

INTERNATIONAL FLAVORS & FRAGRANCES INC

Form 424B5

September 25, 2018

Table of Contents

Filed Pursuant to Rule 424(b)(5)

Registration No. 333-209889

CALCULATION OF REGISTRATION FEE

Title of Each Class of	Amount to be	Proposed	Proposed	Amount of
		Registered	Aggregate	
Securities to be Registered	Registered	per Unit	Offering Price	Registration Fee(1)
3.400% Senior Notes due 2020	\$300,000,000	99.968%	\$299,904,000	\$37,339
4.450% Senior Notes due 2028	\$400,000,000	99.912%	\$399,648,000	\$49,757
5.000% Senior Notes due 2048	\$800,000,000	99.278%	\$794,224,000	\$98,881

(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended.

Table of Contents

PROSPECTUS SUPPLEMENT

(to Prospectus dated August 6, 2018)

\$1,500,000,000

INTERNATIONAL FLAVORS & FRAGRANCES INC.

\$300,000,000 3.400% Senior Notes due 2020

\$400,000,000 4.450% Senior Notes due 2028

\$800,000,000 5.000% Senior Notes due 2048

We are offering \$300,000,000 aggregate principal amount of 3.400% Senior Notes due 2020 (the 2020 notes), \$400,000,000 aggregate principal amount of 4.450% Senior Notes due 2028 (the 2028 notes) and \$800,000,000 aggregate principal amount of 5.000% Senior Notes due 2048 (the 2048 notes and, together with the 2020 notes and the 2028 notes, the notes). The 2020 notes will bear interest at a rate of 3.400% per annum and will mature on September 25, 2020. The 2028 notes will bear interest at a rate of 4.450% per annum and will mature on September 26, 2028. The 2048 notes will bear interest at a rate of 5.000% per annum and will mature on September 26, 2048. Interest on the 2020 notes will accrue from September 26, 2018, and will be payable semi-annually in cash in arrears on March 25 and September 25 of each year, beginning on March 25, 2019. Interest on the 2028 notes and the 2048 notes will accrue from September 26, 2018, and will be payable semi-annually in cash in arrears on March 26 and September 26 of each year, beginning on March 26, 2019.

We may, at our option, redeem the notes in whole or in part at any time or from time to time prior to maturity at the redemption price described in the section Description of the Notes Optional Redemption in this prospectus supplement. Upon an occurrence of a Change of Control Triggering Event (as defined herein), we will be required to make an offer to repurchase the notes at a price equal to 101% of their principal amount plus accrued and unpaid interest to, but not including, the date of repurchase.

On May 7, 2018, International Flavors & Fragrances Inc. (IFF) entered into an Agreement and Plan of Merger (the Merger Agreement) with Frutarom Industries Ltd., a company organized under the laws of the State of Israel (Frutarom), and Icon Newco Ltd., a company organized under the laws of the State of Israel and a wholly owned subsidiary of IFF (Merger Sub). Pursuant to the Merger Agreement, subject to the satisfaction or waiver of specified conditions, and in accordance with the Companies Law 5759-1999 of the State of Israel (together with the rules and regulations thereunder, the ICL), Merger Sub will merge with and into Frutarom (the Merger), with Frutarom continuing as the surviving company in the Merger and a wholly owned subsidiary of IFF.

This notes offering is not contingent on the completion of the Merger or any additional financing. However, if the closing of the Merger has not occurred on or prior to February 7, 2019, or, if prior to such date, the Merger Agreement

is terminated, we will be required to redeem all of the notes on the Special Mandatory Redemption Date (as defined herein) at a redemption price equal to 101% of the aggregate principal amount of the notes, plus accrued and unpaid interest to, but not including, the Special Mandatory Redemption Date. See Description of the Notes Special Mandatory Redemption.

The notes are our direct, unsecured and unsubordinated obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding.

The notes will not be listed on any national securities exchange or quoted on any automated dealer quotation system. Currently there is no public market for the notes.

Investing in the notes involves significant risks. See Risk Factors in this prospectus supplement and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, including our Annual Report on Form 10-K for the year ended December 31, 2017.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per 2020 Note	Total for 2020 Notes	Per 2028 Note	Total for 2028 Notes	Per 2048 Note	Total for 2048 Notes
Public offering price ⁽¹⁾	99.968%	\$ 299,904,000	99.912%	\$ 399,648,000	99.278%	\$ 794,224,000
Underwriting discount	0.350%	\$ 1,050,000	0.650%	\$ 2,600,000	0.875%	\$ 7,000,000
Proceeds, before expenses, to International Flavors & Fragrances Inc.	99.618%	\$ 298,854,000	99.262%	\$ 397,048,000	98.403%	\$ 787,224,000

(1) Plus accrued interest, if any, from September 26, 2018, if settlement occurs after that date.

We expect that delivery of the notes will be made to investors through the book-entry facilities of The Depository Trust Company and its direct participants, including Euroclear Bank, S.A./N.V., as operator of the Euroclear System, and Clearstream Banking, *société anonyme*, against payment on or about September 26, 2018.

Joint Book-Running Managers

Morgan Stanley

BNP PARIBAS
Co-Managers

Citigroup

J.P. Morgan

Citizens Capital Markets

ING

MUFG

US Bancorp

Wells Fargo Securities

HSBC

Standard Chartered Bank

The date of this prospectus supplement is September 24, 2018.

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement	Page
<u>SUMMARY</u>	S-1
<u>SUMMARY SELECTED CONSOLIDATED FINANCIAL DATA OF IFF</u>	S-8
<u>SUMMARY SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF FRUTAROM</u>	S-10
<u>RISK FACTORS</u>	S-11
<u>FORWARD-LOOKING STATEMENTS</u>	S-22
<u>USE OF PROCEEDS</u>	S-24
<u>CAPITALIZATION</u>	S-25
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION</u>	S-27
<u>DESCRIPTION OF THE NOTES</u>	S-49
<u>UNITED STATES FEDERAL INCOME TAX CONSEQUENCES</u>	S-59
<u>UNDERWRITING</u>	S-61
<u>LEGAL MATTERS</u>	S-66
<u>EXPERTS</u>	S-66
<u>INCORPORATION OF CERTAIN INFORMATION BY REFERENCE</u>	S-67
<u>FRUTAROM INDUSTRIES LTD. INDEX TO CONSOLIDATED FINANCIAL STATEMENTS</u>	F-1

Prospectus	Page
<u>ABOUT THIS PROSPECTUS</u>	1
<u>THE COMPANY</u>	2
<u>RISK FACTORS</u>	3
<u>SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	4
<u>USE OF PROCEEDS</u>	6
<u>RATIO OF EARNINGS TO FIXED CHARGES</u>	7
<u>DESCRIPTION OF COMMON STOCK</u>	8
<u>DESCRIPTION OF DEBT SECURITIES</u>	10
<u>DESCRIPTION OF PURCHASE CONTRACTS</u>	19
<u>DESCRIPTION OF UNITS</u>	20
<u>PLAN OF DISTRIBUTION</u>	21
<u>LEGAL MATTERS</u>	23
<u>EXPERTS</u>	23
<u>WHERE YOU CAN FIND MORE INFORMATION; INCORPORATION BY REFERENCE</u>	23

Unless we have indicated, or the context otherwise requires, references in this prospectus supplement to IFF, the Company, we, us, our, or similar terms are to International Flavors & Fragrances Inc. and its subsidiaries.

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

We are providing information to you about this offering in two parts. The first part is this prospectus supplement, which provides the specific details regarding this offering. The second part is the accompanying prospectus, which provides general information. Generally, when we refer to this prospectus, we are referring to both documents combined. This prospectus supplement may add, update or change information contained in or incorporated by reference in the accompanying prospectus. Some of the information contained in or incorporated by reference in the accompanying prospectus may not apply to this offering. If the information in this prospectus supplement or the information incorporated by reference in this prospectus supplement is inconsistent with information contained in or incorporated by reference in the accompanying prospectus, you should rely on the information in this prospectus supplement or the information incorporated by reference in this prospectus supplement.

We are responsible for the information contained and incorporated by reference in this prospectus supplement, the accompanying prospectus and in any free writing prospectus with respect to this offering filed by us with the Securities and Exchange Commission (the SEC). We have not, and the underwriters have not, authorized anyone to give you any other information, and we take no responsibility for any other information that others may give you. This prospectus supplement, the accompanying prospectus and any such free writing prospectus may be used only for the purposes for which they have been prepared. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus, any free writing prospectus and the documents incorporated by reference herein and therein is accurate as of any date other than their respective dates. Our business, financial condition, liquidity, results of operations and prospects may have changed since those dates.

The notes are being offered for sale only in jurisdictions where it is lawful to make such offers. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in certain jurisdictions may be restricted by law. Persons outside the United States who receive this prospectus supplement and the accompanying prospectus should inform themselves about and observe any such restrictions. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. See **Underwriting** in this prospectus supplement.

Unless we specifically state otherwise, the information in this prospectus supplement and the accompanying prospectus, including the documents incorporated by reference herein and therein, does not give effect to the Merger.

Table of Contents**SUMMARY**

This summary is not complete and does not contain all of the information that may be important to you. You should read the entire prospectus supplement and accompanying prospectus carefully, including the section entitled Risk Factors, as well as the documents incorporated by reference, before making an investment decision.

The Company

We are a leading innovator of sensory experiences that move the world. We co-create unique products that consumers taste, smell, or feel in fine fragrances and beauty, detergents and household goods, and food and beverages. Our approximately 7,300 team members globally take advantage of our capabilities in consumer insights, research and product development (R&D), creative expertise and customer intimacy to partner with our customers in developing innovative and differentiated offerings for consumer products. We believe that our collaborative approach will generate market share gains for our customers.

Our international presence positions us to serve both our global customers and the increasing number of regional and high-end and middle-market specialty consumer goods producers. We operate thirty-seven manufacturing facilities and sixty-nine creative centers and application laboratories located in thirty-seven different countries. We partner with our customers to develop over 46,000 products that are provided to customers in approximately 162 countries.

We principally compete in the flavors and fragrances market, which is part of a larger market that supplies a wide variety of ingredients and compounds used in consumer products. The broader market includes large multi-national companies and smaller regional and local participants that supply products such as seasonings, texturizers, spices, enzymes, certain food-related commodities, fortified products and cosmetic ingredients. The global market for flavors and fragrances has expanded consistently, primarily as a result of an increase in demand for, and an increase in the variety of, consumer products containing flavors and fragrances. Management estimates that in 2017 the flavors and fragrances market was approximately \$24.8 billion, and forecasted to grow approximately 2-3% by 2021, primarily driven by expected growth in emerging markets.

In 2017, we achieved sales of approximately \$3.4 billion, making us one of the top four companies in the global flavors and fragrances sub-segment of the broader consumer products ingredients and compounds market. We believe that our global presence, diversified business platform, broad product portfolio and global and regional customer base position us to achieve long-term growth as the flavors and fragrances markets expand.

We operate in two business segments, Flavors and Fragrances. In 2017, our Flavors business represented 48% of our sales, while our Fragrances business represented 52% of sales. Our business is geographically diverse, with sales to customers in the four regions set forth below:

Region	% of 2017 Sales
Europe, Africa, Middle East	31%
Greater Asia	27%
North America	27%
Latin America	15%

We are committed to winning in emerging markets. We believe that more significant future growth potential for the flavors and fragrances industry, and for our business, exists in the emerging markets (all markets except North America, Japan, Australia, and Western, Southern and Northern Europe). Over the past five years our currency neutral

sales growth rate in emerging markets has outpaced that of developed markets. We expect this long-term trend to continue for the foreseeable future.

S-1

Table of Contents

We have operated in some of the largest emerging markets for multiple decades. As a result of these established operations, sales in emerging markets represented 48% of 2017 sales and 51% of 2016 sales. As our customers seek to grow their businesses in emerging markets, we provide them the ability to leverage our long-standing international presence and extensive market knowledge to help drive their brands in these markets. To stay competitive in our industry, we must adapt to rapidly shifting consumer preferences and customer demands. We believe our consumer insights and customer relationships help to drive innovation that benefits us and our customers. During 2017, our 25 largest customers accounted for 50% of our sales. Sales to our largest customer across all end-use categories accounted for 11% to 12% of our sales for each of the last three fiscal years. These sales were principally in our Fragrances business.

Our Strategic Priorities

We are focused on generating sustainable profitable growth in our business and positioning our portfolio for long-term growth. We have continued to execute against the four pillars of our Vision 2020 strategy originally announced in 2015 and refreshed in 2017, which focuses on building differentiation and accelerating growth to create shareholder value:

- (1) **Innovating Firsts** We seek to strengthen our position by driving differentiation in priority R&D platforms across both businesses. In 2017, we launched three captive fragrance molecules and three new flavor modulators. We achieved continued growth of our sweetness and savory modulation portfolio sales and encapsulated-related sales. We also launched Re-Imagine, a program to accelerate flavor innovation and increase agility to capture unmet opportunities in the changing food and beverage market.
- (2) **Winning Where We Compete** Our goal is to achieve a #1 or #2 market leadership position in key markets and categories and with specific customers. In 2017, we grew our sales in both our Flavors and Fragrances businesses in North America and the Middle East and Africa geographic area we targeted for growth. We also created Tastepoint by IFF, designed to leverage our expertise in and to service the middle-market customer in North America, and opened an expanded facility in Cairo, Egypt to support our regional focus on growth in the Middle East and Africa.
- (3) **Becoming Our Customers Partner of Choice** Our goal is to attain commercial excellence by providing our customers with in-depth, local consumer understanding, industry-leading innovation, outstanding service and the highest quality products. In 2017, we introduced IFF Taste Design, a combination of artisanal, handcrafted techniques and proprietary technologies that drive consumer preference and market differentiation. In addition, we were rated gold by EcoVadis for sustainability, received an A rating and were awarded leadership status for our climate change and an A- for water management strategy by CDP.
- (4) **Strengthening and Expanding the Portfolio** We actively pursue value-creation through partnerships, collaborations, and acquisitions within flavors, fragrances and adjacencies. We prioritize opportunities that provide (i) access to new technologies, (ii) the ability to increase our market share in key markets and with key customers or (iii) access to adjacent products or services that will position us to leverage our expertise in science and technology and our customer base. During 2017, we acquired Fragrance Resources to further improve our market position with regional customers in specialty fine fragrances, and PowderPure to further expand product

offerings of clean label flavors solutions. We also became the first sensorial innovator of flavors, fragrances and cosmetic actives to join the MIT Media Lab, a leader in research and technologies that transform the everyday for consumers around the world.

General

Our principal executive offices are located at 521 West 57th Street, New York, New York 10019. Our telephone number at that location is (212) 765-5500. Our home page on the internet is *www.iff.com*. Other than

S-2

Table of Contents

the information expressly set forth or incorporated by reference, the information contained, or referred to, on our website is not part of this prospectus supplement or the accompanying prospectus.

Recent Developments

Acquisition of Frutarom

On May 7, 2018, IFF entered into an Agreement and Plan of Merger (the *Merger Agreement*) with Frutarom Industries Ltd., a company organized under the laws of the State of Israel (*Frutarom*), and Icon Newco Ltd., a company organized under the laws of the State of Israel and a wholly owned subsidiary of IFF (*Merger Sub*). Frutarom, through its subsidiaries, develops, produces and markets flavors and fine ingredients used in manufacturing food, beverages, flavors and fragrances, pharma/nutraceuticals, cosmetics and personal care products.

We believe that the acquisition of Frutarom will provide us with several strategic and financial benefits, including:

Differentiated Portfolio with Enhanced Capabilities: In addition to IFF's and Frutarom's complementary flavor capabilities, we expect that Frutarom's portfolio will provide opportunities to expand into attractive and fast-growing categories, such as natural colors, enzymes, antioxidants and health ingredients. We believe that the combined company's increased breadth of products will provide complementary offerings and expanded choices to its customers.

Complementary and Growing Customer Base: We expect that Frutarom's customer base will provide IFF with increased exposure to fast-growing small- and mid-sized customers, including private label manufacturers.

Synergy Potential: IFF and Frutarom expect to realize approximately \$145 million of run-rate cost synergies by the third full year after the completion of the merger, with approximately 25% of such synergies expected to be achieved in the first full year. We believe that cross-selling opportunities and integrated solutions will provide revenue synergies, creating further value to shareholders over time.

Pursuant to the Merger Agreement, subject to the satisfaction or waiver of specified conditions, and in accordance with the ICL, Merger Sub will merge with and into Frutarom, with Frutarom continuing as the surviving company in the Merger and a wholly owned subsidiary of IFF. We refer in this prospectus supplement to our acquisition of Frutarom pursuant to the Merger Agreement as the *Merger*. Under the terms of the Merger Agreement, for each share of outstanding stock of Frutarom, Frutarom shareholders will receive \$71.19 in cash and 0.2490 of a share of IFF's common stock, or an aggregate of approximately \$4,238.8 million and 14.8 million shares based on the number of Frutarom's outstanding ordinary shares and share-based awards as of May 7, 2018, the date of the Merger Agreement.

Consummation of the Merger is subject to customary closing conditions. The shareholders of Frutarom approved the Merger on August 6, 2018, and we have obtained regulatory clearance under antitrust laws for the Merger. The completion of the Merger is not subject to the approval of IFF shareholders or the receipt of financing by IFF. As of the date of this prospectus supplement, the completion of the Merger remains subject to the following closing conditions: (i) receipt of all governmental and stock exchange approvals necessary for the issuance and listing of shares of IFF common stock as contemplated by the Merger Agreement, (ii) the absence of any order, or the enactment of any law, prohibiting the Merger; (iii) subject to certain exceptions, the accuracy of the representations and warranties of the parties and compliance by the parties with their respective obligations under the Merger

Agreement; and (iv) the absence of any material adverse effect on Frutarom or the Company since the date of the Merger Agreement. The Merger Agreement also contains certain termination rights for IFF and Frutarom.

S-3

Table of Contents

The foregoing description of the Merger Agreement does not purport to be complete and is qualified in its entirety by the full text of such agreement. The Merger Agreement is an exhibit to the registration statement to which this prospectus supplement relates.

Merger Financing

IFF anticipates that approximately \$4.3 billion will be required to pay the aggregate cash portion of the Merger consideration to the Frutarom shareholders and to pay fees and expenses relating to the Merger.

In addition to the proceeds from this notes offering, IFF intends to obtain or otherwise incur, or has obtained or incurred, additional financing for the Merger as follows:

Euro Notes Offering. We offered, pursuant to a separate prospectus supplement, additional senior notes denominated in euros (the euro notes) at varying maturities. This prospectus supplement is not an offer with respect to the euro notes offering.

Common Stock and Tangible Equity Units Offerings. On September 17, 2018, we completed a public offering of a total of 12,667,947 shares of our common stock, including 1,151,632 shares for which the underwriters for the common stock offering exercised in full their option to purchase additional shares. On September 17, 2018, we also completed a public offering of a total of 16,500,000 of our 6.00% tangible equity units (Units), including 1,500,000 Units for which the underwriters for the Units offering exercised in full their option to purchase additional Units to cover over-allotments. We raised approximately \$2,401 million in aggregate net proceeds from these offerings, including full exercise of the options for the respective offerings, after deducting the underwriting discounts and commissions and estimated offering expenses.

Term Loan. On June 6, 2018, IFF entered into a senior unsecured term loan credit agreement (the New Term Loan) with the lenders party thereto and Morgan Stanley Senior Funding, Inc., as administrative agent, that provides for a three-year \$350 million senior unsecured term loan facility. The commitments under the New Term Loan terminate on February 7, 2019 or, under certain circumstances, on May 7, 2019.

In connection with entering into the Merger Agreement, IFF entered into a debt commitment letter, dated as of May 7, 2018, with Morgan Stanley Senior Funding, Inc., that provided for a commitment for an up to \$5.45 billion 364-day bridge loan facility (the Bridge Facility) to the extent IFF has not received \$5.45 billion of net cash proceeds (and/or qualified bank commitments) from a combination of (a) the issuance by IFF of a combination of equity securities, equity-linked securities and/or unsecured debt securities and/or (b) unsecured term loans, in each case, at or prior to completion of the Merger. The commitments under the debt commitment letter terminate on February 7, 2019 or, under certain circumstances, on May 7, 2019. Although we do not currently expect to incur any borrowings under the Bridge Facility, there can be no assurance that such borrowings will not be made. In that regard, we may be required to borrow under the Bridge Facility if we do not generate sufficient net proceeds from this notes offering, the offering of euro notes, the common stock and tangible equity units offerings or unsecured term loans to finance the Merger and related fees and expenses.

Completion of this notes offering is not contingent on completion of the Merger and the Merger is not contingent on the completion of this notes offering. However, if for any reason the closing of the Merger has not occurred on or prior to February 7, 2019, or, if prior to such date, the Merger Agreement is terminated, then in either case we will be

required to redeem the notes as described under Description of the Notes Special Mandatory Redemption.

S-4

Table of Contents

In addition, if the Merger is not consummated, we do not expect any debt under the New Term Loan to be incurred.

We cannot assure you that we will complete the Merger or any of the other financing transactions on the terms contemplated in this prospectus supplement or at all.

About Frutarom

Frutarom is a global company established in Israel in 1933 and operating in the global flavors and specialty fine ingredients markets. Frutarom, through its subsidiaries, develops, produces and markets flavors and fine ingredients used in manufacturing food, beverages, flavors and fragrances, pharma/nutraceuticals, cosmetics and personal care products. As of December 31, 2017, Frutarom operated 72 production sites, 90 research and development laboratories, and 109 sales offices in Europe, North America, Latin America, Israel, Asia, Africa and New Zealand, and employed 5,223 people throughout the world. In 2017, Frutarom marketed and sold over 70,000 products to more than 30,000 customers in more than 150 countries.

Frutarom operates in two main activities which constitute its core businesses and are reported as business segments in its financial statements: flavors activity and specialty fine ingredients activity. In addition, as part of a comprehensive solution offered to customers, Frutarom imports and markets raw materials manufactured by third parties. This activity is presented as part of trade and marketing operations, which is not a core business.

Frutarom generated sales of \$1,362.4 million, \$1,147.0 million, and \$872.8 million for the twelve months ended December 31, 2017, December 31, 2016, and December 31, 2015, respectively. Sales for the six months ended June 30, 2018 and June 30, 2017 were \$786.1 million and \$646.1 million, respectively. During the twelve months ended December 31, 2017, December 31, 2016, and December 31, 2015, Frutarom's net income was \$151.6 million, \$111.1 million, and \$96.1 million, respectively. Net income for the six months ended June 30, 2018 and June 30, 2017 was \$98.6 million and \$70.9 million, respectively.

