



Rayonier Investor Presentation

November 2015



Safe Harbor Statement

Certain statements in this presentation regarding anticipated financial outcomes including Rayonier's earnings guidance, if any, business and market conditions, outlook, expected dividend rate, Rayonier's business strategies, including expected harvest schedules, timberland acquisitions and sales of non-strategic timberlands, the anticipated benefits of Rayonier's business strategies, and other similar statements relating to Rayonier's 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," "project," "anticipate" 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 management believes that 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.

The following important factors, among others, could cause actual results or events to differ materially from those expressed in forward-looking statements that may have been made in this document: the cyclical and competitive nature of the industries in which we operate; fluctuations in demand for, or supply of, our forest products and real estate offerings; entry of new competitors into our markets; changes in global economic conditions and world events, including political changes in particular regions or countries; fluctuations in demand for our products in Asia, and especially China; various lawsuits relating to matters arising out of our previously announced internal review and the restatement of our consolidated financial statements; the uncertainties of potential impacts of climate-related initiatives; the cost and availability of third party logging and trucking services; the geographic concentration of a significant portion of our timberland; our ability to identify, finance and complete timberland acquisitions; changes in environmental laws and regulations, timber harvesting, delineation of wetlands, and endangered species, that may restrict or adversely impact our ability to conduct our business, or increase the cost of doing so; adverse weather conditions, natural disasters and other catastrophic events such as hurricanes, wind storms and wildfires, which can adversely affect our timberlands and the production, distribution and availability of our products; interest rate and currency movements; our capacity to incur additional debt, and any decision we may make to do so; changes in tariffs, taxes or treaties relating to the import and export of our products or those of our competitors; changes in key management and personnel; our ability to meet all necessary legal requirements to continue to qualify as a real estate investment trust ("REIT") and changes in tax laws that could adversely affect tax treatment of our specific businesses or reduce the benefits associated with REIT status.

Specifically with respect to our Real Estate business, the following important factors, among others, could cause actual results to differ materially from those expressed in forward-looking statements that may have been made in this document: the cyclical nature of the real estate business generally, including fluctuations in demand for both entitled and unentitled property; a delayed or weak recovery in the housing market; the lengthy, uncertain and costly process associated with the ownership, entitlement and development of real estate, especially in Florida, which also may be affected by changes in law, policy and political factors beyond our control; the potential for legal challenges to entitlements and permits in connection with our properties; unexpected delays in the entry into or closing of real estate transactions; the existence of competing developers and communities in the markets in which we own property; the pace of development and the rate and timing of absorption of existing entitled property in the markets in which we own property; changes in the demographics affecting projected population growth and migration to the Southeastern U.S.; changes in environmental laws and regulations, including laws regarding water withdrawal and management and delineation of wetlands, that may restrict or adversely impact our ability to sell or develop properties; the cost of the development of property generally, including the cost of property taxes, labor and construction materials; the timing of construction and availability of public infrastructure; and the availability of financing for real estate development and mortgage loans.

For additional factors that could impact future results, please see Item 1A – Risk Factors in the company's most recent Annual Report on Form 10-K and similar discussions included other reports that we subsequently file with the Securities and Exchange Commission (the "SEC").

Forward-looking statements are only as of the date they are made, and the Company undertakes no duty to update its forward-looking statements except as required by law. You are advised, however, to review any further disclosures we make on related subjects in our subsequent reports filed with the SEC.

Rayonier Highlights

Rayonier – Best-in-Class, Pure-Play Timber REIT

Leading Pure-Play Timberland REIT

- Third-largest timber REIT with 2.7 million acres of high-quality timberland
- Geographic diversity – U.S. South, Pacific Northwest, New Zealand
- Timberlands strategically positioned in competitive fiber baskets
- Focus on recurring cash flow generation from timber harvest operations

Growing Timberland Base

- Profitably growing timberland base through disciplined acquisition process
- Over \$900 million invested in high-quality timberlands since January 2011
- Investing in advanced genetics to yield long-term volume growth

Attractive Real Estate Platform

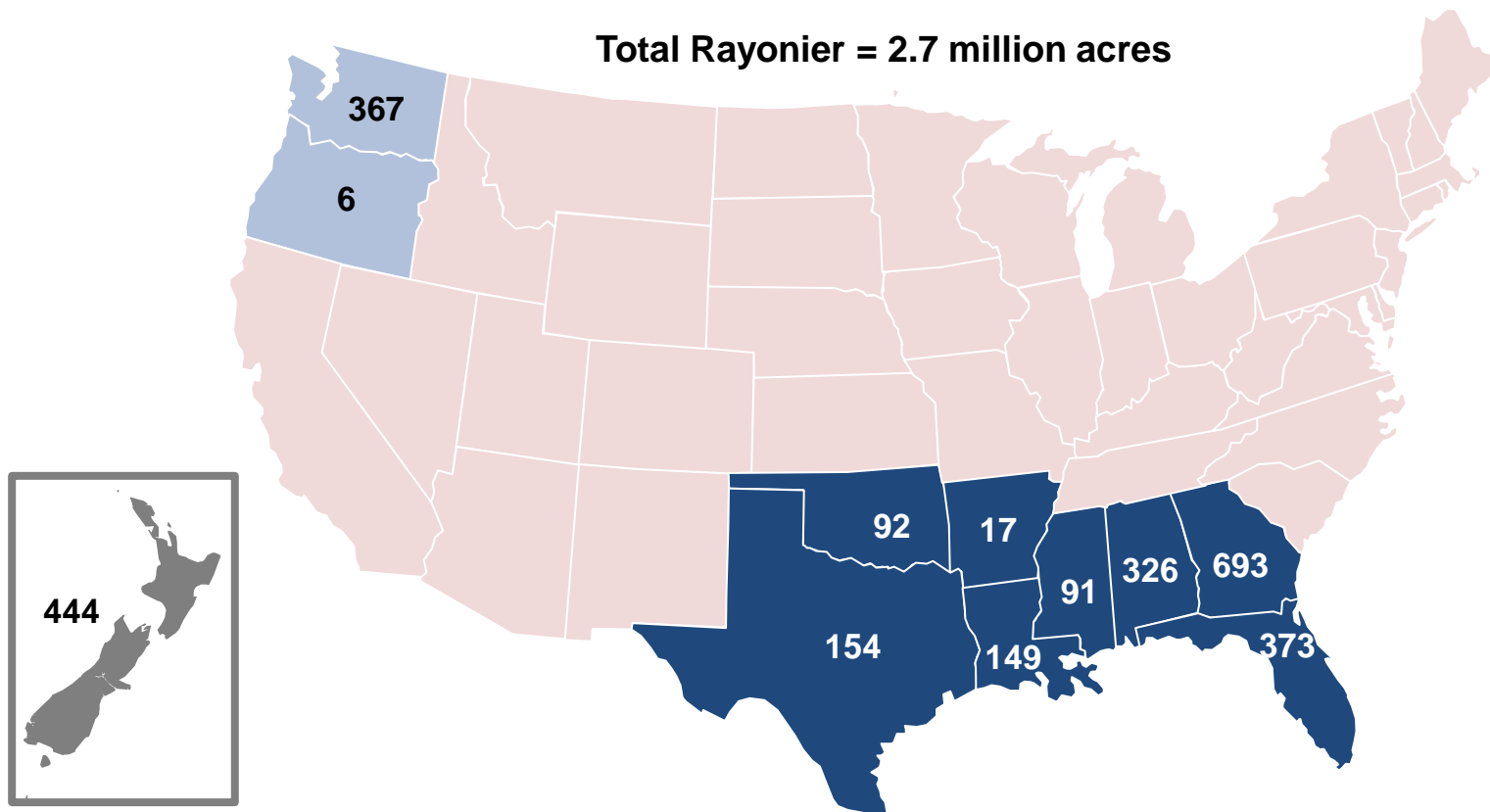
- Attractive HBU opportunities across U.S. South, including Florida and Georgia coastal corridor
- Stable and recurring base of annual rural land sales
- Land-use entitlements on over 39,000 acres with near-term development projects underway

Strong Capital Structure

- Net debt to enterprise value of 21% at end of Q3 2015
- Favorable financing facilities and access to capital
- Substantial capacity to pursue timberland acquisitions

Highly Productive, Geographically Diversified Timberlands

Total Rayonier = 2.7 million acres



Pacific Northwest

373,000 acres in WA and OR; access to export markets

U.S. South

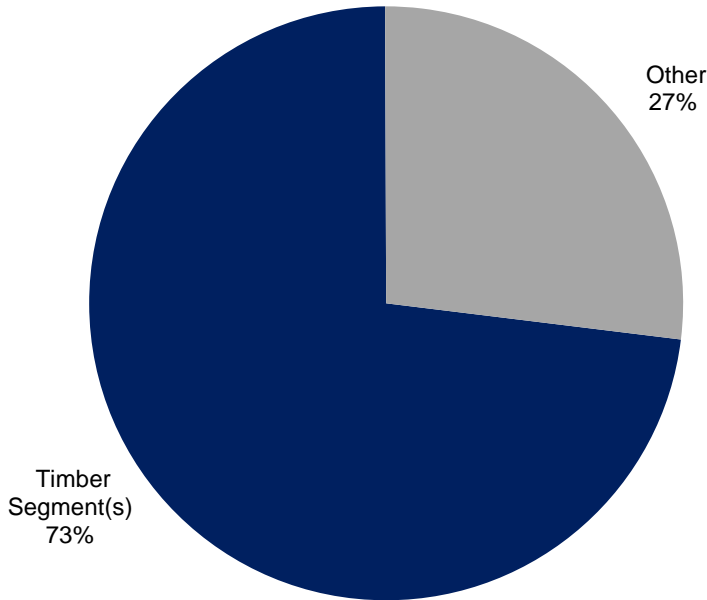
1.9 million acres – sawlog and pulpwood; Florida & Georgia coastal corridor HBU

New Zealand

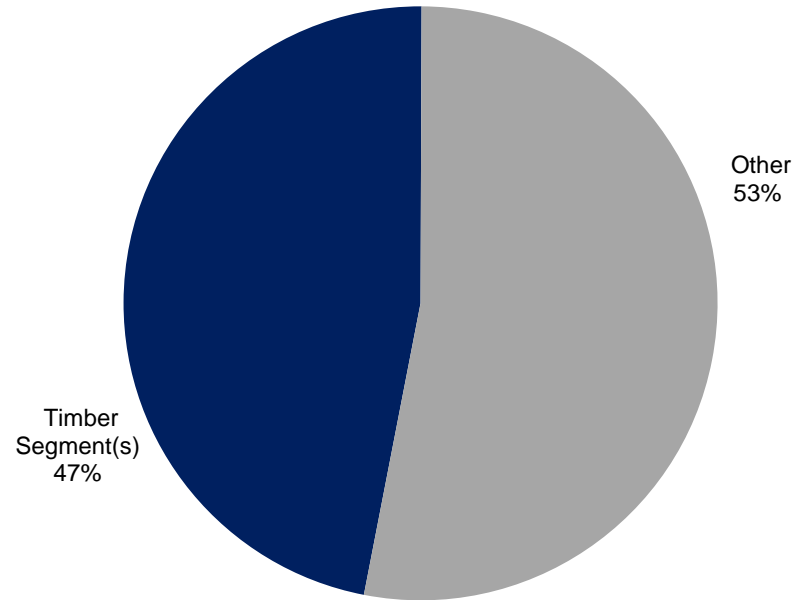
444,000 acres – manage and own 65% of joint venture

Leading “Pure-Play” Timberland REIT

2014 Adjusted EBITDA – Rayonier



2014 Adjusted EBITDA – Peer Group

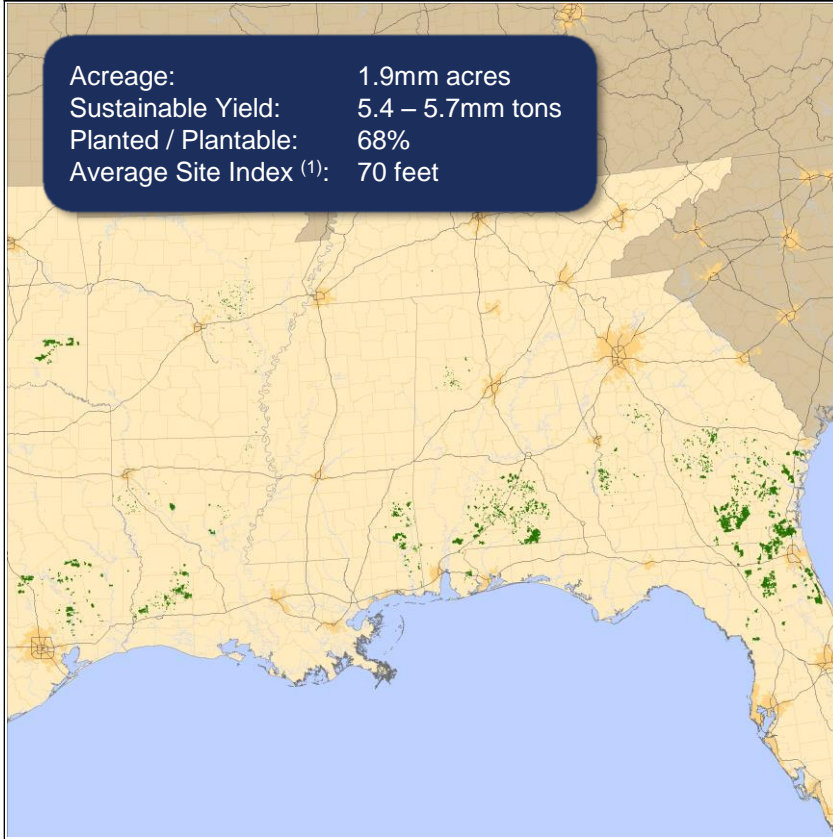


Note: Timberland REIT Peer Group comprised of WY, PCL, PCH and CTT. Figures reflect aggregate Timberland REIT Peer Group Adjusted EBITDA excluding corporate expenses. Other includes real estate, manufacturing and other reported segments.

Rayonier is a leading “pure-play” timberland REIT that generates the significant majority of its Adjusted EBITDA from recurring timber harvest operations.

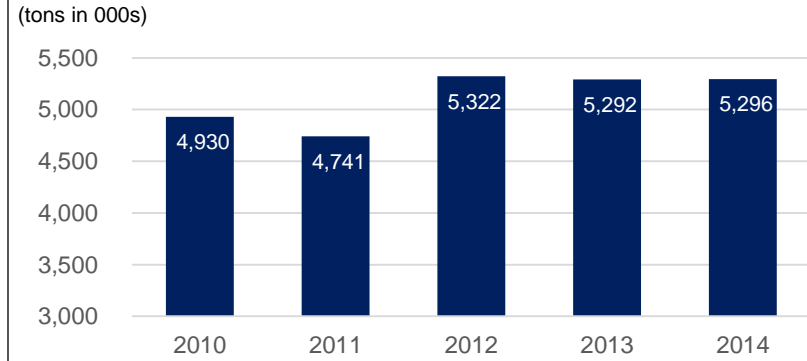
Southern Timber – Segment Overview

Map of Properties

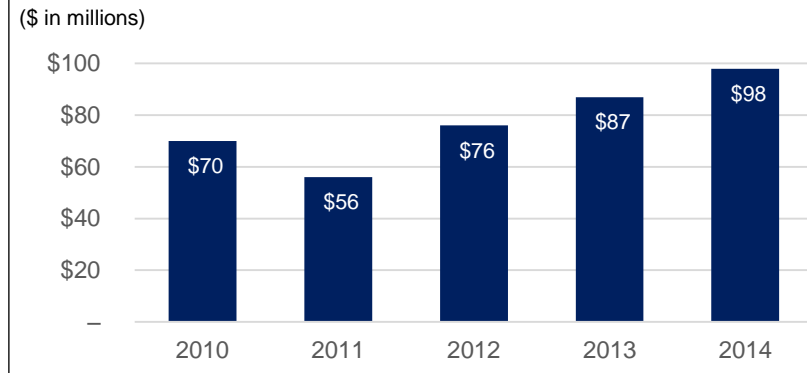


(1) Site index reflects the average height of the dominant and codominant trees at a base age of 25 (U.S. South).

