SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

Annual Report Pursuant to Section 13 of
The Securities Exchange Act of 1934

For the fiscal year ended	Commission File Number
December 31, 2001	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
(Address of principal executive offices)	(Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, par value 121/2c per share	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None
(Title of Class)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes [X]   No [_]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendments to this Form 10-K. [_]

The Registrant does not believe any of its common stock is held by "affiliates" of the Registrant within the meaning of Rule 405 of the Securities and Exchange Commission. See "Stock Ownership" in proxy statement incorporated by reference herein. The aggregate market value of all of the outstanding voting stock of Registrant as of March 1, 2002 was $3,297,099,666.

Indicate the number of shares outstanding of each of the Registrant's classes of common stock, as of March 1, 2002.

94,445,708 shares of Common Stock, par value 121/2c per share

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Annual Report to Shareholders for the fiscal year ended December 31, 2001 (the "IFF 2001 Annual Report") are incorporated by reference in Parts I, II and IV of this Form 10-K.

Portions of the Registrant's Proxy Statement to be sent in connection with the 2002 Annual Meeting (the "IFF 2002 Proxy Statement") are incorporated by reference in Part III of this Form 10-K.

PART I

ITEM 1. BUSINESS.

International Flavors & Fragrances Inc., incorporated in New York in 1909 (the "Company"), is a leading creator and manufacturer of flavor and fragrance products used by other manufacturers to impart or improve flavor or fragrance in a wide variety of consumer products. Fragrance products are sold principally to manufacturers of perfumes, cosmetics, toiletries, hair care products, deodorants, soaps, detergents and air care products; flavor products are sold principally to manufacturers of prepared foods, beverages, dairy foods, pharmaceuticals and confectionery products.

The present world-wide scope of the Company's business is in part the result of the 1958 combination of (i) the business conducted prior to the combination primarily in the United States by the Company under the name van Ameringen-Haebler, Inc. ("VAH") with (ii) the business conducted prior to the combination primarily in Europe by N. V. Polak & Schwarz's Essencefabrieken, a Dutch corporation ("P & S"). The P & S enterprise, founded in Holland in 1889, was also engaged in the manufacture and sale of flavor and fragrance products, with operations in a number of countries where VAH was not an important factor.

In November 2000, the Company acquired Bush Boake Allen Inc. ("BBA"), an international flavor, fragrance and aroma chemical company with worldwide sales of $499 million. This acquisition established the Company as the global leader in flavor markets where BBA was an important factor, strengthened the Company's already leading global fragrance position, enhanced the Company's product line and customer base, particularly in certain emerging markets, and broadened and enhanced the Company's management pool. During 2001, the Company made significant progress in integrating the Company and BBA, leading to cost savings, more efficient operations, and enhanced profitability. Integration activities will continue through 2002.

In October 2000, the Company implemented a global reorganization under the broad umbrellas of Business Development and Operations, rather than separate divisions for flavors and fragrances. The responsibilities of Business Development, whose purpose is to drive top line growth of the Company, include category strategy, consumer research, product development, global sales and marketing, research and development coordination and technical application. The responsibilities of Operations, whose focus is on product delivery, product planning and increasing productivity, include global supply chain, manufacturing, customer service, quality control, logistics and distribution. This reorganization is providing better support and service to the Company's customers, many of whom require uniform global support to match their global businesses, while enhancing Company productivity, from the supply chain through manufacturing to product delivery and customer service. The Company has a Regional Manager covering each major geographical region of the world. The Regional Managers work with and are supported by both Business Development and Operations.

The Company currently has 40 manufacturing facilities with the major manufacturing facilities being located in the United States, The Netherlands, France, Great Britain, Ireland, Spain, Switzerland, Germany, Argentina, Brazil, Mexico, China, Singapore, Philippines, Indonesia, Japan, India and Australia. The remaining manufacturing facilities are located in 8 other countries. The Company maintains its own sales and distribution facilities in 36 countries and is represented by sales agents in a few additional countries. The Company's principal executive offices are located at 521 West 57th Street, New York, New York 10019 (Tel. No. 212-765-5500). Except as the context otherwise indicates, the term "the Company" as used herein refers to the Registrant and its subsidiaries.

Markets

Fragrance products are used by customers in the manufacture of consumer products such as soaps, detergents, cosmetic creams, lotions and powders, lipsticks, after-shave lotions, deodorants, hair preparations, candles, air fresheners and all-purpose cleaners, as well as in other consumer products designed solely to appeal to the sense of smell, such as perfumes and colognes. The cosmetics industry, including perfume and toiletries manufacturers, is one of the Company's two largest fragrance customer groups. Most of the major United States companies in this industry are customers of the Company, and five of the largest United States cosmetics companies are among its principal customers. The household products industry, including soaps and detergents, is the other important fragrance customer group. Four of the largest United States household product manufacturers are major customers of the Company. In the three years ended December 31, 2001, 2000 and 1999 sales of fragrance products accounted for approximately 55%, 59% and 59%, respectively, of the Company's total sales on a reported basis.

Flavor products are sold principally to the food and beverage industries for use in consumer products such as soft drinks, candies, baked goods, desserts, prepared foods, dietary foods, dairy products, drink powders, pharmaceuticals, snack foods and alcoholic beverages. Two of the Company's largest customers for flavor products are major producers of prepared foods and beverages in the United States. In the three years ended December 31, 2001, 2000 and 1999 sales of flavor products accounted for approximately 45%, 41% and 41%, respectively, of the Company's total sales on a reported basis.

Products

The Company's principal fragrance and flavor products consist of compounds of large numbers of ingredients blended by it under formulas created by its perfumers and flavorists. Most of these compounds contribute the total fragrance or flavor to the consumer products in which they are used. This fragrance or flavor characteristic is often a major factor in the public selection and acceptance of the consumer end product. A smaller amount of compounds is sold to manufacturers who further blend them to achieve the finished fragrance or flavor in their consumer products. Thousands of compounds are produced by the Company, and new compounds are constantly being created in order to meet the many and changing characteristics of its customers' end products. Most of the fragrance and flavor compounds are created and produced for the exclusive use of particular customers. The Company's flavor products also include extracts, concentrated juices, seasonings and concentrates derived from various fruits, vegetables, nuts, herbs and spices as well as microbiologically-derived ingredients. The Company's products are sold in solid and liquid forms and in amounts ranging from a few pounds to many tons, depending upon the nature of the product.

The ingredients used by the Company in its compounds are both synthetic and natural. Most of the synthetic ingredients and key strategic natural ingredients are manufactured by the Company. While the major part of the Company's production of synthetic ingredients is used by it in its compounds, a substantial portion is sold to others. The natural ingredients are derived from flowers, fruits and other botanical products as well as from animal products. They contain varying numbers of organic chemicals, which are responsible for the fragrance or flavor of the natural product. The natural products are purchased for the larger part in processed or semi-processed form. Some are used in compounds in the state in which they are purchased and others after further processing. Natural products, together with various chemicals, are also used as raw materials for the manufacture of synthetic ingredients by chemical processes.

Market Developments

The demand for consumer products utilizing flavors and fragrances has been stimulated and broadened by changing social habits resulting from various factors such as increases in personal income, employment of women, teen-age population, leisure time, health concerns and urbanization and by the continued growth in world population. In the fragrance field, these developments have expanded the market for hair care, candles and air care products and deodorant and personal wash products with finer fragrance quality, as well as the market for colognes, toilet waters, men's toiletries and other products beyond traditional luxury items such as perfumes. In the flavor field, similar market characteristics have stimulated the demand for products such as convenience foods, soft drinks and low-cholesterol and low-fat food products that must conform to expected tastes. New and improved methods of packaging, application and dispensing have been developed for many consumer products which utilize some of the Company's flavor or fragrance products. These developments have called for the creation by the Company of many new compounds and ingredients compatible with the newly introduced materials and methods of application used in consumer end products.

Product Development and Research

The development of new fragrance and flavor compounds is a complex artistic and technical process calling upon the combined knowledge and talents of the Company's creative perfumers and flavorists and its application chemists and research chemists. Through long experience, the perfumers and flavorists develop and refine their skill for creating fragrances or flavors best suited to the market requirements of the customers' products.

An important contribution to the creation of new fragrance and flavor products is the development in the Company's research laboratories of new ingredients having fragrance or flavor value. The principal functions of the fragrance research program are to isolate and synthesize fragrance components found in natural substances and through chemical synthesis in order to develop new materials and better techniques for utilization of such materials. The principal functions of the flavor research program are to isolate and produce natural flavor ingredients utilizing improved processes.

The work of the perfumers and flavorists is conducted in 38 fragrance and flavor laboratories in 27 countries. The Company maintains a research center at Union Beach, New Jersey. The Company spent $135,248,000 in 2001, $112,671,000 in 2000 and $103,794,000 in 1999 on its research and development activities. These expenditures are expected to increase in 2002 to approximately $149,000,000. Of the amount expended in 2001 on such activities, 63% was for fragrances and the balance was for flavors. The Company employed 1,060 persons in 2001 and 1,186 persons in 2000 in such activities.

The business of the Company is not materially dependent upon any patents, trademarks or licenses.

Distribution

Most of the Company's sales are made through its own sales force, operating from 8 sales offices in the United States and 53 sales offices in 35 foreign countries. Sales in other countries are made through sales agents. For the year ended December 31, 2001, 32% of the Company's sales were to customers in North America, 31% in Europe, 16% in Asia-Pacific, 14% in Latin America and 7% in Central Asia, Middle East. For other information with respect to the management of the Company's operations by major geographical region, see Note 12 of the Notes to the Company's Consolidated Financial Statements on pages 43-45 of the IFF 2001 Annual Report. Such Consolidated Financial Statements are incorporated by reference herein.

The Company estimates that during 2001 its 30 largest customers accounted for about 48% of its sales, its four largest customers and their affiliates accounted for about 7%, 7%, 5% and 5%, respectively, of its sales, and no other single customer accounted for more than 3% of sales.

Governmental Regulation

Manufacture and sale of the Company's products are subject to regulation in the United States by the Food and Drug Administration, the Agriculture Department, the Bureau of Alcohol, Tobacco and Firearms, the Environmental Protection Agency, the Occupational Safety and Health Administration, the Drug Enforcement Administration and state authorities. Foreign subsidiaries are subject to similar regulation in a number of countries. Compliance with existing governmental requirements regulating the discharge of materials into the environment has not materially affected the Company's operations, earnings or competitive position. The Company expects to spend in 2002 approximately $6,100,000 in capital projects and $12,300,000 in operating expenses and governmental charges for the purpose of complying with such requirements. The Company expects that in 2003 capital expenditures, operating expenses and governmental charges for such purpose will not be materially different.

Raw Material Purchases

More than 5,000 different raw materials are purchased from many sources all over the world. The principal natural raw material purchases consist of essential oils, extracts and concentrates derived from fruits, vegetables, flowers, woods and other botanicals, animal products and raw fruits. The principal synthetic raw material purchases consist of organic chemicals. The Company believes that alternate sources of materials are available to enable it to maintain its competitive position in the event of any interruption in the supply of raw materials from present sources.

Competition

The Company has more than 50 competitors in the United States and world markets. While no single factor is responsible, the Company's competitive position is based principally on the creative skills of its perfumers and flavorists, the technological advances resulting from its research and development, the quality of its customer service and the support provided by its marketing and application groups, and its understanding of consumers. Although statistics are not available, the Company believes that it is the largest company producing and marketing on an international basis a wide range of fragrance and flavor products of the types manufactured by it for sale to manufacturers of consumer products. In particular countries and localities, the Company faces the competition of numerous companies specializing in certain product lines, among which are some companies larger than the Company and some more important in a particular product line or lines. Most of the Company's customers do not buy all their fragrance or flavor products from the same supplier, and some customers make their own fragrance or flavor compounds with ingredients supplied by the Company or others.

Employee Relations

The Company at December 31, 2001 employed 5,929 persons, of whom 1,770 were employed in the United States. The Company has never experienced a work stoppage or strike and it considers that its employee relations are satisfactory.

Cautionary Statement

Statements in this Annual Report on Form 10-K (including information incorporated herein by reference from the IFF 2001 Annual Report) 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, interest rates, the price and availability of raw materials, and political and economic uncertainties, including the fluctuation or devaluation of currencies in countries in which the Company does business. The Company intends its forward-looking statements to speak only as of the time of such statements, and does not undertake to update or revise them as more information becomes available.

ITEM 2. PROPERTIES.

The principal manufacturing and research properties of the Company are as follows:

Location	Operation
United States	
New York, NY.......	Fragrance laboratories.
Augusta, GA........	Production of fragrance chemical ingredients.
Hazlet, NJ.........	Production of fragrance compounds; fragrance laboratories.
South Brunswick, NJ	Production of flavor ingredients and compounds; flavor laboratories.
Union Beach, NJ....	Research and development center.
Menomonee Falls, WI	Production of flavor compounds, flavor ingredients and bacterial cultures.
Carrollton, TX(1)..	Production of seasonings.
Chicago, IL........	Production of flavor ingredients and compounds.
Jacksonville, FL...	Production of fragrance chemical ingredients.
Netherlands	
Hilversum..........	Flavor and fragrance laboratories.
Tilburg............	Production of flavor and fragrance compounds and flavor ingredients.
France	
Bois-Colombes......	Fragrance laboratories.
Dijon..............	Production of fragrance ingredients and compounds, flavor ingredients and compounds and fruit preparations; flavor laboratories.
Grasse.............	Production of fragrance and flavor ingredients; fragrance laboratories.
Great Britain	
Haverhill..........	Production of flavor compounds and ingredients, and fragrance chemical ingredients; flavor laboratories.
Long Melford.......	Production of seasonings.
Witham.............	Production of flavor ingredients and compounds.
Ireland	
Drogheda...........	Production of fragrance compounds.
Spain	
Benicarlo..........	Production of fragrance chemical ingredients.
Switzerland	
Reinach-Aargau.....	Production of fruit preparations and flavor ingredients and compounds; flavor laboratories.
Germany	
Emmerich/Rhein.....	Production of fruit preparations and flavor ingredients and compounds; flavor laboratories.
Argentina	
Garin..............	Production of flavor ingredients and compounds; production of fragrance compounds; flavor laboratories.
Brazil	
Rio de Janeiro.....	Production of fragrance compounds.
Taubate............	Production of flavor ingredients and compounds; flavor laboratories.
Mexico	
Tlalnepantla.......	Production of flavor compounds, fruit preparations and fragrance compounds; flavor and fragrance laboratories.
China	
Guangzhou(1).......	Production of flavor and fragrance compounds; flavor laboratories.
Shanghai(1)........	Flavor and fragrance laboratories.
India	
Chennai(2).........	Production of flavor and fragrance compounds and flavor ingredients.

Location	Operation
Singapore	
Jurong(3)...	Production of flavor and fragrance compounds and flavor ingredients.
Science Park	Flavor and fragrance laboratories.
Philippines	
Manila(1)...	Production of flavor and fragrance compounds and flavor ingredients.
Indonesia	
Jakarta(3)..	Production of flavor and fragrance compounds and ingredients; flavor and fragrance laboratories.
Japan	
Gotemba.....	Production of flavor compounds.
Australia	
Melbourne...	Production of flavor and fragrance compounds and flavor ingredients.
Sydney......	Production of seasonings.

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(1) Leased.
(2) The Company has approximately a 75% interest in the subsidiary company which owns this facility.
(3) Land is leased and building is owned.

The principal executive offices of the Company and its New York laboratory facilities are located at 521 West 57th Street, New York City. As a result of the acquisition of BBA, the Company is currently in the process of consolidating or eliminating duplicate facilities. The Company believes that the facilities that will remain following this consolidation process will meet its present needs and anticipated needs for the foreseeable future.

ITEM 3. LEGAL PROCEEDINGS.

On September 7, 2001, the Company was named as a defendant in a purported class action brought against it in the Circuit Court of Jasper County, Missouri, on behalf of employees of a plant owned and operated by Gilster-Mary Lee Corp. in Jasper, Missouri. The plaintiffs are alleging that they sustained respiratory injuries in the workplace due to the use by Gilster-Mary Lee of a BBA flavor. All BBA and IFF flavors meet the requirements of the U. S. Food and Drug Administration and are safe for handling and use by workers in food manufacturing plants when used according to specified safety procedures. Based on the preliminary report issued by the National Institute for Occupational Safety and Health (NIOSH), it appears any injuries the plaintiffs may have suffered are related to inadequate workplace conditions.

This case is in its preliminary stages. The Company does not expect this litigation to have a material adverse effect on the Company's financial condition, results of operations or liquidity.

Over the past twenty years, various Federal and State authorities and private parties have claimed that the Company is a potentially responsible party as a generator of waste materials for alleged pollution at a number of waste sites operated by third parties located principally in New Jersey and seek to recover costs incurred and to be incurred to clean up the sites.

The waste site claims and suits usually involve million dollar amounts, and most of them are asserted against many potentially responsible parties. Remedial activities typically consist of several phases carried out over a period of years. Most site remedies begin with investigation and feasibility studies, followed by physical removal, destruction, treatment or containment of contaminated soil and debris, and sometimes by groundwater monitoring and treatment. To date, the Company's financial responsibility for some sites has been settled through agreements granting the Company, in exchange for one or more cash payments made or to be made, either complete release of liability or, for certain sites, release from further liability for early and/or later remediation phases, subject to certain "re-opener" clauses for later-discovered conditions. Settlements in respect of some sites involve, in part, payment by the Company, and other parties, of a percentage of the site's future remediation costs over a period of years. At present, only three sites remain the subject of significant unsettled claims.

The Company believes that the amounts it has paid and anticipates paying in the future for clean-up costs and damages at all sites are not and will not be material to the Company's financial condition, results of operations or liquidity, because of the involvement of other large potentially responsible parties at most sites, because payment will be made over an extended time period and because, pursuant to an agreement reached in July 1994 with three of the Company's liability insurers, defense costs and indemnity amounts payable by the Company in respect of the sites will be shared by the insurers up to an agreed amount.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

Not applicable.

Executive Officers of Registrant:

Name	Office and Other Business Experience(2)	Age	Year First Became Officer
Richard A. Goldstein(1)	Chairman of the Board and Chief Executive Officer since June 2000; President and Chief Executive Officer of Unilever United States, Inc. and Business Group President of Unilever North American Foods, home, personal care and food products companies, prior thereto; Director, Legacy Hotels; Director, Fiduciary Trust Company International; Director, The Interpublic Group of Companies, Inc.; Director, Continuum Health Partners, Inc.	60	2000
Julian W. Boyden.......	Executive Vice President since November 2000; Chairman of the Board, President and Chief Executive Officer of Bush Boake Allen Inc., a flavor and fragrance company, prior thereto.	57	2000
D. Wayne Howard........	Executive Vice President, Global Operations since September 2000; Vice President, Supply Chain Strategy of Nordstrom, Inc., a retailer, from January 2000 to August 2000; Vice President, Strategic Sourcing, North America of Unilever North American Foods, a home, personal care and food products company, from January 1998 to December 1999; Vice President, Sourcing of Lipton, division of Unilever, from February 1997 to December 1997; Vice President, Supply Chain of Thomas J. Lipton Company, a food products company, prior thereto.	46	2000

Name	Office and Other Business Experience(2)	Age	Year First Became Officer
Carlos A. Lobbosco	Executive Vice President, Global Business Development since September 2000; Vice President prior thereto; Director.	62	1993
Stephen A. Block..	Senior Vice President, General Counsel and Secretary since February 2000; Senior Vice President, Law & Regulatory Affairs, and Secretary from May 1999 to February 2000; Vice President, Law & Regulatory Affairs, and Secretary prior thereto.	57	1993
Douglas J. Wetmore	Senior Vice President and Chief Financial Officer since September 2000; Vice President and Chief Financial Officer from April 1998 to September 2000; Controller prior thereto; Director.	44	1992
Gail S. Belmuth...	Vice President, Corporate Communications since June 2001; President and COO of Banner McBride North America, a change management consulting firm, from May 2000 to May 2001; Managing Director, Burson-Marsteller, a public relations firm, from December 1997 to May 2000; Vice President, Shepardson Stern and Kaminsky, an advertising and management consulting firm, prior thereto.	38	2001
Clint D. Brooks...	Vice President, Research and Development since October 2000; Director of Chemical Sciences, Abbott Laboratories, a Pharmaceutical company, prior thereto.	50	2000
Steven J. Heaslip.	Vice President, Global Human Resources since September 2001; Senior Vice President, Human Resources, Elizabeth Arden, a manufacturer of prestige beauty products, prior thereto.	44	2001

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(1) Member of Executive Committee of the Board of Directors.
(2) Employed by the Company or an affiliated company for the last five years, except as otherwise indicated.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON STOCK AND RELATED SECURITY HOLDER MATTERS.

(a) Market Information.

The Company's common stock is traded principally on the New York Stock Exchange. The high and low stock prices for each quarter during the last two years were:

	2001		2000	
Quarter	High	Low	High	Low
First..	$22.76	$19.75	$37.94	$28.75
Second.	28.20	21.25	37.81	28.81
Third..	31.60	24.97	30.94	17.38
Fourth.	31.69	24.10	20.81	14.69

(b) Approximate Number of Equity Security Holders.

(A) Title of Class	(B) Number of record holders as of December 31, 2001
Common stock, par value 12 1/2c per share	3,394

(c) Dividends.

Cash dividends declared per share for each quarter since January 2000 were as follows:

-	2002	2001	2000
First.	$.15	$.15	$.38
Second		.15	.38
Third.		.15	.38
Fourth		.15	.15

ITEM 6. SELECTED FINANCIAL DATA.

Information setting forth the selected financial data required by this Item 6 appears on page 50 of the IFF 2001 Annual Report. Such information is incorporated by reference in this Item 6. The BBA operating results are included in the Company's consolidated results from November 3, 2000, the date of the acquisition of BBA.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

The Company's Management's Discussion and Analysis of Results of Operations and Financial Condition required by this Item 7 appears in the text under the caption "Management's Discussion and Analysis of Results of Operations and Financial Condition" on pages 25 to 31 of the IFF 2001 Annual Report. Such information is incorporated by reference in this Item 7.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Information on quantitative and qualitative disclosures about market risk required by this Item 7A appears in Note 14 on page 48 of the IFF 2001 Annual Report. Such information is incorporated by reference in this Item 7A.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The consolidated financial statements of the Company and its subsidiaries and the notes thereto, listed in Item 14(a)(1) and included in the IFF 2001 Annual Report on pages 33 through 48, together with the report thereon of PricewaterhouseCoopers LLP dated January 28, 2002 on page 32 of the IFF 2001 Annual Report, and quarterly financial information on page 49 of the IFF 2001 Annual Report, are incorporated herein by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

The information relating to directors and nominees of the Company is set forth under the caption "Election of Directors" in the IFF 2002 Proxy Statement and is incorporated by reference herein. The information under the heading "Section 16(a) Beneficial Ownership Reporting Compliance" that appears in the IFF 2002 Proxy Statement is also incorporated by reference herein. See Part I, Item 4 for the Company's Executive Officers.

ITEM 11. EXECUTIVE COMPENSATION.

The information relating to executive compensation is set forth under the captions "Summary Compensation," "Option Grants in 2001," "Aggregated Option Exercises in 2001 and Option Values at December 31, 2001," "Directors' Compensation," "Employment Contracts and Termination of Employment and Change-in-Control Arrangements," "Executive Separation Policy" and "Pension Plans" in the IFF 2002 Proxy Statement and such information is incorporated by reference herein.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The information relating to security ownership of management and certain beneficial owners is set forth under the captions "Election of Directors" and "Security Ownership" in the IFF 2002 Proxy Statement and such information is incorporated by reference herein.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

The information regarding certain relationships and related transactions is set forth under the captions "Compensation Committee Interlocks and Insider Participation" and "Additional Information" in the IFF 2002 Proxy Statement and such information is incorporated by reference herein.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K.

(a)(1) FINANCIAL STATEMENTS. The following consolidated financial statements, related notes and independent accountants' report from the IFF 2001 Annual Report are incorporated by reference into Item 8 of Part II of this Annual Report on Form 10-K:

(a)(2) FINANCIAL STATEMENT SCHEDULES. The following schedule is included in Part IV of this Annual Report on Form 10-K:

All other schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

(a)(3) EXHIBITS.

Number	
2	Agreement and Plan of Merger dated as of September 25, 2000 among Registrant, Bush Boake Allen Inc. and B Acquisition Corp. incorporated by reference to Exhibit 2.1 to Registrant's Report on Form 8-K dated September 25, 2000.
3 (i)	Restated Certificate of Incorporation of Registrant, incorporated by reference to Exhibit 3 to Registrant's Report on Form 10-K for fiscal year ended December 31, 1993.
3 (ii)	By-laws of Registrant, as amended through March 12, 2002.
4.1	Shareholders Protection Rights Agreement dated as of March 21, 2000 between Registrant and The Bank of New York, as Rights Agent, incorporated by reference to Exhibit 4 to Registrant's Report on Form 8-K dated March 22, 2000.
4.1a	First Amendment dated as of September 26, 2000, to Shareholder Protection Rights Agreement, incorporated by reference to Exhibit 4 to Registrant's Report on Form 8-K dated September 26, 2000.
4.2	Specimen Certificates of Registrant's Common Stock bearing legend notifying of Shareholder Protection Rights Agreement, incorporated by reference to Exhibit 4(b) to Registrant's Registration Statement on Form S-3 filed on September 29, 2000 (Reg. No. 333-46932).
4.3	Indenture, dated as of May 1, 2001, between International Flavors & Fragrances Inc. and Bank One Trust Company, N. A., as Trustee, incorporated by reference to Exhibit 4.1 to Registrant's Registration Statement on Form S-4 dated June 26, 2001 (Reg. No. 333-63910).
4.4	First Supplemental Indenture, dated as of May 7, 2001, between International Flavors & Fragrances Inc. and Bank One Trust & Company, N. A., as Trustee, incorporated by reference to Exhibit 4.2 to Registrant's Registration Statement on Form S-4 dated June 26, 2001 (Reg. No. 333-63910).

