



Second Quarter 2016 Earnings Call

July 28, 2016

Ilene Gordon, Chairman, President, and CEO
Jack Fortnum, Executive Vice President and
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, paper, corrugated, 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 potato starch, 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. 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, 2015 and subsequent reports on Forms 10-Q and 8-K.

Perspective on 2Q 2016

- Strong operating results
 - 1% Volume decline; 1% increase from Kerr acquisition, -2% from Port Colborne sale
 - Improved price/product mix
 - Specialty sales
 - Margin expansion in our core ingredients
 - Operational efficiencies and global optimization
- Business model and strategy are working

North America second quarter business highlights

- North America operating income \$160M, up \$33M
- Overall volumes were down 1%
 - 2% volume increase from Kerr acquisition
 - 3% decrease from Port Colborne sale
- Improved price/product mix
 - Specialty sales
 - Margin expansion in our core ingredients
- Improvements in operational efficiencies

South America second quarter business highlights

- South America operating income \$14M, down \$6M affected by:
 - Foreign exchange headwinds
 - Lower volumes due to macroeconomic environment
 - Higher input costs
 - Margin expansion in our core ingredients
- Continued pricing actions
- Restructuring action taken

Asia Pacific second quarter business highlights

- \$30M of operating income, up \$2M
- Overall volume up 2%
- Strong specialty sales in China, Japan, and Southeast Asia
- Margin expansion offset currency headwinds

Europe/Middle East/Africa (EMEA) second quarter business highlights

- \$29M of operating income, up \$6M
- Overall volume up 4%
- Margin expansion offset currency headwinds

