



Ingredion™

Fourth Quarter  
2019  
Earnings Call

Jim Zallie  
President and CEO

James Gray  
Executive Vice President  
and CFO

# Forward-looking Statements

This news release contains or may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends these forward-looking statements to be covered by the safe harbor provisions for such statements.

Forward-looking statements include, among others, any statements regarding the Company's prospects or future financial condition, earnings, revenues, tax rates, capital expenditures, cash flows, expenses or other financial items, including the Company's expectations regarding 2020 reported and adjusted EPS, 2020 operating income, 2020 adjusted effective tax rate, 2020 cash from operations, and 2020 committed capital investments; any statements concerning the Company's prospects or future operations, including management's plans or strategies and objectives therefor; and any assumptions, expectations or beliefs underlying the foregoing.

These statements can sometimes be identified by the use of forward looking words such as "may," "will," "should," "anticipate," "assume," "believe," "plan," "project," "estimate," "expect," "intend," "continue," "pro forma," "forecast," "outlook," "propels," "opportunities," "potential," "provisional," or other similar expressions or the negative thereof. All statements other than statements of historical facts in this release or referred to in this release are "forward-looking statements."

These statements are based on current circumstances or expectations, but are subject to certain inherent risks and uncertainties, many of which are difficult to predict and are beyond our control. Although we believe our expectations reflected in these forward-looking statements are based on reasonable assumptions, investors are cautioned that no assurance can be given that our expectations will prove correct.

Actual results and developments may differ materially from the expectations expressed in or implied by these statements, based on various factors, including changing consumption preferences including those relating to high fructose corn syrup; the effects of global economic conditions and the general political, economic, business, market conditions that affect customers and consumers in the various geographic regions and countries in which we buy our raw materials or manufacture or sell our products, including, particularly, economic, currency and political conditions in South America and economic and political conditions in Europe, and the impact these factors may have on our sales volumes, the pricing of our products and our ability to collect our receivables from customers; future financial performance of major industries which we serve and from which we derive a significant portion of our sales, including, without limitation, the food, beverage, paper and corrugated, and brewing industries; the uncertainty of acceptance of products developed through genetic modification and biotechnology; our ability to develop or acquire new products and services at rates or of qualities sufficient to meet expectations; changes in government policy, law or regulations and costs of legal compliance, including with respect to environmental compliance; increased competitive and/or customer pressure in the corn-refining industry and related industries, including with respect to the markets and prices for our primary products and our co-products, particularly corn oil; the availability of raw materials, including potato starch, tapioca, gum Arabic and the specific varieties of corn upon which some of our products are based or our ability to pass along potential increases in the cost of corn or other raw materials to customers; energy costs and availability, including energy issues in Pakistan; our ability to contain costs, achieve budgets and to realize expected synergies, including with respect to our ability to complete planned maintenance and investment projects on time and on budget, achieving expected savings under our Cost Smart program as well as with respect to freight and shipping costs; the behavior of financial and capital markets, including with respect to foreign currency fluctuations, fluctuations in interest and exchange rates and market volatility and the associated risks of hedging against such fluctuations; our ability to successfully identify and complete acquisitions or strategic alliances on favorable terms as well as our ability to successfully integrate acquired businesses or implement and maintain strategic alliances and achieve anticipated synergies with respect to all of the foregoing; operating difficulties, including with respect to information technology systems, processes and sites as well as boiler reliability; our ability to maintain satisfactory labor relations; the impact that weather, natural disasters, war or similar acts of hostility, acts and threats of terrorism, the outbreak or continuation of pandemics and other significant events could have on our business; tariffs, quotas, duties, taxes and income tax rates, particularly United States tax reform enacted in 2017; and our ability to raise funds at reasonable rates.

Our forward-looking statements speak only as of the date on which they are made and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of the statement as a result of new information or future events or developments. If we do update or correct one or more of these statements, investors and others should not conclude that we will make additional updates or corrections. For a further description of these and other risks, see "Risk Factors" included in our Annual Report on Form 10-K for the year ended December 31, 2018 and our subsequent reports on Form 10-Q and Form 8-K.

# Agenda

- Perspective on fourth quarter and 2019
- Financial review
- 2020 profit growth outlook
- Questions and answers

