Third Quarter 2012 Earnings | October 25, 2012



Forward-Looking Statements

Certain statements in these slides and made during this presentation may be considered 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 include but are not limited to: (i) the level of our indebtedness and 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, changes in tax laws and pension and health care costs; (iv) unanticipated expenditures related to the cost of compliance with existing and new environmental and other governmental regulations and to actual or potential litigation; (v) whether we experience a material disruption at one of our manufacturing facilities; (vi) risks inherent in conducting business through a joint venture; (vii) the failure to realize synergies and cost savings from the Temple-Inland Inc. (“Temple-Inland”) transaction or delay in realization thereof; and (viii) our ability to achieve the benefits we expect from all other strategic acquisitions, divestitures and restructurings. 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 our Securities and Exchange Commission filings. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Statements Relating to Non-GAAP Financial Measures

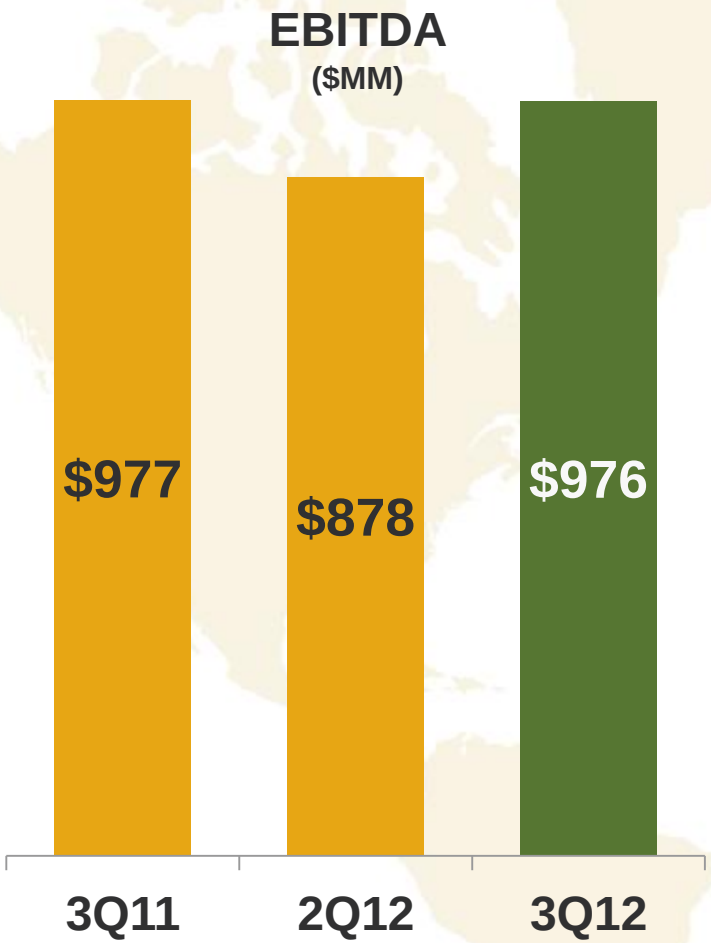
During the course of this presentation, certain non-U.S. GAAP financial information will be presented.

A reconciliation of those numbers to U.S. GAAP financial measures is available on the company's website at internationalpaper.com under Investors.

Ilim JV Information

All financial information and statistical measures regarding our 50/50 Ilim joint venture in Russia ("Ilim"), other than historical International Paper Equity Earnings and dividends received by International Paper, have been prepared by the management of Ilim. International Paper has not verified or audited any of this information. Ilim management has indicated that the financial information was prepared in accordance with International Financial Reporting Standards and extracted from Ilim's financial statements. Any projected financial information and statistical measures reflect the current views of Ilim management and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such projections. See "Forward-Looking Statements."

Third Quarter 2012 Results | Strong Results in a Challenging Global Environment

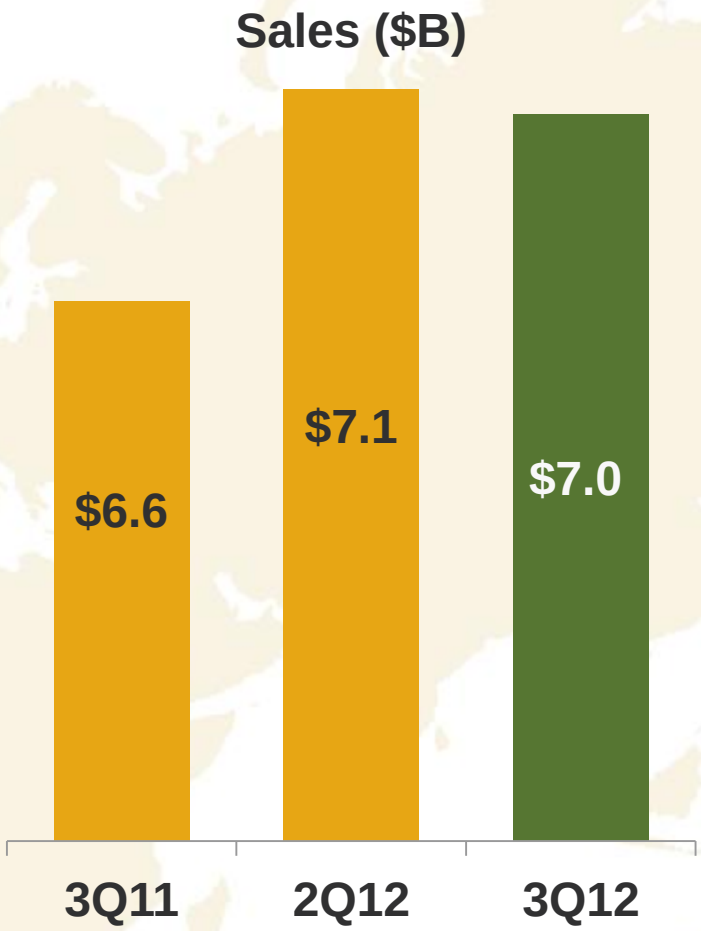


- Excellent cash generation
- Increased dividend 14% and reduced balance sheet debt by $800MM
- Implemented containerboard price increase
- Achieved $300MM run rate in TIN synergies
- Continued successful ramp-up and qualification of Franklin fluff pulp
- Start-up of Sun JV paper machine
- Lower mill maintenance outages
- Higher quarter over quarter market-related downtime in N.A. packaging businesses
- Loss of $33MM in earnings associated with containerboard mill divestiture
- Inputs largely balanced, OCC favorable

Earnings from continuing operations before special items

3Q12 Financial Snapshot

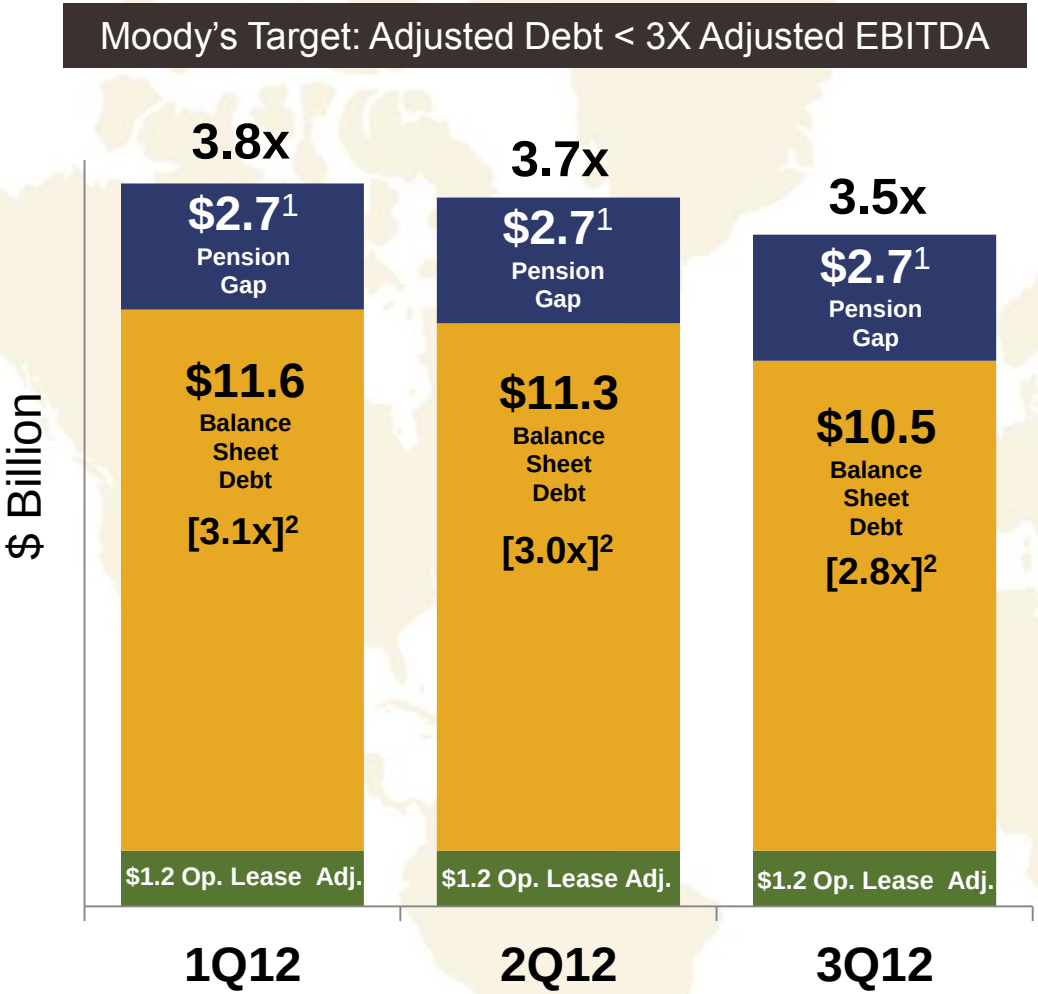
	3Q11	2Q12	3Q12
Sales ($B)	**$6.6**	**$7.1**	**$7.0**
EBITDA[1] Margin	**14.7%**	**12.4%**	**13.9%**
Cash From Operations ($MM)	**$876**	**$682[2]**	**$863**
EPS	**$0.81**	**$0.46**	**$0.75**



[1] Earnings from continuing operations before special items

[2] Cash provided by continuing operations, excludes $44MM TIN pension plan contribution and $140MM received from unwinding a timber monetization

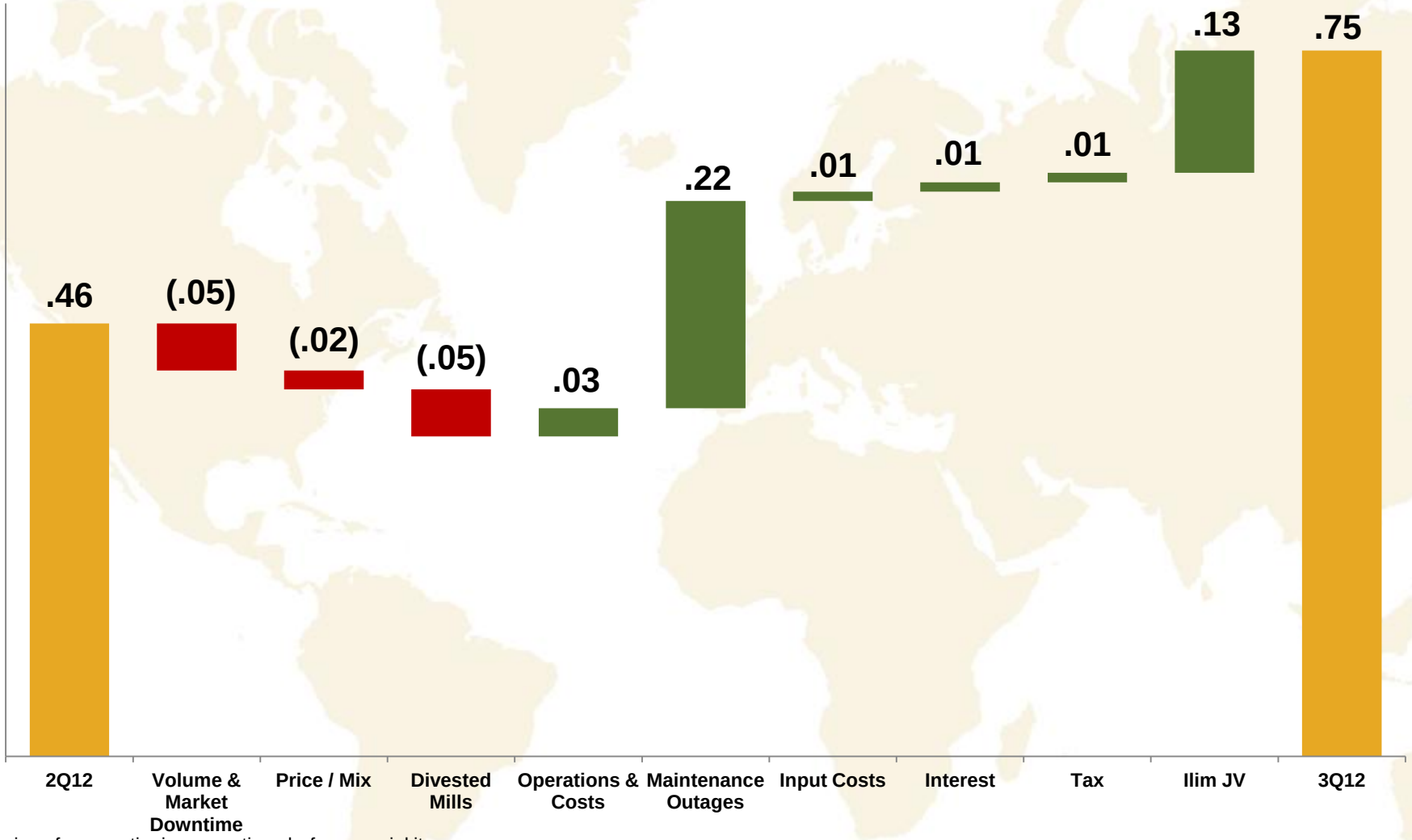
Balance Sheet | Debt Coverage



- Significant year-to-date balance sheet debt reduction - $800MM in 3Q12
- Since Temple-Inland acquisition, through end of 3Q12, paid down $1.5B of debt
- On track to meet debt reduction target by year-end 2013

Adjusted Debt reflects gross balance sheet debt plus pension gap and operating lease adjustment (Moody's Methodology)
EBITDA based on 2012 Adjusted First Call EBITDA of $4.1B (Moody's Methodology)
[1] IP pension gap as of 12/31/2011; Temple-Inland pension gap as of 2/13/2012
[2] Balance Sheet Debt / 2012 First Call EBITDA of $3.7B

3Q12 vs. 2Q12 EPS



Earnings from continuing operations before special items

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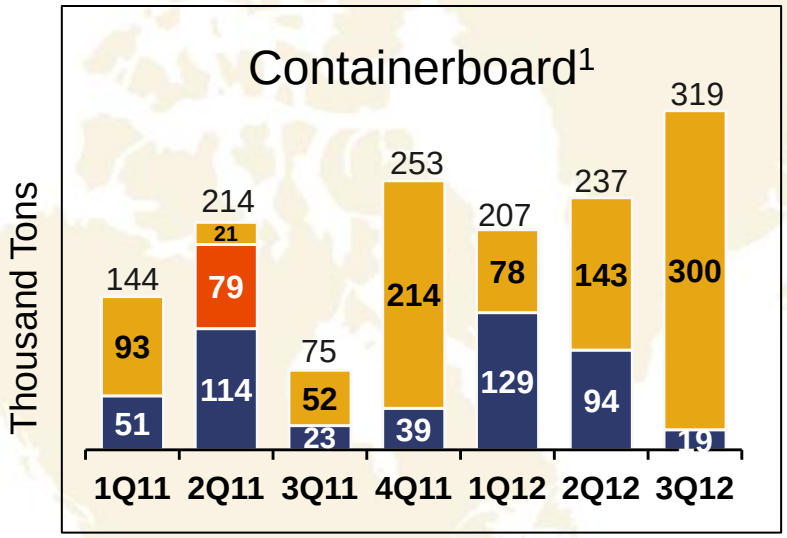
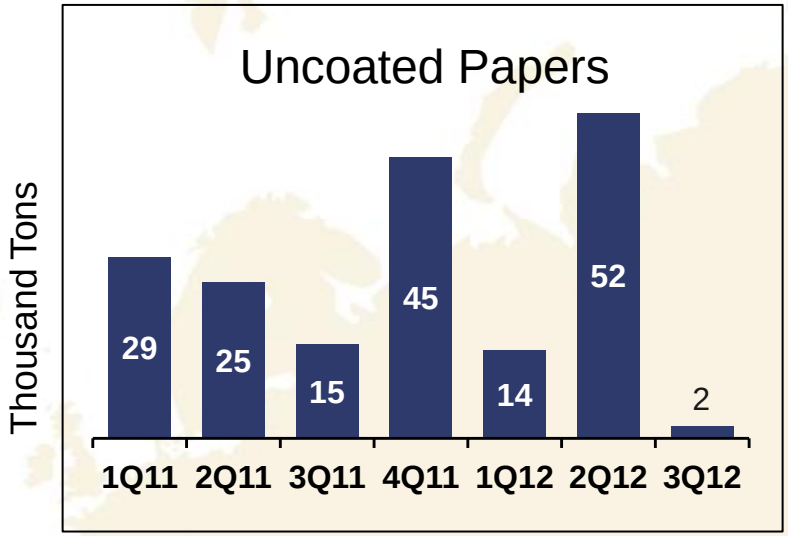
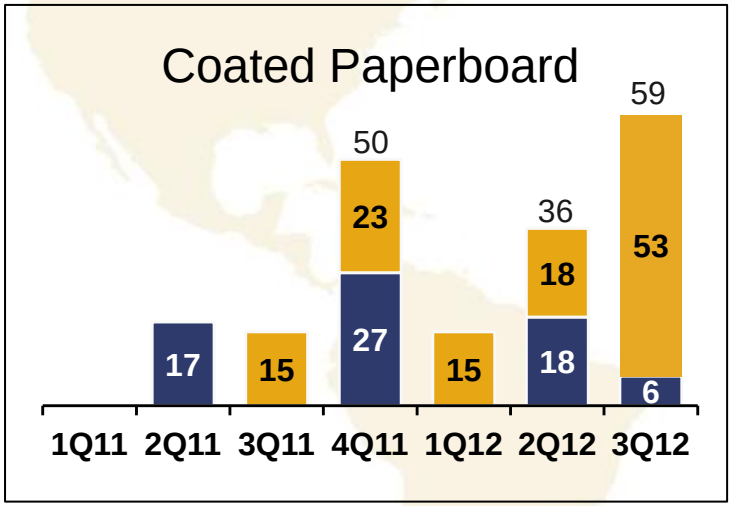
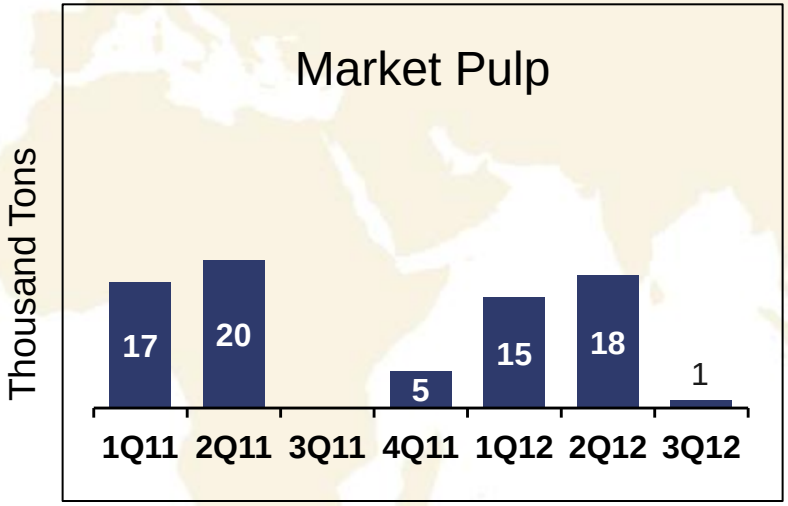
North American Downtime | Market-Related Downtime up 192M tons vs. 2Q







