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SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OF
THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended March 31, 1999

Commission file number 1-4858

INTERNATIONAL FLAVORS & FRAGRANCES INC.
(Exact Name of Registrant as specified in its charter)

NEW YORK	13-1432060
(State or other jurisdiction of incorporation or organization)	(IRS Employer identification No.)
521 West 57th Street, New York, N.Y.	10019-2960
(Address of principal executive offices)	(Zip Code)

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Number of shares outstanding as of May 7,1999: 106,048,298

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

INTERNATIONAL FLAVORS & FRAGRANCES INC.

CONSOLIDATED BALANCE SHEET
(Dollars in thousands)

	3/31/99	12/31/98
ASSETS		
Current Assets:		
Cash & Cash Equivalents	$ 101,845	$ 114,960
Short-term Investments	1,205	1,039
Trade Receivables	288,169	264,352
Allowance For Doubtful Accounts	(9,786)	(9,517)
Inventories: Raw Materials	226,273	235,552

Work in Process	5,585	8,251
Finished Goods	151,648	160,158
Total Inventories	383,506	403,961
Other Current Assets	61,624	73,233
Total Current Assets	826,563	848,028
Property, Plant & Equipment, At Cost	920,382	913,397
Accumulated Depreciation	(411,859)	(414,613)
	508,523	498,784
Other Assets	40,866	41,252
Total Assets	$1,375,952	$1,388,064
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Bank Loans	$ 48,666	$ 29,072
Accounts Payable-Trade	69,191	60,331
Dividends Payable	40,297	40,301
Income Taxes	42,046	46,647
Other Current Liabilities	80,199	96,557
Total Current Liabilities	280,399	272,908
Other Liabilities:		
Deferred Income Taxes	33,842	30,730
Long-term Debt	3,948	4,341
Retirement and Other Liabilities	134,564	135,034
Total Other Liabilities	172,354	170,105
Shareholders' Equity:		
Common Stock (115,761,840 shares issued)	14,470	14,470
Capital in Excess of Par Value	136,317	136,443
Restricted Stock	(6,187)	(6,750)
Retained Earnings	1,219,103	1,210,620
Accumulated Other Comprehensive Income:		
Cumulative Translation Adjustment	(39,827)	(9,130)
	1,323,876	1,345,653
Treasury Stock, at cost - 9,717,042 shares in '99 and 9,715,775 in '98	(400,677)	(400,602)
Total Shareholders' Equity	923,199	945,051
Total Liabilities and Shareholders' Equity	$1,375,952	$1,388,064

See Notes to Consolidated Financial Statements

INTERNATIONAL FLAVORS & FRAGRANCES INC.

CONSOLIDATED STATEMENT OF INCOME
(Dollars in thousands except per share amounts)

	3 Months Ended 3/31	
	1999	1998
Net Sales	$367,765	$373,411
Cost of Goods Sold	206,469	198,207
Research and Development Expenses	25,925	23,850
Selling and Administrative Expenses	63,580	57,373
Interest Expense	991	459
Other (Income) Expense, Net	(2,554)	(3,272)
	294,411	276,617
Income Before Taxes on Income	73,354	96,794
Taxes on Income	24,574	34,168
Net Income	48,780	62,626
Other Comprehensive Income:		
Foreign Currency Translation Adjustments	(30,697)	(10,947)
Comprehensive Income	$ 18,083	$ 51,679
Net Income Per Share - Basic	$0.46	$0.58
Net Income Per Share - Diluted	$0.46	$0.58
Average Number of Shares Outstanding - Basic	105,907	108,129
Average Number of Shares Outstanding - Diluted	106,128	108,524
Dividends Paid Per Share	$0.38	$0.37

See Notes to Consolidated Financial Statements

INTERNATIONAL FLAVORS & FRAGRANCES INC.

CONSOLIDATED STATEMENT OF CASH FLOWS
(Dollars in thousands)

	3 Months Ended 3/31 1999	3 Months Ended 3/31 1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 48,780	$ 62,626
Adjustments to Reconcile to Net Cash Provided by Operations:		
Depreciation	12,658	11,972
Deferred Income Taxes	7,456	1,636
Changes in Assets and Liabilities:		
Current Receivables	(26,707)	(51,448)
Inventories	7,320	(9,577)
Current Payables	(8,049)	10,325
Other, Net	5,215	2,256
Net Cash Provided by Operations	46,673	27,790
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds From Sales/Maturities of Short-term Investments	221	29,999
Purchases of Short-term Investments	(392)	0
Additions to Property, Plant & Equipment, Net of Minor Disposals	(34,445)	(12,860)
Net Cash (Used in) Provided by Investing Activities	(34,616)	17,139
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash Dividends Paid to Shareholders	(40,301)	(40,407)
Increase in Bank Loans	21,243	638
Decrease in Long-term Debt	(214)	(892)
Proceeds From Issuance of Stock Under Stock Option Plans	646	1,049
Purchase of Treasury Stock	(847)	(60,765)
Net Cash Used in Financing Activities	(19,473)	(100,377)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(5,699)	(2,260)
Net Change in Cash and Cash Equivalents	(13,115)	(57,708)
Cash and Cash Equivalents at Beginning of Year	114,960	216,994
Cash and Cash Equivalents at End of Period	$ 101,845	$ 159,286
Interest Paid	$ 801	$ 428
Income Taxes Paid	$ 19,725	$ 17,034

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

These interim statements and management's related discussion and analysis should be read in conjunction with the consolidated financial statements and their related notes, and management's discussion and analysis of results of operations and financial condition included in the Company's 1998 Annual Report to Shareholders. In the opinion of the Company's management, all normal recurring adjustments necessary for a fair statement of the results for the interim periods have been made.

