



Ingredion

Fourth Quarter 2014 Earnings Call
January 30, 2015

Ilene Gordon, Chairman and CEO
Jack Fortnum, Chief Financial Officer

Forward-Looking Statements

This presentation 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 other things, any statements regarding the Company's prospects or future financial condition, earnings, revenues, tax rates, capital expenditures, expenses or other financial items, 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" or other similar expressions or the negative thereof. All statements other than statements of historical facts in this presentation or referred to in this presentation 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, stockholders 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 the effects of global economic conditions, including, particularly, continuation or worsening of the current economic, currency and political conditions in South America and economic conditions in Europe, and their impact on our sales volumes and pricing of our products; our ability to collect our receivables from customers and our ability to raise funds at reasonable rates; fluctuations in worldwide markets for corn and other commodities, and the associated risks of hedging against such fluctuations; fluctuations in the markets and prices for our co-products, particularly corn oil; fluctuations in aggregate industry supply and market demand; the behavior of financial markets, including foreign currency fluctuations and fluctuations in interest and exchange rates; volatility and turmoil in the capital markets; the commercial and consumer credit environment; general political, economic, business, market and weather conditions in the various geographic regions and countries in which we buy our raw materials or manufacture or sell our products; future financial performance of major industries which we serve, including, without limitation, the food and beverage, pharmaceuticals, paper, corrugated, textile and brewing industries; energy costs and availability, freight and shipping costs, and changes in regulatory controls regarding quotas, tariffs, duties, taxes and income tax rates; operating difficulties; availability of raw materials, including tapioca and the specific varieties of corn upon which our products are based; energy issues in Pakistan; boiler reliability; our ability to effectively integrate and operate acquired businesses; our ability to achieve budgets and to realize expected synergies; our ability to complete planned maintenance and investment projects successfully and on budget; labor disputes; genetic and biotechnology issues; changing consumption preferences including those relating to high fructose corn syrup; increased competitive and/or customer pressure in the corn-refining industry; and the outbreak or continuation of serious communicable disease or hostilities including acts of terrorism. Factors relating to the pending acquisition of Penford Corporation that could cause actual results and developments to differ from expectations include: required regulatory approvals may not be obtained in a timely manner, if at all; the pending acquisition may not be consummated in a timely manner or at all; the anticipated benefits of the pending acquisition, including synergies, may not be realized; and the integration of Penford's operations with those of Ingredion may be materially delayed or may be more costly or difficult than expected.

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, 2013 and subsequent reports on Forms 10-Q and 8-K.

Perspective on 2014

- Adjusted operating income and adjusted EPS grew modestly
- Generated strong cash flow of \$731 million
- Volumes grew two percent; specialty volumes grew five percent
- Mixed results in the regions
- Advanced strategic blueprint
 - Announced Penford transaction
 - Significant return of capital to shareholders
 - Return on capital employed (ROCE) greater than 10%

North America fourth quarter business highlights

- Higher volume compared to last year
 - U.S. and Canada had higher volumes, partially offset by lower volumes in Mexico
 - Obesity tax in Mexico affected core product volumes, partially offset by strong specialty sales
- Significant devaluation in Mexican peso and Canadian dollar in Q4 resulted in unfavorable price/mix in co-products
- Margin compression with higher than expected net corn costs
- Actively managed controllable costs in manufacturing and SG&A

South America fourth quarter business highlights

- South American operating income down eight percent
 - Weaker foreign exchange rates from stronger U.S. dollar that could not be passed through in higher prices to customers
 - Three to six month lag to re-price contracts
- Andean region delivered modest volume growth and continues to be a bright spot in the region
- Brazil weakness due to slowdown in industrial activity and flat GDP growth
- Southern Cone economic challenges continue

Fourth quarter business highlights

Asia Pacific

- Solid volume growth across the region
- Unfavorable price/mix
- Weaker foreign exchange rates

Europe/Middle East/Africa (EMEA)

- Record operating income and solid specialty growth
- Underlying European business continues to be strong; currency headwinds impacted results
- Pakistan volumes flat and good cost management

