

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	
	2023	2022
Reported (GAAP)	\$ 933	\$ 1,136
Acquisition, Divestiture and Integration Related Costs (c)	—	1
Adjusted (Non-GAAP)	<u>\$ 933</u>	<u>\$ 1,137</u>

Reconciliation of Selling and Administrative Expenses

<i>(DOLLARS IN MILLIONS)</i>	Second Quarter	
	2023	2022
Reported (GAAP)	\$ 445	\$ 456
Acquisition, Divestiture and Integration Related Costs (c)	(45)	(60)
Strategic Initiatives Costs (f)	(9)	—
Regulatory Costs (g)	(14)	—
Adjusted (Non-GAAP)	<u>\$ 377</u>	<u>\$ 396</u>

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Reconciliation of Net Income and EPS

<i>(DOLLARS IN MILLIONS EXCEPT PER SHARE AMOUNTS)</i>	Second Quarter							
	2023				2022			
	Income before taxes	Provision for income taxes (j)	Net income attributable to IFF (k)	Diluted EPS (l)	Income before taxes	Provision for income taxes (j)	Net income attributable to IFF (k)	Diluted EPS
Reported (GAAP)	\$ 50	\$ 23	\$ 27	\$ 0.11	\$ 130	\$ 21	\$ 107	\$ 0.43
Restructuring and Other Charges (a)	7	4	3	0.02	7	2	5	0.02
Impairment of Long-Lived Assets (b)	—	—	—	—	120	24	96	0.38
Acquisition, Divestiture and Integration Related Costs (c)	45	7	38	0.15	61	15	46	0.18
Losses on Business Disposals (d)	5	(8)	13	0.05	—	—	—	—
Gain on China Facility Relocation (e)	(22)	(6)	(16)	(0.06)	—	—	—	—
Strategic Initiatives Costs (f)	9	2	7	0.03	—	—	—	—
Regulatory Costs (g)	14	3	11	0.04	—	—	—	—
Other (h)	3	—	3	0.01	(2)	(1)	(1)	(0.01)
Redemption value adjustment to EPS (i)	—	—	—	—	—	—	—	(0.01)
Adjusted (Non-GAAP)	<u>\$ 111</u>	<u>\$ 25</u>	<u>\$ 86</u>	<u>\$ 0.34</u>	<u>\$ 316</u>	<u>\$ 61</u>	<u>\$ 253</u>	<u>\$ 0.99</u>

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

<i>(DOLLARS AND SHARE AMOUNTS IN MILLIONS)</i>	Second Quarter	
	2023	2022
Numerator		
Adjusted (Non-GAAP) Net Income	\$ 86	\$ 253
Amortization of Acquisition related Intangible Assets	172	184
Tax impact on Amortization of Acquisition related Intangible Assets (j)	39	43
Amortization of Acquisition related Intangible Assets, net of tax (m)	133	141
Adjusted (Non-GAAP) Net Income ex. Amortization	<u>\$ 219</u>	<u>\$ 394</u>
Denominator		
Weighted average shares assuming dilution (diluted)	255	255
Adjusted (Non-GAAP) EPS ex. Amortization	<u>\$ 0.86</u>	<u>\$ 1.54</u>

- (a) For 2023 and 2022, represents costs primarily related to severance as part of the Company's restructuring efforts.
- (b) Represents costs related to the impairment of intangible and fixed assets of an asset group that operated primarily in Russia.
- (c) For 2023 and 2022, primarily represents costs related to the Company's actual and planned acquisitions and divestitures and integration related activities primarily for Frutarom and N&B. These costs primarily consisted of external consulting fees, professional and legal fees and salaries of individuals who are fully dedicated to such efforts. For 2023, acquisition costs primarily relate to earn-out adjustments and integration costs primarily relate to IT costs for the N&B integration. For 2023, tax expenses for business divestiture costs included establishments of deferred tax liabilities related to planned sales of businesses. For the three months ended June 30, 2023, business divestiture, integration and acquisition related costs were approximately \$20 million, \$20 million and \$5 million, respectively. For the three months ended June 30, 2022, business divestiture, integration and acquisition related costs were approximately \$30 million, \$30 million and \$1 million, respectively.
- (d) Represents losses recognized primarily related to the divestiture of the portion of the Savory Solutions business.
- (e) Represents gain recognized from the completion of the relocation of a facility in China.
- (f) Represents costs related to the Company's strategic assessment and business portfolio optimization efforts and reorganizing the Global Shared Services Centers, primarily consulting fees.
- (g) Represents costs primarily related to legal fees incurred for the ongoing investigations of the fragrance businesses.
- (h) For 2023, represents losses from sale of assets. For 2022, represents gains from sale of assets.
- (i) Represents the adjustment to EPS related to the excess of the redemption value of certain redeemable non-controlling 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 2023, net income is reduced by income attributable to non-controlling interest of less than \$1 million. For 2022, net income is reduced by income attributable to non-controlling interest of \$2 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.

