
**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 March 31, 2017
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, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☐

(Do not check if a smaller reporting company)

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

OUTSTANDING AT MAY 3, 2017

Common Stock, \$.01 par value

71,641,000 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 March 31,	
	2017	2016
Net sales before shipping and handling costs	\$ 1,537	\$ 1,434
Less - shipping and handling costs	84	74
Net sales	1,453	1,360
Cost of sales	1,101	1,021
Gross profit	352	339
Operating expenses	149	138
Other (income) expense - net	(2)	1
Restructuring/impairment charges	10	—
Operating income	195	200
Financing costs-net	21	14
Income before income taxes	174	186
Provision for income taxes	47	53
Net income	127	133
Less - Net income attributable to non-controlling interests	3	3
Net income attributable to Ingredion	\$ 124	\$ 130
Weighted average common shares outstanding:		
Basic	72.2	72.0
Diluted	73.7	73.6
Earnings per common share of Ingredion:		
Basic	\$ 1.72	\$ 1.81
Diluted	\$ 1.68	\$ 1.77

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 March 31,	
	2017	2016
Net income	\$ 127	\$ 133
Other comprehensive income:		
Gain / (loss) on cash-flow hedges, net of income tax effect of \$3 and \$6, respectively	5	(11)
Amount of losses on cash-flow hedges reclassified to earnings, net of income tax effect of \$1 and \$3, respectively	3	7
Currency translation adjustment	40	39
Comprehensive income	\$ 175	\$ 168
Less: Comprehensive income attributable to non-controlling interests	(3)	(3)
Comprehensive income attributable to Ingredion	\$ 172	\$ 165

See Notes to Condensed Consolidated Financial Statements

PART I FINANCIAL INFORMATION

ITEM 1

FINANCIAL STATEMENTS

Ingredion Incorporated (“Ingredion”) Condensed Consolidated Balance Sheets

(in millions, except share and per share amounts)		March 31, 2017	December 31, 2016
		(Unaudited)	
Assets			
Current assets:			
Cash and cash equivalents	\$	435	\$ 512
Short-term investments		13	4
Accounts receivable — net		913	923
Inventories		835	789
Prepaid expenses		31	24
Total current assets		2,227	2,252
Property, plant and equipment - net of accumulated depreciation of \$2,885 and \$2,826, respectively		2,146	2,116
Goodwill		803	784
Other intangible assets - net of accumulated amortization of \$114 and \$106, respectively		496	502
Deferred income tax assets		7	7
Other assets		120	121
Total assets	\$	5,799	\$ 5,782
Liabilities and equity			
Current liabilities:			
Short-term borrowings	\$	118	\$ 106
Accounts payable and accrued liabilities		815	872
Total current liabilities		933	978
Non-current liabilities:			
Long-term debt		164	158
Long-term debt		1,895	1,850
Deferred income tax liabilities		174	171
Share-based payments subject to redemption		24	30
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 issued at March 31, 2017 and December 31, 2016, respectively		1	1
Additional paid-in capital		1,139	1,149
Less - Treasury stock (common stock: 6,202,224 and 5,396,526 shares at March 31, 2017 and December 31, 2016, respectively) at cost		(520)	(413)
Accumulated other comprehensive loss		(1,023)	(1,071)
Retained earnings		2,987	2,899
Total Ingredion stockholders' equity		2,584	2,565
Non-controlling interests		25	30
Total equity		2,609	2,595
Total liabilities and equity	\$	5,799	\$ 5,782

See Notes to Condensed Consolidated Financial Statements

ITEM 1

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

See Notes to Condensed Consolidated Financial Statements

PART I FINANCIAL INFORMATION

ITEM 1

FINANCIAL STATEMENTS

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

(in millions)	Three Months Ended March 31,	
	2017	2016
Cash provided by operating activities:		
Net income	\$ 127	\$ 133
Non-cash charges to net income:		
Depreciation and amortization	51	47
Charge for fair value mark-up of acquired inventory	5	—
Other	23	24
Changes in working capital:		
Accounts receivable and prepaid expenses	12	(21)
Inventories	(40)	(32)
Accounts payable and accrued liabilities	(48)	(55)
Decrease in margin accounts	6	12
Other	(5)	(9)
Cash provided by operating activities	131	99
Cash used for investing activities:		
Capital expenditures, net of proceeds on disposals	(72)	(59)
Short-term investments	(8)	(13)
Payments for acquisitions	(13)	—
Other	—	(1)
Cash used for investing activities	(93)	(73)
Cash (used for) provided by financing activities:		
Proceeds from borrowings	108	84
Payments on debt	(55)	(44)
Issuance (repurchase) of common stock - net	(130)	1
Dividends paid (including to non-controlling interests)	(44)	(35)
Cash (used for) provided by financing activities	(121)	6
Effects of foreign exchange rate changes on cash	6	11
(Decrease) increase in cash and cash equivalents	(77)	43
Cash and cash equivalents, beginning of period	512	434
Cash and cash equivalents, end of period	\$ 435	\$ 477

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, 2016.

The unaudited Condensed Consolidated 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, 2016 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 March 31, 2017 and 2016, and the financial position of the Company as of March 31, 2017. The results for the interim periods are not necessarily indicative of the results expected for the full years.

2. Recently Adopted and New Accounting Standards

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. The FASB has also issued additional ASUs to provide further updates and clarification to the Update, including ASU 2015-14, ASU 2016-08, ASU 2016-10, ASU 2016-12 and ASU 2016-20. This standard is effective for fiscal years beginning after December 15, 2017, including interim periods within that reporting period. We plan to adopt the standard as of the effective date. The standard will allow various transition approaches upon adoption. We plan to use the modified retrospective approach for the transition to the new standard. Based on the analysis performed by the Company to date, our preliminary assessment is that the adoption of this guidance in the Update will not have a material impact on the Company’s revenue recognition timing or amounts; however, that assessment could change as we complete our analysis. We anticipate that our assessment will be complete by the third quarter of 2017.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which supersedes Topic 840, *Leases*. This Update increases the transparency and comparability of organizations by recognizing lease assets and lease liabilities on the balance sheet for leases longer than 12 months and disclosing key information about leasing arrangements. The recognition, measurement and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed. This Update is effective for annual periods beginning after December 15, 2018, with early adoption permitted. We currently plan to adopt the standard as of the effective date. Adoption will require a modified retrospective transition. We expect the adoption of the guidance in this Update to have a material impact on our Condensed Consolidated Balance Sheet as operating leases will be recognized both as assets and liabilities on the balance sheet. We are in the process of quantifying the magnitude of these changes and assessing the implementation approach for accounting for these changes.

In January 2017, the FASB issued ASU No. 2017-04, *Intangibles – Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*. This Update simplifies the subsequent measurement of Goodwill as the Update eliminates Step 2 from the goodwill impairment test. Instead, under the Update, an entity should perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. An entity should then recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit’s fair value, with the loss recognized not to exceed the total amount of goodwill allocated to that reporting unit. This Update is effective for annual periods beginning after December 15, 2019, with early adoption permitted.

In March 2017, the FASB issued ASU No. 2017-07, *Compensation – Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. This Update requires an entity to change the classification of the net periodic benefit cost for pension and postretirement plans within the statement of income by eliminating the ability to net all of the components of the costs together within operating income. The Update will require the service cost component to continue to be presented within operating income, classified within either cost of sales or operating expenses depending on the employees covered within the plan. The remaining components of the net periodic benefit cost, however, must be presented in the statement of income as a non-operating income (loss) below operating income. The Update is effective for annual periods beginning after December 15, 2017, with early adoption permitted only within the first interim period for public entities. We will not early adopt this Update. When adopted, the new guidance must be applied retrospectively for all income statement periods presented. The Update will reduce the Company's operating income and will require a new financial statement line item below operating income within the Consolidated Income Statements for the non-operating income (loss) components. Net income within the Consolidated Income Statements will not change upon adoption of the Update.

3. Acquisitions

On March 9, 2017, the Company completed its acquisition of Sun Flour Industry Co., Ltd. ("Sun Flour") in Thailand for \$18 million. Upon closing, the Company paid \$13 million in cash and recorded \$5 million in accrued liabilities for deferred payments due to the previous owner. The Company funded the acquisition primarily with cash. The acquisition of Sun Flour adds a fourth manufacturing facility to our operations in Thailand. It produces rice-based ingredients used primarily in the food industry. The results of the acquired operation are included in the Company's consolidated results from the acquisition date forward within the Asia Pacific business segment.

