



Investor Day 2017

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 that 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.

Such risks and uncertainties include, but are not limited to: competitive pressures in the markets in which we operate, especially with respect to increases in supply and pressures on demand for our products, which impact pricing; our ability to complete our announced cost and debt reduction initiatives and objectives within the planned parameters and achieve the anticipated benefits; our customer concentration, especially with our three largest customers; changes in global economic conditions, including currency; the Chinese dumping duties currently in effect for commodity viscose pulps; potential legal, regulatory and similar challenges relating to our permitted air emissions and waste water discharges from our facilities by non-governmental groups and individuals; the effect of current and future environmental laws and regulations as well as changes in circumstances on the cost and estimated future cost of required environmental expenditures; the potential impact of future tobacco-related restrictions; potential for additional pension contributions; labor relations with the unions representing our hourly employees; the effect of weather and other natural conditions; changes in transportation-related costs and availability; the failure to attract and retain key personnel; the failure to innovate to maintain our competitiveness, grow our business and protect our intellectual property; uncertainties related to the availability of additional financing to us in the future and the terms of such financing; our inability to make or effectively integrate future acquisitions and engage in certain other corporate transactions; any failure to realize expected benefits from our separation from Rayonier Inc.; financial and other obligations under agreements relating to our debt; and uncertainties relating to general economic, political, and regulatory conditions.

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 free cash flows, pro forma operating income, pro forma 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.

Agenda

- Vision, Values & Strategy Paul Boynton
- Financials John Carr
- Market Optimization Erin Byers
- Cost Transformation Bill Manzer
- New Products Matt Nightingale
- Acquisitions Frank Ruperto
- Closing Remarks Paul Boynton

“If you put fences around people, you get sheep.”

William McKnight
3M Chairman of the Board
1949-1966

Topics

- Who we are
- Vision, Values and Culture
- Challenges We Face
- Strategic Growth Plan

Company Profile

Business

Global leader in highly-purified cellulose specialties (CS) products

Revenue¹

\$869 million

Operating Income/Margin¹

\$138 million / 16%

Locations

- Corporate Headquarters: Jacksonville, FL
- Manufacturing Facilities:
 - Jesup, GA
 - Fernandina Beach, FL
- Sales Offices:
 - Jesup
 - London
 - Shanghai
 - Tokyo

Ratings

S&P BB-
Moody's Ba3

History

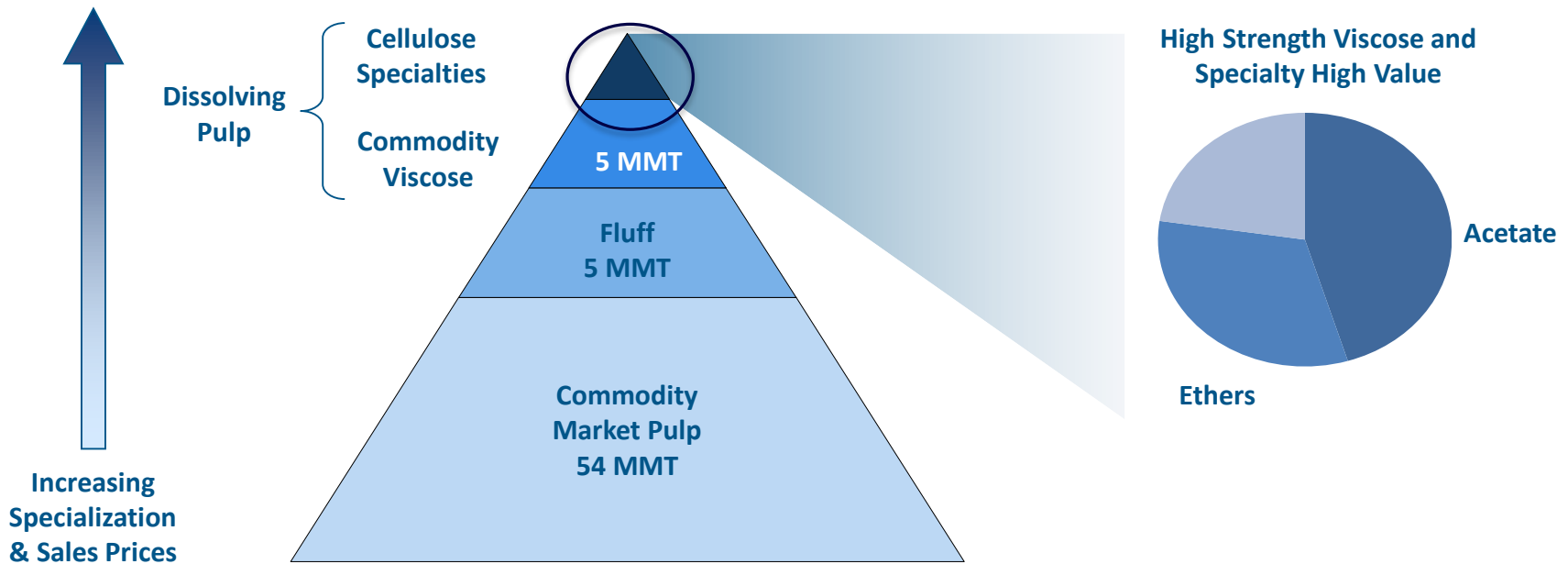
- Founded in 1926 as Rainier Pulp and Paper Company – Shelton, WA
- Company spin-off in 2014, NYSE: RYAM



Market Pulp Industry Value Chain*

Market pulp industry : 65 MMT

Cellulose Specialties segment: 1.4 MMT



RYAM - leader in high purity cellulose specialties

Source: Hawkins Wright and company estimates

* Based on 2015 estimates

** Includes Cotton Linter Pulp

We're NOT Your Traditional Pulp and Paper Company

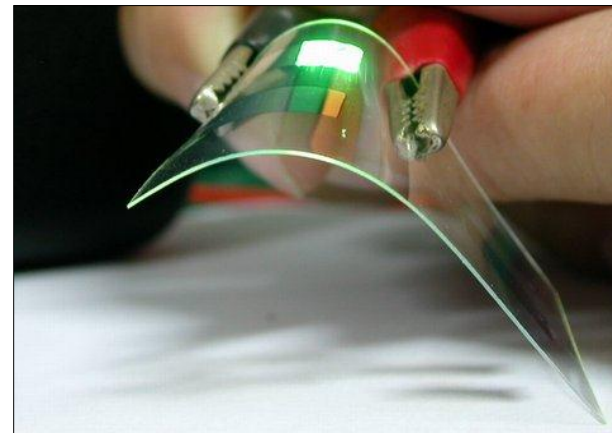
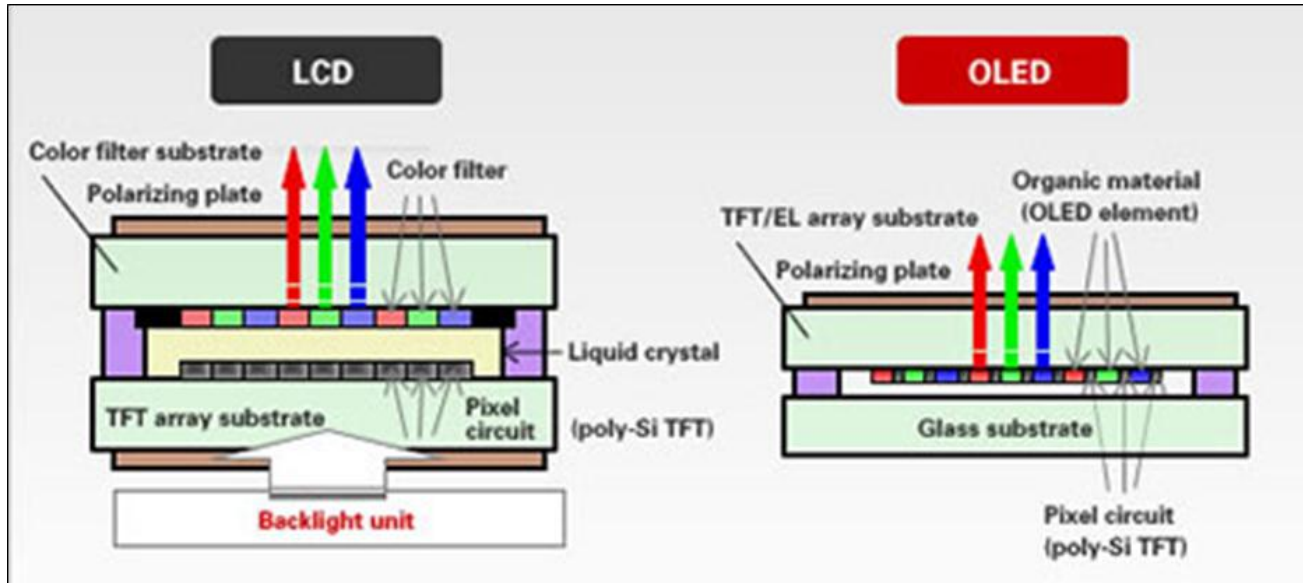
**Standard Market
Pulp Applications**



We're Closer to You Than You Think



We're Closer to You Than You Think



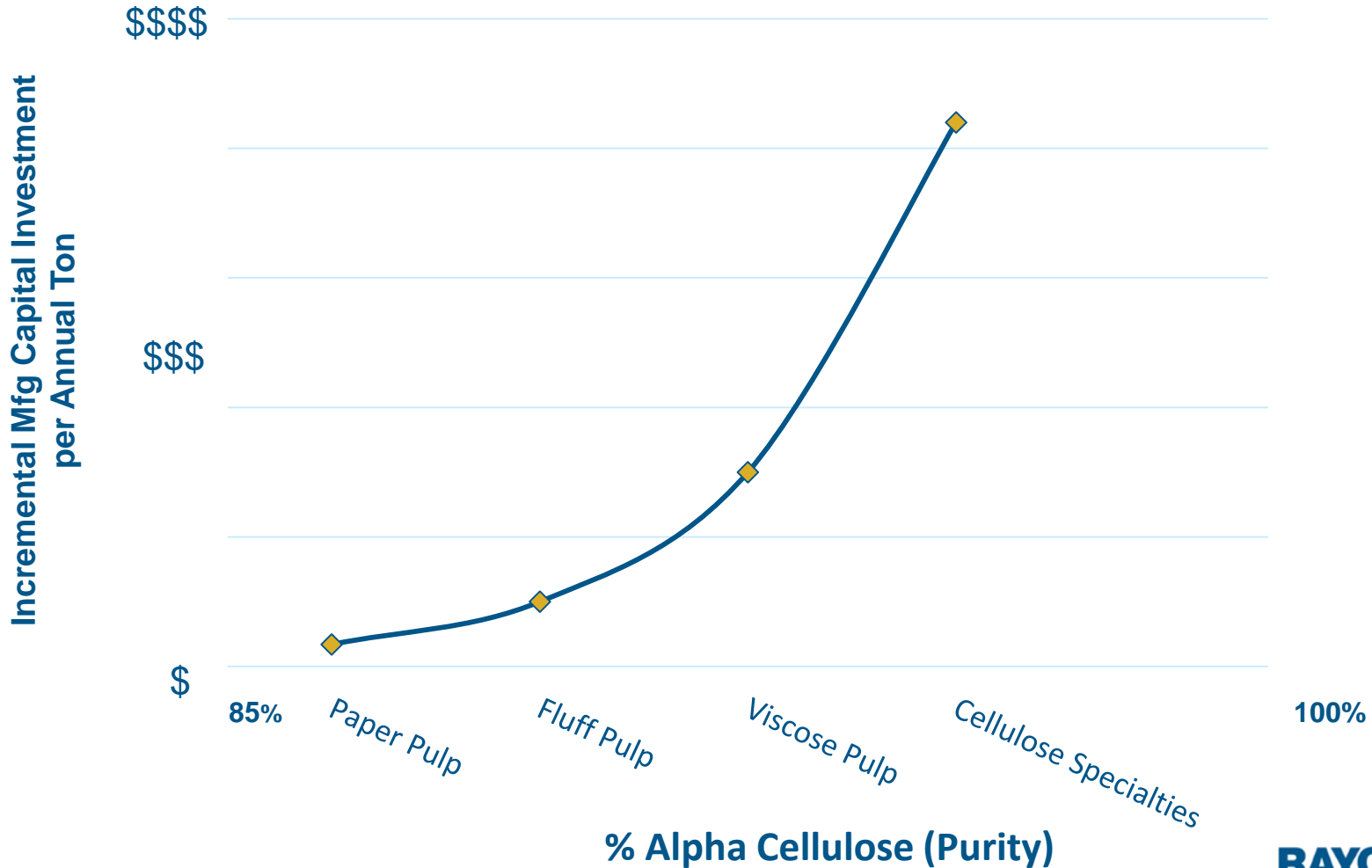
We're Closer to You Than You Think



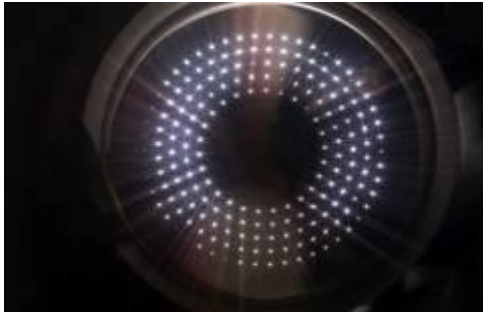
We're Closer to You Than You Think



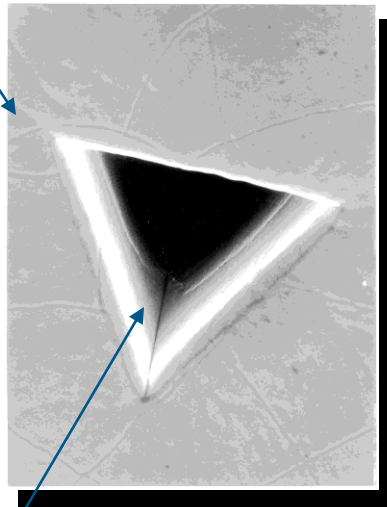
Knowledge and Investment Make the Difference



