



Second Quarter 2020 Financial Presentation Materials

Safe Harbor

Forward-Looking Statements

Certain statements in this document regarding anticipated financial, business, legal or other outcomes including business and market conditions, outlook and other similar statements relating to Rayonier Advanced Materials' future events, developments, or financial or operational performance or results, are "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These forward-looking statements are identified by the use of words such as "may," "will," "should," "expect," "estimate," "believe," "intend," "forecast," "anticipate," "guidance," and other similar language. However, the absence of these or similar words or expressions does not mean a statement is not forward-looking. While we believe these forward-looking statements are reasonable when made, forward-looking statements are not guarantees of future performance or events and undue reliance should not be placed on these statements. Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance these expectations will be attained and it is possible actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks and uncertainties.

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

Safe Harbor

Business and Operating Risks

Our businesses we operate are highly competitive and many of them are cyclical, especially in commodity markets, which may result in fluctuations in pricing and volume that can adversely impact our business, financial condition and results of operations; Our ten largest customers represented approximately 33% of our 2019 revenue, and the loss of all or a substantial portion of our revenue from these large customers could have a material adverse effect on us; A material disruption at one of our major manufacturing facilities could prevent us from meeting customer demand, reduce our sales and profitability, increase our cost of production and capital needs, or otherwise adversely affect our business, financial condition and results of operation; Changes in raw material and energy availability and prices could affect our results of operations and financial condition; The availability of, and prices for, wood fiber may significantly impact our business, results of operations and financial condition; We are subject to risks associated with manufacturing and selling products and otherwise doing business outside of the United States; Our operations require substantial capital for ongoing maintenance, repair and replacement of existing facilities and equipment; Currency fluctuations may have a negative impact on our business, financial condition and results of operations; Restrictions on trade through tariffs, countervailing and anti-dumping duties, quotas and other trade barriers, in the United States and internationally, especially with respect to China, Canada and as a result of “Brexit”, could adversely affect our ability to access certain markets and otherwise impact our results of operations; We depend on third parties for transportation services and increases in costs and the availability of transportation could adversely affect our business; Our business is subject to extensive environmental laws, regulations and permits that may restrict or adversely affect our ability to conduct our business; The impacts of climate-related initiatives remain uncertain at this time; Our failure to maintain satisfactory labor relations could have a material adverse effect on our business; We are dependent upon attracting and retaining key personnel, the loss of whom could adversely affect our business; Failure to develop new products or discover new applications for our existing products, or our inability to protect the intellectual property underlying such new products or applications, could have a negative impact on our business; Risk of loss of the Company's intellectual property and sensitive business information, or disruption of its manufacturing operations, in each case due to cyberattacks or cyber security breaches, could adversely impact the Company; 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; and Public health crises such as epidemics or pandemics could have a material adverse effect on our financial condition, liquidity or results of operations - specifically, we are subject to risks associated with the COVID-19 pandemic and related impacts, which have had, and we expect will continue to have, a material adverse effect on our business, the nature and extent of which are highly uncertain and unpredictable).

Debt-Related Risks

While the Company has entered into an amendment (the “Amendment”) to its Senior Secured Credit Facilities (as amended by the Amendment, the “Credit Agreement”), there can be no assurances that the Company will continue in full compliance with the amended covenants provided in the Credit Amendment; We have significant debt obligations that could adversely affect our business and our ability to meet our obligations; The phase-out of LIBOR as an interest rate benchmark could result in an increase to our borrowing costs; Challenges in the commercial and credit environments may materially adversely affect our future access to capital; and we may need additional financing in the future to meet our capital needs or to make acquisitions, and such financing may not be available on favorable terms, if at all, and may be dilutive to existing stockholders.

Other important factors that could cause actual results or events to differ materially from those expressed in forward-looking statements that may have been made in this document are described or will be described in our filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Rayonier Advanced Materials assumes no obligation to update these statements except as is required by law.

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 income (loss) from continuing operations 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.

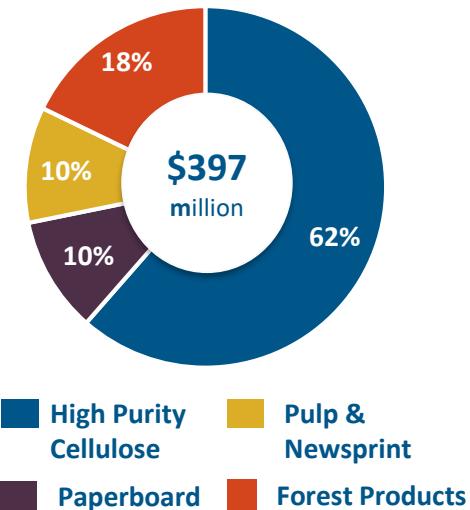
We believe these non-GAAP measures provide useful information to our board of directors, management and investors regarding certain trends relating to our financial condition and results of operations. Our management uses these non-GAAP measures to compare our performance to that of prior periods for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