On December 29, 2016, the Company completed its acquisition of TIC Gums Incorporated ("TIC Gums"), a privately held, U.S.-based company that provides advanced texture systems to the food and beverage industry, for \$395 million, net of cash acquired. The acquisition adds a manufacturing facility in the US and in China. The Company funded the acquisition 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 and Asia Pacific business segments.

On November 29, 2016, the Company completed its acquisition of Shandong Huanong Specialty Com Development Co., Ltd. ("Shandong Huanong") in China for \$12 million in cash. The Company funded the acquisition primarily with cash. The acquisition of Shandong Huanong, located in Shandong Province, adds a second manufacturing facility to our operations in China. It produces starch raw material for our plant in Shanghai, which makes value-added ingredients for the food industry. The results of the acquired operation are included in the Company's consolidated results from the acquisition date forward within the Asia Pacific business segment.

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. The assets acquired and liabilities assumed in the transactions are generally recorded at their estimated acquisition date fair values, while transaction costs associated with the acquisition were expensed as incurred.

Goodwill represents the amount by which the purchase price exceeds the estimated fair value of the net assets acquired. The goodwill results from synergies and other operational benefits expected to be derived from the acquisitions. The goodwill related to TIC Gums and Shandong Huanong are tax deductible due to the structure of the acquisition. The goodwill related to Sun Flour is not tax deductible.

The following table summarizes the preliminary purchase price allocation for the acquisition of TIC Gums as of December 29, 2016:

(in millions)	Preliminary TIC Gums
Working capital (excluding cash)	\$ 50
Property, plant and equipment	42
Identifiable intangible assets	117
Goodwill	186
Total purchase price	<u>\$ 395</u>

The acquisitions of Sun Flour and Shandong Huanong added \$21 million to goodwill and identifiable intangible assets and \$9 million to net tangible assets as of their respective acquisition dates.

All of the recorded assets and liabilities, including working capital, property, plant and equipment (“PP&E”), goodwill and intangibles, are open to change as the Company is still in process of performing purchase accounting for TIC Gums and Sun Flour. The purchase accounting for Shandong Huanong is still open to finalize the valuation of the intangibles.

Included in the results of the acquired businesses for the three months ended March 31, 2017 were increases in cost of sales of \$5 million relating to the sale of inventory that was adjusted to fair value at the acquisition dates in accordance with business combination accounting rules.

Pro-forma results of operations for the acquisitions made in 2017 and 2016 have not been presented as the effect of each acquisition individually and in aggregate would not be material to the Company’s results of operations for any periods presented.

The Company incurred \$2 million of pre-tax acquisition and integration costs for the three months ended March 31, 2017, associated with its recent acquisitions. In 2016, the Company incurred \$1 million of pre-tax acquisition and integration costs for the three months ended March 31, 2016 associated with the acquisition of Kerr Concentrates, Inc.

4. Impairment and Restructuring Charges

For the three months ended March 31, 2017, the Company recorded \$10 million of net restructuring charges. During the first quarter of 2017, the Company implemented an organizational restructuring effort in Argentina by notifying both the Argentinian Labor Ministry and the local labor union of a planned reduction in workforce in order to achieve a more competitive cost position. On April 28, 2017, the union notified the Company of their intent to strike. We will continue to work with both the labor union and the Argentinian Labor Ministry on this matter. The Company recorded total pre-tax restructuring related charges in Argentina of \$11 million for employee severance-related costs. Additionally, the Company recorded a \$1 million reduction in expected employee severance-related charges associated with the execution of global information technology (“IT”) outsourcing contracts. The Company expects to incur approximately \$1 million of additional restructuring costs associated with the IT outsourcing project through the third quarter 2017.

A summary of the Company’s severance accrual at March 31, 2017 is as follows (in millions):

Balance in severance accrual at December 31, 2016	\$ 7
Restructuring charge for employee severance costs:	
Argentina employee-related severance	11
IT transformation	(1)
Payments made to terminated employees	(2)
Balance in severance accrual at March 31, 2017	<u>\$ 15</u>

The severance accrual is expected to be paid within the next twelve months.

5. 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, China, Japan, Indonesia, the Philippines, Singapore, Malaysia, India, Australia and New Zealand. The Company's EMEA segment includes businesses in Germany, the United Kingdom, Pakistan, South Africa and Kenya.

(in millions)	Three Months Ended March 31,	
	2017	2016
Net sales to unaffiliated customers:		
North America	\$ 881	\$ 841
South America	255	215
Asia Pacific	179	169
EMEA	138	135
Total	<u>\$ 1,453</u>	<u>\$ 1,360</u>
Operating income:		
North America	\$ 160	\$ 149
South America	14	18
Asia Pacific	30	28
EMEA	28	26
Corporate	(20)	(20)
Subtotal	212	201
Restructuring charges	(10)	—
Acquisition / integration costs	(2)	(1)
Charge for fair value markup of acquired inventory	(5)	—
Total	<u>\$ 195</u>	<u>\$ 200</u>

(in millions)	At March 31, 2017	At Dec. 31, 2016
Total assets		
North America	\$ 3,727	\$ 3,796
South America	841	809
Asia Pacific	754	697
EMEA	477	480
Total	<u>\$ 5,799</u>	<u>\$ 5,782</u>

6. 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 related futures, options and swap contracts, foreign currency related forward contracts, swaps and options, 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 natural 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. The Company also enters into futures contracts to hedge price risk associated with fluctuations in the market price 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 March 31, 2017, AOCI included \$6 million of gains (net of income taxes of \$2 million), pertaining to commodities-related derivative instruments designated as cash-flow hedges. At December 31, 2016, the amount included in AOCI pertaining to these commodities-related derivative instruments designated as cash-flow hedges was not significant.

Interest rate hedging: Derivative financial instruments that have been used by the Company to manage its interest rate risk consist of interest rate swaps and Treasury Lock agreements ("T-Locks"). The Company has interest rate swap agreements that effectively convert the interest rates on 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 (the change in fair value) of the hedged debt instrument that is attributable to changes in interest rates (the hedged risk), which is also recognized in earnings. The fair value of these interest rate swap agreements at March 31, 2017 and December 31, 2016 was \$3 million and \$3 million, respectively, and is reflected in the Condensed Consolidated Balance Sheets within Other assets, with an offsetting amount recorded in Long-term debt to adjust the carrying amount of the hedged debt obligations. The Company did not have any T-Locks outstanding at March 31, 2017 or December 31, 2016.

At March 31, 2017, AOCI included \$3 million of losses, (net of income taxes of \$2 million), related to settled T-Locks. At December 31, 2016, AOCI included \$4 million of losses (net of income taxes of \$2 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.

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 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 March 31, 2017, the Company had foreign currency forward sales contracts that are designated as fair value hedges with an aggregate notional amount of \$430 million and foreign currency forward purchase contracts with an aggregate notional amount of \$214 million that hedged transactional exposures. At December 31, 2016, the Company had foreign currency forward sales contracts with an aggregate notional amount of \$432 million and foreign currency forward purchase contracts with an aggregate notional amount of \$227 million that hedged transactional exposures.

The Company also has foreign currency derivative instruments that hedge certain foreign currency transactional exposures and are designated as cash-flow hedges. At March 31, 2017, AOCI included \$2 million of losses, net of tax, relating to these hedges. At December 31, 2016, AOCI included \$3 million of losses, net of tax, relating to these hedges.

The fair value and balance sheet location of the Company's derivative instruments, presented gross in the Condensed Consolidated Balance Sheets, are reflected below:

Derivatives designated as	Fair Value of Derivative Instruments					
	Balance Sheet Location	Fair Value		Balance Sheet Location	Fair Value	
		At March 31, 2017	At December 31, 2016		At March 31, 2017	At December 31, 2016
hedging instruments: (in millions)						
Commodity and foreign currency	<i>Accounts receivable-net</i>	\$ 29	\$ 31	<i>Accounts payable and accrued liabilities</i>	\$ 19	\$ 25
Commodity, foreign currency, and interest rate contracts	<i>Other assets</i>	4	8	<i>Non-current liabilities</i>	3	2
Total		\$ 33	\$ 39		\$ 22	\$ 27

At March 31, 2017, the Company had outstanding futures and option contracts that hedged the forecasted purchase of approximately 99 million bushels of corn and 43 million pounds of soybean oil. 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 also had outstanding swap and option contracts that hedged the forecasted purchase of approximately 23 million mmbtu's of natural gas at March 31, 2017. Additionally at March 31, 2017, the Company had outstanding ethanol futures contracts that hedged the forecasted sale of approximately 15 million gallons of ethanol.

