

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

The following information and schedules provide reconciliation information between reported GAAP amounts and non-GAAP certain adjusted amounts. This information and schedules are not intended as, and should not be viewed as, a substitute for reported GAAP amounts or financial statements of the Company prepared and presented in accordance with GAAP.

Reconciliation of Gross Profit

<i>(DOLLARS IN MILLIONS)</i>	Second Quarter	
	2021	2020
Reported (GAAP)	\$ 910	\$ 482
N&B Inventory Step-Up Costs	195	—
Adjusted (Non-GAAP)	<u>\$ 1,105</u>	<u>\$ 482</u>

Reconciliation of Selling and Administrative Expenses

<i>(DOLLARS IN MILLIONS)</i>	Second Quarter	
	2021	2020
Reported (GAAP)	\$ 412	\$ 230
Frutarom Integration Related Costs (a)	—	(2)
Restructuring and Other Charges	(1)	—
Business Divestiture Costs (b)	(5)	—
Employee Separation Costs (c)	(3)	—
N&B Transaction Related Costs (d)	(2)	(11)
N&B Integration Related Costs (e)	(17)	(23)
Adjusted (Non-GAAP)	<u>\$ 384</u>	<u>\$ 194</u>

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Reconciliation of Net Income

<i>(DOLLARS IN MILLIONS EXCEPT PER SHARE AMOUNTS)</i>	Second Quarter							
	2021				2020			
	Income before taxes	Provision for income taxes (g)	Net Income Attributable to IFF (h)	Diluted EPS (i)	Income before taxes	Provision for income taxes (g)	Net Income Attributable to IFF (h)	Diluted EPS (i)
Reported (GAAP)	\$ 44	\$ 14	\$ 28	\$ 0.11	\$ 104	\$ 16	\$ 87	\$ 0.74
Frutarom Integration Related Costs (a)	1	—	1	—	3	1	2	0.02
Restructuring and Other Charges	24	5	19	0.07	2	1	1	0.01
Business Divestiture Costs (b)	5	1	4	0.01	—	—	—	—
Employee Separation Costs (c)	3	1	2	0.02	—	—	—	—
N&B Inventory Step-Up Costs	195	45	150	0.59	—	—	—	—
N&B Transaction Related Costs (d)	2	1	1	—	11	1	10	0.09
N&B Integration Related Costs (e)	17	4	13	0.05	23	5	18	0.15
Redemption value adjustment to EPS (f)	—	—	—	—	—	—	—	0.01
Adjusted (Non-GAAP)	<u>\$ 291</u>	<u>\$ 71</u>	<u>\$ 218</u>	<u>\$ 0.86</u>	<u>\$ 143</u>	<u>\$ 24</u>	<u>\$ 118</u>	<u>\$ 1.03</u>

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

<i>(DOLLARS AND SHARE AMOUNTS IN MILLIONS)</i>	Second Quarter	
	2021	2020
Numerator		
Adjusted (Non-GAAP) Net Income	\$ 218	\$ 118
Amortization of Acquisition related Intangible Assets	200	49
Tax impact on Amortization of Acquisition related Intangible Assets (g)	35	11
Amortization of Acquisition related Intangible Assets, net of tax (j)	165	38
Adjusted (Non-GAAP) Net Income ex. Amortization	<u>\$ 383</u>	<u>\$ 156</u>
Denominator		
Weighted average shares assuming dilution (diluted)	255	114
Adjusted (Non-GAAP) EPS ex. Amortization	<u>\$ 1.50</u>	<u>\$ 1.36</u>

- (a) Represents costs related to the integration of the Frutarom acquisition. For 2021, costs primarily related to performance stock awards. For 2020, costs primarily related to advisory services, retention bonuses and performance stock awards.
- (b) Represents costs related to the Company's planned sales of businesses, primarily includes legal and professional fees.
- (c) Represents costs related to severance liabilities, including accelerated stock compensation expense, for employees who have been separated from the Company.
- (d) Represents transaction costs and expenses related to the transaction with N&B, primarily includes legal and professional fees.
- (e) Represents costs primarily related to advisory services for the integration of the transaction with N&B, primarily consulting fees.
- (f) Represents the adjustment to EPS related to the excess of the redemption value of certain redeemable noncontrolling interests over their existing carrying value.
- (g) The income tax effects of non-GAAP adjustments are calculated based on the applicable statutory tax rate for the relevant jurisdiction, except for those items which are non-taxable or subject to valuation allowances for which the tax expense (benefit) was calculated at 0%. The tax benefit for amortization is calculated in a similar manner as the tax effects of the non-GAAP adjustments.
- (h) For 2021 and 2020, net income is reduced by income attributable to noncontrolling interest of \$2 million and \$1 million, respectively.
- (i) The sum of these items does not foot due to rounding.
- (j) Represents all amortization of intangible assets acquired in connection with acquisitions, net of tax.

