Credit Suisse Basic Materials Conference | September 13, 2017



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 changes 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) changes in our expectations regarding the impact of Hurricanes Harvey and Irma on our assets and business; (vi) whether we experience a material disruption at one of our other manufacturing facilities; (vii) risks inherent in conducting business through joint ventures; (viii) the failure to realize the expected synergies and cost-savings from our purchase of the cellulose fibers business of Weyerhaeuser Company; and (ix) 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 measures will be presented, such as Adjusted Operating EPS, Adjusted EBIT, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow and Adjusted ROIC.

A reconciliation of all presented non-GAAP measures (and their components) to U.S. GAAP financial measures is available on the company's website at internationalpaper.com under Performance/Investors.

Topics

- **Business Fundamentals**
- **NA Industrial Packaging**
  - ✓ **Mill System Optimization**
  - ✓ **Impact of Hurricanes**
- **Global Cellulose Fibers**
- **Capital Allocation**







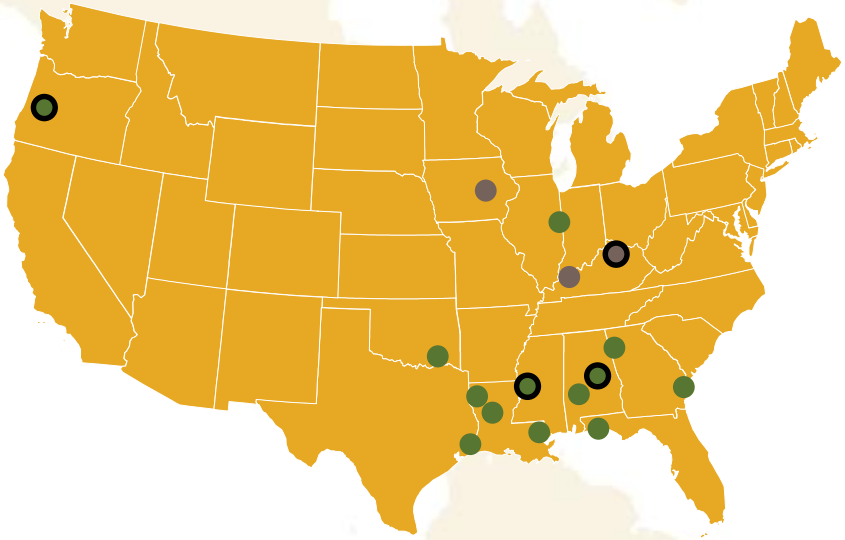


Business Fundamentals | Strong Second Half with Continued Momentum

	Demand	Price Initiatives	Optimization & Synergies
Industrial Packaging	Strong, Broad-based demand	Full ***Domestic*** Realization in 2H Continued ***Export*** Realization	Executing Mill System ***Optimization***
Global Cellulose Fibers	Solid Demand across Portfolio	Continued ***Pulp*** Realization across all Grades	Achieving More ***Synergies*** Faster