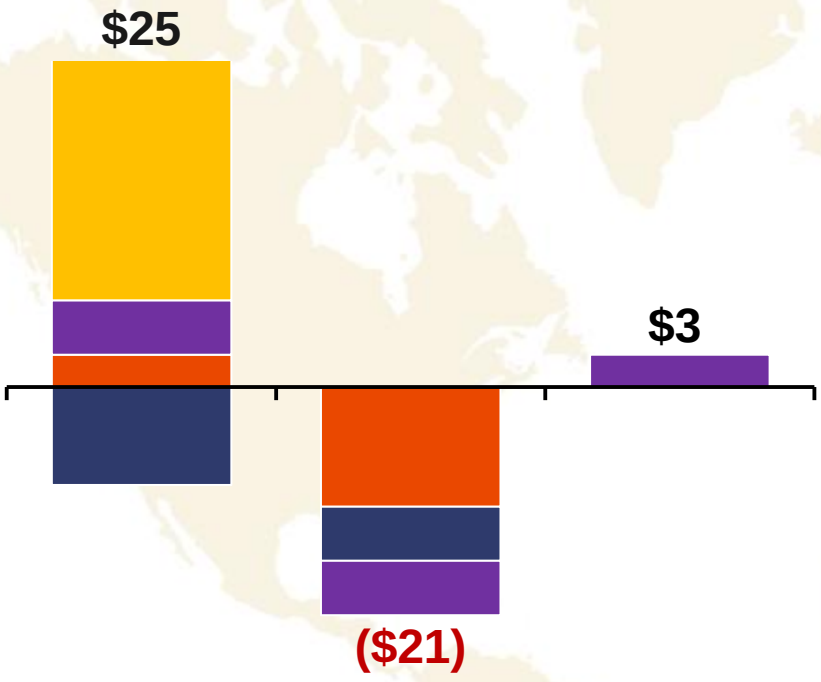


■ Maintenance ■ Vicksburg Flood ■ Market

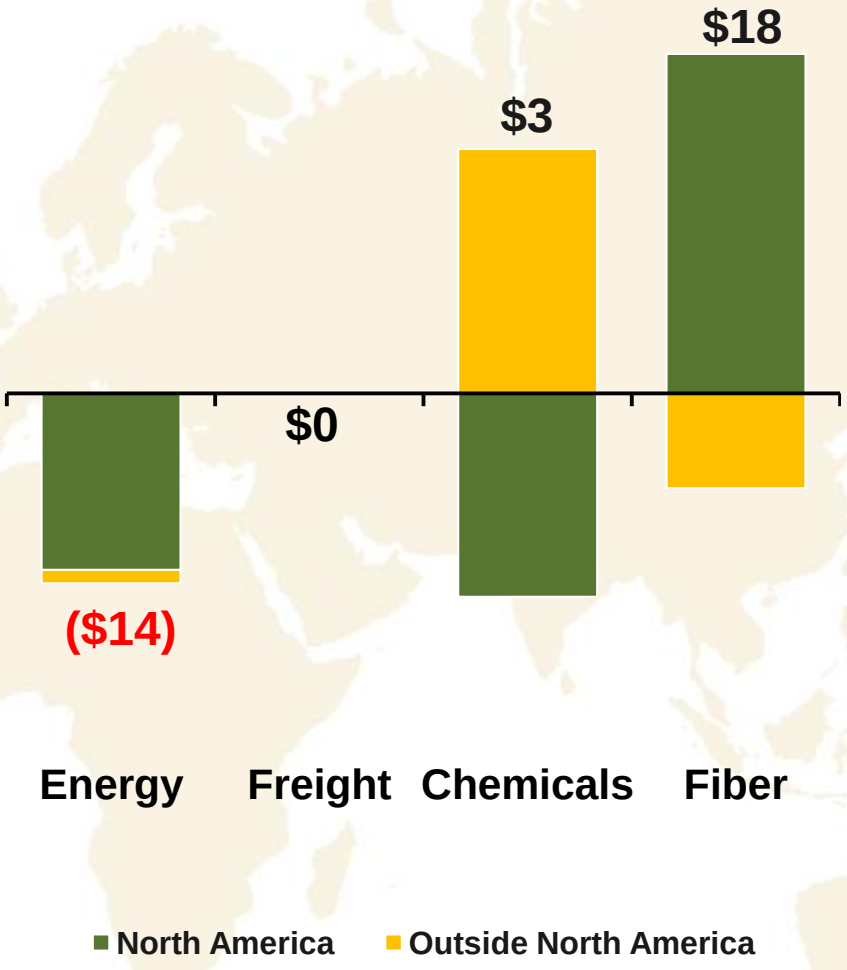
[1] 1Q12 - 3Q12 include Temple-Inland mills

Global Input Costs vs. 2Q12 | $7MM Favorable, or $0.01/Share

By Business



By Input Type



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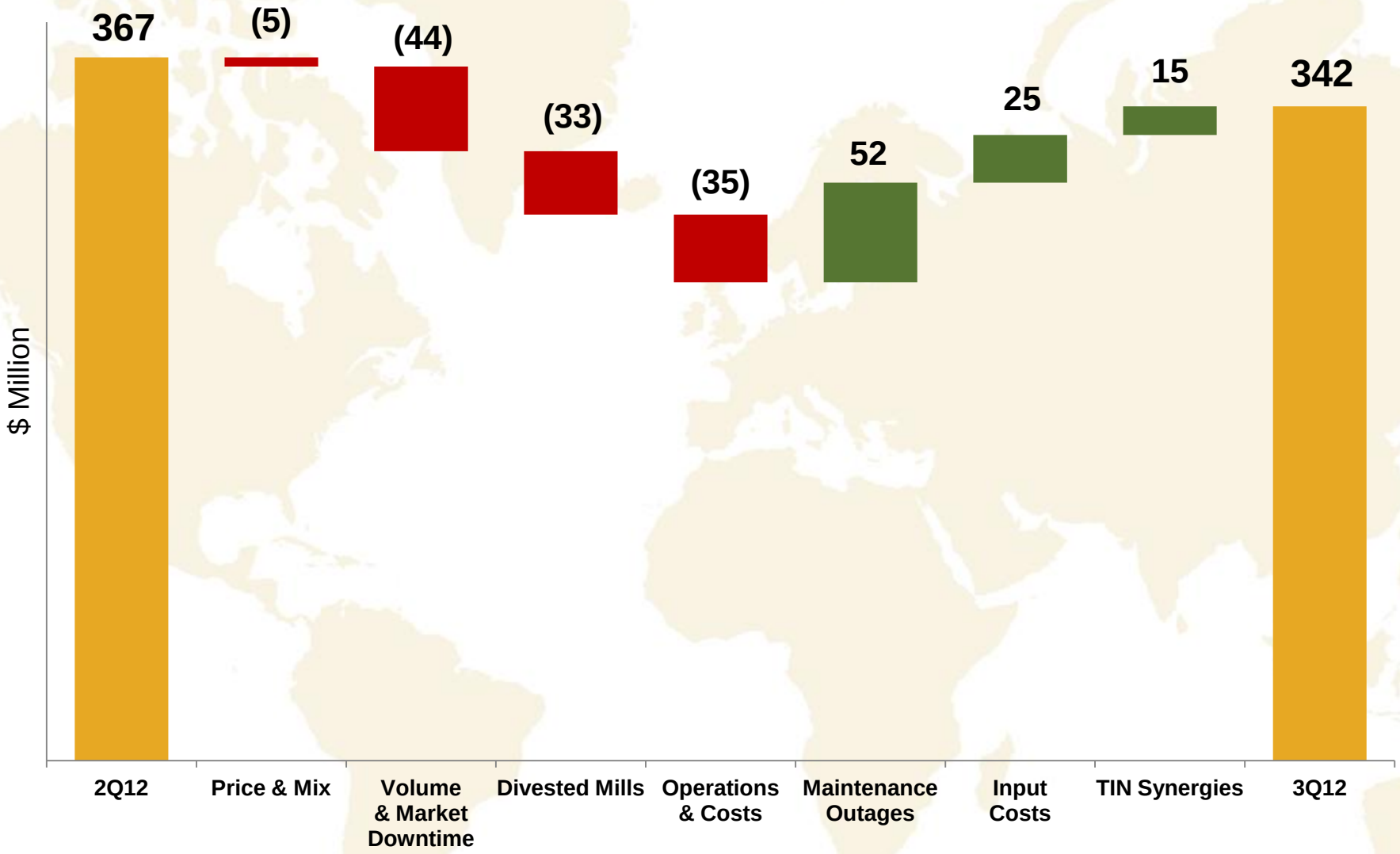
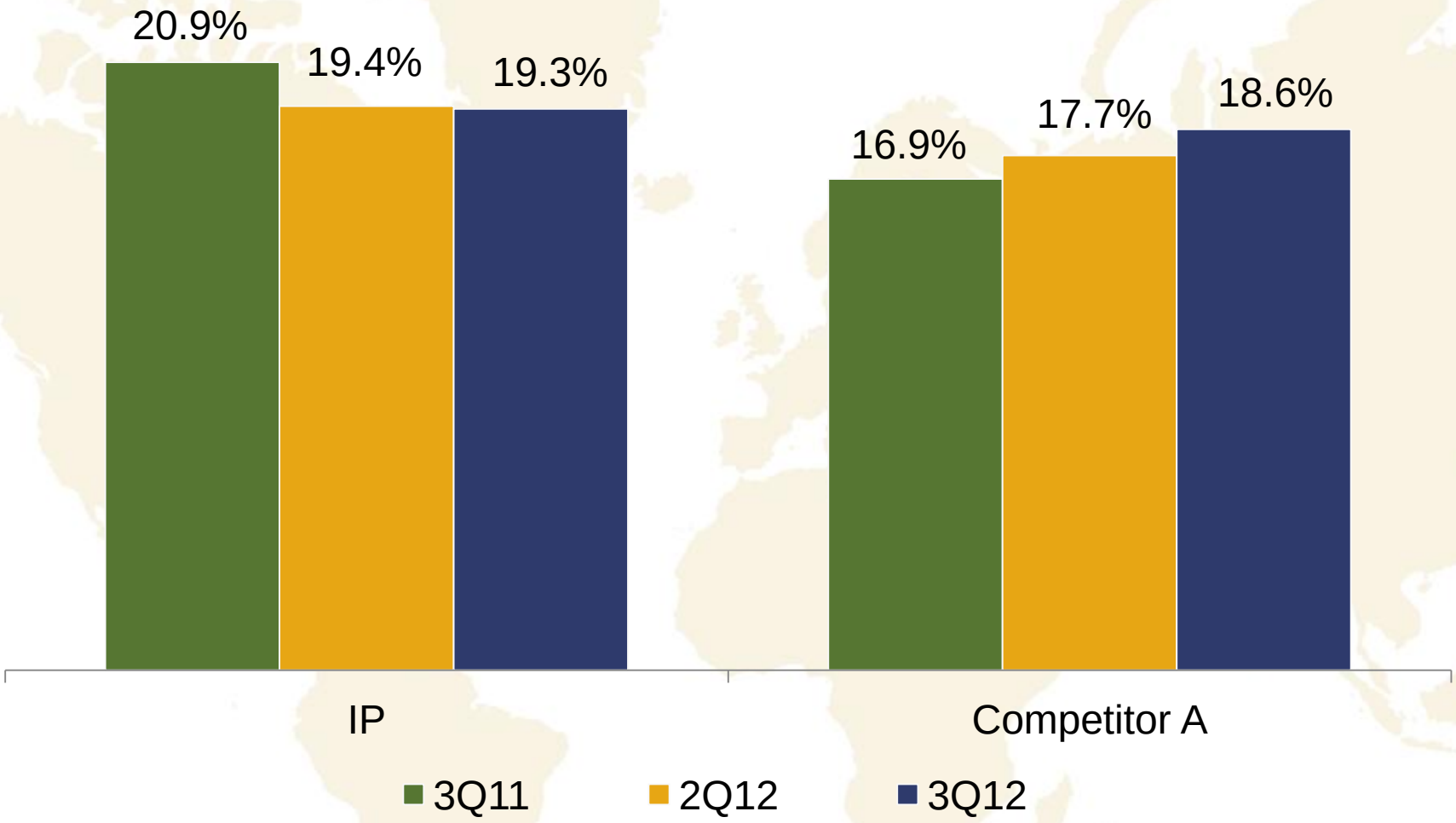
Industrial Packaging | 3Q12 vs. 2Q12



Earnings from continuing operations before special items

N.A. Industrial Packaging Relative EBITDA Margins



IP EBITDA margins based on North American Industrial Packaging operating profit before special items
Competitor EBITDA margin estimates obtained from public filings and IP analysis
Excludes the Recycling business and revenue from trade volumes

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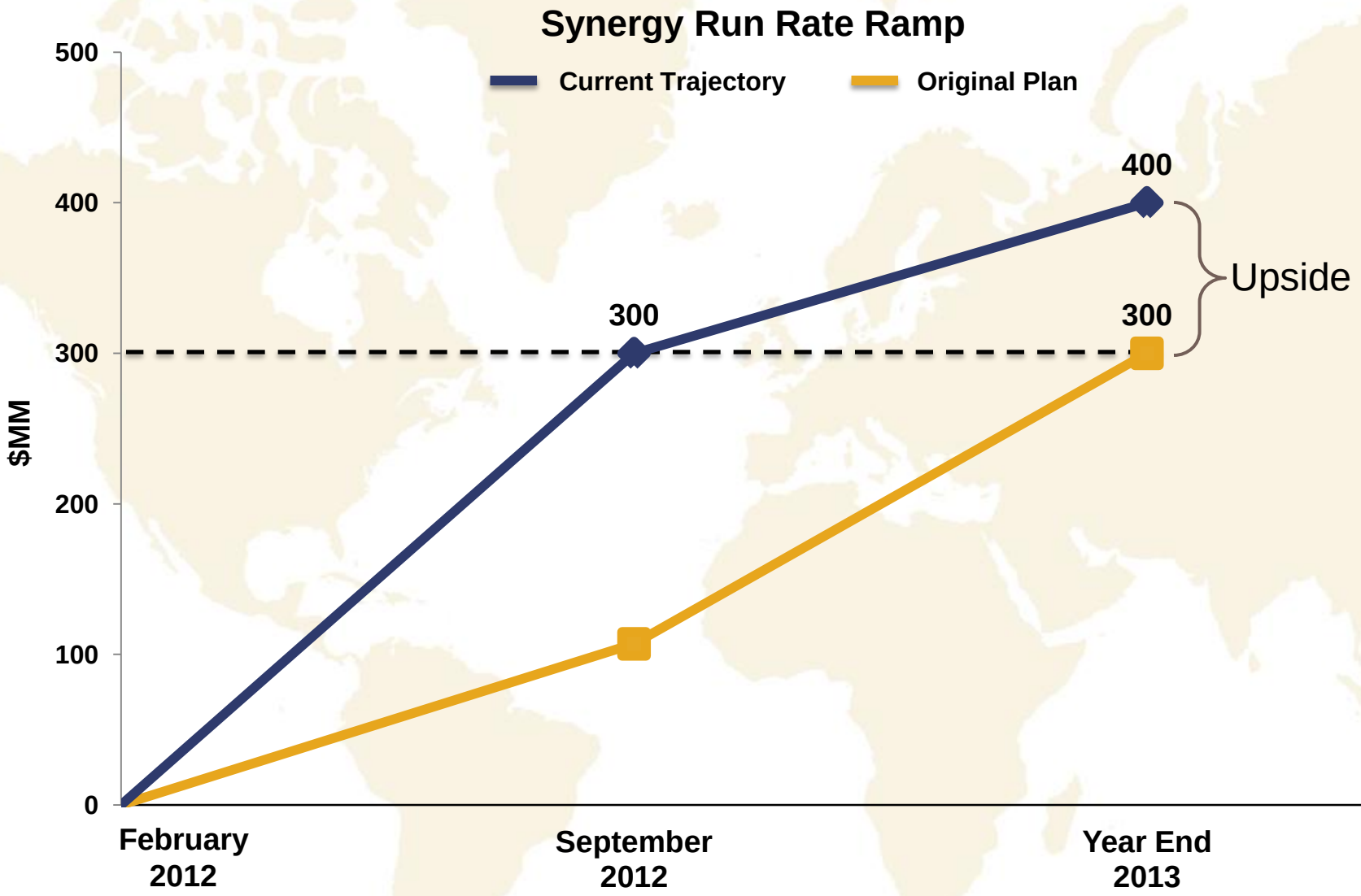
Temple-Inland Integration | More Synergies, Faster