Q2'20 Financial Highlights

- Results negatively impacted by COVID-19 related demand weakness and logistics issues
- Q2 Revenue of \$397 million and Income/(Loss) from Continuing Operations of \$(13) million
- Q2 Adjusted EBITDA of \$19 million; \$2 million below Q2'19
 - High Purity Cellulose improvements from costs and reliability offset by declines in CS volumes and commodity prices
 - Forest Products improved despite COVID-19 related downtime driven by increased prices and reduced costs
 - Paperboard margins improved driven by lower raw material input costs
 - Pulp & Newsprint declines driven by lower prices and reduced volumes in Newsprint due to COVID-19 related downtime
 - Corporate costs impacted by unfavorable currency changes on long-term liabilities and higher stock compensation
- Q2 Free Cash Flow of \$16 million
 - Improved working capital and targeted capital expenditures
 - Liquidity improved \$21 million in the quarter

Revenue by Segment



Adjusted EBITDA by Segment

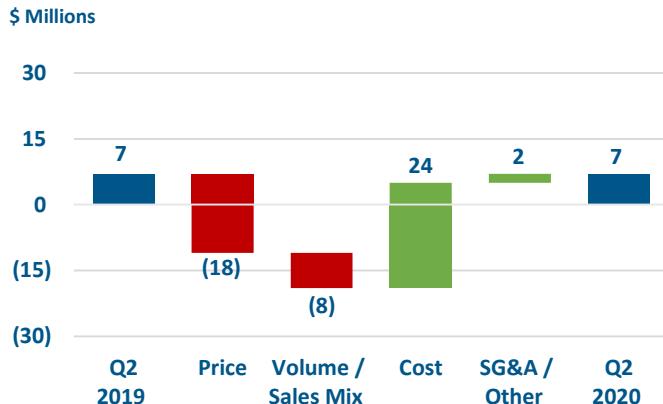
	\$ millions
High Purity Cellulose	31
Paperboard	10
Forest Products	(2)
Pulp & Newsprint	(4)
Corporate	(16)
Total	19

*Revenue by Segment excludes eliminations

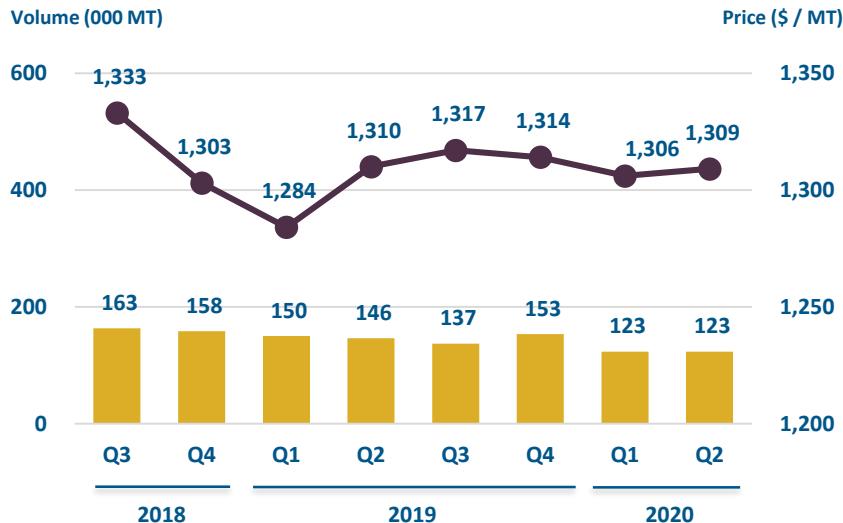
High Purity Cellulose

	Quarter Ended		
	Jun 27, 2020	Mar 28, 2020	Jun 29, 2019
Key Financials (\$ millions)			
Net Sales	\$255	\$250	\$269
Operating Income/(Loss)	7	(5)	7
Adjusted EBITDA	31	26	34

