INTERNATIONAL PAPER COMPANY

Reconciliation of Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures. The calculation of these measures, and a reconciliation to previously reported comparable measures calculated in accordance with U.S. generally accepted accounting principles (GAAP) is shown below. The Company believes that this information, when used in conjunction with information presented in accordance with U.S. GAAP, can facilitate a better understanding of the impact of various factors and trends on the Company's financial condition and results of operations. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. These non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of our results calculated in accordance with GAAP. In addition, because not all companies use identical calculations, our presentation of non-GAAP financial measures may not be comparable to similarly titled measures disclosed by other companies, including companies in our industry. This information should be used in conjunction with the Company's Quarterly Report on Form 10Q for the quarter ended September 30, 2025 and subsequently publicly filed financial reports.

INTERNATIONAL PAPER COMPANY

Reconciliation of Earnings (Loss) from Continuing Operations to Adjusted Operating Earnings (Loss)

Preliminary and Unaudited

(In millions, except per share amounts)

	Three Months Ended September 30,		Three Months Ended March 31,	Three Months Ended June 30,	Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2025**	**2025**	**2024**
Earnings (Loss) from Continuing Operations	**$ (426)**	$ 111	$ (124)	$ 75	**$ (475)**	$ 637
Add back: Non-operating pension expense (income)	**(4)**	(12)	3	(5)	**(6)**	(34)
Add back: Net Special items expense (income)	**354**	113	237	20	**611**	176
Income taxes - Non-operating pension and special items	**(148)**	(99)	(43)	4	**(187)**	(443)
Adjusted Operating Earnings	**$ (224)**	$ 113	$ 73	$ 94	**$ (57)**	$ 336

	Three Months Ended September 30,		Three Months Ended March 31,	Three Months Ended June 30,	Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2025**	**2025**	**2024**
Diluted Earnings (Loss) per Common Share from Continuing Operations	**$ (0.81)**	$ 0.31	$ (0.28)	$ 0.14	**$ (0.95)**	$ 1.80
Add back: Non-operating pension expense (income)	**(0.01)**	(0.03)	0.01	—	**(0.01)**	(0.09)
Add back: Net special items expense (income)	**0.67**	0.33	0.54	0.03	**1.23**	0.50
Income taxes per share - Non-operating pension and special items	**(0.28)**	(0.28)	(0.10)	0.01	**(0.38)**	(1.26)
Adjusted Operating Earnings (Loss) per Share	**$ (0.43)**	$ 0.33	$ 0.17	$ 0.18	**$ (0.11)**	$ 0.95

Notes:

Adjusted Operating Earnings (loss) and Adjusted Operating Earnings (Loss) Per Share are non-GAAP financial measures defined as earnings (loss) from continuing operations (a GAAP measure) excluding net special items and non-operating pension expense (income). Earnings (loss) from continuing operations and Diluted earnings (loss) per common share from continuing operations are the most directly comparable GAAP measures. The Company calculates Adjusted Operating Earnings (Loss) (non-GAAP) by excluding the after-tax effect of non-operating pension expense (income) and net special items, as described in greater detail above, from the earnings (loss) from continuing operations reported under U.S. GAAP. Adjusted Operating Earnings (Loss) Per Share is calculated by dividing Adjusted Operating Earnings (Loss) by the diluted average shares of common stock outstanding. Management uses these non-GAAP financial measures to focus on on-going operations, and believes that such non-GAAP financial measures are useful to investors in assessing the operational performance of the Company and enabling investors to perform meaningful comparisons of past and present consolidated operating results from continuing operations. The Company believes that these non-GAAP financial measures, viewed alongside the most directly comparable GAAP measures, provides for a more complete analysis of the Company's results of operations.

Non-operating pension expense (income) represents amortization of prior service cost, amortization of actuarial gains/losses, expected return on assets and interest cost. The Company excludes these amounts from Adjusted Operating Earnings (Loss) as the Company does not believe these items reflect ongoing operations. These particular pension cost elements are not directly attributable to current employee service. The Company includes service cost in our non-GAAP financial measure as it is directly attributable to employee service, and the corresponding employees' compensation elements, in connection with ongoing operations.

Since diluted earnings per share are computed independently for each period, nine-month per share amounts may not equal the sum of the respective quarters.

