



FOR IMMEDIATE RELEASE

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**XPEDX REPORTS 2007 E-COMMERCE SALES
AT \$1.4 BILLION, UP 12% OVER PRIOR YEAR**

**More than 5.8 million e-commerce orders placed in 2007—
now exceeds half of the company's total order volume**

xpedxstores.com launched, xpedx.com improved

CINCINNATI, Ohio, April 7, 2008—xpedx today announced it posted \$1.4 billion in e-commerce sales in 2007, an increase of 12% over the previous year. Growth in online business continues to be driven by customers seeking the advantages of electronic ordering and real-time purchasing management, the company said.

“Customers increasingly want their orders and related business processes conducted online,” said David Wallace, xpedx director of customer service and eBusiness. “This saves them money, time and effort. Our e-business systems give customers important financial and operational tools that help their businesses run more smoothly and effectively.”

xpedx, one of North America's largest business-to-business distributors, sells printing papers as well as graphics, packaging and facility supplies and equipment. Major customers include commercial printers, publishers, manufacturers, retailers, governments and facility managers. xpedx is a business of International Paper (NYSE: IP).

xpedx said more than 5.8 million orders were placed electronically in 2007, representing over half the total order volume at xpedx. The company has more than 265 distribution centers and retail stores in the U.S., Mexico and Canada. xpedx e-commerce activities are conducted via xpedx.com and affiliated sites as well as computer-to-computer transactions.

Wallace said the growth of xpedx e-commerce services is the result of the company's continued investment in new technologies that help customers and their businesses become more efficient.



For example, a new online catalog search tool helps customers quickly and more accurately locate the items they're looking for. The tool now sorts products by their attributes, making it easier for users to find exactly what they need.

This year, xpedx also launched xpedxstores.com to provide customers with quick ordering of paper and graphics supplies in small quantities. The xpedxstores.com site, which is currently available to selected xpedx Stores customers including small and mid-size printers and a wide variety of businesses and organizations, will be available to all U.S. businesses and consumers later in 2008.

Also in 2008, xpedx will continue developing new alliances to provide additional e-commerce services to its customers. The company last year offered expanded services to printers through new agreements with Avanti Systems of Toronto, Canada, and Pace Systems Group, Inc., of Jacksonville, Florida.

xpedx recently improved and upgraded its xpedx.com website, which provides detailed business information for customers and all other company stakeholders. In addition, xpedx said it plans to expand its xpedx.ca site for customers in Canada later this year.

xpedx has more than 10 million square feet of distribution centers with deep inventories across North America. Everything xpedx stocks is available via the website and products not stocked at xpedx locations can be ordered online. xpedx.com has a team of eBusiness specialists who work closely with customers at their locations. xpedx also has a live help desk that is available every business day.

About xpedx

Cincinnati, Ohio-based xpedx, a business of International Paper (NYSE: IP), is one of the largest business-to-business distribution companies in North America. xpedx distributes a wide variety of printing paper, graphics, packaging and janitorial-sanitary supplies and equipment from manufacturers worldwide. Customers include printers and publishers, manufacturers, retailers, governments and facility managers. xpedx also does business with the majority of Fortune 1000 companies.

xpedx has more than 265 locations across the U.S., Canada and Mexico and posted \$7.3 billion in 2007 revenues. Other xpedx businesses include Tampa, Florida-based xpedx Supply Chain Services, a global provider of third-party logistics services; Cincinnati-based Saalfeld Redistribution; Kansas City, Kansas-based xpedx Printing Technologies, the exclusive U.S. distributor of Ryobi-branded offset printing presses; Cleveland, Ohio-based xpedx National Technology Center and publishing industry suppliers Bulkley Dunton and Strategic Paper Group.



xpedx operates a network of more than 150 retail paper and graphics stores, as well as a new retail e-commerce site at xpedxstores.com. xpedx is one of the largest providers of post-consumer waste content and recycled printing papers in North America and has both Sustainable Forestry Initiative® (SFI) and Forest Stewardship Council (FSC) chain-of-custody certification at all of its U.S. locations. xpedx will expand its chain-of-custody certifications into Canada in 2008. For more information about xpedx, visit xpedx.com.

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Editor's Note: xpedx is always spelled all lower case.

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Forward-Looking Statements

This release contains 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) industry conditions; (ii) market and economic factors, including changes in international conditions; and (iii) results of legal proceedings and compliance costs. 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 Securities and Exchange Commission filings made by International Paper Company.