



International
Paper



IP to Create Two Independent Public Companies; Fourth Quarter and Full Year 2025 Earnings

January 29, 2026

Forward-looking Statements

Certain statements in this presentation that are not historical in nature may be considered "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements can be identified by the use of forward-looking or conditional words such as "expects," "anticipates," "believes," "estimates," "could," "should," "can," "forecast," "outlook," "intend," "look," "may," "will," "remain," "confident," "commit" and "plan" or similar expressions. These statements are not guarantees of future performance and reflect management's current views and speak only as to the dates the statements are made and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these statements. All statements, other than statements of historical fact, are forward-looking statements, including, but not limited to, statements regarding anticipated financial results, economic conditions, industry trends, future prospects, and the anticipated benefits, execution and consummation of strategic corporate transactions. Factors which could cause actual results to differ include but are not limited to: (i) our ability to consummate and achieve the benefits expected from, and other risks, costs and expenses associated with, our plans to separate our North America and Europe, Middle East and Africa ("EMEA") operations into two independent public companies and other acquisitions, joint ventures, divestitures, spinoffs, capital investments and other corporate transactions on a timely basis or at all, including the risk that an impairment charge may be recorded for goodwill or other intangible assets, which may lead to decreased assets and reduced net earnings; (ii) our ability to successfully integrate and realize anticipated synergies, cost savings and profit opportunities from acquired companies; (iii) risks associated with our strategic business decisions including facility closures, business exits, operational changes, and portfolio rationalizations intended to support the Company's 80/20 strategic approach for long-term growth; (iv) our failure to comply with the obligations associated with being a public company listed on the New York Stock Exchange and the London Stock Exchange and the costs associated therewith; (v) risks with respect to climate change and global, regional, and local weather conditions, as well as risks related to our targets and goals with respect to climate change and the emission of greenhouse gases and other environmental, social and governance matters, including our ability to meet such targets and goals; (vi) loss contingencies and pending, threatened or future litigation, including with respect to environmental and antitrust related matters; (vii) the level of our indebtedness, including our obligations as guarantor of a Euro Medium Term Note Programme, risks associated with our variable rate debt, and changes in interest rates (including the impact of current elevated interest rate levels); (viii) the impact of global and domestic economic conditions and industry conditions, including with respect to current challenging macroeconomic conditions, inflationary pressures and changes in the cost or availability of raw materials, energy sources and transportation sources, supply chain shortages and disruptions, competition we face, cyclical and changes in consumer preferences, demand and pricing for our products, and conditions impacting the credit, capital and financial markets; (ix) risks arising from conducting business internationally, domestic and global geopolitical conditions, military conflict (including the Russia/Ukraine conflict, the conflict in the Middle East, the further expansion of such conflicts, and the geopolitical and economic consequences associated therewith), as well as broader geopolitical tensions involving major global actors, including those related to China and Venezuela, changes in currency exchange rates, including in light of our increased proportion of assets, liabilities and earnings denominated in foreign currencies as a result of our business combination with DS Smith Limited, trade policies (including but not limited to protectionist measures and the imposition of new or increased tariffs as well as the potential impact of retaliatory tariffs and other penalties including retaliatory policies against the United States) and global trade tensions, downgrades in our credit ratings, and/or the credit ratings of banks issuing certain letters of credit, issued by recognized credit rating organizations; (x) the amount of our future pension funding obligations, and pension and healthcare costs; (xi) the costs of compliance, or the failure to comply with, existing, evolving or new environmental (including with respect to climate change and greenhouse gas emissions), tax, trade, labor and employment, privacy, anti-bribery and anti-corruption, and other U.S. and non-U.S. governmental laws, regulations and policies (including but not limited to those in the United Kingdom and European Union); (xii) any material disruption at any of our manufacturing facilities or other adverse impact on our operations due to severe weather, natural disasters, climate change or other causes; (xiii) our ability to realize expected benefits and cost savings associated with restructuring initiatives; (xiv) cybersecurity and information technology risks, including as a result of security breaches and cybersecurity incidents; (xv) our exposure to claims under our agreements with Sylvamo Corporation; (xvi) our ability to attract and retain qualified personnel and maintain good employee or labor relations; (xvii) our ability to maintain effective internal control over financial reporting; and (xviii) our ability to adequately secure and protect our intellectual property rights. These and other factors that could cause or contribute to actual results differing materially from such forward-looking statements can be found in our press releases and reports filed with the U.S. Securities and Exchange Commission. In addition, other risks and uncertainties not presently known to the Company or that we currently believe to be immaterial could affect the accuracy of any forward-looking statements. The Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Statements Relating to Non-U.S. GAAP Measures

While the Company reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP"), during the course of this presentation, certain non-GAAP financial measures are presented. Management believes these 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 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. The non-GAAP financial measures in this presentation 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 in this presentation may not be comparable to similarly titled measures disclosed by other companies, including companies in our industry. A reconciliation of all presented non-GAAP financial measures (and their components) to GAAP financial measures is available on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>

Discontinued Operations

As previously announced, the Company sold its Global Cellulose Fibers business on January 23, 2026. Current and historical results have been adjusted to reflect the Global Cellulose Fibers business as a discontinued operation.

Non-GAAP Reconciliations

Please see Appendix at the end of this presentation as well as the Investors section of our website (www.internationalpaper.com) for more information on non-GAAP financial measures, definitions, and reconciliations to most directly comparable U.S. GAAP measures.

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Today's Agenda

International Paper to Create Two Independent Public Companies

Andy Silvernail | Chairman & CEO

Lance Loeffler | SVP & CFO

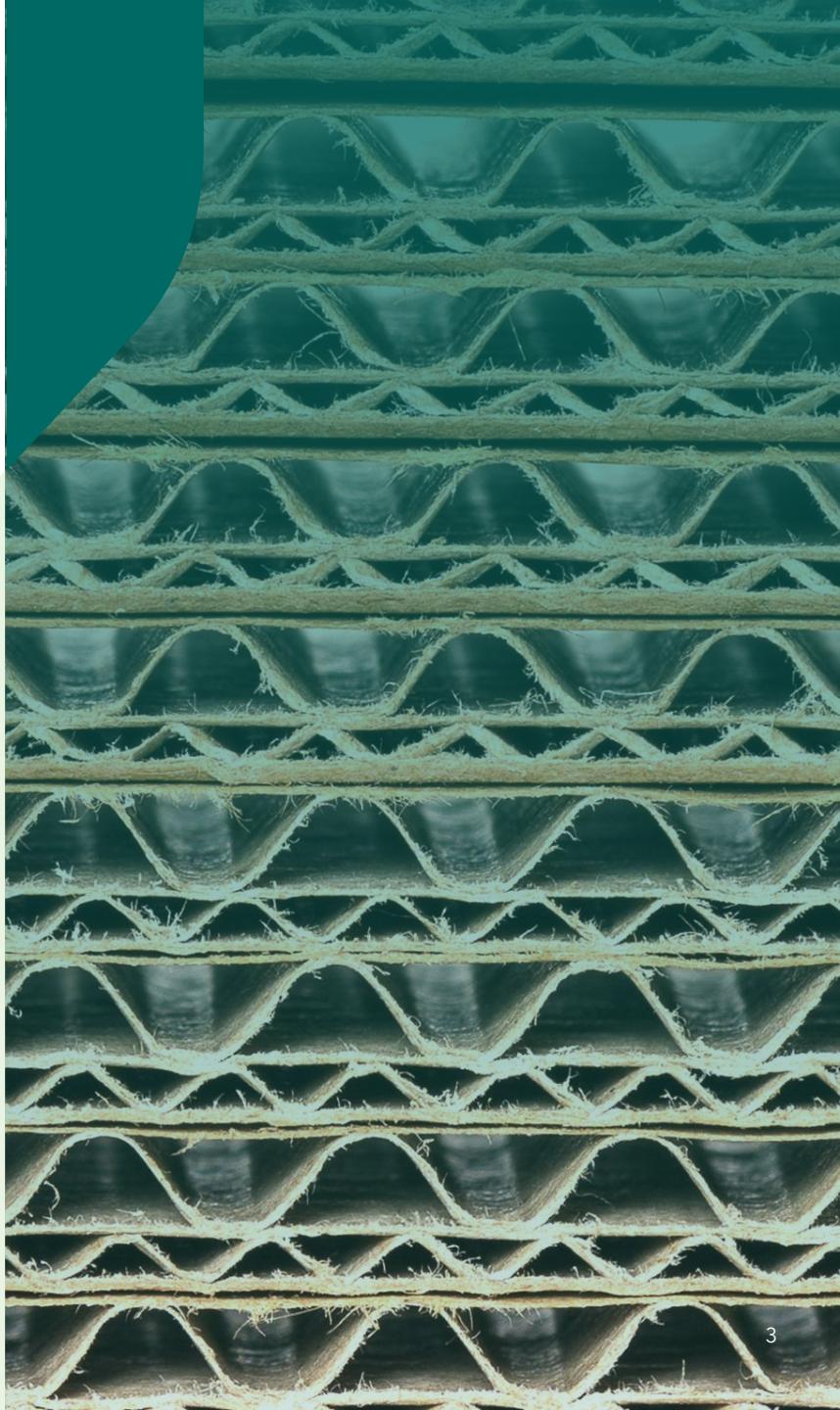
Tim Nicholls | EVP & President of DS Smith

Full Year and Fourth Quarter 2025 Earnings

Andy Silvernail | Chairman & CEO

Lance Loeffler | SVP & CFO

Q&A Session



Creating Two Best-in-Class Companies to Accelerate Our Ambitions

INTERNATIONAL PAPER

Strengthening position as leading sustainable packaging company in North America

\$15.2B 2025 net sales¹

Comprised of current business in North America including legacy IP and DS Smith assets



EMEA PACKAGING BUSINESS

Elevating European leadership as provider of innovative, sustainable packaging solutions

\$8.5B 2025 net sales²

Comprised of current business in EMEA, including legacy IP and DS Smith assets

Taking Decisive Steps to Advance Our Transformation Journey

Executing Our Strategy to Drive Sustainable Value Creation



Regional Businesses Strengthened by DS Smith Acquisition



ADVANTAGED COST POSITION (ACP)

~\$710MM Full run-rate cost-out actioned through 2025, including synergy benefits

SUPERIOR CUSTOMER EXPERIENCE (SCX)

#1 Leading customer advocacy amongst North American direct competitors¹

#1 Leading customer advocacy amongst EMEA peers²

HIGH RELATIVE SUPPLY POSITION (High RSP)

#1 Player in North America³

#1 Player in EMEA⁴



Meaningful Accomplishments over Last Year with Significant Opportunities Ahead

Compelling Strategic Benefits

1 IP + DS Smith combination **established winning positions with critical in-region scale**, and enabled **cross-business sharing of best practices**

2 Actions taken to **realize value of combination have been implemented** via rapid integration and execution of 80/20 roadmap

3 Separation enables both businesses to **accelerate progress toward maximizing long-term profitable growth and attractive returns**

4 Creates **two focused, regional, customer-centric packaging solutions leaders** able to optimally capture distinct market opportunities

5 Enables **greater strategic agility and customized application of 80/20 approach** for distinct regional needs

6 Facilitates **tailored investment and capital allocation strategies** through separate capital structures

Time is Right to Unlock Our Full Potential through Strategic Separation

Distinct Environments in North America and EMEA



NORTH AMERICA

Resilient and Integrated



EMEA

Dynamic and Localized

~\$50B

TAM¹

~\$40B

1.0% to 1.5%²

LONG-TERM DEMAND GROWTH

1.5% to 2.0%³

~80%

TOP 5 SUPPLY POSITION

~50%

More national

COMPETITIVE DYNAMICS

More localized

High

SUPPLY INTEGRATION

Varies by country

Centralized

BUYER CONCENTRATION

De-centralized



Post-combination of Legacy IP and DS Smith Assets, Path to Accelerate In-region Leadership is Best Served by Separate Strategies and Capital Allocation