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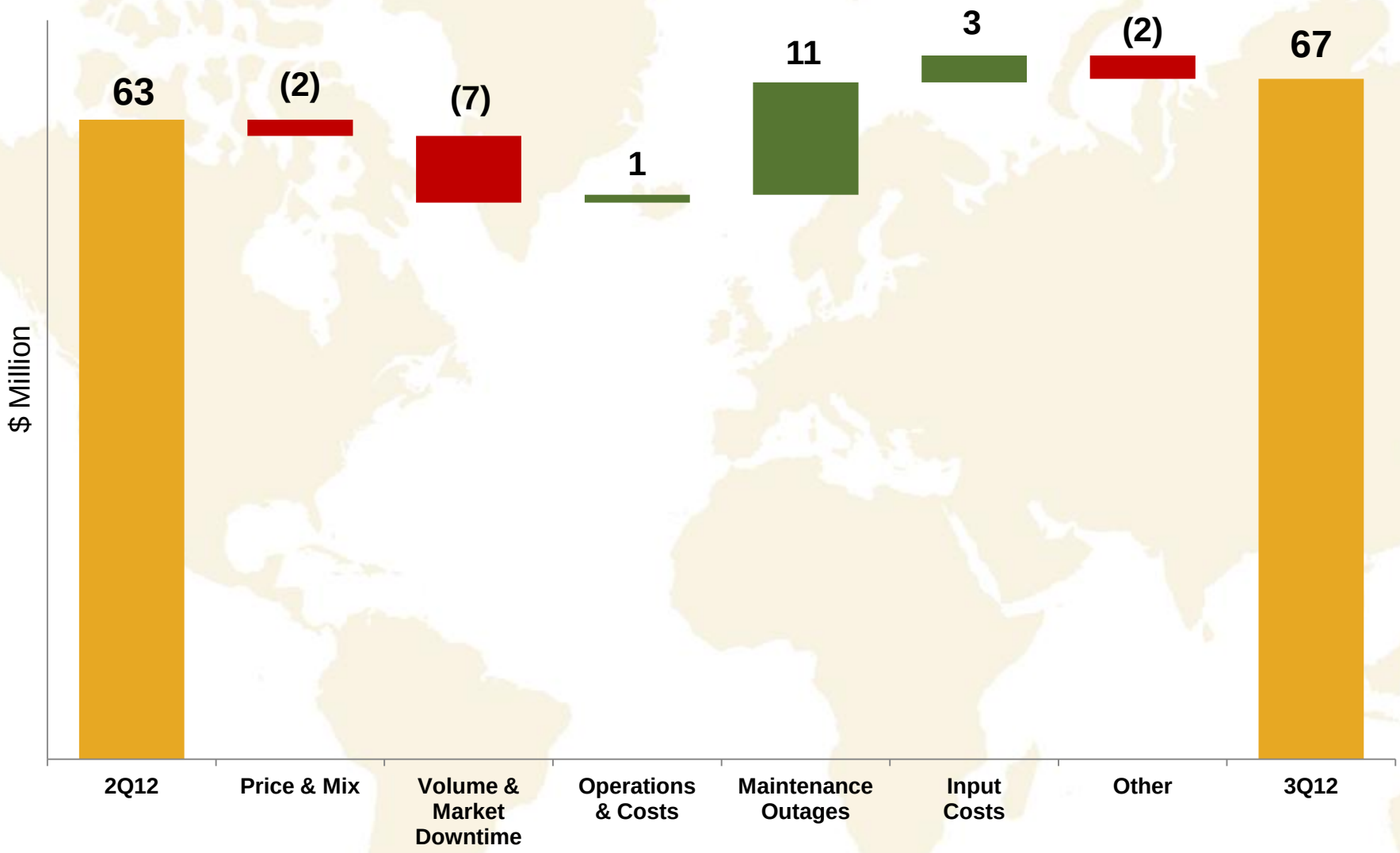
Temple-Inland Integration | More Synergies, Faster

Synergy Category	Description	Current Outlook ($MM)	3Q12 Run Rate Annualized
S G & A	▪ Eliminate Duplication	$115	~80% Achieved
Containerboard Mills / Supply Chain	▪ Grade / Machine Mix Optimization ▪ Efficiency Improvements ▪ Logistics Optimization	$90	~55% Achieved
Box Plants	▪ Efficiency Improvements (Waste, Freight) ▪ System Streamlining ▪ Customer and Segment Optimization	$150	~85% Achieved
Sourcing	▪ Purchasing Consolidation	$45	~75% Achieved
Synergy Target		**$400**	**~$300**

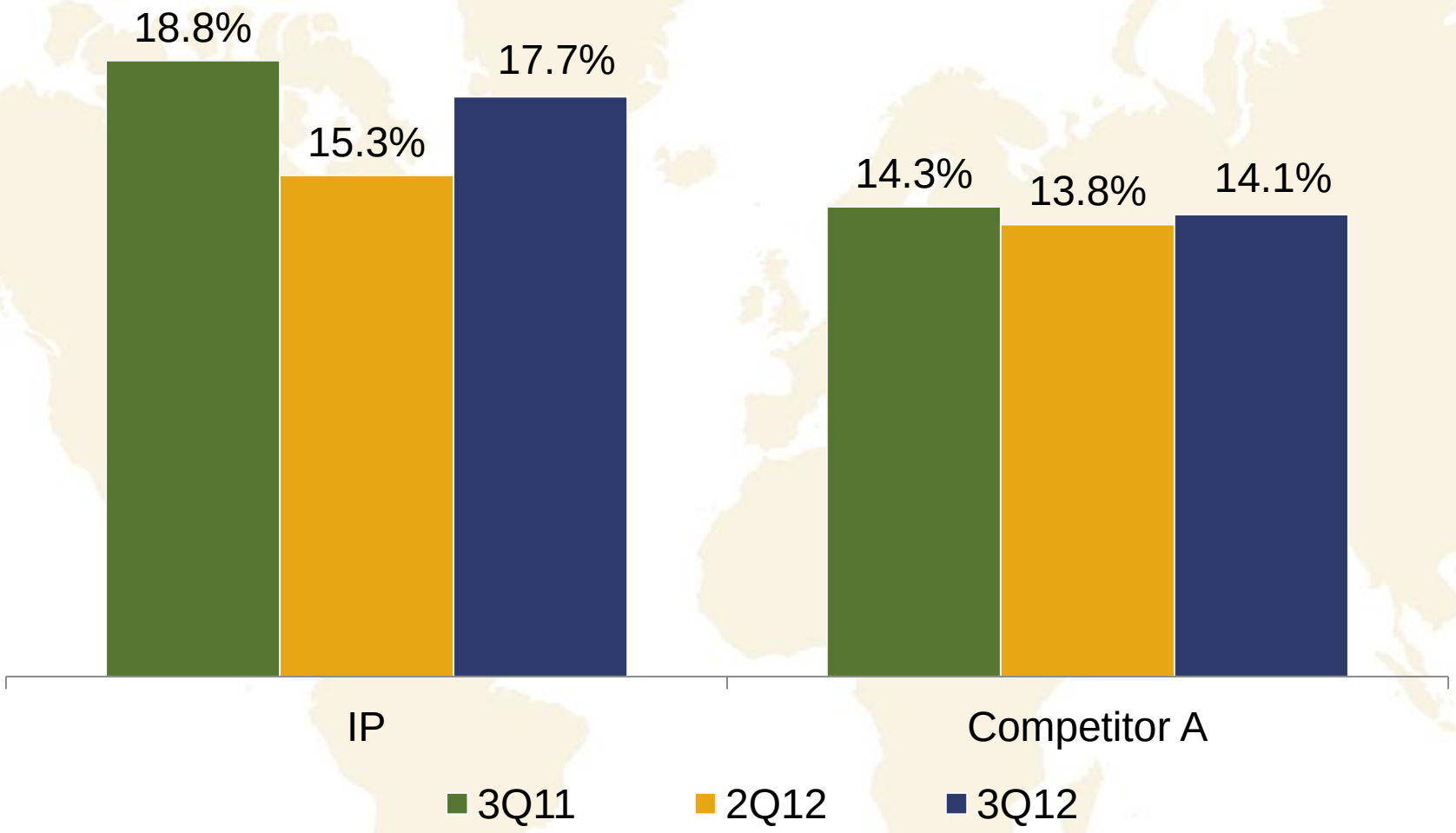
Consumer Packaging | 3Q12 vs. 2Q12



Earnings from continuing operations before special items

INTERNATIONAL PAPER

N.A. Consumer Packaging Relative EBITDA Margins

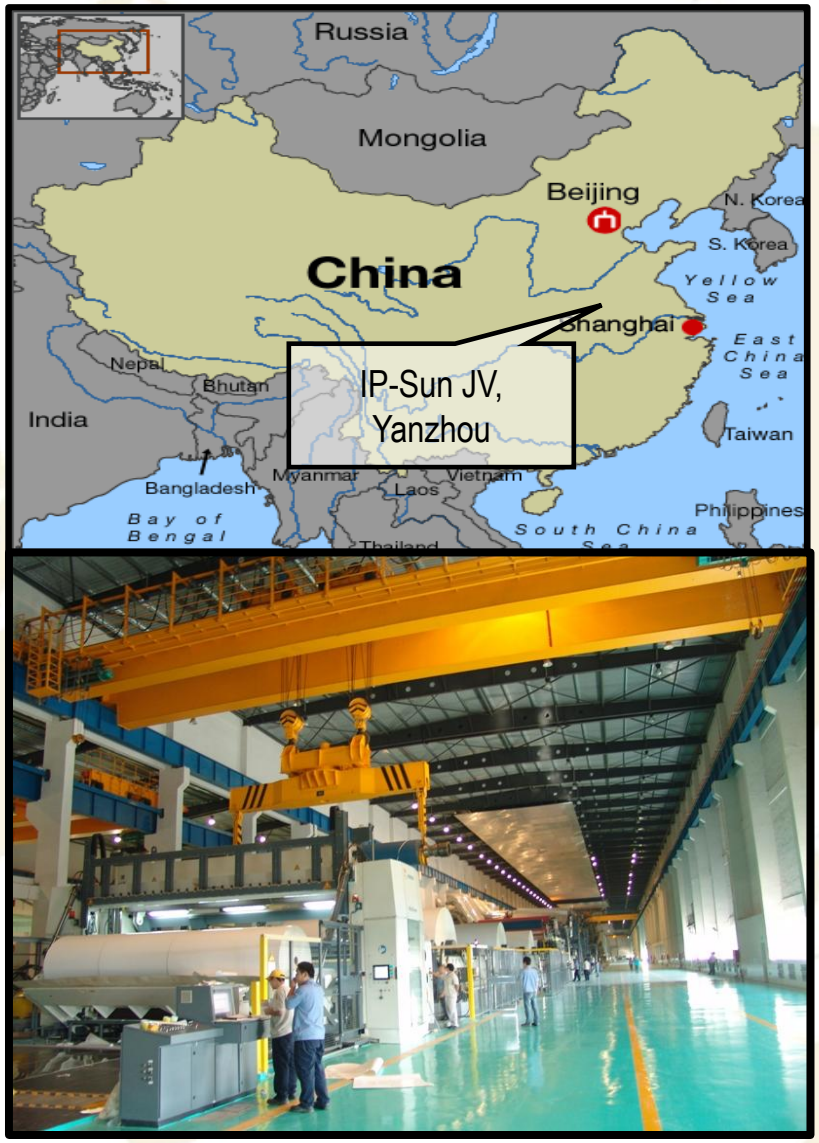


IP EBITDA margins based on North American Consumer Packaging operating profit before special items.
Competitor adjusted EBITDA margins obtained from public filings and IP analysis; reflects Food & Beverage segment

INTERNATIONAL PAPER

IP-Sun JV | Coated Paperboard Capital Expansion

- PM26 Start-up on Sept. 19
- Sheet on reel two months ahead of plan
- 333 construction days
- Machine tuning in progress
- Start-up costs in 3Q
- Incremental ramp-up costs in 4Q
- ~$300 MM investment
- 550M tons of annual capacity



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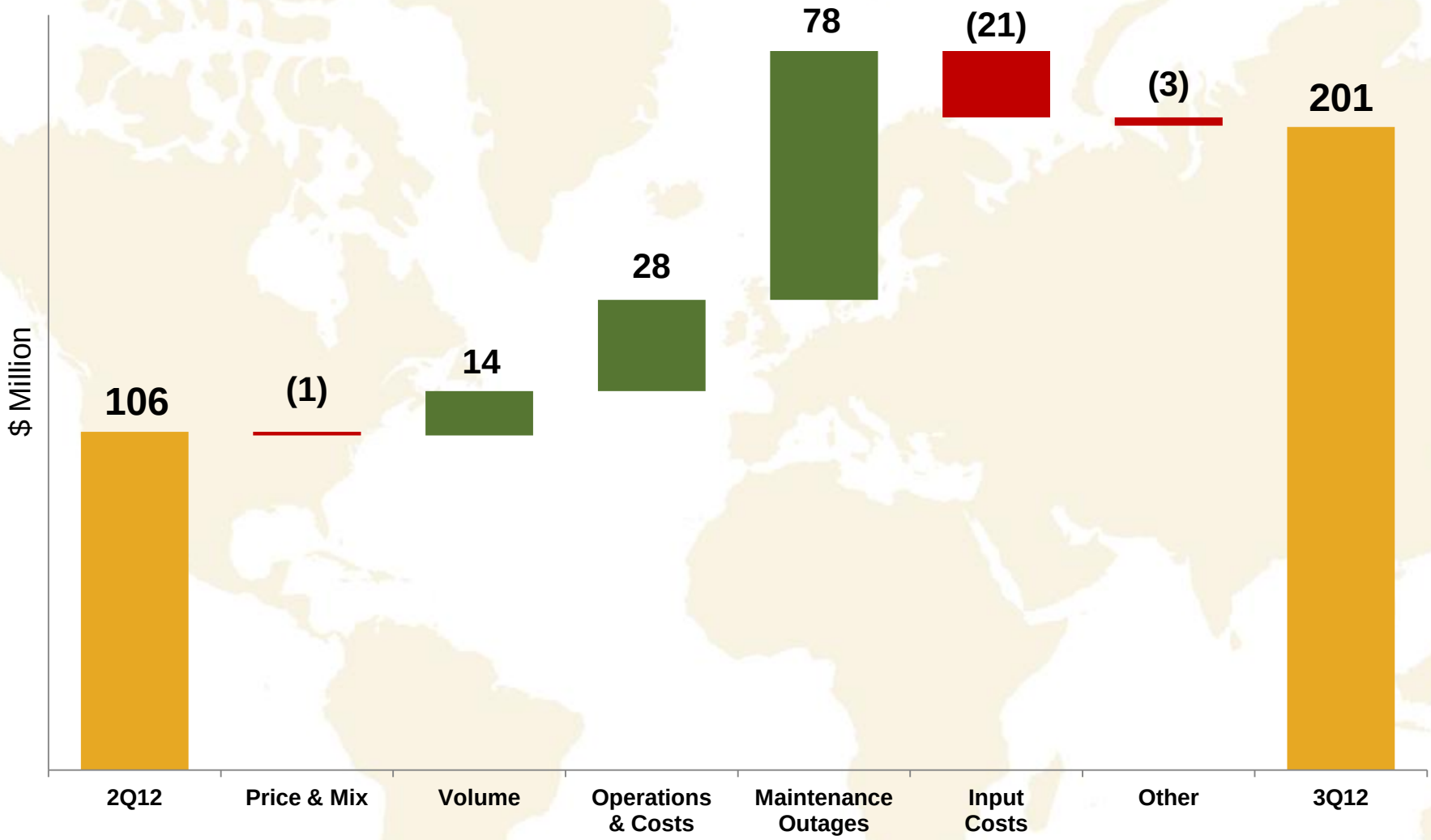
Printing Papers & Pulp | 3Q12 vs. 2Q12



