



**First 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:

Business and Operating Risks

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

Debt-Related Risks

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

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

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.

Action in Response to COVID-19

All Businesses Deemed Essential

■ Safety

- Actively monitoring outbreak since January
- COVID-19 Task Force setting guidelines and establishing protocols
- Office and support functions working remotely
- Operations practicing social distancing, supplementing personal protection equipment, limiting outside contractors/visitors and enhancing sanitation measures

■ Operations

- Curtailed operations in lumber and newsprint mills; currently running at reduced schedules to match demand
- Operating HPC and other facilities normally
- Delaying major maintenance outages to reduce contractor presence and minimize exposure risk

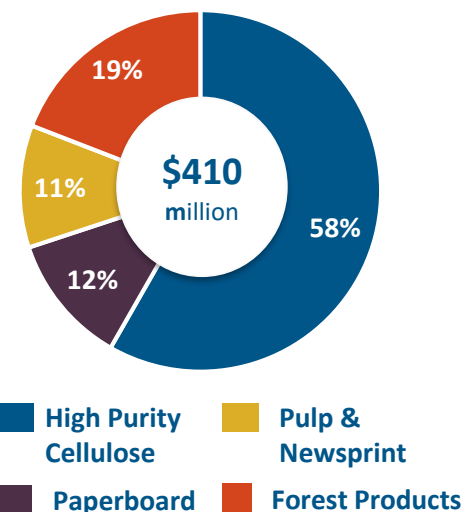
■ Financial

- Maintaining strong global liquidity with \$145 million available at the end of Q1
- Proactively in discussions with banks to manage potential COVID-19 impact

Q1'20 Financial Highlights

- Q1 Revenue: \$410 million
 - 35% increase to Gross Margins
- Q1 Operating Loss: \$(12) million
- Q1 Adjusted EBITDA: \$27 million; \$17 million improvement from prior year
 - Cost improvements in High Purity Cellulose were offset by declines in commodity prices and CS volumes compared to prior year
 - Forest Products benefited from increased market prices and improved production versus prior year
 - Margins improved year-over-year in the Paperboard segment driven by lower raw material input costs
 - Pulp & Newsprint declines driven by price decreases of 20% and 30%, respectively, partially offset by stronger volumes and lower costs from prior year
 - Corporate costs improvements were driven by favorable impacts to currency, lower incentive compensation
- Free Cash Flow improvement of \$35 million from prior year
 - \$17 million from reduced CapEx

Revenue by Segment



Adjusted EBITDA by Segment

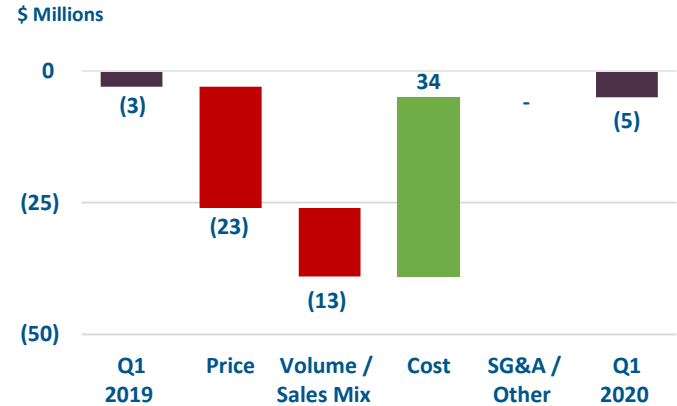
	<i>\$ millions</i>
High Purity Cellulose	26
Paperboard	9
Forest Products	1
Pulp & Newsprint	(4)
Corporate	(5)
Total	27