Effective January 1, 1999, the Company adopted Statement of Position 98-5 (SOP 98-5), Reporting on the Costs of Start-Up Activities, which is effective for fiscal years beginning after December 15, 1998. SOP 98-5 requires that costs of start-up activities, including organization costs, be expensed as incurred. The effect of adopting this Standard was not material.

As described in Note 2 of the Notes to the Consolidated Financial Statements included in the Company's 1998 Annual Report to Shareholders, the Company undertook a program to phase out and close certain of its aroma chemical production facilities during 1996. The status of the reserve is as follows:

	BALANCE AT 12/31/98	UTILIZED IN 1999	BALANCE AT 3/31/99
Employee related	$ 521,000	$ 205,000	$ 316,000
Closing manufacturing plants	2,200,000	913,000	1,287,000
Total	$2,721,000	$1,118,000	$1,603,000

The Company's reportable segment information, based on geographic area, for the first quarter 1999 and 1998 follows:

1999 (Dollars in thousands)	North America	EAME	Latin America	Far East	Eliminations	Consolidated
Sales to unaffiliated customers	$118,509	$157,504	$ 48,540	$ 43,212	$ --	$367,765
Transfers between areas	14,105	31,047	148	2,492	(47,792)	--
Total sales	$132,614	$188,551	$ 48,688	$ 45,704	$(47,792)	$367,765
Operating profit	$ 10,120	$ 47,323	$ 7,054	$ 7,646	$ 1,639	$ 73,782
Unallocated expenses						(1,991)
Interest expense						(991)
Other income (expense), net						2,554
Income before taxes on income						$ 73,354

1998 (Dollars in thousands)	North America	EAME	Latin America	Far East	Eliminations	Consolidated
Sales to unaffiliated customers	$121,102	$159,711	$ 51,703	$ 40,895	$ --	$373,411
Transfers between areas	19,585	27,302	179	3,947	(51,013)	--
Total sales	$140,687	$187,013	$ 51,882	$ 44,842	$(51,013)	$373,411
Operating profit	$ 21,982	$ 54,035	$ 12,162	$ 7,657	$ (182)	$ 95,654
Unallocated expenses						(1,673)
Interest expense						(459)
Other income (expense), net						3,272
Income before taxes on income						$ 96,794

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

OPERATIONS

Worldwide net sales for the first quarter of 1999 were $367,765,000, compared to $373,411,000 in the 1998 first quarter. North American flavor sales continue to grow, reflecting a strengthening of the U.S. food and beverage market. In addition, the Company is beginning to see a resumption of growth in the Far East. However, a number of factors combined to offset these positive developments. Sales were adversely affected by weakness in aroma chemical sales, in both EAME and North America, and because of pricing pressure on certain non-proprietary chemicals produced by the Company. The currency and ensuing economic crisis in Brazil, the Company's largest market in Latin America, also significantly impacted both sales and operating results. Sales in the first quarter of 1999 were not significantly affected by translation.

The percentage relationship of cost of goods sold and other operating expenses to sales for the first quarter 1999 and 1998 are detailed below.

	FIRST QUARTER 1999	FIRST QUARTER 1998
Cost of Goods Sold	56.1%	53.1%
Research and Development Expenses	7.0%	6.4%
Selling and Administrative Expenses	17.3%	15.4%

Cost of goods sold, as a percentage of net sales, increased from the prior year primarily due to the circumstances impacting aroma chemicals, both in terms of weakness in demand and in pricing pressures.

Selling and administrative expenses increased as a percentage of sales primarily due to costs of the Company's Y2K program. The costs for this program amounted to approximately $.04 per share for the current quarter; such expenses are expected to continue at about the same level through the end of the second quarter of 1999. Excluding the Y2K program costs, selling and administrative expenses would have represented approximately 15.7% of sales, in line with 1998 levels. There were no comparable levels of spending for Y2K in the 1998 first quarter.

Net income for the first quarter of 1999 totaled $48,780,000 compared to $62,626,000 in the prior year first quarter. The decline in net income from the prior year was primarily attributable to the increase in cost of goods sold, as a percentage of sales, and the costs of the Company's Y2K program. Basic and diluted earnings per share for the current quarter were both $.46, compared to $.58 in the prior year first quarter.