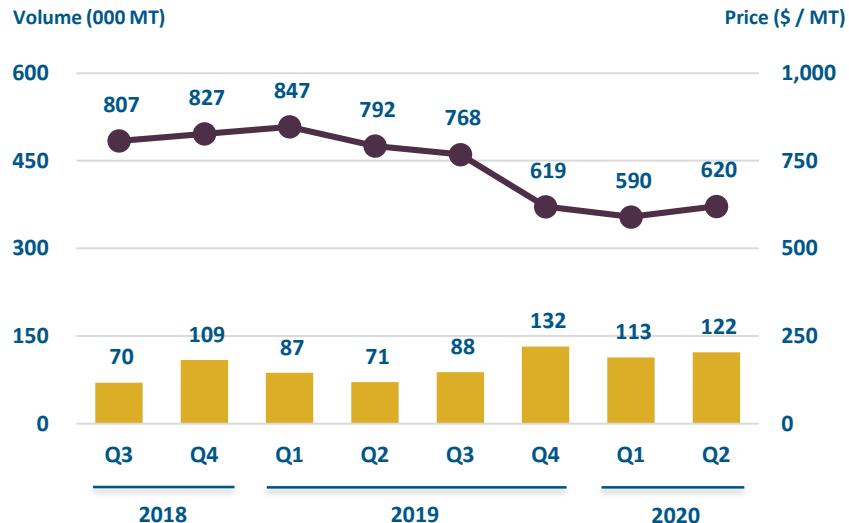
HPC Operating Income/(Loss) Bridge



Cellulose Specialties - Volume and Price



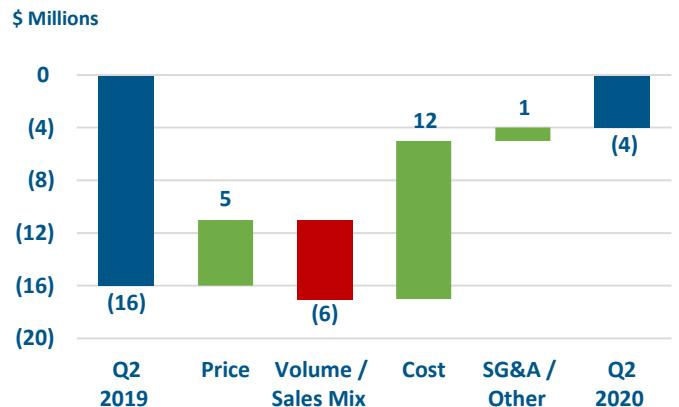
Commodity Products - Volume and Price



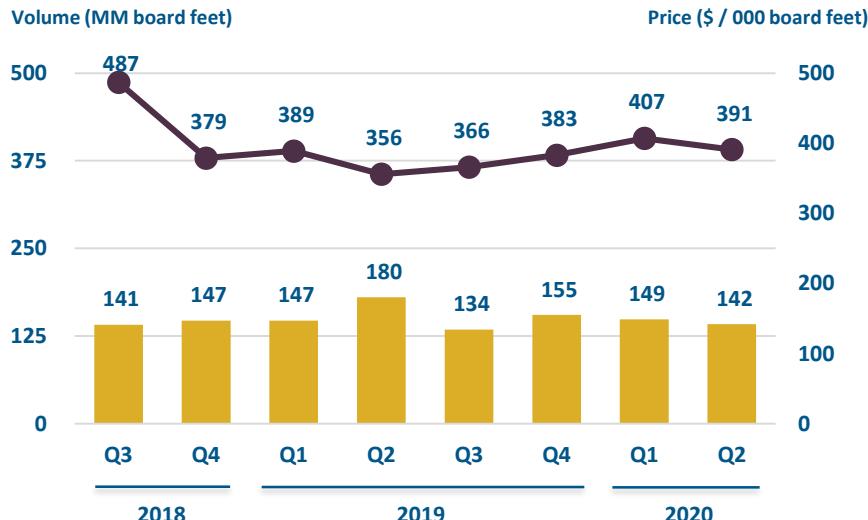
Forest Products

	Quarter Ended		
	Jun 27, 2020	Mar 28, 2020	Jun 29, 2020
Key Financials (\$ millions)			
Net Sales	\$70	\$82	\$81
Operating Income/(Loss)	(4)	(1)	(16)
Adjusted EBITDA	(2)	1	(14)

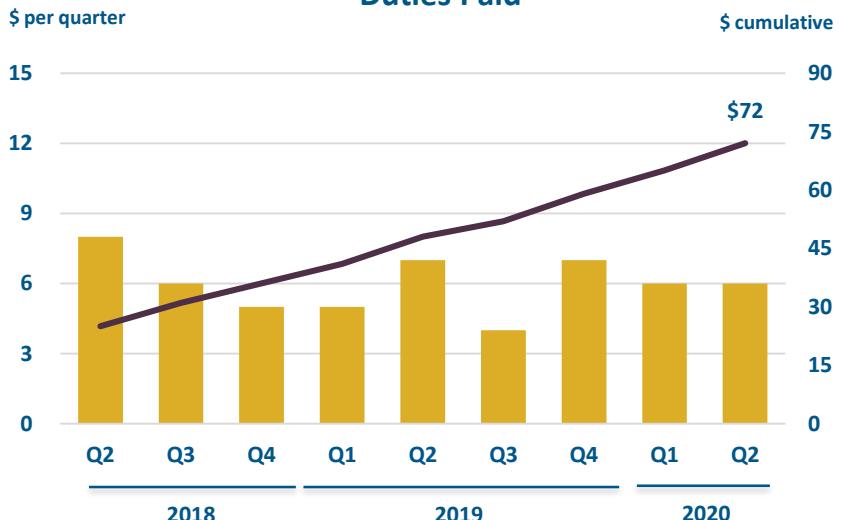
Forest Products Operating Income/(Loss) Bridge



