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Forward-Looking Statements

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These slides and statements made during this presentation contain forward-looking statements. These statements reflect management's current views and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these statements. Factors which could cause actual results to differ relate to: (i) increases in interest rates; (ii) industry conditions, including but not limited to changes in the cost or availability of raw materials, energy and transportation costs, competition we face, cyclicality and changes in consumer preferences, demand and pricing for our products; (iii) global economic conditions and political changes, including but not limited to the impairment of financial institutions, changes in currency exchange rates, credit ratings issued by recognized credit rating organizations, the amount of our future pension funding obligation and changes in pension and health care costs; (iv) unanticipated expenditures related to the cost of compliance with environmental and other governmental regulations and to actual or potential litigation; and (v) whether we experience a material disruption at one of our manufacturing facilities and risks inherent in conducting business through a joint venture. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. These and other factors that could cause or contribute to actual results differing materially from such forward looking statements are discussed in greater detail in the company's Securities and Exchange Commission filings.

IP Earnings Runway

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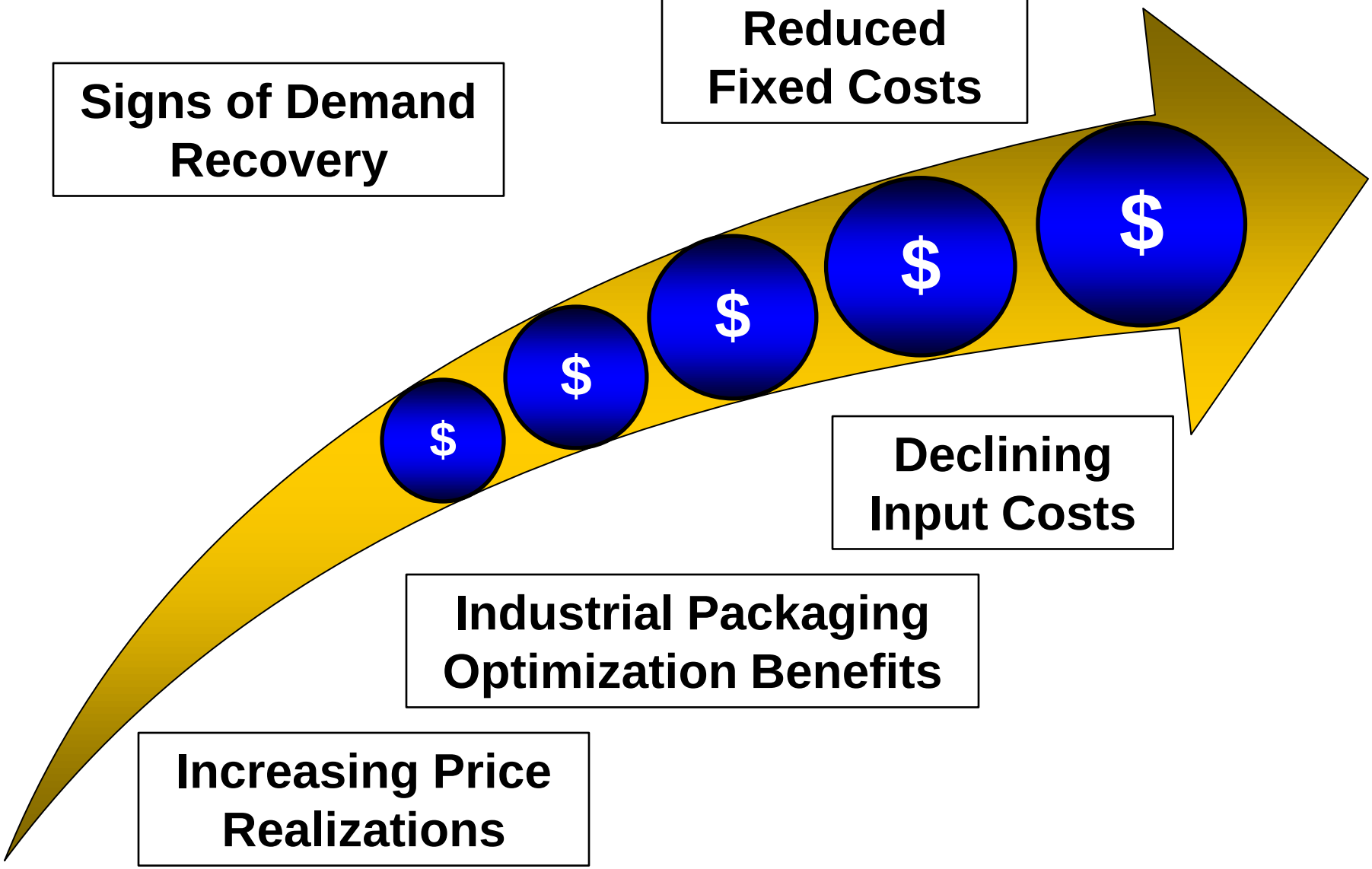

2010 Outlook Improving

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- Global Demand Recovering
- Prices Increasing

Improving Revenues

- Reduced Fixed Costs
- Optimization Benefits
- Declining Input Costs

Reduced Costs

- Significant Improvement
- Increased Asset Utilization

Improving Earnings

Priorities for Cash

- Debt Reduction
- Return Cash to Shareowners
- Selective Reinvestment

Prices Increasing

Potential Impact of Price Increase Realization

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	Segment	Total IP Capacity (MM Tons)	Announced Effective Date	Increase per Ton
Announced IP Price Increases	N. A. Industrial Packaging	10.0	January	$50
			April	$60
	N. A. Uncoated Freesheet	2.3	February - Offset & Cut-Size	$40
			May – All Grades	$60
	N. A. Bristols	.3	March	$40
	N. A. Coated Paperboard	1.8	March – Cupstock	$50
			April – Folding Carton	$50
			June – All Grades	$50 - $60
	Global Pulp	3.0	Monthly (January – May)	$30 - $50
	Brazil Export Cut-Size	.4	January	$50
			April	$50
	Brazil Domestic Cut-Size	.2	March	$50
	Brazil Domestic Offset	.2	March	$70
	European Cut-Size	.4	March	€10
			May	€20
	Russian Cut-Size	.3	April	$30
	Sun Coated Paperboard	.9	Monthly (January – April)	$25

Reducing Fixed Costs

Business Segment	Mill	Fixed Costs ($ Million)
Printing Papers	Franklin	$90
	Inverurie	$40
Industrial Packaging	Albany, Pineville	$60
	Etienne	$15
Consumer Packaging	Franklin	$20
Annualized Fixed Cost Reduction		$225

Optimizing Industrial Packaging

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2010 Year-End Run Rate Savings of $300 million

- Permanent shutdown of Albany & Pineville mills
- Mill cost improvement & consumption reduction
- Box plant cost reductions
- Box business commercial improvements
- Reduce total freight miles
- Maximize shipment weights

2010 Priorities
Drive Returns and Cash Flow

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- Increase volumes with economic recovery
- Realize announced price increases
- Cost Reduction
  - Achieve mill shutdown fixed cost savings
  - Capture Industrial Packaging optimization benefits
  - Continue focus on cost management
- Execute high-return, short-payback capital projects

Balanced Capital Allocation to Increase Shareowner Value

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