
FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) January 30, 2008

INTERNATIONAL FLAVORS & FRAGRANCES INC.

(Exact Name of Registrant as Specified in Charter)

New York

1-4858

13-1432060

(State or Other Jurisdiction
of Incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

521 West 57th Street, New York, New York

10019

(Address of Principal Executive Offices)

(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition

Attached and being furnished hereby as Exhibit 99.1 is a copy of a press release of International Flavors & Fragrances Inc. ("IFF" or the "Company") dated January 30, 2008 reporting IFF's financial results for the quarter and year ended December 31, 2007.

Non-GAAP financial measures: To supplement the Company's financial results presented in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"), the Company uses, and has also included in the attached press release and as part of its web cast, certain non-GAAP financial measures. These non-GAAP financial measures should not be considered in isolation, or as a substitute for, or superior to, financial measures calculated in accordance with GAAP. These non-GAAP financial measures as disclosed by the Company may also be calculated differently from similar measures disclosed by other companies. To ease the use and understanding of our supplemental non-GAAP financial measures, the Company includes the most directly comparable GAAP financial measure.

The Company discloses, and management internally monitors, the sales performance of international operations on a basis that eliminates the positive or negative effects that result from translating foreign currency sales into U.S. dollars. Management uses this constant dollar measure because it believes that it enhances management's and our investors' assessment of the sales performance of the Company's international operations and comparability between reporting periods.

The Company uses certain non-GAAP financial operating measures in connection with the fourth quarter results which exclude, as applicable, (i) gain on dispositions of assets in each of the 2007 and 2006 periods, (ii) restructuring charge in the 2006 period, and (iii) benefit of a favorable tax ruling in the

2006 period, relating to years prior to 2006.

In connection with the full year results, the Company uses certain non-GAAP financial operating measures which exclude (i) gains on disposition of assets in 2007 (ii) a 2007 curtailment charge resulting from changes made to the Company's U.S. defined benefit pension plan, (iii) benefit of a favorable tax ruling in each of the 2007 and 2006 periods, (iv) Other income in 2006 that primarily consists of gains on asset disposals, (v) a 2006 insurance recovery relating to a product contamination issue and (vi) restructuring charges in 2006. Management uses these financial measures in preparing operating plans, evaluating actual performance, assessing historical performance over reporting periods, assessing management performance, and assessing operating performance against other companies. This information may also aid investors in further understanding and evaluating the Company's period to period operating performance and financial results. A material limitation of these financial measures is that such measures do not reflect actual GAAP amounts, an asset disposition gain and an insurance recovery include actual cash inflows; restructuring charges include in part actual cash outlays; and benefits from favorable tax rulings reflect actual accounting and cash benefit realized. Management compensates for these limitations by clarifying that these measures are only one operating metric used for internal financial analysis and planning purposes and should not be considered in isolation, and by providing the directly comparable GAAP financial measure.

The Company also uses a non-GAAP effective tax rate which excludes the benefit of the favorable tax ruling in the 2006 fourth quarter, and for each of the 2007 and 2006 full years excludes the benefit of the favorable tax ruling in each of the 2007 and 2006 periods. The Company uses these non-GAAP financial measures which exclude the benefit of these favorable tax rulings because, given the unique nature of these benefits, including information without the impact of these tax benefits may be more representative of the Company's effective tax rate and may assist investors in evaluating the Company's period to period effective tax rate, in a manner consistent with how management evaluates this financial measure. A material limitation of this financial measure is that tax benefits reflect actual accounting and cash benefits realized and do not reflect the actual GAAP amount. Management compensates for such limitation by clarifying that this measure is only one operating metric and is used for internal financial analysis and planning purposes and should not be considered in isolation, and by providing the directly comparable GAAP financial measure.

