Citi Basic Materials Conference | November 29, 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) whether we experience a material disruption at one of our manufacturing facilities; (vi) risks inherent in conducting business through joint ventures; (vii) the failure to realize the expected synergies and cost-savings from our purchase of the pulp business of Weyerhaeuser Company or delay in realization thereof; (viii) purchase price adjustments relating to our pending transaction to transfer our North American consumer packaging business to Graphic Packaging Holding Company in exchange for, among other things, an equity interest in an entity that will hold the assets for the combined business; (ix) the successful fulfillment or waiver of all conditions to closing the Graphic Packaging transaction without unexpected delays or conditions; (x) the successful closing of the Graphic Packing transaction within the estimated timeframe; (xi) the uncertainty of the expected financial performance of the combined business following completion of the Graphic Packaging transaction; (xii) the failure of the combined business to realize the expected synergies, cost-savings and other benefits from the Graphic Packaging transaction or delay in realization thereof; (xiii) the successful financing of the Graphic Packaging transaction; (ix) unforeseen tax treatment relating to the Graphic Packaging transaction, (xv) litigation related to the Graphic Packaging transaction or limitations or restrictions imposed by regulatory authorities that may delay or negatively impact the Graphic Packaging transaction; and (xvi) 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 the Company's 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.

Strategy



- Fiber-based Packaging, Pulp and Paper
- **Advantaged** Positions in **Attractive** Markets

Focused Portfolio — Revenue[1]

Industrial Packaging[2]



70%

Global Cellulose Fibers



11%

Printing Papers



19%

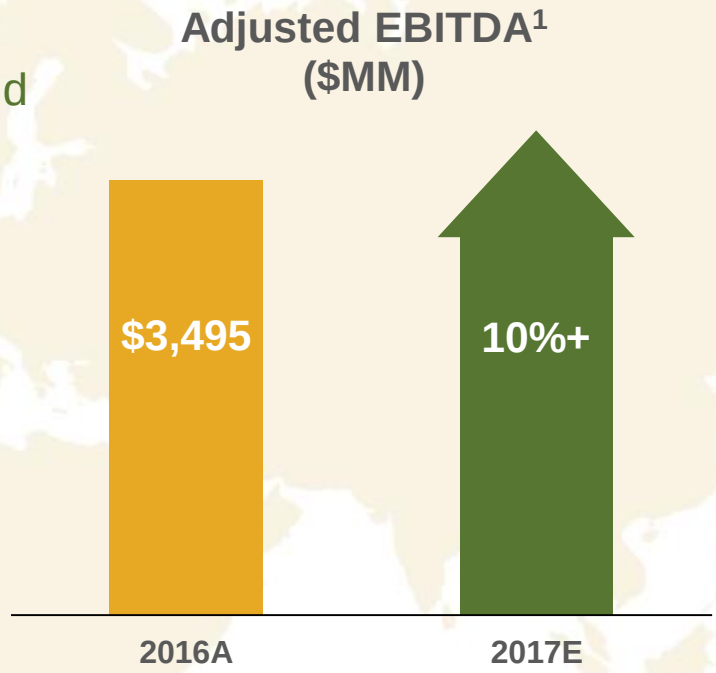
[1] 3Q17 YTD excluding N.A. Consumer Packaging [2] Includes EMEA Coated Paperboard Packaging

Full Year 2017 Update | Solid Second Half Performance with Strong Exit

On Track to Deliver 10%+ YoY EBITDA Growth

✓ **Positioned for strong 4Q results**

- Healthy demand in Industrial Packaging and Global Cellulose Fibers
- Flow through of 1H price increases and continued momentum
- Global Cellulose Fibers synergies
- Lower overall input costs
- Seasonally light maintenance schedule
- Anticipate strong operational results at Ilim



