

INTERNATIONAL PAPER CO /NEW/  
Form FWP  
May 29, 2008

**Free Writing Prospectus  
(To the Preliminary Prospectus  
Supplement dated May 28, 2008)**

**Filed Pursuant to Rule 433  
Registration Statement No. 333-132259**

**\$1,000,000,000 of 7.400% Notes due 2014  
\$1,700,000,000 of 7.950% Notes due 2018  
\$300,000,000 of 8.700% Notes due 2038**

**FINAL TERM SHEET**

**May 28, 2008**

**7.400% Notes due 2014**

|                               |   |
|-------------------------------|---|
| Issuer:                       | International Paper Company   |
| Security:                     | 7.400% Notes due 2014   |
| Principal Amount:             | \$1,000,000,000   |
| Trade Date:                   | May 28, 2008  |
| Settlement Date:              | June 4, 2008 (T+5)  |
| Final Maturity:               | June 15, 2014   |
| Interest Rate:                | 7.400% per annum  |
| Public Offering Price:        | 99.804%   |
| Yield to Maturity:            | 7.440%  |
| Benchmark Treasury:           | 3.125% UST due April 30, 2013   |
| Benchmark Treasury Price:     | 99-01   |
| Benchmark Treasury Yield:     | 3.340%  |
| Spread to Benchmark Treasury: | +410 bps  |
| Interest Payment Dates:       | Semi-annually in arrears on June 15 and December 15, commencing December 15, 2008.  |
| Optional Redemption:          | Greater of par and make whole at Treasury plus 50 basis points, plus accrued and unpaid interest to the date of redemption                              |
| Authorized Denominations:     | \$2,000 and integral multiples of \$1,000 in excess thereof   |
| CUSIP/ISIN:                   | 460146CB7/US460146CB71  |
| Book-Running Managers:        | Banc of America Securities LLC<br>Deutsche Bank Securities Inc.<br>Greenwich Capital Markets, Inc.<br>J.P. Morgan Securities Inc.<br>UBS Securities LLC |
| Global Settlement:            | Through The Depository Trust Company, including Euroclear or Clearstream, Luxembourg, as participants   |

**7.950% Notes due 2018**

|           |                             |
|-----------|-----------------------------|
| Issuer:   | International Paper Company |
| Security: | 7.950% Notes due 2018       |

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|                        |                             |
|------------------------|-----------------------------|
| Principal Amount:      | \$1,700,000,000             |
| Trade Date:            | May 28, 2008                |
| Settlement Date:       | June 4, 2008 (T+5)          |
| Final Maturity:        | June 15, 2018               |
| Interest Rate:         | 7.950% per annum            |
| Public Offering Price: | 99.988%                     |
| Yield to Maturity:     | 7.951%                      |
| Benchmark Treasury:    | 3.875% UST due May 15, 2018 |

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Benchmark Treasury Price: 98-31  
 Benchmark Treasury Yield: 4.001%  
 Spread to Benchmark Treasury: +395 bps  
 Interest Payment Dates: Semi-annually in arrears on June 15 and December 15, commencing December 15, 2008.  
 Optional Redemption: Greater of par and make whole at Treasury plus 50 basis points, plus accrued and unpaid interest to the date of redemption  
 Authorized Denominations: \$2,000 and integral multiples of \$1,000 in excess thereof  
 CUSIP/ISIN: 460146CA9/US460146CA98  
 Book-Running Managers: Banc of America Securities LLC  
 Deutsche Bank Securities Inc.  
 Greenwich Capital Markets, Inc.  
 J.P. Morgan Securities Inc.  
 UBS Securities LLC  
 Global Settlement: Through The Depository Trust Company, including Euroclear or Clearstream, Luxembourg, as participants