The Company also uses a non-GAAP financial measure which excludes the effect in 2005 of the American Jobs Creation Act of 2004 (AJCA). Management believes that given the unique nature of this item, including this information without the impact of such repatriation, is more representative of the Company's operational performance and effective tax rate and may assist investors in evaluating the Company's period to period financial results, in a manner consistent with how management has evaluated such performance.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 Press Release of International Flavors & Fragrances Inc., dated January 30, 2008.

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.

Dated: January 30, 2008

By: /s/ Douglas J. Wetmore

Name: Douglas J. Wetmore
Title: Senior Vice President and
Chief Financial Officer

International Flavors & Fragrances Inc.

NEWS RELEASE

IFF

IFF REPORTS SOLID FOURTH QUARTER and FULL-YEAR RESULTS for 2007

Reported EPS up 9% in Fourth Quarter, up 14% for the Year

Adjusted EPS up 18% in Fourth Quarter, up 15% for the Year

Sales up 8% in Fourth Quarter, up 9% for the Year

New York, N.Y., January 30, 2008 ... International Flavors & Fragrances Inc. (NYSE: IFF), a leading global creator of flavors and fragrances for consumer products, today announced results for the fourth quarter and full year 2007. Earnings per share (EPS) as reported were \$.58 in the 2007 fourth quarter, versus \$.53 in the prior year quarter. For the full year, earnings per share as reported were \$2.82, compared to \$2.48 in 2006, an increase of 14 percent.

"I am pleased with our 2007 financial performance, which reflects strong top line and EPS growth," said Robert M. Amen, Chairman and Chief Executive Officer. "We met or exceeded each of our financial goals and delivered our second consecutive year of increased earnings.

"Our full-year financial results demonstrate that our strategies are working. Specifically, we increased sales, grew market share and built a stronger organization. While we still have opportunities for improvement, our 2007 accomplishments provide a sound foundation for continued growth in sales and EPS in 2008 and beyond."

Excluding non-recurring items, fourth quarter EPS ("Adjusted EPS") was \$.53, up 18 percent over the comparable fourth quarter 2006 adjusted earnings per share. The 2007 fourth quarter results included a gain on the disposition of land of \$.05; the 2006 results included restructuring charges of \$.02, a gain on disposition of assets of \$.06, and a one-time tax benefit of \$.04 relating to years 2006 and earlier.

On a comparable basis, excluding non-recurring items from both years, the 2007 Adjusted EPS of \$2.66 represents a 15 percent improvement over the full year 2006 adjusted earnings per share of \$2.32. The full year 2007 results included a pension curtailment loss of \$.04 per share resulting from the freezing of the Company's defined benefit pension plan for the majority of U.S. employees, gains on disposition of assets of \$.09, and the \$.11 benefit of a tax ruling related to earlier years; the 2006 results included restructuring charges of \$.02, other income primarily relating to gains on disposition of assets of \$.11, an insurance recovery of \$.03 related to a 2005 product contamination issue, and a one-time tax benefit of \$.04 relating to prior years.

FOURTH QUARTER 2007

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Sales were \$553 million, up 8 percent from the prior year quarter; Flavor and Fragrance sales increased 16 percent and 2 percent, respectively. Sales for the 2007 quarter benefited from the generally weaker U.S. dollar; at comparable exchange rates, sales would have increased 2 percent in comparison to the 2006 quarter.

Flavors Business Unit

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The significant increase in Flavor sales of 16 percent was driven primarily by new wins and increased volume in Europe the emerging markets of Asia and Latin America. Flavor compound sales increased in each region in both local currency and dollars.

Fragrance Business Unit

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Total Fragrance sales were driven by a 4 percent increase in Ingredient sales and a 3 percent increase in functional, offset by a decline in fine fragrance of 2 percent. Ingredient sales were strongest in Asia as a result of a strong demand for compounds and production shifting to this region. Sales in Fine and Beauty Care weakened in the fourth quarter; most notably in North America and Europe.