As described in Note 2 of the Notes to the Consolidated Financial Statements included in the Company's 1998 Annual Report to Shareholders, the Company undertook a program to phase out and close certain of its aroma chemical production facilities during 1996. The status of the reserve is as follows:

	BALANCE AT 12/31/98	UTILIZED IN 1999	BALANCE AT 3/31/99
Employee related	$ 521,000	$ 205,000	$ 316,000
Closing manufacturing plants ...	2,200,000	913,000	1,287,000
Total	$2,721,000	$1,118,000	$1,603,000

The effective tax rate for the first quarter 1999 was 33.5% as compared to 35.3% for the same period in 1998. The lower effective rate reflects the effects of lower tax rates in various tax jurisdictions in which the Company operates.

FINANCIAL CONDITION

The financial condition of the Company continued to be strong. Cash, cash equivalents and short-term investments totaled $103,050,000 at March 31, 1999, and working capital was $546,164,000 compared to $575,120,000 at December 31, 1998. Gross additions to property, plant and equipment during the first three months of 1999 were $34,664,000.

In January 1999, the Company's cash dividend was increased to an annual rate of $1.52 per share from $1.48 in 1998, and $.38 per share was paid to shareholders in the first quarter of 1999. The Company anticipates that its growth, capital expenditure programs and share repurchase program will be funded mainly from internal sources.

The accumulated comprehensive income component of Shareholders' Equity, comprised principally of the cumulative translation adjustment, at March 31, 1999, was ($39,827,000) compared to ($9,130,000) at December 31, 1998. Changes in the component result from translating the net assets of the majority of the Company's foreign subsidiaries into U.S. dollars at current exchange rates as required by the Statement of Financial Accounting Standards No. 52 on accounting for foreign currency translation.

YEAR 2000 ISSUE

The Company has instituted a comprehensive program to address its "Year 2000" needs (the "Y2K Program"). The Y2K Program is currently on schedule to be completed prior to January 1, 2000, and in most cases no later than September 30, 1999.

The Y2K Program has been designed to evaluate and, if necessary, repair or replace those computer programs and embedded computer chips that are significant to the Company and that use only the last two digits to refer to a year ("Y2K Code"), so that such Y2K Code will be "Year 2000 Capable," that is, will recognize dates beginning in the year 2000. For purposes of the Y2K Program, Y2K Code is that which the Company concludes could, if not made Year 2000 Capable, materially affect the Company's operations and ability to service its customers, or create a safety or environmental risk. In addition to dealing with the Company's Y2K Code, the Y2K Program also is designed to identify and evaluate the Year 2000 readiness of the Company's key suppliers of inventory and non-inventory goods and services, and of the Company's significant customers.

The Y2K Program, as it relates to the Company's computer programs and embedded technology, has five phases: (1) assessing computer programs and embedded technology to identify Y2K Code; (2)

assigning priorities to the identified Y2K Code; (3) repairing or replacing Y2K Code to make such Y2K Code Year 2000 Capable; (4) testing the repaired or replaced Y2K Code; and (5) developing and implementing, as necessary, contingency plans to address the possibility that the Company or third parties, whose operations or business could affect the Company, do not become Year 2000 Capable. The Company has engaged certain outside consultants with recognized expertise in assessing and dealing with Year 2000 needs, principally Computer Sciences Corporation, to assist in the management of the Y2K Program and in the repair and testing of certain Y2K Code.

The Y2K Program focuses on Company Y2K Code in three principal areas: (1) infrastructure; (2) applications software; and (3) facility operations, where the great majority of embedded technology is found. The infrastructure area involves hardware and systems software other than applications software. As hardware and systems software is repaired, upgraded or replaced, they are tested to assure that they are Year 2000 Capable. The Company expects the infrastructure portion of the Y2K Program to be completed by June 30, 1999.

Significant portions of the Company's application software will be replaced by new software, principally SAP, an enterprise requirements planning ("ERP") software package. At March 31, 1999, the global design for the SAP project was complete and the first implementation, encompassing a portion of the Company's North American operations, occurred on May 3, 1999, its scheduled date under the SAP project plans; the North American implementation of SAP is expected to be completed by the end of the second quarter. Applications software Y2K Code not being replaced as part of the SAP project is being repaired, upgraded or replaced (where an upgrade or replacement is available from the supplier of such software) to make such Y2K Code Year 2000 Capable. This portion of the Y2K Program is expected to be completed by September 30, 1999, consistent with the schedule established by the Y2K Program.

Facility operations include hardware, software and associated embedded computer chips used in the operation of all facilities owned by the Company, including, but not limited to, equipment used in manufacturing and research and development, as well as security and other systems that may have date sensitive operating controls. The Company is completing the assessment of these systems and is testing critical systems to ensure Y2K Capability. This portion of the Y2K Program is on schedule, and the Company expects it to be completed early in the fourth quarter of 1999.

The Company has identified its key suppliers of inventory and non-inventory goods and services and has contacted them, in writing and in some cases through face-to-face discussions and analysis, to ascertain the extent of their Year 2000 Capability. Similarly, the Company has also been communicating with significant customers about their and the Company's Year 2000 Capability plans and progress. This portion of the Y2K Program is expected to be completed in the third quarter of 1999.

