International Paper Company
Calculation of EBITDA before Special Items

$ Millions	2006 Full Year	2007 1st Quarter	2007 2nd Quarter	2007 3rd Quarter	2007 4th Quarter	2007 Year to Date
Earnings from Continuing Operations Before Interest, Income Taxes, Minority Interest and Cumulative Effect of Accounting Changes	3,709	667	374	392	518	1,951
Depreciation, amortization and cost of timber harvested	1,158	262	269	277	278	1,086
Special Items:						
Restructuring and other charges	300	18	26	42	9	95
Insurance recoveries	(19)	-	-	-	-	-
Net (gains) losses on sales and impairments of business held for sale	1,496	(314)	(1)	1	(13)	(327)
Forestland Sales	(4,788)	-	-	(9)	0	(9)
Impairment of Goodwill	759	-	-	-	-	-
Reserve Adjustments	(6)	-	-	-	-	-
EBITDA before Special Items	2,609	633	668	703	792	2,796
Annualized EBITDA before Special Items	2,609	2,532	2,672	2,812	3,168	2,796