International Paper Company
Calculation of EBITDA before Special Items

$ Millions	2007 Full Year	2008 1st Quarter	2008 2nd Quarter	2008 3rd Quarter	2008 4th 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	(1,732)	(661)
Depreciation, amortization and cost of timber harvested	1,086	286	305	374	382	1,347
Special Items:						
Restructuring and other charges	95	42	13	155	244	454
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	-	-	-	-	1,777	1,777
Reserve Adjustments	-	-	-	-	-	-
EBITDA before Special Items	2,796	606	698	1,042	671	3,017
Annualized EBITDA before Special Items	2,796	2,424	2,792	4,168	2,684	3,017