SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K/A
AMENDMENT NO.1 TO CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

January 17, 2001 (Date of report)

November 3, 2000 (Date of earliest event reported)

INTERNATIONAL FLAVORS & FRAGRANCES INC.
(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction of incorporation)

1-4858	13-1432060
(Commission File Number)	(IRS Employer Identification No.)

521 West 57th Street, New York, New York	10019
(Address of principal executive offices)	(Zip Code)

(212) 765-5500
(Registrant's telephone number, including area code)

ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS.

On Friday, November 3, 2000, at 12:00 midnight, the cash tender offer (the "Offer") by B Acquisition Corp. ("Merger Subsidiary"), a Virginia corporation and a wholly owned subsidiary of International Flavors & Fragrances Inc. ("IFF"), for all of the outstanding shares of common stock, par value $1.00 per share ("BBA Common Stock"), of Bush Boake Allen Inc., a Virginia corporation ("BBA") expired. On November 6, 2000, Merger Subsidiary accepted for payment 18,833,316 shares, or approximately 97% of the outstanding shares, of BBA Common Stock at $48.50 per share. The Offer was effected pursuant to an Agreement and Plan of Merger, dated as of September 25, 2000 (the "Merger Agreement"), among BBA, IFF and Merger Subsidiary.

Following the Offer, on November 9, 2000, Merger Subsidiary merged with and into BBA pursuant to Section 13.1-719 of the Virginia Stock Corporation Act, and BBA became a wholly owned subsidiary of IFF, with each remaining outstanding share of BBA Common Stock converted into the right to receive $48.50 per share pursuant to the Merger Agreement.

IFF acquired all of the outstanding shares of BBA Common Stock for an aggregate consideration of approximately $970 million in cash. The purchase price of $48.50 for each share of BBA Common Stock was established by negotiation at the time of the Merger Agreement.

The acquisition consideration was paid by IFF from funds borrowed under a credit facility provided by Citibank and Salomon Smith Barney and from proceeds from the issuance of commercial paper.

BBA, which conducts operations on six continents, has 60 locations in 38 countries worldwide. BBA supplies flavors and fragrances to the world's leading consumer products companies for use in foods, beverages, soaps and detergents, cosmetics, toiletries, personal care items and related products. Its aroma chemicals, natural extracts and essential oils serve as raw materials for a wide range of compounded flavors and fragrances. BBA had 1999 worldwide sales of $499 million. IFF currently expects to continue such uses for BBA's assets; provided that IFF may determine to redeploy or dispose of certain assets if it believes it is advantageous to do so.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial statements of business acquired.

BUSH BOAKE ALLEN INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

($ IN THOUSANDS, EXCEPT PER SHARE)

Year Ended December 25,	1999	(Restated) 1998	1997
Net sales	$499,037	$485,374	$490,585
Costs and other charges:			
Cost of goods sold	334,491	311,266	313,527
Selling and administrative expenses	97,999	92,235	98,076
Research and development expenses	25,398	25,228	23,640
Income from operations	41,149	56,645	55,342
Interest expense	2,322	3,326	3,075
Other (income) expense, net	4,348	2,852	3,362
Income before income taxes	34,479	50,467	48,905
Income taxes	13,199	16,894	16,361
Net income	$ 21,280	$ 33,573	$ 32,544
Net income per share - basic	$1.10	$1.74	$1.69
- diluted	$1.10	$1.73	$1.68

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

($ IN THOUSANDS)

Year Ended December 25,	1999	(Restated) 1998	1997
Net income	$21,280	$33,573	$32,544
Other comprehensive (income) expense, net of tax:			
Foreign currency translation adjustments	8,015	1,992	6,403
Total other comprehensive (income) expense	8,015	1,992	6,403
Comprehensive income	$13,265	$31,581	$26,141

See the accompanying notes to the Consolidated Financial Statements.

BUSH BOAKE ALLEN INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

($ IN THOUSANDS)

As of December 25,	1999	(Restated) 1998
ASSETS		
Cash and cash equivalents	$ 9,338	$ 11,072
Receivables, net	93,370	93,109
Inventories	100,374	109,970
Other	11,255	10,225
Total current assets	214,337	224,376
Property, plant and equipment, net	194,999	190,929
Other assets	54,684	50,754
Total Assets	$464,020	$466,059
LIABILITIES AND STOCKHOLDERS' EQUITY		
Notes payable and current maturities	$ 9,551	$ 17,307
Accounts payable	37,689	42,617
Accrued liabilities	31,248	27,756
Income and other taxes	3,954	4,421
Total current liabilities	82,442	92,101
Long-term debt	8,003	10,354
Deferred income taxes	24,794	28,481
Other long-term liabilities	10,212	10,067
Stockholders' equity (Shares outstanding 1999: 19,299,534; 1998: 19,284,817)	338,569	325,056
Total Liabilities and Stockholders' Equity	$464,020	$466,059

See the accompanying notes to the Consolidated Financial Statements.

BUSH BOAKE ALLEN INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

($ IN THOUSANDS)

Year Ended December 25,	1999	1998 (Restated)	1997
Cash provided by (used for) operations:			
Net income	$21,280	$ 33,573	$ 32,544
Adjustments to reconcile net income to cash provided by operations:			
Depreciation and amortization	20,595	17,800	16,930
Deferred income taxes	(1,630)	2,995	2,616
Loss/(gain) on sale of assets	636	(2,833)	22
Other	312	1,707	2,018
Changes in operational assets and liabilities, net of acquisitions:			
Receivables, net	(3,600)	(5,647)	(5,986)
Inventories	6,781	(1,359)	(9,395)
Other assets	(6,519)	(10,272)	(6,800)
Accounts payable, taxes and other liabilities	(1,834)	11,146	3,661
Cash provided by operations	36,021	47,110	35,610
Cash provided by (used for) investment activities:			
Capital expenditures	(28,046)	(35,961)	(33,481)
Proceeds on sale of assets	419	7,307	436
Payments for acquisitions	--	(1,264)	(4,154)
Cash used for investment activities	(27,627)	(29,918)	(37,199)
Cash provided by (used for) financing activities:			
Proceeds from issuance of common stock, net	248	429	681
Change in notes payable, net	(8,487)	(19,624)	(1,655)
Proceeds from issuance of long-term debt	--	7,775	1,852
Repayments of long-term debt	(1,630)	(2)	(3)
Cash provided by (used for) financing activities	(9,869)	(11,422)	875
Effect of exchange rate changes on cash	(259)	944	742
Increases (decreases) in cash and cash equivalents	(1,734)	6,714	28
Balance at beginning of period	11,072	4,358	4,330
Balance at end of period	$ 9,338	$ 11,072	$ 4,358

See the accompanying notes to the Consolidated Financial Statements

BUSH BOAKE ALLEN INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION AND PREPARATION OF FINANCIAL STATEMENTS

The consolidated financial statements present the operating results and the financial position of BBA and all of its subsidiaries. All significant intercompany transactions are eliminated.

In accordance with generally accepted accounting principles, the preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of some assets and liabilities and, in some instances, the reported amounts of revenues and expenses during the reporting period.

RESTATEMENT FOR CHANGE IN ACCOUNTING

Effective December 26, 1999, BBA changed its method of determining the cost of its United States aroma chemicals inventory from a last-in, first-out (LIFO) method to a first-in, first-out (FIFO) method. The change was made because BBA has begun to realize and expects to continue to experience operating efficiencies as a result of process improvements from several capital investment initiatives at its United States aroma chemicals facility. BBA believes that the FIFO method is preferable to the LIFO method as the change conforms the inventories of all operations to the same methodology, inventories are reflected in BBA's balance sheet at their most recent value, the FIFO or average cost methods are the predominant method used in BBA's industry and the FIFO method also results in a better matching of revenues and expenses.