Sales performance by region and product category follows:

Fourth Quarter 2007 vs. 2006
Percent Change in Sales by Region of Destination

		Fine & Beauty Care	Functional	Ingredients	Total Frag.	Flavors	Total
North America	Reported	-12%	-12%	-2%	-10%	1%	-5%
Europe	Reported	-1%	16%	5%	6%	20%	11%
	Local Currency	-12%	4%	-5%	-5%	8%	-
Latin America	Reported	4%	-1%	-3%	-	42%	12%
Greater Asia	Reported	22%	4%	24%	12%	19%	16%
	Local Currency	19%	3%	22%	10%	12%	11%
Total	Reported	-2%	3%	4%	2%	16%	8%
	Local Currency	-7%	-1%	-1%	-3%	10%	2%

Fourth Quarter 2007 Highlights

- o Net income was \$47 million compared to \$48 million in 2006.
- o Gross profit, as a percentage of sales, was 40.7 percent compared with 41.0 percent in the prior year quarter. The decline was mainly due to lower selling prices for Ingredients and some impact of higher material costs as well as lower fragrance volumes.
- o Research and Development expense, as a percentage of sales, was 9.7 percent, representing a 12 percent increase compared to 2006; the 2006 quarter was low by historical comparisons, at 9.3 percent of sales.
- o Selling and Administrative expense, as a percentage of sales, was 17.8 percent, in line with the 17.6 percent in the 2006 quarter.
- o Other income (expense), net in the 2007 fourth quarter increased \$8 million over the prior year quarter, mainly due to the gain on sale of land as well as lower exchange losses.
- o Interest expense totaled \$16 million, increasing 119 percent compared to the 2006 quarter, primarily due to higher borrowings incurred in connection with the Company's accelerated share repurchase activities.
- o The effective tax rate of 26.2 percent compared to 23.1 percent in 2006; excluding the one-time tax benefit, the effective tax rate in the 2006 quarter would have been 28.8 percent. The lower effective tax rate for the current quarter resulted from a greater percentage of consolidated pre-tax earnings in lower tax jurisdictions.
- o Average number of diluted shares (in thousands) of 81,694 compared to 90,602 in the prior year quarter.

FULL YEAR 2007

Sales totaled \$2,277 million, up 9 percent from 2006; flavor and fragrance sales increased 12 percent and 6 percent, respectively. 2007 sales benefited from the generally weaker U.S. dollar and at comparable exchange rates would have increased 5 percent over the prior year.

Flavors Business Unit

Flavors delivered strong sales performance across all regions--most notably in Latin America, Greater Asia and Europe--and in virtually all categories, particularly beverages and savory.

Fragrance Business Unit

Total Fragrance sales for the year were driven by continued growth in Fine and Beauty Care of 8 percent and Ingredients of 9 percent. Foreign exchange accounted for 4 percent of the sales increase.

Sales performance by region and product category follows:

2007 vs. 2006
Percent Change in Sales by Region of Destination

		Fine & Beauty Care	Functional	Ingredients	Total Frag.	Flavors	Total
North America	Reported	4%	-1%	1%	2%	4%	3%
Europe	Reported	8%	12%	17%	12%	13%	12%
	Local Currency	-	4%	8%	3%	5%	4%
Latin America	Reported	11%	-7%	3%	-1%	27%	7%
Greater Asia	Reported	16%	2%	4%	6%	16%	12%
	Local Currency	13%	1%	4%	4%	12%	9%
Total	Reported	8%	3%	9%	6%	12%	9%
	Local Currency	4%	-	5%	2%	9%	5%

