International Paper Company
Calculation of EBITDA before Special Items

$ Millions	2007 Full Year	2008 1st Quarter	2008 2nd Quarter	2008 3rd Quarter	2008 Year to Date
Earnings from Continuing Operations Before Interest, Income Taxes, Minority Interest, Equity Earnings and Cumulative Effect of Accounting Changes	1,951	279	383	409	1,071
Depreciation, amortization and cost of timber harvested	1,086	286	305	374	965
Special Items:					
Restructuring and other charges	95	42	13	155	210
Insurance recoveries	-	-	-	-	-
Net (gains) losses on sales and impairments of business held for sale	(327)	(1)	-	107	106
Forestland Sales	(9)	-	(3)	(3)	(6)
Impairment of Goodwill	-	-	-	-	-
Reserve Adjustments	-	-	-	-	-
EBITDA before Special Items	2,796	606	698	1,042	2,346
Annualized EBITDA before Special Items	2,796	2,424	2,792	4,168	3,128