INTERNATIONAL PAPER COMPANY
Calculation of Adjusted EBITDA from Continuing Operations

$ Millions	2024 Full Year	2025 1st Quarter	2025 2nd Quarter	2025 3rd Quarter	2025 4th Quarter	2025 Year to Date
Earnings (Loss) From Continuing Operations Before Income Taxes and Equity Earnings (loss)	$ 369	$ (155)	$ 116	$ (675)	$ —	$ (714)
Interest Expense, Net	214	84	108	85	—	277
Special Items	245	237	20	354	—	611
Non-operating pension expense (income)	(42)	3	(5)	(4)	—	(6)
Adjusted EBIT from Continuing Operations	786	169	239	(240)	—	168
Depreciation and amortization	850	520	431	1,099	—	2,050
Adjusted EBITDA from Continuing Operations	1,636	689	670	859	—	2,218
Annualized Adjusted EBITDA from Continuing Operations	1,636	2,756	2,680	3,436	—	2,957
Annualized Net Sales	15,835	21,056	24,568	24,888	—	23,504
Adjusted EBITDA Margin	10.3 %	13.1 %	10.9 %	13.8 %	— %	12.6 %

Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin are all "non-GAAP financial measures" presented as supplemental measures of our performance and the most directly comparable GAAP measure for Adjusted EBIT and Adjusted EBITDA is earnings (loss) from continuing operations before income taxes and equity earnings. They are not presented in accordance with accounting principles generally accepted in the United States, or GAAP. The Company believes these measures provide additional meaningful information in evaluating the Company's performance over time, and that other companies use these and/or similar measures for similar purposes. However, Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin have limitations as analytical tools, and you should not consider them in isolation, or as substitutes for an analysis of our results as reported under GAAP.

INTERNATIONAL PAPER COMPANY
Calculation of Adjusted EBITDA from Continuing Operations

$ Millions	2024 1st Quarter	2024 2nd Quarter	2024 3rd Quarter	2024 4th Quarter	2024 Year to Date
Earnings (Loss) From Continuing Operations Before Income Taxes and Equity Earnings (Loss)	$ 105	$ 146	$ 5	$ 113	$ 369
Interest Expense, Net	47	57	52	58	214
Special Items	24	49	113	59	245
Non-operating pension expense (income)	(12)	(10)	(12)	(8)	(42)
EBIT before Special Items	164	242	158	222	786
Depreciation and amortization	219	202	208	221	850
EBITDA before Special Items	383	444	366	443	1,636
Annualized EBITDA before Special Items	1,532	1,776	1,464	1,772	1,636
Annualized Net Sales	15,660	16,076	15,916	15,688	15,835
Adjusted EBITDA Margin	9.8 %	11.0 %	9.2 %	11.3 %	10.3 %

Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin are all "non-GAAP financial measures" presented as supplemental measures of our performance and the most directly comparable GAAP measure for Adjusted EBIT and Adjusted EBITDA is earnings (loss) from continuing operations before income taxes and equity earnings. They are not presented in accordance with accounting principles generally accepted in the United States, or GAAP. The Company believes these measures provide additional meaningful information in evaluating the Company's performance over time, and that other companies use these and/or similar measures for similar purposes. However, Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin have limitations as analytical tools, and you should not consider them in isolation, or as substitutes for an analysis of our results as reported under GAAP.

INTERNATIONAL PAPER COMPANY
Reconciliation of Non-GAAP Information to U.S. GAAP
Calculation of Adjusted EBITDA Margin before Special Items

	Packaging Solutions North America				
$ Millions	**Q1 2025**	**Q2 2025**	**Q3 2025**	**Q4 2025**	**YTD 2025**
Business Segment Operating Profit	$ 142	$ 277	$ (166)	$ —	$ 253
Depreciation and Amortization	413	236	831	—	1,480
EBITDA before Special Items	555	513	665	—	1,733
Less: Recycling Business EBITDA	1	(2)	10	—	9
EBITDA before Special Items after Exclusions	554	515	655	—	1,724
Net Sales	3,702	3,860	3,898	—	11,460
Less: Trade Sales	98	98	100	—	296
Less: Recycling Business Net Sales	69	68	60	—	197
Net Sales after Exclusions	$ 3,535	$ 3,694	$ 3,738	$ —	$ 10,967
Adjusted EBITDA Margin	15.7 %	13.9 %	17.5 %	— %	15.7 %

Business Segment Operating Profit is defined as earnings (loss) before income taxes and equity earnings, but including the impact of less than wholly owned subsidiaries, and excluding interest expense, net, corporate expenses, net, net special items and non-operating pension expense. Business Segment Operating Profit at a segment level is a measure reported to our management for purposes of making decisions about allocating resources to our business segments and assessing the performance of our business segments and is presented in our financial statement footnotes in accordance with ASC 280.