This change in accounting method has been applied retroactively and financial information for all periods presented has been restated to apply the FIFO cost method. As a result of the change, net income was decreased by $2.7 million (approximately $.14 per share diluted) in fiscal 1999 and $119,000 (approximately $.01 per share diluted) in fiscal 1998 and net income was increased by $1.6 million (approximately $.08 per share diluted) in fiscal 1997. As a result of the retroactive application of the new method, retained earnings were increased by $3.1 million as of December 25, 1996.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include all highly liquid investment instruments with an original maturity of three months or less.

INVENTORIES

Inventories are stated at the lower of cost or market and include the cost of materials, labor and manufacturing overhead. Finished goods, work in process, raw materials and supplies are valued at first in, first out (FIFO) or average costs.

PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION

Property, plant and equipment is recorded at cost, less accumulated depreciation. BBA reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable. Upon sale or retirement, the asset value and related depreciation are removed from the balance sheet and the resulting gain or loss is included in income. The straight-line method is used with factory equipment depreciated over 10 to 15 years and buildings over 33 to 40 years.

GOODWILL

The excess of the cost over the fair value of net assets of acquired businesses is recorded as goodwill and is generally amortized on a straight-line basis over appropriate periods not to exceed 40 years. BBA reviews the goodwill recoverability period on a regular basis.

RESEARCH AND DEVELOPMENT COSTS

Research and development expenditures are expensed as incurred.

CAPITALIZED INTEREST

Interest is capitalized on major capital expenditures during the period of construction.

ENVIRONMENTAL LIABILITIES

Environmental expenditures that relate to current operations are expensed or capitalized as appropriate. Liabilities are recorded when remedial efforts are probable and the costs can be reasonably estimated. The timing of these accruals generally coincides with the completion of a feasibility study or BBA's commitment to a formal plan of action.

INCOME TAXES

Deferred taxes represent liabilities to be paid or assets to be received in the future and tax rate changes would immediately affect those liabilities or assets. Deferred income taxes are recorded using enacted tax rates in effect for the year temporary differences are expected to reverse. Federal and state income taxes are not accrued on the cumulative undistributed earnings of foreign subsidiaries because the earnings have been reinvested in the businesses of those companies.

FOREIGN CURRENCY

The assets and liabilities of BBA's foreign subsidiaries and affiliates are translated into U.S. dollars at year-end exchange rates, while income and expense accounts are translated at average annual rates. Gains and losses resulting from foreign currency translation are reflected in a separate component of Stockholders' Equity entitled Accumulated Other Comprehensive Income (Loss). The primary factor used to determine the functional currency of BBA's foreign subsidiaries is the local currency cash flows resulting from manufacturing, sales and financing activities. The U.S. dollar is the functional currency for subsidiaries with material activities in hyperinflationary economies.

BBA hedges foreign currency transactions by entering into forward foreign exchange contracts. Gains and losses associated with currency rate changes on forward contracts hedging foreign currency transactions are recorded to other income/expense as incurred. These gains and losses are matched with the offsetting exchange gains and losses recorded for exchange rate fluctuations on the underlying assets and liabilities.

REVENUE RECOGNITION

Revenues are recognized upon the passage of title, which is generally at the time of shipment.

EARNINGS PER SHARE

Basic earnings per share is based on the weighted average number of shares outstanding during the period. Diluted earnings per share is based on the weighted average number of shares outstanding adjusted for any common stock equivalents.

STOCK-BASED COMPENSATION

BBA accounts for stock-based compensation using the intrinsic value method prescribed in Accounting Principles Board Opinion (APB) No. 25, "Accounting for Stock Issued to Employees," and related Interpretations. Under APB No. 25, compensation cost is measured as the excess, if any, of the quoted market price of BBA's stock at the date of grant over the exercise price of the option granted. Compensation cost for stock options, if any, is recognized ratably over the vesting period. BBA's policy is to grant options with an exercise price equal to the quoted market price of BBA's stock on the grant date. Accordingly, no compensation cost has been recognized for its stock option plan.

OTHER COMPREHENSIVE INCOME

The components of Other Comprehensive Income consist entirely of the Foreign Currency Translation Adjustments as reported in the Consolidated Statements of Comprehensive Income for the years ended December 25, 1999, 1998 and 1997 and as disclosed in Note 6 to the Consolidated Financial Statements.

2. RELATED PARTY TRANSACTIONS

On April 30, 1999, our former parent company, Union Camp Corporation merged with and into International Paper Company ("International Paper"). International Paper became the majority stockholder of BBA and owns 13,150,000 shares of BBA common stock.

BBA enters into various operating transactions with International Paper and its subsidiaries. These transactions include trade purchases of raw materials to be used in certain of BBA's manufacturing processes. The net trade purchases from International Paper for 1999, 1998 and 1997 were $1.8 million, $1.7 million and $1.8 million, respectively. BBA and International Paper have a Supply Agreement relating to the terms and conditions pursuant to which BBA purchases, at approximate fair market value, turpentine from International Paper as well as turpentine procured by International Paper from other sources for sale to BBA.

BBA has a Service Agreement with International Paper under which International Paper provides BBA with certain administrative services, including environmental, tax, risk management, legal, accounting, certain treasury activities, employee benefit administration, human resource administration, safety and health administration, transportation logistics, corporate communications and research and development activities.

International Paper or BBA may terminate any or all of the services covered by the Services Agreement upon ninety days prior written notice. Research and development services were cancelled in 1998 by mutual agreement.

The rates charged by International Paper to BBA are intended to approximate the fair value of the services provided to BBA. The total charges approximated $400,000, $2.9 million and $4.0 million in 1999, 1998 and 1997, respectively. At December 25, 1999 and 1998, the net payable to International Paper was approximately $300,000 and $700,000, respectively, which is payable on demand.

3. SUPPLEMENTAL INFORMATION

STATEMENTS OF INCOME

Total interest costs incurred and amounts capitalized for each of the years ended December 25 were:

	1999	1998	1997
	($ in thousands)		
Total interest	$ 2,702	$ 3,878	$ 3,599
Interest capitalized	(380)	(552)	(524)
Net interest expense	$ 2,322	$ 3,326	$ 3,075

Total other (income) expense, net includes loss from foreign exchange of $900,000 in 1999, $3.5 million in 1998 and $2.0 million in 1997.

BALANCE SHEETS

	As of December 25,	
	1999	1998
	($ in thousands)	
Receivables, net		
Trade	$86,533	$84,550
Other	9,166	10,304

	95,699	94,854
Less allowance for doubtful accounts	2,329	1,745
Total	$93,370	$93,109

There were no significant uncollectible accounts written off during 1999, 1998 or 1997 that were not previously reserved.

	(Restated) As of December 25, 1999	1998
	($ in thousands)	
Inventories		
Finished goods	$ 36,484	$ 42,198
Raw materials	49,498	45,486
Work in process	11,530	18,983
Supplies	2,862	3,303
Total	$ 100,374	$109,970

	As of December 25, 1999	1998
	($ in thousands)	
Other current assets		
Prepayments	$ 3,861	$ 3,332
Other	7,394	6,893
Total	$11,255	$10,225

	As of December 25, 1999	1998
	($ in thousands)	
Property, plant and equipment		
Land	$ 4,495	$ 3,758
Buildings and improvements	68,016	61,916
Machinery and equipment	260,971	234,599
Construction in progress	12,853	28,169
	346,335	328,442
Less accumulated depreciation	151,336	137,513
Property, plant and equipment, net	$194,999	$190,929

	As of December 25, 1999	1998
	($ in thousands)	
Other non-current assets		
Pension asset	$34,354	$36,230
Intangible assets	9,132	10,361
Other	11,198	4,163
Total	$54,684	$50,754

Included within intangible assets as of December 25, 1999 and 1998 was goodwill of $9.1 million and $10.1 million, respectively.