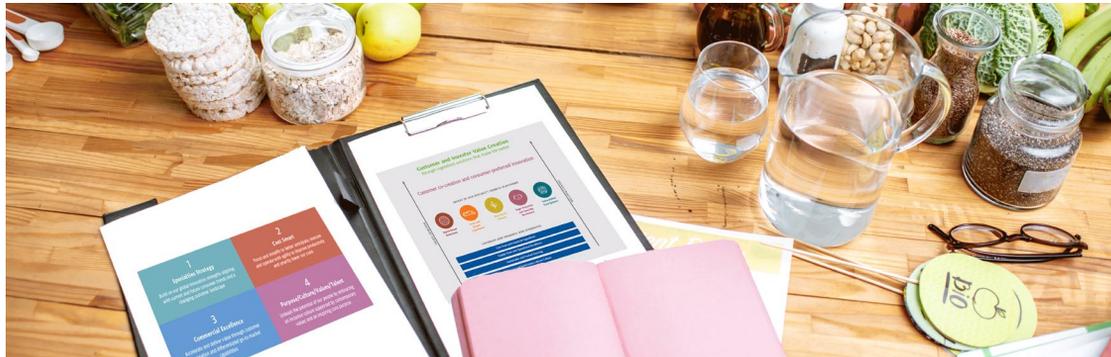
# 2019 Performance

## Q4 2019

- Net Sales up 1%
  - Absent FX impacts +4%
- Adjusted Operating Income down (5)%
  - Absent FX impacts +1%

## Full Year 2019

- Net Sales down (1)%
  - absent FX impacts +4%
- Adjusted Operating Income down (8)%
  - Absent FX impacts (2)%



# 2019 Progress toward DRIVINGGROWTH

**Specialties** portfolio now represents **30%** of total net sales

*Starch-based texturizers* - Expansion of specialty potato and rice starches

*Sugar reduction and specialty sweeteners* - Allulose Production facility in Mexico

*Plant-based proteins* - Significant investments on schedule for 2020 production

**Commercial Excellence** advanced our customer co-creation model

**Cost Smart** savings program exceeds our target; nearly **\$75MM** of run-rate savings

Three year **Cost Smart** savings program target increased to **\$150MM** by 2021

# 2019 Highlights: North America

## Q4 2019

- Net Sales up 1%
  - Favorable price mix
  - Stockton volume shed
- Operating Income \$113MM, down (1)%
  - Improved price mix and Cost Smart benefits
  - Partially offset by higher net corn costs

## Full Year 2019

- Net Sales down (1)%
  - Stockton volume shed
  - Improved price mix
  - Specialties growth
- Operating Income \$522MM, down (4)%
  - Higher net corn costs

### Notable achievements

*Allulose*

*Plant-based protein investments*

*Western Polymer*

# 2019 Highlights: South America

## Q4 2019

- Net Sales up 7%
  - Strong pricing actions and volume
  - Foreign currency impacts
- Operating Income \$35MM, up 13%
  - Favorable pricing
  - Higher volumes

## Full Year 2019

- Net Sales down (3)%
  - Foreign currency weakness
  - Strong price mix
- Operating Income \$96MM, down (3)%
  - Foreign exchange impacts
  - Higher net corn costs
  - Favorable pricing
  - Specialty volume growth

### Notable achievements

*Cost Smart Savings*

# 2019 Highlights: Asia-Pacific

## Q4 2019

- Net Sales down (4)%
  - Unfavorable price mix
- Operating Income \$22, down (24)%
  - Increased corn cost in Australia
  - Weakness across northern Asian economies due to trade disputes

## Full Year 2019

- Net Sales down (2)%
  - Foreign currency impacts
- Operating Income \$87, down (16)%
  - Weakness across northern Asian economies due to trade disputes
  - Higher input costs
  - Increased corn cost in Australia

### Notable achievements

*Lane Cove optimization*

# 2019 Highlights: EMEA

## Q4 2019

- Net Sales down (1%)
  - Foreign exchange weakness impacting Europe
- Operating Income \$28, down (7%)
  - Higher input costs, primarily in Europe

## Full Year 2019

- Net Sales down (2%)
  - Foreign exchange weakness primarily due to Pakistan
- Operating Income \$99, down (15%)
  - Higher corn cost
  - Foreign exchange impacts, driven by Pakistan rupee

### Notable achievements

*Pakistan pricing actions*

# Q4 2019 Highlights: Income Statement

\$ in millions, unless noted	Q4 2018	Q4 2019	Change
Net Sales	\$1,537	\$1,549	\$12
Gross Profit	\$320	\$323	\$3
<i>Gross Profit Margin</i>	20.8%	20.8%	-
Reported Operating Income	\$158	\$170	\$12
Reported Diluted EPS	\$1.36/share	\$1.61/share	\$0.25/share
Adjusted Operating Income*	\$177	\$168	(\$9)
Adjusted Diluted EPS*	\$1.61/share	\$1.61/share	\$0.00/share