Accelerating 80/20 and Strategy Execution by Creating Two Scaled, Regional Companies

WHAT WILL CHANGE

- **Sharper regional focus:** North America and EMEA teams fully aligned to distinct customer needs and priorities
- **Faster decision-making:** Focused local leadership to accelerate transformation and responsiveness
- **Tailored capital allocation:** Investment decisions optimized within each business with fewer cross-region trade-offs

WHAT REMAINS THE SAME

- **80/20 focus:** Continuing to apply 80/20 approach, executing strategy with same discipline and pace
- **Customer centricity:** Maintaining our relentless focus on reliability and superior customer experience
- **Operating continuity:** Keeping same frontline teams and service model; no day-to-day changes for customers



Continuing to Keep the Customer at the Center of Everything We Do

International Paper's North American Business At-a-Glance

Leading Sustainable Packaging Solutions Provider in North America

\$15.2B

NET SALES¹

\$2.3B

ADJ. EBITDA^{1,2}

15.7%

ADJ. EBITDA MARGIN^{1,2}

~220+

FACILITIES

FOCUSED ON CUSTOMERS, ADVANTAGED COST POSITION, AND LEADING INNOVATION

- Opportunity to invest in business with significant transformation progress already executed with additional upside
- Expect full benefits of cost-out and commercial actions to flow through to adj. EBITDA^{1,2} in near term
- Steadily improving margin and free cash flow^{1,2}
- Strong, investment-grade balance sheet
- Incremental organic and inorganic growth opportunities

Strengthened RSP by Combining Legacy IP and Legacy DS Smith Assets in North America



■ Legacy IP Sites

■ Legacy DS Smith Sites

IP North America Priorities

STRATEGIC PRIORITIES AND 80/20 PLAN

Advantaged Cost Position

- Optimize footprint and operational complexity
- Transform mill and box plant operations
- Further optimize supply chain and input costs

Superior Customer Experience

- Deliver differentiated service and quality
- Strengthen partnerships with largest strategic customers

High Relative Supply Position

- Develop and execute locally driven strategies
- Opportunistically pursue bolt-on acquisitions
- Resource to grow in priority segments

FINANCIAL PRIORITIES

- ✓ Accelerate organic growth

Strengthen margins and cash flow to invest in:

- Productivity
- Disciplined, strategic acquisitions

- ✓ Maintain strong, investment grade balance sheet

Positioned to Deliver Long-term Profitable Growth

EMEA Packaging Business At-a-Glance

Leading Provider of Innovative, Sustainable Packaging Solutions in EMEA

\$8.5B

NET SALES¹

\$0.8B

ADJ. EBITDA^{1,2}

9.3%

ADJ. EBITDA MARGIN^{1,2}

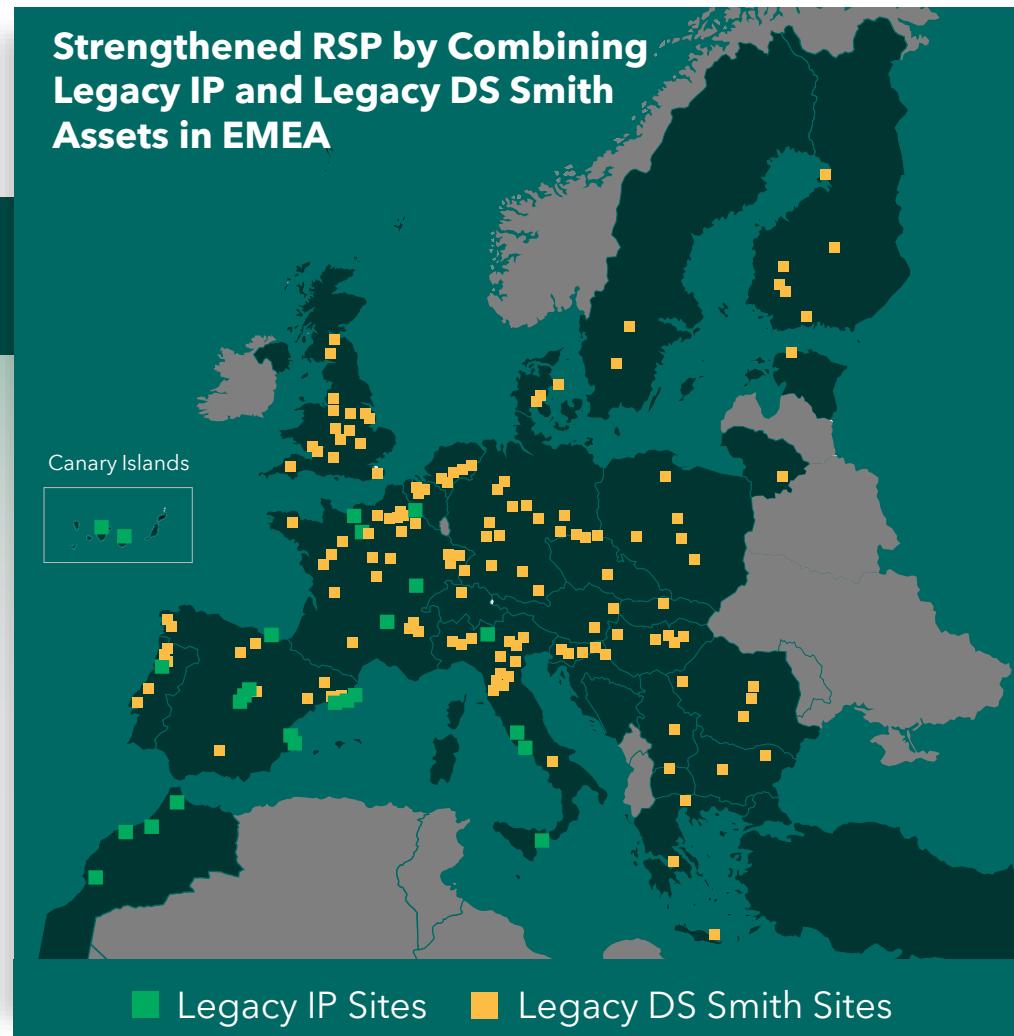
~250+

FACILITIES

STRONG CUSTOMER RELATIONSHIPS, HIGH-PERFORMANCE OPERATIONS, AND SUSTAINABILITY LEADERSHIP

- Opportunity to invest in business with significant transformation upside at earlier stage
- IP plans to position EMEA for success by investing ~\$400MM throughout 2026 prior to separation
- Clear path to adj. EBITDA^{1,2}, margin, and free cash flow^{1,2} acceleration over the medium term
- Strong, investment-grade balance sheet
- Potential for opportunistic investments in fragmented market

Strengthened RSP by Combining Legacy IP and Legacy DS Smith Assets in EMEA



EMEA Packaging Business Priorities

STRATEGIC PRIORITIES AND 80/20 PLAN

Advantaged Cost Position

- Complete legacy DS Smith acquisition integrations
- Execute footprint and supply chain optimization plans
- Continue aligning SG&A resources to optimize value

Superior Customer Experience

- Double down on strategic customer focus / execution
- Advance leadership in sustainability and innovation

High Relative Supply Position

- Continue to strengthen position in key regions
- Reallocate resources to focus on highest priority customers
- Accelerate innovation in priority segments

FINANCIAL PRIORITIES

- ✓ Deliver strong organic growth and cost-out

- ✓ Expand margins and drive cash flow and returns

- ✓ Maintain robust, investment grade balance sheet and dividend policy to enable:

- Strong operational delivery
- High-return organic and inorganic investments

Accelerate Delivery of Well-defined Transformation Roadmap

Transaction Summary



STRUCTURE

- Expected to be structured as spin-off of combined EMEA Packaging Business to shareholders¹
- IP intends to retain meaningful ownership stake in EMEA Packaging Business
- EMEA Packaging Business expected to be listed on LSE and NYSE



PROCESS & TIMING

- Completion expected in 12-15 months
- Subject to satisfaction of certain customary conditions²



LEADERSHIP

- IP: Andy Silvernail, Chairman and CEO; Lance Loeffler, SVP and CFO; Tom Hamic, Executive Vice President and President, Packaging Solutions North America
- EMEA Packaging Business (expected leadership following separation): Tim Nicholls, CEO; David Robbie, Chairman



NEXT STEPS

- IP plans to position EMEA for success by investing ~\$400MM throughout 2026 prior to separation
- Incremental process updates to be provided as appropriate

2025 Performance Highlights



PACKAGING SOLUTIONS NORTH AMERICA (PS NA)

- PS NA delivered **step-change in profitability with Adj. EBITDA¹ +37% YoY** showing strategy is working
- Commercial excellence delivering **strategic wins and share gain, expected to outpace market by 3-4% in 4Q²**
- Cost transformation well underway with **\$510MM+ of run-rate benefit actioned through '25**
- **\$110MM of transformation costs** related to continued footprint optimization impacting '25 Adj. EBITDA¹

→ Transformation is gaining momentum, delivering meaningful results with strong Adj. EBITDA growth into '26

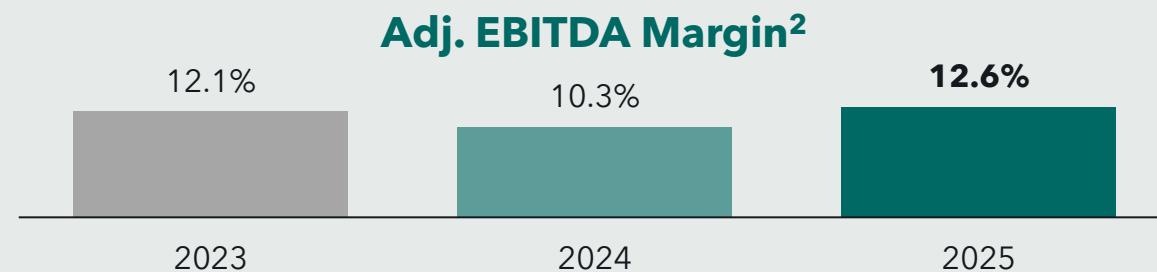
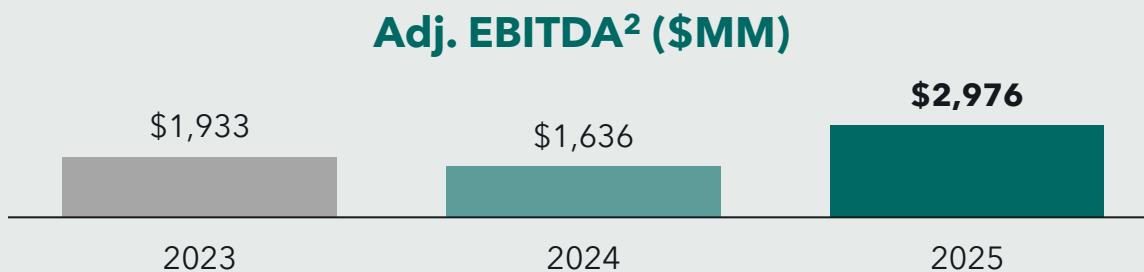
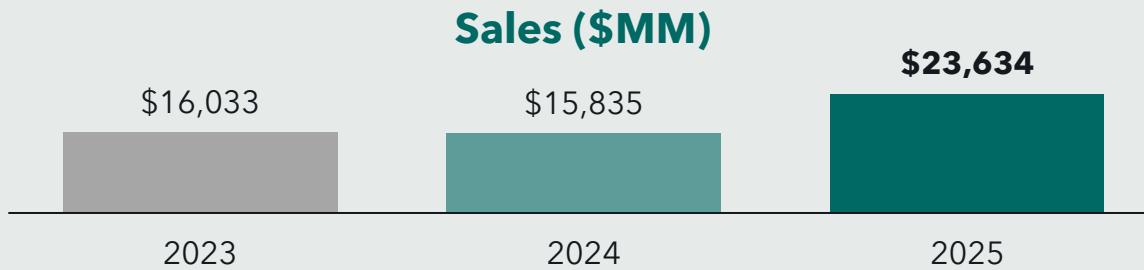