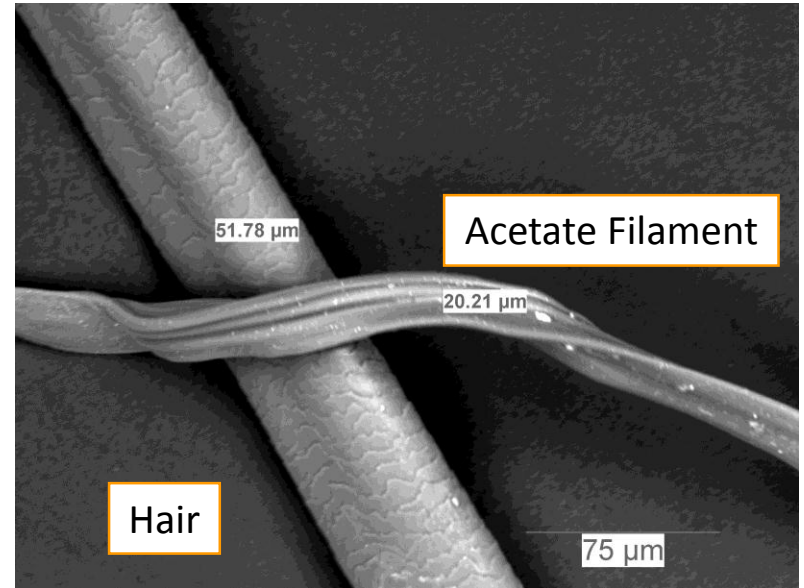
Spinning Cellulose Acetate Fibers Demonstrates the Importance of Consistency and High Purity



Customers process our pulp through a spinnerette like the one above, where the holes are smaller than a human hair. Purity is crucial.



Potential for molecular buildup of impurities





90 Years of Creating Value

RAINIER PULP & PAPER
COMPANY

RAYONIER
INCORPORATED

Rayonier

RAYONIER
INCORPORATED

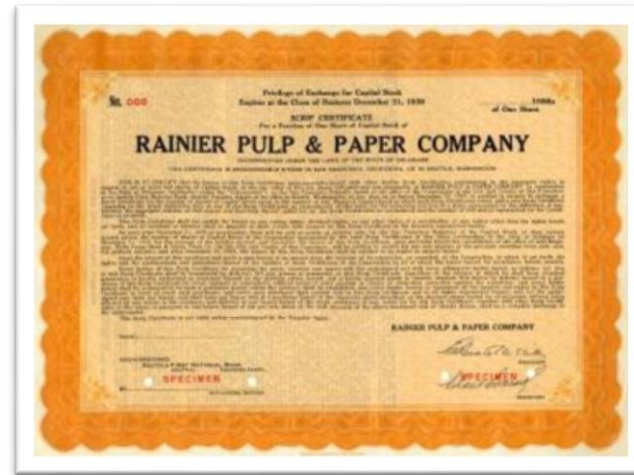


ITT RAYONIER
FOREST PRODUCTS

The Rayonier logo with a green roof-like shape above the word "Rayonier".

History Built on Customers, Continuous Improvement and Innovation

- 1926 – Rainier Pulp and Paper Company founded
- 1930s – Teamed up with DuPont to produce purified hemlock cellulose for rayon fibers



Late 1930s | Rayonier Expands to US South



- Rayonier develops a novelty process to make dissolving pulps from Southern Pine

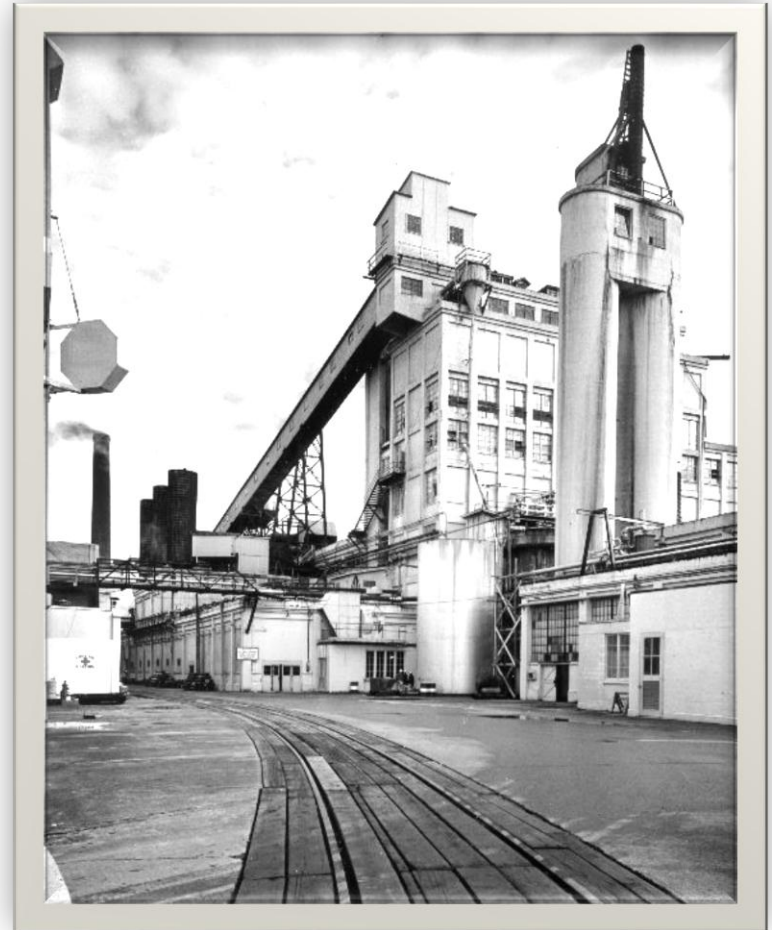
1939-45 | Rayonier Contributes to War Effort



- Rayon tire cord developed to withstand hot temperatures of war zones
- Smokeless explosive powder developed using high purity cellulose
- War Board takes over Rayonier Fernandina plant

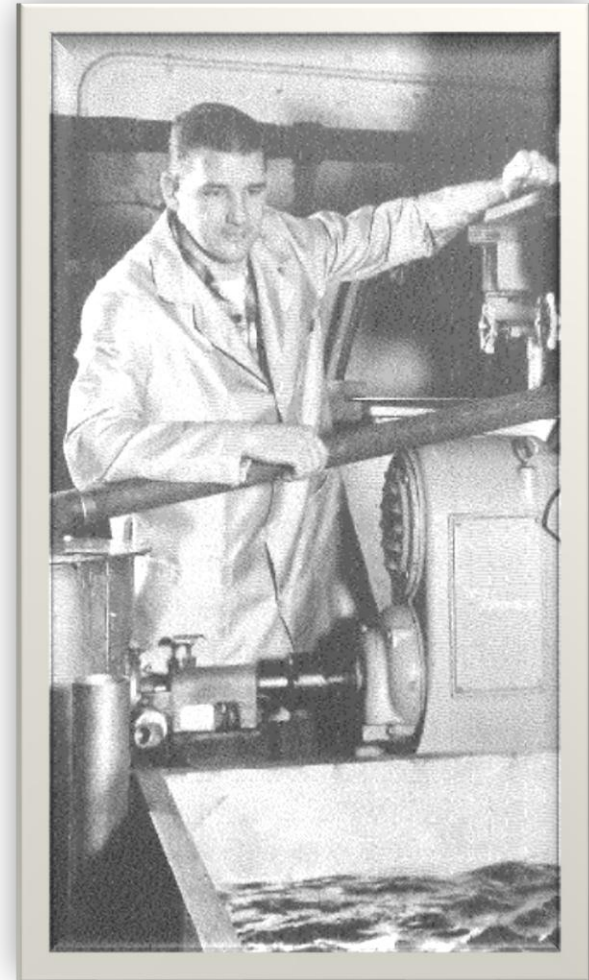
1945 | Environmental Innovation

- Rayonier researchers identify alternative waste disposal
- Shelton, Washington plant becomes the first in the world to burn its spent liquor, which is now the common practice



Early 1950s | Prehydrolyzed Kraft

- Rayonier scientists perfect kraft processes for dissolving wood pulps
- 1952 – Jesup, Georgia plant started



1960s | Improved Fluff Pulp



- Working with Johnson & Johnson, Rayonier scientists design high quality absorbent fluff pulp for J&J's entry into the emerging disposable diaper market

1960s | High Tenacity Viscose

- Further development in high tenacity viscose leads to improvements in high performance tires and a new application for sausage/hot dog casings



1960-70s | Acetate Growth

- Acetate product development is fueled by exceptional growth in the acetate market driven by cigarette filters and photographic film



1990s | Acetate for LCD Applications

- Perfected ultra high purity acetate for use in LCD screens

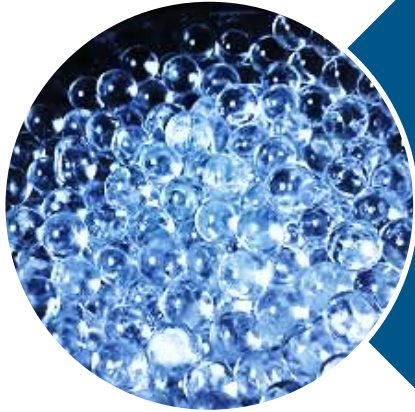


2000s | Absorbent Materials



- Rayonier scientists develop NovaThin™ ultrathin absorbent core material for hygiene products

2016 | Innovation Continues



Hydrogel

Biodegradable super absorbent polymer for agricultural applications



Eight Flags Energy Combined Heat and Power Plant

Highly Efficient
Power Plant



Vision, Values and Culture

Our Vision

Applying Science to Nature

Our Values



Integrity first...



Accountability always...



Quality in everything we do...



People are the foundation for success...

Rayonier Advanced Materials Cultural Cornerstones

Safety	Customer Centric
Continuous Improvement	Innovation



The Challenges We Face

Our Challenge

- Flat Demand for Acetate Products
- Supply/Demand Imbalance
- Strong Dollar Effectively Lowering Competitors' Costs

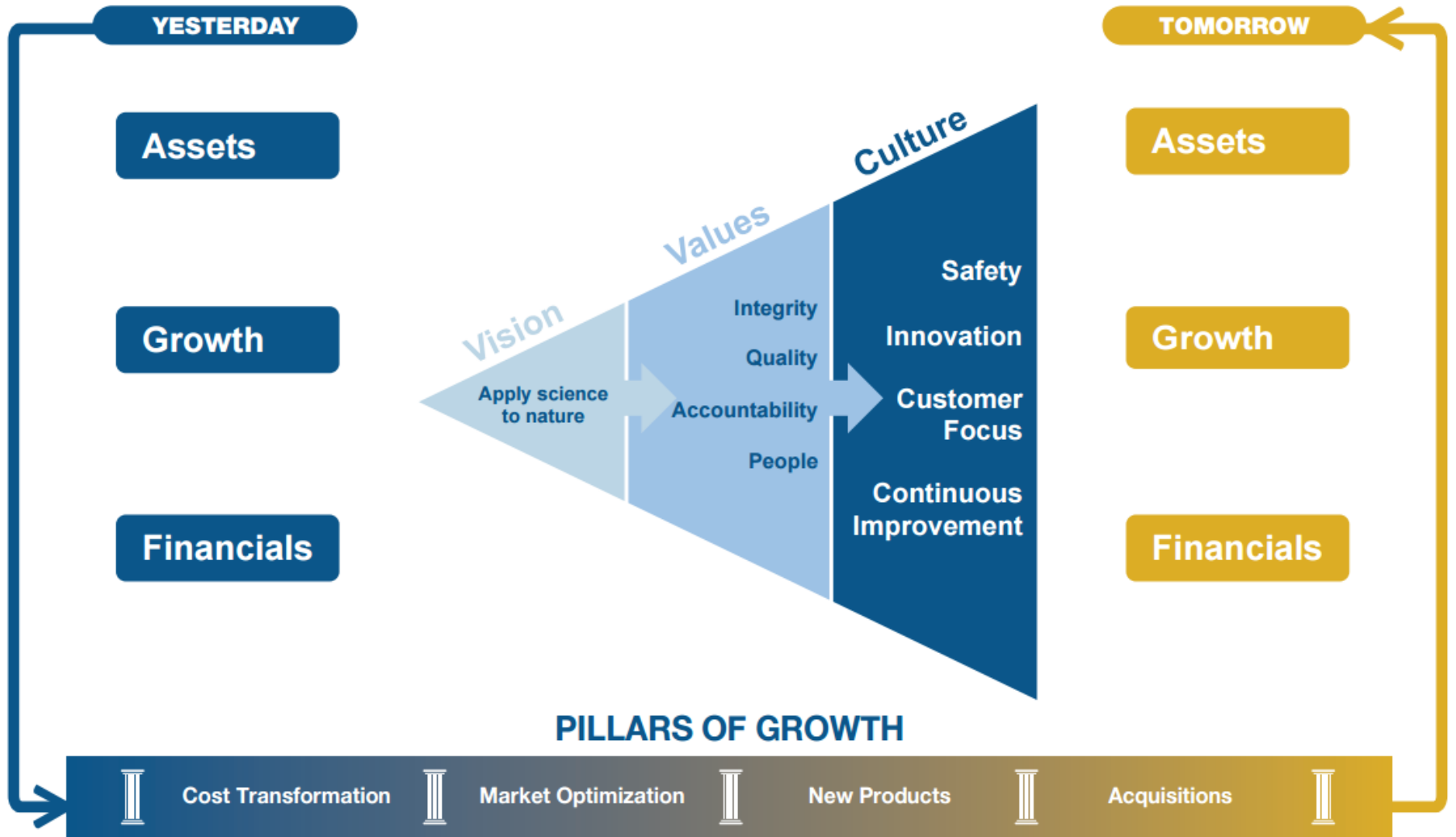


Strategic Growth Plan

Transforming our Business

RYAM > 2020

RYAM > 2020



RYAM > 2020



Cost Transformation



Rapidly create a more cost competitive structure



Market Optimization



Optimize market to mix to capabilities



New Products



Create a pipeline of customer valued new products and services



Acquisitions



Create a diversified, faster growing business



What does Rayonier Advanced Materials look like after 2020?

