Fourth Quarter 2018
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; and 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.

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 EBITDA margin, adjusted free cash flows, adjusted operating income, adjusted net income, adjusted net income per share, adjusted diluted earnings per share 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.

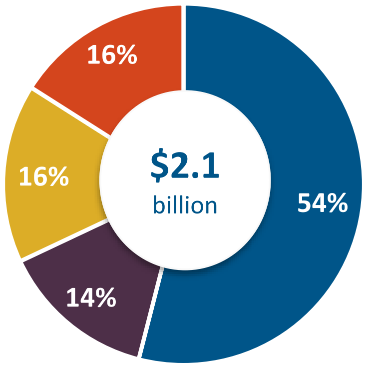
We do not consider these non-GAAP measures an alternative to financial measures determined in accordance with GAAP. The principal limitations of these non-GAAP financial measures are that they may exclude significant expenses and income items that are required by GAAP to be recognized in our consolidated 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.

RAYONIER Advanced Materials

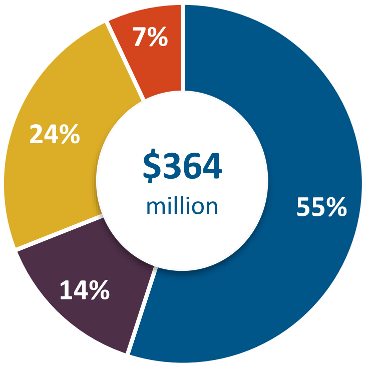
2018 Financial Highlights

- 2018 Revenue: $2.1 billion
- 2018 Operating Income: $198 million; Adjusted EBITDA: $364 million
  - Driven by strong pulp prices and Cost Transformation offset by inflation and reliability
  - High Purity impacted by 4% price and 3% volume declines in Cellulose Specialties and reliability issues early in 2018 impacting commodity volumes
  - Pulp earnings boosted by 21% increase in prices
  - Paper results aided by solid newsprint prices partially offset by higher raw material costs in paperboard
  - Forest Products impacted by lower volumes with weaker market demand in back half and higher costs
- $155 million of strategic initiatives tracking to plan
  - $61 million captured from strategic objective in 2018
- Executing on balanced capital allocation strategy
  - Invested $37 million in strategic capital, including $9 million for LignoTech Fla
  - Repaid $46 million of debt
  - Returned $72 million of capital to stockholders via dividends and buybacks
- 74% increase to adjusted diluted earnings per share vs. prior year

Revenue*



Adjusted EBITDA *



High Purity Cellulose
Pulp
Paper
Forest Products

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

High Purity Cellulose – Results & Outlook

Segment Overview:

- 4 facilities with 6 manufacturing lines in the U.S., Canada and France
- Cellulose Specialties (“CS”) capacity of 775,000 MT with additional 245,000 MT of commodity capacity
- Ranks as the #1 or #2 global manufacturer of acetate, ethers, MCC, tirecord, casing and nitrocellulose pulp

	Quarter Ended			Year Ended	
	Dec 31, 2018	Sep 29, 2018	Dec 31, 2017*	Dec 31, 2018	Dec 31, 2017*
Key Financials (in millions)					
Net Sales	$ 317	$ 308	$ 312	$ 1,192	$ 1,250
Operating Income	29	34	37	112	180
Adjusted EBITDA	62	63	73	235	296
Adj. EBITDA Margin	19.6%	20.5%	23.4%	19.7%	23.7%
Average Sales Prices ($ per metric ton)					
Cellulose Specialties	1,303	1,333	1,422	1,334	1,389
Commodity	827	807	741	818	778
Sales Volumes (000s of metric tons)					
Cellulose Specialties	158	163	152	624	641
Commodity	109	70	88	298	307

** Based on combined results, see Basis of Presentation disclosure*

2018 Results:

- Sales decreased $58 million from 2017 driven by CS price and volume declines of 4% and 3%, respectively, partially offset by commodity prices increases of 6%
- Adjusted EBITDA decreased $61 million primarily from lower sales, raw material inflation particularly in higher wood and chemical costs, offset by cost improvements