✓ **Expect to close transaction with Graphic Packaging in early 2018**

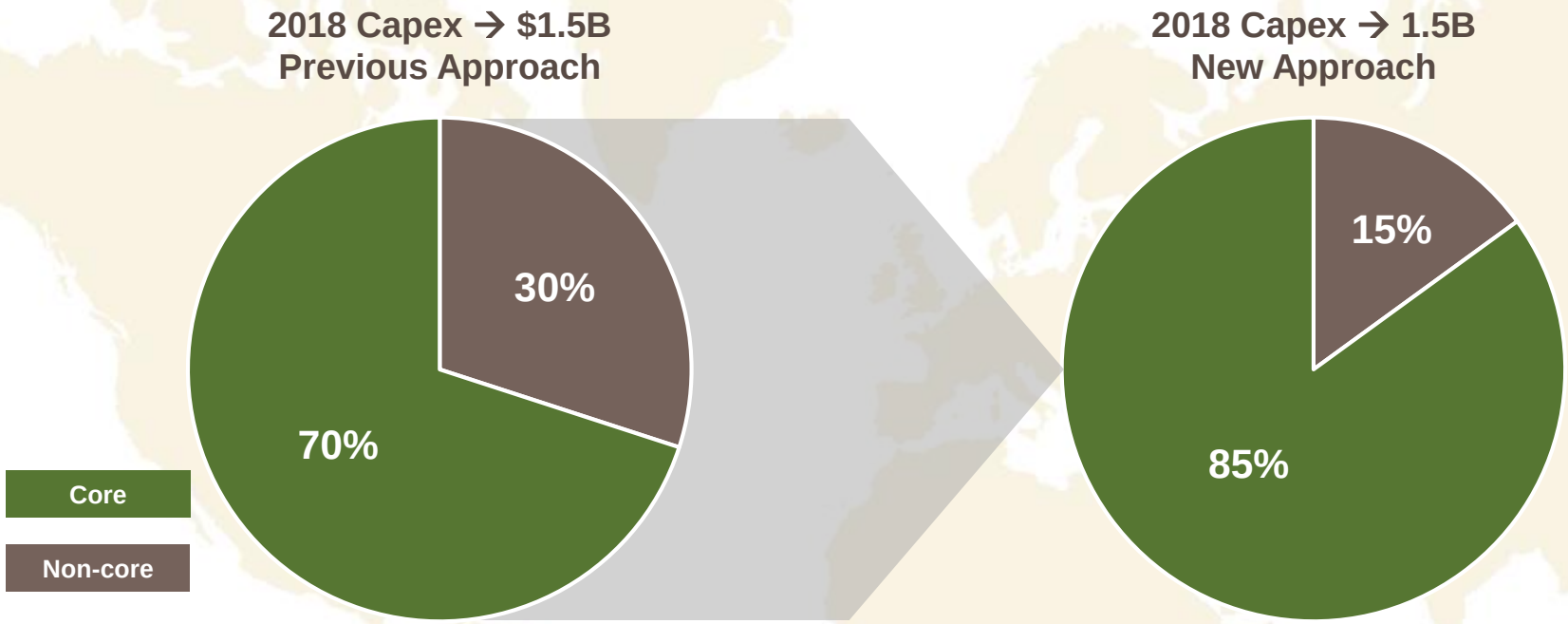
[1] From continuing operations before special items and non-operating pension expense

2018 Outlook | Momentum Continues

Confident in Another Year of Meaningful Growth in EBITDA

Demand	Strong outlook in core businesses
Margin	Full-year price flow through
Catalysts	Cost reduction initiatives, GCF synergies, Madrid Mill conversion
Free Cash Flow	Strong generation

Reallocating Capex to Industrial Packaging and Global Cellulose Fibers



- Aligned with strategic framework: **Advantaged** Position in **Attractive** Markets
- Focus on strongly positioned businesses and most advantaged assets
- Optimize core businesses and fund mill competitiveness