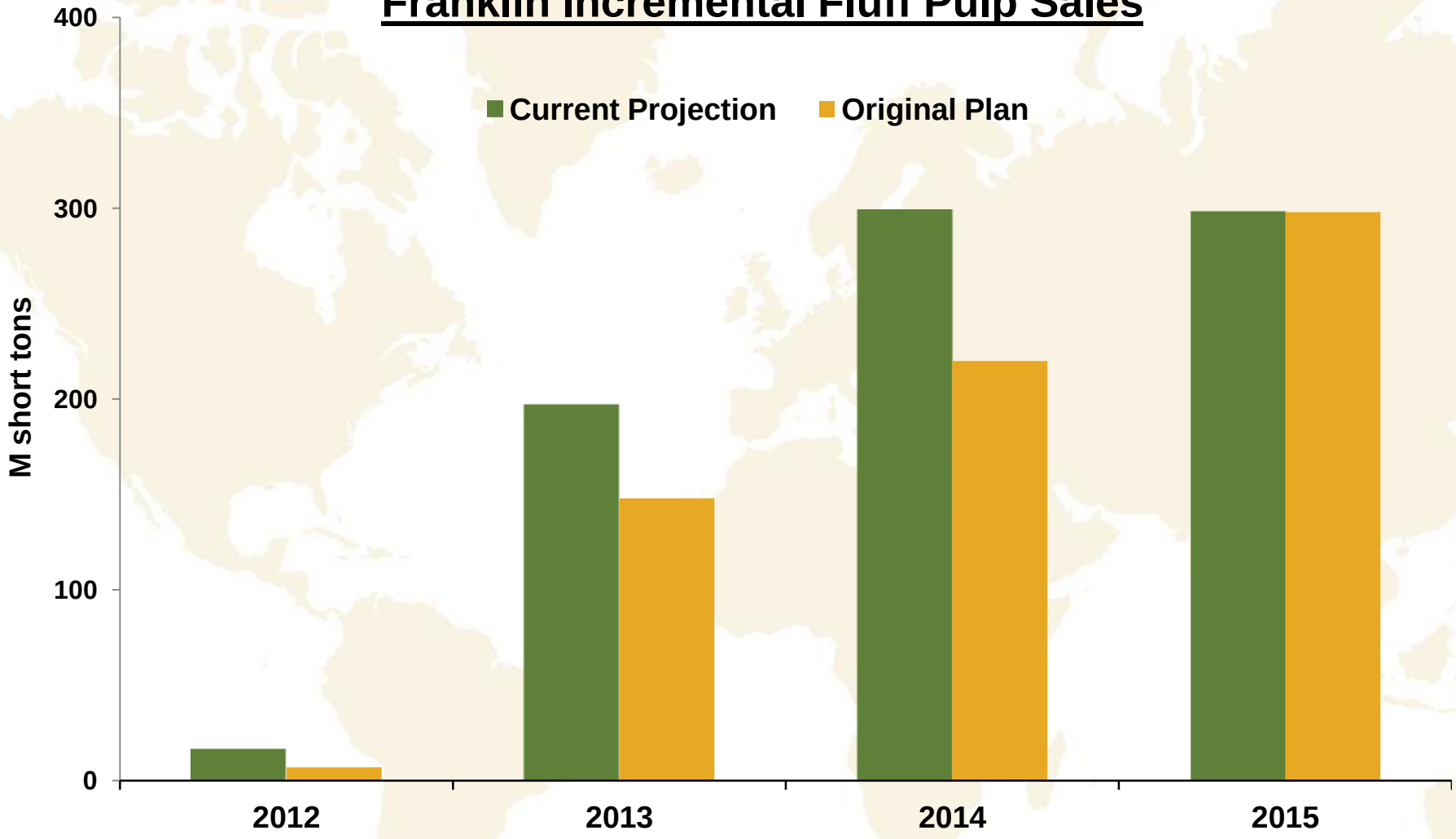
Earnings from continuing operations before special items

Printing Papers & Pulp | Global volume up 5% year to date

	N.A. Papers	N.A. Pulp	Europe /Russia	Brazil	India
Volume Change ytd[1]	(3%) Domestic	14%	5%	13% Domestic	8%[2]
	68% Export			(2%) Export	

[1] 9M11 vs. 9M12
[2] 2011 provided by APPM

Franklin Incremental Fluff Pulp Sales



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Distribution | 3Q12 vs. 2Q12

$ Million	3Q11	2Q12	3Q12
Sales	$1,710	$1,500	$1,535
Earnings	$27	$17	$24

Daily Sales Change	vs. 3Q11	vs. 2Q12
Printing	(12%)	8%
Packaging	(2%)	5%
Facility Solutions	(3%)	1%

- Quarter over quarter volume improvement, particularly in Printing and Packaging
- Decline in commercial print margins; Packaging and Facility Solutions margins up

Earnings from continuing operations before special items

Ilim Joint Venture | 3Q12 vs. 2Q12

$ Million	3Q11	2Q12	3Q12
Sales Volume (M Tons)	652	672	644
Sales	$580	$513	$471
Operational EBITDA[1]	$141	$81	$77
F/X (Impact of USD Debt[2])	($85)	($100)	$49
EBITDA	$56	($19)	$126
IP Equity Earnings[3]	$1	($25)	$33

- Weaker export pricing, partially offset by domestic seasonality
- Solid operations and forestry performance

Ilim JV results are on an IFRS basis with the exception of IP Equity Earnings which is USGAAP

[1] Before F/X impact

[2] 3Q12 Ilim JV USD-denominated debt balance of ~$1B; Ilim Group's functional currency is the Ruble (RUR); Non-functional-denominated currency balances are measured monthly using the month-end exchange rate

[3] IP Equity Earnings for 3Q11 & 2Q12 include an after-tax f/x loss of $34MM and $41MM, respectively; 3Q12 earnings include an after-tax f/x gain of $21MM

3Q12 Financial Summary



- Excellent cash generation
- Continued good progress with Temple-Inland integration
  - Achieved initial synergy target in less than one year
  - Building Products sale process proceeding well
  - Signed settlement agreement related to Guaranty Bank litigation
- Implemented containerboard price increase
- Seasonally lower maintenance outages
- Favorable currency impact at Ilim JV



- Higher market-related downtime in N.A. packaging businesses
- Loss of earnings associated with three divested containerboard mills
- Non-cash LIFO inventory valuation adjustment and Temple-Inland purchase accounting true-ups

Fourth Quarter Outlook | Changes from 3Q12

		North America	EMEA	Brazil	Asia
Volume	Paper	Stable	Stable	Seasonal Increase	Stable
	Packaging	Seasonal Decrease	Seasonal Increase		Stable
Pricing / Mix	Paper	Export Price/Mix	Stable	Seasonal Mix Improvement	Stable
	Packaging	Increase	Stable		Stable
Operations & Other	Paper	Stable	Stable	Stable	Stable
	Packaging	TIN Purchase Acct. True-Up[1]	Stable		Sun JV PM Ramp-up Costs
Inputs & Freight	Paper	Higher Wood & Energy	Stable	Stable	Stable
	Packaging	Higher Fiber & Energy	Stable		Stable
Mill Maintenance Outages	Paper	Increase $35MM	Decrease $16MM	Decrease $2MM	None Scheduled
	Packaging	Increase $65MM	None Scheduled		
Distribution		Stable			
ILIM JV			Currency Impact[1]		

[1] Impact of non-repeating item

4Q & 2013 Outlook | Momentum Continues in Challenging Global Environment

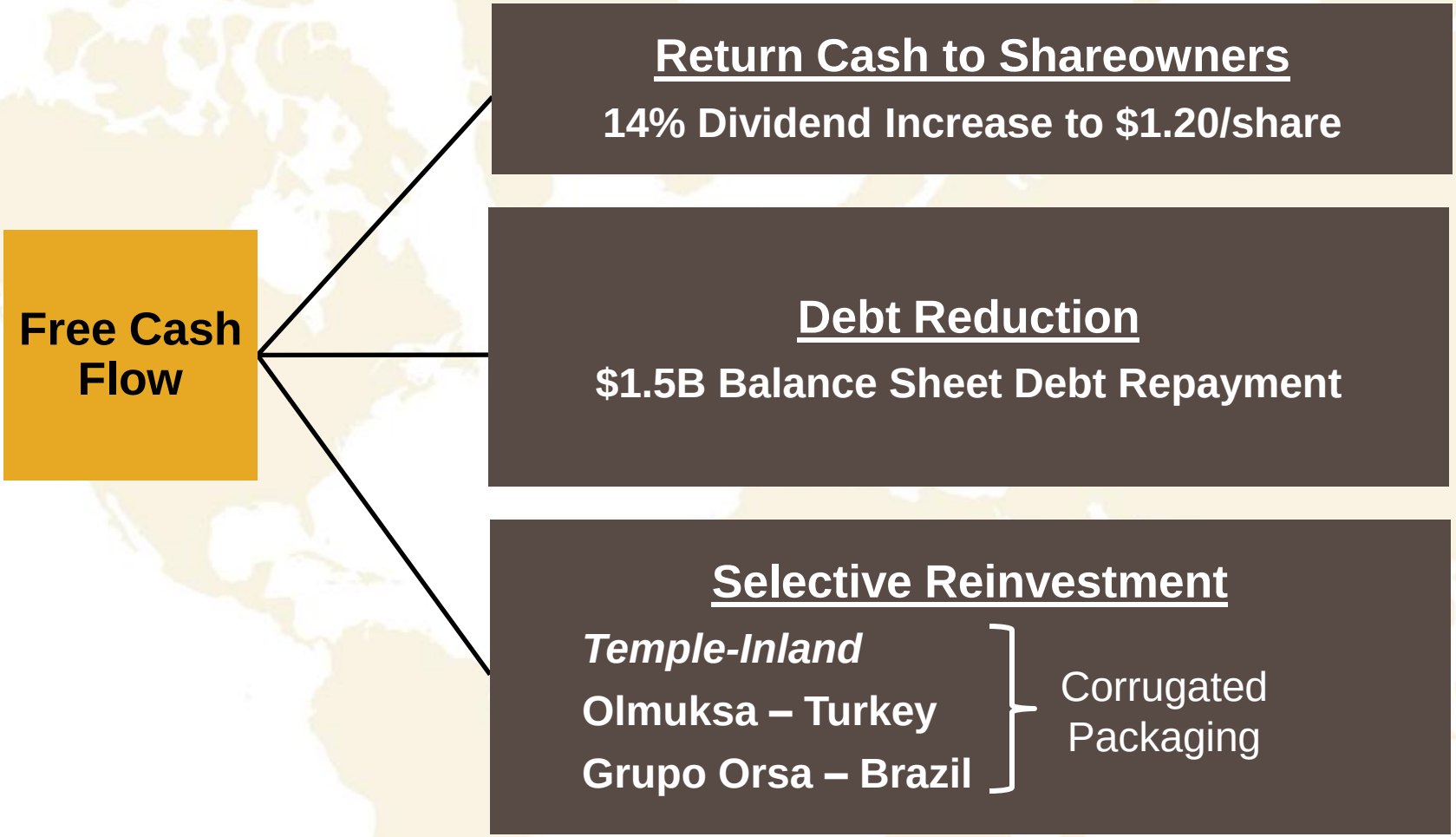
4Q12 Outlook

- Seasonally weaker volumes in North America offset by Europe and Brazil
- North America box price increase realization – 4Q exit rate near 100%
- Continued weak pricing in pulp and export papers markets
- Seasonally higher consumption and input costs
- Higher scheduled maintenance outages of $82MM
- Incremental ramp-up costs associated with IP-Sun JV

2013 Outlook

- U.S. and global demand
  - More of the same
- Earnings runway drivers ramp-up
  - NA Industrial Packaging trajectory
  - Franklin Fluff Pulp
  - IP-Sun JV PM26
  - Brazil Biomass Boiler
  - Ilim JV build-out
  - India optimization
- Input cost inflation – fiber & energy
- Higher non-cash pension expense
- Excellent cash generation
  - Continued balance sheet debt reduction

IP's Balanced Use of Cash | Increasing Shareholder Value



IP Latin America | Strengthening our Position in Brazil

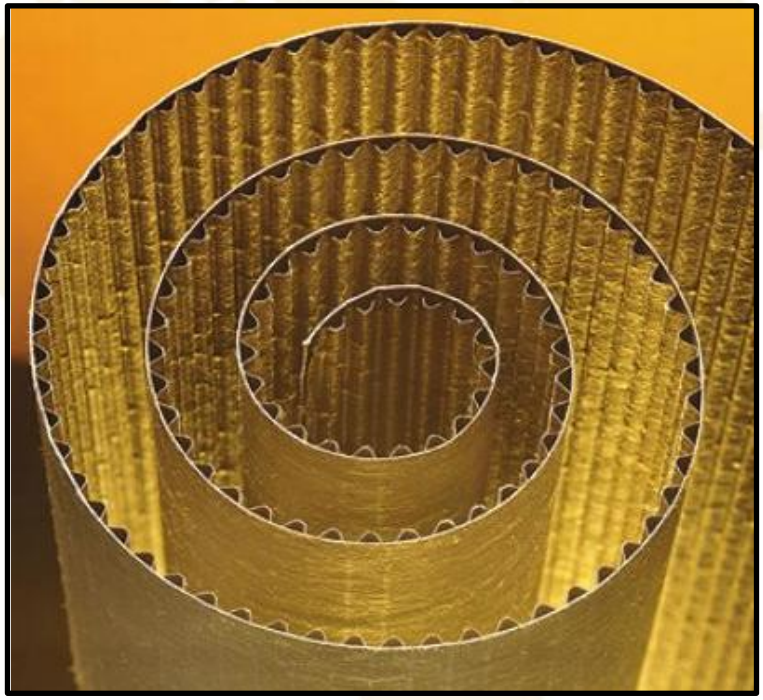
Strategic Entry into Corrugated Packaging

- **IP and Grupo Orsa** have agreed to form a corrugated packaging business in Brazil, expanding IP's leading global platform within Latin America
- Grupo Orsa's industrial packaging assets, including three mills and four box plants, will be separated from its pulp and forestry businesses and transferred to the new company
- IP will hold a 75% stake, valued at approximately US$470MM
- Expect to complete the transaction in the first quarter 2013

Uncoated Freesheet Paper Machine Option Extension

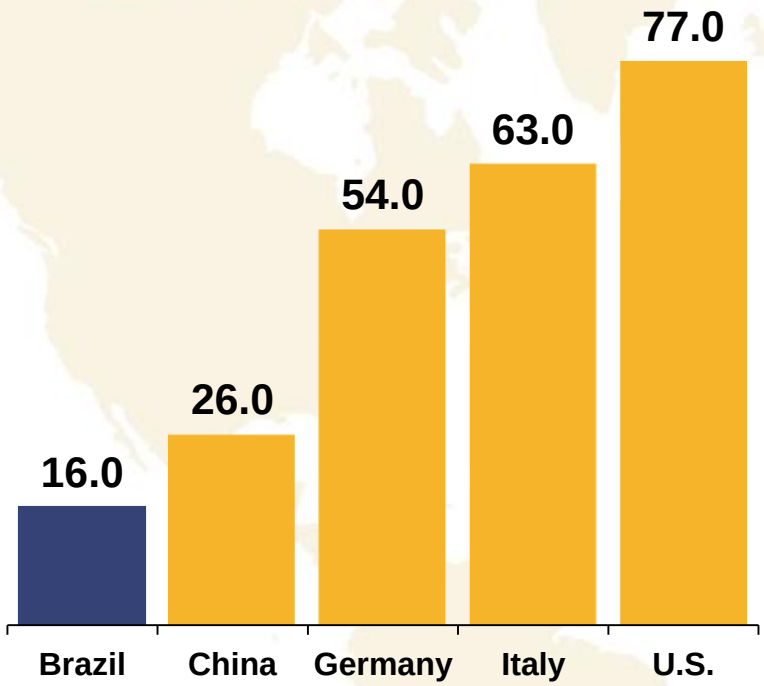
- **IP and Fibria** have agreed to extend IP's option to build a second uncoated freesheet paper machine at the Tres Lagoas mill site
- The new agreement gives IP the option to start a second paper machine between 2016 and 2018, which better matches incremental capacity with our customers' demand
- Investment would add 250M tons and reinforce IP's leadership in Latin America

Brazil Corrugated Packaging | Strategic Rationale

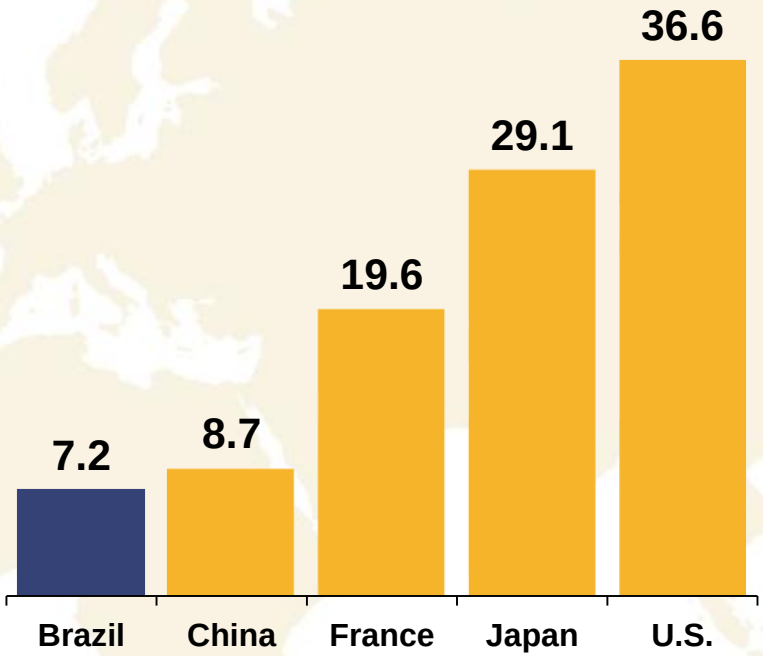


- Growing Market
- Core IP Business
- Attractive acquisition, optimization and build-out opportunities
- Good Margins
- Attractive Returns
- IP Management in Place