2019 Outlook:

- Stable CS price and volume expected for first time in six years, excluding impact of Chinese duties
  - Duties on U.S. sales to China; currently 5% or ~$2 million of EBITDA per quarter
  - Price declines of 1% due to acquired acetate contract
  - Volumes down 1% due to weak acetate market
  - Growth across all CS products, excluding acetate
- Commodity volumes expected to be up over 75,000 MT from prior year with prices increasing in 2019
- Cost inflation expected to be ~3% on ~$850 million of costs offset by benefits from strategic pillars
- Overall Adjusted EBITDA expected to be flat excluding impact from sale of resins operations
- Quarterly Adjusted EBITDA expected weighting; 45% in H1’19, 55% in H2’19

Forest Products – Results & Outlook

Segment Overview:

- **Seven facilities with total capacity of 770 million board feet**
- **Produces a range of lumber products primarily for residential and commercial construction**
- **Integrated facilities provide chip capacity to supply raw material fiber to Canadian pulp assets**

	Quarter Ended			Year Ended	
	Dec 31, 2018	**Sep 29, 2018**	**Dec 31, 2017***	**Dec 31, 2018**	**Dec 31, 2017***
Key Financials (in millions)					
Net Sales	$ 73	$ 86	$ 80	$ 356	$ 346
Operating Income	(10)	8	13	25	40
Adjusted EBITDA	(9)	10	14	31	46
Adj. EBITDA Margin	-12.3%	11.6%	17.5%	8.7%	13.3%
Average Sales Prices ($ per thousand board feet)					
Lumber	379	487	460	471	418
Sales Volumes (million board feet)					
Lumber	147	141	137	604	636

2018 Results:

- Sales increased $10 million from prior year driven by a 13% increase in lumber prices partially offset by 5% decline in volumes
- Adjusted EBITDA decreased $15 million primarily from lower sales in H2’18 and higher costs
- Adjusted EBITDA results include $26 million of duties, bringing the total since 2017 to $37 million, which historically have been recovered upon settlement of trade disputes
- Fourth Quarter results, which included market-related downtime, were impacted by higher costs related to reduced volumes and a $4 million write-down of inventory based on December pricing

Outlook:

- Lumber futures improved from lows in December and realized prices expected to improve through the year
- Improved EBITDA in first quarter compared to fourth quarter, however still a modest loss with duties expected in mid-single digits
- Anticipate positive Adjusted EBITDA for full year 2019

** Based on combined results, see Basis of Presentation disclosure*

Pulp – Results & Outlook

Segment Overview:
- **Footprint comprised of two Canadian facilities**
- **Total capacity is 570,000 MT of high-yield pulp**

	Quarter Ended			Year Ended	
	Dec 31, 2018	Sep 29, 2018	Dec 31, 2017*	Dec 31, 2018	Dec 31, 2017*
Key Financials (in millions)					
Net Sales	$ 81	$ 89	$ 81	$ 346	$ 298
Operating Income	20	26	19	95	50
Adjusted EBITDA	21	27	20	100	56
Adj. EBITDA Margin	25.9%	30.3%	24.7%	28.9%	18.8%
Average Sales Prices ($ per metric ton)					
High-yield Pulp	662	670	616	665	548
Sales Volumes (000s metric tons)**					
High-yield Pulp	114	124	124	482	503

** Based on combined results, see Basis of Presentation disclosure*
*** excludes internal sales*

2018 Results:
- Sales increased $48 million from prior year driven by a 21% increase in prices offset by volume declines of 4%
- Adjusted EBITDA increased $44 million primarily from higher sales

Outlook:
- Pulp prices expected to continue to decline in the first quarter due to weaker demand driven by a slowdown in the Chinese economy
- Supply and demand dynamics positive for 2019
  - Positive pricing trend through 2019
  - No material new capacity expected until 2021
- Market downtime taken in first quarter to manage inventories
- First quarter Adjusted EBITDA expected to decline modestly from fourth quarter

Paper – Results & Outlook

Segment Overview:

- **Footprint comprised of two Canadian facilities**
- **Total capacity is 180,000 MT of paperboard and 205,000 MT of newsprint**
- **Paperboard focuses on coated printing bristols for graphical end-uses in the Northeast, Midwest and Canada**

	Quarter Ended			Year Ended	
	Dec 31, 2018	**Sep 29, 2018**	**Dec 31, 2017***	**Dec 31, 2018**	**Dec 31, 2017***
Key Financials (in millions)					
Net Sales	$ 72	$ 78	$ 70	$ 310	$ 299
Operating Income	8	14	11	31	43
Adjusted EBITDA	14	20	15	58	50
Adj. EBITDA Margin	19.4%	25.6%	21.4%	18.7%	16.7%
Average Sales Prices ($ per metric ton)					
Paperboard	1,112	1,120	1,132	1,130	1,119
Newsprint	600	633	513	592	472
Sales Volumes (000s of metric tons)					
Paperboard	43	45	41	174	184
Newsprint	41	44	47	191	197

** Based on combined results, see Basis of Presentation disclosure*

2018 Results:

- Sales increased $11 million from prior year driven by a 25% increase in newsprint price partially offset by lower volumes across newsprint and paperboard
- Adjusted EBITDA increased $8 million primarily from higher sales partially offset by increased costs

Outlook:

- Paperboard prices expected to remain relatively stable
- Newsprint prices anticipated to decline due to demand weakness, increased capacity and reversal of duties
- First quarter Adjusted EBITDA expected to decline from fourth quarter

Financial Highlights

($ Millions)

	Year Ended 2018		Year Ended 2017		Combined* 2017	
Sales	$	2,134	$	961	$	2,122
Operating Income		198		61		
Adjusted Operating Income*		201		118		252
Net Income		128		325		
Adjusted Net Income*		111		57		
EBITDA*		380		480		
Adjusted EBITDA*		363		212		386
Diluted Earnings per Share	$	1.96	$	5.81		
Adjusted Net Income per Share	$	1.69	$	0.97		

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

- 1% increase in combined sales driven by:
  - 21% increase in high-yield pulp prices
  - 25% increase in newsprint prices
  - 13% increase in lumber prices

  Partially offset by:
  - 4% decline in CS price
  - Volume declines across all segments
- $26 million of duties expensed in 2018; Total of $37 million expensed since 2017
- 6% decline in combined Adjusted EBITDA driven by increased costs partially offset by Strategic Pillars
- 74% increase to Adjusted Net Income per Share

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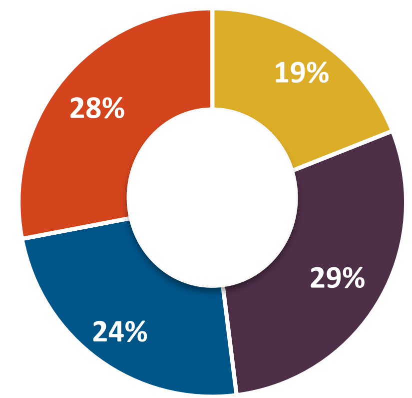
Capital Resources & Allocation

($ Millions)

	Year Ended	
	December 31, 2018	**December 31, 2017**
Cash Provided by Operating Activities	$ 247	$ 130
Cash Used for Investing Activities	(116)	(277)
Cash Used for Financing Activities	(116)	(84)
Change in Cash Balances	$ 15	$ (231)
Adjusted Free Cash Flows*	152	65
Strategic Capital Expenditures	(37)	(10)
Proceeds from sale of resin business	16	—
Debt Principal Payments	(45)	(50)
Dividends on Common and Preferred Stock	(29)	(26)
Equity Repurchases	(43)	—
Change in Cash Balances	$ 15	$ (231)
Debt Principal Balance	$ 1,193	$ 1,246
Cash	109	96
Adjusted Net Debt*	1,084	1,150
Adjusted EBITDA	364	386
Net Leverage	3.0x	3.0x

Balanced Allocation of Adjusted Free Cash Flow



Excludes proceeds from Resins business

* Non-GAAP measures (see Appendix for definitions and reconciliations).