- Much larger and diversified business
- #1 or #2 in each strategic segment we serve
- New product pipeline fueled by internal and external ideas
- New pathways for continued growth
- More efficient and integrated processes and systems



Questions



Financials

2016 Financial Highlights

(\$ Millions)	Fourth Quarter Ended		Full Year Ended	
	2016	2015	2016	2015
Sales	\$ 231	\$ 242	\$ 869	\$ 941
Operating Income	26	29	138	120
Pro Forma Operating Income ¹	26	30	138	149
Net Income	11	13	73	55
Pro Forma Net Income ¹	11	14	67	73
EBITDA ¹	50	53	235	209
Pro Forma EBITDA ¹	50	54	226	238
Diluted Earnings per Share	\$ 0.18	\$ 0.30	\$ 1.55	\$ 1.30
Pro Forma Net Income per Share ¹	\$ 0.18	\$ 0.32	\$ 1.43	\$ 1.74

Revenue Drivers

- Pricing down reflecting annual price negotiations; Cellulose Specialties prices down 7% from 2015
- Cellulose Specialties volumes down 2% from 2015
- Commodity volumes relatively flat to 2015 with higher mix of commodity viscose products

Cost Drivers

- \$50 million of cost improvements from Cost Transformation pillar captured in 2016
- Additional cost benefits from tailwinds on raw materials and other one time benefits

¹ Non-GAAP measures (see Appendix for definitions and reconciliations).

Capital Resources & Liquidity

(\$ Millions)	Twelve Months Ended	
	December 31, 2016	December 31, 2015
Cash Provided by Operating Activities	\$ 232	\$ 202
Cash Used for Investing Activities	(87)	(78)
Cash Provided by (Used for) Financing Activities	80	(89)
Adjusted Free Cash Flows*	147	124
Debt Principal Payments	\$ 792	\$ 869
Cash	326	101
Adjusted Net Debt*	466	768
Available Liquidity*	555	337
Financial Covenants**	December 31, 2016	Covenant
Net Secured Leverage	0.8x	< 3.0x
Interest Coverage	6.7x	> 3.0x

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

** Defined by credit agreement as the trailing 12 months' pro forma EBITDA including certain adjustments of approximately \$9 million as of December 31, 2016.

Attractive Capital Structure with Low-Cost, Long-Term Debt

\$ millions

Debt	Interest Rate ⁽¹⁾	Q4 2016 Balance	Cumulative Leverage	Maturity
Revolving Credit Facility ⁽²⁾	2.26%	—	0.0x	2019
Term Loan A	2.26%	31	0.1x	2019
Farm Credit Term Loan ⁽³⁾	1.84%	251	1.2x	2021
Senior Notes	5.50%	506	3.5x	2024
Capital Lease Obligation		4	3.5x	2026
Total Debt Principal Payments		792	3.5x	
Cash		326		
Adjusted Net Debt ⁽⁴⁾		466	2.1 x	
LTM Pro Forma EBITDA ⁽⁴⁾		226		
LTM Interest Expense		35	6.5x	

Note: LIBOR rate and debt balance are as of December 31, 2016.

(1) Based on 1 month LIBOR of 52 bps as of December 31, 2016.

(2) \$229 million available as of December 31, 2016.

(3) Interest rate net of 67 bps of cash patronage

(4) Non-GAAP measure (see Appendix for definitions and reconciliations).

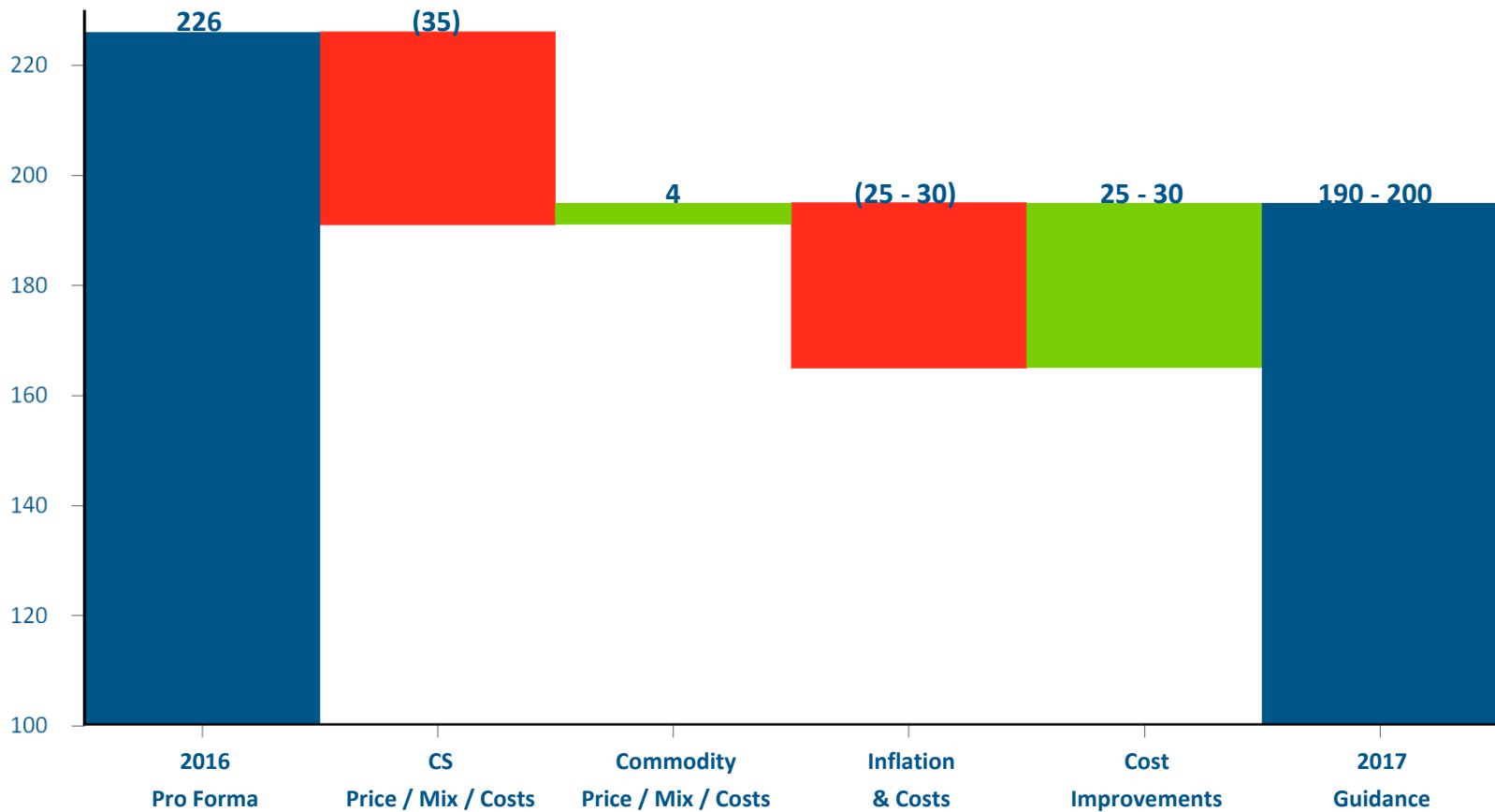
2017 Full Year Guidance

- Cellulose specialties ("CS") prices 3 to 4% below 2016 average price primarily due to lower acetate pricing and mix
- CS volumes flat to slightly down compared to 2016 due to the timing of revenue recognition
- Commodity sales volumes approximately 10% higher, assuming a balanced viscose/absorbent materials mix
- Cost Transformation savings of \$25 to \$30 million
- Net income of \$41 to \$48 million
- EBITDA of \$190 to \$200 million
- Operating cash flows of \$140 to \$150 million
- CapEx of approximately \$60 million (including LignoTech Florida)
- Adjusted free cash flows expected to be \$80 to \$90 million



EBITDA Bridge

2016 Pro Forma to 2017 Guidance



Capital Allocation

Generate \$80 to \$90 million of
Adjusted Free Cash Flows*

- Increase financial flexibility
- Invest in strategic pillars of growth

▮ Cost Transformation

▮ Market Optimization

▮ New Products

▮ Acquisitions



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



Questions



Market Optimization

Market Optimization



VISION	Maximum earnings from optimum product and market mix
MISSION	Identify and achieve optimum sustainable sales mix based on RYAM production capabilities, end markets and customer attractiveness

Market Optimization Begins with a Strong Asset Base

Low Cost, Flexible Manufacturing Facilities produce more than 25 different grades of cellulose specialties

Jesup, GA

- Kraft plant
- Three production lines
 - Two lines with CS capability
- 330,000 MT of CS capacity
- 245,000 MT of commodity capacity
- Largely electricity self-sufficient

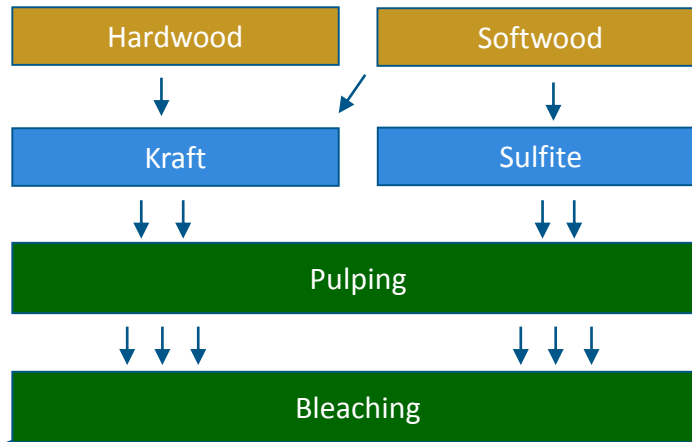
Fernandina Beach, FL

- Sulfite plant
- One production line
 - Dedicated CS capability
- 155,000 MT of capacity
- Net producer of electricity
- Lignin venture with Borregaard

Technical Leadership in Cellulose Specialties

The "Rayonier Advanced Materials' Recipe"

Customized for each customer application



Process Flexibility

RAW juvenile, exterior fiber, center fiber, region hardness

Caustic (high pH)
Ammonia (low pH)

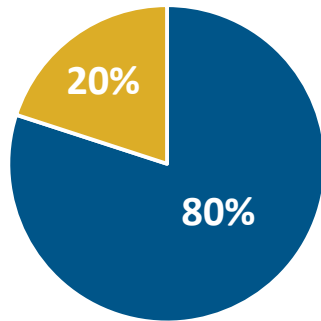
Process sequence, bleach sequence: Cl₂, ClO₂, peroxide, concentrations, temperature, wash type/sequence, cold caustic extraction

Customer End Uses

Acetate		Ethers/MCC		High Strength Viscose		Specialty High Value
Filter	Plastic	LCD/Film	Food	Pharmaceuticals	Tire Cord	