Historical Harvest Volume



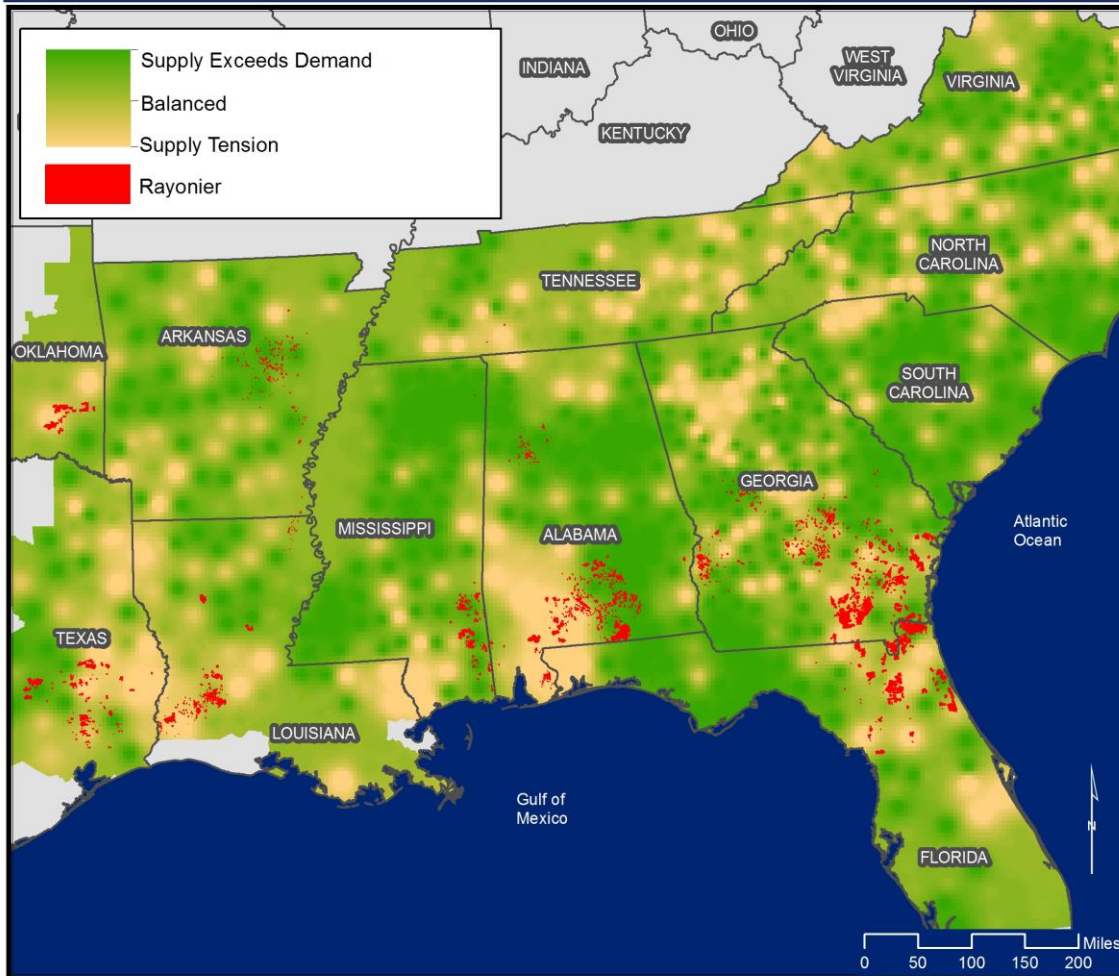
Historical Adjusted EBITDA*



Rayonier's Southern Timber segment has nearly doubled its EBITDA since 2011, largely driven by acquisitions and significant price gains in key markets.

Favorable Supply / Demand Dynamics in RYN Markets

U.S. South Growth-Drain “Heat Map”



Source: USDA FIA; Rayonier research.

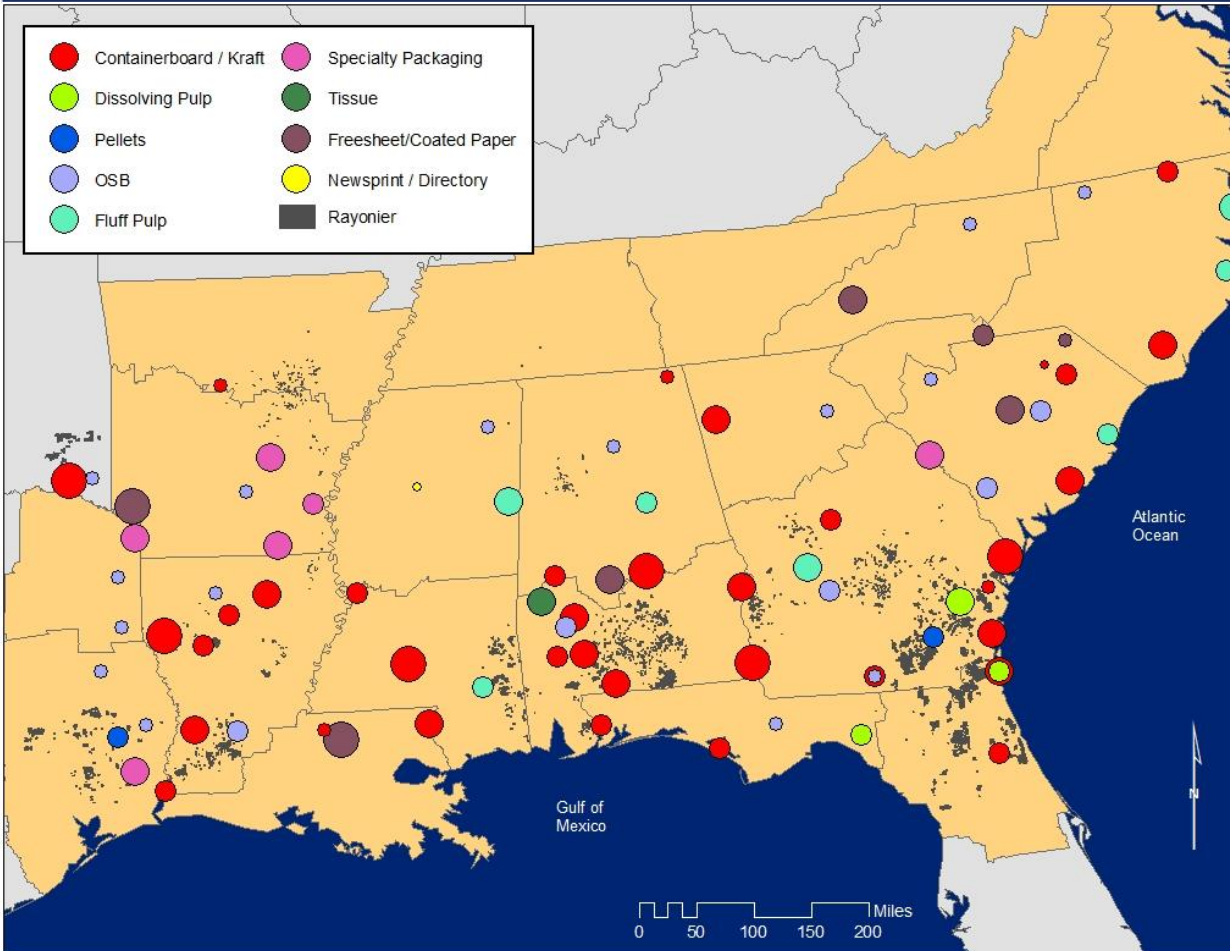
Note: Most current FIA cycle data by state (vintage years vary by state).

Key Observations

- Local market supply / demand dynamics determine price
- Logs typically travel less than 100 miles
- Supply / demand conditions vary widely across the region
- Tensioned markets yield better timber pricing

RYN Markets Benefit from Strong and Stable Pulpwood Demand

Major Pulpwood Consuming Mills Proximate to RYN Lands



Overview of Rayonier Pulpwood Consumers

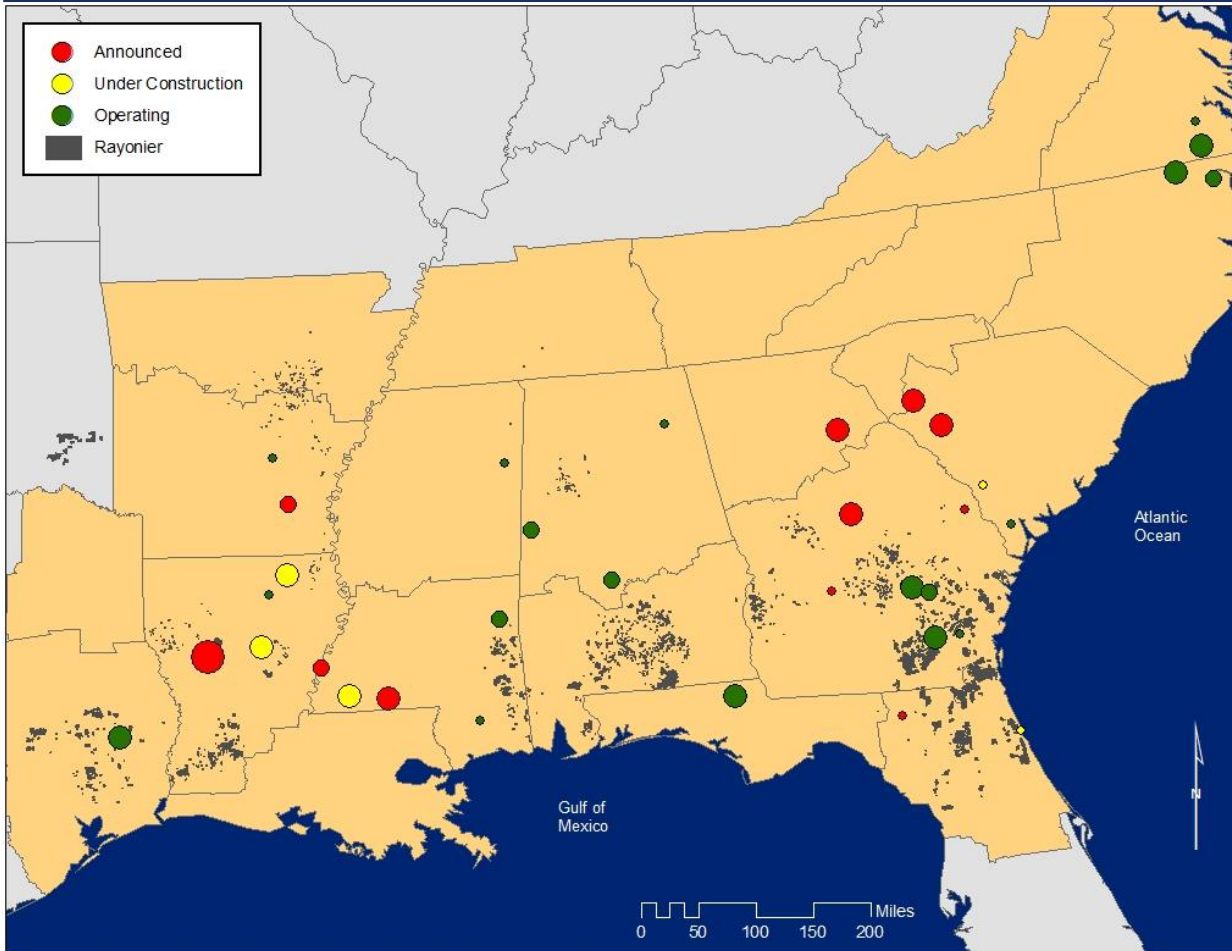
Facility Key End Product	% of 2014 Harvest	Long-Term Demand Trend
Containerboard / Kraft	64%	+
Dissolving Pulp	9%	+
Pellets	9%	+
OSB	7%	+
Fluff Pulp	5%	+
Specialty Packaging	3%	+
Other	3%	+
Tissue	-	+
Freesheet / Coated Paper	-	-
Newsprint / Directory	-	-
Total	100%	NA

Note: Estimated based on 2014 harvest.

Rayonier's timberlands are strategically positioned near a variety of major pulpwood consumers that are manufacturing products for stable and/or growing end-markets.

Growth of Pellet Mills Has Further Buoyed Demand

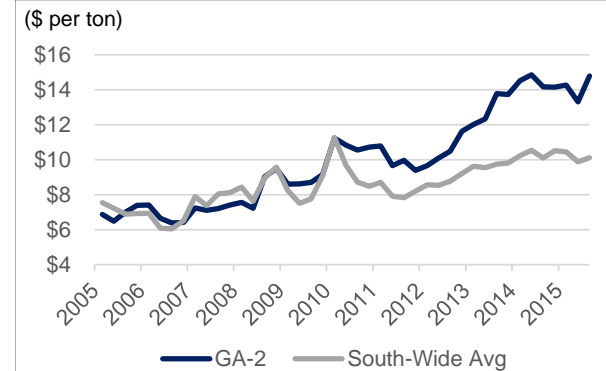
Announced & Operating Pellet Mills



Key Observations

- Majority of operating facilities are located in RYN markets, with a particular focus in Coastal GA
- Currently monitoring three key facilities under construction in Louisiana and Mississippi
- Several announced facilities planning to locate near RYN properties

Change in GA-2 Price vs. South Average



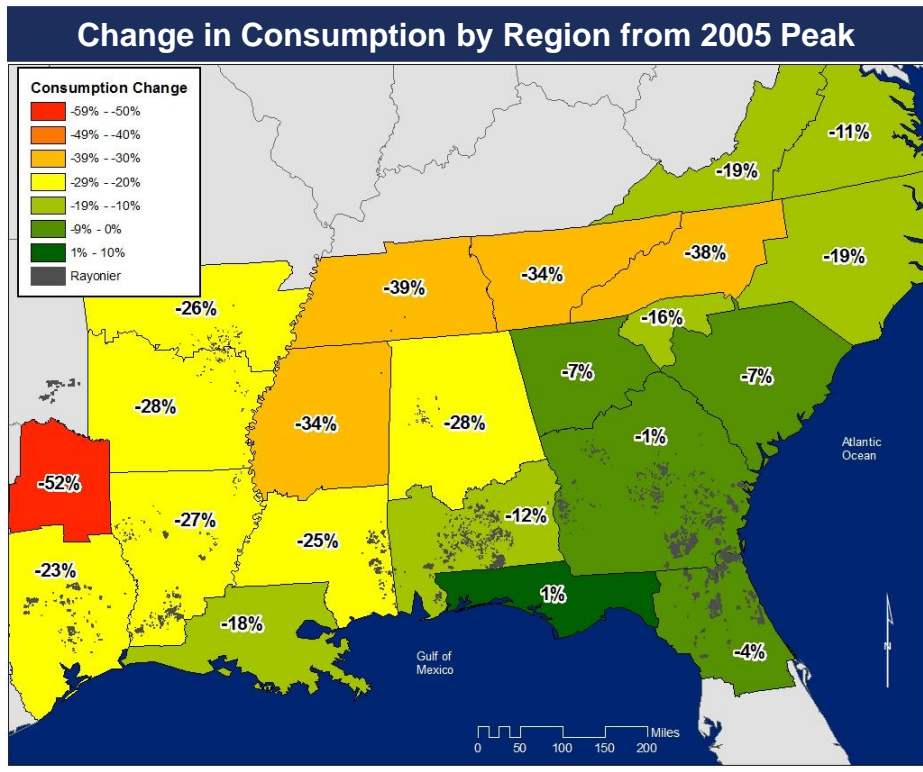
Source: Timber Mart-South.

Note: GA-2 represents South GA, including coastal area.