**Revenue by Segment excludes eliminations*

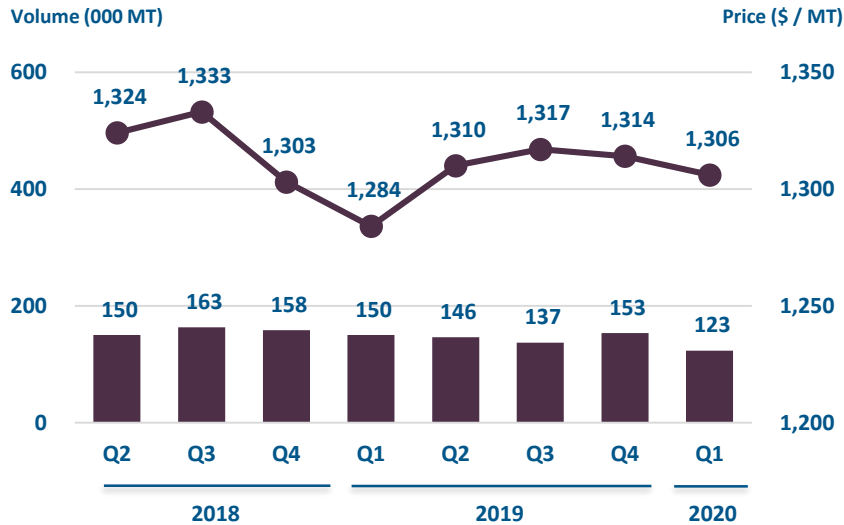
High Purity Cellulose

	Quarter Ended		
	Mar 28, 2020	Dec 31, 2019	Mar 30, 2019
Key Financials (\$ millions)			
Net Sales	\$250	\$304	\$286
Operating Income/(Loss)	(5)	(4)	(3)
Adjusted EBITDA	26	27	25