Number
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4.5 Form of 6.45% Note due 2006 (included in 4.4), incorporated by reference to Exhibit 4.2.1 to Registrant's Registration Statement on Form S-4 dated June 26, 2001 (Reg. No. 333-63910).

4.6 Registration Rights Agreement, dated May 7, 2001, among International Flavors & Fragrances Inc. and Salomon Smith Barney Inc., Banc One Capitals Markets, Inc., First Union Securities, Inc. and Tokyo-Mitsubishi International plc, as representatives of the Initial Purchasers, incorporated by reference to Exhibit 4.3 to Registrant's Registration Statement on Form S-4 dated June 26, 2001 (Reg. No. 333-63910).

9 Not applicable.

* 10.1 Memorandum of Understanding between Registrant and Richard A. Goldstein, Chairman of the Board and Chief Executive Officer of Registrant, approved by Registrant's Board of Directors on April 13, 2000, incorporated by reference to Exhibit 10(a) to Registrant's Report on Form 10-Q dated August 14, 2000.

*10.2 Agreement dated June 23, 1998 between Registrant and Carlos A. Lobbosco, Executive Vice President of Registrant, incorporated by reference to Exhibit 10(a) to Registrant's Report on Form 10-Q dated November 13, 1998.

*10.2a Agreement dated as of October 1, 1999 between Registrant and Carlos A. Lobbosco, Executive Vice President of Registrant, incorporated by reference to Exhibit 10(o) to Registrant's Report on Form 10-K for fiscal year ended December 31, 1999.

*10.2b Agreement dated July 25, 2001 between Registrant and Carlos A. Lobbosco, Executive Vice President, Business Development, incorporated by reference to Exhibit 10(b) to Registrant's Report on Form 10-Q dated August 14, 2001.

*10.3 Separation Agreement dated as of July 16, 2001 between Registrant and William S. Kane, Vice President, Human Resources of Registrant, incorporated by reference to Exhibit 10(c) to Registrant's Report on Form 10-Q dated August 14, 2001.

*10.4 Supplemental Retirement Plan adopted by Board of Directors on October 29, 1986, incorporated by reference to Exhibit 10(e) to Registrant's Report on Form 10-Q dated May 14, 1997.

*10.5 Registrant's Supplemental Retirement Investment Plan adopted by Registrant's Board of Directors on November 14, 1989, as amended through June 30, 2000, incorporated by reference to Exhibit 10(f) to Registrant's Report on Form 10-K for the fiscal year ending December 31, 2000.

*10.6 Registrant's 2000 Stock Award and Incentive Plan adopted by Registrant's Board of Directors on March 9, 2000, as amended by the Board on November 14, 2000, incorporated by reference to Exhibit 10(g) to Registrant's Report on Form 10-K for the fiscal year ending December 31, 2000.

*10.7 2000 Supplemental Stock Award Plan adopted by Registrant's Board of Directors on November 14, 2000, incorporated by reference to Exhibit 99.1 to Registrant's Registration Statement on Form S-8 filed on December 7, 2000 (Reg. No. 333-51436).

*10.8 Restated Management Incentive Compensation Plan of Registrant, incorporated by reference to Exhibit A to the Registrant's Proxy Statement dated March 28, 1995.

*10.9 Registrant's Executive Death Benefit Plan effective July 1, 1990, incorporated by reference to Exhibit 10(c) to Registrant's Report on Form 10-Q dated May 14, 1997.

*10.10 Registrant's "Vision 2001 Compensation Program" adopted by Registrant's Board of Directors on December 12, 2000, incorporated by reference to Exhibit 10(k) to Registrant's Report on Form 10-K for the fiscal year ended December 31, 2000.

*10.11 Registrant's Executive Separation Policy, approved by Registrant's Board of Directors on October 10, 2000, incorporated by reference to Exhibit 10(l) to Registrant's Report on Form 10-K for the fiscal year ended December 31, 2000.

Number
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10.12 Trust Agreement dated October 4, 2000 among Registrant, First Union National Bank and Buck Consultants Inc. approved by Registrant's Board of Directors on September 12, 2000, incorporated by reference to Exhibit 10(b) to Registrant's Report on Form 10-Q dated November 14, 2000.

*10.13 Stock Option Plan for Non-Employee Directors, incorporated by reference to Exhibit 10(h) to Registrant's Report on Form 10-Q dated May 14, 1997.

*10.13a 2000 Stock Option Plan for Non-Employee Directors adopted by Registrant's Board of Directors on February 8, 2000, incorporated by reference to the Registrant's Proxy Statement dated March 29, 2000.

*10.14 Director Charitable Contribution Program adopted by the Board of Directors on February 14, 1995, incorporated by reference to Exhibit 10(j) to Registrant's Report on Form 10-K for the fiscal year ended December 31, 1994.

*10.15 Resolutions approving Non-Employee Directors' Annual Stock Grant Program adopted by Registrant's Board of Directors on September 12, 2000, incorporated by reference to Exhibit 99(c) to Registrant's Registration Statement on Form S-3 filed on September 29, 2000 (Reg. No. 333-46932).

*10.16 Registrant's Directors' Deferred Compensation Plan adopted by Registrant's Board of Directors on September 15, 1981 as amended through September 1, 2000, incorporated by reference to Exhibit 99(d) to Registrant's Registration Statement on Form S-3 filed on September 29, 2000 (Reg. No. 333-46932).

*10.17 Registrant's 1997 Employee Stock Option Plan, incorporated by reference to Exhibit A to the Registrant's Proxy Statement dated March 27, 1997.

*10.17a Amendments to 1997 Employee Stock Option Plan adopted by Registrant's Board of Directors on February 8, 2000, incorporated by reference to Exhibit 10(ll) to Registrant's Report on Form 10-K for the fiscal year ended December 31, 1999.

*10.18 Registrant's Global Employee Stock Purchase Plan adopted by Registrant's Board of Directors on November 14, 2000, incorporated by reference to Exhibit B to Registrant's Proxy Statement dated March 30, 2001.

*10.19 Registrant's Senior Officer Stock Exercise Loan Program adopted by Registrant's Board of Directors on November 13, 2001.

10.20 Amended and Restated 364-day Credit Agreement dated as of May 30, 2000 among Registrant, as Borrower, certain Initial Lenders, Citibank, N.A., as Agent, and Salomon Smith Barney Inc., as Arranger, incorporated by reference to Exhibit 10(c) to Registrant's Report on Form 10-Q dated August 14, 2000.

10.21 180-day Credit Agreement dated as of November 2, 2000 among Registrant, as Borrower, certain Initial Lenders, Citibank, N.A. as Agent and Salomon Smith Barney Inc. as Arranger, incorporated by reference to Exhibit 10(v) to Registrant's Report on Form 10-K for the fiscal year ending December 31, 2000.

10.22 364-day Credit Agreement dated as of November 28, 2000 among Registrant as Borrower, certain Initial Lenders, Citibank, N.A. as Agent, First Union National Bank and Bank of Tokyo-Mitsubishi Trust Company, as Syndication Agents, Fortis (USA) Finance LLC., as Co-Agent, and Salomon Smith Barney Inc. as Arranger, incorporated by reference to Exhibit 10(w) to Registrant's Report on Form 10-K for the fiscal year ending December 31, 2000.

10.22a Letter Amendment dated as of December 31, 2000 to the 364-day Credit Agreement dated as of November 28, 2000 among Registrant, as Borrower, certain Initial Lenders, Citibank, N.A., as Agent, First Union National Bank and Bank of Tokyo-Mitsubishi Trust Company, as Syndication Agents, Fortis (USA) Finance LLC., as Co-Agent, and Salomon Smith Barney Inc., as Arranger, incorporated by reference to Exhibit 10(a) to Registrant's Report on Form 10-Q dated August 14, 2001.

Number
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10.23 364-day Credit Agreement dated as of September 26, 2001 among the Company, as Borrower, certain Initial Lenders, Citibank N.A., as Administrative Agent, and Salomon Smith Barney Inc., as Arranger, incorporated by reference to Exhibit 10(a) to Registrant's Report on Form 10-Q dated November 14, 2001.

10.24 Five Year Credit Agreement dated as of September 26, 2001 among the Company, as Borrower, certain Initial Lenders, Citibank N.A., as Administrative Agent, and Salomon Smith Barney Inc., as Arranger, incorporated by reference to Exhibit 10(b) to Registrant's Report on Form 10-Q dated November 14, 2001.

10.25 Credit Agreement dated as of September 27, 2001 by and between the Company and Bank of Tokyo-Mitsubishi Trust Company, incorporated by reference to Exhibit 10(c) to Registrant's Report on Form 10-Q dated November 14, 2001.

11 Not applicable.

12 Not applicable.

13 Registrant's 2001 Annual Report; except for those portions thereof that are expressly incorporated by reference in this Form 10-K, this exhibit is furnished only for the information of the Commission and is not deemed to be filed as part of this Form 10-K.

16 Not applicable.

18 Not applicable.

21 List of Principal Subsidiaries.

22 Not applicable.

23 Consent of PricewaterhouseCoopers LLP.

24 Powers of Attorney authorizing Douglas J. Wetmore and Stephen A. Block to sign this report and amendments thereto on behalf of certain directors and officers of the Registrant.

28 Not applicable.

99 None.

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* Management contract or compensatory plan or arrangement.

(b) REPORTS ON FORM 8-K

The Company filed the following report on Form 8-K during the last quarter of the fiscal year ended December 31, 2001.

. Report on Form 8-K dated October 5, 2001 and filed October 5, 2001, describing in Item 5 a purported class action law suit brought against the Company in Circuit Court of Jasper County, Missouri by the employees of a microwave popcorn plant owned and operated by Gilster-Mary Lee Corp.

Report of Independent Accountants on Financial Statement Schedule

To the Board of Directors of International Flavors & Fragrances Inc.
Our audits of the consolidated financial statements referred to in our report dated January 28, 2002 appearing in the 2001 Annual Report to Shareholders of International Flavors & Fragrances Inc. (which report and consolidated financial statements are incorporated by reference in this Annual Report on Form 10-K) also included an audit of the financial statement schedule listed in Item 14(a)(2) of this Form 10-K. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

PRICEWATERHOUSECOOPERS LLP

New York, New York
January 28, 2002

Pursuant to the requirements of Section 13 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.
(Registrant)

By /s/ DOUGLAS J. WETMORE

Douglas J. Wetmore
Senior Vice President and
Chief Financial Officer

Dated: March 28, 2002

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated:

Principal Executive Officer:	
RICHARD A. GOLDSTEIN	
Chairman of the Board and Chief Executive Officer	
Principal Financial and Accounting Officer:	
DOUGLAS J. WETMORE	
Senior Vice President and Chief Financial Officer	
Directors:	
MARGARET HAYES ADAME	
GUNTER BLOBEL	
JAMES R. CANTALUPO	By /s/ STEPHEN A. BLOCK
J. MICHAEL COOK	--------------------------
PETER A. GEORGESCU	Stephen A. Block
RICHARD A. GOLDSTEIN	Attorney in fact
CARLOS A. LOBBOSCO	
ARTHUR C. MARTINEZ	March 28, 2002
HENRY P. VAN AMERINGEN	
WILLIAM D. VAN DYKE, III	
DOUGLAS J. WETMORE	

Original powers of attorney authorizing Douglas J. Wetmore and Stephen A. Block, and each of them, to sign this report on behalf of certain directors and officers of the Registrant have been filed with the Securities and Exchange Commission.

INTERNATIONAL FLAVORS & FRAGRANCES INC. AND SUBSIDIARIES

SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS AND RESERVES
(In thousands)

For the Year Ended December 31, 2001

	Balance at beginning of period	Additions charged to costs and expenses	Accounts written off	Translation adjustments	Balance at end of period
Allowance for doubtful accounts	$11,074	$2,947	$2,306	$(880)	$10,835

For the Year Ended December 31, 2000

	Balance at beginning of period	Additions charged to costs and expenses	Accounts written off	Translation adjustments	Balance at end of period
Allowance for doubtful accounts	$10,013	$2,359	$ 963	$(335)	$11,074

For the Year Ended December 31, 1999

	Balance at beginning of period	Additions charged to costs and expenses	Accounts written off	Translation adjustments	Balance at end of period
Allowance for doubtful accounts	$ 9,517	$1,645	$ 668	$(481)	$10,013

EXHIBIT INDEX

Number	
2	Agreement and Plan of Merger dated as of September 25, 2000 among Registrant, Bush Boake Allen Inc. and B Acquisition Corp. incorporated by reference to Exhibit 2.1 to Registrant's Report on Form 8-K dated September 25, 2000.
3 (i)	Restated Certificate of Incorporation of Registrant, incorporated by reference to Exhibit 3 to Registrant's Report on Form 10-K for fiscal year ended December 31, 1993.
3 (ii)	By-laws of Registrant, as amended on March 12, 2002.
4.1	Shareholders Protection Rights Agreement dated as of March 21, 2000 between Registrant and The Bank of New York, as Rights Agent, incorporated by reference to Exhibit 4 to Registrant's Report on Form 8-K dated March 22, 2000.
4.1a	First Amendment dated as of September 26, 2000, to Shareholder Protection Rights Agreement, incorporated by reference to Exhibit 4 to Registrant's Report on Form 8-K dated September 26, 2000.
4.2	Specimen Certificates of Registrant's Common Stock bearing legend notifying of Shareholder Protection Rights Agreement, incorporated by reference to Exhibit 4(b) to Registrant's Registration Statement on Form S-3 filed on September 29, 2000 (Reg. No. 333-46932).
4.3	Indenture, dated as of May 1, 2001, between International Flavors & Fragrances Inc. and Bank One Trust Company, N. A., as Trustee, incorporated by reference to Exhibit 4.1 to Registrant's Registration Statement on Form S-4 dated June 26, 2001 (Reg. No. 333-63910).
4.4	First Supplemental Indenture, dated as of May 7, 2001, between International Flavors & Fragrances Inc. and Bank One Trust & Company, N. A., as Trustee, incorporated by reference to Exhibit 4.2 to Registrant's Registration Statement on Form S-4 dated June 26, 2001 (Reg. No. 333-63910).
4.5	Form of 6.45% Note due 2006 (included in 4.4), incorporated by reference to Exhibit 4.2.1 to Registrant's Registration Statement on Form S-4 dated June 26, 2001 (Reg. No. 333-63910).
4.6	Registration Rights Agreement, dated May 7, 2001, among International Flavors & Fragrances Inc. and Salomon Smith Barney Inc., Banc One Capitals Markets, Inc., First Union Securities, Inc. and Tokyo-Mitsubishi International plc, as representatives of the Initial Purchasers, incorporated by reference to Exhibit 4.3 to Registrant's Registration Statement on Form S-4 dated June 26, 2001 (Reg. No. 333-63910).
9	Not applicable.
10.1	Memorandum of Understanding between Registrant and Richard A. Goldstein, Chairman of the Board and Chief Executive Officer of Registrant, approved by Registrant's Board of Directors on April 13, 2000, incorporated by reference to Exhibit 10(a) to Registrant's Report on Form 10-Q dated August 14, 2000.
10.2	Agreement dated June 23, 1998 between Registrant and Carlos A. Lobbosco, Executive Vice President of Registrant, incorporated by reference to Exhibit 10(a) to Registrant's Report on Form 10-Q dated November 13, 1998.
10.2a	Agreement dated as of October 1, 1999 between Registrant and Carlos A. Lobbosco, Executive Vice President of Registrant, incorporated by reference to Exhibit 10(o) to Registrant's Report on Form 10-K for fiscal year ended December 31, 1999.
10.2b	Agreement dated July 25, 2001 between Registrant and Carlos A. Lobbosco, Executive Vice President, Business Development, incorporated by reference to Exhibit 10(b) to Registrant's Report on Form 10-Q dated August 14, 2001.
10.3	Separation Agreement dated as of July 16, 2001 between Registrant and William S. Kane, Vice President, Human Resources of Registrant, incorporated by reference to Exhibit 10(c) to Registrant's Report on Form 10-Q dated August 14, 2001.

Number
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10.4	Supplemental Retirement Plan adopted by Board of Directors on October 29, 1986, incorporated by reference to Exhibit 10(e) to Registrant's Report on Form 10-Q dated May 14, 1997.
10.5	Registrant's Supplemental Retirement Investment Plan adopted by Registrant's Board of Directors on November 14, 1989, as amended through June 30, 2000, incorporated by reference to Exhibit 10(f) to Registrant's Report on Form 10-K for the fiscal year ending December 31, 2000.
10.6	Registrant's 2000 Stock Award and Incentive Plan adopted by Registrant's Board of Directors on March 9, 2000, as amended by the Board on November 14, 2000, incorporated by reference to Exhibit 10(g) to Registrant's Report on Form 10-K for the fiscal year ending December 31, 2000.
10.7	2000 Supplemental Stock Award Plan adopted by Registrant's Board of Directors on November 14, 2000, incorporated by reference to Exhibit 99.1 to Registrant's Registration Statement on Form S-8 filed on December 7, 2000 (Reg. No. 333-51436).
10.8	Restated Management Incentive Compensation Plan of Registrant, incorporated by reference to Exhibit A to the Registrant's Proxy Statement dated March 28, 1995.
10.9	Registrant's Executive Death Benefit Plan effective July 1, 1990, incorporated by reference to Exhibit 10(c) to Registrant's Report on Form 10-Q dated May 14, 1997.
10.10	Registrant's "Vision 2001 Compensation Program" adopted by Registrant's Board of Directors on December 12, 2000, incorporated by reference to Exhibit 10(k) to Registrant's Report on Form 10-K for the fiscal year ended December 31, 2000.
10.11	Registrant's Executive Separation Policy, approved by Registrant's Board of Directors on October 10, 2000, incorporated by reference to Exhibit 10(l) to Registrant's Report on Form 10-K for the fiscal year ended December 31, 2000.
10.12	Trust Agreement dated October 4, 2000 among Registrant, First Union National Bank and Buck Consultants Inc. approved by Registrant's Board of Directors on September 12, 2000, incorporated by reference to Exhibit 10(b) to Registrant's Report on Form 10-Q dated November 14, 2000.
10.13	Stock Option Plan for Non-Employee Directors, incorporated by reference to Exhibit 10(h) to Registrant's Report on Form 10-Q dated May 14, 1997.
10.13a	2000 Stock Option Plan for Non-Employee Directors adopted by Registrant's Board of Directors on February 8, 2000, incorporated by reference to the Registrant's Proxy Statement dated March 29, 2000.
10.14	Director Charitable Contribution Program adopted by the Board of Directors on February 14, 1995, incorporated by reference to Exhibit 10(j) to Registrant's Report on Form 10-K for the fiscal year ended December 31, 1994.
10.15	Resolutions approving Non-Employee Directors' Annual Stock Grant Program adopted by Registrant's Board of Directors on September 12, 2000, incorporated by reference to Exhibit 99(c) to Registrant's Registration Statement on Form S-3 filed on September 29, 2000 (Reg. No. 333-46932).
10.16	Registrant's Directors' Deferred Compensation Plan adopted by Registrant's Board of Directors on September 15, 1981 as amended through September 1, 2000, incorporated by reference to Exhibit 99(d) to Registrant's Registration Statement on Form S-3 filed on September 29, 2000 (Reg. No. 333-46932).
10.17	Registrant's 1997 Employee Stock Option Plan, incorporated by reference to Exhibit A to the Registrant's Proxy Statement dated March 27, 1997.
10.17a	Amendments to 1997 Employee Stock Option Plan adopted by Registrant's Board of Directors on February 8, 2000, incorporated by reference to Exhibit 10(ll) to Registrant's Report on Form 10-K for the fiscal year ended December 31, 1999.
10.18	Registrant's Global Employee Stock Purchase Plan adopted by Registrant's Board of Directors on November 14, 2000, incorporated by reference to Exhibit B to Registrant's Proxy Statement dated March 30, 2001.

Number	
10.19	Registrant's Senior Officer Stock Exercise Loan Program adopted by Registrant's Board of Directors on November 13, 2001.
10.20	Amended and Restated 364-day Credit Agreement dated as of May 30, 2000 among Registrant, as Borrower, certain Initial Lenders, Citibank, N.A., as Agent, and Salomon Smith Barney Inc., as Arranger, incorporated by reference to Exhibit 10(c) to Registrant's Report on Form 10-Q dated August 14, 2000.
10.21	180-day Credit Agreement dated as of November 2, 2000 among Registrant, as Borrower, certain Initial Lenders, Citibank, N.A. as Agent and Salomon Smith Barney Inc. as Arranger, incorporated by reference to Exhibit 10(v) to Registrant's Report on Form 10-K for the fiscal year ending December 31, 2000.
10.22	364-day Credit Agreement dated as of November 28, 2000 among Registrant as Borrower, certain Initial Lenders, Citibank, N.A. as Agent, First Union National Bank and Bank of Tokyo-Mitsubishi Trust Company, as Syndication Agents, Fortis (USA) Finance LLC., as Co-Agent, and Salomon Smith Barney Inc. as Arranger, incorporated by reference to Exhibit 10(w) to Registrant's Report on Form 10-K for the fiscal year ending December 31, 2000.
10.22a	Letter Amendment dated as of December 31, 2000 to the 364-day Credit Agreement dated as of November 28, 2000 among Registrant, as Borrower, certain Initial Lenders, Citibank, N.A., as Agent, First Union National Bank and Bank of Tokyo-Mitsubishi Trust Company, as Syndication Agents, Fortis (USA) Finance LLC., as Co-Agent, and Salomon Smith Barney Inc., as Arranger, incorporated by reference to Exhibit 10(a) to Registrant's Report on Form 10-Q dated August 14, 2001.
10.23	364-day Credit Agreement dated as of September 26, 2001 among the Company, as Borrower, certain Initial Lenders, Citibank N. A., as Administrative Agent, and Salomon Smith Barney Inc., as Arranger, incorporated by reference to Exhibit 10(a) to Registrant's Report on Form 10-Q dated November 14, 2001.
10.24	Five Year Credit Agreement dated as of September 26, 2001 among the Company, as Borrower, certain Initial Lenders, Citibank N.A., as Administrative Agent, and Salomon Smith Barney Inc., as Arranger, incorporated by reference to Exhibit 10(b) to Registrant's Report on Form 10-Q dated November 14, 2001.
10.25	Credit Agreement dated as of September 27, 2001 by and between the Company and Bank of Tokyo-Mitsubishi Trust Company, incorporated by reference to Exhibit 10(c) to Registrant's Report on Form 10-Q dated November 14, 2001.
11	Not applicable.
12	Not applicable.
13	Registrant's 2001 Annual Report; except for those portions thereof that are expressly incorporated by reference in this Form 10-K, this exhibit is furnished only for the information of the Commission and is not deemed to be filed as part of this Form 10-K.
16	Not applicable.
18	Not applicable.
21	List of Principal Subsidiaries.
22	Not applicable.
23	Consent of PricewaterhouseCoopers LLP.
24	Powers of Attorney authorizing Douglas J. Wetmore and Stephen A. Block to sign this report and amendments thereto on behalf of certain directors and officers of the Registrant.
28	Not applicable.
99	None.

Exhibit 3(ii)

INTERNATIONAL FLAVORS & FRAGRANCES INC.

BY-LAWS

(as adopted March 10, 1964, including all amendments made through March 12, 2002)

BY-LAWS

of

INTERNATIONAL FLAVORS & FRAGRANCES INC.

(a New York corporation)

ARTICLE I

Meetings of Stockholders

SECTION 1. Annual Meeting. The annual meeting of the stockholders of the Corporation for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held at such place, on such date and at such time as shall be designated from time to time by the Board of Directors.

SECTION 2. Special Meeting. Special meetings of the stockholders, unless otherwise prescribed by statute, may be called at any time by the Chairman of the Board, the President or the Board of Directors.

SECTION 3. Notice of Meetings. (a) Nomination of Directors. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the Board of Directors may be made at any annual meeting of stockholders, or at any special meeting of stockholders called for the purpose of electing directors, (i) by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (ii) by any stockholder of the Corporation (A) who is a stockholder of record on the date of the giving of the notice provided for in this Section 3(a) and on the record date for the determination of stockholders entitled to vote at such meeting and (B) who complies with the notice procedures set forth in this Section 3(a).

In addition to any other applicable requirements, for a nomination to be made by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation. To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the Corporation (i) in the case of an annual meeting, not less than sixty (60) days nor more than ninety (90) days prior to the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, that in the event that the annual meeting is called for a date that is not within thirty (30) days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made, whichever first occurs; and (ii) in the case of a special meeting of stockholders called for the purpose of electing directors, not later than the close of business on the tenth (10th) day following the day on which notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made, whichever first occurs.

To be in proper written form, a stockholder's notice to the Secretary must set forth (i) as to each person whom the stockholder proposes to nominate for election as a director (A) the name, age, business address and residence address of the person, (B) the principal occupation or employment of the person, (C) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by the person and (D) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder; and (ii) as to the stockholder giving the notice (A) the name and record address of such stockholder, (B) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such stockholder, (C) a description of all arrangements or understandings between such stockholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such stockholder, (D) a representation that such stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice and (E) any other information relating to such stockholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as director of the Corporation.

Notwithstanding anything in these By-Laws to the contrary, no person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth in this Section 3(a). If the Chairman of the meeting determines that a nomination was not made in accordance with the foregoing procedures, the Chairman shall declare to the meeting that the nomination was defective and such defective nomination shall be disregarded.

(b) Nature of Business at Meetings of Stockholders. No business may be transacted at an annual meeting of stockholders, other than business that is either (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors (or any duly authorized committee thereof), (ii) otherwise properly brought before an annual meeting, by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (iii) otherwise properly brought before an annual meeting by any stockholder of the Corporation (A) who is a stockholder of record on the date of the giving of the notice provided for in this Section 3(b) and on the record date for the determination of stockholders entitled to vote at such meeting and (B) who complies with the notice procedures set forth in this Section 3(b).