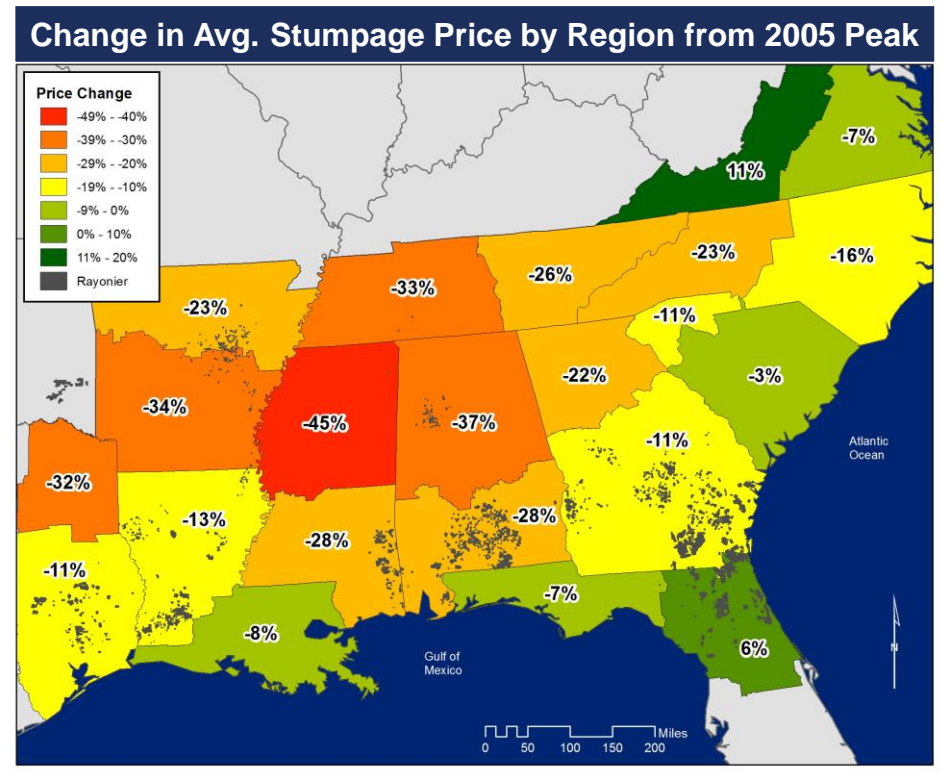
Rayonier's markets have benefited from increased demand from pellet manufacturing facilities, particularly in Georgia and Texas.

Consumption & Price Declines Less Pronounced in RYN Markets

- Gulf Interior region has experienced the largest consumption declines in the U.S. South
- Atlantic Coastal region has benefited from increased pellet and pulp mill demand, which has mitigated overall demand decline



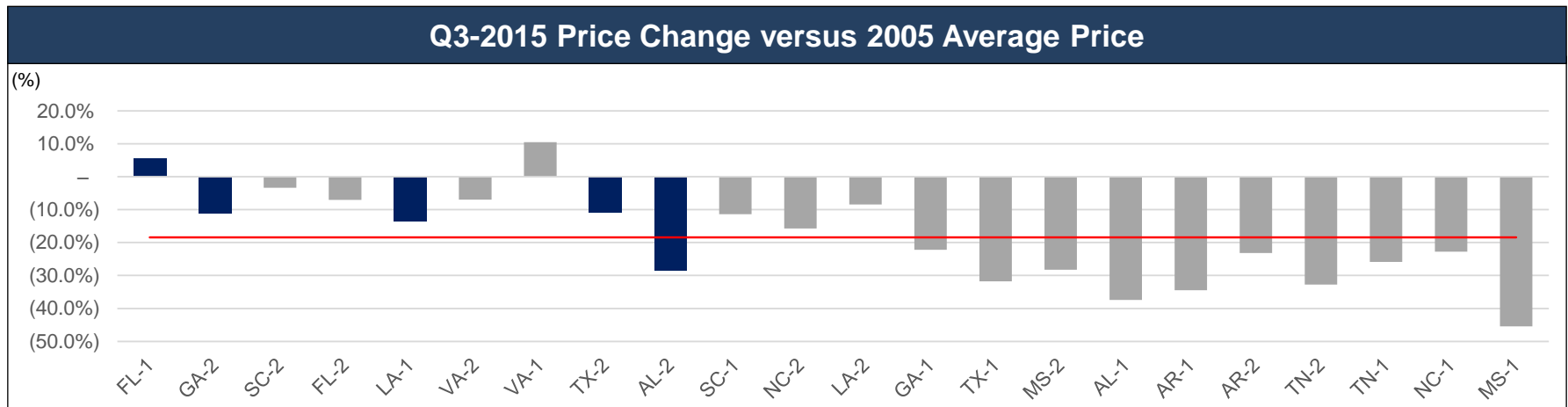
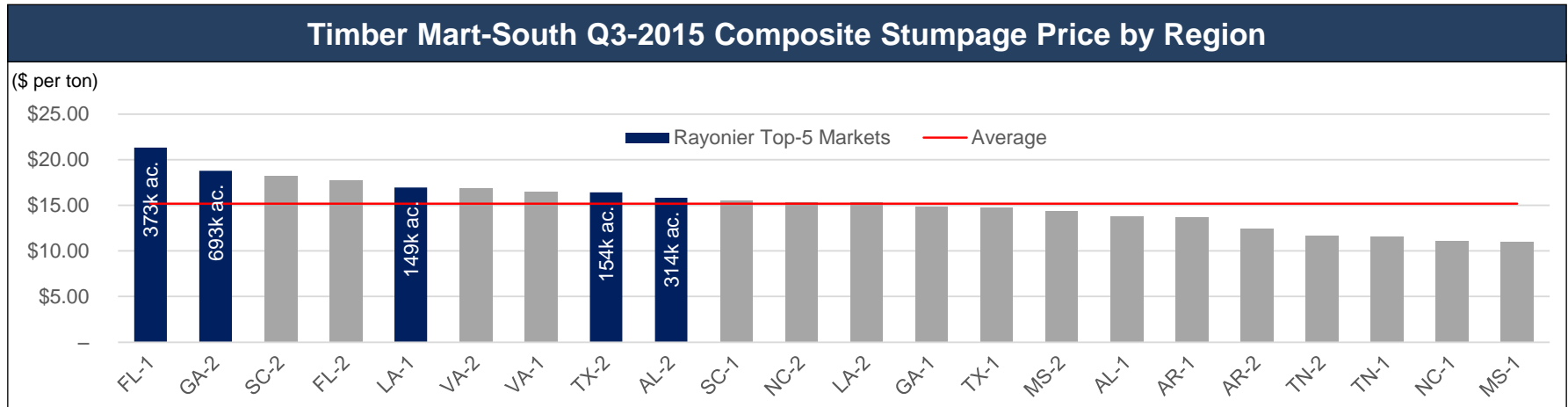
Source: USDA FIA Timber Product Output data; Rayonier Analysis.
 Note: Peak = 2005; Current = 2011 data (last available data), except Texas is 2009.



Source: Timber Mart-South.
 Note: Assumes mix of 50% pulpwood, 30% chip-n-saw and 20% sawtimber comparing Timber Mart-South prices in Q3 2015 versus 2005 average.

Due to strong and growing pulpwood demand, Rayonier's markets have experienced less pronounced declines in consumption and average stumpage pricing.

Favorable Supply-Demand Dynamics = Better Pricing

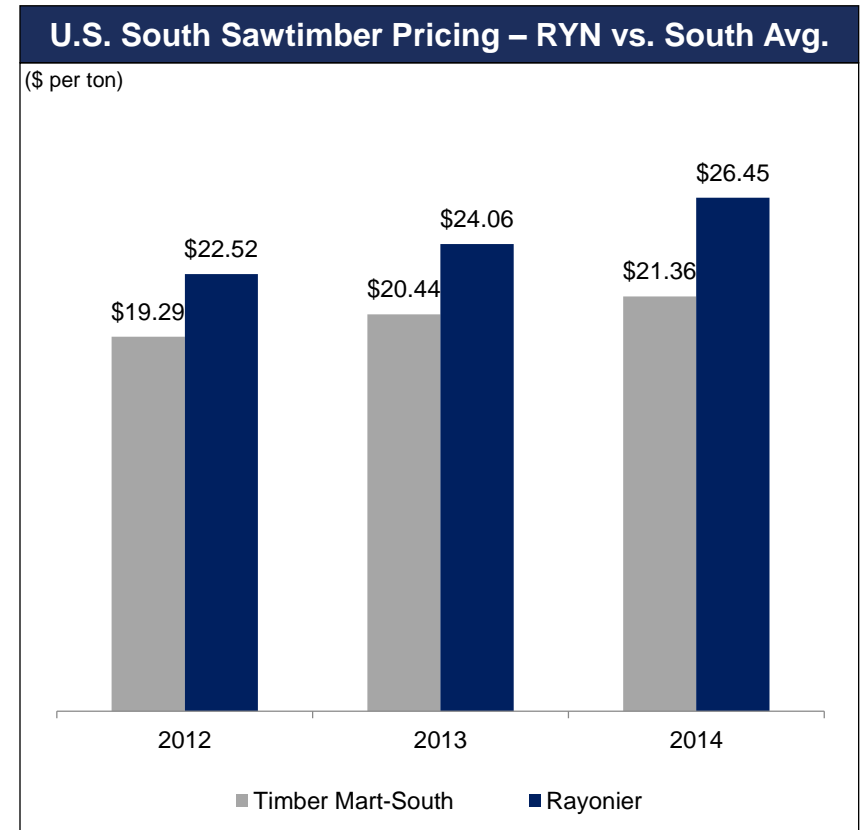
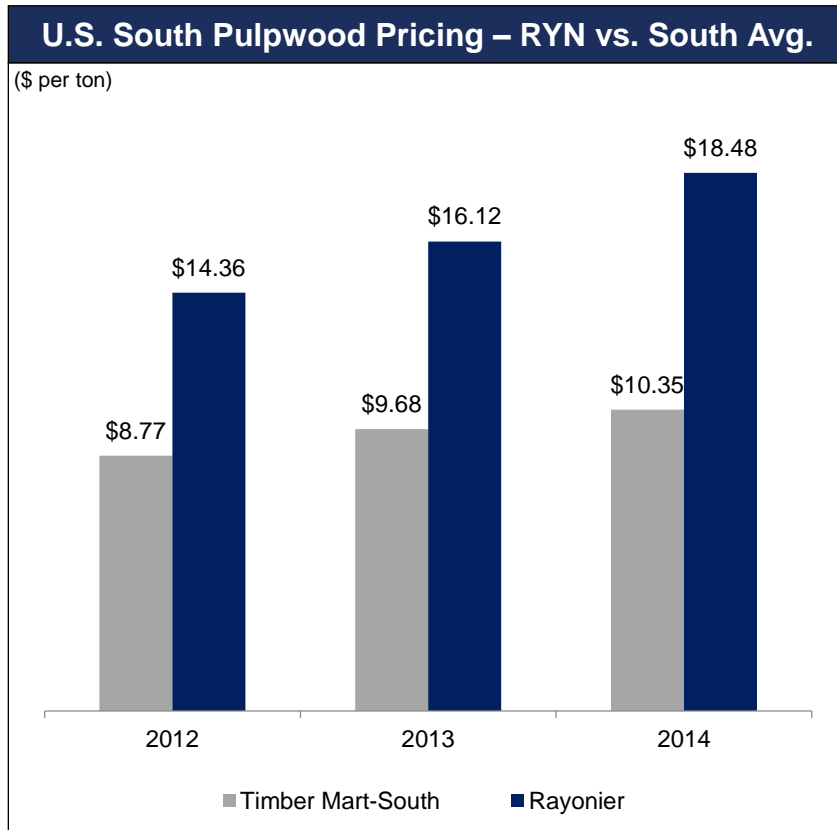


Source: Timber Mart-South.

Note: Composite price by region calculated based on assumed mix of 50% pulpwood, 30% chip-n-saw and 20% sawtimber.

Rayonier's U.S. South timberlands are located in some of the strongest markets, with a significant concentration (~56%) in the Coastal FL/GA region.

RYN Pricing Materially Better Than Market Averages

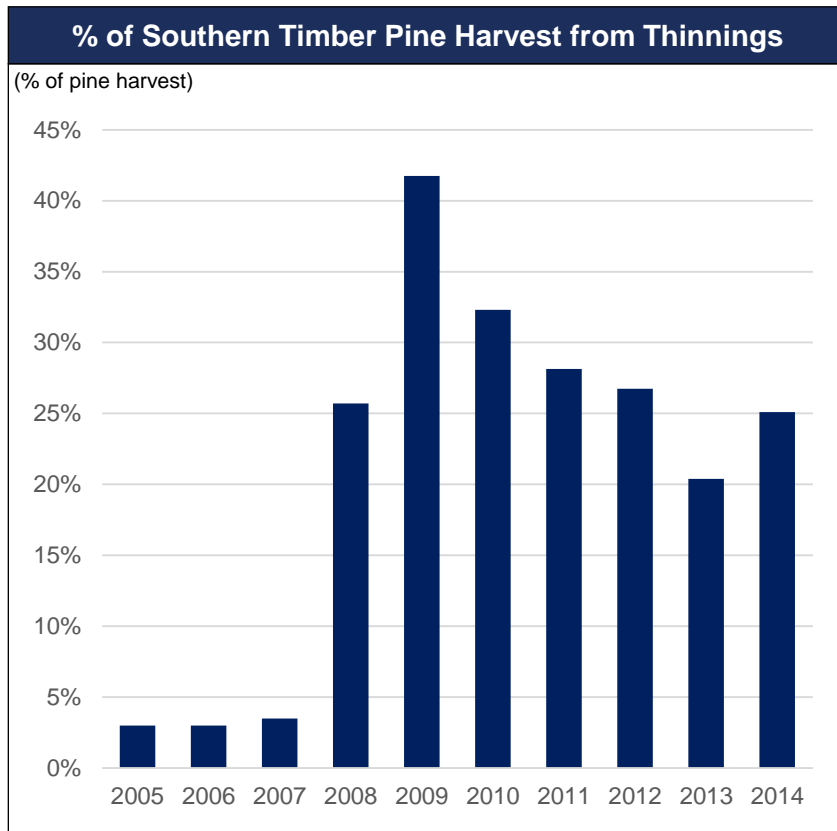


Source: Timber Mart-South.

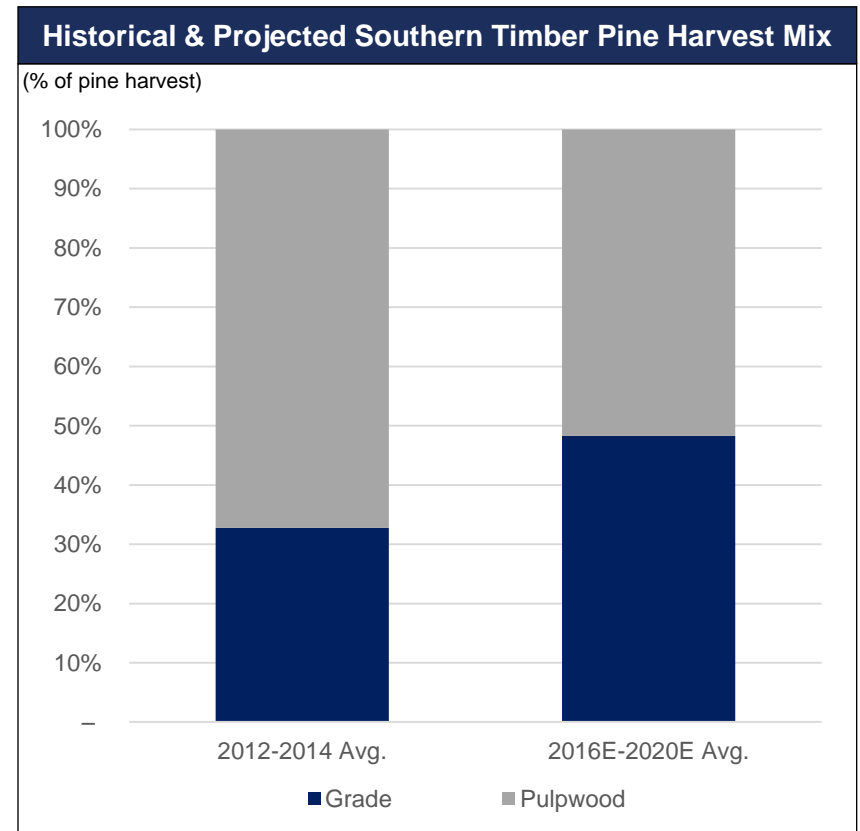
Note: Timber Mart-South figures represent average of quarterly reported South-wide average stumpage prices. Timber Mart-South sawtimber prices reflect average of reported sawtimber and chip-n-saw prices. Rayonier prices reflect actual price realizations for pulpwood and sawtimber (including chip-n-saw) based on actual product mix.

Favorable supply-demand dynamics in key Rayonier markets drive significant pricing premiums relative to market averages.