The total cost to the Company of the Y2K Program is estimated to approximate $45 million of which approximately $38 million has been expended at March 31, 1999. Of the Y2K Program costs, approximately $21 million represents capital expenditures associated with replacement hardware, software and associated items. The remaining amount, totaling approximately $24 million, represents the costs of repair, testing and related efforts, and is being expensed as incurred. Of the $38 million spent as at March 31, 1999, approximately $20 million related to capital and the balance of $18 million was expensed. These amounts do not include the estimated cost of the SAP project.

The failure to make Y2K Code Year 2000 Capable could result in an interruption in, or failure of, certain business activities or operations, which could materially and adversely affect the Company's results of operations, liquidity and/or financial condition. The Company currently expects that the Company's Y2K Code will be Year 2000 Capable on or before December 31, 1999. Due to general uncertainty about the overall extent of the Year 2000 problem, however, including, but not limited to, uncertainty about the extent of Year 2000 Capability of the Company's suppliers and customers, the Company is currently unable to determine whether the consequences of the failure of entities other than the Company to be Year 2000 Capable will have a material impact on the Company's results of operations, liquidity or financial condition.

Subject to the above uncertainties, however, the Company believes that, with the completion of the Y2K Program as scheduled, and with the implementation of SAP, the likelihood of material interruptions of the Company's normal business should be reduced. Notwithstanding the Company's belief, the Company is currently unable to predict, and thus to describe, its most likely worst case Year 2000 scenario. To address the possibility that the Company or its suppliers, customers, or other third parties are not successful in becoming Year 2000 Capable, the Company has commenced to develop contingency plans for the critical aspects of its operations. Such plans will be designed to avoid or mitigate potential serious disruptions in the Company's business and will be refined and modified as the Company monitors and evaluates the progress of its Y2K Program.

OTHER INFORMATION

The Company is evaluating its selling, administrative, and manufacturing functions with the intention of further streamlining operations and reducing operating costs. The Company anticipates that such cost reductions will be announced and implemented in the second quarter, and through the remainder of the year.

CAUTIONARY STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Statements in this Management's Discussion and Analysis which are not historical facts or information are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, and are subject to risks and uncertainties that could cause the Company's actual results to differ materially from those expressed or implied by such forward-looking statements. Risks and uncertainties with respect to the Company's business include general economic and business conditions, the price and availability of raw materials, the ability of the Company and third parties, including customers and suppliers, to adequately address the Year 2000, and political and economic uncertainties, including the fluctuation or devaluation of currencies in countries in which the Company does business.

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

Number

10(a) Agreement dated March 3, 1998 between Registrant and Ronald S. Fenn, Vice-President of Registrant.

10(aa) Amendment dated March 24, 1999 to the above agreement with Mr. Fenn.

27 Financial Data Schedule (EDGAR version only).

(b) Reports on Form 8-K

Registrant filed no report on Form 8-K during the quarter for which this report on Form 10-Q is filed.

SIGNATURES

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 thereunto duly authorized.

INTERNATIONAL FLAVORS & FRAGRANCES INC.

Dated: May 14, 1999 By:/s/ DOUGLAS J. WETMORE

Douglas J. Wetmore, Vice-President and Chief Financial Officer

Dated: May 14, 1999 By:/s/ STEPHEN A. BLOCK

Stephen A. Block, Vice-President Law and Regulatory Affairs and Secretary

EXHIBIT INDEX

Exhibit No.	Descriptions
10(a)	Agreement dated March 3, 1998 between Registrant and Ronald S. Fenn, Vice-President of Registrant.
10(aa)	Amendment dated March 24, 1999 to the above Agreement with Mr. Fenn.
27	Financial Data Schedule (EDGAR version only).

INTERNATIONAL FLAVORS & FRAGRANCES INC. 521 WEST 57TH STREET NEW YORK, NY 10019

Brian D. Chadbourne
President
IFF Fragrances

March 3, 1998

Mr. Ronald S. Fenn
1537 Washington Valley Road
Bridgewater, New Jersey 08807

Dear Ron:

In accordance with our discussions, you have expressed the desire to take early retirement, effective January 31, 2001 (the "Retirement Date"), from International Flavors & Fragrances Inc. (together with its subsidiaries, "IFF"). This letter will outline the arrangements on which we have agreed, and the terms and conditions of (1) your employment from the date of this letter through the Retirement Date (the "Pre-Retirement Period"), and (2) your retirement.

1. From the date of this letter through the Retirement Date, you will continue to be employed by IFF. For the calendar year 1998, your monthly compensation is $25,000. Effective January 1, 1999, you will be eligible for an increase in your compensation. Your actual compensation increase for 1999 will be based on your individual performance during 1998 and the performance of the IFF Fragrance Division for such year, and will be determined in late 1998 together with the increases of the other IFF officers. Your compensation for 1999 will be your compensation through the Retirement Date. You will not receive any increase in your compensation for either of the years 2000 or 2001. Your monthly compensation for

any year is hereinafter referred to as your "Monthly Salary" for such year.