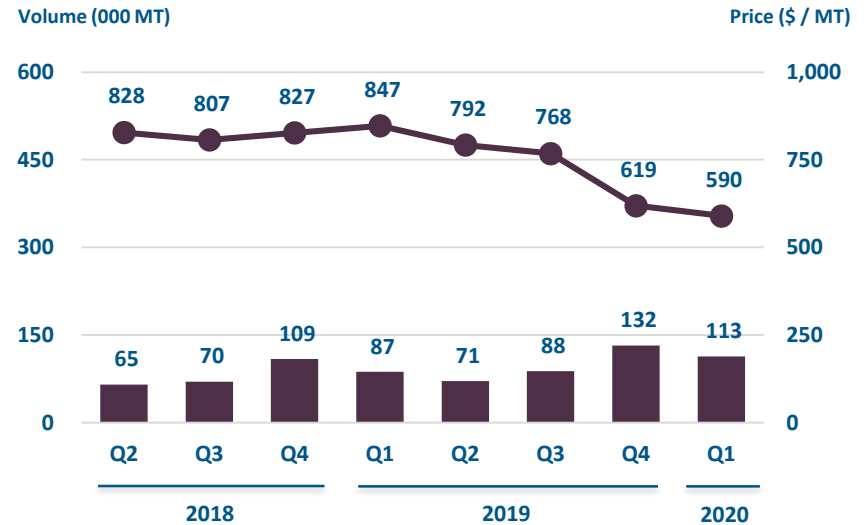
HPC Operating Income/(Loss) Bridge



Cellulose Specialties - Volume and Price



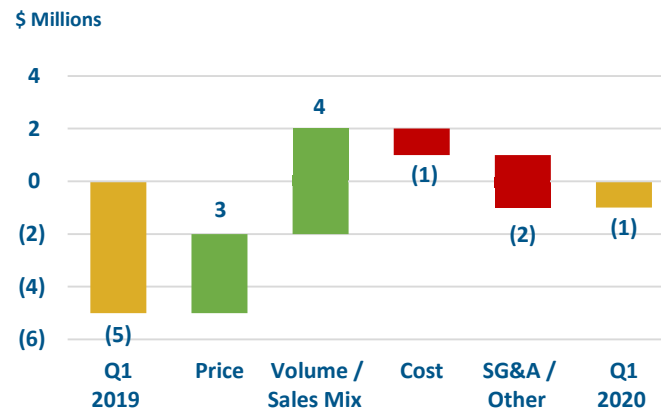
Commodity Products - Volume and Price



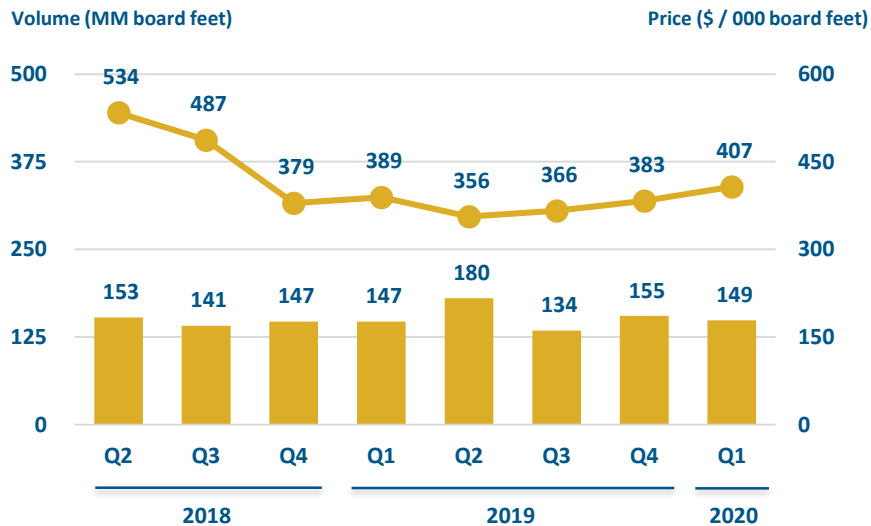
Forest Products

	Quarter Ended		
	Mar 28, 2020	Dec 31, 2019	Mar 30, 2019
Key Financials (\$ millions)			
Net Sales	\$82	\$77	\$75
Operating Income/(Loss)	(1)	(4)	(5)
Adjusted EBITDA	1	(1)	(3)

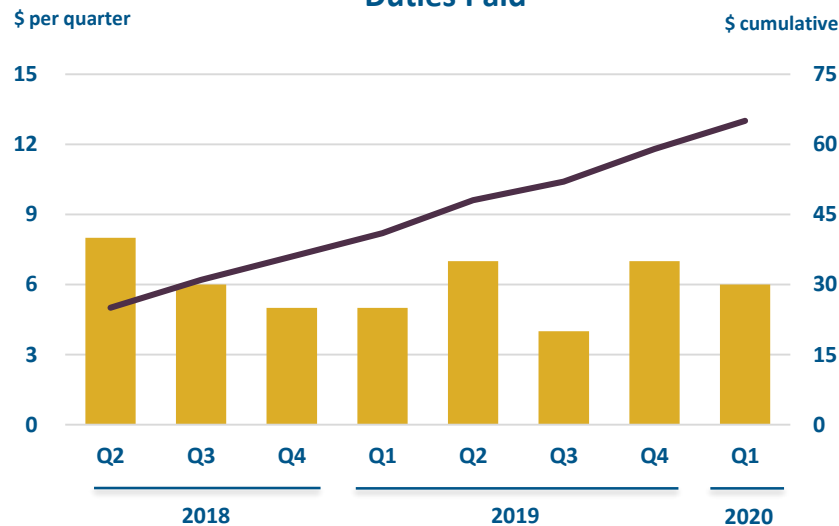
Forest Products Operating Income/(Loss) Bridge