Enhanced Silviculture Driving Shift to Higher-Value Mix



Note: Estimated based on harvest records.

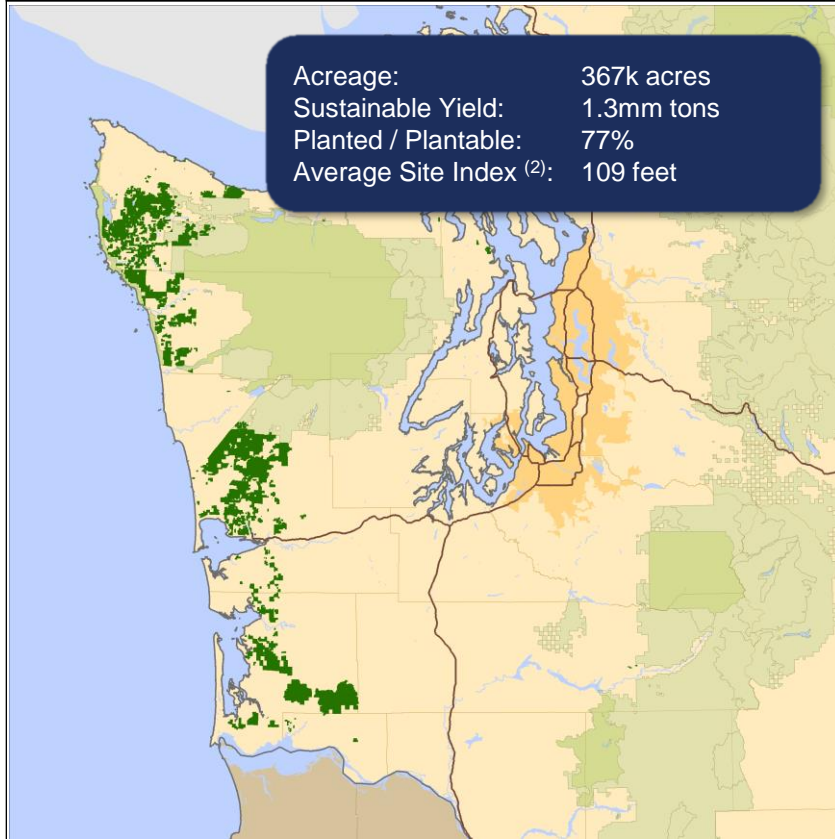


Notes: Based on current harvest scheduling model (subject to change).
Grade includes chip-n-saw and sawtimber.

Rayonier's enhanced silviculture activity and thinning regime implemented in 2008 are expected to yield a higher proportion of grade timber going forward.

Pacific Northwest Timberlands – Segment Overview

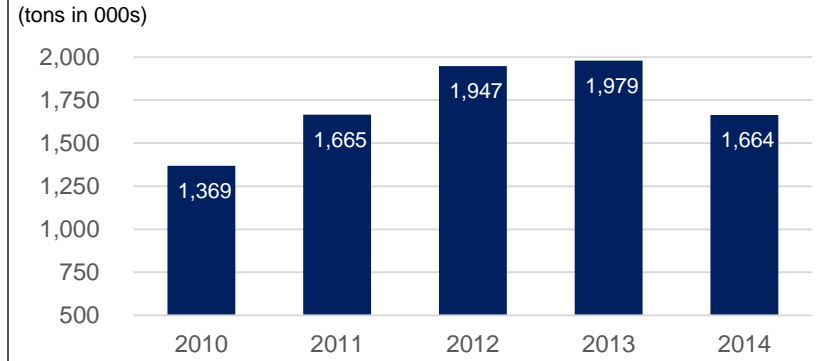
Map of Properties (1)



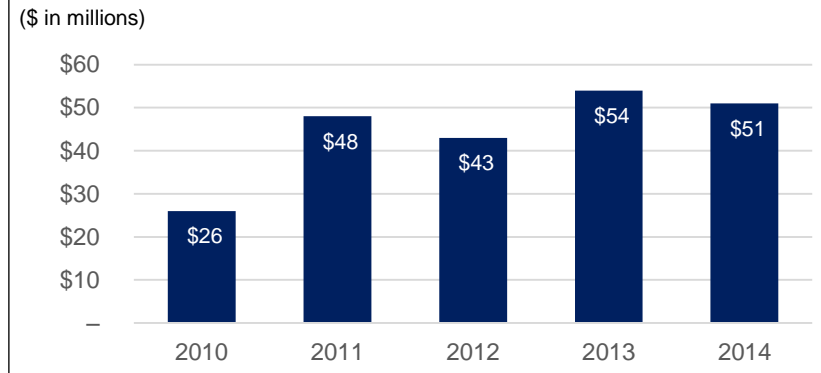
(1) Excludes Oregon acreage.

(2) Site index reflects the average height of the dominant and codominant trees at a base age of 50 (Pacific Northwest).

Historical Harvest Volume



Historical Adjusted EBITDA*

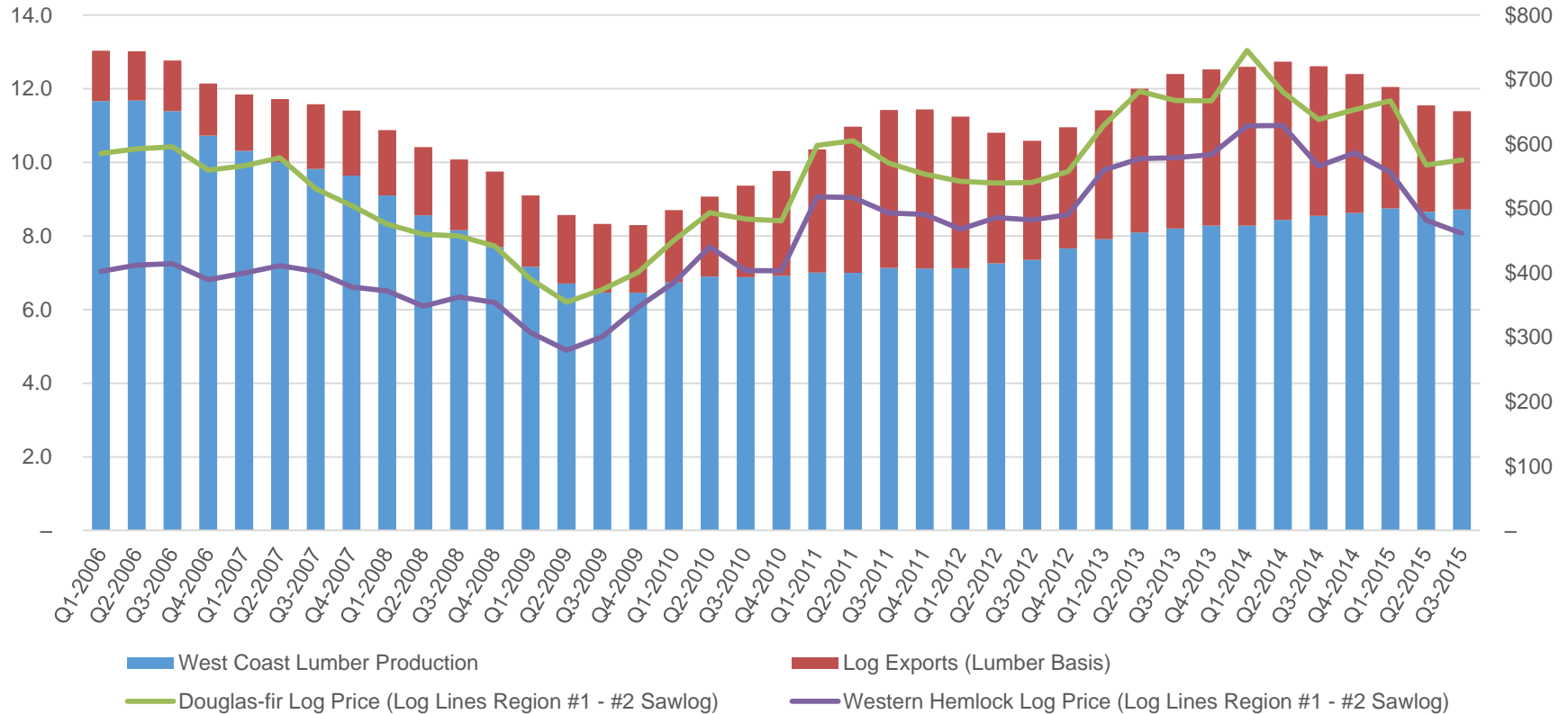


Rayonier's Pacific Northwest harvest is expected to decline over the next several years pursuant to the Company's sustainable harvest strategy.

Pacific Northwest Demand and Pricing Have Recovered

Pacific Northwest Log Demand & Pricing

(BBF / \$ per MBF)



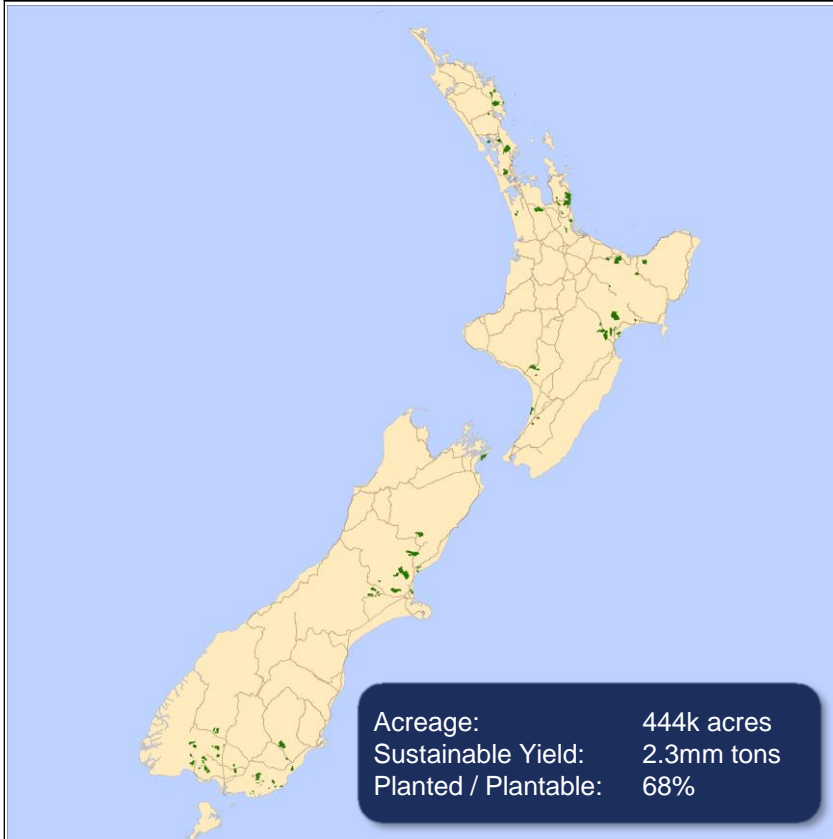
Source: Forest Economic Advisors; RISI.

Note: Log exports converted to lumber basis assuming 2.35 recovery rate.

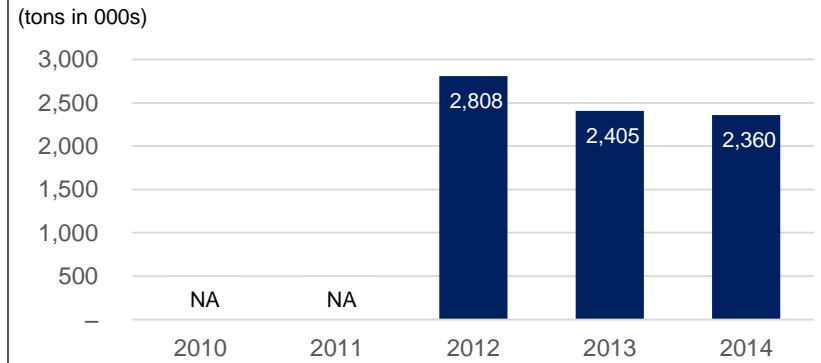
Pacific Northwest log demand and pricing have largely recovered to pre-recession levels due to increased export demand.

New Zealand Timberlands – Segment Overview

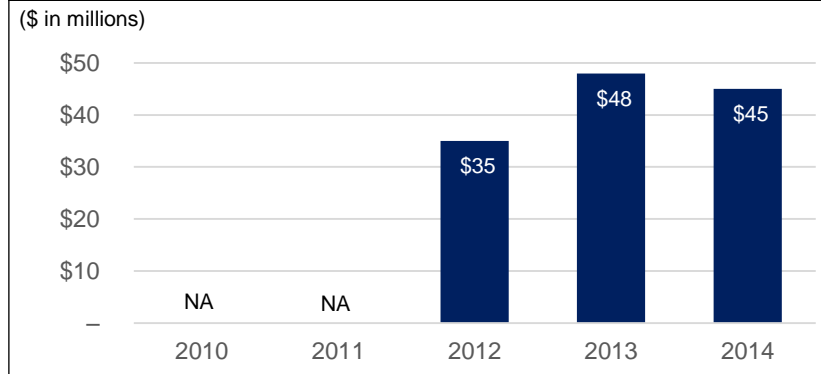
Map of Properties



Historical Harvest Volume



Historical Adjusted EBITDA*

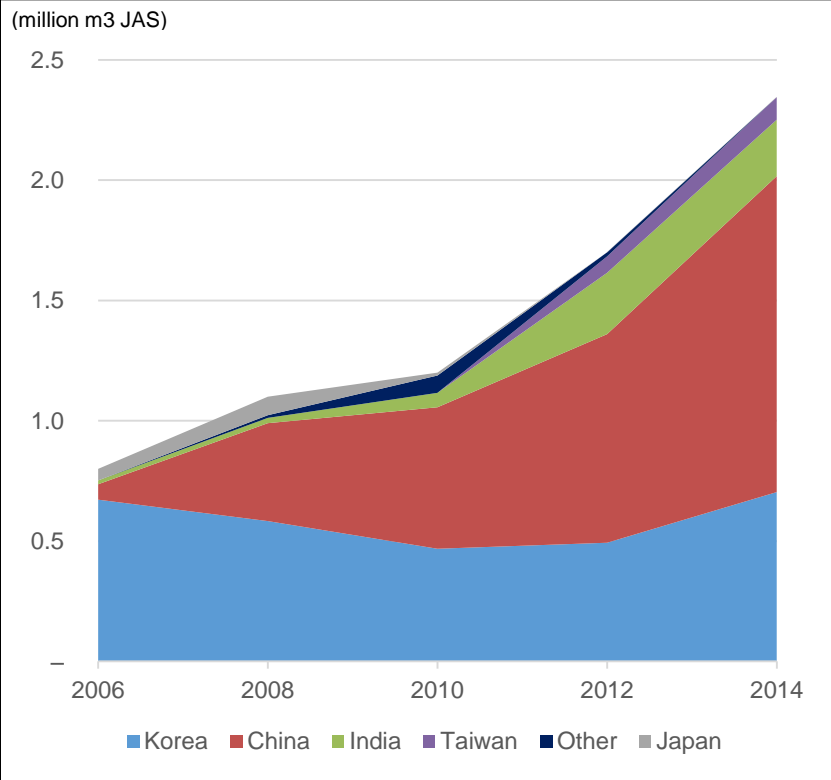


Note: New Zealand Timber was consolidated on April 4, 2013 when we acquired a majority interest in the New Zealand JV. Prior to the acquisition date, we accounted for our 26% interest in the New Zealand JV as an equity method investment. The 2013 and 2012 information shown here reflects full year results.

Rayonier's 65%-owned joint venture in New Zealand provides geographic, species and market diversification.