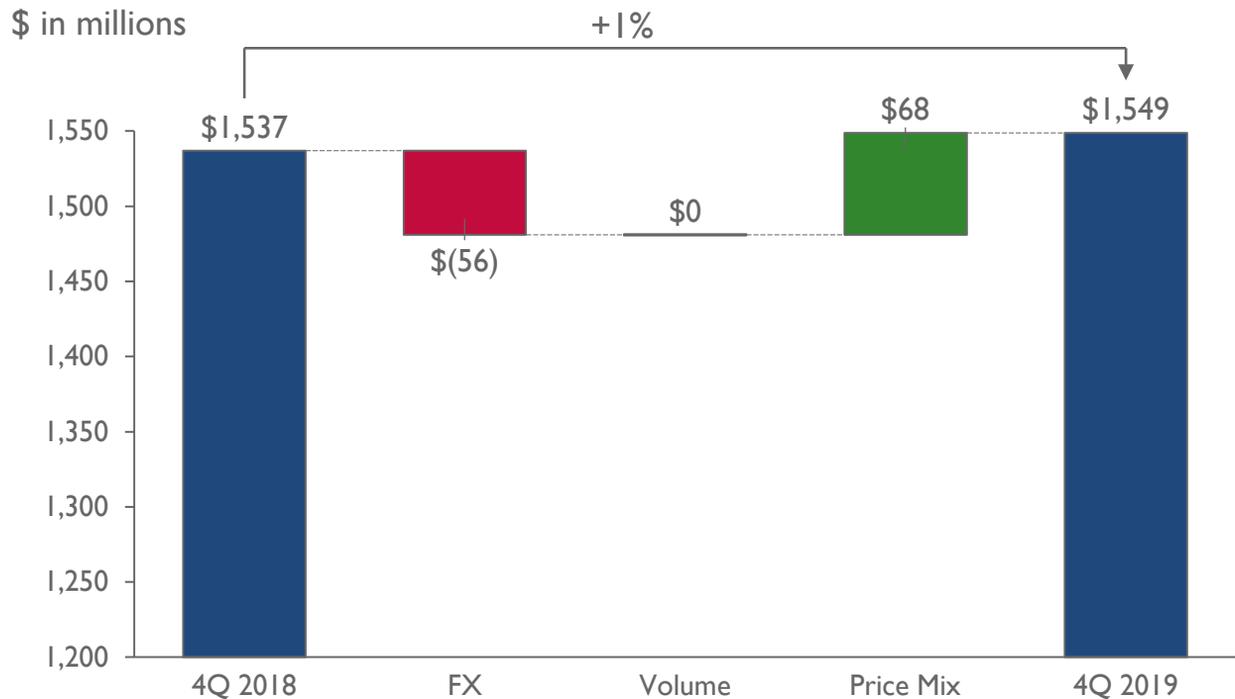
Note: Net sales presentation excludes shipping and handling costs

Totals may not foot due to rounding

\*See appendix for a reconciliation of these non-GAAP financial measures to U.S. GAAP measures.



# Q4 2019 Net Sales Bridge



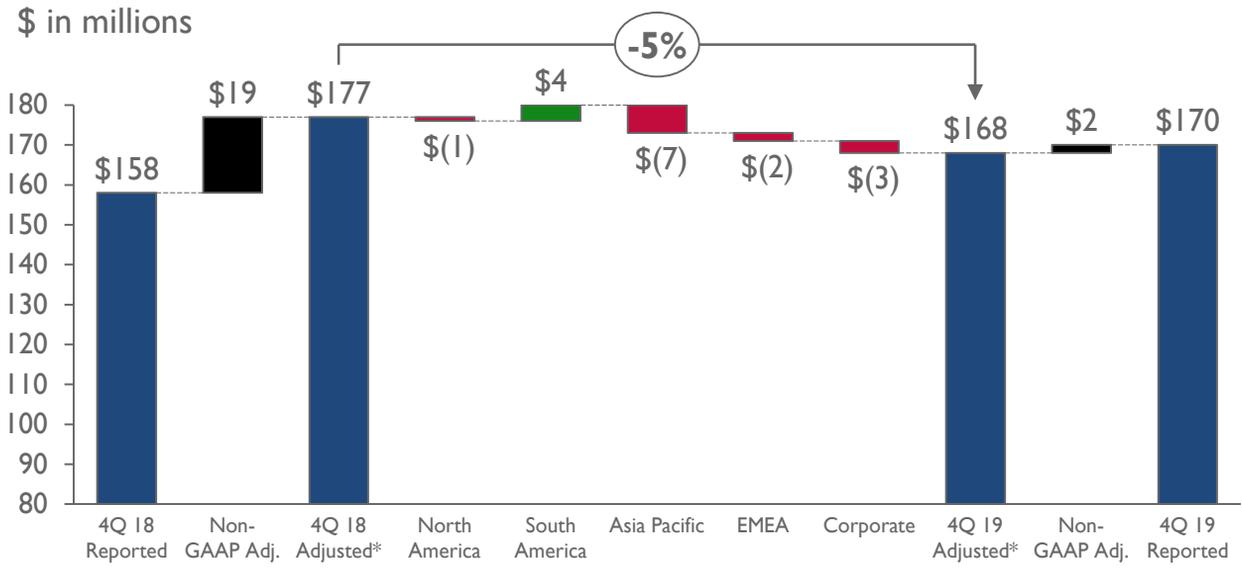
Totals may not foot due to rounding

# Q4 2019 Net Sales Variance by Region

	Foreign Exchange	Volume	Price Mix	Net Sales Change
North America	0%	-2%	3%	1%
South America	-18%	9%	16%	7%
Asia Pacific	1%	-1%	-4%	-4%
EMEA	-8%	0%	7%	-1%
Ingredion	-3%	0%	4%	1%