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Reconciliation of Gross Profit

<i>(DOLLARS IN MILLIONS)</i>	Second Quarter Year-to-Date	
	2021	2020
Reported (GAAP)	\$ 1,664	\$ 1,048
Frutarom Acquisition Related Costs (e)	—	1
N&B Inventory Step-Up Costs	377	—
Adjusted (Non-GAAP)	<u>\$ 2,041</u>	<u>\$ 1,049</u>

Reconciliation of Selling and Administrative Expenses

<i>(DOLLARS IN MILLIONS)</i>	Second Quarter Year-to-Date	
	2021	2020
Reported (GAAP)	\$ 863	\$ 460
Frutarom Integration Related Costs (a)	(1)	(6)
Restructuring and Other Charges	(1)	—
Shareholder Activism Related Costs (b)	(7)	—
Business Divestiture Costs (c)	(5)	—
Employee Separation Costs (d)	(6)	—
Compliance Review & Legal Defense Costs (f)	—	(1)
N&B Transaction Related Costs (g)	(91)	(16)
N&B Integration Related Costs (h)	(54)	(33)
Adjusted (Non-GAAP)	<u>\$ 698</u>	<u>\$ 404</u>

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Reconciliation of Net (Loss) Income

	Second Quarter Year-to-Date							
	2021				2020			
	(Loss) Income before taxes	Provision for income taxes (j)	Net (Loss) Income Attributable to IFF (k)	Diluted EPS	Income before taxes	(Benefit from) Provision for income taxes (j)	Net Income Attributable to IFF (k)	Diluted EPS
<i>(DOLLARS IN MILLIONS EXCEPT PER SHARE AMOUNTS)</i>								
Reported (GAAP)	\$ (10)	\$ —	\$ (14)	\$(0.06)	\$ 257	\$ 42	\$ 211	\$ 1.89
Frutarom Integration Related Costs (a)	2	—	2	0.01	7	2	5	0.05
Restructuring and Other Charges	28	6	22	0.10	7	2	5	0.05
Losses on Sale of Assets	—	—	—	—	1	1	—	0.01
Shareholder Activism Related Costs (b)	7	2	5	0.02	—	—	—	—
Business Divestiture Costs (c)	5	1	4	0.02	—	—	—	—
Employee Separation Costs (d)	6	1	5	0.02	—	—	—	—
Frutarom Acquisition Related Costs (e)	—	—	—	—	—	(2)	2	0.02
Compliance Review & Legal Defense Costs (f)	—	—	—	—	1	—	1	—
N&B Inventory Step-Up Costs	377	82	295	1.28	—	—	—	—
N&B Transaction Related Costs (g)	91	19	72	0.30	16	1	15	0.13
N&B Integration Related Costs (h)	54	13	41	0.18	33	7	26	0.22
Redemption value adjustment to EPS (i)	—	—	—	—	—	—	—	(0.04)
Adjusted (Non-GAAP)	<u>\$ 560</u>	<u>\$ 124</u>	<u>\$ 432</u>	<u>\$ 1.87</u>	<u>\$ 322</u>	<u>\$ 53</u>	<u>\$ 265</u>	<u>\$ 2.33</u>

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

	Second Quarter Year-to-Date	
	2021	2020
<i>(DOLLARS AND SHARE AMOUNTS IN MILLIONS)</i>		
Numerator		
Adjusted (Non-GAAP) Net Income	\$ 432	\$ 265
Amortization of Acquisition related Intangible Assets	352	97
Tax impact on Amortization of Acquisition related Intangible Assets (j)	69	22
Amortization of Acquisition related Intangible Assets, net of tax (l)	283	75
Adjusted (Non-GAAP) Net Income ex. Amortization	<u>\$ 715</u>	<u>\$ 340</u>
Denominator		
Weighted average shares assuming dilution (diluted)	231	114
Adjusted (Non-GAAP) EPS ex. Amortization	<u>\$ 3.09</u>	<u>\$ 2.99</u>

- (a) Represents costs related to the integration of the Frutarom acquisition. For 2021, costs primarily related to performance stock awards. For 2020, costs primarily related to advisory services, retention bonuses and performance stock awards.
- (b) Represents shareholder activist related costs, primarily professional fees.
- (c) Represents costs related to the Company's planned sales of businesses, primarily includes legal and professional fees.
- (d) Represents costs related to severance liabilities, including accelerated stock compensation expense, for employees who have been separated from the Company.
- (e) Represents transaction-related costs and expenses related to the acquisition of Frutarom. For 2020, amount primarily includes earn-out payments, net of adjustments, amortization for inventory "step-up" costs and transaction costs principally related to the 2019 Acquisition Activity.
- (f) Costs related to reviewing the nature of inappropriate payments and review of compliance in certain other countries. In addition, includes legal costs for related shareholder lawsuits.
- (g) Represents transaction costs and expenses related to the transaction with N&B, primarily includes legal and professional fees.
- (h) Represents costs primarily related to advisory services for the integration of the transaction with N&B, primarily consulting fees.
- (i) Represents the adjustment to EPS related to the excess of the redemption value of certain redeemable noncontrolling interests over their existing carrying value.
- (j) The income tax effects of non-GAAP adjustments are calculated based on the applicable statutory tax rate for the relevant jurisdiction, except for those items which are non-taxable or subject to valuation allowances for which the tax expense (benefit) was calculated at 0%. The tax benefit for amortization is calculated in a similar manner as the tax effects of the non-GAAP adjustments.
- (k) For 2021, net loss is increased by income attributable to noncontrolling interest of \$4 million. For 2020, net income is reduced by income attributable to noncontrolling interest of \$4 million.
- (l) Represents all amortization of intangible assets acquired in connection with acquisitions, net of tax.