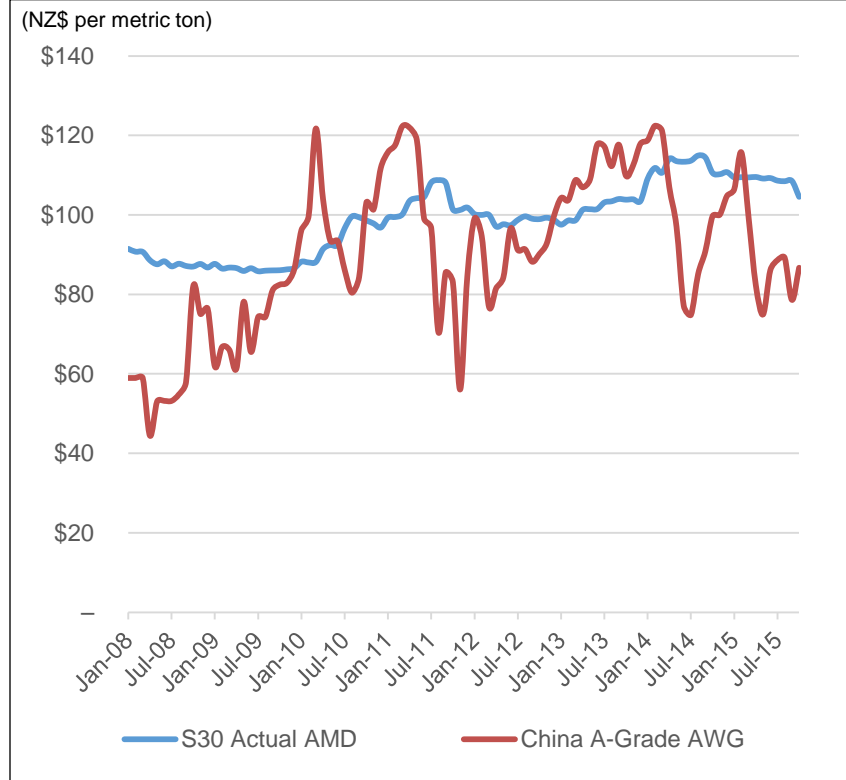
New Zealand JV Increases Exposure to Export Markets

Mix Shift of New Zealand Export Volume



Note: Represents NZ joint venture export volume and third-party Log Trading segment volume.

New Zealand Export vs. Domestic Pricing



Note: Represents at wharf gate (AWG) or at mill door (AMD) prices.

Rayonier's New Zealand JV increases the company's exposure to attractive and growing export markets in the Pacific Rim.

Overview of Land Acquisition Strategy

Location

- Timber end markets with favorable supply / demand tension
- Well-developed infrastructure, access to ports and other transportation hubs
- Potential for land appreciation driven by local and regional demographics

Asset Quality

- Softwood investments in regions with strong biological growth
- Complementary age-class distribution that improves sustainable harvest
- Highly operable land with favorable logging conditions

Optionality

- Fee simple ownership while seeking to avoid wood supply agreements
- Ability to market timber through delivered log or stumpage sales during price spikes
- Diversity in customer base from timber, HBU sales and non-timber income

Value Creation

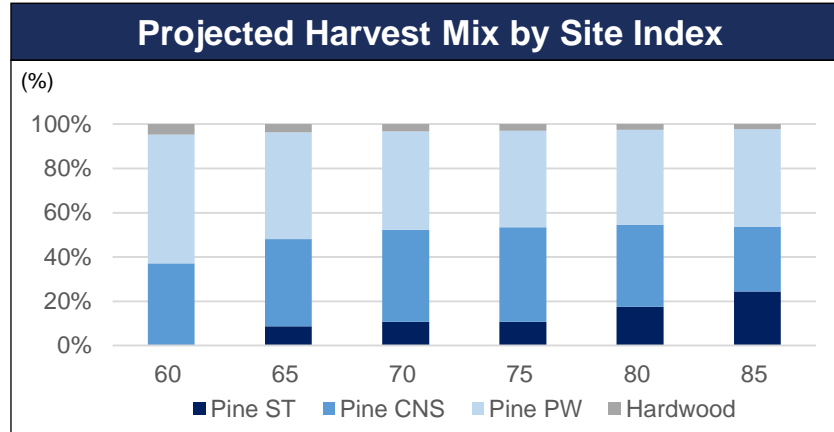
- Ability to enhance returns through intensive silviculture and genetics
- HBU value creation opportunities through effective planning and management
- Properties with non-timber income upside potential

Financial Profile

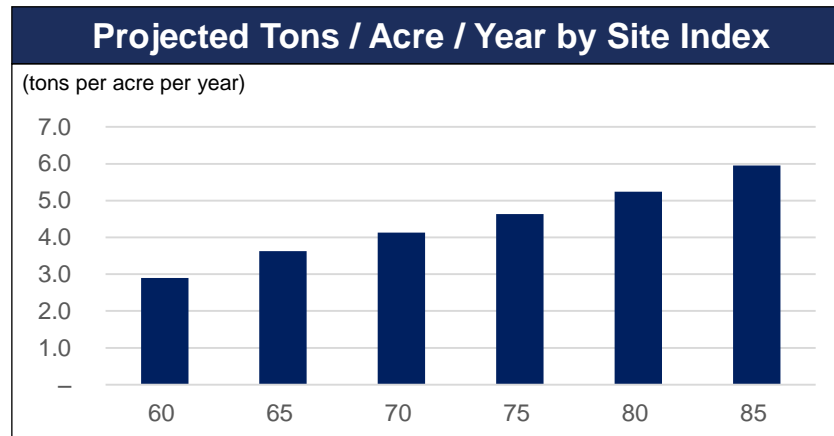
- Ability to generate strong harvest and non-timber income recurring cash flow
- Accretive to Cash Available for Distribution
- Focus only on acquisitions that we expect to exceed our cost of capital

Productivity is a Key Driver of Timberland Value

Current Harvested Stands
Expressed Site Index:
High 60's



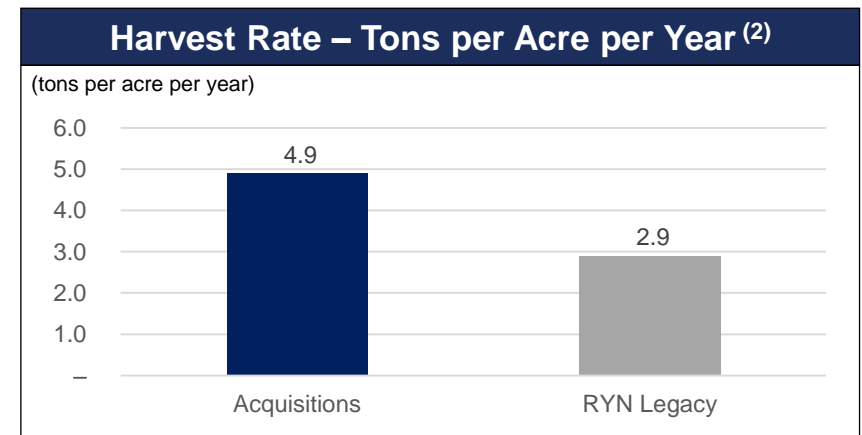
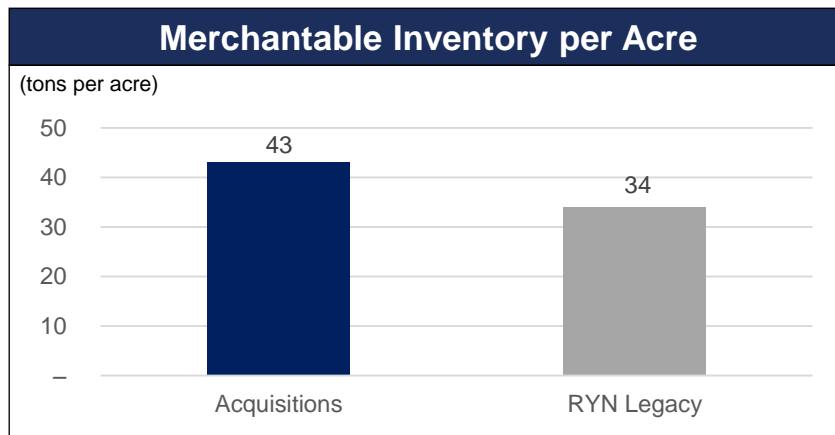
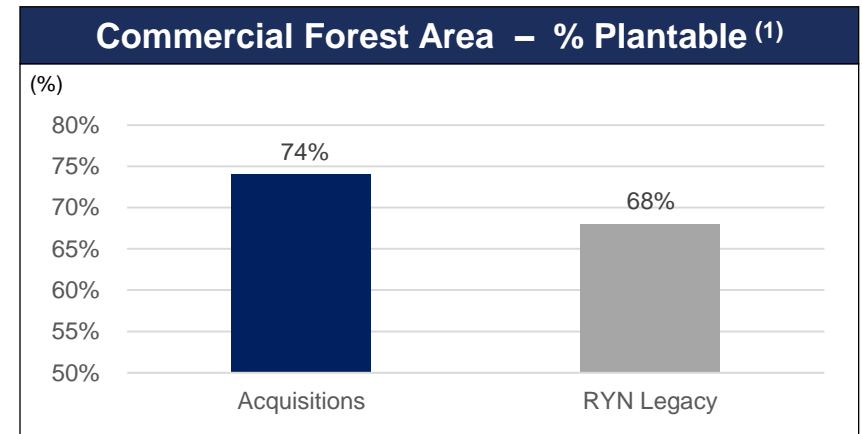
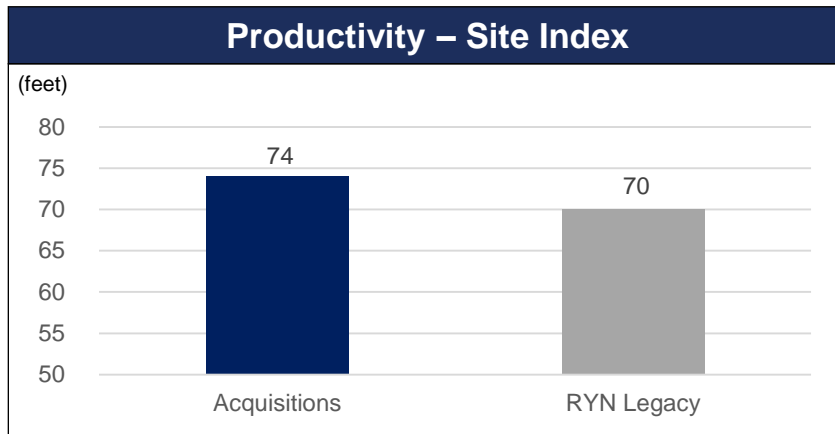
Current Planted Stands
Implied Site Index:
High 70's+



Source: Yield predictions based on PMRC (Plantation Management Research Cooperative) Technical Report 1996-1 (Yield Prediction and Growth Projection for Site-Prepared Loblolly Pine Plantations in the Carolinas, Georgia, Alabama and Florida). Assumes 70% pine plantation and 30% hardwoods and non-forested areas.

Plantation productivity is a key driver of value, as higher site index properties generate greater harvest yields and a more valuable product mix.

Disciplined Acquisition Process = Improved Portfolio



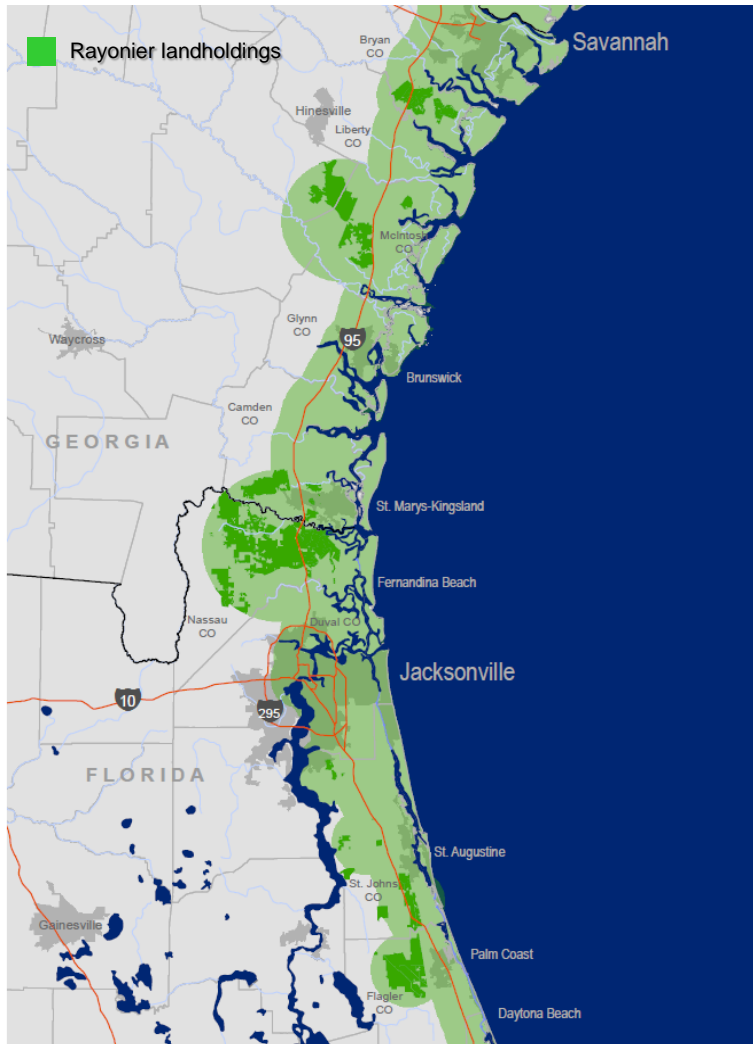
Note: Comparison charts reflect data for U.S. South acreage and acquisitions based on Company estimates.

(1) Includes land classified as natural plantable.

(2) Harvest rate for RYN Legacy assumes sustainable yield of 5.4 to 5.7 million tons for Southern Timber. Harvest rate for acquisitions based on projected 10-year harvest.

Since the beginning of 2014, Rayonier has acquired nearly 100,000 acres of timberland for roughly \$220 million, improving the overall productivity of our portfolio.

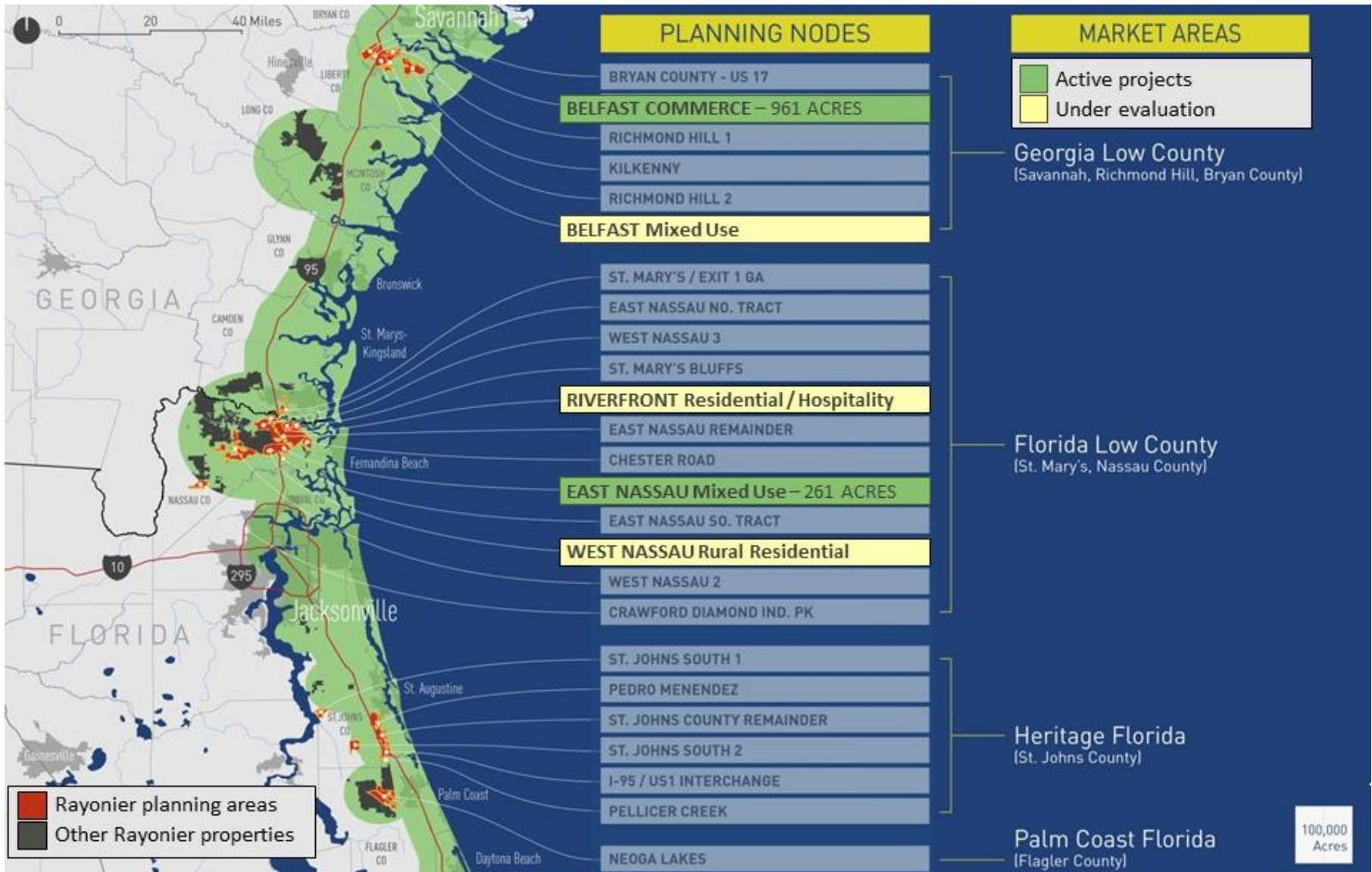
Significant HBU Potential in FL and GA Coastal Corridor