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		Location of Gains (Losses) Reclassified from AOCI into Income	Amount of Gains (Losses) Reclassified from AOCI into Income	
	Three Months Ended	Three Months Ended		Three Months Ended	Three Months Ended
	March 31, 2017	March 31, 2016		March 31, 2017	March 31, 2016
Commodity contracts	\$ 7	\$ (18)	Cost of sales	\$ (3)	\$ (9)
Foreign currency contracts	1	1	Gross profit	—	(1)
Interest rate contracts	—	—	Financing costs, net	(1)	—
Total	\$ 8	\$ (17)		\$ (4)	\$ (10)

At March 31, 2017, AOCI included \$6 million of gains (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 gains to be offset by changes in the underlying commodities costs. The Company also has \$1 million of losses on settled T-Locks (net of income taxes of \$1 million) recorded in AOCI at March 31, 2017, which are expected to be reclassified into earnings during the next twelve months. Additionally, at March 31, 2017, 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:

(in millions)	As of March 31, 2017				As of December 31, 2016			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Available for sale securities	\$ 8	\$ 8	\$ —	\$ —	\$ 7	\$ 7	\$ —	\$ —
Derivative assets	33	11	22	—	39	6	33	—
Derivative liabilities	22	5	17	—	27	11	16	—
Long-term debt	1,998	—	1,998	—	1,929	—	1,929	—

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 March 31, 2017, the carrying value and fair value of the Company's long-term debt were \$1,895 million and \$1,998 million, respectively.

7. 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 generally recognized on a straight-line basis for all awards over the employee's vesting period or over a one-year required service period for certain retirement eligible executive level employees. The Company estimates a forfeiture rate at the time of grant and updates the estimate within the amount of compensation costs recognized in each period. As of March 31, 2017, certain of these nonqualified options have been forfeited due to termination of employees.

The Company granted non-qualified options to purchase 268 thousand shares and 329 thousand shares during the three months ended March 31, 2017 and 2016, respectively. The fair value of each option grant was estimated using the Black-Scholes option-pricing model with the following assumptions:

	For the Three Months Ended March 31,	
	2017	2016
Expected life (in years)	5.5	5.5
Risk-free interest rate	1.93 %	1.36 %
Expected volatility	22.50 %	23.40 %
Expected dividend yield	1.68 %	1.80 %

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

Stock option activity for the three months ended March 31, 2017 was as follows:

	Number of Options (in thousands)	Weighted Average Exercise Price per Share	Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in millions)
Outstanding at December 31, 2016	2,281	\$ 61.39	5.93	\$ 145
Granted	278	119.08		
Exercised	(79)	37.38		
Cancelled	(16)	80.47		
Outstanding at March 31, 2017	2,464	\$ 68.53	6.26	\$ 128
Exercisable at March 31, 2017	1,880	\$ 56.86	6.20	120

For the three months ended March 31, 2017, cash received from the exercise of stock options was \$3 million. At March 31, 2017, the total remaining unrecognized compensation cost related to stock options was \$8 million, which will be amortized over a weighted-average period of approximately 1.6 years.

Additional information pertaining to stock option activity is as follows:

(dollars in thousands, except per share)	Three Months Ended March 31,	
	2017	2016
Weighted average grant date fair value of stock options granted (per share)	\$ 23.90	\$ 18.73
Total intrinsic value of stock options exercised	\$ 6,849	\$ 12,665

Restricted Stock Units:

The Company has granted restricted stock units (“RSUs”) to certain key employees. The RSUs are subject to cliff vesting, generally after three years provided the employee remains in the service of the Company. Compensation expense is generally recognized on a straight-line basis for all awards over the employee’s vesting period or over a one-year required service period for certain retirement eligible executive level employees. The Company estimates a forfeiture rate at the time of grant and updates the estimate within the amount of compensation costs recognized in each period. The fair value of the 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.

The following table summarizes RSU activity for the three months ended March 31, 2017:

(RSUs in thousands)	Number of RSUs	Weighted Average Fair Value per Share
Non-vested at December 31, 2016	429	\$ 81.04
Granted	112	119.13
Vested	(124)	62.18
Cancelled	(5)	87.96
Non-vested at March 31, 2017	412	\$ 98.13

At March 31, 2017, the total remaining unrecognized compensation cost related to RSUs was \$23 million, which will be amortized over a weighted-average period of approximately 2.1 years.

Performance Shares:

The Company has a long-term incentive plan for senior management in the form of performance shares. The ultimate payments for performance shares awarded and eventually paid will be based solely on the Company’s stock performance as compared to the stock performance of a peer group. The final payments will be calculated at the end of the three year period and are subject to approval by management and the Compensation Committee. Compensation expense

is based on the fair value of the performance shares at the grant date, established using a Monte Carlo simulation model. The total compensation expense for these awards is amortized over a three-year graded vesting schedule.

For the three months ended March 31, 2017, the Company awarded 38 thousand share units at a weighted average fair value of \$114.08 per share unit. The number of shares that ultimately vest can range from zero to 200 percent of the awarded grant depending on the Company's stock performance as compared to the stock performance of the peer group.

The 2014 performance share award vested in the first quarter of 2017, achieving a 200 percent pay out of the grant, or 115 thousand total vested shares. There were no performance share cancellations during the first quarter of 2017.

At March 31, 2017, the unrecognized compensation cost related to these awards was \$6 million, which will be amortized over the remaining requisite service periods of 2.1 years.

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

(in millions)	Three Months Ended March 31,	
	2017	2016
Stock options:		
Pre-tax compensation expense	\$ 2	\$ 2
Income tax (benefit)	(1)	(1)
Stock option expense, net of income taxes	1	1
RSUs:		
Pre-tax compensation expense	3	3
Income tax (benefit)	(1)	(1)
RSUs, net of income taxes	2	2
Performance shares and other share-based awards:		
Pre-tax compensation expense	2	2
Income tax (benefit)	(1)	(1)
Performance shares and other share-based compensation expense, net of income taxes	1	1
Total share-based compensation:		
Pre-tax compensation expense	7	7
Income tax (benefit)	(3)	(3)
Total share-based compensation expense, net of income taxes	\$ 4	\$ 4

8. Net Periodic Pension and Postretirement Benefit Costs

For detailed information about the Company's pension and postretirement benefit plans, please refer to Note 10 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, 2016.

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 March 31,			
	US Plans		Non-US Plans	
	2017	2016	2017	2016
Service cost	\$ 1	\$ 2	\$ 1	\$ 1
Interest cost	3	3	2	3
Expected return on plan assets	(5)	(5)	(3)	(3)
Amortization of actuarial loss	—	—	1	1
Amortization of prior service credit	—	—	—	—
Settlement loss	—	—	—	—
Net periodic benefit cost	<u>\$ (1)</u>	<u>\$ —</u>	<u>\$ 1</u>	<u>\$ 2</u>

The Company currently anticipates that it will make approximately \$3 million in cash contributions to its pension plans in 2017, consisting of \$2 million to its non-US pension plans and \$1 million to its US pension plans. For the three months ended March 31, 2017, cash contributions of approximately \$1 million were made to the non-US plans and less than \$1 million to the US plans.

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

(in millions)	Three Months Ended March 31,	
	2017	2016
Service cost	\$ —	\$ —
Interest cost	1	1
Amortization of actuarial loss	—	—
Amortization of prior service credit	(1)	(1)
Net periodic benefit cost	<u>\$ —</u>	<u>\$ —</u>

9. 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 March 31, 2017			Three Months Ended March 31, 2016		
	Net Income Available to Ingredient (Numerator)	Weighted Average Shares (Denominator)	Per Share Amount	Net Income Available to Ingredient (Numerator)	Weighted Average Shares (Denominator)	Per Share Amount
Basic EPS	\$ 124	72.2	\$ 1.72	\$ 130	72.0	\$ 1.81
Effect of Dilutive Securities:						
Incremental shares from assumed exercise of dilutive stock options and vesting of dilutive RSUs and other awards		1.5			1.6	
Diluted EPS	<u>\$ 124</u>	<u>73.7</u>	<u>\$ 1.68</u>	<u>\$ 130</u>	<u>73.6</u>	<u>\$ 1.77</u>

For both the first quarter 2017 and 2016, approximately 0.3 million share-based awards of common stock were excluded from the calculation of diluted EPS as the impact of their inclusion would have been anti-dilutive.