Revenue & Primary End Uses

RYAM 2016 Revenue



- Cellulose Specialties
- Commodity

End Uses & Growth Rate*

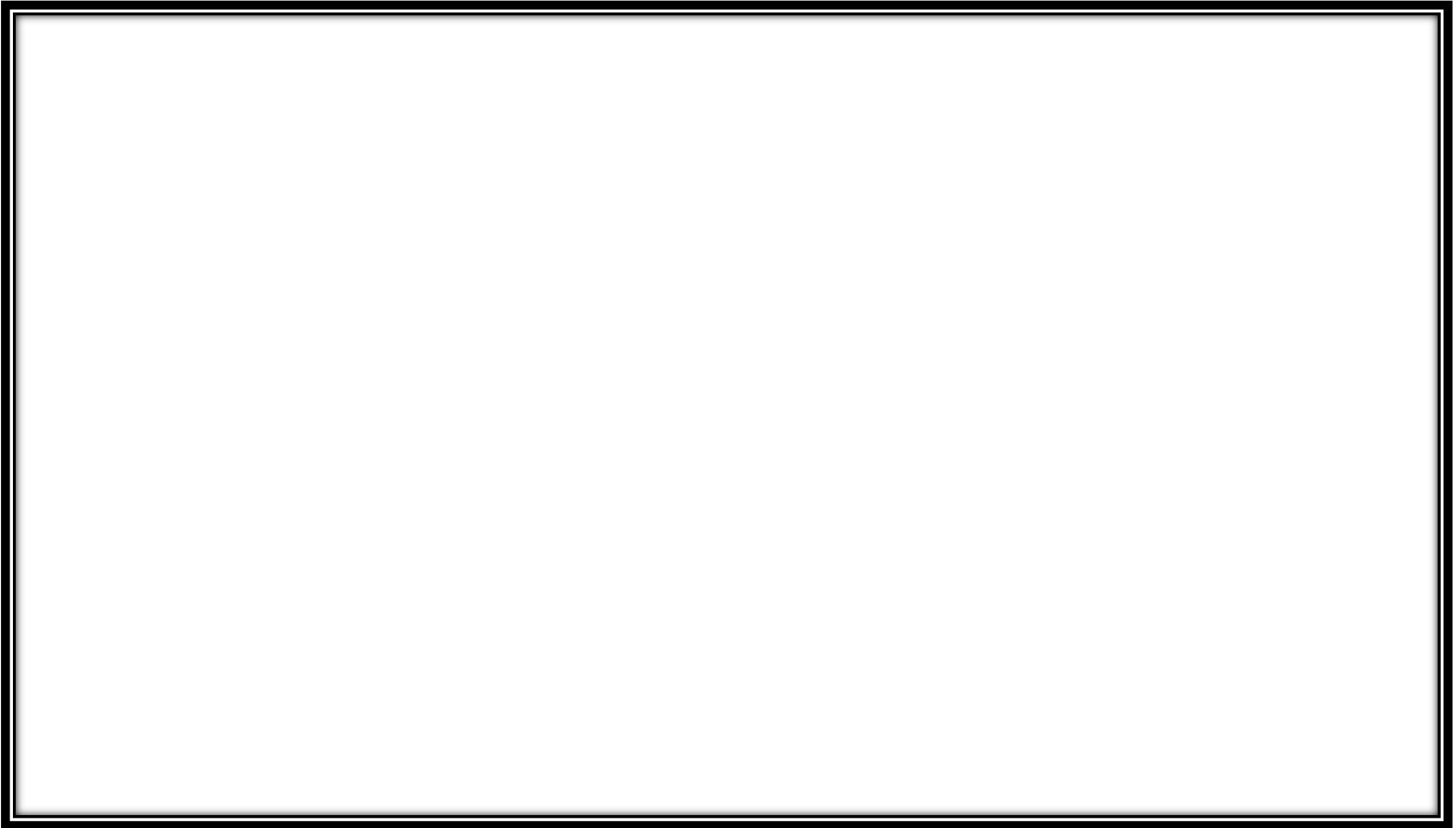
Acetate	Ethers	Other CS	Commodity
Significant producer and industry leader			
<ul style="list-style-type: none"> ■ Relatively Flat 	<ul style="list-style-type: none"> ■ At or Above GDP Growth; 3-5% 	<ul style="list-style-type: none"> ■ Modest growth; 2-3% 	<ul style="list-style-type: none"> ■ Small producer with flexibility in fluff and viscose ■ Solid Growth; 3-5%

Primary End Uses

Acetate	Ethers	Other CS	Commodity
Cigarette Filters, Electronics, Plastics	Food, Pharmaceuticals, Construction, Industrial	Sausage Casings, Tire Cord, Filtration, Coatings	Absorbent Materials, Fabric/Clothing

* Based on market research and Company estimates.

Products Overview



Cellulose Specialties Market Dynamics

■ Acetate

- Driven by global cigarette demand
- Tow inventory destocking in China settling out
- Tow producers under price and margin pressure

■ Ethers

- Demand growing at or above GDP levels
- Prices at bottom of the market
- Some signs of price improvement
- Rayonier Advanced Materials under-represented

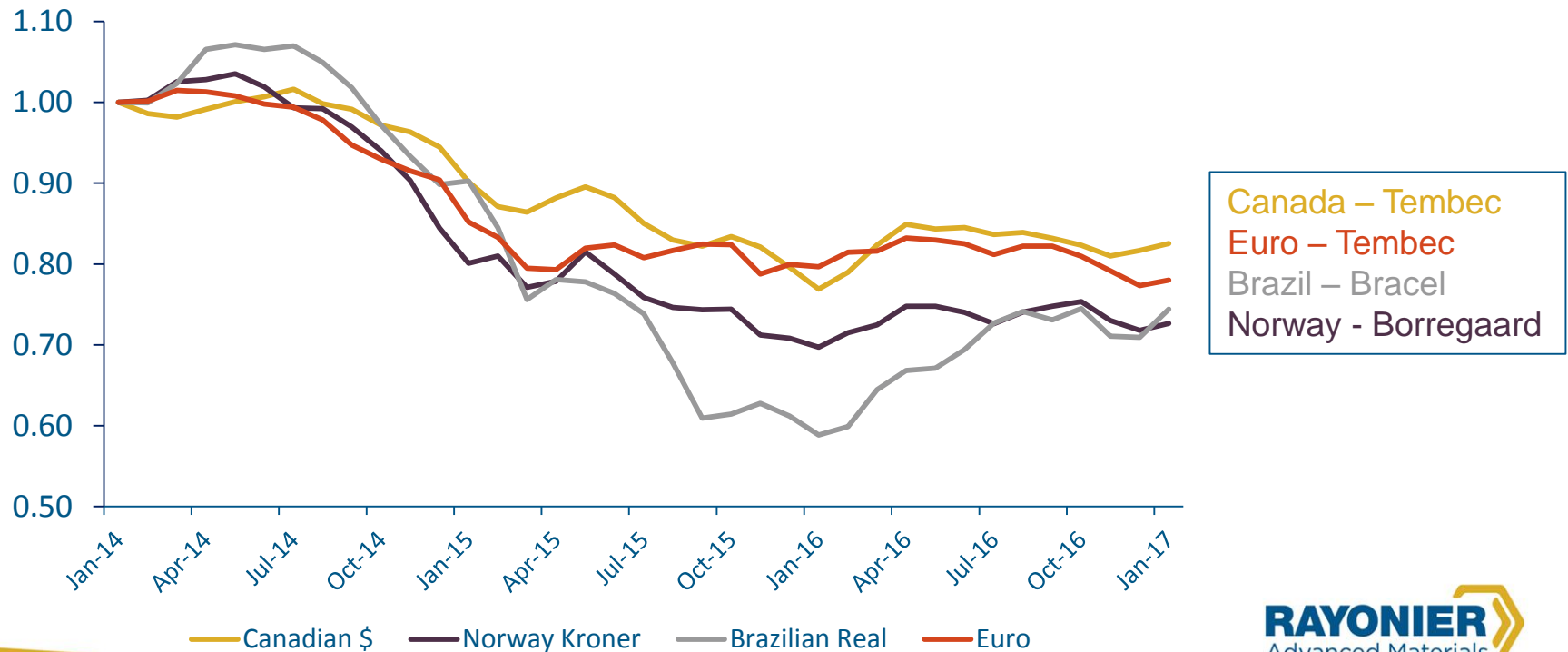
■ Casings, filtration, tire cord and other CS

- Modest demand growth
- Prices stable to increasing
- Rayonier Advanced Materials increasing volume in 2017

Market Dynamics

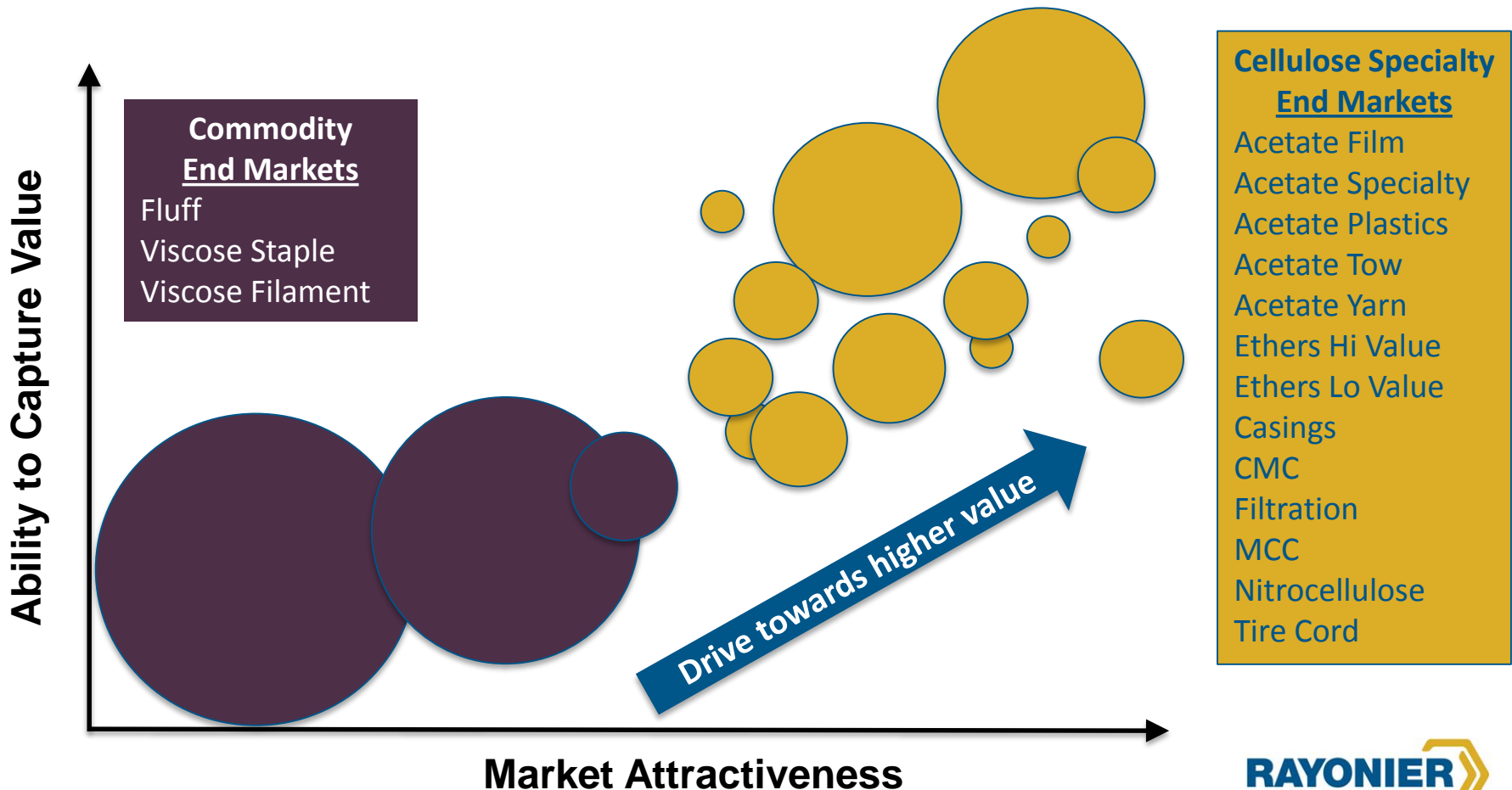
- Supply and demand imbalance
- FX currently benefiting foreign competitors
- Recent currency stabilization

Foreign Currency Index to USD Jan 2014*



Market Optimization

Position our ~730,000 MT of capacity to maximize value within our ~11 million MT* Markets



* Pulp only end market

What are we doing?