2. On the Retirement Date, you will retire from IFF employment. Thereafter, by notifying the IFF Compensation and Benefits Department, you may elect at any time to begin to receive your pension under the IFF Pension Plan, the IFF Supplemental Retirement Plan and the Supplemental Foreign Service Retirement Benefit Agreement between you and IFF (collectively, the "Retirement Plans"). Upon your retirement you will also become eligible for the benefits of a retired employee under those IFF benefit plans applicable to a retiree who was both a corporate officer of IFF and a participant in the MICP at the time of retirement, including, but not limited to, continued full participation in the Executive Death Benefit Plan and participation in the IFF medical plan for retirees.

3. Until July 31, 1999, you will continue as a Vice-President of IFF and as Director, Aroma Chemical Sales, with the same responsibilities as you currently have or with such other responsibilities as I may assign to you. On July 31, 1999, you will execute the resignation as a Vice-President of IFF in substantially the form attached to this letter as Exhibit A. Thereafter, for the remainder of the Pre-Retirement Period, IFF will employ you, and you will make yourself available, to provide such services, consistent with your knowledge and experience with IFF, as I may request. Notwithstanding the preceding sentence, after July 31, 1999 and for the remainder

of the Pre-Retirement Period, your employment will not require you to provide services to or on behalf of IFF for more than forty (40) hours in any calendar month.

4. At all times during the Pre-Retirement Period you will retain the right to use the IFF-provided automobile now in your possession or such other IFF-provided automobile to which you may become entitled in accordance with IFF policy (any such automobile is hereinafter referred to as the "Company Car"); your compensation which has been deferred under the terms of the Management Incentive Compensation Plan (the "MICP") and/or the Special Executive Bonus Plan ("SEBP") will continue to be deferred and to change in value in accordance with the measurement vehicle(s) that you have selected; and you will retain coverage under the IFF medical, dental, retirement, 401(k), life insurance and long-term disability plans (including applicable supplemental plans) (such plans other than the MICP and SEBP are hereinafter collectively referred to as the "Benefit Plans"), all in accordance with the terms of the Benefit Plans. Notwithstanding the foregoing, at no time after July 31, 1999 will IFF have any obligation to purchase for you or provide to you a new or different automobile from the Company Car then being provided to you.

5. In the event of your death during the Pre-Retirement Period, your Monthly Salary will be pro-rated to the date of death and paid to your legal representative, and IFF will have no

further obligation to your estate, heirs or assigns therefor.

6. You agree and acknowledge that, as of July 31, 1999, the Executive Severance Agreement dated February 16, 1989, between you and IFF will terminate.

7. You will be eligible to receive incentive compensation awards in respect of each of 1998 and 1999 under the Management Incentive Compensation Plan ("MICP"). Your actual incentive compensation award for each such year will be based on your individual performance and the performance of the IFF Fragrance Division and will be determined and awarded in early 1999 and 2000, respectively, together with the awards to all other 1998 and 1999 MICP participants. Your award for 1999 will be prorated to July 31, 1999. You will be listed as a participant in the MICP for 2000 and 2001, but you understand and acknowledge that no award will be made to you under the MICP in respect of either such year.

8. Ownership of the Company Car will be transferred to you on the Retirement Date. If you are required to recognize any compensation resulting from the transfer, that compensation will be included in your Form W-2 for 2001.

9. You may exercise until three (3) months after the Retirement Date any IFF stock options which are exercisable on the Retirement Date, in accordance with the provisions of your various Stock Option Agreements. If you should die prior to the expiration of that period (including prior to the Retirement Date), your legal

representative's right to exercise stock options will be governed by the provisions of such Stock Option Agreements.

10. Attached to this letter agreement as Exhibit B is a copy of the Security Agreement which you signed on September 1, 1969. You agree to abide by the terms and conditions of the Security Agreement both during the Pre-Retirement Period and thereafter, but such obligations will in no way be construed as a continuation of your IFF employment; which will terminate on the Retirement Date.

11. As part of the consideration for the benefits accruing to you under this letter agreement, you agree that until December 31, 2002 you will not, directly or indirectly, anywhere in the world, (a)(i) become employed or otherwise participate as an officer, director, employee, partner, principal, individual proprietor or investor with a beneficial interest of more than one percent (1%) of the outstanding stock or other equity of, or (ii) make loans or advances of more than one percent (1%) of the outstanding stock or other equity to, or (iii) act as advisor or consultant to, in each case any person, firm, partnership, corporation or other business entity, who or which competes, directly or indirectly, with any of the fragrance or aroma chemicals business of IFF; or (b) either solicit for employment by or hire any IFF employee for, and you will not, either directly or indirectly, encourage or advise any IFF employee to leave the employ of IFF and/or accept any position with, any business, whether or not

competitive with IFF and whether or not you, directly or indirectly, whether as principal, shareholder, director, officer, employee, consultant partner, investor or otherwise, are engaging or intend to engage in such business.