Announced during 2Q15 Earnings Call

Containerboard Mill System



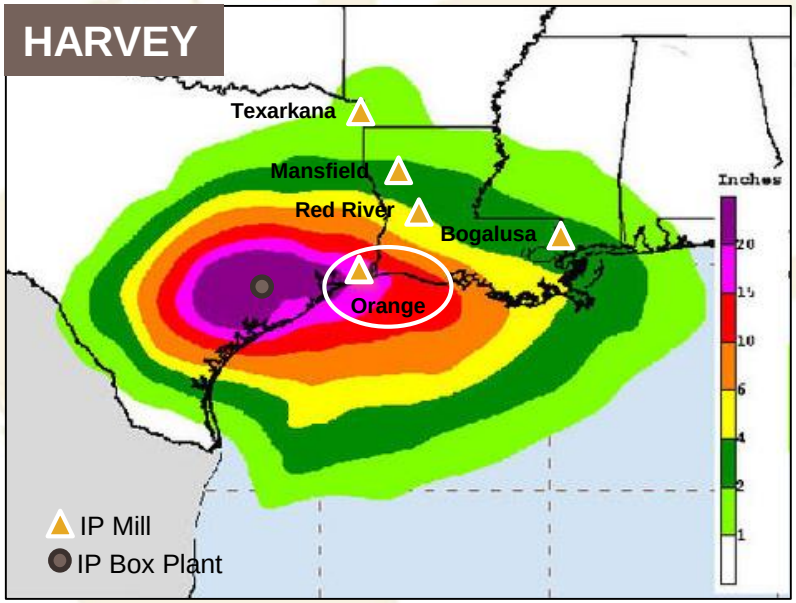
Next Phase of Optimization

- **~$300MM capital investment within mill system**
- **20%+ IRR projects**
- **Key Drivers**
  - ✓ **Improves system flexibility**
  - ✓ **Enhances quality**
  - ✓ **Further manufacturing and supply chain cost reductions**
  - ✓ **Supports future growth potential**

Industrial Packaging | Strengthening Our World Class Mill System

Mill	2016	2017	2018
 Prattville, AL		70,000 tons	
 Springfield, OR		45,000 tons	
 Vicksburg, MS		55,000 tons	
 Madrid, Spain		440,000 tons	
 Maysville, KY			85,000 tons

Hurricane Impact | 3Q17

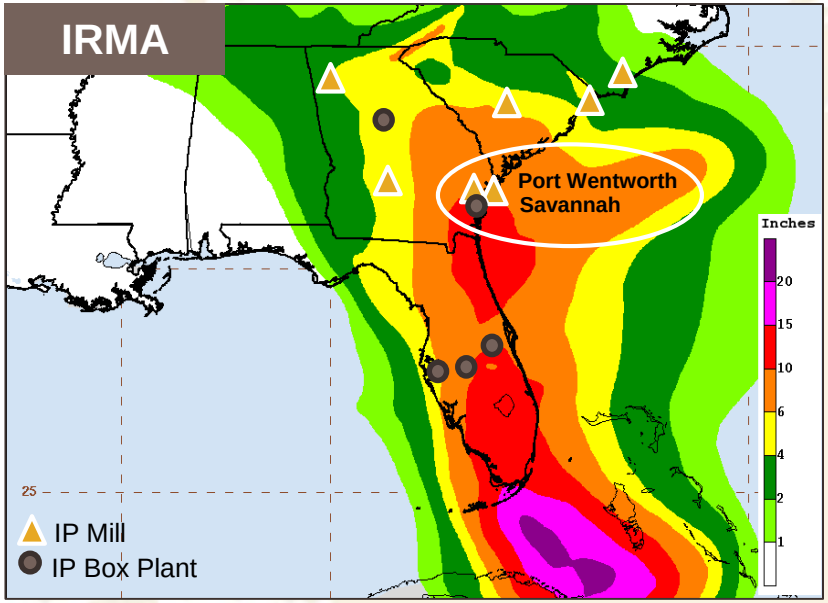


IP Relief Efforts

- $1MM donation to disaster relief partners
- 175,000 corrugated boxes donated to expedite distribution of essentials

Operational Impact – Full Shutdowns

- Orange Mill (TX)
- One Box Plant Idled (TX)