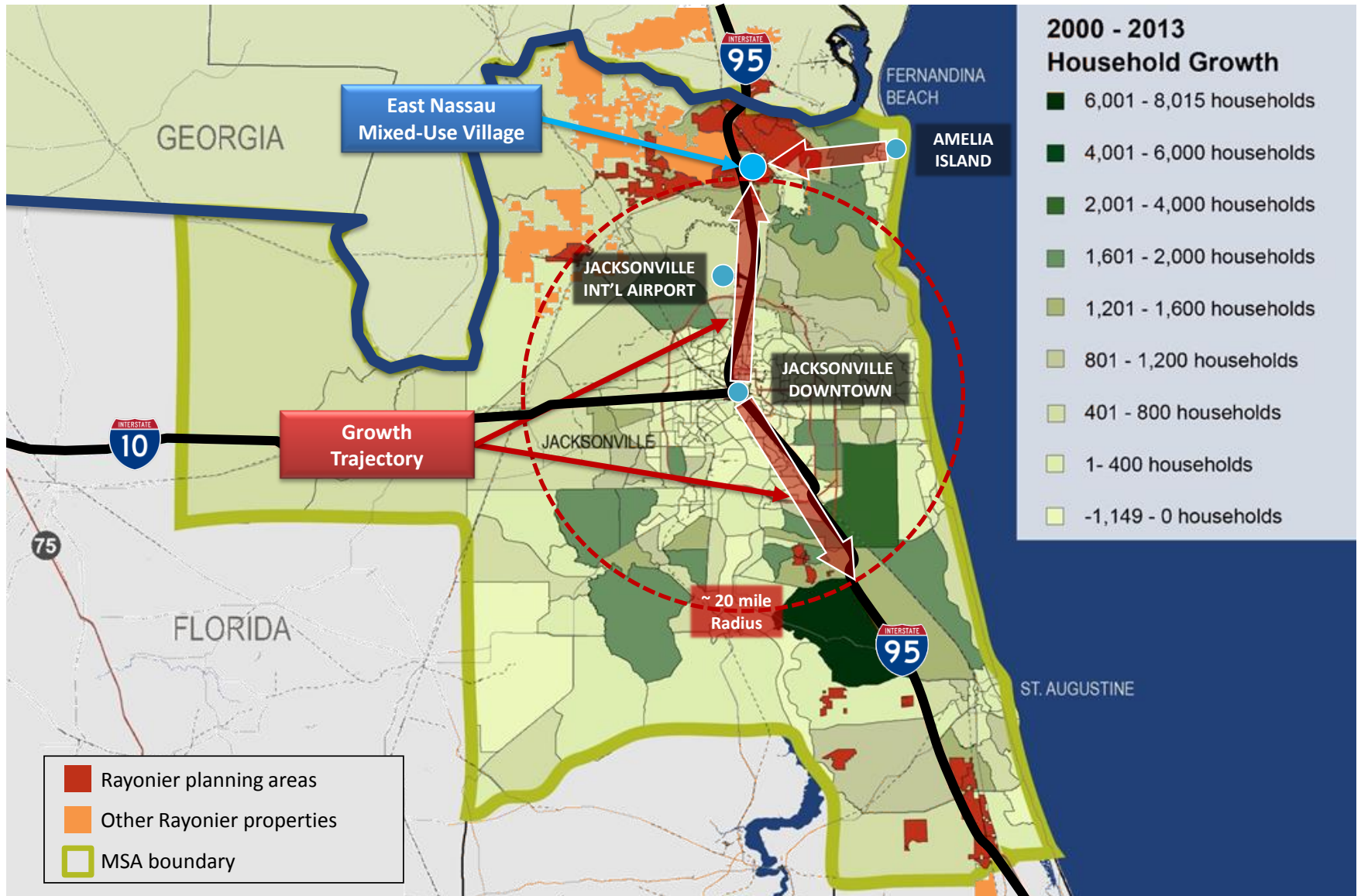
Overview of Coastal Corridor Properties

- Timberland ownership base of ~200,000 acres
- Approximately 40 miles of water frontage
- Approximately 250 miles of road and highway frontage
- Land holdings at five interchanges on I-95 and two planned future interchanges
- Residential, commercial, and industrial land use entitlements in hand
- Proximity and connection to international airports and seaports, with multiple sites served by rail
- Intensive land classification effort has identified 25 distinct planning nodes spanning coastal corridor ownership

Getting “Micro” to Unlock Opportunities



East Nassau Project Situated in Jacksonville “Path of Growth”



East Nassau Mixed Use Village

Location

Nassau Co, FL approx 21-miles north of Jacksonville at I-95 / A1A interchange

Type

Community Multi-Use

Market

Northeast FL / Southeast GA

Size

261 acres

Highlights

- Catalyzed by new K-5 school opening fall of 2017
- Highly visible location, avg. 40,000 vehicles passing the site daily
- Over 20,000 acres of Rayonier ownership within a 5 mile radius
- Market data indicates high potential for mixed use



Term

~10 years

Gross revenue

~\$60 MM

Gross margin

~20%

Unlevered IRR

~15%

Peak capital

~\$13 MM

Note: Anticipated financial results based on project forecast.

Belfast Commerce

Location

23 miles south of Savannah, GA

Type

Class A Industrial Park

Market

Southeastern U.S.

Size

961 acres (55 sold)

Highlights

- Zoning allows 15.0 million square feet industrial uses
- CSX Select Site, direct rail service into the Port of Savannah (16 miles); \$700 million port expansion underway
- 9,105 feet of rail frontage
- 11,100 feet of I-95 frontage, 16 miles to I-16 interchange
- Future I-95 interchange approved, currently in design and permitting
- Catalyzed by Caesarstone's 260KSF phase 1 (May 2015)
- 55 acres sold for \$40,000/acre



Recap of Rayonier's Strategic Priorities

Manage for Sustainability

- ▶ Design harvest strategy to achieve long-term, sustainable yield
- ▶ Balance biological growth, harvest cash flow and responsible stewardship

Acquire High-Quality Timberlands

- ▶ Pursue timberland acquisitions that improve portfolio quality and sustainable yield
- ▶ Maintain disciplined approach to acquisitions, minimize HBU speculation

Optimize Portfolio Value

- ▶ Pursue value creation activities on select properties to enhance long-term value
- ▶ Opportunistically monetize properties where premium valuations can be achieved

Focus on Quality of Earnings

- ▶ Focus on harvest operations and rural land sales to support dividends
- ▶ De-emphasize sale of “non-strategic” timberlands to augment cash flow generation

Enhance Disclosure

- ▶ Establish Rayonier as industry leader in transparent disclosure
- ▶ Provide investors with meaningful information about timberland portfolio

Rayonier's goal is to provide an attractive, growing dividend funded from core, recurring cash flows in a tax-efficient REIT structure.

Rayonier Represents an Attractive Investment Opportunity

Timber Asset Class Poised for Growth

- Steady improvement in housing starts projected over next few years
- Favorable supply dynamics relative to last peak in housing starts with decline in Canadian supply
- Demand from China that was not present during last housing start peak

Rayonier Uniquely Positioned

- Geographic market diversification across strongest timber markets in U.S. South, Pacific Northwest, and New Zealand
- Superior pricing in U.S. South based on tensioned wood baskets
- Advantageous real estate platform with projects underway in FL/GA coastal regions
- Relatively low level of debt allows for significant growth potential

Strategies to Deliver Sustainable Results

- Highest proportion of cash flows within Timber REIT sector from recurring timber harvest operations
- Dividend level established and supported without overreliance on sales of core timberlands
- Industry leader in transparent investor communications

Discount to Underlying Asset Value

- Significant decline in share value following Q3 2014 earnings release and related announcements
- Currently trading at discount to estimated net asset value

Industry Dynamics

Major Supply-Demand Shifts Are Underway

Anticipated Upturn in U.S. Residential Construction

- The recovery in U.S. residential construction is expected to drive significant demand for sawtimber as housing starts return to a trendline level in the range of 1.5 million annually
- Anticipated return to long-term trendline implies +500,000 housing starts vs. current level

Significant Increase in Lumber and Log Exports to China

- Over the last five years, there has been a significant increase in the export of lumber and logs to China from British Columbia and the U.S. Pacific Northwest
- Recent export demand from China represents the demand equivalent of roughly 400,000 U.S. single-family housing starts

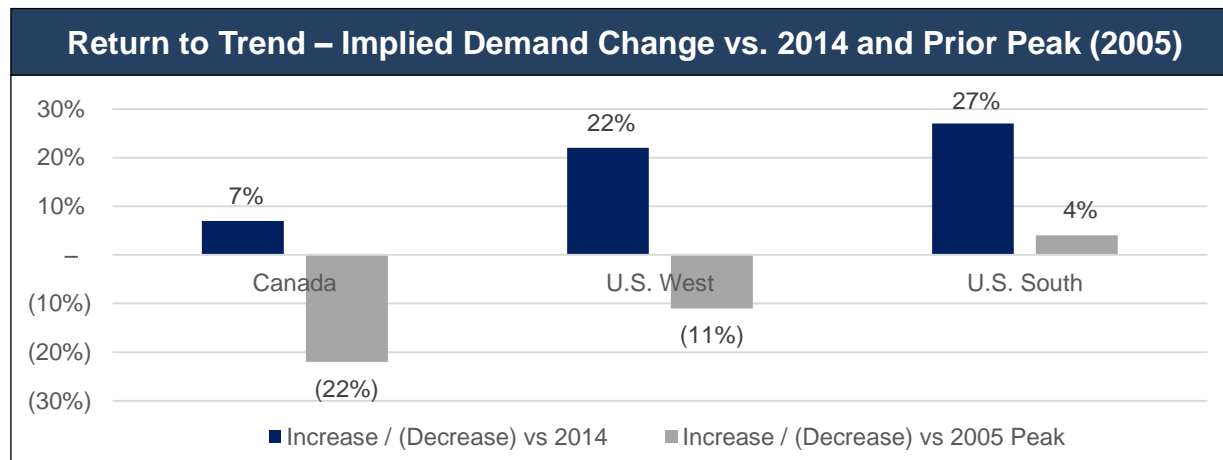
Mountain Pine Beetle Epidemic in British Columbia

- Since 1999, a major mountain pine beetle infestation has caused the loss of over half of the commercially valuable pine timber inventory in British Columbia
- Projected loss of long-term production potential represents the demand equivalent of roughly 200,000 U.S. single-family housing starts

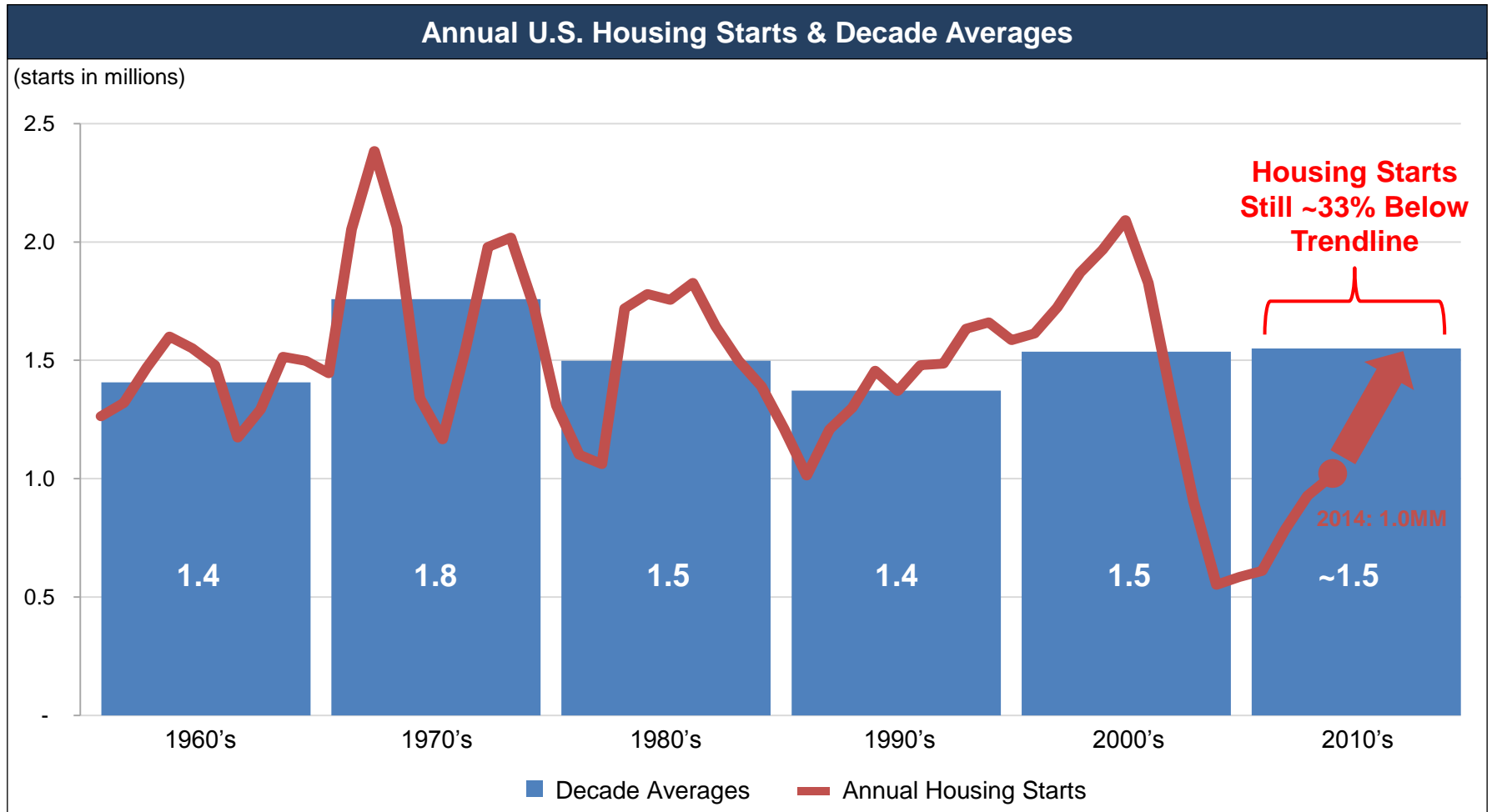
Major Timber Supply Contractions in Eastern Canada

- Ongoing environmental conservation initiatives by governmental authorities in Quebec have led to significant reductions in the annual allowable timber harvest in the region
- Projected loss of long-term production potential represents the demand equivalent of roughly 200,000 U.S. single-family housing starts

Source: Forest Economic Advisors.