Table of Contents

The Offering

Issuer	International Flavors & Fragrances Inc., a New York corporation.
Securities Offered	<p>\$300,000,000 aggregate principal amount of 3.400% Senior Notes due 2020 (the 2020 notes).</p> <p>\$400,000,000 aggregate principal amount of 4.450% Senior Notes due 2028 (the 2028 notes).</p> <p>\$800,000,000 aggregate principal amount of 5.000% Senior Notes due 2048 (the 2048 notes).</p>
Maturity Date	The 2020 notes will mature on September 25, 2020, the 2028 notes will mature on September 26, 2028 and the 2048 notes will mature on September 26, 2048, in each case unless previously redeemed.
Interest	<p>Interest will accrue at an annual rate of 3.400% on the 2020 notes.</p> <p>Interest will accrue at an annual rate of 4.450% on the 2028 notes.</p> <p>Interest will accrue at an annual rate of 5.000% on the 2048 notes.</p> <p>Interest on the 2020 notes will be paid semi-annually in cash in arrears on March 25 and September 25 of each year, beginning on March 25, 2019. Interest on the 2028 notes and the 2048 notes will be payable semi-annually in cash in arrears on March 26 and September 26 of each year, beginning on March 26, 2019.</p>
Ranking	The notes are our direct, unsecured and unsubordinated obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. See Description of the Notes Ranking in this prospectus supplement.
Special Mandatory Redemption	If the closing of the Merger has not occurred on or prior to February 7, 2019, or, if prior to such date, the Merger Agreement is terminated, then in either case we must redeem all of the notes at a redemption price equal to 101% of the principal amount of the notes, plus accrued and unpaid interest to, but excluding, the redemption date. See Description of the Notes Special Mandatory Redemption.
Optional Redemption	We may redeem the notes, at our option, in whole or in part at any time or from time to time before maturity, at the redemption price described in

this prospectus supplement. See **Description of the Notes** **Optional Redemption** in this prospectus supplement.

**Repurchase Upon Change of Control
Triggering Event**

Upon the occurrence of a **Change of Control Triggering Event**, as described in **Description of the Notes** **Offer to Repurchase Upon a Change of Control Triggering Event** in this prospectus supplement, we will be required to make an offer to repurchase the notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest to, but not including, the date of repurchase.

Table of Contents

Covenants	The notes and the indenture relating to the notes limit, among other things, our ability to engage in mergers or consolidations, to create liens, to enter into sale and lease-back transactions and to transfer or lease all or substantially all of our assets. See Description of the Notes Certain Covenants in this prospectus supplement.
Additional Notes	We may, from time to time and without the consent of the holders, create and issue additional notes with the same terms (including maturity and interest payment terms) as, and ranking equally and ratably with, the notes initially offered in this offering, provided, however, that unless such additional notes are issued pursuant to a qualified reopening of the original notes, are otherwise treated as part of the same issue of debt instruments as the original notes or are issued with no more than a de minimis amount of original discount, in each case for United States federal income tax purposes, the additional notes will have a different CUSIP number. There is no limit on the amount of notes that can be issued under the indenture governing the notes.
Use of Proceeds	We estimate that the net proceeds to us from this notes offering, after deducting underwriting discounts and estimated offering expenses payable by us, will be approximately \$1,482 million. We intend to use the net proceeds from this offering to pay a portion of the consideration for the Merger and to pay related fees and expenses.
Sinking Fund	None.
Denomination and Form	We will issue the notes in the form of one or more fully registered global notes registered in the name of the nominee of The Depository Trust Company (DTC). Beneficial interests in the notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC . The notes will be issued only in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.
Risk Factors	Investing in the notes involves significant risks. See Risk Factors in this prospectus supplement, as well as other information included in or incorporated by reference into this prospectus supplement and the accompanying prospectus, including our Annual Report on Form 10-K for the year ended December 31, 2017, for a discussion of the factors you should carefully consider before deciding to invest in the notes.

Listing

Table of Contents

The notes will not be listed on any securities exchange or included in any automated quotation system. The notes are new securities for which no market currently exists. We cannot assure you that any active or liquid market will develop in the notes.

Trustee

U.S. Bank National Association.

Governing Law

State of New York.

S-7

Table of Contents**SUMMARY SELECTED CONSOLIDATED FINANCIAL DATA OF IFF**

The following table presents selected historical consolidated financial data for IFF and unaudited pro forma combined financial data for IFF and Frutarom as of the dates and for the periods indicated. The historical statement of income data and cash flow data for IFF for the fiscal years ended December 31, 2017, 2016 and 2015 and the historical balance sheet data as of December 31, 2017 and 2016 have been obtained from IFF's audited consolidated financial statements included in IFF's Annual Report on Form 10-K for the fiscal year ended December 31, 2017, which is incorporated by reference into this prospectus supplement and accompanying prospectus. The historical statement of income data and cash flow data for IFF for the six-month periods ended June 30, 2018 and 2017 and the historical balance sheet data as of June 30, 2018 have been obtained from IFF's unaudited interim consolidated financial statements included in IFF's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018, which is incorporated by reference into this prospectus supplement and accompanying prospectus. The historical balance sheet data as of June 30, 2017 has been derived from IFF's unaudited consolidated financial statements included in IFF's Quarterly Report on Form 10-Q for the quarter ended June 30, 2017, which is not incorporated by reference into this prospectus supplement or accompanying prospectus. The historical statement of income data for IFF included below for the fiscal years ended December 31, 2017, 2016 and 2015 and IFF's Annual Report on Form 10-K for the fiscal year ended December 31, 2017, which is incorporated by reference into this prospectus supplement and accompanying prospectus, have not been revised to reflect the required retrospective adoption of the Financial Accounting Standards Board amendment to Compensation Retirement Benefits guidance (ASU 2017-07), which we refer to as the FASB amendment, as the guidance had no impact on net income and the effect of the revision was not material for those periods. For more information on the adoption of the FASB amendment, please refer to IFF's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018, which is incorporated by reference into this prospectus supplement and accompanying prospectus. The unaudited pro forma combined financial data are based upon the historical consolidated financial data of IFF and Frutarom, after giving effect to the merger as of the dates and for the periods indicated. The unaudited pro forma combined financial data should be read in conjunction with the financial statements presented in Unaudited Pro Forma Condensed Combined Financial Information in this prospectus supplement and the related notes thereto.

The results of operations for the six-month period ended June 30, 2018 are not necessarily indicative of the results that may be expected for the entire year ending December 31, 2018, and you should not assume the results of operations for any past periods indicate results for any future period. The information set forth below should be read together with the other information contained in IFF's Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and IFF's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018, including the sections entitled Management's Discussion and Analysis of Financial Condition and Results of

Table of Contents

Operations and the consolidated financial statements and related notes therein. See the section entitled Incorporation of Certain Information by Reference.

	Historical International						
	Pro Forma Combined Six-Month Period Ended June 30, 2018	Flavors & Fragrances Inc. Six-Month Period Ended June 30, 2018 2017		Pro Forma Combined Year Ended December 31, 2017	Historical International Flavors & Fragrances Inc. Year Ended December 31, 2017 2016 2015		
<i>Dollars in thousands except per share amounts</i>							
Statement of Income Data:							
Net sales	\$ 2,637,054	\$ 1,850,944	\$ 1,671,154	\$ 4,761,115	\$ 3,398,719	\$ 3,116,350	\$ 3,023,189
Cost of goods sold	1,513,347	1,046,419	935,088	2,763,527	1,919,718	1,717,280	1,671,590
Gross profit	1,123,707	804,525	736,066	1,997,588	1,479,001	1,399,070	1,351,599
Research and development expenses	184,014	153,244	144,887	339,113	286,026	254,263	246,101
Selling and administrative expenses	429,236	300,051	283,023	816,476	557,311	566,224	494,517
Restructuring and other charges, net	1,903	1,903	10,934	19,371	19,711	(1,700)	7,594
Amortization of acquisition-related intangibles	92,147	18,769	15,561	176,711	34,694	23,763	15,040
Gain on sales of fixed assets	504	1,195	(89)	1,750	(184)	(10,836)	
Operating profit	415,903	329,363	281,750	644,167	581,443	567,356	588,347
Interest expense	126,269	69,841	30,363	160,033	65,363	52,989	46,062
Other (income) expense, net	(33,161)	(21,232)	(29,140)	(36,454)	(20,965)	(9,350)	3,184
Income before taxes	322,795	280,754	280,527	520,588	537,045	523,717	539,101
Taxes on income	59,844	52,190	54,968	232,820	241,380	118,686	119,854
Net income (Including noncontrolling interest)	262,951			287,768			
Less: noncontrolling interest	3,205			4,895			
Net Income	259,746	228,564	225,559	282,873	295,665	405,031	419,247
Net income per share:							
Basic	2.34	2.89	2.85	2.54	3.73	5.07	5.19
Diluted	2.31	2.87	2.84	2.52	3.72	5.05	5.16
Cash dividends declared per share		1.38	1.28		2.66	2.40	2.06
Balance Sheet Data at Period End:							
Total Assets	\$ 12,795,113	\$ 4,673,442	\$ 4,618,875		\$ 4,598,926	\$ 4,016,984	
Long-term debt	4,086,344	1,717,189	1,636,338		1,632,186	1,066,855	
Total Shareholders Equity including noncontrolling interest	5,976,925	1,756,203	1,680,086		1,689,294	1,631,134	

S-9

Table of Contents**SUMMARY SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF FRUTAROM**

The following table presents selected historical consolidated financial data for Frutarom as of the dates and for the periods indicated. Frutarom's financial data has been prepared under International Financial Reporting Standards (IFRS), as issued by the International Auditing Standards Board (IASB). The balance sheet data as of December 31, 2017 and 2016 and the statement of income data and cash flow data for the fiscal years ended December 31, 2017, 2016 and 2015 have been obtained from Frutarom's audited annual consolidated financial statements, which are included in this prospectus supplement. The financial data as of and for the six-month periods ended June 30, 2018 and 2017 have been obtained from Frutarom's unaudited, interim consolidated financial statements, which are included in this prospectus supplement.

The results of operations for the six-month period ended June 30, 2018 are not necessarily indicative of the results that may be expected for the entire year ending December 31, 2018, and you should not assume the results of operations for any past periods indicate results for any future period. The information set forth below should be read together with the other information contained in Frutarom's audited annual consolidated financial statements and unaudited interim consolidated financial statements, which are included in this prospectus supplement.

<i>Dollars in thousands except per share amounts</i>	Six-Month Period Ended		Year Ended December 31,		
	2018	2017	2017	2016	2015
Statement of Income Data:					
Sales	\$ 786,110	\$ 646,120	\$ 1,362,396	\$ 1,147,041	\$ 872,796
Cost of sales	466,928	398,243	837,271	709,488	534,737
Gross profit	319,182	247,877	525,125	437,553	338,059
Selling, marketing, research and development expenses net	134,697	101,792	220,014	196,001	141,237
General and administrative expenses	51,179	45,601	92,155	81,637	63,742
Other expenses net	(315)	385	3,392	11,772	2,826
Group's share of earnings of companies accounted for at equity	1,326	444	1,402	1,113	
Income from operations	134,947	100,543	210,966	149,256	130,254
Financial Expenses net	12,758	10,204	24,606	12,841	12,197
Income before taxes on income	122,189	90,339	186,360	136,415	118,057
Income tax	23,600	19,413	34,797	25,346	21,972
Net Income	98,589	70,296	151,563	111,069	96,085
Earnings per share:					
Basic	1.64	1.17	2.52	1.85	1.62
Fully diluted	1.63	1.17	2.51	1.84	1.60

Cash dividends declared per share				
			0.12	0.11
				0.09

Balance Sheet Data at Period**End:**

Total Assets	\$	2,255,414	\$	1,790,072	\$	1,947,188	\$	1,585,461
Long term loans, net of current maturities		399,833		260,339		262,151		299,576
Total equity		921,420		768,856		878,913		664,604

S-10

Table of Contents

RISK FACTORS

An investment in the notes involves significant risks. You should consult with your own financial and legal advisers and carefully consider, among other matters, the following risks and those described in our Annual Report on Form 10-K for the year ended December 31, 2017, our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2018 and June 30, 2018, respectively, and the other documents incorporated herein by reference. You should carefully consider the risks described in those reports and the other information in this prospectus supplement and accompanying prospectus before you decide to invest in the notes. Such risks and uncertainties are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect us. If any of those risks were to occur, our financial condition, operating results and prospects, as well as the value of the notes, could be materially adversely affected.

Risks Related to Our Business

For a discussion of risks related to our business and operations, please see Item 1A. Risk Factors and Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for our fiscal year ended December 31, 2017, as well as similar disclosures contained in our other filings with the SEC that are incorporated by reference in this prospectus supplement and the accompanying prospectus. See Incorporation of Certain Information by Reference.

Risks Related to the Merger

If we are unable to complete the Merger, in a timely manner or at all, our business may be adversely affected.

Our and Frutarom's obligations to consummate the Merger are subject to the satisfaction or waiver of the following customary conditions, including: (i) the approval of the Merger Agreement and the Merger by the shareholders of Frutarom, which was obtained on August 6, 2018; (ii) regulatory clearance under antitrust laws, which has been received; (iii) receipt of all governmental and stock exchange approvals necessary for the issuance and listing of shares of IFF common stock as contemplated by the Merger Agreement, (iv) the absence of any order, or the enactment of any law, prohibiting the Merger; (v) subject to certain exceptions, the accuracy of the representations and warranties of the parties and compliance by the parties with their respective obligations under the Merger Agreement; and (vi) the absence of any material adverse effect on Frutarom or our company since the date of the Merger Agreement. Furthermore, our ability to access the bridge financing facility is subject to customary conditions. As many of these conditions are outside of our control, we cannot assure you if the conditions to the completion of the Merger and the associated financings will be satisfied in a timely manner or at all which may affect when and whether the Merger will occur. Furthermore, if the Merger is not completed and the Merger Agreement is terminated, we may suffer other consequences that could adversely affect our business and results of operations, including the following:

we have incurred and will continue to incur costs relating to the Merger (including significant legal and financial advisory fees) and many of these costs are payable by us whether or not the Merger is completed;

matters relating to the Merger (including integration planning) may require substantial commitments of time and resources by our management team, which could otherwise have been devoted to our historical core businesses or other opportunities that may have been beneficial to us;

we may be subject to legal proceedings related to the Merger or the failure to complete the Merger;

the failure to consummate the Merger may result in negative publicity and a negative impression of us in the investment community; and

S-11

Table of Contents

any disruptions to our business resulting from the announcement and pendency of the Merger, including any adverse changes in our relationships with our customers, suppliers and employees, may continue or intensify in the event the Merger is not consummated.

We may not realize the benefits anticipated from the Merger, which could adversely affect our business.

The Merger, if completed, will be our largest acquisition to date. The anticipated benefits from the Merger are, necessarily, based on projections and assumptions about the combined businesses of our company and Frutarom, which may not materialize as expected or which may prove to be inaccurate. Our ability to achieve the anticipated benefits will depend on our ability to successfully and efficiently integrate the business and operations of Frutarom with our business and achieve the expected synergies. We may encounter significant challenges with successfully integrating and recognizing the anticipated benefits of the potential Merger, including the following:

potential disruption of, or reduced growth in, our historical core businesses, due to diversion of management attention and uncertainty with our current customer and supplier relationships;

challenges arising from the expansion of our product offerings into adjacencies with which we have limited experience, including flavor ingredients, food additives and nutraceuticals;

challenges arising from the expansion into those Frutarom jurisdictions where we do not currently operate or have significant operations;

coordinating and integrating research and development teams across technologies and products to enhance product development while reducing costs;

consolidating and integrating corporate, information technology, finance and administrative infrastructures, and integrating and harmonizing business systems, which may be more difficult than anticipated due to the significant number of acquisitions completed by Frutarom over the past few years;

coordinating sales and marketing efforts to effectively position our capabilities and the direction of product development;

difficulties in achieving anticipated cost savings, synergies, business opportunities and growth prospects from combining Frutarom's business with our business;

limitations prior to the completion of the Merger on the ability of management of our company and of Frutarom to conduct planning regarding the integration of the two companies;

the increased scale and complexity of our operations resulting from the Merger;

retaining key employees, suppliers and other partners of our company and Frutarom;

retaining and efficiently managing Frutarom's expanded and decentralized customer base;

obligations that we will have to counterparties of Frutarom that arise as a result of the change in control of Frutarom;

difficulties in anticipating and responding to actions that may be taken by competitors in response to the transaction; and

the assumption of and exposure to unknown or contingent liabilities of Frutarom.

S-12

Table of Contents

In addition, our anticipated benefits of the transaction with Frutarom contemplate significant cost-saving synergies. Consequently, even if we are able to successfully integrate the operations of Frutarom with ours, we may not realize the full benefits of the transactions if we are unable to identify and implement the anticipated cost savings or if the actions taken to implement such cost-savings have unintended consequences on our other business operations.

If we do not successfully manage these issues and the other challenges inherent in integrating an acquired business of the scale of Frutarom, then we may not achieve the anticipated benefits of the Merger, we could incur unanticipated expenses and charges and our operating results could be materially and adversely affected.

Uncertainty about the Merger may adversely affect our relationships with customers and employees, which could negatively affect our business, whether or not the Merger is completed.

The announcement of the Merger on May 7, 2018, whether or not completed, may cause uncertainties in our relationships with our customers which could impair our ability to or expand our historical customer sales growth. Furthermore, uncertainties about the Merger may cause our current and prospective employees to experience uncertainty about their future with us. These uncertainties may impair our ability to retain, recruit or motivate key employees which could affect our business.

The Merger may result in significant charges or other liabilities that could adversely affect the financial results of the combined company.

The financial results of the combined company, following IFF's acquisition of Frutarom, may be adversely affected by cash expenses and non-cash accounting charges incurred in connection with our integration of the business and operations of Frutarom. Furthermore, as a result of the transaction we will record a significant amount of goodwill and other intangible assets on our consolidated financial statements, which could be subject to impairment based upon future adverse changes in our business or prospects including our inability to recognize the benefits anticipated by the transaction.

In addition, upon the acquisition of Frutarom we will assume all their liabilities, including unknown and contingent liabilities that Frutarom assumed in connection with their acquisitions, that we failed or were unable to identify in the course of performing due diligence. Frutarom has completed 47 acquisitions since 2011, including 22 since the beginning of 2016. Our ability to accurately identify and assess the magnitude of the liabilities assumed by Frutarom in these acquisitions may be limited by, among other things, the information available to us and Frutarom and the limited operating experience that Frutarom has with these acquired entities. Furthermore, Frutarom has additional future obligations regarding certain of these acquisitions including outstanding earn-out obligations and put options requiring Frutarom to purchase additional shares in the target company, which we will assume upon consummation of the transaction. If we are not able to completely assess the scope of these liabilities or if these liabilities are neither probable nor estimable at this time, our future financial results could be adversely affected by unanticipated reserves or charges, unexpected litigation or regulatory exposure, unfavorable accounting charges, unexpected increases in taxes due, a loss of anticipated tax benefits or other adverse effects on our business, operating results or financial condition.

The regulatory approvals required in connection with the Merger may not be obtained or may contain materially burdensome conditions.

Completion of the Merger is conditioned upon the receipt of certain regulatory approvals, and we cannot provide assurance that these approvals will be obtained. If any conditions or changes to the proposed structure of the Merger are required to obtain these regulatory approvals, they may have the effect of jeopardizing or delaying completion of

the Merger or reducing the anticipated benefits of the Merger. If we agree to any material conditions in order to obtain any approvals required to complete the Merger, the business and results of operations of the combined company may be adversely affected.

S-13

Table of Contents

The use of cash and incurrence of significant indebtedness in connection with the financing of the Merger may have an adverse impact on our liquidity, limit our flexibility in responding to other business opportunities and increase our vulnerability to adverse economic and industry conditions.

The Merger will be financed in part by the use of our cash on hand, the incurrence of a significant amount of indebtedness and issuances of equity. As of June 30, 2018, we had approximately \$322.4 million of cash and cash equivalents and approximately \$1,723.7 million of total debt outstanding. In connection with the Merger, we expect to incur significant new debt. The proceeds from the new debt are expected to be used to pay part of the purchase price, refinance existing debt of both our company and Frutarom and pay transaction related fees and expenses. If we are unable to raise financing on acceptable terms, we may need to rely on our bridge loan facility, which may result in higher borrowing costs and a shorter maturity than those from other anticipated financing alternatives. The use of cash on hand and indebtedness to finance the Merger will reduce our liquidity and could cause us to place more reliance on cash generated from operations to pay principal and interest on our debt, thereby reducing the availability of our cash flow for working capital, dividend and capital expenditure needs or to pursue other potential strategic plans. The increased indebtedness may also have the effect, among other things, of limiting our ability to obtain additional financing, if needed, limiting our flexibility in the conduct of our business and making us more vulnerable to economic downturns and adverse competitive and industry conditions.

Risks Related to the Notes

The notes will be subject to the prior claims of any secured creditors, and if a default occurs, we may not have sufficient funds to fulfill our obligations under the notes.

The notes are unsecured obligations, ranking equally with our other senior unsecured indebtedness and effectively junior to any secured indebtedness we may incur. If we incur secured debt, our assets securing any such indebtedness will be subject to prior claims by our secured creditors. In the event of the bankruptcy, insolvency, liquidation, reorganization, dissolution or other winding up of the Company, our assets that secure debt will be available to pay obligations on the notes only after all debt secured by those assets has been repaid in full. Holders of the notes will participate in any remaining assets ratably with all of our other unsecured and unsubordinated creditors, including trade creditors. If there are not sufficient assets remaining to pay all these creditors, then all or a portion of the notes then outstanding would remain unpaid.

The notes are structurally subordinated to the indebtedness and other liabilities of our subsidiaries.

The notes are our obligations exclusively and not of any of our subsidiaries. In the year ended December 31, 2017, International Flavors & Fragrances Inc. generated approximately 21% of our consolidated net sales and 14% of our consolidated gross profit (excluding intercompany sales) at the parent level, while our subsidiaries generated approximately 79% of our consolidated net sales and 86% of our consolidated gross profit. Our subsidiaries are separate legal entities that have no obligation to pay any amounts due under the notes or to make any funds available therefor, whether by dividends, loans or other payments. Except to the extent we are a creditor with recognized claims against our subsidiaries, all claims of creditors, including trade creditors of our subsidiaries, will have priority with respect to the assets of such subsidiaries over our claims (and therefore the claims of our creditors, including holders of the notes). Consequently, the notes will be structurally subordinated to all liabilities, including trade payables, of our subsidiaries and any subsidiaries that we may in the future acquire or establish. As of June 30, 2018, our subsidiaries had approximately \$759.4 million of outstanding liabilities on an actual basis and \$759.4 million of outstanding liabilities on an as adjusted basis, in each case including trade payables, but excluding intercompany liabilities and deferred gains.

In addition, the indenture governing the notes permits our subsidiaries to incur additional indebtedness, and does not contain any limitation on the amount of other liabilities, such as trade payables, that may be incurred by our subsidiaries.

S-14

Table of Contents

We may incur additional indebtedness.

As of June 30, 2018, we had \$1,723.7 million of debt outstanding and we intend to issue a total of \$3.2 billion of debt to finance the Merger, including the euro notes and the notes offered hereby. The indenture governing the notes does not prohibit us from incurring additional unsecured indebtedness in the future. We are also permitted to incur additional secured indebtedness that would be effectively senior to the notes subject to limitations described in the section Description of the Notes Certain Covenants in this prospectus supplement. The indenture governing the notes also permits unlimited additional borrowings by our subsidiaries that are effectively senior to the notes. In addition, the indenture does not contain any restrictive covenants limiting our ability to pay dividends or make payments on junior or other indebtedness.

Our credit ratings may not reflect all risks of an investment in the notes.