In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation.

To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the Corporation not less than sixty (60) days nor more than ninety (90) days prior to the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, that in the event that the annual meeting is called for a date that is not within thirty (30) days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made, whichever first occurs.

To be in proper written form, a stockholder's notice to the Secretary must set forth as to each matter such stockholder proposes to bring before an annual meeting, (i) a brief description of the business desired to be brought before such meeting and the reasons for conducting such business at such meeting, (ii) the name and record address of such stockholder, (iii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such stockholder, (iv) a description of all arrangements or understandings between such stockholder and any other person or persons (including their names) in connection with the proposal of such business by such stockholder and any material interest of such stockholder in such business and (v) a representation that such stockholder intends to appear in person or by proxy at the meeting to bring such business before such meeting. Notwithstanding the foregoing provisions of this Section, a stockholder seeking to have a proposal included in the Corporation's proxy statement shall comply with the requirements of Section 14 of the Exchange Act, including, but not limited to, Rule 14a-8 promulgated thereunder or its successor provision. The Corporation may require any stockholder to furnish such other information as may reasonably be required by the Corporation to determine if the business shall be properly brought before an annual meeting of the stockholders.

Notwithstanding anything in these By-Laws to the contrary, no business shall be conducted at an annual meeting of stockholders except business brought before such meeting in accordance with the procedures set forth in this Section; provided, however, that, once business has been properly brought before the meeting in accordance with such procedures, nothing in this Section 3(b) shall be deemed to preclude discussion by any stockholder of any such business. If the Chairman of an annual meeting determines that business was not properly brought before such meeting in accordance with the foregoing procedures, the Chairman shall declare to the meeting that the business was not properly brought before the meeting and such business shall not be transacted.

SECTION 4. Quorum. At all meetings of the stockholders of the Corporation, the holders of a majority of the stock of the Corporation entitled to vote thereat, present in person or by proxy, shall constitute a quorum for the transaction of any business except as otherwise provided by law.

SECTION 5. Order of Business. The order of business at all meetings of the stockholders shall be as determined by the Chairman of the meeting, but the order of business to be followed at any meeting at which a quorum is present may be changed by a majority in voting interest of the stockholders present at the meeting in person or by proxy and entitled to vote thereat.

SECTION 6. Organization; Adjournment. At each meeting of the stockholders, the Chairman of the Board of the Corporation, or, if he shall be absent therefrom, the President of the Corporation, or, if he shall be absent therefrom, the Executive Vice-President, or, if he shall be absent therefrom, any other Vice-President of the Corporation, or, if the Chairman of the Board, the President, the Executive Vice-President and all the other Vice-Presidents shall be absent from such meeting, then some other officer of the Corporation, or, if all its officers shall be absent therefrom, a stockholder holding of record shares of stock of the Corporation having voting powers, or the proxy of such a stockholder, who is chosen chairman of such meeting, shall act as chairman thereof and preside thereat; and the Secretary of the Corporation, or, if he shall be absent from such meeting, or, if he shall be required or chosen pursuant to the provisions of this Section 6 to act as chairman of such meeting, the person (who shall be an Assistant Secretary of the Corporation, if any of them shall be present thereat) whom the chairman of such meeting shall appoint secretary of such meeting, shall act as secretary of such meeting and keep the minutes thereof.

If a quorum, determined in accordance with Article I, Section 4 hereof, shall not be present or represented at any meeting of the stockholders, the Chairman of the meeting, or if so requested by the Chairman, the stockholders present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. In addition, the Chairman of any meeting of stockholders shall have the power to adjourn the meeting at the request of the Board of Directors if the Board of Directors determines that adjournment is necessary or appropriate to enable stockholders to consider fully information which the Board of Directors determines has not been made sufficiently or timely available to stockholders.

SECTION 7. Voting. When a quorum is present or represented at any meeting, the vote of the holders of a majority of the stock having voting power present in person or represented by proxy shall decide any question brought before such meeting, except as otherwise expressly provided by the Certificate of Incorporation or by Law. At each meeting of the stockholders every stockholder of record of the Corporation entitled to vote at such meeting shall be entitled to one vote for each share of Common Stock standing in his name on the books of the Corporation; provided, however, that the Board of Directors may fix, in advance, a date not more than sixty nor less than ten days prior to the date of such meeting as the date as of which stockholders entitled to notice of, and to vote at, such meeting shall be determined, and in case the Board of Directors shall fix a date, only stockholders of record on such date shall be entitled to notice of, and to vote at, such meeting. The vote of stock of the Corporation may be given by the stockholder entitled thereto in person or by proxy duly appointed by an instrument in writing subscribed by such stockholder or by his attorney thereunto duly authorized, and delivered to the Secretary of the meeting. Unless demanded by a stockholder of the Corporation present in person or by proxy at any meeting of the stockholders and entitled to vote thereat or so directed by the chairman of the meeting, the vote thereat on any question need not be by ballot. Upon a demand of any such stockholder for a vote by ballot on any question or at the direction of such chairman that a vote by ballot be taken on any question, such vote shall be taken by ballot. On a vote by ballot each ballot shall be signed by the stockholder voting, or in his name by his proxy, if there be such proxy, and it shall show the number of shares voted by him.

SECTION 8. Inspectors of Election. At any meeting of the stockholders, an inspector or inspectors of election may be appointed as provided in the Business Corporation Law and shall have duties as provided in said Law. An inspector of election need not be a stockholder of the Corporation, and any officer of the Corporation may be an inspector of election on any question other than a vote for or against his election to any position with the Corporation or any other question in which he may be directly interested.

ARTICLE II

Board of Directors

SECTION 1. General Powers. Except as otherwise provided in these By-laws or in the Certificate of Incorporation, the property, business and affairs of the Corporation shall be managed by the Board of Directors.

SECTION 2. Number. The number of directors shall be nine but the number thereof may, from time to time, be diminished to not less than six by amendment of these By-laws. As used in these By-laws, the term "whole Board of Directors" shall mean the total number of directors which the Corporation would have at the time if there were no vacancies.

SECTION 3. Election of Directors. At each meeting of the stockholders for the election of directors at which a quorum is present, the persons receiving a plurality of the votes cast by the holders of stock entitled to vote thereat shall be the directors. No person shall be eligible to serve as director of the Corporation after the date of, or stand for the re-election at, the annual meeting of stockholders which follows the date of his or her 72nd birthday, except that persons serving as directors on February 8, 2000 who are re-elected at the annual meeting held on May 18, 2000 (or any adjournment thereof) may continue to serve as directors until the date of the annual meeting of stockholders held in 2001.

SECTION 4. Organization. The Board of Directors may choose one of their number as Chairman of the Board. At each meeting of the Board of Directors, the Chairman of the Board, or, if there shall be no Chairman or if he shall be absent, the President of the Corporation, or in case of his absence, the Executive Vice-President, or in case of his absence, a chairman who shall be any director chosen by a majority of the directors present thereat, shall act as chairman of such meeting and preside thereat. The Secretary of the Corporation, or in the case of his absence, any person (who shall be an Assistant Secretary of the Corporation, if an Assistant Secretary of the Corporation shall be present at such meeting) whom the chairman shall appoint secretary of such meeting, shall act as secretary of such meeting and keep the minutes thereof.

SECTION 5. Resignations. Any director of the Corporation may resign at any time by giving written notice of his resignation to the Board of Directors, the President or the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein, then it shall take effect immediately upon its receipt by such Board of Directors, President or Secretary; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 6. Vacancies. Vacancies occurring in the Board of Directors for any reason, except the removal of directors without cause by the stockholders, may be filled by the affirmative vote of at least two-thirds (2/3) of the whole Board of Directors. A director elected to fill a vacancy shall be elected to hold office for the unexpired term of his predecessor. Newly-created directorships resulting from an increase in the number of directors may be filled by vote of a majority of the directors then in office, although less than a quorum exists.

SECTION 7. Organization Meeting. After each annual election of directors, the Board of Directors may hold a regular meeting for the purpose of organization and the transaction of other business as soon as practicable on the same day, at the place where other regular meetings of the Board of Directors are held. Notice of such meeting need not be given. Such meeting may be held at any other time or place which shall be specified in a notice given as hereinafter provided for special meetings of the Board or in a consent and waiver of notice thereof signed by all the directors.

SECTION 8. Regular Meetings. Regular meetings of the Board of Directors shall be held at such other times and at such places within or without the State of New York or the United States as the Board shall from time to time by resolution determine. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held,

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*Amended from "twelve" to "ten," effective May 16, 2001, by action of the Board of Directors at its March 13, 2001 meeting. Further amended from "ten" to "eleven" effective at the December 11, 2001 meeting. Further amended from "eleven" to "nine" effective May 7, 2002, by action of the Board of Directors at its March 12, 2002 meeting.

then the meeting which otherwise would be held on that day shall be held at the same hour on the next succeeding business day. Notice of regular meetings need not be given.

SECTION 9. Special Meetings; Notice. Special meetings of the Board of Directors shall be held whenever called by the Chairman of the Board, the President of the Corporation, the Executive Vice-President of the Corporation, or by any two (2) of the directors at the time in office. A notice shall be given as hereinafter in this Section provided of each such special meeting, stating the time and place thereof. Except as otherwise provided by law, notice of each meeting shall be given by mail, telegraph, cable, wireless, telephone or personal delivery to each director, at his residence or usual place of business at least two (2) days before the day on which such meeting is to be held; provided, however, in the case of any director residing outside the United States, such notice shall be sent addressed to him at such place by telegraph, cable or wireless, or be delivered personally or by telephone not later than five (5) days before the day on which such meeting is to be held. Notice of any meeting of the Board need not, however, be given to any director, if waived by him in writing before or after the meeting or if he shall attend the meeting without protesting, prior thereto or at its commencement, the lack of notice to him.

SECTION 10. Quorum and Manner of Acting.

(a) A majority of the whole Board of Directors shall be present in person at any meeting of the Board in order to constitute a quorum for the transaction of business at such meeting and, except as otherwise specifically provided by the Certificate of Incorporation, these By-laws or by law, the act of a majority of the directors present at any such meeting, at which quorum is present, shall be the act of the Board. In the absence of a quorum from any such meeting, a majority of the directors present thereat may adjourn such meeting from time to time until a quorum shall be present thereat. Notice of any adjourned meeting need not be given.

(b) Unless otherwise restricted by the Certificate of Incorporation or these By-laws, any one or more members of the Board or any committee thereof may participate in a meeting of the Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

SECTION 11. Committees. There may be an Executive Committee consisting of three or more directors as may be designated from time to time by a majority of the whole Board of Directors. The Chairman of the Board shall be a member ex officio of the Executive Committee. Such Committee may meet at stated times or on notice to all by any of their number. During the intervals between the meetings of the Board of Directors, the Executive Committee shall possess and may exercise, to the extent provided in the resolution of the Board of Directors appointing such committee, all the powers of the Board of Directors, except as otherwise provided in the Business Corporation Law, in the management and direction of the business and affairs of the Corporation in such manner as the Executive Committee shall deem for the best interest of the Corporation. The Executive Committee shall keep regular minutes of its proceedings and report the same to the Board of Directors when required, but no approval by the Board of Directors of the actions taken by the Executive Committee shall be required.

A majority of the whole Board of Directors may also designate directors to constitute one or more other committees, which shall in each case consist of such number of directors and shall have such duties and may exercise such powers as the Board of Directors may determine.

A majority of the whole Board may designate one or more directors as alternate members of any such committee, including the Executive Committee, who may replace any absent member or members at any meeting of such committee.

Each committee, including the Executive Committee and each member thereof, shall serve at the pleasure of the Board.

SECTION 12 Removal. Any director may be removed with cause by the affirmative vote of at least two-thirds of the whole Board of Directors or with or without cause by vote of the stockholders at a regular or special meeting, subject to the provisions of the Business Corporation Law.

SECTION 13. Compensation. The directors and the members of any committee of the Corporation provided for by resolution of the Board of Directors shall be entitled to be reimbursed for any expenses, including all travel expenses, incurred by them on account of their attendance at any regular or special meeting of the Board of Directors or of such committee, and the Board of Directors may at any time or from time to time by resolution provide that the Corporation shall pay each such director or member of such committee such compensation for his services as may be specified in such resolution. Nothing in this Section shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

SECTION 14. Indemnification.

(a) Right to indemnification. The Corporation shall indemnify any person made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, by reason of the fact that he, or a person of whom he is the legal representative, is or was a director or officer of the Corporation, or, while serving as director or officer of the Corporation, is or was serving in any capacity, at the request of the Corporation, any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorney's fees, incurred by such person as a result of such action or proceeding, or any appeal therein, unless a judgment or other final adjudication adverse to such person establishes that his acts, or the acts of the person of whom he is the legal representative, were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he, or the person of whom he is the legal representative, personally gained in fact a financial profit or other advantage to which he, or the other person of whom he is the legal representative, was not legally entitled. The Corporation shall advance to such person funds to pay for such expenses, including attorney's fees, incurred by such person in defending against any such action or proceeding, or any appeal therein, upon receipt of an undertaking by or on behalf of such person to repay such funds to the Corporation if a judgment or other final adjudication adverse to such person establishes that his acts, or the acts of the person of whom he is the legal representative, were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he, or the person of whom he is the legal representative, personally gained in fact a financial profit or other advantage to which he, or such person, was not legally entitled.

(b) Right of claimant to sue. If a claim under paragraph (a) is not paid in full by the Corporation within thirty days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expenses of the prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant, or the person of whom he is the legal representative, has not met the standard of conduct established in paragraph (a), but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper because the claimant or such person has met the said standard of conduct, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the claimant or such person has not met such applicable standard of conduct, shall be a defense to action or create a presumption that the claimant or such person has not met such standard of conduct.

(c) Non-exclusivity of rights. Subject to the limitations contained in paragraph (a), the right to indemnification and the payment of expenses conferred in this Section shall not be deemed exclusive of any other right to which any person seeking indemnification or advancement or payment of expenses may be entitled, whether under any statute, provision of the Certification of Incorporation, by-law, agreement, vote of stockholders or disinterested directors or otherwise.

ARTICLE III

Officers

SECTION 1. Number. The principal officers of the Corporation shall include a President, an Executive Vice-President, one or more other Vice-Presidents, a Treasurer, a Controller and a Secretary. Any two or more offices may be held by the same person, except the offices of President and Secretary.

SECTION 2. Election, Term of Office and Qualifications. The principal officers of the Corporation shall be chosen annually by the Board of Directors. Each principal officer shall hold office until his successor shall have been duly chosen and shall qualify, or until his death or until he shall resign, or shall have been removed in the manner hereinafter provided.

SECTION 3. Additional Officers. In addition to the principal officers mentioned in Section 1 of this Article III, the Board of Directors may appoint such other officers as the Board may determine, each of which officers shall hold office for such period, have such authority and perform such duties as are provided in these By-laws or as the Board of Directors may from time to time determine.

SECTION 4. Removal. Any officer of the Corporation elected or appointed by the Board of Directors may be removed by the Board of Directors with or without cause at any time.

SECTION 5. Resignations. Any officer of the Corporation may resign at any time by giving written notice of his resignation to the Board of Directors or to the President or Secretary of the Corporation. Any such resignation shall take effect at the time specified therein, or, if the time when it shall become effective shall not be specified therein, then it shall take effect immediately upon its receipt by such Board of Directors, President or Secretary; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 6. Vacancies. A vacancy in any office due to death, resignation, removal, disqualification or any other cause shall be filled for the unexpired portion of the term in the manner prescribed in these By-laws for regular appointments or elections to such office.

SECTION 7. The President. The President shall be the chief executive officer of the Corporation and shall have general supervision of the business of the Corporation and over its several officers, subject, however, to the control of the Board of Directors. He shall in the absence of the Chairman of the Board preside at all meetings of the stockholders and at all meetings of the Board of Directors. He shall see that all orders and resolutions of the Board of Directors are carried into effect. He may sign, execute and deliver in the name of the Corporation all deeds, mortgages, bonds, contract or other instruments authorized by the Board of Directors except where the signing, execution or delivery thereof shall be expressly delegated by the Board of Directors or by these By-laws to some other officer or agent of the Corporation or where any of them shall be required by law to be otherwise signed, executed or delivered, and he may affix the seal of the Corporation to any instrument which shall require it. He shall perform all duties incident to the office of President and such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 8. The Executive Vice-President. The Executive Vice-President shall have such powers and perform such duties as the Board of Directors may from time to time prescribe and shall perform such other duties as may be prescribed by these By-laws. At the request of the President or, in the case of his inability to act, he shall have all the powers of, and be subject to all the restrictions upon, the President.

SECTION 9. The Vice-Presidents. Each Vice-President shall have such powers and perform such duties as the Board of Directors may from time to time prescribe and shall perform such other duties as may be prescribed by these By-laws. At the request of the President, or, in case of the inability of the President and the Executive Vice-President to act, any of the Vice-Presidents may perform the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President.

SECTION 10. The Treasurer. The Treasurer shall have the care and custody of the books of account and of all the funds and securities of the Corporation, and deposit the funds in the name of the Corporation in such bank or trust company as the directors may designate. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall perform all the duties incidental to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or the Board of Directors.

SECTION 11. The Controller. The Controller shall maintain adequate records of all assets, liabilities and transactions of the Corporation, and have adequate audits thereof currently and regularly made. In addition, he shall perform such other duties relating to the finances of the Corporation or otherwise, as may be prescribed by the Board of Directors, the President or the Treasurer.

SECTION 12. The Secretary. The Secretary shall attend all meetings of the Board of Directors and of the stockholders and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meeting of the stockholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or President, under whose supervision he shall be. he shall keep or cause to be kept a stock-book, containing the names, alphabetically arranged, of all persons who are stockholders of the Corporation, showing their places of residence, the number of shares of stock owned by them respectively, the times when they respectively became the owners thereof and the amount paid thereon. He shall keep in safe custody the seal of the Corporation and, when properly authorized, affix the same to any instrument requiring it and, when so affixed, it shall be attested by his signature or by the signature of the Treasurer or an Assistant Secretary.

SECTION 13. Salaries. The salaries of the officers of the Corporation shall be fixed from time to time by the Board of Directors, and none of such officers shall be prevented from receiving a salary by reason of the fact that he is also a member of the Board.

ARTICLE IV

Contracts, Checks, Drafts, Bank Accounts, Etc.

SECTION 1. Execution of Contracts, etc. Except as otherwise required by law or by these By-laws, the Board of Directors may authorize any officer or officers, agent or agents, to execute and deliver any contract or other instrument in the name of the Corporation and on its behalf.

SECTION 2. Checks, Drafts, etc. All checks, drafts and other orders for the payment of money, bills of lading, warehouse receipts, obligations, bills of exchange and insurance certificates shall be signed or endorsed, except endorsements for collection for the account of the Corporation or for deposit to its credit, by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

SECTION 3. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation or otherwise as the Board of Directors, or any officer of the Corporation to whom power in that respect shall have been delegated by the Board of Directors, shall direct in such banks, trust companies or other depositories as said Board may select or as may be selected by any officer or officers or agent or agents of the Corporation to whom power in that respect shall have been delegated by the Board of Directors. For the purpose of deposit and for the purpose of collection for the account of the Corporation, checks, drafts and other orders for the payment of money which are payable to the order of the Corporation may be endorsed, assigned and delivered by any officer or agent of the Corporation.

SECTION 4. General and Special Bank Accounts. The Board of Directors may from time to time authorize the opening and keeping of general and special bank accounts with such banks, trust companies or other depositaries as the Board of Directors may select, or as may be selected by any officer or officers, agent or agents of the Corporation to whom power in that respect shall have been delegated by the Board of Directors. The Board of Directors may make such special rules and regulations with respect to such bank accounts, not inconsistent with the provisions of these By-laws, as it may deem expedient.

ARTICLE V

Shares and Their Transfer

SECTION 1 Certificates for Stock. Every owner of shares of stock of the Corporation shall be entitled to have a certificate therefor, in such form as the Board of Directors shall prescribe, certifying the number and class of shares thereof owned by him. The certificates representing such shares shall be numbered in the order in which they shall be issued and shall be signed in the name of the Corporation by the President, the Executive Vice-President or a Vice-President, and by the Treasurer or the Secretary or an Assistant Treasurer or Assistant Secretary of the Corporation and its seal shall be affixed thereto; provided, however, that where such certificate is signed by a transfer agent or registered by a registrar other than the Corporation itself or its employee, if the Board of Directors shall by resolution so authorize, the signatures of such President, Executive Vice-President, Vice-President, Treasurer, Secretary, Assistant Treasurer or Assistant Secretary and the seal of the Corporation may be facsimile. In case any officer or officers of the Corporation who shall have signed, or whose facsimile signature or signatures has been placed upon a certificate or certificates shall cease to be such officer or officers, whether by reason of death, resignation or otherwise, before such certificate or certificates shall have been delivered by the Corporation, such certificate or certificates may nevertheless be adopted by the Corporation and be issued and delivered as if the person or persons who signed such certificate or certificates had not ceased to be such officer or officers. A record shall be kept of the respective names of the persons, firms or corporations owning the shares represented by certificates for stock of the Corporation, the number of shares represented by such certificates, respectively, and the respective dates thereof, and in case of cancellation, the respective dates of cancellation. Every certificate surrendered to the Corporation for exchange or transfer shall be canceled and a new certificate or certificates shall not be issued in exchange for any existing certificate, until such existing certificate shall have been so canceled except in cases provided for in Section 4 of this Article V.

SECTION 2. Transfers of Stock. Transfers of shares of the stock of the Corporation shall be made on the books of the Corporation only by the registered holder thereof, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the Corporation or with a transfer clerk or transfer agent appointed as in Section 3 of this Article V provided, and on surrender of the certificate or certificates for such shares properly endorsed and the payment of all taxes thereon. The person in whose name shares of stock stand on the books of the Corporation shall be deemed the owner thereof for all purposes as regards the Corporation.

SECTION 3. Regulations. The Board of Directors may make such rules and regulations, as it may be deem expedient, not inconsistent with these By-laws, concerning the issue, transfer and registration of certificates for shares of the stock of the Corporation. It may appoint, or authorize any principal officer or officers to appoint, one or more Transfer Clerks or one or more Transfer Agents or one or more Registrars, and may require all certificates of stock to bear the signature or signatures of any of them.

SECTION 4. Lost, Destroyed and Mutilated Certificates. The holder of any share of stock of the Corporation shall immediately notify the Corporation of any loss, destruction or mutilation of the certificate therefor, and the Corporation may issue a new certificate of stock in the place of any certificate theretofore issued by it, alleged to have been lost or destroyed, and the Board of Directors may, in its discretion, require the owner of the lost or destroyed certificate or his legal representatives to give the Corporation a bond in such sum, limited or unlimited, and in such form and with such surety or sureties, as the Board shall in its uncontrolled discretion determine, to indemnify the Corporation against any claim that may be made against it on account of the alleged loss or destruction of any such certificate, or the issuance of such new certificate. The Board of Directors, however, may in its discretion refuse to issue any such new certificate, except pursuant to legal proceedings under the laws of the State of New York in such case made and provided.

ARTICLE VI

Seal

The seal of the Corporation shall be in the form of a circle, and shall bear the full name of the Corporation and the year of its incorporation.

ARTICLE VII

Fiscal Year

The fiscal year of the Corporation shall end with the thirty-first day of December in each year.

ARTICLE VIII

Amendments

The Board of Directors shall have the power to amend, repeal or adopt the By-laws of the Corporation, and the By-laws may be amended, repealed or adopted by the stockholders entitled at the time to vote in the election of directors.

Exhibit 10.19

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Senior Officer Stock Exercise Loan Program

(Adopted by the Board of Directors on November 13, 2001)

The Share Value Options ("SVOs") granted to certain employees of the Company, including five of the Company's executive officers--Stephen A. Block, Richard A. Goldstein, D. Wayne Howard, Carlos A. Lobbosco and Douglas J. Wetmore--have a unique feature that may require these executive officers to exercise their SVOs in their entirety prior to the expiration of the seven-year option period. It is Company policy that executive officers align their interests with those of shareholders generally by owning significant amounts of IFF Common Stock. To accomplish this objective will require that these executive officers be able to pay for their exercised SVOs without having to sell all or the great majority of the shares resulting from the exercise to pay the purchase price and the tax liability due on the exercise. The need to deal with this issue now arises because holders of SVOs are required to exercise those SVOs in their entirety within six months and one day after the closing price of the Company's Common Stock reaches the "weighted average exercise price" of the holder's options outstanding on November 14, 2000 prior to the SVO grant. Mr. Howard will reach that deadline on November 23, 2001. Mr. Block, Mr. Howard, Mr. Lobbosco and Mr. Wetmore (to the extent that, when they elect to exercise options, Mr. Lobbosco and Mr. Wetmore are not directors of the Company and Mr. Lobbosco is still an executive officer of the Company1), and any other person who holds an unexercised SVO and who hereafter becomes an executive officer of the Company are hereinafter referred to as the "Eligible Executive Officers." Under the New York Business Corporation Law, loans (or guarantees of loans) to Company directors are prohibited. As a result, the Program will not be applicable to any Eligible Executive Officer who is serving on the Board, including Richard A. Goldstein. Management is exploring other avenues that will allow Mr. Goldstein and any other executive officer-directors to keep the largest number of shares possible after exercise.

Senior management explored mechanisms that will enable Eligible Executive Officers to keep their exercised shares concluded that the only reasonable approach is the institution of a Company loan program to allow the Eligible Executive Officers to exercise their SVOs and hold the purchased shares (the "Program"). The Compensation Committee of the Board (the "Committee") and the other non-employee directors have agreed and have determined that the Program have the following features.