Second quarter 2016

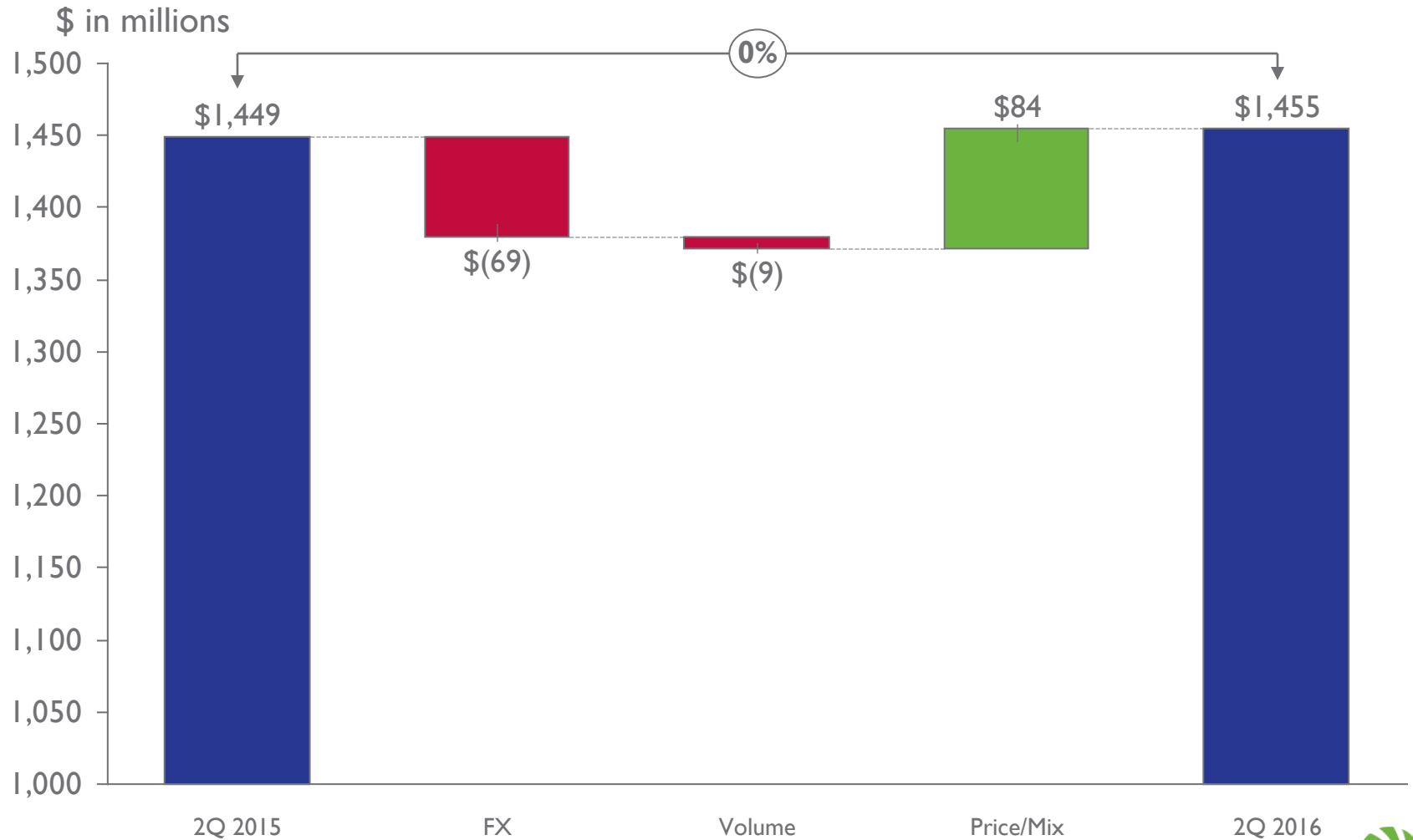
Income statement highlights

\$ in millions, unless noted	2Q 2015	2Q 2016	Change
Net Sales	\$ 1,449	\$ 1,455	\$ 6
Gross Profit	\$ 319	\$ 355	\$ 36
<i>Gross Profit Margin</i>	<i>22.0%</i>	<i>24.4%</i>	<i>240 bps.</i>
Reported Operating Income	\$ 173	\$ 198	\$ 25
Adjusted Operating Income*	\$ 180	\$ 211	\$ 31
Reported Diluted EPS	\$ 1.47/share	\$ 1.58/share	\$ 0.11/share
Adjusted Diluted EPS*	\$ 1.53/share	\$ 1.73/share	\$ 0.20/share

Note: Amounts may not foot due to rounding.

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

Second quarter 2016 Net Sales bridge



Note: Amounts may not foot due to rounding.