The notes are expected to be rated by at least one nationally recognized statistical rating organization. The ratings of the notes may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading value of, the notes. In addition, real or anticipated changes in our credit ratings will generally affect any trading market for, or trading value of, the notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. There is no assurance that a credit rating will remain for any given period of time or that a credit rating will not be lowered or withdrawn by the relevant rating agency if, in its judgment, circumstances so warrant. In the event that a credit rating assigned to the notes or to us is subsequently lowered for any reason, no person or entity is obliged to provide any additional support or credit enhancement with respect to the notes, and the market value of the notes is likely to be adversely affected.

There may be no trading market for the notes.

We do not intend to list the notes to be offered under this prospectus supplement on any securities exchange or to seek approval for quotations of the notes through any automated quotation system. There is no established market for the notes and there is a risk that:

an active trading market for the notes will not develop;

you will not be able to sell your notes at fair market value or at all; or

you will not receive any specific price upon any sale of the notes.

If a public market for the notes does develop, the notes could trade at prices that may be lower than their principal amount or purchase price, depending on many factors, including prevailing interest rates, the market for similar notes and our financial performance and prospects.

An increase in market interest rates could result in a decrease in the value of the notes.

In general, as market interest rates rise, notes bearing interest at a fixed rate generally decline in value because the premium, if any, over market interest rates will decline. Consequently, if you purchase fixed rate notes and market interest rates increase, the market value of your fixed rate notes may decline. We cannot predict the future level of market interest rates.

The notes may not be a suitable investment for all investors.

You must determine the suitability of your investment in light of your own circumstances. In particular, you should (1) have sufficient knowledge and experience to make a meaningful evaluation of the notes, the merits and risks of investing in the notes and the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus; (2) have access to, and knowledge of, appropriate analytical tools

S-15

Table of Contents

to evaluate, in the context of your particular financial situation, an investment in the notes and the impact the notes will have on your overall investment portfolio; (3) have sufficient financial resources and liquidity to bear all of the risks of an investment in the notes; (4) understand thoroughly the terms of the notes and be familiar with the behavior of any relevant indices and financial markets; and (5) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect your investment and your ability to bear the applicable risks.

To the extent we would be required to repurchase the notes upon a Change of Control Triggering Event or a special mandatory redemption, we may not have sufficient cash at such time to repurchase all the notes plus all other notes subject to a Change of Control Triggering Event or special mandatory redemption repurchase obligation.

The notes will require us to offer to repurchase all or any part of the notes upon the occurrence of a Change of Control Triggering Event, as defined in the Description of the Notes Repurchase Upon Change of Control Triggering Event section of this prospectus supplement. We may in the future issue additional notes and enter into additional debt instruments that require us to repurchase or repay the principal amount of debt outstanding (plus, in certain circumstances a premium) upon the occurrence of a Change of Control Triggering Event or similar event.

In addition, the notes will be subject to a special mandatory redemption in the event that the closing of the Merger has not occurred on or prior to February 7, 2019, or, if prior to such date, the Merger Agreement is terminated. The Special Mandatory Redemption Price (as defined herein) will be equal to 101% of the aggregate principal amount of the applicable series of notes, plus accrued and unpaid interest to, but excluding, the redemption date. See Description of the Notes Special Mandatory Redemption.

We are not obligated to place the proceeds from this notes offering in escrow prior to the closing of the Merger or to provide a security interest in those proceeds, and there are no other restrictions on our use of these proceeds during such time. Accordingly, we will need to fund any change of control or special mandatory redemption using proceeds that we have voluntarily retained or from other sources of liquidity. If such event were to occur, we may not have sufficient financial resources available to satisfy all those obligations, and consequently we may not be able satisfy our obligations to repurchase your notes.

Holders of the notes may not be able to determine when a change of control giving rise to their right to have the notes repurchased has occurred following a sale of substantially all of our assets.

The definition of change of control in the notes includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of all or substantially all of our and our subsidiaries assets. There is no precise, established and binding interpretation of the phrase substantially all under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a sale, lease, transfer, conveyance or other disposition of substantially all our and our subsidiaries assets. As a result, in certain circumstances, it may be unclear whether a Change of Control Triggering Event has occurred and therefore whether a holder of notes has the right to require us to repurchase those notes.

We may redeem the notes at our option, which may adversely affect your return on the notes.

The notes are redeemable at our option, and we may, therefore, choose to redeem all or part of the notes at any time prior to the maturity date, including at times when prevailing interest rates are relatively low. In the event that we redeem the notes prior to maturity, you may not be able to reinvest the proceeds you receive from the redemption in a comparable security at an effective interest rate as high as the interest rate on your notes being redeemed.

S-16

Table of Contents

The special mandatory redemption provision of the notes may adversely affect the trading prices and your expected return on such notes.

As a result of the special mandatory redemption provision of the notes, the trading prices of such notes may not reflect the financial results of our business or macroeconomic factors. In addition, if the notes are redeemed prior to maturity, you may not be able to reinvest the amount received upon a redemption in a comparable security at an effective interest rate as high as that of the notes. You will have no rights under the special mandatory redemption provision if the Merger closes within the prescribed time frame, nor will you have any right to require us to repurchase your notes if, between the closing of this notes offering and the closing of the Merger, we experience any changes (including any material changes) in our business or financial condition, or if the terms of the Merger Agreement change, including in material respects.

Risks Related to Frutarom

In addition to the risks we face, Frutarom also faces the following risks.

Frutarom's operations are subject to effects of the global economy.

Due to the nature and type of its global activity, Frutarom is exposed to fluctuations in the global economy. Economic crisis and recession in various countries in which Frutarom operates could curb demand for Frutarom's products and significantly slow down the development and launch of new products by Frutarom customers.

Frutarom's operations in emerging markets are subject to political, economic and legal developments that are less predictable than those in developed markets.

Frutarom operates in a number of countries besides the United States and Western Europe, such as Russia, Ukraine, Turkey, Slovenia, Kazakhstan, China, countries in South and Central America (including Brazil, Guatemala, Peru, Chile and Mexico) and countries in northern, southern and western Africa, and is therefore exposed to political, economic and legal developments in these countries which are generally less predictable than in developed countries. Frutarom's facilities in these countries could be subject to disruption as a result of economic and/or political instability as well as from nationalization and/or expropriation of assets situated there. There is also substantial risk relating to restrictions on Frutarom in collecting payment from its customers, distributors, or agents, as well as foreign exchange restrictions which could impede Frutarom's ability to realize its profits or to sell its assets in these countries. While none of the emerging market countries in which Frutarom operates impose foreign exchange restrictions that affect Frutarom, such restrictions existed not long ago and there is no assurance that they will not be reinstated in the future.

Fluctuations or devaluations in currencies may negatively affect Frutarom's results of operations.

Over 70% of Frutarom's sales in 2017 were conducted in currencies other than the U.S. dollar, mainly the Euro, Russian Ruble, Pound Sterling, Swiss Franc, New Israeli Shekel, Chinese Yuan, Canadian Dollar, Brazilian Real, South African Rand, Peruvian Nuevo Sol and Mexican Peso, and changes in exchange rates affect Frutarom's reported results in US dollar terms. In addition, in cases of extreme fluctuations in exchange rates, and since a large part of the raw materials used in the manufacture of Frutarom's products is paid for in U.S. dollars, in Euros, or other currencies, there is no assurance that Frutarom can completely update its selling prices denominated in local currency (which is different from the currency used in buying the raw material) and maintain its margin. Frutarom does not generally undertake external hedging action nor does it use other financial instruments for protection against currency fluctuations. For further information see Frutarom's audited financial statements included in this prospectus supplement.

S-17

Table of Contents

Frutarom operates in a highly competitive industry.

Frutarom faces competition from large multinationals as well as medium-sized, small and local companies across the sectors in which it operates. Some of Frutarom's competitors have greater financial and technological resources, larger sales and marketing platforms and more established reputation, and may therefore be better equipped to adapt to changes and industry trends.

The global market for flavors is characterized by close relations between flavor manufacturers and their customers, particularly with regard to large multinationals. Furthermore, many large multinational customers, along with increasing numbers of medium-sized customers in recent years, sometimes limit the number of their suppliers and work predominantly with a list of approved suppliers. To compete more effectively under these conditions, Frutarom must invest more resources in customer relations, in R&D and in matching products to customers' needs in order to provide high quality and efficient service. Any failure to maintain good relations with its customers, forge strong relations with new customers, or secure the status of approved supplier with some of its customers could lead to substantial adverse effects on Frutarom's business, operating results and financial condition.

The specialty fine ingredients market is more price sensitive than the flavors market and is characterized by relatively lower profit margins. Some fine ingredients products manufactured by Frutarom are less unique and more replaceable by competitors' products. Production overcapacity for fine ingredients globally could also negatively impact Frutarom's sales and profitability. Although as part of its strategy Frutarom focuses on specialty fine ingredients with higher profit margins, there is no assurance that operating margins will not erode in the future, which could substantially impact Frutarom's business, operating results and financial condition.

Increased environmental, health and safety regulations or the loss of necessary environmental permits could adversely affect Frutarom's operating results and financial condition.

Frutarom is subject to a variety of international and domestic health, safety and environmental statutes in the various countries in which it operates. In general, there is a trend towards increased regulation in the fields of Frutarom's activities. This trend stems from, among other things, growing consumer sensitivity concerning the inclusion of flavor additives in food products and the fact that regulators perceive nutraceuticals, medical food and functional food products as having medicinal attributes. In some countries such products may be subjected to the same standards and regulations as applied to drugs or targeted regulation for these categories. In addition, regulators in different countries can change regulations applying to infant nutrition or clinical nutrition for the elderly in a way that might affect Frutarom's sales in these categories. Frutarom has identified the markets for nutraceuticals, functional food, specialty fine ingredients for infant nutrition, especially infant formulas, and clinical nutrition for the elderly as important to its future growth. The subjecting of these markets to increased regulation could give rise to additional expenses which might have an adverse effect on Frutarom's business, operating results and financial condition.

Companies such as Frutarom that operate in the flavor and fine ingredients industry make use of, manufacture, sell, and distribute substances that are sometimes considered hazardous and are therefore subject to extensive regulation concerning the storage, handling, manufacture, transport, use and disposal of such substances and their components and byproducts. Frutarom's production and R&D activities in the various countries where it operates are subject to various regulations and standards relating to air emissions, sewage treatment and the use, handling and discharge of hazardous material as well as clean-up of existing environmental contamination. Any further tightening of such laws and regulations could have a substantial adverse effect on Frutarom's business, operating results and financial condition.

In addition to covering its ongoing environmental compliance costs, Frutarom might also incur nonrecurring charges associated with remedial action needed to be taken at its production sites. As environment-related incidents cannot be foreseen with any certainty, the sums that Frutarom allocates or will allocate for such matters

S-18

Table of Contents

may turn out to be inadequate. Ongoing and nonrecurring environment-related expenses could each have a substantial adverse effect on Frutarom's business, operating results and financial condition.

Frutarom is required to obtain various environmental permits concerning operations at its various production facilities and to meet the conditions set by these permits. The expansion of existing plants is also subject to securing necessary permits. Such permits might be unilaterally revoked or modified by the issuer, or might be for a limited amount of time. Any cancellation, modification and/or failure to renew or obtain a permit could have a significant adverse effect on Frutarom's business, operating results and financial condition.

Failure to comply with environmental, health and safety laws and regulations may expose Frutarom to civil and criminal liability.

The laws and regulations concerning the environment, health and safety may subject Frutarom to civil and/or criminal liability for non-compliance or environmental pollution. Environmental, health and safety laws may include criminal sanctions (including substantial penalties) for violating them. Some environmental laws also include provisions imposing complete responsibility for the release of hazardous substances into the environment which could result in Frutarom becoming liable for clean-up efforts without any negligence or fault on its part. Other environmental laws impose liability jointly and severally, which could expose Frutarom to responsibility for cleaning up environmental pollution caused by others.

In addition, some environmental, health and safety laws are applied retroactively and could impose responsibility for acts done in the past even if such acts were carried out in accordance with the relevant legal provisions in force at the time. Criminal or civil liability under such laws may have significant adverse effects on Frutarom's business, operating results and financial condition.

Frutarom may also become subjected to claims for personal injury or property damage arising from exposure to hazardous substances. Laws in the major countries where Frutarom operates permit legal proceedings to be instituted against it if personal injury or environmental contamination was ostensibly caused by activity at its production sites in these countries. Such legal proceedings could also be instituted by private individuals or non-governmental organizations.

Fluctuations in prices of raw materials needed for producing Frutarom's products may negatively impact its results of operations.

The price, quality and availability of the main raw materials that Frutarom uses, especially in the field of natural products, are subject to fluctuations arising from global supply and demand. Many raw materials used by Frutarom are agricultural products whose prices, quality and availability could be affected by, among other things, poor weather conditions. Frutarom does not normally conduct futures transactions in raw materials and is exposed to price fluctuations in the raw materials it uses according to changes in global trends for prices of these raw materials. In recent periods, there has been a rise in the prices of a number of principal raw materials used by Frutarom, and such trends may have a significant adverse effect on Frutarom's business, operating results and financial condition.

The inability to obtain raw materials due to the loss of third party suppliers or unavailability of raw materials could impair Frutarom's sales and adversely affect its operating results.

Frutarom is dependent on third parties for the supply of raw materials needed for manufacturing its products. Although Frutarom purchases raw materials from a very wide range of suppliers and no individual supplier accounted for more than 3% of its total raw material usage in 2017, and even though there is more than one supplier for most of

the raw materials bought by Frutarom and they are usually readily available, there is no assurance that this will also continue to be the case in the future. Severe weather conditions may cause a significant shortage of natural raw materials used by Frutarom. A shortage of these raw materials could impair Frutarom's sales for a certain period of time and adversely affect its operating results.

S-19

Table of Contents

Product liability claims against Frutarom and potential damages under those claims could have significant adverse effects on Frutarom's business, operating results and financial condition.

Frutarom is exposed to product liability risk, particularly due to the fact that it supplies flavors to the food and beverage, flavor and fragrance, functional food, pharma/nutraceutical and personal care industries. Should Frutarom be found responsible in a large claim of this type, its insurance coverage might be inadequate to cover damages and/or legal expenses. A lack of adequate insurance coverage could result in a significant adverse effect on Frutarom's business, operating results and financial condition. Product liability claims brought against Frutarom could damage its reputation as well as put heavy demand on management's time and efforts, and this could have significant adverse effects on Frutarom's business regardless of the outcome of the claim.

The inability to integrate the businesses acquired by Frutarom during its recent growth period may lead to disruptions in its business and failure to capitalize on anticipated synergies.

A key element of Frutarom's growth strategy has been growth through the acquisition of flavor and specialty fine ingredients manufacturers. In line with this strategy, Frutarom has made many strategic acquisitions of companies and business activities in recent years. The integration of acquired activities involves a number of risks, including possible adverse effects on Frutarom's operating results, the loss of customers, the consuming of senior management's time and attention, and the failure to retain key personnel including managers of the acquired activities, along with risks associated with unanticipated events in the integration of the operations, technologies, systems and services of the acquired business. In addition, Frutarom may be unable to capitalize on the anticipated synergies (including those aimed at cost savings) inherent in such acquisitions. Failure in successfully integrating its acquisitions could have adverse effects on Frutarom's business, operating results and financial condition.

The rapid growth, as in recent years, in both Frutarom's activities and its geographical spread requires effective management to ensure that the financial benefits, tapping of synergies and the economies of scale are achieved. An inability to adapt to the rapid growth could result in losses or acquisition costs that will not be recovered as quickly as anticipated, if at all. Such circumstances could have significant adverse effects on Frutarom's business, its operating results and financial condition.

The loss of skilled personnel, members of senior management or other key employees could negatively impact Frutarom's ability to compete and implement its strategy.

Frutarom's continued future success depends on its ability to attract and retain proficient flavorists (flavor developers), lab technicians and other skilled personnel. Frutarom operates in a highly specialized market where product quality is of critical importance and having skilled personnel is necessary for ensuring the supply of high quality products. If a number of such employees were to leave at the same time, Frutarom could encounter difficulties in finding replacements with equivalent experience and abilities, a situation which could impair Frutarom's R&D capabilities. Furthermore, Frutarom's continued success depends to a large extent on its senior management team. The loss of services from members of senior management or other key employees could have a negative impact on Frutarom's results and its ability to implement its strategy. A failure to recruit and retain skilled personnel or members of senior management could have a significant adverse effect on Frutarom's business, operating results and financial condition.

The inability to protect its intellectual property or the loss of exclusive use of its proprietary formulas to create flavors may have a significant adverse impact on Frutarom's business, operating results and financial condition.

Frutarom's business relies on intellectual property, mainly consisting of formulas used to create its flavors. Frutarom does not register these formulas but they are kept highly confidential and considered trade secrets and, as such, are

accessible to just a very limited circle of people within Frutarom. Although Frutarom believes it is

S-20

Table of Contents

not significantly reliant on any individual intellectual property right, proprietary formula, patent or license, a breach of confidentiality with respect to the formulas or loss of access to them and/or the future expiration of intellectual property rights could have a significant adverse impact on Frutarom's business, operating results and financial condition.

Frutarom relies, in part, on confidentiality agreements, ownership of intellectual property, and non-competition agreements with employees, vendors and third parties in order to protect its intellectual property. It is possible that these agreements will be breached and that Frutarom may lack an adequate remedy for any such breach. Disputes may arise concerning the ownership of intellectual property or the extent to which the confidentiality agreements remain in force. Furthermore, Frutarom's trade secrets may become revealed to its competitors or developed independently by them, in which case Frutarom will not be able to enjoy exclusive use of some of its formulas or maintain confidentiality concerning its products.

S-21

Table of Contents

FORWARD-LOOKING STATEMENTS

Statements in this prospectus supplement and the documents incorporated by reference, which are not historical facts or information, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on management's current assumptions, estimates and expectations and include statements concerning (i) our ability to achieve long-term sustainable growth and increase shareholder value, (ii) growth potential in the emerging markets, (iii) the anticipated impact of our acquisitions on our market position within key markets, (iv) our competitive position in the market and expected financial results in 2018, (v) expected savings from profit improvement initiatives, (vi) expected capital expenditures and cost pressures in 2018, (vii) the impact of legislation commonly referred to as the Tax Cuts and Jobs Act (the Tax Act) on the Company's effective tax rate in 2018, (viii) the expected level of share repurchases under the Company's share repurchase program, (ix) our ability to innovate and execute on specific consumer trends and demands, (x) timing of completion or relocation of our plants in China, (xi) expected increases in raw material costs in 2018, (xii) the impact of operational performance, cost reduction efforts and mix enhancement on margin improvement, and (xiii) the amount of expected pension contributions in 2018. These forward-looking statements should be evaluated with consideration given to the many risks and uncertainties inherent in our business that could cause actual results and events to differ materially from those in the forward-looking statements. Certain of such forward-looking information may be identified by such terms as expect, anticipate, believe, intend, outlook, may, estimate, should, and similar terms or variations thereof. Such forward-looking statements are based on a series of expectations, assumptions, estimates and projections about the Company, are not guarantees of future results or performance, and involve significant risks, uncertainties and other factors, including assumptions and projections, for all forward periods. Our actual results may differ materially from any future results expressed or implied by such forward-looking statements. Such factors include, among others, those discussed in the Risk Factors section of this prospectus supplement and the following:

the impact of the Merger;

our ability to effectively compete in our market, and to successfully develop new products that appeal to our customers and consumers;

our ability to provide our customers with innovative, cost-effective products;

the impact of a disruption in our manufacturing operations;

the impact of the BASF Group supply chain disruption on the supply and price of a key ingredient in 2018;

our ability to implement our Vision 2020 strategy;

the impact of the recently-enacted Tax Act on our effective tax rate in 2018 and beyond;

our ability to successfully market to our expanding and decentralized Flavors customer base;

our ability to react in a timely manner to changes in the consumer products industry related to health and wellness;

our ability to establish and maintain collaborations, joint ventures or partnerships, which lead to the development or commercialization of products;

our ability to benefit from our investments and expansion in emerging markets;

the impact of international operations that are subject to regulatory, political, economic, currency exchange and other risks, including in countries such as Turkey and Argentina;

S-22

Table of Contents

the impact of economic uncertainty which may adversely affect demand for consumer products using flavors and fragrances;

our ability to attract and retain talented employees;

our ability to comply with, and the costs associated with compliance with, U.S. and foreign environmental protection laws;

our ability to realize the expected cost savings and efficiencies from our profitability improvement initiatives and the optimization of our manufacturing facilities;

volatility and increases in the price of raw materials, energy and transportation;

our ability to maintain the integrity of our raw materials, supply chain and finished goods, and comply with applicable regulations;

our ability to successfully manage our inventory and/or working capital balances;

the impact of violations of the U.S. Foreign Corrupt Practices Act or similar U.S. or foreign anti-bribery and anti-corruption laws and regulations in the markets in which we operate;

our ability to protect our intellectual property rights;

uncertainties regarding the outcome of, or funding requirements, related to litigation or settlement of pending litigation, uncertain tax positions or other contingencies;

the impact of any future impairment of our tangible or intangible long-lived assets;

the impact of changes in our tax rates, tax liabilities, the adoption of new United States or international tax legislation, or changes in existing tax laws;

our ability to successfully estimate the impact of certain accounting and tax matters; and

the potential adverse impact of Brexit on currency exchange rates, global economic conditions and cross-border agreements that affect our business.

The foregoing list of important factors does not include all such factors, nor necessarily present them in order of importance. In addition, you should consult other disclosures made by the Company (such as in our other filings with the SEC or in company press releases) for other factors that may cause actual results to differ materially from those projected by the Company. For additional information regarding factors that could affect the Company's results of operations, financial condition and liquidity, see "Risk Factors" in this prospectus supplement and the accompanying prospectus, as well as the risks described in the "Risk Factors" section of the Company's most recent Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q and as may be included from time to time in our reports filed with the SEC.

The Company intends its forward-looking statements to speak only as of the time of such statements and does not undertake or plan to update or revise them as more information becomes available or to reflect changes in expectations, assumptions or results. The Company can give no assurance that such expectations or forward-looking statements will prove to be correct. An occurrence of, or any material adverse change in, one or more of the risk factors or risks and uncertainties referred to in this prospectus supplement and the accompanying prospectus, or included in any of our periodic reports filed with the SEC and incorporated by reference into this prospectus supplement could materially and adversely impact our results of operations, financial condition and liquidity and our future financial results.

Table of Contents**USE OF PROCEEDS**

We estimate that the net proceeds to us from this notes offering, after deducting underwriting discounts and estimated offering expenses payable by us, will be approximately \$1,482 million. We intend to use the net proceeds from this offering to pay a portion of the consideration for the Merger and to pay related fees and expenses. See Summary Recent Developments.

Completion of this notes offering is not contingent on completion of the Merger and completion of the Merger is not contingent on the completion of this notes offering. However, if for any reason the closing of the Merger has not occurred on or prior to February 7, 2019, or, if prior to such date, the Merger Agreement is terminated, then in either case we will be required to redeem the notes as described under Description of the Notes Special Mandatory Redemption. See Summary Recent Developments.

The following table outlines the sources and uses of funds for the Merger, reflecting the exercise by the underwriters of their respective options to purchase additional shares of common stock in the common stock offering and additional tangible equity units in the tangible equity units offering. The table assumes that the Merger, this notes offering, the euro notes offering and the common stock and tangible equity units offerings are completed simultaneously, but the common stock and tangible equity units offerings have already been completed and this notes offering and the euro notes offering are expected to occur before completion of the Merger. Amounts in the table are in millions of dollars and are estimated, and actual amounts may vary from the estimated amounts.