Lumber - Volume and Price



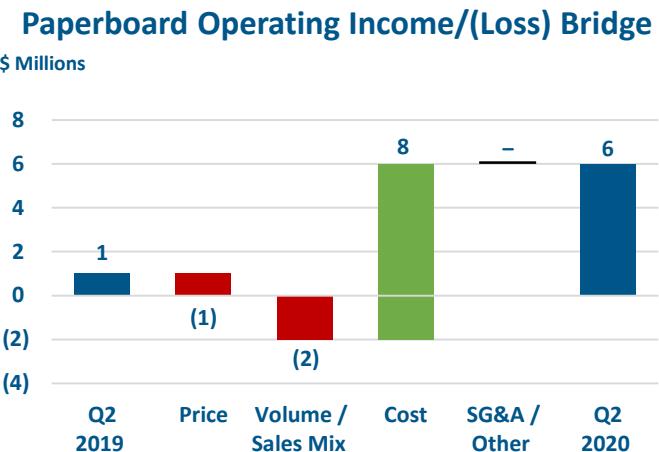
Duties Paid



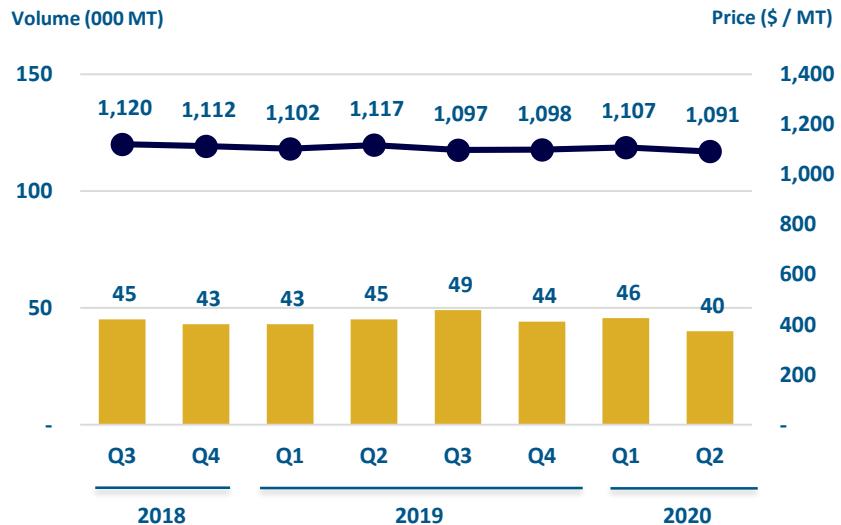
*\$72 million of duties paid since 2017

Paperboard

	Quarter Ended		
	Jun 27 , 2020	Mar 28, 2020	Jun 29, 2019
Key Financials (\$ millions)			
Net Sales	\$43	\$50	\$50
Operating Income/(Loss)	6	5	1
Adjusted EBITDA	10	9	5



