

International Flavors & Fragrances Inc.
GAAP to Non-GAAP Reconciliation
(Unaudited)

The following information and schedules provide reconciliation information between reported GAAP amounts and non-GAAP certain adjusted amounts. This information and schedules are not intended as, and should not be viewed as, a substitute for reported GAAP amounts or financial statements of the Company prepared and presented in accordance with GAAP.

Reconciliation of Gross Profit

<i>(DOLLARS IN MILLIONS)</i>	Second Quarter	
	2022	2021
Reported (GAAP)	\$ 1,136	\$ 910
N&B Inventory Step-Up Costs	—	195
Integration Related Costs (f)	1	—
Adjusted (Non-GAAP)	<u>\$ 1,137</u>	<u>\$ 1,105</u>

Reconciliation of Selling and Administrative Expenses

<i>(DOLLARS IN MILLIONS)</i>	Second Quarter	
	2022	2021
Reported (GAAP)	\$ 456	\$ 412
Acquisition Related Costs (a)	(1)	—
Restructuring and Other Charges	—	(1)
Business Divestiture Costs (c)	(30)	(5)
Employee Separation Costs (d)	—	(3)
N&B Transaction Related Costs (e)	—	(2)
Integration Related Costs (f)	(29)	(17)
Adjusted (Non-GAAP)	<u>\$ 396</u>	<u>\$ 384</u>

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Reconciliation of Net Income and EPS

<i>(DOLLARS IN MILLIONS EXCEPT PER SHARE AMOUNTS)</i>	Second Quarter							
	2022				2021			
	Income before taxes	Provision for income	Net Income Attributable to IFF (i)	Diluted EPS	Income before taxes	Provision for income taxes (h)	Net Income Attributable to IFF (i)	Diluted EPS (j)
Reported (GAAP)	\$ 130	\$ 21	\$ 107	\$ 0.43	\$ 44	\$ 14	\$ 28	\$ 0.11
Acquisition Related Costs (a)	1	—	1	—	—	—	—	—
Restructuring and Other Charges	7	2	5	0.02	24	5	19	0.07
Gains on Sale of Assets	(2)	(1)	(1)	(0.01)	—	—	—	—
Impairment of Long-Lived Assets (b)	120	24	96	0.38	—	—	—	—
Business Divestiture Costs (c)	30	8	22	0.09	5	1	4	0.01
Employee Separation Costs (d)	—	—	—	—	3	1	2	0.02
N&B Inventory Step-Up Costs	—	—	—	—	195	45	150	0.59
N&B Transaction Related Costs (e)	—	—	—	—	2	1	1	—
Integration Related Costs (f)	30	7	23	0.09	18	4	14	0.05
Redemption value adjustment to EPS (g)	—	—	—	(0.01)	—	—	—	—
Adjusted (Non-GAAP)	<u>\$ 316</u>	<u>\$ 61</u>	<u>\$ 253</u>	<u>\$ 0.99</u>	<u>\$ 291</u>	<u>\$ 71</u>	<u>\$ 218</u>	<u>\$ 0.86</u>

Reconciliation of Adjusted (Non-GAAP) EPS ex. Amortization

<i>(DOLLARS AND SHARE AMOUNTS IN MILLIONS)</i>	Second Quarter	
	2022	2021
Numerator		
Adjusted (Non-GAAP) Net Income	\$ 253	\$ 218
Amortization of Acquisition related Intangible Assets	184	200
Tax impact on Amortization of Acquisition related Intangible Assets (h)	43	35
Amortization of Acquisition related Intangible Assets, net of tax (k)	141	165
Adjusted (Non-GAAP) Net Income ex. Amortization	<u>\$ 394</u>	<u>\$ 383</u>
Denominator		
Weighted average shares assuming dilution (diluted)	255	255
Adjusted (Non-GAAP) EPS ex. Amortization	<u>\$ 1.54</u>	<u>\$ 1.50</u>

- (a) Represents costs related to the acquisition of Health Wright Products, primarily consulting and legal fees.
- (b) Represents costs related to the impairment of intangible and fixed assets of an asset group that operates primarily in Russia.
- (c) Represents costs related to the Company's planned sales of businesses, primarily legal and professional fees.
- (d) Represents costs related to severance, including accelerated stock compensation expense, for certain employees and executives who have been separated or will separate from the Company.
- (e) Represents transaction costs and expenses related to the transaction with N&B, primarily includes legal and professional fees.
- (f) Represents costs related to integration activities since 2018, primarily for Frutarom and N&B. For 2022, represents costs primarily related to external consulting fees and internal integration costs, including salaries of individuals who are fully dedicated to integration efforts. For 2021, represents costs primarily related to performance stock awards and consulting fees for advisory services.
- (g) Represents the adjustment to EPS related to the excess of the redemption value of certain redeemable noncontrolling interests over their existing carrying value.
- (h) The income tax effects of non-GAAP adjustments are calculated based on the applicable statutory tax rate for the relevant jurisdiction, except for those items which are non-taxable or subject to valuation allowances for which the tax expense (benefit) was calculated at 0%. The tax benefit for amortization is calculated in a similar manner as the tax effects of the non-GAAP adjustments.
- (i) For 2022 and 2021, net income is reduced by income attributable to noncontrolling interest of \$2 million.
- (j) The sum of these items does not foot due to rounding.
- (k) Represents all amortization of intangible assets acquired in connection with acquisitions, net of tax.