For purposes of this Paragraph 11, a business will be deemed "competitive" if its operations are in the fragrance or aroma chemical business or if it manufactures and/or sells a product which is purchased by IFF and for which (either because of patent or trade secret protection, the market share of such business or its ability for any reason to control the price and/or availability, or any other reason) IFF has no other practical source of supply of such product, in any locality in which such IFF need for such product exists. For purposes of this paragraph 11 and paragraph 13, an "IFF employee" is any person who at the relevant time either is an active employee of IFF or within the preceding twelve (12) months, whether or not an active employee, has been paid any compensation, whether as a salary, consulting fee or severance or salary continuation, by IFF (for the purpose of this paragraph 11 pension or other retirement benefits will not be considered compensation). Notwithstanding the foregoing, nothing in this paragraph 11 will preclude your owning up to one percent (1%) of the outstanding publicly traded equity or debt securities of any corporation.

12. Please sign and return the Release attached to this letter agreement as Exhibit C. This letter agreement will

take effect only upon your execution of the Release. IFF will have the right to request that you execute another Release, in the form of Exhibit C but dated the Retirement Date. If IFF so requests, you agree promptly to execute and return such additional release. Such additional release will be deemed part of the consideration for the benefits accruing to you under this letter agreement, and your failure for any reason to execute such additional release will be a breach of this letter agreement.

13. You and IFF agree that at no time, whether before or after your retirement, will either you or any officer, director, employee or other representative of IFF in any way denigrate, demean or otherwise say or do anything, whether in oral discussions or in writing, that would cause any third party, including but not limited to suppliers, customers and competitors of IFF, to lower its perception about the integrity, public or private image, professional competence, or quality of products or service, of the other or, in the case of IFF, of any officer, director, employee or other representative of IFF. You hereby consent to IFF's obtaining injunctive relief should you breach either paragraph 11 or this paragraph 13.

14. This letter agreement will be governed by and interpreted in accordance with New York law.

Please sign and date both copies of this letter in the space provided below and return one fully executed copy. The other is for your records.

Ron, all of us at IFF appreciate your many contributions to the Company over your long and distinguished career here. We are pleased that we will continue to have the benefit of your services through the Retirement Date.

Sincerely

/s/BRIAN D. CHADBOURNE

Brian D. Chadbourne

AGREED AND ACCEPTED:

/s/RONALD S. FENN
- -----------------
Ronald S. Fenn
March 10, 1998

EXHIBIT A

July 31, 1999

Stephen A. Block, Esq.
Vice-President and Secretary
International Flavors & Fragrances Inc.
521 West 57th Street
New York, New York 10019

Dear Mr. Block:

I hereby resign as a Vice-President of International Flavors & Fragrances, Inc.

Ronald S. Fenn

EXHIBIT B

SECURITY AGREEMENT

International Flavors & Fragrances Inc.
521 West 57th St., New York, N.Y. 10019

(IFF)

In consideration of my employment by IFF or any of its subsidiaries (herein together called IFF), I hereby agree as follows:

1. I acknowledge that in the course of my employment by IFF, I may have access to, acquire or gain confidential knowledge or information (i) with respect to formulae, secret processes, plans, devices, products, know-how and other data belonging or relating to IFF, or (ii) with respect to the identity of customers of IFF, and the identity of products and the quantity and prices of the same ordered by such customers. I acknowledge that all such information is the sole property of IFF and I shall treat it as set forth below.

2. I shall keep confidential all such knowledge or information described above and shall not divulge it to others nor use it for my own private purposes or personal gain, without the express written consent of IFF. This obligation on my part shall continue during and after the period of my employment by IFF.

3. Upon termination of my employment, or at any time IFF may request, I shall deliver to IFF all notes, memoranda, formulae, records, files or other papers, and copies thereof, in my custody relating to any such knowledge or information described above to which I have had access or which I may have developed during the term of my employment.

4. I shall not, without the prior written permission of IFF, after leaving the employ of IFF for any reason, work for others, or for my own account, on any of the secret processes or formulae on which I have worked or to which I have had access while in the employ of IFF.

5. Any invention, formula, process, product, idea, discovery and improvement conceived or developed by me within the period of my employment, relating to any activity engaged in by IFF, shall be the sole and exclusive property of IFF and I shall promptly communicate to IFF full information with respect to any of the foregoing conceived or developed by me. I shall execute and deliver all documents and do all other things as shall be deemed by IFF to be necessary and proper to effect the assignment to IFF of the sole and exclusive right, title and interest in and to all such inventions, formulae, processes, products, ideas, discoveries and improvements, and patent applications and patents thereon.

6. I understand and agree that IFF has no interest in and will not accept divulgence to it of any confidential knowledge or information which is the property of any previous employer or other third party. Notwithstanding any other paragraph of this agreement. I shall not communicate any such confidential knowledge or information to IFF nor use the same during the course of my employment.

