

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT -- MARCH 23, 2001

COMMISSION FILE NUMBER 1-6780

RAYONIER INC.

Incorporated in the State of North Carolina
I.R.S. Employer Identification Number 13-2607329

50 North Laura Street, Jacksonville, Florida 32202
(Principal Executive Office)

Telephone Number: (904) 357-9100

RAYONIER INC.

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ITEM 5. OTHER EVENTS

Incorporated by reference is a news release issued by the Registrant on March 22, 2001, attached as Exhibit 00.1.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

See Exhibit Index on Page 2.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

RAYONIER INC. (Registrant)

BY: GERALD J. POLLACK

Gerald J. Pollack
Senior Vice President and
Chief Financial Officer

March 23, 2001

EXHIBIT NO. -----	DESCRIPTION -----	LOCATION -----
00.1	News Release issued March 22, 2001	Filed herewith

RAYONIER HIGHLIGHTS CERTAIN FORM 10-K ITEMS

JACKSONVILLE, FL, March 22, 2001 - Rayonier (NYSE: RYN) today filed its Annual Report on Form 10-K with the Securities and Exchange Commission. The company said the 10-K incorporates several items that update information issued in its year-end earnings press release:

1. Business segment reporting has been reformatted in line with the company's strategy to focus on two core businesses, Performance Fibers and Timberland Management. The reclassified sales and operating income for each quarter of 2000 are shown in the new format in the accompanying analysis.

2. The major timberland sale that occurred in the first quarter of 2000 has been reclassified as operating activity to correspond with the company's new strategy to annually sell 2 to 4 percent of its timberland holdings and opportunistically replace the acreage over time. As a result, the following changes took place:

a. Operating income for the year increased from \$166.4 million to \$189.5 million. Net income was unchanged.

b. Depletion, depreciation and amortization increased from \$161.5 million to \$176.9 million and now includes depletable costs associated with the major timberland sale.

c. EBITDA increased from \$347.7 million to \$393.1 million, also incorporating the remaining non-cash costs of the major timberland sale.

3. Sales reported in the 10-K are \$1,226.9 million, approximately \$57.4 million higher than the year-end preliminary amount, due to the reclassification of the major timberland sale, and additional freight costs charged to cost of sales in accordance with EITF-00-10 (accounting for shipping and handling costs).

(more)

4. The company reclassified certain contingent liabilities related to long term compensation to the equity account to the extent that such compensation would be paid in common shares. This change had no material effect on the company's debt-to-capital ratio.

5. In the management's discussion and analysis section, the company updated the earnings outlook for the first quarter of 2001, expressed in its year-end earnings release, from "may be lower" to "will be lower" than fourth quarter 2000 earnings before non-recurring items, due to the widening global economic slowdown.

Rayonier is the world's premier producer of high performance specialty cellulose and has 2.3 million acres of timber in the United States and New Zealand. About half of Rayonier's sales are to international customers in 60 countries. In 2001, Rayonier is celebrating its 75th anniversary.

For further information, visit the company's website at www.rayonier.com. Complimentary copies of Rayonier press releases and other financial documents are available by calling 1-800-RYN-7611.

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RESTATED SEGMENT INFORMATION BY QUARTER FOR 2000

(in Millions)

	Q1	Q2	Q3	Q4	Total Year
	-----	-----	-----	-----	-----
SALES					
- - - - -					
Performance Fibers					
Cellulose Specialties	\$ 87	\$ 87	\$ 83	\$ 91	\$ 348
Absorbent Materials	54	57	60	57	228
	-----	-----	-----	-----	-----
Total Performance Fibers	141	144	143	148	576
	-----	-----	-----	-----	-----
Timberland Management					
Timber Harvest	63	50	40	57	210
Timberland and Real Estate	53	4	5	8	70
	-----	-----	-----	-----	-----
Total Timberland Management	116	54	45	65	280
	-----	-----	-----	-----	-----
Wood Products and Trading	108	115	86	92	401
Intersegment Eliminations	(10)	(9)	(4)	(7)	(30)
	-----	-----	-----	-----	-----
Total Sales	\$ 355	\$ 304	\$ 270	\$ 298	\$ 1,227
	=====	=====	=====	=====	=====
OPERATING INCOME/(LOSS)					
- - - - -					
Performance Fibers	\$ 18	\$ 21	\$ 23	\$ 21	\$ 83
Timberland Management					
Timber Harvest	41	28	17	28	114
Timberland and Real Estate	26	3	4	5	38
	-----	-----	-----	-----	-----
Total Timberland Management	67	31	21	33	152
	-----	-----	-----	-----	-----
Wood Products and Trading	(2)	(1)	(8)	(6)	(17)
Provision for Dispositions	--	--	--	(15)	(15)
Corporate and Other	(8)	(4)	(2)	1	(13)
	-----	-----	-----	-----	-----
Total Operating Income	\$ 75	\$ 47	\$ 34	\$ 34	\$ 190
	=====	=====	=====	=====	=====