Sources of Funds		Uses of Funds	
(in millions)			
New Term Loan	\$ 350	Merger consideration ⁽³⁾	\$ 6,331
Common stock offering ⁽¹⁾	1,650	Merger and offering fees and expenses ⁽⁴⁾	191
Tangible equity units offering ⁽¹⁾	825	Repayment of outstanding indebtedness ⁽⁵⁾⁽⁶⁾	1,047
Notes offered hereby and in the euro notes offering ⁽¹⁾⁽²⁾	2,782	Breakage costs related to debt repayment	39
Equity consideration to Frutarom shareholders and option holders ⁽³⁾	2,035	General corporate purposes	34
Total Sources	\$ 7,642	Total Uses	\$ 7,642

(1) Before underwriting discounts and expenses.

(2) Includes 1,100 million converted at an exchange rate of U.S. \$1.1656 per euro, the exchange rate as of September 14, 2018, as announced by the U.S. Federal Reserve Board on September 17, 2018.

(3) Based on the number of Frutarom's outstanding ordinary shares and share-based awards as of June 30, 2018 and a price per share of our common stock of \$136.49, which was the closing price of our common stock on the NYSE on September 17, 2018.

(4) Includes estimated underwriting discounts and expenses of this offering, the euro notes offering, the common stock and tangible equity units offerings and the Merger.

(5) On September 17, 2018, we prepaid in full our (i) \$100 million in aggregate principal amount of 6.35% Series B Senior Notes due 2019, (ii) \$50 million in aggregate principal amount of 6.50% Series C Senior Notes due 2022

- and (iii) \$100 million in aggregate principal amount of 6.79% Series D Senior Notes due 2027.
- (6) We intend to repay approximately \$797 million of outstanding Frutarom debt. The calculation of the amount of Frutarom's debt to be repaid is as of June 30, 2018, and reflects the conversion into U.S. dollars of indebtedness denominated in foreign currencies (primarily euros) based on exchange rates as of June 30, 2018.

S-24

Table of Contents**CAPITALIZATION**

The following sets forth our capitalization on a consolidated basis as of June 30, 2018:

on an actual basis;

on a pro forma as adjusted basis to reflect our common stock offering (reflecting the exercise of the underwriters' option to purchase additional shares of our common stock), our tangible equity units offering (reflecting the exercise of the underwriters' over-allotment option to purchase additional tangible equity units), the issuance and sale of notes offered hereby, after deducting underwriting discounts and estimated offering expenses payable by us, our offering of euro notes, the New Term Loan and the Merger.

This table should be read in conjunction with the other sections of this prospectus supplement and our consolidated financial statements and related notes incorporated by reference in this prospectus supplement and the accompanying prospectus. See "Incorporation of Certain Information by Reference" in this prospectus supplement. In addition, investors should not place undue reliance on the pro forma as adjusted information included below because this offering is not contingent upon completion of any of the transactions reflected in the adjustments below.

(in thousands)	As of June 30, 2018	
	Actual	Pro Forma As Adjusted
Cash and cash equivalents	\$ 322,423	\$ 523,897
Commercial paper		
Long-term debt:		
Credit facilities	103,988	103,988
Series B, C, D Senior Notes ⁽¹⁾	249,776	
3.20% Senior Notes due 2023	298,823	298,823
1.75% Senior Notes due 2024	573,514	573,514
4.375% Senior Notes due 2047	492,941	492,941
Senior amortizing notes that are components of the tangible equity units ⁽²⁾		135,075
Notes offered hereby		1,481,626
Euro notes ⁽³⁾		1,272,065
New Term Loan		347,429
Other	4,647	4,647
Total debt ⁽⁴⁾	1,723,689	4,710,108
Shareholders' equity:		
Common stock	14,470	16,053
Capital in excess of par value ⁽⁵⁾	167,432	3,765,054
Retained earnings	3,992,452	3,908,033
Accumulated other comprehensive loss	(692,498)	(692,498)
Treasury stock, at cost	(1,732,001)	(1,030,611)

Total shareholders equity ⁽⁶⁾	1,749,855	5,966,031
Total capitalization	\$ 3,473,544	\$ 10,676,139

- (1) Includes (i) \$100,000,000 aggregate principal amount 6.35% Series B Senior Notes due 2019, (ii) \$50,000,000 aggregate principal amount 6.50% Series C Senior Notes due 2022 and (iii) \$100,000,000 aggregate principal amount 6.79% Series D Senior Notes due 2027, which we prepaid in full on September 17, 2018.
- (2) Each tangible equity unit includes an amortizing note. Approximately 17% of the stated amount of the tangible equity units is represented by the amortizing notes.

S-25

Table of Contents

- (3) 1,100 million converted at an exchange rate of U.S. \$1.1656 per euro, the exchange rate as of September 14, as announced by the Federal Reserve Board on September 17, 2018.

- (4) As of June 30, 2018, we had approximately \$104.0 million outstanding under our revolving credit facility (including 90 million converted at an exchange rate of U.S. \$1.1554 per euro as of June 30, 2018) and no borrowings outstanding under our commercial paper program.

- (5) Each tangible equity unit includes a purchase contract. We account for the purchase contracts that are components of the tangible equity units as equity and record the initial fair value of these purchase contracts, net of the underwriting discounts and estimated offering expenses allocated to the purchase contracts, as additional paid-in capital. The exact amount we record as additional paid-in capital will not be determined until our determination of the final offering expenses of, and our finalization of accounting treatment with respect to, the tangible equity units offering. Approximately 83% of the stated amount of the tangible equity units is represented by the purchase contracts and the underwriting discounts and estimated offering expenses allocated to the purchase contracts.

- (6) Does not include noncontrolling interest.

Table of Contents

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

On May 7, 2018, IFF, Frutarom and Merger Sub entered into a merger agreement that provides for the acquisition of Frutarom by IFF. Subject to the satisfaction or waiver of certain other closing conditions, IFF will acquire Frutarom through the merger of Merger Sub with and into Frutarom, with Frutarom surviving the merger and becoming a wholly owned subsidiary of IFF.

The following unaudited pro forma condensed combined financial information is presented to illustrate the estimated effects of the merger and certain other adjustments listed below.

The unaudited pro forma condensed combined balance sheet as of June 30, 2018, and the unaudited pro forma condensed combined statements of operations for the six months ended June 30, 2018 and the year ended December 31, 2017, respectively, are presented herein. The unaudited pro forma condensed combined balance sheet combines the unaudited consolidated balance sheets of IFF and Frutarom as of June 30, 2018, and gives effect to the merger as if it occurred on June 30, 2018. The unaudited pro forma condensed combined statements of operations combine the historical results of IFF and Frutarom for the six months ended June 30, 2018, and the year ended December 31, 2017, and give effect to the merger as if it occurred on January 1, 2017. The historical financial information has been adjusted to give effect to pro forma adjustments that are (i) directly attributable to the merger, (ii) factually supportable, and (iii) with respect to the unaudited condensed combined statements of operations, expected to have a continuing impact on the combined entity's condensed results.

The merger of IFF and Frutarom will be accounted for using the acquisition method of accounting as per the provisions of Accounting Standards Codification 805, "Business Combinations", which we refer to as ASC 805, with IFF representing the accounting acquirer under this guidance. The unaudited pro forma condensed combined financial statements were prepared in accordance with Article 11 of Regulation S-X and primarily give effect to the merger adjustments, which include:

Adjustments to reconcile Frutarom's historical audited and unaudited financial statements prepared in accordance with IFRS as issued by the IASB to U.S. GAAP;

Conforming accounting policies and presentation;

Application of the acquisition method of accounting in connection with the merger;

Adjustments to reflect repayment of certain existing debt facilities of Frutarom and IFF as well as financing arrangements entered into in connection with the merger; and

Effect of acquisition-related costs in connection with the merger.

The pro forma adjustments included in this document are subject to modification based on changes in interest rates, changes in share prices, the final determination of the fair value of the assets acquired and liabilities assumed, additional analysis, and additional information that may become available, which may cause the final adjustments to be materially different from the pro forma condensed combined financial statements presented below. Following the

consummation of the merger, IFF management will perform a detailed review of Frutarom's accounting policies in an effort to determine if differences in accounting policies require further reclassification of Frutarom's results of operations or reclassification of assets or liabilities to conform to IFF's accounting policies and classification. As a result, IFF may subsequently identify additional material differences in the accounting policies which could have a material impact on the unaudited pro forma combined financial information.

The unaudited pro forma condensed combined financial information presented is for informational purposes only and is not necessarily indicative of the financial position or results of operations that would have been realized if the merger had been completed on the dates set forth above, nor is it indicative of future results or financial position of the combined company. Additionally, the final determination of the purchase price and the purchase price allocation, upon the completion of the merger, will be based on Frutarom's net assets acquired as

S-27

Table of Contents

of that date and will depend on a number of factors that cannot be predicted with certainty at this time. The unaudited pro forma condensed combined financial information does not reflect any anticipated synergies or dis-synergies, operating efficiencies or cost savings that may result from the merger or potential divestitures that may occur prior to, or subsequent to, the completion of the merger or any acquisition and integration costs that may be incurred. The pro forma adjustments, which IFF believes are reasonable under the circumstances, are preliminary and are based upon available information and certain assumptions described in the accompanying notes to the unaudited pro forma condensed combined financial information. Actual results and valuations may differ materially from the assumptions within the accompanying unaudited pro forma condensed combined financial information. Any changes to IFF's stock price, from September 17, 2018 through the date the merger is completed, will also change the purchase price, which may include the recording of a lower or higher amount of goodwill. The final adjustments may be materially different from the pro forma condensed combined financial statements presented in this document.

The unaudited pro forma condensed combined financial information should be read in conjunction with the notes to the unaudited pro forma condensed combined financial information, Frutarom's audited financial statements for the year ended December 31, 2017 and Frutarom's unaudited quarterly financial statements for the quarterly period ended June 30, 2018, as well as IFF's consolidated financial statements and related notes thereto contained in its Annual Report on Form 10-K for the year ended December 31, 2017 and IFF's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2018.

Pro Forma Assumptions since September 17, 2018

The unaudited pro forma condensed combined financial information presented in this section, which was prepared as of September 17, 2018, does not reflect results, events or changes subsequent to September 17, 2018. In particular, this section does not give effect to the following results, events and changes, which individually and in the aggregate would not have had a material effect on the pro forma condensed combined financial information presented in this section:

1. the closing price of IFF's common stock on the NYSE was \$137.51 on September 19, 2018, compared to the September 17, 2018 closing price of \$136.49 which was applied in this section;
2. the aggregate principal amount of notes offered on September 20, 2018 in currencies other than the U.S. dollar to finance the Merger amounted to \$1,282 million (1,100 million converted to U.S. dollars at an exchange rate of 1.00 to \$1.1656, the exchange rate as of September 14, 2018, as announced by the Federal Reserve Board on September 17, 2018), compared to the assumed aggregate offering amount of \$1,150 million which was applied in this section. The actual weighted average effective interest rate at which the aforementioned notes were offered on September 20, 2018 was 1.75%, compared to the September 17, 2018 assumed weighted average effective interest rate of 1.66% which was applied in this section;
3. the aggregate principal amount of notes denominated in U.S. dollars expected to be offered on September 24, 2018 is \$1,500 million, compared to the assumed aggregate offering amount of \$1,600 million which was applied in this section; and

4. the fair market value of certain derivatives as of September 19, 2018 resulted in a net gain of \$20.4 million, compared to the September 17, 2018 fair market value that resulted in an assumed net gain of \$8.5 million which was applied in this section.

S-28

Table of Contents**Unaudited Pro Forma Condensed Combined Balance Sheet**

As of June 30, 2018

(In thousands, except per-share data)

	Historical		Purchase	Other Pro			Total
	IFF	FRUTAROM	Accounting	Forma	Notes		
	(US	(US GAAP)	Adjustments	Adjustments	Notes		
	GAAP)						
Assets							
Current Assets:							
Cash and Cash Equivalents	\$ 322,423	\$ 119,807	\$ (4,258,273)	3	\$ 4,339,940	6k	\$ 523,897
Trade receivables, net	723,855	321,797					1,045,652
Inventory	695,192	338,881	33,119	6c			1,067,192
Prepaid expenses and other current assets	285,110	27,949			(26,141)	6h	286,918
Total Current Assets	2,026,580	808,434	(4,225,154)		4,313,799		2,923,659
Property, plant and equipment, net	867,629	336,591					1,204,220
Goodwill	1,148,586	589,250	3,723,185	6b			5,461,021
Other intangible assets, net	391,426	442,647	2,087,353	4			2,921,426
Deferred income taxes assets	82,204	4,512					86,716
Other assets	157,017	41,054					198,071
Total Assets	\$ 4,673,442	\$ 2,222,488	\$ 1,585,384		\$ 4,313,799		\$ 12,795,113
LIABILITIES AND SHAREHOLDERS EQUITY							
Current Liabilities:							
Short term borrowings	6,500	397,601			198,088	6f	602,189
Accounts payable	315,656	225,998					541,654
Dividends payable	54,488		21,093	3			75,581
Other current liabilities	322,726	26,359	47,007	4	(35,080)	6l	361,012
Total Current Liabilities	699,370	649,958	68,100		163,008		1,580,436
Long-term debt	1,717,189	399,833			1,969,322	6f	4,086,344
Retirement liabilities	226,221	33,690					259,911
Deferred income tax liabilities		66,234	401,790	6d			468,024
Other liabilities	274,459	19,802	(2,186)	4			292,075
Total Other Liabilities	2,217,869	519,559	399,604		1,969,322		5,106,354

Redeemable Noncontrolling Interest		131,398					131,398
Shareholders Equity:							
Common Stock	14,470	17,094	(17,094)	6e	1,583	6f	16,053
Capital in excess of par value	167,432	116,132	1,217,185	6e	2,264,305	6f	3,765,054
Treasury stock, at cost	(1,732,001)	(3,693)	705,083	6e			(1,030,611)
Other equity	3,299,954	787,494	(787,494)	6e	(84,419)	6e	3,215,535
Total Shareholders Equity	1,749,855	917,027	1,117,680		2,181,469		5,966,031
Noncontrolling interest	6,348	4,546					10,894
Total Shareholders Equity including NCI	1,756,203	921,573	1,117,680		2,181,469		5,976,925
Total Liabilities and Shareholders Equity	\$ 4,673,442	\$ 2,222,488	\$ 1,585,384		\$ 4,313,799		\$ 12,795,113

See the accompanying *Notes to the Unaudited Pro Forma Condensed Combined Financial Information*, which are an integral part hereof. The pro forma adjustments are explained in the notes below.

Table of Contents**Unaudited Pro Forma Condensed Combined Statement of Operations****For the Six Months Ended June 30, 2018****(In thousands, except per-share data)**

	Historical		Purchase	Other Pro		
	IFF	FRUTAROM	Accounting	Forma	Notes	Total
	(US	(US	Adjustments	Adjustments		
	GAAP)	GAAP)				
Revenue:						
Net sales	\$ 1,850,944	\$ 786,110	\$	\$		\$ 2,637,054
Cost of goods sold	1,046,419	466,928				1,513,347
<i>Gross profit</i>	804,525	319,182				1,123,707
Expenses:						
Research and development expenses	153,244	30,770				184,014
Selling and administrative expenses	300,051	141,640		(12,455)	6h	429,236
Restructuring and other charges, net	1,903					1,903
Amortization of acquisition-related intangibles	18,769	13,466	59,912		6a	92,147
Gain on sales of fixed assets	1,195	(691)				504
<i>Total expenses</i>	475,162	185,185	59,912	(12,455)		707,804
<i>Operating profit</i>	329,363	133,997	(59,912)	12,455		415,903
Other income (expense):						
Interest expense	69,841	12,758		43,670	6f	126,269
Other (income) expense, net	(21,232)	(950)		(10,979)	6g	(33,161)
<i>Total other income (expense)</i>	48,609	11,808		32,691		93,108
Income before taxes	280,754	122,189	(59,912)	(20,236)		322,795
Taxes on income	52,190	23,600	(11,503)	(4,443)	6j	59,844
Net income (Including Noncontrolling Interests)	228,564	98,589	(48,409)	(15,793)		262,951
Less: noncontrolling interests		3,205				3,205
Net Income	\$ 228,564	\$ 95,384	\$ (48,409)	\$ (15,793)		\$ 259,746

Edgar Filing: INTERNATIONAL FLAVORS & FRAGRANCES INC - Form 424B5

Net income per share basic	\$	2.89	\$	1.60	\$	2.34
Net income per share diluted	\$	2.87	\$	1.59	\$	2.31
Basic shares outstanding		79,041		59,678		111,208
Diluted shares outstanding		79,347		60,057		112,677

See the accompanying *Notes to the Unaudited Pro Forma Condensed Combined Financial Information*, which are an integral part hereof. The pro forma adjustments are explained in the notes below.

S-30

Table of Contents**Unaudited Pro Forma Condensed Combined Statement of Operations****For the Year Ended December 31, 2017****(In thousands, except per-share data)**

	IFF (US GAAP)	FRUTAROM (US GAAP)	Purchase Accounting Adjustments	Notes	Other Pro Forma Adjustments	Notes	Total
Revenue:							
Net sales	\$ 3,398,719	\$ 1,362,396	\$		\$		\$ 4,761,115
Cost of goods sold	1,919,718	\$ 837,271			6,538	6i	\$ 2,763,527
<i>Gross profit</i>	1,479,001	525,125			(6,538)		1,997,588
Expenses:							
Research and development expenses	286,026	43,644			9,443	6i	339,113
Selling and administrative expenses	557,311	246,332			12,833	6i	816,476
Restructuring and other charges, net	19,711	(340)					19,371
Amortization of acquisition-related intangibles	34,694	22,193	119,824	6a			176,711
Gain on sales of fixed assets	(184)	1,934					1,750
<i>Total expenses</i>	897,558	313,763	119,824		22,276		1,353,421
<i>Operating profit</i>	581,443	211,362	(119,824)		(28,814)		644,167
Other (income) expense:							
Interest expense	65,363	10,075			84,595	6f	160,033
Other (income) expense, net	(20,965)	13,325			(28,814)	6i	(36,454)
<i>Total other (income) expense</i>	44,398	23,400			55,781		123,579
Income before taxes	537,045	187,962	(119,824)		(84,595)		520,588
Taxes on income	241,380	35,105	(23,486)	6a	(20,179)	6j	232,820
Net income (Including Noncontrolling Interests)	295,665	152,857 4,895	(96,338)		(64,416)		287,768 4,895

Less: noncontrolling
interests

Net Income	295,665	147,962	(96,338)	(64,416)	282,873
Net income per share basic	3.73	2.49			2.54
Net income per share diluted	3.72	2.48			2.52
Basic shares outstanding	79,070	59,342			111,237
Diluted shares outstanding	79,370	59,632			112,700

See the accompanying *Notes to the Unaudited Pro Forma Condensed Combined Financial Information*, which are an integral part hereof. The pro forma adjustments are explained in the notes below.

S-31

Table of Contents**NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION****(In US\$ thousands, except per share data and as otherwise noted)****Note 1 Description of Business Combination**

On May 7, 2018, International Flavors & Fragrances (IFF) entered into an Agreement and Plan of Merger (the merger agreement) with Frutarom Industries Ltd., a company organized under the laws of the State of Israel (Frutarom) and Icon Newco Ltd., a company organized under the laws of the State of Israel and a wholly owned subsidiary of IFF (Merger Sub). Pursuant to the merger agreement, subject to the satisfaction or waiver of specified conditions, Merger Sub will merge with and into Frutarom (the merger), with Frutarom continuing as the surviving company in the merger and a wholly owned subsidiary of IFF.

At the completion of the merger, each ordinary share, par value Israeli New Shekel (to be referred as NIS) 1.00 per share, of Frutarom (the Frutarom ordinary shares) issued and outstanding immediately prior to the completion of the merger (other than Frutarom ordinary shares held by Frutarom as treasury stock (dormant shares) or held directly or indirectly by IFF, Merger Sub or any wholly owned subsidiary of Frutarom) will be converted into the right to receive (i) \$71.19 in cash (the cash consideration) and (ii) 0.249 of a validly issued, fully paid and non-assessable share of common stock, par value \$0.125 per share, of IFF (IFF common stock), with cash in lieu of fractional shares of IFF common stock otherwise issuable (such shares of IFF common stock and any such cash in lieu of fractional shares, together with the cash consideration, the merger consideration), in each case without interest and subject to applicable tax withholding.

At the completion of the merger, each Frutarom stock option and Frutarom restricted stock award that is outstanding and vested as of immediately prior to the completion of the merger, will be canceled in exchange for the right to receive the merger consideration in respect of each net share subject to such vested Frutarom stock option or Frutarom restricted stock award, less applicable tax withholding. For this purpose, net share means, with respect to a Frutarom stock option or Frutarom restricted stock award, the quotient of (i) the product of (A) the excess, if any, of the value of the merger consideration (calculated as specified in the merger agreement) over the exercise price or purchase price per Frutarom ordinary share (as applicable) subject to such Frutarom stock option or Frutarom restricted stock award, multiplied by (B) the number of Frutarom ordinary shares subject to such Frutarom stock option or Frutarom restricted stock award, divided by (ii) the value of the merger consideration.

The merger agreement provides for the Frutarom board of directors to declare a special dividend, on a per share basis, equal to the product of (a) 0.249 and (b) the aggregate per share value of IFF dividends with a record date after the date of the merger agreement and prior to the closing of the merger.

Note 2 Basis of Presentation

The accompanying unaudited pro forma condensed combined financial information was prepared in accordance with Article 11 of Regulation S-X and was based on the historical financial statements of IFF and Frutarom as of and for the year ended December 31, 2017 and as of and for the six months ended June 30, 2018. IFF is deemed to be the accounting acquirer and the pro forma adjustments are preliminary and are based on estimates that are subject to change. The combined group will not be a foreign private issuer as defined in Rule 405 under the Securities Act and Rule 3b-4(c) under the Exchange Act, accordingly the pro forma information of the combined group is prepared in accordance with U.S. GAAP.

The unaudited pro forma condensed combined statements of operations were prepared using:

the historical unaudited consolidated statements of operations and comprehensive income of IFF for the six months ended June 30, 2018;

S-32

Table of Contents

the historical audited consolidated statements of operations and comprehensive income of IFF for the year ended December 31, 2017;

the historical unaudited condensed consolidated statements of operations of Frutarom for the six months ended June 30, 2018; and

the historical audited consolidated income statement of Frutarom for the year ended December 31, 2017. IFF's historical audited and unaudited financial statements were prepared in accordance with U.S. GAAP and presented in thousands of U.S. dollars. Frutarom's historical audited and unaudited financial statements were prepared in accordance with IFRS as issued by the IASB and presented in thousands of U.S. dollars. Certain reclassifications were made to align Frutarom's financial statement presentation with that of IFF (see Note 5).

Frutarom's historical audited and unaudited financial statements were reconciled to U.S. GAAP. In addition, a preliminary review of IFRS to U.S. GAAP differences and related accounting policies has been completed based on information made available to date (see Note 5 for further information). However, following the consummation of the merger, IFF management will conduct a detailed review. As a result of that review, IFF management may identify differences that, when finalized, could have a material impact on the unaudited pro forma condensed combined financial information.