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2019 Outlook

High Purity Cellulose

- Cellulose Specialties – Expect stability with price and volume declines of 1% due to acquired contract, excluding impact of duties, and weak acetate demand
- Commodities– Expect increase in volumes of 75,000 MT with improving prices
- Segment Adjusted EBITDA expected to be flat excluding sale of resins operations
- Beyond 2019, goal to enhance CS gross margins through commercial actions and asset optimization

Forest Products

- Forest Products futures improved from lows in December with realized prices expected to improve through the year
- Anticipate positive EBITDA for full year 2019 as lumber pricing improves

Pulp & Paper

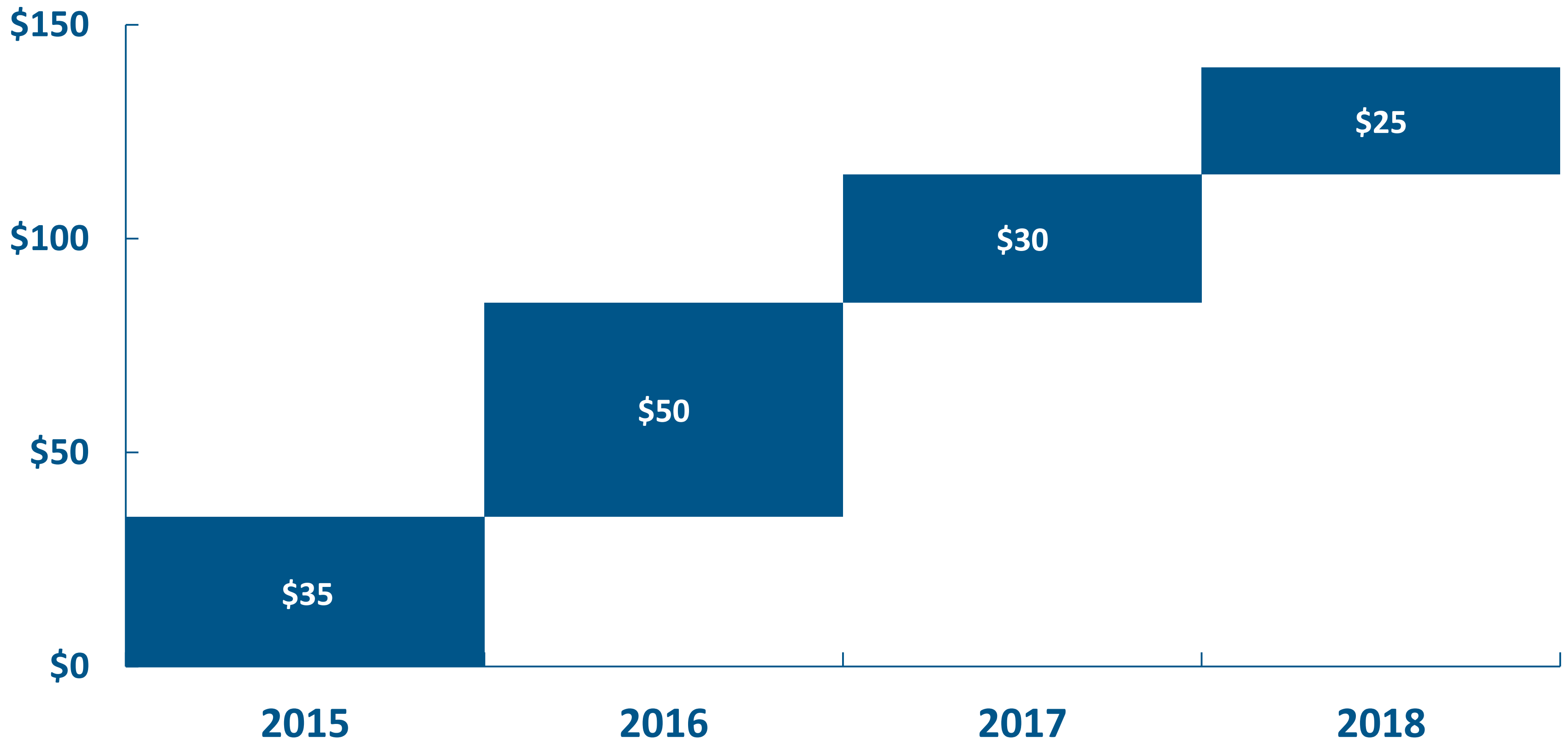
- Pulp prices expected to decline in the first quarter from historically strong levels with positive pricing trends expected for the remainder of the year
- Paperboard expects stable revenues
- Newsprint prices expected to be impacted by demand declines, increased supply and reversal of dities