Totals may not foot due to rounding

# Q4 2019 Operating Income Bridge



2019 Q4 OI	\$113	\$35	\$22	\$28	\$(30)
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Totals may not foot due to rounding

\*See appendix for a reconciliation of these non-GAAP financial measures to U.S. GAAP measures.



# Q4 2019 EPS Bridge

<b>Amounts are dollars/share</b>	
<b>Q4 2018 Reported Diluted EPS</b>	<b>\$ 1.36</b>
<i>Impairment/Restructuring Costs</i>	<i>0.23</i>
<i>Income Tax Reform</i>	<i>0.01</i>
<b>Q4 2018 Adjusted Diluted EPS</b>	<b>\$ 1.61</b>
<b>Q4 2019 Adjusted Diluted EPS</b>	<b>\$ 1.61</b>
<i>Acquisition/Integration Costs/Other</i>	<i>(0.01)</i>
<i>Impairment/Restructuring Costs</i>	<i>(0.18)</i>
<i>Other matters</i>	<i>0.19</i>
<b>Q4 2019 Reported Diluted EPS</b>	<b>\$ 1.61</b>

<b>Margin</b>	<b>\$ (0.03)</b>
<b>Volume</b>	<b>0.11</b>
<b>Foreign Exchange Rates</b>	<b>(0.12)</b>
<b>Other Income</b>	<b>(0.06)</b>
<b>Changes from Operations</b>	<b>\$ (0.10)</b>

<b>Other Non-Operating Income</b>	<b>\$ (0.01)</b>
<b>Financing Costs</b>	<b>0.01</b>
<b>Non-controlling Interests</b>	<b>(0.01)</b>
<b>Tax Rate</b>	<b>0.07</b>
<b>Shares Outstanding</b>	<b>0.04</b>
<b>Non-Operational Changes</b>	<b>\$ 0.10</b>

Totals may not foot due to rounding

\*See appendix for a reconciliation of these non-GAAP financial measures to U.S. GAAP measures.

# 2019 Highlights: Income Statement

\$ in millions, unless noted	2018	2019	Change
Net Sales	\$6,289	\$6,209	(\$80)
Gross Profit	\$1,368	\$1,312	(\$56)
<i>Gross Profit Margin</i>	<i>21.7%</i>	<i>21.1%</i>	<i>(60 bps)</i>
Reported Operating Income	\$703	\$664	(\$39)
Reported Diluted EPS	\$6.17/share	\$6.13/share	\$(0.04)/share
Adjusted Operating Income*	\$767	\$705	(\$62)
Adjusted Diluted EPS*	\$6.92/share	\$6.65/share	\$(0.27)/share

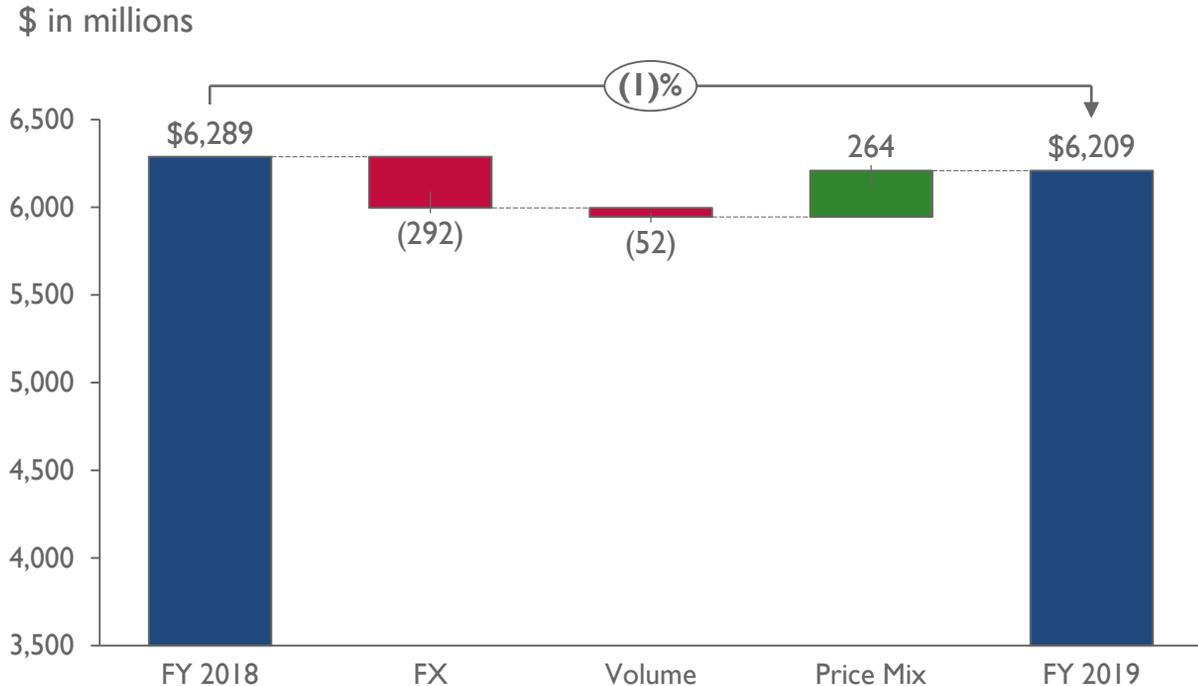
Note: Net sales presentation excludes shipping and handling costs