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Reconciliation of Gross Profit

<i>(DOLLARS IN MILLIONS)</i>	Second Quarter Year-to-Date	
	2023	2022
Reported (GAAP)	\$ 1,897	\$ 2,281
Acquisition, Divestiture and Integration Related Costs (c)	—	2
Adjusted (Non-GAAP)	<u>\$ 1,897</u>	<u>\$ 2,283</u>

Reconciliation of Selling and Administrative Expenses

<i>(DOLLARS IN MILLIONS)</i>	Second Quarter Year-to-Date	
	2023	2022
Reported (GAAP)	\$ 899	\$ 915
Acquisition, Divestiture and Integration Related Costs (c)	(76)	(108)
Strategic Initiatives Costs (f)	(22)	—
Regulatory Costs (g)	(19)	—
Other (h)	—	(7)
Adjusted (Non-GAAP)	<u>\$ 782</u>	<u>\$ 800</u>

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Reconciliation of Net Income and EPS

<i>(DOLLARS IN MILLIONS EXCEPT PER SHARE AMOUNTS)</i>	Second Quarter Year-to-Date							
	2023				2022			
	Income before taxes	Provision for income taxes (j)	Net income attributable to IFF (k)	Diluted EPS (l)	Income before taxes	Provision for income taxes (j)	Net income attributable to IFF (k)	Diluted EPS (l)
Reported (GAAP)	\$ 64	\$ 45	\$ 18	\$ 0.07	\$ 415	\$ 60	\$ 351	\$ 1.38
Restructuring and Other Charges (a)	59	16	43	0.17	9	2	7	0.03
Impairment of Long-Lived Assets (b)	—	—	—	—	120	24	96	0.38
Acquisition, Divestiture and Integration Related Costs (c)	76	—	76	0.30	110	27	83	0.32
Losses on Business Disposals (d)	19	(5)	24	0.09	—	—	—	—
Gain on China Facility Relocation (e)	(22)	(6)	(16)	(0.06)	—	—	—	—
Strategic Initiatives Costs (f)	22	5	17	0.07	—	—	—	—
Regulatory Costs (g)	19	4	15	0.06	—	—	—	—
Other (h)	(2)	(1)	(1)	—	5	1	4	0.01
Redemption value adjustment to EPS (i)	—	—	—	—	—	—	—	(0.01)
Adjusted (Non-GAAP)	<u>\$ 235</u>	<u>\$ 58</u>	<u>\$ 176</u>	<u>\$ 0.69</u>	<u>\$ 659</u>	<u>\$ 114</u>	<u>\$ 541</u>	<u>\$ 2.12</u>

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

<i>(DOLLARS AND SHARE AMOUNTS IN MILLIONS)</i>	Second Quarter Year-to-Date	
	2023	2022
Numerator		
Adjusted (Non-GAAP) Net Income	\$ 176	\$ 541
Amortization of Acquisition related Intangible Assets	343	370
Tax impact on Amortization of Acquisition related Intangible Assets (j)	78	86
Amortization of Acquisition related Intangible Assets, net of tax (m)	265	284
Adjusted (Non-GAAP) Net Income ex. Amortization	<u>\$ 441</u>	<u>\$ 825</u>
Denominator		
Weighted average shares assuming dilution (diluted)	255	255
Adjusted (Non-GAAP) EPS ex. Amortization	<u>\$ 1.72</u>	<u>\$ 3.23</u>