International Flavors & Fragrances Inc.
Debt Covenants
(Amounts in millions)
(Unaudited)

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Reconciliation of Credit Adjusted EBITDA to Net Loss

<i>(DOLLARS IN MILLIONS)</i>	Twelve Months Ended June 30, 2021	
Net loss	\$	(220)
Interest expense		294
Income taxes		(69)
Depreciation and amortization		1,655
Specified items ⁽¹⁾⁽³⁾		904
Non-cash items ⁽²⁾⁽³⁾		46
Credit Adjusted EBITDA	\$	2,610

- (1) Specified items for the 12 months ended June 30, 2021 of \$904 million, consisted of Frutarom integration related costs, restructuring and other charges, shareholder activism related costs, business divestiture costs, employee separation costs, pension settlement, Frutarom acquisition related costs, compliance review & legal defense costs, N&B inventory step-up costs, N&B transaction related costs, N&B integration related costs and other N&B specified items.
- (2) Non-cash items represent all other adjustments to reconcile net loss to net cash provided by operations as presented on the Statement of Cash Flows, including losses on disposal of assets and stock-based compensation.
- (3) Specified and non-cash items may not include all eligible add-back items from the Merger with N&B, for the purposes of the Credit Adjusted EBITDA calculation, due to availability of the information.

Net Debt to Total Debt

<i>(DOLLARS IN MILLIONS)</i>	June 30, 2021	
Total debt ⁽¹⁾	\$	11,988
Adjustments:		
Cash and cash equivalents		935
Net debt	\$	11,053

- (1) Total debt used for the calculation of Net debt consists of short-term debt, long-term debt, short-term finance lease obligations and long-term finance lease obligations.

International Flavors & Fragrances Inc.
Combined Business Unit Performance
(Amounts in millions)
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	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net Sales				
Nourish	\$ 1,668	\$ 1,450	\$ 2,976	\$ 2,726
Health & Biosciences	639	588	1,065	1,015
Scent	550	475	1,119	1,016
Pharma Solutions	232	224	394	376
Consolidated	\$ 3,089	\$ 2,737	\$ 5,554	\$ 5,133
Segment Adjusted Operating EBITDA				
Nourish	\$ 324	\$ 303	\$ 594	\$ 558
Health & Biosciences	190	181	318	312
Scent	117	87	245	205
Pharma Solutions	48	62	91	104
Total	679	633	1,248	1,179
Depreciation & Amortization	(322)	(80)	(564)	(161)
Interest Expense	(77)	(32)	(142)	(64)
Other income, net	11	16	18	5
Frutarom Integration Related Costs	(1)	(3)	(2)	(7)
Restructuring and Other Charges	(24)	(2)	(28)	(7)
Losses on sale of assets	—	—	—	(1)
Shareholder Activism Related Costs	—	—	(7)	—
Business Divestiture Costs	(5)	—	(5)	—
Employee Separation Costs	(3)	—	(6)	—
Compliance Review & Legal Defense Costs	—	—	—	(1)
N&B Inventory Step-Up Costs	(195)	—	(377)	—
N&B Transaction Related Costs	(2)	(11)	(91)	(16)
N&B Integration Related Costs	(17)	(23)	(54)	(33)
Impact of Merger with N&B ⁽¹⁾	—	(394)	—	(637)
Income (Loss) Before Taxes	\$ 44	\$ 104	\$ (10)	\$ 257
Segment Adjusted Operating EBITDA Margin				
Nourish	19.4 %	20.9 %	20.0 %	20.5 %
Health & Biosciences	29.7 %	30.8 %	29.9 %	30.7 %
Scent	21.3 %	18.3 %	21.9 %	20.2 %
Pharma Solutions	20.7 %	27.7 %	23.1 %	27.7 %
Consolidated	22.0 %	23.1 %	22.5 %	23.0 %

(1) Information related to the amounts included from merger with N&B was received directly from DuPont and management believes such information is reliable. DuPont has not provided the underlying adjustments for the amounts included, but based on management's review of financial statement and other scheduled information provided, we believe the amounts reflected are reasonable. For the three and six months ended June 30, 2020, amounts include N&B results for April through June and February through June, respectively, to reflect the same period N&B is included in IFF results in 2021.