	As of December 25, 1999	1998
	($ in thousands)	
Accrued liabilities		
Payroll	$ 5,979	$ 6,887
Payable to International Paper	275	664
Other	24,994	20,205
Total	$31,248	$27,756
Other long-term liabilities		
Minority interest	$ 5,402	$ 4,706
Postretirement benefits	3,915	3,604
Deferred revenue	42	1,152
Other	853	605
Total	$10,212	$10,067

STATEMENTS OF CASH FLOWS

Cash paid for income taxes was $24.0 million in 1999, $14.2 million in 1998 and $13.1 million in 1997. Cash paid for interest, net of amounts capitalized, was $2.3 million in 1999 and $3.3 million in 1998 and 1997.

FAIR VALUE DISCLOSURES OF FINANCIAL INSTRUMENTS

The carrying amounts of certain financial instruments (cash, short-term investments, trade receivables and payables, long-term debt and forward foreign exchange contracts) approximate their fair values. The carrying values of cash, short-term investments and trade receivables and payables approximate fair value because of the short maturity of these instruments. The fair values of long-term debt and forward foreign exchange contracts vary with market conditions and are estimated based on current rates for similar financial instruments offered to BBA.

DERIVATIVE FINANCIAL INSTRUMENTS

BBA's use of derivatives is restricted to those instruments which hedge the risk associated with underlying business transactions such as existing foreign currency commitments. Derivatives are not used for trading or speculative purposes.

At December 25, 1999, BBA had outstanding foreign exchange contracts valued at $59.5 million, primarily denominated in European currencies. These contracts mature in the first half of 2000. The purpose of these contracts is to neutralize foreign currency transaction risk generated by BBA's firm foreign currency business commitments. The change in value of the contracts resulting from changes in the respective foreign currency rates versus the U.S. dollar is accrued monthly and credited or charged to foreign exchange gain or loss. Foreign currency commitment exposures are evaluated on an ongoing basis and foreign contracts are adjusted as required to match cover with existing commitments. Currently, contracts are limited to currencies with established forward markets and counter-parties, which meet Moody's credit rating of A1 or better.

4. DEBT

BBA had outstanding debt comprised as follows:

	As of December 25, 1999	As of December 25, 1998
	($ in thousands)	
Notes payable	$7,585	$16,382
Current installments of long-term debt	1,966	925
Long-term debt	8,003	10,354

BBA has revolving local bank credit facilities in numerous countries outside the United States which provide for aggregate borrowing availability, expressed in U.S. dollars, of approximately $72.0 million. In addition, BBA has available an $18.0 million, three year committed multi-option borrowing facility from a leading European bank.

As of December 25, 1999, $7.6 million was outstanding and included in notes payable, compared with $16.4 million as of December 25, 1998. Commitment or facility fees are either nominal or zero. Borrowing covenants, to the extent they exist, are presently being met.

Borrowings under bank agreements bear interest at local market rates, which ranged from 1.2% to 25.0% in local currencies during 1999.

BBA has revolving bank credit facilities under which BBA may obtain unsecured borrowings up to $25.0 million in the United States. Any borrowings under these facilities would incur interest at the prevailing prime rate or other market rates. As of December 25, 1999 and 1998, nothing was outstanding. There are no commitment fees or borrowing covenants.

BBA's $8.0 million in long-term debt, payable in 2001, has been issued in Turkey to satisfy BBA's financing needs, at an annual interest rate of 6.3%.

5. INCOME TAXES

The components of income before income taxes were:

	(Restated) Year Ended December 25, 1999	1998	1997
	($ in thousands)		
Domestic	$14,545	$15,411	$11,176
Foreign	19,934	35,056	37,729
Income before income taxes	$34,479	$50,467	$48,905

The provision for income taxes is comprised of the following:

(Restated)

	Year Ended December 25,		
	1999	1998	1997
	($ in thousands)		
Current			
Federal..............	$ 5,553	$ 5,444	$ 1,843
State and local.......	1,027	366	332
Foreign..............	8,249	8,089	11,570
	$14,829	$13,899	$13,745
Deferred			
Federal..............	$(1,411)	$ 174	$ 2,005
State and local.......	(60)	(26)	5
Foreign..............	(159)	2,847	606
	(1,630)	2,995	2,616
Total.............	$ 13,199	$16,894	$16,361

The significant components of the cumulative deferred tax liability are as follows:

	(Restated) As of December 25,	
	1999	1998
	($ in thousands)	
Deferred federal taxes		
Depreciation.......	$ 7,146	$ 6,634
Other..............	(2,947)	(820)
Deferred foreign taxes		
Pensions...........	10,235	10,391
Other..............	10,360	12,276
Total......	$24,794	$28,481

A detailed analysis of the effective tax rate is as follows:

	Year Ended December 25,		
	1999	1998	1997
Statutory federal tax rate...	35.0%	35.0%	35.0%
State taxes (net of federal tax impact)..............	1.6	0.4	0.5
Foreign income taxes.........	2.2	(2.3)	(2.8)
Other........................	(0.5)	0.4	0.8
Effective rate..............	38.3%	33.5%	33.5%

Federal and state income taxes are not accrued on the cumulative undistributed earnings of foreign subsidiaries because the earnings have been reinvested in the business of those companies. As of December 25, 1999, the total of all such undistributed earnings amounts to $125.8 million.

6. STOCKHOLDERS' EQUITY

(Restated)	Common Stock Shares	Common Stock Amounts	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
			($ in thousands)			
Balance, December 25, 1996	19,222	$ 19,222	$ 167,400	$ 82,192	$ (2,590)	$ 266,224
Net income	--	--	--	32,544	--	32,544
Issuance of stock for options	37	37	644	--	--	681
Foreign currency translation	--	--	--	--	(6,403)	(6,403)
Balance, December 25, 1997	19,259	19,259	168,044	114,736	(8,993)	293,046
Net income	--	--	--	33,573	--	33,573
Issuance of stock for options	26	26	403	--	--	429
Foreign currency translation	--	--	--	--	(1,992)	(1,992)
Balance, December 25, 1998	19,285	19,285	168,447	148,309	(10,985)	325,056
Net income	--	--	--	21,280	--	21,280
Issuance of stock for options	15	15	233	--	--	248
Foreign currency translation	--	--	--	--	(8,015)	(8,015)
Balance, December 25, 1999	19,300	$ 19,300	$ 168,680	$ 169,589	$ (19,000)	$ 338,569

The authorized capital stock of BBA at December 1999, 1998 and 1997 consisted of 50,000,000 shares of common stock, $1.00 par value, and 5,000,000 shares of authorized but unissued preferred stock, $1.00 par value.

7. PENSIONS AND OTHER POSTRETIREMENT BENEFITS

BBA and certain foreign subsidiaries have noncontributory defined benefit pension plans covering substantially all of their employees. Benefits are based on years of service and, for salaried employees, final average earnings. BBA funds its plans annually based upon a consistently applied formula which amortizes the unfunded liability adjusted for actuarial gains or losses. Assets of the plans are primarily fixed income instruments and publicly traded stocks.

BBA also has a contributory postretirement health care plan covering primarily its U.S. salaried employees. Employees become eligible for these benefits when they meet minimum age and service requirements. BBA funds its plan on a "pay-as-you-go" basis, in an amount equal to the retirees' medical claims paid.