PACKAGING SOLUTIONS EMEA (PS EMEA)

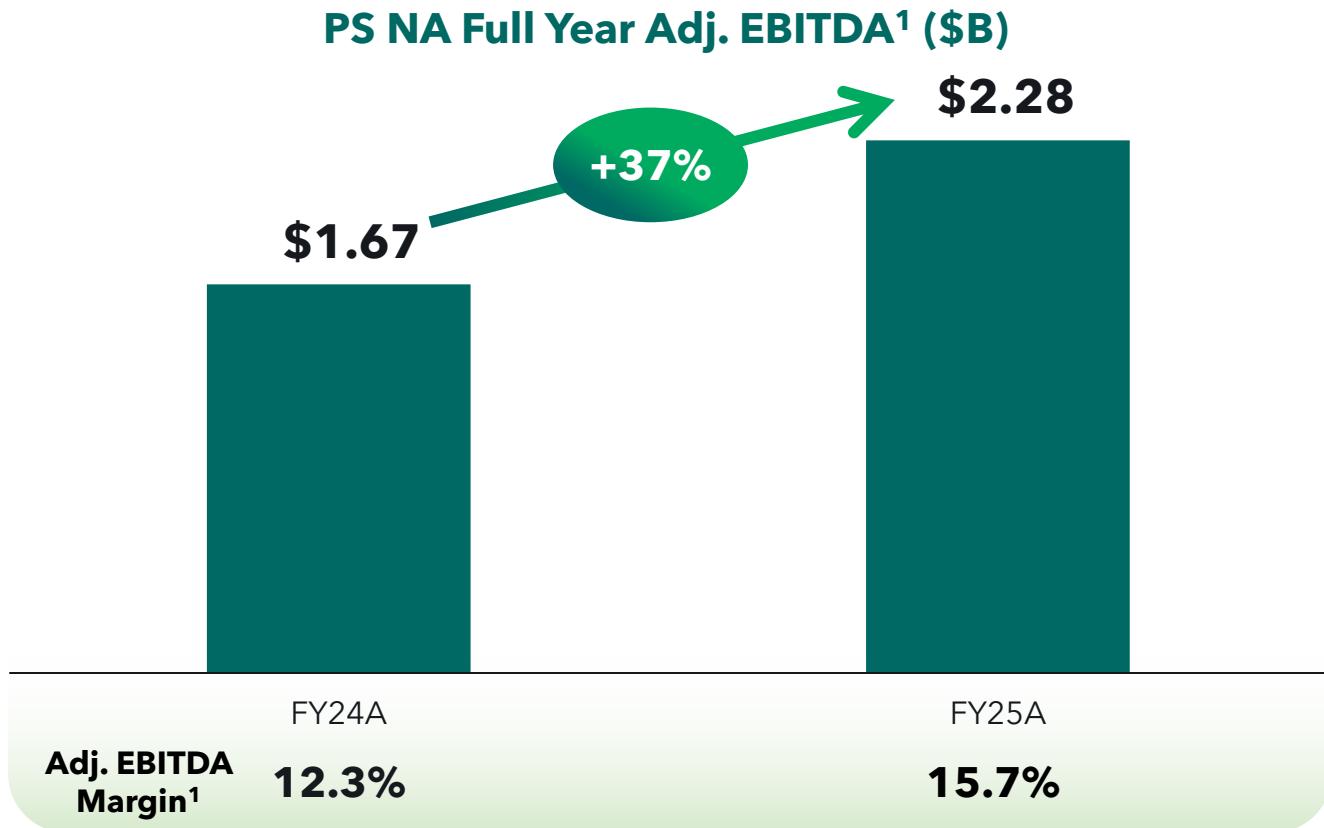
- 80/20 roadmap has shifted from planning to delivery
- Decisive actions underway: **27 site closures and ~2,000 role reductions** actioned/proposed³
- Procurement, mill productivity, and integration **synergies delivered tangible '25 benefits; additional upside identified through '27**
- Improved systems and transparency are **strengthening accountability and execution consistency across regions**

→ Positioned to accelerate transformation with clear roadmap to deliver profitable growth

Enterprise: FY25 Results¹



PS NA FY25: +37% Adj. EBITDA¹, 340 bps of Adj. EBITDA¹ Expansion



2025 EARNINGS DRIVERS

Commercial

- + Commercial momentum with additional strategic wins and above-market growth in 2H
- + Strong price realization enabled by service, quality, and customer advocacy
- Exiting non-strategic export business

Cost-out

- + Optimization of Plant / Mill footprint with facility closures and divestitures
- + Continued expansion of lighthouse 80/20 model to 85% of Box Plants and all Mills
- + Streamlined overhead with decision making closer to business
- Transformation and one-time costs to achieve

PS NA Continues to Demonstrate that 80/20 Transformation is Driving Results

PS NA: 4Q25 Results

(\$MM)	3Q25 to 4Q25	COMMENTARY
3Q25 Adj. EBITDA¹	655	
Price & Mix	6	⊕ Favorable box mix
Volume	(87)	⊕ Strategic wins ⊖Exited non-strategic business \$(60)MM 3 fewer shipping days
Ops & Costs	3	⊕ Cost-out impact of footprint optimization +\$60MM ⊖ Transitional distribution costs Timing/seasonal spend
Maintenance Outages	(41)	⊖ Planned maintenance outages higher in 4Q following lighter outage quarter in 3Q
Inputs	24	⊕ Reduced Valliant curtailment impact Lower recycled fiber costs
4Q25 Adj. EBITDA¹	560	
Depreciation & Amortization Expense	244 (Actual)	

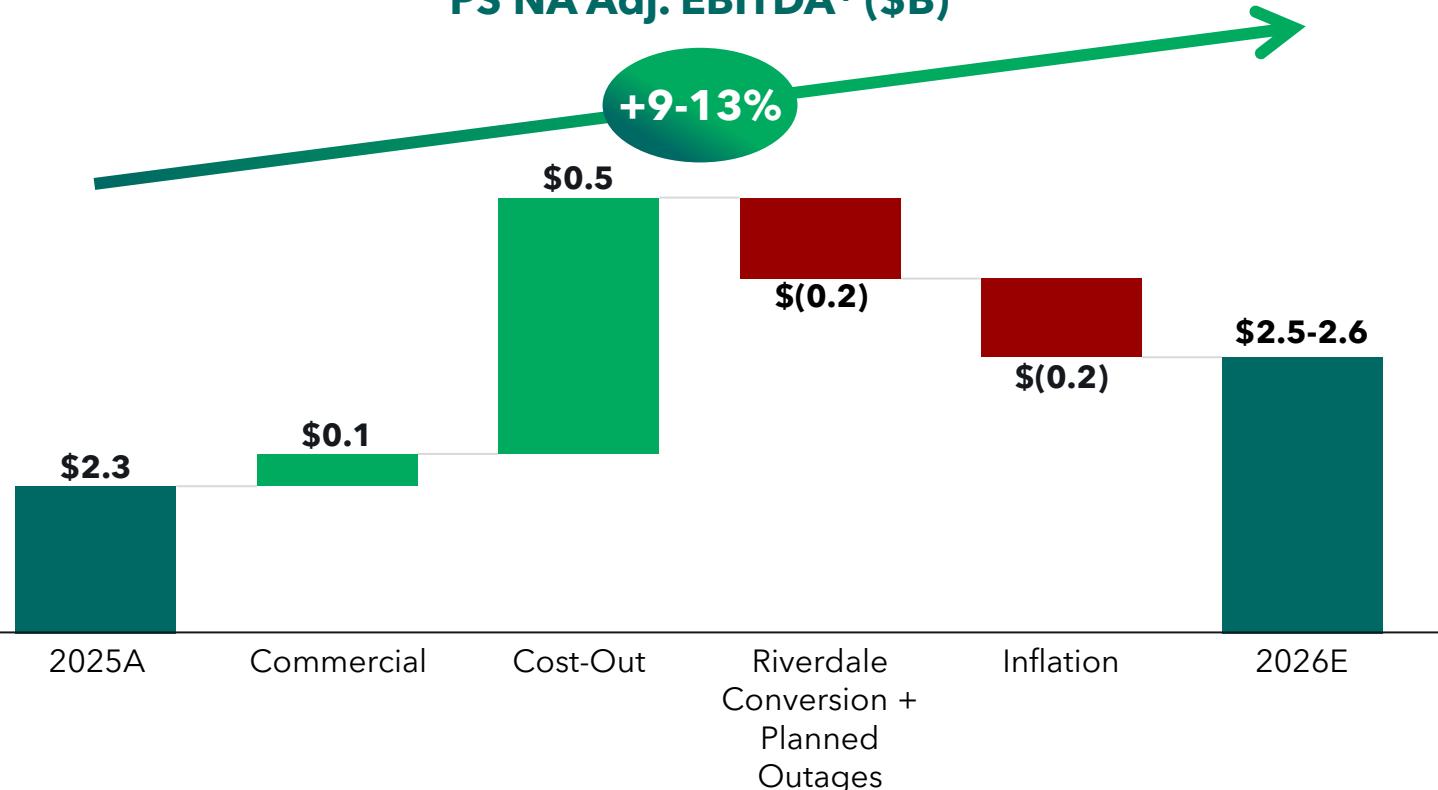
(1) See the Appendix for the non-U.S. GAAP financial measures.