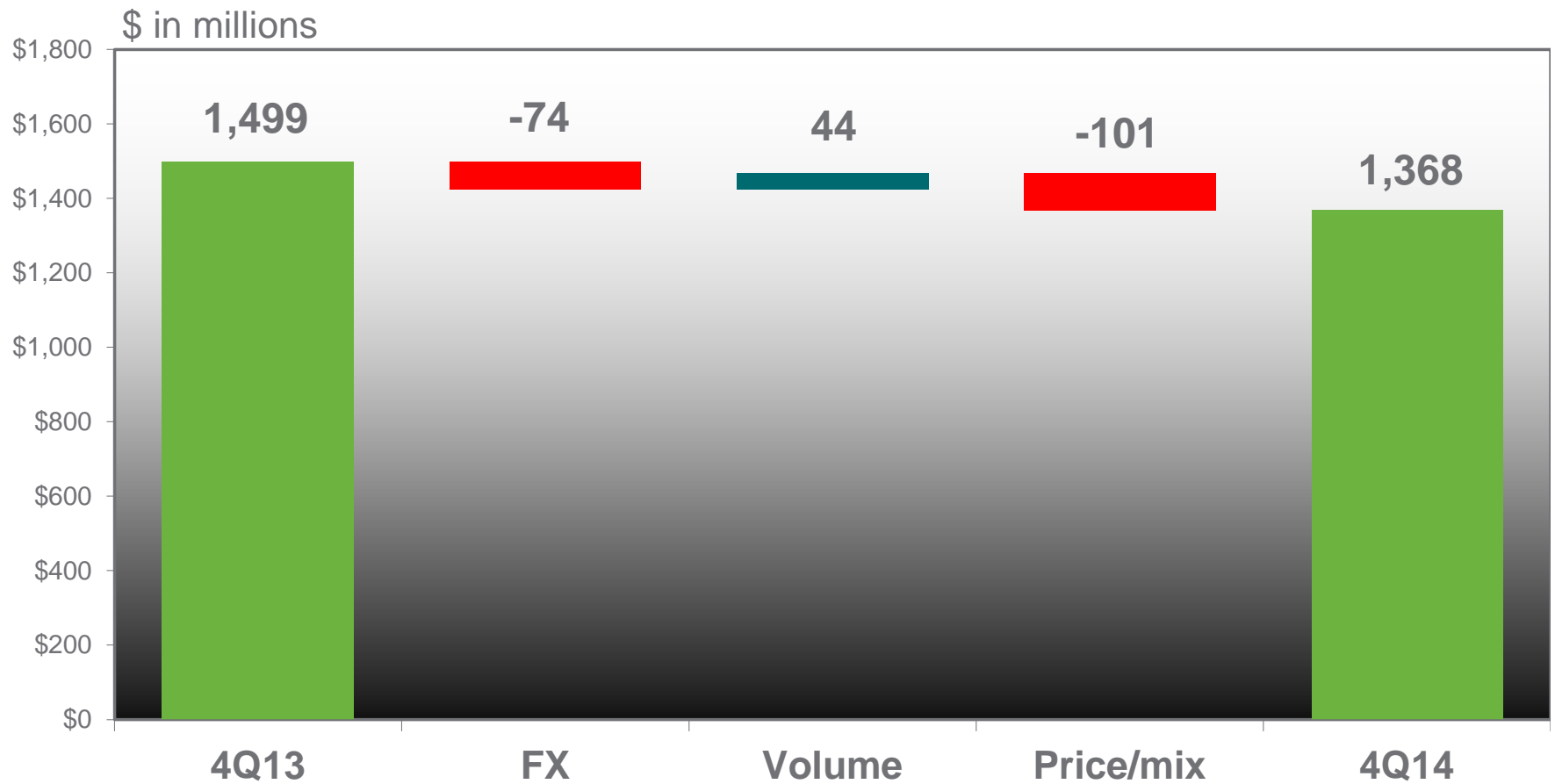
Fourth quarter 2014

Income statement highlights

\$ in millions, unless noted	4Q13	4Q14	Change
Net sales	\$1,499	\$1,368	-\$131
Gross profit	\$291	\$272	-\$19
<i>Gross profit margin</i>	19.4%	19.9%	50 bps.
Reported operating income	\$161	\$118	-\$43
Adjusted operating income*	\$161	\$153	-\$8
Reported diluted EPS	\$1.35/share	\$0.83/share	-\$0.52/share
Adjusted diluted EPS*	\$1.35/share	\$1.30/share	-\$0.05/share