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Reconciliation of Gross Profit

<i>(DOLLARS IN MILLIONS)</i>	Second Quarter Year-to-Date	
	2022	2021
Reported (GAAP)	\$ 2,281	\$ 1,664
N&B Inventory Step-Up Costs	—	377
Integration Related Costs (h)	2	—
Adjusted (Non-GAAP)	<u>\$ 2,283</u>	<u>\$ 2,041</u>

Reconciliation of Selling and Administrative Expenses

<i>(DOLLARS IN MILLIONS)</i>	Second Quarter Year-to-Date	
	2022	2021
Reported (GAAP)	\$ 915	\$ 863
Acquisition Related Costs (a)	(1)	—
Restructuring and Other Charges	—	(1)
Shareholder Activism Related Costs (c)	(3)	(7)
Business Divestiture Costs (d)	(60)	(5)
Employee Separation Costs (e)	(4)	(6)
Frutarom Acquisition Related Costs (f)	(1)	—
N&B Transaction Related Costs (g)	—	(91)
Integration Related Costs (h)	(46)	(55)
Adjusted (Non-GAAP)	<u>\$ 800</u>	<u>\$ 698</u>

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Reconciliation of Net Income (Loss) and EPS

<i>(DOLLARS IN MILLIONS EXCEPT PER SHARE AMOUNTS)</i>	Second Quarter Year-to-Date							
	2022				2021			
	Income before taxes	Provision for income taxes (j)	Net Income Attributable to IFF (k)	Diluted EPS (l)	(Loss) Income before taxes	Provision for income taxes (j)	Net (Loss) Income Attributable to IFF (k)	Diluted EPS
Reported (GAAP)	\$ 415	\$ 60	\$ 351	\$ 1.38	\$ (10)	\$ —	\$ (14)	\$ (0.06)
Acquisition Related Costs (a)	1	—	1	—	—	—	—	—
Restructuring and Other Charges	9	2	7	0.03	28	6	22	0.10
Gains on Sale of Assets	(2)	(1)	(1)	(0.01)	—	—	—	—
Impairment of Long-Lived Assets (b)	120	24	96	0.38	—	—	—	—
Shareholder Activism Related Costs (c)	3	1	2	0.01	7	2	5	0.02
Business Divestiture Costs (d)	60	15	45	0.18	5	1	4	0.02
Employee Separation Costs (e)	4	1	3	0.01	6	1	5	0.02
Frutarom Acquisition Related Costs (f)	1	—	1	—	—	—	—	—
N&B Inventory Step-Up Costs	—	—	—	—	377	82	295	1.28
N&B Transaction Related Costs (g)	—	—	—	—	91	19	72	0.30
Integration Related Costs (h)	48	12	36	0.14	56	13	43	0.19
Redemption value adjustment to EPS (i)	—	—	—	(0.01)	—	—	—	—
Adjusted (Non-GAAP)	<u>\$ 659</u>	<u>\$ 114</u>	<u>\$ 541</u>	<u>\$ 2.12</u>	<u>\$ 560</u>	<u>\$ 124</u>	<u>\$ 432</u>	<u>\$ 1.87</u>

Reconciliation of Adjusted (Non-GAAP) EPS ex. Amortization

<i>(DOLLARS AND SHARE AMOUNTS IN MILLIONS)</i>	Second Quarter Year-to-Date	
	2022	2021
Numerator		
Adjusted (Non-GAAP) Net Income	\$ 541	\$ 432
Amortization of Acquisition related Intangible Assets	370	352
Tax impact on Amortization of Acquisition related Intangible Assets (j)	86	69
Amortization of Acquisition related Intangible Assets, net of tax (m)	284	283
Adjusted (Non-GAAP) Net Income ex. Amortization	<u>\$ 825</u>	<u>\$ 715</u>
Denominator		
Weighted average shares assuming dilution (diluted)	255	231
Adjusted (Non-GAAP) EPS ex. Amortization	<u>\$ 3.23</u>	<u>\$ 3.09</u>