2011 Per Capita Consumption
(Kg per person per year)



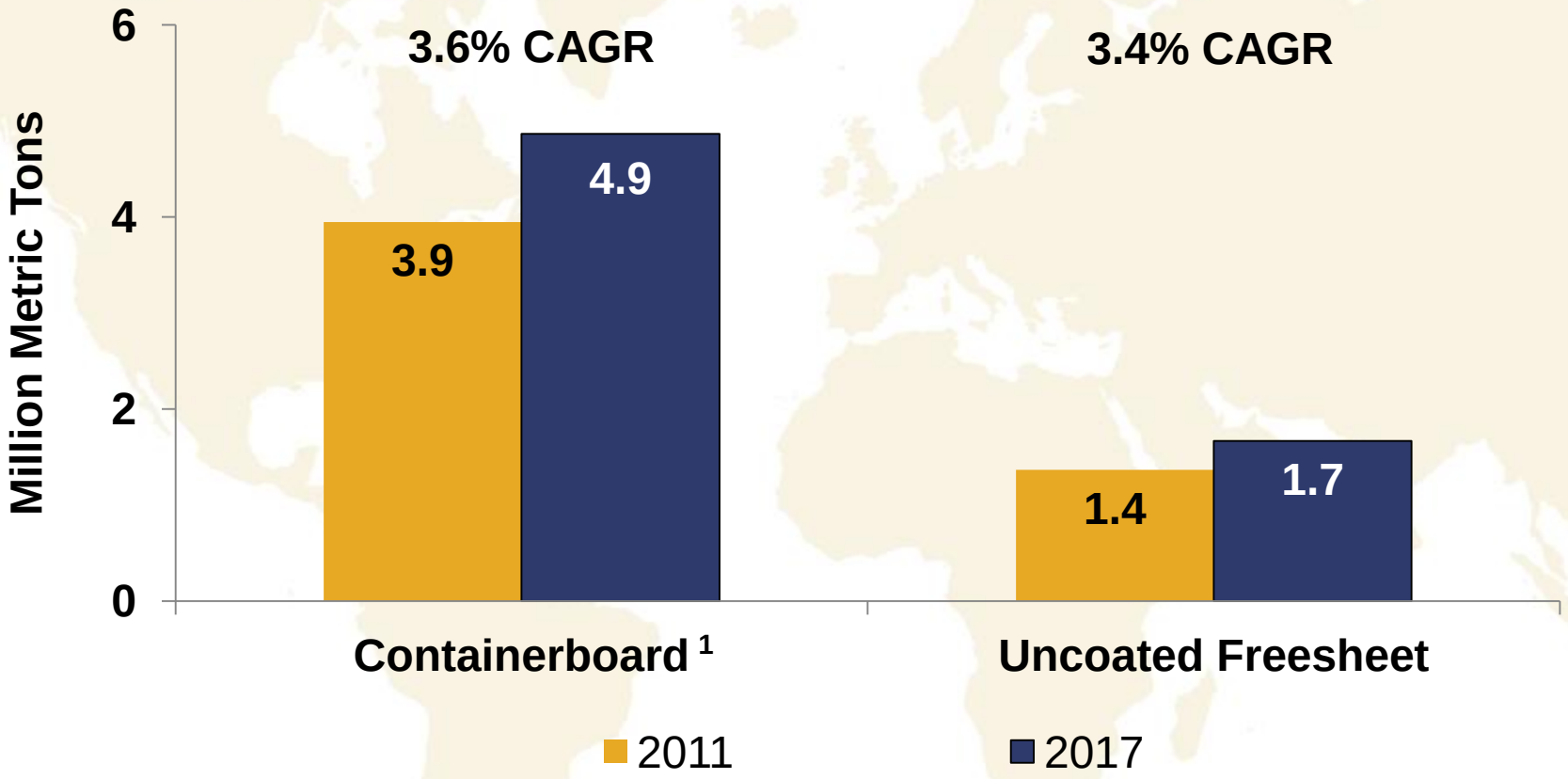
Corrugated Boxes



Uncoated Freesheet

Source: IP Analysis, Santander, Census, McKinsey Global Institute

RISI Forecast of Brazilian Demand Growth



[1] Includes Sack Kraft
Source: RISI

Grupo Orsa | Company at a Glance

- 2011 Sales of US$380 Million[1]
- 2011 EBITDA of US$76 Million[1]
- 365 Thousand Tons of Containerboard Capacity
- Three Containerboard Mills
- Four Box Plants
- Corrugated Supply Position ~9%
- Sustainable Fiber Supply



[1] Financials provided by seller

Enterprise Value ($MM)	**R$1270 / ~US$625**
Deal Structure	**IP investment in with current owner on a 75/25 basis**
Purchase Price ($MM)	**R$952 / ~US$470**
Financing	**~50% cash on hand in Brazil; remainder financed locally**
EBITDA Multiple (2011)	**8.2x**
IRR	**18%**

All figures translated at $ = 2.03 R$

- **Creates Shareholder Value** ☑
- **Consistent with Strategy** ☑
- **Strengthens IP's Portfolio** ☑
- **Better than Cost of Capital Returns** ☑
- **Greater Cash Flow Generation** ☑
- **Quality Assets in High Demand Growth Market** ☑
- **Attractive Optimization Opportunities** ☑

Appendix

Investor Relations Contacts

Glenn R. Landau 901-419-1731

Michele Vargas 901-419-7287

Media Contact

Tom Ryan 901-419-4333

Guaranty Bank | Settlement Agreement Update

- We have reached a settlement with the Liquidation Trustee for the estate of Guaranty Financial Group Inc. (“GFG”) and the Federal Deposit Insurance Corporation (“FDIC”) to resolve liability associated with the spin-off and subsequent failure of GFG and its subsidiary Guaranty Bank
- The settlement agreement is conditioned upon and subject to bankruptcy court approval
- In exchange for this full release from liability, we have agreed to make $80 million in payments; this amount was previously reserved in anticipation of this agreement
- The agreement protects our tax position and tax assets
- We are seeking to recover a portion of the settlement amount from insurers

Key Financial Statistics

$ Million (Except as noted)	2010	2011	2012 Estimate
Capital Spending	$775	$1.2 B	~ $1.5 B
Depreciation & Amortization	$1.5 B	$1.3 B	~ $1.5 B
Net Interest Expense	$608	$541	~ $680
Corporate Items	$226	$145	~$210
Effective Tax Rate	30%	32%	~ 32%

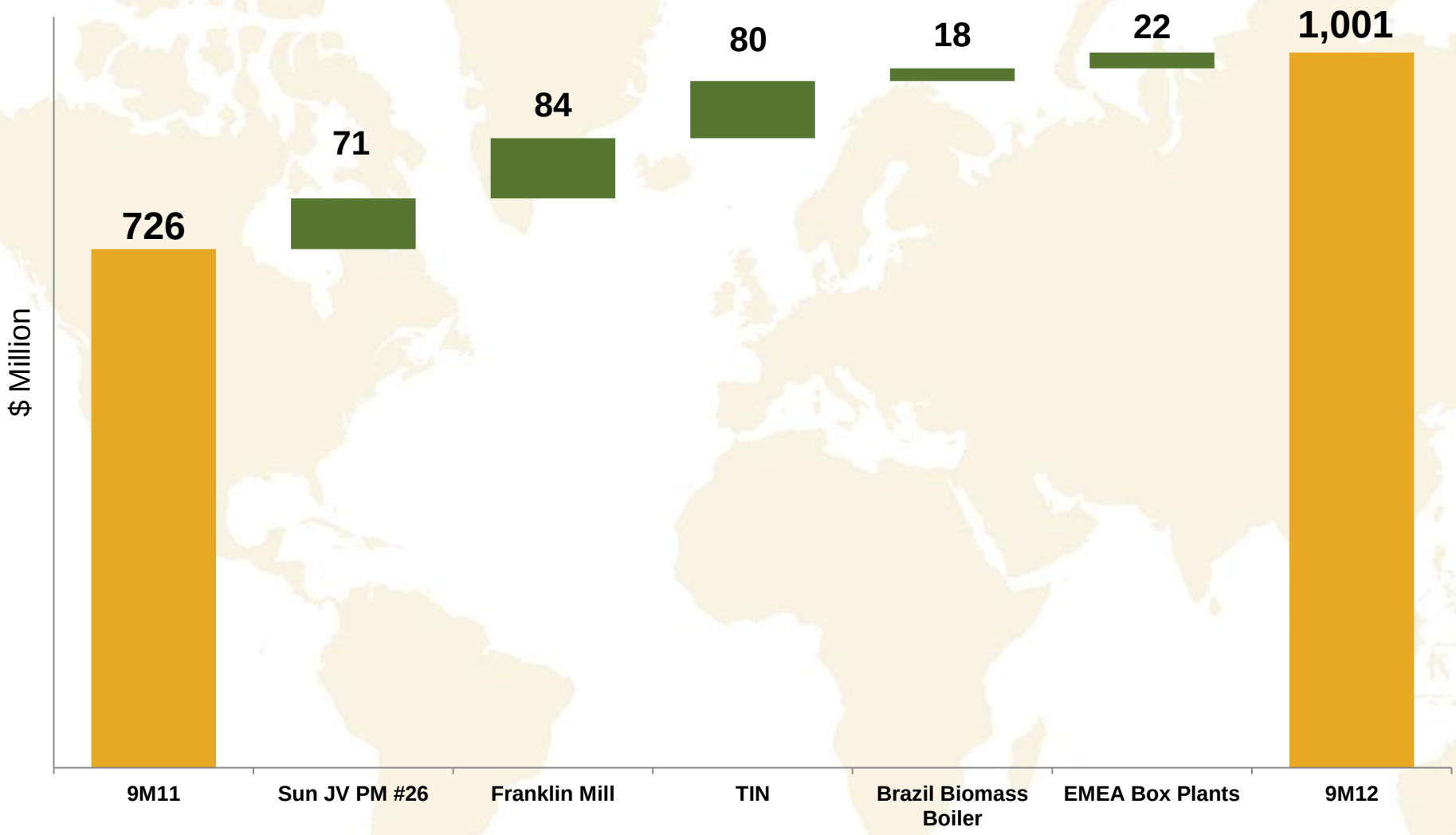
Before special items and excluding Ilim

Free Cash Flow

$ Million	3Q11	2Q12	3Q12
Cash Provided by Continuing Operations	$876	$682[1]	$863
Less Capital Investment	($315)	($420)	($296)
Free Cash Flow	$561	$262	$567

[1] Excludes $44 MM cash paid for Temple-Inland pension plan contribution and $140 MM cash received from unwinding a timber monetization

Capital Investment | 9M12 vs. 9M11



Maintenance Outages Expenses | 2012

$ Million	1Q12	2Q12	3Q12	4Q12E	2012E
Industrial Packaging	**$67**	**$63**	**$11**	**$63**	**$204**
Printing Papers Total	**$27**	**$102**	**$23**	**$45**	**$197**
North America	27	60	5	40	132
Europe	0	33	11	0	44
Brazil	0	1	7	5	13
India	0	8	0	0	8
Consumer Packaging	**$0**	**$21**	**$11**	**$19**	**$51**
North America	0	18	6	19	43
Europe	0	3	5	0	8
Total Impact	**$94**	**$186**	**$45**	**$127**	**$452**

Special Items Before Tax & Noncontrolling Interest | Continuing Operations

Special Items Pre-Tax ($Million)		3Q11	2Q12	3Q12
Industrial Packaging	Acquisition and Integration Costs	($8)	($35)	($58)
	Mill Divestiture Costs		($71)	($19)
	European Packaging Restructuring			($16)
	Other		($1)	$6
Printing Papers	Facility Closure Costs	$1		
	Other		($2)	$1
Consumer Packaging	Fixed Asset Impairment or Adjustment	($82)		
	Shorewood Sale Adjustments		($6)	
	Reorganization	$1		
xpedx	Reorganization	($18)	($12)	($9)
Corporate	Debt Extinguishment		($10)	($13)
	Acquisition Costs	($16)		
	Restructuring & Other	($9)	$1	($2)
Total Special Items Before Tax & Noncontrolling Interest		**($131)**	**($136)**	**($110)**

Special Items Net of Taxes

	2Q12		3Q12	
	$ Million	EPS	$ Million	EPS
Earnings Before Special Items	**$203**	**$0.46**	**$330**	**$0.75**
Special Items Net of Taxes:				
Tax Items			($3)	
Debt Extinguishment Costs	($6)		($8)	
Shorewood Sale Adjustments	($4)			
Acquisition and Integration Costs	($24)		($33)	
Mill Divestiture Costs	($43)		($49)	
Reorganization	($8)		($16)	
Other			$2	
Total Special Items Net of Taxes	**($85)**	**($0.19)**	**($107)**	**($0.24)**
Discontinued Operations Net of Taxes	**$16**	**$0.04**	**$14**	**$0.03**
Net Earnings	**$134**	**$0.31**	**$237**	**$0.54**

3Q12 EBITDA | Integrated Mill Business Margins

	Operating Profit $ Million	D & A $ Million	Tons Thousand	EBITDA per Ton	EBITDA Margin
Industrial Packaging					
North America[1]	328	188	3,535	146	19%
Printing Papers & Pulp					
N.A. Papers[2]	110	45	698	222	22%
Europe	51	17	326	209	20%
Brazil	45	31	290	262	27%
India	(3)	9	59	102	13%
N.A. Pulp	(3)	13	311	32	5%
Consumer Packaging					
North America[3]	45	39	378	222	18%
Europe	21	5	93	280	27%

Earnings from continuing operations before special items

[1] Excludes Recycling business and revenue from trade volumes; includes Saturating Kraft & Bag business

[2] Includes Bleached Kraft business

[3] Includes Foodservice business

Operating Profits by Industry Segment | Continuing Operations

$ Million	3Q11	2Q12	3Q12
Industrial Packaging	$301	$367	$342
Printing Papers	$238	$106	$201
Consumer Packaging	$103	$63	$67
Distribution	$27	$17	$24
Operating Profit	**$669**	**$553**	**$634**
Net Interest Expense	($130)	($172)	($163)
Noncontrolling Interest / Equity Earnings Adjustment	$7	$4	$0
Corporate Items	($34)	($45)	($41)
Special Items	($131)	($136)	($110)
Earnings from continuing operations before income taxes, equity earnings & noncontrolling interest	**$381**	**$204**	**$320**
Equity Earnings, net of taxes - Ilim	**$1**	**($25)**	**$33**

Geographic Business Segment Operating Results | Before Special Items

$ Million	Sales			Operating Profit		
	3Q11	2Q12	3Q12	3Q11	2Q12	3Q12
Industrial Packaging						
North America	$2,210	$3,035	$2,935	$291	$354	$328
Europe	$275	$255	$230	$9	$12	$12
Asia	$175	$160	$170	$1	$1	$2
Printing Papers						
North American	$705	$670	$695	$127	$69	$110
Europe	$350	$335	$345	$48	$20	$51
Brazil	$290	$285	$280	$37	$51	$45
Asia / India	$20	$60	$70	-	($8)	($2)
N.A. Pulp	$185	$160	$190	$26	($26)	($3)
Consumer Packaging						
North America	$640	$495	$475	$76	$37	$45
Europe	$90	$90	$95	$19	$21	$21
Asia (Sun JV)	$225	$195	$195	$8	$5	$1
xpedx	$1,710	$1,500	$1,535	$27	$17	$24

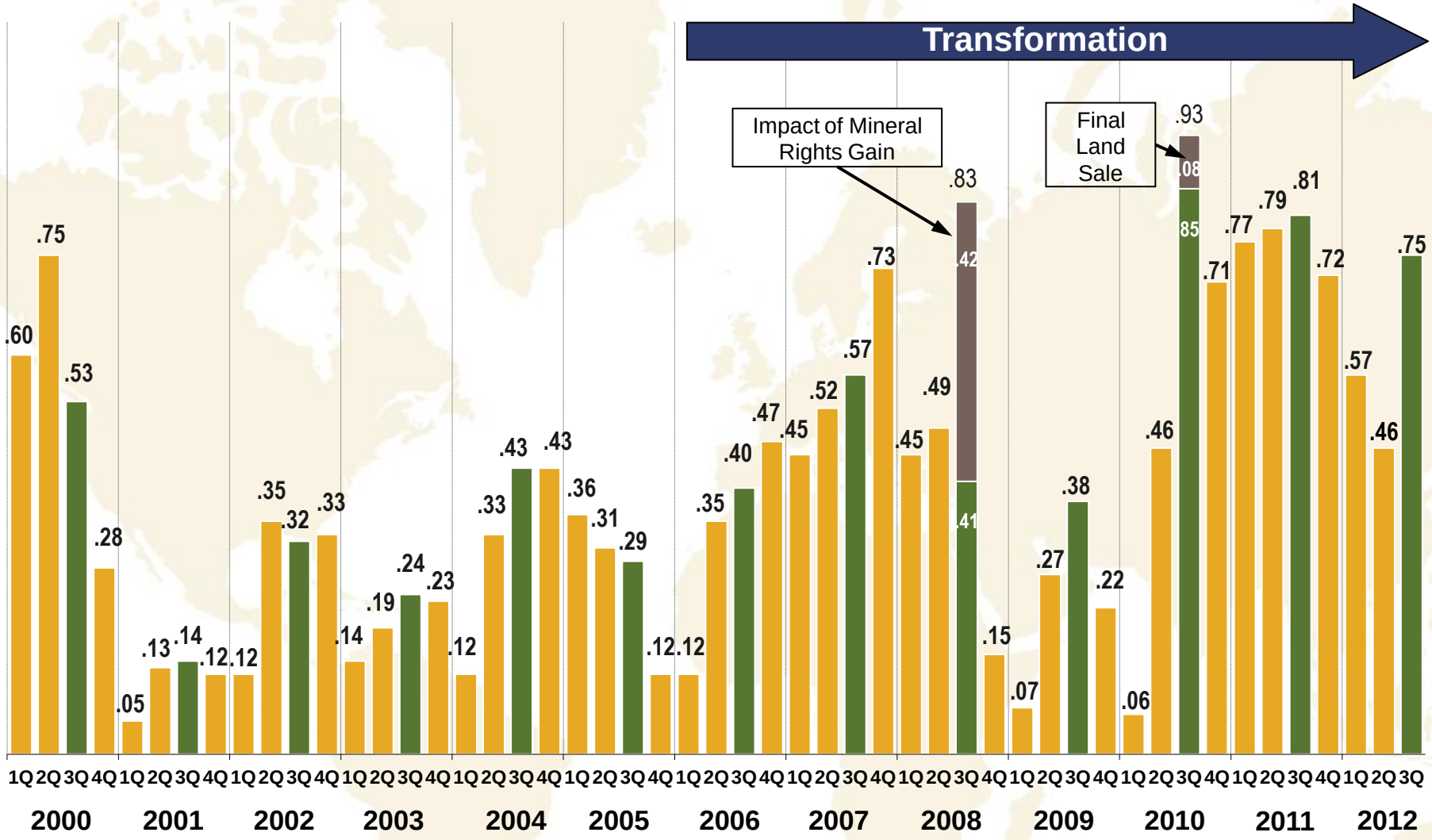
Does not reflect total company sales and operating profit

2012 Earnings from Continuing Operations

	Pre-Tax $MM	Tax $MM	Non-controlling Interest $MM	Equity Earnings	Net Income $MM	Estimated Tax Rate	Average Shares[1] MM	Diluted EPS[2]
Before Special Items								
1Q12	$305	($98)	($4)	$44	$247	32%	439	0.57
2Q12	$340	($108)	($3)	($26)	$203	32%	438	0.46
3Q12	$430	($133)	($1)	$34	$330	31%	440	0.75
Special Items								
1Q12	($92)	$28	$0	$0	($64)	30%	439	(0.15)
2Q12	($136)	$51	$0	$0	($85)	38%	438	(0.19)
3Q12	($110)	$3	$0	$0	($107)	2%	440	(0.24)
Earnings								
1Q12	$213	($70)	($4)	$44	$183	33%	439	0.42
2Q12	$204	($57)	($3)	($26)	$118	28%	438	0.27
3Q12	$320	($130)	($1)	$34	$223	41%	440	0.51