Full Year 2007 Highlights

- o Net income of \$247 million, up 9 percent compared to 2006.
- o Gross profit, as a percentage of sales, was 41.8 percent compared with 42.2 percent in 2006. The decline was mainly due to lower selling prices for Ingredients and some impact of higher material costs.
- o Research and Development expense, as a percentage of sales, was 8.7 percent, comparable to the prior year.
- o Selling and Administrative expense, as a percentage of sales, declined to 16.5 percent compared to 16.8 percent in 2006.
- o Other income (expense), net in 2007 increased \$4 million over the prior year, mainly due to the gain on sale of land as well as favorable exchange results.
- o Interest expense totaled \$42 million, increasing 63 percent compared to 2006, due to higher borrowings incurred in connection with the Company's accelerated share repurchase activities. Average cost of debt was 4.5 percent for 2007 compared to 3.3 percent in 2006.
- o The effective tax rate of 24.8 percent compared to a rate of 27.7 percent in the prior year. Both the 2007 and 2006 rates benefited from favorable tax rulings with respect to prior years; excluding the benefit of these rulings from both years, the 2007 effective tax rate would have been 27.9 percent compared to a rate of 28.8 percent for 2006. The lower effective tax rate for the current year was the result of a greater percentage of consolidated pre-tax earnings in lower tax jurisdictions.
- o Average number of diluted shares (in thousands) of 87,633 compared to 91,369 in 2006.

About IFF

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International Flavors & Fragrances Inc. (NYSE: IFF), is a leading creator of flavors and fragrances used in a wide variety of consumer products. Consumers experience these unique scents and tastes in fine fragrances and beauty care, detergents and household goods, as well as beverages, confectionary and food products. The Company leverages its competitive advantages of brand understanding and consumer insight combined with its focus on R&D and innovation, to provide customers with differentiated product offerings. A member of the S&P 500 Index, IFF has sales, manufacturing and creative facilities in 30 countries worldwide. For more information, please visit our Web site at www.iff.com.

Individuals interested in receiving future updates on IFF via e-mail can register at <http://ir.iff.biz>

Audio Web Cast

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An audio Web cast, to discuss the Company's fourth quarter and full year 2007 financial results and outlook, will be held today at 10:00 a.m. ET. Interested parties can access the Web cast and accompanying slide presentation on the Company's Web site at www.iff.com, under the Investor Relations section. For those unable to listen to the live broadcast, a replay will be available on the Company's Web site approximately one hour after the event and will remain available on the IFF Web site until 12:00 p.m. on February 13, 2008.

Cautionary Statement Under The Private Securities Litigation Reform Act of 1995

Statements in this report, which are not historical facts or information, are "forward-looking statements" within the meaning of The Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on management's current assumptions, estimates and expectations. Certain of such forward-looking information may be identified by such terms as "expect," "believe," "outlook," "guidance," "may," and similar terms or variations thereof. All information concerning future revenues, tax rates or benefits, savings, earnings and other future financial results or financial position, constitutes forward-looking information. Such forward-looking statements involve significant risks, uncertainties and other factors. Actual results of the Company may differ materially from any forward-looking information or results expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions in the Company's markets, including economic, population health and political uncertainties; interest rates; the price, quality and availability of raw materials; the Company's ability to implement its business strategy, including the achievement of anticipated cost savings, profitability and growth targets; the impact on cash and the impact of increased borrowings related to the July 2007 share repurchase program; the impact of currency fluctuation or devaluation in the Company's principal foreign markets and the success of the Company's hedging and risk management strategies; the outcome of uncertainties related to litigation; the impact of possible pension funding obligations and increased pension expense on the Company's cash flow and results of operations; and the effect of legal and regulatory proceedings, as well as restrictions imposed on the Company, its operations or its representatives by U.S. and foreign governments. The Company intends its forward-looking statements to speak only as of the time of such statements and does not undertake or plan to update or revise them as more information becomes available or to reflect changes in expectations, assumptions or results.

Any public statements or disclosures by IFF following this report that modify or impact any of the forward-looking statements contained in or accompanying this report will be deemed to modify or supersede such outlook or other forward-looking statements in or accompanying this report.