- (a) Represents costs related to the acquisition of Health Wright Products, primarily consulting and legal fees.
- (b) Represents costs related to the impairment of intangible and fixed assets of an asset group that operates primarily in Russia.
- (c) Represents shareholder activist related costs, primarily professional fees.
- (d) Represents costs related to the Company's planned sales of businesses, primarily legal and professional fees.
- (e) Represents costs related to severance, including accelerated stock compensation expense, for certain employees and executives who have been separated or will separate from the Company.
- (f) Represents transaction-related costs and expenses related to the acquisition of Frutarom.
- (g) Represents transaction costs and expenses related to the transaction with N&B, primarily includes legal and professional fees.
- (h) Represents costs related to integration activities since 2018, primarily for Frutarom and N&B. For 2022, represents costs primarily related to external consulting fees and internal integration costs, including salaries of individuals who are fully dedicated to integration efforts. For 2021, represents costs primarily related to performance stock awards and consulting fees for advisory services.
- (i) Represents the adjustment to EPS related to the excess of the redemption value of certain redeemable noncontrolling interests over their existing carrying value.
- (j) The income tax effects of non-GAAP adjustments are calculated based on the applicable statutory tax rate for the relevant jurisdiction, except for those items which are non-taxable or subject to valuation allowances for which the tax expense (benefit) was calculated at 0%. The tax benefit for amortization is calculated in a similar manner as the tax effects of the non-GAAP adjustments.
- (k) For 2022, net income is reduced by income attributable to noncontrolling interest of \$4 million. For 2021, net loss is increased by income attributable to noncontrolling interest of \$4 million.
- (l) The sum of these items does not foot due to rounding.
- (m) Represents all amortization of intangible assets acquired in connection with acquisitions, net of tax.

International Flavors & Fragrances Inc.
Debt Covenants
(Amounts in millions)
(Unaudited)

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Reconciliation of Credit Adjusted EBITDA to Net Income

<i>(DOLLARS IN MILLIONS)</i>	Twelve Months Ended June 30, 2022	
Net income	\$	635
Interest expense		296
Income taxes		135
Depreciation and amortization		1,196
Specified items ⁽¹⁾		346
Non-cash items ⁽²⁾		36
Credit Adjusted EBITDA	\$	2,644

- (1) Specified items for the 12 months ended June 30, 2022 of \$346 million consisted of acquisition related costs, restructuring and other charges, impairment of long-lived assets, shareholder activism related costs, business divestiture costs, employee separation costs, pension income adjustment, pension settlement, Frutarom acquisition related costs, N&B inventory step-up costs and integration related costs.
- (2) Non-cash items represent all other adjustments to reconcile net income to net cash provided by operations as presented on the Statements of Cash Flows, including gains on disposal of assets, gains on business disposal and stock-based compensation.

Net Debt to Total Debt

<i>(DOLLARS IN MILLIONS)</i>	June 30, 2022	
Total debt ⁽¹⁾	\$	12,150
Adjustments:		
Cash and cash equivalents		569
Net debt	\$	11,581

- (1) Total debt used for the calculation of net debt consists of short-term debt, long-term debt, short-term finance lease obligations and long-term finance lease obligations.

International Flavors & Fragrances Inc.
Comparable Reportable Segment Performance
(Amounts in millions)
(Unaudited)

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	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Net Sales				
Nourish ⁽¹⁾	\$ 1,818	\$ 1,650	\$ 3,549	\$ 3,187
Health & Biosciences ⁽²⁾	639	639	1,300	1,254
Scent	580	550	1,165	1,119
Pharma Solutions	244	232	493	465
Consolidated	\$ 3,281	\$ 3,071	\$ 6,507	\$ 6,025
Segment Adjusted Operating EBITDA				
Nourish ⁽¹⁾	\$ 365	\$ 321	\$ 694	\$ 625
Health & Biosciences ⁽²⁾	182	190	374	371
Scent	93	117	209	245
Pharma Solutions	58	48	123	108
Total	698	676	1,400	1,349
Depreciation & Amortization	(301)	(322)	(604)	(564)
Interest Expense	(77)	(77)	(149)	(142)
Other (Expense) Income, net	(6)	11	10	18
Acquisition Related Costs	(1)	—	(1)	—
Restructuring and Other Charges	(7)	(24)	(9)	(28)
Gains on sales of fixed assets	2	—	2	—
Impairment of Long-Lived Assets	(120)	—	(120)	—
Shareholder Activism Related Costs	—	—	(3)	(7)
Business Divestiture Costs	(30)	(5)	(60)	(5)
Employee Separation Costs	—	(3)	(4)	(6)
Frutarom Acquisition Related Costs	—	—	(1)	—
N&B Inventory Step-Up Costs	—	(195)	—	(377)
N&B Transaction Related Costs	—	(2)	—	(91)
Integration Related Costs	(30)	(18)	(48)	(56)
Divestiture of Businesses ⁽³⁾	—	3	—	6
Impact of Business Acquisitions ⁽⁴⁾	2	—	2	—
Impact of Merger with N&B ⁽⁵⁾	—	—	—	(107)
Income (Loss) Before Taxes	\$ 130	\$ 44	\$ 415	\$ (10)
Segment Adjusted Operating EBITDA Margin				
Nourish	20.1 %	19.5 %	19.6 %	19.6 %
Health & Biosciences	28.5 %	29.7 %	28.8 %	29.6 %
Scent	16.0 %	21.3 %	17.9 %	21.9 %
Pharma Solutions	23.8 %	20.7 %	24.9 %	23.2 %
Consolidated	21.3 %	22.0 %	21.5 %	22.4 %