CapEx & Cash

- Capital expenditures of approximately $130 million, including $30 million of strategic capital
- Adjusted Free Cash Flow expected to remain solid with $65 million of interest expense and low 10% cash tax rates
- Targeting $10 to $15 million reduction in Working Capital

Legacy Cost Transformation Complete

$140 million of Cost Transformation acheived from 2015-2018



**Cost Transformation improvements before inflation and changes in commodity prices*

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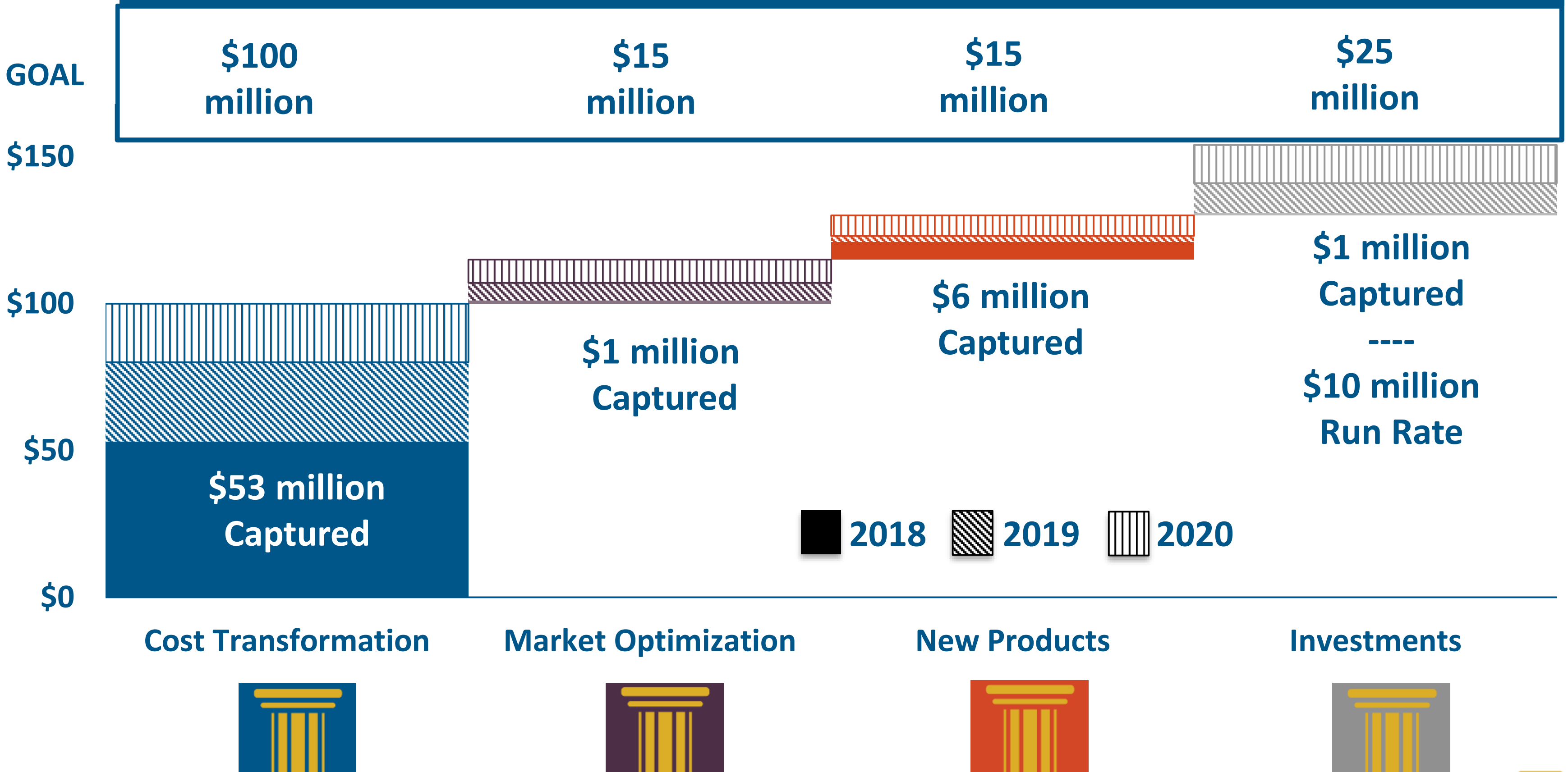
Strategic Pillars Tracking