9/1/69	Ronald S. Fenn
(date)	(signature)

EXHIBIT C

RELEASE

KNOW ALL PERSONS BY THESE PRESENTS that the undersigned, Ronald S. Fenn, 1537 Washington Valley Road, Bridgewater, New Jersey 08807 (hereinafter referred to as "Employee"), for and in consideration of certain benefits heretofore paid or to be paid or provided to him by International Flavors & Fragrances Inc., a New York corporation with a place of business located at 521 West 57th Street, New York, New York 10019 (hereinafter referred to as "IFF Inc."), as such benefits are set forth in a Letter Agreement dated March 30, 1998, a copy of which is annexed hereto as Annex A, DOES HEREBY AGREE TO RELEASE and DOES HEREBY RELEASE IFF Inc. and all of its subsidiaries and affiliates and their respective directors, officers and employees (hereinafter referred to as "Releasees") from all "Claims", as hereinafter defined, and Employee agrees never to file any lawsuit or any claim with any Federal, state or local administrative agency asserting or in respect of any of such Claims.

As used in this Release, the term "Claims" means and includes all charges, complaints, claims, liabilities, obligations, promises, agreements, damages, actions, causes of action, rights, costs, losses and expenses (including attorneys' fees and costs actually incurred) of any nature whatsoever, known or unknown, suspected or unsuspected, which Employee now has, or claims to have, or which Employee at any earlier time had, or claimed to have had, or which Employee at any future time may have, or claim to have, against each of any of the Releasees as to any matters occurring or arising on or before the date this Release is executed by Employee. The Claims Employee is releasing under this Release include, but are not limited to, rights arising out of alleged violations of any contracts, express or implied, written or oral, and any Claims for wrongful discharge, fraud, misrepresentation, infliction of emotional distress, or any other tort, and any other Claims relating to or arising out of Employee's employment with IFF Inc. or the termination thereof, and any Claim for violation of any Federal, state or other governmental statute, regulation or ordinance including, but not limited to, the following, each as amended to date: (1) Title VII of the Civil Rights Act of 1964, 42 U.S.C. ss. 2000e et seq. (race, color, religion, sex and national origin discrimination); (2) Section 1981 of the Civil Rights Act of 1866, 42 U.S.C. s. 1981 (race discrimination); (3) the Age Discrimination in Employment Act, 29 U.S.C. ss. 621-634 (age discrimination); (4) the Equal Pay Act of 1963, 29 U.S.C. s. 206 (equal pay); (5) Executive Order 11246 (race, color, religion, sex and national origin discrimination); (6) Executive Order 11141 (age discrimination); (7) Section 503 of the Rehabilitation Act of 1973, 29 U.S.C. ss. 701 et seq. (handicap discrimination); (8) the Employee Retirement Income Security Act of 1974, 29 U.S.C. ss. 1001 et seq. (retirement matters); and (9) any applicable New York, New Jersey or Connecticut state or local law relating to employment termination that may be discriminatory or otherwise in contravention of public policy.

Employee hereby represents that he has not filed any complaints, charges, or lawsuits against any Releasee with any governmental agency or any court; that he will not file or pursue any at any time hereafter; and that if any such agency or court assumes jurisdiction of any complaint, charge or lawsuit against any Releasee on behalf of Employee, he will request such agency or court to withdraw from the matter. Neither this Release nor the undertaking in this paragraph shall limit Employee from pursuing Claims for the sole purpose of enforcing his rights under Annex A or under any employment or retiree benefit plan or program of IFF Inc.

Employee hereby represents that he has been given a period of twenty-one (21) days to review and consider this Release before signing it. Employee further understands that he may use none or as much of this 21-day period as he wishes prior to signing.

Employee is advised that he has the right to and should consult with an attorney before singing this Release. Employee understands that whether or not to do so is Employee's decision. Employee has exercised his right to consult with an attorney to the extent, if any, that he desired.

Employee may revoke this Release within seven (7) days after he signs it. Revocation can be made by delivering a written notice of revocation to Eric Campbell, Vice-President, Human Resources, IFF Inc., 521 West 57th Street, New York, New York 10019. For such revocation to be effective, written notice must be received by Mr. Campbell not later than the close of business on the seventh day after the day on which Employee executes this Release. If Employee revokes this Release, it shall not be effective and the Letter Agreement described in Annex A, shall be null and void.

Employee understands and acknowledges that IFF Inc. has not made any promises or representations to Employee other than those in Annex A.

EMPLOYEE ACKNOWLEDGES THAT HE HAS READ THIS RELEASE, UNDERSTANDS IT AND IS VOLUNTARILY EXECUTING IT.

[PLEASE READ THIS RELEASE CAREFULLY. IT COVERS ALL KNOWN AND UNKNOWN CLAIMS.]

Executed at New York IFF Offices, on 3/13, 1998

/s/ RONALD S. FENN

STATE OF New York)

COUNTY OF New York) ss:

Subscribed and sworn to before
me this 13 day of March, 1998
by the said Ronald S. Fenn
known to me.

PETER J. SERRITELLA

Notary Public

PETER J. SERRITELLA
Notary Public, State of New York
No.02SE3598465
Qualified in New York County
Commission Expires March 30, 1999

IFF

INTERNATIONAL FLAVORS & FRAGRANCES INC.