Totals may not foot due to rounding

\*See appendix for a reconciliation of these non-GAAP financial measures to U.S. GAAP measures.



# 2019 Net Sales Bridge



Totals may not foot due to rounding

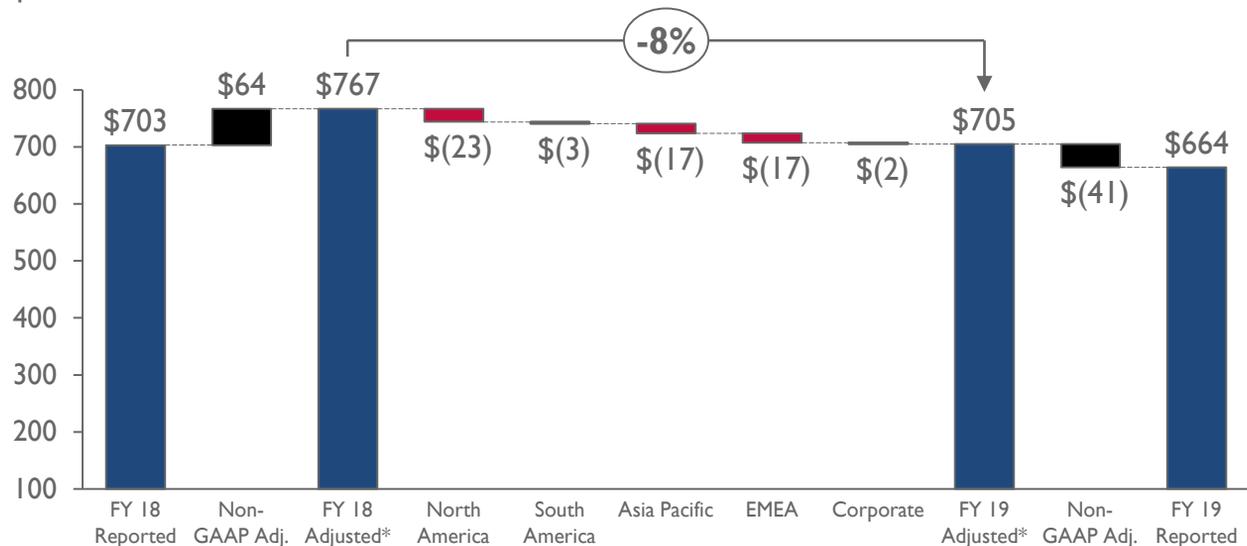
# 2019 Net Sales Variance by Region

	Foreign Exchange	Volume	Price Mix	Net Sales Change
North America	0%	-2%	1%	-1%
South America	-20%	2%	15%	-3%
Asia Pacific	-2%	0%	0%	-2%
EMEA	-11%	2%	7%	-2%
Ingredion	-5%	0%	4%	-1%

Totals may not foot due to rounding

# 2019 Operating Income Bridge

\$ in millions



**2019 OI**

\$522

\$96

\$87

\$99

\$(99)

Totals may not foot due to rounding

\*See appendix for a reconciliation of these non-GAAP financial measures to U.S. GAAP measures.