Lumber - Volume and Price



Duties Paid

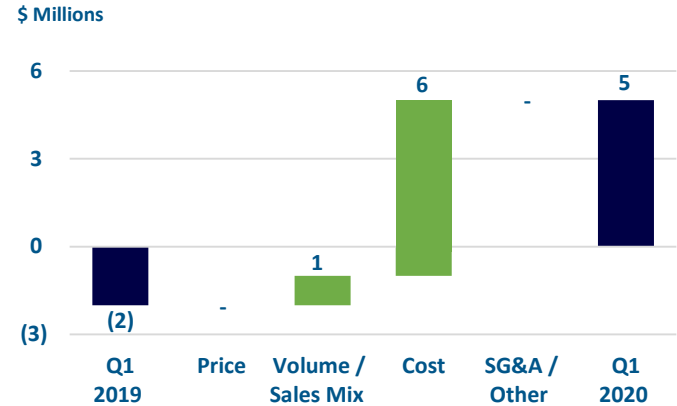


*\$65 million of duties paid since 2017

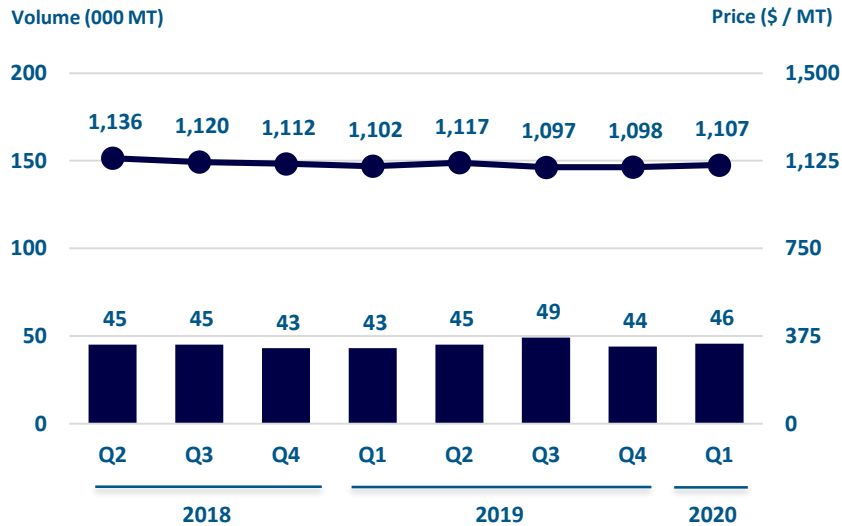
Paperboard

	Quarter Ended		
	Mar 28, 2020	Dec 31, 2019	Mar 30, 2019
Key Financials (\$ millions)			
Net Sales	\$50	\$49	\$47
Operating Income/(Loss)	5	3	(2)
Adjusted EBITDA	9	8	2

Paperboard Operating Income/(Loss) Bridge



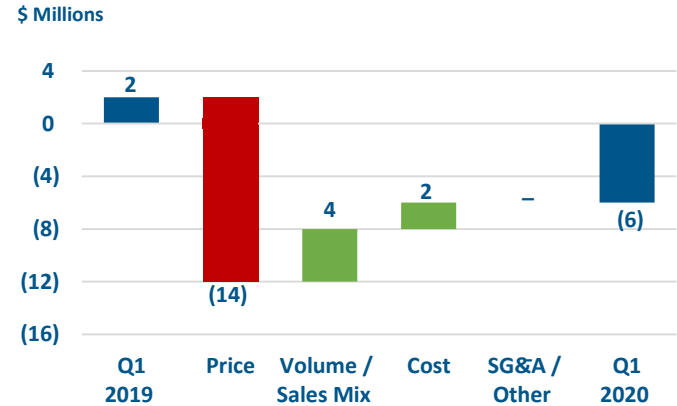
Paperboard - Volume and Price



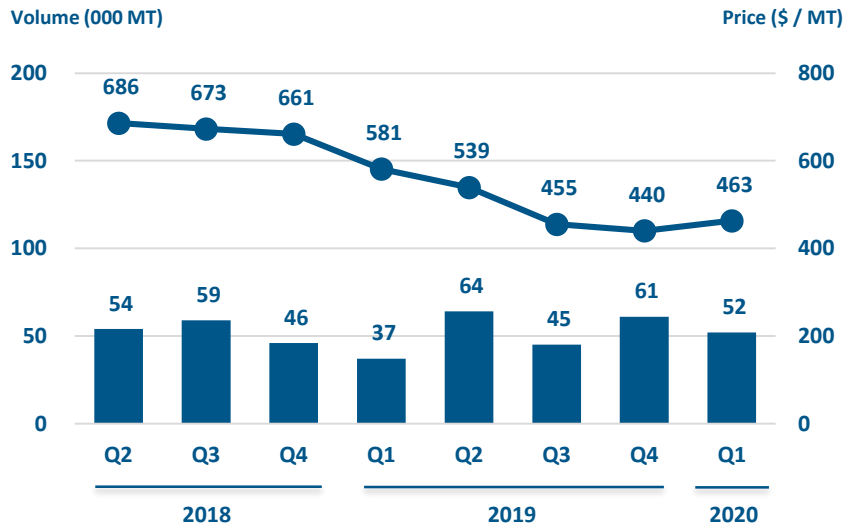
Pulp & Newsprint

	Quarter Ended		
	Mar 28, 2020	Dec 31, 2019	Mar 30, 2019
Key Financials (\$ millions)			
Net Sales	\$47	\$54	\$51
Operating Income/(Loss)	(6)	(2)	2
Adjusted EBITDA	(4)	—	5