The following tables set forth pension and postretirement obligations and plan assets as of December 25:

($ in thousands)	Pension Benefits				Postretirement Benefits	
	Domestic	Foreign	Domestic	Foreign		
	1999		1998		1999	1998
Change in benefit obligation:						
Benefit obligation at beginning of year	$29,967	$176,276	$25,570	$150,985	$ 3,427	$ 3,580
Service cost	1,860	4,663	1,584	4,053	271	297
Interest cost	2,468	10,915	1,773	10,469	205	209
Participant contributions	--	--	--	47	7	7
Exchange rate changes	--	(7,748)	--	1,466	--	--
Plan amendments	1,912	--	--	--	(1,681)	--
Benefits paid	(621)	(6,829)	(611)	(5,923)	(103)	(103)
Actuarial (gain) loss	1,958	2,463	1,651	15,179	39	(563)
Benefit obligation at end of year	$37,544	$179,740	$29,967	$176,276	$ 2,165	$ 3,427
Change in plan assets:						
Fair value of plan assets at beginning of year	$24,667	$161,600	$22,539	$167,018	--	--
Actual return on plan assets	4,856	29,288	2,760	(3,462)	--	--
Employer contributions	32	3,114	34	2,486	$ 100	$ 100
Participant contributions	--	--	--	47	7	7
Benefits paid	(621)	(6,829)	(611)	(5,923)	(103)	(103)
Administrative expenses	--	--	(55)	--	(4)	(4)
Exchange rate changes	--	(6,826)	--	1,434	--	--
Fair value of plan assets at end of year	$28,934	$180,347	$24,667	$161,600	--	--
Reconciliation of funded status:						
Funded status as of December 25	$(8,610)	$ 607	$(5,301)	$(14,676)	$(2,165)	$(3,427)
Unrecognized actuarial (gain) loss	515	35,098	1,624	52,874	(227)	(277)
Unrecognized prior service cost	2,039	(1,205)	92	(1,317)	(1,623)	--
Unrecognized transition (asset) obligation	(93)	(146)	(192)	(651)	--	--
Net (liability) asset recognized on Balance Sheet	$(6,149)	$ 34,354	$(3,777)	$ 36,230	$(4,015)	$(3,704)
Amounts recognized in the statement of financial position consist of:						
Prepaid benefit cost	--	$ 35,212	--	$ 36,839	--	--
Accrued benefit (liability)	$(6,149)	(858)	$(3,777)	(609)	$(4,015)	$(3,704)
Net amount recognized at end of year	$(6,149)	$ 34,354	$(3,777)	$ 36,230	$(4,015)	$(3,704)
Additional year-end information for pension plans with accumulated benefit obligations in excess of plan assets:						
Projected benefit obligation	$6,925	$3,097	$29,967	$176,276	--	--
Accumulated benefit obligation	4,686	2,189	22,810	164,133	--	--
Fair value of plan assets	1,300	1,345	24,667	161,600	--	--
Weighted-average assumptions as of December 25:						
Discount rate	7.75%	6.5%	6.75%	6.5%	7.75%	6.75%
Expected return on plan assets	10.0%	9.5%	9.5%	10.0%	N/A	N/A
Rate of compensation increase	5.0%	4.0%	4.75%	6.0%	N/A	N/A

Components of net periodic benefit cost:

($ in thousands)	Pension Benefits			Postretirement Benefits		
	1999	1998	1997	1999	1998	1997

Service cost	$ 6,523	$ 5,637	$ 4,982	$271	$297	$298
Interest cost	13,383	12,241	11,802	205	209	210
Expected return on plan assets	(16,744)	(18,623)	(16,821)	--	--	--
Amortization of prior service cost	171	(105)	(116)	(59)	--	--
Amortization of transitional (asset) obligation	(602)	(812)	(816)	--	--	--
Recognized actuarial (gain) loss	3,318	283	276	(3)	--	--
Net periodic (benefit) cost	$ 6,049	$(1,379)	$ (693)	$414	$506	$508

For measurement purposes, a 7% annual rate of increase in the per capita cost of covered health care benefits for the first half of 1998 and a 5% rate for the second half were assumed. After 1998, the rate remains level at 5% thereafter.

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plan. A one percentage point change in assumed health care cost trend rates would have the following effects:

	One Percentage Point Increase	One Percentage Point Decrease
Effect on total of service and interest cost components	$ 8,000	$ (8,000)
Effect on postretirement benefit obligation	$ 75,000	$ (67,000)

8. Employee Stock Option Plan

In February 1994, BBA adopted the BBA Stock Option and Stock Award Plan (the "Plan"). The Plan provides for the grant of options or awards to officers and key employees of BBA and its subsidiaries at prices not less than 100% of the fair market value at the date of grant. Such options and awards generally become exercisable two or three years after the date of grant and expire ten years from that date. The Plan initially made available up to 750,000 shares of Common Stock, increased on May 1 of each year from May 1, 1995 to May 1, 2003, inclusive, by one percent of the number of shares of Common Stock outstanding on the immediately preceding April 30 (the "Annual Increment"). Under the Plan, 150,000 shares plus 20% of the Annual Increment may be awarded as restricted stock and no more than 1,000,000 shares in the aggregate may be awarded as incentive stock options. Recipients of restricted stock are entitled to receive cash dividends, if any, and to vote their respective shares. Certain restrictions will limit the sale or transfer of these shares during the specified restriction period. Concurrent with the IPO, BBA granted options to purchase approximately 500,000 shares of Common Stock to officers and key employees of BBA which became exercisable at a rate of 20% per year.

At the end of 1999, 470,539 shares were available for future grants under the 1994 plan. The options outstanding at December 25, 1999 do not have stock appreciation rights attached.

In February 1998, BBA adopted the BBA Directors' Stock Option Plan (the "Directors' Plan"). The Directors' Plan provides for the grant of immediately vested options to Directors who are not employees of BBA or International Paper at prices not less than 100% of the fair market value at the date of grant. The Directors' Plan makes available up to 100,000 shares of common stock. Initial grants under the Directors' Plan in 1998 totaled 3,510 options, and 2,010 options were granted in 1999 leaving 94,480 shares available for future grants.

BBA has adopted the disclosure provisions of SFAS No. 123. Accordingly, no compensation cost has been recognized for the stock option plan. Had compensation cost for BBA's stock option plan been determined based on the fair value at the grant date for awards in 1999, 1998 and 1997 consistent with the provisions of SFAS No. 123, total compensation cost recognized in income for stock-based compensation would have been $616,000 in 1999, $520,000 in 1998 and $497,000 in 1997 on a pro forma basis. Also, if SFAS No. 123 had been adopted, pro forma net income and earnings per share would have been $21.6 million or $1.12 per share basic and diluted in 1999, $32.8 million or $1.70 per share basic and $1.69 per share diluted in 1998 and $30.4 million or $1.58 per share basic and $1.57 per share diluted in 1997.

On April 30, 1999, all then outstanding options became vested and exercisable due to the change in control occasioned by the merger of Union Camp and International Paper. The following table summarizes activity in BBA's stock option plan during 1999, 1998 and 1997:

	1999		1998		1997	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Options outstanding at beginning of year	949,126	$23.98	739,627	$22.21	563,520	$19.28
Granted	251,910	$29.94	254,250	$28.72	230,520	$28.75
Exercised	(14,717)	$16.87	(26,017)	$16.49	(36,600)	$18.60
Forfeited	(23,516)	$29.31	(18,734)	$28.95	(17,813)	$20.81

Options outstanding at end of year	1,162,803	$25.25	949,126	$23.98	739,627	$22.21
Options exercisable at end of year	917,213	$24.00	397,536	$19.93	317,227	$20.29

For options outstanding as of the end of 1999, the range of exercise prices was $16.00 to $32.25 per share and the weighted average remaining contractual life was 6.3 years. The weighted average fair value on the date of grant was $11.03 for options granted in 1999, $10.11 for options granted in 1998 and $11.11 for options granted in 1997.

Fair value was determined through the use of the Black-Scholes options pricing formula. For options granted in 1999, the risk-free interest rate was 5.5%, the expected life was 6 years, the expected volatility was 24% and the expected dividend yield was zero, all calculated on a weighted average basis. For options granted in 1998, the risk-free interest rate was 5.5%, the expected life was 6 years, the expected volatility was 21% and the expected dividend yield was zero, all calculated on a weighted average basis. For options granted in 1997, the risk-free interest rate was 6.7%, the expected life was 6 years, the expected volatility was 22% and the expected dividend yield was zero, all calculated on a weight average basis.