# 2019 EPS Bridge

## Amounts are dollars/share

<b>2018 Reported Diluted EPS</b>	<b>\$ 6.17</b>
<i>Impairment/Restructuring Costs</i>	<i>0.71</i>
<i>US/Canada Tax Settlement</i>	<i>0.04</i>
<b>2018 Adjusted Diluted EPS</b>	<b>\$ 6.92</b>
<b>2019 Adjusted Diluted EPS</b>	<b>\$ 6.65</b>
<i>Acquisition/Integration Costs/Other</i>	<i>(0.03)</i>
<i>Impairment/Restructuring Costs</i>	<i>(0.65)</i>
<i>Other matters</i>	<i>0.16</i>
<b>2019 Reported Diluted EPS</b>	<b>\$ 6.13</b>

Margin	\$ (0.25)
Volume	0.19
Foreign Exchange Rates	(0.49)
Other Income	(0.10)
Changes from Operations	\$ (0.65)

Other Non-Operating Income	\$ (0.05)
Financing Costs	0.05
Non-controlling Interests	0.01
Tax Rate	(0.04)
Shares Outstanding	0.41
Non-Operational Changes	\$ 0.38

Totals may not foot due to rounding

\*See appendix for a reconciliation of these non-GAAP financial measures to U.S. GAAP measures.

# Cash Provided by Operations and Cash Deployment

\$ millions	
Net Income	\$ 424
Depreciation and Amortization	\$ 220
Working Capital	\$ (53)
Other	\$ 89
<b>Cash Provided by Operations</b>	<b>\$ 680</b>

Cash Deployment	
Capital Expenditures	\$(328)
Payments for Acquisitions/Investments*	\$ (52)
Dividend Payments**	\$(174)
Share Repurchase, net	\$ 63

Totals may not foot due to rounding

\* Net of cash acquired

\*\* Including to non-controlling interest

# 2020 Income Statement Outlook

- Anticipated 2020 adjusted EPS\* \$6.60 - \$7.20 per share; excluding acquisition-related, integration, and restructuring costs, as well as any potential impairment costs
  - Net sales and Adjusted Operating Income expected to be up versus last year
  - FX impact expected to be negative \$(0.10) to \$(0.20)\*\*
  - Corporate expenses expected to be up 15%-20% year over year with centralization of costs to support global growth initiatives and technology investments
  - Expect to deliver \$90MM-\$100MM of cumulative end of year run-rate Cost Smart savings
  - 2020 Financing costs expected to be in the range of \$80MM to \$85MM
  - Adjusted Effective Tax Rate estimated to be approximately 26.0% to 27.0%
  - Diluted weighted average shares outstanding expected to be in range of 67.0MM to 68.0MM



\*See appendix for a reconciliation of these non-GAAP financial measures to the most directly comparable U.S. GAAP measures  
 \*\*FX impact in 2020 will exclude Argentina where functional currency is the U.S. dollar. U.S. dollar functional currency became effective in mid-2018 with the adoption of highly inflationary accounting in Argentina. For purposes of presentation, 2019 results included FX impact for Argentina given the timing of the adoption in 2018.

# 2020 Profit Growth Outlook

## North America

### Net Sales

- Expected to be up
- Higher specialty volumes

### Operating Income

- Expected to be up
- Cost smart savings

## South America

### Net Sales

- Expected to be up
- Volumes expected to be up

### Operating Income

- Expected to be up

# 2020 Profit Growth Outlook

## Asia Pacific

### Net Sales

- Expected to be up

### Operating Income

- Expected to be modestly up
- Uncertainty around impact of phase I US and China trade agreement
- Impact of Coronavirus

## EMEA

### Net Sales

- Expected to be up

### Operating Income

- Expected to be modestly up

# 2020 Cash Flow Outlook

- Expect strong generation of cash flow from operations in the range of \$640MM to \$710MM
- Anticipated capital expenditures of approximately \$285MM to \$305MM
- Continued focus on delivering shareholder value



# Purpose and Values-Driven Organization

## DRIVINGGROWTH



# Agenda

- Perspective on fourth quarter and 2019
- Financial review
- 2020 profit growth outlook
- **Questions and answers**

# Upcoming Investor Events

## Consumer Analyst Group of New York (CAGNY)

Boca Raton, FL  
February 18, 2020

## Exane BNP Paribas Consumer Ingredients Conference

London, England  
March 19, 2020

# Appendix

To supplement the consolidated financial results prepared in accordance with Generally Accepted Accounting Principles (“GAAP”), the Company uses non-GAAP historical financial measures, which exclude certain GAAP items such as acquisition and integration costs, impairment and restructuring costs, and certain other special items. The Company generally uses the term “adjusted” when referring to these non-GAAP amounts.

Management uses non-GAAP financial measures internally for strategic decision making, forecasting future results and evaluating current performance. By disclosing non-GAAP financial measures, management intends to provide investors with a more meaningful, consistent comparison of the Company’s operating results and trends for the periods presented. These non-GAAP financial measures are used in addition to and in conjunction with results presented in accordance with GAAP and reflect an additional way of viewing aspects of our operations that, when viewed with our GAAP results, provide a more complete understanding of factors and trends affecting our business. These non-GAAP measures should be considered as a supplement to, and not as a substitute for, or superior to, the corresponding measures calculated in accordance with generally accepted accounting principles.