2018 Capital Investment | Optimizing Advantaged Assets

Maintenance & Regulatory

Maintaining world-class, low-cost, advantaged assets

$0.9B

Cost Reduction

Creating value through pipeline of high return projects ≥ 30% IRR

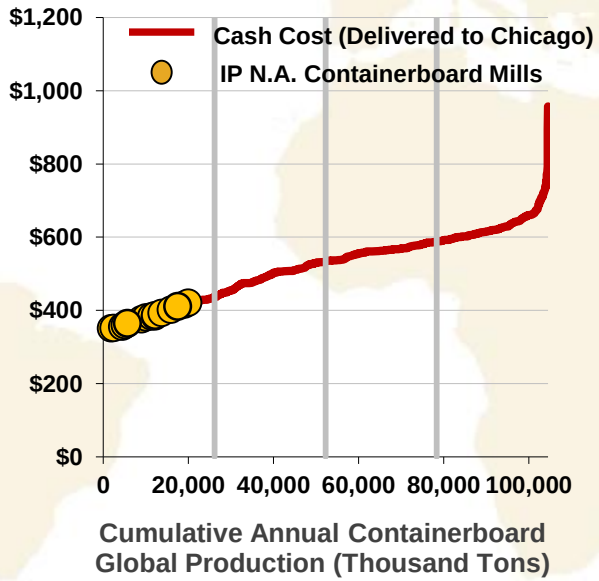
$0.2B

Strategic