Second quarter 2016

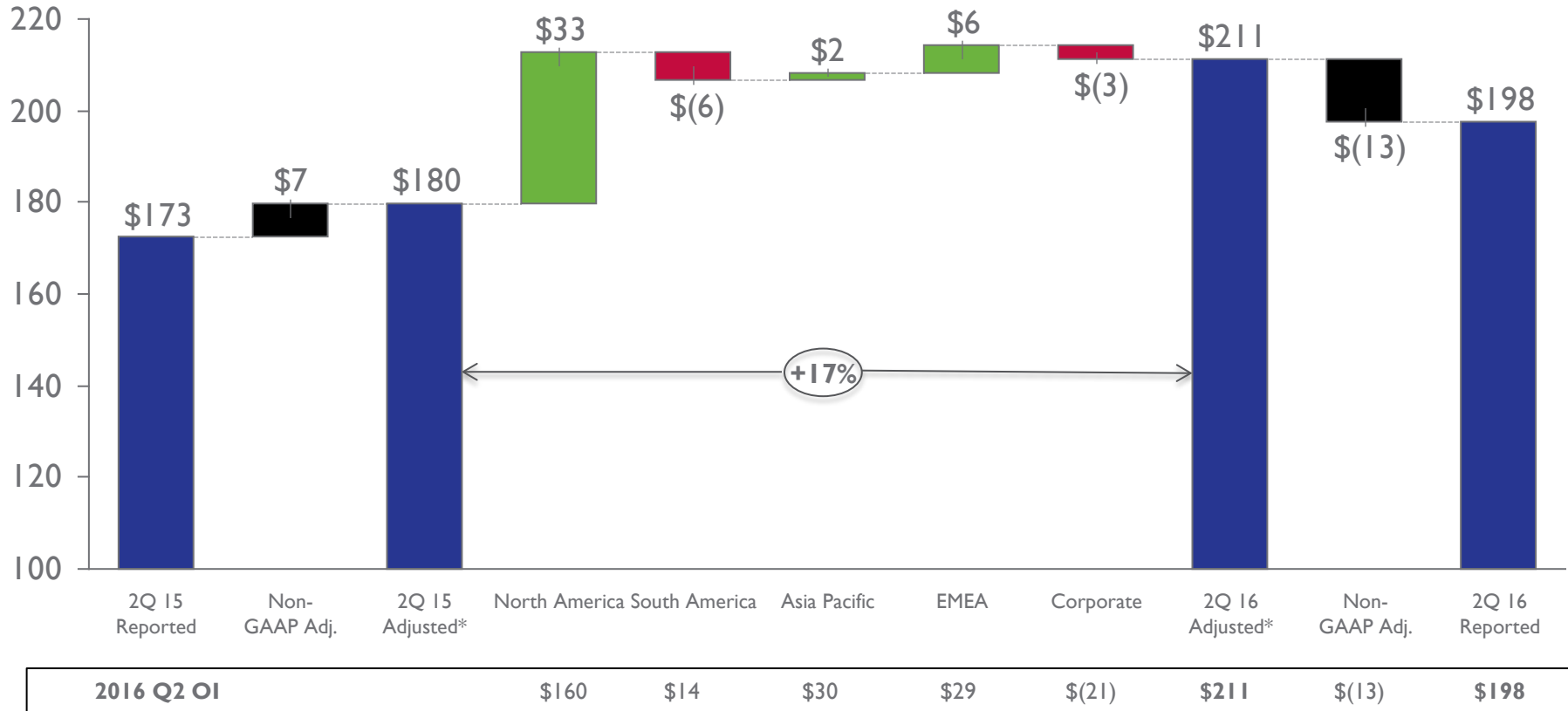
Net sales variance by region

	Foreign Exchange	Volume	Price/mix	Net Sales Change
North America	-1%	-1%	4%	3%
South America	-22%	-6%	24%	-4%
Asia Pacific	-4%	2%	-4%	-6%
EMEA	-2%	4%	-	2%
Ingredion	-5%	-1%	6%	-

Note: Amounts may not foot due to rounding.

Second quarter 2016 Operating income bridge

\$ in millions



Note: Amounts may not foot due to rounding.

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

Second quarter 2016 EPS bridge

Amounts are dollars/share

2Q 2015 Reported Diluted EPS	\$1.47
<i>Acquisition/Integration Costs</i>	<i>0.07</i>
2Q 2015 Adjusted Diluted EPS*	\$1.53
2Q 2016 Adjusted Diluted EPS*	\$1.73
<i>Impairment/Restructuring Costs</i>	<i>(0.14)</i>
2Q 2016 Reported Diluted EPS	\$1.58

Margin	\$ 0.36
Volume	(0.06)
Foreign Exchange Rates	(0.02)
Other Income / (Expense)	0.02
Changes from Operations	\$ 0.30

Financing Costs	\$ (0.02)
Non-controlling Interests	(0.01)
Tax Rate	(0.04)
Shares Outstanding	(0.03)
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.