[1] Assuming dilution
[2] A reconciliation to GAAP EPS is available at www.internationalpaper.com under the Investors tab at Webcasts and Presentations

Operating Business EPS | Demonstrated Step Change in Performance



Earnings from continuing operations and before special items
2000-2006 as originally reported
2007-2011 reflects earnings adjusted for elimination of the Ilim JV reporting lag

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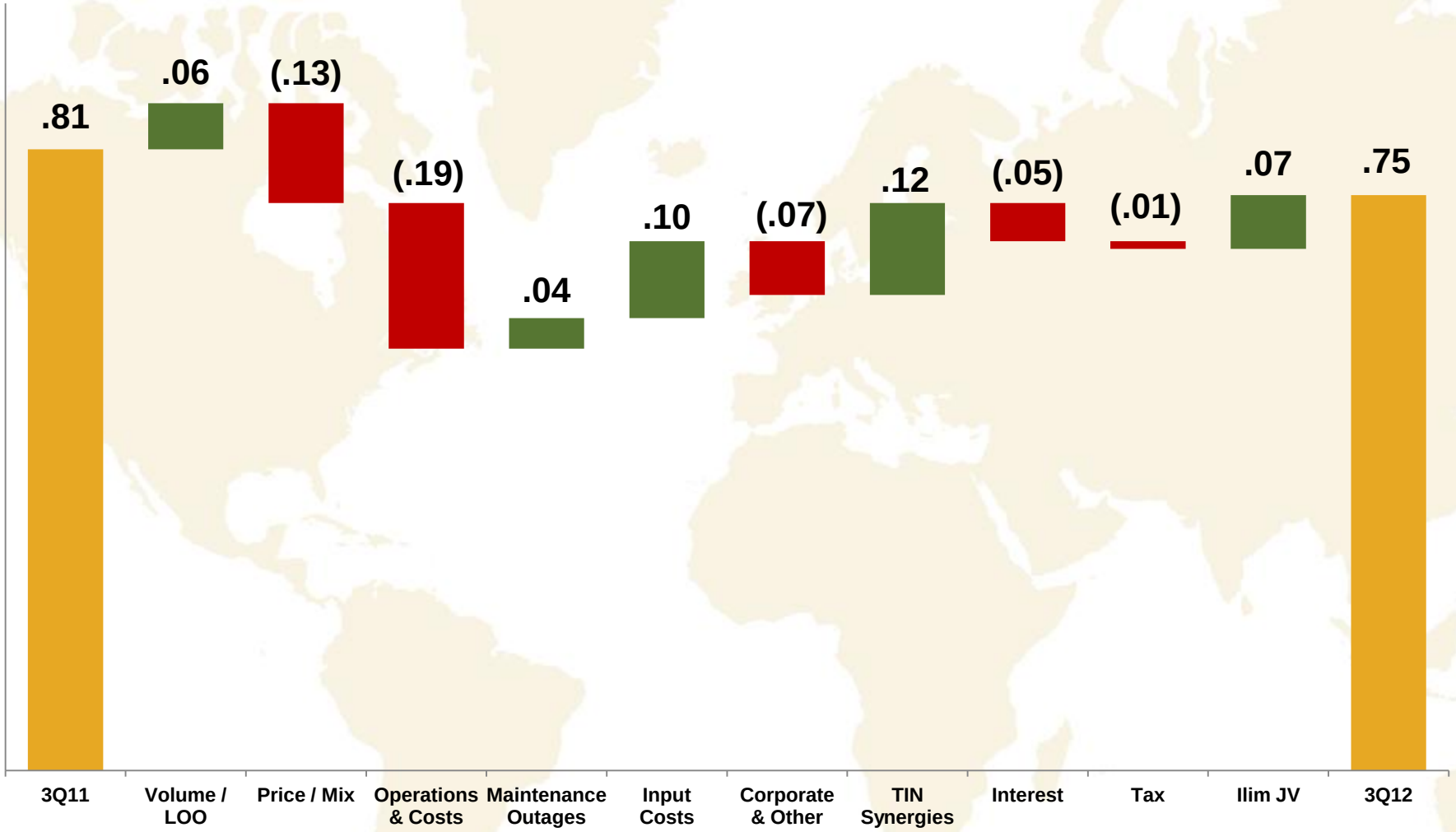
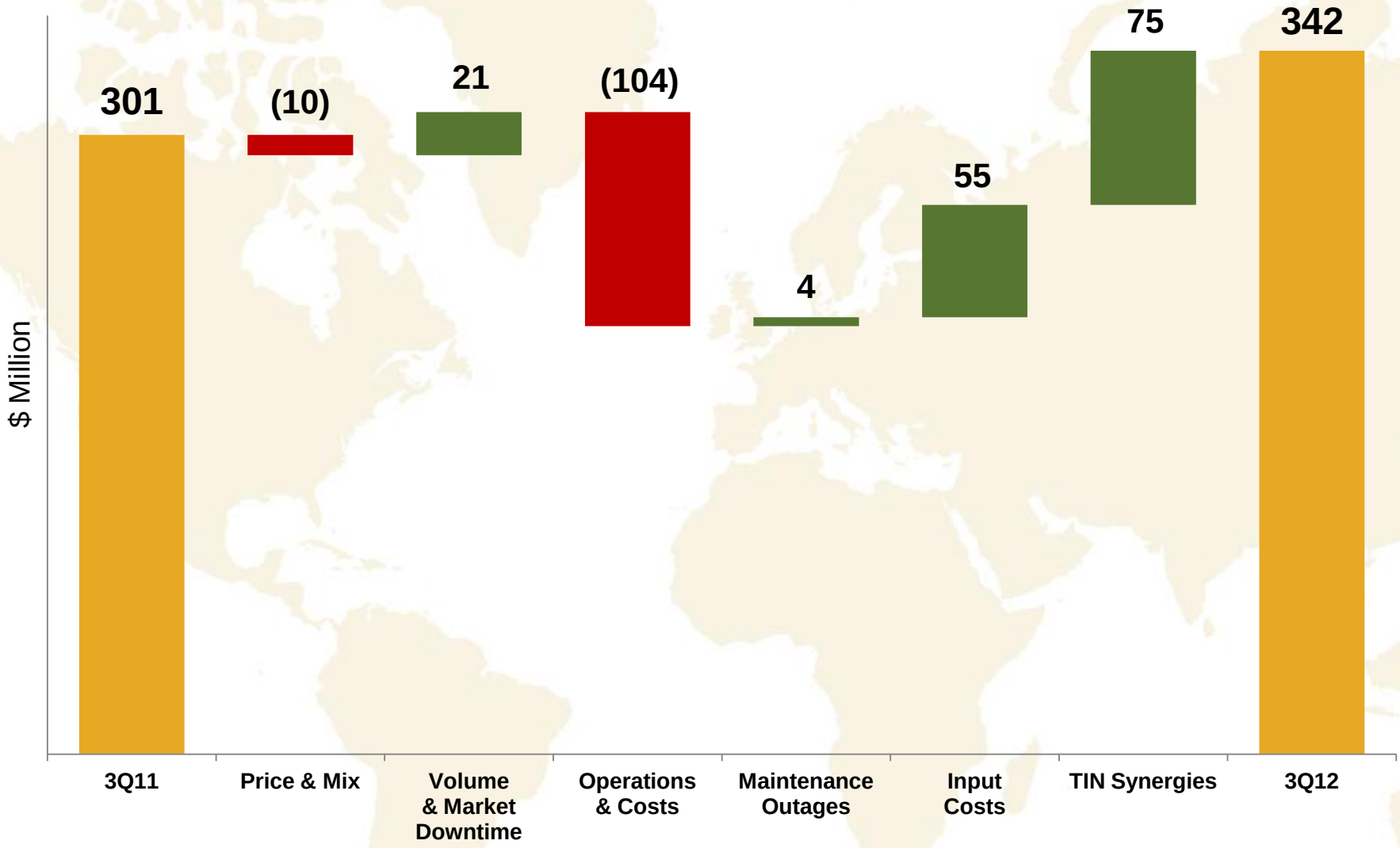
3Q12 vs. 3Q11 EPS



Earnings from continuing operations before special items

Industrial Packaging | 3Q12 vs. 3Q11



Earnings from continuing operations before special items

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Industrial Packaging | Volume and Pricing Trends

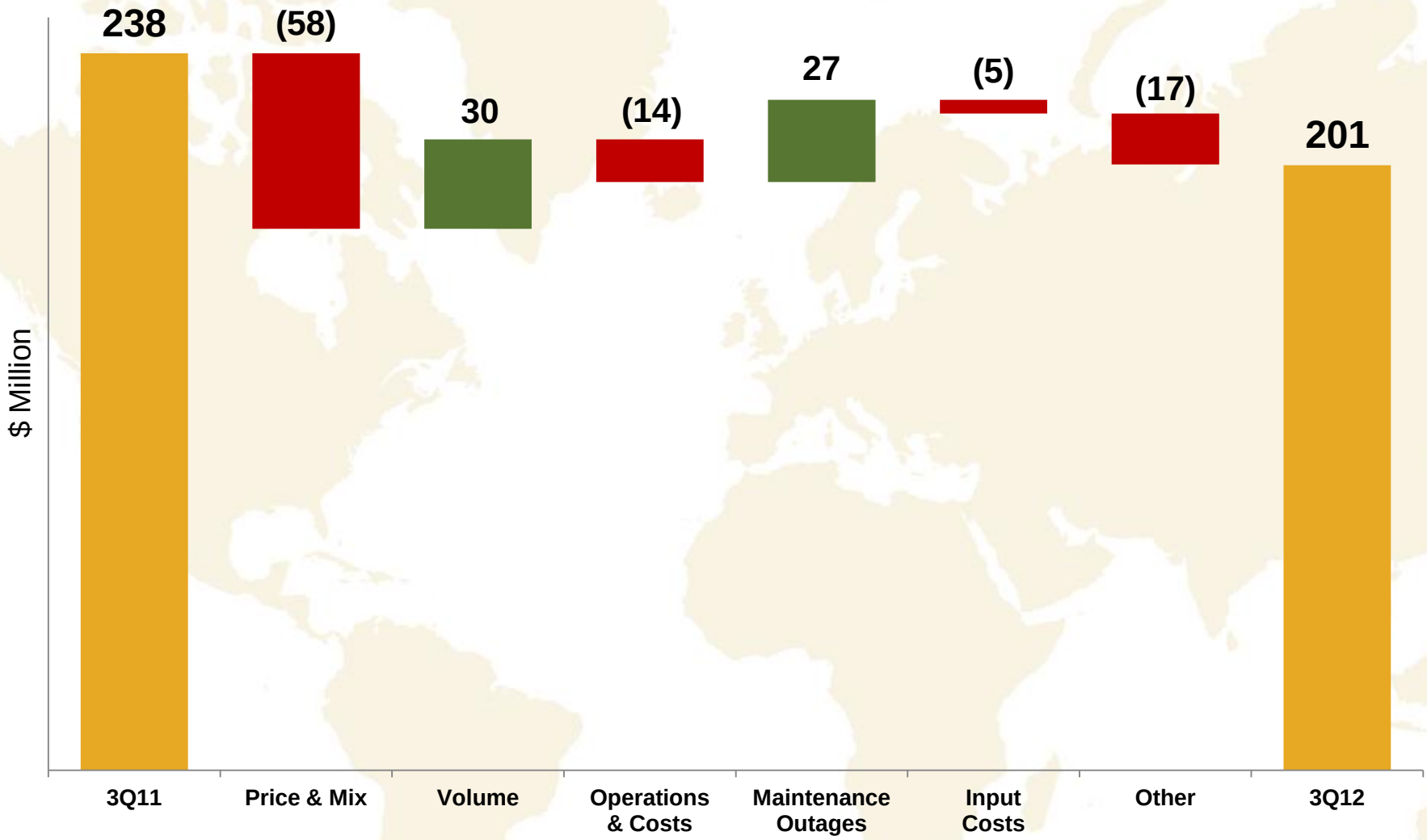
	3Q12 vs. 2Q12		3Q12 vs. 3Q11	
Business	**Volume**	**Price / Ton**	**Volume**	**Price / Ton**
N.A. Container[1]	**(3%)**	**($6)**	**(5%)**	**($5)**
European Container[2]	**(5%)**	**€5**	**1%**	**(€30)**

Average IP volume and price realization (includes the impact of mix across all segments)

[1] N.A. Container Volume on FBA reporting basis (excludes shipments from the Display & Bulk Segment and facilities in Mexico and Latin America but includes shipments from domestic Sheet Plants); All periods include full quarter of Temple-Inland volume

[2] European Container Volume reflects box shipments only (includes shipments from the non-consolidated joint venture in Turkey)

Printing Papers | 3Q12 vs. 3Q11



Earnings from continuing operations before special items

Printing Papers | Volume and Pricing Trends

	3Q12 vs. 2Q12		3Q12 vs. 3Q11	
Business	**Volume**	**Price / Ton**	**Volume**	**Price / Ton**
N.A. Paper	**4%**	**($1)**	**2%**	**($31)**
N.A. Pulp[1]	**21%**	**($30)**	**20%**	**($107)**
European Paper	**5%**	**(€1)**	**13%**	**(€34)**

Average IP volume and price realization (includes the impact of mix across all grades)

[1] Reflects Fluff and Market pulp combined

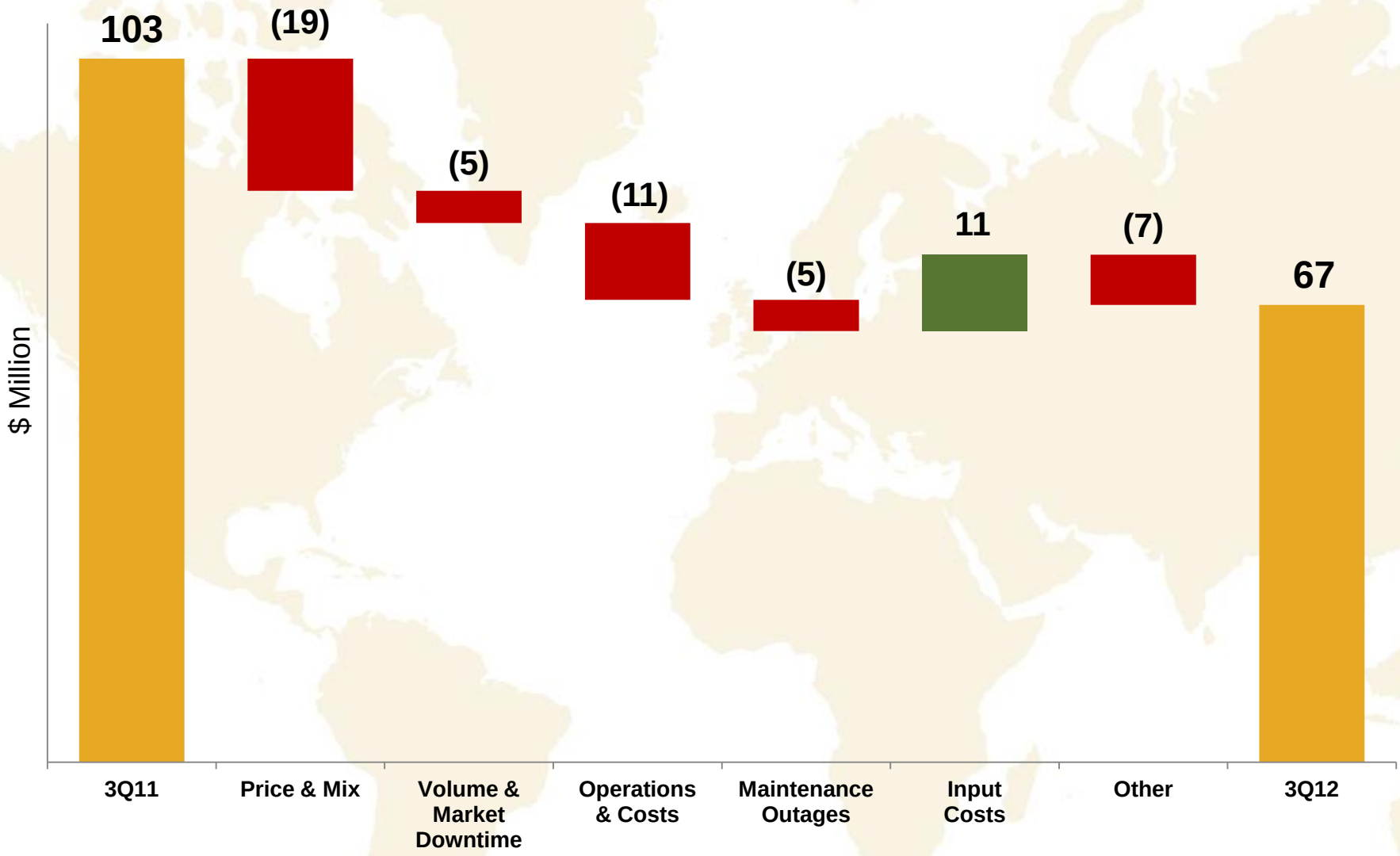
Printing Papers | IP Brazil

$ Million	3Q11	2Q12	3Q12
Sales	$290	$285	$280
Earnings	$37	$51	$45
EBITDA Margin	26%	29%	27%

	3Q12 vs. 2Q12		3Q12 vs. 3Q11	
Business	Volume	Price/Ton	Volume	Price/Ton
Uncoated Freesheet	(2%)	$8	3%	($14)
Domestic	21%	$10	22%	$54
Export	(18%)	$7	(12%)	($89)

IP Brazil results are reported in the Printing Papers segment
Earnings and EBITDA from continuing operations before special items
Average IP Brazil price realization (includes the impact of mix across all grades)

