

INTERNATIONAL PAPER CO /NEW/  
Form 10-Q  
November 03, 2017  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 10-Q

✓ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 2017

“ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period From \_\_\_\_\_ to \_\_\_\_\_

\_\_\_\_\_  
Commission File Number 1-3157  
INTERNATIONAL PAPER COMPANY  
(Exact name of registrant as specified in its charter)

New York 13-0872805  
(State or other jurisdiction of (I.R.S. Employer  
incorporation of organization) Identification No.)

6400 Poplar Avenue, Memphis, TN 38197  
(Address of principal executive offices) (Zip Code)  
Registrant’s telephone number, including area code: (901) 419-7000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (paragraph 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer

Non-accelerated filer  Smaller reporting company   
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13 (a) of the Exchange Act.

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of shares outstanding of the registrant's common stock, par value \$1.00 per share, as of October 27, 2017 was 412,928,210.

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## PART I. FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

## INTERNATIONAL PAPER COMPANY

## Condensed Consolidated Statement of Operations

(Unaudited)

(In millions, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,		
	2017	2016	2017	2016	
Net Sales	\$5,913	\$5,266	\$17,196	\$15,698	
Costs and Expenses					
Cost of products sold	4,024	3,622	12,069	11,345	
Selling and administrative expenses	431	380	1,275	1,142	
Depreciation, amortization and cost of timber harvested	373	314	1,075	899	
Distribution expenses	386	353	1,155	1,012	
Taxes other than payroll and income taxes	44	41	132	123	
Restructuring and other charges	—	46	(16	) 47	
Net (gains) losses on sales and impairments of businesses	—	5	9	70	
Litigation settlement	—	—	354	—	
Net bargain purchase gain on acquisition of business	—	—	(6	) —	
Interest expense, net	152	132	431	384	
Earnings (Loss) From Continuing Operations Before Income Taxes and Equity Earnings	503	373	718	676	
Income tax provision (benefit)	153	107	147	139	
Equity earnings (loss), net of taxes	45	43	113	151	
Earnings (Loss) From Continuing Operations	395	309	684	688	
Discontinued operations, net of taxes	—	—	—	(5	)
Net Earnings (Loss)	395	309	684	683	
Less: Net earnings (loss) attributable to noncontrolling interests	—	(3	) —	(3	)
Net Earnings (Loss) Attributable to International Paper Company	\$395	\$312	\$684	\$686	
Basic Earnings (Loss) Per Share Attributable to International Paper Company Common Shareholders					
Earnings (loss) from continuing operations	\$0.96	\$0.76	\$1.65	\$1.68	
Discontinued operations, net of taxes	—	—	—	(0.01	)
Net earnings (loss)	\$0.96	\$0.76	\$1.65	\$1.67	
Diluted Earnings (Loss) Per Share Attributable to International Paper Company Common Shareholders					
Earnings (loss) from continuing operations	\$0.95	\$0.75	\$1.64	\$1.66	
Discontinued operations, net of taxes	—	—	—	(0.01	)
Net earnings (loss)	\$0.95	\$0.75	\$1.64		