- Understand market situation with evaluation of dynamic end market segments
- Remain customer centric
 - Quality
 - Value
 - Technical Support
 - Innovation
 - Commercial Engagement
- Expand sales force
- Focus on underserved markets
- Match changing capabilities to market conditions

Maximize returns for current & future conditions



Questions



Cost Transformation

Cost Transformation



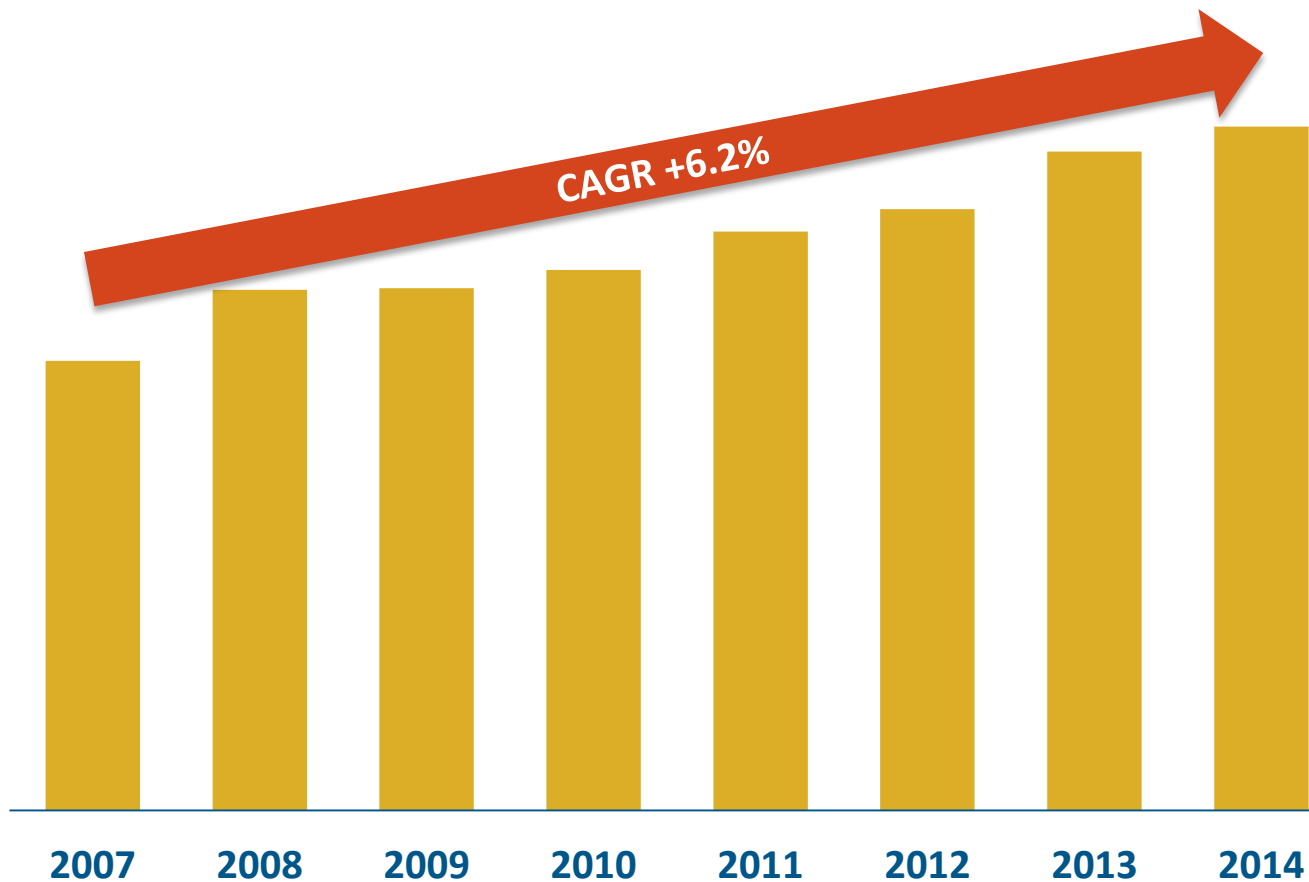
VISION	Rapidly reshape the company
MISSION	Achieve a sustainable globally competitive cost position in any market environment through continuous improvement and creativity that enables our customers, company and employees to pursue growth opportunities

Cost Trends and Exposure

- Raw Materials & Energy
 - Wood Fiber
 - 1.6 million tons hardwood and 2.5 million tons pine chips per year
 - Chemicals
 - Caustic Soda, Sulfuric Acid, Ammonia, Sodium Chlorate, Specialty Chemicals
 - Energy
 - Natural Gas, Fuel Oil, Electricity
- Labor
- Maintenance
- Transportation

Historical Cash Cost per Ton*

Historical inflation was offset by rising sales prices



* (Cost of goods sold – Depreciation & amortization) / Tons sold

Cost Transformation Shifts Cost Trend

Every Person, Everyday, Driving Continuous Improvement

Where we have been

Where we are going

2015

Reinvigorated focus on cost improvement

- Training
- Tools
- Set Goals and Actions

\$35 million

2016

Brand: **Cost Transformation**

- Three Year Goal: **\$90 million**
- Procurement
 - Energy
 - Efficiency
 - Raw Materials

\$50 million

2017

Process Drives Results

- Identify Actions
- Execute Activities
- Develop People

\$30 million

2018

Final Stage of Three Year Transformation Initiative

\$25 million

2019 and after

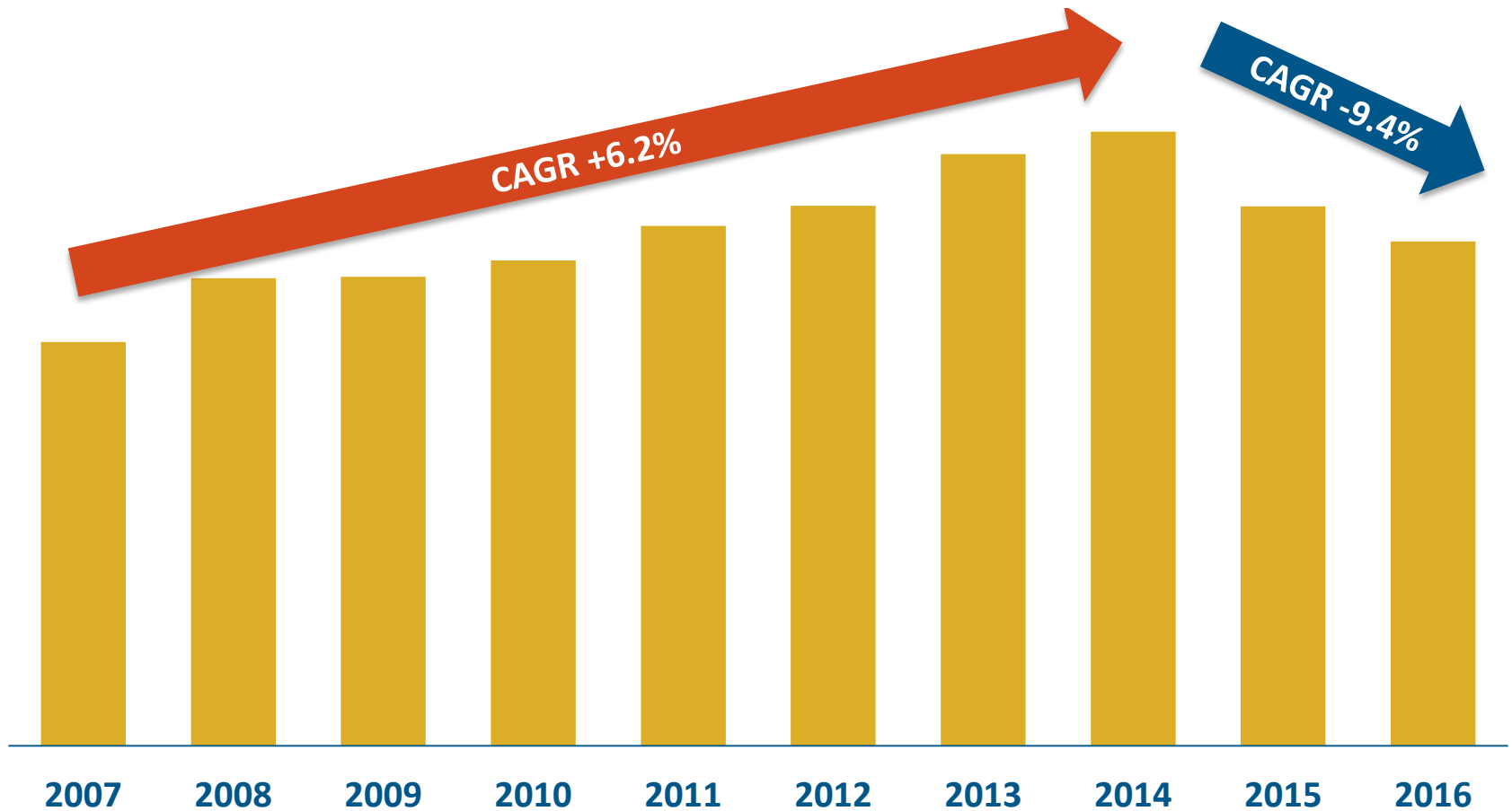
Culture of continuous improvement sustains and delivers results

Historical

2017 Onward

Cost Transformation Shifts Cost Trend

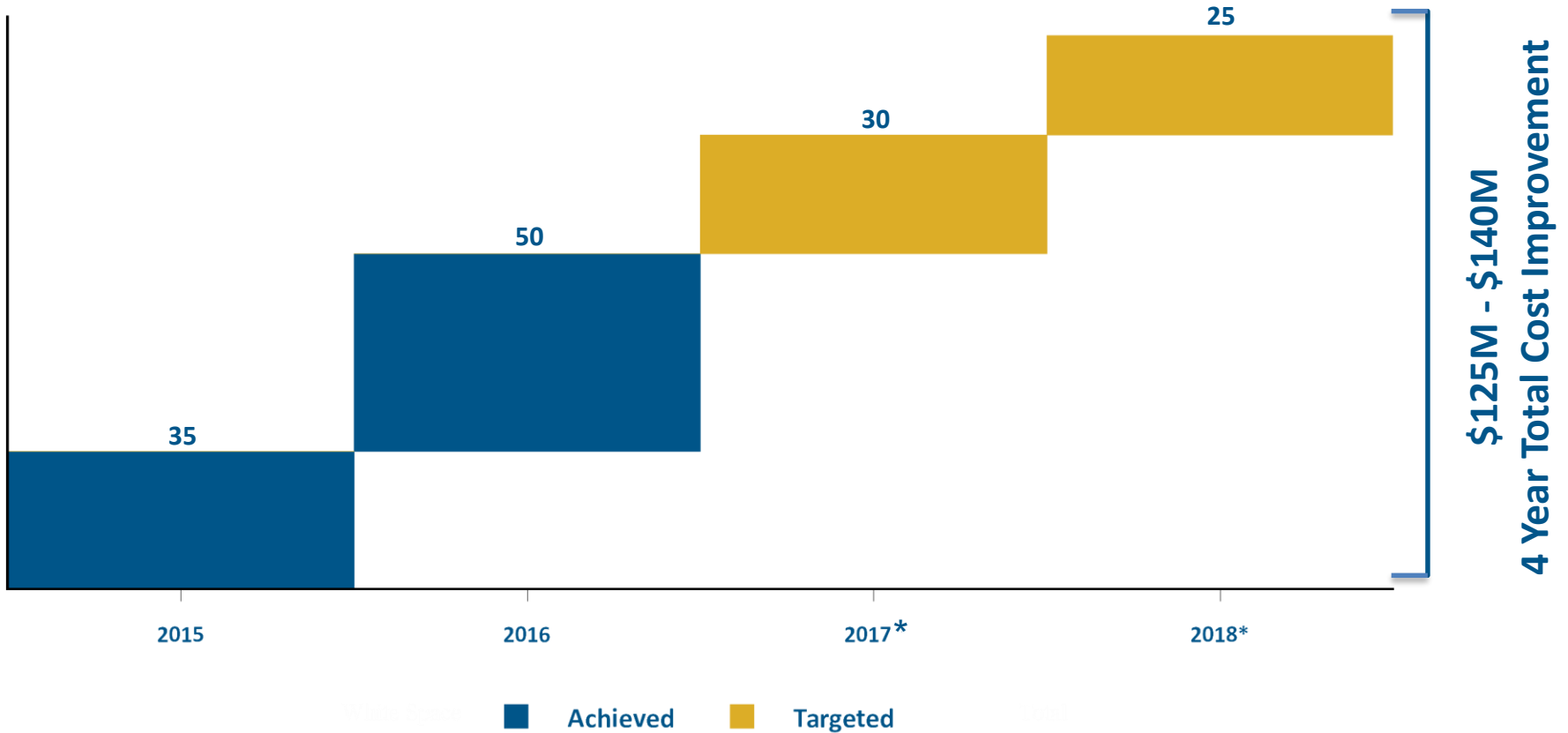
Costs per Ton* decreased dramatically since Cost Transformation



* (Cost of goods sold – Depreciation & amortization) / Tons sold

Cost Transformation

(\$ Millions)



\$85 million in Cost Improvements achieved through 2016

* Breakdown of expected future cost savings on a run-rate basis included for illustrative purposes. To be refined in future periods to reflect actual results.