10. Inventories

Inventories are summarized as follows:

(in millions)	At March 31, 2017	At December 31, 2016
Finished and in process	\$ 477	\$ 478
Raw materials	304	260
Manufacturing supplies and other	54	51
Total inventories	<u>\$ 835</u>	<u>\$ 789</u>

11. Debt

At March 31, 2017 and December 31, 2016, the Company's total debt consisted of the following:

(in millions)	At March 31, 2017	At December 31, 2016
3.2% senior notes due October 1, 2026	\$ 497	\$ 496
4.625% senior notes due November 1, 2020	398	398
1.8% senior notes due September 25, 2017	300	299
6.625% senior notes due April 15, 2037	253	254
6.0% senior notes due April 15, 2017	200	200
5.62% senior notes due March 25, 2020	200	200
Revolving credit facility	44	—
Fair value adjustment related to hedged fixed rate debt instruments	3	3
Long-term debt	<u>\$ 1,895</u>	<u>\$ 1,850</u>
Short-term borrowings	118	106
Total debt	<u>\$ 2,013</u>	<u>\$ 1,956</u>

The Company's long-term debt at March 31, 2017 includes \$200 million of 6.0 percent Senior Notes that mature on April 15, 2017 and \$300 million of 1.8 percent Senior Notes that mature on September 25, 2017. These borrowings are included in long-term debt as the Company has the ability and intent to refinance them on a long-term basis prior to the respective maturity dates. In April 2017, the \$200 million of Senior Notes that matured were refinanced through use of the revolving credit facility.

12. Accumulated Other Comprehensive Loss

A summary of accumulated other comprehensive loss for the three months ended March 31, 2017 and 2016 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, 2016	\$ (1,008)	\$ (7)	\$ (56)	\$ —	\$ (1,071)
Gains on cash-flow hedges, net of income tax effect of \$3		5			5
Amount of losses on cash-flow hedges reclassified to earnings, net of income tax effect of \$1		3			3
Currency translation adjustment	40				40
Balance, March 31, 2017	<u>\$ (968)</u>	<u>\$ 1</u>	<u>\$ (56)</u>	<u>\$ —</u>	<u>\$ (1,023)</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, 2015	\$ (1,025)	\$ (29)	\$ (47)	\$ (1)	\$ (1,102)
Losses on cash-flow hedges, net of income tax effect \$6		(11)			(11)
Amount of losses on cash-flow hedges reclassified to earnings, net of income tax effect of \$3		7			7
Currency translation adjustment	39				39
Balance, March 31, 2016	<u>\$ (986)</u>	<u>\$ (33)</u>	<u>\$ (47)</u>	<u>\$ (1)</u>	<u>\$ (1,067)</u>

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 March 31,		
	2017	2016	
Losses on cash-flow hedges:			
Commodity and foreign currency contracts	\$ (3)	\$ (10)	Gross profit
Interest rate contracts	(1)	—	Financing costs, net
Total before-tax reclassifications	\$ (4)	\$ (10)	
Income tax benefit	1	3	
Total after-tax reclassifications	\$ (3)	\$ (7)	

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 45 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 operating 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 with 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.

Net sales grew in the first quarter 2017 compared to first quarter 2016, while operating income, net income and diluted earnings per common share declined versus the prior year. Our North America, Asia Pacific, and EMEA segment earnings grew as a result of continued strong operating results, however this was more than offset by lower earnings in our South America segment and restructuring charges in the quarter. The decrease in net income and diluted earnings per common share was primarily due to higher financing costs associated with the use of short-term loans that had higher local interest rate costs. Additionally, we implemented an organizational restructuring effort in Argentina by notifying both the Argentinian Labor Ministry and the local labor union of a planned reduction in workforce in order to achieve a more competitive cost position. On April 28, 2017, the union notified the Company of their intent to strike. We will continue to work with both the labor union and the Argentinian Labor Ministry on this matter. The Company recorded total pre-tax restructuring related charges in Argentina of \$11 million for employee severance-related costs during the quarter.

Our operating cash flow rose to \$131 million for the first three months of 2017 from \$99 million in the year-earlier period, driven by our earnings and improved changes in working capital. During the first quarter of 2017, we repurchased approximately 1 million shares of our common stock in open market transactions for \$123 million.

On March 9, 2017, the Company completed its acquisition of Sun Flour Industry Co., Ltd. ("Sun Flour") in Thailand for \$18 million. Upon closing, the Company paid \$13 million in cash and recorded \$5 million in accrued liabilities for deferred payments due to the previous owner. The acquisition of Sun Flour adds a fourth manufacturing facility to our operations in Thailand. It produces rice-based ingredients used primarily in the food industry. This transaction will enhance our global supply chain and leverage other capital investments that we have made in Thailand to grow our specialty ingredients and service customers around the world. The acquisition did not have a material impact on our financial condition, results of operations or cash flows in the first quarter of 2017.

Looking ahead, we anticipate that our full year 2017 operating income and net income will grow compared to 2016. In North America, we expect full year operating income to increase driven by improved product mix and margins. In South America, we believe that full year operating income will be flat to down compared to 2016 driven by continued slow economic activity and higher than normal costs. We will continue to focus on network optimization in this segment for the remainder of the year. If we are unable to reach an effective outcome of our organizational restructuring effort with the union, we may consider various strategic options in Argentina which could result in future impairment charges in the segment. In the longer-term, we believe that the underlying business demographics for our South American segment are positive for the future. We expect full year operating income to grow in EMEA principally driven by improved price/product mix from our specialty ingredient product portfolio, volume growth and effective cost control. In Asia Pacific, we expect full year operating income to increase driven by volume growth and effective cost control.

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 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.

We acquired Shandong Huanong Specialty Corn Development Co., Ltd. ("Shandong Huanong"), TIC Gums Incorporated ("TIC Gums") and Sun Flour, on November 29, 2016, December 29, 2016 and March 9, 2017 respectively. The results of the acquired businesses are included in our consolidated financial results from the respective acquisition dates forward. While we identify 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 Months Ended March 31, 2017 With Comparatives for the Three Months Ended March 31, 2016

Net Income attributable to Ingredion. Net income for the quarter ended March 31, 2017 decreased by 5 percent to \$124 million, or \$1.68 per diluted common share, from \$130 million, or \$1.77 per diluted common share, in the first quarter of 2016. Our first quarter 2017 results include after-tax restructuring costs of \$11 million (\$0.15 per diluted common share) consisting of severance-related costs attributable to our restructuring initiatives in Argentina. Additionally, after-tax costs of \$3 million (\$0.04 per diluted common share) related to the sale of TIC Gums inventory that was adjusted to fair value at the acquisition date in accordance with business combination accounting rules are included in the results. Finally, results for the first quarter of 2017 include after-tax costs of \$1 million (\$0.01 per diluted common share) associated with the integration of acquired operations. Our first quarter 2016 results included after-tax costs of \$1 million (\$0.01 per diluted common share) associated with the integration of both Penford Corporation ("Penford") and Kerr Concentrates, Inc. ("Kerr"). Without the restructuring and acquisition-related charges, our net income and diluted earnings per share for the first quarter of 2017 would have grown 6 percent from the first quarter of 2016. These increases primarily reflect significantly improved operating income in North America, and to a lesser extent, in Asia Pacific and EMEA, as compared to the first quarter of 2016.

Net Sales. First quarter 2017 net sales increased 7 percent to \$1.45 billion from \$1.36 billion a year ago. The increase in net sales reflects 5 percent volume growth driven by organic volume and our 2016 acquisition and 2 percent favorable currency translation to stronger local currencies in South America.

North American net sales for first quarter 2017 increased 5 percent to \$881 million, from \$841 million a year ago.