- Subject to the approval of the Committee, which will have sole discretion in any case to decide whether to approve a loan to any Eligible Executive Officer, the Company will loan to Eligible Executive Officers exercising their SVOs an amount up to the aggregate price of the option shares being exercised. For example, assuming that an Eligible Executive Officer was exercising an option to purchase 100,000 shares at an exercise price of $17.9375--which is the exercise price of the SVOs--the Company would loan that Eligible Executive Officer up to $1,793,750, the total purchase price of those option shares./2/

- The Program could provide loans covering both the exercise price of the SVO and the income tax liability of the Eligible Executive Officer in connection with the exercise of an SVO (that tax liability is the difference between the market price of IFF Common Stock on the date of exercise and the exercise price (the "Spread")). Management recommended and the Committee agreed, however, that the Program not authorize loans for the payment of taxes, but that, to the extent the Eligible Executive Officer is not able or elects not to pay applicable income taxes on the Spread from his or her personal funds, he or she sell a sufficient number of shares from the SVO exercise to fulfill the tax obligation. In the example above, assuming a total tax liability (Federal and State) of 45% of the Spread, and assuming that the average of the high and low market prices on the date of exercise (the price at which the tax liability would be determined) were $28 per share, the tax liability would be 45% of $10.0625 per share, or $452,812, which would result in the Eligible Executive Officer's selling 16,172 of the shares, which would still leave him or her with 83,828 shares, clearly a significant ownership position.

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/1/Under the July 25, 2001 agreement between Mr. Lobbosco and the Company, Mr. Lobbosco will resign as Executive Vice President, Global Business Development effective May 2002. Thereafter, because he will no longer be an executive officer of the Company, he will no longer be eligible to participate in the Program. Mr. Wetmore will not stand for re-election as a director in May 2002 so that after the 2002 Annual Meeting of Shareholders Mr. Goldstein will be the only employee member of the Board of the Company.

/2/Shares issued on the exercise of options paid for with funds borrowed from the Company under the Program will all be Treasury shares, so long as the Company has sufficient Treasury shares to cover the exercise and other applicable obligations. Using Treasury shares will avoid officers' having to pay the $.125 (the par value of IFF common stock) per share on the issuance of the shares, which by law would have to be paid on newly issued shares.

- Without the Program or other assistance, upon exercise of the SVO option the Eligible Executive Officer would owe to the Company the $1,793,750 and would have an additional $452,812 in tax obligations, and would thereby have to come up with $2,246,562 in cash to cover both. He would then have to sell 80,235 of the 100,000 shares to raise that cash, leaving him with only 19,765 shares.

- In order to provide Eligible Executive Officers with the incentive to hold their IFF shares for the long-term and to give them a reasonable time to repay the loans without having to sell the shares purchased with the borrowed funds, loans under the Program will have the following features:

  1. Loans approved by the Committee will have a maturity date of between five and ten years from the loan date. The Committee will establish the actual maturity period. No principal will have to be repaid until the maturity date, except that, if any Eligible Executive Officer ceases to be an Eligible Executive Officer, including but not limited to a change in his employment status with the Company or the termination of his Company employment for any reason, the loan will have to be repaid at the time of termination. The Company will have full recourse against Eligible Executive Officers for payment of all interest and repayment of loan principal under the Program. The purchased shares will be pledged to the Company to secure the loans, but the Eligible Executive Officers will have voting rights and will receive dividends. Neither the principal nor any interest payable on loans under the Program will be forgivable by the Company.

  2. To assure that the Program is cost neutral to the Company and does not give rise to a charge to the profit and loss statement of the Company, the interest rate on Program loans must be a "market" rate, that is a rate that would be charged for such a loan by a third party lender. Management recommended and the Committee agreed that the rate to be charged by the Company be the higher of (a) such a "market" rate and (b) the Company's weighted average cost of borrowed funds on the date the loans are extended. Management will inform the Committee of the appropriate rate at the time the Committee is considering a loan to an Eligible Executive Officer. The interest rate will be adjusted quarterly to continue to reflect the higher of the two measurement standards.

  3. Interest will be payable quarterly, in arrears, on the unpaid balance. Dividends on the shares purchased with funds borrowed under the Program will be credited automatically to offset the interest expense. Moreover, for tax purposes the interest cost can be used to offset the dividend income, thereby substantially reducing any tax impact of the dividend on the executive officer.

  4. In the event that, for a period of seven (7) out of twenty (20) consecutive trading days, the market value, as determined by the closing price of the Company's common stock on the New York Stock Exchange, of the SVO shares pledged to secure the loan is less than 110% of the outstanding principal balance of the loan, the loan will become immediately due and payable. Unless the Eligible Executive Officer pays the principal of, and all interest due on, the loan within five business days after the applicable date, the Company will be authorized to sell the pledged shares on behalf of the Eligible Executive Officer. Proceeds of the sale will be applied first to cover (in the following order) all interest and principal due on the loan, all fees in respect of the sale transaction, and all withholding taxes for which the Eligible Executive Officer is responsible as a result of the sale of the pledged shares. The Company will pay to the Eligible Executive Officer any balance. To the extent that the sale price of the pledged shares is not sufficient to cover fully all principal, interest, fees and withholding taxes, any deficiency will remain the sole responsibility of the Eligible Executive Officer.

Loans to Eligible Executive Officers will be required to be disclosed in the Company's proxy statement, most likely in the Stock Options Grant Table and in the Committee's report. The loan documentation will be filed as exhibits to the Company's Forms 10-Q and 10-K. Because the loans will be issued under a stock option plan--the 2000 Stock Award and Incentive Plan--that had been approved by shareholders, these loans will not be subject to any margin limitations.

Exhibit 13

ANNUAL REPORT FOR 2001

Relationships.

2001 Annual Report

IFF International Flavors & Fragrances Inc.

IFF. Reinvention.

- --

Industry leaders reach and remain at the top of their businesses through a process of constant reinvention. They know that true leadership means never being satisfied with the status quo. Never resting on one's laurels. Always staying a few steps ahead of consumers' changing tastes and preferences. Maintaining the relationships - inside and outside the company - that will ensure their innovations have the desired impact in the marketplace. At IFF, our continuous renewal is built on four strategic cornerstones: Creativity; Innovation; Global, Regional and Local Expertise; and Customer Service. Excellence in all four of these areas is what will allow us to reaffirm our place as the undisputed leader in the flavors and fragrances industry. It is also the foundation for our future growth.

Innovation.

- --

At IFF, we are in the business of making magic. Of finding that precise place where art and science meet to create something that captivates the senses, energizes the body and soothes the soul. What's more, we know that magic can happen anywhere. In water. In space. And everywhere in between. If it's out there, we'll find it. And we'll find a way to bring it to consumers the world over.

- --

Global...

- --

With IFF's new organizational structure, no customer is too big or too small. Wherever our customers want and need us to be, that's where we'll be.

- --

Regional...

- ---

It is not enough to provide seamless, efficient, consistent service worldwide.
We also need deep insight into the vastly differing tastes and habits of
consumers in each of the markets we serve.

- ---

Local expertise.

- --

IFF understands that even in a global company, all business is local. That is why we live and work in the communities we serve. And that is why we're committed corporate citizens. After all, our colleagues are also our consumers.

- --

Creativity.

- --

Creativity hardly ever happens in a vacuum. The greatest ideas may take seed in the mind of an individual, but they bloom best when nurtured by others. Teamwork and collaboration are at the heart of IFF's success. That means scientists partnering with perfumers and flavorists. Living legends coaching our newcomers. Relationships built across oceans, time zones, languages barriers and cultures. IFF working hand in glove with customers from idea generation to marketplace launch.

- --

Service.

- --

Superior service is absolutely fundamental to IFF's success. When we talk about getting back to the basics that made us industry pioneers, customer service is the first and last word. What constitutes service excellence? On-time delivery, to be sure. But just as important are innovation, consumer insight, efficiency and true creative partnership.

- --

IFF. Reinvention.

Creativity:
Vision. Consumer insights and benefits. Health and well-being. Raising the bar. Trend-setting leadership. Rising stars. Sensory science. Strategic alliances. Research and development. Value added. Mentors, teachers and partners. Winning together in the marketplace. Reinvention.

Innovation:
Hydroponics. Botanical collection. Naturals. Training and development. Perfumery school. Project Foresight. Open communication. Teamwork. One IFF. Space rose. Technology. Enhancing the senses. Reinvention.

Global, Regional and Local Expertise:
Environmental, health and safety leadership. Regional creativity centers. Developed and emerging markets. Corporate philanthropy. Global sourcing and supply chain. Delivering consumer preferences. Reinvention.

Customer Service:
Operational excellence. Satisfaction levels. Creative partnerships. The Pursuit of Excellence. Integration. Leadership. Continuous improvement. Celebrating our successes. Keeping our promises. Rewarding Results. Reinvention.

- --

To Our Shareholders:

2001 was a year of tremendous change for IFF. After announcing a global reorganization and the acquisition of Bush Boake Allen (BBA) nearly simultaneously in the fall of 2000, many wondered if we had bitten off more than we could chew. I must say that the same concern crossed my mind as well.

But the truth is that we needed to reinvent IFF if we were to reaffirm our industry preeminence. Even if we could have selected an "easier" time to merge with BBA, that is not how acquisitions work. We took advantage of an excellent opportunity to strengthen our business and, frankly, the task of integrating two large organizations has been an ideal catalyst for change that was long overdue at our Company.

2001 Achievements - Making Progress
IFF had three critical goals for 2001:

- -- To successfully reorganize our Company and integrate BBA.
- -- To improve customer service and increase our win rate.
- -- To implement company-wide incentive plans that align co-worker and shareholder interests.

I am happy to report that we have made significant progress on all fronts.

Reorganization and Integration

We are on track to deliver our anticipated reorganization and integration savings. We have taken great strides toward rationalizing our global facilities and have consolidated 16 operations during the year. Production been transferred as planned with virtually no disruption in service and no diminution in quality. Indeed, many locations are already showing the benefits expected from our stronger operational team. This process will accelerate in 2002, and surviving operations will be more productive, with capacity utilization and return on assets improving markedly.

We have already seen substantial savings from our efforts through the year and continued progress is expected in 2002. Achieving these savings is critical, particularly given the difficult global economic climate. Even more important, however, is the fact that our reorganization and integration have enabled us to go to market and service our customers as One IFF.

Customer Service - Winning in the Marketplace

Professionally speaking, 2001 will stand out for me as the year IFF got back to basics and remembered that "The Customer is King." And the proof is in the pudding. Service levels are up dramatically. Satisfaction levels are way up, too.

It is important to note that there was nothing inherent in our business model that was preventing us from providing excellent service. It's all about attitude. And it's all about understanding that it is the customer that counts. Our customers have noticed our change in attitude, our team spirit, and they like what they see.

Is our customer service as good as it needs to be? Not yet. But our improved record, combined with a renewed focus on Research & Development, is leading to increased win rates - especially in those parts of the business that needed it most - North American Flavors and global Fine Fragrances.

Aligning Co-worker and Shareholder Interests

For the first time ever, through a global initiative we rolled out called Rewarding Results, every one of our co-workers is focused on delivering shareholder value. From the factory floor to the executive suite, everyone has a chance to earn a bonus based on a combination of individual and company-wide performance. This year's incentive compensation has been tied to three fundamental metrics - underlying volume growth, gross profit improvement, and improved operating cash flow - all of which help drive shareholder value.

We also launched our Global Employee Stock Purchase Plan. Response has been quite strong, and more of our colleagues than ever are now shareholders.

The Road Ahead - Moving in the Right Direction

Despite a global recession, the effects of which were exacerbated by the terrible events of September 11, 2001, IFF delivered on its promises and finished out the year on solid footing. We saw very modest underlying volume growth, but we did deliver an impressive 25%+ increase in earnings over 2000 pro forma results.

When we set out to rebuild IFF, we know the process would take three to five years. With that as a reference, I look at 2001 as a very good beginning. Our improved win rate and increased customer satisfaction levels bode well for IFF. What's more, we are confident that the actions we have been taking to streamline our business and realize operational efficiencies will provide a solid foundation on which to chart our future success.

For 2002, our critical objectives will be completing our reorganization and integration and redoubling efforts to drive top-line growth. These tasks certainly will not be easy. Ongoing weakness in the global economy will continue to have an impact on our Fine Fragrances business, at least through the first half of the year. But, let's remember that two-thirds of our business is in everyday household, personal care and packaged food products that are impacted much less in recessionary times.

2002 will bring still more change to IFF, but I am confident that our Company is headed in the right direction. And I am confident that we are up to the task. As we move forward, I make the following committments:

- To our customers: to make further progress on delivering the best products and services you need to drive your own success, and to deliver them when, where and how you want them.
- To our co-workers: to reaffirm our preeminence through The Pursuit of Excellence.
- To our shareholders: to maximize value by completing our integration at the same time as we aggressively explore traditional and nontraditional avenues to drive top-line growth.

Together, I know we can reach our goals. Thank you for your support.

Finally, Carlos Lobbosco, our Executive Vice President of Global Business Development and Board member, is retiring after 27 years of outstanding service to IFF. While IFF will not be the same after Carlos leaves, it is a testimony to his management strength and long-term planning that he is leaving behind such a capable team of Global Category and Regional Managers. On behalf of the Company and all of its shareholders, I express our deep gratitude to Carlos Lobbosco for his distinguished service to IFF.

Sincerely,

/s/ Richard A. Goldstein

Richard A. Goldstein
Chairman of the Board and
Chief Executive Officer

IFF. Teams.

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[ 1 ]  [ 2 ]
[ 3 ]  [ 4 ]
[ 5 ]  [ 6 ]
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1. (from left to right)
   Stephen A. Block
   Senior Vice President
   General Counsel and Secretary
   Douglas J. Wetmore
   Senior Vice President and
   Chief Financial Officer

2. (from left to right)
   Roberto J. Gordon
   Vice President
   Global Business Development -
   Fragrances
   Neil Humphreys
   Vice President
   Global Business Development -
   Flavors
   Nicolas Mirzayantz
   Vice President
   Global Business Development -
   Fine Fragrances and Toiletries

3. (from left to right)
   Clint D. Brooks, Ph.D.
   Vice President
   Research & Development
   pictured with a senior perfumer

4. (from left to right)
   Gail S. Belmuth
   Vice President
   Corporate Communications
   Steven J. Heaslip
   Vice President
   Global Human Resources

5. (from left to right)
   Richard A. Goldstein
   Chairman and
   Chief Executive Officer
   D. Wayne Howard
   Executive Vice President
   Global Operations

6. (from left to right)
   Carlos A. Lobbosco
   Executive Vice President
   Global Business Development
   Julian W. Boyden
   Executive Vice President

[1]
[2]
[3]

1. (from left to right)
Yves Calderone Junior Perfumer
Lois Evans Vice President and Senior Perfumer
Bruno Jovanovic Apprentice Perfumer
Christine Baillifard Perfumer
Sophie Walster Apprentice Perfumer
Carlos Benaim Vice President and Senior Perfumer
Jean-Marc Chaillan Perfumer
Sherri Sebastian Apprentice Perfumer
Mary Shroff Perfumer
Pascal Gaurin Junior Perfumer
Sophia Grojsman Corporate Vice President and Senior Perfumer
Yves Cassar Perfumer
Dennis Maroney Perfumer
Joe Ramasammy Junior Perfumer

2. (from left to right)
Bob Peterson Manager Process Flavor Creation
Brian Grainger Director, Flavor Creation
Gary Conklin Senior Flavorist
Carmellita Ventura Perez Flavorist
Dave Heltzel Flavorist
Dennis Kujawski Senior Flavorist
John Yurecko Senior Flavorist
Richard Bobula Flavorist
John Wright VP Global Technical Business Development
Richard Vuich Senior Process Flavorist
Marion Sudol Senior Flavorist
Patty Valente Senior Flavorist
Marie Wright Senior Flavorist
Tobjy Thompson Senior Flavorist
Pei Fen Wu Flavorist
Mario Grabowski Trainee Flavorist
Martin Ongteco Trainee Flavorist
Kevin Miller Senior Flavorist

3. (back row from left to right)
Lynne Pipe Senior Perfumer
Veronique Tropini Trainee Perfumer
Fred Tabak Vice President and Senior Perfumer
Remco de Meijiere Senior Perfumer
Philip Hausel Vice President and Senior Perfumer
Hubert Smyrek Perfumer
Jan van Elst Vice President and Senior Perfumer
Jan Fockenbrock Perfumer
(in front from left to right)
Gaby Joustra Perfumer
Nathalie Le Cann Perfumer

IFF WORLDWIDE LOCATIONS

	Sales Office	Manufacturing	Creative Laboratory
NORTH AMERICA			
Canada/Toronto	o	o	o
USA/Augusta, GA		o	
USA/Carrollton, TX	o	o	o
USA/Chicago, IL	o	o	o
USA/Hazlet, NJ	o	o	o
USA/Jacksonville, FL	o	o	o
USA/Menomonee Falls, WI		o	
USA/New York, NY*	o		o
USA/Salem, OR	o	o	
USA/South Brunswick, NJ	o	o	o
USA/Union Beach, NJ	o		o
LATIN AMERICA			
Argentina/Garin	o	o	o
Brazil/Rio de Janeiro		o	
Brazil/Sao Paulo	o		o
Brazil/Taubate		o	o
Columbia/Bogota	o		o
Mexico/Tlalnepantla (Mexico City)	o	o	o
ASIA-PACIFIC			
Australia/Melbourne	o	o	o
Australia/Castle Hill (Sydney)		o	o
China/Beijing	o		
China/Guangzhou	o	o	o
China/Hong Kong	o		
China/Shanghai	o		o
China/Xin'anjiang (Hangzhou)	o	o	
Indonesia/Jakarta	o	o	o
Japan/Gotemba		o	
Japan/Osaka	o		
Japan/Tokyo	o		o
Korea/Seoul	o		o
New Zealand/Auckland	o	o	o
Phillippines/Manila	o	o	o
Singapore	o		o
Singapore/Jurong	o	o	
Thailand/Bangkok	o	o	o
INDIAN SUBCONTINENT			
India/Bangalore	o		
India/Calcutta	o		
India/Chennai	o	o	o
India/Chittoor		o	
India/Delhi	o		
India/Mumbai	o		o
Pakistan/Karachi	o	o	o
EUROPE			
Bulgaria/Sofia	o		
Czech Republic/Prague	o		
Egypt/Cairo	o	o	o
France/Bois-Colombes (Paris)	o		o
France/Dijon	o	o	o
France/Grasse	o	o	o
Germany/Emmerich/Rhein	o	o	o
Germany/Hamburg	o		
Ireland/Drogheda		o	
Israel/Tel Aviv	o		
Italy/Milan	o		o
The Netherlands/Hilversum	o		o
The Netherlands/Tilburg		o	
Norway/Oslo	o		
Poland/Warsaw	o		o
Russia/Moscow	o		
Slovakia/Bratislava	o		
South Africa/Johannesburg	o	o	o
Spain/Barcelona	o		o
Spain/Benicarlo	o	o	
Spain/Madrid	o		
Sweden/Knislinge	o	o	
Switzerland/Reinach-Aargau	o	o	o
Turkey/Istanbul	o	o	
United Kingdom/Haverhill	o	o	o
United Kingdom/London	o		
United Kingdom/Long Melford	o	o	
United Kingdom/Witham	o	o	
Zimbabwe/Harare	o		

*Global Headquarters

Names in () indicate nearest large city

IFF International Flavors & Fragrances Inc.

Global Headquarters

521 West 57th Street New York, NY 10019
T 212 765 5500 www.iff.com

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION
International Flavors & Fragrances Inc.
(All dollars in millions except per share amounts)

OPERATIONS

The Company acquired Bush Boake Allen (BBA) effective November 3, 2000; BBA operating results are included in the Company's consolidated results from that date. Consolidated sales as reported and pro-forma sales for IFF and BBA combined, as applicable, for 2001, 2000 and 1999 were as follows (pro-forma sales are prepared as though the Company and BBA had been combined on January 1,1999):

Consolidated sales	Reported 2001	Percent Change	Reported 2000	Percent Change	Reported 1999
Flavors	$ 835.7	40%	$ 597.7	1%	$ 590.3
Fragrances	1,008.1	17%	865.1	2%	849.2
Total net sales	$ 1,843.8	26%	$ 1,462.8	2%	$ 1,439.5

Consolidated sales	Reported 2001	Percent Change	Pro-forma 2000	Percent Change	Pro-forma 1999
Flavors	$ 835.7	(1%)	$ 846.7	(4%)	$ 879.0
Fragrances	1,008.1	(2%)	1,033.9	(2%)	1,052.4
Total net sales	$ 1,843.8	(2%)	$ 1,880.6	(3%)	$ 1,931.4

Excluding BBA, 2000 flavor, fragrance and worldwide net sales were $558.6, $838.3 and $1,396.9, respectively.

Sales outside the United States represented approximately 70% of total sales in 2001, 2000 and 1999. The following table shows sales on a geographic basis, including BBA from date of acquisition:

Sales by Destination	2001	Percent Change	2000	Percent Change	1999
North America	$ 597.1	31%	$ 455.4	1%	$ 452.6
Europe	576.6	22%	471.7	(4%)	492.4
Central Asia, Middle East (CAME)	127.4	59%	80.1	10%	72.8
Latin America	256.5	9%	234.9	1%	232.9
Asia-Pacific	286.2	30%	220.7	17%	188.8
Total net sales	$ 1,843.8	26%	$ 1,462.8	2%	$ 1,439.5

During 2001, the Company's sales increased 26% in comparison to 2000 reported sales. Sales for 2001 declined 2% in comparison to 2000 pro-forma sales. Reported sales were unfavorably impacted by the continuing strong U.S. dollar, most notably against the Euro and the major European currencies, the Japanese Yen and the Australian dollar. Had dollar exchange rates remained the same during 2001 and 2000, sales would have increased 1% for the full year 2001 in comparison to the prior year pro-forma sales.

Reported sales for 2001 were also impacted by the disposition of certain non-core operations, specifically the Company's North American and Brazilian fruit preparations businesses, and a portion of the aroma chemicals business acquired in the BBA transaction. These dispositions, part of IFF's previously announced reorganization plan, occurred during the fourth quarter 2001. In 2000, these businesses had net sales of $81.0; in 2001, for the period owned by the Company, sales were $61.0. Excluding revenue from these businesses in both 2000 and 2001, sales growth for the full year 2001 would have been approximately 1% higher. Disposal of these businesses did not materially impact the Company's earnings.

Compared to 2000 pro-forma results, 2001 fragrance sales were led by Latin America, with an increase of 2%. Asia-Pacific fragrance sales were flat in local currency while North America, Europe and CAME reported local currency sales declines of 3%, 2% and 8%, respectively. The global economic environment, further aggravated by the events of September 11, 2001, impacted fine fragrance sales. Fragrance sales were also impacted by lower global demand for aroma chemicals. Flavor sales, in local currency, were strongest in North America, Asia-Pacific and Europe, with respective increases of 3%, 3% and 2%. Flavor sales in Latin America declined 9% from the prior year, while CAME flavor sales were down 4% for the year. The North America performance reflects the benefits of the IFF/BBA integration and improved demand for our products. The Europe increase is a result of new wins and a stable performance in our existing product portfolio. Latin America declined as a result of double-digit decreases in Brazil and Argentina, reflecting the weak economic conditions in these countries. Excluding the fruit preparation and aroma chemicals businesses disposed of during the year from both 2001 and 2000 sales, North America flavor sales in 2001 would have increased approximately 6% in comparison to 2000, Latin America flavors would have decreased 6% and Europe fragrances would have decreased 1% in local currency in relation to 2000.

Excluding BBA, 2000 sales by destination and related comparison to 1999 were: North America $433.1 (4% decline), Europe $451.1

(8% decline), CAME $72.9 (flat), Latin America $231.3 (1% decline) and Asia-Pacific $208.5 (10% increase).

During 2000, excluding BBA, the Company's sales declined 3% in comparison to 1999. Reported sales were unfavorably impacted by the strong U.S. dollar, most notably against the Euro and the major Western European currencies; had dollar exchange rates remained the same during 2000 and 1999, reported sales would have increased 2% for the full year 2000. Local currency fragrance sales growth was strongest in North America, Europe, Asia-Pacific and CAME with 3%, 6%, 8% and 14% increases, respectively. Latin America sales declined 2% reflecting the slow economic environment in much of that region. Europe, Asia-Pacific, Latin America and CAME flavors reported local currency sales increases of 2%, 9%, 2% and 10%, respectively. North America flavor sales declined 12% reflecting the slow business conditions facing many of the Company's customers in that region.

Although the Company's reported sales and earnings are affected by the weakening or strengthening of the U.S. dollar, this has no long-term effect on the underlying strength of our business.

The percentage relationship of cost of goods sold and other operating expenses to sales was as follows. The pro-forma information presented reflects the final acquisition accounting adjustments completed in 2001.

	2001	2000	1999	Pro-forma 2000
Cost of goods sold	57.7%	56.9%	56.0%	58.5%
Research and development expenses	7.3%	7.7%	7.2%	7.3%
Selling and administrative expenses	17.0%	17.7%	17.2%	18.1%

The increases in cost of sales in 2001 compared to 2000, and 2000 compared to 1999, are primarily attributable to the acquisition of BBA and unfavorable absorption of manufacturing costs in North America due to poor sales performance in that region. Excluding BBA, cost of goods sold would have represented approximately 56.4% of sales in 2000. The improvement in 2001 in comparison to 2000 pro-forma cost of sales reflects cost savings resulting from the integration of the Company's operations with those acquired in the BBA transaction, as well as improved expense absorption in North America flavors reflecting the stronger sales performance in that region.

Research and development expenses are for the development of new and improved products, technical product support, compliance with governmental regulations and help in maintaining relationships with customers who are often dependent on technical advances. These activities contribute in a significant way to the Company's business. Research and development expenses declined slightly as a percentage of sales in 2001 as a result of the integration of the Company's and BBA's research efforts and facilities. Notwithstanding the decrease in 2001, the Company anticipates these expenses to approximate 8% of sales in 2002 as new research initiatives are undertaken. Excluding BBA, research and development expenses would have represented approximately 7.8% of sales in 2000.