$155 million EBITDA* opportunity by end of 2020
$61 million captured in year 1 of 3 year plan
$45 million targeted in 2019



*Cost improvements before inflation and changes in commodity prices

*Includes $25 million from Legacy Cost Transformation initiative as described in slide 12

2018 Strategic Pillar Highlights

$61 million* generated in 2018;
On Track to Deliver $155* million from 2018-2020

Cost Transformation
- Reduced costs by $53 million
  - $25 million from legacy plan
  - $28 million from synergies
- Established Global Improvement Team (GIT) to capture remaining $47 million of costs

New Products
- 2 commercialized products brought to market
  - Optisilk – low cost viscose
  - XV20 – ultra-high viscose ether
- $6 million of incremental EBITDA

One Company
One Team

Market Optimization
- Integrated businesses to make right product in right location
- Upgrade products and optimize assets

Investments
- $37 million of strategic capital
- $46 million of debt reduction
- $72 million of capital returned
  - $24 million of dividends
  - $48 million from buybacks

**Includes $25 million from Legacy Cost Transformation initiative as described in slide 12*

Disciplined & Balanced Capital Allocation

Cash Flow From Operations

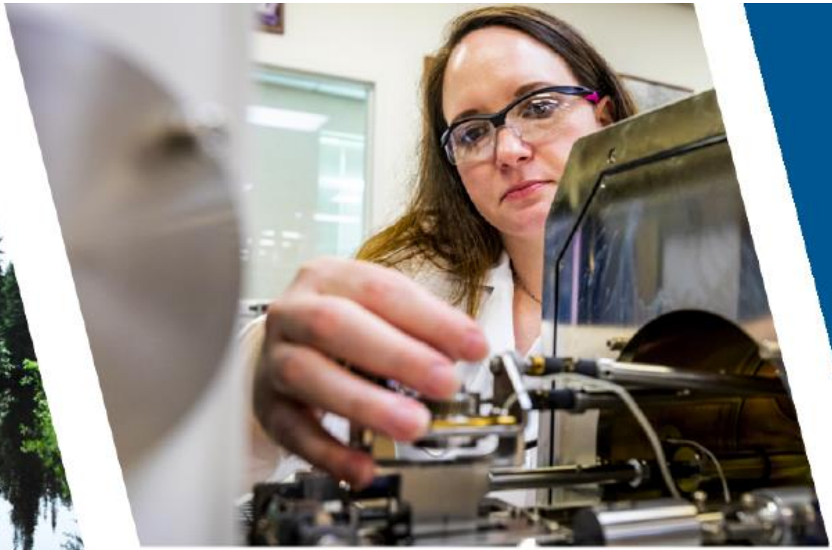
Maintain Assets	$100-110 million of annual capex

Adjusted Free Cash Flow

Reduce Leverage	Target 2.5x Net Leverage

Value Driven Approach Focused on Risk Adjusted Returns on Invested Capital

Investment in the Company	External Strategic Investments	Return of Capital to Shareholders
High-return projects designed to enhance competitive position and drive EBITDA growth	Acquisitions and other investments to complement core business	Stock buybacks and dividends to maximize long-term shareholder returns



RAYONIER
Advanced Materials™

INVESTOR DAY

THURSDAY,
MARCH 7, 2019

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 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 Operating Income is defined as operating income adjusted for severance expense, acquisition related costs and fair market valuation of inventory.