PS NA: 2026E Adj. EBITDA¹ (\$B)

2026E Assumptions

NA Ind Growth 0 to +1% | PS NA Above-Ind Growth +2% | Excludes Impact of Future Pricing Realization

PS NA Adj. EBITDA¹ (\$B)



2026 EARNINGS DRIVERS

Commercial

- + Strategic wins and '25 pricing carryover
- Exiting non-strategic export business

Cost-out

- + Cost Optimization across footprint, productivity, supply chain, sourcing, overhead

Riverdale Conversion + Planned Outages

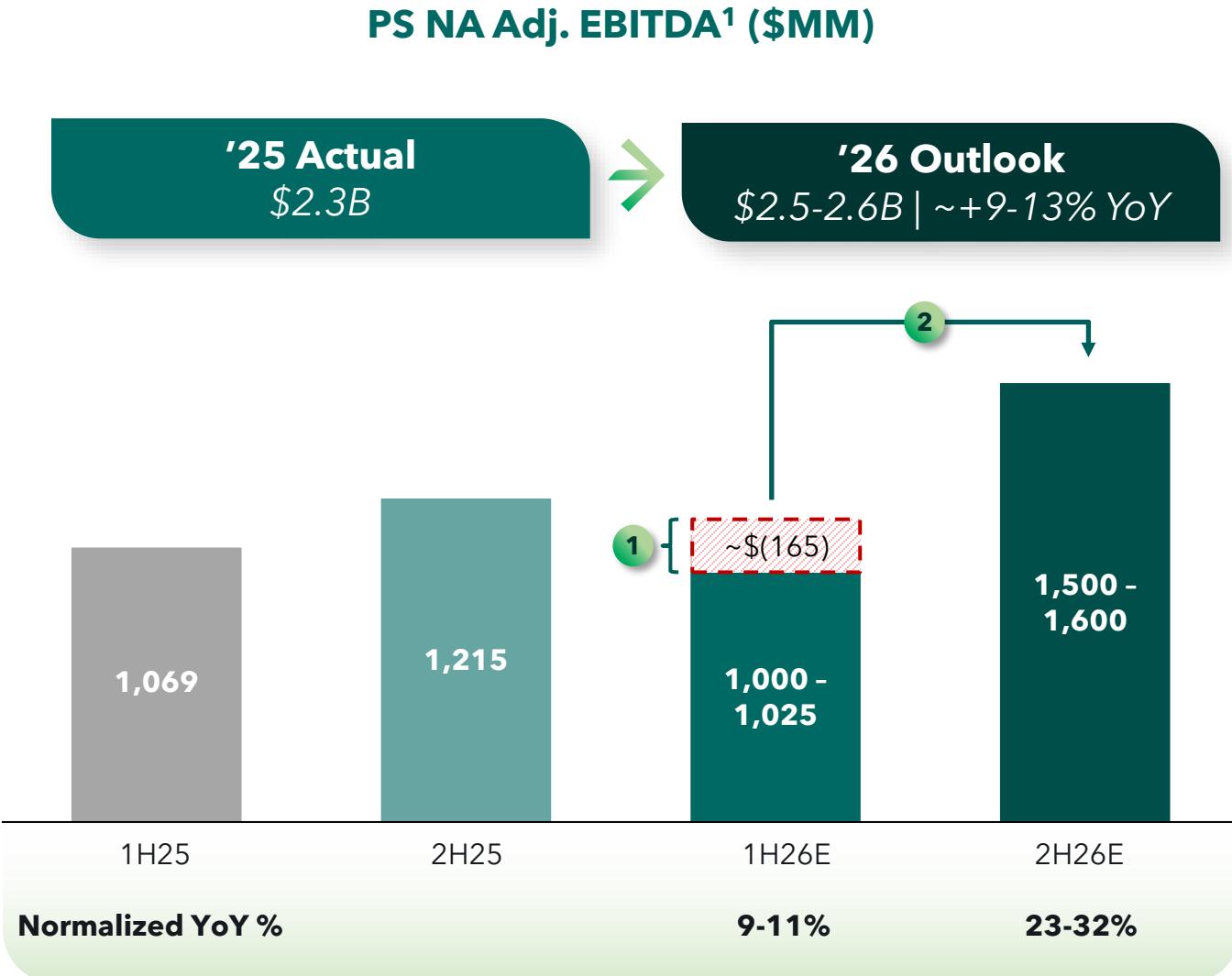
- Riverdale - unabsorbed fixed costs & spend
- Reliability investments with higher outage expense

Inflation/PPV

- Persistent inflationary headwinds

Cost and Commercial Programs will Continue to Deliver in '26 as Full Benefits Are Realized

Transformation Costs in 1H26 | Confidence in 2H26 Step Change



1

1H26 YoY Headwinds: \$(165)MM

Normalized for 1x items ~+\$100-120MM

Timing Impacts (\$MM)

~\$(85) Mill reliability investments, timing of planned maintenance outages

~\$(60) Riverdale conversion - unabsorbed fixed cost, conversion spend

~\$(20) 1 fewer shipping day

2

2H26 Sequential Growth: ~+\$500-575MM

Growth Drivers (\$MM)

~+\$200 Timing of planned maintenance outages

~+\$80 Riverdale conversion - ramp, optimization

~+\$75 Volume | Mix | Seasonality

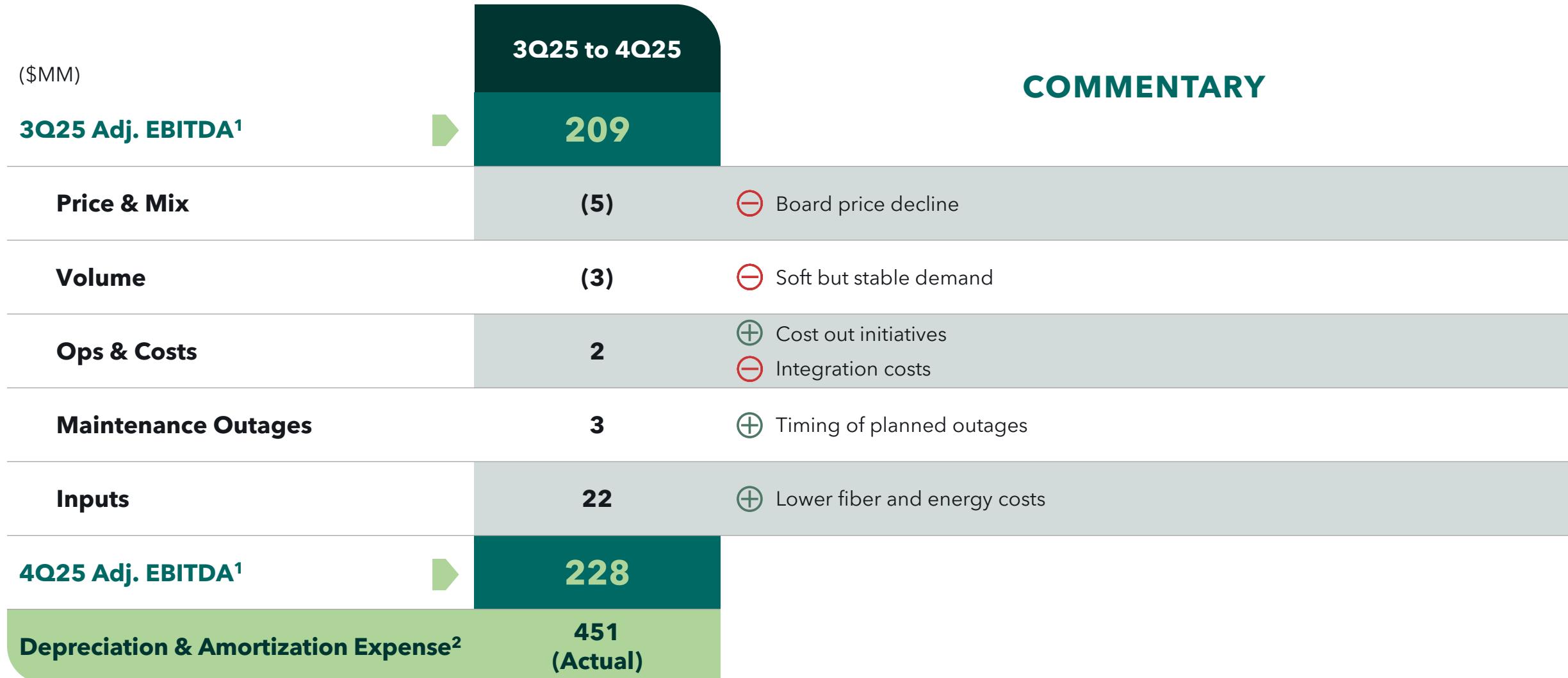
~+\$200 80/20 initiatives (including footprint, productivity improvements, reduction of on-going mill costs, SC and procurement initiatives)

PS NA: 1Q26 Outlook

(\$MM)	4Q25 to 1Q26 Outlook	COMMENTARY
4Q25 Adj. EBITDA¹	560	
Price & Mix	51	⊕ Favorable seasonal mix Favorable export business
Volume	(68)	⊕ Strategic wins 1 more shipping day ⊖ Seasonality Commercial impact of mill closure
Ops & Costs	–	⊕ Cost-out impact from footprint optimization +\$20MM ⊖ Inflation
Maintenance Outages	(8)	⊖ Timing of planned outages
Inputs	(1)	⊕ Favorable OCC ⊖ Seasonal utilities
1Q26 Adj. EBITDA¹	534	
Depreciation & Amortization Expense	230 (Outlook)	

(1) See the Appendix for the non-U.S. GAAP financial measures.

PS EMEA: 4Q25 Results



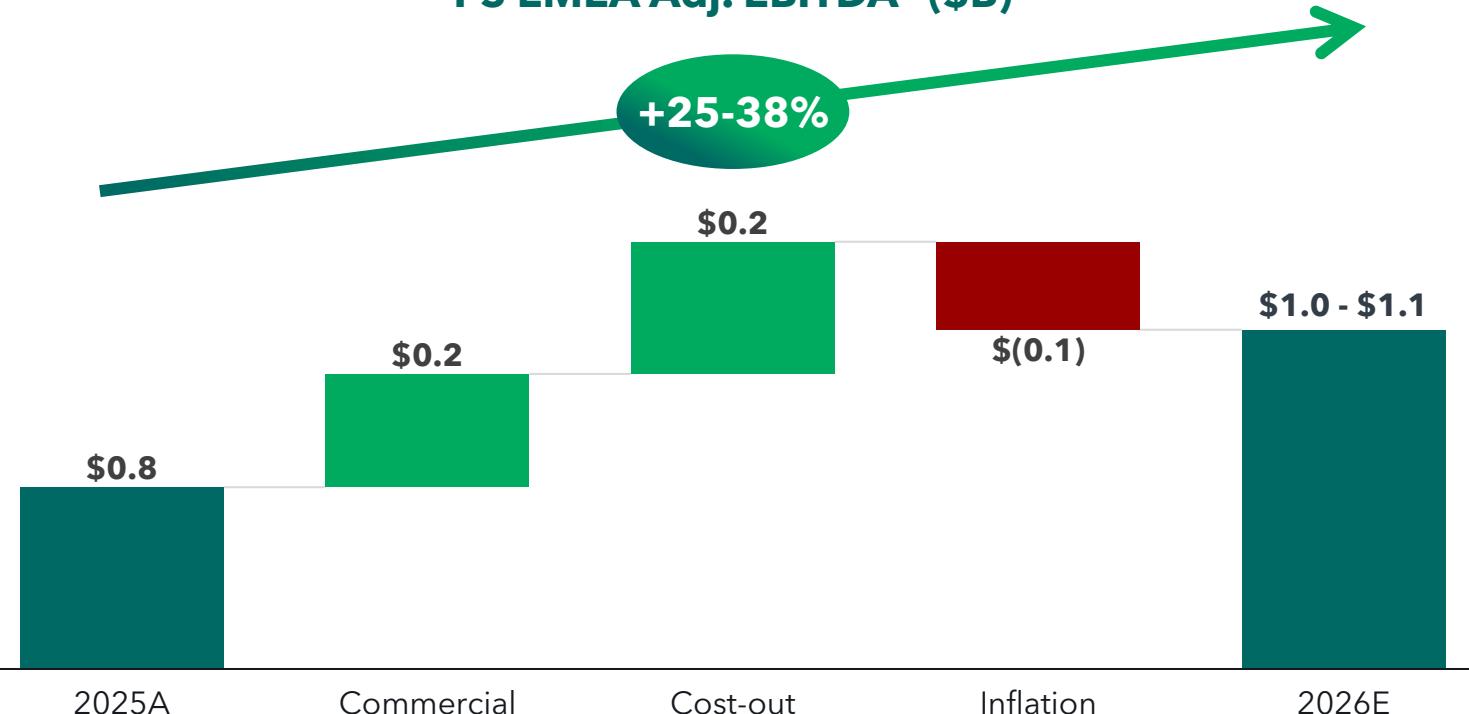
(1) See the Appendix for the non-U.S. GAAP financial measures. (2) Includes impact from step up depreciation from integration and accelerated depreciation from strategic actions.

