



FOR IMMEDIATE RELEASE
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**XPEDX NAMES CANADIAN PAPER DISTRIBUTION EXECUTIVE
MIKE KEARNEY AS GROUP VICE PRESIDENT, XPEDX CANADA**

Paper and print industry veteran to also head new Toronto division

**Company reports progress toward Fall 2007 opening
of Canada headquarters, new Brampton distribution center and
two new retail paper and graphics stores in metro Toronto**

TORONTO, August 15, 2007—xpedx said today it has named Michael Kearney, a veteran Canadian paper and graphics industry executive, as head of its Canadian operations and new Toronto-area distribution center.

Meantime, the company said it is making progress toward full operations in Fall 2007 at its new Brampton, Ont. operations and distribution center, which will also serve as the national headquarters of xpedx Canada. xpedx has announced a new 150,000-square foot distribution center as well as two paper and graphics stores in Brampton and Markham, Ont. xpedx is a major North American distributor of printing papers, graphics, packaging and janitorial-sanitary supplies and equipment.

Kearney, who previously served as president and chief operating officer for Vancouver-based Coast Papers, has a 30-year career working with printers of all sizes across Canada. He has a demonstrated commitment to strong supplier relationships and an established record of expanding service and support to the Canadian printing industry.

“Mike is a proven leader and is the best person for this important new position at xpedx,” said xpedx executive vice president Art Douville. “He knows how to build customer-driven businesses, is expert in paper, printing and supply chain management, and is focused on bringing customers the best local market offering of products and service.” Kearney will report to Douville, who is based at xpedx headquarters in Loveland, Ohio.

Douville noted that xpedx intends to expand the company’s presence in top Canadian metro areas. He said Kearney’s breadth of experience in Canada’s top print markets from British Columbia to Quebec will be valuable in building xpedx Canada. Kearney is a New Brunswick native.

“Having consulted with xpedx for the last year and a half, I’ve seen how rich in talent, assets, capabilities and customer service the organization is,” said Mike Kearney. “I have a passion for the distribution business and welcome the opportunity to join xpedx, as they bring their vast resources to Canadian businesses through an efficient national network of local sales, service and distribution facilities.”

Kearney said the company would provide paper and graphics supplies and equipment, as well as packaging solutions, from manufacturers in Canada, North America and worldwide.

Prior to his consulting work with a variety of distribution businesses, Kearney served as president and chief operating officer of Coast Paper, where he oversaw significant business growth and the completion of a national expansion. Before that, he served as Coast Paper's senior vice president and as vice president and general manager of the Toronto division. He has held sales and management posts in Edmonton and began his career at Coast Paper in the Vancouver market.

About xpedx Canada

xpedx Canada is a wholly owned business of Memphis, Tenn.-based International Paper Co. (NYSE: IP). xpedx Canada was established in Summer 2007 and anticipates growing its presence in major metropolitan areas of Canada to serve printers, publishers, manufacturers and other businesses.

xpedx Canada headquarters, which includes the large Class A logistics/distribution center, offices and one of the xpedx Paper & Graphics stores, is located at 156 Parkshore Drive, Brampton, Ontario, near the intersection of Highways 427 and 407, just north of Toronto's Lester B. Pearson International Airport. The phone number at xpedx Canada is: 905-595-4351. The company is on the web at xpedx.ca.

The Brampton facility offers quick access to printers, manufacturers and other companies throughout the Greater Toronto Area, plus area cities including Hamilton, Niagara, Guelph and Kitchener-Waterloo. The two xpedx Paper & Graphics stores in Brampton and Markham will serve the estimated 1,200 small and quick printers in the metro Toronto area, as well other printers and businesses that want paper and graphics supplies on demand.

About xpedx

xpedx is North America's largest marketer and distributor of printing papers and graphics supplies and equipment. It is also a major distributor of packaging supplies and equipment and janitorial-sanitary supplies and equipment. Customers include commercial printers, publishers, manufacturers, retailers, facility managers and companies across many industry segments served from more than 250 locations in the U.S., Canada and Mexico. xpedx posted more than C\$7.2 (US\$6.7 billion) in 2006 revenues.

xpedx also provides third-party logistics services for large and mid-size companies worldwide through xpedx Supply Chain Services, Tampa, FL. Other xpedx owned-and-operated businesses include New York-based Bulkley Dunton; Lenexa, KS-based xpedx Printing Technologies; Loveland, Ohio-based Saalfeld Redistribution; the xpedx National Technology Center (NTC), a pre-press laboratory and demonstration center based in metropolitan Cleveland, Ohio, as well as its network of more than 140 retail paper and graphics stores. The company's e-commerce activities are conducted via xpedx.com.

xpedx is one of the largest distributors of environmentally responsible printing papers in North America and has Sustainable Forestry Initiative and Forest Stewardship Council chain-of-custody certification at all of its U.S. locations. For more information, contact your local xpedx office or visit xpedx.com. ###

CONTACT: Jeff Higgins, Director of Marketing Services, xpedx, Loveland, Ohio, +1-513-965-2923; Erik Godchaux, Madison, Wisconsin, +1-608-256-4540