Selling and administrative expenses are necessary to support the Company's sales and operating levels. In 2001, selling and administrative expenses decreased as a percentage of sales resulting from savings attributable to the integration of the Company's sales and administrative functions with those of BBA.

In 2000, selling and administrative expenses increased primarily due to increased depreciation and other costs associated with new computer systems and equipment, as well as certain costs incurred in connection with an employment contract. These additional costs were partially offset by elimination of $14.2 of costs incurred in 1999 in connection with the Company's Y2K program. In 1999, administrative expenses also included approximately $6.0 in costs associated with the final settlement of certain employment contracts and $2.3 relating to nonrecurring charges (discussed below). Administrative expenses for 1999 also included certain costs incurred in connection with the Company's project to implement the enterprise requirements planning (ERP) software package, SAP. Excluding BBA, selling and administrative expenses would have represented approximately 17.8% of sales in 2000.

Segment profit, excluding corporate and other unallocated expenses, amortization of goodwill and other intangibles, and the effect of nonrecurring charges, was $380.4 in 2001, $291.7 in 2000 and $321.4 in 1999. Pro-forma segment profit for IFF and BBA combined for 2000 was $348.9. In 2001, segment profit increased primarily due to savings resulting from the integration of BBA in all expense categories. In 2000, segment profit declined primarily due to the decline in gross margin on sales, and increased selling and administration, and research and development expenditures. In 1999, segment profit reflected the effects of the Y2K-related expenses. The Company recorded nonrecurring charges totaling $30.1, $41.3 and $32.9 in 2001, 2000 and 1999, respectively. In 2000, BBA operations contributed $9.3 to segment profit, before amortization of goodwill and other intangibles, for the period from November 3, 2000 through year-end. Operating profit totaled $255.6, $211.5 and $248.3 in 2001, 2000 and 1999, respectively.

Interest expense totaled $70.4, $25.1 and $5.2 in 2001, 2000 and 1999, respectively. Pro-forma interest expense totaled $81.2 in 2000. The increase in interest expense in 2001 in comparison to 2000 is directly attributable to the debt incurred for the BBA acquisition. Interest expense in 2001 decreased compared to the pro-forma 2000 figures, reflecting the downward trend in interest rates during 2001 and reduction in overall debt outstanding. Interest expense in 2000 attributable to the acquisition of BBA approximated $10.6. Interest expense in 2000, excluding interest cost arising on the BBA acquisition, increased in comparison to 1999 mainly due to the higher level of borrowings incurred in connection with the Company's share repurchase programs.

Other (income) expense, net was $2.6 income in 2001, $2.3 expense in 2000, and $0.3 income in 1999. The increase in other income in 2001 is primarily the result of favorable exchange gains in comparison to 2000. The decrease in other income in 2000 compared to 1999 was primarily due to lower interest income and lower exchange gains.

The worldwide effective tax rate for 2001 was 38.2%, compared to 33.2% for 2000 and 33.5% for 1999. The pro-forma effective tax rate for 2000 was 39.5%. The higher effective tax rate in 2001 compared to 2000 primarily results from the non-deductibility of the goodwill amortization for purposes of determining the Company's taxable income. The 2001 effective tax rate declined from the 2000 pro-forma rate primarily due to higher than anticipated tax benefits associated with reorganization costs in 2001.

On November 3, 2000, the Company acquired all of the outstanding shares of BBA for $48.50 per share in cash; total consideration paid, including transaction costs, was $970.0. The transaction was accounted for as a purchase business combination.

The purchase price has been allocated to the assets acquired and liabilities assumed based on their fair values at the date of acquisition. Other intangible assets include patents, trademarks and other intellectual property owned or developed by BBA, the value of which is being amortized over periods ranging from 7 to 20 years. The excess of the purchase price over the estimated value of tangible and identified intangible assets acquired is recorded as goodwill, and was amortized on a straight-line basis over 20 years for periods through December 31, 2001. At December 31, 2001 and 2000, goodwill and other intangible assets, net of accumulated amortization, totaled $795.9 and $755.9, respectively. Amortization of goodwill and other intangibles in 2001 was $46.1 and $7.0 in 2000.

The Company has established accruals relating primarily to employee separation costs, facility closure costs and other actions relating to the integration of certain BBA operations into IFF. Costs associated with these integration actions are recognized as a component of the purchase accounting resulting in an adjustment to goodwill; such costs do not directly impact current earnings. The increase in goodwill and other intangible assets between 2000 and 2001 resulted from further quantification of certain liabilities assumed in connection with the merger, primarily those associated with the integration of the BBA operations into the Company; such costs were not yet quantified nor accounted for at December 31, 2000.

Movements in acquisition accounting accruals were as follows:

	Employee-Related	Asset-Related and Other	Total
Balance December 31, 2000	$ 4.1	$ 6.2	$ 10.3
Additional charges	41.0	25.0	66.0
Cash and other costs in 2001	(31.3)	(21.3)	(52.6)
Balance December 31, 2001	$ 13.8	$ 9.9	$ 23.7

The BBA acquisition was initially financed through the issuance of commercial paper. During 2001, the Company put in place permanent debt financing. At December 31, 2001, long-term debt includes $700.0 of 6.45% Notes due May 15, 2006. The Company also put in place a five-year Euro 140.0 million credit facility underwritten by a major European financial institution. The facility has four-year and five-year fixed term components and a five-year revolving credit component; during its term, interest on this debt will not exceed the applicable London InterBank Offered Rate (LIBOR) base rate plus 1.4%. At December 31, 2001, long-term debt includes $101.5 (Euro 115.0 million) under this facility. In November 2001, the Company's Japanese subsidiary issued $115.3 (Yen 15.15 billion) in seven-year and ten-year senior guaranteed notes bearing interest of 2.4% per year. At December 31, 2001, the Company had $204.2 of commercial paper outstanding. Additional details on borrowings are contained in Note 8 of the Notes to the Consolidated Financial Statements.

The Company expects to achieve annual cost savings of approximately $70.0 as a result of synergies and efficiencies to be generated in connection with the integration of BBA and IFF. Approximately $40.0 of these savings were realized in 2001, with the remainder to be realized in 2002.

These savings will be achieved primarily through the consolidation of facilities, optimization of capacity, reduced selling, general and administrative expenses, and supply chain rationalization. Based on information and plans formulated to date, the Company expects the integration to result in approximately $75.0 to $80.0 in implementation costs, relating primarily to employee separation and facility closure costs, and approximately $45.0 to $50.0 of capital spending associated with the consolidation of manufacturing facilities. A substantial portion of these implementation costs have been reflected as an adjustment to the cost of the BBA acquisition.

In October 2000, the Company announced a reorganization, including management changes, further consolidation of production facilities and related actions. Henceforth, the Company will be organized under two global umbrellas of business development and operations. Business development will drive the top line growth of the Company and will include consumer and market research, product category strategy, product development, global sales and marketing, and technical application. Operations will be responsible for effective utilization of capital, increasing productivity and managing inventory levels and cycle times. In addition, effective January 1, 2001, the Company assigned a single manager responsibility for each of its major geographical regions - North America, Europe, Asia-Pacific, Latin America and the newly constituted Central Asia and Middle East.

The total pretax cost of actions taken in connection with the 2000 reorganization is expected to approximate $90.0 to $100.0 through the end of 2002. The reorganization is expected to yield annual savings by the year 2003 in the range of $25.0 to $30.0. An element of the savings is expected to be reinvested in the business, although a substantial portion is expected to contribute to improved earnings.

In June 1999, the Company announced a program to streamline its operations worldwide by improving operating efficiencies and asset utilization. The program included the closure of selected manufacturing, distribution and sales facilities in all geographic areas in which the Company operates. In addition, the Company planned to consolidate and align production in its remaining manufacturing locations. Under this program, the Company achieved annualized savings of approximately $15.0; a portion of the savings was reinvested in the business.

In connection with the 2000 reorganization and the 1999 program, the Company initiated two separate voluntary retirement incentive programs for United States-based employees meeting certain eligibility requirements. Those eligible employees who elected to take the incentive received additional credit, for pension purposes, in terms of age and service, as well as other benefits. Approximately 150 employees accepted enhanced retirement benefits under these two programs, resulting in nonrecurring pretax charges of $23.8 in 2000. In addition, during 2000, the Company recognized additional nonrecurring charges of $17.5, essentially all of which related to employee separation costs and other reorganization activities.

Total nonrecurring charges recorded in 2001 and 2000 were $30.1 ($19.1 after tax, or approximately $.20 per share) and $41.3 ($26.8 after tax, or approximately $.27 per share), respectively. The 2001 nonrecurring charges by region were: North America (including corporate) $14.7, Asia-Pacific $8.6, Europe $2.0, CAME $2.2 and Latin America $2.6. Essentially all of the pretax charges recorded in 2000 related to United States-based operations. There were no significant non-cash related elements of the 2001 or 2000 charges.

In 1999, in connection with the program to streamline operations, the Company recorded total pretax charges of $40.9 ($27.2 after tax, or approximately $.26 per share); non-cash charges approximated $11.7. Certain elements of these charges, relating primarily to accelerated depreciation on assets to be disposed of, were recognized in cost of goods sold ($1.2) and selling and administrative expenses ($2.3). In addition, $4.5 associated primarily with facility closure was included in other income and expense. The balance of the charges, representing employee separation and asset-related costs, were recorded as nonrecurring charges in the Consolidated Statement of Income.

Movements in liabilities related to nonrecurring charges were as follows:

	Employee-Related	Asset-Related and Other	Total
Original liabilities	$ 22.9	$ 10.0	$ 32.9
Cash and other costs in 1999	(13.3)	(8.4)	(21.7)
Balance December 31,1999	9.6	1.6	11.2
Additional charges	37.1	4.2	41.3
Cash and other costs in 2000	(22.3)	(3.8)	(26.1)
Balance December 31, 2000	24.4	2.0	26.4
Additional charges	10.1	20.0	30.1
Cash and other costs in 2001	(27.5)	(21.3)	(48.8)
Balance December 31, 2001	$ 7.0	$ .7	$ 7.7

The balance of the liabilities is expected to be utilized in 2002 in connection with the final decommissioning and disposal of affected equipment and as severance obligations to affected employees are satisfied. Approximately 700 employees will be affected by the programs.

In October 2001, the Company sold its formulated fruit and vegetable preparation businesses in the United States and Brazil. Sales for the business in the United States and Brazil up to the October sale date were approximately $23.0 with operating profit of less than $3.0. The products are sold primarily to bakeries and dairies for the manufacture of yogurts and baked goods. Proceeds from the sale, which were not material, were used to reduce current borrowings.

In October 2001, the Company announced its intention to explore strategic alternatives for its fruit and vegetable preparation business in Europe. This business manufactures processed fruit and other natural preparations used in a wide variety of foods, including baked goods and dairy products. Annual sales and operating profit approximate $70.0 and $7.0, respectively. As of March 21, 2002, the Company has made no final decision as to which strategic alternative to pursue.

In December 2001, the Company sold its aroma chemicals business located in Widnes, the United Kingdom. This business was acquired as part of the BBA purchase. Sales for this unit up to the December sale date were $36.7 and 80 employees were affected by the sale. Operating profit for the unit in 2001 was less than $1.5. Proceeds from the sale, which were not material, were used to reduce current borrowings. No gain or loss was recognized as a result of this transaction.

NEW ACCOUNTING STANDARDS

Effective January 1, 2001, the Company adopted Statement of Financial Accounting Standards No.133 (FAS 133), Accounting for Derivative Instruments and Hedging Activities. FAS 133 establishes accounting and reporting standards for derivative instruments and for hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. The effect of adopting this Standard was not material to reported results.

In December 1999, the Securities and Exchange Commission issued SEC Staff Accounting Bulletin No.101 (SAB 101), "Revenue Recognition in Financial Statements." SAB 101 summarizes certain of the Staff's views regarding revenue recognition. The Company adopted the guidelines of SAB 101 in 2000 without material effect.

Statement of Financial Accounting Standards No.141 (FAS 141), Business Combinations, was issued in June 2001. FAS 141 establishes accounting and reporting standards for business combinations. The provisions of FAS 141, which eliminate pooling of interests accounting, apply to all business combinations initiated after June 30, 2001.

Statement of Financial Accounting Standards No.142 (FAS 142), Goodwill and Other Intangible Assets, was issued in June 2001 and is effective for fiscal years beginning after December 15, 2001. FAS 142 eliminates goodwill amortization and requires an evaluation of goodwill impairment upon adoption of the Standard, as well as subsequent annual valuations, or more frequently if circumstances indicate a possible impairment. Impairment, if any, resulting from the initial application of the new Standard will be classified as a cumulative effect of a change in accounting principle. Subsequent impairments, if any, would be classified as an operating expense. Under this Standard, other intangible assets that meet certain criteria will qualify for recognition on the balance sheet and will continue to be amortized in the income statement.

Adoption of FAS 142 will eliminate annual goodwill amortization expense of approximately $33.0 (approximately $0.35 per share). Although this Standard will increase the Company's results of operations in the future due to the elimination of goodwill amortization, any impairment would result in a charge as discussed above. The Company is in the process of assessing the impact of adopting FAS 142 but does not believe it has a material impairment of goodwill upon adoption.

Statement of Financial Accounting Standards No.143 (FAS 143), Accounting for Asset Retirement Obligations, was issued in June 2001. FAS 143 establishes accounting and reporting standards for obligations associated with the retirement of tangible long-lived assets. FAS 143 is effective for fiscal years beginning after June 15, 2002. The Company is evaluating the impact, if any, of adopting this Standard but does not believe the effect of adoption of this Standard will be material.

Statement of Financial Accounting Standards No.144 (FAS 144), Accounting for the Impairment or Disposal of Long-Lived Assets, was issued in August 2001. FAS 144 establishes accounting and reporting standards for impairment of long-lived assets to be disposed of. FAS 144 is effective for fiscal years beginning after December 15, 2001. The Company is evaluating the impact, if any, of adopting this Standard but does not believe the effect of adoption will be material to reported results.

FINANCIAL CONDITION

Cash, cash equivalents and short-term investments totaled $48.9 at December 31, 2001, compared to $129.2 and $63.0 at December 31, 2000 and 1999, respectively. Short-term investments are high-quality, readily marketable instruments. Working capital, excluding in 2000 the commercial paper used to finance the BBA acquisition which was later refinanced with long-term debt, totaled $336.1 at year-end 2001, compared to $409.9 and $465.7 at December 31, 2000 and 1999, respectively. Gross additions to property, plant and equipment were $52.0, $60.7 and $103.8 in 2001, 2000 and 1999, respectively, and are expected to approximate $90.0 in 2002.

During 2001, the Company reduced its debt outstanding by approximately $110.0. At December 31, 2001, the Company's outstanding commercial paper totaled $204.2 at an average interest rate of 2.9%, compared to $1,209.4 at December 31, 2000 at an average interest rate of 7.4%. Commercial paper maturities did not extend beyond January 24, 2002. All commercial paper is classified as short-term at December 31, 2001. The Company reduced its U.S. revolving credit agreement to $500.0 at December 31, 2001 from $1,300.0 at December 31, 2000. This revolving credit agreement is composed of a $200.0 364-day facility and a $300.0 five-year facility. The revolving credit agreement is used as a backstop for the U.S. commercial paper program; there were no borrowings under this agreement in 2001. The Company compensates the banks participating in these credit facilities in the form of fees, the amounts of which are not material.

At December 31, 2000, $300.0 of the then $1,300.0 credit facility was available to be extended as long-term debt at the election of the Company. Accordingly, $300.0 of commercial paper outstanding was classified as long-term debt at December 31, 2000. In addition, the Company had entered into a financing agreement with a major European financial institution that, in part, provided for $100.0 of long-term debt to be issued with maturities in 2005 and 2006. Proceeds from this financing agreement were used to reduce outstanding commercial paper. In 2000, to reflect this intent the Company classified $100.0 of commercial paper as noncurrent in the December 31, 2000 consolidated balance sheet.

In April 2000, the Company announced a plan to repurchase up to 7.5 million shares of its common stock. In September 2000, the Company announced an additional plan to increase its existing share repurchase program by an additional $100.0. Repurchases will be made from time to time on the open market or through private transactions as market and business conditions warrant. The repurchased shares will be available for use in connection with the Company's employee benefit plans and for other general corporate purposes. The Company completed the April 2000 program during 2001. At December 31, 2001, approximately 1.1 million shares of common stock had been repurchased under the September 2000 program. Under these plans, the Company purchased $71.2, $201.0 and $46.3 of treasury stock in 2001, 2000 and 1999, respectively. At December 31, 2001, the Company had a remaining share repurchase authorization of approximately $70.0.

The Company anticipates that its financing requirements will be funded from internal sources and credit facilities currently in place.

The Company paid dividends to shareholders totaling $57.6, $155.5 and $161.2 in 2001, 2000 and 1999, respectively. The dividend rate per share in 2001, 2000 and 1999 was, respectively, $0.60, $1.29 and $1.52. In September 2000, the Board of Directors authorized a reduction in the Company's quarterly dividend by 60%, to $0.15 per share, beginning with the fourth quarter 2000 dividend. The dividend amount per share remains unchanged from that date.

The Cumulative translation adjustment component of Accumulated other comprehensive income was ($156.3) at December 31, 2001, compared to ($77.6) at December 31, 2000. This decrease results primarily from the change to local currency reporting effective January 1, 2001 for certain subsidiaries that operated in U.S. dollars or which operated in a highly inflationary environment. The decrease also resulted from the continued strength of the U.S. dollar against other currencies.

Compliance with existing governmental requirements regulating the discharge of materials into the environment has not materially affected the Company's operations, earnings or competitive position. In 2001, the Company spent approximately $4.0 on capital projects and about $12.3 in operating expenses and governmental charges for the purpose of complying with such regulations. Expenditures for these purposes will continue for the foreseeable future. In addition, the Company is party to a number of proceedings brought under the Comprehensive Environmental Response, Compensation and Liability Act or similar state statutes. It is expected that the impact of any judgements in or voluntary settlements of such proceedings will not be material to the Company's financial condition, results of operations or liquidity.

MARKET RISK

The Company enters into various interest rate swaps to manage its interest rate exposure. The Company realized a net gain of $3.5 on a $700.0 notional amount of U.S. Treasury lock hedges, taken out in anticipation of the issuance of the 6.45% Notes due 2006. These swaps were designated as qualified cash flow hedges and the net gain is being amortized over the life of the Notes. Following the five-year Notes offering, the Company entered into a $700.0 notional amount swap to effectively convert the 6.45% coupon interest rate on the Notes to a short-term rate based upon LIBOR plus an interest markup. The swap was designated as a fully effective, qualified fair value hedge. During the year, the Company amended the swap on four occasions, which changed the LIBOR basis and the related spread. As a result of market conditions and these changes in the swaps, the counterparty paid the Company $19.9, including accrued swap interest of $3.3. The net gains on settlement are being amortized over the remaining term of the Notes. As a result of these transactions, the effective interest rate at December 31, 2001 on the 6.45% Notes approximated 3.7%. The Company has recorded the swap and the debt at fair value resulting in an increase to long-term debt of $8.3 and the recognition of a corresponding swap asset.

The Company enters into foreign currency forward contracts with the objective of reducing exposure to cash flow volatility arising from foreign currency fluctuations associated with certain foreign currency receivables and payables and anticipated purchases of raw materials. The notional amount and maturity dates of these contracts match those of the underlying transactions. At December 31, 2001, the Company had outstanding foreign currency forward contracts of approximately $97.3. The Company has designated these contracts as qualified fair value and cash flow hedges. Accordingly, the effective portion of the gain or loss on the derivative instrument is reported as a component of other comprehensive income and recognized in earnings in the same period or periods during which the hedged transaction affects earnings. The Company had no ineffective foreign currency forward contracts at December 31, 2001.

CRITICAL ACCOUNTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported assets, liabilities, revenues and expenses; actual results may differ from such estimates. The diversity of the Company's products, customers, geographic operations, sources of supply and markets reduces the risk that any one event would have a severe impact on the Company's operating results. The Company recognizes revenue when products are shipped and title and risk of loss transfer to the customer. The greatest complexity of the Company's business is in the area of the research and development and creation of new products, all costs for which are expensed as incurred.

Those areas that require the greatest degree of management judgement or deemed most critical to the Company's financial reporting involve:

- The ongoing assessment of the valuation of inventory, given the large number of natural ingredients employed, the quality of which may be diminished over time, if not used;

- The valuation of tangible and intangible assets acquired in business combinations;

- Recoverability and realization of assets, most notably in lesser developed areas of the world where fluctuating currencies and frequently unsettled economic conditions can create uncertainty;

- The determination of financial instruments employed as effective hedges of cash flows or market risk exposures; and

- The areas of environmental liabilities, where frequently changing rules and regulations require constant reassessment of related practices as well as underlying costs.

Management believes that full consideration has been given to all relevant circumstances that the Company may be currently subject to, and the financial statements accurately reflect management's best estimate of the results of operations, financial condition and cash flows of the Company for the years presented.

EURO CURRENCY ADOPTION

As part of the European Economic and Monetary Union, a single currency (the "Euro") has replaced the national currencies of many of the European countries in which the Company conducts business. The conversion rates between the Euro and the participating nations' currencies were fixed irrevocably as of January 1,1999, with the participating national currencies scheduled to be removed from circulation between January 1, and June 30, 2002, and replaced by Euro notes and coinage. During the transition period, from January 1,1999 through December 31, 2001, public and private entities as well as individuals paid for goods and services using either checks, drafts, or wire transfers denominated in Euros or the participating country's national currency. The Company's systems and processes were "Euro Capable" (able to enter into Euro-denominated transactions) on January 1,1999. The effects of the Euro conversion on the Company's revenues, costs and competitive position have not been significant. The costs of the systems and business process conversions were not material.

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, interest rates, the price and availability of raw materials, and political and economic uncertainties, including the fluctuation or devaluation of currencies in countries in which the Company does business. The Company intends its forward-looking statements to speak only as of the time of such statements, and does not undertake to update or revise them as more information becomes available.

REPORT OF MANAGEMENT

The accompanying consolidated financial statements of International Flavors & Fragrances Inc. have been prepared by management in conformity with accounting principles generally accepted in the United States of America and necessarily include amounts that are based on management's best estimates and judgement. The audit report on the Company's financial statements by PricewaterhouseCoopers LLP, independent accountants, is based on the result of their audits, which were performed in accordance with generally accepted auditing standards.

The Company maintains an internal control structure and related systems, policies and procedures designed to provide reasonable assurance that assets are safeguarded and transactions are properly recorded and executed in accordance with management's authorization so that the accounting records can be relied upon for the preparation of financial statements. The Company's control system is enhanced through a formal Code of Conduct that establishes standards for professional conduct and integrity for employees worldwide. The Company also has an internal audit function that evaluates and formally reports to management and the Audit Committee of the Board of Directors on the adequacy and effectiveness of controls, policies and procedures.

The Audit Committee of the Board of Directors is composed entirely of non-employee directors. The Committee meets periodically and independently throughout the year with management, the internal auditors and the independent accountants to discuss the Company's internal accounting controls, auditing and financial reporting matters. The internal auditors and independent accountants have unrestricted access to the Audit Committee.

It is management's opinion that IFF's policies and procedures and the system of internal controls currently in place provide reasonable assurance that operations are managed in a responsible and professional manner and with the highest standard of business conduct.

[SIGNATURE]	[SIGNATURE]
Richard A. Goldstein	Douglas J. Wetmore
Chairman of the Board and Chief Executive Officer	Senior Vice President and Chief Financial Officer

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of International Flavors & Fragrances Inc.

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of income and retained earnings and of cash flows present fairly, in all material respects, the financial position of International Flavors & Fragrances Inc. and its subsidiaries at December 31, 2001 and 2000, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2001 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company'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 of America, 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 our opinion.

As discussed in Note 1, the Company changed its method of accounting for derivative instruments and hedging activities effective January 1, 2001.

[SIGNATURE]

New York, New York
January 28, 2002

CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS
International Flavors & Fragrances Inc.

	Year Ended December 31,		
(Dollars in thousands except per share amounts)	2001	2000	1999
Consolidated Statement of Income			
Net sales	$ 1,843,766	$ 1,462,795	$ 1,439,499
Cost of goods sold	1,063,433	831,653	806,382
Research and development expenses	135,248	112,671	103,794
Selling and administrative expenses	313,335	258,653	248,047
Amortization of goodwill and other intangibles	46,089	7,032	--
Nonrecurring charges	30,069	41,273	32,948
Interest expense	70,424	25,072	5,154
Other (income) expense, net	(2,609)	2,314	(291)
	1,655,989	1,278,668	1,196,034
Income before taxes on income	187,777	184,127	243,465
Taxes on income	71,775	61,122	81,465
Net income	116,002	123,005	162,000
Other comprehensive income:			
Foreign currency translation adjustments	(78,688)	(20,443)	(48,005)
Accumulated losses on derivatives qualifying as hedges	(2,261)	--	--
Minimum pension liability adjustment	(20,009)	--	--
Comprehensive income	$ 15,044	$102,562	$ 113,995

	2001	2000	1999
Net income per share - basic	$ 1.21	$ 1.22	$ 1.53
Net income per share - diluted	$ 1.20	$ 1.22	$ 1.53

(Dollars in thousands)	2001	2000	1999
Consolidated Statement of Retained Earnings			
At beginning of year	$ 1,204,561	$ 1,211,790	$ 1,210,620
Net income	116,002	123,005	162,000
	1,320,563	1,334,795	1,372,620
Cash dividends declared	57,219	130,234	160,830
At end of year	$ 1,263,344	$ 1,204,561	$ 1,211,790

See Notes to Consolidated Financial Statements

CONSOLIDATED BALANCE SHEET
International Flavors & Fragrances Inc.