PS EMEA: 2026E Adj. EBITDA¹ Outlook (\$B)

2026E Assumptions

EMEA Ind Growth +1-1.5% | PS EMEA Above-Ind Growth +0.5-1% | Excludes Impact of Future Pricing Realization

PS EMEA Adj. EBITDA¹ (\$B)



2026 EARNINGS DRIVERS

Commercial

- + EMEA market growth 1-1.5%
- + Continued progress from 80/20 customer strategy

Cost-out

- + Footprint and org optimizations
- + Procurement, distribution, and mill/box improvements

Inflation

- Underlying cost inflation partly offset by lower energy cost

80/20 Transformation Expected to Build Momentum Throughout '26

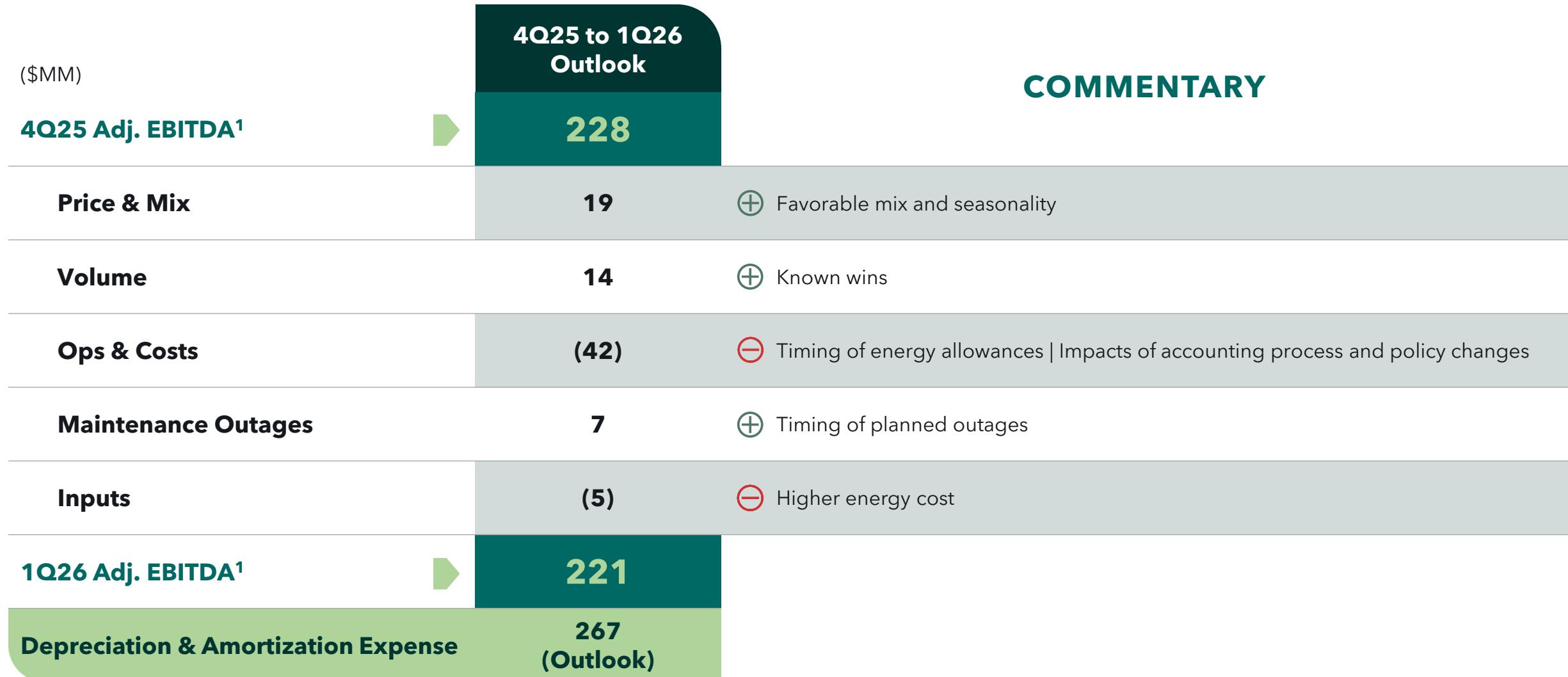
Significant Proposals Made to Right Size PS EMEA's Footprint Through 80/20

	ACTIONED		PROPOSED	
	Footprint Reduction ¹	Net Headcount Reduction ¹	Footprint Reduction ¹	Net Headcount Reduction ¹
Packaging	17 Plants	1,000+	7 Plants	700+
Paper	2 1 Mill 1 Recycling Center	300+	-	-
Corporate Functions	1	100+	-	-
Total PS EMEA	20	1,400+	7	700+

\$160MM+
of run rate footprint and
headcount cost savings
announced in '25

Material Cost Savings for 2026 Anticipated from Proposed Actions

PS EMEA: 1Q26 Outlook



(1) See the Appendix for the non-U.S. GAAP financial measures.

Key Takeaways

TAKING SWIFT, DECISIVE ACTION TO CREATE LONG-TERM VALUE

- ✓ Combination created **two regional powerhouses**, primarily by capturing in-region benefits
- ✓ 80/20 approach delivering efficiency via sharpened focus on **distinct value drivers and complexity reduction**
- ✓ Separation will **align capital and resource allocation** to unique mission of each business
- ✓ Optimal path to achieve **best-in-class performance** and ultimately **best-in-class valuation**

2026 TARGETS →

	PS NA	PS EMEA	Total
Net Sales	\$14.6-15.0B	\$9.5-9.9B	\$24.1-24.9B
Adj. EBITDA ¹	\$2.5-2.6B	\$1.0-1.1B	\$3.5-3.7B
Free Cash Flow ¹	~\$300-500MM		
2027 Target of \$5B Adj. EBITDA ¹ remains on track			

(1) See the Appendix for the non-U.S. GAAP financial measures.



International Paper

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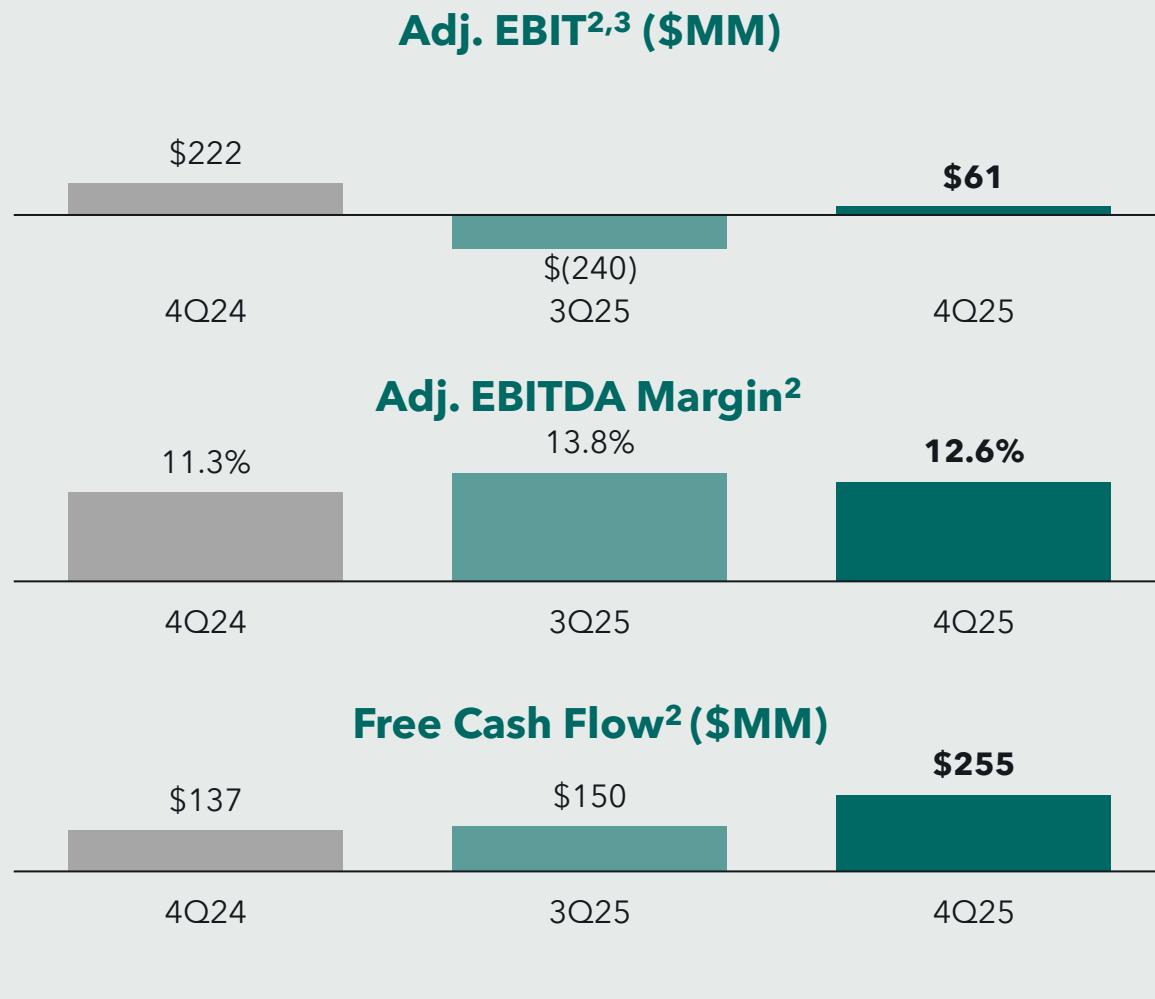
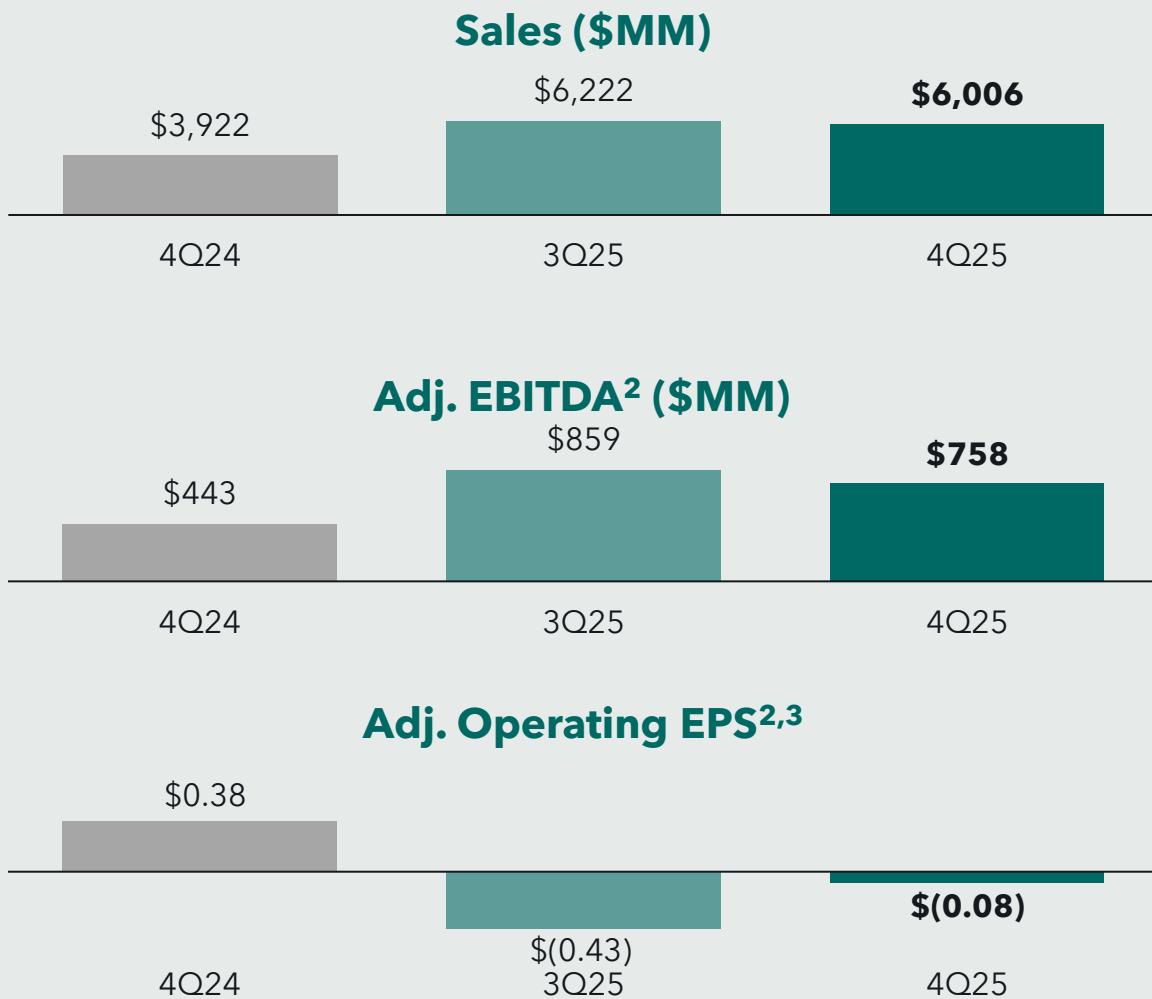
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Appendix