Success Through 2016

- SGA costs decreased 20% in 2016
 - Process improvements
 - Streamlining roles and responsibilities
 - Rationalize services with internal capabilities
- Cost per ton* down 9% since 2014
 - Optimize wood sourcing program
 - Energy cost management
 - Improve raw material use efficiency
 - Optimize transportation lanes
 - Maintenance efficiency
 - Improved planning and product management

* $(\text{Cost of goods sold} - \text{Depreciation \& amortization}) / \text{Tons sold}$

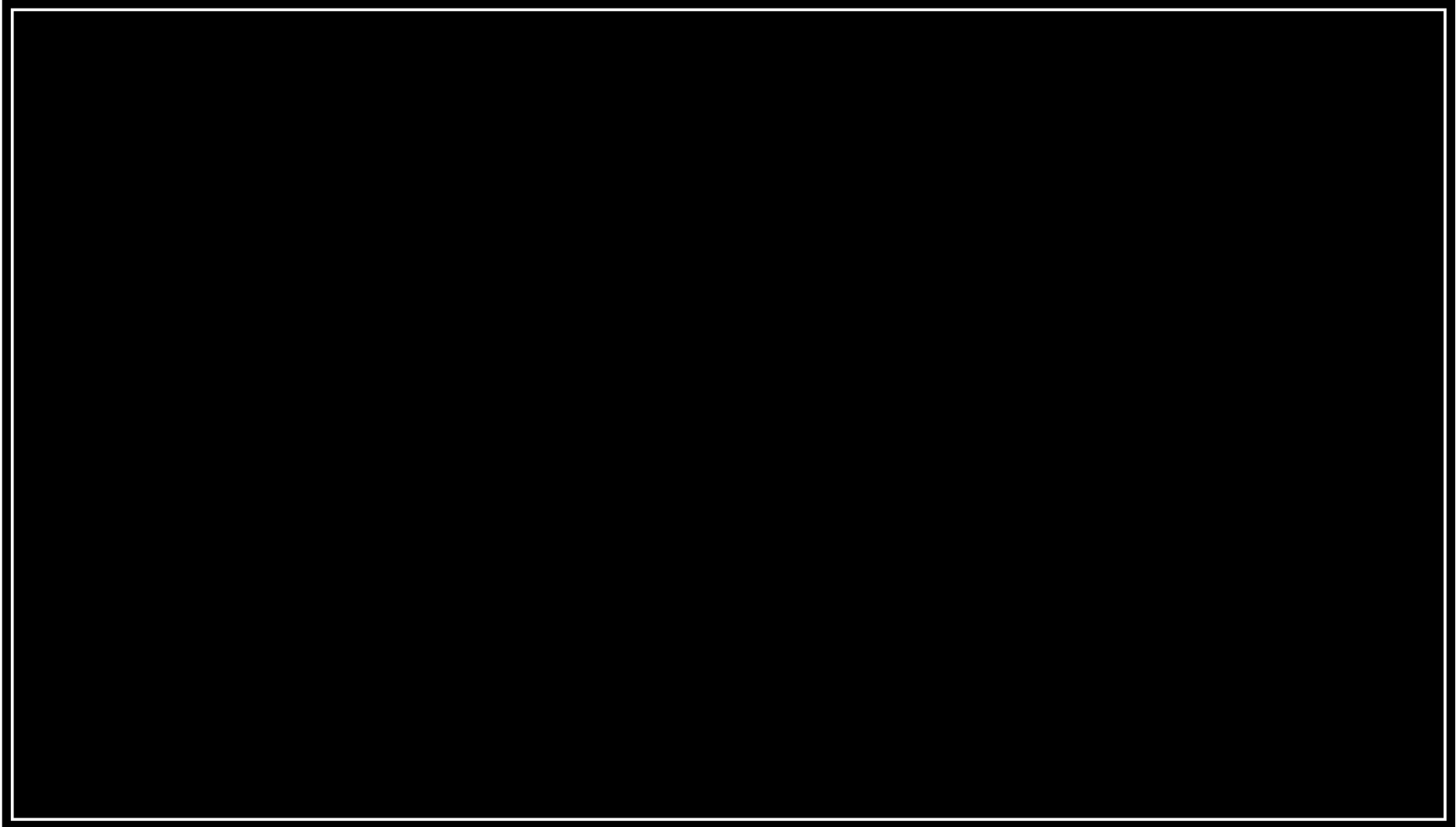
Cost Transformation - Wood



Cost Transformation - Maintenance

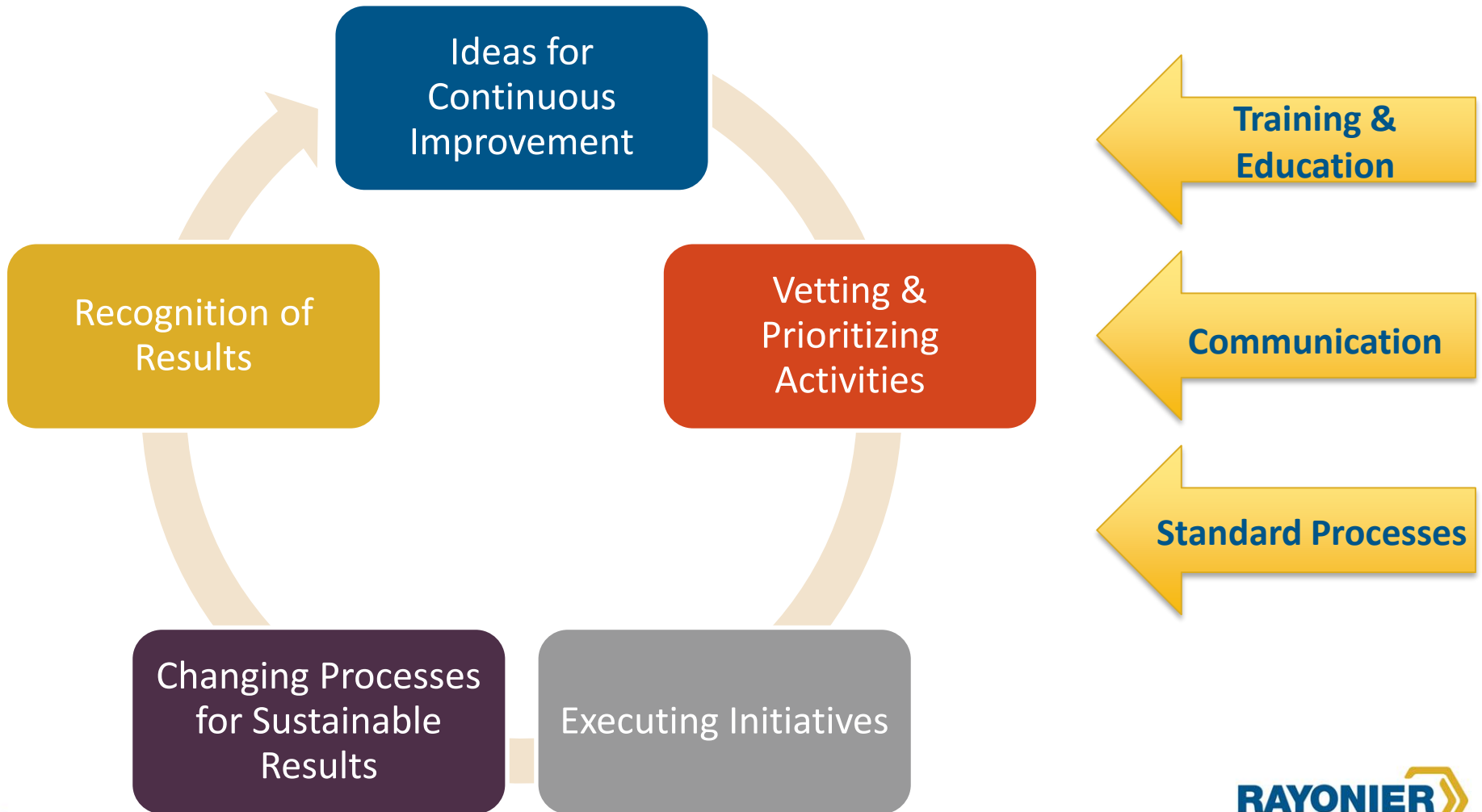


Cost Transformation - Energy



Sustainable Process of Continuous Improvement

Drives Cost Transformation after 2018





Questions



New Products

New Products

RAYONIER
Advanced Materials

New Products

VISION




A pipeline of customer-valued, new product and service offerings

MISSION

Improve profitability by generating 20% of sales from new products developed in the prior ten years

RAYONIER
Advanced Materials

Scope

New Valuable Market		
Existing Market	<i>Market Optimization</i>	
	Existing Product	New Product

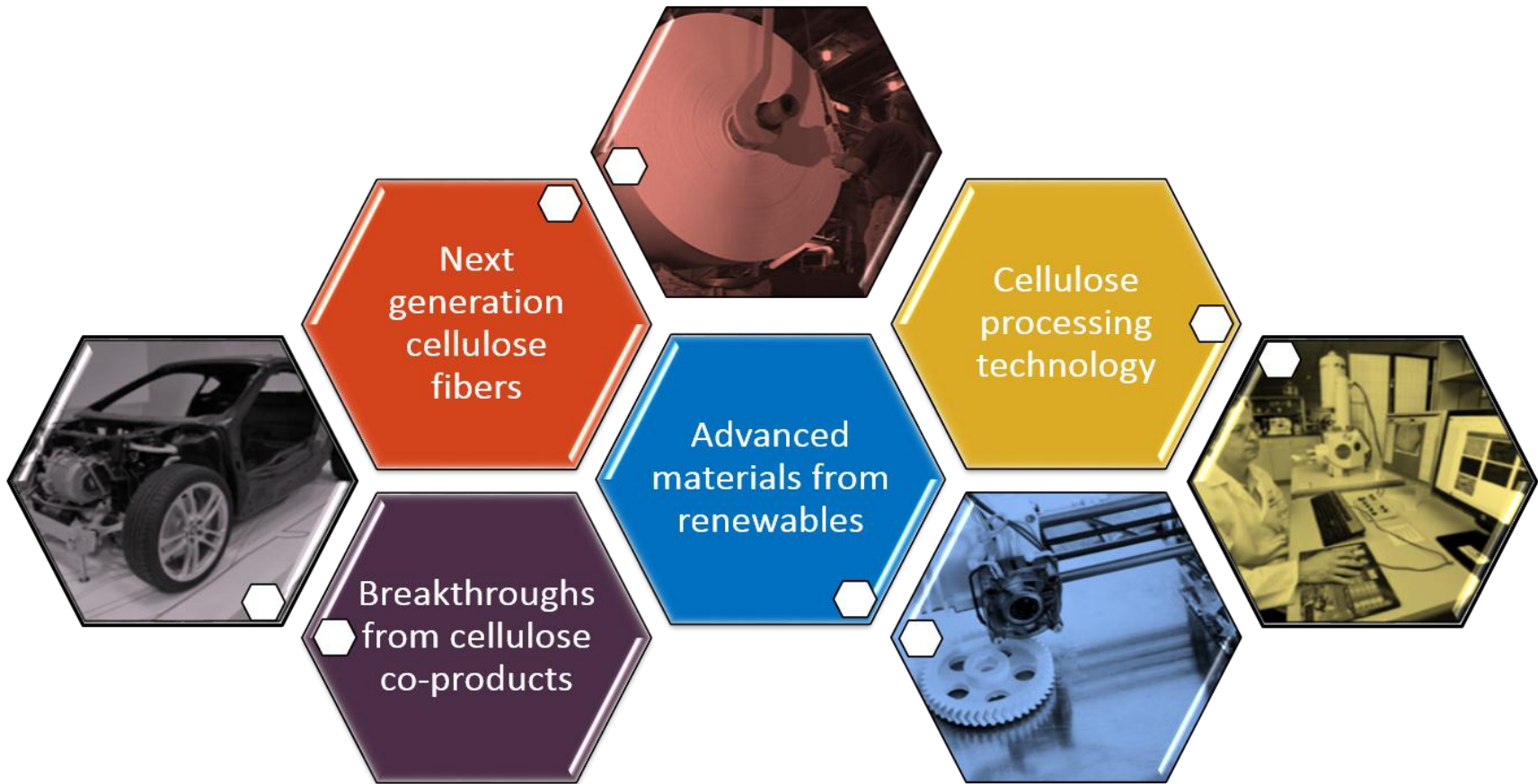
New products in existing markets, existing products in new markets and new products in new markets with differentiation

The Challenge

Current markets and products are mature with modest growth prospects

- New Products to achieve margin growth and product diversification
 - 20% revenue from new products equates to ~\$200 million
 - Annual basis the new products revenue target is \$20 million
 - Each new product must be additive to EBITDA
- Plan resources required to meet goals
 - Goals may be accelerated with additional resources as opportunities develop

New Products Platform



Process

Target 20% of Revenue from new products from prior 10 years

Stage 0 Ideas
Stage 1 Idea development
Stage 2 Proof of concept
Stage 3 Lab
Stage 4 Pilot
Stage 5 Industrial
Stage 6 Commercial

- 1**
Requirement
 - Market assessment
 - Technical feasibility
 - Value statement
- 2**
Requirement
 - Business case dev. plan
 - Technology proof of concept
 - Preliminary financials
 - Risk ident.
- 3**
Requirement
 - Customer feedback
 - Technology selection
 - IP/legal protection
 - Detailed business plan and financials
- 4**
Requirement
 - Customer commitment
 - Detailed eng. plan and financials
 - Key risk mitigation
 - Fin. and risk tracking plan
- 5**
Requirement
 - Product/tech. proven
 - Marketing plan
 - Robust industrial process
 - Financial and risk tracking review