(Dollars in thousands)	December 31,	
Assets	2001	2000
Current Assets:		
Cash and cash equivalents	$ 48,521	$ 128,869
Short-term investments	384	369
Receivables:		
Trade	328,858	343,294
Allowance for doubtful accounts	(10,835)	(11,074)
Other	22,335	32,094
Inventories	415,984	435,312
Deferred income taxes	77,449	62,057
Prepaid expenses	13,665	28,019
Total Current Assets	896,361	1,018,940
Property, Plant and Equipment, net	532,473	679,874
Intangible Assets, net	795,920	755,923
Other Assets	43,297	34,296
Total Assets	$ 2,268,051	$ 2,489,033

	December 31,	
Liabilities and Shareholders' Equity	2001	2000
Current Liabilities:		
Bank loans and current portion of long-term debt	$ 23,716	$ 43,633
Commercial paper	204,229	809,352
Accounts payable	85,659	75,021
Accrued payrolls and bonuses	39,227	43,375
Dividends payable	14,215	14,614
Income taxes	49,841	61,073
Other current liabilities	143,327	131,949
Total Current Liabilities	560,214	1,179,017
Other Liabilities:		
Long-term debt	939,404	417,402
Deferred income taxes	44,553	103,151
Retirement and other liabilities	199,710	158,204
Total Other Liabilities	1,183,667	678,757
Shareholders' Equity:		
Common stock 12 1/2(cent)par value; authorized 500,000,000 shares; issued 115,761,840 shares	14,470	14,470
Capital in excess of par value	126,170	133,041
Restricted stock	(1,440)	--
Retained earnings	1,263,344	1,204,561
Accumulated other comprehensive income:		
Cumulative translation adjustment	(156,266)	(77,578)
Accumulated losses on derivatives qualifying as hedges	(2,261)	--
Minimum pension liability adjustment	(20,009)	--
	1,224,008	1,274,494
Treasury stock, at cost - 20,996,954 shares in 2001 and 18,335,796 shares in 2000	(698,851)	(643,235)
Note receivable from officer	(987)	--
Total Shareholders' Equity	524,170	631,259
Total Liabilities and Shareholders' Equity	$ 2,268,051	$ 2,489,033

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOWS
International Flavors & Fragrances Inc.

(Dollars in thousands)	2001	2000	1999
	Year Ended December 31,		
Cash flows from operating activities:			
Net income	$ 116,002	$ 123,005	$ 162,000
Adjustments to reconcile to net cash provided by operations:			
Depreciation and amortization	123,493	69,344	56,369
Deferred income taxes	(18,113)	(30,496)	(4,191)
Changes in assets and liabilities:			
Current receivables	8,925	15,261	(35,354)
Inventories	(1,207)	64,591	(33,955)
Current payables	(20,076)	22,017	40,719
Other, net	(27,519)	5,388	10,230
Net cash provided by operations	181,505	269,110	195,818
Cash flows from investing activities:			
Proceeds from investments	8,250	1,566	1,073
Purchases of investments	(19,786)	(1,111)	(955)
Investments in acquired businesses, net of cash received	--	(953,295)	--
Additions to property, plant and equipment	(52,016)	(60,696)	(103,835)
Proceeds from disposal of assets	14,900	11,301	1,925
Net cash used in investing activities	(48,652)	(1,002,235)	(101,792)
Cash flows from financing activities:			
Cash dividends paid to shareholders	(57,618)	(155,502)	(161,249)
Net change in bank loans	(13,088)	5,164	1,599
Net change in commercial paper outstanding	(605,123)	746,152	63,200
Proceeds from long-term debt	580,545	413,747	--
Repayments of long-term debt	(49,705)	(1,903)	(859)
Proceeds from issuance of stock under stock option plans	6,842	1,387	4,290
Purchase of treasury stock	(71,234)	(200,953)	(46,298)
Net cash provided by (used in) financing activities	(209,381)	808,092	(139,317)
Effect of exchange rate changes on cash and cash equivalents	(3,820)	(8,233)	(7,534)
Net change in cash and cash equivalents	(80,348)	66,734	(52,825)
Cash and cash equivalents at beginning of year	128,869	62,135	114,960
Cash and cash equivalents at end of year	$ 48,521	$ 128,869	$ 62,135

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
International Flavors & Fragrances Inc.

NOTE 1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Company is the leading creator and manufacturer of flavors and fragrances used by others to impart or improve flavor or fragrance in a wide variety of consumer products. The Company's products are sold principally to manufacturers of perfumes and cosmetics, hair and other personal care products, soaps and detergents, cleaning products, dairy, meat and other processed foods, beverages, snacks and savory foods, confectionery, sweet and baked goods, and pharmaceutical and oral care products.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and all subsidiaries.

Revenue Recognition

Revenue is recognized when products are shipped and title and risk of loss transfer to the customer.

Currency Translation

The assets and liabilities of non-U.S. subsidiaries that operate in a local currency environment are translated into U.S. dollars at year-end exchange rates. Income and expense items are translated at average exchange rates during the year. Cumulative translation adjustments are shown as a separate component of shareholders' equity.

For periods through December 31, 2000, certain subsidiaries that operated in U.S. dollars, or that operated in a highly inflationary environment, inventory and property, plant and equipment were translated using the exchange rates at the time of acquisition. All other assets and liabilities were translated at year-end exchange rates. Except for inventories charged to cost of goods sold and depreciation, which were remeasured for historical rates of exchange, all income and expense items were translated at average exchange rates during the year. Gains and losses as a result of remeasurements were included in income.

Effective January 1, 2001, substantially all subsidiaries operate in a local currency environment.

Research and Development

All costs associated with research and development are charged to expense as incurred.

Inventories

Inventories are stated at the lower of cost (generally on an average basis) or market.

Cash Equivalents

Highly liquid investments with maturities of three months or less at date of purchase are considered to be cash equivalents.

Long-Lived Assets

Property, plant and equipment are recorded at cost. Depreciation is calculated on a straight-line basis, principally over the following estimated useful lives: buildings and improvements, 10 to 40 years; machinery, equipment and software, 3 to 10 years; and leasehold improvements, the shorter of 10 years or the remaining life of the lease.

When properties are retired or otherwise disposed of, the asset and related accumulated depreciation are removed from the accounts with any resultant gain or loss included in income.

Identifiable intangible assets include patents, trademarks and other intellectual property that are valued at acquisition through independent appraisals, and are amortized on a straight-line basis over periods ranging from 7 to 20 years. Goodwill arising from business acquisitions is amortized through December 31, 2001 on a straight-line basis over its estimated useful life, generally 20 years.

Long-lived assets, including intangibles, are periodically reviewed for impairment when events or changes in business conditions indicate that their full carrying value may not be recovered. An estimate of undiscounted future cash flows produced by an asset or group of assets is compared to the carrying value to determine whether an impairment exists. If assets are determined to be impaired, the loss is measured based on an estimate of fair value using various valuation techniques, including a discounted estimate of future cash flows.

Income Taxes

Deferred income taxes reflect the impact of temporary differences between the amount of assets and liabilities recognized for financial reporting purposes and such amounts recognized for tax purposes, based on tax laws as currently enacted. Additional taxes which would result from distributions by subsidiary companies to the parent are provided to the extent such dividends are anticipated. No provision is made for additional taxes on undistributed earnings of subsidiary companies that are intended to be permanently invested in such subsidiaries. As a result, no income tax is attributable to the currency translation component of other comprehensive income.

Retirement Benefits

Current service costs of retirement plans and postretirement health care and life insurance benefits are accrued currently. Prior service costs resulting from improvements in these plans are amortized over periods ranging from 10 to 20 years.

Financial Instruments

The fair value of financial instruments is determined by reference to various market data and other valuation techniques, as appropriate.

Unless otherwise disclosed, the fair values of financial instruments approximate their recorded values.

Risk Management Contracts

In the normal course of business, the Company uses forward exchange contracts to manage its exposure to fluctuations in foreign currency exchange rates. The Company also enters into various interest rate swaps with the objective of managing its interest rate exposure.

The Company designates and assigns the financial instruments as hedges of forecasted transactions, specific assets, or specific liabilities. When hedged assets or liabilities are sold or extinguished or the hedged forecasted transactions are no longer expected to occur, the Company recognizes the gain or loss on the designated hedging financial instruments.

Unrealized losses on forward contracts are recorded as other current liabilities and the accrued differential for interest rate swaps is recorded as other assets in the balance sheet. Unrealized gains on forward contracts and the accrued differential for interest rate swaps to be paid under the agreements are included in other current liabilities. Realized gains and losses from hedges are classified in the income statement consistent with the accounting treatment of the items hedged. The Company accrues the differential for interest rate swaps to be paid or received under the agreements as adjustments to net interest expense over the lives of the swaps. Gains and losses on the termination of effective swap agreements, prior to their original maturity, are deferred and amortized to net interest expense over the remaining term of the underlying hedged transactions.

Risks and Uncertainties

The diversity of the Company's products, customers and geographic operations significantly reduces the risk that a severe impact will occur in the near term as a result of changes in its customer base, competition, sources of supply or markets. It is unlikely that any one event would have a severe impact on the Company's operating results.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from those estimates.

Software Costs

The Company capitalizes direct internal and external development costs associated with internal-use software. Neither preliminary evaluation costs nor costs associated with the software after implementation are capitalized.

Shipping and Handling Costs

Net sales include shipping and handling charges billed to customers. Cost of goods sold include all costs incurred in connection with shipping and handling.

New Accounting Standards

In December 1999, the Securities and Exchange Commission issued SEC Staff Accounting Bulletin No.101 (SAB 101), "Revenue Recognition in Financial Statements." SAB 101 summarizes certain of the Staff's views regarding revenue recognition. The Company adopted the guidelines of SAB 101 in 2000 without material effect.

Effective January 1, 2001, the Company adopted Statement of Financial Accounting Standards No. 133 (FAS 133), Accounting for Derivative Instruments and Hedging Activities. FAS 133 establishes accounting and reporting standards for derivative instruments and for hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. The effect of adopting this Standard was not material to reported results.

Statement of Financial Accounting Standards No.141 (FAS 141), Business Combinations, was issued in June 2001. FAS 141 establishes accounting and reporting standards for business combinations. The provisions of FAS 141, which eliminate pooling of interests accounting, apply to all business combinations initiated after June 30, 2001.

Statement of Financial Accounting Standards No.142 (FAS 142), Goodwill and Other Intangible Assets, was issued in June 2001 and is effective for fiscal years beginning after December 15, 2001. FAS 142 eliminates goodwill amortization and requires an evaluation of goodwill impairment upon adoption of the Standard, as well as subsequent annual valuations, or more frequently if circumstances indicate a possible impairment. Impairment, if any, resulting from the initial application of the new Standard will be classified as a cumulative effect of a change in accounting principle. Subsequent impairments, if any, would be classified as an operating expense. Under this Standard, other intangible assets that meet certain criteria will qualify for recognition on the balance sheet and will continue to be amortized in the income statement.

Adoption of FAS 142 will eliminate annual goodwill amortization expense of approximately $33.0 million. Although this Standard will increase the Company's results of operations in the future due to the elimination of goodwill amortization, any impairment would result in a charge as discussed above. The Company is in the process of assessing the impact of adopting FAS 142 but does not believe it has a material impairment of goodwill upon adoption.

Statement of Financial Accounting Standards No. 143 (FAS 143), Accounting for Asset Retirement Obligations, was issued in June 2001. FAS 143 establishes accounting and reporting standards for obligations associated with the retirement of tangible long-lived assets. FAS 143 is effective for fiscal years beginning after June 15, 2002. The Company is evaluating the impact, if any, of adopting this Standard, but does not believe the effect of adoption of this Standard will be material.

Statement of Financial Accounting Standards No.144 (FAS 144), Accounting for the Impairment or Disposal of Long-Lived Assets, was issued in August 2001. FAS 144 establishes accounting and reporting standards for impairment of long-lived assets to be disposed of. FAS 144 is effective for fiscal years beginning after December 15, 2001. The Company is evaluating the impact, if any, of adopting this Standard, but does not believe the effect of adoption will be material to reported results.

Net Income Per Share

Net income per share is based on the weighted average number of shares outstanding. A reconciliation of the number of shares used in the computations of basic and diluted net income per share is as follows:

	Number of Shares		
(Shares in thousands)	2001	2000	1999
Basic EPS	95,770	101,073	105,748
Dilution under stock plans	1,049	20	195
Diluted EPS	96,819	101,093	105,943

Net income used in the computation of basic and diluted net income per share is not affected by the assumed issuance of stock under the Company's stock plans.

Options to purchase 4,138,020, 5,430,857 and 2,946,607 shares were outstanding in 2001, 2000 and 1999, respectively, but were not included in the computation of diluted net income per share because the options' exercise prices were greater than the average market price of the common shares in the respective years.

Reclassifications

Certain reclassifications have been made to the prior years' financial statements to conform to 2001 classifications.

NOTE 2. NONRECURRING AND OTHER CHARGES

In October 2000, the Company announced a reorganization, including management changes, further consolidation of production facilities and related actions. Henceforth, the Company will be organized under two global umbrellas of business development and operations. Business development will drive the top line growth of the Company and will include consumer and market research, product category strategy, product development, global sales and marketing, and technical application. Operations will be responsible for effective utilization of capital, increasing productivity and managing inventory levels and cycle times. In addition, effective January 1, 2001, the Company assigned a single manager responsibility for each of its major geographical regions - North America, Europe, Asia-Pacific, Latin America and the newly constituted Central Asia and Middle East.

The total pretax cost of actions taken in connection with the 2000 reorganization is expected to approximate $90.0 million to $100.0 million through the end of 2002. The reorganization is expected to yield annual savings by the year 2003 in the range of $25.0 million to $30.0 million. An element of the savings is expected to be reinvested in the business, although a substantial portion is expected to contribute to improved earnings.

In June 1999, the Company announced a program to streamline its operations worldwide by improving operating efficiencies and asset utilization. The program included the closure of selected manufacturing, distribution and sales facilities in all geographic areas in which the Company operates. In addition, the Company planned to consolidate and align production in its remaining manufacturing locations. Under this program, the Company achieved annualized savings of approximately $15.0 million; a portion of the savings was reinvested in the business.

In connection with the 2000 reorganization and the 1999 program, the Company initiated two separate voluntary retirement incentive programs for United States-based employees meeting certain eligibility requirements. Those eligible employees who elected to take the incentive received additional credit, for pension purposes, in terms of age and service, as well as other benefits. Approximately 150 employees accepted enhanced retirement benefits under these two programs, resulting in nonrecurring pretax charges of $23.8 million in 2000. In addition, during 2000, the Company recognized additional nonrecurring charges of $17.5 million, essentially all of which related to employee separation costs and other reorganization activities.

Total nonrecurring charges recorded in 2001 and 2000 were $30.1 million ($19.1 million after tax) and $41.3 million ($26.8 million after tax), respectively. The 2001 nonrecurring charges by region were: North America (including corporate) $14.7 million, Asia-Pacific $8.6 million, Europe $2.0 million, CAME $2.2 million and Latin America $2.6 million. Essentially all of the pretax charges recorded in 2000 related to United States-based operations. There were no significant non-cash related elements of the 2001 or 2000 charges.

In 1999, in connection with the program to streamline operations, the Company recorded total pretax charges of $40.9 million ($27.2 million after tax); non-cash charges approximated $11.7 million. Certain elements of these charges, relating primarily to accelerated depreciation on assets to be disposed of, were recognized in cost of goods sold ($1.2 million) and selling and administrative expenses ($2.3 million). In addition, $4.5 million associated primarily with facility closure was included in other income and expense. The balance of the charges, representing employee separation and asset-related costs, were recorded as nonrecurring charges in the Consolidated Statement of Income.

Movements in liabilities related to nonrecurring charges were as follows:

(Dollars in thousands)	Employee-Related	Asset-Related and Other	Total
Original liabilities	$ 22,951	$ 9,997	$ 32,948
Cash and other costs in 1999	(13,329)	(8,411)	(21,740)
Balance December 31,1999	9,622	1,586	11,208
Additional charges	37,095	4,178	41,273
Cash and other costs in 2000	(22,338)	(3,711)	(26,049)
Balance December 31, 2000	24,379	2,053	26,432
Additional charges	10,083	19,986	30,069
Cash and other costs in 2001	(27,474)	(21,294)	(48,768)
Balance December 31, 2001	$ 6,988	$ 745	$ 7,733

The balance of the liabilities is expected to be utilized in 2002 in connection with the final decommissioning and disposal of affected equipment and as severance obligations to affected employees are satisfied. Approximately 700 employees will be affected by the programs.

NOTE 3. ACQUISITIONS AND DIVESTITURES

On November 3, 2000, the Company acquired all of the outstanding shares of Bush Boake Allen Inc. (BBA) for $48.50 per share in cash; total consideration paid, including transaction costs, approximated $970.0 million. BBA operating results are included in the Company's consolidated results from November 3, 2000.

The acquisition was accounted for as a purchase business combination and, accordingly, the purchase price has been allocated to the assets acquired and liabilities assumed based on their fair values at the date of acquisition. The Company completed the final determination of the purchase price during 2001. The excess of the purchase price over the estimated value of tangible and identified intangible assets acquired is recorded as goodwill. Other intangible assets include patents, trademarks and other intellectual property owned or developed by BBA, the value of which is being amortized over periods ranging from 7 to 20 years.

As a result of finalizing acquisition accounting during 2001, the Company increased tangible assets by $5.2 million, goodwill by $105.0 million and decreased intangible assets by $22.8 million.

The following unaudited pro-forma results of operations give effect to the BBA acquisition as if it had occurred as of the beginning of each of the periods presented. These pro-forma results reflect the final acquisition accounting adjustments completed in 2001.

(Dollars in thousands except per share amounts)	2000	1999
Net sales	$ 1,880,612	$ 1,931,380
Net income	80,953	95,364
Net income per share - basic	$ 0.80	$ 0.90
Net income per share - diluted	$ 0.80	$ 0.90

(Dollars in thousands)	2001
Allocation of purchase price:	
Fair value of assets acquired, including goodwill, net of cash	$1,253,044
Cash paid for common stock and transaction costs	(970,000)
Liabilities assumed	$ 283,044

The Company has established accruals relating primarily to employee separation costs, facility closure costs and other actions relating to the integration of certain BBA operations into IFF. Costs associated with these integration actions are recognized as a component of the purchase accounting resulting in an adjustment to goodwill; such costs do not directly impact current earnings.

Movements in acquisition accounting accruals were as follows:

(Dollars in thousands)	Employee-Related	Asset-Related and Other	Total
Balance December 31, 2000	$ 4,103	$ 6,230	$ 10,333
Additional charges	41,012	24,961	65,973
Cash and other costs in 2001	(31,259)	(21,325)	(52,584)
Balance December 31, 2001	$ 13,856	$ 9,866	$ 23,722

In April 2000, the Company acquired Laboratoire Monique Remy (LMR), a leader in the creation and commercialization of natural raw materials for fragrances and flavors. Results of LMR are included in the consolidated results of the Company from acquisition date. Neither the acquisition nor financial results of LMR were material to the Company's consolidated operating results, financial position or cash flows.

In October 2001, the Company sold its formulated fruit and vegetable preparation businesses in the United States and Brazil. Sales for the business in the United States and Brazil up to the October sale date were approximately $23.0 million with operating profit of less than $3.0 million. The products are sold primarily to bakeries and dairies for the manufacture of yogurts and baked goods. Proceeds from the sale, which were not material, were used to reduce current borrowings.

In October 2001, the Company announced its intention to explore strategic alternatives for its fruit and vegetable preparation business in Europe. This business manufactures processed fruit and other natural preparations used in a wide variety of foods, including baked goods and dairy products. Annual sales and operating profit approximate $70.0 million and $7.0 million, respectively. As of March 21, 2002, the Company has made no final decision as to which strategic alternative to pursue.

In December 2001, the Company sold its aroma chemicals business located in Widnes, the United Kingdom. This business was acquired as part of the BBA purchase. Sales for this unit up to the December sale date were $36.7 million and 80 employees were affected by the sale. Operating profit for the unit in 2001 was less than $1.5 million. Proceeds from the sale, which were not material, were used to reduce current borrowings. No gain or loss was recognized as a result of this transaction.

NOTE 4. MARKETABLE SECURITIES

Marketable securities are included in cash equivalents and short-term investments, as appropriate. At December 31, 2001 and 2000, marketable securities totaling $0.1 million and $9.9 million, respectively, were available for sale and recorded at fair value that approximated cost. Realized gains and losses on the sale of marketable securities were not material.

NOTE 5. INVENTORIES

	December 31,	
(Dollars in thousands)	2001	2000
Raw materials	$ 212,270	$ 243,327
Work in process	10,853	21,212
Finished goods	192,861	170,773
	$ 415,984	$ 435,312

NOTE 6. PROPERTY, PLANT AND EQUIPMENT, NET

	December 31,	
(Dollars in thousands)	2001	2000
Land	$ 36,747	$ 35,416
Buildings and improvements	278,603	345,070
Machinery, equipment and software	620,116	709,315
Construction in progress	40,164	51,500
	975,630	1,141,301
Accumulated depreciation	443,157	461,427
	$ 532,473	$ 679,874

NOTE 7. INTANGIBLE ASSETS, NET

	December 31,	
(Dollars in thousands)	2001	2000
Goodwill	$690,509	$563,897
Trademarks and other	163,251	199,058
	853,760	762,955
Accumulated amortization	57,840	7,032
	$795,920	$755,923

NOTE 8. BORROWINGS

Debt consists of the following at December 31:

	Rate	Maturities	2001	2000
Commercial paper (U.S.)			$ 204,229	$ 809,352
Bank loans			21,916	43,633
Current portion of long-term debt			1,800	--

Total current debt			227,945	852,985
U.S. dollars	6.45%	2006	698,800	300,000
Euro facility	4.79%	2005-06	101,500	100,000
Japanese Yen notes	2.45%	2008-11	115,300	--
Japanese Yen notes	1.74%	2005	9,100	10,600
Other		2003	6,404	6,802
			931,104	417,402
Interest rate swap			8,300	--
Total long-term debt			939,404	417,402
Total debt			$1,167,349	$1,270,387

The Company uses commercial paper to supplement long-term borrowings. At December 31, 2001, outstanding commercial paper had an effective interest rate of 2.9% compared to 7.4% at December 31, 2000. Commercial paper maturities did not extend beyond January24, 2002. Commercial paper usage in 2001 decreased as long-term financing was put in place and as debt was reduced.

The Euro borrowings are under a Euro 140.0 million facility that has four-year and five-year fixed term components and a five-year revolving credit component. In May 2001, the Company issued $700.0 million of 6.45% notes; the notes mature May 15, 2006. In November 2001, the Company issued Yen 15.15 billion in seven-year and ten-year notes. Long-term debt was increased by $8.3 million for adjustments related to the amortization of swap gains and the mark-to-market valuation of certain interest rate swaps the Company has entered into.

The Company reduced its U.S. revolving credit agreement to $500.0 million at December 31, 2001from $1,300.0 million at December 31, 2000. This revolving credit agreement is composed of a $200.0 million 364-day facility and a $300.0 million five-year facility.

The revolving credit agreement is used as a backstop for the U.S. commercial paper program; there were no borrowings under this agreement in 2001. The Company compensates the banks participating in these credit facilities in the form of fees, the amounts of which are not material.

Of the Company's revolving credit facilities available at December 31, 2000, $300.0 million was available to be extended as long-term debt at the Company's election. Accordingly, the Company classified this as long-term at December 31, 2000. In addition, the Company classified $100.0 million as long-term at December 31, 2000 representing the Euro facility entered into in the first quarter 2001.

Short-term bank loans were outstanding in several foreign countries and averaged $36.4 million in 2001, compared with $31.7 million in 2000 and $58.0 million in 1999. The highest levels were $69.0 million in 2001, $55.3 million in 2000 and $84.9 million in 1999. This excludes $970.0 million of short-term U.S. bank bridge financing used solely for the November 3, 2000 acquisition of BBA and replaced by commercial paper before December 31, 2000. The 2001 weighted average interest rate of these foreign bank loans, based on balances outstanding at the end of each month, was 7% and the average rate on loans outstanding at December 31, 2001 was 5%. These rates compare with 8% and 8%, respectively, in 2000 and 9% and 8%, respectively, in 1999.

Annual maturities on long-term debt outstanding at December 31, 2001 are as follows: 2002, $1.8 million; 2003, $6.4 million; 2005, $76.0 million; 2006, $734.6 million. At December 31, 2001, the estimated fair value of the $700.0 million 6.45% notes, including the interest rate swaps, was $708.3 million. The estimated fair value of the remaining long-term debt at December 31, 2001 and 2000, based on borrowing rates currently available to the Company with similar terms and maturities, approximated the recorded amount.

Cash payments for interest were $77.2 million in 2001, $19.6 million in 2000 and $4.6 million in 1999. At December 31, 2001, the Company and its subsidiaries had unused lines of credit approximating $106.0 million in addition to those credit facilities serving as backstop to the Company's commercial paper program.

NOTE 9. INCOME TAXES

(Dollars in thousands)	2001	2000	1999
U.S. income (loss) before taxes	$ (59,390)	$ (33,183)	$ 19,061
Foreign income before taxes	247,167	217,310	224,404
Total income before taxes	$ 187,777	$ 184,127	$ 243,465

The following table shows the components of current and deferred income tax expense by taxing jurisdiction, both domestic and foreign:

(Dollars in thousands)	2001	2000	1999
Current			
Federal	$ 7,507	$ (640)	$ 5,064
State and local	3,816	381	204
Foreign	78,565	91,877	80,388
	89,888	91,618	85,656
Deferred			
Federal	(17,836)	(20,543)	(8,773)
State and local	(5,821)	(1,484)	546
Foreign	5,544	(8,469)	4,036
	(18,113)	(30,496)	(4,191)
Total income taxes	$ 71,775	$ 61,122	$ 81,465

At December 31, 2001 and 2000, gross deferred tax assets were $115.7 million and $113.5 million, respectively; gross deferred tax liabilities were $82.8 million and $154.6 million, respectively. No valuation allowance was required for deferred tax assets. The principal components of deferred tax assets (liabilities) were:

(Dollars in thousands)	2001	2000
Employee and retiree benefits	$ 69,000	$ 52,300
Inventory	2,500	12,700
Tax credit carryforwards	5,200	13,200
Property, plant and equipment	(8,000)	(47,600)
Trademarks and other	(52,400)	(65,700)

Other, net	16,600	(6,000)
	$ 32,900	$(41,100)

The Company's tax credit carryforwards consist primarily of foreign tax credits that will expire, if unused, beginning in 2005.