Enterprise: 4Q25 Results¹

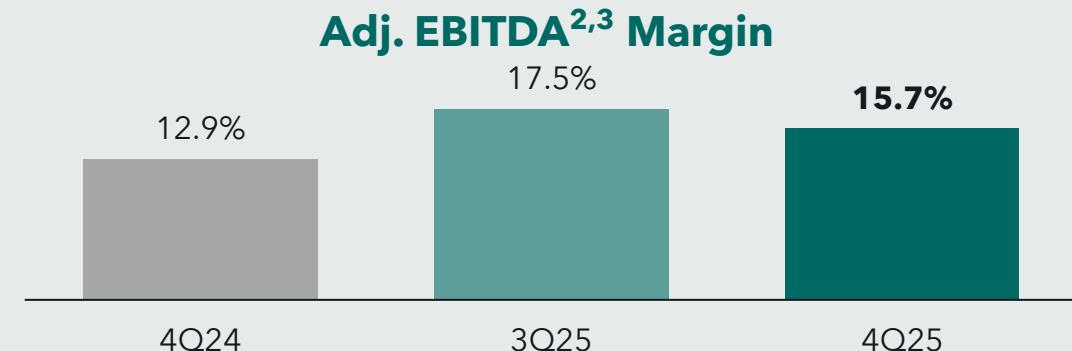
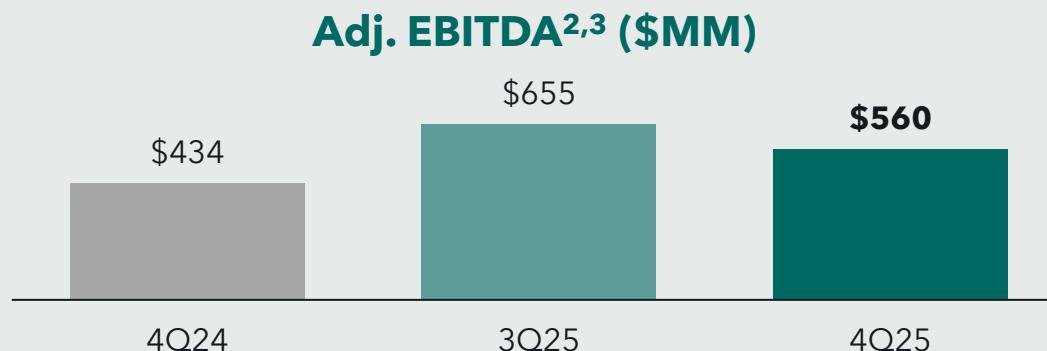
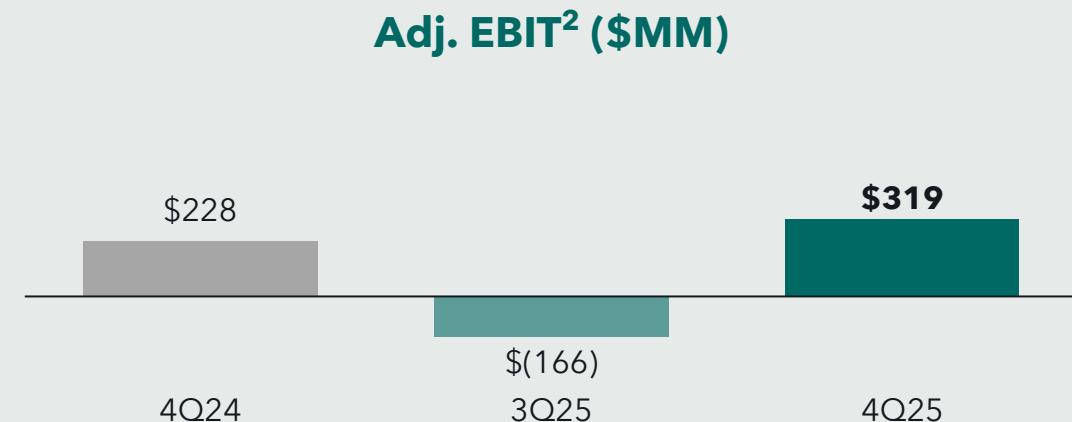


(1) All prior year results excluding Free Cash Flow have been restated to exclude GCF due to sale | '24 do not include DSS results | '25 includes 11 months of DSS results (February-December).

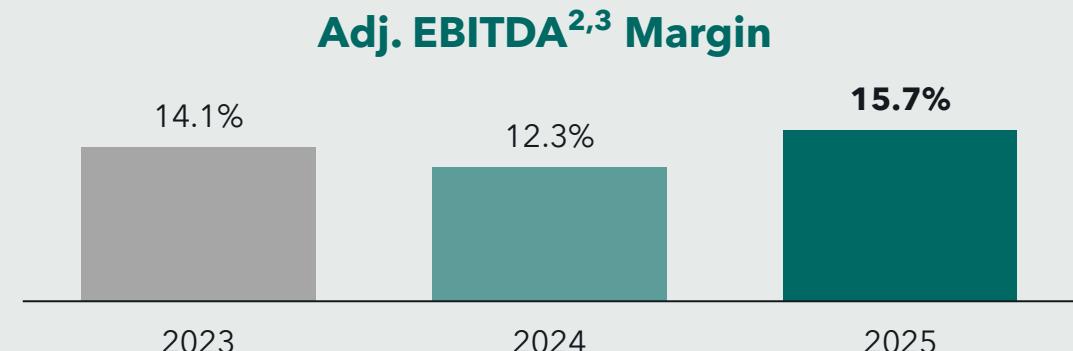
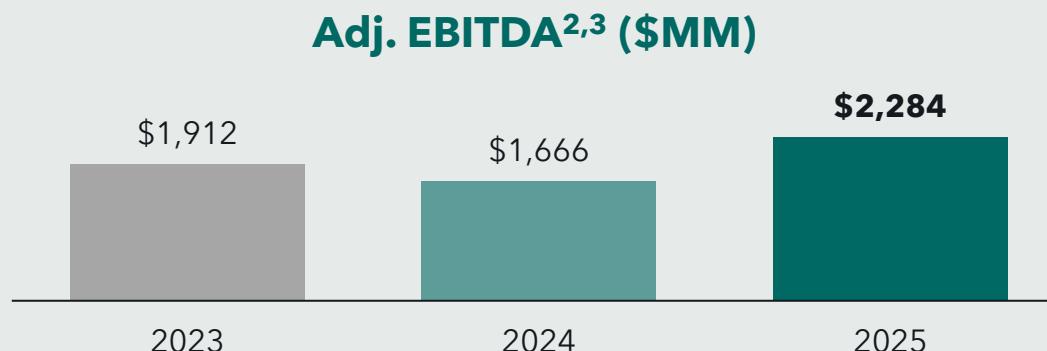
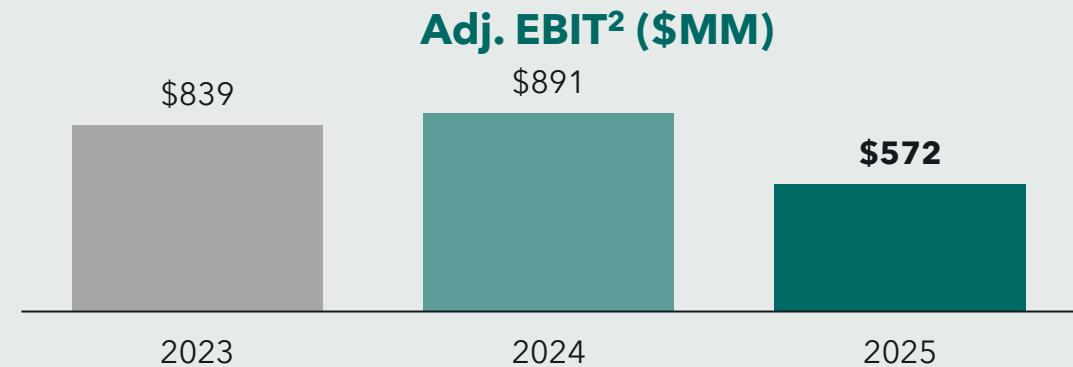
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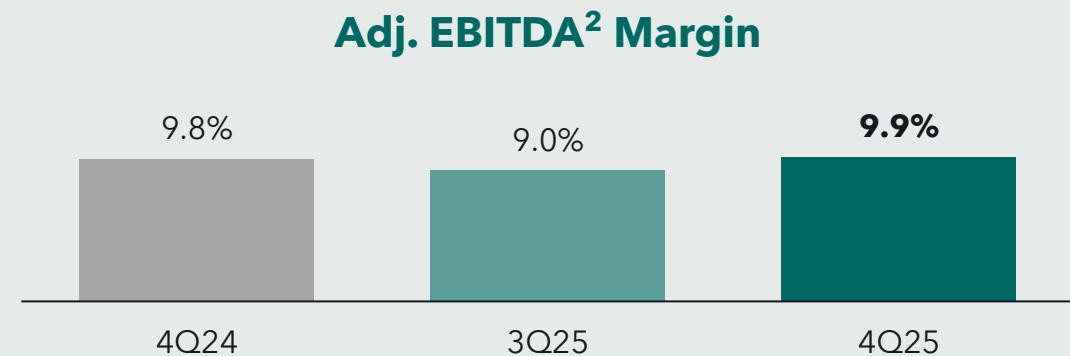
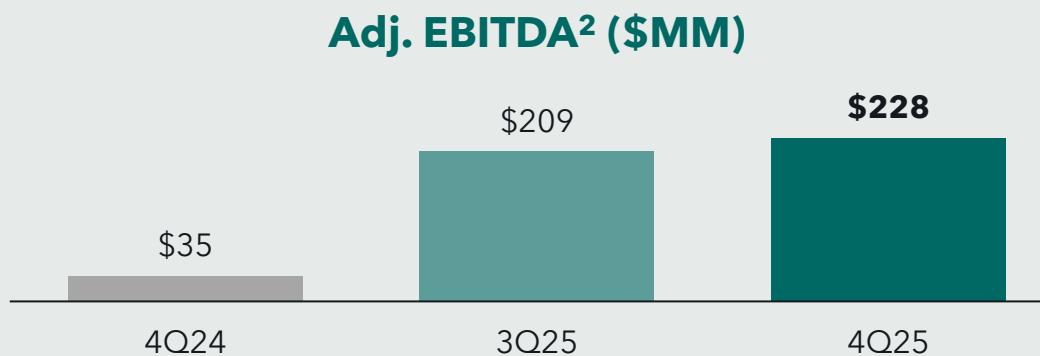
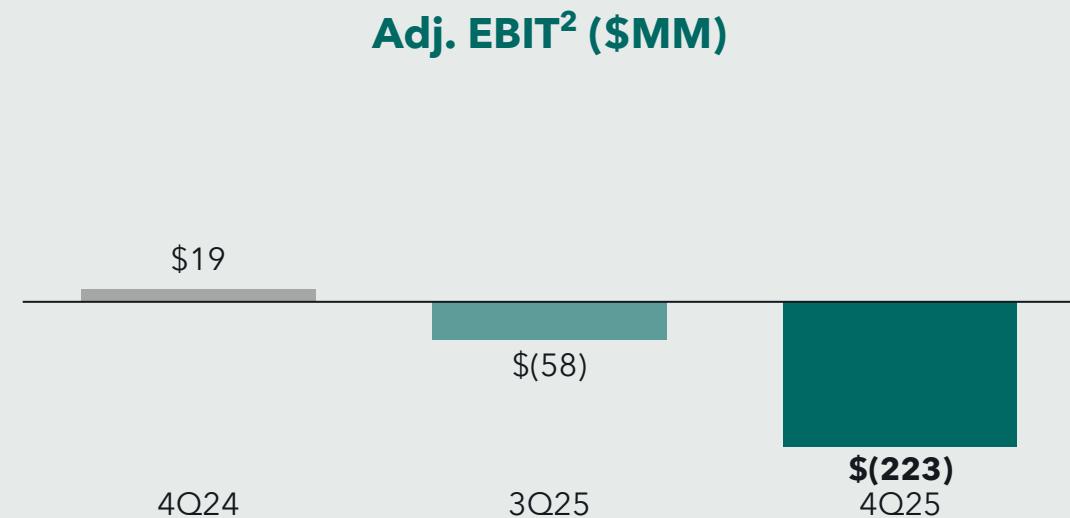
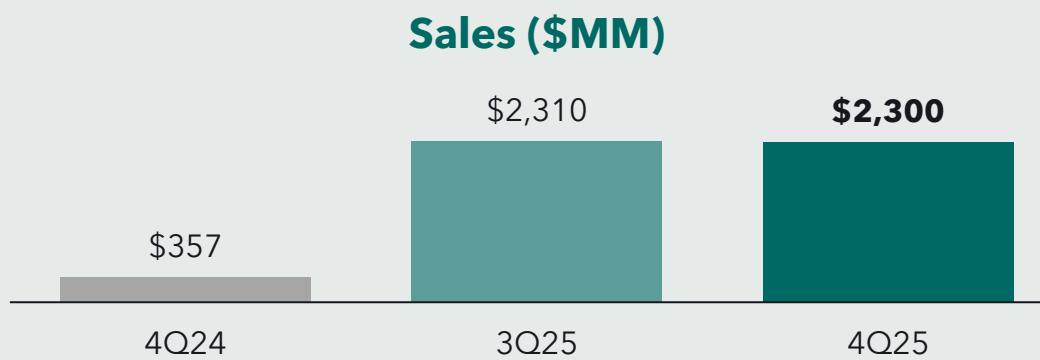
PS NA: 4Q25 Results¹