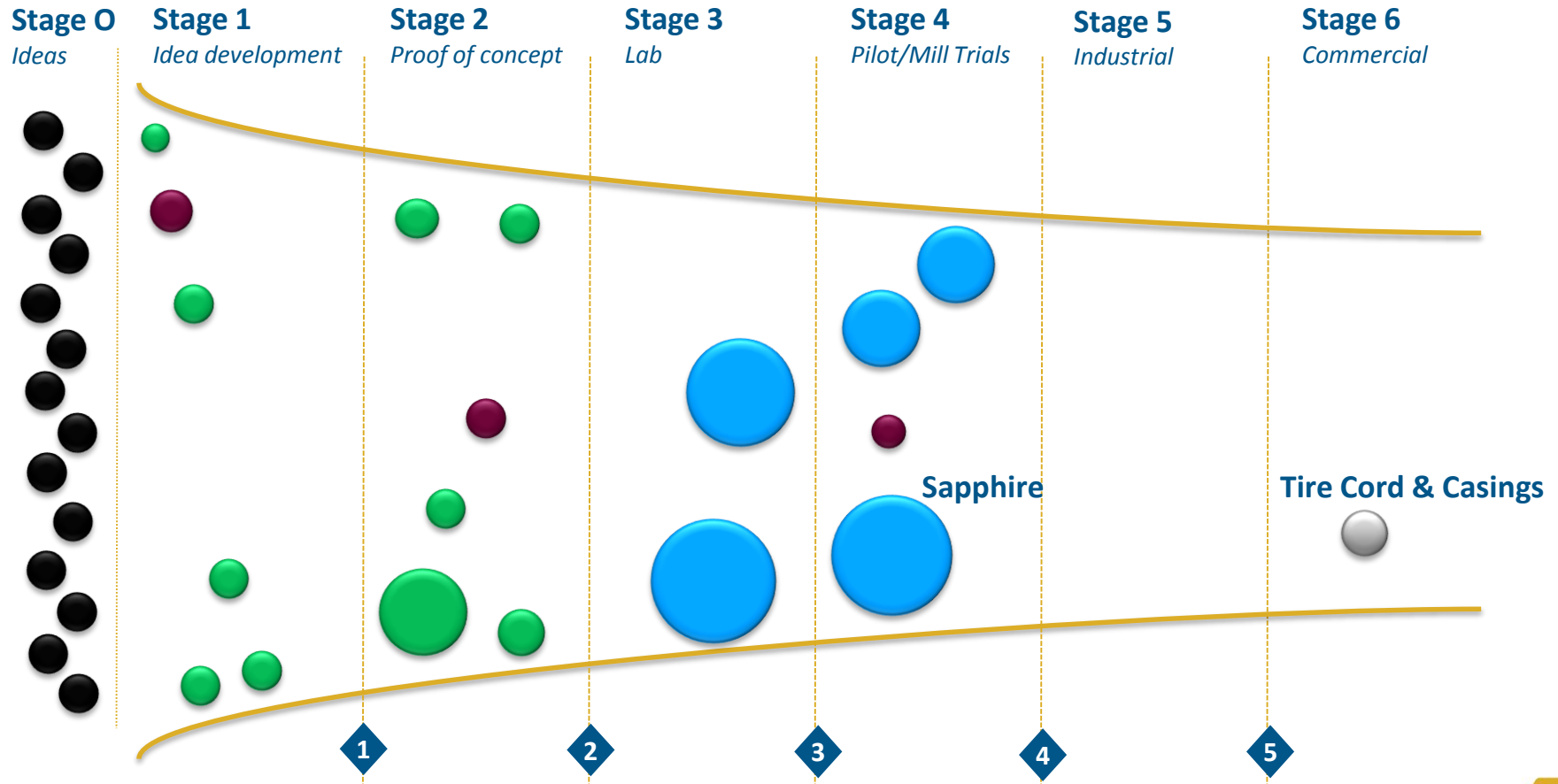
New Products Pipeline

● Priority 1

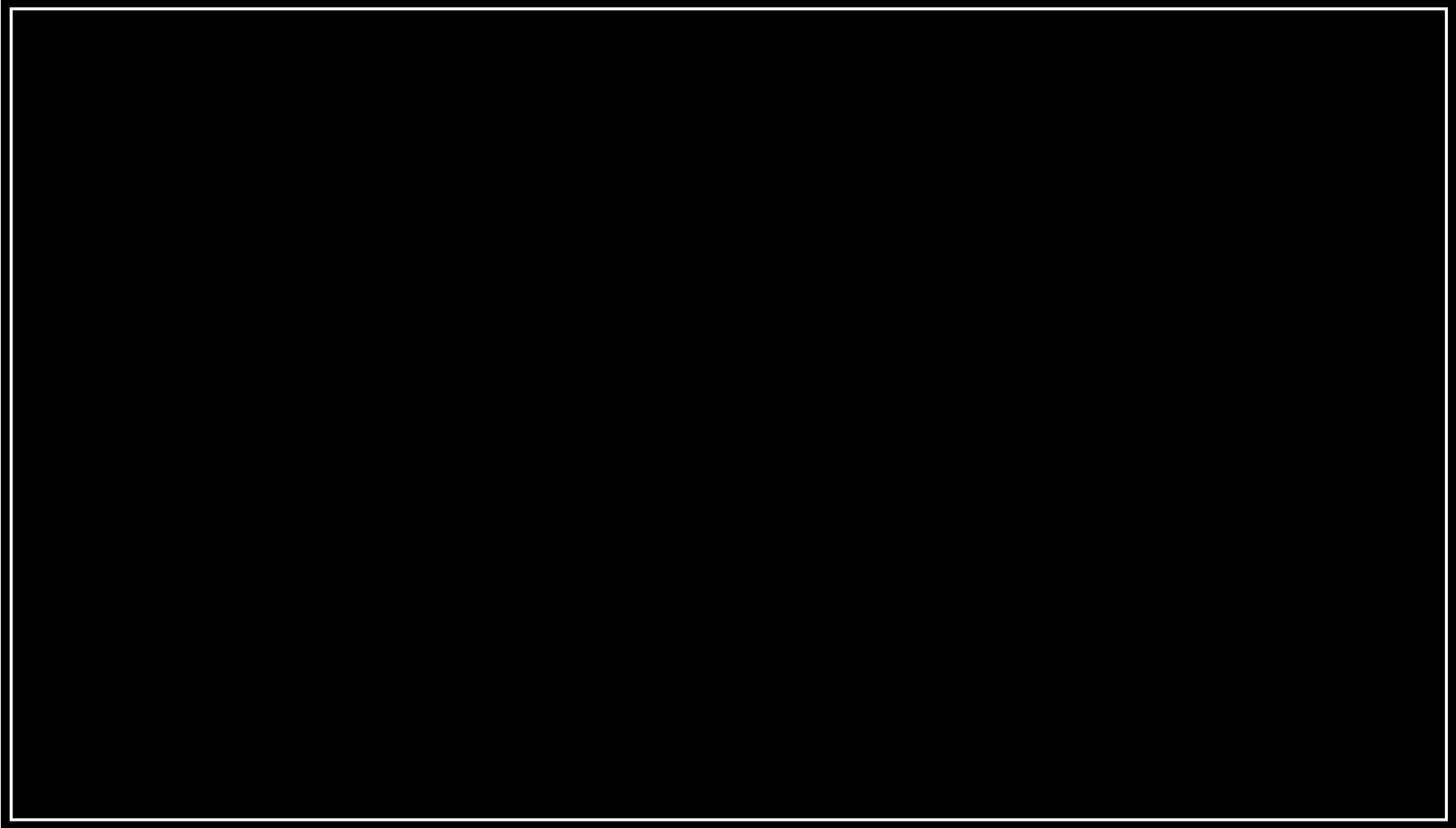
● Priority 2

● Priority 3

● = Relative EBITDA Opportunity



Ether/Sapphire Demonstration



Marketing & Research Center

- 90 years of cellulose chemistry leadership
 - World's most comprehensive cellulose research database
- Capability to replicate all of Fernandina and Jesup processes at pilot scale
- Ability to mirror customers processes and offer solutions
 - Diacetate
 - Triacetate
 - Ethers
 - Filtration
 - High Strength Viscose
 - Fluff/Absorbent Materials



**Customer Centric
Solutions Oriented
Research & Development**



Questions



Acquisitions

Acquisitions

RAYONIER
Advanced Materials

Acquisitions

VISION	Create a diversified, faster growing business targeting complementary combinations
MISSION	Identify, execute and integrate external business opportunities through mergers, acquisitions and partnerships to enhance the growth prospects of the company and drive shareholder returns

Key Acquisition Objectives

Broaden portfolio into attractive end-markets driving enhanced returns

- Leverage RYAM's leadership, technical expertise and assets where possible
- Identify external opportunities that broaden and diversify offering
- Drive business into areas that have long-term attractive end markets
- Broaden "field of vision" increasing future growth opportunities

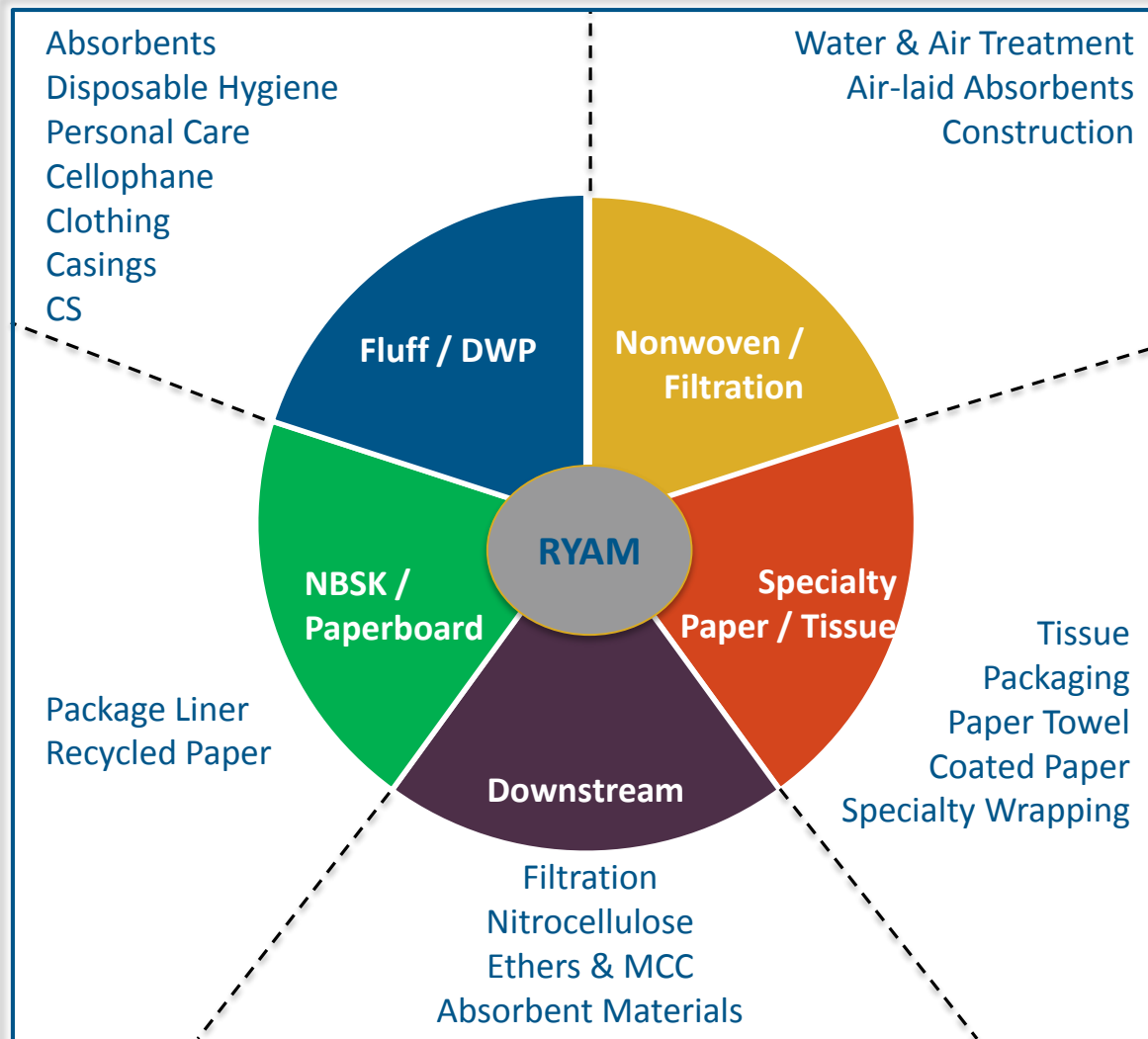
Logical Paths

	Cellulose Track	Specialty Chemical Track
Scale		
Market Growth		
Synergies		
# of Opportunities		
Product Diversity		
ROIC		
Near-Term Leverage		
Purchase Multiple		