The increase in net sales was driven by volume growth of 5 percent, comprised of 3 percent driven by our 2016 acquisition and 2 percent organic volume growth. In South America, first quarter 2017 net sales increased 19 percent to \$255 million from \$215 million a year ago, driven by favorable currency translation of 13 percent, a 4 percent price/product mix improvement, and volume growth of 2 percent. Asia Pacific's first quarter 2017 net sales increased 6 percent to \$179 million from \$169 million a year ago. The increase was driven by volume growth of 11 percent and favorable currency translation of 2 percent, which more than offset a 7 percent price/product mix decline reflecting the pass through of lower raw material costs. EMEA net sales for first quarter 2017 increased 2 percent to \$138 million from \$135 million a year ago. This increase reflects volume growth of 4 percent and 1 percent price/product mix improvement, which more than offset unfavorable currency translation of 3 percent attributable to weaker local currencies.

Cost of Sales and Operating Expenses. Cost of sales of \$1.10 billion for the first quarter of 2017 increased 8 percent from \$1.02 billion in the prior-year period. The increase in cost of sales for the first quarter of 2017 compared to the first quarter of 2016 was due primarily to sales volume increase of 5 percent. Additionally, gross corn costs per ton that rose approximately 6 percent, driven by higher market prices for corn. Currency translation caused cost of sales for the first quarter of 2017 to increase approximately 2 percent from 2016, reflecting the impact of stronger foreign currencies overall. Our gross profit margin was 24 percent for the first quarter of 2017, down from 25 percent last year. The decrease primarily reflects declines in gross profit margins in South America resulting from higher input costs. Operating expenses for the first quarter of 2017 increased to \$149 million from \$138 million last year. The increases primarily reflect incremental operating expenses of acquired operations. Favorable translation effects associated with the stronger US dollar

partially offset these increases. Currency translation increased operating expenses for the first quarter of 2017 by approximately 1 percent from the prior-year period. Operating expenses, as a percentage of gross profit, were 42 percent for the first quarter of 2017, as compared to 41 percent a year ago.

Operating Income. First quarter 2017 operating income decreased 3 percent to \$195 million from \$200 million a year ago. Operating income for the first quarter of 2017 includes pre-tax net restructuring costs of \$10 million. We implemented an organizational restructuring effort in Argentina by notifying both the Argentinian Labor Ministry and the local labor union of a planned reduction in workforce in order to achieve a more competitive cost position. The Company recorded total pre-tax restructuring related charges in Argentina of \$11 million for employee severance-related costs during the quarter offset by a \$1 million reduction in expected employee severance-related charges associated with the execution of global information technology ("IT") outsourcing contracts. Additionally, our first quarter 2017 results includes \$5 million of costs associated with TIC Gums inventory that was marked up to fair value at the acquisition date in accordance with business combination accounting rules. Lastly, operating income for first quarter 2017 included \$2 million of costs associated with our integration of TIC Gums and Shandong Huanong. Operating income for first quarter 2016 included \$1 million of costs associated with our integration of Penford and Kerr. Without the restructuring and acquisition-related charges, our first quarter 2017 operating income would have grown 5 percent from the first quarter of 2016. This increase primarily reflects operating income growth in North America. Currency translation had a favorable impact of \$3 million, reflecting stronger Brazilian and Asia Pacific currencies.

North America operating income for the first quarter 2017 increased 7 percent to \$160 million from \$149 million a year ago. The increase primarily reflects volume growth and operating efficiencies in the segment. South America operating income for first quarter 2017 declined 22 percent to \$14 million from \$18 million in the year-ago period. The decrease was driven by lower earnings in the Southern Cone region of South America, which more than offset improved earnings in the rest of the segment. Improved selling prices generally offset higher local raw material input costs, while production costs increased primarily due to the difficult macroeconomic environment in the Southern Cone. Currency translation had a favorable impact of \$3 million in the segment, primarily reflecting the effect of a stronger Brazilian real. Asia Pacific operating income for first quarter 2017 increased 7 percent to \$30 million from \$28 million a year ago. Volume growth and lower raw material costs helped to mitigate the impact of reduced product selling prices in the segment. EMEA operating income for first quarter 2017 increased 8 percent to \$28 million from \$26 million last year. The increase was driven by volume growth and improved product selling prices, which more than offset the impact of higher local production costs in the segment. Translation effects primarily associated with the weaker British Pound Sterling had an unfavorable impact of approximately \$1 million on operating income in the segment.

Financing Costs-net. Financing costs for the first quarter of 2017 increased to \$21 million from \$14 million in the prior-year period. The increases primarily reflect an increase in interest expense driven by higher weighted average borrowing costs. Additionally, an increase in foreign currency transaction losses contributed to the higher financing costs for the first quarter of 2017.

Provision for Income Taxes. Our effective income tax rate for the first quarter of 2017 decreased to 27.0 percent from 28.5 percent a year ago.

We use the US dollar as the functional currency for our subsidiaries in Mexico. In the first quarter of 2017, the effective tax rate was reduced by 3.3 percent due to the revaluation of the Mexican peso versus the US dollar, offset by individually insignificant factors. Without these items, the rate would have been 28.6 percent.

Comprehensive Income Attributable to Ingredion. We recorded comprehensive income of \$172 million for the first quarter of 2017, as compared to comprehensive income of \$165 million in the first quarter of 2016. These increases in comprehensive income primarily reflect favorable variances due to gains resulting from cash flow hedging, offset by decreased net income for the period.

Liquidity and Capital Resources

Cash provided by operating activities for the three months of 2017 was \$131 million, as compared to \$99 million a year ago. The increase in operating cash flow primarily reflects changes in our working capital, partially offset by a slight decline in our net income.

Capital expenditures of \$72 million for the three months of 2017 are in line with our capital spending plan for the year. We anticipate that our capital expenditures will approximate \$300 million to \$325 million for 2017.

At March 31, 2017, there were borrowings of \$44 million outstanding under the Revolving Credit Agreement, as compared to no borrowings outstanding as of December 31, 2016. In addition to borrowing availability under our Revolving Credit Agreement, we have approximately \$434 million of unused operating lines of credit in the various foreign countries in which we operate.

At March 31, 2017, we had total debt outstanding of \$2,013 million, compared to \$1,956 million at December 31, 2016. At March 31, 2017 our total debt consists of the following:

(in millions)	
3.2% senior notes due October 1, 2026	\$ 497
4.625% senior notes due November 1, 2020	398
1.8% senior notes due September 25, 2017	300
6.625% senior notes due April 15, 2037	253
6.0% senior notes due April 15, 2017	200
5.62% senior notes due March 25, 2020	200
Revolving credit facility	44
Fair value adjustment related to hedged fixed rate debt instruments	3
Long-term debt	\$ 1,895
Short-term borrowings	118
Total debt	\$ 2,013

The weighted average interest rate on our total indebtedness was approximately 4.5 percent for the first three months of 2017, compared to 3.7 percent in the comparable prior-year period.

As noted above, as of March 31, 2017, we have \$200 million of 6.0 percent Senior Notes that mature on April 15, 2017 and \$300 million of 1.8 percent Senior Notes that mature on September 25, 2017. These borrowings are included in long-term debt in our Condensed Consolidated Balance Sheet as we have the ability and intent to refinance them on a long-term basis prior to the maturity dates. In April 2017, the \$200 million of Senior Notes that matured were refinanced through use of the revolving credit facility.

On March 15, 2017, our board of directors declared a quarterly cash dividend of \$0.50 per share of common stock. This dividend was paid on April 25, 2017 to stockholders of record at the close of business on March 31, 2017. During the first quarter of 2017, we repurchased approximately 1 million shares of our common stock in open market transactions for \$123 million.

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 \$406 million of the total \$448 million of cash and cash equivalents and short-term investments at March 31, 2017 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 6 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. We also enter into futures contracts to hedge price risk associated with fluctuations in the market price of ethanol. 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 March 31, 2017, our Accumulated other comprehensive loss account ("AOCI") included \$6 million of gains, net of income taxes of \$2 million, related to these derivative instruments. It is anticipated that these gains will be reclassified into earnings during the next twelve months. We expect the gains 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 US dollars 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 exchange risk. At March 31, 2017, we had foreign currency forward sales contracts that are designated as fair value hedges with an aggregate notional amount of \$430 million and foreign currency forward purchase contracts with an aggregate notional amount of \$214 million that hedged transactional exposures.