9. SUPPLEMENTAL EARNINGS PER SHARE INFORMATION

($ in thousands, except per share)

	For the Year Ended December 25,			(Restated)					
	1999			1998			1997		
	Income . (Numerator)	Shares (Denominator)	Per Share Amount	Income (Numerator)	Shares (Denominator)	Per Share Amount	Income (Numerator)	Shares (Denominator)	Per Share Amount
Net Income	$21,280			$33,573			$32,544		
BASIC EPS									
Income available to common shareholders....	$21,280	19,295,286	$1.10	$33,573	19,279,028	$1.74	$32,544	19,237,909	$1.69
Effect of Dilutive Securities Stock Options..	$ --	96,796		$ --	126,541		$ --	180,368	
DILUTED EPS									
Income available to common shareholders + assumed conversions...	$21,280	19,392,082	$1.10	$33,573	19,405,569	$1.73	$32,544	19,418,277	$1.68

In 1999, 1998 and 1997 there were 772,961, 67,550 and 73,327 potential common shares, respectively, excluded from the computation of diluted earnings per share because the effect would have been antidilutive.

10. COMMITMENTS AND CONTINGENT LIABILITIES

BBA is involved in various legal proceedings arising in the ordinary course of business. Based upon the information presently available and BBA's evaluation of the proceedings pending, management believes that the determination of any such proceedings or all of them combined will not have a material adverse effect on BBA's business or financial position or results of operations.

11. SEGMENT AND GEOGRAPHIC INFORMATION

BBA evaluates performance based on operating earnings of the respective business units. Total revenue and operating profit by business segment and geographic region include both sales to customers, as reported in BBA's consolidated income statement, and intersegment sales, which are accounted for at prices charged to customers and eliminated in consolidation.

Operating profit by business segment is total revenue less operating expenses. In computing operating profit by business segment, none of the following items has been added or deducted: other income, interest expense or income taxes. The amount of the elimination of intersegment profit on any product that remains in inventory at the end of the period is determined by changes in quantities of inventory and changes in the margins of profit.

Identifiable assets by business segment and geographic region are those assets used in company operations in each segment and geographic region. Corporate assets principally include property and investments in unconsolidated affiliates. Capital expenditures are reported exclusive of acquisitions.

The following chart sets forth operating results and other financial data for the principal business segments of BBA for the years ended December 25, 1999, 1998 and 1997.

Segment Information

BBA's business is organized into two operating segments: flavor and fragrance and aroma chemicals. BBA's flavor and fragrance products impart a desired taste or smell to a broad range of consumer products. BBA manufactures its flavors and fragrance products at 20 compounding facilities in 14 countries and maintains sales offices in 38 countries. BBA's aroma chemicals are primarily used as raw materials in fragrance compounds. BBA manufactures its aroma chemicals products primarily at its Jacksonville, Florida and its Widnes, United Kingdom plants.

	Flavor & Fragrance	Aroma Chemicals (Restated)	Corporate Items and Unallocated	Consolidated
	($ in thousands)			
1999				
Net sales to customers	$ 406,018	$ 93,019	--	$ 499,037
Intersegment sales	--	25,101	$ (25,101)	--
Total net sales	406,018	118,120	(25,101)	499,037
Operating profit	47,061	12,239	(18,151)	41,149
Identifiable assets	322,810	126,737	14,473	464,020
Depreciation	10,834	7,768	342	18,944
Capital expenditures	16,353	10,631	1,062	28,046
1998				
Net sales to customers	$ 384,200	$ 101,174	--	$ 485,374
Intersegment sales	--	21,274	$ (21,274)	--
Total net sales	384,200	122,448	(21,274)	485,374
Operating profit	50,151	23,618	(17,124)	56,645
Identifiable assets	304,984	153,150	7,925	466,059
Depreciation	9,376	6,945	310	16,631
Capital expenditures	21,008	13,991	962	35,961
1997				
Net sales to customers	$388,690	$101,895	--	$490,585
Intersegment sales	--	25,373	$(25,373)	--
Total net sales	388,690	127,268	(25,373)	490,585
Operating profit	50,547	23,871	(19,076)	55,342
Identifiable assets	283,320	140,314	8,358	431,992
Depreciation	8,500	6,533	332	15,365
Capital expenditures	20,716	12,023	742	33,481

OPERATIONS BY GEOGRAPHIC AREAS

BBA has operations in 38 countries in North and South America, Europe, Asia, Australia, the Middle East and Africa. BBA's flavor and fragrance business is separately managed in four geographic regions: Americas, Europe, Asia Pacific and International. The aroma chemicals business is managed globally from Jacksonville, Florida and Widnes, United Kingdom. The operations of the Americas region outside of the United States for the purpose of this table are included as a component of "Other".

	U.S.A.	Europe	Asia Pacific	Other	Corporate Items and Unallocated	Consolidated
			($ in thousands)			
1999						
Net sales to customers	$166,345	$156,345	$ 88,293	$ 88,054	--	$499,037
Sales between areas	26,155	28,730	123	673	$(55,681)	--
Total net sales	192,500	185,075	88,416	88,727	(55,681)	499,037
Long-lived assets	61,798	81,768	29,426	22,007	--	194,999
1998						
Net sales to customers	$158,995	$164,665	$78,083	$ 83,631	--	$ 485,374
Sales between areas	28,721	30,960	18	542	$(60,241)	--
Total net sales	187,716	195,625	78,101	84,173	(60,241)	485,374
Long-lived assets	50,500	87,547	30,590	22,292	--	190,929
1997						
Net sales to customers	$147,939	$167,751	$ 88,043	$ 86,852	--	$490,585
Sales between areas	33,328	33,108	26	347	$(66,809)	--
Total net sales	181,267	200,859	88,069	87,199	(66,809)	490,585
Long-lived assets	41,920	86,117	31,595	17,585	--	177,217

RECONCILIATION OF REPORTABLE SEGMENT SALES, INCOME BEFORE INCOME TAXES AND ASSETS:

	1999	(Restated) 1998	1997
	($ in thousands)		
NET SALES			
Total net sales for reportable segments	$ 524,138	$ 506,648	$ 515,958
Elimination of intersegment sales	(25,101)	(21,274)	(25,373)
Total consolidated net sales	$ 499,037	$ 485,374	$ 490,585
INCOME BEFORE INCOME TAXES			
Total operating profit for reportable segments	$ 59,300	$ 73,769	$ 74,418
Elimination of intersegment profits	(4,470)	(3,990)	(4,260)
Unallocated amounts:			
Corporate administration expenses	(13,681)	(13,134)	(14,816)
Interest expense	(2,322)	(3,326)	(3,075)
Other income (expense)	(4,348)	(2,852)	(3,362)
Total consolidated income before income taxes	$ 34,479	$ 50,467	$ 48,905
ASSETS			
Total assets for reportable segments	$ 449,547	$ 458,134	$ 423,634
Unallocated corporate assets	14,473	7,925	8,358
Total consolidated assets	$ 464,020	$ 466,059	$ 431,992

REPORT OF INDEPENDENT ACCOUNTANTS

TO THE BOARD OF DIRECTORS AND STOCKHOLDERS OF BUSH BOAKE ALLEN INC.

In our opinion, the accompanying restated consolidated balance sheets and the related restated consolidated statements of income, comprehensive income and of cash flows present fairly, in all material respects, the financial position of Bush Boake Allen Inc. and its subsidiaries at December 25, 1999 and 1998, and the results of their operations and their cash flows for each of the three years in the period ended December 25, 1999, in conformity with accounting principles generally accepted in the United States. These financial statements are the responsibility of BBA's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

As discussed in Note 1 to the financial statements, the accompanying financial statements have been restated to reflect BBA's fiscal 2000 change in accounting for certain inventories to the first-in first-out method from the last-in first-out method of accounting.