Cellulose Track Pathways

Cellulose opportunities exist allowing for enhanced scale and diversity



Cellulose Track Examples

Filtration/Nonwoven

Selected Products

Disposable Hygiene, Filters, House Wraps, Household & Personal Wipes, Insulation

Key End Markets

Technical Specialties, Building & Construction, Hygiene, Medical, Filtration



Downstream

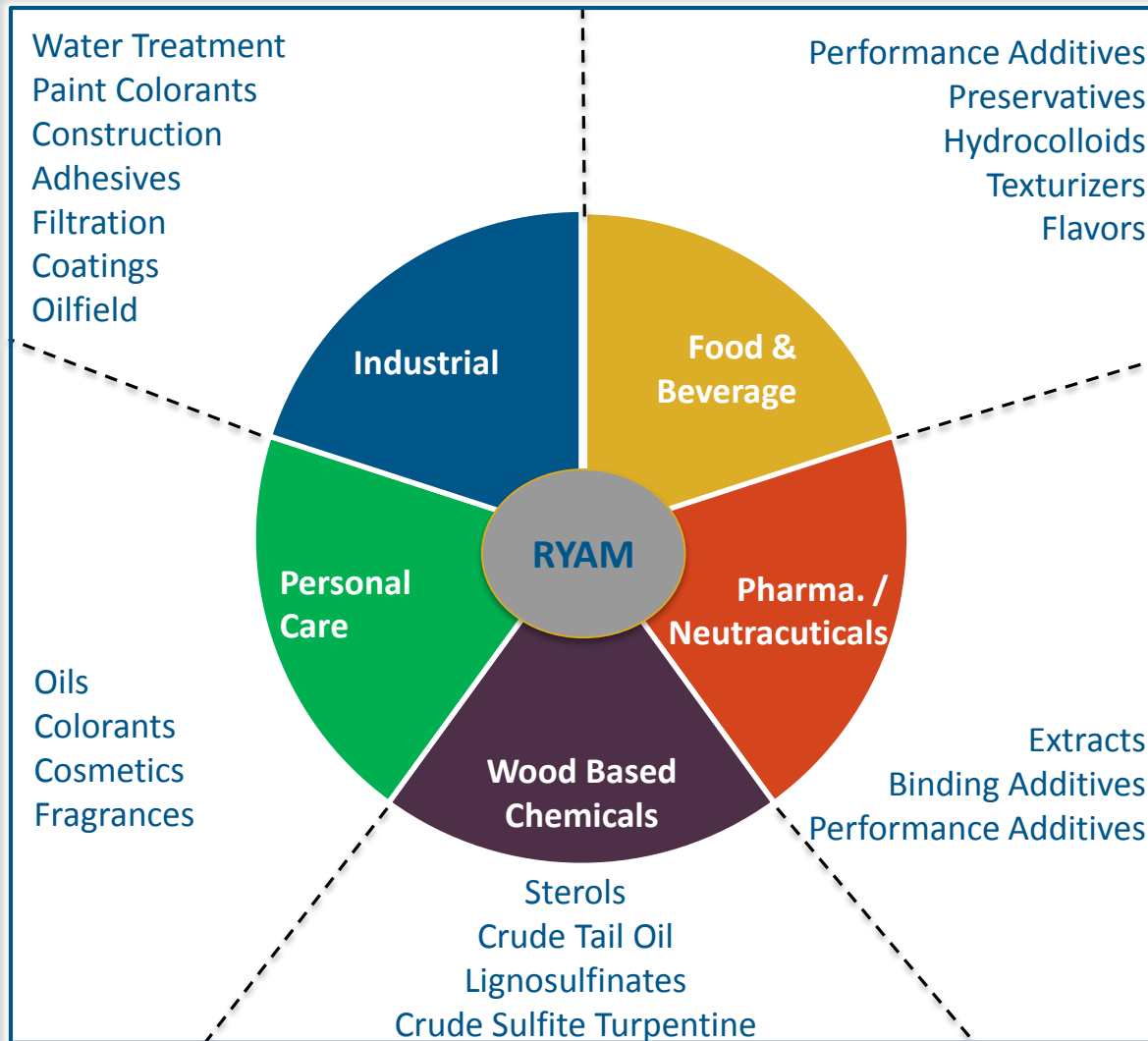
Emulsifiers in Food & Pharma (Ethers & MCC), Disposable Diapers (fluff), Air Filters, Nitrocellulose

Food, Pharma, Absorbent Materials



Specialty Chemical Pathways

A focus on attractive end-markets can expand RYAM's opportunity set allowing path for future growth



Specialty Chemical Track Examples

Selected Products

Separation and Purification

Filters, as well as hardware and other analytical equipment, breathing circuit filters, fluid monitoring products, polymeric adsorbents, ion exchange resins, chelants

Key End Markets

Pharma, industrial, manufacturing



Wood Based Chemicals

Aroma chemicals, flavors, fragrances, binders, emulsifiers, paints and coatings, bio lubricants, fuel additives, performance polymers, inks, adhesives, paper making, road making, tires

Pharma, industrial, manufacturing, personal care



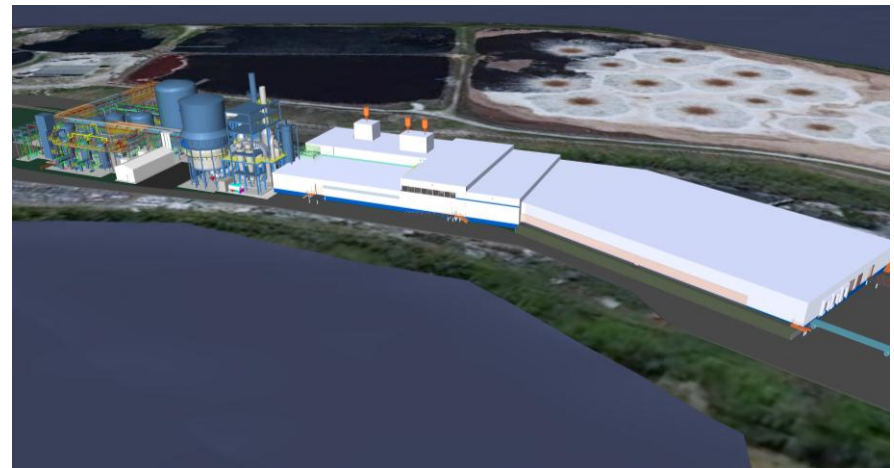
Strategic Acquisitions

- Acquisitions are a core pillar to our growth strategy
- Acquisitions will be focused in areas that are complementary in nature in the cellulosic and specialty chemicals sectors
- Opportunities will leverage our core capabilities and assets to drive maximum value
- Diversifying our business mix and focusing on higher growth opportunities
- All acquisitions will need to increase overall ROIC through synergies and higher growth

LignoTech Florida

Lignin Venture

- Partner with Borregaard for the manufacturing, marketing and sale of natural lignin-based products at Fernandina facility
- Utilizing co-product of manufacturing process, currently used for energy value
- Target completion in 2 phases over 5 years
- Aggregate ~\$135 million of capital investment
 - Phase 1 investment of \$110 million
 - Phase 2 investment of \$25 million
- Total capacity of 150,000 MT/yr
- Commercial operations expected to begin in mid-2018



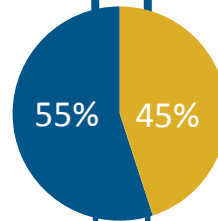
LignoTech Florida



Borregaard
LignoTech



- Lignin Conversion Technology
- Marketing & Sales



- Raw Materials from Sulfite Pulping Process
- Utilities & Services

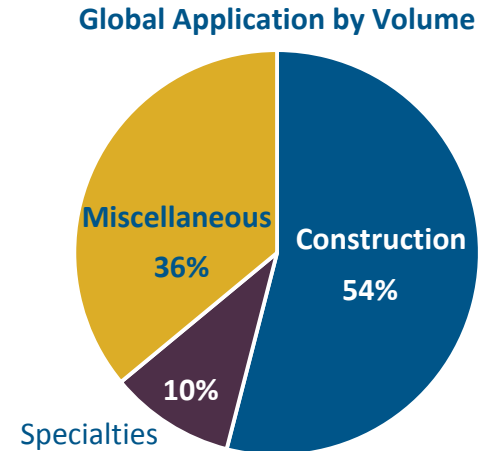
~50%
Financing

LignoTech
Florida

A Borregaard - Rayonier AM venture

Global Applications & Growth Rates

- Global growth expected to be driven by:
 - Construction in Americas
 - Agro and Auto in Asia Pacific
 - Feed Globally
- LignoTech Florida to primarily service Americas in Construction and Feed markets



	Construction	Agro /agchem	Feed	Automotive	Industrial
EMEA	0 - 3%	0 - 3%	2 - 4%	2 - 4%	1 - 4%
Americas	2 - 5%	0 - 3%	2 - 4%	0 - 2%	1 - 4%
Asia/Pac	0 - 3%	2 - 5%	3 - 7%	3 - 5%	1 - 4%

Sources: IMF, BNP Paribas, LafargeHolcim, Heidelberg Cement, Portland Cement Association, Phillips McDougall, Agropages, Dow, Syngenta, Bayer, Johnson Controls, Alltech, OECD-FAO, Borregaard analysis



Questions



Closing Remarks

Persistence

"Nothing in this world can take the place of persistence. Talent will not; nothing is more common than unsuccessful people with talent.

Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts.

Persistence and determination alone are omnipotent. The slogan "press on" has solved and always will solve the problems of the human race."

Calvin Coolidge



Questions



**Thank you for joining
Investor Day 2017**

For follow up questions, please contact
Mickey Walsh at (904) 357-9162 or
email InvestorRelations@RayoinerAM.com



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.

Pro Forma EBITDA is defined as EBITDA before non-cash impairment, one-time separation and legal costs, insurance recovery and gain on debt extinguishment.

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 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.

Pro Forma Operating Income is defined as operating income adjusted for non-cash impairment, one-time separation and legal costs and insurance recovery.

Pro Forma Net Income is defined as net income adjusted net of tax for non-cash impairment, one-time separation and legal costs, insurance recovery and gain on debt extinguishment.

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.

Reconciliation of Non-GAAP Measures

(\$ Millions)

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2016	2015	2016	2015
EBITDA Reconciliation				
Net Income	\$ 11	\$ 13	\$ 73	\$ 55
Depreciation and amortization	24	24	88	89
Interest expense, net	9	9	35	37
Income tax expense	6	7	39	28
EBITDA	<u>\$ 50</u>	<u>\$ 53</u>	<u>\$ 235</u>	<u>\$ 209</u>
Non-cash impairment charge	—	—	—	28
One-time separation and legal costs	—	1	—	2
Insurance recovery	—	—	—	(1)
Gain on debt extinguishment	—	—	(9)	—
Pro Forma EBITDA	<u>\$ 50</u>	<u>\$ 54</u>	<u>\$ 226</u>	<u>\$ 238</u>
Adjusted Free Cash Flows Reconciliation				
Cash provided by operating activities			\$ 232	\$ 202
Capital expenditures*			(85)	(78)
Adjusted Free Cash Flows			<u>\$ 147</u>	<u>\$ 124</u>

* Capital expenditures exclude strategic capital.



Reconciliation of Non-GAAP Measures

(\$ Millions)

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Adjusted Net Debt Reconciliation		
Current maturities of long-term debt	\$ 9	\$ 8
Long-term debt & capital lease obligation	774	850
Total debt	<u>\$ 783</u>	<u>\$ 858</u>
Original issue discount and debt issuance costs	9	11
Cash and cash equivalents	(326)	(101)
Adjusted Net Debt	<u><u>\$ 466</u></u>	<u><u>\$ 768</u></u>

Reconciliation of Reported to Pro Forma Earnings

(\$ Millions, except per share amounts)

	Three Months Ended				Twelve Months Ended			
	December 31, 2016		December 31, 2015		December 31, 2016		December 31, 2015	
	\$	Per Diluted Share	\$	Per Diluted Share	\$	Per Diluted Share	\$	Per Diluted Share
Pro Forma Operating Income and Net Income:								
Operating Income	\$ 26		\$ 29		\$ 138		\$ 120	
Non-cash impairment charge	—		—		—		28	
One-time separation and legal costs	—		1		—		2	
Insurance recovery	—		—		—		(1)	
Pro Forma Operating Income	<u>\$ 26</u>		<u>\$ 30</u>		<u>\$ 138</u>		<u>\$ 149</u>	
Net Income	\$ 11	\$ 0.18	\$ 13	\$ 0.30	\$ 73	\$ 1.55	\$ 55	\$ 1.30
Non-cash impairment charge	—	—	—	—	—	—	28	0.67
One-time separation and legal costs	—	—	1	0.02	—	—	2	0.04
Insurance recovery	—	—	—	—	—	—	(1)	(0.02)
Gain on debt extinguishment	—	—	—	—	(9)	(0.19)	—	—
Tax effects of Pro Forma adjustments	—	—	—	—	3	0.07	(11)	(0.25)
Pro Forma Net Income	<u>\$ 11</u>	<u>\$ 0.18</u>	<u>\$ 14</u>	<u>\$ 0.32</u>	<u>\$ 67</u>	<u>\$ 1.43</u>	<u>\$ 73</u>	<u>\$ 1.74</u>

Reconciliation of Guided Non-GAAP Measures

(\$ Millions, except per share amounts)

	Minimum	Maximum
2017 Net Income Guidance	\$ 41	\$ 48
Income tax expense	27	30
Interest expense, net	37	37
Depreciation and amortization	85	85
2017 EBITDA Guidance	<u>\$ 190</u>	<u>\$ 200</u>
	Minimum	Maximum
2017 Operating Cash Flows Guidance	\$ 140	\$ 150
Capital expenditures	(60)	(60)
2017 Adjusted Free Cash Flows Guidance	<u>\$ 80</u>	<u>\$ 90</u>