We also have foreign currency derivative instruments that hedge certain foreign currency transactional exposures and are designated as cash-flow hedges. At March 31, 2017, AOCI included \$2 million of losses, net of income taxes, relating to these hedges.

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, although the difference in rates has decreased from past levels.

Interest Rate Risk:

We occasionally use interest rate swaps and 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 March 31, 2017.

As of March 31, 2017, we have interest rate swap agreements that effectively convert the interest rates on 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 \$3 million at March 31, 2017 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 March 31, 2017, AOCI included \$3 million of losses (net of income taxes of \$2 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 \$1 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 2016 Annual Report on Form 10-K. There have been no changes to our critical accounting policies and estimates during the three months ended March 31, 2017.

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 are "forward-looking statements."

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

Actual results and developments may differ materially from the expectations expressed in or implied by these statements, based on various factors, including the effects of global economic conditions, including, particularly, continuation or worsening of the current economic, currency and political conditions in South America and economic conditions in Europe, and their impact on our sales volumes and pricing of our products, our ability to collect our receivables from customers and our ability to raise funds at reasonable rates; fluctuations in worldwide markets for corn and other commodities, and the associated risks of hedging against such fluctuations; fluctuations in the markets and prices for our co-products, particularly corn oil; fluctuations in aggregate industry supply and market demand; the behavior of financial markets, including foreign currency fluctuations and fluctuations in interest and exchange rates; volatility and turmoil in the capital markets; the commercial and consumer credit environment; general political, economic, business, market and weather conditions in the various geographic regions and countries in which we buy our raw materials or manufacture or sell our products; future financial performance of major industries which we serve, including, without limitation, the food and beverage, paper, corrugated and brewing industries; energy costs and availability, freight and shipping costs, and changes in regulatory controls regarding quotas, tariffs, duties, taxes and income tax rates, particularly US tax reform; operating difficulties; availability of raw materials, including potato starch, tapioca, gum Arabic, and the specific varieties of corn upon which our products are based; our ability to develop new products and services at a rate or of a quality sufficient to meet expectations; energy issues in Pakistan; boiler reliability; our ability to effectively integrate and operate acquired businesses; our ability to achieve budgets and to realize expected synergies; our ability to complete planned maintenance and investment projects successfully and on budget; labor disputes; genetic and biotechnology issues; changing consumption preferences including those relating to high fructose corn syrup; increased competitive and/or

customer pressure in the corn-refining industry; and the outbreak or continuation of serious communicable disease or hostilities including acts of terrorism. Factors relating to the acquisition of TIC Gums that could cause actual results and developments to differ from expectations include: the anticipated benefits of the acquisition, including synergies, may not be realized; and the integration of TIC Gum's operations with those of Ingredion may be materially delayed or may be more costly or difficult than expected.

Our forward-looking statements speak only as of the date on which they are made and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of the statement as a result of new information or future events or developments. If we do update or correct one or more of these statements, investors and others should not conclude that we will make additional updates or corrections. For a further description of these and other risks, see "Risk Factors" included in our Annual Report on Form 10-K for the year ended December 31, 2016 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 50 to 51 in our Annual Report on Form 10-K for the year ended December 31, 2016, 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, 2016 to March 31, 2017.

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 March 31, 2017. 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 Securities and Exchange Commission'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.

In the fourth quarter of 2016, we acquired Shandong Huanong Specialty Corn Development Co., Ltd. in Pingyuan County, Shandong Province, China ("Shandong Huanong") and TIC Gums Incorporated ("TIC Gums"). In the first quarter of 2017, we acquired Sun Flour Industry Co., Ltd. ("Sun Flour") in Thailand. We are currently in the process of evaluating and integrating the acquired operations, processes and internal controls. See Note 3 of the Notes to the 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 March 31, 2017 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

We are a party to a large number of labor claims relating to our Brazilian operations. We have reserved an aggregate of approximately \$5 million as of March 31, 2017 in respect of these claims. These labor claims primarily relate to dismissals, severance, health and safety, work schedules and salary adjustments.

We are currently subject to various other claims and suits arising in the ordinary course of business, including certain environmental proceedings and other commercial claims. We also routinely receive inquiries from regulators and other government authorities relating to various aspects of our business, including with respect to compliance with laws and regulations relating to the environment, and at any given time, we have matters at various stages of resolution with the applicable governmental authorities. The outcomes of these matters are not within our complete control and may not be known for prolonged periods of time. We do not believe that the results of currently known legal proceedings and inquiries, even if unfavorable to us, will be material to us. There can be no assurance, however, that such claims, suits or investigations or those arising in the future, whether taken individually or in the aggregate, will not have a material adverse effect on our financial condition or results of operations.

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
January 1 – January 31, 2017	—	—	—	4,741 shares
February 1 – February 28, 2017	862	118.59	862	3,879 shares
March 1 – March 31, 2017	177	119.69	177	3,702 shares
Total	1,039	118.79	1,039	

On December 12, 2014, the Board of Directors authorized a 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 March 31, 2017, we have 3.7 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.

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: May 5, 2017

By /s/ James D. Gray
James D. Gray
Executive Vice President and Chief Financial Officer

DATE: May 5, 2017

By /s/ Stephen K. Latreille
Stephen K. Latreille
Vice President and Corporate Controller

EXHIBIT INDEX

Number	Description of Exhibit
10.1	Stock Incentive Plan as effective February 7, 2017 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated February 7, 2017, filed on February 14, 2017).
10.2	Form of Performance Share Award Agreement for use in connection with awards under the Stock Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated February 7, 2017, filed on February 14, 2017).
10.3	Form of Stock Option Award Agreement for use in connection with awards under the Stock Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K dated February 7, 2017, filed on February 14, 2017).
10.4	Form of Restricted Stock Units Award Agreement for use in connection with awards under the Stock Incentive Plan (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K dated February 7, 2017, filed on February 14, 2017).
10.5	Confidentiality Agreement dated March 1, 2017 between the Company and Jack C. Fortnum.
10.6	Non-Compete Agreement dated March 1, 2017 between the Company and Jack C. Fortnum.
10.7	Executive Severance Agreement dated March 1, 2017 between the Company and James D. Gray.
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 March 31, 2017 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.

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CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (this "Agreement") is entered into between Ingredion Incorporated, a Delaware corporation with its corporate offices at 5 Westbrook Corporate Center, Westchester, Illinois 60154 (the "Company"), and Jack C. Fortnum ("Mr. Fortnum").

WHEREAS, Mr. Fortnum is employed by the Company as Executive Vice President and Chief Financial Officer of the Company and will retire from the Company on June 30, 2017; and

WHEREAS, Mr. Fortnum also is simultaneously entering into that certain Non-Compete Agreement with the Company of even date with this Agreement (the "Non-Compete Agreement").

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, the adequacy and sufficiency of which are hereby acknowledged, the Company and Mr. Fortnum hereby agree as follows:

1. Resignations. Mr. Fortnum voluntarily resigns from his position of Executive Vice President and Chief Financial Officer of Ingredion effective March 1, 2017, and resigns from any and all other positions that he currently or subsequently holds with Ingredion or any affiliate or subsidiary of Ingredion, effective on March 1, 2017,

and retires from his employment with the Company effective June 30, 2017. Mr. Fortnum will execute documents necessary to effect his resignation from any and all positions that he holds with Ingredion or any affiliate or subsidiary of Ingredion

2. Confidentiality.

Mr. Fortnum shall not, for a period through and including June 30, 2020, make use of or disclose, directly or indirectly, any trade secret or other non-public information of the Company or of any of its subsidiaries including without limitation:

- non-public financial information of strategic importance;
- forecasting, marketing, sales, operations and other similar business plans;
- competitive pricing information and strategies;
- acquisition, investment or divestiture prospects, plans and activities;
- research and development strategies and plans;
- patented or unpatented inventions;
- non-public information regarding the business relationship between the Company and customers and/or suppliers, including information which Mr.