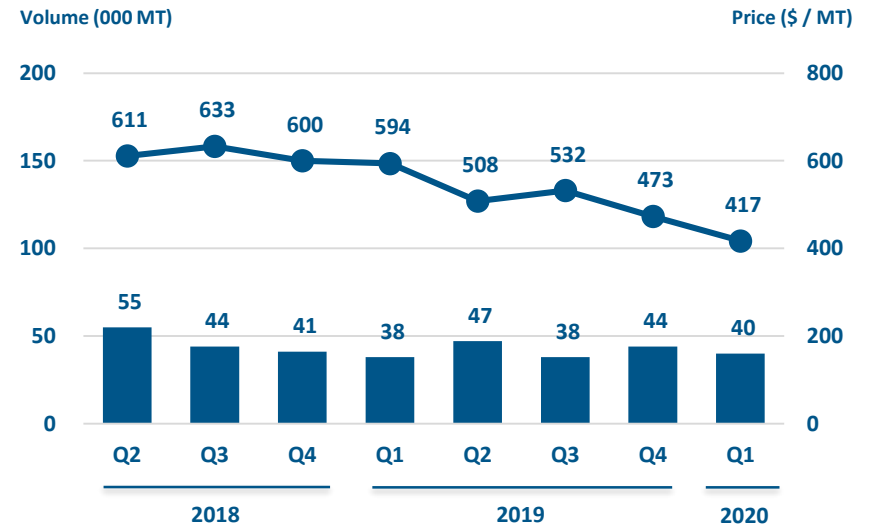
Pulp & Newsprint Operating Income/(Loss) Bridge



High-Yield Pulp - Volume and Price

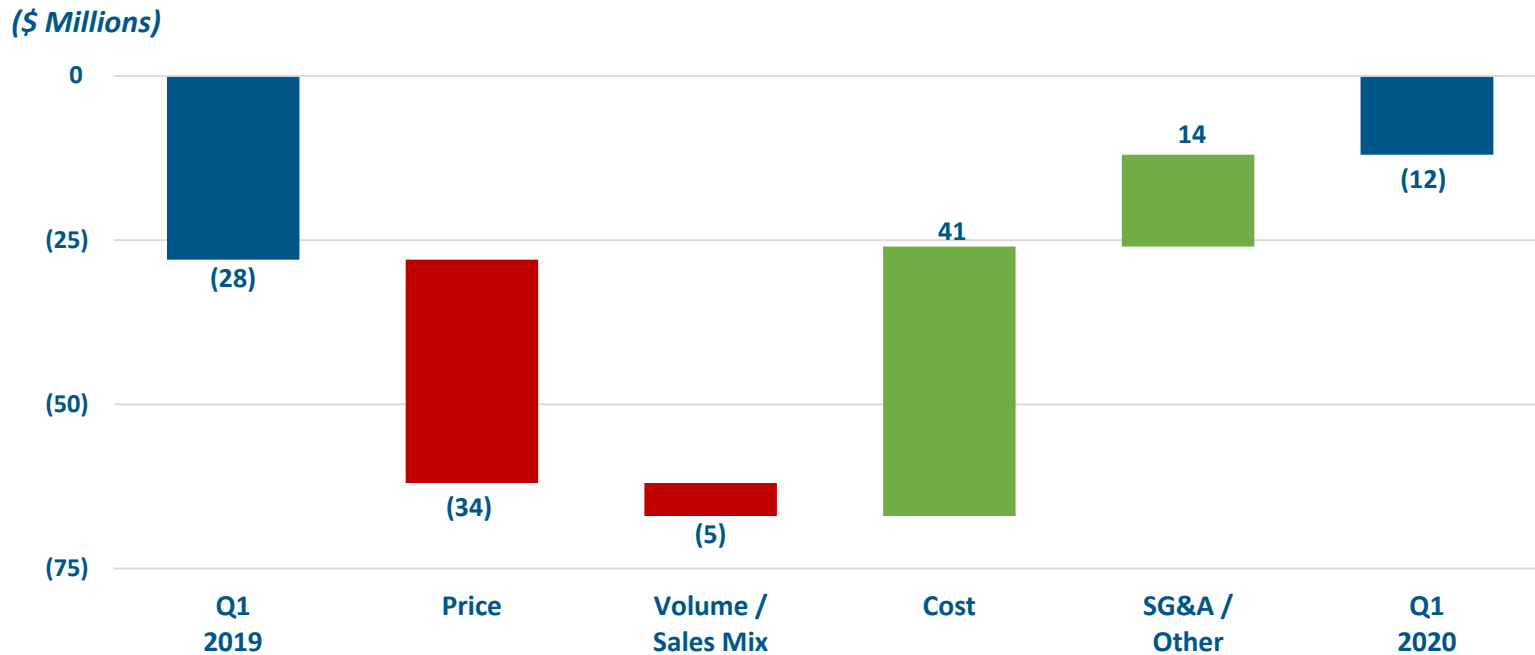


Newsprint - Volume and Price



Consolidated Operating Income/(Loss)

