

Press Release

International Paper to manufacture HP premium copier products in India

- *Will manufacture new premium products – HP Office 75 gsm and HP Everyday 80 gsm ; these products will be manufactured for the 1st time in India*
- *Colorlok® Technology – jointly developed by HP and International Paper to be used to produce new product line and ensure finest quality paper available in Indian office papers market*
- *International paper is the exclusive global manufacturer of HP copier papers*

Hyderabad, India, October 24th, 2013 : International Paper(IP), today announced that its mill at Rajahmundry The Andhra Pradesh Paper Mills Limited (APPM) (a group company of International Paper), will manufacture HP premium copier paper using Colorlok® technology. Recently, International Paper has installed a new sheeter machine at the APPM mill in Rajahmundry, which allows the company to now manufacture the HP product line of premium copier paper in India. International Paper has an exclusive global partnership with HP to manufacture their copier range since 1996. The company intends to start commercial manufacturing of this premium category copier paper in India in November 2013.

Globally, International Paper manufactures and markets nearly 3 lakh tonnes of HP copier paper annually. The new capabilities in India will target gaining significant share in the domestic premium copier market. Currently International Paper markets HP copier range in over 52 countries through its worldwide production capabilities.

International Paper has invested around INR 100 Cr in this project to manufacture HP branded copier paper and market this product in different states of India through its distribution channels. In due course of time, these products will also be exported.

Key Highlights

- *International Paper is the exclusive and only manufacturer of HP branded copier paper across the globe*
- *HP 75 gsm was previously imported into India from IP's US and Brazil operations*

Commenting on the new product, **Mr. Rampraveen Swaminathan, Managing Director & CEO, APPM (a group company of International Paper)** said, *"IP is committed to bring the best global quality products to consumers in the Indian market and offer some of the finest products. This new product line will strengthen IP's position in the high potential Indian paper market and is another step in expanding our market presence in India."*

Commenting on the new local manufacturing, **Mr. Matt Nuth, Global Business Manager, HP Everyday Papers, HP**, said, “We are excited with IP’s new capabilities in India and we look forward to IP growing the HP branded copier in India as it has done very successfully in all the markets worldwide. I am confident that IP will bring all the best practices from its global production capabilities to the Indian market”.

Advantages of ColorLok® Technology

ColorLok® Technology gives exceptional print quality with more vivid colors, bolder blacks and faster drying for less smears. Special additives are incorporated into the sheet to prevent inks from penetrating too deeply, which result in improved optical density. **ColorLok® Technology** keeps ink near the surface, preventing inks from being absorbed too deeply, making them appear brighter and more vibrant.

The company will manufacture the new products on HP qualified machines with trained employees, ensuring that HP Everyday Papers meet the highest HP quality standards and specifications. The company will source the raw material from local markets, primarily from its industry leading farm forestry program spread across 1.5 lac hectares.

Globally, the cut size market is approximately 15 million metric tonnes and in India is over 600,000 metric tonnes. (Source: PPPC) The Indian premium branded copier paper is growing at an annual rate of 11%.

About The Andhra Pradesh Paper Mills Limited

The Andhra Pradesh Paper Mills Limited (Andhra Paper), a group company of International Paper in India, is a leading manufacturer of pulp and paper products and caters to both domestic and foreign markets. Andhra Paper produces writing, printing and copier papers at its two manufacturing units in Andhra Pradesh, India which have a total paper production capacity of 240,000 metric tons per year. The company is becoming a driving force in sustainability in the paper manufacturing arena in the world economy with sales of approximately US \$228 million as on 31.3.2013, focused social and community programs including its own pioneering work in raw material generation through social farm forestry and a very strong strategic growth focus. International Paper owns a majority interest in Andhra Paper and the remaining shares are publicly traded on the Bombay Stock Exchange and National Stock Exchange in India. For more information on Andhra Paper, please visit andhraper.com

About International Paper

International Paper (NYSE: IP) is a global leader in packaging and paper with manufacturing operations in North America, Europe, Latin America, Russia, Asia and North Africa. Its businesses include industrial and consumer packaging and uncoated papers, complemented by xpedx, the company's North American distribution company. Headquartered in Memphis, Tenn., the company employs approximately 70,000 people and is strategically located in more than 24 countries serving customers worldwide. International Paper net sales for 2012 were \$28 billion. For more information about International Paper, its products and stewardship efforts, visit internationalpaper.com.

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