First half 2016

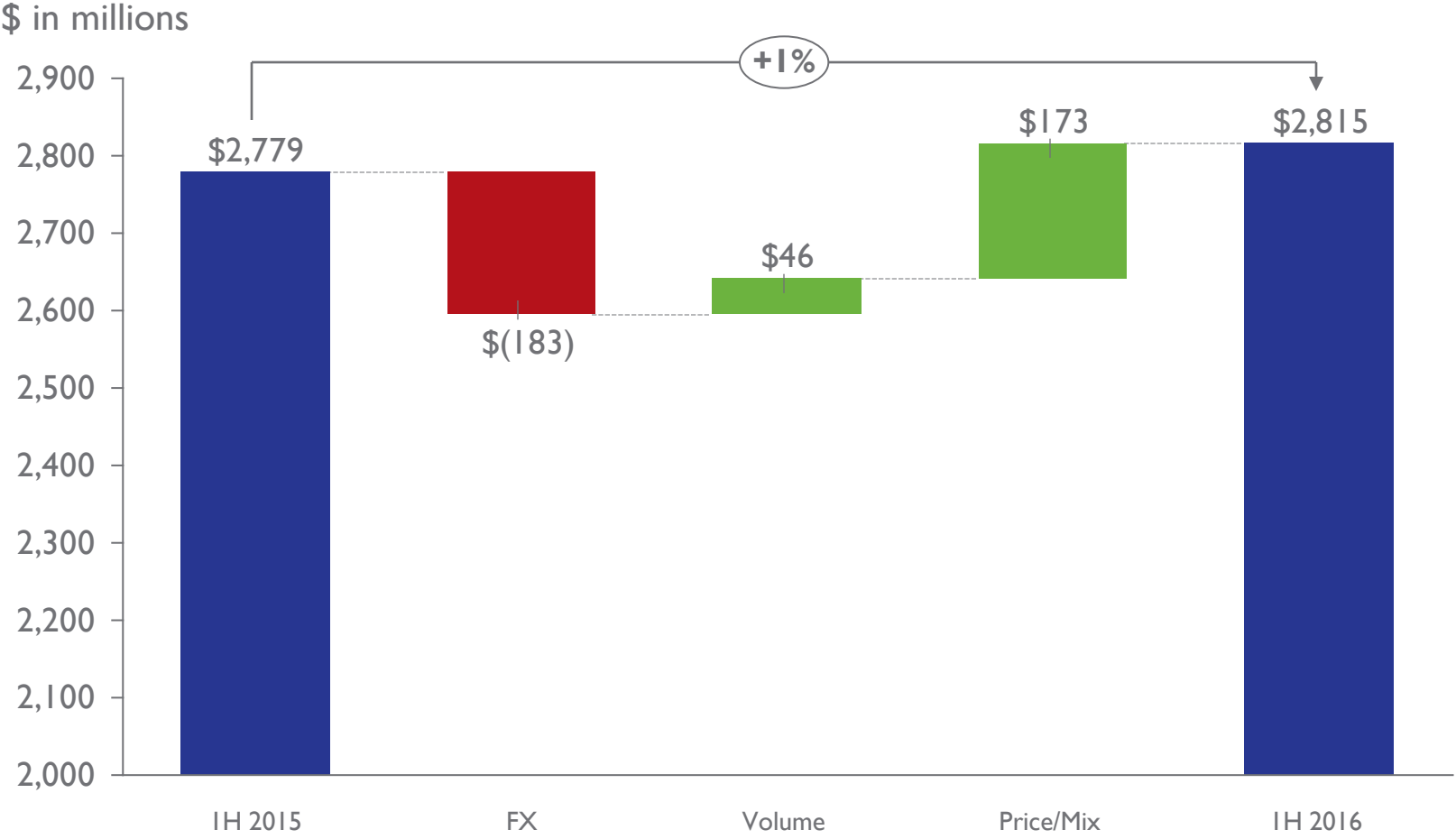
Income statement highlights

\$ in millions, unless noted	1H 15	1H 16	Change
Net Sales	\$ 2,779	\$ 2,815	\$ 36
Gross Profit	\$ 599	\$ 694	\$ 95
<i>Gross Profit Margin</i>	<i>21.6%</i>	<i>24.7%</i>	<i>310 bps.</i>
Reported Operating Income	\$ 312	\$ 398	\$ 86
Adjusted Operating Income*	\$ 336	\$ 412	\$ 76
Reported Diluted EPS	\$ 2.62/share	\$ 3.36/share	\$ 0.74/share
Adjusted Diluted EPS*	\$ 2.83/share	\$ 3.51/share	\$ 0.68/share

Note: Amounts may not foot due to rounding.

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First half 2016 net sales bridge



Note: Amounts may not foot due to rounding.