Adjusted Net Income is defined as net income adjusted net of tax for gain on bargain purchase, acquisition related costs, severance expense, fair market valuation of inventory, U.S. tax reform impact, and loss (gain) on derivative.

Available Liquidity is defined as the funds available under the revolving credit facility and term loans, adjusted for cash on hand and outstanding letters of credit.

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Basis of Presentation for Combined Financial Information

Combined net sales and operating income (loss) represents the combination of Tembec's net sales and operating earnings for the related periods, adjusted to reflect the estimated conversion from International Financial Reporting Standards to U.S. Generally Accepted Accounting Principles for certain material amounts and translated at the historical average exchange rate, with the Company's historical net sales and operating income for the related periods. The adjustments represent the Company's best estimates and are subject to change should additional information become available.

Combined EBITDA represents the combination of Tembec's reported adjusted EBITDA for the related periods translated at the historical quarterly average exchange rate with the Company's adjusted EBITDA for the related period.

The combined net sales, operating results and EBITDA of the Company and Tembec are presented for illustrative purposes only and do not necessarily reflect the net sales, operating results or EBITDA that would have resulted had the acquisition occurred for the period, nor project the results of operations for any future date or period.

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Reconciliation of Non-GAAP Measures

($ Millions)

Three Months Ended:	Forest Products	Pulp	Paper	High Purity Cellulose	Corporate & Other	Total
December 31, 2018						
Net Income	$ (13)	$ 20	$ 10	$ 20	$ (24)	$ 13
Depreciation and amortization	2	1	4	34	—	41
Interest expense, net	—	—	—	—	15	15
Income tax expense	—	—	—	—	4	4
EBITDA	$ (11)	$ 21	$ 14	$ 54	$ (5)	$ 73
Gain on bargain purchase	2	—	—	8	(10)	—
Adjusted EBITDA	$ (9)	$ 21	$ 14	$ 62	$ (15)	$ 73
December 31, 2017						
Net Income	$ —	$ 4	$ —	$ 24	$ 267	$ 295
Depreciation and amortization	1	—	2	29	—	32
Interest expense, net	—	—	—	—	13	13
Income tax expense	—	—	—	—	2	2
EBITDA	$ 1	$ 4	$ 2	$ 53	$ 282	$ 342
Acquisition related costs	—	—	—	—	21	21
Inventory write-up to fair value	5	6	6	6	—	23
Gain on bargain purchase	—	—	—	—	(317)	(317)
Gain on derivative instrument	—	—	—	—	8	8
Adjusted EBITDA	$ 6	$ 10	$ 8	$ 59	$ (6)	$ 77

RAYONIER Advanced Materials

Reconciliation of Non-GAAP Measures

($ Millions)

Twelve Months Ended:	Forest Products	Pulp	Paper	High Purity Cellulose	Corporate & Other	Total
December 31, 2018						
Net Income	$ 22	$ 96	$ 40	$ 118	$ (148)	$ 128
Depreciation and amortization	7	4	18	119	—	148
Interest expense, net	—	—	—	—	60	60
Income tax expense	—	—	—	—	44	44
EBITDA	$ 29	$ 100	$ 58	$ 237	$ (44)	$ 380
Gain on bargain purchase	2	—	—	(2)	(20)	(20)
Severance	—	—	—	—	4	4
Adjusted EBITDA	$ 31	$ 100	$ 58	$ 235	$ (60)	$ 364
December 31, 2017						
Net Income	$ —	$ 4	$ —	$ 117	$ 204	$ 325
Depreciation and amortization	1	1	2	93	—	97
Interest expense, net	—	—	—	—	38	38
Income tax expense	—	—	—	—	20	20
EBITDA	$ 1	$ 5	$ 2	$ 210	$ 262	$ 480
Acquisition related costs	—	—	—	—	34	34
Inventory write-up to fair value	5	6	6	6	—	23
Gain on bargain purchase	—	—	—	—	(317)	(317)
Gain on derivative instrument	—	—	—	—	(8)	(8)
Adjusted EBITDA	$ 6	$ 11	$ 8	$ 216	$ (29)	$ 212