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

Fourth quarter 2014 net sales bridge



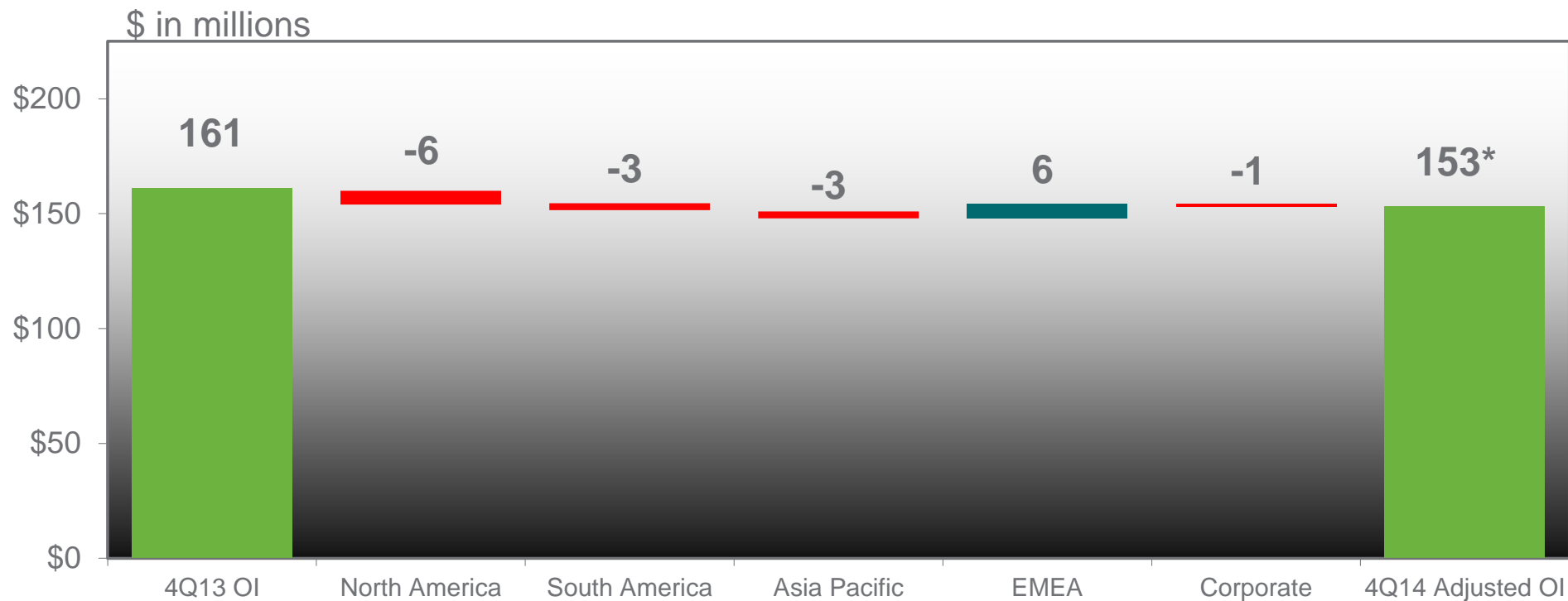
Fourth quarter 2014

Net sales variance by region

	Foreign exchange	Volume	Price/mix	Net sales change
North America	-1%	5%	-14%	-10%
South America	-16%	-4%	7%	-13%
Asia Pacific	-4%	8%	-7%	-3%
Europe/Middle East/Africa	-2%	1%	—	-1%
Total Ingredion	-5%	3%	-7%	-9%

Fourth quarter 2014

Operating income bridge



Note: Amounts may not foot due to rounding.