CONFIDENTIAL

Fortnum knows to be the subject of a confidentiality agreement with the customer or supplier; and/or

- information concerning major capital investments or other purchases of significant equipment or property

(collectively, "Confidential Information"), except as otherwise provided in the last sentence of this Section 2. Notwithstanding the foregoing, Confidential Information does not include information that: (a) becomes a matter of public record or is published in a newspaper, magazine or periodical on the internet, or in any other media available to the general public, other than as a result of any breach of this Agreement by Mr. Fortnum, or (b) is provided to Mr. Fortnum by an independent third party after the date of Mr. Fortnum's retirement, without that third party breaching confidentiality obligations to the Company, or. (c) is required to be disclosed by any law, regulation or order of any court or regulatory commission, department or agency, provided that Mr. Fortnum gives prompt notice of such requirement to the Company (unless prohibited by law) to enable the Company to seek an appropriate protective order. Mr. Fortnum hereby affirms that, on or before June 30, 2017, he will return to the Company or destroyed all records, memoranda, notes, plans, reports, other documents and data, whether in tangible or electronic form, which constitute Confidential Information. Mr. Fortnum understands that, notwithstanding anything to the contrary in this Agreement, nothing contained in this Agreement limits his ability to report possible violations of law or regulation to, file a charge or complaint or otherwise communicate with, or participate in any investigation or proceeding of, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission, including by providing documents or other information, without notice to the Company.

3. Consideration.

Mr. Fortnum agrees to sign and deliver to the Company an executed copy of the Non-Compete Agreement effective as of the same date of this Agreement. In consideration the confidentiality obligations herein and the Non-Compete Agreement entered into simultaneously with this Agreement, and effective June 30, 2017:

(a) the options to acquire the Company's common stock awarded to Mr. Fortnum in February 2015 will be exercisable with respect to all shares of common stock covered by such awards, including the shares which are not then currently exercisable absent this Agreement, and shall be exercisable for the remainder of the option period as stated under the Company's Stock Incentive Plan and the terms of the applicable option agreements;

(b) the restricted stock units ("RSU's") awarded to Mr. Fortnum in February 2015 shall be vested in their entirety and settled; and

(c) pro-rated payments shall be paid to Mr. Fortnum pursuant to the terms of Article 4 of Mr. Fortnum's 2015 Performance Share Award Agreement and

Article 4 of his 2016 Performance Share Award Agreement, to the extent that payments would otherwise be earned under those agreements. Such payments shall be made to Mr. Fortnum when and if payments are made to other employees awarded performance shares under the Stock Incentive Plan in 2015 and 2016.

Mr. Fortnum also shall be entitled to all benefits and payments available to Company retirees under the terms of the Company's plan documents. Notwithstanding anything to the contrary in this Agreement, under no circumstances shall Mr. Fortnum be entitled to duplicate benefits under this Agreement and the Non-Compete Agreement.

4. Enforcement. Mr. Fortnum acknowledges and agrees that (a) both this Agreement and the Non-Compete Agreement are necessary and appropriate to protect the Company's and its affiliates' legitimate business interests; and (b) the parties are entering into this Agreement and the Non-Compete Agreement as two documents at his request and that he therefore shall not assert in the event of any dispute under this Agreement or the Non-Compete Agreement that any provision (or portion thereof) of either agreement is unenforceable as a result. The parties hereto agree that the Company and its subsidiaries would be damaged irreparably in the event that any provision of Sections 2 of this Agreement were otherwise breached and that money damages would be an inadequate remedy for any such nonperformance or breach. Accordingly, the Company and its successors and permitted assigns shall be entitled to seek, in addition to other rights and remedies existing in their favor, to an injunction or injunctions to prevent any breach or threatened breach of any of such provisions and to enforce such provisions specifically. In addition to an injunction, the Company and its successors and permitted assigns shall be entitled to seek money damages in an amount not to exceed the lesser of actual damages incurred or \$250,000.

5. Representations. Mr. Fortnum represents and warrants to the Company that the execution, delivery and performance of this Agreement by Mr. Fortnum does not and will not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Mr. Fortnum is a party or by which he is bound.

6. Condition Precedent and Survival. Mr. Fortnum acknowledges and agree that his simultaneous execution and delivery of the Non-Compete Agreement is a condition precedent for his eligibility to receive the benefits set forth in Section 3 above. Sections 2, 3 and 4 of this Agreement shall survive and continue in full force and effect in accordance with their respective terms.

7. Notices. All notices, requests or other communications provided for in this Agreement shall be made, if to the Company, to Senior Vice President Human Resources, Ingredion Incorporated, 5 Westbrook Corporate Center, Westchester, Illinois 60154 U.S.A., fax + 1-708-551-2895, and if to Mr. Fortnum, to the address which Mr. Fortnum will provide to the Company in writing. All notices and other communications required or permitted hereunder shall be in writing and shall be deemed given when (i) delivered by overnight courier, or (ii) sent by facsimile, with the confirmatory copy delivered by overnight courier to the address of such party pursuant to this Section.

8. **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any other provision of this Agreement or the validity, legality or enforceability of such provision in any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

9. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or between the parties, written or oral, which may have related in any manner to the subject matter hereof, except for the Non-Compete Agreement entered into simultaneously herewith, which shall continue in force according to its terms.

10. **Successors and Assigns.** This Agreement shall be enforceable by Mr. Fortnum and his heirs, executors, administrators and legal representatives, and by the Company and its successors and assigns. No rights or obligations of the Company under this Agreement may be assigned or transferred by the Company except that such rights or obligations may be assigned or transferred in connection with the sale or transfer of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or substantially all of the assets of the Company and such assignee or transferee assumes the liabilities, obligations, and duties of the Company, as contained in this Agreement, either contractually or as a matter of law.

11. **Governing Law.** This Agreement shall be governed by and construed and enforced in accordance with the laws of Illinois and exclusive venue shall be in the courts in Illinois.

12. **Amendment and Waiver.** The provisions of this Agreement may be amended or waived only by the written agreement of the Company and Mr. Fortnum, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement.

13. **Counterparts.** This Agreement may be executed in two counterparts, each of which shall be deemed to be an original and both of which together shall constitute one and the same instrument.

14. THE PARTIES STATE THAT THEY HAVE READ THE FOREGOING, THAT THEY HAVE HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL OF THEIR OWN SELECTION AND AT THEIR OWN COST, THAT THEY UNDERSTAND EACH OF ITS TERMS AND THAT THEY INTEND TO BE BOUND THERETO.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

INGREDION INCORPORATED

By:

/s/ Diane J. Frisch

Diane J. Frisch
Senior Vice President, Human Resources

Date: March 1, 2017

Accepted:

/s/ Jack C. Fortnum

Jack C. Fortnum

Date: March 1, 2017

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NON-COMPETE AGREEMENT

This Non-Compete Agreement (this "Agreement") is entered into between Ingredion Incorporated, a Delaware corporation with its corporate offices at 5 Westbrook Corporate Center, Westchester, Illinois 60154 (the "Company"), and Jack C. Fortnum ("Mr. Fortnum").

WHEREAS, Mr. Fortnum is employed by the Company as Executive Vice President and Chief Financial Officer of the Company and will retire from the Company on June 30, 2017; and

WHEREAS, Mr. Fortnum also is simultaneously entering into that certain Confidentiality Agreement with the Company of even date with this Agreement (the "Confidentiality Agreement").

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, the adequacy and sufficiency of which are hereby acknowledged, the Company and Mr. Fortnum hereby agree as follows:

1. Resignations. Mr. Fortnum voluntarily resigns from his position of Executive Vice President and Chief Financial Officer of Ingredion effective March 1, 2017, and resigns from any and all other positions that he currently or subsequently holds with Ingredion or any affiliate or subsidiary of Ingredion, effective on March 1, 2017, and retires from his employment with the Company effective June 30, 2017. Mr. Fortnum will execute documents necessary to effect his resignation from any and all positions that he holds with Ingredion or any affiliate or subsidiary of Ingredion

2. Noncompetition; Nonsolicitation.

(a) Mr. Fortnum agrees that for a period through and including December 31, 2017 ("Non-Compete Term"), he shall not in any manner, alone or as an officer, director, stockholder, investor or employee of or consultant to any other corporation or enterprise, engage or be engaged, or assist any other person, firm, corporation or enterprise in engaging or being engaged, in any business relationship, with any individual or entity anywhere in the world that develops, produces, manufactures, sells, or distributes starch, sweetener, or other products produced or marketed by Ingredion as of the date hereof, or that could be used as a substitute for such products including, but not limited to, Tapioca, Manioc, Yucca, Rice or Potato starches, flours, syrups, and sweeteners; Dextrose, Stevia-based or other high intensity sweeteners, Glucose, Polyols, HFCS, High Maltose syrup, and Maltodextrin sweeteners; Corn oil; Gluten protein; Caramel Color; Hydrocolloids; Fruit and vegetable concentrates, extracts, purees, essences, distillates and pomace; and specifically including but not limited to the following entities that manufacture such or similar products: ADM, Cargill, Roquette, Avebe, and Tate & Lyle, including joint ventures, subsidiaries or divisions thereof or any entity which succeeds to the relevant business. Notwithstanding any provision to the contrary, it shall not be a violation of this Agreement for Mr. Fortnum to be or become the registered or beneficial owner of less than 5% of any class of securities listed on any

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stock exchange, in any business or corporation which is included in the scope of this Section 3.