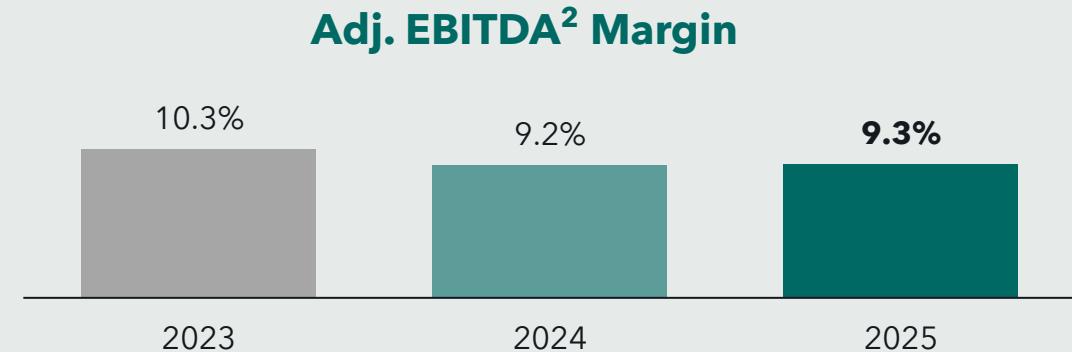
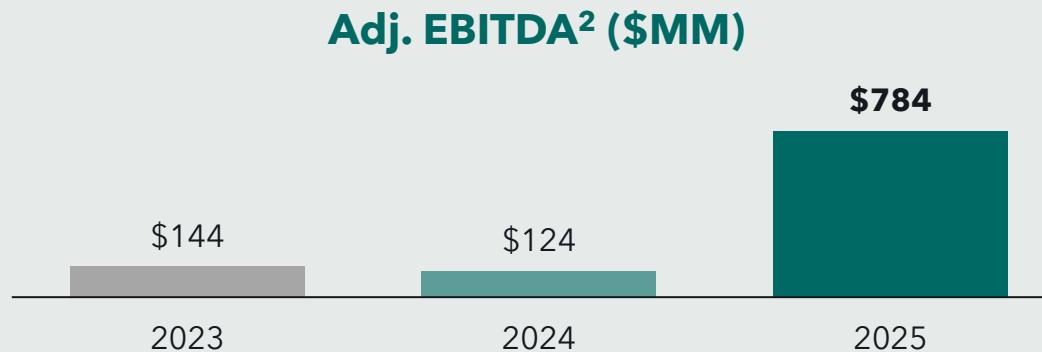
PS NA: FY25 Results¹



PS EMEA: 4Q25 Results¹



PS EMEA: FY25 Results¹



(1) '23 & '24 do not include DSS results | '25 includes DSS from February onward.

(2) See the Appendix for the non-U.S. GAAP financial measures.

4Q24 to 4Q25 Adj. EBITDA¹ Bridge

(\$MM)	Packaging Solutions North America	Packaging Solutions EMEA
4Q24 Adj. EBITDA^{1,2}	434	35
Price & Mix	148	(14)
Volume	(99)	(3)
Ops & Costs	40	23
Maintenance Outages	7	-
Inputs	24	11
DS Smith Legacy EBITDA¹	6	176
4Q25 Adj. EBITDA¹	560	228
Depreciation & Amortization Expense	244	451

Select Financial Metrics¹

(\$MM)	2024	2025	2026F
Maintenance Outage Expense	\$371	\$390	\$474
Capital Expenditures	\$921	\$1,857	Targeting \$1,950 - \$2,050
Depreciation & Amortization²	\$850	\$2,747	\$2,000
Net Interest Expense	\$224	\$372	\$375
Corporate Expense	\$170	\$109	\$60
Effective Tax Rate	15%	32%	25-27% ³

Maintenance Outages Expenses | 2025

(\$MM)	1Q25A	2Q25A	3Q25A	4Q25A	2025A
Packaging Solutions North America	\$93	\$132	\$46	\$87	\$358
Packaging Solutions EMEA	\$4	\$9	\$11	\$8	\$32
Total Impact	\$97	\$141	\$57	\$95	\$390

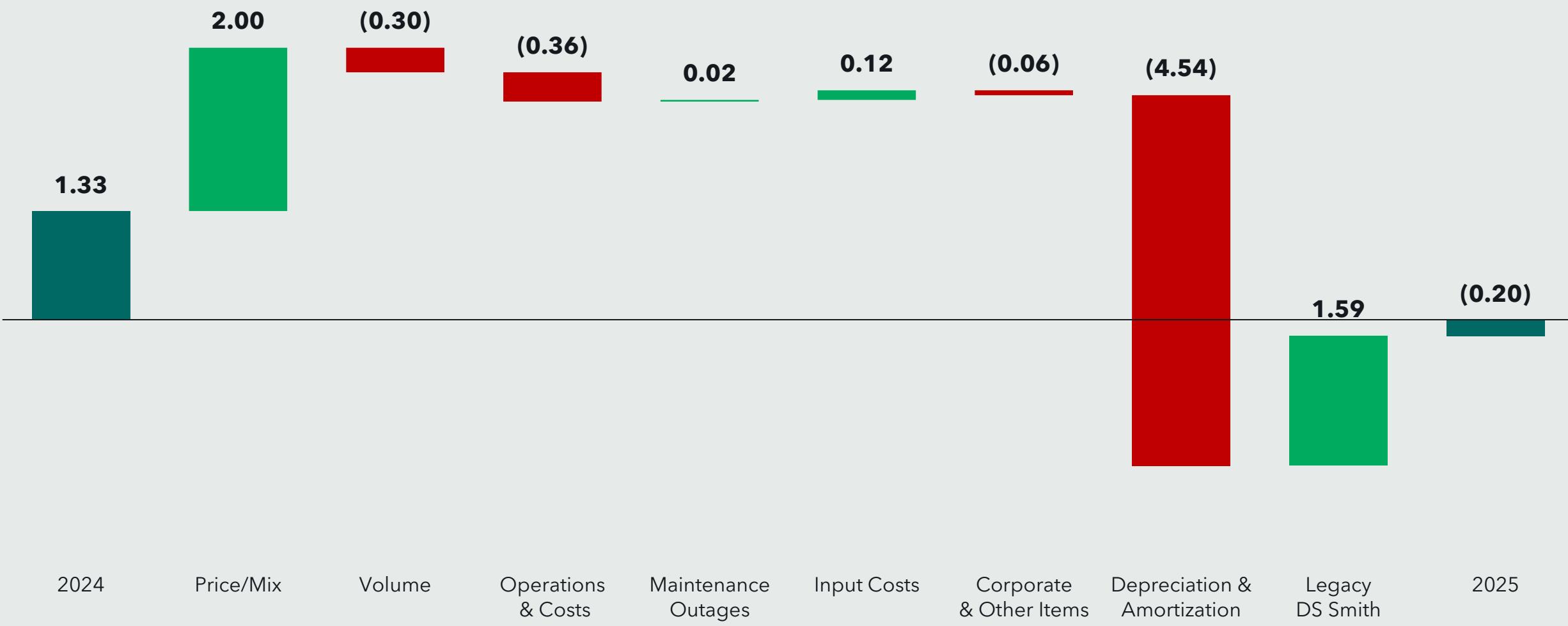
Maintenance Outages Expenses | 2026 Forecast

(\$MM)	1Q26F	2Q26F	3Q26F	4Q26F	2026F
Packaging Solutions North America	\$95	\$215	\$114	\$27	\$451
Packaging Solutions EMEA	\$1	\$8	\$9	\$5	\$23
Total Impact	\$96	\$223	\$123	\$32	\$474