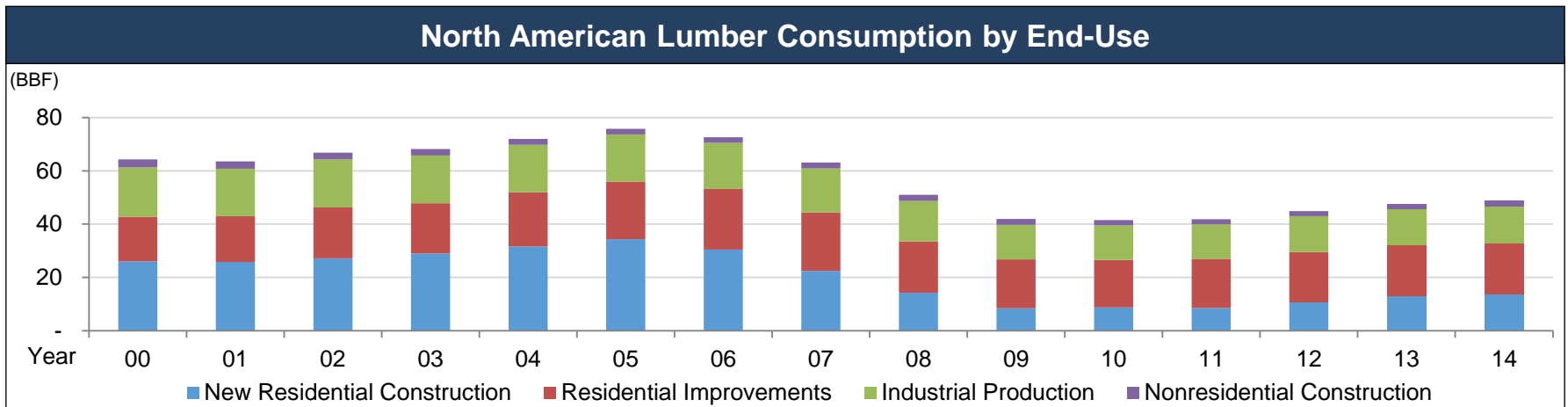
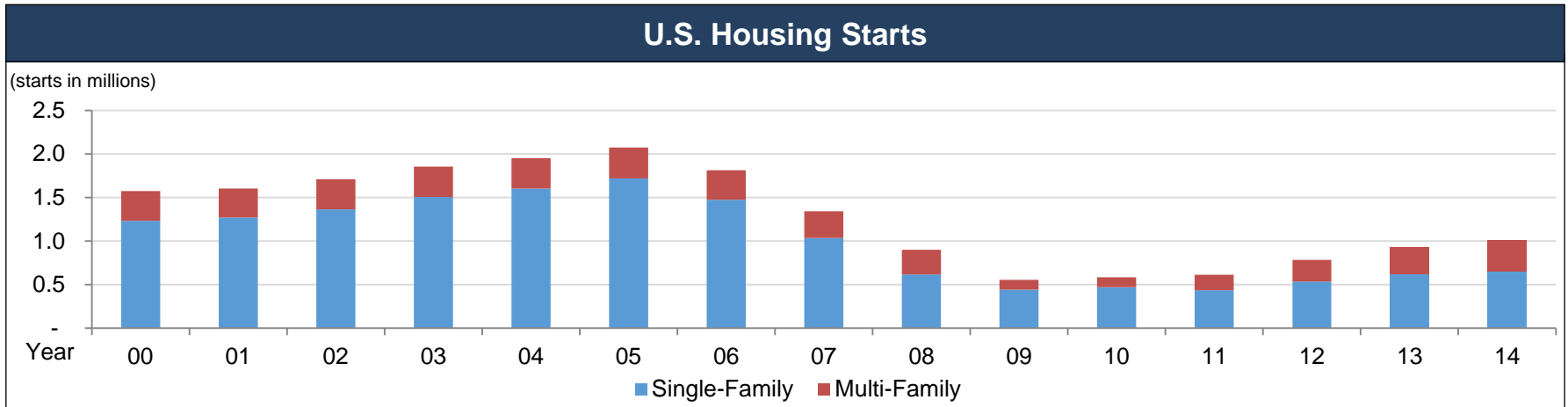
Recovery In Residential Construction Is Underway



Source: U.S. Census Bureau; Forest Economic Advisors.

Housing starts have begun to recover and are expected to return to a trendline level of 1.5mm+ over the next several years.

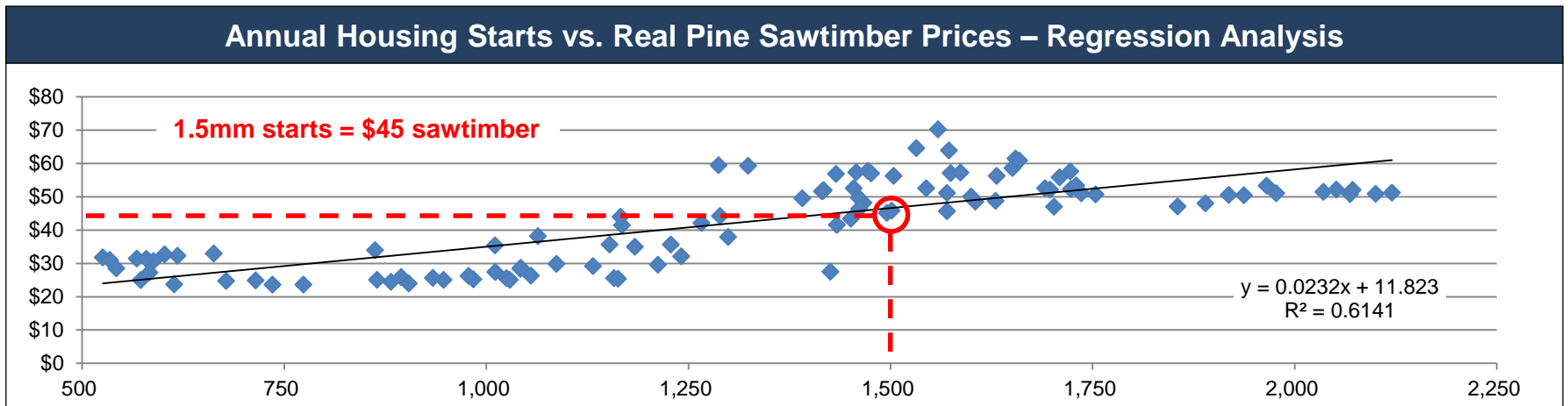
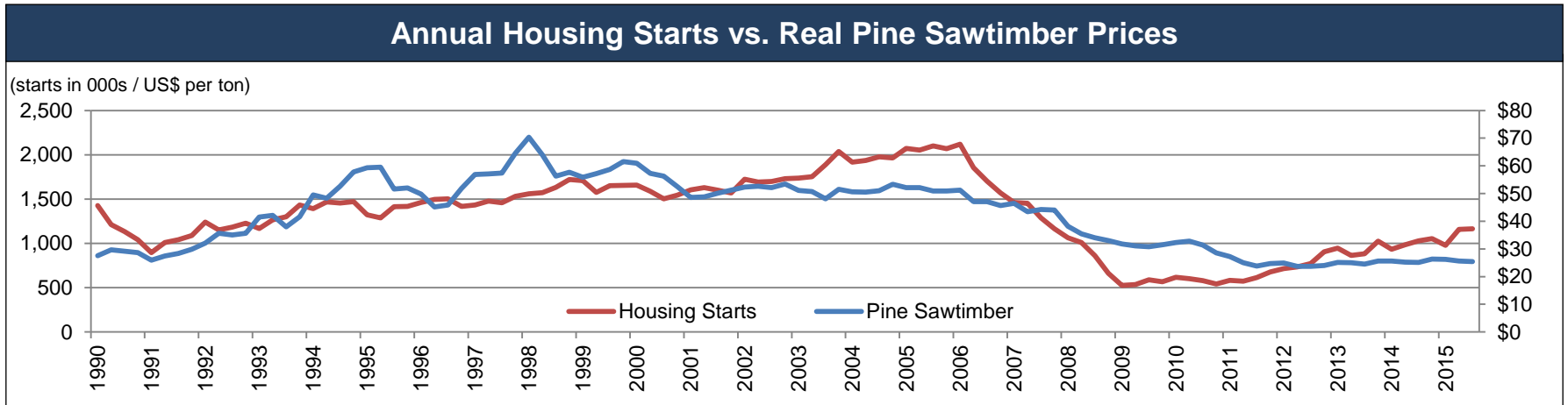
U.S. Housing Starts Drive Lumber Consumption...



Source: U.S. Census Bureau; Forest Economic Advisors.

Residential construction is the key driver of lumber demand...

... Which, In Turn, Drives Sawtimber Pricing

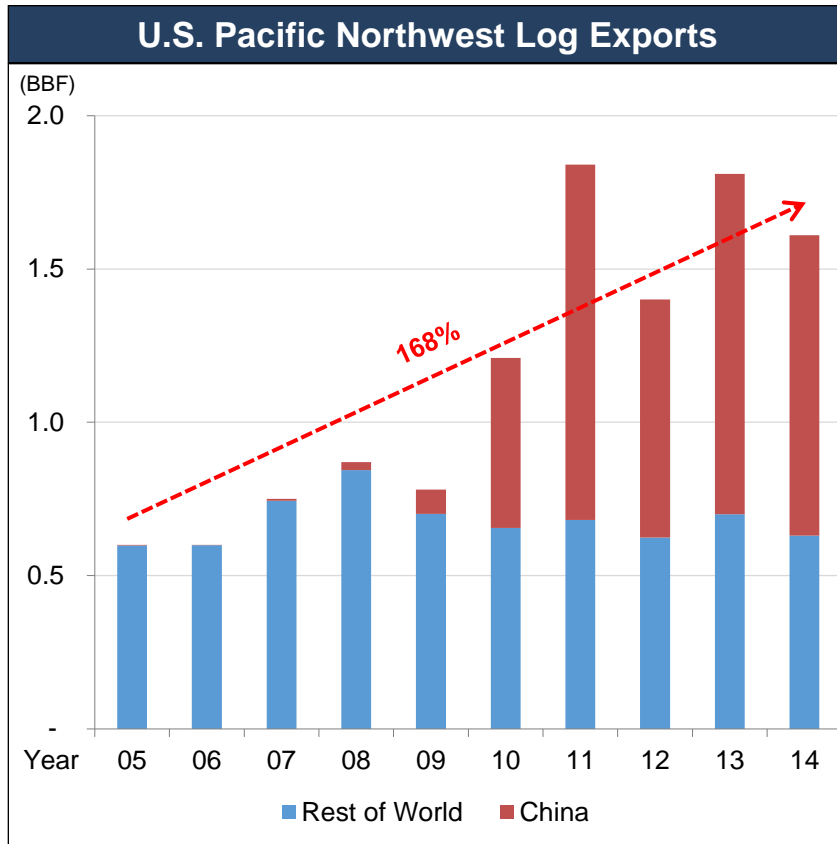


Source: Timber Mart-South South-wide Average Sawtimber Prices.

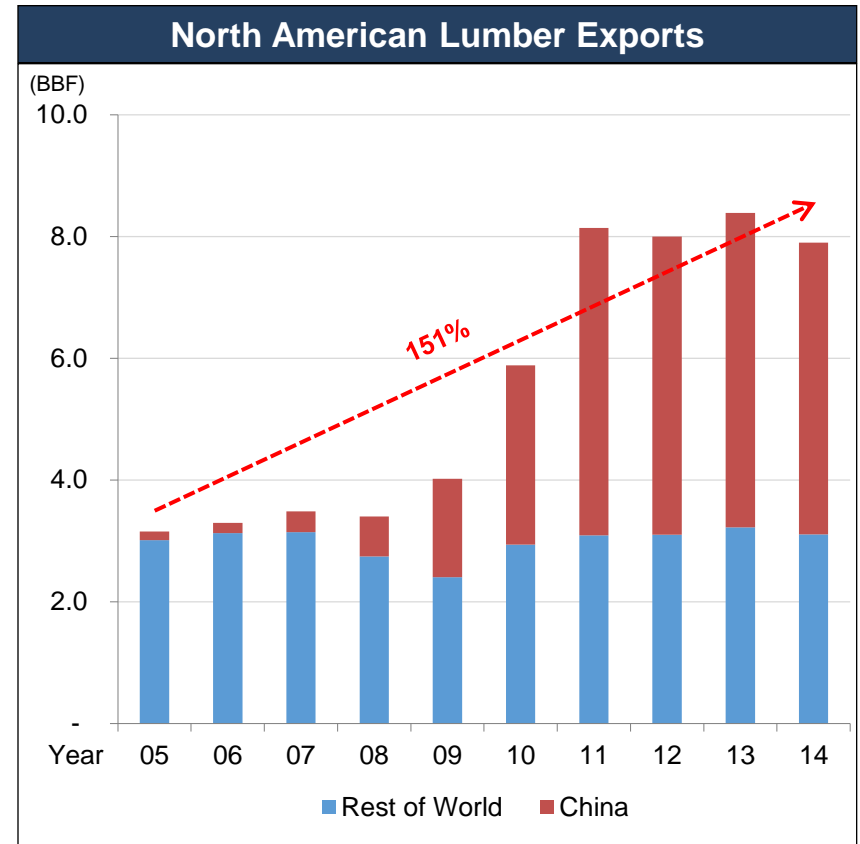
Note: Prices are adjusted for inflation and converted to 2014 dollars based on the Producer Price Index (PPI).

**U.S. South sawtimber pricing has historically trended in line with residential construction:
~1.5 million starts = ~\$45 sawtimber.**

Log and Lumber Export Volume Has Surged



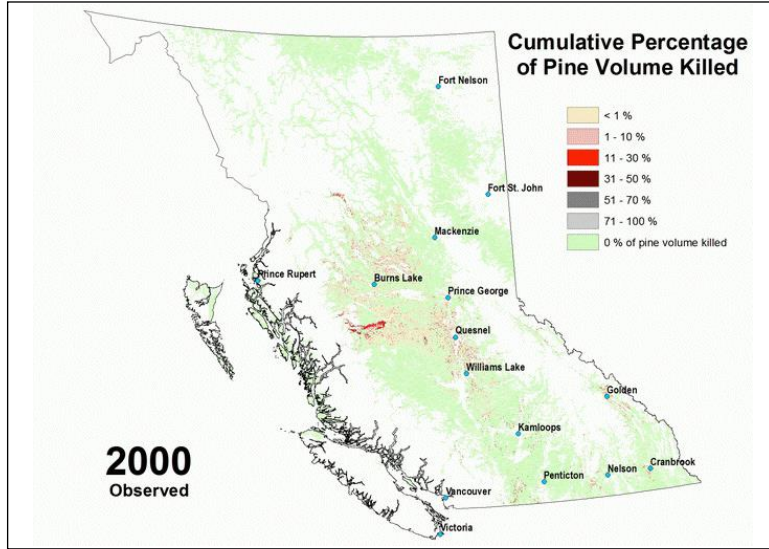
Source: Forest Economic Advisors.



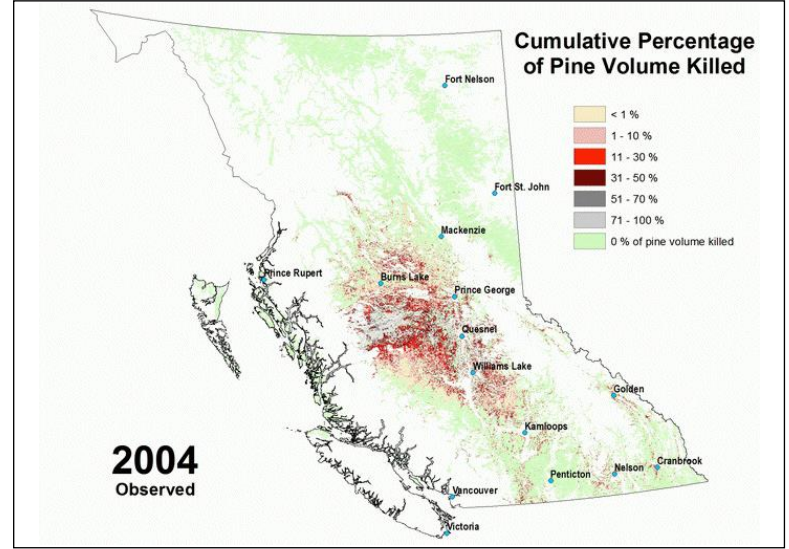
Source: Forest Economic Advisors.

China has driven substantial growth in log and lumber exports from the Pacific Northwest and British Columbia, respectively.