Non-GAAP financial measures are not prepared in accordance with GAAP; therefore, the information is not necessarily comparable to other companies. A reconciliation of each non-GAAP historical financial measure to the most comparable GAAP measure is provided below.

# Reconciliation of Net Sales reporting

(in millions)	For the Three Months Ended		For the Year Ended	
	December 31, 2018		December 31, 2018	
	As Reported	As Adjusted	As Reported	As Adjusted
Net sales before shipping and handling costs	\$ 1,537	\$ —	\$ 6,289	\$ —
Less: shipping and handling costs	111	—	448	—
Net sales	1,426	1,537	5,841	6,289
Cost of sales	1,106	1,217	4,473	4,921
Gross profit	\$ 320	\$ 320	\$ 1,368	\$ 1,368
Gross Margin	22.4%	20.8%	23.4%	21.8%

## Note

(i) Historically, the Company presented shipping and handling costs as a reduction to Net sales in the Condensed Consolidated Statements of Income. The Company is now presenting these expenses within Cost of sales in the Condensed Consolidated Statements of Income. The change was applied retrospectively to all periods presented in the Condensed Consolidated Statements of Income to reflect the change in presentation. The change in presentation had no effect on Gross profit, Operating income, or Net income.

(in millions)	For the Three Months Ended		For the Year Ended	
	December 31, 2018		December 31, 2018	
	As Reported	As Adjusted	As Reported	As Adjusted
Net sales to unaffiliated customers:				
North America	\$ 832	\$ 917	\$ 3,511	\$ 3,857
South America	234	245	943	988
Asia-Pacific	211	220	803	837
EMEA	149	155	584	607
Total	\$ 1,426	\$ 1,537	\$ 5,841	\$ 6,289

## Note

(i) Historically, the Company presented shipping and handling costs as a reduction to Net sales in the Condensed Consolidated Statements of Income. The Company is now presenting these expenses within Cost of sales in the Condensed Consolidated Statements of Income. The change was applied retrospectively to all periods presented in the Condensed Consolidated Statements of Income to reflect the change in presentation. The change in presentation had no effect on Gross profit, Operating income, or Net income.

# Reconciliation of GAAP net income and diluted earnings per share (EPS) to non-GAAP adjusted net income and adjusted diluted EPS

	Three Months Ended December 31, 2019		Three Months Ended December 31, 2018		Year Ended December 31, 2019		Year Ended December 31, 2018	
	(in millions)	EPS	(in millions)	EPS	(in millions)	EPS	(in millions)	EPS
Net income attributable to Ingredion	\$ 109	\$ 1.61	\$ 94	\$ 1.36	\$ 413	\$ 6.13	\$ 443	\$ 6.17
Add back:								
Acquisition/integration costs, net of income tax benefit of \$- and \$1 million for the three months and year ended December 31, 2019, respectively (i)	1	0.01	-	-	2	0.03	-	-
Restructuring/impairment charges, net of income tax benefit of \$4 million and \$13 million for the three months and year ended December 31, 2019, respectively, and \$3 million and \$13 million for the three months and year ended December 31, 2018, respectively (ii)	12	0.18	16	0.23	44	0.65	51	0.71
Other matters, net of income tax expense of \$6 million and \$8 million for the three months and year ended December 31, 2019, respectively (iii)	(13)	(0.19)	1	0.01	(11)	(0.16)	3	0.04
Non-GAAP adjusted net income attributable to Ingredion	<u>\$ 109</u>	<u>\$ 1.61</u>	<u>\$ 111</u>	<u>\$ 1.61</u>	<u>\$ 448</u>	<u>\$ 6.65</u>	<u>\$ 497</u>	<u>\$ 6.92</u>

*Net income, EPS and tax rates may not foot or recalculate due to rounding.*

## Notes

(i) The 2019 period includes costs related to the acquisition and integration of the business acquired from Western Polymer, LLC.

(ii) During the three months and year ended December 31, 2019, the Company recorded \$16 million and \$57 million of pre-tax restructuring/impairment charges, respectively. During the fourth quarter of 2019, we recorded \$11 million of net restructuring related expenses as part of the Cost Smart cost of sales program and \$5 million of employee-related and other costs, including professional services, associated with our Cost Smart SG&A program. During the year ended December 31, 2019, the Company recorded \$57 million of pre-tax restructuring charges, including \$29 million of net restructuring related expenses as part of the Cost Smart cost of sales program and \$28 million of employee-related and other costs, including professional services, associated with our Cost Smart SG&A program.

During the three months and year ended December 31, 2018, we recorded \$19 million and \$64 million of pre-tax restructuring/impairment charges, respectively. During the fourth quarter of 2018, we recorded \$18 million of restructuring expenses as part of the Cost Smart cost of sales, \$2 million of restructuring charges as part of the Cost Smart SG&A, these charges were offset by \$1 million reduction of expense from the prior year estimate of North America restructuring activities. During the year ended December 31, 2018, we recorded \$64 million of pre-tax restructuring charges consisting of \$49 million of restructuring expenses as part of the Cost Smart cost of sales program, \$11 million of restructuring charges were recorded related to the Cost Smart SG&A program, and \$4 million of restructuring charges related to other projects.