The unaudited pro forma condensed combined statements of operations also include certain purchase accounting adjustments, including items expected to have a continuing impact on the condensed combined results.

Note 3 Estimated Purchase Price

Pursuant to the merger, shareholders of Frutarom will receive \$71.19 in cash and 0.249 shares of IFF's common stock for each Frutarom ordinary share held prior to the merger. If the aggregate number of shares of IFF common stock to be issued pursuant to the merger agreement would exceed 19.9% of the issued and outstanding shares of IFF common stock immediately prior to the entry into the merger agreement, rounded down to the nearest whole share, the exchange ratio will be reduced by the minimum extent necessary such that the foregoing clause is no longer true, and the cash component of the merger consideration will also be increased accordingly.

Table of Contents

The following table summarizes the components of the preliminary estimated purchase price:

(In USD thousands, except share data and exchange ratio)

Estimated Frutarom s shares outstanding(i)		59,654,657
Cash consideration per share(ii)		\$ 71.19
Total cash paid to shareholders of Frutarom		\$ 4,246,815
Estimated cash paid to vested stock option holders(iii)		11,458
Estimated accrual for unvested stock option holders(iv)		17,007
Estimated closing dividend payable(v)		21,093
Estimated cash portion of purchase price	A	\$ 4,296,373
Estimated Frutarom s shares outstanding		59,654,657
Exchange ratio(vi)		0.249
Total common shares of IFF to be issued(viii)		14,854,010
IFF s share price(vii)		136.49
Total equity consideration paid to shareholders of Frutarom		\$ 2,027,424
Estimated equity consideration paid to vested stock Frutarom option holders(iii)		7,283
Estimated equity portion of purchase price	B	\$ 2,034,707
Total estimated consideration to be paid	A+B	\$ 6,331,080

- (i) Number of shares outstanding as of June 30, 2018.
- (ii) Cash consideration per share as per the merger agreement.
- (iii) Estimated cash and equity consideration payable to the vested Frutarom stock option holders on a diluted basis.
- (iv) Estimated pro rata portion of the unvested Frutarom stock options attributable to pre-combination services. The pro forma adjustment has been recorded in other current liabilities.
- (v) Estimated aggregate dividend payable to Frutarom shareholders prior to closing considering the exchange ratio, as set forth in the merger agreement, and cash dividends declared by IFF prior to closing. The aggregate amount of cash dividends declared per share of IFF with a record date occurring on or after the date of the merger agreement and prior to closing is equal to \$1.42 per share. The amount is subject to change if IFF s dividend rate changes prior to closing. The pro forma adjustment has been recorded in dividends payable.
- (vi) Exchange ratio as set forth in the merger agreement.
- (vii) Closing price of IFF s common stock on the New York Stock Exchange on September 17, 2018.
- (viii) Common shares of IFF to be issued to Frutarom as merger consideration will be issued out of treasury shares of IFF (See Note 6(e)).

The final estimated merger consideration could significantly differ from the amounts presented in the unaudited pro forma condensed combined financial information due to movements in IFF s common stock price up to the closing date of the merger. A sensitivity analysis related to the fluctuation in the IFF s common stock price was performed to

assess the impact a hypothetical change of 10% on the closing price of IFF's common stock on September 17, 2018, would have on the estimated merger consideration and goodwill as of the closing date. The following table shows the change in stock price, estimated merger consideration and goodwill:

	Purchase Price	Estimated Goodwill
As presented in the pro forma combined financial statements	6,331,080	4,312,435
10% increase in common stock price	6,535,509	4,516,864
10% decrease in common stock price	6,126,651	4,108,006

S-34

Table of Contents**Note 4 Preliminary Purchase Price Allocation**

Under the acquisition method of accounting, Frutarom's assets and liabilities will be recorded at fair value at the date of the completion of the merger and combined with the historical carrying amounts of the assets and liabilities of IFF. In the unaudited pro forma condensed combined balance sheet, IFF's cost to acquire Frutarom has been allocated to the assets acquired, liabilities assumed and goodwill based upon management's preliminary estimate of what their respective fair values would be as if the merger closed on June 30, 2018. Accordingly, the unaudited pro forma condensed combined financial information includes a preliminary allocation of the purchase price based on assumptions and estimates that, while considered reasonable under the circumstances, are subject to changes, which may be material.

IFF has not completed a full, detailed valuation analysis necessary to determine the fair values of Frutarom's identifiable assets to be acquired, liabilities to be assumed and redeemable and non-redeemable noncontrolling interest. The preliminary calculation of assets acquired and liabilities assumed performed for the purposes of these unaudited pro forma condensed combined financial statements was primarily limited to the identification and calculation of preliminary values for the intangible assets, property and equipment, inventory, deferred taxes and contingent consideration. The calculations necessary to estimate the fair values of the assets acquired and liabilities assumed have been performed based on publicly available benchmarking information as well as a variety of other assumptions, including market participant assumptions, as there are limitations on the type of information that can be exchanged between IFF and Frutarom at this time. Where applicable, the benchmark information was corroborated with an income approach methodology such as the relief from royalty or multi-period excess earnings method. IFF will continue to refine its identification and valuation of assets to be acquired and the liabilities to be assumed as further information becomes available.

The estimated values of the assets acquired, liabilities assumed and redeemable and non-redeemable noncontrolling interest will remain preliminary until after closing of the merger, at which time IFF will determine the fair values of assets acquired and liabilities assumed. The final determination of the purchase price allocation is anticipated to be completed as soon as practicable after completion of the merger and will be based on the fair values of the assets acquired and liabilities assumed as of the merger closing date. The final amounts allocated to assets acquired and liabilities assumed could differ significantly from the amounts presented in the unaudited pro forma condensed combined financial statements.

The following is a preliminary estimate of the assets to be acquired and the liabilities to be assumed by IFF in the merger, reconciled to the estimate of total consideration expected to be transferred (in USD thousands):

	Frutarom's U.S. GAAP (Note 5)	Fair Value Adjustments	Fair value
Purchase Consideration			6,331,080
Identifiable net assets:			
Inventories	338,881	33,119	372,000
Property, plant and equipment	336,591		336,591
Identifiable intangible assets	442,647	2,087,353	2,530,000
Deferred tax assets	4,512		4,512
All other assets (excluding goodwill)	510,607		510,607
Existing contingent consideration	(42,186)	2,186	(40,000)

Edgar Filing: INTERNATIONAL FLAVORS & FRAGRANCES INC - Form 424B5

Transaction bonus		(30,000)	(30,000)
Deferred tax liabilities	(66,234)	(401,790)	(468,024)
All other liabilities	(1,061,097)		(1,061,097)
Total identifiable net assets	463,721	1,690,868	2,154,589
Redeemable Noncontrolling interest	(131,398)		(131,398)
Noncontrolling interest	(4,546)		(4,546)
Goodwill	589,250	3,723,185	4,312,435
Total	\$ 917,027	\$ 5,414,053	\$ 6,331,080

S-35

Table of Contents

The amount allocated to identifiable intangible assets has been attributed to the following assets (in thousands):

	Estimated Useful Life	Amount
Product Formulas	10 years	\$ 340,000
Trade name	20 years	140,000
Customer relationships	20 years	2,050,000
Total identifiable intangible assets		\$ 2,530,000

These intangible assets will be amortized over the estimated useful lives on a straight line basis. IFF believes that it represents the pattern in which economic benefits will be consumed.

In addition, pursuant to the merger agreement, the Frutarom board has the right to grant a transaction bonus to its CEO and selected employees before the merger is consummated to the extent of up to \$20 million each. The transaction bonus to the CEO will be payable immediately prior to the closing of the merger. As of the date of this filing, management believes that the Frutarom board will approve the transaction bonus. The transaction bonus to employees is payable in two installments (i) 50% at closing and (ii) 50% after the completion of one year of service (subject to the terms of the merger agreement). IFF has determined that \$30 million is a pre-merger expense to be accrued by Frutarom due to the fact that the transaction bonus was entered into by or on behalf of Frutarom. See table below (*in USD thousands*):

	Pre-combination expense	Post-combination expense
CEO	\$ 20,000	
Selected employees	10,000	10,000
Total bonus	\$ 30,000	\$ 10,000

Accordingly, pro forma condensed combined balance sheet has been adjusted to reflect an adjustment of \$30,000 for transaction bonus payable by Frutarom, declared before the merger is consummated. This amount together with \$17,007 for the accrual for unvested Frutarom stock options attributable to pre-combination services (see Note 3) has been shown as an adjustment to other current liabilities.

Note 5 Adjustments to Frutarom's Historical Financial Statements to Conform to U.S. GAAP

Frutarom's consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB, which differs in certain material respects from U.S. GAAP.

The unaudited U.S. GAAP information includes a statement of financial position and statements of income of Frutarom derived from the historical consolidated financial statements as of and for the six months ended June 30, 2018 and the year ended December 31, 2017, prepared in accordance with IFRS as issued by the IASB. This balance sheet as of June 30, 2018 and statements of operations for the year ended December 31, 2017 and for the six months ended June 30, 2018 have been adjusted to reflect Frutarom's consolidated statement of financial position and

statements of profit or loss on a U.S. GAAP basis.

S-36

Table of Contents

Certain balances presented in the historical Frutarom's financial statements included within the unaudited pro forma condensed combined financial information have been reclassified to conform the presentation to that of IFF as indicated in the tables as below:

UNAUDITED FRUTAROM US GAAP BALANCE SHEET

As of June 30, 2018

	Frutarom (IFRS)	Reclassification Adjustments	Notes	IFRS to U.S. GAAP Adjustments	Notes	FRUTAROM (U.S. GAAP)
Assets						
Current Assets:						
Cash and Cash Equivalents	\$ 119,807					\$ 119,807
Accounts receivable:						
Trade	296,906	(296,906)	5a			
Other	24,891	(24,891)	5a			
Trade receivables, net		321,797	5a			321,797
Prepaid expenses and advances to suppliers	27,949	(27,949)	5b			
Prepaid expenses and other current assets		27,949	5b			27,949
Inventory	338,881					338,881
	808,434					808,434
Non-Current Assets:						
Property, plant and equipment	369,517			(32,926)	5o	336,591
Intangible assets	1,031,897	(589,250)	5c			442,647
Goodwill		589,250	5c			589,250
Investment in associates and available for sale assets	27,481	(27,481)	5d			
Deferred income tax assets	4,512					4,512
Others	13,573	(13,573)	5d			
Other assets		41,054	5d			41,054
	1,446,980			(32,926)		1,414,054
Total Assets	\$ 2,255,414			\$ (32,926)		\$ 2,222,488
Liabilities and equity						
Current liabilities						
Short term bank credit and loans and current maturities of long-term loans	397,601	(397,601)	5e			
Short-term borrowings		397,601	5e			397,601

Accounts payable:						
Trade	104,565	(104,565)	5f			
Other	156,365	(156,365)	5g			
Accounts Payable		225,998	5f, 5g			225,998
Leases	7,757			(7,757)	5o	
Dividends payable						
Other current liabilities		34,932	5g	(8,573)	5n	26,359
	666,288			(16,330)		649,958
NON-CURRENT LIABILITIES:						
Long-term loans, net of current maturities						
	399,833					399,833
Retirement benefit obligations, net	33,690					33,690
Deferred income tax liabilities	66,234					66,234
Leases	25,322			(25,322)	5o	
Liability for shareholders of subsidiaries and other						
	142,627	(19,802)	5h	(122,825)	5n	
Other liabilities		19,802	5h			19,802
	667,706			(148,147)		519,559
TOTAL LIABILITIES	1,333,994			(164,477)		1,169,517
Redeemable Noncontrolling Interest						
				131,398	5n	131,398
Equity attributable to owners of the parent:						
Ordinary shares	17,094					17,094
Other capital surplus	116,132	(116,132)	5i			
Capital in excess of par value		116,132	5i			116,132
Translation differences	(85,299)	85,299	5j			
Retained earnings	872,640	(872,640)	5j			
Less-cost of company shares held by the company						
	(3,693)	3,693	5j			
Treasury stock, at cost		(3,693)	5j			(3,693)
Other equity		787,341	5j	153	5n	787,494
Total Shareholders Equity	916,874			153		917,027
Noncontrolling interest	4,546					4,546
TOTAL EQUITY	\$ 921,420			\$ 153		\$ 921,573
TOTAL EQUITY AND LIABILITIES	\$ 2,255,414			\$ (32,926)		\$ 2,222,488

Table of Contents**UNAUDITED FRUTAROM US GAAP STATEMENT OF OPERATIONS****FOR THE SIX MONTHS ENDED JUNE 30, 2018**

	Frutarom IFRS	Reclassification Adjustments	IFRS to U.S. GAAP Notes	Adjustments	Notes	Frutarom U.S. GAAP
Revenue:						
Net sales	786,110					786,110
Cost of Sales	466,928	(466,928)	5k			
Cost of goods sold		466,928	5k			466,928
Gross profit	319,182					319,182
Selling, marketing, research and development expenses net	134,697	(134,697)	5l			
Research and development expenses		30,770	5l			30,770
Selling and administrative expenses		141,640	5l			141,640
General and administrative expenses	51,179	(51,179)	5l			
Amortization of acquisition-related intangibles		13,466	5l			13,466
Other expenses net	(315)	315	5l			
Gain on sales of fixed assets		(691)	5l			(691)
Group's share of earnings of companies accounted for at equity	(1,326)	1,326	5l			
Income From Operations	134,947	(950)				133,997
Financial Expenses net	12,758	(12,758)	5m			
Interest Expense		12,758	5m			12,758
Other (income) expense, net		(950)	5l			(950)
Income Before Taxes on Net Income						
Income	122,189					122,189
Income Tax	23,600					23,600
Net income (Including Noncontrolling Interests)	98,589					98,589
Less: noncontrolling interests	756			2,449	5n	3,205
Net Income	97,833			(2,449)		95,384
Net income per share basic	1.64					1.60
Net income per share diluted	1.63					1.59

Table of Contents**UNAUDITED FRUTAROM US GAAP STATEMENT OF OPERATIONS****FOR THE YEAR ENDED DECEMBER 31, 2017**

	Frutarom IFRS	Reclassification Adjustments	IFRS to U.S. GAAP Notes	Adjustments	Notes	Frutarom U.S. GAAP
Revenue:						
Net sales	\$ 1,362,396	\$		\$		\$ 1,362,396
Cost of Sales	837,271	(837,271)	5k			
Cost of goods sold		837,271	5k			837,271
Gross profit	525,125					525,125
Selling, marketing, research and development expenses net	220,014	(220,014)	5l			
Research and development expenses		43,644	5l			43,644
Selling and administrative expenses		246,332	5l			246,332
General and administrative expenses	92,155	(92,155)	5l			
Amortization of acquisition-related intangibles		22,193	5l			22,193
Restructuring and other charges, net		(340)	5l			(340)
Other expenses net	3,392	(3,392)	5l			
Gain on sales of fixed assets		1,934	5l			1,934
Group's share of earnings of companies accounted for at equity	(1,402)	1,402	5l			
Income From Operations	210,966	396				211,362
Financial Expenses net	24,606	(24,606)	5m			
Interest Expense		10,075	5m			10,075
Other (income) expense, net		14,927	5l, 5m	(1,602)	5p	13,325
Income Before Taxes on Net Income	186,360			1,602		187,962
Income Tax	34,797			308	5p	35,105
Net income (Including Noncontrolling Interests)	151,563			1,294		152,857
Less: noncontrolling interests	1,884			3,011	5n	4,895

Net Income	\$ 149,679	\$	\$ (1,717)	\$ 147,962
Net income per share basic	\$ 2.52			\$ 2.49
Net income per share diluted	\$ 2.51			\$ 2.48

S-39

Table of Contents

Adjustments included in the column *Reclassification Adjustments* are as follows:

Represents certain reclassifications of historical Frutarom's financial statement line items to conform to the expected financial statement line items of the combined group including:

Balance sheet items:

- a) Accounts receivable: Trade and Other have been reclassified to Trade receivables, net;
- b) Prepaid expenses and advances to suppliers have been reclassified to Prepaid expenses and other current assets;
- c) The portion of intangible assets that relates to goodwill was classified separately as goodwill;
- d) Investment in associates and available for sale assets and Others have been reclassified to Other assets;
- e) Short term bank credit and loans and current maturities of long-term loans have been reclassified to Short-term borrowings;
- f) Accounts payable: Trade has been reclassified to Accounts Payable;
- g) Accounts payable: Other has been reclassified as follows: (i) an amount of \$34,932 that represents \$8,572 of Put-Option liability and \$26,360 of the current portion of Contingent consideration, has been reclassified to Other current liabilities, and (ii) the remaining balance of \$121,433 has been reclassified to Accounts Payable. See Note 5(h) for the reclassification for the long-term portion of the contingent consideration.
- h) The portion of liability for shareholders of subsidiaries and other that relates to long term portion of contingent consideration has been reclassified to Other liabilities;
- i) Other capital surplus has been reclassified to Capital in excess of par value; and
- j) Translation differences and Retained earnings have been condensed into other equity. Cost of company shares held by Frutarom have been reclassified to Treasury stock, at cost.

Statement of income items:

- k) Cost of Sales have been reclassified to Cost of goods sold;

- l) Selling, marketing, research and development expenses net, General and administrative expenses, Other expenses net and Group's share of earnings of companies accounted for at equity have been reclassified in accordance with IFF's presentation as below:

	Year ended Dec 31, 2017	Period ended June 30, 2018	IFF's Presentation	Year ended Dec 31, 2017	Period ended June 30, 2018
Frutarom's Presentation					
Selling, marketing, research and development expenses net	\$ 220,014	\$ 134,697	Research and development expenses	\$ 43,644	\$ 30,770
General and administrative expenses	92,155	51,179	Selling and administrative expenses	246,332	141,640
Other expenses net	3,392	(315)	Restructuring and other charges, net	(340)	
Group's share of earnings of companies accounted	(1,402)	(1,326)	Amortization of acquisition-related intangibles	22,193	13,466
			Losses (Gain) on sales of fixed assets	1,934	(691)
			Other (income) expense, net	396	(950)
	\$ 314,159	\$ 184,235		\$ 314,159	\$ 184,235

Table of Contents

- m) The Portion of Financial Expenses net that relates to expenses on debt have been reclassified to Interest Expense and the remaining portion that relates to foreign exchange gain or loss has been reclassified to Other (income) expenses, net.

Adjustments included in the column IFRS to U.S. GAAP Adjustments are as follows:

The following adjustments have been made to convert Frutarom's historical balance sheet as of June 30, 2018 and statement of operations for the six months ended June 30, 2018 and the year ended December 31, 2017 to U.S. GAAP for purposes of the pro forma presentation:

- n) Reflects an adjustment to reclassify put option liability as redeemable noncontrolling interest to mezzanine equity. As part of several acquisitions effected by Frutarom, the noncontrolling interest holders of the acquired entities were granted an option to sell (Put option) their respective interests to Frutarom. In accordance with IFRS, Frutarom recognized a liability for such put options. Under U.S. GAAP, IFF determined the put options cannot be separated from the noncontrolling interest and the combination of a noncontrolling interest and the redemption feature require classification of such noncontrolling interest as a redeemable noncontrolling interest in the combined balance sheet. Further, those noncontrolling interests which are not currently redeemable but are probable to become redeemable are measured using the present value of the redemption value as of the earliest redemption date and the noncontrolling interests which are currently redeemable are measured at the maximum redemption amount. IFF has reviewed the computation of liabilities for put option under IFRS and determined that the amounts to be recorded for redeemable non-controlling interest under U.S. GAAP would be materially the same as the amount of such liabilities for put option recorded under IFRS. Accordingly, the unaudited pro forma condensed combined balance sheet as at June 30, 2018 was adjusted to reclassify the current and non-current portion of liability for put option that represented redeemable portion of noncontrolling interest as mezzanine equity which is presented between total liabilities and shareholders' equity. In addition, as a result of the reclassification to mezzanine equity, a portion of the profit has been allocated to the relevant NCI in accordance with U.S. GAAP.
- o) For the year ended December 31, 2017, Frutarom accounted for the lease arrangements entered into under IAS 17 Leases (IAS 17). Frutarom has elected to early adopt IFRS 16 Leases (IFRS 16) issued by the IASB, as of January 1, 2018, which requires entities to recognize a lease liability that reflects future lease payments and a right-of-use asset in all lease arrangements, with no distinction between capital/finance and operating leases subject to an exemption of certain short term leases or leases of low value assets. As a result of the early adoption of IFRS 16, Frutarom has recorded its operating leases as a right to use asset along with a corresponding lease liability in its historical balance sheet for the six months ended June 30, 2018. Regarding all leases, Frutarom applied the transitional provisions under IFRS 16 such that it initially recognized a liability at the commencement date at an amount equal to the present value of the lease payments during the lease, discounted using the effective interest rate as of that date, and concurrently recognized a right-of-use asset at an amount identical to the liability. As a result, adoption of the standard had no impact on equity and retained earnings of Frutarom as of initial application. IFF will adopt ASC 842 beginning January 1, 2019. Accordingly, IFF will reverse changes made by Frutarom under IFRS 16 and leases are accounted for under ASC 840 for the six months ending June 30, 2018.
- p) Expected return on plan assets Under IFRS, companies calculate a net interest cost (income) by applying the discount rate to the net pension benefit obligation or asset, while U.S. GAAP requires companies to calculate a separate return on plan assets using an estimated long-term rate of return on plan assets. The interest cost on the

pension benefit obligation is generally the same under both IFRS and U.S. GAAP.

S-41

Table of Contents

The following is a summary of the calculation of the pro forma statement of operations adjustment of \$1.6 million for the year ended December 31, 2017 relating to the expected return on plan assets. This adjustment is due to the different asset return rates used for IFRS versus U.S. GAAP and has been calculated using the following methodology:

Plan Asset	\$ 28,699
Rate Differential:	
Expected rate on plan assets	6.63%
Weighted average discount rate	1.04%
Difference in rates	5.58%
Pro forma adjustment	\$ 1,602

The expected long-term rate of return on pension plan assets was estimated based on the plan's investment strategy and asset allocation, historical capital market performance, and historical performance.

The tax impact of the pro forma statement of operations adjustment was estimated using Frutarom's statutory tax rate in the jurisdictions expected to be impacted.

An adjustment for the six months ended June 30, 2018 has not been calculated since management believes that the adjustment is not material.

No pro forma balance sheet adjustment is required because the amounts recorded for pension assets and obligations will not change materially as a result of purchase accounting.

Note 6 Pro Forma Adjustments

Adjustments included in the unaudited pro forma condensed combined balance sheet are represented by the following:

- a) Represents the adjustments to recognize additional amortization expense related to the increased basis of intangible assets (see Note 4), which have been recorded at estimated fair value on a pro forma basis and will be amortized over the estimated useful lives on a straight line basis. As part of the preliminary valuation analysis, IFF identified intangible assets related to product formulas, trade name and customer relationships.