First half 2016

Net sales variance by region

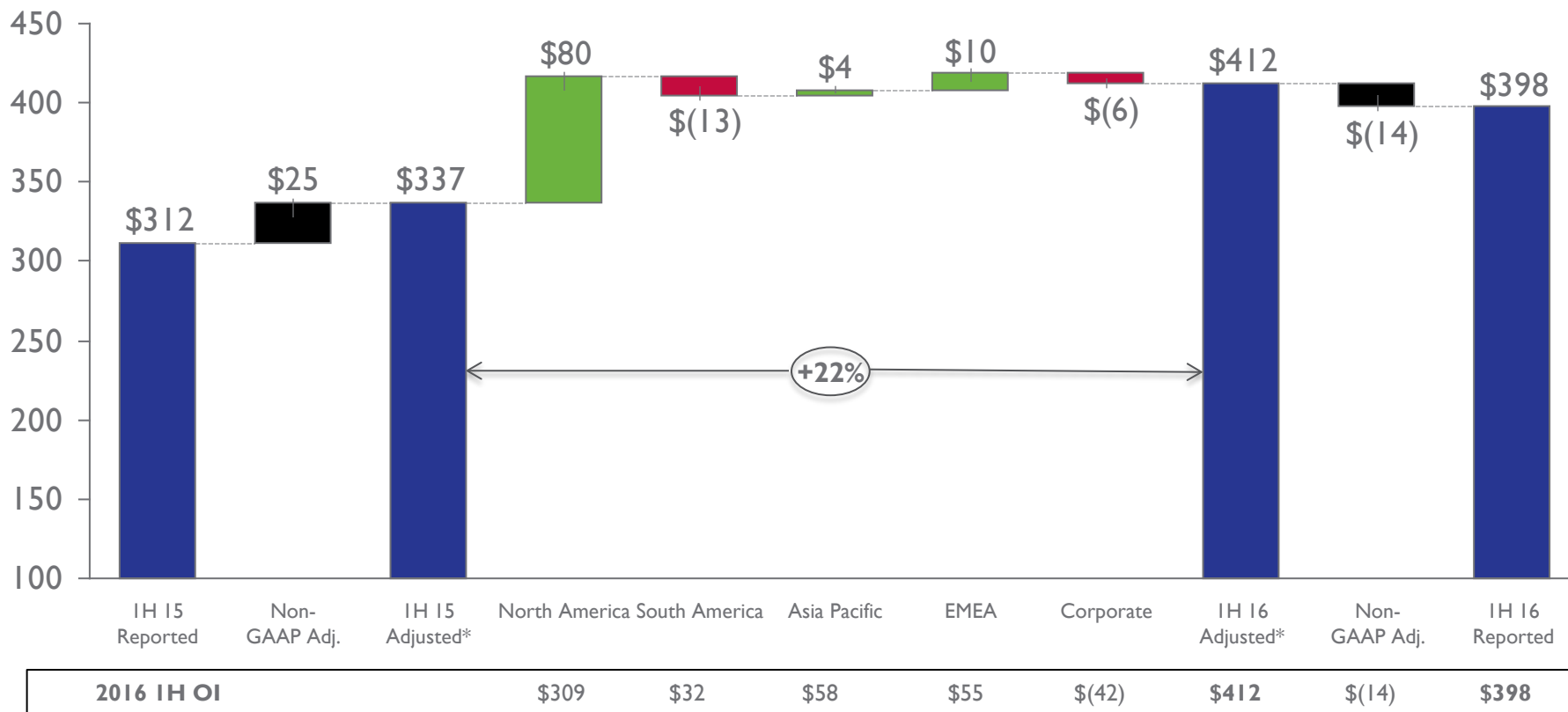
	Foreign Exchange	Volume	Price/mix	Net Sales Change
North America	-1%	3%	5%	7%
South America	-28%	-6%	23%	-10%
Asia Pacific	-5%	1%	-4%	-8%
EMEA	-3%	7%	-2%	2%
Ingredion	-7%	2%	6%	1%

Note: Amounts may not foot due to rounding.

First half 2016

Operating income bridge

\$ in millions



Note: Amounts may not foot due to rounding.

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

First half 2016 EPS bridge

Amounts are dollars/share

1H 2015 Reported Diluted EPS **\$2.62**

<i>Acquisition/Integration Costs</i>	0.13
<i>Impairment/Restructuring Costs</i>	0.09

1H 2015 Adjusted Diluted EPS* **\$2.83**

1H 2016 Adjusted Diluted EPS* **\$3.51**

<i>Acquisition/Integration Costs</i>	(0.01)
<i>Impairment/Restructuring Costs</i>	(0.14)

1H 2016 Reported Diluted EPS **\$3.36**

Margin	\$ 0.90
Volume	(0.03)
Foreign Exchange Rates	(0.16)
Other Income	-
Changes from Operations	\$ 0.71

Financing Costs	\$ (0.02)
Non-controlling Interests	(0.02)
Tax Rate	0.05
Shares Outstanding	(0.05)
Non-Operational Changes	\$ (0.04)

Note: Amounts may not foot due to rounding.