(1) Nourish sales and segment adjusted operating EBITDA information for the three and six months ended June 30, 2021 exclude the results of the Fruit Preparation business to present fully comparable scenarios of the Company due to divestiture of the business in the fourth quarter of 2021. As a result, there is no impact of the Fruit Preparation business for the 2022 period.

- (2) Health & Biosciences sales and segment adjusted operating EBITDA information for the three and six months ended June 30, 2022 exclude the results of Health Wright Products to present fully comparable scenarios of the Company as the acquisition of Health Wright Products was completed on April 1, 2022. As a result, there was no impact from Health Wright Products for the 2021 period.
- (3) Information related to the amounts exclude the results of the Fruit Preparation business to present fully comparable scenarios of the Company due to divestiture of the business in the fourth quarter of 2021.
- (4) Information related to the amounts exclude the results of Health Wright Products to present fully comparable scenarios of the Company as the acquisition of Health Wright Products was completed on April 1, 2022.
- (5) Information related to the amounts included from merger with N&B was received directly from DuPont and management believes such information is reliable. DuPont has not provided the underlying adjustments for the amounts included, but based on management's review of financial statement and other scheduled information provided, we believe the amounts reflected are reasonable. For the six months ended June 30, 2021, amounts include N&B results for January 2021 to reflect the same period N&B is included in IFF results in 2022.

The pro forma historical segment information has been presented for informational purposes only and is not necessarily indicative of what IFF's results of operations actually would have been, had the N&B transaction occurred on the date indicated below. In addition, the pro forma historical segment information does not purport to project the future operating results of the Company, shown below:

(DOLLARS IN MILLIONS)

	January 2021	
	Pro Forma Sales	Pro Forma Adjusted Operating EBITDA
Nourish	\$ 247	\$ 37
Health & Biosciences	189	53
Scent	—	—
Pharma Solutions	71	17

International Flavors & Fragrances Inc.
GAAP to Non-GAAP Reconciliation
Comparable Foreign Exchange Impact
(Unaudited)

<u>Q2 Nourish</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Comparable	10%	14%	0.6%
Currency Impact	5%	4%	0.0%
% Change - Currency Neutral	15%	18%	0.6%

<u>Q2 Health & Biosciences</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Comparable	0%	(4)%	(1.3)%
Currency Impact	4%	2%	(0.3)%
% Change - Currency Neutral	4%	(2)%	(1.6)%

<u>Q2 Scent</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Comparable	5%	(21)%	(5.2)%
Currency Impact	4%	4%	0.0%
% Change - Currency Neutral	9%	(17)%	(5.2)%

<u>Q2 Pharma Solutions</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Comparable	5%	21%	3.1%
Currency Impact	5%	4%	(0.3)%
% Change - Currency Neutral	10%	25%	2.8%

<u>Q2 Consolidated</u>	Sales	Adjusted Operating EBITDA	Adjusted Operating EBITDA Margin
% Change - Comparable	7%	3%	(0.7)%
Currency Impact	4%	4%	(0.1)%
% Change - Currency Neutral	11%	7%	(0.8)%

<u>YTD Nourish</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Comparable	11%	11%	(0.1)%
Currency Impact	4%	5%	0.2%
% Change - Currency Neutral	15%	16%	0.1%

<u>YTD Health & Biosciences</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Comparable	4%	1%	(0.8)%
Currency Impact	3%	2%	(0.2)%
% Change - Currency Neutral	7%	3%	(1.0)%

<u>YTD Scent</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Comparable	4%	(15)%	(4.0)%
Currency Impact	4%	6%	0.5%
% Change - Currency Neutral	8%	(9)%	(3.5)%

<u>YTD Pharma Solutions</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Comparable	6%	14%	1.7%
Currency Impact	4%	2%	(0.3)%
% Change - Currency Neutral	10%	16%	1.4%

<u>YTD Consolidated</u>	Sales	Adjusted Operating EBITDA	Adjusted Operating EBITDA Margin
% Change - Comparable	8%	4%	(0.9)%
Currency Impact	4%	4%	0.1%
% Change - Currency Neutral	12%	8%	(0.8)%