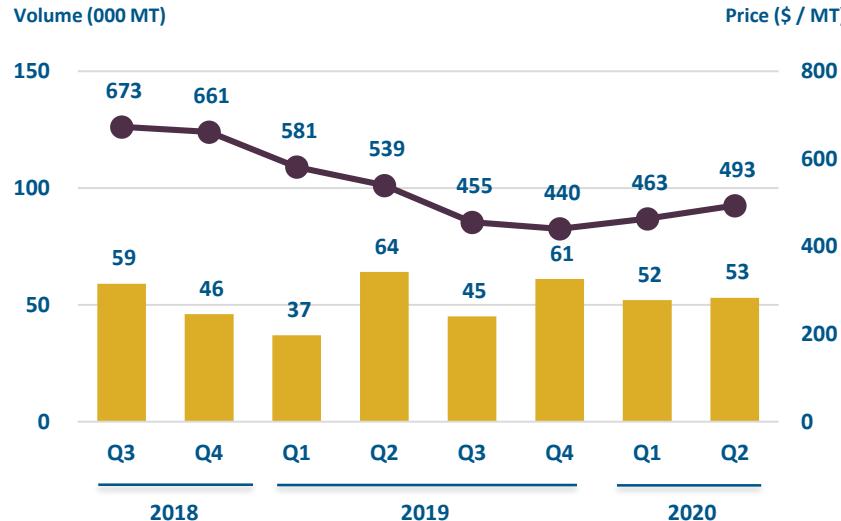
Paperboard - Volume and Price



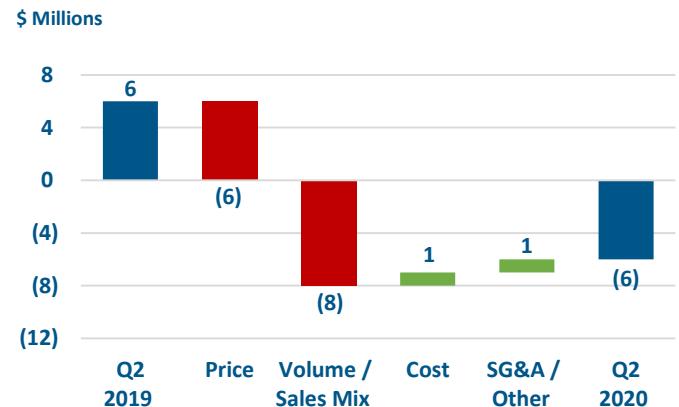
Pulp & Newsprint

	Quarter Ended		
	Jun 27, 2020	Mar 28, 2020	Jun 29, 2020
Key Financials (\$ millions)			
Net Sales	\$43	\$47	\$65
Operating Income/(Loss)	(6)	(6)	6
Adjusted EBITDA	(4)	(4)	8

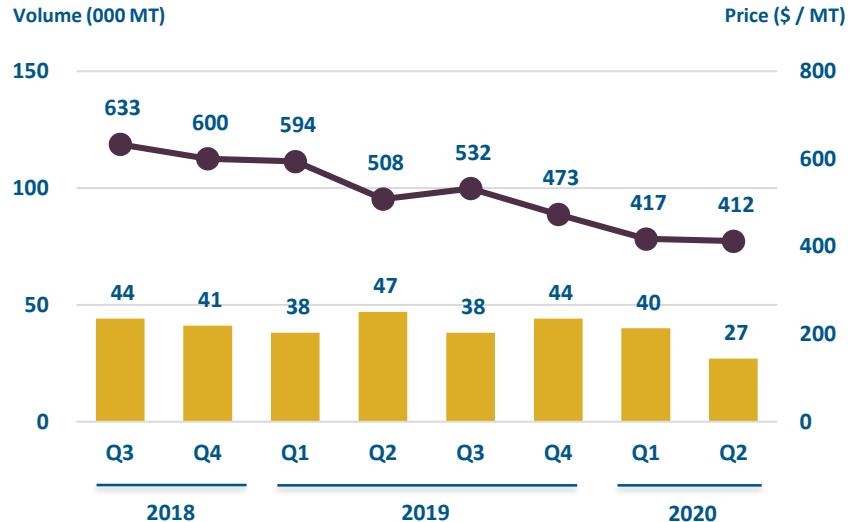
High-Yield Pulp - Volume and Price



Pulp & Newsprint Operating Income/(Loss) Bridge



Newsprint - Volume and Price



Consolidated Operating Income/(Loss)

Bridge Q2 2019 to Q2 2020



- Operating Loss of \$15 million comparable to prior year
- Significant price impacts from commodity High Purity Cellulose as well as Pulp & Newsprint
- Volume declines due to curtailment, logistic delays and COVID-related demand weakness
- Cost improvements from market tailwinds for wood, chemicals and pulp along with continuous improvement efforts partially offset by impact of curtailments
- SG&A improvements offset by non-cash charges

Amendment

Provides additional covenant flexibility and increased liquidity

Benefits

- Financial flexibility & operational runway to manage through COVID-19 via relief on covenants
- Increases liquidity by up to \$20 million
 - Reduced minimum liquidity to \$70 million from \$80-90 million
- Changes to EBITDA definition reduce volatility and exposure from currency fluctuations