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

2016 income statement guidance

- Anticipated 2016 adjusted EPS \$6.70 - \$6.90 per share; excluding acquisition-related, integration, and restructuring costs, as well as any potential impairment costs
 - Net sales expected to be in line with last year
 - Volumes expected to be slightly down
 - Anticipated currency headwinds outside the U.S. of \$0.25-\$0.35
 - Corporate expenses expected to be slightly higher
 - Financing costs anticipated to be higher than 2015
 - Effective adjusted annual tax rate estimated to be in range of 30%-32%
 - Shares outstanding expected to be in range of 74-74.5 million

Regional outlook

North America

- Net sales expected to be up compared to last year
- Volumes expected to be down compared to last year due to Port Colborne sale
- Operating income expected to be up

South America

- Net sales expected to be down due to anticipated FX headwinds and slow economic growth
- Continued focus on cost management
- Operating income expected to be down versus 2015

Regional outlook

Asia Pacific

- Net sales expected to be down versus prior year due to pass through of lower input costs and expected FX headwinds
- Operating income growth anticipated to be up versus prior year; anticipated specialty volume growth expected to offset anticipated FX headwinds

EMEA

- Net sales expected to be up versus prior year as anticipated volume growth throughout the region offsets anticipated FX headwinds and lower prices due to pass through of lower input costs
- Operating income anticipated to be up versus prior year; anticipated specialty and core volume growth and improved price/mix are expected to offset anticipated FX headwinds

First half 2016 cash provided by operations

Amounts are in millions

Net Income	\$ 254
Depreciation and Amortization	\$ 96
Working Capital	\$(143)
Other	\$ 59
Cash Provided by Operations	\$ 266

Uses of cash

<i>Capital Expenditures, net</i>	\$ (125)
<i>Dividend Payments</i>	\$ (69)
<i>Issuance of Common Stock</i>	\$ 8

Note: Amounts may not foot due to rounding.

2016 cash flow guidance

- Expect to generate strong cash from operations in the range of \$725-\$775 million
 - Assumes minimal impact from margin accounts
- Anticipate capital expenditures of approximately \$300 million
- Strong balance sheet offers opportunities

Our Strategic Blueprint

A LEADING GLOBAL SUPPLIER OF INGREDIENT SOLUTIONS

SHAREHOLDER VALUE CREATION

Organic Growth

**Broadening
Ingredient
Portfolio**

**Geographic
Scope**

OPERATING EXCELLENCE

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 acquisition and integration costs, impairment and restructuring 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 below.

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

	Three Months Ended June 30, 2016		Three Months Ended June 30, 2015		Six Months Ended June 30, 2016		Six Months Ended June 30, 2015	
	(in millions)	EPS	(in millions)	EPS	(in millions)	EPS	(in millions)	EPS
Net income attributable to Ingredion	\$117.2	\$1.58	\$106.7	\$1.47	\$247.7	\$3.36	\$190.3	\$2.62
Add back:								
Restructuring charges, net of income tax benefit of \$2.6 million for the three months and six months ended June 30, 2016 and \$4.0 million for the six months ended June 30, 2015 (i)	10.4	0.14	-	-	10.4	0.14	6.4	0.09
Integration / acquisition costs, net of income tax benefit of \$0.2 million and \$0.4 million for the three months and six months ended June 30, 2016, respectively, and \$1.3 million and \$2.2 million for the three months and six months ended June 30, 2015, respectively (ii)	0.3	-	2.7	0.04	0.8	0.01	5.6	0.08
Charge for fair value mark-up of acquired inventory, net of income tax benefit of \$1.2 million and \$2.3 million, respectively (iii)	-	-	2.1	0.03	-	-	4.0	0.05
Non-GAAP adjusted net income	\$127.9	\$1.73	\$111.5	\$1.53	\$258.9	\$3.51	\$206.3	\$2.83

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

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Operating income	\$197.7	\$172.5	\$398.0	\$312.0
Add back:				
Restructuring charges (i)	13.0	-	13.0	10.4
Acquisition/integration costs (ii)	0.5	4.0	1.2	7.8
Charge for fair value mark-up of acquired inventory (iii)	-	3.3	-	6.3
Non-GAAP adjusted operating income	<u>\$211.2</u>	<u>\$179.8</u>	<u>\$412.2</u>	<u>\$336.5</u>

(i) During the second quarter of 2016, the Company recorded a \$13 million pre-tax restructuring charge consisting of \$8 million of employee-related severance and other costs associated with the execution of IT outsourcing contracts, \$3 million of employee-related severance costs associated with the Company's optimization initiative in South America and \$2 million of costs attributable to the Port Colborne plant sale. In the first quarter of 2015, the Company recorded a pre-tax restructuring charge of \$10 million for employee severance-related costs associated with the Penford acquisition.