- (a) For 2023 and 2022, represents costs primarily related to severance as part of the Company's restructuring efforts.
- (b) Represents costs related to the impairment of intangible and fixed assets of an asset group that operated primarily in Russia.
- (c) For 2023 and 2022, primarily represents costs related to the Company's actual and planned acquisitions and divestitures and integration related activities primarily for Frutarom and N&B. These costs primarily consisted of external consulting fees, professional and legal fees and salaries of individuals who are fully dedicated to such efforts. For 2023, acquisition costs primarily relate to earn-out adjustments and integration costs primarily relate to IT costs for the N&B integration. For 2023, tax expenses for business divestiture costs included establishments of deferred tax liabilities related to planned sales of businesses. For the six months ended June 30, 2023, business divestiture, integration and acquisition related costs were approximately \$41 million, \$30 million and \$5 million, respectively. For the six months ended June 30, 2022, business divestiture, integration and acquisition related costs were approximately \$60 million, \$48 million and \$2 million, respectively.
- (d) Represents losses recognized primarily related to the divestiture of the portion of the Savory Solutions business and liquidation of a business in Russia for the sale of the portion of the Savory Solutions business.
- (e) Represents gain recognized from the completion of the relocation of a facility in China.
- (f) Represents costs related to the Company's strategic assessment and business portfolio optimization efforts and reorganizing the Global Shared Services Centers, primarily consulting fees.
- (g) Represents costs primarily related to legal fees incurred for the ongoing investigations of the fragrance businesses.
- (h) For 2023, represents gains from sale of assets. For 2022, represents shareholder activist related costs, primarily professional fees, severance costs, including accelerated stock compensation expense, for certain executives who have been separated from the Company, and gains from sale of assets.
- (i) Represents the adjustment to EPS related to the excess of the redemption value of certain redeemable non-controlling 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 2023 and 2022, net income is reduced by income attributable to non-controlling interest of \$1 million and \$4 million, respectively.
- (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 (Loss)

<i>(DOLLARS IN MILLIONS)</i>	Twelve Months Ended June 30, 2023	
Net (loss)	\$	(2,204)
Interest expense		414
Income taxes		224
Depreciation and amortization		1,138
Specified items ⁽¹⁾		2,535
Non-cash items ⁽²⁾		83
Credit Adjusted EBITDA	\$	2,190

- (1) Specified items consisted of restructuring and other charges, impairment of goodwill, acquisition, divestiture and integration related costs, strategic initiatives costs, regulatory costs and other costs that are not related to recurring operations.
- (2) Non-cash items consisted of gains on sale of assets, losses on business disposals, gain on China facility relocation, write-down of inventory related to LBK and stock-based compensation.

Net Debt to Total Debt

<i>(DOLLARS IN MILLIONS)</i>	June 30, 2023	
Total debt ⁽¹⁾	\$	10,591
Adjustments:		
Cash and cash equivalents ⁽²⁾		641
Net debt	\$	9,950

- (1) Total debt used for the calculation of net debt consisted of short-term debt, long-term debt, short-term finance lease obligations and long-term finance lease obligations.
- (2) Cash and cash equivalents included approximately \$3 million currently in Assets held for sale on the Consolidated Balance Sheets.

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,	
	2023	2022	2023	2022
Net Sales				
Nourish ⁽¹⁾	\$ 1,564	\$ 1,769	\$ 3,217	\$ 3,500
Health & Biosciences ⁽²⁾	522	549	1,026	1,089
Scent	592	580	1,200	1,165
Pharma Solutions	251	244	504	493
Consolidated	\$ 2,929	\$ 3,142	\$ 5,947	\$ 6,247
Segment Adjusted Operating EBITDA				
Nourish ⁽¹⁾	\$ 181	\$ 358	\$ 389	\$ 687
Health & Biosciences ⁽²⁾	145	166	278	340
Scent	117	93	222	209
Pharma Solutions	67	58	126	123
Total	510	675	1,015	1,359
Depreciation & Amortization	(287)	(301)	(563)	(604)
Interest Expense	(116)	(77)	(227)	(149)
Other Income (Expense), net	21	(6)	15	10
Restructuring and Other Charges	(7)	(7)	(59)	(9)
Impairment of Long-Lived Assets	—	(120)	—	(120)
Acquisition, Divestiture and Integration Related Costs	(45)	(61)	(76)	(110)
Strategic Initiatives Costs	(9)	—	(22)	—
Regulatory Costs	(14)	—	(19)	—
Other	(3)	2	2	(5)
Impact of Business Divestitures ⁽³⁾	—	25	—	43
Impact of Business Acquisitions ⁽⁴⁾	—	—	(2)	—
Income Before Taxes	\$ 50	\$ 130	\$ 64	\$ 415
Segment Adjusted Operating EBITDA Margin				
Nourish	11.6 %	20.2 %	12.1 %	19.6 %
Health & Biosciences	27.8 %	30.2 %	27.1 %	31.2 %
Scent	19.8 %	16.0 %	18.5 %	17.9 %
Pharma Solutions	26.7 %	23.8 %	25.0 %	24.9 %
Consolidated	17.4 %	21.5 %	17.1 %	21.8 %