Reinvesting in core businesses with higher growth profile

$0.4B



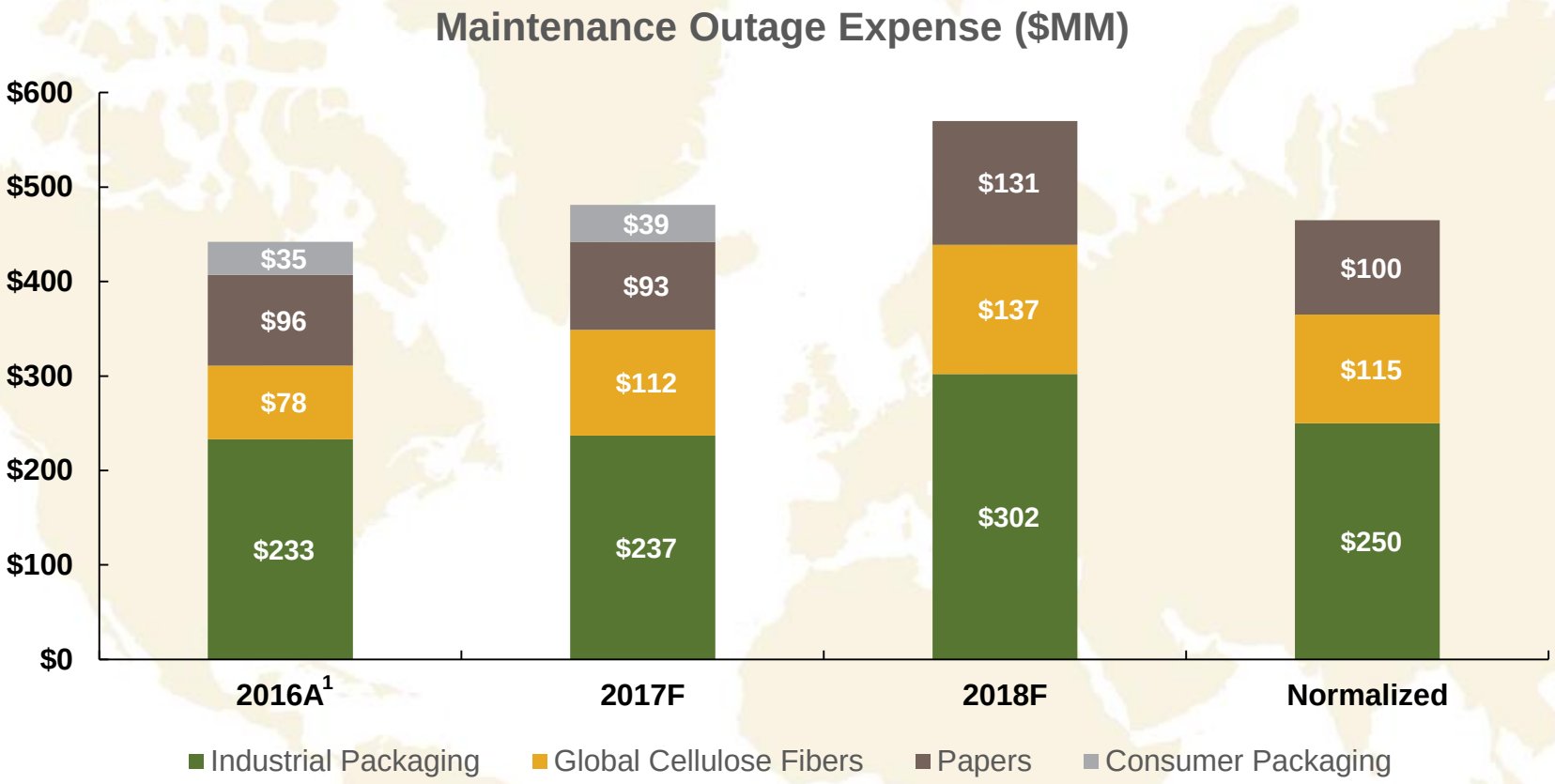




Madrid Mill Conversion
Last Newsprint Reel 3Q17

Source: IP Analysis, FisherSolve™ 2Q17 data

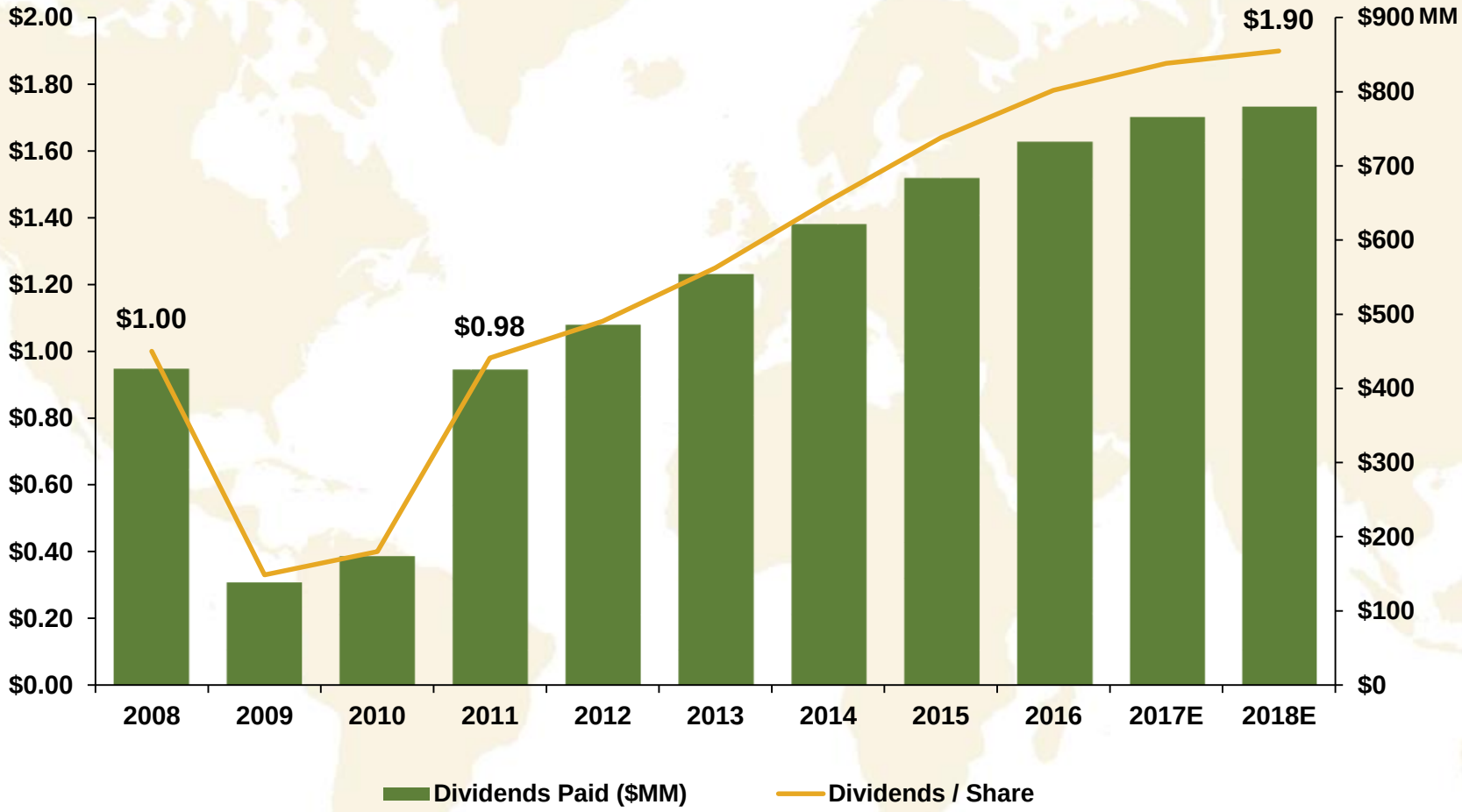
Maintenance Outages | Maintaining World-class Mill System