We use the non-GAAP financial measures Adjusted EBITDA and Adjusted EBITDA margin, along with other factors, to evaluate our segment performance against our peers. We believe that investors use these measures to evaluate our performance relative to our peers. However, these non-GAAP financial measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP.

INTERNATIONAL PAPER COMPANY
Reconciliation of Non-GAAP Information to U.S. GAAP
Calculation of Adjusted EBITDA Margin before Special Items

	Packaging Solutions North America				
$ Millions	**Q1 2024**	**Q2 2024**	**Q3 2024**	**Q4 2024**	**YTD 2024**
Business Segment Operating Profit	$ 192	$ 281	$ 190	$ 228	$ 891
Depreciation and Amortization	203	186	192	205	786
EBITDA before Special Items	395	467	382	433	1,677
Less: Recycling Business EBITDA	6	2	4	(1)	11
EBITDA before Special Items after Exclusions	389	465	378	434	1,666
Net Sales	3,486	3,628	3,640	3,539	14,293
Less: Trade Sales	84	108	84	104	380
Less: Recycling Business Net Sales	79	81	84	71	315
Net Sales after Exclusions	$ 3,323	$ 3,439	$ 3,472	$ 3,364	$ 13,598
Adjusted EBITDA Margin	11.7 %	13.5 %	10.9 %	12.9 %	12.3 %

Business Segment Operating Profit is defined as earnings (loss) before income taxes and equity earnings, but including the impact of less than wholly owned subsidiaries, and excluding interest expense, net, corporate expenses, net, net special items and non-operating pension expense. Business Segment Operating Profit at a segment level is a measure reported to our management for purposes of making decisions about allocating resources to our business segments and assessing the performance of our business segments and is presented in our financial statement footnotes in accordance with ASC 280.

We use the non-GAAP financial measures Adjusted EBITDA and Adjusted EBITDA margin, along with other factors, to evaluate our segment performance against our peers. We believe that investors use these measures to evaluate our performance relative to our peers. However, these non-GAAP financial measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP.

INTERNATIONAL PAPER COMPANY
Reconciliation of Non-GAAP Information to U.S. GAAP
Calculation of Adjusted EBITDA Margin before Special Items

	Packaging Solutions EMEA				
$ Millions	**Q1 2025**	**Q2 2025**	**Q3 2025**	**Q4 2025**	**YTD 2025**
Business Segment Operating Profit	$ 46	$ (1)	$ (58)	$ —	$ (13)
Depreciation and Amortization	107	195	267	—	569
EBITDA before Special Items	153	194	209	—	556
Net Sales	1,550	2,291	2,310	—	6,151
Adjusted EBITDA Margin	9.9 %	8.5 %	9.0 %	— %	9.0 %

	Packaging Solutions EMEA				
$ Millions	**Q1 2024**	**Q2 2024**	**Q3 2024**	**Q4 2024**	**YTD 2024**
Business Segment Operating Profit	$ 24	$ 10	$ 7	$ 19	$ 60
Depreciation and Amortization	16	16	16	16	64
EBITDA before Special Items	40	26	23	35	124
Net Sales	348	328	322	357	1,355
Adjusted EBITDA Margin	11.5 %	7.9 %	7.1 %	9.8 %	9.2 %

Business Segment Operating Profit is defined as earnings (loss) before income taxes and equity earnings, but including the impact of less than wholly owned subsidiaries, and excluding interest expense, net, corporate expenses, net, net special items and non-operating pension expense. Business Segment Operating Profit at a segment level is a measure reported to our management for purposes of making decisions about allocating resources to our business segments and assessing the performance of our business segments and is presented in our financial statement footnotes in accordance with ASC 280.

We use the non-GAAP financial measures Adjusted EBITDA and Adjusted EBITDA margin, along with other factors, to evaluate our segment performance against our peers. We believe that investors use these measures to evaluate our performance relative to our peers. However, these non-GAAP financial measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP.