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

Estimated fourth quarter 2014 EPS bridge

Amounts are dollars/share

4Q13 reported diluted EPS \$1.35

4Q14 adjusted diluted EPS* \$1.30

Impairment charge (0.44)

Acquisition costs (0.02)

4Q14 reported diluted EPS \$0.83

Margin (0.06)

Volume 0.08

Foreign exchange rates (0.10)

Other income -

Changes from operations (0.08)

Tax rate (0.06)

Financing costs 0.03

Non-controlling interest -

Shares outstanding 0.06

Non-operational changes 0.03

Note: Amounts may not foot due to rounding

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

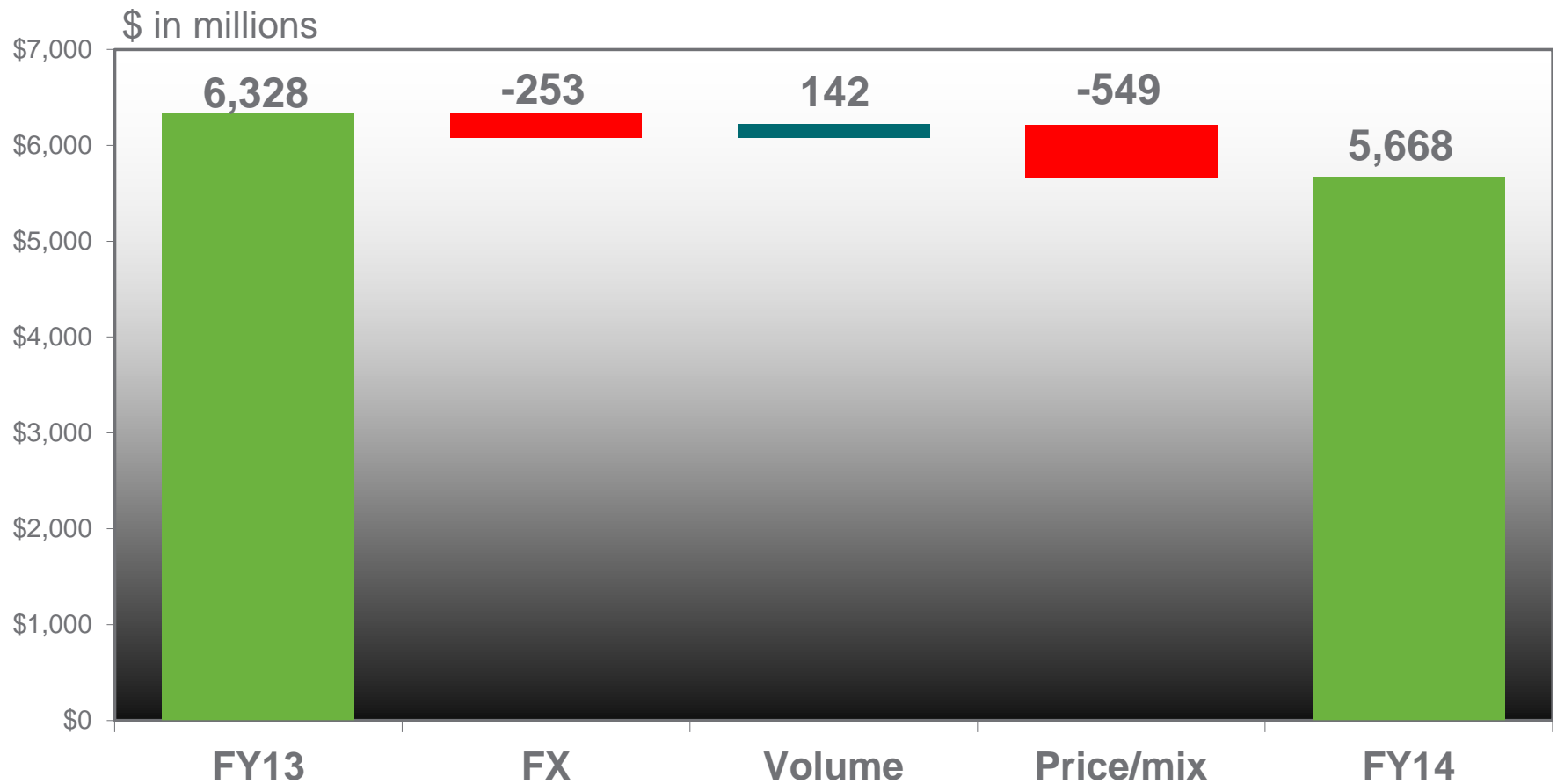
Full year 2014

Income statement highlights

\$ in millions, unless noted	2013	2014	Change
Net sales	\$6,328	\$5,668	-\$660
Gross profit	\$1,131	\$1,115	-\$16
<i>Gross profit margin</i>	17.9%	19.7%	180 bps.
Reported operating income	\$613	\$581	-\$32
Adjusted operating income*	\$613	\$616	\$3
Reported diluted EPS	\$5.05/share	\$4.74/share	-\$0.31/share
Adjusted diluted EPS*	\$5.05/share	\$5.20/share	\$0.15/share