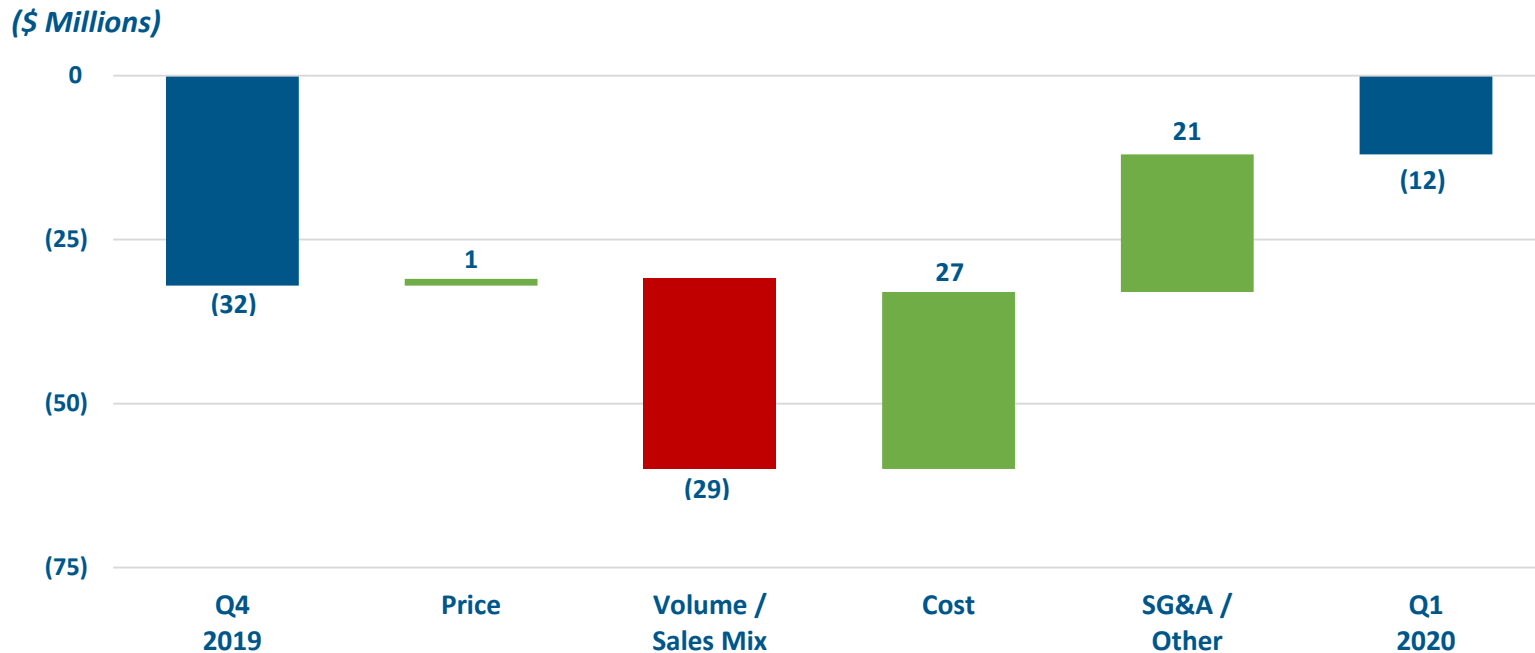
Bridge Q1 2019 to Q1 2020



- \$15 million improvement in Operating Income/(Loss) from prior year
- Price declines impacted by 30% decrease in commodity HPC, 30% in Newsprint and 20% in Pulp products
- \$41 million cost improvement driven by lower wood costs and improved reliability
- SG&A improvements from a favorable currency impact and lower incentive compensation

Consolidated Operating Income/(Loss)