- Optimizing maintenance outage schedule across forty-six mill global system with a mix of 12, 15, 18 and 24 month outage schedule
- Extended outages planned in 2018

[1]2016A Global Cellulose Fibers does not include Weyerhaeuser GCF acquisition

3Q17 Increase the Sixth Consecutive since Restoration Post Great Recession



Appendix

Investor Relations Contacts

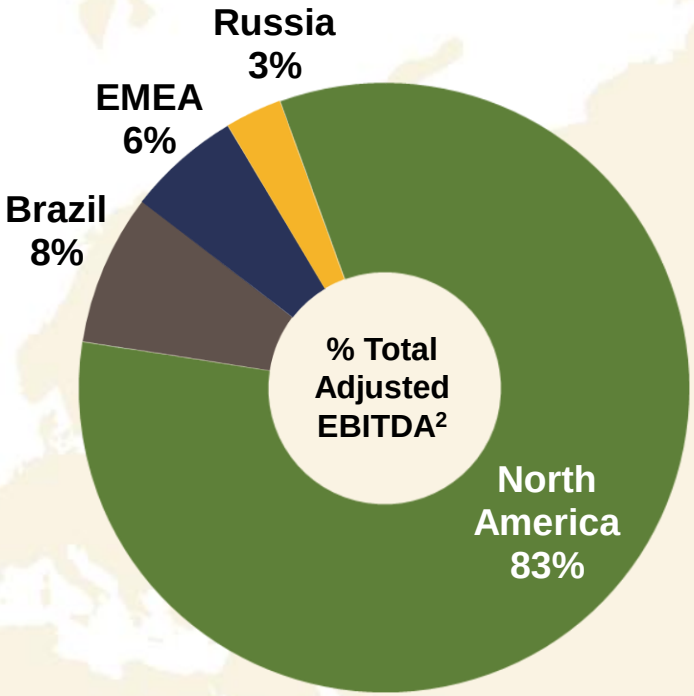
Guillermo Gutierrez	+1-901-419-1731
Michele Vargas	+1-901-419-7287

Media Contact

Tom Ryan	+1-901-419-4333

IP Overview

$ Billion (Except as noted)	2016
Sales	$21.1
Adj. EBITDA[1]	$3.5
Adj. EBITDA Margin	16.6%
FCF	$1.9
Dividend per share[3]	$1.90





[1] From continuing operations before special items and non-operating pension expense
[2] Based on 2016 Adjusted EBITDA Margins
[3] Annualized dividend as of 4Q17

Key Financial Metrics

$ Million (Except as noted)		2016	2017F	2018F
Maintenance Outage Expense		$442	$481	$570[1]
Capex[1]	Maintenance & Regulatory	$0.9B	$0.9B	$0.9B
	Cost Reduction	$0.1B	$0.2B	$0.2B
	Strategic	$0.4B	$0.4B	$0.4B
Depreciation & Amortization		$1.2B	~$1.4B	~$1.35B
Net Interest Expense		$520	~$575-600	~$525-550
Corporate Expense		$69	~$60	~$120
Effective Tax Rate		32%	~31%	~33%

[1]Excludes Consumer Packaging