

International Flavors & Fragrances Inc.
Reconciliation of Income
(Amounts in thousands)
(Unaudited)

The following information and schedules provide reconciliation information between reported GAAP amounts and 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.

Fourth quarter 2014						
Items Impacting Comparability						
	Reported (GAAP)	Restructuring and Other Charges	Operational Improvement Initiative Costs	Spanish Tax	Gain on Sale of Asset	Adjusted (Non- GAAP)
Net Sales	756,082					
Cost of Goods Sold	428,102		(1,628) ^(b)			
Gross Profit	327,980		1,628			329,608
Research and Development	62,005					
Selling and Administrative	135,027					
RSA Expense	197,032					
Restructuring and other	386	(386) ^(a)				
Operating Profit	130,562	386	1,628			132,576
Interest Expense	12,019					
Other (Income) expense, net	954				(723) ^(d)	
Income before taxes	117,589	386	1,628		(723)	118,880
Taxes on Income	27,454	135	410	3,825 ^(c)	(253)	31,571
Net Income	90,135	251	1,218	(3,825)	(470)	87,309
Earnings per share - diluted	\$ 1.10 ^(e)	\$ — ^(e)	\$ 0.01 ^(e)	\$ (0.05) ^(e)	\$ — ^(e)	\$ 1.07

(a) Costs related to the Fragrance Ingredients Rationalization

(b) Related to a plant closing, partial closings and other organizational realignments, principally in Europe and Asia

(c) Related to favorable ruling on 2001 dividend withholding case

(d) Represents gain on the sale of a non-operating asset

(e) The sum of these items do not foot due to rounding

Fourth quarter 2013						
Items Impacting Comparability						
	Reported (GAAP)	Restructuring and Other Charges	Operational Improvement Initiative Costs	Spanish Tax Charges	Loss on Asset Sale	Adjusted (Non- GAAP)
Net Sales	725,169					
Cost of Goods Sold	411,714	(2,250) ^(a)	(1,759) ^(b)			
Gross Profit	313,455	2,250	1,759			317,464
Research and Development	70,409					
Selling and Administrative	148,190		(152) ^(b)	(13,011) ^(c)		135,027
RSA Expense	218,599					
Restructuring and other	46	(46) ^(a)				
Operating Profit	94,810	2,296	1,911	13,011		112,028
Interest Expense	11,129					
Other (Income) expense, net	723				1,938 ^(d)	
Income before taxes	82,958	2,296	1,911	13,011	1,938	102,114
Taxes on Income	21,479	804	478	3,903	—	26,664
Net Income	61,479	1,492	1,433	9,108	1,938	75,450
Earnings per share - diluted	\$ 0.75	\$ 0.02	\$ 0.02	\$ 0.11	\$ 0.02	\$ 0.92

(a) Costs related to the Fragrance Ingredients Rationalization

(b) Related to plant closing in Europe and partial closing in Asia

(c) Spanish capital tax charge

(d) Represents a loss on sale of a non-operating asset

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	Full year 2014					
	Items Impacting Comparability					
	Reported (GAAP)	Restructuring and Other Charges	Operational Improvement Initiative Costs	Spanish Tax	Gain on Asset Sale	Adjusted (Non- GAAP)
Net Sales	3,088,533					
Cost of Goods Sold	1,726,383	(5,100) ^(a)	(2,541) ^(b)			
Gross Profit	1,362,150	5,100	2,541			1,369,791
Research and Development	253,640					
Selling and Administrative	514,891					
RSA Expense	768,531					
Restructuring and other	1,298	(1,298) ^(a)				
Operating Profit	592,321	6,398	2,541			601,260
Interest Expense	46,067					
Other (Income) expense, net	(2,807)				(723) ^(d)	(2,084)
Income before taxes	549,061	6,398	2,541		(723)	557,277
Taxes on Income	134,518	2,240	636	3,825 ^(c)	(253)	140,966
Net Income	414,543	4,158	1,905	(3,825)	(470)	416,311
Earnings per share - diluted	\$ 5.06	\$ 0.05	\$ 0.02	\$ (0.05)	\$ —	\$ 5.08

(a) Costs related to the Fragrance Ingredients Rationalization

(b) Related to a plant closing, partial closings and other organizational realignments, principally in Europe and Asia

(c) Related to favorable ruling on 2001 dividend withholding case

(d) Represents gain on the sale of a non-operating asset

	Full year 2013					
	Items Impacting Comparability					
	Reported (GAAP)	Restructuring and Other Charges	Operational Improvement Initiative Costs	Spanish Tax Charges	Gain on Asset Sale	Adjusted (Non- GAAP)
Net Sales	2,952,896					
Cost of Goods Sold	1,668,691	(5,250) ^(a)	(3,520) ^(b)			
Gross Profit	1,284,205	5,250	3,520			1,292,975
Research and Development	259,838					
Selling and Administrative	505,877		(152) ^(b)	(13,011) ^(c)		492,714
RSA Expense	765,715					
Restructuring and other	2,151	(2,151) ^(a)				
Operating Profit	516,339	7,401	3,672	13,011		540,423
Interest Expense	46,767					
Other (Income) expense, net	(15,638)				14,155 ^(d)	
Income before taxes	485,210	7,401	3,672	13,011	(14,155)	495,139
Taxes on Income	131,666	2,590	891	(2,327) ^(c)	(5,633)	127,187
Net Income	353,544	4,811	2,781	15,338	(8,522)	367,952
Earnings per share - diluted	\$ 4.29 ^(e)	\$ 0.06 ^(e)	\$ 0.03 ^(e)	\$ 0.19 ^(e)	\$ (0.1) ^(e)	\$ 4.46

(a) Costs related to the Fragrance Ingredients Rationalization

(b) Related to plant closings in Europe and several locations in Asia

(c) Spanish capital tax charge and Spanish tax charge related to the 2002-2003 ruling

(d) Represents a net gain on the sale of non-operating assets

(e) The sum of these items do not foot due to rounding