International Paper Company
Calculation of EBITDA before Special Items

$ Millions	2005 Full Year	2006 1st Quarter	2006 Year to Date
Earnings from Continuing Operations Before Interest, Income Taxes, Minority Interest and Cumulative Effect of Accounting Changes	1,141	255	255
Depreciation, amortization and cost of timber harvested	1,273	316	316
Special Items:			
Restructuring and other charges	347	31	31
Insurance recoveries	(258)	(19)	(19)
Net (gains) losses on sales and impairments of business held for sale	111	3	3
Reserve Adjustments	(4)	15	15
EBITDA before Special Items	2,610	601	601
Annualized EBITDA before Special Items	2,610	2,404	2,404