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International Flavors & Fragrances Inc.
Consolidated Income Statement
(Amounts in thousands except per share data)
(Unaudited)

	Quarter Ended December 31,			Twelve Months Ended December 31,		
	2006	2007	% Change	2006	2007	% Change
Net sales	\$ 514,318	\$ 553,498	8%	\$ 2,095,390	\$2,276,638	9%
Cost of goods sold	303,403	328,199	8%	1,211,259	1,324,424	9%
Gross margin	210,915	225,299	7%	884,131	952,214	8%
Research & development	48,031	53,898	12%	185,692	199,023	7%
Selling and administrative	90,559	98,354	9%	351,923	375,287	7%
Amortization	3,709	2,212	-40%	14,843	12,878	-13%
Curtailement Loss	-	-		-	5,943	
Restructuring and other charges	2,007	-		2,680	-	
Interest expense	7,401	16,229	119%	25,549	41,535	63%
Other expense (income), net	(3,208)	(9,389)		(9,838)	(11,136)	
Pretax income	62,416	63,995	3%	313,282	328,684	5%
Income taxes	14,434	16,772	16%	86,782	81,556	-6%
Net income	47,982	47,223	-2%	226,500	247,128	9%
Earnings per share - basic	\$ 0.54	\$ 0.59	9%	\$ 2.50	\$ 2.86	14%
Earnings per share - diluted	\$ 0.53	\$ 0.58	9%	\$ 2.48	\$ 2.82	14%
Average shares outstanding (in thousands):						
Basic	89,416	80,550	-10%	90,443	86,541	-4%
Diluted	90,602	81,694	-10%	91,369	87,633	-4%

International Flavors & Fragrances Inc.
Consolidated Condensed Balance Sheet
(Amounts in thousands)
(Unaudited)

	December 31, 2006	December 31, 2007
Cash & cash equivalents	\$ 114,508	\$ 151,471
Short-term - investments	604	604
Receivables	405,302	450,579
Inventories	446,606	484,222
Other current assets	112,783	109,489

Total current assets	1,079,803	1,196,365
Property, plant and equipment, net	495,124	508,820
Goodwill and other intangibles, net	745,716	732,836
Other assets	158,261	261,656

Total assets	\$ 2,478,904	\$ 2,699,677

Bank borrowings, overdrafts	\$ 15,897	\$ 35,671
Other current liabilities	430,874	359,312

Total current liabilities	446,771	394,983
Long-term debt	791,443	1,176,970
Non-current liabilities	335,522	510,527
Shareholders' equity	905,168	617,197

Total liabilities and shareholders' equity	\$ 2,478,904	\$ 2,699,677

International Flavors & Fragrances Inc.
Consolidated Statement of Cash Flows
(Amounts in thousands)
(Unaudited)

	December 31, 2006	December 31, 2007
Cash flows from operating activities:		
Net income	\$ 226,500	\$ 247,128
Adjustments to reconcile to net cash provided by operations:		
Depreciation and amortization	89,733	82,788
Deferred income taxes	(12,423)	(6,343)
Gain on disposal of assets	(22,836)	(13,791)
Equity based compensation	18,185	18,168
Curtailment loss	-	5,943
Changes in assets and liabilities		
Current receivables	(27,153)	(32,974)
Inventories	9,492	(12,406)
Current payables	38,087	22,298
Changes in other assets/liabilities	(37,966)	3,251
Net cash provided by operations (1)	281,619	314,062
Cash flows from investing activities:		
Net change in short-term investments	(240)	(311)
Additions to property, plant and equipment	(58,282)	(65,614)
Net, purchase of investments	(17,355)	(2,699)
Proceeds from disposal of assets	27,235	16,959
Net cash used in investing activities	(48,642)	(51,665)
Cash flows from financing activities:		
Cash dividends paid to shareholders	(67,381)	(76,600)
Net change in bank borrowings and overdrafts	(48,714)	(129,648)
Proceeds from long-term debt	373,637	498,569
Repayments of long-term debt	(499,300)	-
Proceeds from issuance of stock under stock plans	110,867	50,116
Excess tax benefits on stock options exercised	4,653	6,568
Purchase of treasury stock	(270,998)	(577,001)
Net cash used in financing activities	(397,236)	(227,996)
Effect of exchange rates changes on cash and cash equivalents	6,222	2,562
Net change in cash and cash equivalents	(158,037)	36,963
Cash and cash equivalents at beginning of year	272,545	114,508
Cash and cash equivalents at end of period	\$ 114,508	\$ 151,471

(1) Operating cash flows for 2006 increased by \$18.7 million from the amount reported in 2006 as a result of including the purchase of investments of \$17.3 million in investing activities and \$1.4 million of deferred financing costs in financing activities.