PRICEWATERHOUSECOOPERS LLP
Florham Park, New Jersey
January 28, 2000, except
as it relates to the change in
accounting for certain inventories
described in Note 1, which is
as of January 17, 2001

BUSH BOAKE ALLEN INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
($ in thousands, except per share)
(unaudited)

	QUARTER ENDED SEPTEMBER 25, 2000	QUARTER ENDED SEPTEMBER 25, 1999 (restated)	NINE MONTHS ENDED SEPTEMBER 25, 2000	NINE MONTHS ENDED SEPTEMBER 25, 1999 (restated)
Net Sales	$121,648	$122,148	$362,554	$370,741
Costs and other charges:				

Cost of goods sold	78,018	80,472	232,506	249,167
Selling and administrative expenses	22,519	23,756	71,384	72,222
Research and development expenses	6,769	6,585	20,760	18,867
Income from operations	14,342	11,335	37,904	30,485
Interest expense	433	547	1,434	1,634
Other (income) expense, net	(1,380)	833	(113)	3,285
Income before income taxes	15,289	9,955	36,583	25,566
Income taxes	5,088	3,664	13,180	9,488
Net Income	$10,201	$6,291	$23,403	$16,078
Net income per share:				
- Basic	$0.53	$0.33	$1.21	$0.83
- Diluted	$0.53	$0.32	$1.20	$0.83
Weighted average number of shares outstanding:				
- Basic	19,341,508	19,297,469	19,322,738	19,293,875
- Diluted	19,708,599	19,388,582	19,534,994	19,396,729

See accompanying notes to the Consolidated Financial Statements.

BUSH BOAKE ALLEN INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
($ in thousands)

	SEPTEMBER 25, 2000 (unaudited)	DECEMBER 25, 1999 (restated)
ASSETS		
Cash and cash equivalents	$35,136	$9,338
Receivables, net	89,579	93,370
Inventories	103,330	100,374
Other	8,642	11,255
Total current assets	236,687	214,337
Property, plant and equipment, net	177,848	194,999
Other assets	52,824	54,684
Total Assets	$467,359	$464,020
LIABILITIES AND STOCKHOLDERS' EQUITY		
Notes payable and current maturities	$7,164	$9,551
Accounts payable	38,870	37,689
Accrued liabilities	33,634	31,248
Income and other taxes	114	3,954
Total current liabilities	79,782	82,442
Long-term debt	8,999	8,003
Deferred income taxes	23,035	24,794
Other long-term liabilities	11,195	10,212
Stockholders' equity:		
Common stock - (Shares outstanding: 2000: 19,351,063 and 1999: 19,299,534)	19,351	19,300
Additional paid-in capital	170,000	168,680
Retained earnings	192,992	169,589
Accumulated other comprehensive income/(loss)	(37,995)	(19,000)

Total stockholders' equity	344,348	338,569
Total Liabilities and Stockholders' Equity	$467,359	$464,020

See accompanying notes to the Consolidated Financial Statements.

BUSH BOAKE ALLEN INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
($ in thousands)
(unaudited)

	NINE MONTHS ENDED SEPTEMBER 25,	
	2000	1999 (restated)
Cash provided by (used for) operations:		
Net income	$23,403	$16,078
Adjustments to reconcile net income to cash provided by operations:		
Depreciation and amortization	15,665	14,834
Deferred income taxes	709	(1,643)
Loss/(gain) on sale of assets	(1,913)	524
Other	1,529	138
Changes in operational assets and liabilities:		
Receivables, net	(1,446)	(5,519)
Inventories	(8,292)	2,313
Other assets	(2,377)	(6,843)
Accounts payable, taxes and other liabilities	6,063	1,978
Cash provided by operations	33,341	21,860
Cash provided by (used for) investment activities:		
Capital expenditures	(9,305)	(22,310)
Other	2,004	208
Cash used for investment activities	(7,301)	(22,102)
Cash provided by (used for) financing activities:		
Proceeds from issuance of common stock, net	1,244	248
Change in notes payable, net	(2,245)	(6,692)
Proceeds from issuance of long-term debt	3,203	--
Repayments of long-term debt	(1,803)	(981)
Cash provided by (used for) financing activities	399	(7,425)
Effect of exchange rate changes on cash	(641)	230
Increase (decrease) in cash and cash equivalents	25,798	(7,437)
Balance at beginning of period	9,338	11,072
Balance at end of period	$35,136	$3,635

See accompanying notes to the Consolidated Financial Statements.

BUSH BOAKE ALLEN INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
($ in thousands)
(unaudited)

	QUARTER ENDED SEPTEMBER 25,		NINE MONTHS ENDED SEPTEMBER 25,	
	2000	1999 (restated)	2000	1999 (restated)

Net Income	$10,201	$6,291	$23,403	$16,078
Other comprehensive income/(loss), net of tax:				
Foreign currency translation adjustments	(6,860)	5,424	(18,995)	(6,456)
Total other comprehensive income/(loss)	(6,860)	5,424	(18,995)	(6,456)
Comprehensive Income/(Loss)	$3,341	$11,715	$4,408	$9,622

See accompanying notes to the Consolidated Financial Statements.

BUSH BOAKE ALLEN INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Pending Sale of Business

As announced in a joint press release between International Flavors & Fragrances Inc. (IFF) and Bush Boake Allen Inc. (BBA), dated September 25, 2000, the Boards of Directors of both companies have approved a definitive merger agreement, under which IFF will acquire all the outstanding shares of BBA for $48.50 per share in cash. IFF anticipates completing this transaction in the fourth quarter of 2000. The waiting period under the Hart-Scott-Rodino Antitrust Act has expired and the tender offer is scheduled to expire at 12:00 Midnight on November 3, 2000, unless extended.

Note 2. Interim Reporting

The information furnished in this report is unaudited but includes all adjustments which, in the opinion of management, are necessary for a fair presentation of results for the interim periods reported. The adjustments made were of a normal recurring nature. Results for the interim periods are not necessarily indicative of results for the full period or for any other interim period.

Note 3. Change in Accounting

Effective December 26, 1999, BBA changed its method of determining the cost of its United States aroma chemicals inventory from a last-in, first-out (LIFO) method to a first-in, first-out (FIFO) method. The change was made because BBA has begun to realize and expects to continue to experience operating efficiencies as a result of process improvements from several capital investment initiatives at its United States aroma chemicals facility. BBA believes that the FIFO method is preferable to the LIFO method as the change conforms the inventories of all operations to the same methodology, inventories are reflected in BBA's balance sheet at their most recent value, the FIFO or average cost methods are the predominant method used in BBA's industry and the FIFO method also results in a better matching of revenues and expenses.

This change in accounting method has been applied retroactively and financial information for all periods presented has been restated to apply the FIFO cost method. As a result of the change, net income was decreased by $500,000 (approximately $.03 per share diluted) in the third quarter of 1999 and $1.0 million (approximately $.05 per share diluted) in the nine months ended September 25, 1999. As a result of the retroactive application of the new method, retained earnings were increased by $1.8 million and inventories were increased by $3.0 million as of December 25, 1999. The effect of the accounting change on the third quarter and the nine months ended September 25, 2000 was not material.