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

Full year 2014 net sales bridge



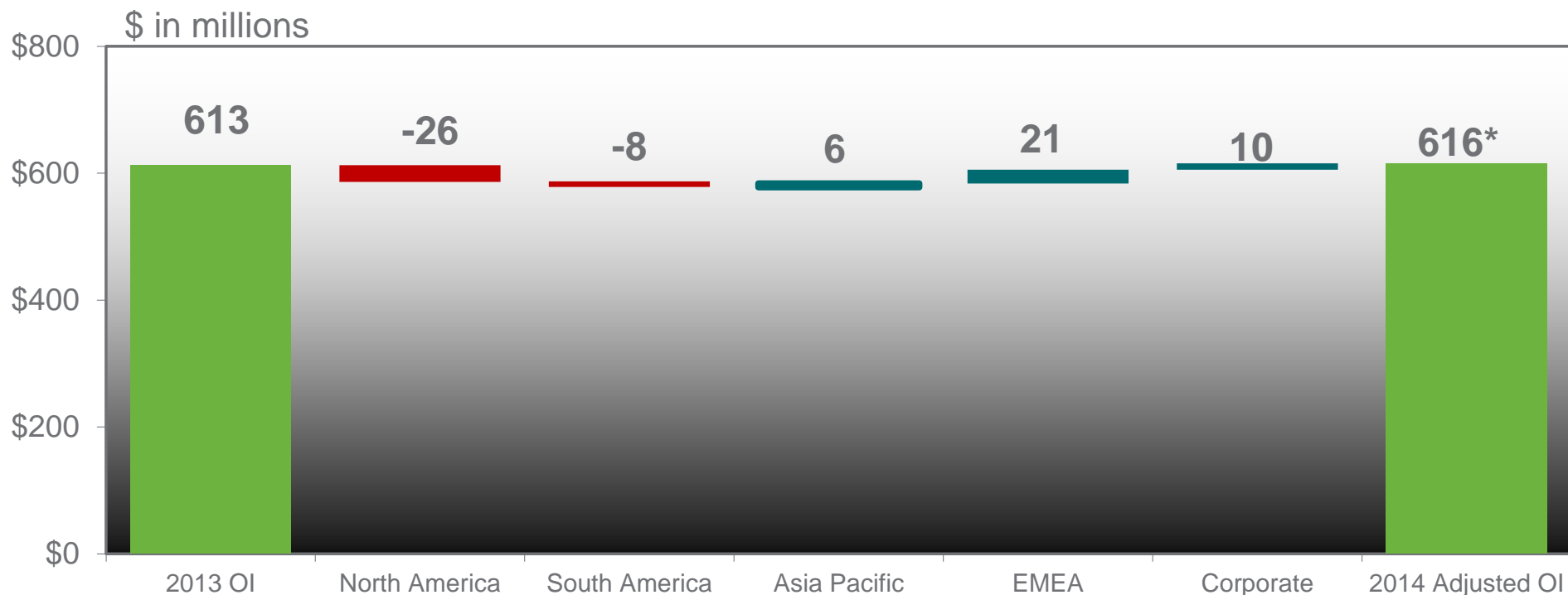
Full year 2014

Net sales variance by region

	Foreign exchange	Volume	Price/mix	Net sales change
North America	-1%	2%	-16%	-15%
South America	-16%	—	6%	-10%
Asia Pacific	-2%	6%	-5%	-1%
Europe/Middle East/Africa	1%	3%	3%	7%
Total Ingredion	-4%	2%	-8%	-10%

Full year 2014

Operating income bridge



Note: Amounts may not foot due to rounding.