**8.700% Notes due 2038**

Issuer: International Paper Company  
 Security: 8.700% Notes due 2038  
 Principal Amount: \$300,000,000  
 Trade Date: May 28, 2008  
 Settlement Date: June 4, 2008 (T+5)  
 Final Maturity: June 15, 2038  
 Interest Rate: 8.700% per annum  
 Public Offering Price: 99.508%  
 Yield to Maturity: 8.746%  
 Benchmark Treasury: 5.000% UST due May 15, 2037  
 Benchmark Treasury Price: 105-06  
 Benchmark Treasury Yield: 4.671%  
 Spread to Benchmark Treasury: +407.5 bps  
 Interest Payment Dates: Semi-annually in arrears on June 15 and December 15, commencing December 15, 2008.  
 Optional Redemption: Greater of par and make whole at Treasury plus 50 basis points, plus accrued and unpaid interest to the date of redemption  
 Authorized Denominations: \$2,000 and integral multiples of \$1,000 in excess thereof  
 CUSIP/ISIN: 460146CC5/US460146CC54  
 Book-Running Managers: Banc of America Securities LLC  
 Deutsche Bank Securities Inc.  
 Greenwich Capital Markets, Inc.  
 J.P. Morgan Securities Inc.  
 UBS Securities LLC  
 Global Settlement: Through The Depository Trust Company, including Euroclear or Clearstream, Luxembourg, as participants

**Net Proceeds**

We estimate that the net proceeds, after deducting underwriters' discounts and commissions and before deducting other estimated offering expenses payable by us, from the offering will be \$2,976,435,000.



**Updated Pro Forma Condensed Combined Financial Information**

The following provides updates to certain International Paper unaudited pro forma condensed combined financial information contained in the Preliminary Prospectus Supplement to reflect the aggregate principal amount and applicable interest rates of the notes offered:

|                                      | <b>Three Months</b>          |     |                     |
|--------------------------------------|------------------------------|-----|---------------------|
|                                      | <b>Ended</b>                 |     | <b>Year Ended</b>   |
|                                      | <b>March 31,</b>             |     | <b>December 31,</b> |
|                                      | <b>2008</b>                  |     | <b>2007</b>         |
|                                      | <b>(Dollars in millions)</b> |     |                     |
| Interest expense, net:               | \$                           | 193 | \$ 766              |
| Income tax provision:                | \$                           | 33  | \$ 302              |
| Earnings from continuing operations: | \$                           | 118 | \$ 1,051            |

Impact of change in interest rates: As of March 31, 2008 on a pro forma basis giving effect to the Acquisition, each one percentage point change in interest rates would result in a \$63 million change in our annual cash interest expense, before any principal payment on our financial instruments with exposure to interest rate risk

**Underwriting**

The Underwriting section of the Preliminary Prospectus Supplement is updated to include the following additional underwriters for the offer and sale of the notes: BBVA Securities Inc., BNP Paribas Securities Corp., Calyon Securities (USA) Inc., Commerzbank Capital Markets Corp., Daiwa Securities America Inc., Mitsubishi UFJ Securities International plc, Scotia Capital (USA) Inc. and SG Americas Securities, LLC. All of the additional underwriters or their affiliates will be lenders under the Acquisition Credit Facilities.

Mitsubishi UFJ Securities International plc is not a U.S. registered broker-dealer and, therefore, to the extent that it intends to effect any sales of the notes in the United States, it will do so through one or more U.S. registered broker-dealers as permitted by Financial Industry Regulatory Authority regulations.

**The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement, the Preliminary Prospectus Supplement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the Preliminary Prospectus Supplement if you request it by calling any of the Book-Running Managers at the numbers below:**

**Banc of America Securities LLC  
Deutsche Bank Securities Inc.**

**800-294-1322 (toll free)  
800-503-4611 (toll free)**

**Greenwich Capital Markets, Inc.**

**866-884-2071 (toll free)**

**J.P. Morgan Securities Inc.**

**212-834-4533 (call collect)**

**UBS Securities LLC**

**877-827-6444, ext. 561-3884 (toll free)**

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