Note 4. Inventories

	September 25, 2000	(Restated) December 25, 1999
	($ in thousands)	
Finished goods	$35,766	$36,484
Raw materials	48,832	49,498
Work in process	15,386	11,530
Supplies	3,346	2,862
Total	$103,330	$100,374

Note 5. Stockholders' Equity (in thousands)

	COMMON STOCK SHARES	COMMON STOCK AMOUNTS	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	TOTAL STOCKHOLDERS' EQUITY
Restated Balance December 25, 1999	19,300	$19,300	$168,680	$169,589	$(19,000)	$338,569
Net Income				23,403		23,403
Issuance of Stock for Options	51	51	1,320			1,371
Foreign Currency Translation					(18,995)	(18,995)
Balance September 25, 2000	19,351	$19,351	$170,000	$192,992	$(37,995)	$344,348

Note 6. Other Comprehensive Income

The components of Other Comprehensive Income consist entirely of the Foreign Currency Translation Adjustments as reported in the Consolidated Statement of Comprehensive Income for the periods ending September 25, 2000 and 1999, and as reported in the Consolidated Balance Sheets as of September 25, 2000 and December 25, 1999. Bush Boake Allen Inc. does not provide any Federal or State deferred income taxes on the cumulative undistributed earnings of foreign subsidiaries including cumulative translation adjustments with respect to such foreign subsidiaries, because the earnings have been reinvested in the businesses of those companies.

Note 7. Other (Income) Expense, Net

Other (income) expense, net for the third quarter 2000 includes a non-recurring pre-tax gain of $1.9 million related to the sale of surplus land and vacated buildings adjacent to BBA's Walthamstow, England site. This sale reduced the effective tax rate in the third quarter, reflecting the UK capital gains tax benefit on this transaction.

Note 8. Segment Information

The following chart sets forth sales and operating profit for the principal business segments of BBA for the quarters ended September 25, 2000 and 1999 and for the nine months ended September 25, 2000 and 1999. There has not been a material change in total assets from the amounts disclosed in the 1999 annual report, except for the restatement due to the accounting change as described in Note 3. The basis of segmentation and the measurement of segment operating profit has been consistently applied.

	FLAVOR & FRAGRANCE	AROMA CHEMICALS	CORPORATE ITEMS AND UNALLOCATED	CONSOLIDATED
		($ IN THOUSANDS)		
QUARTER ENDED SEPTEMBER 25, 2000				
Net sales to customers	$102,382	$19,266	--	$121,648
Intersegment sales	--	5,006	$(5,006)	--
Total net sales	102,382	24,272	(5,006)	121,648
Operating profit	15,316	2,855	(3,829)	14,342
SEPTEMBER 25, 1999 (RESTATED)				
Net sales to customers	$ 99,541	$22,607	--	$122,148
Intersegment sales	--	5,304	$(5,304)	--
Total net sales	99,541	27,911	(5,304)	122,148
Operating profit	12,807	2,094	(3,566)	11,335

	FLAVOR & FRAGRANCE	AROMA CHEMICALS	CORPORATE ITEMS AND UNALLOCATED	CONSOLIDATED
		($ IN THOUSANDS)		
NINE MONTHS ENDED SEPTEMBER 25, 2000				
Net sales to customers	$303,090	$59,464	--	$362,554
Intersegment sales	--	15,608	$(15,608)	--
Total net sales	303,090	75,072	(15,608)	362,554
Operating profit	38,498	11,703	(12,297)	37,904

SEPTEMBER 25, 1999 (RESTATED)				
Net sales to customers	$302,665	$68,076	--	$370,741
Intersegment sales	--	19,065	$(19,065)	--
Total net sales	302,665	87,141	(19,065)	370,741
Operating profit	36,969	7,404	(13,888)	30,485

Reconciliation of reportable segment sales and income before taxes:

	QUARTER ENDED SEPTEMBER 25, 2000	QUARTER ENDED SEPTEMBER 25, 1999 (RESTATED)
	($ IN THOUSANDS)	
NET SALES		
Total net sales for reportable segments	$126,654	$127,452
Elimination of intersegment sales	(5,006)	(5,304)
Total consolidated net sales	$121,648	$122,148
INCOME BEFORE INCOME TAXES		
Total operating profit for reportable segments	$18,171	$14,901
Elimination of intersegment profits	(672)	188
Unallocated amounts:		
Corporate administration expenses	(3,157)	(3,754)
Interest expense	(433)	(547)
Other income (expense)	1,380	(833)
Total consolidated income before income taxes	$15,289	$9,955

	NINE MONTHS ENDED SEPTEMBER 25, 2000	NINE MONTHS ENDED SEPTEMBER 25, 1999 (RESTATED)
	($ IN THOUSANDS)	
NET SALES		
Total net sales for reportable segments	$378,162	$389,806
Elimination of intersegment sales	(15,608)	(19,065)
Total consolidated net sales	$362,554	$370,741
INCOME BEFORE INCOME TAXES		
Total operating profit for reportable segments	$50,201	$44,373
Elimination of intersegment profits	(2,531)	(3,052)
Unallocated amounts:		
Corporate administration expenses	(9,766)	(10,836)
Interest expense	(1,434)	(1,634)
Other income (expense)	113	(3,285)
Total consolidated income before income taxes	$36,583	$25,566

(b) Pro forma financial information.

UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following unaudited pro forma financial statements illustrate the effect of the Offer as if it had been consummated on September 30, 2000 for the Unaudited Pro Forma Consolidated Balance Sheet. The Unaudited Pro Forma Combined Income Statements for the year ended December 31, 1999 and for the first nine months of 2000 assume the merger was effected as of the beginning of the period presented.

The pro forma adjustments do not reflect any operating efficiencies and cost savings that may be achieved with respect to the acquisition. The pro forma adjustments do not include any adjustments to historical sales for any future price changes nor any adjustments to selling, marketing or any other expenses for any future operating changes. Upon the closing of the BBA merger, IFF will incur certain integration related expenses and a preliminary estimate is reflected in the pro forma financial statements as a result of the elimination of duplicate facilities, operational realignment and related workforce reductions. Such costs will generally be recognized by IFF as a liability assumed as of the merger date resulting in additional goodwill in accordance with Emerging

Issues Task Force No. 95-3, Recognition of Liabilities in Connection with a Purchase Business Combination ("EITF 95-3"). The assessment of integration related expenses is ongoing. The following pro forma information is not necessarily indicative of the financial position or operating results that would have occurred had the BBA merger, been consummated on the dates, or at the beginning of the periods, for which such transactions are being given effect. The pro forma adjustments reflecting the consummation of the merger are based upon the assumptions set forth in the notes hereto.

The merger with BBA closed on November 9, 2000. IFF has accounted for the BBA merger under the purchase method of accounting. Accordingly, IFF has established a new basis for BBA's assets and liabilities based upon the fair values and the IFF purchase price including the costs of the merger. The purchase accounting adjustments made in connection with the development of the pro forma condensed financial statements are preliminary and have been made solely for purposes of developing such pro forma condensed financial information.

IFF currently knows of no events other than those disclosed in these pro forma notes that would require a material change to the preliminary purchase price allocation of BBA. However, a final determination of required purchase accounting adjustments will be made upon the completion of a study undertaken by IFF in conjunction with independent appraisers to determine the fair value of certain of BBA assets, including intangible assets, and liabilities, including the aforementioned "EITF 95-3" liabilities. Refer to note 8 of the Notes to the Unaudited Pro Forma Financial Information for a discussion of the sensitivity to earnings that may occur as a result of the final determination of fair value. The future financial position and results of operations will differ, perhaps significantly, from the pro forma amounts reflected herein because of a variety of factors, including access to additional information, changes in value not currently identified and changes in operating results.