521 WEST 57 STREET, NEW YORK, NY 10019
(212)765-5500

CREATORS AND MANUFACTURERS OF FLAVORS, FRAGRANCES AND AROMA CHEMICALS

FAX: (212)708-7132

March 24, 1999

Mr. Ronald S. Fenn
1537 Washington Valley Road
Bridgewater, New Jersey 08807

Dear Ron:

With the support of International Flavors & Fragrances Inc. ("IFF"), you have elected to assume, effectively immediately, the role of Vice President of the International Fragrance Association ("IFRA") and, for the two-year period commencing November 1, 2000, the Presidency of IFRA. In addition, you have agreed to continue as IFF's representative on the Boards of the Fragrance Materials Association ("FMA") and the Research Institute for Fragrance Materials ("RIFM). In connection with your undertaking these roles, you and IFF have agreed to supplement and amend the letter agreement between you and IFF dated March 3, 1998 and executed by you on March 10, 1998 (the "Letter Agreement") as set forth below. All capitalized terms not defined in this letter agreement (this "Agreement") will have the same meanings as in the Letter Agreement. For purposes of this Agreement and the Letter Agreement, that portion of the period of your service as President of IFRA after the Retirement Date through the earlier of the termination of your IFRA Presidency or November 1, 2002 will be referred to as the "Interim Period". Other than as supplemented or amended this Agreement, the Letter Agreement will remain in full force and effect.

1. At the commencement of your term as the President of IFRA, IFF will pay you in acknowledgement of your undertaking such service the sum of $30,000. That sum will bear interest at a rate of seven percent (7%) per annum from March 1, 1999 until it is paid. From the aggregate sum owed to you IFF will withhold

such taxes as may be required by law at the time of payment.

2. You acknowledge and agree that (a) prior to the Interim Period you will receive no additional salary or other compensation from IFF in respect of your activities on behalf of IFRA, and (b) during the Interim Period you will receive no salary or other remuneration from IFF other than payments and/ or benefits due you as a retired employee of IFF. IFF acknowledges and agrees, however, that your service with and activities on behalf of IFRA, FMA and RIFM will fully satisfy the requirement, set forth in Section 3 of the Letter Agreement, that you provide 40 hours per month of services to IFF during the Pre-Retirement Period. Moreover, prior to and during the Interim Period IFF will reimburse you for all reasonable expenses you incur that are not reimbursed by IFRA or others in connection with your activities as Vice President or President of IFRA and/or your activities on behalf of FMA or RIFM. Prior to the Retirement Date such expenses are to be included with other business-related expenses, and are subject to the same in accordance with IFF policy. During the Interim Period you agree to submit such expenses monthly to the Office of the Chairman and President of IFF, using the standard IFF expense reimbursement form and providing the same supporting documentation as is required of active IFF employees.

3. During the Interim Period, although you will participate in the IFF medical plan for retirees, upon your submission of appropriate documentation IFF will reimburse you (a) for any amounts which you must pay under that plan which are greater than the amounts which you would have had to pay had you remained as an active IFF employee during the Interim Period, and (b) for dental expenses equivalent to those provided to active employees under the IFF Dental Plan.

4. During the Interim Period you will either continue to participate in the

IFF Accidental Death and Dismemberment Insurance Plan or, if such continued participation is not possible, at no cost to you IFF will purchase accidental death and dismemberment insurance substantially equivalent to the coverage you would enjoy if you were an active IFF employee.

5. Should you elect pursuant to Section 2 of the Letter Agreement to commence receiving your pension prior to your 65th birthday, together with pension payable under the Retirement Plans IFF will pay you as a supplemental pension benefit an amount equal to the amount by which your pension will be reduced under the requirements of the Retirement Plans because you have elected to commence receiving your pension earlier than your 65th birthday.

6. Section 11 of the Letter Agreement is hereby amended by deleting the date "December 31, 2002" in line 4 and inserting in lieu thereof the date "December 31, 2003."

Please sign and date both copies of this Agreement in the space provided below and return one fully executed copy. The other is for your files.

Ron, thank you for undertaking the IFRA assignment. All of us at IFF know that you will do an outstanding job.

Sincerely yours,

/s/STUART R. MACONOCHIE

Stuart R. Maconochie
Vice-President
President, IFF Fragrances

AGREED AND ACCEPTED:

/s/RONALD S. FENN
- -----------------
Ronald S. Fenn
March 24, 1999

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The schedule contains summary financial information extracted from the
Consolidated Balance Sheet & Consolidated Statement of Income and is qualified
in its entirety by reference to such financial statements. Amounts in thousands
of dollars, except per share amounts.

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3-MOS
DEC-31-1999
MAR-31-1999

101,845
1,205
288,169
9,786
383,506
826,563
920,382
411,859
1,375,952
280,399
3,948
0
0
14,470
908,729
1,375,952
367,765
367,765
206,469
295,974
(2,554)
0
991
73,354
24,574
48,780
0
0
0
48,780
0.46
0.46