RAYONIER Advanced Materials

Reconciliation of Non-GAAP Measures

($ Millions)

	December 31, 2018		December 31, 2017	
Adjusted Net Debt Reconciliation				
Current maturities of long-term debt	$	15	$	9
Long-term debt & capital lease obligation		1,173		1,232
Total debt	$	1,188	$	1,241
Original issue discount, premiums and debt issuance costs		5		5
Cash and cash equivalents		(109)		(96)
Adjusted Net Debt	$	1,084	$	1,150

RAYONIER Advanced Materials

Reconciliation of Non-GAAP Measures

($ Millions)

	December 31, 2018	December 31, 2017
Adjusted Free Cash Flows:		
Cash provided by operating activities	247	130
Capital expenditures	(95)	(65)
Adjusted Free Cash Flows	$ 152	$ 65

RAYONIER Advanced Materials

Reconciliation of Reported to Adjusted Earnings

($ Millions, except per share amounts)

	Three Months Ended						Twelve Months Ended			
	December 31, 2018		September 29, 2018		December 31, 2017		December 31, 2018		December 31, 2017	
Adjusted Operating and Net Income (a):	**$**	**Per Diluted Share**	**$**	**Per Diluted Share**	**$**	**Per Diluted Share**	**$**	**Per Diluted Share**	**$**	**Per Diluted Share**
Operating Income (b)	$ 29		$ 56		$ 1		$ 198		$ 61	
Severance expense	—		4		—		4		—	
Acquisition related costs	—		—		21		—		34	
Inventory write-up to fair value	—		—		23		—		23	
Adjusted Operating Income (b)	$ 29		$ 60		$ 45		$ 201		$ 118	
Net Income	$ 13	$ 0.18	$ 38	$ 0.60	$ 295	$ 5.01	$ 128	$ 1.96	$ 325	$ 5.81
Severance expense	—	—	4	0.06	—	—	4	0.06	—	—
Gain on bargain purchase	—	0.01	(6)	(0.10)	(317)	(5.37)	(20)	(0.32)	(317)	(5.66)
Acquisition related costs	—	—	—	—	21	0.36	—	—	34	0.61
Inventory write-up to fair value	—	—	—	—	23	0.39	—	—	23	0.41
Loss (gain) on derivative instrument	—	—	—	—	8	0.14	—	—	(8)	(0.14)
U.S. tax reform impact	—	—	—	—	11	0.19	—	—	11	0.20
Tax effects of adjustments	—	—	(1)	(0.02)	(12)	(0.22)	(1)	(0.01)	(11)	(0.21)
Dilutive impact of Preferred Stock	—	—	—	—	—	—	—	—	—	(0.05)
Adjusted Net Income	$ 13	$ 0.19	$ 35	$ 0.54	$ 29	$ 0.50	$ 111	$ 1.69	$ 57	$ 0.97

(a) Adjusted operating income and adjusted net income are not necessarily indicative of results that may be generated in future periods.

RAYONIER Advanced Materials

Key Production & Pricing

Product	Index*	Q4'18 Average Index Price	Q3'18 Average Index Price	Q2'18 Average Index Price	Q1'18 Average Index Price
Cellulose Specialties	• None	• N/A	• N/A	• N/A	• N/A
High Purity Commodity	• Bleached Kraft Fluff • Viscose Pulp delivered to China	• $1,363 • $930	• $1,328 • $930	• $1,288 • $940	• $1,223 • $920
Forest Products	• 2x4 Random Lengths Grade 2 & Better Great Lakes • 2x4 8' Stud Great Lakes	• $432 • $368	• $582 • $458	• $677 • $532	• $596 • $452
Paperboard	• Solid Bleached Sulfate 16 point	• $1,080***	• $1,067***	• $1,060***	• $1,040***
High-Yield Pulp	• Bleached Eucalyptus Kraft**	• $763	• $800	• $800	• $798
Newsprint	• 48.8 gram US East	• $715	• $715	• $695	• $642

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

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