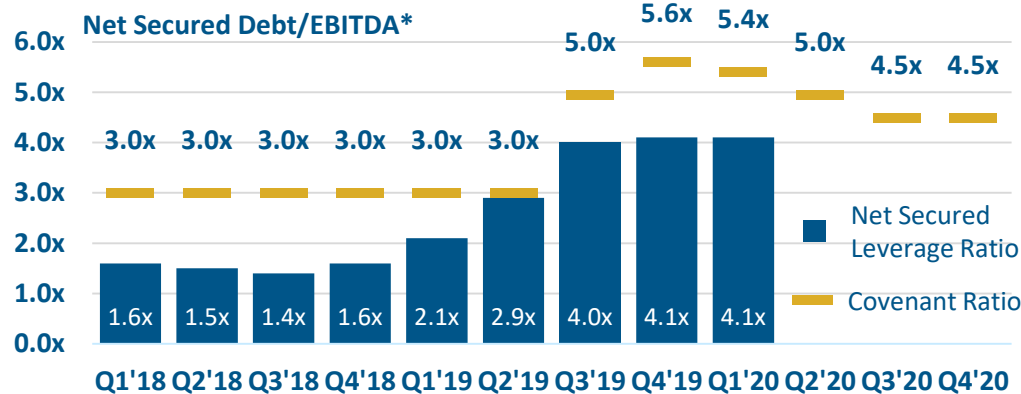
Bridge Q4 2019 to Q1 2020



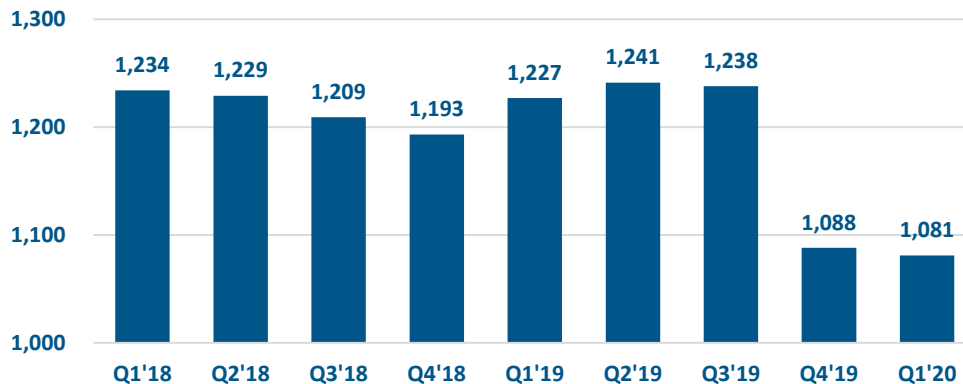
- \$20 million improvement in Operating Income/(Loss) from sequential quarter
- Improved prices in Forest Products offset by weakness in commodity HPC prices
- Volumes impacted by timing of sales in HPC and a decision not to pursue lower margin business partially offset by improved sales volume in Forest Products
- SG&A improvements due primarily to favorable currency impact and environmental charge taken in prior quarter

Leverage and Liquidity

New Covenant Ratio



Total Debt** (in millions)



* based on definitions in Secured Debt agreements

** principal outstanding plus finance leases

Summary:

- Senior secured net leverage of 4.1x* vs covenants of 5.4x
- Interest coverage ratio of 2.2x* vs covenant of 1.75x
- 19% EBITDA cushion vs covenant
- Global liquidity of \$145 million as of March 28, 2020, including \$43 million of cash, \$90 million on the U.S. revolver and \$13 million on French factoring facility
- No significant debt maturities until November 2022

Corporate Governance Enhancements

Board refreshment and other corporate governance updates

- David Mariano and Ivona Smith to be appointed to the Board in May
 - Company nominated Mr. Mariano as Class III Director election at 2020 Annual Stockholders Meeting
 - Ms. Smith will be appointed as a Class II Director
 - David Brown and Mark Gaumont to retire from Board in May
- Separation of Chairman and CEO Roles
 - Directors elect De Lyle Bloomquist as non-executive Chairman of the Board
 - Paul Boynton will continue as President and CEO and as a Director
- Management re-proposes declassification of Board and elimination of supermajority voting provisions for vote at 2020 Annual Stockholders Meeting
- Restructured target compensation for CEO down by 38%

Steps taken to enhance corporate governance practices and drive stockholder value

Market Assessment

**Impact to business from COVID-19 is uncertain
Focused on controlling cost and preserving cash as markets recover**

High Purity Cellulose

- Cellulose specialties demand modestly impacted by COVID-19 with expectations remaining prices up ~2% and volumes down 7-8% on a contracted and agreed basis, 11-12% as expected due to sales timing
- Commodity markets are mixed with strong demand for fluff products while the viscose pulp market is under significant pressure
- Delaying annual maintenance outages to later in the year due to COVID-19 risks
- All facilities running at normal operating levels

Forest Products

- Weak market demand driven by reduced housing starts and restrictions on construction in many key areas partially offset by stronger demand for stud products
- Duties expected to decline by ~60% later in year
- Some facilities are operating at reduced capacity

Paperboard, Pulp & Newsprint

- Paperboard has mixed end markets, but continues to benefit from lower raw material input costs; expect operations to run at normal levels
- Pulp prices experiencing positive momentum and expect to operate at normal levels
- Newsprint demand has declined significantly amid COVID-19; Operations will be managed based on demand to maximize profitability and cash flow