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

Estimated full year 2014 EPS bridge

Amounts are dollars/share

2013 reported diluted EPS \$5.05

2014 adjusted diluted EPS* \$5.20

Impairment charge (0.44)

Acquisition costs (0.02)

2014 reported diluted EPS \$4.74

<i>Margin</i>	(0.07)
<i>Volume</i>	0.30
<i>Foreign exchange rates</i>	(0.26)
<i>Other income</i>	0.08
Changes from operations	0.05

<i>Tax rate</i>	(0.14)
<i>Financing costs</i>	0.04
<i>Non-controlling interest</i>	(0.02)
<i>Shares outstanding</i>	0.22
Non-operational changes	0.10

Note: Amounts may not foot due to rounding

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

2015 income statement guidance

- Net sales and volumes, excluding Penford, are expected to be in line with 2014
- 2015 EPS expected to be \$5.40 - \$5.90 per share, excluding the Penford transaction and related costs
 - Expected 2015 Penford accretion of \$0.08-\$0.12 per share
 - Anticipated currency headwinds outside the U.S. of \$0.25-\$0.30
 - Corporate expenses expected to normalize; up year-over-year
 - Financing costs anticipated to be slightly higher than 2014
 - Effective annual tax rate is estimated to be approximately 29-30%
 - The 2014 accelerated share repurchase is accretive to earnings in 2015

Regional outlook

North America

- Volume and net sales expected to be in line with prior year
- Operating income anticipated to be up low double digits as we lap the adverse weather effects in the first quarter of last year and expect improved product mix and margin

South America

- Net sales expected to be in line with prior year
- Anticipate slow economic growth and foreign exchange headwinds
- Expect modest improvements with a focus on cost management

Regional outlook

Asia Pacific

- Net sales expected to increase on volume growth
- Operating income anticipated to increase as price/mix improves from specialty product growth partially offset by weaker foreign exchange rates

EMEA

- Net sales expected to be in line with prior year
- Operating income anticipated to increase as underlying European business generates strong volume and improved price/mix, however, currency headwinds are expected to continue

2014 cash provided by operations

Amounts are in millions

Net income	\$363
Depreciation and amortization	\$195
Working capital	\$84
Other	\$89
Cash provided by operations	\$731

Uses of cash

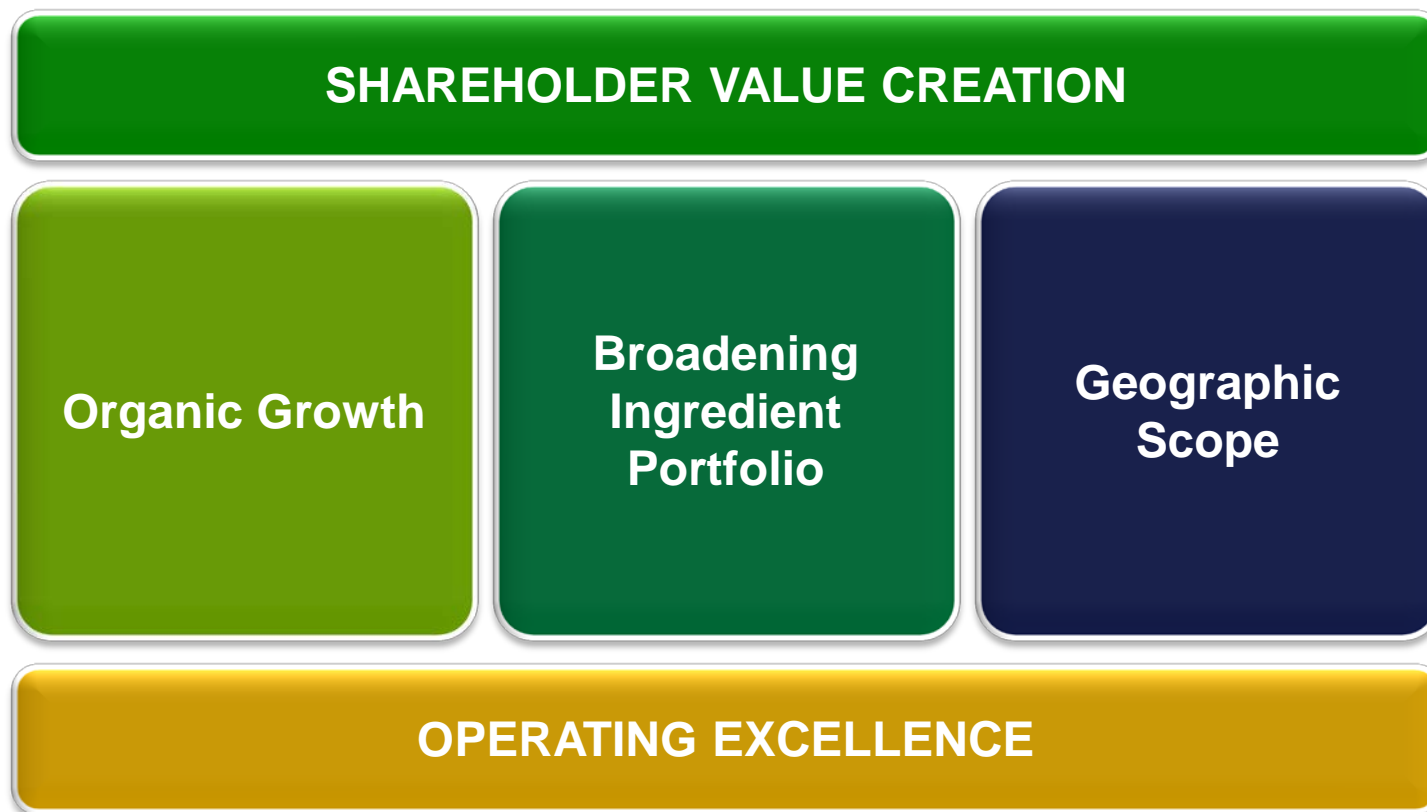
<i>Capital expenditures, net</i>	\$271
<i>Dividend payments</i>	\$128
<i>Share repurchase, net</i>	\$284