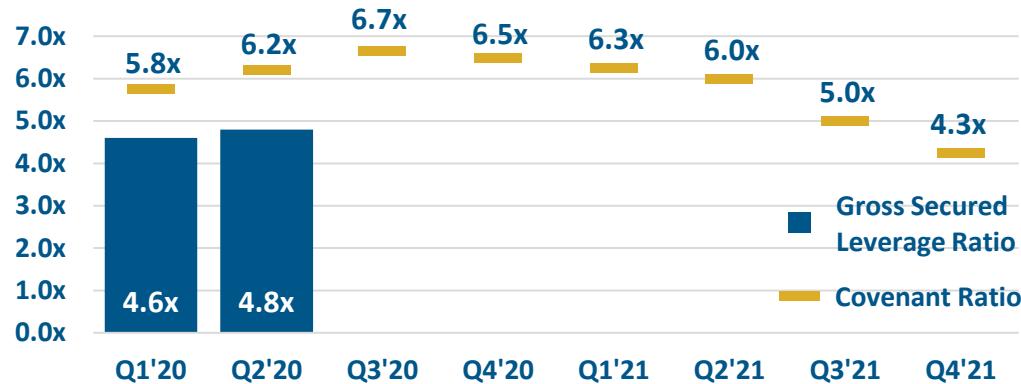
Requirements

- Increased LIBOR floor from 0% to 1%
- Leverage test changed to Gross Secured Debt to EBITDA from Net Secured Debt to EBITDA
- Anti-Cash Hoarding provision requires repayment of Revolver if global cash exceeds \$60 million
- Limitations on issuing Letters of Credit
- Increased reporting requirements
- Amendment fee of ~\$2.1 million

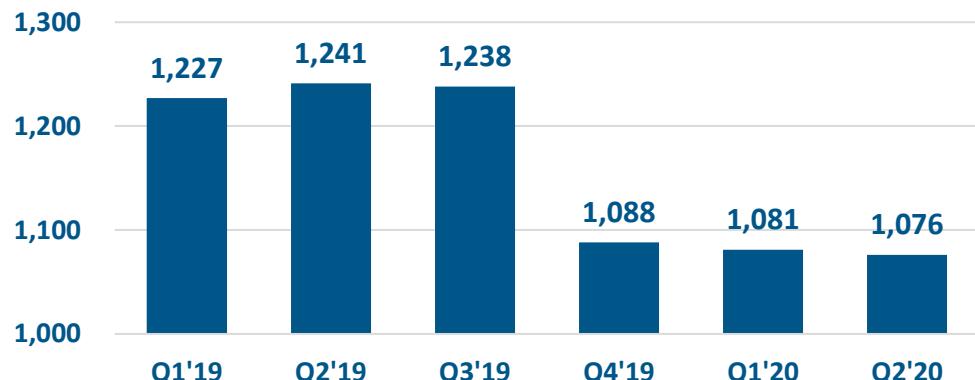
See 8-K filed on June 8, 2020 for full details

Leverage and Liquidity

Gross Secured Debt/Covenant EBITDA*



Total Debt** (in millions)



* based on definitions in Secured Debt agreements

** principal outstanding plus finance leases

Summary:

- Senior secured gross leverage of 4.8x* vs covenants of 6.2x
 - Secured Debt of \$588 million
- Interest coverage ratio of 2.0x* vs covenant of 1.6x
- 20% EBITDA cushion vs. covenant
- Global liquidity of \$166 million as of June 27, 2020, including \$49 million of cash, \$98 million on the U.S. revolver and \$19 million on French factoring facility
- No significant debt maturities until November 2022

Action in Response to COVID-19

Impact to business from COVID-19 is uncertain

Focused on controlling cost and preserving cash as markets recover

■ Safety

- Operations practicing social distancing, supplementing personal protection equipment, limiting outside contractors/visitors and enhancing sanitation measures
- Office and support functions working remotely in most locations
- Mitigating COVID-19 in facilities per protocols based on regulatory guidance

■ Operations

- Curtailed operations in lumber and newsprint in the second quarter to minimize losses
- Poised to curtail production across any segment to offset market weakness, if required

■ Financial

- Amended Credit Agreement to create improved financial flexibility via covenant relief and increased liquidity
- Continued focus on reducing cost across organization; on-track for \$25-30 million of savings
- Reduced Capital Expenditures and improved working capital in response to COVID-19
- Expect \$31 million tax refund from CARES Act in fourth quarter

Well-Positioned for Economic Recovery

Current earnings well below potential in a post-COVID environment

High Purity Cellulose

- Global leader in Cellulose Specialties (“CS”)
- ~1 million metric tons of capacity: 50% CS and 50% commodity pulp
 - Go-to-Market strategy helped stabilized CS price in 2020
 - Commodity prices significant impacted by COVID-19; current viscose and NBSK prices ~\$250 and ~\$135 below prior 5-year average*, respectively

Forest Products

- Experiencing significant recovery in Q3’20 as housing activity recovers and repair & remodel remains robust
- Duties expected to decline by ~60% later in 2020 or early 2021

Paperboard, Pulp & Newsprint

- Paperboard sales volumes expected to remain stable
- Pulp analysts forecasting solid recovery for high yield pulp in 2021
- Matching newsprint production to demand to improve margins

Corporate, Cost & Cash Actions

- Continuous Improvement targeting incremental benefits in 2021 and beyond
- On-going focus on working capital with \$31 million of Cash Tax Refund expected in 2020
- Poised to opportunistically, address capital structure as market and business conditions warrant

* See Appendix slide 20



Appendix

Definitions of Non-GAAP Measures

EBITDA is defined as income from continuing operations 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 from continuing operations 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, non-recurring expense, loan amendment costs and insurance recovery.