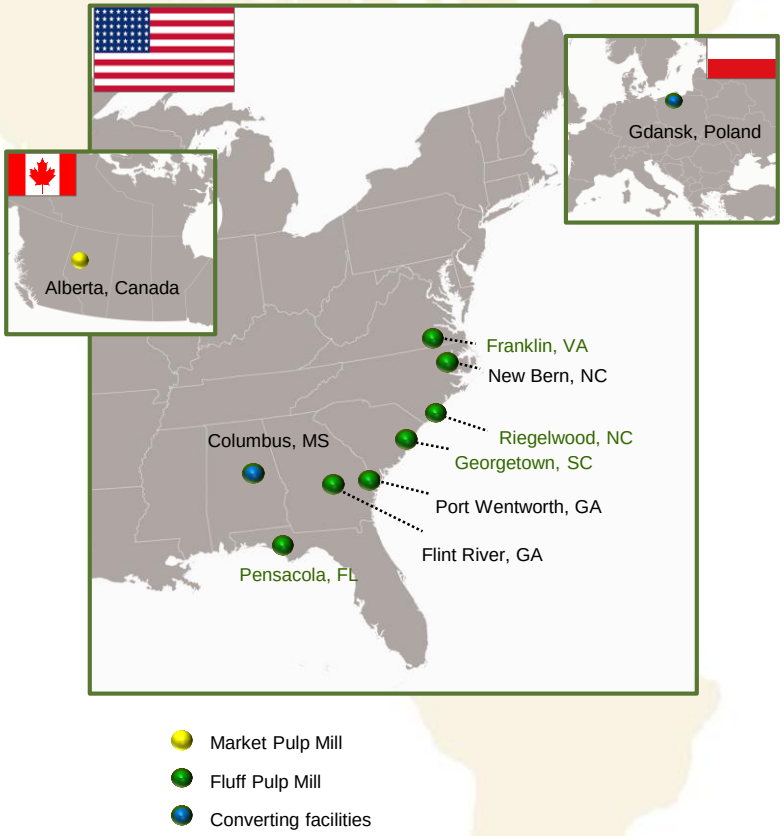
IP Relief Efforts

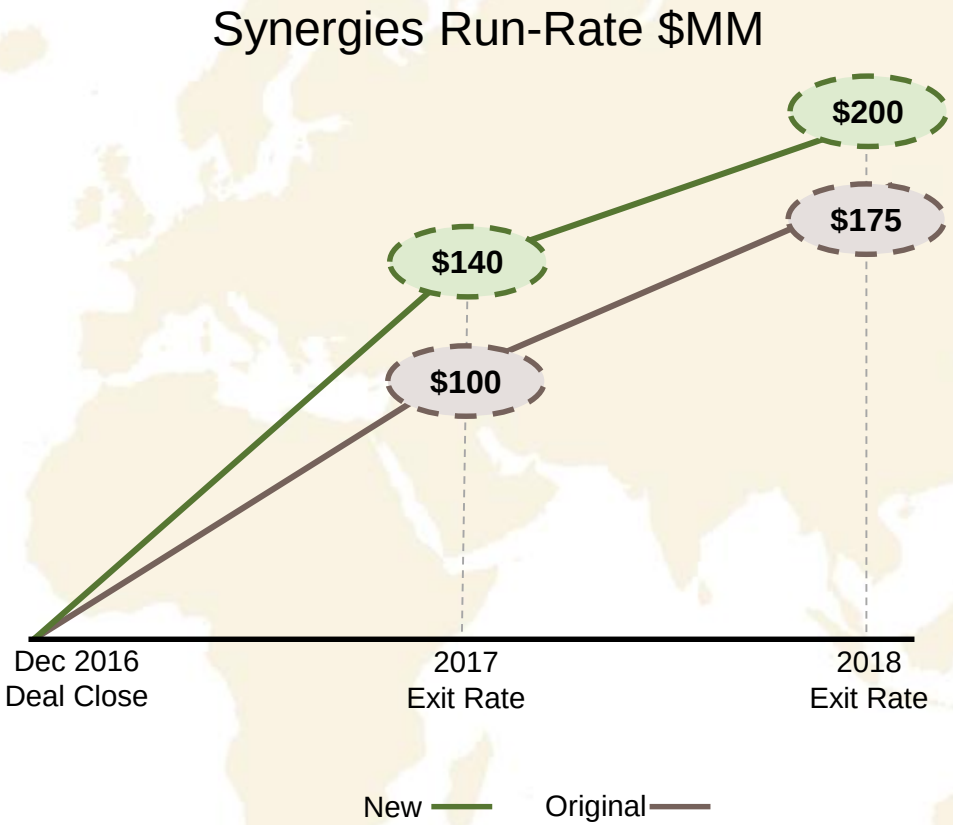
- TBD / Ongoing

Operational Impact – Full Shutdowns

- Savannah Mill (GA)
- Port Wentworth Mill (GA)
- Five Box Plants Idled (FL, GA)

More Synergies Faster





Capital Allocation | IP's Balanced Use of Cash

