)	\$ 192

Reconciliation of Non-GAAP Measures

(\$ Millions)

	<u>June 29, 2019</u>	<u>December 31, 2018</u>
Adjusted Net Debt Reconciliation		
Current maturities of long-term debt	\$ 22	\$ 15
Long-term debt & finance lease obligation	1,215	1,173
Total debt	\$ 1,237	\$ 1,188
Original issue discount, premiums and debt issuance costs	4	5
Cash and cash equivalents	(90)	(109)
Adjusted Net Debt	<u>\$ 1,151</u>	<u>\$ 1,084</u>

Reconciliation of Non-GAAP Measures

(\$ Millions)

	<u>June 29, 2019</u>	<u>June 30, 2018</u>
Adjusted Free Cash Flows:		
Cash provided by (used for) operating activities	18	89
Capital expenditures	(51)	(41)
Adjusted Free Cash Flows	<u>\$ (33)</u>	<u>\$ 48</u>

Reconciliation of Reported to Adjusted Earnings

(\$ Millions, except per share amounts)

	Three Months Ended			Six Months Ended		
	June 29, 2019	March 30, 2019	June 30, 2018	June 29, 2019	June 30, 2018	
Adjusted Operating and Net Income (a):	\$	\$	\$	\$	\$	
Operating Income	\$ (8)	\$ (18)	\$ 66	\$ (27)	\$ 112	
Non-recurring expense	1	—	—	1	—	
Adjusted Operating Income	\$ (7)	\$ (18)	\$ 66	\$ (26)	\$ 112	
Adjusted Net Income (Loss) (a):	\$	Per Diluted Share	\$	Per Diluted Share	\$	Per Diluted Share
Net Income (Loss)	\$ (18)	\$ (0.37)	\$ (22)	\$ (0.52)	\$ 54	\$ 0.83
Gain on bargain purchase	—	—	—	—	(15)	(0.23)
Non-recurring expense, net of income tax	1	0.02	—	—	—	—
Adjusted Net Income (Loss)	\$ (14)	\$ (0.35)	\$ (22)	\$ (0.52)	\$ 39	\$ 0.60

(a) Adjusted net income (loss) is not necessarily indicative of results that may be generated in future periods.

Average Sales Price & Volume

	Three Months Ended			Six Months Ended	
	June 29, 2019	March 30, 2019	June 30, 2018	June 29, 2019	June 30, 2018
High Purity Cellulose					
Cellulose Specialties					
Price (\$ per metric ton)	\$ 1,310	\$ 1,284	\$ 1,324	\$ 1,297	\$ 1,350
Volume (metric tons)	146	150	150	295	303
Commodity Products					
Price (\$ per metric ton)	\$ 792	\$ 847	\$ 828	\$ 822	\$ 816
Volume (metric tons)	71	87	65	158	119
Forest Products					
Lumber					
Price (\$ per thousand board feet)	\$ 356	\$ 389	\$ 534	\$ 371	\$ 506
Volume (million board feet)	180	147	153	328	316
Pulp					
High-Yield Pulp					
Price (\$ per metric ton)	\$ 561	\$ 590	\$ 674	\$ 574	\$ 664
Volume (metric tons)	128	107	125	235	245
Paper					
Paperboard					
Price (\$ per metric ton)	\$ 1,117	\$ 1,102	\$ 1,136	\$ 1,109	\$ 1,145
Volume (metric tons)	45	43	45	88	86
Newsprint					
Price (\$ per metric ton)	\$ 508	\$ 594	\$ 611	\$ 546	\$ 572
Volume (metric ton)	47	38	55	85	107

Key Production & Pricing

Product	Index*	Q2'19 Average Index Price	Q1'19 Average Index Price	Q2'18 Average Index Price
Cellulose Specialties	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A
High Purity Commodity	<ul style="list-style-type: none"> Bleached Kraft Fluff Viscose Pulp delivered to China 	<ul style="list-style-type: none"> \$1,260 \$845 	<ul style="list-style-type: none"> \$1,332 \$890 	<ul style="list-style-type: none"> \$1,288 \$940
Forest Products	<ul style="list-style-type: none"> 2x4 Random Lengths Grade 2 & Better Great Lakes 2x4 8' Stud Great Lakes 	<ul style="list-style-type: none"> \$415 \$345 	<ul style="list-style-type: none"> \$439 \$370 	<ul style="list-style-type: none"> \$677 \$532
Paperboard	<ul style="list-style-type: none"> Solid Bleached Sulfate 16 point 	<ul style="list-style-type: none"> \$1,060*** 	<ul style="list-style-type: none"> \$1,060*** 	<ul style="list-style-type: none"> \$1,060***
High-Yield Pulp	<ul style="list-style-type: none"> Bleached Eucalyptus Kraft** 	<ul style="list-style-type: none"> \$635 	<ul style="list-style-type: none"> \$687 	<ul style="list-style-type: none"> \$800
Newsprint	<ul style="list-style-type: none"> 45 gram US East 	<ul style="list-style-type: none"> \$736 	<ul style="list-style-type: none"> \$761 	<ul style="list-style-type: none"> \$744

* Indices provide directional relationship between products and pricing; contractual arrangements and mix will determine actual pricing

** Alternative Index includes Bleached Chemi-Thermo Mechanical Pulp (BCTMP), which more closely reflects production capabilities

*** Index is based on price per short ton; sales are measured on metric ton