Consumer Packaging | 3Q12 vs. 3Q11



Earnings from continuing operations before special items

	3Q12 vs. 2Q12		3Q12 vs. 3Q11	
	Volume	Price/Ton	Volume	Price/Ton
N.A. Coated Paperboard	2%	($3)	(4%)	($25)
	Revenue	Price	Revenue	Price
Converting Businesses	(5%)	NA	6%	NA

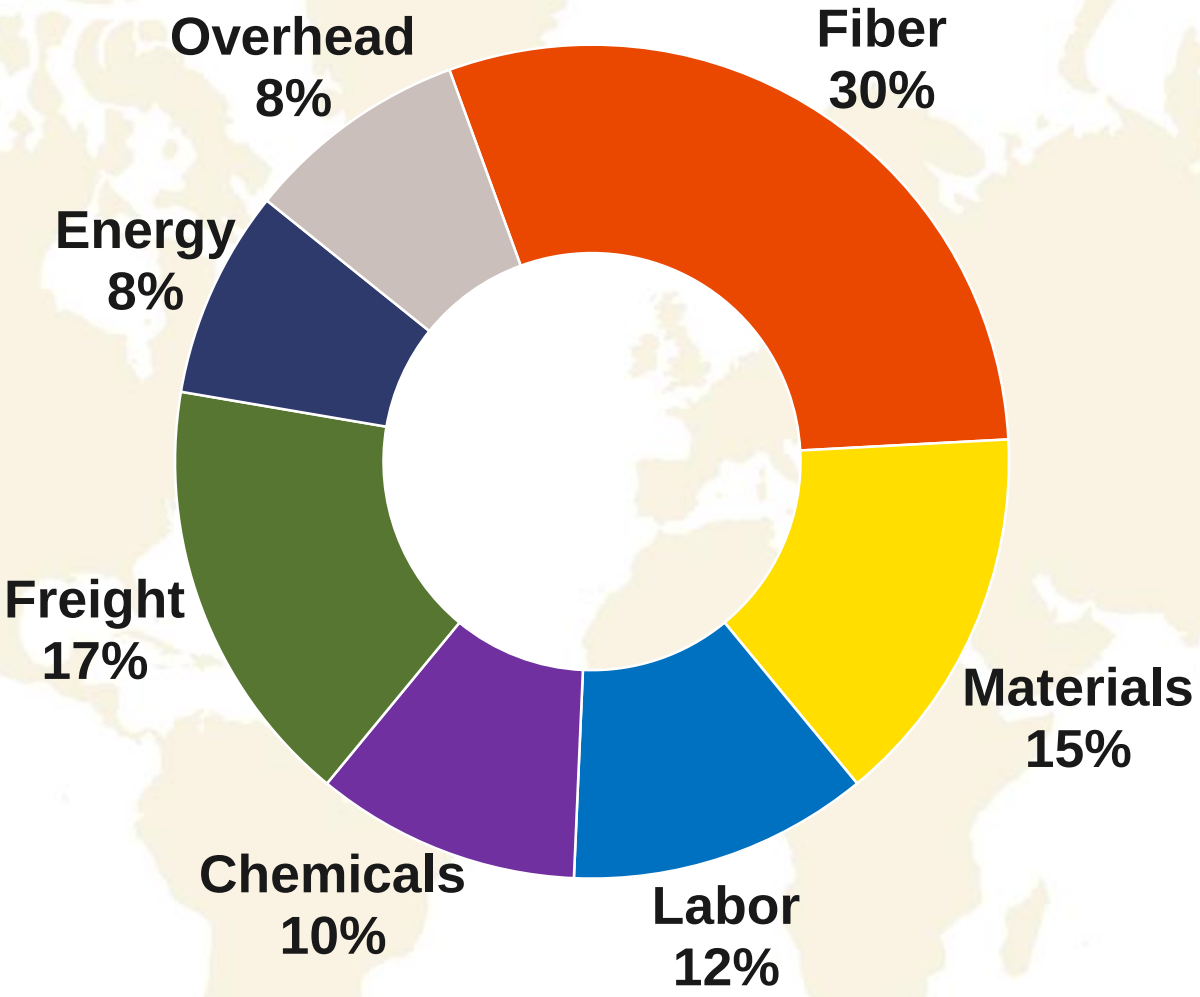
Average IP price realization (includes the impact of mix across all grades)

Ilim Joint Venture | Volume and Pricing Trends

	3Q12 vs. 2Q12		3Q12 vs. 3Q11	
Business	**Volume**	**Price/Ton**	**Volume**	**Price/Ton**
Pulp	**(5%)**	**($30)**	**(2%)**	**($155)**
Containerboard	**(3%)**	**($4)**	**(1%)**	**($104)**

Average Ilim JV (100%) volume and price realization (includes the impact of mix across all grades)

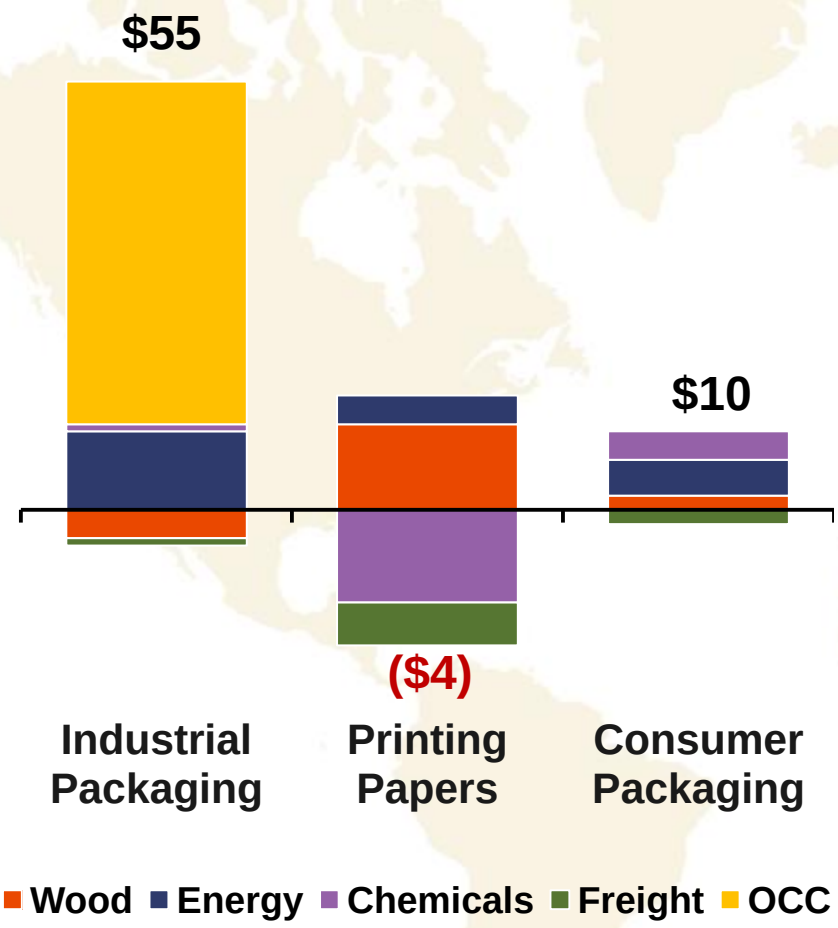
Total Cash Cost Components | 3Q12 YTD



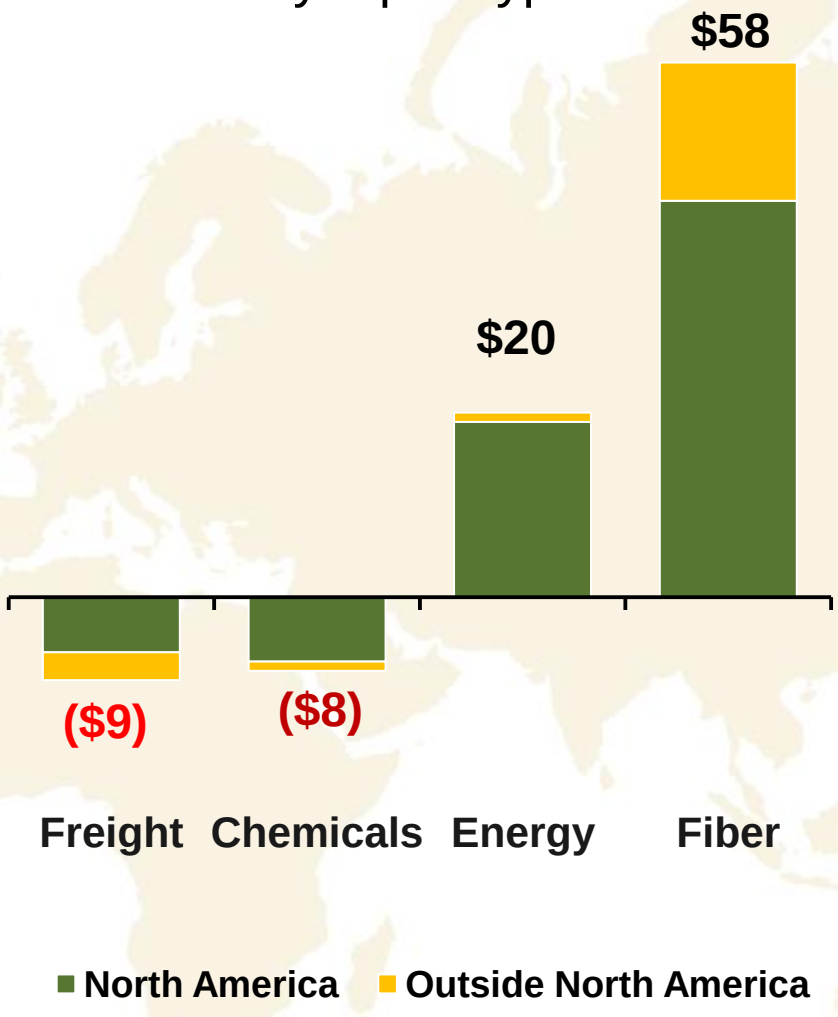
North American Mills Only (Including Temple Inland Mills)