INTERNATIONAL FLAVORS & FRAGRANCES INC.
UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2000
(AMOUNTS IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

	HISTORICAL		PRO FORMA	PRO FORMA
	IFF	BBA	ADJUSTMENTS	COMBINED
Net sales	$1,078,262	$362,554	($4,439)(1)	$1,436,377
Cost of goods sold	587,852	232,506	(4,630)(2)	815,728
Research and development expenses	82,423	20,760		103,183
Selling and administrative expenses	197,570	71,384		268,954
Nonrecurring charges	17,039	0		17,039
Interest expense	9,406	1,434	54,690(3)	65,530
Amortization	0	0	31,611(4)	31,611
Other (income) expense, net	2,488	(113)		2,375
	896,778	325,971	81,671	1,304,420
Income before taxes on income	181,484	36,583	(86,110)	131,957
Taxes on income	59,865	13,180	(21,775)(5)	51,270
Net income	$121,619	$23,403	($64,335)	$80,687
Net income per share - basic	$1.19	$1.21		$0.79
Net income per share - diluted	$1.19	$1.20		$0.79
Weighted average number of shares outstanding - basic	102,152	19,323		102,152
Weighted average number of shares outstanding - diluted	102,169	19,535		102,169
Cash dividends per share of common stock	$1.14	$0.00		

See Notes to Unaudited Pro Forma Financial Information

INTERNATIONAL FLAVORS & FRAGRANCES INC.
UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET
SEPTEMBER 30, 2000
(DOLLARS IN THOUSANDS)

	HISTORICAL		PRO FORMA	PRO FORMA
	IFF	BBA	ADJUSTMENTS	COMBINED
Assets				
Current Assets:				

Cash and cash equivalents	$106,820	$35,136		$141,956
Short-term investments	324	0		324
Receivables:				
Trade	283,592	84,237	($493)(8)	367,336
Allowance for doubtful accounts	(10,193)	(2,354)		(12,547)
Other	26,483	7,696		34,179
Inventories	358,363	103,330		461,693
Prepaid and deferred charges	60,954	8,642	10,500(7)	80,096
Total Current Assets	826,343	236,687	10,007	1,073,037
Property, plant and equipment, net	506,693	177,848		684,541
Goodwill and other intangibles	0	0	737,212(7)	737,212
Other Assets	33,902	52,824	(42,534)(7)	44,192
Total Assets	$1,366,938	$467,359	$704,685	$2,538,982
Liabilities and Shareholders' Equity				
Current Liabilities:				
Bank loans	$43,841	$7,164		$51,005
Commercial paper	207,095	0	$972,260(6)	1,179,355
Accounts payable	48,714	38,870	(493)(8)	87,091
Dividends payable	37,902	0		37,902
Income taxes	55,816	114		55,930
Other current liabilities	138,836	33,634	30,000(7)	202,470
Total Current Liabilities	532,204	79,782	1,001,767	1,613,753
Other Liabilities:				
Long-term debt	15,617	8,999		24,616
Deferred income taxes	28,572	23,035	53,415(7)	105,022
Retirement and other liabilities	144,947	11,195	(6,149)(7)	149,993
Total Other Liabilities	189,136	43,229	47,266	279,631
Shareholders' Equity				
Common stock	14,470	19,351	(19,351)(7)	14,470
Capital in excess of par value	133,113	170,000	(170,000)(7)	133,113
Retained earnings	1,217,789	192,992	(192,992)(7)	1,217,789
Accumulated other comprehensive income:				
Cumulative translation adjustment	(100,278)	(37,995)	37,995(7)	(100,278)
	1,265,094	344,348	(344,348)	1,265,094
Treasury stock	(619,496)	0		(619,496)
Total Shareholders' Equity	645,598	344,348	(344,348)	645,598
Total Liabilities and Shareholders' Equity	$1,366,938	$467,359	$704,685	$2,538,982

See Notes to Unaudited Pro Forma Financial Information

INTERNATIONAL FLAVORS & FRAGRANCES INC.
UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 1999
(AMOUNTS IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

	HISTORICAL		PRO FORMA	PRO FORMA
	IFF	BBA	ADJUSTMENTS	COMBINED
Net sales	$1,439,499	$499,037	($7,156)(1)	$1,931,380
Cost of goods sold	791,787	334,491	(6,995)(2)	1,119,283
Research and development expenses	103,794	25,398		129,192
Selling and administrative expenses	262,642	97,999		360,641
Nonrecurring charges	32,948	0		32,948
Interest expense	5,154	2,322	72,920(3)	80,396
Amortization	0	0	42,148(4)	42,148
Other (income) expense, net	(291)	4,348		4,057
	1,196,034	464,558	108,073	1,768,665
Income before taxes on income	243,465	34,479	(115,229)	162,715
Taxes on income	81,465	13,199	(29,782)(5)	64,882
Net income	$162,000	$21,280	($85,447)	$97,833
Net income per share - basic	$1.53	$1.10		$0.93
Net income per share - diluted	$1.53	$1.10		$0.92

Weighted average number of shares outstanding - basic	105,748	19,295	105,748
Weighted average number of shares outstanding - diluted	105,943	19,392	105,943
Cash dividends per share of common stock	$1.52	$0.00	

See Notes to Unaudited Pro Forma Financial Information

Notes to Unaudited Pro Forma Financial Information

(1) To eliminate intercompany sales between IFF and BBA.

(2) To eliminate cost of goods sold relating to intercompany sales and to account for related estimated profit that remains in inventory.

(3) To reflect the recognition of incremental interest expense on the additional borrowings equal to the cash consideration exchanged in the acquisition. Interest expense was calculated using an interest rate of 7.5%. The interest rate reflects IFF's average borrowing rate in effect at the acquisition date.

(4) To reflect the amortization of goodwill and other intangibles resulting from the preliminary allocation of the excess of consideration over the net assets of BBA. Under current accounting rules, IFF would expect the amount of excess consideration allocated to goodwill to be amortized over 20 years. In December 2000, the Financial Accounting Standards Board (FASB) reached a tentative decision to use the nonamortization approach to account for purchased goodwill. Under the revised proposal, goodwill would not be amortized annually, but instead would be reviewed for impairment and written down (expensed against earnings) when the carrying value of the goodwill exceeds its fair value. Such FASB tentative decision is not yet final and may change before a definitive standard is issued.

(5) To reflect the tax effect, as appropriate, of the pro forma adjustments.

(6) To reflect the additional commercial paper used to finance the acquisition.

(7) To record the preliminary allocation of purchase price to tangible and intangible assets acquired and liabilities assumed. Intangible assets acquired include formulations, technology, customer relationships and assembled workforce. The total value of such intangible assets and goodwill of $737 million is amortized over 7 to 20 years. A preliminary estimate of certain restructuring costs related to the planned elimination of duplicate facilities, operational realignment and related workforce reductions are reflected as a liability in accordance with EITF 95-3.

Assuming an estimated useful life of 20 years, each $10 million of consideration allocated to intangible assets other than franchise/goodwill would have the effect of decreasing net income by $0.5 million annually ($0.005 per diluted share).

(8) To eliminate intercompany balances between BBA and IFF.

(c) Exhibits:

Exhibit No.	Description
23	Consent of PricewaterhouseCoopers LLP.
99	Press release, dated November 9, 2000 (incorporated by reference to IFF's Current Report on Form 8-K filed with the Commission on November 13, 2000).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INTERNATIONAL FLAVORS & FRAGRANCES INC.

By: /s/ Stephen A. Block

Name: Stephen A. Block
Title: Senior Vice President, General Counsel and Secretary

Dated: January 17, 2001

EXHIBIT INDEX

Exhibit No.	Description
23	Consent of PricewaterhouseCoopers LLP.
99	Press release, dated November 9, 2000 (incorporated by reference to IFF's Current Report on Form 8-K filed with the Commission on November 13, 2000).

Exhibit 23

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-46932, No. 333-59689, No. 33-66756 and No. 33-47856) and the Registration Statements on Form S-8 (No. 333-51436, No. 333-50752 and No. 33-54423) of International Flavors & Fragrances Inc. (the "Company") of our report dated January 28, 2000, except as it relates to the change in accounting for certain inventories described in Note 1, which is as of January 17, 2001, relating to the financial statements of Bush Boake Allen Inc., which appears in this Current Report on Form 8-K/A of the Company dated January 17, 2001.

PRICEWATERHOUSECOOPERS LLP

Florham Park, New Jersey
January 17, 2001