Adjusted Net Income is defined as net income adjusted net of tax for gain on bargain purchase, pension settlement loss, severance expense, loan amendment costs, insurance recovery and certain non-recurring expenses.

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:	Forest Products	Paperboard	Pulp & Newsprint	High Purity Cellulose	Corporate & Other	Total
Jun 27, 2020						
Income (loss) from continuing operations	\$ (4)	\$ 6	\$ (5)	\$ 5	\$ (16)	\$ (14)
Depreciation and amortization	2	4	1	26	2	35
Interest expense, net	—	—	—	—	16	16
Income tax benefit	—	—	—	—	(19)	(19)
EBITDA	\$ (2)	\$ 10	\$ (4)	\$ 31	\$ (17)	\$ 18
Jun 29, 2019						
Income (loss) from continuing operations	\$ (16)	\$ 1	\$ 7	\$ 6	\$ (17)	\$ (19)
Depreciation and amortization	2	4	1	28	—	35
Interest expense, net	—	—	—	—	14	14
Income tax benefit	—	—	—	—	(10)	(10)
EBITDA	\$ (14)	\$ 5	\$ 8	\$ 34	\$ (13)	\$ 20
Non-recurring expense	—	—	—	—	1	1
Adjusted EBITDA	\$ (14)	\$ 5	\$ 8	\$ 34	\$ (12)	\$ 21

Reconciliation of Non-GAAP Measures

(\$ Millions)

Adjusted Net Debt Reconciliation

Current maturities of long-term debt	\$ 14	\$ 12
Long-term debt & finance lease obligation	1,061	1,063
Total debt	\$ 1,075	\$ 1,075
Original issue discount, premiums and debt issuance costs	8	6
Cash and cash equivalents	(49)	(43)
Adjusted Net Debt	\$ 1,034	\$ 1,038

	Three Months Ended	
	Jun 27, 2020	Mar 28, 2020

Reconciliation of Non-GAAP Measures

(\$ Millions)

Adjusted Free Cash Flows:

Cash provided by operating activities of continuing operations

Capital expenditures

Adjusted Free Cash Flows

Six Months Ended			
	Jun 27, 2020		Jun 29, 2019
\$	11	\$	4
	(17)		(50)
\$	(7)	\$	(46)