- (1) Nourish sales and segment adjusted operating EBITDA information for the three and six months ended June 30, 2022 exclude the results of the portion of the Savory Solutions business that was divested to present fully comparable scenarios of the Company. The divestiture was completed on May 31, 2023.
- (2) Health & Biosciences sales and segment adjusted operating EBITDA information for the six months ended June 30, 2023 exclude the results of Health Wright Products for the first quarter of 2023. In addition, the information for the three and six months ended June 30, 2022 exclude the results of the Microbial Control business unit. The exclusion of these results help to present fully comparable scenarios of the Company as the acquisition of Health Wright Products was completed on April 1, 2022 and the divestiture of the Microbial Control business unit was completed on July 1, 2022. As a result, there was no impact from Health Wright Products and the Microbial Control business unit for the first quarter of 2022 and the three and six months ended June 30, 2023, respectively.
- (3) Information related to the amounts exclude the results of the Microbial Control business unit and the portion of the Savory Solutions business that were divested in the third quarter of 2022 (July 1, 2022) and second quarter of 2023 (May 31, 2023), respectively, to present fully comparable scenarios of the Company.

- (4) Information related to the amount excludes the results of Health Wright Products for the first quarter of 2023 to present fully comparable scenarios of the Company, as the acquisition of Health Wright Products was completed on April 1, 2022.

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 - Reported	(14)%	(50)%	(8.5)%
Portfolio Impact	2%	1%	(0.1)%
% Change - Comparable	(12)%	(49)%	(8.6)%
Currency Impact	3%	7%	1.2%
% Change - Currency Neutral	(9)%	(42)%	(7.4)%

<u>Q2 Health & Biosciences</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Reported	(22)%	(21)%	0.1%
Portfolio Impact	17%	9%	(2.5)%
% Change - Comparable	(5)%	(13)%	(2.4)%
Currency Impact	2%	4%	0.4%
% Change - Currency Neutral	(3)%	(9)%	(2.0)%

<u>Q2 Scent</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Reported	2%	26%	3.8%
Portfolio Impact	0%	0%	0.0%
% Change - Comparable	2%	26%	3.8%
Currency Impact	3%	15%	1.7%
% Change - Currency Neutral	5%	41%	5.5%

<u>Q2 Pharma Solutions</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Reported	3%	16%	2.9%
Portfolio Impact	0%	0%	0.0%
% Change - Comparable	3%	16%	2.9%
Currency Impact	0%	0%	0.0%
% Change - Currency Neutral	3%	16%	2.9%

<u>Q2 Consolidated</u>	Sales	Adjusted Operating EBITDA	Adjusted Operating EBITDA Margin
% Change - Reported	(11)%	(27)%	(3.8)%
Portfolio Impact	5%	3%	(0.3)%
% Change - Comparable	(7)%	(24)%	(4.1)%
Currency Impact	3%	6%	1.1%
% Change - Currency Neutral	(4)%	(18)%	(3.0)%

Note: The sum of these items may not foot due to rounding.

<u>YTD Nourish</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Reported	(9)%	(44)%	(7.5)%
Portfolio Impact	1%	1%	0.0%
% Change - Comparable	(8)%	(43)%	(7.5)%
Currency Impact	3%	8%	1.2%
% Change - Currency Neutral	(5)%	(35)%	(6.3)%

<u>YTD Health & Biosciences</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Reported	(22)%	(27)%	(1.7)%
Portfolio Impact	16%	8%	(2.4)%
% Change - Comparable	(6)%	(18)%	(4.1)%
Currency Impact	3%	4%	0.4%
% Change - Currency Neutral	(3)%	(14)%	(3.7)%

<u>YTD Scent</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Reported	3%	6%	0.6%
Portfolio Impact	0%	0%	0.0%
% Change - Comparable	3%	6%	0.6%
Currency Impact	4%	13%	1.4%
% Change - Currency Neutral	7%	19%	2.0%

<u>YTD Pharma Solutions</u>	Sales	Segment Adjusted Operating EBITDA	Segment Adjusted Operating EBITDA Margin
% Change - Reported	2%	2%	0.1%
Portfolio Impact	0%	0%	0.0%
% Change - Comparable	2%	2%	0.1%
Currency Impact	2%	2%	0.1%
% Change - Currency Neutral	4%	4%	0.2%

<u>YTD Consolidated</u>	Sales	Adjusted Operating EBITDA	Adjusted Operating EBITDA Margin
% Change - Reported	(9)%	(28)%	(4.5)%
Portfolio Impact	4%	2%	(0.2)%
% Change - Comparable	(5)%	(25)%	(4.7)%
Currency Impact	3%	7%	1.0%
% Change - Currency Neutral	(2)%	(18)%	(3.7)%

Note: The sum of these items may not foot due to rounding.