(ii) The 2016 periods include costs related to the acquisition and integration of the businesses acquired from Penford and Kerr. Additionally, the 2016 periods include costs related to the pending acquisition of Shandong Huanong Specialty Corn Development Co., Ltd. The 2015 periods include costs related to the acquisition and integration of Penford.

(iii) The 2015 periods include the flow-through of costs associated with the sale of Penford inventory that was adjusted to fair value at the acquisition date in accordance with business combination accounting rules.

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

(Dollars in millions)	Income before Income Taxes (a) 2016		Provision for Income Taxes (b) 2016		Effective Income Tax Rate (b/a) 2016	
	Second Qtr	First Half	Second Qtr	First Half	Second Qtr	First Half
As Reported	\$ 179.0	\$ 365.1	\$ 58.8	\$ 111.6	32.8%	30.6%
Add back:						
Restructuring charge	13.0	13.0	2.6	2.6		
Acquisition / integration costs	0.5	1.2	0.2	0.4		
Adjusted non-GAAP	<u>\$ 192.5</u>	<u>\$ 379.3</u>	<u>\$ 61.6</u>	<u>\$ 114.6</u>	32.0%	30.2%

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)	
	2015		2015		2015	
	Second Qtr	First Half	Second Qtr	First Half	Second Qtr	First Half
As Reported	\$ 156.2	\$ 281.6	\$ 47.3	\$ 87.1	30.3%	30.9%
Add back:						
Restructuring charge	-	10.4	-	4.0		
Acquisition / integration costs	4.0	7.8	1.3	2.2		
Charge for fair value mark-up of acquired inventory	3.3	6.3	1.2	2.3		
Adjusted non-GAAP	<u>\$ 163.5</u>	<u>\$ 306.1</u>	<u>\$ 49.8</u>	<u>\$ 95.6</u>	30.5%	31.2%

Reconciliation of 2016 non-GAAP expected adjusted diluted earnings per share (“adjusted EPS”) to GAAP diluted earnings per share (“EPS”)

	Expected EPS Range for Full Year 2016	
	Low End	High End
Expected Adjusted EPS	\$6.70	\$6.90
Less:		
Restructuring charges	(0.20)	(0.20)
Acquisition / integration costs	(0.01)	(0.01)
GAAP EPS (a)	<u>\$6.49</u>	<u>\$6.69</u>

Above is a reconciliation of our full year 2016 expected adjusted diluted EPS to our diluted EPS determined in accordance with GAAP. 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 unusual items. We generally exclude these items from our adjusted EPS guidance.

(a) For the reasons stated above, we are more confident in our ability to predict adjusted EPS than we are in our ability to predict EPS. Therefore, we do not provide guidance concerning GAAP EPS.

Prior period impact of new accounting standard (unaudited)

In March 2016, the Financial Accounting Standards Board ("FASB") issued a new standard that changes the accounting for certain aspects of share-based payments to employees. Adoption of the standard in the second quarter of 2016 resulted in the recognition of excess tax benefits in our provision for income taxes rather than additional paid-in capital of \$3 million and \$6 million for the three and six months ended June 30, 2016, respectively, and impacted our previously reported first quarter 2016 results as follows:

(in millions, except share and per share amounts)	Three Months Ended	
	March 31, 2016	
	<u>As reported</u>	<u>As adjusted</u>
Consolidated Statement of Income:		
Provision for income taxes	\$ 56	\$ 53
Net income	\$ 130	\$ 133
Net income attributable to Ingredion	\$ 127	\$ 130
Basic earnings per common share of Ingredion	\$ 1.77	\$ 1.81
Diluted earnings per common share of Ingredion	\$ 1.73	\$ 1.77
Diluted weighted average common shares outstanding	73.3	73.6
Consolidated Statement of Cash Flows:		
Cash provided by operating activities	\$ 96	\$ 99
Cash provided by financing activities	\$ 9	\$ 6
Consolidated Balance sheet:		
Additional paid-in capital	\$ 1,154	\$ 1,151
Retained earnings	\$ 2,647	\$ 2,650