2015 cash flow guidance

- Expect to generate strong cash from operations of approximately \$650 - \$700 million
 - Assumes minimal impact from margin accounts
- Anticipate capital expenditures of approximately \$300 million
- Strong balance sheet offers opportunities for acquisitions and/or further share repurchases

Our Strategic Blueprint

A LEADING GLOBAL SUPPLIER OF INGREDIENT SOLUTIONS



Questions and answers

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 impairment and restructuring costs, acquisition and integration costs, and certain other unusual items. The Company 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 in this Appendix.

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

	Three Months Ended December 31, 2014 (in millions)		Three Months Ended December 31, 2013 (in millions)		Year Ended December 31, 2014 (in millions)		Year Ended December 31, 2013 (in millions)	
		EPS		EPS		EPS		EPS
Net income attributable to Ingredion	\$61.1	\$0.83	\$103.5	\$1.35	\$354.9	\$4.74	\$395.7	\$5.05
Add back:								
Impairment charge	32.8	0.44	-	-	32.8	0.44	-	-
Acquisition costs, net of income tax benefit of \$0.4 million for the year ended December 31, 2014	1.7	0.02	-	-	1.7	0.02	-	-
Non-GAAP adjusted net income	<u>\$95.6</u>	<u>\$1.30</u>	<u>\$103.5</u>	<u>\$1.35</u>	<u>\$389.4</u>	<u>\$5.20</u>	<u>\$395.7</u>	<u>\$5.05</u>

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

<u>(in millions)</u>	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2014	2013	2014	2013
Operating income	\$118.3	\$160.7	\$581.3	\$612.7
Add back:				
Impairment charge	32.8	-	32.8	-
Acquisition costs	2.1	-	2.1	-
Non-GAAP adjusted operating income	<u>\$153.2</u>	<u>\$160.7</u>	<u>\$616.2</u>	<u>\$612.7</u>

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

(Dollars in millions)	Income before Income Taxes (a)		Provision for Income Taxes (b)		Effective Income Tax Rate (b/a)	
	2014		2014		2014	
	Fourth Qtr	Full Year	Fourth Qtr	Full Year	Fourth Qtr	Full Year
As Reported	\$ 106.1	\$ 520.1	\$ 43.0	\$ 156.8	40.5%	30.2%
Add back:						
Impairment charge	32.8	32.8	-	-		
Acquisition costs	2.1	2.1	0.4	0.4		
Adjusted non-GAAP	<u>\$ 141.0</u>	<u>\$ 555.0</u>	<u>\$ 43.4</u>	<u>\$ 157.2</u>	30.8%	28.3%