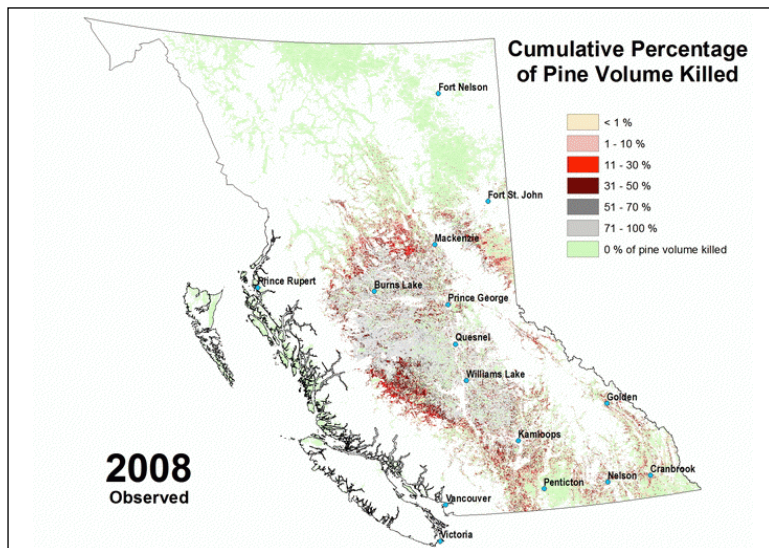
Mountain Pine Beetle Has Devastated B.C. Forests



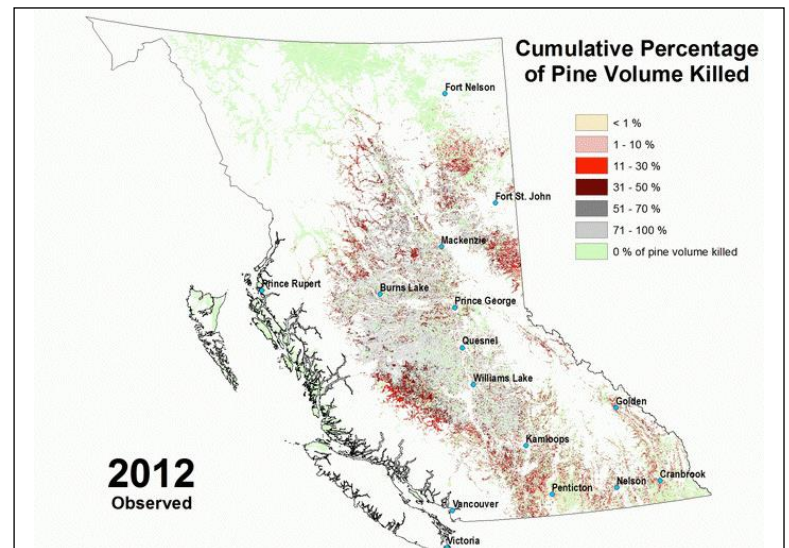
~ 1%
Mortality



~ 15%
Mortality



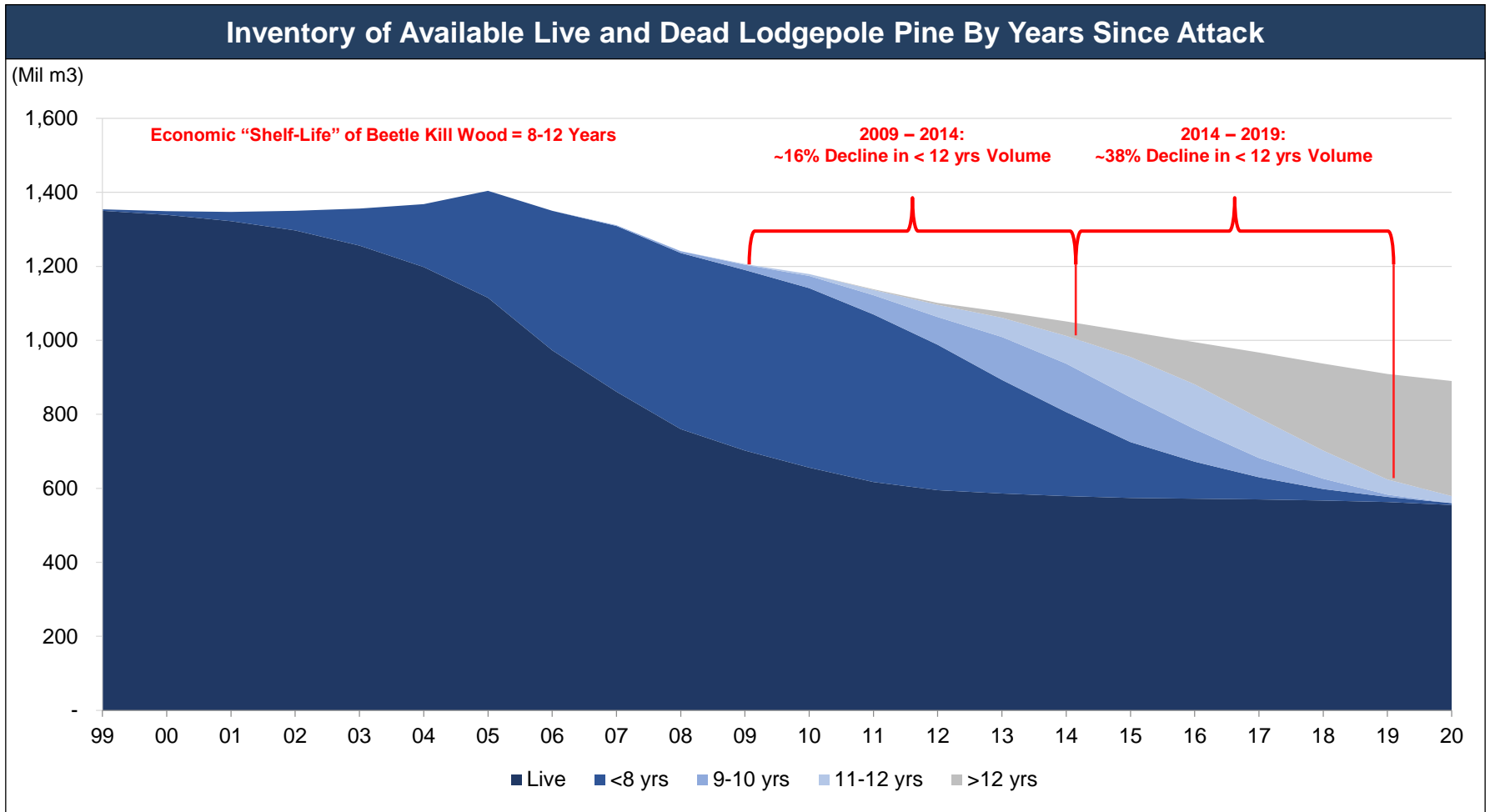
~ 45%
Mortality



~ 55%
Mortality

Source: B.C. Ministry of Forests.

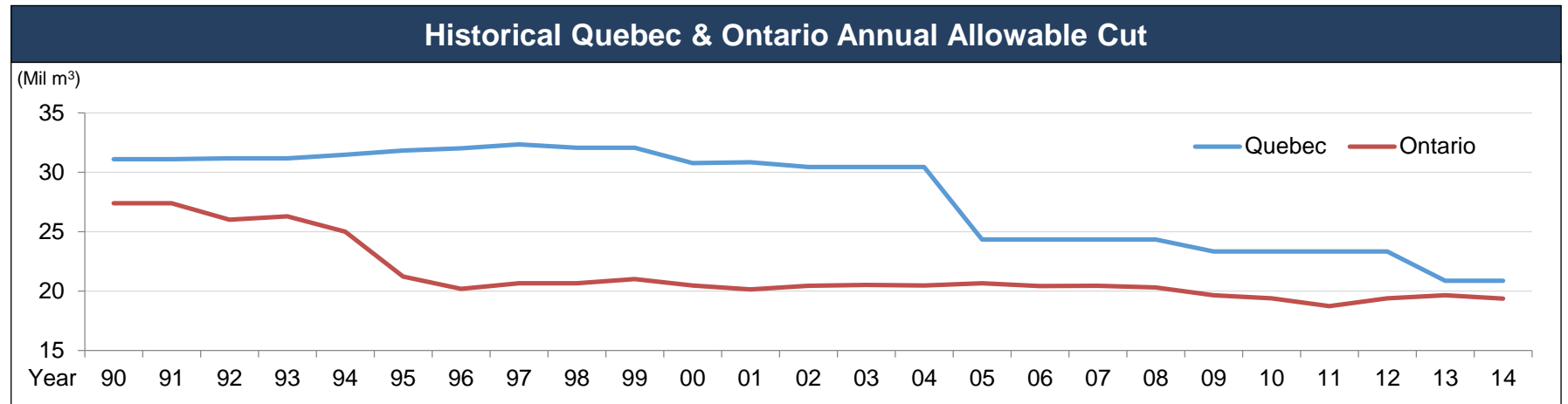
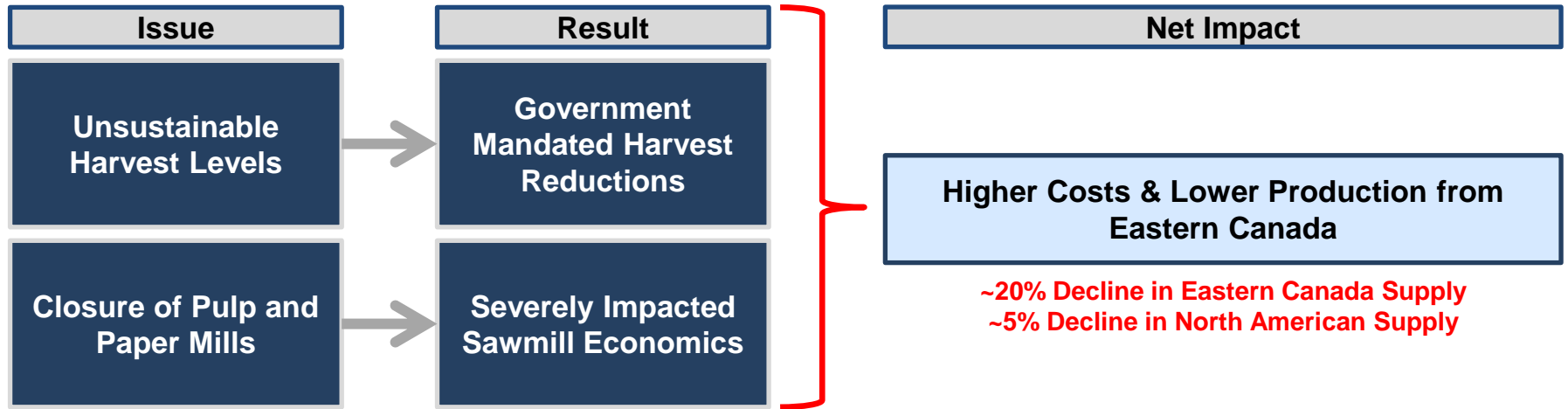
Availability of Viable B.C. Timber Is Expected to Decline Rapidly



Source: B.C. Ministry of Forests; Forest Economic Advisors.

The mountain pine beetle epidemic is expected to significantly constrain the availability of economically viable pine inventory in B.C. for many decades.

Eastern Canada Producers Also Have Multiple Challenges



Source: Forest Economic Advisors.

Increased harvest restrictions and large-scale paper mill closures are projected to lead to reduced lumber production of nearly 20% in Eastern Canada.

U.S. South Poised to Benefit Most from Current Market Trends

Time Period	1995 - 2004	Peak 2005	Trough 2009	Recent 2014	Trend	% Change from 2014	% Change from Peak
U.S. Housing Starts	1.63	2.07	0.55	1.00	1.50	+50%	(52%)
Lumber Supply (BBF)							
Canada	30.0	34.4	18.7	24.9	26.7	+7%	(22%)
U.S. West	16.8	19.3	10.4	14.1	17.2	+22%	(11%)
U.S. South	16.1	19.0	11.6	15.5	19.8	+27%	+4%
Rest of U.S.	2.4	2.1	1.2	1.4	2.2	+55%	+5%
Offshore Imports	1.2	3.0	0.6	0.6	1.6	+177%	(48%)
Total Supply	66.4	77.8	42.5	56.5	67.5	+19%	(13%)

Source: RISI; Forest Economic Advisors.

Based on the major supply-demand shifts currently underway, the U.S. South is expected to exceed prior peak levels of demand even at trend-level housing starts.



Appendix

Definitions of Non-GAAP Measures

Pro Forma Operating Income is defined as operating income adjusted for internal review and restatement costs.

Pro Forma Net Income is defined as net income attributable to Rayonier Inc. adjusted for internal review and restatement costs and discontinued operations.

Adjusted EBITDA is defined as earnings before interest, taxes, depreciation, depletion, amortization, the non-cash cost of land sold and real estate development costs recovered upon sale, costs related to shareholder litigation, costs related to the spin-off of the Performance Fibers business, internal review and restatement costs and discontinued operations. Adjusted EBITDA is a non-GAAP measure used by our Chief Operating Decision Maker, existing shareholders and potential shareholders to measure how the Company is performing relative to the assets under management.

Cash Available for Distribution (CAD) is defined as cash provided by operating activities adjusted for capital spending (excluding strategic acquisitions), real estate development costs, cash provided by discontinued operations and working capital and other balance sheet changes. CAD is a non-GAAP measure of cash generated during a period that is available for dividend distribution, repurchase of the Company's common shares, debt reduction and strategic acquisitions. CAD is not necessarily indicative of the CAD that may be generated in future periods.

Reconciliation of Operating Income to Adjusted EBITDA by Segment cont.

(\$ in millions)

	Southern Timber	Pacific Northwest Timber	New Zealand Timber	Real Estate	Trading	Corporate and Other	Total
2014							
Operating Income	\$45.6	\$29.5	\$9.5	\$47.5	\$1.7	(\$35.5)	\$98.3
Depreciation, depletion & amortization	52.3	21.3	32.2	13.4	—	0.8	120.0
Non-cash cost of land and real estate development costs recovered upon sale	—	—	4.3	8.9	—	—	13.2
Internal review and restatement costs	—	—	—	—	—	3.4	3.4
Adjusted EBITDA	\$97.9	\$50.8	\$46.0	\$69.8	\$1.7	(\$31.3)	\$234.9
2013							
Operating Income	\$37.8	\$32.7	\$10.6	\$55.9	\$1.8	(\$30.1)	\$108.7
Depreciation, depletion & amortization	49.4	21.3	27.7	17.4	—	1.0	116.8
Non-cash cost of land and real estate development costs recovered upon sale	—	—	—	10.2	—	—	10.2
Gain related to the consolidation of New Zealand JV	—	—	—	—	—	(16.1)	(16.1)
Adjusted EBITDA	\$87.2	\$54.0	\$38.3	\$83.5	\$1.8	(\$45.2)	\$219.6
2012							
Operating Income (loss)	\$23.4	\$20.6	\$2.0	\$32.0	(\$0.1)	(\$45.9)	\$32.0
Depreciation, depletion & amortization	52.7	22.2	0.2	8.1	—	1.4	84.6
Non-cash cost of land and real estate development costs recovered upon sale	—	—	—	4.7	—	—	4.7
Adjusted EBITDA	\$76.1	\$42.8	\$2.2	\$44.8	(\$0.1)	(\$44.5)	\$121.3

Reconciliation of Operating Income to Adjusted EBITDA by Segment cont.

(\$ in millions)

	Southern Timber	Pacific Northwest Timber	New Zealand Timber	Real Estate	Trading	Corporate and Other	Total
2011							
Operating Income	\$13.4	\$29.5	\$4.2	\$47.3	\$1.5	(\$40.8)	\$55.1
Depreciation, depletion & amortization	43.3	18.9	0.2	12.2	—	1.9	76.5
Non-cash cost of land and real estate development costs recovered upon sale	—	—	—	4.3	—	—	4.3
Adjusted EBITDA	\$56.7	\$48.4	\$4.4	\$63.8	\$1.5	(\$38.9)	\$135.9
2010							
Operating Income	\$29.0	\$7.7	—	\$53.4	\$0.8	(\$36.3)	\$54.6
Depreciation, depletion & amortization	40.8	17.7	—	22.2	—	1.0	81.7
Non-cash cost of land and real estate development costs recovered upon sale	—	—	—	6.7	—	—	6.7
Gain on sale of portion of New Zealand JV interest	—	—	—	—	—	(12.4)	(12.4)
Adjusted EBITDA	\$69.8	\$25.4	—	\$82.3	\$0.8	(\$47.7)	\$130.6