Reconciliation of Reported to Adjusted Earnings

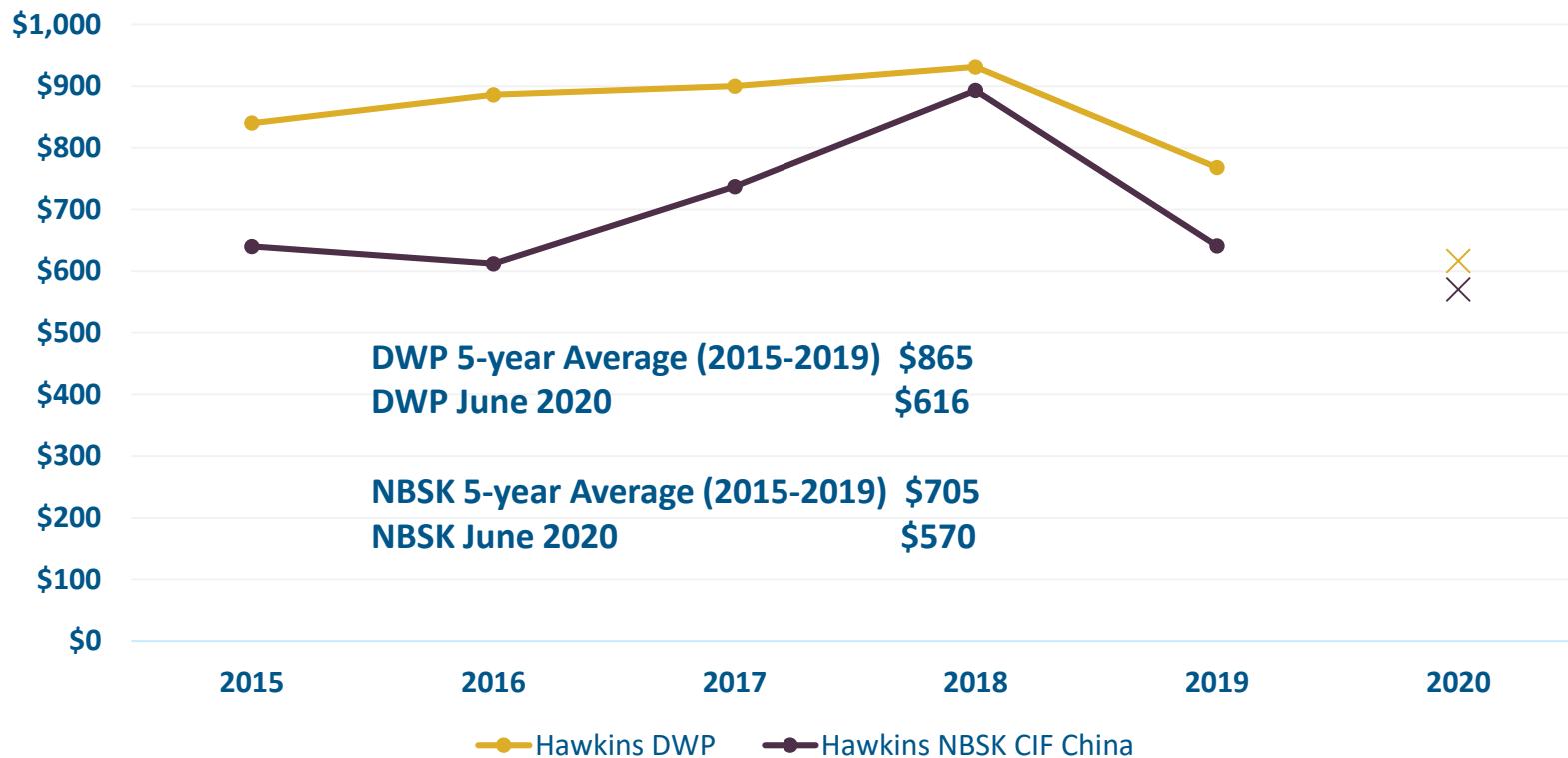
(\$ Millions, except per share amounts)

	Three Months Ended					
	Jun 27, 2020		Mar 28, 2020		Jun 29, 2019	
	\$	Per Diluted Share	\$	Per Diluted Share	\$	Per Diluted Share
Adjusted Operating Income (Loss) and Income (Loss) from Continuing Operations (a):						
Operating Income (Loss)	\$ (15)		\$ (12)		\$ (15)	
Non-recurring expense	—		—		1	
Adjusted Operating Income (Loss)	\$ (15)		\$ (12)		\$ (14)	
Income (Loss) from Continuing Operations						
Non-recurring expense	\$ (13)	\$ (0.20)	\$ (25)	\$ (0.39)	\$ (19)	\$ (0.46)
Tax effects of adjustments	—	—	—	—	1	0.02
Adjusted Income (Loss) from Continuing Operations	\$ (13)	\$ (0.20)	\$ (25)	\$ (0.39)	\$ (18)	\$ (0.44)

- (a) 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, loan amendment costs, insurance recovery received, and severance expense. Adjusted income (loss) from continuing operations is defined as income (loss) from continuing operations adjusted net of tax for non-recurring costs related to the Company's review of its commodity asset portfolio, loan amendment costs, insurance recovery received, severance expense and the gain on bargain purchase. Adjusted operating income (loss) and income (loss) from continuing operations are not necessarily indicative of results that may be generated in future periods.
- (b) Non-recurring expenses are related to the Company's review of its commodity asset portfolio

Commodity Viscose and NBSK* Historical Index

Commodity HPC prices well below historical average



Source: Hawkins Wright

* NBSK used as a proxy for fluff and other pulp prices

Key Index Pricing

Product	Index*	Q2'20 Average Index Price	Q1'20 Average Index Price	Q4'19 Average Index Price	Q3'19 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	• \$1,183 • Down from Q1'20 Not yet published	• \$1,122 • \$650	• \$1,107 • \$655	• \$1,163 • \$745
Forest Products	• 2x4 Random Lengths Grade 2 & Better Great Lakes • 2x4 8' Stud Great Lakes	• \$446 • \$467	• \$482 • \$426	• \$465 • \$367	• \$451 • \$353
Paperboard	• Solid Bleached Sulfate 16 point	• \$1,030***	• \$1,040***	• \$1,060***	• \$1,060***
High-Yield Pulp	• Bleached Eucalyptus Kraft**	• \$465	• \$460	• \$455	• \$507
Newsprint	• 45 gram US East	• \$640	• \$669	• \$701	• \$731

* 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