The following table summarizes the estimated fair values of Frutarom's identifiable intangible assets and their estimated useful lives and uses a straight line method of amortization (in USD thousands):

	Estimated Fair Value	Estimated Useful Life (in Years)	For the Six Months Ended June 30, 2018	For the Year Ended December 31 2017
Intangible assets				
Product formulas	340,000	10	17,000	34,000
Trade name	140,000	20	3,500	7,000
Customer relationships	2,050,000	20	51,250	102,500

	2,530,000	71,750	143,500
Less: Historical amortization expense		11,838	23,676
Pro forma adjustment		\$ 59,912	\$ 119,824

The estimated tax impact of the fair market value adjustments on the amortization expense is reflected in the statements of operations using the weighted average statutory tax rate of the jurisdictions expected to be impacted.

S-42

Table of Contents

A 10% change in the valuation of definite lived intangible assets would cause a corresponding increase or decrease in the balance of goodwill and would also cause a corresponding increase or decrease in the annual amortization expense of approximately \$14,350.

- b) The pro forma condensed combined balance sheet has been adjusted to reflect the elimination of Frutarom's historical goodwill of \$589,250 and to record goodwill resulting from the merger of \$4,312,435. Recorded goodwill is calculated as the difference between the fair value of the purchase price paid and the preliminary values assigned to the identifiable tangible and intangible assets acquired and liabilities assumed. See Note 4 for the calculation of the amount of preliminary goodwill recognized in connection with the merger.
- c) The pro forma condensed combined balance sheet has been adjusted to step up Frutarom's inventory to a fair value of approximately \$372,000, an increase of \$33,119 from the carrying value. This fair value estimate of inventory is preliminary and is determined based on the assumptions that market participants would use in pricing an asset, based on the most advantageous market for the asset (i.e., its highest and best use). This preliminary fair value estimate could include assets that are not intended to be used, may be sold or are intended to be used in a manner other than their best use. The final fair value determination for inventories may differ from this preliminary determination. No adjustment to the unaudited pro forma condensed combined statement of operations has been recorded since the step up of inventory does not have a continuing impact on the combined company.
- d) The pro forma condensed balance sheet has been adjusted to include the adjustment to deferred tax liabilities, on a preliminary basis, of \$401,790 resulting from the pro forma fair value adjustments for inventory, intangible assets (excluding goodwill which is not tax deductible), and liabilities utilizing a weighted average statutory rate for the jurisdictions expected to be impacted. Because the tax rate used for these pro forma financial statements is an estimate, it will likely vary from the actual rate in periods subsequent to the completion of the merger and those differences may be material.
- e) The pro forma condensed combined balance sheet has been adjusted to reflect an adjustment of \$917,027 to eliminate Frutarom's historical shareholders' equity, which represents the historical book value of Frutarom's net assets, as a result of the merger. The pro forma adjustment to equity also reflects the issue of IFF shares to Frutarom out of the treasury shares of the Company as part of the purchase consideration (Note 3). The cost to reissue treasury stock is determined using the average cost method. See table below for more details:

	Reversal of Frutarom's equity	Issue of IFF's shares to Frutarom	Pro forma adjustment
Common Stock	(17,094)		(17,094)
Capital in excess of par value	(116,132)	1,333,317	1,217,185
Treasury stock, at cost	3,693	701,390	705,083
Other equity	(787,494)		(787,494)

Total	\$ (917,027)	\$ 2,034,707	\$ 1,117,680
--------------	---------------------	---------------------	---------------------

S-43

Table of Contents

In addition, other pro forma adjustments to other equity include the following adjustments:

	Amount	Tax impact	Pro forma adjustment
Adjustment related to extinguishment of IFF's debt (Note 6f)	(38,841)	8,173	(30,668)
Adjustment related to acquisition related cost (Note 6h)	(38,046)		(38,046)
Adjustment related to bridge finance commitment fee (Note 6h)	(29,224)	6,838	(22,386)
Adjustment related to fair valuation of derivatives (Note 6g)	8,463	(1,782)	6,681
Total		\$ 13,229	\$ (84,419)

- f) IFF expects to finance the merger with a combination of up to \$3.2 billion of new debt, cash on hand and up to \$2.3 billion in equity. The financing is expected to consist of (i) issuing new par value debt in the form of notes of approximately \$2,750 million at a weighted average effective interest rate of 3.44% per annum with maturities ranging from 2 – 30 years, a portion of which will be denominated in currencies other than the U.S. dollar (ii) obtaining a new term loan facility of up to \$350 million (iii) the recent issuance of new Tangible Equity Units (TEU) of \$825 million, securities consisting of (a) 3-year prepaid common stock purchase contract of approximately \$685.5 million and (b) 3-year amortizing bond of approximately \$139.5 million at an effective interest rate of 5.83%, and (iv) the recent issuance of new common shares for \$1,650 million.

Based on the expected structure of the TEUs, IFF expects the purchase contract component of the TEUs to meet equity classification which has been reflected as such in the unaudited pro forma condensed combined balance sheet. The classification of the TEU will be subject to detailed assessment once finalized and a different conclusion may result in a material impact on these unaudited pro forma condensed combined financial information.

IFF has entered into a debt commitment letter with Morgan Stanley Senior Funding, Inc. to obtain a 364-day bridge facility of up to \$5,450 million to the extent IFF does not receive \$5,450 million of net cash proceeds from the financing arrangements discussed above. This bridge facility is not expected to be utilized, and thus the fee of the bridge facility financing totaling \$39.8 million is not included in the calculation of pro forma interest expense but will be considered an acquisition related cost (see Note 6(h)). On June 6, 2018, IFF entered into a term loan credit agreement to replace a portion of the bridge facility, reducing the amount of the bridge facility by \$350 million. If IFF is not able to consummate the financing discussed above, and instead must utilize the bridge facility to fund the acquisition, the adjustment to annual interest expense is expected to be approximately \$35.4 million for the six months ended June 30, 2018 and \$71.0 million for the year ended December 31, 2017 respectively. Financial expenses related to the amortization of the fee for bridge financing recognized by IFF during the six months ended June 30, 2018, amounting to \$10.6 million, have been removed for pro forma purposes, since it does not have a continuing impact (see Note 6(h)). In addition, the accrual created by the Company for the bridge financing fee of \$12 million as of June 30, 2018 has been reversed to reflect the total impact of estimated bridge facility financing to cash and retained earnings on pro forma balance sheet (see Note 6(l)).

IFF intends to retire all of Frutarom's existing debt utilizing funds raised by the expected financing arrangements above. Additionally, in connection with the merger, IFF intends to prepay in full IFF's current outstanding senior secured notes due 2019-2027. Pursuant to this, IFF will incur certain pre-payment penalties and swap unwind costs. These transactions will be treated as an extinguishment of debt, with a loss of \$38.8 million associated with the pre-payment of senior secured notes due 2019-2027 along with swap unwind fee. The loss on extinguishment is reflected in the unaudited pro forma balance sheet as a reduction of retained earnings and a reduction of cash as it will be expensed by IFF. It is not reflected in the pro forma statement of operations due to its nonrecurring nature.

S-44

Table of Contents

The following pro forma adjustments have been recorded in the pro forma condensed combined balance sheet in relation to the new debt (in USD thousands):

	As of June 30, 2018
Term loan	350,000
Senior notes	2,750,000
Debt portion of TEUs	139,472
Debt issuance costs	(24,852)
Extinguishment of Frutarom's existing debt	(797,434)
Repayment of IFF's existing debt	(249,776)
Pro forma adjustment	\$ 2,167,410
Allocated to:	
Short-term borrowings	198,088
Long-term debt	1,969,322
Pro forma adjustment	\$ 2,167,410

The following pro forma adjustments have been recorded in the pro forma condensed combined balance sheet in relation to the issuance of equity, net of issuance costs (in USD thousands):

	Issue of common stock	Equity portion of Tangible equity units	Pro forma adjustment
Common Stock	1,583		1,583
Capital in excess of par value	1,600,392	663,913	2,264,305
Total	\$ 1,601,975	\$ 663,913	\$ 2,265,888

The following pro forma adjustments have been recorded in the pro forma condensed combined statements of operations (in USD thousands):

	Six Months Ended June 30, 2018	Year Ended December 31, 2017
Interest expense on Term Loan	4,528	12,679
Interest expense TEU notes	2,543	6,964
Interest on Senior Notes	41,057	91,465

Edgar Filing: INTERNATIONAL FLAVORS & FRAGRANCES INC - Form 424B5

Frutarom Interest Expense	(10,600)	(10,075)
Retirement of IFF Senior Notes	(8,219)	(16,438)
Reversal of fee recognized for bridge financing	(10,576)	
Reversal of mark-to-market gain recognized foreign currency forward (note 6g)	24,937	
Total pro forma adjustment	\$ 43,670	\$ 84,595

The weighted-average interest rate on the new term loan, new senior notes and amortizing bond (TEU) as of the issuance is expected to be 3.62%. The actual financing and terms of the financing will be subject to market conditions. A 1/8% change in interest rates on the debt to be incurred as part of the merger would result in a change in interest expense of \$5.1 million annually.

S-45

Table of Contents

- g) IFF entered into deal contingent foreign currency forward contract and interest rate swaps. The deal contingent foreign currency forward serves as an economic hedge of the Euro denominated portion of the senior notes to be issued, while the deal contingent interest rate swaps serve as an economic hedge of the underlying interest rate of the USD denominated senior notes. Upon securing the permanent financing, IFF intends to net settle these derivatives with the financial institutions by making or receiving payment. The foreign currency forward and interest rate swaps have not been considered to be designated as a hedge for the purposes of pro forma financial information. As of September 17, 2018, the foreign currency forward had a fair value of a gain of approximately \$14,645 and the interest rate swaps had a fair value of a loss of approximately \$6,182. For the purpose of the unaudited pro forma financial statements, recognition of these derivatives have been considered an event that is directly attributable to the merger, however, since these are deal contingent, there is no continuing impact. Accordingly, the pro forma balance sheet has been adjusted to reflect the fair value of these derivatives as of September 17, 2018, as if these derivatives were settled on the said date increasing cash and retained earnings. No future impact on pro forma statement of operations is considered due its non-recurring nature. However, during the six months ended June 30, 2018, IFF recognized \$24,937 of mark-to-market gain related to interest rate swaps under Financing expenses net, and \$10,979 of mark-to-market loss relates to foreign current forward under Other (income) expenses, net. The unrealized gain/loss recognized by IFF on mark-to-market valuation of these derivatives during the six months ended June 30, 2018, has been eliminated from the pro forma statement of operations, since it does not have a continuing impact. The pro forma adjustments were tax effected using the worldwide weighted average statutory tax rate in the jurisdictions to which the adjustments are expected to relate.
- h) The pro forma condensed combined balance sheet has been adjusted to reflect an adjustment of \$93,801 for estimated acquisition-related costs consisting of bridge facility financing fees of \$39,800 and professional, legal and other acquisition-related fees of \$50,501. Pursuant to the requirements for the preparation of pro forma financial information under Article 11 of Regulation S-X, these acquisition-related costs are not included in the pro forma condensed combined statements of operations, since these costs are nonrecurring. During the six months ended June 30, 2018, IFF recognized \$12,455 as acquisition-related expenses. The Company paid \$2,605 of these expenses and \$9,850 are accrued as liability in the balance sheet as of June 30, 2018. The remaining costs expected to be paid in the future are reflected in the unaudited pro forma condensed combined balance sheet as a decrease to cash and cash equivalents, with the related tax benefits reflected as a decrease in other current liabilities and the after tax impact presented as a decrease to retained earnings. The acquisition-related costs recognized by IFF during the six months ended June 30, 2018, have been eliminated from the pro forma statement of operation, since it does not have a continuing impact. The adjustment related to acquisition-related cost in the pro forma financial statements is summarized below:

	Total estimated cost	Paid until June 30, 2018	Pro Forma adjustment to cash	Expense recognized during Six Months ended June 30, 2018	Pro forma adjustment to retained earnings
Bridge financing fee	39,800	(24,716)	15,084	(10,576)	29,224
Acquisition-related cost	50,501	(2,605)	47,896	(12,455)	38,046
			\$ 62,980		\$ 67,270

i)

The pro forma condensed combined statement of operation has been adjusted for the impact of the adoption of ASU 2017-07 Compensation Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost, to present the non-service components of periodic pension cost to Other (income) expense, net in the pro forma condensed combined statements of operations.

S-46

Table of Contents

- j) The estimated tax impact of the interest expense adjustments have been reflected in the pro forma condensed combined statement of operation using the weighted average statutory tax rate of the jurisdictions expected to be impacted. Because the tax rate used for these pro forma financial statements is an estimate, it will likely vary from the actual rate in periods subsequent to the completion of the business combination and those differences may be material.
- k) The following table summarizes the pro forma adjustments to cash and cash equivalent (in USD thousands):

	Pro Forma adjustment
Proceeds from debt financing (Note 6f)	2,167,410
Proceeds from equity financing (Note 6f)	2,265,888
Prepayment penalty and loss-unwind fee (Note 6f)	(38,841)
Payment of Acquisition-related cost (Note 6h)	(62,980)
Net payment upon settlement of derivatives (Note 6g)	8,463
Total	\$ 4,339,940

- l) The following table summarizes the pro forma adjustments to other current liabilities (in USD thousands):

	Pro Forma adjustment
Tax impact of adjustment posted (Note 6e)	13,229
Reversal of accrual created for bridge financing fee (Note 6f)	12,001
Reversal of accrual created for acquisition related cost (Note 6h)	9,850
	\$ 35,080

Note 7 Pro Forma Earnings Per Share

The following table presents the calculation of pro forma combined basic and diluted net loss per share of common stock, after giving effect to:

- (a) the preliminary estimated number of shares of IFF common stock to be issued as part of purchase consideration calculated using the exchange ratio;
- (b) the preliminary estimated number of shares of IFF common stock to be issued in order to finance the acquisition; and

- (c) the dilutive impact of equity portion of the tangible equity units

S-47

Table of Contents

for the year ended December 31, 2017 and the six months ended June 30, 2018 (in USD thousands, except per share amounts):

	Year Ended December 31, 2017	Six Months Ended June 30, 2018
Pro forma net profit attributable to stockholders	282,873	259,746
Weighted average number of IFF shares outstanding Basic	79,070	79,041
IFF shares issued to Frutarom as part of purchase consideration (Note 3)	14,907	14,907
Fresh equity of common stock to finance the acquisition (Note 6f)	12,089	12,089
Common stock issuable upon conversion of Tangible equity units	5,171	5,171
Pro forma weighted average number shares outstanding Basic	111,237	111,208
Weighted average number of IFF shares outstanding Diluted	79,370	79,347
IFF shares issued to Frutarom as part of purchase consideration (Note 3)	14,907	14,907
Fresh equity of common stock to finance the acquisition (Note 6f)	12,089	12,089
Diluted common stock issuable upon conversion of Tangible equity units	6,334	6,334
	112,700	112,677
Pro forma net income per share of common stock Basic	2.54	2.34
Pro forma net income per share of common stock Diluted	2.52	2.31

S-48

Table of Contents

DESCRIPTION OF THE NOTES

The following description supplements and, to the extent inconsistent therewith, replaces the description of the general terms and provisions of the debt securities set forth in the accompanying prospectus.

The notes will be governed by an indenture, dated as of March 2, 2016, between us and U.S. Bank National Association, as trustee, as supplemented by a supplemental indenture with respect to the notes. We refer to the indenture, as supplemented, as the indenture. The terms of the notes include those stated in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended (the Trust Indenture Act).

The following discussion summarizes the material provisions of the notes and the indenture. Because this is only a summary, it is not complete and does not describe every aspect of the notes and the indenture, and is subject to, and is qualified in its entirety by reference to, all the provisions of the indenture, including definitions of certain terms in the indenture. You should read the indenture for provisions that may be important to you, but which are not included in this summary.

General

We are offering \$300,000,000 aggregate principal amount of our 2020 notes, \$400,000,000 aggregate principal amount of our 2028 notes and \$800,000,000 aggregate principal amount of our 2048 notes. We may from time to time, without giving notice to or seeking the consent of the holders of the original notes, issue notes having the same ranking and the same interest rate, maturity and other terms as the original notes. Any additional notes having such similar terms, together with the applicable original notes, will constitute a single series of notes under the indenture, provided that any such further notes are issued pursuant to a qualified reopening of the original notes, are otherwise treated as part of the same issue of debt instruments as the original notes or are issued with no more than a de minimis amount of original discount, in each case for U.S. federal income tax purposes.

The 2020 notes will bear interest at 3.400% per annum, the 2028 notes will bear interest at 4.450% per annum and the 2048 notes will bear interest at 5.000% per annum. Interest on the notes will accrue from September 26, 2018. Interest on the 2020 notes will be payable semi-annually in cash in arrears on March 25 and September 25 of each year, beginning on March 25, 2019, to holders of record at the close of business on the fifteenth calendar day (whether or not that date is a business day), as the case may be, immediately preceding such interest payment date. Interest on the 2028 notes and the 2048 notes will accrue from September 26, 2018, and will be payable semi-annually in cash in arrears on March 26 and September 26 of each year, beginning on March 26, 2019, to holders of record at the close of business on the fifteenth calendar day (whether or not that date is a business day), as the case may be, immediately preceding such interest payment date. The 2020 notes will mature on September 25, 2020, the 2028 notes will mature on September 26, 2028 and the 2048 notes will mature on September 26, 2048.

Interest on the notes will be computed on the basis of a 360-day year comprised of twelve 30-day months. Any payment otherwise required to be made in respect of the notes on a date that is not a business day may be made on the next succeeding business day with the same force and effect as if made on that date. No additional interest will accrue as a result of a delayed payment. A business day is defined in the indenture as any day, other than a Saturday, Sunday or other day on which banking institutions in the City of New York are authorized or required by law or regulation to close.

The notes will be issued only in fully registered, book-entry form without coupon and in minimum denominations of \$2,000 and in integral multiples of \$1,000 above that amount. The notes will be represented by one or more global securities registered in the name of Cede & Co., as nominee of DTC. Except as described below under Book-Entry

Issuance; Delivery and Form, the notes will not be issuable in certificated form.

Ranking

The notes will be our direct, unsecured and unsubordinated obligations and will rank equally with all of our existing and future other unsecured and unsubordinated indebtedness. The notes will be effectively subordinated to any of our existing and future secured indebtedness, to the extent of the assets securing such indebtedness, and will be effectively subordinated to all liabilities of our subsidiaries, including trade payables.

S-49

Table of Contents

Special Mandatory Redemption

The Company expects to use the net proceeds from this offering as partial consideration for the Merger, as described under the heading Use of Proceeds. If the closing of the Merger has not occurred on or prior to February 7, 2019, or if, prior to such date, the Merger Agreement is terminated (each, a Special Mandatory Redemption Event), the provisions set forth below will be applicable.

Upon the occurrence of a Special Mandatory Redemption Event, each series of the notes will be redeemed in whole by us at a special mandatory redemption price (the Special Mandatory Redemption Price) equal to 101% of the aggregate principal amount of the applicable series of notes, plus accrued and unpaid interest on the principal amount of such series of the notes to, but not including, the Special Mandatory Redemption Date (as defined below).

Upon the occurrence of a Special Mandatory Redemption Event, the Company shall promptly (but in no event later than five business days following such Special Mandatory Redemption Event) notify the trustee in writing of such event, and the trustee shall, no later than five business days following receipt of such notice from the Company, notify the holders (the date on which such notification is distributed, the Redemption Notice Date), that the notes will be redeemed on the 10th business day following the Redemption Notice Date (such date, the Special Mandatory Redemption Date), in each case in accordance with the applicable provisions of the indenture. The trustee, upon receipt of the notice specified above, on the Redemption Notice Date shall notify each holder in accordance with the applicable provisions of the indenture that all of the outstanding notes shall be redeemed at the Special Mandatory Redemption Price on the Special Mandatory Redemption Date automatically and without any further action by the holders of any series of the notes. Prior to the opening of business on the Special Mandatory Redemption Date, the Company shall deposit with the trustee funds sufficient to pay the Special Mandatory Redemption Price for each series of notes. If such deposit is made as provided above, the notes will cease to bear interest on and after the Special Mandatory Redemption Date.

Upon the occurrence of the closing of the Merger, the foregoing provisions regarding the special mandatory redemption will cease to apply.

Optional Redemption

We may redeem each series of notes, in whole or in part, at our option, at any time prior to the maturity date with respect to the 2020 notes, June 26, 2028 (three months prior to the maturity date) with respect to the 2028 notes, and March 26, 2048 (six months prior to the maturity date) with respect to the 2048 notes, at a redemption price equal to the greater of the following amounts:

100% of the principal amount of the notes to be redeemed on that redemption date; and

the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed on that redemption date, excluding accrued and unpaid interest on the redemption date, discounted to the redemption date on a semi-annual basis based at the Treasury Rate (as defined below), plus 10 basis points in the case of the 2020 notes, 25 basis points in the case of the 2028 notes and 30 basis points in the case of the 2048 notes, as determined by the Reference Treasury Dealer (as defined below); plus, in each case, accrued and unpaid interest on the notes being redeemed to, but excluding, the redemption date.

On or after June 26, 2028 (three months prior to the maturity date) with respect to the 2028 notes, and March 26, 2048 (six months prior to the maturity date) with respect to the 2048 notes, the redemption price for the notes to be redeemed will be equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest on the notes to be redeemed to, but excluding, the redemption date.

Notwithstanding the foregoing, installments of interest on notes that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the

S-50

Table of Contents

registered holders as of the close of business on the relevant record date in accordance with the notes and the indenture. The redemption price will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

We will mail notice of any redemption at least 30 days, but not more than 60 days, before the redemption date to each registered holder of the notes to be redeemed. Once notice of redemption is mailed, the notes called for redemption will become due and payable on the redemption date and at the applicable redemption price, plus accrued and unpaid interest to the redemption date. The notice of redemption will state any conditions applicable to a redemption and the amount of notes to be redeemed.

Comparable Treasury Issue means the U.S. Treasury security selected by the Reference Treasury Dealer as having a maturity comparable to the remaining term of the notes of the applicable series to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the notes.

Comparable Treasury Price means, with respect to any redemption date, (a) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (b) if the Quotation Agent obtains fewer than four Reference Treasury Dealer Quotations, the average of all these quotations.

Quotation Agent means the Reference Treasury Dealer selected by us.

Reference Treasury Dealer means (a) each of Morgan Stanley & Co. LLC, BNP Paribas Securities Corp., Citigroup Global Markets Inc. and J.P. Morgan Securities LLC (or their respective affiliates which are Primary Treasury Dealers (as defined below)), and their respective successors; provided, however, that if any of those entities ceases to be a primary U.S. Government securities dealer in New York City (a Primary Treasury Dealer) we will substitute for those entities another Primary Treasury Dealer; and (b) any other Primary Treasury Dealer(s) selected by us.

Reference Treasury Dealer Quotation means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

Treasury Rate means, with respect to any redemption date, the rate per annum equal to the equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that redemption date.

On and after the redemption date, interest will cease to accrue on the notes or any portion of the notes called for redemption, unless we default in the payment of the redemption price and accrued interest. On or before the redemption date, we will deposit with a paying agent, or the trustee, money sufficient to pay the redemption price of and accrued interest on the notes to be redeemed on that date. If less than all of the notes are to be redeemed, the notes to be redeemed will be selected by the trustee, in accordance with the rules of DTC, by lot or in such other manner the trustee deems to be fair and appropriate.

Sinking Fund

The notes will not be entitled to the benefit of any mandatory redemption or sinking fund.