Global Input Costs vs. 3Q11 | $61MM Favorable, or $0.10 per share

By Business



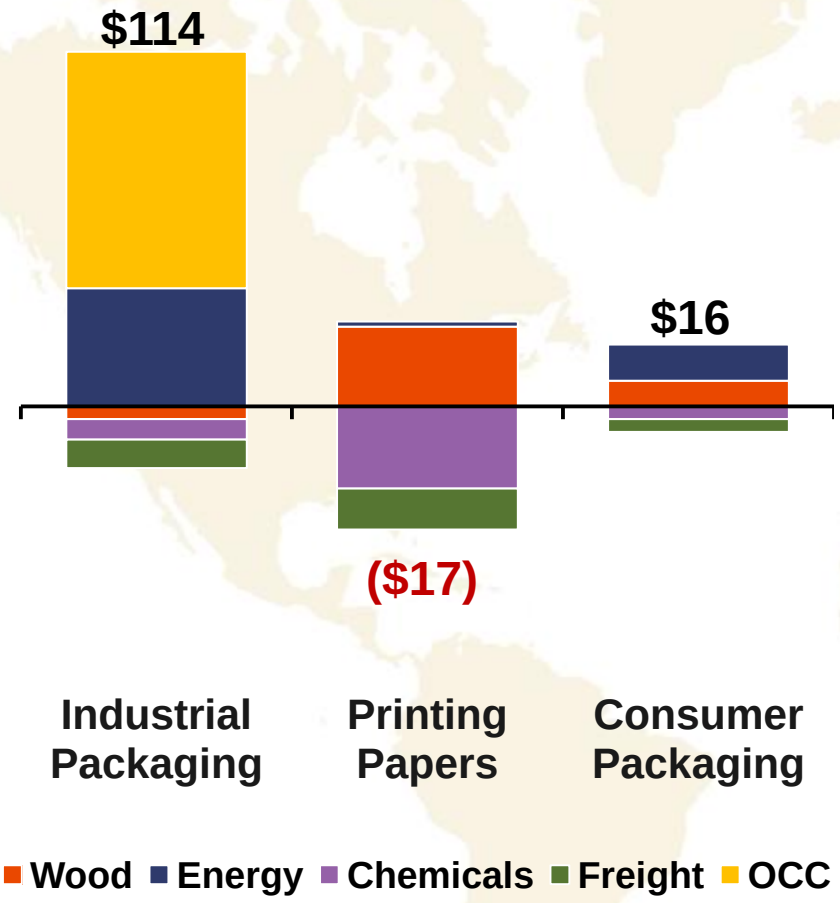
By Input Type



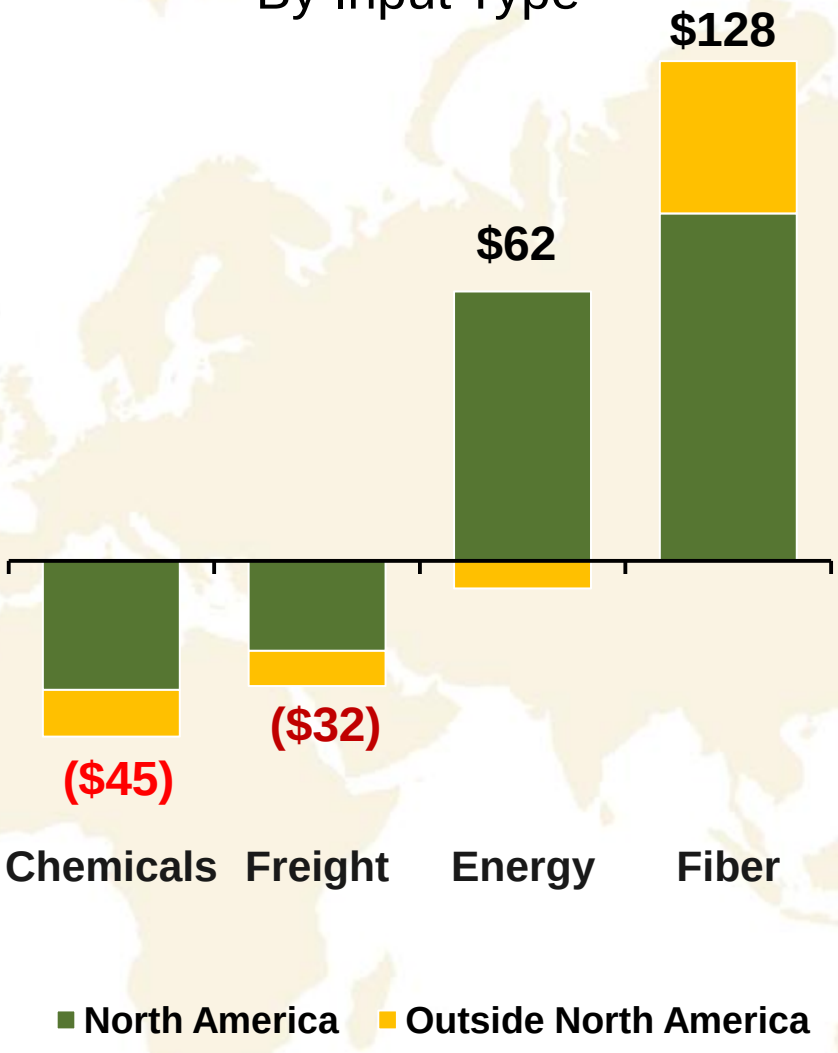
Input costs for continuing businesses

Global Input Costs vs. 9M11 | $113MM Favorable, or $0.18 per share

By Business

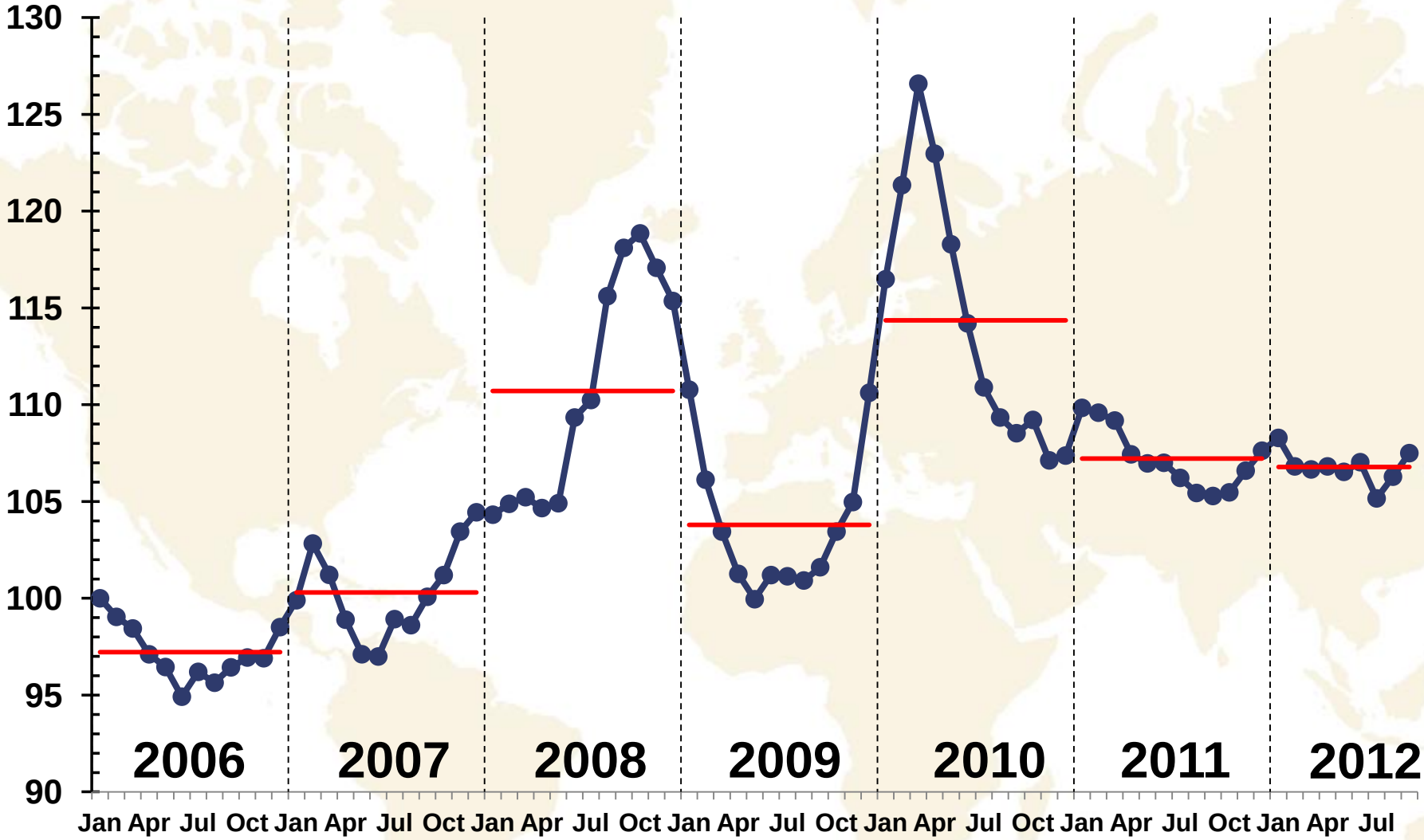


By Input Type



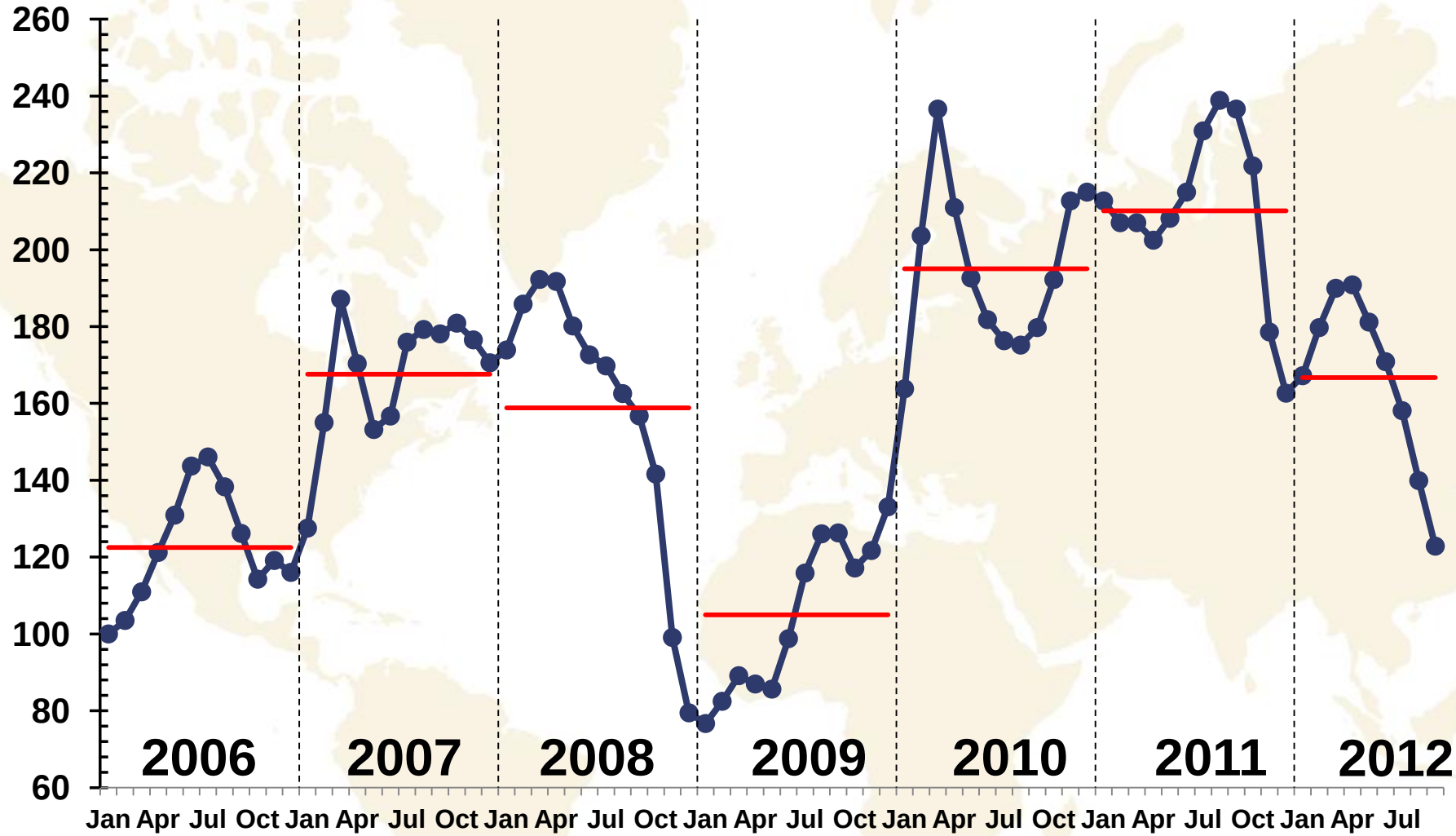
Input costs for continuing businesses

U.S. Mill Wood Delivered Cost Trend | Flat vs. 2Q12 Average Cost



Cost Indexed to January 2006 values

U.S. OCC Delivered Cost Trend | 22% Decrease vs. 2Q12 Average Cost



Cost Indexed to January 2006 values
2006-2007 represents WY PKG delivered costs; 2008-2010 represents delivered costs to the integrated system

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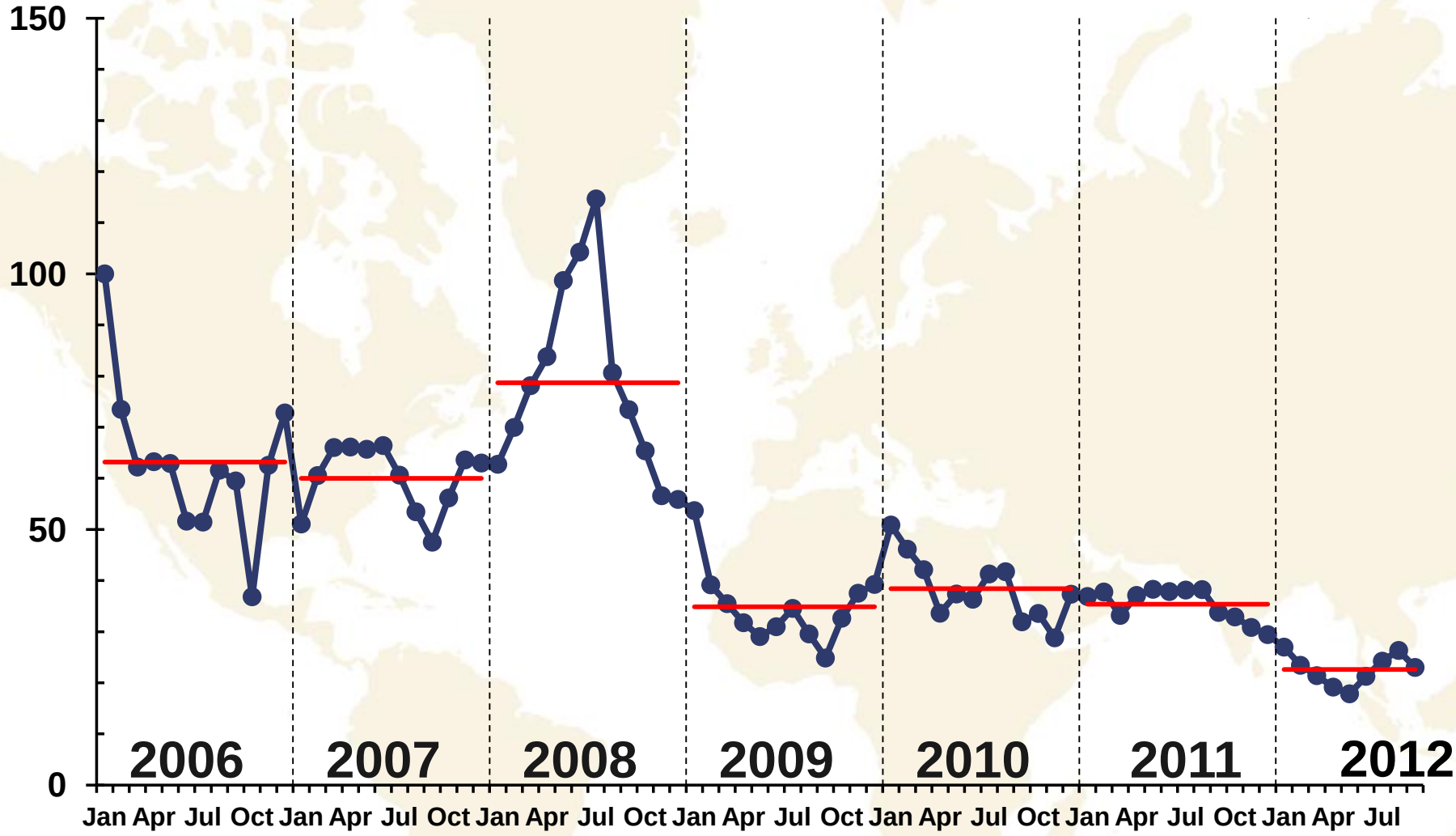
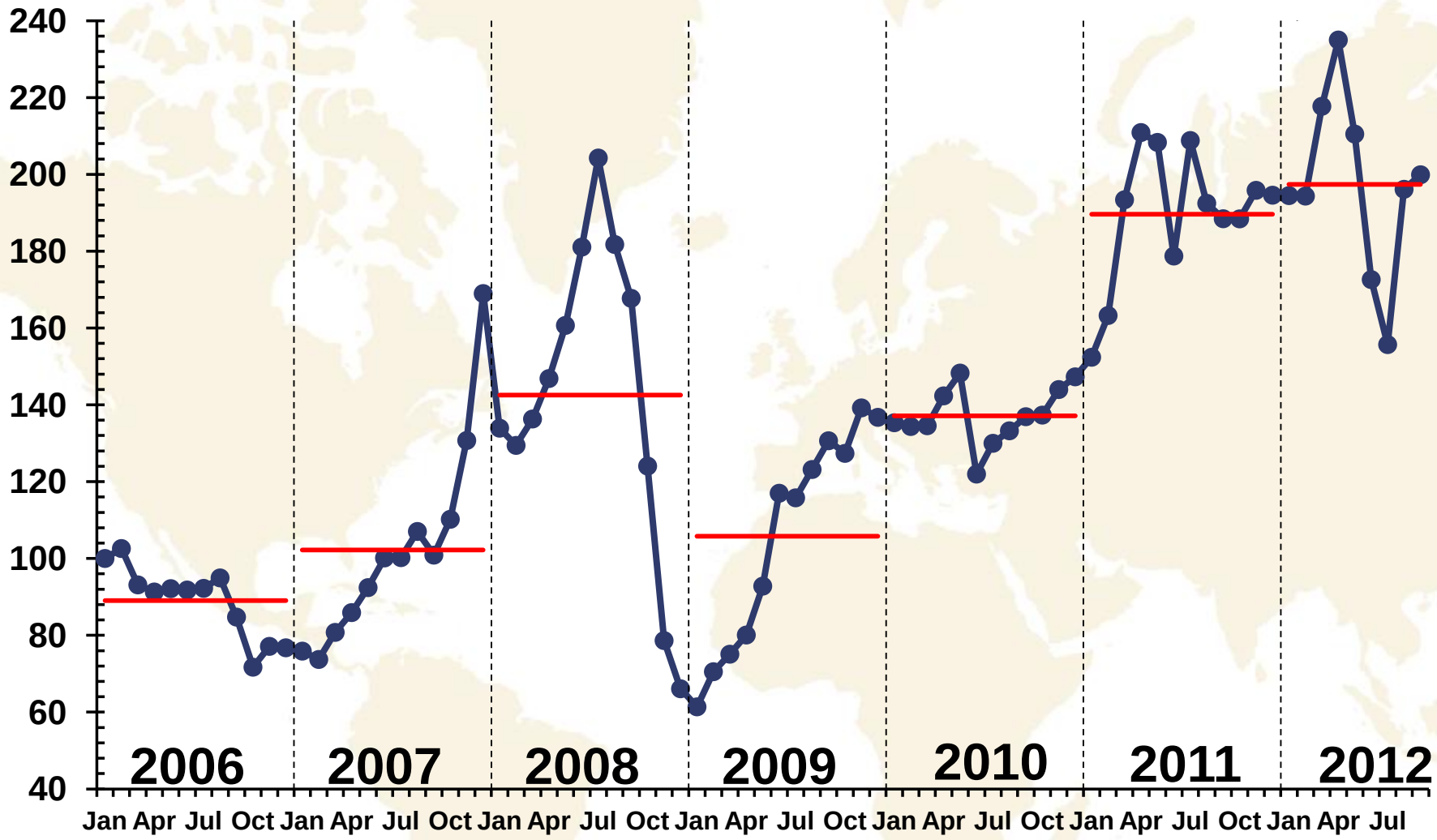
Natural Gas Costs Trend | 26% Increase vs. 2Q12 Average Cost



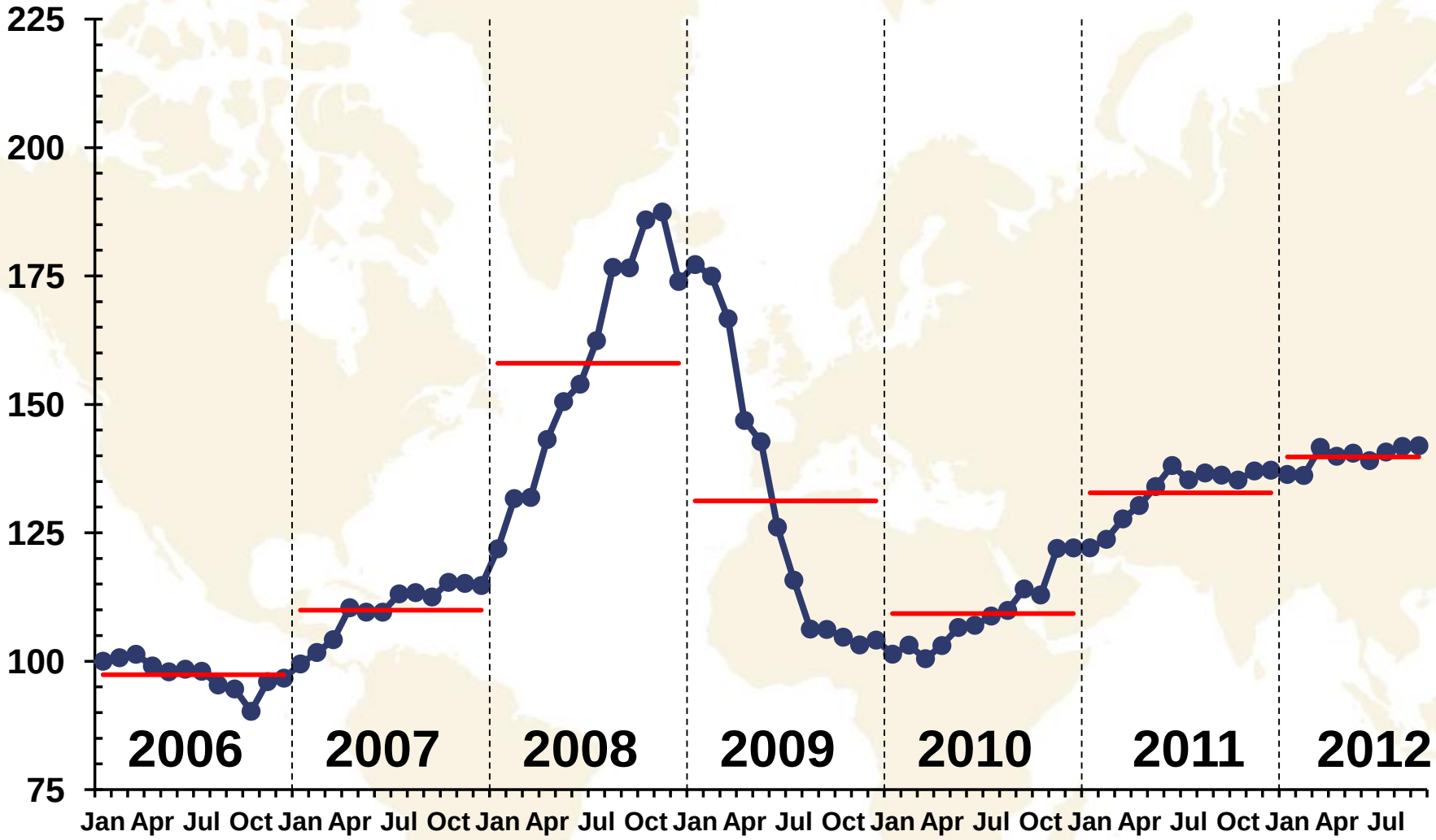
Cost Indexed to January 2006 values
NYMEX Natural Gas closing prices

U.S. Fuel Oil Trend | 11% Decrease vs. 2Q12 Average Cost



Cost Indexed to January 2006 values
WTI Crude prices

U.S. Chemical Composite Index Trend | 1% Increase vs. 2Q12 Average Cost



Cost Indexed to January 2006 values
Delivered cost to U.S. facilities: includes Caustic Soda, Sodium Chlorate, Starch and Sulfuric Acid 2006 - 2008 excludes WY PKG

2012 Global Consumption | Annual Purchase Estimates for Key Inputs

	Commodity	U. S.	Non – U. S.
Energy	Natural Gas (MM BTUs)	67,000,000	12,000,000
	Fuel Oil (Barrels)	850,000	400,000
	Coal (Tons)	485,000	500,000
Fiber	Wood (Tons)	53,000,000	12,000,000
	Old Corrugated Containers (Tons)	3,700,000	100,000
Chemicals	Caustic Soda (Tons)	380,000	100,000
	Starch (Tons)	400,000	97,000
	Sodium Chlorate (Tons)	190,000	50,000
	LD Polyethylene (Tons)	40,000	-
	Latex (Tons)	22,000	7,000

Does not include Asian or Ilim JV consumption
Estimates are based on normal operations and may be impacted by downtime
Excludes consumption related to divested TIN mills and TIN Building Products