

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

<u>Q1 Taste</u>	Sales	Segment Profit
% Change - Reported	3%	5%
Currency Impact	2%	1%
% Change - Currency Neutral	5%	6%

<u>Q1 Scent</u>	Sales	Segment Profit
% Change - Reported	5%	17%
Currency Impact	2%	2%
% Change - Currency Neutral	7%	19%

<u>Q1 Consolidated</u>	EPS ex. Amortization	Adjusted Operating Profit
% Change - Adjusted (Non-GAAP)	3%	7%
Currency Impact	10%	2%
% Change - Currency Neutral	13%	9%

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 THOUSANDS)</i>	First Quarter	
	2020	2019
Reported (GAAP)	\$ 565,867	\$ 531,259
Operational Improvement Initiatives (a)	—	406
Frutarom Integration Related Costs (b)	149	156
Frutarom Acquisition Related Costs (d)	513	7,850
Adjusted (Non-GAAP)	<u>\$ 566,529</u>	<u>\$ 539,671</u>

Reconciliation of Selling and Administrative Expenses

<i>(DOLLARS IN THOUSANDS)</i>	First Quarter	
	2020	2019
Reported (GAAP)	\$ 229,714	\$ 213,182
Frutarom Integration Related Costs (b)	(3,279)	(14,557)
Frutarom Acquisition Related Costs (d)	(300)	(1,679)
Compliance Review & Legal Defense Costs (e)	(649)	—
N&B Transaction Related Costs (f)	(5,199)	—
N&B Integration Related Costs (g)	(10,144)	—
Adjusted (Non-GAAP)	<u>\$ 210,143</u>	<u>\$ 196,946</u>

Reconciliation of Operating Profit

<i>(DOLLARS IN THOUSANDS)</i>	First Quarter	
	2020	2019
Reported (GAAP)	\$ 196,222	\$ 163,870
Operational Improvement Initiatives (a)	—	406
Frutarom Integration Related Costs (b)	3,650	14,897
Restructuring and Other Charges, net (c)	4,918	16,174
Losses (Gains) on Sale of Assets	754	(188)
Frutarom Acquisition Related Costs (d)	813	9,529
Compliance Review & Legal Defense Costs (e)	649	—
N&B Transaction Related Costs (f)	5,199	—
N&B Integration Related Costs (g)	10,144	—
Adjusted (Non-GAAP)	<u>\$ 222,349</u>	<u>\$ 204,688</u>

Reconciliation of Adjusted (Non-GAAP) Operating Profit Margin ex. Amortization

(DOLLARS IN THOUSANDS)

	First Quarter	
	2020	2019
Numerator		
Adjusted (Non-GAAP) Operating Profit	\$ 222,349	\$ 204,688
Amortization of Acquisition related Intangible Assets	48,350	47,625
Adjusted (Non-GAAP) Operating Profit ex. Amortization	270,699	252,313
Denominator		
Sales	1,347,317	1,297,402
Adjusted (Non-GAAP) Operating Profit Margin ex. Amortization	<u>20.1%</u>	<u>19.4%</u>