A reconciliation between the U.S. federal income tax rate and the effective tax rate is:

	2001	2000	1999
Statutory tax rate	35.0%	35.0%	35.0%
Difference in effective tax rate on foreign earnings and remittances	(1.4)	(0.3)	(1.0)
State and local taxes	(0.7)	(0.4)	0.2
Goodwill	6.0	0.9	--
Other, net	(0.7)	(2.0)	(0.7)
Effective tax rate	38.2%	33.2%	33.5%

Income taxes paid were $88.6 million in 2001, $81.0 million in 2000 and $74.8 million in 1999.

Undistributed earnings of foreign subsidiaries for which no deferred taxes have been provided totaled $587.7 million at December 31, 2001. Any additional U.S. taxes payable on these foreign earnings, if remitted, would be substantially offset by credits for foreign taxes already paid.

NOTE 10. SHAREHOLDERS' EQUITY

Net charges to capital in excess of par value resulted from the exercise of stock options, the return of restricted stock and the award of IFF Stock Units. Transactions in treasury shares resulted in net charges to capital in excess of par value of $2.0 million, $1.4 million and $6.9 million in 1999, 2000 and 2001, respectively.

The following table shows treasury shares acquired and, as appropriate, the use of treasury shares for stock plans:

(Dollars in thousands)	Number of Shares	Amount
Balance January 1, 1999	9,715,775	$ 400,602
Acquisitions	1,268,633	46,473
Used for stock plans	(144,493)	(5,948)
Return of restricted stock	100,000	3,981
Balance December 31, 1999	10,939,915	445,108
Acquisitions	7,475,178	201,251
Used for stock plans	(79,297)	(3,124)
Balance December 31, 2000	18,335,796	643,235
Acquisitions	3,019,100	71,653
Used for stock plans	(357,942)	(16,037)
Balance December 31, 2001	20,996,954	$ 698,851

Under an employment contract dated January 1,1997, the Company awarded 250,000 restricted shares of the Company's common stock. Under that contract, the restrictions would expire, subject to performance goals, over a five-year period; compensation expense was recognized over the restricted period. As a result of the termination of that contract, those shares for which restrictions would have lapsed in 2000-2001 were forfeited and have been returned to treasury stock. The amount shown for common stock used for stock plans in 2000 and 2001 includes 4,000 shares and 3,750 shares issued, respectively, as annual compensation awards to non-employee directors of the Company.

In January 2001, the Company awarded approximately 190,000 IFF Stock Units ("Units") to eligible employees in exchange for surrender of their "under water" stock options. The Units vest, in four equal installments, over not more than a seven-year period, upon the Company's Common Stock attaining successively higher market price targets beginning at $22.50 per share, and earn dividend equivalents as and when cash dividends are paid. Compensation expense is recognized over the Units' vesting period. In 2001, the first two market price targets were achieved and, accordingly, 50% of such Units vested. On vesting, compensation expense of $1.7 million was recognized and included in operating expenses. The remaining unvested Units are reported as Restricted Stock on the Company's Consolidated Balance Sheet.

Changes in other comprehensive income were (in thousands):

Balance January 1, 1999	$ (9,130)
Translation adjustments	(48,005)
Balance December 31, 1999	(57,135)
Translation adjustments	(20,443)
Balance December 31, 2000	(77,578)
Translation adjustments	(78,688)
Accumulated losses on derivatives qualifying as hedges	(2,261)
Minimum pension liability adjustment (net of tax)	(20,009)
Balance December 31, 2001	$(178,536)

On March 9, 2000, the Company adopted a shareholder protection rights agreement (the "Rights Agreement") and declared a dividend of one right on each share of common stock outstanding on March 24, 2000 or issued thereafter.

Under the Rights Agreement, as amended, until a person or group acquires 15% or more of the Company's common stock or commences a tender offer that would result in such person's or group's owning 15% or more, the rights are evidenced by the common stock certificates, automatically trade with the common stock and are not exercisable.

Thereafter, if the Company is involved in a merger or sells more than 50% of its assets or earning power, each right entitles its holder to purchase a certain number of shares for a specified exercise price. Also, under certain circumstances, the Company's Board of Directors has the option to redeem or exchange one share of common stock for each right. Finally, in the event a new Board of Directors is elected in a successful proxy contest, (i) the rights may not be redeemed and no business combination with the Company can be effected for

180 days thereafter unless certain procedures are followed to ensure (A) that steps are taken to maximize shareholder value, or (B) that any decision to redeem the rights, if challenged, would meet an "entire fairness" test; and (ii) the Rights Agreement may not be amended during such 180-day period. To establish "entire fairness" in connection with a redemption, the new Board must be able to demonstrate that all aspects of the redemption decision were fair, including the redemption procedure and the financial terms of the redemption. The Rights Agreement expires in March 2010.

Dividends paid per share were $0.60, $1.29 and $1.52 in 2001, 2000 and 1999, respectively.

NOTE 11. STOCK OPTIONS

The Company has various stock option plans under which the Company's officers, directors and key employees may be granted options to purchase the Company's common stock at 100% of the market price on the day the option is granted.

Options granted prior to May 2001 generally become exercisable no earlier than two years after the date of grant and expire 10 years after the date of grant, except for options granted to two senior executives in 2000 and certain other options granted to foreign employees, which may be exercised immediately. Options granted in November 2000, however, constituting approximately 35% of options outstanding (as of December 31, 2001), generally become exercisable in four equal installments as corresponding market price targets for the Company's Common Stock of $22.50, $27.00, $31.50 and $36.00 are attained, and expire seven years after the date of grant or sooner if certain price levels (which differ among individuals) are achieved.

Options granted after May 1, 2001 generally become exercisable no earlier than one year from the date of grant and expire 10 years after the date of grant, except for options granted to certain foreign employees, which may be exercised immediately.

During 2001, options to purchase common stock were granted at exercise prices ranging from $21.03 to $30.87 per share. At December 31, 2001, the price range for shares under option was $17.94 to $49.88; options for 3,465,760 shares were exercisable at that date. During 2001, 288,400 shares of common stock under option were exercised at a price of $17.94. During 2001, eligible employees surrendered 989,100 options in exchange for IFF Stock Units. The options surrendered are a component of the 2001 options terminated figure in the table below.

Stock option transactions were:

	Shares of Common Stock		Weighted Average
	Available for Option	Under Option	Exercise Price
Balance January 1, 1999	2,507,048	4,035,919	$ 43.21
Granted	(846,000)	846,000	38.99
Exercised	--	(144,493)	30.89
Terminated	157,252	(157,252)	45.36
Lapsed	(160,296)	--	--
Balance December 31, 1999	1,658,004	4,580,174	42.69
Granted	(5,761,502)	5,761,502	24.13
Exercised	--	(75,297)	21.46
Terminated	661,422	(661,422)	43.85
Lapsed	(54,500)	--	--
Increase under 2000 plans	9,450,000	--	--
Balance December 31, 2000	5,953,424	9,604,957	31.55
Granted	(2,042,000)	2,042,000	27.06
Exercised	--	(288,400)	17.94
Terminated	2,997,188	(2,997,188)	38.00
Lapsed	(113,143)	--	--
Reserved for Units	(83,888)	--	--
Balance December 31, 2001	6,711,581	8,361,369	$ 28.37

The following table summarizes information concerning currently outstanding and exercisable options:

	Range of Exercise Prices	
	$10-$30	$30-$50
Number outstanding	5,058,001	3,303,368
Weighted average remaining contractual life, in years	7.4	6.5
Weighted average exercise price	$21.72	$38.55
Number exercisable	1,361,848	2,103,912
Weighted average exercise price	$17.96	$39.97

The Company applies Accounting Principles Board Opinion No. 25, Accounting for Stock Issued to Employees, and related interpretations in accounting for its plans. Had compensation cost for the Company's stock option plans been determined based upon the fair value at the grant date, consistent with the methodology prescribed under Statement of Financial Accounting Standards No.123, Accounting for Stock-Based Compensation, the Company's net income and basic earnings per share would have been reduced by approximately $14.1 million ($.15 per share) in 2001, $12.0 million ($.12 per share) in 2000 and $5.4 million ($.05 per share) in 1999. These pro-forma amounts may not be representative of future disclosures because the estimated fair value of stock options is amortized to expense over the vesting period, and additional options may be granted in future years.

Using the Black-Scholes option valuation model, the estimated fair values of options granted during 2001, 2000 and 1999 were $8.09, $5.50 and $7.65, respectively. The Black-Scholes model was developed for use in estimating the fair value of traded options that have no vesting restrictions. In addition, such models require the use of subjective assumptions, including expected stock price volatility. In management's opinion, such valuation models do not necessarily provide a reliable single measure of the fair value of its employee stock options.

Principal assumptions used in applying the Black-Scholes model were as follows:

	2001	2000	1999
Risk-free interest rate	4.6%	6.2%	5.7%
Expected life, in years	5	5	5
Expected volatility	32.2%	26.9%	22.5%
Expected dividend yield	2.2%	3.8%	3.8%

NOTE 12. SEGMENT INFORMATION

The Company manages its operations by major geographical region. Flavors and fragrances have similar economic and operational characteristics including research and development, the nature of the creative and production processes, the type of customers, and the methods by which products are distributed. Accounting policies used for segment reporting are the same as those described in Note 1. The Company evaluates the performance of its geographic regions based on operating profit, excluding interest expense, other income and expense, certain unallocated expenses, amortization of goodwill and other intangibles, the effects of nonrecurring items and accounting changes, and income tax expense ("segment profit"). Transfers between geographic areas are accounted for at prices that approximate arm's length market prices. Unallocated assets are principally cash, short-term investments, intangible assets, including goodwill, and other corporate assets.

Effective January 1, 2001, the Company was reorganized into five geographic regions with an individual manager responsible for each region. The five regions are: North America, Europe, Central Asia, Middle East (CAME), Latin America and Asia-Pacific; previously Europe and CAME had been combined as one geographic region. North and Latin America and Asia-Pacific were unaffected by the geographic reorganization. The North America region includes the United States and Canada.

2001 (Dollars in thousands)	North America	Europe	CAME	Latin America	Asia-Pacific	Eliminations	Consolidated
Sales to unaffiliated customers	$ 616,806	$639,500	$75,758	$245,517	$ 266,185	$ --	$1,843,766
Transfers between areas	83,115	140,290	2,623	1,678	16,620	(244,326)	--
Total sales	$ 699,921	$779,790	$78,381	$247,195	$ 282,805	$(244,326)	$1,843,766
Segment profit	$ 91,208	$157,199	$14,339	$ 53,876	$ 60,975	$ 2,777	$ 380,374
Corporate and other unallocated expenses							(48,624)
Amortization of goodwill and other intangibles							(46,089)
Nonrecurring charges							(30,069)
Interest expense							(70,424)
Other income (expense), net							2,609
Income before taxes on income							$ 187,777
Segment assets	$ 588,187	$492,958	$42,227	$139,359	$ 207,647	$ (46,581)	$1,423,797
Unallocated assets							844,254
Total assets							$2,268,051

2000 (Dollars in thousands)	North America	Europe	CAME	Latin America	Asia-Pacific	Eliminations	Consolidated
Sales to unaffiliated customers	$ 470,953	$542,729	$22,143	$220,287	$ 206,683	$ --	$1,462,795
Transfers between areas	55,610	122,948	4	1,936	13,779	(194,277)	--
Total sales	$ 526,563	$665,677	$22,147	$222,223	$ 220,462	$(194,277)	$1,462,795
Segment profit	$ 48,503	$158,080	$ 4,330	$ 39,063	$ 39,999	$ 1,762	$ 291,737
Corporate and other unallocated expenses							(31,919)
Amortization of goodwill and other intangibles							(7,032)
Nonrecurring charges							(41,273)
Interest expense							(25,072)
Other income (expense), net							(2,314)
Income before taxes on income							$ 184,127
Segment assets	$ 600,007	$570,435	$51,564	$175,161	$ 228,901	$ (31,737)	$1,594,331
Unallocated assets							894,702
Total assets							$2,489,033

1999 (Dollars in thousands)	North America	Europe	CAME	Latin America	Asia-Pacific	Eliminations	Consolidated
Sales to unaffiliated customers	$ 476,496	$550,342	$24,493	$212,770	$ 175,398	$ --	$1,439,499
Transfers between areas	62,432	124,924	3	756	13,540	(201,655)	--
Total sales	$ 538,928	$675,266	$24,496	$213,526	$ 188,938	$(201,655)	$1,439,499
Segment profit	$ 69,555	$171,831	$ 5,812	$ 41,288	$ 31,503	$ 1,439	$ 321,428
Corporate and other unallocated expenses							(40,152)
Nonrecurring charges							(32,948)
Interest expense							(5,154)
Other income (expense), net							291
Income before taxes on income							$ 243,465
Segment assets	$ 519,054	$463,675	$23,586	$194,140	$ 176,222	$ (61,314)	$1,315,363
Unallocated assets							86,132
Total assets							$1,401,495

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(Dollars in thousands)	Capital Expenditures 2001	2000	1999	Depreciation and Amortization 2001	2000	1999
North America	$18,531	$30,586	$ 57,306	$ 33,784	$26,691	$16,811
Europe	19,452	14,030	19,607	26,740	20,626	24,890
CAME	1,480	794	1,620	1,409	763	384
Latin America	1,559	4,806	14,585	4,628	5,154	6,322
Asia-Pacific	4,571	7,500	7,595	7,749	5,975	5,353
Unallocated assets	6,423	2,980	3,122	49,183	10,135	2,609
Consolidated	$52,016	$60,696	$103,835	$123,493	$69,344	$56,369

Europe operating profit for 1999 includes charges totaling $3.5 million relating to accelerated depreciation on assets to be disposed. In 1999, corporate and other unallocated expenses include approximately $6.0 million in costs associated with the final settlement of certain employment contracts.

Sales of fragrance products were $1,008.1 million, $865.1 million and $849.2 million in 2001, 2000 and 1999, respectively. Sales of flavor products were $835.7 million, $597.7 million and $590.3 million in 2001, 2000 and 1999, respectively. Sales in the United States, based on the final country of destination of the Company's products, were $570.5 million, $435.1 million and $434.6 million in 2001, 2000 and 1999, respectively. No other individual country of destination exceeded 8% of consolidated sales. Sales to the Company's largest customer accounted for 10% and 11% in 2000 and 1999. No customer accounted for 10% or more of sales in 2001. Total long-lived assets consists of net property, plant and equipment and net intangible assets and amounted to $1,328.4 million, $1,435.8 million and $523.9 million at December 31, 2001, 2000 and 1999, respectively; of the respective totals, $1,071.1 million, $1,055.5 million and $238.8 million were located in the United States. No other individual country had long-lived assets that exceeded 10% of total long-lived assets.

Net foreign exchange gains of $1.9 million in 2001, losses of $1.9 million in 2000 and gains of $0.6 million in 1999 are included in other income.

NOTE 13. RETIREMENT BENEFITS

The Company and most of its subsidiaries have pension and/or other retirement benefit plans covering substantially all employees. Pension benefits are generally based on years of service and on compensation during the final years of employment. Plan assets consist primarily of equity securities and corporate and government fixed income securities. Substantially all pension benefit costs are funded as accrued; however, such funding is limited, where applicable, to amounts deductible for income tax purposes. Certain other retirement benefits are provided by balance sheet accruals. Contributions to defined contribution plans are mainly determined as a percentage of profits. Effective January 1, 2001, contributions to the Company's United States defined contribution plan match 50% of the employee's pre-tax contributions, up to plan limits.

In addition to pension benefits, certain health care and life insurance benefits are provided to qualifying United States employees upon retirement from the Company. Such coverage is provided through insurance plans with premiums based on benefits paid. The Company does not generally provide health care and life insurance coverage for retired employees of foreign subsidiaries; however, such benefits are provided in most foreign countries by government-sponsored plans, and the cost of these programs is not significant to the Company.

Pension expense included the following components:

(Dollars in thousands)	U.S. Plans 2001	2000	1999	Non-U.S. Plans 2001	2000	1999
Service cost for benefits earned	$ 7,293	$ 5,104	$ 6,384	$ 9,552	$ 6,051	$ 6,687
Interest cost on projected benefit obligation	18,351	14,151	12,832	24,306	9,471	9,084
Expected return on plan assets	(23,082)	(16,757)	(14,614)	(27,691)	(10,688)	(11,086)
Net amortization and deferrals	(1,347)	(1,414)	(15)	679	777	665
Defined benefit plans	1,215	1,084	4,587	6,846	5,611	5,350
Defined contribution and other retirement plans	2,368	2,386	2,386	2,425	3,173	2,357
Total pension expense	$ 3,583	$ 3,470	$ 6,973	$ 9,271	$ 8,784	$ 7,707

Expense recognized for postretirement benefits included the following components:

(Dollars in thousands)	2001	2000	1999
Service cost for benefits earned	$1,722	$1,500	$1,832
Interest on benefit obligation	5,377	4,104	3,672
Net amortization and deferrals	508	13	33
Total postretirement benefit expense	$7,607	$5,617	$5,537

Changes in pension and postretirement benefit obligations were:

	U.S. Pension Plans		Non-U.S. Pension Plans		Postretirement Benefits	
(Dollars in thousands)	2001	2000	2001	2000	2001	2000
Benefit obligation at beginning of year	$ 250,354	$ 174,235	$ 333,691	$ 173,756	$ 68,832	$ 50,345
Service cost for benefits earned	7,293	5,104	9,552	6,051	1,722	1,500
Interest cost on projected benefit obligation	18,351	14,151	24,306	9,471	5,377	4,104
Actuarial (gain) loss	(8,027)	15,230	(6,476)	(781)	9,651	16,501
Plan amendments	--	6,199	--	--	--	(2,132)
Plan participants' contributions	--	--	90	88	105	1
Benefits paid	(13,572)	(9,705)	(13,336)	(7,076)	(4,083)	(3,933)
Acquisitions	--	30,910	16,496	167,853	1,902	1,505
Special termination benefits	2,248	14,230	382	--	--	941
Translation adjustments	--	--	(13,315)	(15,671)	--	--
Benefit obligation at end of year	$ 256,647	$ 250,354	$ 351,390	$ 333,691	$ 83,506	$ 68,832

Changes in pension plan assets were:

	U.S. Plans		Non-U.S. Plans	
(Dollars in thousands)	2001	2000	2001	2000
Fair value of plan assets at beginning of year	$ 287,375	$ 267,484	$ 347,346	$ 164,912
Actual return on plan assets	(19,487)	(389)	(34,497)	13,695
Employer contributions	1,873	1,293	8,729	5,724
Plan participants' contributions	--	--	90	88
Acquisitions	--	28,692	--	185,236
Benefits paid	(13,572)	(9,705)	(13,336)	(7,076)
Translation adjustments	--	--	(13,339)	(15,233)
Fair value of plan assets at end of year	$ 256,189	$ 287,375	$ 294,993	$ 347,346

The funded status of pension and postretirement plans at December 31 was:

	U.S. Pension Plans		Non-U.S. Pension Plans		Postretirement Benefits	
(Dollars in thousands)	2001	2000	2001	2000	2001	2000
Plan assets in excess of (less than) projected benefit obligation	$ (458)	$ 37,021	$(56,397)	$ 13,655	$(83,506)	$(68,832)
Remaining balance of unrecognized net (asset) liability established at adoption of FAS 87	(928)	(1,571)	811	1,046	--	--
Unrecognized prior service cost	9,101	9,908	3,802	4,397	(1,842)	(1,984)
Unrecognized net (gain) loss	(24,654)	(60,707)	53,421	(2,032)	23,540	14,575
Net asset (liability)	$(16,939)	$(15,349)	$ 1,637	$ 17,066	$(61,808)	$(56,241)

Pension assets and liabilities included in the Consolidated Balance Sheet at December 31 were:

(Dollars in thousands)	U.S. Plans 2001	U.S. Plans 2000	Non-U.S. Plans 2001	Non-U.S. Plans 2000
Prepaid benefit cost	$ 6,408	$ 7,170	$ 281	$ 23,450
Accrued benefit liability	(23,650)	(22,519)	(30,869)	(6,384)
Accumulated other comprehensive income	303	--	27,940	--
Intangible asset	--	--	4,285	--

Principal weighted average actuarial assumptions used to determine the above pension data were:

	U.S. Plans 2001	U.S. Plans 2000	Non-U.S. Plans 2001	Non-U.S. Plans 2000
Discount rate	7.2%	7.5%	5.9%	6.2%
Weighted average rate of compensation increase	4.5%	4.5%	3.2%	3.1%
Long-term rate of return on plan assets	9.0%	9.0%	7.5%	8.3%

Principal actuarial assumptions used to determine the above postretirement data were:

	2001	2000
Discount rate	7.2%	7.5%
Current medical cost trend rate	10.0%	8.0%
Ultimate medical cost trend rate	5.0%	5.0%
Medical cost trend rate decreases to ultimate rate in year	2007	2007

The effect of a 1% increase in the assumed medical rate of inflation would increase the accumulated postretirement benefit obligation, and the annual postretirement expense, by approximately $12.6 million and $1.3 million, respectively; a 1% decrease in the rate would decrease the obligation and expense by approximately $9.4 million and $0.9 million, respectively.

During 2000, the Company initiated two separate voluntary retirement incentive programs for United States-based employees meeting certain eligibility requirements. Those eligible employees who elected to take the incentive will receive additional credit, for pension purposes, in terms of age and service, as well as other benefits. Approximately 150 employees accepted enhanced retirement benefits under these two programs and costs relating thereto are reflected as special termination benefits above. The special termination benefit of $2.2 million recognized during 2001 represents the liability on account of social security supplemental benefit payments to be made to those participants who elected to retire under the most recent window program implemented during 2001.

The Company recorded a minimum pension liability of $27.0 million at December 31, 2001, as required by Financial Accounting Standards Board Statement No. 87. The adjustment is reflected in other comprehensive income and other long-term liabilities, as appropriate, and is prescribed when the accumulated benefit obligation in the plan exceeds the fair value of the underlying pension plan assets and accrued pension liabilities. The adjustment relates entirely to foreign plans in the United Kingdom, the Netherlands and Japan.

NOTE 14. FINANCIAL INSTRUMENTS

The Company enters into various interest rate swaps to manage its interest rate exposure. The Company realized a net gain of $3.5 million on a $700.0 million notional amount of U.S. Treasury lock hedges, taken out in anticipation of the issuance of the 6.45% Notes due 2006. These swaps were designated as qualified cash flow hedges and the net gain is being amortized over the life of the Notes. Following the five-year Notes offering, the Company entered into a $700.0 million notional amount swap to effectively convert the 6.45% coupon interest rate on the Notes to a short-term rate based upon LIBOR plus an interest markup. The swap was designated as a fully effective, qualified fair value hedge. During the year, the Company amended the swap on four occasions, which changed the LIBOR basis and the related spread. As a result of market conditions and these changes in the swaps, the counterparty paid the Company $19.9 million, including accrued swap interest of $3.3 million. The net gains on settlement are being amortized over the remaining term of the Notes. As a result of these transactions, the effective interest rate at December 31, 2001 on the 6.45% Notes approximated 3.7%. The Company has recorded the swap and the debt at fair value resulting in an increase to long-term debt of $8.3 million and the recording of a corresponding swap asset.

The Company enters into foreign currency forward contracts with the objective of reducing exposure to cash flow volatility arising from foreign currency fluctuations associated with certain foreign currency receivables and payables and anticipated purchases of raw materials. The notional amount and maturity dates of these contracts match those of the underlying transactions. At December 31, 2001, the Company had outstanding foreign currency forward contracts of approximately $97.3 million. The Company has designated these contracts as qualified fair value and cash flow hedges. Accordingly, the effective portion of the gain or loss on the derivative instrument is reported as a component of other comprehensive income and recognized in earnings in the same period or periods during which the hedged transaction affects earnings. The Company had no ineffective foreign currency forward contracts at December 31, 2001.

NOTE 15. CONCENTRATIONS OF CREDIT RISK

The Company has no significant concentrations of risk in financial instruments. Temporary cash investments are made in a well-diversified portfolio of high-quality, liquid obligations of government, corporate and financial institutions. There are also limited concentrations of credit risk with respect to trade receivables because of the large number of customers spread across many industries and geographic areas.

NOTE 16. COMMITMENTS AND CONTINGENCIES

Minimum rental commitments under noncancellable operating leases for office and warehouse facilities are $2.2 million in 2002, $2.1 million in 2003, $1.1 million in 2004, $0.9 million in 2005 and nothing thereafter. The corresponding rental expense amounted to $2.2 million in 2001; rental expense was not significant in 2000 and 1999.

There are various lawsuits and claims pending against the Company. Management believes that any liability resulting from those actions or claims will not have a material adverse effect on the Company's financial condition, results of operations or liquidity.

NOTE 17. RELATED-PARTY TRANSACTIONS

At December 31, 2001, the Company held a note receivable from an officer of the Company. This note receivable bears interest, determined and payable quarterly, at the higher of a market rate for such a loan by a third-party lender or the Company's weighted average cost of borrowed funds. The applicable rate as of December 31, 2001 was 4.1%. The note is collateralized by 55,000 shares of common stock and is due in full on the earlier of November 14, 2007, termination of employment as an executive officer, or when and if the market value of the collateral is less than 110% of the outstanding principal balance of the loan. This note receivable is reflected as a reduction of stockholders' equity.

