

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Form 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED September 30, 2015

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ **to** _____

COMMISSION FILE NUMBER 1-13397

Ingredion Incorporated

(Exact name of Registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of incorporation or organization)

22-3514823

(I.R.S. Employer Identification Number)

**5 WESTBROOK CORPORATE CENTER
WESTCHESTER, ILLINOIS**

(Address of principal executive offices)

60154

(Zip Code)

(708) 551-2600

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

(Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

CLASS

Common Stock, \$.01 par value

OUTSTANDING AT October 29, 2015

71,545,000 shares

PART I FINANCIAL INFORMATION

ITEM 1

FINANCIAL STATEMENTS

**Ingredion Incorporated (“Ingredion”)
Condensed Consolidated Statements of Income
(Unaudited)**

(In millions, except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net sales before shipping and handling costs	\$ 1,524.0	\$ 1,544.8	\$ 4,469.6	\$ 4,547.8
Less: shipping and handling costs	87.3	84.5	253.8	247.7
Net sales	1,436.7	1,460.3	4,215.8	4,300.1
Cost of sales	1,106.8	1,162.7	3,286.6	3,456.8
Gross profit	329.9	297.6	929.2	843.3
Operating expenses	139.2	129.1	415.5	398.6
Other (income) expense, net	1.9	(9.6)	2.5	(18.4)
Impairment/restructuring charges	13.8	—	24.2	—
Operating income	175.0	178.1	487.0	463.1
Financing costs, net	13.8	15.1	44.2	49.0
Income before income taxes	161.2	163.0	442.8	414.1
Provision for income taxes	51.2	42.6	138.3	113.9
Net income	110.0	120.4	304.5	300.2
Less: Net income attributable to non-controlling interests	2.1	1.8	6.3	6.4
Net income attributable to Ingredion	\$ 107.9	\$ 118.6	\$ 298.2	\$ 293.8
Weighted average common shares outstanding:				
Basic	71.6	73.0	71.6	74.2
Diluted	72.9	74.3	72.9	75.5
Earnings per common share of Ingredion:				
Basic	\$ 1.51	\$ 1.62	\$ 4.17	\$ 3.96
Diluted	\$ 1.48	\$ 1.60	\$ 4.09	\$ 3.89

See Notes to Condensed Consolidated Financial Statements

PART I FINANCIAL INFORMATION

ITEM 1

FINANCIAL STATEMENTS

**Ingredion Incorporated (“Ingredion”)
Condensed Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)**

(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net income	\$ 110	\$ 120	\$ 305	\$ 300
Other comprehensive income (loss):				
Losses on cash-flow hedges, net of income tax effect of \$7, \$23, \$8 and \$21, respectively	(15)	(48)	(18)	(47)
Amount of losses on cash-flow hedges reclassified to earnings, net of income tax effect of \$3, \$5, \$10 and \$11, respectively	7	11	23	24
Actuarial gains on pension and postretirement obligations, settlements and plan amendments, net of income tax effect of \$2	—	—	6	—
Losses related to pension and other postretirement obligations reclassified to earnings, net of income tax effect	—	1	1	3
Currency translation adjustment	(157)	(121)	(283)	(116)

Comprehensive income (loss)	(55)	(37)	34	164
Comprehensive income attributable to non-controlling interests	(2)	(2)	(6)	(6)
Comprehensive income (loss) attributable to Ingredion	<u>\$ (57)</u>	<u>\$ (39)</u>	<u>\$ 28</u>	<u>\$ 158</u>

See Notes to Condensed Consolidated Financial Statements

3

PART I FINANCIAL INFORMATION

ITEM I - FINANCIAL STATEMENTS

Ingredion Incorporated (“Ingredion”) Condensed Consolidated Balance Sheets

(In millions, except share and per share amounts)	September 30, 2015 (Unaudited)	December 31, 2014
Assets		
Current assets		
Cash and cash equivalents	\$ 722	\$ 580
Short-term investments	9	34
Accounts receivable — net	779	762
Inventories	718	699
Prepaid expenses	25	21
Deferred income taxes	39	48
Total current assets	<u>2,292</u>	<u>2,144</u>
Property, plant and equipment - net of accumulated depreciation of \$2,737 and \$2,813, respectively	2,002	2,073
Goodwill	601	478
Other intangible assets - net of accumulated amortization of \$76 and \$62, respectively	417	290
Deferred income taxes	4	4
Other assets	128	102
Total assets	<u>\$ 5,444</u>	<u>\$ 5,091</u>
Liabilities and equity		
Current liabilities		
Short-term borrowings	\$ 24	\$ 23
Accounts payable and accrued liabilities	646	698
Total current liabilities	<u>670</u>	<u>721</u>
Non-current liabilities	182	157
Long-term debt	2,243	1,804
Deferred income taxes	181	180
Share-based payments subject to redemption	21	22
Equity		
Ingredion Stockholders' equity:		
Preferred stock — authorized 25,000,000 shares-\$0.01 par value — none issued	—	—
Common stock — authorized 200,000,000 shares-\$0.01 par value — 77,810,875 shares issued at September 30, 2015 and December 31, 2014	1	1
Additional paid-in capital	1,160	1,164
Less: Treasury stock (common stock; 6,302,515 and 6,488,605 shares at September 30, 2015 and December 31, 2014, respectively) at cost	(475)	(481)
Accumulated other comprehensive loss	(1,053)	(782)
Retained earnings	2,481	2,275
Total Ingredion stockholders' equity	<u>2,114</u>	<u>2,177</u>
Non-controlling interests	33	30
Total equity	<u>2,147</u>	<u>2,207</u>
Total liabilities and equity	<u>\$ 5,444</u>	<u>\$ 5,091</u>

See Notes to Condensed Consolidated Financial Statements

4

PART I FINANCIAL INFORMATION

ITEM 1 FINANCIAL STATEMENTS

Ingredion Incorporated (“Ingredion”)
Condensed Consolidated Statements of Equity and Redeemable Equity
(Unaudited)

(in millions)	Total Equity						Share-based Payments Subject to Redemption
	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Non- controlling Interests	
Balance, December 31, 2014	\$ 1	\$ 1,164	\$ (481)	\$ (782)	\$ 2,275	\$ 30	\$ 22
Net income attributable to Ingredion					298		
Net income attributable to non-controlling interests						6	
Dividends declared					(92)	(3)	
Losses on cash-flow hedges, net of income tax effect of \$8				(18)			
Amount of losses on cash-flow hedges reclassified to earnings, net of income tax effect of \$10				23			
Repurchases of common stock		(6)	(34)				
Issuance of common stock on exercise of stock options		(12)	30				
Share-based compensation		14	10				(1)
Actuarial gains on pension and postretirement obligations, settlements, and plan amendments, net of income tax effect of \$2				6			
Losses related to pension and other postretirement obligations reclassified to earnings, net of income tax effect				1			
Currency translation adjustment				(283)			
Balance, September 30, 2015	\$ 1	\$ 1,160	\$ (475)	\$ (1,053)	\$ 2,481	\$ 33	\$ 21

5

(in millions)	Total Equity						Share-based Payments Subject to Redemption
	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Non- controlling Interests	
Balance, December 31, 2013	\$ 1	\$ 1,166	\$ (225)	\$ (583)	\$ 2,045	\$ 25	\$ 24
Net income attributable to Ingredion					294		
Net income attributable to non-controlling interests						6	
Dividends declared					(94)	(3)	
Losses on cash-flow hedges, net of income tax effect of \$21				(47)			
Amount of losses on cash-flow hedges reclassified to earnings, net of income tax effect of \$11				24			
Repurchases of common stock		(63)	(241)				
Issuance of common stock on exercise of stock options		(16)	33				
Share-based compensation		20	2				(4)
Losses related to pension and other postretirement obligations reclassified to earnings, net of income tax effect				3			
Currency translation adjustment				(116)			
Balance, September 30, 2014	\$ 1	\$ 1,107	\$ (431)	\$ (719)	\$ 2,245	\$ 28	\$ 20

See Notes to Condensed Consolidated Financial Statements

6

PART I FINANCIAL INFORMATION

**ITEM 1
FINANCIAL STATEMENTS**

Ingredion Incorporated (“Ingredion”)
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(In millions)	Nine Months Ended	
	2015	2014
Cash provided by operating activities:		
Net income	\$ 305	\$ 300
Non-cash charges to net income:		
Depreciation and amortization	145	147
Write-off of impaired assets	10	—
Charge for fair value mark-up of acquired inventory	8	—
Other	72	49
Changes in working capital:		
Accounts receivable and prepaid items	(40)	(19)
Inventories	21	(15)
Accounts payable and accrued liabilities	(40)	8
Increase in margin accounts	(7)	(11)
Other	7	3
Cash provided by operating activities	<u>481</u>	<u>462</u>
Cash used for investing activities:		
Payments for acquisitions, net of cash acquired of \$16	(434)	—
Capital expenditures, net of proceeds on disposals	(193)	(187)
Short-term investments	24	(1)
Proceeds from sale of investment	—	11
Cash used for investing activities	<u>(603)</u>	<u>(177)</u>
Cash used for financing activities:		
Proceeds from borrowings	997	227
Payments on debt	(558)	(118)
Repurchases of common stock	(40)	(304)
Issuance of common stock	18	17
Dividends paid (including to non-controlling interests)	(94)	(97)
Excess tax benefit on share-based compensation	6	5
Cash provided by (used for) financing activities	<u>329</u>	<u>(270)</u>
Effect of foreign exchange rate changes on cash	(65)	(24)
Increase (decrease) in cash and cash equivalents	<u>142</u>	<u>(9)</u>
Cash and cash equivalents, beginning of period	580	574
Cash and cash equivalents, end of period	<u>\$ 722</u>	<u>\$ 565</u>

See Notes to Condensed Consolidated Financial Statements

INGREDION INCORPORATED (“Ingredion”)
Notes to Condensed Consolidated Financial Statements

1. Interim Financial Statements

References to the “Company” are to Ingredion Incorporated (“Ingredion”) and its consolidated subsidiaries. These statements should be read in conjunction with the consolidated financial statements and the related notes to those statements contained in the Company’s Annual Report on Form 10-K for the year ended December 31, 2014.

The unaudited condensed consolidated interim financial statements included herein were prepared by management on the same basis as the Company’s audited consolidated financial statements for the year ended December 31, 2014 and reflect all adjustments (consisting solely of normal recurring items unless otherwise noted) which are, in the opinion of management, necessary for the fair presentation of results of operations and cash flows for the interim periods ended September 30, 2015 and 2014, and the financial position of the Company as of September 30, 2015. The results for the interim periods are not necessarily indicative of the results expected for the full years.

2. New Accounting Standards

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-09, Revenue from Contracts with Customers (Topic 606) that introduces a new five-step revenue recognition model in which an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU also requires disclosures sufficient to enable users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers, including qualitative and quantitative disclosures about contracts with customers, significant judgments and changes in judgments, and assets recognized from the costs to obtain or fulfill a contract. This standard is effective for fiscal years beginning after December 15, 2017, including interim periods within that reporting period. The standard will allow various transition approaches upon adoption. The Company is assessing the impacts of this new standard; however, the adoption of the guidance in this Update is not expected to have a material impact on the Company’s Condensed Consolidated Financial Statements.

In April 2015, the FASB issued ASU No. 2015-03, Interest-Imputation of Interest (Subtopic 835-30), for the purpose of simplifying the presentation of debt issuance costs. This standard requires that debt issuance costs associated with a recognized debt liability be presented in the balance sheet as a direct reduction from the carrying amount of that debt in the balance sheet, consistent with the recording of debt discounts. The amendments in this Update are

effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years and require an entity to apply the guidance on a retrospective basis. Early adoption of the amendments in this Update is permitted for financial statements that have not been previously issued. The Company intends to adopt the amendments of the Update in the fourth quarter of 2015. The adoption of the guidance in this Update is not expected to have a material impact on the Company's Condensed Consolidated Financial Statements.

In July 2015, the FASB issued ASU No. 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory*. This Update requires an entity to measure inventory at the lower of cost and net realizable value, removing the consideration of current replacement cost. It is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2016, with early adoption permitted. The Company does not expect that the adoption of the guidance in this Update will have a material impact on the Company's Condensed Consolidated Financial Statements.

In September 2015, the FASB issued ASU No. 2015-16, *Business Combinations (Topic 805): Simplifying the Accounting for Measurement — Period Adjustments*. This Update requires an entity to present separately on the face of the income statement or disclose in the notes the portion of the amount recorded in current-period earnings by line item that would have been recorded in previous reporting periods if the adjustment to the provisional amounts had been recognized as of the acquisition date. The amendments in this Update are effective for fiscal years beginning after December 15, 2015, including interim periods within those fiscal years. The amendments should be applied prospectively to adjustments to provisional amounts that occur after the effective date of this Update with earlier application permitted for financial statements that have not been issued. The Company adopted the amendments of this Update in the third quarter of 2015. The adoption of the guidance in this Update did not have a material impact on the Company's Condensed Consolidated Financial Statements.

3. Acquisitions

On March 11, 2015, the Company completed its acquisition of Penford Corporation ("Penford"), a manufacturer of specialty starches that was headquartered in Centennial, Colorado. Total purchase consideration for Penford was \$332 million, which included the extinguishment of \$93 million in debt in conjunction with the acquisition. The acquisition of Penford provides the Company with, among other things, an expanded specialty ingredient product portfolio consisting of potato starch-based offerings. Penford had net sales of \$444 million for the fiscal year ended August 31, 2014 and operates six manufacturing facilities in the United States, all of which manufacture specialty starches.

On August 3, 2015, the Company completed its acquisition of Kerr Concentrates, Inc. ("Kerr"), a privately held producer of natural fruit and vegetable concentrates for approximately \$102 million in cash, subject to certain post-closing adjustments. Kerr employs approximately 80 people and serves major food and beverage companies, flavor houses and ingredient producers from its manufacturing locations in Oregon and California. The acquisition of Kerr provides the Company with the opportunity to expand its product portfolio.

The Company funded these acquisitions with proceeds from borrowings under its revolving credit agreement. The results of the acquired operations are included in the Company's consolidated results from the respective acquisition dates forward within the North America business segment. With these acquisitions, the Company now employs approximately 11,900 people world-wide.

For the Penford acquisition, the Company has finalized the purchase price allocation for all areas with the exception of income taxes. The finalization of the valuation of tangible and intangible assets and liabilities did not have a significant impact on previously estimated amounts. The Company expects to finalize the purchase price allocation for Penford in the fourth quarter of 2015. For the Kerr acquisition, a preliminary allocation of the purchase price to the assets acquired and liabilities assumed was made based on available information and

incorporating management's best estimates. Assets acquired and liabilities assumed in the transactions were generally recorded at their estimated acquisition date fair values, while transaction costs associated with the acquisition were expensed as incurred. The Company is currently in the process of finalizing the valuation of the assets acquired and liabilities assumed related to this acquisition, primarily related to the valuation of tangible and identifiable intangible assets acquired. As such, the actual allocation of the final purchase price and the resulting effect on net income may differ from the preliminary amounts included herein. The Company expects to finalize the purchase price allocation for Kerr in the fourth quarter of 2015.

Goodwill represents the amount by which the purchase price exceeds the estimated fair value of the net assets acquired. Goodwill related to the Penford acquisition is not tax deductible for the Company. The goodwill related to Kerr is tax deductible due to the structure of this acquisition. The preliminary goodwill of \$119 million for Penford and \$27 million for Kerr result from synergies and other operational benefits expected to be derived from the acquisitions.

The following table summarizes the preliminary purchase price allocations for Penford and Kerr as of March 11, 2015 and August 3, 2015, respectively, for the acquisitions:

(in millions)	Penford		Kerr	
Working capital (excluding cash)	\$	68	\$	38
Property, plant and equipment		86		8
Other assets		9		—
Identifiable intangible assets		121		29
Goodwill		119		27
Non-current liabilities assumed		(71)		—
Total preliminary purchase price	\$	332	\$	102

The identifiable intangible assets for the Penford acquisition include items such as customer relationships, proprietary technology, trade names, and noncompetition agreements. The fair values of these intangible assets were determined to be Level 3 under the fair value hierarchy. Level 3 inputs are unobservable inputs for an asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available, thereby

allowing for situations in which there is little, if any, market activity for an asset or liability at the measurement date. The following table presents the fair values, valuation techniques, and estimated remaining useful life for these Level 3 measurements (dollars in millions):

10

	Fair Value	Valuation Technique	Estimated Remaining Useful Life
Customer Relationships	\$ 84	Multi-period excess earnings method	15 - 22 years
Trade names	\$ 17	Relief-from-royalty method	10 years to indefinite
Technology	\$ 17	Relief-from-royalty method	6 - 11 years
Noncompetition Agreements	\$ 3	Income Approach	2 years

The fair value of customer relationships, trade names, technology and noncompetition were determined through the valuation techniques described above using various judgmental assumptions such as discount rates and customer attrition rates.

The fair values of property, plant and equipment associated with the Penford acquisition was determined to be Level 3 under the fair value hierarchy. Property, plant and equipment values were estimated using either the cost or market approach.

Included in the results of the acquired businesses for the three and nine months ended September 30, 2015 were increases in cost of sales of \$2 million (Kerr) and \$8 million (Penford for \$6 million and Kerr for \$2 million), respectively, relating to the sale of inventory that was adjusted to fair value at the acquisition dates in accordance with business combination accounting rules.

The Company also incurred \$2 million and \$9 million of pre-tax acquisition and integration costs for the three and nine months ended September 30, 2015, respectively, associated with the Penford and Kerr transactions.

4. Sale of Canadian Plant

On July 7, 2015, the Company entered into a definitive agreement to sell its manufacturing assets in Port Colborne, Ontario, Canada for approximately \$30 million. The sale is expected to close in the fourth quarter of 2015 and is currently expected to result in a pre-tax gain of approximately \$10 million in that quarter. In the third quarter of 2015, the Company recorded a pre-tax restructuring charge of \$2 million associated with the sale of the plant as described below. Additionally, the Company could incur pension-related charges in the first half of 2016 related to the plant sale. Such charges, if any, are not expected to be significant.

5. Impairment and Restructuring Charges

On September 8, 2015, the Company announced that it plans to consolidate its manufacturing network in Brazil. Plants in Trombudo Central and Conchal will be closed and production will be moved to plants in Balsa Nova and Mogi Guaçu, respectively. The consolidation will begin early in 2016 and should be complete by the end of that year. In the third quarter of 2015, the Company recorded total pre-tax restructuring-related charges of \$12

11

million related to these plant closures, consisting of a \$10 million charge for impaired assets and \$2 million of employee severance-related costs. Additional restructuring costs, although not expected to be significant, could be incurred in the future as part of the plant shutdowns.

Also, in the third quarter of 2015, the Company recorded a pre-tax restructuring charge of \$2 million for estimated employee severance-related costs associated with 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.

A summary of the Company's restructuring reserve at September 30, 2015 is as follows (in millions):

Restructuring charge for employee severance costs-Penford acquisition	\$ 10
—Brazil plant shut-downs	2
—Port Colborne plant sale	2
Sub-total	\$ 14
Payments made to terminated employees	(2)
Balance in restructuring reserve at September 30, 2015	\$ 12

The majority of the severance reserve is expected to be paid within the next twelve months.

6. Segment Information

The Company is principally engaged in the production and sale of starches and sweeteners for a wide range of industries, and is managed geographically on a regional basis. The Company's operations are classified into four reportable business segments: North America, South America, Asia Pacific and Europe, Middle East and Africa ("EMEA"). Its North America segment includes businesses in the United States, Canada and Mexico. The Company's South America segment includes businesses in Brazil, Colombia, Ecuador and the Southern Cone of South America, which includes Argentina, Chile, Peru and Uruguay. Its Asia Pacific segment includes businesses in South Korea, Thailand, Malaysia, China, Japan, Indonesia, the Philippines,

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Net Sales				
North America	\$ 880.0	\$ 805.6	\$ 2,503.1	\$ 2,362.0
South America	256.4	307.6	764.5	906.2
Asia Pacific	174.4	205.8	553.1	594.3
EMEA	125.9	141.3	395.1	437.6
Total	<u>\$ 1,436.7</u>	<u>\$ 1,460.3</u>	<u>\$ 4,215.8</u>	<u>\$ 4,300.1</u>
Operating Income				
North America	\$ 133.0	\$ 113.1	\$ 362.2	\$ 288.7
South America	28.4	27.4	73.0	73.8
Asia Pacific	27.6	27.0	81.3	80.1
EMEA	21.7	22.2	66.8	68.7
Corporate (a)	(18.3)	(11.6)	(54.4)	(48.2)
Sub-total	\$ 192.4	\$ 178.1	\$ 528.9	\$ 463.1
Impairment/restructuring charges	(13.8)	—	(24.2)	—
Acquisition/integration costs	(1.6)	—	(9.3)	—
Charge for fair value markup of acquired inventory	(2.0)	—	(8.4)	—
Total	<u>\$ 175.0</u>	<u>\$ 178.1</u>	<u>\$ 487.0</u>	<u>\$ 463.1</u>

(a) Includes \$4 million of expense relating to a tax indemnification agreement with offsetting income of \$4 million recorded in the provision for income taxes for the three and nine months ended September 30, 2015. For the three and nine months ended September 30, 2014, includes \$7 million of income relating to this tax indemnification agreement with an offsetting expense of \$7 million recorded in the provision for income taxes. See Note 14 for additional information.

(in millions)	At	
	Sept. 30, 2015	Dec. 31, 2014
Total Assets		
North America	\$ 3,474	\$ 2,907
South America	740	923
Asia Pacific	719	711
EMEA	511	550
Total	<u>\$ 5,444</u>	<u>\$ 5,091</u>

7. Financial Instruments, Derivatives and Hedging Activities

The Company is exposed to market risk stemming from changes in commodity prices (primarily corn and natural gas), foreign currency exchange rates and interest rates. In the normal course of business, the Company actively manages its exposure to these market risks by entering into various hedging transactions, authorized under established policies that place clear controls on these activities. These transactions utilize exchange-traded derivatives or over-the-counter derivatives with investment grade counterparties. Derivative financial

instruments currently used by the Company consist of commodity futures, options and swap contracts, foreign currency forward contracts and swaps, and interest rate swaps.

Commodity price hedging: The Company's principal use of derivative financial instruments is to manage commodity price risk in North America relating to anticipated purchases of corn and natural gas to be used in the manufacturing process, generally over the next twelve to twenty-four months. To manage price risk related to corn purchases in North America, the Company uses corn futures and options contracts that trade on regulated commodity exchanges to lock-in its corn costs associated with firm-priced customer sales contracts. The Company uses over-the-counter gas swaps to hedge a portion of its natural gas usage in North America. These derivative financial instruments limit the impact that volatility resulting from fluctuations in market prices will have on corn and natural gas purchases and have been designated as cash-flow hedges. Effective with the acquisition of Penford, the Company now produces and sells ethanol. The Company now enters into swap contracts to hedge price risk associated with fluctuations in market prices of ethanol. Unrealized gains and losses associated with marking the commodity hedging contracts to market (fair value) are recorded as a component of other comprehensive income ("OCI") and included in the equity section of the Condensed Consolidated Balance Sheets as part of accumulated other comprehensive income/loss ("AOCI"). These amounts are subsequently reclassified into earnings in the same line item affected by the hedged transaction and in the same period or periods during which the hedged transaction affects earnings, or in the month a hedge is determined to be ineffective. The Company assesses the effectiveness of a commodity hedge contract based on changes in the contract's fair value. The changes in the market value of such contracts have historically been, and are expected to continue to be, highly effective at offsetting changes in the price of the hedged items. The amounts representing the ineffectiveness of these cash-flow hedges are not significant.

At September 30, 2015, AOCI included \$7 million of losses, net of tax of \$3 million, pertaining to commodities-related derivative instruments designated as cash-flow hedges. At December 31, 2014, AOCI included \$13 million of losses, net of tax of \$6 million, pertaining to commodities-related derivative instruments designated as cash-flow hedges.

Interest rate hedging: Derivative financial instruments that have been used by the Company to manage its interest rate risk consist of Treasury Lock agreements (“T-Locks”) and interest rate swaps. The Company did not have any T-locks outstanding at September 30, 2015 or December 31, 2014. The Company has interest rate swap agreements that effectively convert the interest rates on its 3.2 percent \$350 million senior notes due November 1, 2015, its 6.0 percent \$200 million senior notes due April 15, 2017, its 1.8 percent \$300 million senior notes due September 25, 2017 and on \$200 million of its \$400 million 4.625 percent senior notes due November 1, 2020, to variable rates. These swap agreements call for the Company to receive interest at the fixed coupon rate of the respective notes and to pay interest at a variable rate based on the six-month US dollar LIBOR rate plus a spread. The Company has designated these interest rate swap agreements as hedges of the changes in fair value of the underlying debt obligations attributable to changes in interest rates and accounts for them as fair-value hedges. Changes in the fair value of interest rate swaps designated as hedging instruments that effectively offset the variability in the fair value of outstanding debt obligations are reported in earnings. These amounts offset the gain or loss (that is, the change in fair value) of the hedged debt instrument that is attributable to changes in interest rates (that is, the hedged risk), which is also recognized in earnings. The fair value of these interest rate swap agreements at September 30, 2015 and December 31, 2014 was \$19 million and \$13 million, respectively, and is reflected in the Condensed Consolidated Balance Sheets within other

14

assets, with an offsetting amount recorded in long-term debt to adjust the carrying amount of the hedged debt obligations.

At September 30, 2015 and December 31, 2014, AOCI included \$5 million of losses (net of income taxes of \$3 million) and \$7 million of losses (net of income taxes of \$4 million), respectively, related to settled T-Locks. These deferred losses are being amortized to financing costs over the terms of the senior notes with which they are associated.

Foreign currency hedging: Due to the Company’s global operations, including operations in many emerging markets, it is exposed to fluctuations in foreign currency exchange rates. As a result, the Company has exposure to translational foreign exchange risk when the results of its foreign operations are translated to US dollars and to transactional foreign exchange risk when transactions not denominated in the functional currency of an operating unit are revalued. The Company primarily uses derivative financial instruments such as foreign currency forward contracts, swaps and options to manage its transactional foreign exchange risk. At September 30, 2015, the Company had foreign currency forward sales contracts with an aggregate notional amount of \$390 million and foreign currency forward purchase contracts with an aggregate notional amount of \$47 million that hedged transactional exposures. At December 31, 2014, the Company had foreign currency forward sales contracts with an aggregate notional amount of \$150 million and foreign currency forward purchase contracts with an aggregate notional amount of \$70 million that hedged transactional exposures. The fair value of these derivative instruments are assets of \$5 million and \$1 million at September 30, 2015 and December 31, 2014, respectively.

The Company also has foreign currency derivative instruments that hedge certain foreign currency transactional exposures and are designated as cash-flow hedges. The amount included in AOCI relating to these hedges at both September 30, 2015 and December 31, 2014 was not significant.

The fair value and balance sheet location of the Company’s derivative instruments, accounted for as cash-flow hedges and presented gross in the Condensed Consolidated Balance Sheets, are reflected below:

Derivatives designated as cash-flow hedging instruments: (in millions)	Fair Value of Derivative Instruments					
	Balance Sheet Location	Fair Value		Balance Sheet Location	Fair Value	
		At Sept. 30, 2015	At December 31, 2014		At Sept. 30, 2015	At December 31, 2014
Commodity and foreign currency contracts	Accounts receivable-net	\$ 8	\$ 15	Accounts payable and accrued liabilities	\$ 11	\$ 18
Commodity and foreign currency contracts	Other assets	7	1	Non-current liabilities	3	6
Total		<u>\$ 15</u>	<u>\$ 16</u>		<u>\$ 14</u>	<u>\$ 24</u>

At September 30, 2015, the Company had outstanding futures and option contracts that hedged the forecasted purchase of approximately 77 million bushels of corn. The Company also had outstanding swap and option contracts that hedged the forecasted purchase of

15

approximately 19 million mmbtu’s of natural gas at September 30, 2015. Additionally at September 30, 2015, the Company had outstanding ethanol swap contracts that hedged the forecasted sale of approximately 9 million gallons of ethanol. The Company is unable to directly hedge price risk related to co-product sales; however, it occasionally enters into hedges of soybean oil (a competing product to corn oil) in order to mitigate the price risk of corn oil sales. The Company did not have any soybean oil hedges at September 30, 2015.

Additional information relating to the Company’s derivative instruments is presented below (in millions, pre-tax):

Derivatives in Cash-Flow Hedging Relationships	Amount of Gains (Losses) Recognized in OCI on Derivatives		Location of Gains (Losses) Reclassified from AOCI into Income	Amount of Gains (Losses) Reclassified from AOCI into Income	
	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014		Three Months Ended September 30, 2015	Three Months Ended September 30, 2014
	Commodity and foreign currency contracts	\$ (22)		\$ (71)	Cost of sales
Interest rate contracts	—	—	Financing costs, net	(1)	(1)

Total	\$	(22)	\$	(71)	\$	(10)	\$	(16)	
		Amount of Gains (Losses) Recognized in OCI on Derivatives				Amount of Gains (Losses) Reclassified from AOCI into Income			
Derivatives in Cash-Flow Hedging Relationships		Nine Months Ended September 30, 2015		Nine Months Ended September 30, 2014	Location of Gains (Losses) Reclassified from AOCI into Income	Nine Months Ended September 30, 2015		Nine Months Ended September 30, 2014	
Commodity and foreign currency contracts	\$	(26)	\$	(68)	Cost of sales	\$	(31)	\$	(33)
Interest rate contracts		—		—	Financing costs, net		(2)		(2)
Total	\$	(26)	\$	(68)		\$	(33)	\$	(35)

At September 30, 2015, AOCI included \$8 million of losses (net of income taxes of \$3 million) on commodities-related derivative instruments designated as cash-flow hedges that are expected to be reclassified into earnings during the next twelve months. The Company expects the losses to be offset by changes in the underlying commodities costs. The Company also has \$2 million of losses on settled T-Locks (net of income taxes of \$1 million) recorded in AOCI at September 30, 2015, which are expected to be reclassified into earnings during the next twelve months. Additionally, at September 30, 2015, AOCI included an insignificant amount of losses related to foreign currency hedges that are expected to be reclassified into earnings during the next twelve months.

Presented below are the fair values of the Company's financial instruments and derivatives for the periods presented:

16

(in millions)	At September 30, 2015				At December 31, 2014			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Available for sale securities	\$ 6	\$ 6	\$ —	\$ —	\$ 5	\$ 5	\$ —	\$ —
Derivative assets	39	7	32	—	29	12	17	—
Derivative liabilities	14	3	11	—	23	6	17	—
Long-term debt	2,356	—	2,356	—	1,939	—	1,939	—

Level 1 inputs consist of quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Level 2 inputs are based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability or can be derived principally from or corroborated by observable market data. Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

The carrying values of cash equivalents, short-term investments, accounts receivable, accounts payable and short-term borrowings approximate fair values. Commodity futures, options and swap contracts are recognized at fair value. Foreign currency forward contracts, swaps and options are also recognized at fair value. The fair value of the Company's long-term debt is estimated based on quotations of major securities dealers who are market makers in the securities. At September 30, 2015, the carrying value and fair value of the Company's long-term debt were \$2.24 billion and \$2.36 billion, respectively.

8. Share-Based Compensation

Stock Options:

Under the Company's stock incentive plan, stock options are granted at exercise prices that equal the market value of the underlying common stock on the date of grant. The options have a 10-year term and are exercisable upon vesting, which occurs over a three-year period at the anniversary dates of the date of grant. Compensation expense is recognized on a straight-line basis for all awards.

The Company granted non-qualified options to purchase 336 thousand shares and 715 thousand shares of the Company's common stock during the nine months ended September 30, 2015 and 2014, respectively. The fair value of each option grant was estimated using the Black-Scholes option-pricing model with the following assumptions:

	For the Nine Months Ended September 30,	
	2015	2014
Expected life (in years)	5.5	5.5
Risk-free interest rate	1.36%	1.63%
Expected volatility	25.19%	30.28%
Expected dividend yield	2.04%	2.82%

The expected life of options represents the weighted-average period of time that options granted are expected to be outstanding giving consideration to vesting schedules and the Company's historical exercise patterns. The risk-free interest rate is based on the US Treasury yield curve in effect at the grant date for the period corresponding to the expected life of the

17

options. Expected volatility is based on historical volatilities of the Company's common stock. Dividend yields are based on historical dividend payments.

Stock option activity for the nine months ended September 30, 2015 was as follows:

(dollars and options in thousands, except per share amounts)	Number of Options	Weighted Average Exercise Price per Share	Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2014	2,889	\$ 46.84		
Granted	336	82.28		
Exercised	(476)	38.28		
Cancelled	(15)	60.63		
Outstanding at September 30, 2015	2,734	52.49	6.13	\$ 95,205
Exercisable at September 30, 2015	1,837	44.47	4.92	\$ 78,712

For the nine months ended September 30, 2015, cash received from the exercise of stock options was \$18 million. At September 30, 2015, the total remaining unrecognized compensation cost related to stock options approximated \$9 million, which will be amortized over a weighted-average period of approximately 1.8 years.

Additional information pertaining to stock option activity is as follows:

(dollars in thousands, except per share)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Weighted average grant date fair value of stock options granted (per share)	\$ —	\$ —	\$ 16.04	\$ 12.99
Total intrinsic value of stock options exercised	\$ 10,860	\$ 6,416	\$ 22,064	\$ 21,339

Restricted Shares of Common Stock and Restricted Stock Units:

The Company has granted shares of restricted common stock (“RSAs”) and restricted stock units (“RSUs”) to certain key employees. The RSAs and RSUs are subject to cliff vesting, generally after three to five years provided the employee remains in the service of the Company. The fair value of the RSAs and RSUs is determined based upon the number of shares granted and the quoted market price of the Company’s common stock at the date of the grant.

18

The following table summarizes RSA and RSU activity for the nine months ended September 30, 2015:

(in thousands, except per share amounts)	RSAs		RSUs	
	Number of RSAs	Weighted Average Fair Value per Share	Number of RSUs	Weighted Average Fair Value per Share
Non-vested at December 31, 2014	16	\$ 27.94	434	\$ 59.61
Granted	—	—	166	82.23
Vested	(14)	28.75	(142)	55.96
Cancelled	—	—	(9)	64.51
Non-vested at September 30, 2015	2	21.42	449	69.01

At September 30, 2015, the total remaining unrecognized compensation cost related to RSUs was \$16 million, which will be amortized over a weighted-average period of approximately 2.0 years. Unrecognized compensation cost related to RSAs was insignificant at September 30, 2015.

The following table summarizes the components of the Company’s share-based compensation expense:

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Stock options:				
Pre-tax compensation expense	\$ 1.7	\$ 1.7	\$ 5.1	\$ 5.4
Income tax benefit	(0.6)	(0.6)	(1.9)	(2.0)
Stock option expense, net of income taxes	1.1	1.1	3.2	3.4
RSUs, RSAs and other share-based compensation:				
Pre-tax compensation expense	3.7	3.0	10.6	8.7
Income tax benefit	(1.4)	(1.1)	(3.9)	(3.2)
RSUs, RSAs and other share-based compensation expense, net of income taxes	2.3	1.9	6.7	5.5
Total share-based compensation:				
Pre-tax compensation expense	5.4	4.7	15.7	14.1
Income tax benefit	(2.0)	(1.7)	(5.8)	(5.2)
Total share-based compensation expense, net of income taxes	\$ 3.4	\$ 3.0	\$ 9.9	\$ 8.9

19

For detailed information about the Company's pension and postretirement benefit plans, please refer to Note 9 of the Notes to the Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

The following table sets forth the components of net periodic benefit cost of the US and non-US defined benefit pension plans for the periods presented:

(in millions)	Three Months Ended September 30,				Nine Months Ended September 30,			
	US Plans		Non-US Plans		US Plans		Non-US Plans	
	2015	2014	2015	2014	2015	2014	2015	2014
Service cost	\$ 2.0	\$ 1.8	\$ 1.0	\$ 1.5	\$ 5.8	\$ 5.3	\$ 3.4	\$ 4.4
Interest cost	3.7	3.3	2.8	3.7	10.6	9.8	8.8	11.1
Expected return on plan assets	(6.3)	(5.2)	(3.2)	(3.6)	(18.2)	(15.7)	(10.0)	(10.7)
Amortization of net actuarial loss	0.2	0.1	0.5	0.8	0.5	0.3	1.7	2.4
Amortization of prior service credit	—	—	—	—	—	—	(0.1)	(0.1)
Amortization of transition obligation	—	—	0.1	0.1	—	—	0.2	0.2
Settlement	—	0.4	—	—	—	0.4	—	—
Net pension cost (credit)	\$ (0.4)	\$ 0.4	\$ 1.2	\$ 2.5	\$ (1.3)	\$ 0.1	\$ 4.0	\$ 7.3

For the nine months ended September 30, 2015, cash contributions of approximately \$10 million and \$1 million were made to the US and non-US plans, respectively. No significant contributions are expected to be made in the fourth quarter of 2015.

During the first quarter of 2015, the Company amended one of its pension plans in Canada to eliminate future benefit accruals for the plan effective April 30, 2015. This plan curtailment resulted in an improvement in the funded status of the plan by approximately \$9 million in the first quarter. The impact of this plan curtailment on net periodic benefit cost for the nine months ended September 30, 2015 was not significant.

The following table sets forth the components of net postretirement benefit cost for the periods presented:

(in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Service cost	\$ 0.2	\$ 0.7	\$ 0.6	\$ 2.1
Interest cost	0.8	0.9	2.3	2.7
Amortization of net actuarial loss	0.1	0.1	0.4	0.3
Amortization of prior service credit	(0.5)	—	(1.6)	—
Net postretirement benefit cost	\$ 0.6	\$ 1.7	\$ 1.7	\$ 5.1

20

10. Earnings per Common Share

The following table provides the computation of basic and diluted earnings per common share ("EPS") for the periods presented.

(in millions, except per share amounts)	Three Months Ended September 30, 2015			Three Months Ended September 30, 2014		
	Net Income Available to Ingredion (Numerator)	Weighted Average Shares (Denominator)	Per Share Amount	Net Income Available to Ingredion (Numerator)	Weighted Average Shares (Denominator)	Per Share Amount
Basic EPS	\$ 107.9	71.6	\$ 1.51	\$ 118.6	73.0	\$ 1.62
Effect of Dilutive Securities:						
Incremental shares from assumed exercise of dilutive stock options and vesting of dilutive RSUs, RSAs and other awards		1.3			1.3	
Diluted EPS	\$ 107.9	72.9	\$ 1.48	\$ 118.6	74.3	\$ 1.60
(in millions, except per share amounts)	Nine Months Ended September 30, 2015			Nine Months Ended September 30, 2014		
	Net Income Available to Ingredion (Numerator)	Weighted Average Shares (Denominator)	Per Share Amount	Net Income Available to Ingredion (Numerator)	Weighted Average Shares (Denominator)	Per Share Amount
Basic EPS	\$ 298.2	71.6	\$ 4.17	\$ 293.8	74.2	\$ 3.96
Effect of Dilutive Securities:						
Incremental shares from assumed exercise of dilutive stock options and vesting of dilutive RSUs, RSAs and other awards		1.3			1.3	
Diluted EPS	\$ 298.2	72.9	\$ 4.09	\$ 293.8	75.5	\$ 3.89

For both the third quarter and first nine months of 2015, options to purchase approximately 0.3 million shares of common stock were excluded from the calculation of diluted EPS as the impact of their inclusion would have been anti-dilutive. For the first nine months of 2014, options to purchase

approximately 0.4 million shares of common stock were excluded from the calculation of diluted EPS as the impact of their inclusion would have been anti-dilutive. The number of anti-dilutive options excluded from the calculation of diluted EPS for the third quarter of 2014 was not material.

11. Inventories

Inventories are summarized as follows:

(in millions)	At September 30, 2015	At December 31, 2014
Finished and in process	\$ 449	\$ 428
Raw materials	220	225
Manufacturing supplies and other	49	46
Total inventories	<u>\$ 718</u>	<u>\$ 699</u>

21

12. Debt

The Company had total debt outstanding of \$2.27 billion and \$1.83 billion at September 30, 2015 and December 31, 2014, respectively. The increase primarily reflects borrowings to fund the acquisitions of Penford and Kerr.

On July 10, 2015, the Company entered into a new Term Loan Credit Agreement to establish an 18-month \$350 million multi-currency senior unsecured term loan credit facility. All borrowings under the term loan facility bear interest at a variable annual rate based on the LIBOR or base rate, at the Company's election, subject to the terms and conditions thereof, plus, in each case, an applicable margin. Proceeds of \$350 million from the new Term Loan Credit Agreement were used to repay borrowings outstanding under our Revolving Credit Agreement.

The Term Loan Credit Agreement contains customary representations, warranties, covenants, events of default, terms and conditions, including limitations on liens, incurrence of debt, mergers and significant asset dispositions. The Company must also comply with a leverage ratio and interest coverage ratio. The occurrence of an event of default under the Term Loan Credit Agreement could result in all loans and other obligations being declared due and payable and the term loan credit facility being terminated.

Borrowings outstanding under the Company's \$1 billion Revolving Credit Agreement were \$169 million and \$87 million at September 30, 2015 and December 31, 2014, respectively.

The Company's long-term debt at September 30, 2015 and December 31, 2014 includes \$350 million of 3.2 percent senior notes that mature November 1, 2015. These borrowings are included in long-term debt as the Company has the ability and intent to refinance the notes on a long-term basis. The Company intends to repay the \$350 million of 3.2 percent notes with proceeds from borrowings under its \$1 billion Revolving Credit Agreement.

22

13. Accumulated Other Comprehensive Loss

A summary of accumulated other comprehensive loss for the nine months ended September 30, 2015 and 2014 is provided below:

(in millions)	Cumulative Translation Adjustment	Deferred Gain/(Loss) on Hedging Activities	Pension/ Postretirement Adjustment	Unrealized Loss on Investment	Accumulated Other Comprehensive Loss
Balance, December 31, 2014	\$ (701)	\$ (19)	\$ (61)	\$ (1)	\$ (782)
Losses on cash-flow hedges, net of income tax effect of \$8		(18)			(18)
Amount of losses on cash-flow hedges reclassified to earnings, net of income tax effect of \$10		23			23
Actuarial gains on pension and postretirement obligations, settlements and plan amendments, net of income tax effect of \$2			6		6
Losses related to pension and other postretirement obligations reclassified to earnings, net of income tax effect			1		1
Currency translation adjustment	(283)				(283)
Balance, September 30, 2015	<u>\$ (984)</u>	<u>\$ (14)</u>	<u>\$ (54)</u>	<u>\$ (1)</u>	<u>\$ (1,053)</u>

(in millions)	Cumulative Translation Adjustment	Deferred Gain/(Loss) on Hedging Activities	Pension/ Postretirement Adjustment	Unrealized Loss on Investment	Accumulated Other Comprehensive Loss
Balance, December 31, 2013	\$ (489)	\$ (40)	\$ (53)	\$ (1)	\$ (583)
Losses on cash-flow hedges, net of income tax effect of \$21		(47)			(47)
Amount of losses on cash-flow hedges reclassified to earnings, net of income tax effect of \$11		24			24
Losses related to pension and other postretirement obligations reclassified to earnings, net of income tax effect			3		3
Currency translation adjustment	(116)				(116)

The following table provides detail pertaining to reclassifications from AOCI into net income for the periods presented:

Details about AOCI Components (in millions)	Amount Reclassified from AOCI				Affected Line Item in Condensed Consolidated Statements of Income
	Three Months ended September 30,		Nine Months ended September 30,		
	2015	2014	2015	2014	
Gains (losses) on cash-flow hedges:					
Commodity and foreign currency contracts	\$ (9)	\$ (15)	\$ (31)	\$ (33)	Cost of sales
Interest rate contracts	(1)	(1)	(2)	(2)	Financing costs, net
Losses related to pension and other postretirement obligations					
	—	(1)	(1)	(4)	(a)
Total before tax reclassifications	\$ (10)	\$ (17)	\$ (34)	\$ (39)	
Income tax benefit	3	5	10	12	
Total after-tax reclassifications	\$ (7)	\$ (12)	\$ (24)	\$ (27)	

(a) This component is included in the computation of net periodic benefit cost and affects both cost of sales and operating expenses on the Condensed Consolidated Statements of Income.

14. Income Taxes

The Company's effective income tax rate for the third quarter of 2015 was 31.8 percent compared to 26.1 percent a year ago. The effective income tax rate for the first nine months of 2015 was 31.2 percent compared to 27.5 percent a year ago.

The third quarter and first nine months of 2015 include favorable impacts related to the recognition of previously unrecognized tax benefits due to the lapsing of statute of limitations of approximately 0.6 percentage points and 0.5 percentage points, respectively.

In addition, the Company uses the US dollar as the functional currency for its subsidiaries in Mexico. Because of the continued decline in the value of the Mexican peso versus the US dollar, our tax provision for the third quarter and first nine months of 2015 was unfavorably impacted by 5.4 percentage points and 3.0 percentage points, respectively.

Finally, during the third quarter of 2015, based on the final settlement of an audit matter, the Company reversed \$4 million of the \$7 million income tax expense and other income recorded in the third quarter of 2014 (see below). As a result, the effective income tax rate for the quarter and first nine months of the year is favorably impacted by 2.4 percentage points and 0.9 percentage points, respectively.

Without these items, the Company's effective income tax rate for both the third quarter and first nine months of 2015 would have been approximately 29 percent.

The Company's effective income tax rate for the third quarter of 2014 included two discrete tax adjustments that partially offset each other. First, the effective tax rate reflects a favorable impact of 5.3 percentage points that relates to the recognition of previously unrecognized tax benefits due to the lapsing of the statute of limitations.

Second, an unfavorable impact of \$7 million (4.5 percentage points) was recognized in third quarter 2014 for an unfavorable audit result in a National Starch subsidiary related to a pre-acquisition period for which we are indemnified by Akzo Nobel N.V. ("Akzo"). The \$7 million expense incurred by the acquired subsidiary was recorded in the tax provision, while the reimbursement from Akzo under the indemnification was recorded as other income. As the Company is fully indemnified for this pre-acquisition obligation, the impact on net income is zero.

Without the discrete tax adjustments and the indemnification income, the Company's effective income tax rate for both the third quarter and first nine months of 2014 would have been approximately 28 percent.

ITEM 2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

We are a major supplier of high-quality food and industrial ingredients to customers around the world. We have 44 manufacturing plants located in North America, South America, Asia Pacific and Europe, the Middle East and Africa ("EMEA"), and we manage and operate our businesses at a regional level. We believe this approach provides us with a unique understanding of the cultures and product requirements in each of the geographic markets in which we operate, bringing added value to our customers. Our ingredients are used by customers in the food, beverage, animal feed, paper and corrugating, and brewing industries, among others.

Our Strategic Blueprint continues to guide our decision-making and strategic choices with an emphasis on value-added ingredients for our customers. The foundation of our Strategic Blueprint is operational excellence, which includes our focus on safety, quality and continuous improvement. We see growth opportunities in three areas. First is organic growth as we work to expand our current business. Second, we are focused on broadening our ingredient portfolio of on-trend products through internal and external business development. Finally, we look for growth from geographic expansion as we pursue extension of our reach to new locations. The ultimate goal of these strategies and actions is to deliver increased shareholder value.

On March 11, 2015, we completed our acquisition of Penford Corporation (“Penford”), a manufacturer of specialty starches that is headquartered in Centennial, Colorado. The purchase price was \$332 million in cash. We funded the acquisition of Penford with proceeds from borrowings under our \$1 billion Revolving Credit Agreement. The results of Penford are included in our consolidated results from March 11, 2015 forward.

The acquisition provides us with, among other things, an expanded specialty ingredient product portfolio consisting of potato starch-based offerings. Penford had sales of \$444 million for its fiscal year ended August 31, 2014 and the acquired business includes six manufacturing facilities in the United States, all of which manufacture specialty starches.

On August 3, 2015, we completed our acquisition of Kerr Concentrates, Inc. (“Kerr”), a privately held producer of natural fruit and vegetable concentrates, purees and essences for approximately \$102 million in cash, subject to certain post-closing adjustments. Kerr employs approximately 80 people and serves major food and beverage companies, flavor houses and ingredient producers from its manufacturing locations in Oregon and California. The results of Kerr are included in our consolidated results from August 3, 2015 forward.

The acquisition provides us with an opportunity to grow Kerr’s portfolio with our advanced technologies and product-development capabilities. We also intend to expand the business with our broad customer network and global presence. The trend toward simple ingredients is rapidly growing and the Kerr acquisition provides another step towards broadening our portfolio of wholesome, clean-label ingredient solutions that consumers are increasingly demanding.

26

On July 7, 2015, we entered into a definitive agreement to sell our manufacturing assets in Port Colborne, Ontario, Canada for approximately \$30 million. The sale is expected to close in the fourth quarter of 2015. We are committed to an on-going continuous improvement effort to optimize our network to control our fixed costs and use our resources efficiently. This transaction is intended to allow us to better balance supply, based on our customers’ needs as we focus on the growth of our higher-value specialty ingredient product portfolio.

On September 8, 2015, we announced plans to consolidate our manufacturing network in Brazil whereby plants in Trombudo Central and Conchal will be closed and production will be moved to plants in Balsa Nova and Mogi Guaçu, respectively. We continuously evaluate our manufacturing network for improvement opportunities. By consolidating production into Balsa Nova and Mogi Guaçu, we believe that we will reduce costs and improve operational efficiencies in our South American manufacturing network. In addition to Balsa Nova and Mogi Guaçu, we will continue to operate facilities in Cabo de Santo Agostinho and São Gonçalo, Brazil. We will remain vigilant in our efforts to maximize productivity and enhance shareholder value.

The consolidation will begin early in 2016 and should be complete by the end of that year. This manufacturing optimization program is expected to result in annual cost savings in the range of approximately \$6 million to \$8 million beginning in 2017. In the third quarter of 2015, we recorded a pre-tax restructuring charge for impaired assets and employee severance costs of \$12 million related to the plant closures.

While net sales declined due to devaluation of foreign currencies versus the US dollar, operating income, net income and diluted earnings per common share for the first nine months of 2015 increased from the year-ago period. This growth was driven principally by significantly improved operating results in our North America segment. Looking forward, for full-year 2015, we expect North America to continue to drive our operating income and bottom-line growth driven by stronger volumes and improved product mix. We anticipate that Asia Pacific operating income will improve modestly from last year, despite continuing foreign exchange headwinds. EMEA operating income is anticipated to decline from 2014 as currency headwinds continue to be a challenge. South America operating income is expected to be in line with last year with strong performance in the Andean region offsetting softness in the Southern Cone of South America and Brazil.

We currently expect that our available cash balances, future cash flow from operations, access to debt markets and borrowing capacity under our credit facilities will provide us with sufficient liquidity to fund our anticipated capital expenditures, dividends and other investing and/or financing activities for the foreseeable future.

Results of Operations

We have significant operations in four reporting segments: North America, South America, Asia Pacific and EMEA. For most of our foreign subsidiaries, the local foreign currency is the functional currency. Accordingly, revenues and expenses denominated in the functional currencies of these subsidiaries are translated into US dollars (“USD”) at the applicable average exchange rates for the period. Fluctuations in foreign currency exchange rates affect the US dollar amounts of our foreign subsidiaries’ revenues and expenses. The impact of foreign currency exchange rate changes, where significant, is provided below.

27

As previously mentioned, we acquired Penford and Kerr on March 11, 2015 and August 3, 2015, respectively. The results of the acquired businesses are included in our consolidated financial results from the respective acquisition dates forward. While we identify significant fluctuations due to the acquisitions, our discussion below also addresses results of operations absent the impact of the acquisitions and the results of the acquired businesses, where appropriate, to provide a more comparable and meaningful analysis.

**For The Three and Nine Months Ended September 30, 2015
With Comparatives for the Three and Nine Months Ended September 30, 2014**

Net Income attributable to Ingreddion. Net income for the quarter ended September 30, 2015 decreased to \$107.9 million, or \$1.48 per diluted common share, from \$118.6 million, or \$1.60 per diluted common share, in the third quarter of 2014. Net income for the nine months ended September 30, 2015 increased to \$298.2 million, or \$4.09 per diluted common share, from \$293.8 million, or \$3.89 per diluted common share, in the prior-year period. Our third quarter 2015 results include after-tax charges of \$9 million (\$0.13 per diluted common share) for impaired assets and restructuring costs in Brazil and Canada (see Note 5 of the notes to the condensed consolidated financial statements for additional information), after-tax costs of \$1 million (\$0.01 per diluted common share) associated with the acquisition and integration of both Penford and Kerr, and after-tax costs of \$1 million (\$0.02 per diluted common share) relating to the sale of Kerr inventory that was adjusted to fair value at the acquisition date in accordance with business combination accounting rules. Our results for the first nine months of 2015 include after-tax charges of \$9 million (\$0.13 per diluted common share) for impaired assets and restructuring costs in Brazil and Canada, after-tax restructuring charges of \$6 million (\$0.09 per diluted common share) for employee severance-related costs associated with the Penford acquisition, after-tax costs of \$7 million (\$0.09 per diluted common share) associated with the acquisition and integration of both Penford and Kerr and after-tax costs of \$5 million (\$0.07 per diluted common share) relating to the sale of Penford and Kerr inventory that was adjusted to fair value at the respective acquisition dates in accordance with business combination accounting rules. Without the impairment, restructuring and acquisition-related charges, our net income and diluted earnings per share for the third quarter of 2015 would have increased 1 percent and 3 percent, respectively, from the third quarter of 2014, while our net income and diluted earnings per share for the first nine months of 2015 would have grown 11 percent and 15 percent, respectively, from the prior-year period. These increases primarily reflect significantly improved operating income in North America, as compared to the results of a year ago. Additionally, our improved diluted earnings per common share for the 2015 periods also reflect the favorable impact of our share repurchases.

Net Sales. Third quarter 2015 net sales totaled \$1.44 billion, down 2 percent from third quarter 2014 net sales of \$1.46 billion. Penford and Kerr contributed \$103 million of net sales in the third quarter of 2015. The decrease in net sales reflects unfavorable currency translation of 11 percent due to the stronger US dollar, which more than offset 9 percent volume growth driven primarily by the Penford and Kerr operations. Of the 9 percent volume increase, 2 percent represented organic volume growth.

North American net sales for third quarter 2015 increased 9 percent to \$880 million, from \$806 million a year ago. The increase in net sales reflects 15 percent volume growth driven by the addition of Penford and Kerr, partially offset by a 3 percent price/product mix decline driven principally by lower raw material costs and unfavorable currency translation of 3 percent attributable to the weaker Canadian dollar. Organic volume grew 2 percent. In South America, third quarter 2015 net sales decreased 17 percent to \$256 million from \$308 million a year ago,

28

as unfavorable currency translation of 33 percent more than offset volume growth of 7 percent and a 9 percent price/product mix improvement. Asia Pacific's third quarter 2015 net sales decreased 15 percent to \$174 million from \$206 million a year ago. The decrease reflects unfavorable currency translation of 10 percent, a 3 percent volume reduction and a 2 percent price/product mix decline. A volume decline in Thailand, reflecting weaker demand, more than offset volume growth in the rest of the segment. EMEA net sales for third quarter 2015 declined 11 percent to \$126 million from \$141 million a year ago. This decrease reflects unfavorable currency translation of 9 percent attributable to weaker local currencies and a 2 percent volume reduction. Pricing in the segment slightly improved.

Net sales for the nine months ended September 30, 2015 totaled \$4.22 billion, down 2 percent from \$4.30 billion in the year-ago period. Penford and Kerr contributed \$223 million of net sales in the first nine months of 2015. The decrease in net sales primarily reflects unfavorable currency translation of 8 percent due to the stronger US dollar and a 1 percent price/product mix decline, which more than offset volume growth of 7 percent driven mainly by the operations of the acquired businesses. Of the 7 percent volume increase, 1 percent represented organic volume growth.

Net sales in North America for the first nine months of 2015 increased 6 percent to \$2.50 billion, from \$2.36 billion a year ago. The increase in net sales primarily reflects volume growth of 11 percent driven largely by the addition of Penford and Kerr, which more than offset a 3 percent price/product mix decline driven principally by lower raw material costs and unfavorable currency translation of 2 percent attributable to the weaker Canadian dollar. Organic volume grew 2 percent. In South America, net sales for the first nine months of 2015 decreased 16 percent to \$765 million from \$906 million a year ago. This decline was driven by unfavorable currency translation of 24 percent which more than offset price/product mix improvement of 8 percent. Volume in the segment was flat. In Asia Pacific, net sales for the first nine months of 2015 decreased 7 percent to \$553 million from \$594 million a year ago. The decrease reflects unfavorable currency translation of 7 percent and a 3 percent price/product mix decline, which more than offset 3 percent volume growth. EMEA net sales for the first nine months of 2015 decreased 10 percent to \$395 million from \$438 million a year ago. This decrease reflects unfavorable currency translation of 9 percent, primarily attributable to the weaker Euro and British Pound Sterling, and a 1 percent price/product mix decline. Volume in the segment was flat.

Cost of Sales and Operating Expenses. Cost of sales of \$1.11 billion for the third quarter of 2015 decreased 5 percent from \$1.16 billion in the prior-year period. Cost of sales of \$3.29 billion for the first nine months of 2015 decreased 5 percent from \$3.46 billion a year ago. These reductions primarily reflect lower raw material costs and the effects of currency translation. Gross corn costs per ton for the third quarter and first nine months of 2015 decreased approximately 16 percent and 15 percent, respectively, from the comparable prior-year periods, driven by lower market prices for corn. Currency translation caused cost of sales for the third quarter and first nine months of 2015 to decrease approximately 12 percent and 9 percent, respectively, from the prior-year periods, reflecting the impact of the stronger US dollar. Our gross profit margin was 23 percent and 22 percent for the third quarter and first nine months of 2015, respectively, compared to 20 percent in both of the corresponding prior-year periods. Despite reduced selling prices driven by lower corn costs, we have generally maintained per unit gross profit dollar levels, resulting in the improved gross profit margin percentages.

29

Operating expenses for the third quarter and first nine months of 2015 increased to \$139 million and \$416 million, respectively, from \$129 million and \$399 million last year. These increases primarily reflect incremental operating expenses of Penford and Kerr as well as other costs associated with the acquisition and integration of both Penford and Kerr. Favorable translation effects associated with the stronger US dollar more than offset higher compensation-related and various other costs. Currency translation associated with the weaker foreign currencies reduced operating expenses for the third quarter and first nine months of 2015 by approximately 11 percent and 8 percent, respectively, from the prior-year periods. Operating expenses, as a percentage of gross profit, were 42 percent and 45 percent for the third quarter and first nine months of 2015, respectively, as compared to 43 percent and 47 percent in the comparable prior-year periods.

Other (Income) Expense, net. For the third quarter and first nine months of 2015 we had other expense, net of \$2 million and \$3 million, respectively, as compared to other income, net of \$10 million and \$18 million in the comparable prior-year periods.

The decrease in income for third quarter 2015 primarily reflects an \$11 million unfavorable swing from \$7 million of income in the year-ago period to \$4 million of expense in third quarter 2015 associated with a tax indemnification agreement relating to a subsidiary acquired from Akzo Nobel N.V. (“Akzo”) in 2010. In the third quarter of 2014, we recognized a charge to our income tax provision for an expected unfavorable income tax audit result at this subsidiary related to a pre-acquisition period for which we are indemnified by Akzo. The costs incurred by the acquired subsidiary were recorded in our provision for income taxes while the reimbursement from Akzo under the indemnification agreement was recorded as other income. In the third quarter of 2015, based upon the final settlement of the matter, we determined that the unfavorable income tax audit amount should be reduced from \$7 million to \$3 million. Accordingly, in the third quarter of 2015, we recognized a \$4 million income tax benefit and a charge to other income/expense of \$4 million to reduce our receivable from Akzo associated with the indemnification agreement. The impact on our net income for the 2015 and 2014 periods is zero.

A summary of other (income) expense, net is as follows:

Other (Income) Expense (in millions)	Nine Months Ended September 30,	
	2015	2014
Expense (income) associated with tax indemnification	\$ 4	\$ (7)
Gain from sale of investment	—	(5)
Other	(1)	(6)
Totals	\$ 3	\$ (18)

Operating Income. Third quarter 2015 operating income decreased 2 percent to \$175 million from \$178 million a year ago. Operating income for third quarter 2015 includes \$12 million of charges for impaired assets and restructuring costs associated with our plant closings in Brazil, a \$2 million restructuring charge for estimated employee severance-related costs related to the pending sale of our Port Colborne plant and \$2 million of costs associated with our acquisitions and integration of Penford and Kerr. Additionally, the third quarter 2015 results include \$2 million of costs associated with the sale of Kerr inventory that was marked up to fair

30

value at the acquisition date in accordance with business combination accounting rules. Without the impairment, restructuring and acquisition-related charges, our operating income would have grown 8 percent from third quarter 2014. This increase primarily reflects operating income growth in North America. Unfavorable currency translation attributable to the stronger US dollar negatively impacted operating income by approximately \$25 million from the prior-year period. Our product pricing actions help to mitigate the unfavorable impact of currency translation.

North America operating income for third quarter 2015 increased 18 percent to \$133 million from \$113 million a year ago, reflecting both acquisition-related and organic growth. Earnings contributed by the operations acquired from Penford and Kerr contributed approximately 4 percentage points of the increase. The remaining organic operating income improvement of 14 percent was driven principally by lower costs in the segment. Translation effects associated with a weaker Canadian dollar negatively impacted third quarter 2015 operating income by approximately \$5 million in the segment. South America operating income for third quarter 2015 increased 4 percent to \$28 million from \$27 million in the year-ago period. The increase was driven principally by improved earnings in our Andean and Southern Cone regions of South America as compared to a year ago. Improved selling prices for our products and volume growth more than offset unfavorable impacts of currency devaluation and higher local production costs in the segment. Translation effects associated with weaker South American currencies (particularly the Brazilian Real and the Colombian Peso) negatively impacted operating income by approximately \$14 million. We anticipate that our business in South America will continue to be challenged by difficult economic conditions. Asia Pacific operating income for third quarter 2015 was \$28 million, up 2 percent from \$27 million in the year-ago period. Lower raw material costs helped to mitigate the impact of local currency weakness in the segment. Translation effects associated with weaker Asia Pacific currencies negatively impacted operating income by approximately \$4 million in the segment. EMEA operating income for third quarter 2015 was \$22 million, consistent with the prior-year period. Lower energy costs helped to offset the impact of local currency weakness in the segment. Translation effects primarily associated with the weaker Euro and British Pound Sterling had an unfavorable impact of approximately \$2 million on operating income in the segment. An increase in corporate expenses driven by the previously-mentioned Akzo tax indemnification unfavorably impacted operating income by \$11 million for third quarter 2015 as compared to the prior-year period.

Operating income for the nine months ended September 30, 2015 increased 5 percent to \$487 million from \$463 million a year ago. Operating income for the first nine months of 2015 includes \$12 million of charges for impaired assets and restructuring costs associated with our plant closings in Brazil, a \$2 million restructuring charge for estimated severance-related costs associated with the pending sale of our Port Colborne plant, a \$10 million restructuring charge for employee severance-related costs associated with the Penford acquisition and \$9 million of other costs associated with the acquisitions and integration of Penford and Kerr. Although the majority of the Penford severance-related costs will be paid within one year of the acquisition, certain costs are anticipated to be paid out through 2017. Additionally, the results for the first nine months of 2015 include \$8 million of costs associated with the sale of Penford and Kerr inventory that was marked up to fair value at the acquisition date in accordance with business combination accounting rules. Without the restructuring, impairment and acquisition-related charges, our operating income would have grown 14 percent from the first nine months of 2014. This increase primarily reflects our significantly improved operating income in North America compared to the weak results of a year ago. Unfavorable currency translation attributable to the stronger US dollar negatively impacted operating income by approximately

31

\$49 million from the prior-year period. Our product pricing actions help to mitigate the unfavorable impact of currency translation.

North America operating income for the first nine months of 2015 increased 25 percent to \$362 million from \$289 million a year ago. Earnings contributed by the operations acquired from Penford and Kerr contributed approximately 4 percentage points of the increase. The remaining organic operating income improvement of 21 percent for the first nine months of 2015 primarily reflects more normal weather conditions, organic volume growth and lower corn, energy and other manufacturing costs. Our North American results for the first nine months of 2015 also include \$7 million of business

interruption insurance recoveries related to last year's weather. Our year-ago results were negatively impacted by harsh winter weather conditions that caused high energy, transportation and production costs. Translation effects associated with a weaker Canadian dollar unfavorably impacted operating income by approximately \$10 million in the segment. South America operating income for the first nine months of 2015 decreased 1 percent to \$73 million from \$74 million a year ago. The decline primarily reflects weaker results in Brazil driven principally by lower demand and local currency weakness. Improved selling prices for our products helped to partially offset the unfavorable impacts of currency devaluation, higher local production costs and reduced volume in the segment. Translation effects associated with weaker South American currencies (particularly the Brazilian Real, Colombian Peso and the Argentine Peso) negatively impacted operating income by approximately \$25 million. We anticipate that our business in South America will continue to be challenged by difficult economic conditions. Asia Pacific operating income for the first nine months of 2015 increased 1 percent to \$81 million from \$80 million a year ago. Volume growth and lower raw material costs helped to mitigate the impact of local currency weakness in the segment. Translation effects associated with weaker Asia Pacific currencies negatively impacted operating income by approximately \$6 million in the segment. EMEA operating income for the first nine months of 2015 decreased 3 percent to \$67 million from \$69 million a year ago. This decrease primarily reflects the impact of currency translation and, to a lesser extent, reduced volumes. Cost reductions helped to partially offset these unfavorable impacts. Translation effects primarily associated with the weaker Euro and British Pound Sterling had an unfavorable impact of \$8 million on operating income in the segment. An increase in corporate expenses driven by the previously-mentioned Akzo tax indemnification unfavorably impacted operating income by \$11 million for the first nine months of 2015 as compared to the prior-year period.

Financing Costs-net. Financing costs for the third quarter and first nine months of 2015 decreased to \$14 million and \$44 million, respectively, from \$15 million and \$49 million in the comparable prior-year periods. The decreases primarily reflect reduced interest expense resulting from lower average interest rates on our borrowings attributable to the impact of our new low-rate term loan borrowing and the effect of our interest rate swaps. Additionally, an increase in interest income driven by higher cash balances contributed to the reduction in financing costs.

Provision for Income Taxes. Our effective income tax rate for the third quarter of 2015 was 31.8 percent compared to 26.1 percent a year ago. The effective income tax rate for the first nine months of 2015 was 31.2 percent compared to 27.5 percent a year ago.

The third quarter and first nine months of 2015 include favorable impacts related to the recognition of previously unrecognized tax benefits due to the lapsing of statute of limitations of approximately 0.6 percentage points and 0.5 percentage points, respectively.

32

In addition, we use the US dollar as the functional currency for our subsidiaries in Mexico. Because of the continued decline in the value of the Mexican peso versus the US dollar, our tax provision for the third quarter and first nine months of 2015 was unfavorably impacted by 5.4 percentage points and 3.0 percentage points, respectively.

Finally, during the third quarter of 2015, based on the final settlement of an audit matter, we reversed \$4 million of the \$7 million income tax expense and other income recorded in the third quarter of 2014 (see below). As a result, our effective income tax rate for the quarter and first nine months of the year is favorably impacted by 2.4 percentage points and 0.9 percentage points, respectively.

Without these items, our effective income tax rate for both the third quarter and first nine months of 2015 would have been approximately 29 percent.

Our effective income tax rate for the third quarter of 2014 included two discrete tax adjustments that partially offset each other. First, the effective tax rate reflects a favorable impact of 5.3 percentage points that relates to the recognition of previously unrecognized tax benefits due to the lapsing of the statute of limitations.

Second, an unfavorable impact of \$7 million (4.5 percentage points) was recognized in third quarter 2014 for an unfavorable audit result in a National Starch subsidiary related to a pre-acquisition period for which we are indemnified by Akzo Nobel N.V. ("Akzo"). The \$7 million expense incurred by the acquired subsidiary was recorded in the tax provision for the third quarter of 2014, while the reimbursement from Akzo under the indemnification was recorded as other income. As we are fully indemnified for this pre-acquisition obligation, the impact on net income is zero.

Without the discrete tax adjustments and the indemnification income, our effective income tax rate for both the third quarter and first nine months of 2014 would have been approximately 28 percent.

Comprehensive Income (Loss) Attributable to Ingression. We recorded a comprehensive loss of \$57 million for the third quarter of 2015, as compared to a comprehensive loss of \$39 million in the year-ago period. The increase in the comprehensive loss primarily reflects a \$36 million unfavorable variance in the foreign currency translation adjustment and our net income decline, which more than offset a \$29 million year-over-year increase associated with our cash-flow hedging activity. For the first nine months of 2015, we recorded comprehensive income of \$28 million, as compared to \$158 million in the prior-year period. The decrease in comprehensive income primarily reflects a \$167 million unfavorable variance in the foreign currency translation adjustment, which more than offset a \$28 million year-over-year increase associated with our cash-flow hedging activity and our net income growth. The unfavorable variances in the foreign currency translation adjustment for the three months and nine months ended September 30, 2015 reflect a greater weakening in end of period foreign currencies relative to the US dollar, as compared to the year-ago periods.

Liquidity and Capital Resources

Cash provided by operating activities for the first nine months of 2015 was \$481 million, as compared to \$462 million a year ago. The increase in operating cash flow primarily reflects an increase in our net income and improved inventory management.

33

Capital expenditures of \$193 million for the first nine months of 2015 are in line with our capital spending plan for the year. We anticipate that our capital expenditures will be approximately \$300 million for full year 2015.

During the first nine months of 2015, we repurchased 435 thousand shares of our common stock in open market transactions for approximately \$34 million.

We have a senior, unsecured \$1 billion revolving credit agreement (the "Revolving Credit Agreement") that matures on October 22, 2017. At September 30, 2015, there were \$169 million of borrowings outstanding under our Revolving Credit Agreement, as compared to \$87 million at December 31, 2014. In addition to borrowing availability under our Revolving Credit Agreement, we also have approximately \$415 million of unused operating lines of credit in the various foreign countries in which we operate.

At September 30, 2015, we had total debt outstanding of \$2.27 billion, compared to \$1.83 billion at December 31, 2014. The increase primarily reflects borrowings to fund the acquisitions of Penford and Kerr. In addition to the borrowings outstanding under the Revolving Credit Agreement, our total debt includes \$350 million of borrowings under a new Term Loan Credit Agreement (see below), \$350 million of 3.2 percent notes due November 1, 2015, \$300 million (principal amount) of 1.8 percent senior notes due 2017, \$200 million of 6.0 percent senior notes due 2017, \$200 million of 5.62 percent senior notes due 2020, \$400 million (principal amount) of 4.625 percent notes due 2020, \$250 million (principal amount) of 6.625 percent senior notes due 2037, and \$24 million of consolidated subsidiary debt consisting of local country short-term borrowings. The weighted average interest rate on our total indebtedness was approximately 3.4 percent for the first nine months of 2015, compared to 4.2 percent in the comparable prior-year period.

As noted above, we have \$350 million of 3.2 percent senior notes that mature November 1, 2015. These borrowings are included in long-term debt in our condensed consolidated balance sheet as we have the ability and intent to refinance the notes on a long-term basis. We intend to repay the \$350 million of 3.2 percent Notes with proceeds from borrowings under our Revolving Credit Agreement.

On July 10, 2015, we entered into a new Term Loan Credit Agreement to establish an 18-month \$350 million multi-currency senior unsecured term loan credit facility. All borrowings under the term loan facility will bear interest at a variable annual rate based on the LIBOR or base rate, at our election, subject to the terms and conditions thereof, plus, in each case, an applicable margin. Proceeds of \$350 million from the new Term Loan Credit Agreement were used to repay borrowings outstanding under our Revolving Credit Agreement.

The Term Loan Credit Agreement contains customary representations, warranties, covenants, events of default, terms and conditions, including limitations on liens, incurrence of debt, mergers and significant asset dispositions. We must also comply with a leverage ratio and interest coverage ratio. The occurrence of an event of default under the Term Loan Credit Agreement could result in all loans and other obligations being declared due and payable and the term loan credit facility being terminated.

On September 17, 2015, our board of directors declared a quarterly cash dividend of \$0.45 per share of common stock, an increase of 7 percent from the \$0.42 per share declared

last quarter. This dividend was paid on October 26, 2015 to stockholders of record at the close of business on September 30, 2015.

We currently expect that our available cash balances, future cash flow from operations, access to debt markets, and borrowing capacity under our credit facilities will provide us with sufficient liquidity to fund our anticipated capital expenditures, dividends and other investing and/or financing activities for the foreseeable future.

We have not provided federal and state income taxes on accumulated undistributed earnings of certain foreign subsidiaries because these earnings are considered to be permanently reinvested. It is not practicable to determine the amount of the unrecognized deferred tax liability related to the undistributed earnings. We do not anticipate the need to repatriate funds to the United States to satisfy domestic liquidity needs arising in the ordinary course of business, including liquidity needs associated with our domestic debt service requirements. Approximately \$700 million of our total cash and cash equivalents and short-term investments of \$731 million at September 30, 2015, was held by our operations outside of the United States. We expect that available cash balances and credit facilities in the United States, along with cash generated from operations and access to debt markets, will be sufficient to meet our operating and other cash needs for the foreseeable future.

Hedging

We are exposed to market risk stemming from changes in commodity prices, foreign currency exchange rates and interest rates. In the normal course of business, we actively manage our exposure to these market risks by entering into various hedging transactions, authorized under established policies that place clear controls on these activities. These transactions utilize exchange-traded derivatives or over-the-counter derivatives with investment grade counterparties. Our hedging transactions may include, but are not limited to, a variety of derivative financial instruments such as commodity futures, options and swap contracts, forward currency contracts and options, interest rate swap agreements and treasury lock agreements. See Note 7 of the Notes to the Condensed Consolidated Financial Statements for additional information.

Commodity Price Risk:

Our principal use of derivative financial instruments is to manage commodity price risk in North America relating to anticipated purchases of corn and natural gas to be used in our manufacturing process. We periodically enter into futures, options and swap contracts for a portion of our anticipated corn and natural gas usage, generally over the following twelve to twenty-four months, in order to hedge price risk associated with fluctuations in market prices. Effective with the acquisition of Penford, we now produce and sell ethanol. We now enter into swap contracts to hedge price risk associated with fluctuations in market prices of ethanol. Our derivative instruments are recognized at fair value and have effectively reduced our exposure to changes in market prices for these commodities. We are unable to directly hedge price risk related to co-product sales; however, we occasionally enter into hedges of soybean oil (a competing product to our corn oil) in order to mitigate the price risk of corn oil sales. Unrealized gains and losses associated with marking our commodities-based derivative instruments to market are recorded as a component of other comprehensive income ("OCI"). At September 30, 2015, our accumulated other comprehensive loss account ("AOCL") included \$7 million of losses, net of income taxes of \$3 million, related to these derivative instruments. It is

anticipated that approximately \$8 million of these losses, net of income taxes of \$3 million, will be reclassified into earnings during the next twelve months. We expect the losses to be offset by changes in the underlying commodities costs.

Foreign Currency Exchange Risk:

Due to our global operations, including operations in many emerging markets, we are exposed to fluctuations in foreign currency exchange rates. As a result, we have exposure to translational foreign exchange risk when our foreign operations' results are translated to USD and to transactional foreign exchange risk when transactions not denominated in the functional currency of the operating unit are revalued. We primarily use derivative financial instruments such as foreign currency forward contracts, swaps and options to manage our foreign currency transactional exposures. At September 30, 2015, we had foreign currency forward sales contracts with an aggregate notional amount of \$390 million and foreign currency forward purchase contracts with an aggregate notional amount of \$47 million that hedged transactional exposures. The fair value of these derivative instruments is an asset of \$5 million at September 30, 2015.

We also have foreign currency derivative instruments that hedge certain foreign currency transactional exposures and are designated as cash-flow hedges. The amount in AOCI relating to these hedges at September 30, 2015 was not significant.

We have significant operations in Argentina. We utilize the official exchange rate published by the Argentine government for re-measurement purposes. Due to exchange controls put in place by the Argentine government, a parallel market exists for exchanging Argentine pesos to US dollars at rates less favorable than the official rate.

Interest Rate Risk:

We use interest rate swaps and occasionally use Treasury Lock agreements ("T-Locks") to hedge our exposure to interest rate changes, to reduce the volatility of our financing costs, or to achieve a desired proportion of fixed versus floating rate debt, based on current and projected market conditions. We did not have any T-Locks outstanding at September 30, 2015.

We have interest rate swap agreements that effectively convert the interest rates on our 3.2 percent \$350 million senior notes due November 1, 2015, our 6.0 percent \$200 million senior notes due April 15, 2017, our 1.8 percent \$300 million senior notes due September 25, 2017 and on \$200 million of our \$400 million 4.625 percent senior notes due November 1, 2020, to variable rates. These swap agreements call for us to receive interest at the fixed coupon rate of the respective notes and to pay interest at a variable rate based on the six-month US dollar LIBOR rate plus a spread. We have designated these interest rate swap agreements as hedges of the changes in fair value of the underlying debt obligations attributable to changes in interest rates and account for them as fair-value hedges. The fair value of these interest rate swap agreements was \$19 million at September 30, 2015 and is reflected in the Condensed Consolidated Balance Sheet within other assets, with an offsetting amount recorded in long-term debt to adjust the carrying amount of the hedged debt obligations.

At September 30, 2015, AOCI included \$5 million of losses (net of income taxes of \$3 million) related to settled T-Locks. These deferred losses are being amortized to financing costs over the terms of the senior notes with which they are associated. It is anticipated that \$2

million of these losses (net of income taxes of \$1 million) will be reclassified into earnings during the next twelve months.

Critical Accounting Policies and Estimates

Our critical accounting policies and estimates are described in Management's Discussion and Analysis of Financial Condition and Results of Operations included in our 2014 Annual Report on Form 10-K. There have been no changes to our critical accounting policies and estimates during the nine months ended September 30, 2015.

FORWARD-LOOKING STATEMENTS

This Form 10-Q 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 report or referred to in or incorporated by reference into this report 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

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 including the Penford and Kerr 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 acquisition of Penford and Kerr that could cause actual results and developments to differ from expectations include that the anticipated benefits of the acquisitions, including synergies, may not be realized, and that the integration of Penford's and Kerr's operations with our operations 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, 2014 and subsequent reports on Forms 10-Q and 8-K.

ITEM 3 QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See the discussion set forth in Part II, Item 7A. Quantitative and Qualitative Disclosures About Market Risk at pages 48 to 50 in our Annual Report on Form 10-K for the year ended December 31, 2014, for a discussion as to how we address risks with respect to interest rates, raw material and energy costs and foreign currencies. There have been no material changes in the information that would be provided with respect to those disclosures from December 31, 2014 to September 30, 2015.

ITEM 4 CONTROLS AND PROCEDURES

Our management, including our Chief Executive Officer and our Chief Financial Officer, performed an evaluation of the effectiveness of our disclosure controls and procedures as of September 30, 2015. Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures (a) are effective in providing reasonable assurance that all material information required to be filed in this report has been recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (b) are designed to ensure that information required to be disclosed in the reports we file or submit under the Securities Exchange Act of 1934, as amended, is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

On March 11, 2015, we completed our acquisition of Penford and on August 3, 2015, we completed our acquisition of Kerr. In conducting our evaluation of the effectiveness of internal control over financial reporting, we have elected to exclude Penford and Kerr from our evaluation as of September 30, 2015, as permitted by the Securities and Exchange

Commission. We are currently in the process of evaluating and integrating both Penford's and Kerr's operations, processes and internal controls. See Note 3 of the Notes to the Condensed Consolidated Financial Statements for additional information regarding the acquisitions. There have been no other changes in our internal control over financial reporting during the quarter ended September 30, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1 LEGAL PROCEEDINGS

As previously reported, on April 22, 2011, Western Sugar and two other sugar companies filed a complaint in the U.S. District Court for the Central District of California against the Corn Refiners Association ("CRA") and certain of its member companies, including us, alleging false and/or misleading statements relating to high fructose corn syrup in violation of the Lanham Act and California's unfair competition law. The complaint seeks injunctive relief and unspecified damages. On May 23, 2011, the plaintiffs amended the complaint to add additional plaintiffs, among other reasons.

On July 1, 2011, the CRA and the member companies in the case filed a motion to dismiss the first amended complaint on multiple grounds. On October 21, 2011, the U.S. District Court for the Central District of California dismissed all Federal and state claims against us and the other members of the CRA, with leave for the plaintiffs to amend their complaint, and also dismissed all state law claims against the CRA.

The state law claims against the CRA were dismissed pursuant to a California law known as the anti-SLAPP (Strategic Lawsuit Against Public Participation) statute, which, according to the court's opinion, allows early dismissal of meritless first amendment cases aimed at chilling expression through costly, time-consuming litigation. The court held that the CRA's statements were protected speech made in a public forum in connection with an issue of public interest (high fructose corn syrup). Under the anti-SLAPP statute, the CRA is entitled to recover its attorney's fees and costs from the plaintiffs.

On November 18, 2011, the plaintiffs filed a second amended complaint against certain of the CRA member companies, including us, seeking to reinstate the federal law claims, but not the state law claims, against certain of the CRA member companies, including us. On December 16, 2011, the CRA

member companies filed a motion to dismiss the second amended complaint on multiple grounds. On July 31, 2012, the U.S. District Court for the Central District of California denied the motion to dismiss for all CRA member companies other than Roquette America, Inc.

On September 4, 2012, we and the other CRA member companies that remain defendants in the case filed an answer to the plaintiffs' second amended complaint that, among other things, added a counterclaim against the Sugar Association. The counterclaim alleges that the Sugar Association has made false and misleading statements that processed sugar differs from high fructose corn syrup in ways that are beneficial to consumers' health (i.e., that consumers will be healthier if they consume foods and beverages containing processed sugar instead of high fructose corn syrup). The counterclaim, which was filed in the U.S. District Court for the Central District of California, seeks injunctive relief and unspecified damages. Although the counterclaim was initially only filed against the Sugar Association, the Company and the other CRA member companies that remain defendants in the Western Sugar case have reserved the right to add other plaintiffs to the counterclaim in the future.

On October 29, 2012, the Sugar Association and the other plaintiffs filed a motion to dismiss the counterclaim and certain related portions of the defendants' answer, each on multiple grounds. On December 10, 2012, the remaining member companies which are defendants in the case responded to the motion to dismiss the counterclaim. On January 14,

39

2013, the plaintiffs filed a reply to the defendants' response to the motion to dismiss. On September 16, 2013, the U.S. District Court for the Central District of California denied the motion to dismiss the counterclaim, which entitles the Company and the other CRA member companies to continue to pursue the counterclaim against the Sugar Association and the other plaintiffs.

On May 23, 2014, the defendants asked the court for leave to amend their counterclaim to add the individual sugar companies as counterclaim defendants. The motion for leave to amend was denied by the court on August 4, 2014. On August 26, 2014, each of the Company and Tate & Lyle filed motions to disqualify the plaintiffs' lead counsel, Squire Patton Boggs, due to a conflict of interest arising from Squire Sanders' merger with Patton Boggs, a firm which represents each of the Company and Tate & Lyle. In addition, on August 26, 2014, the defendants filed two separate motions for summary judgment, one on the issue of liability and the other on the issue of damages, and the plaintiffs filed a motion for summary judgment with respect to the defendants' counterclaim.

The motion to disqualify the plaintiff's attorneys was argued before the court on both November 13 and November 25, 2014. On February 13, 2015, the court granted the Company's and Tate & Lyle's motions to dismiss Squire Patton Boggs due to a conflict of interest.

The three summary judgment motions were argued on July 7, 2015 and all three motions were denied by the court on the same day. A pre-trial conference occurred on October 13, 2015. The trial is presently scheduled to begin November 3, 2015.

We continue to believe that the second amended complaint is without merit and intend to vigorously defend this case. In addition, we intend to vigorously pursue our rights in connection with the counterclaim.

ITEM 2 UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities:

(shares in thousands)	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that may yet be Purchased Under the Plans or Programs at end of period
July 1 – July 31, 2015	70	\$ 79.97	70	4,741 shares
August 1 – August 31, 2015	—	—	—	4,741 shares
Sept. 1 – Sept. 30, 2015	—	—	—	4,741 shares
Total	70	\$ 79.97	70	

On December 12, 2014, the Board of Directors authorized a new stock repurchase program permitting the Company to purchase up to 5 million of its outstanding common shares from January 1, 2015 through December 31, 2019. At September 30, 2015, we have 4.7 million shares available for repurchase under the stock repurchase program.

ITEM 6 EXHIBITS

a) Exhibits

Exhibits required by Item 601 of Regulation S-K are listed in the Exhibit Index hereto.

All other items hereunder are omitted because either such item is inapplicable or the response is negative.

40

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INGREDION INCORPORATED

DATE: October 30, 2015

By /s/ Jack C. Fortnum
Jack C. Fortnum
Executive Vice President and Chief Financial Officer

DATE: October 30, 2015

By /s/ Matthew R. Galvanoni
Matthew R. Galvanoni
Vice President and Controller

41

EXHIBIT INDEX

<u>Number</u>	<u>Description of Exhibit</u>
10.28	Letter of Agreement dated as of September 30, 2015 between the Company and Martin Sonntag
10.29	Executive Severance Agreement dated as of September 30, 2015 between the Company and Martin Sonntag
31.1	CEO Section 302 Certification Pursuant to the Sarbanes-Oxley Act of 2002
31.2	CFO Section 302 Certification Pursuant to the Sarbanes-Oxley Act of 2002
32.1	CEO Certification Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code as created by the Sarbanes-Oxley Act of 2002
32.2	CFO Certification Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code as created by the Sarbanes-Oxley Act of 2002
101	The following financial information from Ingredion Incorporated's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015 formatted in Extensible Business Reporting Language (XBRL): (i) the Condensed Consolidated Statements of Income; (ii) the Condensed Consolidated Statements of Comprehensive Income; (iii) the Condensed Consolidated Balance Sheets; (iv) the Condensed Consolidated Statements of Equity and Redeemable Equity; (v) the Condensed Consolidated Statements of Cash Flows; and (vi) the Notes to the Condensed Consolidated Financial Statements.

42



5 Westbrook Corporate Center
Westchester, IL 60154

PERSONAL & CONFIDENTIAL

September 30, 2015

International Transfer: Martin Sonntag
Germany to USA

Dear Martin:

On behalf of **Ingredion Incorporated** (the "Company"), we are pleased to confirm the terms and conditions of your transfer from Germany to the US as **Senior Vice President, Strategy & Global Business Development**. The effective date of this new position is November 1, 2015. Your transfer to the US will be completed in January, 2016. The terms and conditions will take effect from the start of your transfer from Ingredion Germany GmbH to Ingredion, Incorporated, and are subject to obtaining the necessary work permit for you to be eligible to start work in the United States.

The administrative arrangements and allowances to assist you in your transfer to the United States are set out in the Schedule attached to this letter. Upon transfer, you will be required to comply with the laws of the United States and follow the rules and practices of Company.

1. IDENTITY OF EMPLOYER

Upon start, which shall be subject to your resignation from employment with Ingredion Germany GmbH, your employment will be transferred to Ingredion Incorporated, USA. All years of service with the Company in your employment relationship with Ingredion Germany GmbH will be honored upon transfer. Please sign and return to Andrea Poehnl one original of the resignation confirmation attached here as Schedule I, pursuant to which you resign from your employment with Ingredion Germany GmbH as of December 31, 2015.

2. REMUNERATION

Details of your base salary and provision for the payment of all taxes are set out in Schedule II.

3. CONFIDENTIALITY AND INTELLECTUAL PROPERTY RIGHTS AND CONTINUING PROVISIONS

- 3.1 Please be advised that the terms and conditions of this offer remain contingent upon your agreement to the Restrictive Covenants contained in the form of Executive Severance Agreement provided by the Company, the terms and conditions of which shall be deemed incorporated herein by reference, but which shall survive termination of your employment in accordance with its terms.

4. ALLOWANCES

- 4.1 All of the allowances associated with your transfer to assist you in resettlement are set out in Schedule II.

5. LOCAL WORKING RULES AND PRACTICES

- 5.1 Upon transfer, you will be required to observe the working rules and practices of the Company in force and as amended from time to time. Details of all rules and practices that are applicable to you will be provided by the Corporate HR Department.
- 5.2 If there is any conflict between a provision of this letter and/or the Schedule and the local working rules and practices of the Company, the terms of this letter and the Schedule shall apply.

6. TERMINATION

- 6.1 You and the Company may terminate your employment with the Company in accordance with the terms and conditions of your employment with the Company. You will be eligible for an Executive Severance Agreement with payment of 3 times your base salary in the event of a change in control, or one times your base salary in the event of an involuntary termination (for reasons other than 'cause').

7. GOVERNING LAW

This letter and all Schedules will be governed by and construed in accordance with the laws of the United States, and you agree that the courts of the United States will have exclusive jurisdiction.

8. ACCEPTANCE

If you are in agreement with the terms set out above and the provisions in both Schedules please sign and return this letter and Schedule I, and initial Schedule II. This will indicate your agreement to and acceptance of the terms of this letter and the Schedule and will amend the terms and conditions of

your employment with the Company.

Sincerely,

/s/ Ilene S. Gordon

Ilene S. Gordon

Chairman, President and Chief Executive Officer

2

To accept this offer, please sign below and initial each page.

I accept the terms and conditions set out above and in the attached Schedules. I agree that these provisions amend the terms and conditions of my transfer with the Company.

Signed /s/ Martin Sonntag

Date 10/22/2015

cc: Diane Frisch

Attachments: Schedule I
Schedule II

3

SCHEDULE 1

ATTN: Andrea Poehnl, Director, Human Resources
Ingredion Germany GmbH
Hamburg, Germany

RE: Resignation from Ingredion GmbH

Dear Andrea,

I hereby resign from my employment with Ingredion Germany GmbH as of December 31, 2015.

Yours sincerely,

Martin Sonntag

Place, Date

M. Sonntag

4

SCHEDULE II

Administrative Arrangements and Allowances

1. LOCATION

Upon relocation, your employment will be transferred from Ingredion Germany GmbH to Ingredion Incorporated based in Westchester, IL.

2. REMUNERATION

Your new salary will be effective November 1, 2015 in the amount of **380,000USD gross per annum** and is inclusive of your 2016 merit increase. Effective January 1, 2016, your salary will be paid through US payroll, and delivered on a semi-monthly basis. Your base salary will next be reviewed in February, 2017.

3. OTHER BENEFITS

3.1 Short Term Incentive Plan

You will participate in the short term incentive plan and your targets will be aligned with Ingredion Total Company business performance. The bonus award will be calculated based on the Company's target award. Any such payments will be made to you after deductions for tax at US statutory rates. Any benefits arising under this plan will be based on your Salary at the end of the short term incentive plan review period. The target award will be **65%** of your Salary and will take effect on November 1, 2015.

3.2 Long Term Incentive Plan

Based on the level of this position, you will continue to be eligible to participate in Ingredion's Long-term Incentive program. The target level of your grant in February 2016 will be **\$350,000**. All future awards granted as an eligible participant of this program are based on performance.

3.3 Retirement

You will be eligible to participate in Ingredion's 401(k) plan as of January 1, 2016, and any payments and deductions linked to your retirement will be paid or deducted through the Company payroll unless otherwise stated in this Letter and/or Schedule.

5

4. TAXATION

4.1 Taxation

You will be responsible for complying with any and all applicable income tax regulations in the United States and in any other countries where you are required to pay taxes as a result of your transfer. During the transfer period, required income tax returns will be prepared by the Company's designated tax services provider (currently Deloitte Tax LLP) at the Company's expense. If you choose to use the services of another provider for tax matters, this will be at your own expense, and you will no longer be provided with tax equalized benefits.

Representatives of the Company's dedicated tax services provider will conduct meetings with you to ensure your familiarity with your home and host country's tax requirements as well as your responsibilities in the tax filing process. Should you choose to utilize the Company's designated tax provider, you must furnish all information necessary to complete your income tax returns on a timely basis so that you and the company meet relevant fiscal and statutory regulations. Any additional costs incurred due to information you provide which is incomplete, inaccurate, or not provided on a timely basis will be passed on to you.

The company will pay for advice in relation to general circumstances required for the preparation of your Ingredion Germany GmbH and Ingredion Incorporated country income tax returns and other matters related to your relocation, but if you have personal assets or investments which may materially affect your position, then such costs of advice on these matters will generally be your responsibility.

The Company will pay for extension filings relating to tax years of your trailing employment in Germany, if applicable as well as responses to notices received in relation to Ingredion compensation or tax positions related to your transfer to the US.

4.2 Tax — Responsibility — Regular and Incentive Compensation

While the company will provide assistance with the preparation of your returns, unless otherwise noted, you will be personally responsible for your actual income and social tax liabilities arising on your base salary and personal income (i.e. Ingredion Incorporated Federal, State, Medicare and social taxes, trailing Ingredion Germany GmbH country income and social taxes as well as any other actual local tax liabilities).

You will be responsible for any actual taxes (income, social and any other local taxes) which arise on short and long term incentive compensation you may receive. This may include taxes due from your former country of residence. However, to the extent there is double taxation of this income, the Company will tax protect you to paying the lower of the two actual taxes. A tax reimbursement calculation will be prepared as necessary along with your returns.

Any tax reimbursement or tax gross-up due to you will be made as soon as administratively possible after the amount is determined. However, in no event will the tax payment be made after the later of: (a) the end of the second tax year in which your related tax return is required to be filed for the year to which the compensation subject to the tax payment relates, or (b) the end of the second taxable year after your foreign tax return or payment is due.

6

4.3 Tax — Responsibility — Allowances

Unless otherwise noted in this letter, any allowances you receive will be provided to you on a net basis.

5. VACATION ENTITLEMENT

5.1 Any leave earned in respect of your employment with the Ingredion Germany GmbH prior to your transfer should be taken before the start of your employment with the Company. Such leave cannot be carried forward without the agreement of the Company, and payment in lieu of untaken leave will not be made.

5.2 During your employment with Ingredion, you will receive four weeks' vacation entitlement.

5.3 In addition to basic entitlement, you are also eligible for any public holidays recognized by Ingredion, Incorporated, and two additional “floating” holidays.

6. ACCOMMODATIONS AND TRANSPORTATION OF PERSONAL EFFECTS

6.1 The Company will cover the cost of air and ground transportation, hotel accommodations and other reasonable expenses for you and a guest for a period of up to 5 nights (per the Company travel policy) for a discovery and house hunting.

6.2 Upon transfer, and to assist you in resettlement, you will be provided two months temporary housing.

6.3 In lieu of sea shipment of your furniture or household goods, and to assist in your in transition, you will be eligible for \$3,000 per month towards housing or for the rental or purchase of furnishing an apartment or home. This stipend will be provided during months 3 — 12 of your transition to the US.

6.4 The Company will pay reasonable expenses for transport of limited personal belongings and household effects, not to exceed 500 lbs (226.8 kg) air shipment.

You will be responsible for the costs of insuring your personal effects.

7. RELOCATION ALLOWANCE

7.1 In the month of your transfer, you will be paid a one time net relocation allowance equivalent to **USD 10,000**, delivered by Aires relocation services. It is paid to cover furnishings, electronics, and other indefinable expenses associated with your transfer and resettlement in the US.

7.2 No other relocation expenses, except where outlined elsewhere in this letter, will be paid.

7

8. HOST COUNTRY CAR

Upon transfer, you will be provided with a leased car in accordance with the Executive car policy (MSRP value not to exceed \$70,000 USD). Maintenance will be included in the terms of the lease agreement, and the Company will provide insurance on your leased vehicle. Fuel costs are expensed to the Company.

9. INSURANCE AND OTHER EXECUTIVE BENEFITS

9.1 Upon transfer, you will participate in the Ingredion US medical benefit programs.

9.2 As an executive officer, you will be eligible for annual financial planning (up to \$5,500/year). In addition, you will receive a comprehensive annual executive medical physical.

10. VISA AND WORK PERMIT

The Company will assist you in obtaining a US visa and work permit for you and your spouse.

11. REIMBURSEMENTS

Notwithstanding any provisions to the contrary in this Letter, and/or any of the other Schedules, any payments or reimbursements made to you in accordance with the terms of any and/or all of the Letters/Schedules shall be paid to the you as soon as administratively feasible after such payment or expense is earned or incurred, but in no event later than two and one-half (2 ½) months after the close of the calendar year during which such payment or expense was earned or incurred.

12. LANGUAGE AND CULTURAL TRAINING

The Company will provide language and cultural training for you and eligible accompanying family members to assist with your integration into the new living and working environment. This may take place before or after the transfer date.

8

Ingredion Incorporated
Executive Severance Agreement

Agreement, made this 30th day of September, 2015, by and between **Ingredion Incorporated**, a Delaware corporation (the “Company”), and Martin Sonntag (the “Executive”).

WHEREAS, the Executive is a key employee of the Company or a subsidiary of the Company as defined in Section 1.1(b) hereof (“Subsidiary”), and

WHEREAS, the Board of Directors of the Company (the “Board”) considers the maintenance of a sound management to be essential to protecting and enhancing the best interests of the Company and its stockholders and recognizes that the possibility of a change in control raises uncertainty and questions among key employees and may result in the departure or distraction of such key employees to the detriment of the Company and its stockholders; and

WHEREAS, the Board wishes to assure that it will have the continued dedication of the Executive and the availability of the Executive’s advice and counsel notwithstanding the possibility, threat or occurrence of a bid to take over control of the Company, and to induce the Executive to remain in the employ of the Company or a Subsidiary; and

WHEREAS, the Executive is willing to continue to serve the Company and its Subsidiaries taking into account the provisions of this Agreement;

NOW, THEREFORE, in consideration of the foregoing, and the respective covenants and agreements of the parties herein contained, the parties agree as follows:

1

Article 1. Change in Control

1.1 Benefits shall be provided under Article 3 hereof only in the event there shall have occurred a “Change in Control”, as such term is defined below, and the Executive’s employment by the Company and its Subsidiaries shall thereafter have terminated in accordance with Article 2 below within the period beginning on the date of the “Change in Control” and ending on the second anniversary of the date of the “Change in Control” (the “Protection Period”). If any Protection Period terminates without the Executive’s employment having terminated, any subsequent “Change in Control” shall give rise to a new Protection Period. No benefits shall be paid under Article 3 of this Agreement if the Executive’s employment terminates outside of a Protection Period.

(a) “Change in Control” shall mean:

- (1) The acquisition by any individual, entity or group (a “Person”), including any “person” within the meaning of Section 13(d)(3) or 14(d) (2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), of beneficial ownership within the meaning of Rule 13d-3 promulgated under the Exchange Act, of 20% or more of either (i) the then outstanding shares of common stock of the Company (the “Outstanding Common Stock”) or (ii) the combined voting power of the then outstanding securities of the Company entitled to vote generally in the election of directors (the “Outstanding Voting Securities”); excluding, however, the following: (A) any acquisition directly from the Company (excluding any acquisition resulting from the exercise of an exercise, conversion or exchange privilege unless the security being so exercised, converted or exchanged was acquired directly from the Company), (B) any acquisition by the Company, (C) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company or (D) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (3) of this Section 1.1(a); provided further, that for purposes of clause (B), if any Person (other than the Company or any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company) shall become the beneficial owner of 20% or more of the Outstanding Common Stock or 20% or more of the Outstanding Voting Securities by reason of an acquisition by the Company, and such Person shall, after such acquisition by the Company, become the beneficial owner of any additional shares of the Outstanding Common Stock or any additional Outstanding Voting Securities and such beneficial ownership is publicly announced, such additional beneficial ownership shall constitute a Change in Control;
- (2) Individuals who, as of the beginning of any consecutive two-year period constitute the Board of Directors (the “Incumbent Board”) cease for any reason to constitute at least a majority of such Board; provided that any individual who subsequently becomes a director of the Company and whose election, or nomination for election by the Company’s stockholders, was approved by the vote of at least a majority of the directors then comprising the Incumbent Board shall be deemed a member of the Incumbent Board; and provided further, that any individual who was initially elected as a director of the Company as a result of an actual or threatened solicitation by a Person other than the Board for the purpose of opposing a solicitation by any other Person with respect to the election or removal of directors, or any other actual or

2

threatened solicitation of proxies or consents by or on behalf of any Person other than the Board shall not be deemed a member of the Incumbent Board;

- (3) The consummation of a reorganization, merger or consolidation of the Company or sale or other disposition of all or substantially all of the assets of the Company (a “Corporate Transaction”); excluding, however, a Corporate Transaction pursuant to which (i) all or substantially all of the individuals or entities who are the beneficial owners, respectively, of the Outstanding Common Stock and the Outstanding Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than 50% of, respectively, the outstanding shares of common stock, and the combined voting power of the outstanding securities of such corporation entitled to vote

generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or indirectly) in substantially the same proportions relative to each other as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Common Stock and the Outstanding Voting Securities, as the case may be, (ii) no Person (other than: the Company; any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company; the corporation resulting from such Corporate Transaction; and any Person which beneficially owned, immediately prior to such Corporate Transaction, directly or indirectly, 15% or more of the Outstanding Common Stock or the Outstanding Voting Securities, as the case may be) will beneficially own, directly or indirectly, 25% or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction or the combined voting power of the outstanding securities of such corporation entitled to vote generally in the election of directors and (iii) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the corporation resulting from such Corporate Transaction; or

(4) The consummation of a plan of complete liquidation or dissolution of the Company.

(b) For purposes of this Agreement, the term "Subsidiary" shall mean any corporation in which the Company possesses directly or indirectly fifty percent (50%) or more of the total combined voting power of all classes of stock.

Article 2. Termination Following Change in Control

2.1 The Executive shall be entitled to the benefits provided in Article 3 hereof upon any termination of his employment with the Company and its Subsidiaries within a Protection Period, except a termination of employment because of his death, because of a "Disability," by the Company for "Cause," or by the Executive other than for "Good Reason."

(a) **Disability.** The Executive's employment shall be deemed to have terminated because of a "Disability" on the date on which the Executive becomes eligible to receive long-term disability benefits under the Company's Master Welfare and Cafeteria Plan (the "Cafeteria Plan"), or a similar long-term disability plan of a Subsidiary, or a successor to

3

the Cafeteria Plan or to any such similar plan which is applicable to the Executive. If the Executive is not covered for long-term disability benefits by the Cafeteria Plan or a similar or successor long-term disability plan, the Executive shall be deemed to have terminated because of a "Disability" on the date on which he would have become eligible to receive long-term disability benefits if he were covered for long-term disability benefits by the Cafeteria Plan.

(b) **Cause.** Termination of the Executive's employment by the Company or a Subsidiary for "Cause" shall mean termination by reason of (A) the Executive's willful engagement in conduct which involves dishonesty or moral turpitude which either (1) results in substantial personal enrichment of the Executive at the expense of the Company or any of its Subsidiaries, or (2) is demonstrably and materially injurious to the financial condition or reputation of the Company or any of its Subsidiaries, (B) the Executive's willful violation of the provisions of the confidentiality or non-competition agreement entered into between the Company or any of its Subsidiaries and the Executive or (C) the commission by the Executive of a felony. An act or omission shall be deemed "willful" only if done, or omitted to be done, in bad faith and without reasonable belief that it was in the best interest of the Company and its Subsidiaries.

(c) **Without Cause.** The Company or a Subsidiary may terminate the employment of the Executive without Cause during a Protection Period only by giving the Executive written notice of termination to that effect. In that event, the Executive's employment shall terminate on the last day of the month in which such notice is given (or such later date as may be specified in such notice).

(d) **Good Reason.** Termination of employment by the Executive for "Good Reason" shall mean termination within a Protection Period:

- (i) If there has occurred a material reduction by the Company or a Subsidiary in the Executive's base salary in effect immediately before the beginning of the Protection Period or as increased from time to time thereafter;
- (ii) If the Company or a Subsidiary, without the Executive's written consent, has required the Executive to be relocated anywhere in excess of thirty-five (35) miles from his office location immediately before the beginning of the Protection Period, except for required travel on the business of the Company or a Subsidiary to an extent substantially consistent with the Executive's business travel obligations immediately before the beginning of the Protection Period;
- (iii) If there has occurred a failure by the Company or a Subsidiary to maintain plans providing benefits substantially the same as those provided by any benefit or compensation plan, retirement or pension plan, stock option plan, life insurance plan, health and accident plan or disability plan in which the Executive is participating immediately before the beginning of the Protection Period, or if the Company or a Subsidiary has taken any action which would adversely affect the Executive's participation in or materially reduce the Executive's benefits under any of such plans or deprive the Executive of any material fringe benefit enjoyed by the Executive immediately before the beginning of the Protection Period, or if the

4

Company or a Subsidiary has failed to provide the Executive with the number of paid vacation days to which he would be entitled in accordance with the applicable vacation policy of the Company or Subsidiary as in effect immediately before the beginning of the Protection Period; or

(iv) If the Company or a Subsidiary has reduced in any manner which the Executive reasonably considers important the Executive's title, job authorities or responsibilities immediately before the beginning of the Protection Period.

The Executive shall exercise his right to terminate his employment for Good Reason by giving the Company a written notice of termination specifying in reasonable detail the circumstances constituting such Good Reason. However, the Company shall have thirty (30) days to “cure” such that the circumstances constituting such Good Reason are eliminated. The Executive’s employment shall terminate at the end of such thirty (30)-day period only if the Company has failed to cure such circumstances constituting the Good Reason.

A termination of employment by the Executive within a Protection Period shall be for Good Reason if one of the occurrences specified in this subsection (d) shall have occurred (and subject to the cure provision of the immediately preceding paragraph), notwithstanding that the Executive may have other reasons for terminating employment, including employment by another employer which the Executive desires to accept.

- (e) **Transfers; Sale of Subsidiary.** A transfer of employment from the Company to a Subsidiary, from a Subsidiary to the Company, or between Subsidiaries (including in each case without limitation a transfer due to merger or other consolidation) shall not be considered a termination of employment for purposes of this Agreement. If the Company’s ownership of a corporation is reduced so as to cause such corporation to cease to be a “Subsidiary” as defined in Section 1.1(b) of this Agreement and the Executive continues in employment with such corporation, the Executive shall not be considered to have terminated employment for purposes of this Agreement and the Executive shall have no right to any benefits pursuant to Article 3 unless (a) a Change in Control occurred prior to such reduction in ownership and (b) the Executive’s employment terminates within the Protection Period beginning on the date of such Change in Control under circumstances that would have entitled the Executive to benefits if such corporation were still a Subsidiary.

Article 3. Benefits Upon Termination Within Protection Period

3.1 If, within a Protection Period, the Executive’s employment by the Company or a Subsidiary shall terminate other than because of his death, because of a Disability, by the Company for Cause, or by the Executive other than for Good Reason, if, no later than sixty (60) days after the date the Executive’s employment by the Company or a Subsidiary shall terminate, the Executive signs a general release in a form acceptable to the Company that releases the Company from any and all claims that the Executive may have, and the Executive affirmatively agrees not to violate the provisions of Article 6 (a “General Release”), and such General Release is not revoked by the Executive and becomes effective, the Executive shall be entitled to the benefits provided for below:

5

- (a) The Company or a Subsidiary shall pay to the Executive through the date of the Executive’s termination of employment base salary at the rate then in effect, together with salary in lieu of vacation accrued and unused to the date on which Executive’s employment terminates, and all other benefits due to Executive through the date of Executive’s termination of employment, in accordance with the standard payroll and other practices of the Company or Subsidiary.
- (b) The Company or Subsidiary shall also pay to the Executive the amount equal to the target annual bonus established for the Executive under the Company’s Annual Incentive Plan or a similar bonus plan of a Subsidiary (or a successor to any such bonus plan) for the fiscal year in which the Executive’s termination of employment occurs, reduced pro rata for that portion of the fiscal year not completed as of the date of the Executive’s termination of employment.
- (c) The Company or a Subsidiary shall pay the Executive as a severance payment an amount equal to three (3) times the sum of (A) his highest base salary in effect during any period of twelve (12) consecutive months within the thirty-six (36) months immediately preceding his date of termination of employment; and (B) the target annual bonus established for the Executive under the Company’s Annual Incentive Plan or a similar bonus plan of a Subsidiary (or a successor to any such bonus plan) for the fiscal year in which the Executive’s termination of employment occurs. However, if the Executive is at least sixty-two (62) years of age as of the date of his termination of employment, the Committee shall have the discretion to alternatively provide the Executive a severance payment prorated for the number of full months until the Executive attains age sixty-five (65).
- (d) All other rights and benefits that the Executive is vested in, pursuant to other plans and programs of the Company.

The Executive shall be entitled to all payments and benefits provided for by or pursuant to this Section 3.1 whether or not he seeks or obtains other employment, except as otherwise specifically provided in this Section 3.1.

Notwithstanding any other provision of this Agreement, if any payment or benefit the Executive would receive pursuant to a Change of Control or otherwise (each a “Payment” and collectively the “Payments”) could constitute a “parachute payment” within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the “Code”), then the Company shall reduce the Payments so that the maximum amount of the Payments shall be One Dollar (\$1.00) less than the amount that would cause the Payments to be subject to the excise tax imposed by Section 4999 of the Code.

Article 4. Benefits Upon Termination Outside of Protection Period

4.1 If, outside of a Protection Period, the Executive’s employment by the Company or a Subsidiary shall be terminated by the Company without Cause, if, no later than sixty (60) days after the date of the Executive’s termination of employment, the Executive signs a General Release, and such General Release is not revoked by the Executive and becomes effective, the Executive shall be entitled to the benefits provided for below:

6

- (a) The Company or a Subsidiary shall pay to the Executive through the date of the Executive’s termination of employment base salary at the rate then in effect, together with salary in lieu of vacation accrued and unused to the date on which Executive’s employment terminates, and all other benefits due to Executive through the date of Executive’s termination of employment, in accordance with the standard payroll and other practices of the Company or Subsidiary.

- (b) The Company or Subsidiary shall also pay to the Executive as a severance payment an amount equal to one (1) times his base salary in effect on the date of his date of termination of employment.

Article 5. Benefits Payment Schedule

5.1 Payment Schedule. Payments due to the Executive pursuant to Article 3 or Article 4 shall be paid as follows:

- (a) If the Executive is not a “Specified Employee” (as that term is defined and determined under IRC Section 409A) or if the Executive is a Specified Employee, then only with respect to payments provided in Section 3.1 or 4.1 that are not deferred compensation subject to IRC Section 409A, payments shall be made or commence as soon as administratively practicable, but in no event later than March 15 of the calendar year after the calendar year of the Executive’s date of Separation from Service (as defined under IRC Section 409A) and, with respect to payments that are deferred compensation subject to IRC Section 409A, no later than ninety (90) days after the date of the Executive’s Separation from Service; provided, however, that, in the case of a payment that is deferred compensation, if the ninety (90) day period following the Executive’s Separation from Service during which the payment is to be made or commence overlaps the end of a calendar year, such payment shall be made in the second calendar year; and
- (b) If the Executive is a Specified Employee, for payments that are deferred compensation subject to IRC Section 409A, payments shall be made or commence on the first day of the seventh month following the Executive’s date of Separation from Service.

All amounts and benefits payable hereunder shall be reduced by any and all required or authorized withholding and deductions.

Notwithstanding the above, the Company’s obligation to pay severance amounts due to the Executive pursuant to Article 3 or Article 4, to the extent not already paid, shall cease immediately and such payments will be forfeited, if the Executive violates any condition described in Sections 6.1, 6.2, 6.3 or 6.4, after his termination of employment. To the extent already paid, should the Executive violate any condition described in Sections 6.1, 6.2, 6.3 or 6.4, after his termination of employment, the severance amounts provided hereunder shall be repaid in their entirety by the Executive to the Company, and all rights to such payments shall be forfeited.

Article 6. Restrictive Covenants

The Executive acknowledges and agrees that he is agreeing to comply with the restrictive covenants in this Article 6 as a term and condition of, and in consideration for, his promotion to Senior Vice President, Strategy and Global Business Development and the increased compensation and other benefits set forth in his letter agreement dated September 30, 2015.

7

6.1 Confidentiality. The Company has advised the Executive and the Executive acknowledges that it is the policy of the Company to maintain as secret and confidential all Protected Information (as defined below), and that Protected Information has been and will be developed at substantial cost and effort to the Company. The Executive shall not at any time, directly or indirectly, divulge, furnish or make accessible to any person, firm, corporation, association, or other entity (otherwise than as may be required in the regular course of Executive’s employment), nor use in any manner, either during the Executive’s employment period or after the termination, for any reason, any Protected Information, or cause any such information of the Company or its Subsidiaries to enter the public domain. For purposes of this Agreement, “Protected Information” means trade secrets, confidential and proprietary business information of the Company or its Subsidiaries, and any other information of the Company, including but not limited to, software, records, manuals, books, forms, documents, notes, letters, reports, data, tables, compositions, articles, devices, apparatus, customer lists (including potential customers), sources of supply, processes, plans, materials, pricing information, internal memoranda, marketing plans, internal policies, and products and services which may be developed from time to time by the Company, its Subsidiaries and its agents or employees, including the Executive; provided, however that information that is in the public domain (other than as a result of a breach of this Agreement), approved for release by the Company or lawfully obtained from third parties who are not bound by a confidentiality agreement with the Company, is not Protected Information.

6.2 Nonsolicitation. During the term of this Agreement and for a period after the Executive’s date of termination of employment equal to (i) thirty-six (36) months if the Executive’s employment by the Company or a Subsidiary is terminated within a Protection Period or (ii) twelve (12) months if the Executive’s employment by the Company or a Subsidiary is terminated outside of a Protection Period, the Executive shall not, directly or indirectly, other than on behalf of the Company or its Subsidiaries:

(A) Induce or assist in the inducement of any individual away from the Company’s or any of its Subsidiaries’ employ or from the faithful discharge of such individual’s contractual and fiduciary obligations to serve the Company’s or any of its Subsidiaries’ interests with undivided loyalty; or

(B) Induce or assist in the inducement of any individual or entity that provides services to the Company or any of its Subsidiaries to reduce any such services provided to, or to terminate their relationship with the Company or any of its Subsidiaries.

6.3 Noncompetition. The Executive expressly acknowledges that the Company and its Subsidiaries market and sell products globally, and given the Executive’s substantial experience and expertise in the industry including his significant exposure, access to, and participation in the development of the Company’s and its Subsidiaries’ strategy, marketing, intellectual property and confidential and proprietary information, his business affiliation with any individual or entity that sells or develops products similar to, or that may serve as a substitute for, the Company’s or any of its Subsidiaries’ products, would cause substantial and irreparable harm to the Company’s, and/or its Subsidiaries’ business. Accordingly, the Executive agrees that during his employment with the Company or any of its Subsidiaries, and for a period after the termination of his employment with the Company and its Subsidiaries equal to (i) thirty-six (36) months if the Executive’s employment by the Company or a Subsidiary is terminated within a Protection Period or (ii) twelve (12) months

8

if the Executive’s employment by the Company or a Subsidiary is terminated outside of a Protection Period, the Executive shall not, directly or indirectly, other than on behalf of the Company or its Subsidiaries, participate or become involved as an owner, partner, member, director, officer, employee, or

consultant, or otherwise enter into any business relationship, with any individual or entity anywhere in the world that develops, produces, manufactures, sells, or distributes starch, corn, rice, potato, stevia, strawberry and other agricultural raw materials, oils, sweeteners, starches, concentrates, essences or other products produced by the Company or any of its Subsidiaries or that could be used as a substitute for such products including, but not limited to, Tapioca, Manioc, Yucca or Potato starches; Dextrose, Stevia-based or other high intensity sweeteners, Glucose, Polyols, HFCS, High Meltose syrup, texturants, and Maltodextrin sweeteners; Prebiotics; Omega-3; seed development, emulsifiers, encapsulants, non-synthetic green products, Plant derived calcium and minerals; Inulin fibers; Resins used in adhesives and fragrances; Corn oil; Gluten protein; and Caramel Color, fruit concentrates, fruit purees, fruit essences or formulated fruit products, vegetable concentrates, vegetable purees, vegetable essences or formulated vegetable products, and specifically including but not limited to the following entities that manufacture such or similar products: ADM, Cargill, Bunge, Roquette, and Tate & Lyle.

6.4 Ownership. The Executive agrees that all inventions, copyrightable material, business and/or technical information, marketing plans, customer lists, and trade secrets which arise out of the performance of this Agreement are the property of the Company. The Executive has been notified by the Company, and understands, that the foregoing provisions of Section 6.4 do not apply to an invention for which no equipment, supplies, facilities or trade secret information of the Company or any of its affiliates was used and which was developed entirely on his own time, unless: (a) the invention relates (i) to the business of the Company or any of its affiliates or (ii) to the Company's or any of its affiliates' actual or demonstrably anticipated research and development, or (b) the invention results from any work performed by him for the Company or any of its affiliates.

6.5 Injunctive Relief. The Executive acknowledges and agrees that the covenants contained in this Article 6 are reasonable in scope and duration, and are necessary to protect the Company's, and its Subsidiaries' legitimate business interests. Without limiting the rights of the Company and/or its Subsidiaries to pursue any other legal and/or equitable remedies available to them for any breach by the Executive of the covenants contained in this Article 6, the Executive acknowledges that a breach of those covenants would cause a loss to the Company and/or its Subsidiaries for which it could not reasonably or adequately be compensated by damages in an action at law, that remedies other than injunctive relief could not fully compensate the Company and/or its Subsidiaries for a breach of those covenants and that, accordingly, the Company and/or its Subsidiaries shall be entitled to seek injunctive relief to prevent any breach or continuing breaches of the Executive's covenants as set forth in this Article 6. It is the intention of the parties that if, in any action before any court empowered to enforce such covenants, any term, restriction, covenant, or promise is found to be unenforceable, then such term, restriction, covenant, or promise shall be deemed modified to the extent necessary to make it enforceable by such court.

Article 7. No Other Severance Benefits; Right to Other Plan Benefits

The Executive hereby covenants and agrees that all the amounts he may be entitled to in the event of termination of the Executive's employment under circumstances entitling the Executive to benefits hereunder, shall be offset by any and all other amounts due to him from the Company or any Subsidiary for dismissal without cause, including, without limitation, any severance payments due in

9

accordance with any applicable statute or statutes. Thus, any amounts that are paid to the Executive as a consequence of the change in control of the Company are not cumulative with other severance payments due to the Executive and shall be reduced by any local termination payments that may be due to him from the Company or any Subsidiary. The Executive shall not be entitled to any other severance benefits except those provided by or pursuant to this Agreement, and the Executive hereby waives any claim against the Company or any of its Subsidiaries or affiliates for any additional severance benefits to which he might otherwise be entitled, including under any plan, program, policy or arrangement maintained by the Company or any of its Subsidiaries or affiliates. Except as provided in this Article 7, nothing in this Agreement shall be construed as limiting in any way any rights or benefits that the Executive may have pursuant to the terms of any other plan, program, policy or arrangement maintained by the Company or any of its Subsidiaries or affiliates.

Article 8. Entire Agreement

This Agreement contains the entire agreement between the parties with respect to the subject matter contained herein and supersedes all prior or contemporaneous negotiations, understandings or agreements between the parties or between the Executive and the Company or any of its Subsidiaries, whether written or oral, with respect to such subject matter, provided that (a) nothing herein shall limit or otherwise affect Sections 2-13 of the Confidentiality and Non-Compete Agreement dated February 1, 2014 between the Executive and Ingredion Germany GmbH (the "Ingredion Germany Agreement") or Sections 7-10 of the Managing Director Service Agreement between the Executive and Ingredion Germany GmbH effective February 1, 2014, in each case, which sections shall continue in full force and effect in accordance with their respective terms, (b) notwithstanding any other language in this Agreement, this Agreement does not supersede or preclude the enforceability of any restrictive covenant provision contained in any prior or contemporaneous agreement entered into by the Executive with the Company or any of its affiliates, and (c) no prior or contemporaneous restrictive covenant obligation you have to the Company or any of its affiliates supersedes or precludes the enforceability of any provision contained in this Agreement. The Executive hereby acknowledges and agree that he is not entitled to any severance payment or other similar benefits under Section 6(B) of the Ingredion Germany Agreement or otherwise as a result of his transfer of employment to the Company).

Article 9. Termination and Amendment; Successors; Binding Agreement

9.1 This Agreement shall terminate on the close of business on the date preceding the one-year anniversary of the date of this Agreement; provided, however, that commencing on the annual anniversary of the date of this Agreement and each anniversary of the date of this Agreement thereafter, the term of this Agreement shall automatically be extended for one additional year unless at least six (6) months prior to such anniversary date, the Company or the Executive shall have given notice to the other party, in accordance with Article 10, that this Agreement shall not be extended. This Agreement may be amended only by an instrument in writing signed by the Company and the Executive consistent with Article 10 hereof. Subject to Section 5.1, the Company expressly acknowledges that, during the term of this Agreement, the Executive shall have a binding and irrevocable right to the benefits set forth hereunder in the event of his termination of employment during a Protection Period to the extent provided in Section 2.1. Any purported amendment or termination of this Agreement by the Company, other than pursuant to the terms of this Section 9.1, shall be ineffective, and the Executive shall not lose any right hereunder by failing to contest such a purported amendment or termination.

10

9.2 This Agreement and all rights of the Executive hereunder shall inure to the benefit of, and shall be enforceable by, the Executive and the Executive's legal representatives. If the Executive should die while any amounts remain payable to him hereunder, all such amounts shall be paid to his

designated beneficiary or, if there be no such beneficiary, to his estate.

9.3 The Company expressly acknowledges and agrees that the Executive shall have a contractual right to the benefits provided hereunder, and the Company expressly waives any ability, if possible, to deny liability for any breach of its contractual commitment hereunder upon the grounds of lack of consideration, accord and satisfaction or any other defense. If any dispute arises after a Change in Control as to whether the Executive is entitled to benefits under this Agreement, there shall be a presumption that the Executive is entitled to such benefits and the burden of proving otherwise shall be on the Company.

9.4 Subject to Section 5.1, the Company's obligation to provide the benefits set forth in this Agreement shall be absolute and unconditional and shall not be affected by any circumstances, including, without limitation, any set-off, counterclaim, recoupment, or other right which the Company or any Subsidiary may have against the Executive or anyone else, except as expressly set forth in this Agreement. All amounts payable by the Company hereunder shall be paid without notice or demand. Subject to Section 5.1 each and every payment made hereunder by the Company or any Subsidiary shall be final, and neither the Company nor any Subsidiary will seek to recover all or any portion of such payment from the Executive or from whomsoever may be entitled thereto, for any reason whatsoever.

9.5 As used in this Agreement, "Company" shall mean the Company hereinbefore defined and any successor which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

Article 10. Notice

All notices of termination and other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered by hand or mailed by United States registered mail, return receipt requested, addressed as follows:

If to the Executive:

Martin Sonntag

If to the Company:

Ingredion Incorporated
5 Westbrook Corporate Center
Westchester, IL 60154
Attention: Senior Vice President — Human Resources

or to such other address as either party may have furnished to the other in writing in accordance herewith.

Article 11. Miscellaneous

No provision of this Agreement may be waived or modified unless such waiver or modification is in writing and signed by the Executive and the Company's Chief Executive Officer or such other officer as may be designated by the Board. No waiver by either party of any breach by the other party of, or compliance with, any provision of this Agreement shall be deemed a waiver of similar or dissimilar provisions at the same or any prior or subsequent time. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Illinois, without regard to its principles of conflict of laws, and by applicable laws of the United States. Nothing in this Agreement changes the at-will status of the Executive's employment (except with respect to such notice requirements expressly set forth in Section 2.1(c) and (d) hereof).

Article 12. Validity

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision, which shall remain in full force and effect.

Article 13. Legal Expenses; Dispute Resolution; Arbitration; Pre-Judgment Interest

13.1 The Company shall promptly pay all legal fees and related expenses incurred by the Executive in seeking to obtain or enforce any right or benefit under this Agreement (including all fees and expenses, if any, incurred in seeking advice in connection therewith).

13.2 If any dispute or controversy arises under or in connection with this Agreement, including without limitation any claim under any Federal, state or local law, rule, decision or order relating to employment or the fact or manner of its termination, the Company and the Executive shall attempt to resolve such dispute or controversy through good faith negotiations.

13.3 If such parties fail to resolve such dispute or controversy within ninety days, such dispute or controversy shall, if the Executive so elects, be settled by arbitration, conducted before a panel of

three arbitrators in Chicago, Illinois in accordance with the applicable rules and procedures of the Center for Public Resources then in effect. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction. Such arbitration shall be final and binding on the parties. Costs of any arbitration, including, without limitation, reasonable attorneys' fees of both parties, shall be borne by the Company.

13.4 If such parties fail to resolve such dispute or controversy within ninety days and the Executive does not elect arbitration, legal proceedings may be instituted, in which event the Company shall be required to pay the Executive's legal fees and related expenses to the extent set forth in Section 13.1 above.

13.5 Pending the resolution of any arbitration or court proceeding, the Company shall continue payment of all amounts due the Executive under this Agreement and all benefits to which the Executive is entitled, including medical and life insurance benefits, other than those specifically at issue in the arbitration or court proceeding and excluding long term disability benefits.

13.6 If the Executive is awarded amounts pursuant to arbitration or court proceeding, the Company shall also pay pre-judgment interest on such amounts calculated at the Prime Rate (as defined below) in effect on the date of such payment. For purposes of this Agreement, the term "Prime Rate" shall mean the prime rate as published in the Wall Street Journal Midwest edition showing such rate in effect as of the first business day of each calendar quarter.

* * * * *

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

/s/ Martin Sonntag

Martin Sonntag

Ingredion Incorporated

By: /s/ Diane J. Frisch

Diane J. Frisch, Senior Vice President, Human Resources

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Ilene S. Gordon, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Ingredion Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 30, 2015

/s/ Ilene S. Gordon

Ilene S. Gordon

Chairman, President and Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Jack C. Fortnum, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Ingredion Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 30, 2015

/s/ Jack C. Fortnum

Jack C. Fortnum

Executive Vice President and Chief Financial Officer

**Certification Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the
Sarbanes-Oxley Act of 2002**

I, Ilene S. Gordon, the Chief Executive Officer of Ingredion Incorporated, certify that to my knowledge (i) the report on Form 10-Q for the quarter ended September 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Ingredion Incorporated.

/s/ Ilene S. Gordon

Ilene S. Gordon

Chief Executive Officer

October 30, 2015

A signed original of this written statement required by Section 906 has been provided to Ingredion Incorporated and will be retained by Ingredion Incorporated and furnished to the Securities and Exchange Commission or its staff upon request.

**Certification Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the
Sarbanes-Oxley Act of 2002**

I, Jack C. Fortnum, the Chief Financial Officer of Ingredion Incorporated, certify that to my knowledge (i) the report on Form 10-Q for the quarter ended September 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Ingredion Incorporated.

/s/ Jack C. Fortnum

Jack C. Fortnum

Chief Financial Officer

October 30, 2015

A signed original of this written statement required by Section 906 has been provided to Ingredion Incorporated and will be retained by Ingredion Incorporated and furnished to the Securities and Exchange Commission or its staff upon request.