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 Net Income

<i>(DOLLARS IN THOUSANDS)</i>	First Quarter							
	2020				2019			
	Income before taxes	Taxes on income (i)	Net Income Attributable to IFF (j)	Diluted EPS (k)	Income before taxes	Taxes on income (i)	Net Income Attributable to IFF (j)	Diluted EPS
Reported (GAAP)	\$ 153,508	\$ 26,297	\$ 124,607	\$ 1.15	\$ 134,576	\$ 23,362	\$ 108,829	\$ 0.96
Operational Improvement Initiatives (a)	—	—	—	—	406	142	264	—
Frutarom Integration Related Costs (b)	3,650	815	2,835	0.02	14,897	3,349	11,548	0.10
Restructuring and Other Charges, net (c)	4,918	1,034	3,884	0.03	16,174	4,031	12,143	0.11
Losses (Gains) on Sale of Assets	754	189	565	—	(188)	(43)	(145)	—
Frutarom Acquisition Related Costs (d)	213	(1,634)	1,847	0.02	9,529	1,530	7,999	0.07
Compliance Review & Legal Defense Costs (e)	649	135	514	—	—	—	—	—
N&B Transaction Related Costs (f)	5,199	—	5,199	0.05	—	—	—	—
N&B Integration Related Costs (g)	10,144	2,168	7,976	0.07	—	—	—	—
Redemption value adjustment to EPS (h)	—	—	—	(0.05)	—	—	—	—
Adjusted (Non-GAAP)	<u>\$ 179,035</u>	<u>\$ 29,004</u>	<u>\$ 147,427</u>	<u>\$ 1.30</u>	<u>\$ 175,394</u>	<u>\$ 32,371</u>	<u>\$ 140,638</u>	<u>\$ 1.24</u>

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

<i>(DOLLARS AND SHARE AMOUNTS IN THOUSANDS)</i>	First Quarter	
	2020	2019
Numerator		
Adjusted (Non-GAAP) Net Income	\$ 147,427	\$ 140,638
Amortization of Acquisition related Intangible Assets	48,350	47,625
Tax impact on Amortization of Acquisition related Intangible Assets (i)	10,966	10,196
Amortization of Acquisition related Intangible Assets, net of tax (l)	37,384	37,429
Adjusted (Non-GAAP) Net Income ex. Amortization	184,811	178,067
Denominator		
Weighted average shares assuming dilution (diluted)	113,594	113,389
Adjusted (Non-GAAP) EPS ex. Amortization	<u>\$ 1.62</u>	<u>\$ 1.57</u>

- (a) Represents accelerated depreciation related to a plant relocation in India.
- (b) Represents costs related to the integration of the Frutarom acquisition. For 2020, costs primarily related to advisory services, retention bonuses and performance stock awards. For 2019, costs principally related to advisory services.
- (c) For 2020, represents costs primarily related to the Frutarom Integration Initiative. For 2019, represents costs primarily related to the Frutarom Integration Initiative and the 2019 Severance Charges program.
- (d) Represents transaction-related costs and expenses related to the acquisition of Frutarom. For 2020, amount primarily includes earn-out payments, net of adjustments, amortization for inventory "step-up" costs and transaction costs principally related to the 2019 Acquisition Activity. For 2019, amount primarily includes amortization for inventory "step-up" costs and transaction costs.
- (e) Costs related to reviewing the nature of inappropriate payments and review of compliance in certain other countries. In addition, includes legal costs for related shareholder lawsuits.
- (f) Represents transaction costs and expenses related to the pending transaction with Nutrition & Biosciences Inc.
- (g) Represents costs related to the integration of the pending transaction with Nutrition & Biosciences Inc.
- (h) Represents the adjustment to EPS related to the excess of the redemption value of certain redeemable noncontrolling interests over their existing carrying value.
- (i) The income tax expense (benefit) on non-GAAP adjustments is computed in accordance with ASC 740 using the same methodology as the GAAP provision of income taxes. Income tax effects of non-GAAP adjustments are calculated based on the applicable statutory tax rate for each jurisdiction in which such charges were incurred, except for those items which are non-taxable or are subject to a valuation allowance for which the tax expense (benefit) was calculated at 0%. For fiscal years 2020 and 2019, these non-GAAP adjustments were not subject to foreign tax credits, but to the extent that such factors are applicable to any future non-GAAP adjustments we will take such factors into consideration in calculating the tax expense (benefit).
- (j) For 2020 and 2019, net income is reduced by income attributable to noncontrolling interest of \$2.6M and \$2.4M, respectively.
- (k) The sum of these items does not foot due to rounding.
- (l) Represents all amortization of intangible assets acquired in connection with acquisitions, net of tax.