INTERNATIONAL PAPER COMPANY
Calculation of Adjusted EBITDA

In Millions	Q2 2025	Q3 2025
Net Earnings (Loss)	$ 75	$ (1,102)
Continuing Operations - Equity earnings (loss), net of taxes	1	1
Continuing Operations - Income tax provision (benefit)	40	(250)
Discontinued Operations - Income tax provision (benefit)	—	(226)
Continuing Operations - Interest expense, net	108	85
Discontinued Operations - Interest expense, net	(1)	2
Continuing Operations - Special items	20	354
Discontinued Operations - Special items	15	1,018
Continuing Operations - Non-operating pension expense (income)	(5)	(4)
Continuing Operations - Depreciation and amortization	431	1,099
Discontinued Operations - Depreciation and amortization	49	35
Adjusted EBITDA	$ 733	$ 1,012

Adjusted EBITDA is a non-GAAP financial measure defined as net earnings (loss) before continuing and discontinued operations income taxes, equity earnings (loss), interest expense, net, net special items, non-operating pension expense (income) and depreciation and amortization. Net earnings (loss) is the most directly comparable GAAP measure. This non-GAAP measure has been included for the three months ended September 30, 2025 following the conclusion that the Global Cellulose Fibers business would be classified as a discontinued operation. Management uses this non-GAAP financial measure to assess total Company performance and believes it provides additional useful information to investors in the current period.

INTERNATIONAL PAPER COMPANY
Global Cellulose Fibers Calculation of Adjusted EBITDA

$ Millions	Q2 2025	Q3 2025
Discontinued Operations, net of taxes	$ —	$ (676)
Discontinued Operations - Income tax provision (benefit)	—	(226)
Discontinued Operations - Interest expense, net	(1)	2
Discontinued Operations - Special items	15	1,018
Discontinued Operations - Depreciation and amortization	49	35
Global Cellulose Fibers Adjusted EBITDA	$ 63	$ 153

	Investor Day (GCF) (a)
$ Millions	**2025**
Business Segment Operating Profit	$ 140
Depreciation and Amortization	220
EBITDA before Special Items	$ 360

(a) As initially reported at Investor Day held on March 25, 2025 prior to reclassification of the Global Cellulose Fibers business to Discontinued Operations, net of taxes.

Adjusted EBITDA is a non-GAAP financial measure defined as net earnings (loss) before continuing and discontinued operations income taxes, equity earnings (loss), interest expense, net, net special items, non-operating pension expense (income) and depreciation and amortization. Net earnings (loss) is the most directly comparable GAAP measure. This non-GAAP measure has been included for the three months ended September 30, 2025 following the conclusion that the Global Cellulose Fibers business would be classified as a discontinued operation. Management uses this non-GAAP financial measure to assess total Company performance and believes it provides additional useful information to investors in the current period.

International Paper Company
Calculation of EBITDA Targets before Special Items

	2025		2027	
$ Millions	**Investor Day (excluding) GCF) (a)**	**Current (excluding GCF)**	**Investor Day (excluding GCF) (a)**	**Current (excluding GCF)**
Earnings (Loss) Before Income Taxes and Equity Earnings	$1,030 - $1,530	$ (501)	$3,640-$4,140	$ 2,840
Interest Expense, Net	420	380	410	360
Special Items	—	611	—	—
Non-operating pension expense (income)	—	(30)	—	—
EBIT before Special Items	1,450 - 1,950	$ 460	4,050-4,550	3,200
Depreciation and amortization	1,650	2,540	1,450	1,800
EBITDA before Special Items	$3,100 - $3,600	$ 3,000	$5,500-$6,000	$ 5,000

(a) Investor Day held on March 25, 2025 original assumptions included GCF Adj. EBITDA of $0.36B for 2025.

Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin are all "non-GAAP financial measures" presented as supplemental measures of our performance and the most directly comparable GAAP measure for Adjusted EBIT and Adjusted EBITDA is earnings (loss) from continuing operations before income taxes and equity earnings. They are not presented in accordance with accounting principles generally accepted in the United States, or GAAP. The Company believes these measures provide additional meaningful information in evaluating the Company's performance over time, and that other companies use these and/or similar measures for similar purposes. However, Adjusted EBIT, Adjusted EBITDA and Adjusted EBITDA Margin have limitations as analytical tools, and you should not consider them in isolation, or as substitutes for an analysis of our results as reported under GAAP.

International Paper Company
Calculation of EBITDA Outlook before Special Items

	Three Months Ended December 31, 2025	
$ Millions	**Packaging Solutions North America**	**Packaging Solutions EMEA**
Business Segment Operating Profit	$ 355	$ (16)
Depreciation and Amortization	245	246
EBITDA before Special Items	$ 600	$ 230

Business Segment Operating Profit is defined as earnings (loss) before income taxes and equity earnings, but including the impact of less than wholly owned subsidiaries, and excluding interest expense, net, corporate expenses, net, net special items and non-operating pension expense. Business Segment Operating Profit at a segment level is a measure reported to our management for purposes of making decisions about allocating resources to our business segments and assessing the performance of our business segments and is presented in our financial statement footnotes in accordance with ASC 280.