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
March 28, 2020						
Income (loss) from continuing operations	\$ (1)	\$ 5	\$ (5)	\$ (5)	\$ (19)	\$ (25)
Depreciation and amortization	2	4	1	30	—	38
Interest expense, net	—	—	—	—	15	15
Income tax benefit	—	—	—	—	(2)	(2)
EBITDA	\$ 1	\$ 9	\$ (4)	\$ 26	\$ (5)	\$ 27
March 30, 2019						
Income (loss) from continuing operations	\$ (5)	\$ (2)	\$ 4	\$ (4)	\$ (21)	\$ (28)
Depreciation and amortization	2	4	1	29	—	36
Interest expense, net	—	—	—	—	13	13
Income tax benefit	—	—	—	—	(11)	(11)
EBITDA	\$ (3)	\$ 2	\$ 5	\$ 25	\$ (19)	\$ 10

Reconciliation of Non-GAAP Measures

(\$ Millions)

	Three Months Ended	
	March 28, 2020	December 31, 2019
Adjusted Net Debt Reconciliation		
Current maturities of long-term debt	\$ 12	\$ 19
Long-term debt & finance lease obligation	1,063	1,063
Total debt	\$ 1,075	\$ 1,082
Original issue discount, premiums and debt issuance costs	6	6
Cash and cash equivalents	(43)	(64)
Adjusted Net Debt	\$ 1,038	\$ 1,024

Reconciliation of Non-GAAP Measures

(\$ Millions)

Adjusted Free Cash Flows:

Cash provided by operating activities of continuing operations

Capital expenditures

Adjusted Free Cash Flows

Three Months Ended	
March 28, 2020	March 30, 2019
\$ (13)	\$ (31)
(10)	(27)
<u>\$ (23)</u>	<u>\$ (58)</u>

Reconciliation of Reported to Adjusted Earnings

(\$ Millions, except per share amounts)

	Three Months Ended					
	March 28, 2020		December 31, 2019		March 30, 2019	
Adjusted Operating Income (Loss) and Income (Loss) from Continuing Operations (a):	\$	Per Diluted Share	\$	Per Diluted Share	\$	Per Diluted Share
Operating Income (Loss)	\$ (12)		\$ (32)		\$ (28)	
Severance expense	—		1		—	
Loan amendment costs	—		1		—	
Adjusted Operating Income (Loss)	<u>\$ (12)</u>		<u>\$ (30)</u>		<u>\$ (28)</u>	
Income (Loss) from Continuing Operations	\$ (25)	\$ (0.39)	\$ (57)	\$ (0.91)	\$ (28)	\$ (0.64)
Pension settlement loss	—	—	9	0.14	—	—
Severance expense	—	—	1	0.02	—	—
Loan amendment costs	—	—	1	0.01	—	—
Tax effects of adjustments	—	—	(3)	(0.04)	—	—
Adjusted Income (Loss) from Continuing Operations	<u>\$ (25)</u>	<u>\$ (0.39)</u>	<u>\$ (49)</u>	<u>\$ (0.78)</u>	<u>\$ (28)</u>	<u>\$ (0.64)</u>

(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

Key Index Pricing

Product	Index*	Q1'20 Average Index Price	Q4'19 Average Index Price	Q3'19 Average Index Price	Q2'19 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 	<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"> \$1,122 \$650 	<ul style="list-style-type: none"> \$1,107 \$655 	<ul style="list-style-type: none"> \$1,163 \$745 	<ul style="list-style-type: none"> \$1,260 \$845
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"> \$482 \$426 	<ul style="list-style-type: none"> \$465 \$367 	<ul style="list-style-type: none"> \$451 \$353 	<ul style="list-style-type: none"> \$415 \$345
Paperboard	<ul style="list-style-type: none"> Solid Bleached Sulfate 16 point 	<ul style="list-style-type: none"> \$1,040*** 	<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"> \$460 	<ul style="list-style-type: none"> \$455 	<ul style="list-style-type: none"> \$507 	<ul style="list-style-type: none"> \$635
Newsprint	<ul style="list-style-type: none"> 45 gram US East 	<ul style="list-style-type: none"> \$669 	<ul style="list-style-type: none"> \$701 	<ul style="list-style-type: none"> \$731 	<ul style="list-style-type: none"> \$736

* 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