S-51

Table of Contents

Offer to Repurchase Upon Change of Control Triggering Event

Upon a Change of Control Triggering Event (as defined below), unless we have previously exercised any right to redeem the notes as described above under Optional Redemption, each holder of notes will have the right to require us to repurchase all or any part (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of such holder's notes pursuant to the offer described below (the Change of Control Offer). In the Change of Control Offer, we will offer payment in cash equal to 101% of the aggregate principal amount of such notes repurchased plus accrued and unpaid interest, if any, on the notes repurchased, to, but excluding, the date of repurchase (the Change of Control Payment).

Within 30 days following the date upon which the Change of Control Triggering Event occurs, or, at our option, prior to any Change of Control but after the public announcement of the pending Change of Control, we will mail a notice to each holder of notes, with a copy to the trustee, describing the terms of the Change of Control Offer and offering to repurchase the notes. Such notice will state, among other things, the purchase date, which must be no earlier than 30 days and no later than 60 days from the date such notice is mailed, other than as may be required by law (the Change of Control Payment Date). If the notice is mailed prior to the date of consummation of the Change of Control, it will state that the Change of Control Offer is conditioned on the Change of Control being completed on or prior to the Change of Control Payment Date.

We will comply with the requirements of Rule 14e-1 under the Exchange Act, and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control Triggering Event provisions of the indenture and the notes, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control Triggering Event provisions by virtue of compliance with such securities laws or regulations.

We will not be required to make a Change of Control Offer if a third party makes an offer to purchase the notes at a purchase price equal to 101% of the aggregate principal amount of the notes plus accrued and unpaid interest, if any, on such notes to the date of purchase, in the manner, at the times and otherwise in compliance with the requirements for a Change of Control Offer made by us and such third party purchases all the notes properly tendered and not withdrawn under its offer.

On the Change of Control Payment Date, we will, to the extent lawful:

accept for payment all notes or portions of notes properly tendered pursuant to the Change of Control Offer;

deposit with the paying agent an amount equal to the Change of Control Payment in respect of all notes or portions of notes properly tendered; and

deliver or cause to be delivered to the trustee for cancellation the notes properly accepted together with an officers' certificate stating the aggregate principal amount of the notes being purchased by us.

For purposes of the foregoing discussion of a repurchase at the option of holders upon the occurrence of a Change of Control, the following definitions are applicable:

Change of Control means the occurrence of any of the following: (1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of our properties or assets and of our subsidiaries' properties or assets taken as a whole to any person (as that term is used in Section 13(d)(3) and Section 14(d) of the Exchange Act) other than us or one of our subsidiaries; (2) the adoption of a plan relating to our liquidation or dissolution; (3) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any person (as defined in clause (1) above) becomes the beneficial owner (as defined

Table of Contents

in Rule 13d-3 and Rule 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of our then outstanding Voting Stock (measured by voting power rather than number of shares); or (4) we consolidate with, or merge with or into, any Person, or any Person consolidates with, or merges with or into, us, in any such event pursuant to a transaction in which any of our outstanding Voting Stock or Voting Stock of such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of our Voting Stock outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of the surviving Person immediately after giving effect to such transaction.

Change of Control Triggering Event means the occurrence of both (1) a Change of Control and (2) a Ratings Event.

Investment Grade means a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, or if applicable, the equivalent investment grade credit rating from any substitute Rating Agency selected by us.

Moody's means Moody's Investors Service, Inc. and its successors.

Person means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity, and includes a person as used in Section 13(d)(3) of the Exchange Act.

Rating Agencies means (1) each of Moody's and S&P; and (2) if either of Moody's or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act, selected by us (as certified by a resolution of our board of directors) as a replacement agency for Moody's or S&P, or both as the case may be.

Ratings Event means the occurrence of the events described in (1) or (2) below on any date during the period commencing 60 days prior to the date of the public notice of the occurrence of a Change of Control or our intention to effect a Change of Control and ending 60 days following consummation of such Change of Control (the Trigger Period), which Trigger Period shall be extended so long as the rating of the notes is under publicly announced consideration for possible downgrade by either of the Rating Agencies: (1) in the event the notes are rated by both Rating Agencies as investment grade, the rating of the notes shall be reduced so that the notes are rated below investment grade by both Rating Agencies, or (2) in the event the notes are rated investment grade by one Rating Agency and below investment grade by the other Rating Agency, the rating of the notes by either Rating Agency shall be decreased by one or more gradations (including gradations within rating categories, as well as between rating categories) so that the notes are then rated below investment grade by both Rating Agencies.

S&P means S&P Global Ratings, a division of S&P Global, Inc. and its successors.

Voting Stock of a Person means shares, interests, participations or other equivalents in the equity interest (however designated) in such Person having ordinary voting power for the election of a majority of the directors (or the equivalent) of such Person, other than shares, interests, participations or other equivalents having such power only by reason of the occurrence of a contingency.

Certain Covenants

Limitations on Liens

We will not, and will not permit any Restricted Subsidiary (as defined below) to, issue, incur, create, assume or guarantee any debt for borrowed money (collectively referred to as Debt) secured by any mortgage, security

S-53

Table of Contents

interest, pledge, lien, charge or other encumbrance (each a Lien and collectively, Liens) on any Principal Property (as defined below) or shares of stock (or other equivalents of or interests in equity) or indebtedness of a Restricted Subsidiary, unless the notes, and, at our option, any other indebtedness or guarantee ranking equally with such notes, are secured equally and ratably with, or at our option, prior to, such secured Debt, for so long as such Debt is so secured.

This restriction will not apply to Debt secured by:

liens on property, shares of stock or indebtedness of an entity existing at the time it becomes a Restricted Subsidiary, but not created in anticipation of the transaction in which such entity becomes a Restricted Subsidiary;

liens on property acquired by us or a Restricted Subsidiary existing at the time of acquisition by us or a Restricted Subsidiary;

liens on property acquired by us or a Restricted Subsidiary and created prior to, at the time of, or within 180 days after the acquisition of such property, or the completion of construction, the completion of improvements or the commencement of substantial commercial operation of such property, for the purpose of financing all or any part of the purchase price of such property, such construction or the making of such improvements;

liens on property, shares of stock or indebtedness of an entity existing at the time such entity is merged into or consolidated with us or a Restricted Subsidiary or at the time of a sale, lease or other disposition of all or substantially all of the properties of an entity as an entirety or substantially as an entirety to us or a Restricted Subsidiary, provided that the lien was not incurred in contemplation of such merger or consolidation or sale, lease or other disposition;

liens on our or a Restricted Subsidiary's property or in favor of governmental bodies to secure payments of amounts owed under contract or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of constructing or improving the property subject to such liens;

liens to secure indebtedness owing to us or a Restricted Subsidiary;

liens existing on the date of the initial issuance of the notes; and

any extension, renewal or replacement of any Lien referred to above or of any Debt secured by that Lien; provided, however, that such extension, renewal or replacement Lien will secure no larger an amount of Debt than that existing at the time of such extension, renewal or replacement.

Notwithstanding the restrictions described above, we or a Restricted Subsidiary may issue, incur, create, assume or guarantee Debt secured by a Lien which would otherwise be subject to the foregoing restrictions without equally and ratably securing the notes, provided that after giving effect to the Debt secured by such Lien, the aggregate amount of all Debt so secured by Liens, not including Liens permitted above, does not exceed the greater of (1) 15% of Consolidated Net Tangible Assets (as defined below) or (2) \$100 million.

Limitations on Sale and Lease-back Transactions

Sale and Lease-Back Transactions (as defined below) by us or any Restricted Subsidiary of any Principal Property, other than any such transaction involving a lease for a term of not more than three years or any such transaction between us and one of our Restricted Subsidiaries or between Restricted Subsidiaries, are prohibited unless at the effective time of such transaction:

we or the Restricted Subsidiary would be entitled, pursuant to the covenant relating to Limitation on Liens, without equally and ratably securing the notes, to incur Debt secured by a Lien on the Principal Property involved in such transaction in an amount at least equal to the Attributable Debt (as defined below) with respect to such Sale and Lease-Back Transaction; or

S-54

Table of Contents

we or the Restricted Subsidiary applies, within 180 days of the effective date of the Sale and Lease-Back Transaction, an amount equal to the greater of (1) the net proceeds of such sale or (2) the Attributable Debt with respect to such Sale and Lease-Back Transaction, to either, or a combination of, (x) the prepayment or retirement, other than any mandatory retirement, mandatory prepayment or sinking fund payment or payment at maturity, of debt for borrowed money of us or a Restricted Subsidiary, other than debt subordinate to the notes or debt to us or a Restricted Subsidiary, that matures more than 12 months after its creation or (y) the purchase, construction or development of other comparable property.

Certain Definitions

For purposes of the foregoing discussion of certain covenants, the following definitions are applicable:

Attributable Debt as used with respect to a Sale and Lease-Back Transaction, means, at the time of determination, the lesser of (a) the fair market value of the Principal Property leased, as determined in good faith by our Board of Directors, or (b) the present value of the total net amount of rent required to be paid under such lease during the remaining term thereof, including any period for which such lease has been extended, discounted at the rate of interest set forth or implicit in the terms of such lease, as determined in good faith by our Board of Directors, compounded semi-annually.

Consolidated Net Tangible Assets means, as of any particular time, the aggregate amount of assets included on our consolidated balance sheet as of the end of the last fiscal quarter for which financial information is available, less applicable reserves and other properly deductible items, after deducting from such amount:

all current liabilities, including current maturities of long-term indebtedness and current maturities of obligations under capital leases; and

the total of the net book values of all assets of us and our Subsidiaries properly classified as intangible assets under U.S. generally accepted accounting principles, including goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangible assets.

Principal Property means the land, improvements, buildings and fixtures (including any leasehold interest therein), constituting the principal corporate office, any manufacturing plant or any manufacturing or research or engineering facility, whether owned at or acquired after the date of the indenture, that is owned or leased by us or a Restricted Subsidiary, that is located within the continental United States, and that has a net book value at the time of the determination in excess of the greater of 10% of our Consolidated Net Tangible Assets or \$50 million, unless our Board of Directors has determined in good faith that such property is not material to the operation of the business conducted by us and our Subsidiaries taken as a whole; provided, however, for purposes of the indenture, our corporate office located at 521 West 57th Street, New York, New York 10019-2960 will not be deemed a Principal Property.

Restricted Subsidiary means any Subsidiary (1) substantially all of whose property is located within the continental United States, (2) which owns a Principal Property and (3) in which our investment exceeds 1% of the aggregate amount of assets included on our consolidated balance sheet as of the end of the last fiscal quarter for which financial information is available. However, the term *Restricted Subsidiary* does not include any Subsidiary that is principally engaged in certain types of leasing and financing activities.

Sale and Lease-Back Transaction means any arrangement with any person providing for the leasing by us or any Restricted Subsidiary of any Principal Property, whether owned at the date of the issuance of the notes or thereafter acquired, excluding temporary leases of a term, including renewal periods, of not more than three years, that has been or is to be sold or transferred by us or any Restricted Subsidiary to such person with the intention of taking back a lease of this property.

Subsidiary means (a) any corporation at least a majority of whose outstanding voting stock shall at the time be owned, directly or indirectly, by us or by one or more of our subsidiaries or by us and one or more of our

S-55

Table of Contents

subsidiaries, (b) any general partnership, limited liability company, joint venture or similar entity, at least a majority of whose outstanding partnership or similar interests shall at the time be owned by us, or by one or more of our subsidiaries, or by us and one or more of our subsidiaries and (c) any limited partnership of which we or any of our subsidiaries is a general partner.

Additional Notes

We may, without the consent of the holders of the notes, create and issue additional notes ranking equally with any series of notes in all respects and having the same interest rate, maturity and other terms as such series of notes (except for the public offering price and issue date and, in some circumstances, the first interest payment date) so that such additional notes shall be consolidated and form a single series with such notes; provided, however, that unless such additional notes are issued pursuant to a qualified reopening of the original notes, are otherwise treated as part of the same issue of debt instruments as the original notes or are issued with no more than a de minimis amount of original discount, in each case for United States federal income tax purposes, the additional notes will have a different CUSIP number.

Book-Entry; Delivery and Form

Global Notes

The notes will be represented by one or more global notes in definitive, fully registered, book-entry form. The global notes will be deposited with or on behalf of DTC and registered in the name of Cede & Co., as nominee of DTC. We will not issue certificated notes to you, except in the limited circumstances described below. Each global note will be issued to DTC, which will keep a computerized record of its participants whose clients have purchased the notes. Each participant will then keep a record of its own clients. Unless it is exchanged in whole or in part for a certificated note, a global note may not be transferred. DTC, its nominees and their successors may, however, transfer a global note as a whole to one another, and these transfers are required to be recorded on our records or a register to be maintained by the trustee.

DTC, Clearstream and Euroclear

The descriptions of the operations and procedures of DTC, Euroclear and Clearstream set forth below are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to change by them from time to time. Neither we nor the underwriters take any responsibility for these operations or procedures, and investors are urged to contact the relevant system or its participants directly to discuss these matters.

DTC has advised us that it is (1) a limited purpose trust company organized under the laws of the State of New York, (2) a banking organization within the meaning of the New York Banking Law, (3) a member of the Federal Reserve System, (4) a clearing corporation within the meaning of the New York Uniform Commercial Code, as amended and (5) a clearing agency registered pursuant to Section 17A of the Exchange Act. DTC was created to hold notes for its participants and facilitates the clearance and settlement of notes transactions between participants through electronic book-entry changes to the accounts of its participants, thereby eliminating the need for physical transfer and delivery of certificates. DTC's participants include brokers and dealers, including the underwriters, banks and trust companies, clearing corporations and certain other organizations. Indirect access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies, referred to as indirect participants, that clear through or maintain a custodial relationship with a participant, either directly or indirectly. Investors who are not participants may beneficially own notes held by or on behalf of DTC only through participants or indirect participants.

Pursuant to procedures established by DTC, upon deposit of each of the global notes, DTC will credit the accounts of participants designated by the underwriters with an interest in the global notes. Ownership of the

S-56

Table of Contents

notes will be shown on, and the transfer of ownership of notes will be effected only through, records maintained by DTC, with respect to the interests of participants, and the records of participants and the indirect participants, with respect to the interests of persons other than participants.

We understand that under existing industry practice, in the event that we request any action of holders of notes, or a holder that is an owner of a beneficial interest in a global note desires to take any action that DTC, as the holder of such global note, is entitled to take, DTC would authorize the participants to take the action and the participants would authorize holders owning through the participants to take the action or would otherwise act upon the instruction of the holders. Neither we nor the trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of notes by DTC, or for maintaining, supervising or reviewing any records of DTC relating to the notes. Payments with respect to the principal of, and premium, if any, liquidated damages, if any, and interest on, any notes represented by a global note registered in the name of DTC or its nominee on the applicable record date will be payable by the trustee to or at the direction of DTC or its nominee in its capacity as the registered holder of the global note representing the notes under the indenture. Under the terms of the indenture, we may treat, and the trustee may treat, the persons in whose names the notes, including the global notes, are registered as the owners of the notes for the purpose of receiving payment on the notes and for any and all other purposes whatsoever. Accordingly, neither we nor the trustee has or will have any responsibility or liability for the payment of these amounts to owners of beneficial interests in the global note, including principal, premium, if any, liquidated damages, if any, and interest.

Links have been established among DTC, Clearstream Banking, *société anonyme*, which we refer to as Clearstream, and Euroclear Bank S.A./N.V., which we refer to as Euroclear. Clearstream and Euroclear are two European book-entry depositaries similar to DTC, to facilitate the initial issuance of notes sold outside the United States and cross-market transfers of the notes associated with secondary market trading.

Noteholders may hold their notes through the accounts maintained by Euroclear or Clearstream in DTC only if they are participants of those systems, or indirectly through organizations that are participants in those systems. Euroclear and Clearstream will hold omnibus book-entry positions on behalf of their participants through customers' securities accounts in Euroclear's and Clearstream's names on the books of their respective depositaries, which in turn will hold such positions in customers' securities accounts in the names of the nominees of the depositaries on the books of DTC. All securities in Euroclear and Clearstream are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts.

Transfers of notes by persons holding through Euroclear or Clearstream participants will be effected through DTC, in accordance with DTC rules, on behalf of the relevant European international clearing system by its depositaries; however, such transactions will require delivery of exercise instructions to the relevant European international clearing system by the participant in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the exercise meets its requirements, deliver instructions to its depositaries to take action to effect the exercise of the notes on its behalf by delivering notes through DTC and receiving payment in accordance with its normal procedures for next-day funds settlement. Payments with respect to the notes held through Euroclear and Clearstream will be credited to the cash accounts of Euroclear participants or Clearstream participants in accordance with the relevant system's rules and procedures, to the extent received by its depositaries. Euroclear and Clearstream may change any of their policies without notice.

Certificated Notes

We will only issue certificated notes to each person that DTC identifies as the beneficial owner of the notes represented by a global note upon surrender by DTC of the global note if:

DTC notifies us that it is no longer willing or able to act as a depository for such global note or ceases to be a clearing agency registered under the Exchange Act, and we have not appointed a successor depository within 90 days of that notice or becoming aware that DTC is no longer so registered;

S-57

Table of Contents

an event of default under the indenture has occurred and is continuing, and DTC requests the issuance of certificated notes; or

we determine not to have the notes represented by a global note.

Neither we nor the trustee will be liable for any delay by DTC, its nominee or any direct or indirect participant in identifying the beneficial owners of the notes. We and the trustee may conclusively rely on, and will be protected in relying on, instructions from DTC or its nominee for all purposes, including with respect to the registration and delivery, and the respective principal amounts, of the certificated notes to be issued. If a global note is exchanged for certificated notes, the trustee will keep the registration books for the notes at its corporate office and follow customary practices and procedures regarding those certificated notes.

Defeasance

The defeasance provisions described in the accompanying prospectus under Description of Debt Securities Discharge, Defeasance and Covenant Defeasance will be applicable to the notes; provided that the coin or currency unit to be deposited with the trustee under such provisions shall be U.S. dollars.

Governing Law

The indenture and the notes will be governed by, and construed in accordance with, the laws of the State of New York.

Concerning the Trustee

The trustee with respect to the notes is U.S. Bank National Association, which will also serve as registrar and paying agent with respect to the notes.

Table of Contents**UNITED STATES FEDERAL INCOME TAX CONSEQUENCES**

The following is a summary of the material U.S. federal income tax considerations that may be relevant to a holder of a note. This summary is based on provisions of the Internal Revenue Code of 1986, as amended, applicable Treasury regulations, laws, rulings and decisions now in effect, all of which are subject to change, possibly with retroactive effect. This summary deals only with beneficial owners of notes that will hold notes as capital assets, and does not address particular tax considerations that may be applicable to investors that are subject to special tax rules, such as banks, tax-exempt entities, insurance companies, regulated investment companies, dealers in securities, traders in securities electing to mark to market for U.S. tax accounting purposes, persons that will hold notes as a position in a straddle or conversion transaction, or as part of a synthetic security or other integrated financial transaction, entities or arrangements taxed as partnerships or the partners therein, persons subject to the alternative minimum tax, nonresident alien individuals present in the United States for 183 days or more during a taxable year, U.S. expatriates or persons that have a functional currency other than the U.S. dollar.

This summary addresses only U.S. federal income tax consequences, and does not address consequences arising under state, local or foreign tax laws or the Medicare tax on net investment income. Investors should consult their tax advisors in determining the tax consequences to them of holding notes under such tax laws, as well as the application to their particular situation of the U.S. federal income tax considerations discussed below.

As used herein, a U.S. holder is a beneficial owner of a note that is a citizen or resident of the United States or a U.S. domestic corporation or that otherwise will be subject to U.S. federal income taxation on a net income basis in respect of the note. A non-U.S. holder is a beneficial owner of a note that is an individual, corporation, estate or trust that is not a U.S. holder.

U.S. holders that use an accrual method of accounting for tax purposes (accrual method holders) generally are required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements (the book/tax conformity rule). The application of the book/tax conformity rule thus may require the accrual of income earlier than would be the case under the general tax rules described below, although it is not clear to what types of income the book/tax conformity rule applies. This rule generally is effective for tax years beginning after December 31, 2017 or, for debt securities issued with original issue discount, for tax years beginning after December 31, 2018. Accrual method holders should consult their tax advisors regarding the potential applicability of the book/tax conformity rule to their particular situation.

U.S. Holders

Payments of Interest. Payments of stated interest generally will be taxable to a U.S. holder as ordinary interest income at the time it accrues or is actually or constructively received, in accordance with the holder's method of accounting for U.S. federal income tax purposes. It is expected, and this discussion assumes, that the notes will be issued with no more than a *de minimis* amount of original issue discount (OID). In general, however, if the notes are not issued with less than *de minimis* OID, a U.S. holder will be required to include OID in gross income, as ordinary income, under a constant-yield method before the receipt of cash attributable to such income, regardless of the U.S. holder's regular method of accounting for U.S. federal income tax purposes.

Sale, Exchange and Retirement of Notes. Upon the sale, exchange or retirement of a note, a U.S. holder generally will recognize gain or loss equal to the difference between the amount realized on the sale, exchange or retirement (less any accrued interest, which will be taxable as such) and the U.S. holder's tax basis in such note. A U.S. holder's tax basis in a note generally will equal the cost of the note to such holder. Gain or loss recognized by a U.S. holder generally will be long-term capital gain or loss if the U.S. holder has held the note for more than one year at the time

of disposition. Long-term capital gains recognized by an individual holder generally are subject to tax at a lower rate than short-term capital gains or ordinary income. The deduction of capital losses is subject to limitations.

S-59

Table of Contents**Non-U.S. Holders**

Payments of Interest. Subject to the discussions below under *FATCA* and *Information Reporting and Backup Withholding*, payments of interest on the notes to a non-U.S. holder generally will be exempt from withholding of U.S. federal income tax under the portfolio interest exemption, provided that (i) the non-U.S. holder properly certifies as to its foreign status by providing a properly executed IRS Form W-8BEN or W-8BEN-E (or appropriate substitute form) to the applicable withholding agent; (ii) the non-U.S. holder does not actually or constructively own 10% or more of the total combined voting power of our stock entitled to vote; and (iii) the non-U.S. holder is not a controlled foreign corporation that is related to us actually or constructively through stock ownership.

Sale, Exchange and Retirement of Notes. Subject to the discussions below under *FATCA* and *Information Reporting and Backup Withholding*, a non-U.S. holder generally will not be subject to U.S. federal income tax on gain recognized on a sale, exchange or retirement of notes.

FATCA. Under the U.S. tax rules known as the Foreign Account Tax Compliance Act (*FATCA*), a holder or beneficial owner of notes generally will be subject to 30% U.S. withholding tax on interest payments on the notes (and, starting on January 1, 2019, principal payments on the notes and gross proceeds from the sale or other taxable disposition (including early redemption) of the notes) if the holder or beneficial owner is not FATCA compliant, or holds its notes through a foreign financial institution that is not FATCA compliant. In order to be treated as FATCA compliant, a holder or beneficial owner must provide us or an applicable financial institution certain documentation (usually an IRS Form W-8BEN or W-8BEN-E) containing information about its identity, its FATCA status, and if required, its direct and indirect U.S. owners. For a foreign financial institution to be FATCA compliant, it generally must enter into an agreement with the U.S. government to report, on an annual basis, certain information regarding accounts with or interests in the institution held by certain United States persons and by certain non-U.S. entities that are wholly or partially owned by United States persons, or must satisfy similar requirements under an intergovernmental agreement between the United States and another country (an *IGA*). These requirements may be modified by the adoption or implementation of a particular IGA or by future U.S. Treasury Regulations. If any taxes are required to be deducted or withheld from any payments in respect of the notes as a result of a beneficial owner or intermediary's failure to comply with the foregoing rules, no additional amounts will be paid on the notes as a result of the deduction or withholding of such tax.