(b) Mr. Fortnum further agrees that during the Non-Compete Term he shall not solicit or recruit employees of the Company or any of its subsidiaries.

(c) If, prior to the expiration of the non-competition period, Employee would like to become employed by or otherwise participate in any business or other activity that he believes may violate the restrictive covenants, Employee may request that the Company waive or limit its rights under the restrictive covenants as they pertain to the particular opportunity. Employee will provide his request to the Company's General Counsel in writing, and will provide sufficient detail of the particular opportunity to allow the Company to evaluate his request. The Company agrees that it will use reasonable efforts to respond to any request within ten business days, but failure to do so shall not be deemed a waiver.

3. Consideration.

Mr. Fortnum agrees to sign and deliver to the Company an executed copy of the Confidentiality Agreement effective as of the same date of this Agreement. In consideration the restrictive covenants herein and the Confidentiality Agreement entered into simultaneously with this Agreement, and effective June 30, 2017:

(a) the options to acquire the Company's common stock awarded to Mr. Fortnum in February 2015 will be exercisable with respect to all shares of common stock covered by such awards, including the shares which are not then currently exercisable absent this Agreement, and shall be exercisable for the remainder of the option period as stated under the Company's Stock Incentive Plan and the terms of the applicable option agreements;

(b) the restricted stock units ("RSU's") awarded to Mr. Fortnum in February 2015 shall be vested in their entirety and settled; and

(c) pro-rated payments shall be paid to Mr. Fortnum pursuant to the terms of Article 4 of Mr. Fortnum's 2015 Performance Share Award Agreement and Article 4 of his 2016 Performance Share Award Agreement, to the extent that payments would otherwise be earned under those agreements. Such payments shall be made to Mr. Fortnum when and if payments are made to other employees awarded performance shares under the Stock Incentive Plan in 2015 and 2016.

Mr. Fortnum also shall be entitled to all benefits and payments available to Company retirees under the terms of the Company's plan documents. Notwithstanding anything to the contrary in this Agreement, under no circumstances shall Mr. Fortnum be entitled to duplicate benefits under this Agreement and the Confidentiality Agreement

4. Enforcement. Mr. Fortnum acknowledges and agrees that (a) both this Agreement and the Confidentiality Agreement are necessary and appropriate to protect the Company's and its affiliates' legitimate business interests; and (b) the parties

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are entering into this Agreement and the Confidentiality Agreement as two documents at his request and that he therefore shall not assert in the event of any dispute under this Agreement or the Confidentiality Agreement that any provision (or portion thereof) of either agreement is unenforceable as a result. The parties hereto agree that the Company and its subsidiaries would be damaged irreparably in the event that any provision of Section 2 of this Agreement were not performed in accordance with its terms or were otherwise breached and that money damages would be an inadequate remedy for any such nonperformance or breach. Accordingly, the Company and its successors and permitted assigns shall be entitled to seek, in addition to other rights and remedies existing in their favor, to an injunction or injunctions to prevent any breach or threatened breach of any of such provisions and to enforce such provisions specifically. In addition to an injunction, the Company and its successors and permitted assigns shall be entitled to seek money damages, in an amount not to exceed the lesser of actual damages and \$536,125.

5. Representations. Mr. Fortnum represents and warrants to the Company that the execution, delivery and performance of this Agreement by Mr. Fortnum does not and will not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Mr. Fortnum is a party or by which he is bound.

6. Condition Precedent and Survival. Mr. Fortnum acknowledges and agree that his simultaneous execution and delivery of the Confidentiality Agreement is a condition precedent for his eligibility to receive the benefits set forth in Section 3 above. Sections 2, 3 and 4 of this Agreement shall survive and continue in full force and effect in accordance with their respective terms.

7. Notices. All notices, requests or other communications provided for in this Agreement shall be made, if to the Company, to Senior Vice President Human Resources, Ingredion Incorporated, 5 Westbrook Corporate Center, Westchester, Illinois 60154 U.S.A., fax + 1-708-551-2895, and if to Mr. Fortnum, to the address which Mr. Fortnum will provide to the Company in writing. All notices and other communications required or permitted hereunder shall be in writing and shall be deemed given when (i) delivered by overnight courier, or (ii) sent by facsimile, with the confirmatory copy delivered by overnight courier to the address of such party pursuant to this Section.

8. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any other provision of this Agreement or the validity, legality or enforceability of such provision in any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

9. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or between the parties, written or oral, which may have related in any manner to the subject matter hereof, except for the Confidentiality Agreement entered into simultaneously herewith, which shall continue in force according to its terms.

10. **Successors and Assigns.** This Agreement shall be enforceable by Mr. Fortnum and his heirs, executors, administrators and legal representatives, and by the Company and its successors and assigns. No rights or obligations of the Company under this Agreement may be assigned or transferred by the Company except that such rights or obligations may be assigned or transferred in connection with the sale or transfer of all or substantially all of the assets of the Company, provided that the assignee or transferee is the successor to all or substantially all of the assets of the Company and such assignee or transferee assumes the liabilities, obligations, and duties of the Company, as contained in this Agreement, either contractually or as a matter of law.

11. **Governing Law.** This Agreement shall be governed by and construed and enforced in accordance with the laws of Illinois and exclusive venue shall be in the courts in Illinois.

12. **Amendment and Waiver.** The provisions of this Agreement may be amended or waived only by the written agreement of the Company and Mr. Fortnum, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement.

13. **Counterparts.** This Agreement may be executed in two counterparts, each of which shall be deemed to be an original and both of which together shall constitute one and the same instrument.

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14. THE PARTIES STATE THAT THEY HAVE READ THE FOREGOING, THAT THEY HAVE HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL OF THEIR OWN SELECTION AND AT THEIR OWN COST, THAT THEY UNDERSTAND EACH OF ITS TERMS AND THAT THEY INTEND TO BE BOUND THERETO.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

INGREDION INCORPORATED

By:

/s/ Diane J. Frisch

Diane J. Frisch
Senior Vice President, Human Resources

Date: March 1, 2017

Accepted:

/s/ Jack C. Fortnum

Jack C. Fortnum

Date: March 1, 2017

Ingredion Incorporated Executive Severance Agreement

Agreement, made this 1st day of March 2017, by and between **Ingredion Incorporated**, a Delaware corporation (the "Company"), and James D. Gray (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:

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 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 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 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:

- (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:

- (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 and election as Executive Vice President and Chief Financial Officer and the increased compensation and other benefits set forth in his letter agreement dated February 13th, 2017.

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.

Executive understands that, notwithstanding anything to the contrary in this Agreement, nothing contained in this Agreement limits his ability to report possible violations of law or regulation to, file a charge or complaint or otherwise communicate with, or participate in any investigation or proceeding of, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission, including by providing documents or other information, without notice to the Company.

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 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 Maltose 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, hydrocolloid products, systems and blends, 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 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) 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 (b) 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.

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.

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:

James D. Gray
[Address Redacted]

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/ James D. Gray
James D. Gray

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: May 5, 2017

/s/ Ilene S. Gordon
 Ilene S. Gordon
 Chairman, President and Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, James D. Gray, 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: May 5, 2017

/s/ James D. Gray

James D. Gray

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 March 31, 2017 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
May 5, 2017

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, James D. Gray, the Chief Financial Officer of Ingredion Incorporated, certify that to my knowledge (i) the report on Form 10-Q for the quarter ended March 31, 2017 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/ James D. Gray

James D. Gray
Chief Financial Officer
May 5, 2017

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.