We use the non-GAAP financial measures Adjusted EBITDA and Adjusted EBITDA margin, along with other factors, to evaluate our segment performance against our peers. We believe that investors use these measures to evaluate our performance relative to our peers. However, these non-GAAP financial measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP.

INTERNATIONAL PAPER COMPANY
Reconciliation of Cash Provided by Operations to Free Cash Flow
Preliminary and Unaudited
(In millions)

	Three Months Ended September 30,		Three Months Ended June 30,	Twelve Months Ended December 31,	
	2025	**2024**	**2025**	**2024**	**2023**
Cash Provided By (Used For) Operating Activities	**$ 605**	$ 521	$ 476	$ 1,678	$ 1,833
Adjustments:					
Capital expenditures	**(455)**	(212)	(422)	(921)	(1,141)
Free Cash Flow	**$ 150**	$ 309	$ 54	$ 757	$ 692

Free cash flow is a non-GAAP financial measure which equals cash provided by (used for) operating activities less capital expenditures. The most directly comparable GAAP measure is cash provided by operations. Management utilizes this measure in connection with managing our business and believes that free cash flow is useful to investors as a liquidity measure because it measures the amount of cash generated that is available, after reinvesting in the business, to maintain a strong balance sheet, pay dividends, repurchase stock, service debt and make investments for future growth. It should not be inferred that the entire free cash flow amount is available for discretionary expenditures.

The non-GAAP financial measures presented have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of our results calculated in accordance with GAAP. In addition, because not all companies use identical calculations, the Company's presentation of non-GAAP financial measures in this release may not be comparable to similarly titled measures disclosed by other companies, including companies in the same industry as International Paper.

Management believes non-GAAP financial measures, when used in conjunction with information presented in accordance with GAAP, can facilitate a better understanding of the impact of various factors and trends on the Company's financial results. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. Investors are cautioned to not place undue reliance on any non-GAAP financial measures used in this release.

International Paper Company
Calculation of Free Cash Flow Targets

$ Millions	2025		2027	
	Investor Day (excluded GCF) (a)	**Current (excluding GCF)**	**Investor Day (excluded GCF) (a)**	**Current (excluding GCF)**
Cash provided by (used for) Operating Activities	$2,000 - $2,200	$1,600 - $1,700	$3,900-$4,400	$4,000
Adjustments:				
Capital expenditures	1,900	1,800 - 1,900	1,900	2,000
Forecasted Free Cash Flow	$100 - $300	$(100) - $(300)	$2,000 - $2,500	$2,000

(a) Investor Day held on March 25, 2025

Free cash flow is a non-GAAP financial measure which equals cash provided by (used for) operating activities less capital expenditures. The most directly comparable GAAP measure is cash provided by operations. Management utilizes this measure in connection with managing our business and believes that free cash flow is useful to investors as a liquidity measure because it measures the amount of cash generated that is available, after reinvesting in the business, to maintain a strong balance sheet, pay dividends, repurchase stock, service debt and make investments for future growth. It should not be inferred that the entire free cash flow amount is available for discretionary expenditures.

The non-GAAP financial measures presented have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of our results calculated in accordance with GAAP. In addition, because not all companies use identical calculations, the Company's presentation of non-GAAP financial measures in this release may not be comparable to similarly titled measures disclosed by other companies, including companies in the same industry as International Paper.

Management believes non-GAAP financial measures, when used in conjunction with information presented in accordance with GAAP, can facilitate a better understanding of the impact of various factors and trends on the Company's financial results. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. Investors are cautioned to not place undue reliance on any non-GAAP financial measures used in this release.

International Paper Company
Calculation of Operational Tax Rate

$ Millions		2024
Earnings (Loss) from Continuing Operations Before Income Taxes and Equity Earnings	$	369
Special Items		235
Non-operating pension expense (income)		(42)
Operating Earnings (Loss) from Continuing Operations Before Income Taxes and Equity Earnings		562
Income Tax Provision (Benefit)		(361)
Income Taxes - Non-Operating Pension and Special Items		447
Operational Income Tax Provision (Benefit)	$	86
Operational Effective Income Tax Rate		15 %

The operational income tax provision and operational effective income tax rate are non-GAAP financial measures and are calculated by adjusting the earnings (loss) from continuing operations before income taxes and equity earnings (loss), income tax provision (benefit) and rate to exclude net special items and non-operating pension expense (income). The most directly comparable GAAP measures are the reported income tax provision and effective income tax rate, respectively. Management believes that this presentation provides useful information to investors by providing a meaningful comparison of the income tax rate between past and present periods.