4Q25 vs 3Q25 Adjusted Operating EPS¹



FY24 vs FY25 Adjusted Operating EPS^{1,2}

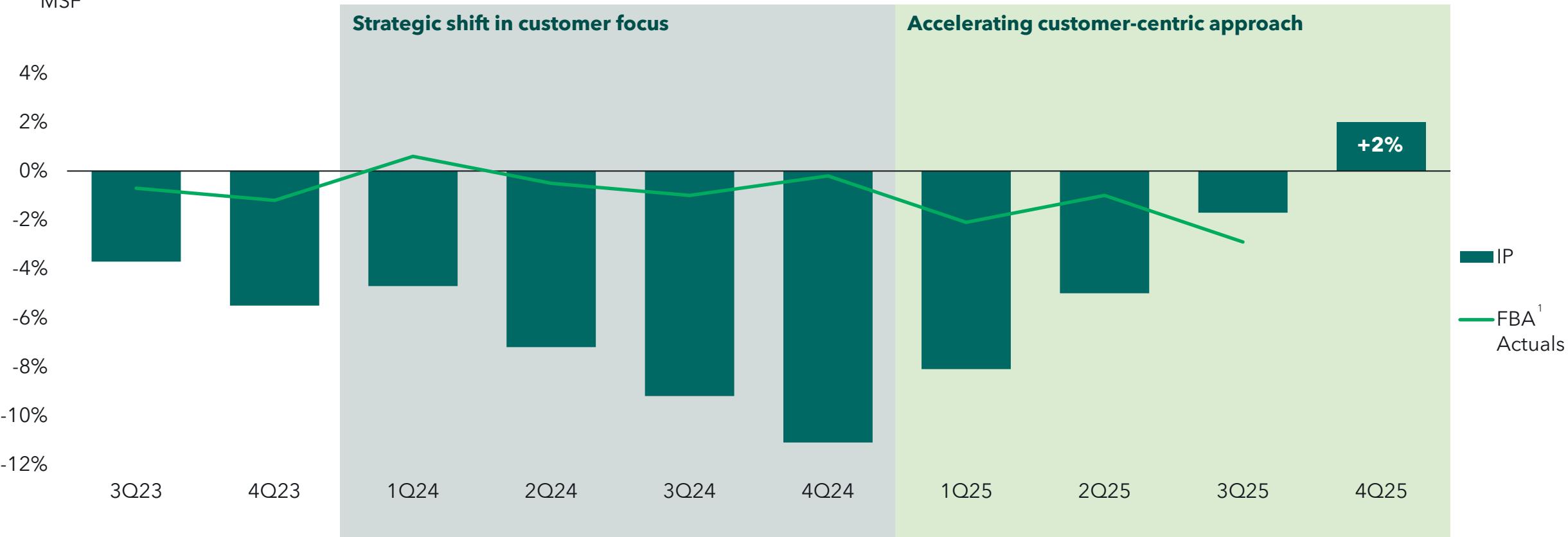


(1) See the Appendix for the non-U.S. GAAP financial measures.

(2) '24 does not include DSS results | '25 includes DSS from February onward.

North America Box Volume Trend

YoY
Daily Basis
MSF



(1) The Fibre Box Association (FBA) is the U.S. trade association that provides industry key indicators of demand, capacity utilization, and sustainability progress for the paper and packaging sector |
Data excludes legacy DSS volume.

Sales Volume by Product¹ | Preliminary and Unaudited

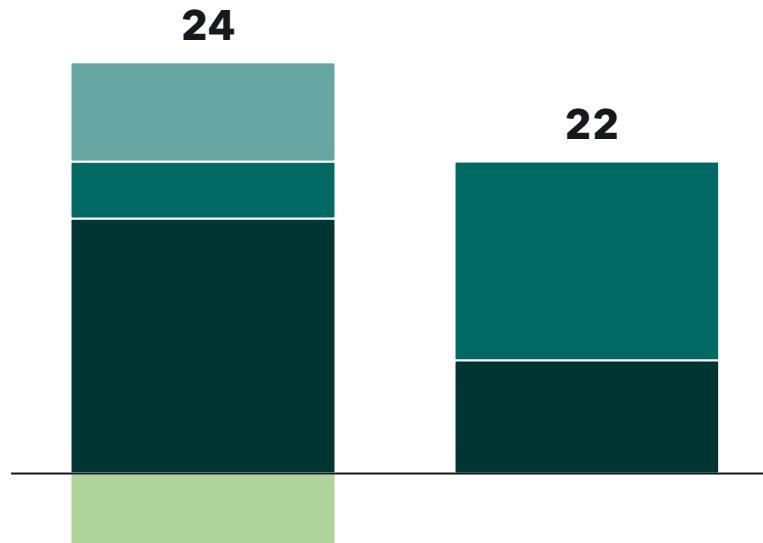
	Three Months Ended December 31,		Three Months Ended September 30,		Twelve Months Ended December 31,	
	2025	2024	2025	2025	2024	
PS NA (In thousands of short tons)						
Corrugated Packaging ²	2,233	2,132		2,261	8,887	8,811
Containerboard	649	715		767	3,000	3,017
Recycling	514	504		486	2,003	2,163
Saturated Kraft	5	44		14	89	191
Gypsum / Release Kraft	51	53		56	215	235
PS NA	3,452	3,448		3,584	14,417	14,417
PS EMEA (In thousands of short tons)						
Corrugated Packaging ²	1,419	284		1,406	5,348	1,074
Containerboard	383	68		377	1,455	250
PS EMEA	1,802	352		1,783	6,803	1,324

2025 Operating Earnings

	Pre-Tax \$MM	Tax \$MM	Non-controlling Interest \$MM	Equity Earnings \$MM	Net Income \$MM	Diluted Average Shares MM	Diluted EPS ¹
Earnings (Loss) from Continuing Operations							
1Q25	\$(155)	\$32	-	\$(1)	\$(124)	438	\$(0.28)
2Q25	\$116	\$(40)	-	\$(1)	\$75	533	\$0.14
3Q25	\$(675)	\$250	-	\$(1)	\$(426)	528	\$(0.81)
4Q25	\$(2,654)	\$291	-	-	\$(2,363)	528	\$(4.48)
Net Special Items¹							
1Q25	\$237	\$(42)	-	-	\$195	438	\$0.44
2Q25	\$20	\$3	-	-	\$23	533	\$0.04
3Q25	\$354	\$(149)	-	-	\$205	528	\$0.39
4Q25	\$2,626	\$(302)	-	-	\$2,324	528	\$4.41
Non-Operating Pension Expense (Income)							
1Q25	\$3	\$(1)	-	-	\$2	438	\$0.01
2Q25	\$(5)	\$1	-	-	\$(4)	533	\$0.00
3Q25	\$(4)	\$1	-	-	\$(3)	528	\$(0.01)
4Q25	\$(6)	\$2	-	-	\$(4)	528	\$(0.01)
Adj. Operating Earnings¹							
1Q25	\$85	\$(11)	-	\$(1)	\$73	438	\$0.17
2Q25	\$131	\$(36)	-	\$(1)	\$94	533	\$0.18
3Q25	\$(325)	\$102	-	\$(1)	\$(224)	528	\$(0.43)
4Q25	\$(34)	\$(9)	-	-	\$(43)	528	\$(0.08)

Global Input Costs 4Q25 vs 3Q25 | \$46MM Favorable, \$0.06 per share

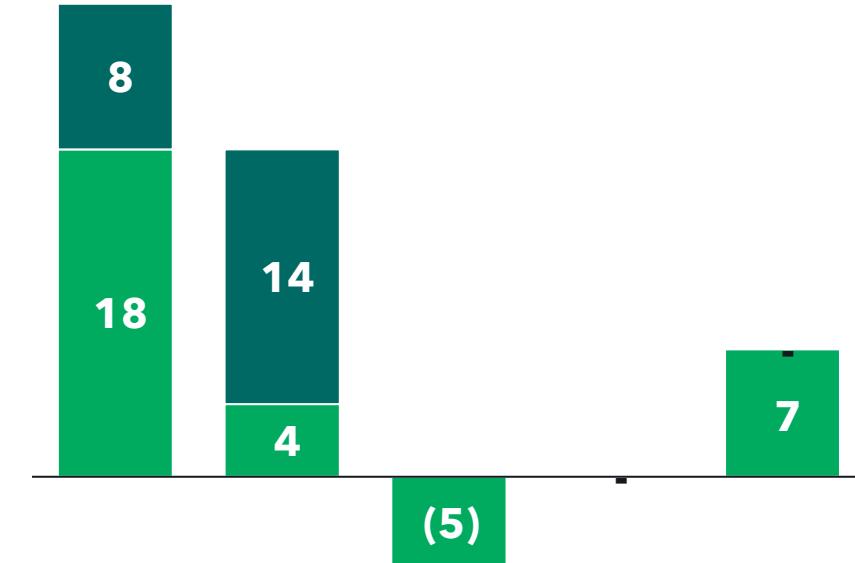
By Business



Packaging
Solutions
North America

■ Energy ■ Wood ■ Chemicals ■ Freight ■ OCC

By Input Type



Energy Fiber Chemicals Freight OCC

■ North America ■ EMEA

Non-GAAP Financial Measures

Management has elected to present forward-looking guidance based on Adjusted EBITDA, rather than Adjusted EBIT. This change reflects investor feedback and our view that Adjusted EBITDA provides a more meaningful measure of operating performance and cash flow generation, particularly in evaluating the Company's ongoing results and future outlook during this period of transformation. See the reconciliation of all presented non-GAAP measures to the most directly comparable GAAP financial measures on IP's website at <https://www.internationalpaper.com/investors/financial-reports/quarterly-results>.

Adjusted Operating Earnings, a non-GAAP financial measure, is based on earnings (loss) from continuing operations under GAAP before net special items and non-operating pension expense (income). The most directly comparable GAAP measure is earnings (loss) from continuing operations.

Adjusted EBIT, a non-GAAP financial measure, earning (loss) before income taxes and equity earnings, excluding special items and non-operating pension expense (income), presented as a supplemental measure of our performance. The Company believes this measure provides additional meaningful information in evaluating the Company's performance over time, and that other companies use this and/or similar measures for similar purposes. However, Adjusted EBIT has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. Adjusted EBIT no longer excludes accelerated depreciation expense related to strategic mill actions.

Adjusted EBITDA, a non-GAAP financial measure, earning (loss) before income taxes and equity earnings and depreciation and amortization, excluding special items and non-operating pension expense (income) presented as a supplemental measure of our performance. The Company believes this measure provides additional meaningful information in evaluating the Company's performance over time, and that other companies use this and/or similar measures for similar purposes. However, Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. We use this non-GAAP financial measure at a segment level, along with other factors, to evaluate our segment performance against our peers. We believe that investors use this measure to evaluate our performance relative to our peers.

Adjusted EBITDA Margin, a non-GAAP financial measure, presented as a supplemental measure of our performance. The Company believes this measure provides additional meaningful information in evaluating the Company's performance over time, and that other companies use this and/or similar measures for similar purposes. However, Adjusted EBITDA Margin has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. We use this non-GAAP financial measure at a segment level, along with other factors, to evaluate our segment performance against our peers. We believe that investors use this measure to evaluate our performance relative to our peers.

Adjusted Operating EPS, a non-GAAP financial measure, based on Adjusted Operating Earnings (defined as earnings (loss) from continuing operations (GAAP) before net special items and non-operating pension expense (income)). The most directly comparable GAAP measure is diluted earnings (loss) per share.

Free Cash Flow, a non-GAAP financial measure, which equals cash provided by (used for) operations less capital expenditures. The most directly comparable GAAP measure is cash provided by (used for) operations.

PS NA & PS EMEA Adjusted EBIT, a non-GAAP financial measure, at a segment level is Business Segment Operating Profit for such segment 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.