International Flavors & Fragrances Inc.
 Business Unit Performance
 (Amounts in thousands)
 (Unaudited)

 Three Months Ended December 31, 2007

(Dollars in thousands)	Flavor	Fragrance	Global Expenses	Consolidated

Net sales	\$ 253,138	\$ 300,360	\$ -	\$ 553,498
=====				
Operating profit	\$ 41,770	\$ 36,892	\$ (2,065)	76,597
=====				
Interest expense				(16,229)
Other income (expense), net				3,627

Income before taxes on income				\$ 63,995
=====				

 Three Months Ended December 31, 2006

(Dollars in thousands)	Flavor	Fragrance	Global Expenses	Consolidated

Net sales	\$ 218,611	\$ 295,707	\$ -	\$ 514,318
=====				
Operating profit	\$ 30,952	\$ 47,054	\$ (3,747)	\$ 74,259
=====				
Interest expense				(7,401)
Other income (expense), net				(4,442)

Income before taxes on income				\$ 62,416
=====				

International Flavors & Fragrances Inc.
 Business Unit Performance
 (Amounts in thousands)
 (Unaudited)

Twelve Months Ended December 31, 2007

(Dollars in thousands)	Flavor	Fragrance	Global Expenses	Consolidated
Net sales	\$1,005,544	\$ 1,271,094	\$ -	\$ 2,276,638
Operating profit	\$ 187,275	\$ 209,812	\$(26,976)	370,111
Interest expense				(41,535)
Other income (expense), net				108
Income before taxes on income				\$ 328,684

Twelve Months Ended December 31, 2006

(Dollars in thousands)	Flavor	Fragrance	Global Expenses	Consolidated
Net sales	\$ 894,775	\$ 1,200,615	-	\$ 2,095,390
Operating profit	\$ 153,099	\$ 212,240	(18,485)	346,854
Interest expense				(25,549)
Other income (expense), net				(8,023)
Income before taxes on income				\$ 313,282

International Flavors & Fragrances Inc.
 Regulation G Reconciliation Schedule
 Fourth Quarter and Full Year 2007
 January 30, 2008

2006		
	----- Fourth Quarter	Full Year -----
EPS Reported	\$ 0.53	\$ 2.48
Restructuring Charges	0.02	0.02
Insurance Recovery		-0.03
Other Income	-0.06	-0.11
Tax Adjustment (1)	-0.04	-0.04
	-----	-----
EPS as Adjusted	\$ 0.45	\$ 2.32
	=====	=====
2007		
	----- Q4	Full Year -----
EPS Reported	\$ 0.58	\$ 2.82
Loss on Curtailment		0.04
Gain on Asset Sales	-0.05	-0.09
Tax Adjustment (1)		-0.11
	-----	-----
EPS as Adjusted	\$ 0.53	\$ 2.66
	=====	=====

(1) Favorable tax ruling benefit

This supplemental schedule provides adjusted non-GAAP financial information and a quantitative reconciliation of the difference between the non-GAAP financial measure and the financial measure calculated and reported in accordance with GAAP

These non-GAAP financial measures should not be considered in isolation, or as a substitute for, or superior to, financial measures calculated in accordance with GAAP. The Company believes that it is meaningful for investors to be made aware of and to be assisted in a better understanding of, on a period to period comparative basis, the relative impact of restructuring charges and the other income that primarily consists of gains on asset disposals, the benefit of tax rulings relating to 2006 and prior years, and the pension curtailment charge. The adjusted information is intended to be more indicative of the Company's core operating results.