(iii) During the three months and year ended December 31, 2019, we recorded a \$22 million pre-tax benefit for the favorable judgement received by Ingredion from the Federal Court of Appeals in Brazil related to certain indirect taxes collected in prior years. As a result of the decision, the Company expects to be entitled to credits against its Brazilian federal tax payments in 2020 and future years. The benefit recorded represents the Company's current estimate of the credits and interest due from the favorable decision in accordance with ASC 450, *Contingencies*. This benefit was offset by other adjusted charges during the period.

# Reconciliation of GAAP operating income to non-GAAP adjusted operating income

(in millions, pre-tax)	Three Months Ended December 31,		Year Ended December 31,	
	2019	2018	2019	2018
Operating income	\$ 170	\$ 158	\$ 664	\$ 703
Add back:				
Acquisition/integration costs (i)	1	-	3	-
Restructuring/impairment charges (ii)	16	19	57	64
Other matters (iii)	(19)	-	(19)	-
Non-GAAP adjusted operating income	<u>\$ 168</u>	<u>\$ 177</u>	<u>\$ 705</u>	<u>\$ 767</u>

For notes (i) through (iii) see notes (i) through (iii) included in the Reconciliation of GAAP Net Income attributable to Ingredion and Diluted EPS to Non-GAAP Adjusted Net Income attributable to Ingredion and Adjusted Diluted EPS.

Totals may not foot due to rounding



# Reconciliation of GAAP effective income tax rate to non-GAAP adjusted effective income tax rate

(in millions)	Three Months Ended December 31, 2019			Year Ended December 31, 2019		
	Income before Income Taxes (a)	Provision for Income Taxes (b)	Effective Income Tax Rate (b / a)	Income before Income Taxes (a)	Provision for Income Taxes (b)	Effective Income Tax Rate (b / a)
As Reported	\$ 151	\$ 38	25.2%	\$ 582	\$ 158	27.1%
Add back:						
Acquisition/integration costs (i)	1	-		3	1	
Restructuring/impairment charges (ii)	16	4		57	13	
Other matters (iii)	(19)	(6)		(19)	(8)	
Adjusted Non-GAAP	<u>\$ 149</u>	<u>\$ 36</u>	24.2%	<u>\$ 623</u>	<u>\$ 164</u>	26.3%

(in millions)	Three Months Ended December 31, 2018			Year Ended December 31, 2018		
	Income before Income Taxes (a)	Provision for Income Taxes (b)	Effective Income Tax Rate (b / a)	Income before Income Taxes (a)	Provision for Income Taxes (b)	Effective Income Tax Rate (b / a)
As Reported	\$ 138	\$ 41	29.7%	\$ 621	\$ 167	26.9%
Add back:						
Restructuring/impairment charges (ii)	19	3		64	13	
Other matters (iii)	-	(1)		-	(3)	
Adjusted Non-GAAP	<u>\$ 157</u>	<u>\$ 43</u>	27.4%	<u>\$ 685</u>	<u>\$ 177</u>	25.8%

For notes (i) through (iii) see notes (i) through (iii) included in the Reconciliation of GAAP Net Income attributable to Ingredion and Diluted EPS to Non-GAAP Adjusted Net Income attributable to Ingredion and Adjusted Diluted EPS.

Totals may not foot due to rounding



## Reconciliation of Anticipated GAAP Diluted Earnings per Share ("GAAP EPS") to Anticipated Adjusted Diluted Earnings per Share ("Adjusted EPS")

	Anticipated EPS Range for Full Year 2020	
	Low End	High End
GAAP EPS	\$ 6.48	\$ 7.10
Add:		
Restructuring/impairment charges (ii)	0.12	0.10
Adjusted EPS	<u>\$ 6.60</u>	<u>\$ 7.20</u>

Above is a reconciliation of our anticipated full year 2020 diluted EPS to our anticipated full year 2020 adjusted diluted EPS. The amounts above may not reflect certain future charges, costs and/or gains that are inherently difficult to predict and estimate due to their unknown timing, effect and/or significance. These amounts include, but are not limited to, acquisition and integration costs, impairment and restructuring costs, and certain other special items. We generally exclude these items from our adjusted EPS guidance. For these reasons, we are more confident in our ability to predict adjusted EPS than we are in our ability to predict GAAP EPS.

(ii) Primarily reflects current estimates for 2020 restructuring charges related to the Cost Smart Cost of Sales & SG&A programs. As specific projects within these programs are approved, the estimates will be reviewed and may be subject to revision.

Totals may not foot due to rounding