QUARTERLY FINANCIAL DATA (UNAUDITED)

(Dollars in thousands except per share amounts)	Net Sales		Gross Profit		Net Income(a)		Net Income Per Share(b) Basic		Net Income Per Share(b) Diluted	
Quarter	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000
First	$ 483,661	$ 369,912	$199,522	$165,235	$ 20,272	$ 43,776	$ 0.21	$ 0.42	$ 0.21	$ 0.42
Second	478,216	368,759	208,710	165,197	33,005	48,916	0.34	0.48	0.34	0.48
Third	462,719	339,591	194,088	148,092	33,555	28,927	0.35	0.29	0.35	0.29
Fourth(c)	419,170	384,533	178,013	152,618	29,170	1,386	0.31	0.01	0.30	0.01
	$1,843,766	$1,462,795	$780,333	$631,142	$116,002	$123,005	$ 1.21	$ 1.22	$ 1.20	$ 1.22

(a) Net income for the 2001 first, second and third quarters includes the after-tax effects of certain charges of $7,762, $5,663 and $5,676, respectively. Net income for the 2000 first, third and fourth quarters includes the after-tax effects of certain charges of $6,248, $4,765 and $15,752, respectively. See Note 2 of the Notes to Consolidated Financial Statements for further discussion.

(b) The sum of the 2000 quarters' earnings per share does not equal the year-to-date earnings per share due to changes in average share calculations. This is in accordance with prescribed reporting requirements.

(c) The Company acquired Bush Boake Allen (BBA) effective November 3, 2000, and the BBA operating results are included in the Company's consolidated results from that date.

STOCK PRICES

The Company's common stock is traded principally on the New York Stock Exchange. The high and low stock prices for each quarter during the last two years were:

	2001		2000	
Quarter	High	Low	High	Low
First	$ 22.76	$ 19.75	$ 37.94	$ 28.75
Second	28.20	21.25	37.81	28.81
Third	31.60	24.97	30.94	17.38
Fourth	31.69	24.10	20.81	14.69

FIVE-YEAR SUMMARY
International Flavors & Fragrances Inc.

(Dollars in thousands except per share amounts)	2001	2000	1999	1998	1997
Consolidated Statement of Income Data					
Net sales	$ 1,843,766	$1,462,795	$ 1,439,499	$ 1,407,349	$ 1,426,791
Cost of goods sold	1,063,433	831,653	806,382	777,764	787,533
Research and development expenses	135,248	112,671	103,794	98,438	94,411
Selling and administrative expenses	313,335	258,653	248,047	224,393	212,678
Amortization of goodwill and other intangibles	46,089	7,032	--	--	--
Nonrecurring charges(a)(b)(c)	30,069	41,273	32,948	--	--
Interest expense	70,424	25,072	5,154	2,042	2,420
Other (income) expense, net	(2,609)	2,314	(291)	(6,356)	(10,442)
	1,655,989	1,278,668	1,196,034	1,096,281	1,086,600
Income before taxes on income	187,777	184,127	243,465	311,068	340,191
Taxes on income	71,775	61,122	81,465	107,283	121,962
Net income	$ 116,002	$ 123,005	$ 162,000	$ 203,785	$ 218,229
% of net sales	6.3	8.4	11.3	14.5	15.3
% of average shareholders' equity	20.1	16.5	18.0	20.9	21.0
Net income per share - basic	$ 1.21	$ 1.22	$ 1.53	$ 1.90	$ 2.00
Net income per share - diluted	$ 1.20	$ 1.22	$ 1.53	$ 1.90	$ 1.99
Average number of shares (thousands)	95,770	101,073	105,748	107,122	109,065
Consolidated Balance Sheet Data					
Cash and short-term investments	$ 48,905	$ 129,238	$ 62,971	$ 115,999	$ 260,446
Receivables, net	340,358	364,314	303,418	283,480	268,534
Inventories	415,984	435,312	415,269	403,961	360,074
Property, plant and equipment, net	532,473	679,874	523,916	498,784	446,509
Intangible assets, net	795,920	755,923	--	--	--
Total assets	2,268,051	2,489,033	1,401,495	1,388,064	1,422,261
Bank loans and commercial paper	227,945	852,985	92,474	29,072	10,490
Long-term debt	939,404	417,402	3,832	4,341	5,114
Shareholders' equity	524,170	631,259	858,497	945,051	1,000,488
Other Data					
Current ratio	1.6	0.9	2.3	3.1	3.5
Gross additions to property, plant and equipment	$ 52,016	$ 60,696	$ 103,835	$ 91,690	$ 59,284
Depreciation and amortization charged to income	123,493	69,344	56,369	49,006	50,278
Cash dividends declared	57,219	130,234	160,830	159,513	158,453
Per share	$ 0.60	$ 1.29	$ 1.52	$ 1.49	$ 1.45
Number of shareholders of record at year-end	3,394	3,741	4,209	4,653	4,991
Number of employees at year-end	5,929	6,614	4,682	4,669	4,639

(a) Nonrecurring charges ($19,101 after tax) in 2001 resulted from the Company's reorganization program as well as certain costs associated with the integration of BBA.

(b) Nonrecurring charges ($26,765 after tax) in 2000 resulted from the Company's reorganization program as well as certain costs associated with the integration of BBA.

(c) Nonrecurring charges ($21,910 after tax) in 1999 resulted from the Company's program to streamline its operations worldwide.

DIRECTORS

Margaret Hayes Adame
President
Fashion Group International

Gunter Blobel, M.D., Ph.D.
Nobel Prize-winning
Rockefeller University Professor
associated with Howard
Hughes Medical Institute

James R. Cantalupo
President and
Vice Chairman Emeritus
McDonald's Corporation

J. Michael Cook
Chairman and
Chief Executive Officer Emeritus
Deloitte & Touche, LLP

Peter A. Georgescu
Chairman Emeritus
Young & Rubicam, Inc.

Richard A. Goldstein
Chairman of the Board and
Chief Executive Officer

Carlos A. Lobbosco
Executive Vice President
Global Business Development

Arthur C. Martinez
Chairman and
Chief Executive Officer Emeritus
Sears, Roebuck and Co.

Henry P. van Ameringen
President
van Ameringen Foundation, Inc.

William D. Van Dyke, III
Senior Vice President
Salomon Smith Barney Inc.

Douglas J. Wetmore
Senior Vice President and
Chief Financial Officer

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Chairman of the Board
and Chief Executive Officer

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D. Wayne Howard
Executive Vice President
Global Operations

Carlos A. Lobbosco
Executive Vice President
Global Business
Development

Stephen A. Block
Senior Vice President
General Counsel and
Secretary

Douglas J. Wetmore
Senior Vice President and
Chief Financial Officer

Gail S. Belmuth
Vice President
Corporate Communications

Clint D. Brooks, Ph.D.
Vice President
Research & Development

Steven J. Heaslip
Vice President
Global Human Resources

James P. Huether
Controller

Charles D. Weller
Treasurer

VICE PRESIDENTS
Sophia Grojsman
Jose A. Rodriguez

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VICE PRESIDENTS
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Vice President
Global Operations -
Fragrances

Roberto J. Gordon
Vice President
Global Business
Development - Fragrances

Steve Huang, Ph.D.
Vice President
Global Operations - Aroma
Chemicals and Ingredients

Neil Humphreys
Vice President
Global Business
Development - Flavors

Bruce S. Leskanic
Vice President
Supply Chain Strategy

Nicolas Mirzayantz
Vice President
Global Business
Development - Fine
Fragrances and Toiletries

Joel W. Shane
Vice President
Global Business
Development - Aroma
Chemicals and Ingredients

Thomas J. Skatrud
Vice President
Global Operations - Flavors

REGIONAL MANAGERS
Arun Bewoor
Group Country Manager
Indian Subcontinent

Robert Burns
Vice President
Asia-Pacific

James H. Dunsdon
Vice President
North America

Robert J. Edelman
Vice President
Europe

Graciela M. Ferro
Vice President
Latin America

Exhibit 21

LIST OF SUBSIDIARIES OF INTERNATIONAL FLAVORS & FRAGRANCES INC.

Below is a list of the subsidiaries of the Company. Each subsidiary does business under the name identified below. All of the voting stock of each subsidiary is owned, either directly or indirectly, by the Company, except where noted and except, in certain instances for directors' qualifying shares.

Name of Subsidary Incorporation	Place of
International Flavors & Fragrances I.F.F. (Nederland) B.V.	The Netherlands
Aromatics Holdings Limited	Ireland
IFF-Benicarlo, S.A.	Spain
International Flavours & Fragrances (China) Ltd.	China
Irish Flavours and Fragrances Limited	Ireland
International Flavours & Fragrances I.F.F. (Great Britain) Ltd.	England
International Flavors & Fragrances I.F.F. (Italia) S.r.l.	Italy
International Flavors & Fragrances I.F.F. (Deutschland) G.m.b.H.	Germany
International Flavors & Fragrances I.F.F. (Switzerland) A.G.	Switzerland
International Flavors & Fragrances I.F.F. (France) S.a.r.l.	France
International Flavors & Fragrances (Hong Kong) Ltd.	Hong Kong
International Flavors & Fragrances (Japan) Ltd.	Japan
International Flavors & Fragrances S.A.C.I.	Argentina
I.F.F. Essencias e Fragrancias Ltda.	Brazil
International Flavours & Fragrances (Australia) Pty. Ltd.	Australia
P.T. Essence Indonesia	Indonesia
International Flavors & Fragrances (Mexico) S.A. de C.V.	Mexico
IFF Mexico Manufactura, S.A. de C.V.	Mexico
International Flavors & Fragrances I.F.F. (Espana) S.A.	Spain
International Flavors & Fragrances (Poland) Sp.z.o.o.	Poland
IFF Trading Company B.V.	The Netherlands
International Flavors & Fragrances (Hangzhou) Co. Ltd (1)	China
International Flavors & Fragrances I.F.F. (S.A.) (Pty) Ltd.	South Africa
The PAKS Corporation	New York
International Flavors & Fragrances I.F.F. (Canada) Ltd.	Canada
IFF FSC Inc.	U.S. Virgin Islands
Alva Insurance Ltd.	Bermuda
van Ameringen-Haebler, Inc.	New York

Name of Subsidiary Incorporation	Place of
International Flavors & Fragrances (Caribe) Inc.	Delaware
Sabores y Fragrancias S.A.	Colombia
IFF Sabores y Fragrancias de Chile Ltda.	Chile
International Flavors & Fragrances I.F.F. (East Africa) Ltd.	Kenya
International Flavors & Fragrances I.F.F. (Sverige) A.B.	Sweden
International Flavors & Fragrances I.F.F. (Norge) A.S.	Norway
IFF (Near East) Flavors & Fragrances Company A.S.	Turkey
International Flavors & Fragrances IFF (Hungary) Kereskedelmi es Szolgaltato K.F.T.	Hungary
International Flavors & Fragrances I.F.F. (Israel) Ltd.	Israel
Misr Co. for Aromatic Products (MARP) S.A.E.	Egypt
International Flavors & Fragrances I.F.F. (Portugal) Lds.	Portugal
International Flavors & Fragrances (Zimbabwe) (Private) Ltd.	Zimbabwe
International Flavours & Fragrances (Mauritius) Ltd.	Mauritius
International Flavours & Fragrances (India) Private Limited	India
International Flavors & Fragrances (Philippines) Inc.	Philippines
International Flavors & Fragrances (Asia Pacific) Pte. Ltd.	Singapore
International Flavours & Fragrances (Thailand) Ltd.	Thailand
International Flavors & Fragrances (Korea) Inc.	Korea
Laboratoires Monique Remy S.a.r.l.	France
International Flavors & Fragrances (Nederland) Holding B.V.	The Netherlands
International Flavors & Fragrances Ardenne S.a.r.l.	Luxembourg
International Flavors & Fragrances (Luxembourg) S.a.r.l.	Luxembourg
International Flavors & Fragrances Global S.a.r.l.	Luxembourg
International Flavours & Fragrances (GB) Holdings Limited	United Kingdom
IFF International Inc.	New York
IFF Financial Services	Ireland
International Flavors & Fragrances Global Holding S.a.r.l.	Luxembourg
IFF Capital Services	Ireland
IFF (Gibraltar) Limited	Gibraltar
IFF Australia Holdings Pty Limited	Australia
IFF Chemical Holdings Inc.	Delaware
Bush Boake Allen Inc.	Virginia
Bush Boake Allen (Chile) S.A.	Chile
Bush Boake Allen Industria E Commercial do Brasil Limitada	Brazil
Bush Boake Allen Colombia S.A.	Colombia
Bush Boake Allen Mexico, S.A. de C.V.	Mexico
Bush Boake Allen Controladora S.A. de C.V.	Mexico
Bush Boake Allen Servicios S.A. de C.V.	Mexico

Name of Subsidary	Place of Incorporation
Bush Boake Allen (Nominees) Limited	England
Bush Boake Allen Holdings (U.K.) Limited	England
Bush Boake Allen Pension Investments Limited	England
Bush Boake Allen (Executive Pension Trustees) Limited	England
Bush Boake Allen (Pension Trustees) Limited	England
Bush Boake Allen (Works Pension Trustees) Limited	England
Bush Boake Allen Limited	England
W.J. Bush & Co., Inc.	Delaware
GMB Proteins Limited	England
Bush Boake Allen Australia Pty Ltd.	Australia
Bush Boake Allen Morimura Limited	Japan
Bush Boake Allen (Guangzhou) Co. Ltd. (2)	China
Bush Boake Allen (Hong Kong) Limited	Hong Kong
A. Boake, Roberts And Company (Holding), Limited	England
Bush Boake Allen Esans ve Aromatik Urunler Sanayi AS (3)	Turkey
PT Bush Boake Allen Indonesia (4)	Indonesia
Bush Boake Allen (New Zealand) Limited	New Zealand
Bush Boake Allen Singapore Pte. Ltd.	Singapore
Bush Boake Allen (Malaysia) SDN. BHD. (Kuala Lumpur)	Malaysia
Bush Boake Allen Denmark ApS.	Denmark
Bush Boake Allen France	France
Bush Boake Allen Zimbabwe (Private) Limited	Zimbabwe
Bush Boake Allen (India) Limited (5)	India
Hindustan Flavours and Fragrances (International) Limited (6)	India
Bush Boake Allen (Jamaica) Limited (7)	Jamaica
Bush Boake Allen (SA) (Proprietary) Limited	South Africa
Bush Boake Allen (Thailand) Limited (8)	Thailand
Bush Boake Allen Deutschland GmbH	West Germany
Bush Boake Allen, Moscow, Ltd.	Russia
Bush Boake Allen Benelux B.V.	Netherlands
Bush Boake Allen Scandinavia Aktielbolag	Sweden
Bush Boake Allen (C.R.) s.r.o.	Czech Republic
Stafford Specialty Ingredients Limited	England

Name of Subsidary Incorporation - ----------------- - -----	Place of --------
Bush Boake Allen Pakistan (Private) Limited (9)	Pakistan
Bush Boake Allen Philippines, Inc.	Philippines
Asian Investments, Inc.	Delaware
Fragrance Holdings Private Limited	India
Essence Scientific Research Private Limited	India
Jamaica Extracts Limited (10)	Jamaica
Thai Flavour & Fragrance Co. Limited (11)	Thailand
Bush Boake Allen Aromatica S. A.	Argentina
Bush Boake Allen Barbados Inc.	Barbados
Bush Boake Allen Enterprises Ltd.	England
Bush Boake Allen Holdings I B.V.	The Netherlands
Bush Boake Allen Holdings II B.V.	The Netherlands

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(1) 90% of the voting stock of International Flavors & Fragrances (Hangzhou) Co. Ltd., is owned, directly or indirectly, by the Company.
(2) 98% of the voting stock of Bush Boake Allen (Guangzhou) Co. Ltd. is owned, directly or indirectly, by the Company.
(3) 99.9% of the voting stock of Bush Boake Allen Esans ve Aromatik Urunler Sanayi AS is owned, directly or indirectly, by the Company.
(4) 60% of the voting stock of PT Bush Boake Allen Indonesia is owned, directly or indirectly, by the Company.

(5) 75% of the voting stock of Bush Boake Allen (India) Limited is owned, directly or indirectly, by the Company.
(6) 75% of the voting stock of Hindustan Flavours and Fragrances (International) Limited is owned, directly or indirectly, by the Company.
(7) 70% of the voting stock of Bush Boake Allen (Jamaica) Limited is owned, directly or indirectly, by the Company.
(8) 60% of the voting stock of Bush Boake Allen (Thailand) Limited is owned, directly or indirectly, by the Company.
(9) 50% of the voting stock of Bush Boake Allen Pakistan (Private) Limited is owned, directly or indirectly, by the Company.
(10) 58% of the voting stock of Jamaica Extracts Limited is owned, directly or indirectly, by the Company.
(11) 49% of the voting stock of Thai Flavour & Fragrance Co. Limited is owned, directly or indirectly, by the Company.

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 and No. 333-59689)and the Registration Statements on Form S-8 (No. 333-61072, No. 333-51436, No. 333-50752 and No. 33-54423) of International Flavors & Fragrances Inc. of our report dated January 28, 2002 relating to the financial statements, which appears in the Annual Report to Shareholders, which is incorporated in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report dated January 28, 2002 relating to the financial statement schedule, which appears in this Form 10-K.

PricewaterhouseCoopers LLP
New York, New York
March 27, 2002

Exhibit 24

POWER OF ATTORNEY

The undersigned director and/or officer of International Flavors & Fragrances Inc., a New York corporation, which is about to file with the Securities and Exchange Commission, under the provisions of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, an Annual Report on Form 10-K for the Year Ended December 31, 2001, hereby constitutes and appoints Stephen A. Block and Douglas J. Wetmore his (her) attorneys, and each of them his (her) attorney with power to act without the other, with full power of substitution and resubstitution, for him (her) and in his (her) name, place and stead to sign in any and all capacities such Annual Report, and any and all amendments thereto, and to file the same with all exhibits thereto and other documents in connection therewith, granting unto said attorneys, and each of them, full power and authority to do so and to perform all and every act necessary to be done in connection therewith, as fully to all intents and purposes as he (she) might or could do if personally present, hereby ratifying the acts of his (her) said attorneys and each of them.

IN WITNESS WHEREOF, the undersigned has hereunto set his (her) hand this 12th day of March 2002.

/s/ MARGARET HAYES ADAME

Margaret Hayes Adame

POWER OF ATTORNEY

The undersigned director and/or officer of International Flavors & Fragrances Inc., a New York corporation, which is about to file with the Securities and Exchange Commission, under the provisions of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, an Annual Report on Form 10-K for the Year Ended December 31, 2001, hereby constitutes and appoints Stephen A. Block and Douglas J. Wetmore his (her) attorneys, and each of them his (her) attorney with power to act without the other, with full power of substitution and resubstitution, for him (her) and in his (her) name, place and stead to sign in any and all capacities such Annual Report, and any and all amendments thereto, and to file the same with all exhibits thereto and other documents in connection therewith, granting unto said attorneys, and each of them, full power and authority to do so and to perform all and every act necessary to be done in connection therewith, as fully to all intents and purposes as he (she) might or could do if personally present, hereby ratifying the acts of his (her) said attorneys and each of them.

IN WITNESS WHEREOF, the undersigned has hereunto set his (her) hand this 12th day of March 2002.

/s/GUNTER BLOBEL

Gunter Blobel

POWER OF ATTORNEY

The undersigned director and/or officer of International Flavors & Fragrances Inc., a New York corporation, which is about to file with the Securities and Exchange Commission, under the provisions of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, an Annual Report on Form 10-K for the Year Ended December 31, 2001, hereby constitutes and appoints Stephen A. Block and Douglas J. Wetmore his (her) attorneys, and each of them his (her) attorney with power to act without the other, with full power of substitution and resubstitution, for him (her) and in his (her) name, place and stead to sign in any and all capacities such Annual Report, and any and all amendments thereto, and to file the same with all exhibits thereto and other documents in connection therewith, granting unto said attorneys, and each of them, full power and authority to do so and to perform all and every act necessary to be done in connection therewith, as fully to all intents and purposes as he (she) might or could do if personally present, hereby ratifying the acts of his (her) said attorneys and each of them.

IN WITNESS WHEREOF, the undersigned has hereunto set his (her) hand this 12th day of March 2002.

/s/ JAMES R. CANTALUPO

James R. Cantalupo

POWER OF ATTORNEY

The undersigned director and/or officer of International Flavors & Fragrances Inc., a New York corporation, which is about to file with the Securities and Exchange Commission, under the provisions of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, an Annual Report on Form 10-K for the Year Ended December 31, 2001, hereby constitutes and appoints Stephen A. Block and Douglas J. Wetmore his (her) attorneys, and each of them his (her) attorney with power to act without the other, with full power of substitution and resubstitution, for him (her) and in his (her) name, place and stead to sign in any and all capacities such Annual Report, and any and all amendments thereto, and to file the same with all exhibits thereto and other documents in connection therewith, granting unto said attorneys, and each of them, full power and authority to do so and to perform all and every act necessary to be done in connection therewith, as fully to all intents and purposes as he (she) might or could do if personally present, hereby ratifying the acts of his (her) said attorneys and each of them.

IN WITNESS WHEREOF, the undersigned has hereunto set his (her) hand this 12th day of March 2002.

/s/ J. MICHAEL COOK

J. Michael Cook

POWER OF ATTORNEY

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IN WITNESS WHEREOF, the undersigned has hereunto set his (her) hand this 12th day of March 2002.

/s/ PETER A. GEORGESCU

Peter A. Georgescu

POWER OF ATTORNEY

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IN WITNESS WHEREOF, the undersigned has hereunto set his (her) hand this 12th day of March 2002.

/s/ RICHARD A. GOLDSTEIN

Richard A. Goldstein

POWER OF ATTORNEY

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IN WITNESS WHEREOF, the undersigned has hereunto set his (her) hand this 12th day of March 2002.

/s/ CARLOS A. LOBBOSCO

Carlos A. Lobbosco

POWER OF ATTORNEY

The undersigned director and/or officer of International Flavors & Fragrances Inc., a New York corporation, which is about to file with the Securities and Exchange Commission, under the provisions of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, an Annual Report on Form 10-K for the Year Ended December 31, 2001, hereby constitutes and appoints Stephen A. Block and Douglas J. Wetmore his (her) attorneys, and each of them his (her) attorney with power to act without the other, with full power of substitution and resubstitution, for him (her) and in his (her) name, place and stead to sign in any and all capacities such Annual Report, and any and all amendments thereto, and to file the same with all exhibits thereto and other documents in connection therewith, granting unto said attorneys, and each of them, full power and authority to do so and to perform all and every act necessary to be done in connection therewith, as fully to all intents and purposes as he (she) might or could do if personally present, hereby ratifying the acts of his (her) said attorneys and each of them.

IN WITNESS WHEREOF, the undersigned has hereunto set his (her) hand this 12th day of March 2002.

/s/ ARTHUR C. MARTINEZ

Arthur C. Martinez

POWER OF ATTORNEY

The undersigned director and/or officer of International Flavors & Fragrances Inc., a New York corporation, which is about to file with the Securities and Exchange Commission, under the provisions of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, an Annual Report on Form 10-K for the Year Ended December 31, 2001, hereby constitutes and appoints Stephen A. Block and Douglas J. Wetmore his (her) attorneys, and each of them his (her) attorney with power to act without the other, with full power of substitution and resubstitution, for him (her) and in his (her) name, place and stead to sign in any and all capacities such Annual Report, and any and all amendments thereto, and to file the same with all exhibits thereto and other documents in connection therewith, granting unto said attorneys, and each of them, full power and authority to do so and to perform all and every act necessary to be done in connection therewith, as fully to all intents and purposes as he (she) might or could do if personally present, hereby ratifying the acts of his (her) said attorneys and each of them.

IN WITNESS WHEREOF, the undersigned has hereunto set his (her) hand this 12th day of March 2002.

/s/ HENRY P. VAN AMERINGEN

Henry P. van Ameringen

POWER OF ATTORNEY

The undersigned director and/or officer of International Flavors & Fragrances Inc., a New York corporation, which is about to file with the Securities and Exchange Commission, under the provisions of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, an Annual Report on Form 10-K for the Year Ended December 31, 2001, hereby constitutes and appoints Stephen A. Block and Douglas J. Wetmore his (her) attorneys, and each of them his (her) attorney with power to act without the other, with full power of substitution and resubstitution, for him (her) and in his (her) name, place and stead to sign in any and all capacities such Annual Report, and any and all amendments thereto, and to file the same with all exhibits thereto and other documents in connection therewith, granting unto said attorneys, and each of them, full power and authority to do so and to perform all and every act necessary to be done in connection therewith, as fully to all intents and purposes as he (she) might or could do if personally present, hereby ratifying the acts of his (her) said attorneys and each of them.

IN WITNESS WHEREOF, the undersigned has hereunto set his (her) hand this 12th day of March 2002.

/s/ WILLIAM D. VAN DYKE, III

William D. Van Dyke, III

POWER OF ATTORNEY

The undersigned director and/or officer of International Flavors & Fragrances Inc., a New York corporation, which is about to file with the Securities and Exchange Commission, under the provisions of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, an Annual Report on Form 10-K for the Year Ended December 31, 2001, hereby constitutes and appoints Stephen A. Block and Douglas J. Wetmore his (her) attorneys, and each of them his (her) attorney with power to act without the other, with full power of substitution and resubstitution, for him (her) and in his (her) name, place and stead to sign in any and all capacities such Annual Report, and any and all amendments thereto, and to file the same with all exhibits thereto and other documents in connection therewith, granting unto said attorneys, and each of them, full power and authority to do so and to perform all and every act necessary to be done in connection therewith, as fully to all intents and purposes as he (she) might or could do if personally present, hereby ratifying the acts of his (her) said attorneys and each of them.

IN WITNESS WHEREOF, the undersigned has hereunto set his (her) hand this 12th day of March 2002.

/S/ DOUGLAS J. WETMORE

Douglas J. Wetmore