Documentation that holders provide in order to be treated as FATCA compliant may be reported to the IRS and other tax authorities, including information about a holder's identity, its FATCA status, and if applicable, its direct and indirect U.S. owners. Prospective investors should consult their tax advisors about how information reporting and the possible imposition of withholding tax under FATCA may apply to their investment in the notes.

Information Reporting and Backup Withholding

Information returns will be filed with the IRS in connection with payments on the notes made to, and the proceeds of dispositions of notes effected by, certain U.S. holders. In addition, certain U.S. holders may be subject to backup withholding in respect of such amounts if they do not provide their taxpayer identification numbers to the person from whom they receive payments. Certain information returns will be filed with the IRS in connection with payments on the notes made to non-U.S. holders, and non-U.S. holders may be required to comply with applicable certification procedures to establish that they are not U.S. holders in order to avoid the application of other information reporting requirements and backup withholding. The amount of any backup withholding from a payment to a U.S. or non-U.S. holder will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information is timely furnished to the IRS.

S-60

Table of Contents**UNDERWRITING**

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus supplement, the underwriters named below, for whom Morgan Stanley & Co. LLC, BNP Paribas Securities Corp., Citigroup Global Markets Inc. and J.P. Morgan Securities LLC are acting as joint book-running managers and representatives, have severally agreed to purchase, and we have agreed to sell to them, severally, the principal amount of notes indicated below:

Underwriters	Principal Amount of 2020 Notes	Principal Amount of 2028 Notes	Principal Amount of 2048 Notes
Morgan Stanley & Co. LLC	\$ 135,000,000	\$ 180,000,000	\$ 360,000,000
BNP Paribas Securities Corp.	33,000,000	44,000,000	88,000,000
Citigroup Global Markets Inc.	33,000,000	44,000,000	88,000,000
J.P. Morgan Securities LLC	33,000,000	44,000,000	88,000,000
Citizens Capital Markets, Inc.	12,000,000	16,000,000	32,000,000
ING Financial Markets LLC	12,000,000	16,000,000	32,000,000
MUFG Securities Americas Inc.	12,000,000	16,000,000	32,000,000
U.S. Bancorp Investments, Inc.	12,000,000	16,000,000	32,000,000
Wells Fargo Securities, LLC	12,000,000	16,000,000	32,000,000
HSBC Securities (USA) Inc.	3,000,000	4,000,000	8,000,000
Standard Chartered Bank	3,000,000	4,000,000	8,000,000
Total:	\$ 300,000,000	\$ 400,000,000	\$ 800,000,000

The underwriters and the representatives are collectively referred to as the underwriters and the representatives, respectively. The underwriters are offering the notes subject to their acceptance of the notes from us and subject to prior sale. The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the notes offered by this prospectus supplement are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the notes offered by this prospectus supplement if any such notes are taken.

The underwriters initially propose to offer the notes to the public at the offering prices listed on the cover page of this prospectus supplement. In addition, the underwriters initially propose to offer the notes to certain dealers at prices that represent a concession not in excess of 0.200% of the principal amount, with respect to the 2020 notes, 0.400% of the principal amount, with respect to the 2028 notes, or 0.550% of the principal amount, with respect to the 2048 notes. Any underwriter may allow, and any such dealer may reallow, a concession not in excess of 0.100% of the principal amount, with respect to with respect to the 2020 notes, 0.250% of the principal amount, with respect to the 2028 notes, or 0.300% of the principal amount, with respect to the 2048 notes, to certain other dealers. After the initial offering of the notes, the underwriters may from time to time vary the offering price and other selling terms. The underwriters may offer and sell notes through certain of their affiliates.

The following table shows the underwriting discounts that we will pay to the underwriters in connection with the offering:

	Per 2020 Note	Total for the 2020 Notes	Per 2028 Note	Total for the 2028 Notes	Per 2048 Note	Total for the 2048 Notes
Underwriting discounts to be paid by us	0.350%	\$ 1,050,000	0.650%	\$ 2,600,000	0.875%	\$ 7,000,000

The estimated offering expenses payable by us, exclusive of the underwriting discounts, are approximately \$1,500,000.

S-61

Table of Contents

Each series of notes is a new issue of securities, and there is currently no established trading market for the notes. We do not intend to apply for the notes to be listed on any securities exchange or to arrange for the notes to be quoted on any quotation system. The underwriters have advised us that they intend to make a market in the notes, but they are not obligated to do so. The underwriters may discontinue any market making in the notes at any time at their sole discretion. Accordingly, we cannot assure you that a liquid trading market will develop for the notes, that you will be able to sell your notes at a particular time or that the prices you receive when you sell will be favorable.

We and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act, or to contribute to payments that underwriters may be required to make in respect of those liabilities.

We have agreed, during the period from the date of the underwriting agreement until the business day immediately following the delivery of the notes, not to offer, sell, contract to sell or otherwise dispose of any debt securities or warrants to purchase or otherwise acquire debt securities issued by us that are substantially similar to the notes without the prior written consent of the representatives, subject to certain exceptions.

In connection with the offering, the underwriters are permitted to engage in transactions that stabilize the market price of each series of notes. Such transactions consist of bids or purchases to peg, fix or maintain the price of such series of notes. If the underwriters create a short position in the notes of any series in connection with the offering, i.e., if they sell more notes of such series than are on the cover page of this prospectus, the underwriters may reduce that short position by purchasing notes of such series in the open market. Purchases of a security to stabilize the price or to reduce a short position could cause the price of the security to be higher than it might be in the absence of such purchases. Neither we nor any of the underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of any series of notes. In addition, neither we nor any of the underwriters makes any representation that the underwriters will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

The underwriters also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased notes sold by or for the account of such underwriter in stabilizing or short covering transactions.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses. In addition, Morgan Stanley & Co. LLC has acted as our financial adviser in connection with the Merger. In connection with the Merger, we entered into a term loan credit agreement with an affiliate of Morgan Stanley & Co. LLC, as administrative agent, and the lenders party thereto, including affiliates of Morgan Stanley & Co. LLC, BNP Paribas Securities Corp., Citigroup Global Markets Inc. and J.P. Morgan Securities LLC, pursuant to which the lenders committed to provide, subject to certain conditions, a senior unsecured term loan facility in an original aggregate principal amount of up to \$350 million, maturing three years after the funding date thereunder. Also in connection with the Merger, we and certain of our subsidiaries entered into Amendment No. 2 to the Credit Agreement with Citibank, N.A. as administrative agent, and the lenders party thereto, including affiliates of Morgan Stanley & Co. LLC, BNP Paribas Securities Corp., Citigroup Global Markets Inc. and J.P. Morgan Securities LLC, which amended and restated the Credit Agreement, dated as of November 9, 2011, amended and restated as of December 2, 2016 and amended as of May 21, 2018 among us, certain of our subsidiaries, the lenders party thereto, and Citibank, N.A. as administrative agent (as so amended and restated, the Revolving Credit Agreement). The Revolving Credit Agreement, among other things, provides a five-year \$1.0 billion senior unsecured revolving loan

credit facility.

S-62

Table of Contents

Some of the underwriters and their respective affiliates are or will be lenders under the senior unsecured term loan facility, the senior unsecured revolving loan credit facility and the Bridge Facility, and funding of the Merger with the proceeds from this notes offering and the common stock and tangible equity units offerings will result in the reduction of the lenders' obligations under the Bridge Facility. Certain of the underwriters in this offering also acted as underwriters in the common stock offering and the tangible equity units offering, either directly or through affiliates. In addition, U.S. Bancorp Investments, Inc. is an affiliate of the trustee, paying agent and registrar.

In addition, in the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve our securities and instruments. The underwriters and their respective affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

Standard Chartered Bank will not effect any offers or sales of any notes in the United States unless it is through one or more U.S. registered broker-dealers as permitted by the regulations of FINRA.

Selling Restrictions

Canada

The notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

European Economic Area

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, MiFID II); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the Insurance Mediation Directive), where that customer would not qualify as a professional client as defined in point

(10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the Prospectus Directive). Consequently no key information document required by

S-63

Table of Contents

Regulation (EU) No 1286/2014 (as amended, the PRIIPs Regulation) for offering or selling the notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. This prospectus supplement and the accompanying prospectus have been prepared on the basis that any offer of notes in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of notes. This prospectus supplement and the accompanying prospectus are not a prospectus for the purposes of the Prospectus Directive.

United Kingdom

In addition, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at: (i) in the United Kingdom, persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the Order), and/or persons falling within Article 49(2)(a) to (d) of the Order; (ii) persons who are outside the United Kingdom; and (iii) any other persons to whom it may otherwise lawfully be distributed (all such persons together being referred to as relevant persons). This document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to, and will be engaged in only with, relevant persons.

Hong Kong

The notes may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to professional investors within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a prospectus within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan, as amended (the Financial Instruments and Exchange Law), and each underwriter will not offer or sell any of the notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

This prospectus supplement and the accompanying prospectus have not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement and the accompanying prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of

the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures

S-64

Table of Contents

Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferred within six months after that corporation or that trust has acquired the notes under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) the transfer is by operation of law.

Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1), we have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Switzerland

The notes may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (the SIX) or on any other stock exchange or regulated trading facility in Switzerland. This document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under, art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland.

Neither this document nor any other offering or marketing material relating to the notes or the offering may be publicly distributed or otherwise made publicly available in Switzerland. Neither this document nor any other offering or marketing material relating to the offering, us, or the notes have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of notes will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA, and the offer of notes has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (the CISA). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of the notes.

Table of Contents

LEGAL MATTERS

Certain legal matters with respect to the validity of the notes offered under this prospectus supplement will be passed upon for us by Cleary Gottlieb Steen & Hamilton LLP, New York, New York. Certain legal matters relating to the offering will be passed upon for the underwriters by Davis Polk & Wardwell LLP, New York, New York.

EXPERTS

The financial statements of International Flavors & Fragrances Inc. and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus supplement by reference to International Flavors & Fragrances Inc.'s Annual Report on Form 10-K for the year ended December 31, 2017 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The financial statements of Frutarom Industries Ltd. as of December 31, 2017 and 2016 and for each of the three years in the period ended December 31, 2017 included in this prospectus supplement have been so included in reliance on the report of Kesselman & Kesselman, a member of PricewaterhouseCoopers International Limited, independent accountants, given on the authority of said firm as experts in auditing and accounting.

Table of Contents

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

We are incorporating by reference into this prospectus supplement specific documents that we file with the SEC, which means that we can disclose important information to you by referring you to those documents that are considered part of this prospectus supplement. Information that we file subsequently with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below, and any future documents that we file with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act until we sell all of the securities offered by this prospectus supplement.

We incorporate by reference into this prospectus supplement the following documents filed by us with the SEC, other than information furnished pursuant to Item 2.02 or Item 7.01 of Form 8-K, each of which should be considered an important part of this prospectus supplement:

Commission Filing (File No. 001-04858)

Period Covered or Date of Filing

Annual Report on Form 10-K (including the portions of our Proxy Statement on Schedule 14A for our 2018 Annual Meeting of Shareholders filed with the Commission on March 23, 2018 that are incorporated herein by reference)

Year Ended December 31, 2017

Quarterly Reports on Form 10-Q

Quarter Ended March 31, 2018 and June 30, 2018

Current Reports on Form 8-K

May 3, 2018, May 7, 2018, May 9, 2018, May 24, 2018, June 8, 2018, August 3, 2018, August 27, 2018, September 10, 2018, September 17, 2018 and September 20, 2018

All subsequent documents filed by us under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act until we sell all of the securities offered by this prospectus supplement

We will provide to each person to whom a prospectus supplement and the accompanying prospectus is delivered, a copy of any or all of the information that has been incorporated by reference in this prospectus supplement and the accompanying prospectus but not delivered with this prospectus supplement and the accompanying prospectus.

You may request a copy of each of our filings at no cost, by writing or telephoning us at the following address or telephone number:

International Flavors & Fragrances Inc.

Attention: Investor Relations

521 West 57th Street

New York, NY 10019

Phone: (212) 765-5500

Table of Contents

FRUTAROM INDUSTRIES LTD. INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	Page
<u>Report of Independent Auditors</u>	F-2
<u>Consolidated Financial Statements</u>	
<u>Consolidated Statement of Financial Position as of December 31, 2017 and 2016</u>	F-3
<u>Consolidated Income Statement for the Years Ended December 31, 2017, 2016 and 2015</u>	F-5
<u>Statement of Comprehensive Income for the Years Ended December 31, 2017, 2016 and 2015</u>	F-6
<u>Consolidated Statement of Changes in Equity for the Years Ended December 31, 2017, 2016 and 2015</u>	F-7
<u>Consolidated Statement of Cash Flows for the Years Ended December 31, 2017, 2016 and 2015</u>	F-10
<u>Notes to the Consolidated Financial Statements</u>	F-12
<u>Condensed Consolidated Interim Financial Information</u>	
<u>Condensed Consolidated Statements of Financial Position as of June 30, 2018 and 2017</u>	F-77
<u>Condensed Consolidated Statements of Income for the Six and Three-Month Period Ended June 30, 2018 and 2017</u>	F-79
<u>Condensed Consolidated Statements of Comprehensive Income for the Six and Three-Month Period Ended June 30, 2018 and 2017</u>	F-80
<u>Condensed Consolidated Statements of Changes in Equity for the Six and Three-Month Period Ended June 30, 2018 and 2017</u>	F-81
<u>Condensed Consolidated Statements of Cash Flows for the Six and Three-Month Period Ended June 30, 2018 and 2017</u>	F-86
<u>Explanatory Notes to the Condensed Consolidated Financial information</u>	F-88

Table of Contents

REPORT OF INDEPENDENT AUDITORS

To the Shareholders of

FRUTAROM INDUSTRIES LTD.

We have audited the accompanying consolidated financial statements of Frutarom Industries Ltd. (hereafter the Company) which comprise the consolidated statements of financial position as of December 31, 2017 and 2016, and the related consolidated statements of income, of comprehensive income, changes in equity and cash flows for each of the three years in the period ended on December 31, 2017.

Management and Board of Directors Responsibility for the Consolidated Financial Statements

Management and Board of Directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management and Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Frutarom Industries Ltd. as of December 31, 2017 and 2016, and their results of operations and their cash flows for each of the three years in the period ended on December 31, 2017, in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Haifa, Israel

/s/ Kesselman & Kesselman

June 14, 2018

Certified Public Accountant (Isr.)

A member firm of PricewaterhouseCoopers International Limited

Kesselman & Kesselman, Building 25, MATAM, P.O BOX 15084 Haifa, 3190500, Israel

Telephone: +972 -4- 8605000, Fax:+972 -4- 8605001, www.pwc.com/il

F-2

Table of Contents**FRUTAROM INDUSTRIES LTD.**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As of December 31	
		2017	2016
		U.S. dollars in thousands	
Assets			
CURRENT ASSETS:			
Cash and cash equivalents	19	118,214	113,528
Accounts receivable:	16		
Trade		248,043	200,106
Other		23,647	29,888
Prepaid expenses and advances to suppliers		21,265	20,248
Inventory	17	308,891	260,951
		720,060	624,721
NON-CURRENT ASSETS:			
Property, plant and equipment	7	312,876	268,820
Intangible assets	2f.8	829,226	657,781
Investment in associates and available for sale assets	15	77,541	27,976
Deferred income tax assets	13d	3,886	3,477
Other	18	3,599	2,686
		1,227,128	960,740
Total assets		1,947,188	1,585,461

)
Dr. John Farber)
Chairman of the Board
)
Ori Yehudai)
President and CEO
)
Alon Granot)
Executive Vice President and
CFO

Date of approval of the financial statements by the Board of Directors: June 14, 2018.

Table of Contents**FRUTAROM INDUSTRIES LTD.****CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	As of December 31	
		2017	2016
		U.S. dollars in thousands	
Liabilities and shareholders equity			
CURRENT LIABILITIES:			
Short-term bank credit and loans and current maturities of long-term loans	9	372,135	234,204
Accounts payable:			
Trade	20a	98,813	81,630
Other	20b	140,560	109,607
Put option liability for the shareholders of a Subsidiary	5a.1		40,350
		611,508	465,791
NON-CURRENT LIABILITIES:			
Long-term loans net of current maturities	9	262,151	299,576
Retirement benefit obligations, net	10	34,006	35,041
Deferred income tax liabilities	13d	58,306	50,147
Liability for shareholders of a subsidiaries and other	3	102,304	70,302
		456,767	455,066
COMMITMENTS AND CONTINGENT LIABILITIES	11		
TOTAL LIABILITIES		1,068,275	920,857
EQUITY:	12		
Equity attributable to owners of the parent:			
Ordinary shares		17,086	16,997
Other capital surplus		120,288	114,396
Translation differences	2c	(45,187)	(109,043)
Retained earnings		783,029	637,868
Less cost of Company shares held by the company		(3,409)	(3,765)
NON-CONTROLLING INTERESTS		7,106	8,151
TOTAL EQUITY		878,913	664,604
TOTAL EQUITY AND LIABILITIES		1,947,188	1,585,461

The accompanying notes are an integral part of these financial statements.

F-4

Table of Contents**FRUTAROM INDUSTRIES LTD.****CONSOLIDATED INCOME STATEMENT**

	Note	Year ended December 31		
		2017	2016	2015
		U.S. dollars in thousands, (except for per share information)		
SALES		1,362,396	1,147,041	872,796
COST OF SALES	21a	837,271	709,488	534,737
GROSS PROFIT		525,125	437,553	338,059
Selling, marketing, research and development expenses net	21b	220,014	196,001	141,237
General and administrative expenses	21c	92,155	81,637	63,742
Other expenses net	21d	3,392	11,772	2,826
Group's share of earnings of investees accounted for at equity	15	1,402	1,113	
INCOME FROM OPERATIONS		210,966	149,256	130,254
FINANCIAL EXPENSES net	21e	24,606	12,841	12,197
INCOME BEFORE TAXES ON INCOME		186,360	136,415	118,057
INCOME TAX	13e	34,797	25,346	21,972
NET INCOME FOR THE YEAR		151,563	111,069	96,085
PROFIT ATTRIBUTED TO:				
Owners of the parent company		149,679	109,245	94,859
Non-controlling interest		1,884	1,824	1,226
TOTAL INCOME:		151,563	111,069	96,085
			U.S dollars	
EARNINGS PER SHARE:	2w			
Basic		2.52	1.85	1.62
Fully diluted		2.51	1.84	1.60

The accompanying notes are an integral part of these financial statements.

Table of Contents**FRUTAROM INDUSTRIES LTD.****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	Year ended December 31		
		2017	2016	2015
		U.S. dollars in thousands		
INCOME FOR THE YEAR		151,563	111,069	96,085
Other comprehensive income:				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of net defined benefit Liability		2,716	1,123	(858)
ITEMS THAT COULD BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS				
Gain from available-for-sale financial assets			41	
Transfer of available-for-sale financial assets to profit and loss	15b.2	(41)		
Translation differences		64,428	3,910	(65,293)
Total comprehensive income for the Year		218,666	116,143	29,934
ATTRIBUTABLE TO:				
Owners of the parent		216,210	114,615	28,911
Non-controlling interest		2,456	1,528	1,023
TOTAL INCOME		218,666	116,143	29,934

The accompanying notes are an integral part of these financial statements.

Table of Contents

(Continued) 1

FRUTAROM INDUSTRIES LTD.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT

					Total attributed Cost of company to shares Owners held of the Non- by the parent controlling company company interest			Total
Note	Ordinary shares	Other capital surplus	Translation differences	Retained earnings	by the company	of the parent company	interest	
					U.S. dollars in thousands			
BALANCE AT JANUARY 1, 2015	16,822	106,664	(48,159)	445,653	(2,587)	518,393	3,626	522,019
CHANGES DURING THE YEAR ENDED December 31, 2015:								
Comprehensive income:								
Income for the year				94,859		94,859	1,226	96,085
Other comprehensive income	2c		(65,090)	(858)		(65,948)	(203)	(66,151)
Total comprehensive income for the year			(65,090)	94,001		28,911	1,023	29,934
Plan for allotment of Company shares to employees of subsidiary:								
Acquisition of the Company shares by the Company	2s				(1,085)	(1,085)		(1,085)
Receipts in respect of allotment of Company shares to employees	12b	(374)			561	187		187
Allotment of shares and options to senior employees-Recognition of compensation related to employee stock and option grants	12b	1,541				1,541		1,541
Proceeds from issuance of shares to senior	90	2,635				2,725		2,725

employees									
Dividend paid to the non-controlling interests in subsidiary							(58)	(58)	
Dividend paid	12c			(5,774)		(5,774)		(5,774)	
		90	3,802	(5,774)	(524)	(2,406)	(58)	(2,464)	
Non-controlling interest from business combination	5j						2,195	2,195	
BALANCE AT December 31, 2015		16,912	110,466	(113,249)	533,880	(3,111)	544,898	6,786	551,684

The accompanying notes are an integral part of these financial statements.

F-7

Table of Contents

(Continued) 2

FRUTAROM INDUSTRIES LTD.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT

					Cost of company shares held	Total attributed to Owners	Non- controlling interest	Total	
	Note	Ordinary shares	Other capital surplus	Translation differences	Retained earnings	by the company	to Owners	controlling interest	
U.S. dollars in thousands									
BALANCE AT JANUARY 1, 2016		16,912	110,466	(113,249)	533,880	(3,111)	544,898	6,786	551,684
CHANGES DURING THE YEAR ENDED December 31, 2016:									
Comprehensive income:									
Income for the year					109,245		109,245	1,824	111,069
Other comprehensive income	2c		41	4,206	1,123		5,370	(296)	5,074
Total comprehensive income for the year			41	4,206	110,368		114,615	1,528	116,143
Plan for allotment of Company shares to employees of subsidiary:									
Acquisition of the Company shares by the Company	2s					(1,395)	(1,395)		(1,395)
Receipts in respect of allotment of Company shares to employees	12b		(494)			741	247		247
Allotment of shares and options to senior employees-Recognition of compensation related to employee stock and option grants	12b		1,577				1,577		1,577
Proceeds from issuance of shares to senior employees		85	2,729				2,814		2,814

Changes of ownership rights in subsidiary		77			77	(973)	(896)
Dividend paid to the non-controlling interests in subsidiary						(63)	(63)
Dividend paid	12c			(6,380)	(6,380)		(6,380)
		85	3,889	(6,380)	(654)	(3,060)	(1,036)
Non-controlling interest from business combination	5b					873	873
BALANCE AT December 31, 2016		16,997	114,396	(109,043)	637,868	(3,765)	656,453
						8,151	664,604

The accompanying notes are an integral part of these financial statements.

Table of Contents

(Concluded) 3

FRUTAROM INDUSTRIES LTD.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY