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INTERIM GROUP REPORT

Sharing **values**

Q 3/2014

Key Figures of the Group

€ million		9M 2013	9M 2014	9M 2014 normalized[1]	Change in %	Change in % at local currency
Sales		1,401.2	1,530.0	1,530.0	9	13
EBITDA		290.2	330.9	343.8	18	22
EBITDA margin	in %	20.7	21.6	22.5		
EBIT		223.8	258.2	271.1	21	25
EBIT margin	in %	16.0	16.9	17.7		
Net income for the period		139.9	160.8	175.9	26	
Earnings per share	in €	1.18	1.30	1.42	20	
Investments/Acquisitions		114.2	55.6	55.6	–51	
Cash flow from operating activities		176.2	218.7	218.7	24	
Scent & Care						
Sales		736.3	736.8		0	4
EBITDA		151.2	167.6			
EBITDA margin	in %	20.5	22.7			
Flavor & Nutrition						
Sales		664.9	793.2	793.2	19	24
EBITDA		139.0	163.3	176.1		
EBITDA margin	in %	20.9	20.6	22.2		

		December 31, 2013	September 30, 2014
Balance sheet total	€ million	2,210.4	3,803.8
Equity ratio	in %	43.0	37.9
Net debt (incl. pension provisions and similar obligations) / EBITDAN[2]	ratio	2.0	3.2
Employees	FTE[3]	5,959	8,154

1 adjusted for transaction and integration costs as well as one-off valuation effects related to business combinations
2 annualized EBITDAN incl. Diana proforma figures
3 not including apprentices and trainees; FTE = Full Time Equivalent

LONG-TERM OBJECTIVES 2020 (2012 – 2020)

Sales	**Annual sales growth (CAGR) of between 5 % and 7 %**
EBITDA	**Annual EBITDA margin between 19 % and 22 %**

Table of contents

Highlights of the first **nine months 2014**

Group sales increase by 13 % at local currency to € 1,530 million

Diana Group consolidated for first time in third quarter

EBITDAN rises 18 % to € 343.8 million

EBITDAN margin increases to 22.5 %

Integration of Diana Group proceeding as planned

Forecast confirmed

Dear Shareholders and Friends of Symrise,

Symrise can look back on another eventful and successful quarter. We completed the closing for the acquisition of the Diana Group as planned during the past three months. This was followed by its first-time consolidation, its conversion to IFRS accounting standards and the implementation of Symrise's financial and reporting processes so that we could give account on the combined activities of both companies in this report. Throughout all of this, we have remained on a profitable growth course.

During the nine-month period, our sales rose 9 % to € 1.53 billion, which corresponds to 13 % growth at local currency. Both our Scent & Care business as well as our Flavor & Nutrition activities with Diana contributed to this growth. Scent & Care managed to achieve growth of 4 % at local currency with a considerably improved margin despite having posted double-digit percentage growth in the previous year. The Flavors division underscored its stability once more with growth of 6 % at local currency and likewise improved profitability. And even Diana, as the new member of the Symrise family, managed to get off to a great start with growth at local currency of 9 % and high profitability.

Growth is and remains a priority for Symrise, while another equally important key figure is profitability. We therefore consistently focused on high-margin business in the past quarter. High utilization rates and strict cost management were also of great importance. The results of the nine-month period confirm that this strategy is working. The normalized earnings before interest, taxes, depreciation and amortization (EBITDAN), adjusted for one-off expenses from the business combination and integration of the Diana Group, increased by 18 % to about € 344 million. The normalized EBITDA margin rose to 22.5 %. We are therefore among the most profitable companies in our industry.

Corresponding to these excellent results, we have enjoyed a very positive start to the fourth quarter. We continue to expect to grow faster than the market and target an EBITDA margin of more than 20 % for the current fiscal year. To do this, we will use our diversified portfolio and our broad customer base as well as the competencies of Diana, which we will fully integrate with our own activities. The integration of Diana is progressing as planned. The employees of Symrise and Diana are already working closely together and I would like to express my heartfelt thanks to everyone involved. I am very pleased to see how we are growing closer together with each passing day and how our unique positioning continues to develop. This is reflected in our outstanding supply of natural raw materials, diversified portfolio and deep understanding of customer and consumer needs.

Symrise therefore has the optimal conditions for taking advantage of future market opportunities and continuing its profitable growth. I invite you to continue to accompany us along the way.

Sincerely,

Dr. Heinz-Jürgen Bertram
Chief Executive Officer

Interim Group Management Report for the Period from January 1 to September 30, 2014

Overview of Business Activities

Symrise develops, produces and sells fragrances and flavors as well as active ingredients for the cosmetics industry. Its customers include companies in the perfume, cosmetics and food industries, as well as manufacturers of household products. In addition, Symrise provides biofunctional and bioactive ingredients and substances to the health and personal care sector. Symrise substantially expanded its portfolio of natural ingredients with the acquisition of the French Diana Group in July 2014. The acquisition also opened up new attractive market segments, such as the pet food market. In 2013, Symrise achieved sales of over € 1.8 billion, making it the fourth-largest company in the global flavor and fragrances market. The Diana Group generated sales in 2013 of more than € 400 million. Symrise sells its products in 160 countries. In 2013, Symrise generated 52 % of sales in industrial countries in Western Europe, North America and parts of Asia. The number of customers served by Symrise totaled approximately 6,000 in 2013. The business model is built upon long-term relationships with our customers. As is typical in the industry, however, the order situation is characterized by orders at short notice, which is reflected in an order backlog of approximately one month's sales. Symrise generated 48 % of its sales in the emerging markets in Asia, Latin America, Africa, Middle East and Eastern Europe. There are about 8,200 employees working in the Symrise Group, including those from the Diana Group. With sites in 40 countries, Symrise has a local presence in its most important sales markets. Symrise supplements its internal growth through strategic acquisitions that offer it a stronger market position or access to important technologies as well as new market segments.

The Symrise Group was initially created by a merger between the German companies Haarmann & Reimer and Dragoco in 2003. The company celebrated its 10th anniversary in 2013. Symrise's roots date back to 1874 and 1919, when the two companies were founded. In 2006, Symrise AG entered the stock market with its initial public offering (IPO). Since then, Symrise stock has been listed in the Prime Standard segment of the German stock exchange. It is listed on the MDAX® index and had a market capitalization of about € 5.5 billion as of September 30, 2014. Currently, 94 % of the shares are in free float.

The two segments, Scent & Care and Flavor & Nutrition, are responsible for the operating business. They each have their own research and development, purchasing, production, quality control, marketing and sales departments. This system allows internal processes to be accelerated. We aim to simplify procedures while making them customer-oriented and pragmatic. We place great value on fast and flexible decision-making.

The Flavor & Nutrition segment consists of the Flavor and Diana divisions following the integration of the Diana Group. The Scent & Care segment breaks down into the Fragrances, Life Essentials and Aroma Molecules divisions. The divisions are organized according to business units and regions: Europe, Africa and the Middle East (EAME), North America, Asia/Pacific and Latin America.

In addition, the Group has a Corporate Center which encompasses the central areas of finance and managerial accounting, corporate communications, investor relations, legal affairs, human resources, corporate compliance, corporate audit and global process design in order to exploit cross-segment synergies. Other supporting functions such as information technology are either outsourced to external service providers or bundled in separate Group companies. The latter have, in the areas of technology, energy, safety, the environment and logistics, for example, business ties to customers outside the Group.

Symrise AG's headquarters are located in Holzminden, Germany. At this site, which is the Group's largest, Symrise employs around 2,200 people in the areas of research, development, production, marketing and sales. A large number of Corporate Center employees are also based in Holzminden. The company has regional headquarters in the USA (Teterboro, New Jersey), Brazil (São Paulo), Singapore and in France (Brittany). Important production facilities are located in Germany, France, Brazil, Mexico, Singapore, China and the USA. The company has development centers, most notably those in Germany, France, Brazil, China, Singapore and the USA. We have sales branches in more than 30 countries.

Current Developments within the Group

ACQUISITION OF THE DIANA GROUP

Symrise AG successfully completed the takeover of the Diana Group on July 8, 2014. From that date, the Diana Group has been fully consolidated and included in the consolidated financial statements. Diana is a globally leading provider of natural, functional solutions in the areas of nutrition, pet food, food supplements, aquacultures and cosmetics. With this transaction, Symrise will substantially expand its position in the Flavor & Nutrition market, intensify backward integration for natural raw materials and enter the highly attractive market segment for pet food.

The capital expenditure totals approximately € 1.3 billion. The short-term bridge financing, which was required for the signing of the contract, has now been replaced with corresponding financing measures. The financing for this ground-breaking acquisition comprises three elements:

- a capital increase with proceeds of about € 400 million in May 2014,
- short and medium-term borrowings from our core banks totaling approximately € 400 million,
- a € 500 million bond with a five-year term placed publicly at the start of July 2014.

FULL CONSOLIDATION OF PROBI AB

The previously associated company Probi AB, Sweden, is being fully consolidated in the consolidated financial statements from April 29, 2014, pursuant to the new provisions specified in IFRS 10.

SYMVITAL® AR – UNIVERSAL AND MULTI-FACETED SKIN CARE PRODUCT MADE FROM GINGER ROOT

In August, we launched our new skin care product, SymVital® AR. The 100 % pure and natural extract made from ginger root has been shown to improve the structure and unevenness of damaged skin while promoting a healthy shine and even complexion. In addition, SymVital® AR visibly reduces the symptoms of skin aging caused by irritations and UV damage. Ginger has a large range of medical, pharmaceutical and cosmetic uses thanks to its anti-inflammatory, soothing, antibiotic, antioxidant, antiseptic and stimulating properties. Symrise uses a multi-step and environmentally-friendly separation process that specifically enriches the two main components responsible for the application's positive effects. The use of pure ginger root extract underscores Symrise's approach of using natural raw materials.

CULINARY KNOWLEDGE EXPANDING – CHEFS UNITED NETWORK FROM SYMRISE NEARLY DOUBLES IN SIZE

Chefs United, the Symrise tool for culinary insights, continues to grow. In the past months, the number of chefs in Symrise's culinary network has risen to over 26,000. The chefs provide information on local flavor preferences, typical preparations and dishes as well as current trends and flavors from around the world. Since 2012, Chefs United serves as a reliable and differentiating tool that provides meaningful and authentic insights into local cuisine and preparation styles from every continent – and it's the only one of its kind. During the past two years, Symrise has used the accummulated knowledge together with its customers in diverse projects to jointly intensify insights on the local markets. Symrise completed more than 15 global projects during this time.

Business Environment

Overall, economic development is maintaining its upward trend on the international level, but has lost momentum over the past months. In its October forecast, the International Monetary Fund (IMF) anticipates global economic growth of 3.3 % for 2014. Economic output in industrialized nations is expected to grow 1.8 % in 2014. The USA is expected to post growth of 2.2 %, while the UK is forecast to achieve growth of 3.2 %. By contrast, growth expectations for the eurozone have been considerably reduced, with an overall economic growth of only 0.8 % expected for the region. Mainly due to ongoing structural problems, the economies of Italy and France will likely achieve little to no growth. The expected growth rate for the German economy is currently considerably lower at 1.4 % than was anticipated at the beginning of the year (2 %). This is due to weaker than expected developments in domestic demand.

The economic output of the emerging and developing countries is expected to expand by 4.4 % in 2014. However, there are significant regional and country-specific differences in growth rate. Asia is showing the highest growth rate with an average of 6.5 %, led by China (7.4 %) and India (5.6 %). By contrast, some countries in Latin America are struggling with difficult economic situations: While Mexico is holding steady with an anticipated growth of 2.4 %, Brazil will only grow 0.3 % due to restrained investments and weak private consumption. The economic situations in Chile and Peru have also deteriorated, while Argentina and Venezuela in particular are suffering from high inflation, dropping currency values and reduced economic strength. Meanwhile, political crises and military conflicts are burdening economic development in Russia and parts of Eastern Europe as well as in the Middle East.

Result of Operations

1. GROUP SALES PERFORMANCE

The Symrise Group generated sales of € 1,530 million in the first nine months of 2014. This includes for the first time sales from the Diana Group since July 2014 (€ 115 million). In comparison to the first nine months of the previous year, sales increased 9 % in the reporting currency and 13 % at local currency. The Scent & Care segment posted sales of € 737 million in the first nine months of the year – slightly above the previous year's figure. At local currency, growth amounted to 4 % compared to the previous year. Flavor & Nutrition increased its sales by 19 % (24 % at local currency) in the first nine months to € 793 million, due in large part to the Diana acquisition.

Sales in the **EAME** region were very strong and were up 14 % at local currency compared to the previous year thanks to both the Diana acquisition as well as robust growth in the emerging markets of Eastern Europe, Africa and the Middle East. Business in **North America** also showed notable sales growth with an increase of 13 % at local currency. The **Asia/Pacific** region posted strong growth figures as well with a sales increase of 7 % at local currency. In **Latin America**, Symrise achieved sales growth of 20 % at local currency in the first nine months, which represents the highest regional sales growth in the Group. This figure, however, is somewhat skewed due to inflation effects in some countries.

Sales in **emerging markets** exceeded the previous year's figures by 12 % at local currency. The emerging markets' share of total Group sales amounted to 47 % (9M 2013: 48 %). On a local-currency basis, this figure amounts to 48 %.

SALES BY REGION

€ million	9M 2013	9M 2014	Change in %	Change in % at local currency
EAME	634.5	717.7	13	14
North America	264.5	290.8	10	13
Asia /Pacific	322.8	330.6	2	7
Latin America	179.4	190.8	6	20
Total	**1,401.2**	**1,530.0**	**9**	**13**

2. SCENT & CARE SEGMENT

SALES

The Scent & Care segment generated sales of € 737 million in the first nine months of 2014. It therefore posted sales slightly higher than in the strong comparative period of the previous year in the reporting currency, which was positively influenced by growth impulses in the menthol business and the fragrance activities acquired in the USA. Sales increased 4 % at local currency. Particularly in Latin America and the EAME region, we once again managed to expand sales compared to the previous year. The Life Essentials division generated a high single-digit growth rate percentage.

THE REGIONS

Sales in the **EAME** region developed positively in the first nine months of 2014 and increased by 4 % at local currency compared to the same period in the previous year. In particular the Life Essentials and Fragrances divisions posted strong sales figures, especially in the business units UV Protection and Household. Here, high growths were achieved with global and regional customers.

Sales at local currency were up 3 % in **North America** in the first nine months of 2014 compared to the previous year's figure. The positive development here is mainly due to the Fragrances division, which achieved high growth rates in the business units Personal Care and Oral Care.

In the first nine months of 2014, sales in the **Asia/Pacific** region exceeded those of the previous year by 1 % at local currency. The Life Essentials and Aroma Molecules divisions generated the highest growth rates in this region, while Fragrances posted a decline in sales. Growth was particularly pronounced in Japan, India, South Korea and Australia in the first nine months of the year.

In **Latin America**, Scent & Care achieved a sales growth of 8 % at local currency in the first nine months compared to the previous year. Particularly the Fragrances and Life Essentials divisions managed to post high percentage growth rates sometimes reaching double-digits. Argentina, Brazil, Colombia and Mexico posted particularly strong growth.

3. FLAVOR & NUTRITION SEGMENT

SALES

In the first nine months of 2014, the Flavor & Nutrition segment increased sales to € 793 million. This corresponds to an increase of 24 % at local currency (19 % in the reporting currency) compared to sales achieved in the same period in the previous year. It also includes for the first time sales from the Diana Group since July 2014 of € 115 million. Without this effect, sales growth amounts to 6 % at local currency.

THE REGIONS

Sales rose by 22 % at local currency in the **EAME** region compared to the same period in the previous year. Along with the positive sales effects of the Diana acquisition, we posted good growth in the emerging markets of Africa, the Middle East and Eastern Europe, even though the political crises made a much more notable impact here than in the previous year. As in the first six months, we were once again able to considerably expand sales in South Africa, Egypt and Poland. The established markets of Western Europe also posted good growth rates – particularly in the UK, Spain and Austria. Important growth impulses were generated in the business unit Savory. Here, we substantially increased sales with products with the flavors Beef, Chicken and Onion.

In the **North America** region, we achieved growth at local currency of 31 % in the first nine months of the year. Once again, the primary growth driver was the first-time consolidation of Diana's sales. Further, we achieved high percentage growth rates in the Sweet and Savory business units, occasionally even reaching doubledigits. In the Sweet business unit, sales with vanilla flavors were particularly dynamic.

The Flavor & Nutrition segment generated 14 % growth at local currency compared to the previous year in the **Asia/Pacific** region during the first nine months. The Philippines, Bangladesh, Thailand, India and Indonesia showed especially positive sales developments. In the business unit Savory, we achieved high growth rates thanks to new business in our flavor competency Meat. The Beverages business unit also developed very positively, realizing new wins particularly with our regional customers.

In the **Latin America** region – again our strongest performing region – Flavor & Nutrition sales were up by 41 % at local currency compared to the same period in the previous year. The key growth driver here was also the acquisition of the Diana Group. Furthermore, we managed to substantially improve sales in Argentina, Venezuela, Brazil and Chile and realized new business with our global and regional customers, particularly in the Sweet and Savory business units.

4. EARNINGS SITUATION

OPERATING RESULT

In the first nine months of 2014, acquisition and integration costs of € 12.9 million relating to the purchase of the Diana Group impacted the operating result. In the following, we provide a normalized result without these one-off, non-recurring specific influences. Due to the still preliminary purchase price allocation, scheduled amortizations on the difference are not contained in the operating result. These will be implemented later in the fourth quarter. The first-time consolidation of the Diana Group since July 2014 had a positive impact on our result (EBITN) of € 18.9 million. The **cost of sales** rose 6 % to € 861 million. Compared to the same period of the previous year, **gross profit** improved by € 80 million to € 669 million – representing an increase of 14 %. At 43.7 %, the **gross margin** was up 1.7 percentage points from the 42.0 % recorded in the first nine months of the previous year. **Selling and marketing expenses** were 9 % higher than in the previous year at € 232 million. **R&D expenses** rose 6 % to € 101 million. The R&D ratio therefore amounted to 6.6 % (9M 2013: 6.7 %). **Administration expenses** totaled € 78 million and were therefore 17 % higher than in the previous year.

Earnings before interest, taxes, depreciation and amortization on property, plant and equipment and intangible assets without specific influences (EBITDAN) increased in the first nine months of 2014 by 18 % to € 344 million (9M 2013: € 290 million). The **EBITDAN margin** for the Group improved to 22.5 % compared to 20.7 % in the same period of the previous year.

Scent & Care generated an EBITDA of € 168 million in the first nine months of 2014. EBITDA therefore rose by 11 % compared to the previous year. The EBITDA margin amounted to 22.7 %, compared to 20.5 % in the same period of the previous year.

For the first nine months of 2014, EBITDAN for the **Flavor & Nutrition** segment was 27 % higher than in the previous year at € 176 million. The EBITDAN margin therefore amounted to 22.2 % compared to 20.9 % in the same period of 2013.

OVERVIEW OF EARNINGS

€ million		9M 2013	9M 2014	Change in %	Change in % at local currency
EBITDAN		**290.2**	**343.8**	18	22
EBITDAN margin	in %	20.7	22.5		
EBITN		**223.8**	**271.1**	21	25
EBITN margin	in %	16.0	17.7		

FINANCIAL RESULT

The financial result for the first nine months of 2014 of € –34.2 million was € 6.0 million lower than in the previous year (€ –28.2 million). The effects in the item Other financial result relate to the one-time expenses for financing the purchase of the Diana Group (€ –5.0 million). Furthermore, there were one-time negative valuation effects relating to the first-time consolidation of Probi AB (€ –2.8 million). Adjusting for these one-off expenses produces a financial result of € –26.4 million and therefore a € 1.8 million reduction in expenses from the previous year.

The net interest charge increased by € 1.6 million during the first nine months of 2014, from € –25.0 million in the first nine months of 2013 to € –26.6 million.

TAXES

Tax expenses recognized in the consolidated income statement for the first nine months of 2014 amounted to approximately € 62 million. This represents a tax rate of 27.7 %, compared to about 28.5 % in the first nine months of 2013.

NET INCOME FOR THE PERIOD AND EARNINGS PER SHARE

Net income for the first nine months of 2014 amounted to € 161 million including the specific influences. This represents an increase of € 21 million compared to the same period in the previous year (9M 2013: € 140 million). Earnings per share amounted to € 1.30 for the first nine months of the year and were therefore € 0.12 higher than the previous year. Adjusting for specific influences, net income for the period totals € 176 million, which corresponds to an earnings per share of € 1.42.

Financial Position

To finance the purchase of the Diana Group, Symrise issued a € 500 million Eurobond with a five-year term at the start of July in addition to a successful capital increase totaling approximately € 400 million. Furthermore, short-term bank debt of € 126 million from the revolving credit line and € 225 million from a long-term loan were taken out.

Net debt increased by € 813.5 million, from € 412.4 million as of the reporting date December 31, 2013 to € 1,225.9 million as of September 30, 2014.

The ratio of net debt (incl. provisions for pensions and similar obligations) to EBITDAN therefore amounted to 3.2 as of September 30, 2014. The cash flow from operating activities for the first nine months was considerably increased to € 218.7 million, after achieving a figure of € 176.2 million during the same period in 2013.

Employees

As of September 30, 2014, the Group employed 8,154 people (not including trainees and apprentices) worldwide. This contains 2,069 employees from the Diana Group for the first time. In comparison to December 31, 2013 (5,959), this represents an additional 2,195 employees. The Production & Technology area posted the strongest growth, followed by the areas Research & Development and Sales & Marketing.

NUMBER OF EMPLOYEES BY FUNCTION

	December 31, 2013	September 30, 2014	Change in %
Production & technology	2,431	3,949	+62
Sales & marketing	1,561	1,753	+12
Research & development	1,160	1,440	+24
Administration	440	629	+43
Service companies	367	383	+4
Total	**5,959**	**8,154**	**+37**

Base: not including trainees and apprentices

Opportunities and Risk Report

No risks in accordance with Sec. 91 (2) of the German Stock Corporation Act (AktG) that could endanger the continued existence of the Symrise Group can be identified at present.

A detailed discussion of the opportunities and risks as well as a description of the risk management system can be found in the 2013 financial report on pages 26 et seq. The statements made there remain unchanged. Possible risks for the Diana Group are not contained in this report. At the moment, however, there are no recognizable risks pursuant to Section 91 (2) of the German Stock Corporation Act (AktG) that could endanger the continued business of the Diana Group.

Outlook

After nine months, Symrise is confirming its goals for the 2014 fiscal year. The Group expects a continued positive market development for all regions and in both segments. With the acquisition of the French Diana Group in mid-2014, the company substantially expanded its competencies and added new, dynamically growing business units such as pet foods. Correspondingly we expect sales at local currency to continue growing considerably faster than the global market for fragrances and flavors in the future. According to our own estimates, the relevant market is expected to grow by 2 to 3 % worldwide for the current and following year. Symrise continues to target an EBITDA margin of more than 20 % for both the Flavor & Nutrition and Scent & Care segments. The long-term goals also apply for the newly acquired Diana Group: Symrise is aiming for average annual sales growth (CAGR) between 5 and 7 % and an EBITDA margin between 19 and 22 % through the year 2020.

The long-term growth trends remain intact in both the mature markets as well as the emerging markets. With the acquisition of the Diana Group, Symrise has optimally supplemented its portfolio of natural raw materials and food ingredients while adding the business unit of pet food. In order to maintain our solid profitability, we will continue to focus on high-yield business and strict cost management. This includes initiatives like the development of innovative products and technologies as well as efficiency increases for realizing our sustainability goals. Increasing raw material prices and fluctuating exchange rates could impact profitability from time to time. The current geopolitical effects and unresolved political conflicts could also put a damper on growth. Such effects are currently difficult to forecast.

With the combination of Symrise and Diana, the company has further expanded its diverse portfolio and improved its competitive position. The three pillars of the strategy – growth, efficiency and portfolio – remain focused on sustainable, profitable growth.

Subsequent Report

No events subject to reporting occurred after the end of the reporting period.

Condensed Consolidated Interim Financial Statements as of September 30, 2014

Consolidated Income Statement

T€	Notes	9M 2013	9M 2014 normalized	One-off non-recurring specific influences in 9M 2014*	9M 2014
Sales	5	1,401,178	1,529,990	0	1,529,990
Cost of sales		-812,477	-860,817	-443	-861,260
Gross profit		**588,701**	**669,173**	**-443**	**668,730**
Other operating income	6	10,681	14,425	0	14,425
Selling and marketing expenses		-212,879	-232,029	-3,531	-235,560
Research and development expenses		-94,461	-100,580	-503	-101,083
Administration expenses		-66,797	-78,054	-8,436	-86,490
Other operating expenses		-1,437	-1,822	0	-1,822
Income from operations/EBIT		**223,808**	**271,113**	**-12,913**	**258,200**
Financial income		1,015	1,485	0	1,485
Financial expenses		-29,204	-27,850	-7,826	-35,676
Financial result	7	**-28,189**	**-26,365**	**-7,826**	**-34,191**
Income before income taxes		**195,619**	**244,748**	**-20,739**	**224,009**
Income taxes	8	-55,687	-67,709	5,602	-62,107
Net income for the period		**139,932**	**177,039**	**-15,137**	**161,902**
thereof attributable to shareholders of Symrise AG		139,932	175,896	-15,137	160,759
thereof attributable to non-controlling interests		0	1,143	0	1,143
Earnings per share (€) – diluted and basic	9	1.18	1.42	-0.12	1.30

* One-off non-recurring specific influences include transaction and integration costs as well as one-off valuation effects related to business combinations (see note 4).

Consolidated Income Statement

T€	Notes	Q3 2013	Q3 2014 normalized	One-off non-recurring specific influences in Q3 2014*	Q3 2014
Sales	5	466,460	588,195	0	588,195
Cost of sales		–272,467	–333,371	–123	–333,494
Gross profit		**193,993**	**254,824**	**–123**	**254,701**
Other operating income	6	3,855	6,066	0	6,066
Selling and marketing expenses		–69,481	–85,745	–3,229	–88,974
Research and development expenses		–31,242	–36,846	–503	–37,349
Administration expenses		–20,556	–31,437	–5,634	–37,071
Other operating expenses		–142	–1,026	0	–1,026
Income from operations/EBIT		**76,427**	**105,836**	**–9,489**	**96,347**
Financial income		196	792	0	792
Financial expenses		–10,244	–9,814	–297	–10,111
Financial result	7	**–10,048**	**–9,022**	**–297**	**–9,319**
Income before income taxes		**66,379**	**96,814**	**–9,786**	**87,028**
Income taxes	8	–19,835	–29,189	2,497	–26,692
Net income for the period		**46,544**	**67,625**	**–7,289**	**60,336**
thereof attributable to shareholders of Symrise AG		46,544	66,767	–7,289	59,478
thereof attributable to non-controlling interests		0	858	0	858
Earnings per share (€) – diluted and basic	9	0.39	0.52	–0.06	0.46

* One-off non-recurring specific influences include transaction and integration costs as well as one-off valuation effects related to business combinations (see note 4).

Consolidated Statement of Comprehensive Income

T€	Q3 2013	Q3 2014	9M 2013	9M 2014
Net income for the period	**46,544**	**60,336**	**139,932**	**161,902**
thereof attributable to shareholders of Symrise AG	46,544	59,478	139,932	160,759
thereof attributable to non-controlling interests	0	858	0	1,143
Items that may be reclassified subsequently to profit or loss				
Exchange rate differences resulting from the translation of foreign operations	–23,558	35,527	–40,377	39,810
Change in fair value of financial assets available for sale	–14	23	–27	63
Gains and losses from cash flow hedges (currency hedges)	144	–270	–200	–555
Income taxes payable on these components	854	408	1,354	–181
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit pension plans and similar obligations	9,388	–28,346	43,083	–74,711
Income taxes payable on these components	–2,956	8,436	–13,350	22,336
Other comprehensive income	**–16,142**	**15,778**	**–9,517**	**–13,238**
Total comprehensive income	**30,402**	**76,114**	**130,415**	**148,664**
thereof attributable to shareholders of Symrise AG	30,402	75,160	130,415	147,425
thereof attributable to non-controlling interests	0	954	0	1,239

Consolidated Statement of Financial Position

T€	Notes	December 31, 2013	September 30, 2014
ASSETS			
Current assets			
Cash and cash equivalents		135,343	210,688
Trade receivables		321,547	442,487
Inventories		368,567	476,780
Other assets and receivables	10	36,246	66,589
Financial assets	11	2,324	8,166
Current tax assets		8,341	21,800
		872,368	**1,226,510**
Non-current assets			
Deferred tax assets		46,192	64,411
Other assets and receivables	10	7,107	21,152
Financial assets	11	15,112	10,135
Investments in associates	4	15,082	70
Investment property	12	2,583	2,162
Intangible assets	13	812,356	1,893,811
Property, plant and equipment	14	439,622	585,569
		1,338,054	**2,577,310**
TOTAL ASSETS		**2,210,422**	**3,803,820**

Consolidated Statement of Financial Position

T€	Notes	December 31, 2013	September 30, 2014
LIABILITIES			
Current liabilities			
Trade payables		150,799	186,560
Borrowings	15	40,999	192,325
Other liabilities	16	75,921	135,662
Other provisions	17	5,048	6,736
Financial liabilities	18	4,003	8,583
Current tax liabilities		51,332	74,691
		328,102	**604,557**
Non-current liabilities			
Borrowings	15	506,741	1,244,239
Other liabilities		2,211	1,320
Other provisions	17	14,538	16,464
Provisions for pensions and similar obligations	19	332,400	422,020
Financial liabilities	18	6,968	5,929
Deferred tax liabilities		68,399	65,993
		931,257	**1,755,965**
TOTAL LIABILITIES		**1,259,359**	**2,360,522**
EQUITY			
Share capital		118,173	129,813
Capital reserve		970,911	1,375,957
Revaluation reserve		2,735	2,735
Fair value reserve		–12	35
Cash flow hedge reserve		133	–269
Reserve for remeasurements (pensions)		–80,543	–132,918
Cumulative translation differences		–70,553	–31,157
Accumulated profit		10,219	88,257
Non-controlling interests		0	10,845
TOTAL EQUITY	20	**951,063**	**1,443,298**
TOTAL LIABILITIES AND EQUITY		**2,210,422**	**3,803,820**

Consolidated Statement of Cash Flows

T€	Notes	9M 2013	9M 2014
Net income for the period		**139,932**	**161,902**
Income taxes	8	55,687	62,107
Interest result	7	25,025	26,579
Sub-total		**220,644**	**250,588**
Amortization, depreciation and impairment losses on non-current assets		66,391	72,736
Change in non-current provisions and liabilities		10,298	–4,149
Change in non-current assets		–8,006	6,636
Transfer of exchange gains to the income statement	6	–1,681	–3,615
Impact on earnings from business combinations achieved in stages	4, 7	0	2,799
Unrealized currency translation effects		10,050	–448
Change in fair value of investment property		–1,673	–247
Other non-cash items		–1,370	525
Sub-total		**74,009**	**74,237**
Cash flow before working capital changes		**294,653**	**324,825**
Increase in trade receivables or other assets that are not attributable to investing or financing activities		–64,332	–47,793
Increase in inventories		–32,011	–16,233
Increase in trade payables or other liabilities that are not attributable to investing or financing activities		20,117	9,206
Income taxes paid		–42,227	–51,322
Cash flow from operating activities		**176,200**	**218,683**
Payments for business combinations	4	–67,141	–386,709
Payments for investments in intangible assets and property, plant and equipment as well as for non-current assets and investments in associates		–45,147	–54,288
Cash flow from investing activities*		**–112,288**	**–440,997**
Proceeds from bank borrowings		246,098	614,802
Redemption of bank borrowings		–214,454	–589,531
Proceeds from bonds		0	494,550
Redemption of other financial liabilities		0	–493,306
Issue of shares	20	0	401,400
Transaction costs related to the issuing of shares	20	0	–6,091
Interest paid		–8,638	–49,010
Dividends paid		–76,813	–83,361
Dividends received		151	0
Leasing payments		0	–378
Cash flow from financing activities		**–53,656**	**289,075**
Net change in cash and cash equivalents		10,256	66,761
Effects of changes in exchange rates		–8,897	8,584
Total changes		**1,359**	**75,345**
Cash and cash equivalents as of January 1		117,445	135,343
Cash and cash equivalents as of September 30		**118,804**	**210,688**

* From the second quarter 2014 on, the holding in Probi AB, Sweden, which was previously recognized using the equity method, is now recognized as a fully consolidated subsidiary (see note 4). The shares purchased in 2014 are recognized as business combinations after deduction of cash and cash equivalents received.

Consolidated Statement of Changes in Equity

T€	Share capital	Capital reserve	Revaluation reserve	Fair value reserve	Cash flow hedge reserve (currency hedges)	Reserve for remeasure-ments (pensions)	Cumulative translation differences	Accu-mulated deficit	Total equity
January 1, 2013	**118,173**	**970,911**	**2,808**	**–900**	**112**	**–111,300**	**–15,193**	**–85,304**	**879,307**
Net income for the period	0	0	0	0	0	0	0	139,932	**139,932**
Other comprehensive income	0	0	–75	–31	–157	29,733	–38,987	0	**–9,517**
Total comprehensive income	**0**	**0**	**–75**	**–31**	**–157**	**29,733**	**–38,987**	**139,932**	**130,415**
Reclassification from financial instruments (available for sale) to investments in associates	0	0	0	926	0	0	0	1	**927**
Dividends paid	0	0	0	0	0	0	0	–76,813	**–76,813**
September 30, 2013	**118,173**	**970,911**	**2,733**	**–5**	**–45**	**–81,567**	**–54,180**	**–22,184**	**933,836**

T€	Share capital	Capital reserve	Revalua-tion reserve	Fair value reserve	Cash flow hedge reserve (currency hedges)	Reserve for remea-surements (pensions)	Cumulative translation differences	Accu-mulated profit	Total equity of share-holders of Symrise AG	Non-con-trolling interests	Total equity
January 1, 2014	**118,173**	**970,911**	**2,735**	**–12**	**133**	**–80,543**	**–70,553**	**10,219**	**951,063**	**0**	**951,063**
Net income for the period	0	0	0	0	0	0	0	160,759	160,759	1,143	**161,902**
Other comprehensive income	0	0	0	47	–402	–52,375	39,396	0	–13,334	96	**–13,238**
Total comprehensive income	**0**	**0**	**0**	**47**	**–402**	**–52,375**	**39,396**	**160,759**	**147,425**	**1,239**	**148,664**
Issue of ordinary shares	11,640	405,046	0	0	0	0	0	0	416,686	0	**416,686**
Non-controlling interests via business combinations	0	0	0	0	0	0	0	0	0	10,246	**10,246**
Dividends paid	0	0	0	0	0	0	0	–82,721	–82,721	–640	**–83,361**
September 30, 2014	**129,813**	**1,375,957**	**2,735**	**35**	**–269**	**–132,918**	**–31,157**	**88,257**	**1,432,453**	**10,845**	**1,443,298**

Probi AB, Sweden, which has been fully consolidated from the second quarter 2014 on, holds 250,000 own shares with a nominal value of SEK 5. This represents 2.7% of the company's equity.

Notes

1. GENERAL INFORMATION

The condensed interim consolidated financial statements as of September 30, 2014, for Symrise Aktiengesellschaft (AG), hereafter referred to as "we" or "Symrise," were approved for submission to the Supervisory Board's Auditing Committee and subsequent publication by a resolution of the Executive Board on November 3, 2014.

These condensed consolidated interim financial statements as of September 30, 2014, have neither been audited in accordance with Section 317 of the German Commercial Code (HGB) nor have they been the subject of audit review procedures by an auditor.

Business activities in both the Scent & Care and Flavor & Nutrition segments are hardly subject to seasonal influences. Some limited seasonal effects may occur in individual divisions.

The most relevant exchange rates for Symrise developed as follows during the past nine months:

			Closing rate = € 1		Average rate = € 1	
Country	**Currency**		**December 31, 2013**	**September 30, 2014**	**9M 2013**	**9M 2014**
UK	British Pound	GBP	0.833	0.778	0.852	0.812
USA	US Dollar	USD	1.377	1.259	1.317	1.355
Mexico	Mexican Peso	MXN	18.027	16.995	16.697	17.774
Brazil	Brazilian Real	BRL	3.252	3.081	2.794	3.101
Singapore	Singapore Dollar	SGD	1.739	1.606	1.649	1.704
China	Chinese Renminbi	CNY	8.334	7.748	8.124	8.356

2. ACCOUNTING POLICIES

Symrise has prepared its condensed consolidated interim financial statements as of September 30, 2014, in accordance with the International Financial Reporting Standards (IFRS) and their related interpretations (IFRIC) published by the International Accounting Standards Board (IASB) as mandatorily applicable within the European Union (EU). The existing deviations from the applicable IFRS that were approved by the IASB and those adopted by the EU have no effect on this report. The consolidated interim financial statements have been prepared in compliance with International Accounting Standard (IAS) 34 – Interim Financial Reporting.

The same accounting policies that were used in preparing the consolidated financial statements as of December 31, 2013, which are described in the Notes section of that report under note 2, were also used for this report. Furthermore, the mandatory IFRS revisions and additions have been applied to the interim financial statements from January 1, 2014:

- **IFRS 10 "Consolidated Financial Statements"** creates a uniform basis for the definition of a parent-subsidiary-relationship and the precise definition of the scope of consolidation. In this regard, the new standard replaces the previously relevant regulations in **IAS 27 "Consolidated and Separate Financial Statements"** and **SIC 12 "Consolidation - Special Purpose Entities." IFRS 11 "Joint Arrangements"** regulates the accounting of cases where a company has joint control over a joint venture or a joint operation. In this context, **IAS 28 "Investments in Associates"** was accordingly modified so that companies are required to measure their interests in joint ventures and associated companies according to the equity method; the application of proportional consolidation for joint ventures is therefore not applied. **IFRS 12 "Disclosures of Interests in Other Entities"** summarizes the disclosure requirements for the interests of a company towards subsidiaries, joint arrangements, associated companies and structured companies into a comprehensive standard. The **Amendments to IFRS 10, IFRS 11 and IFRS 12 "Transition Guidance"** contain a clarification and additional simplifications for the transition to IFRS 10, IFRS 11 and IFRS 12. As a result, adjusted comparative information is only required for the previous comparative period. Further, the requirement on disclosures of comparative information for periods that began prior to the initial application of IFRS 12 is negated in connection with notes on non-consolidated structured entities. The application of the new standards had no impact on Symrise's consolidated interim financial statements. Disclosures pursuant to IFRS 12 will be presented in the notes at the end of the fiscal year.

- **Amendments to IAS 32 "Offsetting Financial Assets and Financial Liabilities"** clarify which requirements exist for offsetting financial instruments. In the amendment, the meaning of the current legal right to offsetting is explained and clarifies which methods with gross settlement as net settlement can be considered in accordance with the standard. The effects of this amendment were of limited significance for Symrise's consolidated interim financial statements.

- According to the **Amendment to IAS 39 "Novation of Derivatives and Continuation of Hedge Accounting,"** derivatives remain designated as hedging instruments in ongoing hedging relationships despite a novation of a hedging instrument to a central counterparty as a result of legal requirements under certain circumstances. The changes had no impact on Symrise's consolidated interim financial statements.

In compliance with IAS 34, the condensed consolidated interim financial statements do not provide the full information and disclosures that are required in the consolidated financial statements for the full fiscal year and the condensed interim financial statements should therefore be read in conjunction with the consolidated financial statements as of December 31, 2013.

In these consolidated interim financial statements, the breakdown of the consolidated income statement has been expanded to include an extra column for one-off non-recurring specific influences, in order to more clearly present the result of operations and to simplify comparability with the previous year. There was no separate depiction of one-off non-recurring specific influences relating to business combinations in the previous year, as their impact on the consolidated income statement was of limited significance.

Due to rounding, small differences may arise in this report when total amounts are disclosed or percentages are calculated.

3. SCOPE OF CONSOLIDATION

The changes to the scope of consolidation during the reporting period are presented in the following table:

	December 31, 2013	September 30, 2014
Fully consolidated subsidiaries		
Domestic	11	11
Foreign	44	87
Associated companies accounted for using the equity method		
Foreign	2	2
Total	**57**	**100**

In the second quarter of 2014, Probi AB, Sweden, which was previously measured according to the equity method, was classified as a subsidiary and subsequently included in the consolidated financial statements as a result of its full consolidation (see note 4). In addition, two further companies were also founded: Symrise IP-Holding GCV, Belgium, and Symrise Nigeria Limited, Nigeria.

Furthermore, the following companies were acquired as part of the acquisition of the Diana Group (see note 4), effective as of July 8, 2014:

Fully consolidated subsidiaries	
Name and registered office of the entity	**Share**
Europe	
Kerisper Management SAS, France	100.00%
Diana Naturals SAS, France	100.00%
Société de Protéines Industrielles SNC, France	100.00%
Villers SAS, France	100.00%
Arôme de Chacé SAS, France	100.00%
Compagnie Alimentaire Pleucadeucienne, France	100.00%
Kerisper SAS, France	100.00%
Diana SAS, France	100.00%
Diana Trans, France	100.00%
Anaid SAS, France	100.00%
Spécialités Pet Food SAS, France	100.00%
DianaPlantSciences SAS, France	100.00%
MAP Technologies Ltd, UK	100.00%
Confoco International Ltd, UK	100.00%
SPF UK Ltd, UK	60.00%
SPF RUS, Russia	100.00%
SPF Diana Espana SL, Spain	100.00%
SPF Hungary Kft, Hungary	99.67%
North America	
SPF Canada - Group Diana Inc., Canada	100.00%
Confoco USA, USA	100,00%
Diana Natural Inc., USA	100.00%
SPF USA Inc., USA	100.00%
SPF North America Inc., USA	100.00%
Diana Aquasea Inc., USA	100.00%
Diana US Inc., USA	100.00%
DianaPlantSciences Inc., USA	100.00%

Latin America	
SPF Argentina, Argentina	99.97%
SPF Do Brasil Ltd, Brazil	99.99%
Diana Naturals Chile Ltda, Chile	100.00%
Diana Naturals Chile SpA, Chile	100.00%
Aquasea Costa Rica, Costa Rica	55.00%
Confoco SA, Ecuador	99.90%
Ecuaprotein SA, Ecuador	53.00%
SPF Mexico SA de CV, Mexico	99.99%

Asia and Pacific	
SPF Diana Australia PTY Ltd, Australia	100.00%
SPF (Qingdao) Trading Co., Ltd, China	100.00%
Diana Naturals Private Ltd, India	100.00%
Diana Group Pte Ltd, Singapore	100.00%
SPF Thailand, Thailand	51.60%

Africa and Middle East	
SPF South Africa (RSA), South Africa	100.00%

Associated companies

Name and registered office of the entity	Share
Cuisi-nat SARL, France	30.00%

4. BUSINESS COMBINATIONS

Payments for business combinations amounting to € 386.7 million (after deducting acquired cash and cash equivalents) were made during the reporting period. Alongside of the two acquisitions made in 2014 (Probi AB and the Diana Group), which are described in the following sections, the first partial payment of USD 4.0 million (T€ 3.176) for the conditional purchase price components for the Belmay Group acquired in 2013 was due at the end of September 2014.

PROBI AB

Probi AB, headquartered in Lund, Sweden, (hereafter: Probi) researches and develops in the area of probiotics and is one of the leading manufacturers of probiotic cultures for beverages, milk products and nutritional supplements. Probi is highly regarded among internationally operating food and consumer goods manufacturers, thanks to its pioneering concepts in the research, development and manufacture of probiotics. The company markets probiotics for products that support intestinal health and help to maintain a healthy immune system. Since its founding in 1991, Probi has developed a strong and innovative research and development platform and possesses extensive, patented know-how. With its expansion into new areas such as oral care, Probi is tapping into additional growth potential.

Symrise and Probi are working together to identify probiotics with health-promoting characteristics. The focus of the strategic collaboration is the development of functional ingredients for oral care products. Probi already has commercialized probiotic cultures as well as new strains with specific efficacy profiles. Symrise, in turn, is among the world's leading suppliers of products for dental care and oral hygiene. With the combination of Symrise's know-how in the areas of sensory and functional ingredients and Probi's wealth of experience in patented probiotics, completely new products with high-quality profiles can be developed for consumers – particularly those that offer proven health benefits.

As of December 31, 2013, 29.9 % of shares in Probi were held by Symrise. The successive purchase of additional shares led Symrise's holdings in the company to exceed the 30 % threshold in January 2014, which required Symrise to present the other shareholders with a mandatory public offer in the first quarter. The offer price amounted to SEK 40.10 per share. In total, 1.6 million shares (16.6 %) were tendered to Symrise. The resulting acquisition costs amounted to € 7.4 million. As a result, Symrise holds a 46.6 % stake in Probi.

Based on the provisions of IFRS 10, it must be assessed whether a company, even a company holding less than 50 % of the voting rights, exercises de facto control and whether the company under control is to be listed as fully consolidated in the consolidated financial statements as a result. As of March 31, 2014, this assessment was fraught with uncertainty as there was no way of knowing how the increase in Symrise's holding would affect participation at Probi's Annual General Meeting. The low turnout at Probi's Annual General Meeting on April 29, 2014, provides us with an adequate basis for declaring that Symrise exercises de facto control over Probi. For this reason, Probi is to be classified as a subsidiary from April 29, 2014 and was fully consolidated from this date. The carrying amount of the investment in the associate totaled € 22.5 million as of April 29, 2014. A one-off non-recurring valuation effect of € –2.8 million resulted from the transition of applying the equity method to full consolidation. This is recognized in the financial result. The first-time consolidation took place using the partial goodwill method, considering Probi's holding of own shares (2.7 %).

The assets and liabilities recognized for the first time in the consolidated statement of financial position were initially measured at their carrying amounts. The amount exceeding net assets is initially recognized as goodwill within intangible assets. The following table summarizes the recognized amounts of acquired assets and liabilities as of the acquisition date:

T€	Initially recognized value as of acquisition date
Cash and cash equivalents	10,476
Trade receivables	2,371
Intangible assets	2,977
Other assets	1,252
Trade payables	–1,001
Other liabilities	–1,359
Net assets	**14,716**
Non-controlling interests	–8,017
Acquired net assets	**6,699**
Consideration transferred for acquiring the interests	**19,717**
Positive difference	**13,018**

Of the recognized goodwill, none is likely to be deductible for tax purposes. The first-time consolidation should be viewed as preliminary as it is based on estimates, which in turn are based on post-processing, in order to take facts and conditions that already existed as of the purchase date into consideration.

Since the acquisition date, the acquired business contributed € 7.6 million to sales and € 1.6 million to the operating result (EBIT) of the Symrise Group. Had the first-time consolidation already taken place by January 1, 2014, the Group would have posted sales of € 1,532.9 million and an operating result of € 258.9 million for the first nine months.

DIANA GROUP

On July 8, 2014, Symrise acquired all shares in Kerisper SAS and Kerisper Management SAS, both of which are French companies headquartered in Saint Nolff, France, and the owners of the Diana Group. The Diana Group is one of the leading suppliers of sensory solutions based on natural ingredients and has become a preferred partner to manufacturers of foods, pet food, functional foods, aquacultures and cosmetics. It operates production sites and sales branches in 23 countries across Europe, North and Latin America as well as Asia.

With the acquisition, Symrise's portfolio of natural ingredients will be considerably expanded, while new fields of business, such as the market for pet food, are tapped into, backwards integration with agricultural raw materials is expanded and our customers are further supported in their requirements regarding the traceability of ingredients used. This business combination provides Symrise with an opportunity for profitable growth beyond our traditional target markets and contributes to future value creation in the Flavor & Nutrition segment.

The preliminary purchase price amounts to € 457.9 million and consists of components to be remunerated in cash (€ 438.3 million) and, to a lesser extent, in Symrise shares (€ 19.6 million). The number of shares needed to cover this part of the purchase price is based on the closing price for the Symrise share on the day of closing, July 28, 2014. This corresponded to a total of 489.274 ordinary shares issued at a fair value of € 40.08 per share.

The assets and liabilities recognized for the first time in the consolidated statement of financial position were initially measured at their carrying amounts. The amount exceeding net assets is recognized as goodwill within intangible assets and was so far not subject to a scheduled amortization. The following table summarizes the recognized amounts of acquired assets and liabilities as of the acquisition date:

T€	Initially recognized value as of acquisition date
Cash and cash equivalents	51,686
Trade receivables	72,231
Inventories	77,693
Intangible assets	17,797
Property, plant and equipment	121,450
Other assets	20,080
Current tax assets	19,561
Deferred tax assets	1,826
Trade payables	–45,674
Borrowings	–869,747
Provisions	–8,789
Other liabilities	–41,793
Deferred tax liabilities	–2,541
Net assets	**–586,220**
Non-controlling interests	–2,230
Acquired net assets	**–588,450**
Consideration transferred for acquiring the interests	**457,884**
Positive difference	**1,046,334**

The positive difference results from synergy and earning potential expected from the integration of the operating business into the Symrise Group, and is not expected to be deductible for tax purposes. When measuring the non-controlling interests in the acquired Diana companies, the accounting option from IFRS 3 (19) was used, which allows for the measurement of non-controlling interests with the corresponding share of net assets and results in a lower recognition (partial goodwill method).

In terms of the acquired borrowings amounting to € 844.1 million, € 530.8 million corresponds to financial loans made available by shareholders, and € 313.3 million stems from bank-backed loans – each including accrued interest. These became due with the acquisition and were immediately redeemed by Symrise. Together with the consideration of € 457.9 million for the acquired net assets, this represents a transaction volume of € 1.3 billion.

The first-time consolidation of this acquisition should be viewed as preliminary as it is based on estimates, which in turn are based on post-processing, in order to take facts and conditions that already existed as of the purchase date into consideration.

Since the acquisition date, the acquired business contributed € 114.7 million to sales and € 18.5 million to the operating result (EBIT) of the Symrise Group. Consolidated net sales and operating result forecasts showing the figures that would have been achieved had the acquisition been completed as of January 1, 2014, could not be adequately determined due to the conversion from accounting according to French commercial law to accounting in accordance with IFRS standards and in compliance with Symrise's internal accounting guidelines, and have therefore not been disclosed.

In the Flavor & Nutrition segment, one-off non-recurring ancillary acquisition costs up until September 30, 2014, related to the acquisition and integration totaling € 12.9 million were recognized in the operating result (cost of sales: € 0.5 million, selling and marketing expenses: € 3.5 million, research and development expenses: € 0.5 million, administration expenses: € 8.4 million). There are also considerations for financing the acquisition of € 5.0 million recognized in the financial result.

5. SEGMENT REPORTING

T€	Q3 2013	Q3 2014	9M 2013	9M 2014
Sales	**466,460**	**588,195**	**1,401,178**	**1,529,990**
Scent & Care	245,944	244,296	736,253	736,833
Flavor & Nutrition	220,516	343,899	664,925	793,157
EBITDA	**98,988**	**125,379**	**290,199**	**330,936**
Scent & Care	52,774	57,825	151,170	167,613
Flavor & Nutrition	46,214	67,554	139,029	163,323
Amortization, depreciation and impairment losses on non-current assets	**–22,561**	**–29,032**	**–66,391**	**–72,736**
Scent & Care	–11,556	–11,136	–33,663	–33,062
Flavor & Nutrition	–11,005	–17,896	–32,728	–39,674
EBIT	**76,427**	**96,347**	**223,808**	**258,200**
Scent & Care	41,218	46,689	117,507	134,551
Flavor & Nutrition	35,209	49,658	106,301	123,649
Financial result	**–10,048**	**–9,319**	**–28,189**	**–34,191**
Income before income taxes	**66,379**	**87,028**	**195,619**	**224,009**

The operational results of the segments are monitored separately by management in order to be able to make decisions concerning the allocation of resources and to determine the profitability of the units. The profitability of the segments is assessed based on their income from operations before depreciation, amortization and impairment on property, plant and equipment and intangible assets (EBITDA). The financing of the Group (including financial expenses and financial income) and taxation of income are areas that are managed at Group level and are not allocated to the individual segments.

For information on the development of our segments Scent & Care and Flavor & Nutrition, please refer to the accompanying management report.

Within the Flavor & Nutrition segment there are one-off non-recurring specific influences in the operating result amounting to € 12.9 million up until September 30, 2014, related to the acquisition and integration of the Diana Group.

6. OTHER OPERATING INCOME

This item predominately contains income from the transfer of exchange rate differences from the currency reserve, which resulted from the capital reduction at a subsidiary in Singapore. It also contains income from government subsidies, service units and from the reversal of impairments on receivables. The income from service units derives from logistical, technical and security-related services performed by Group companies for third parties.

7. FINANCIAL RESULT

T€	Q3 2013	Q3 2014	9M 2013	9M 2014
Interest income				
from bank deposits	132	419	556	886
other	16	327	110	509
Interest income	**148**	**746**	**666**	**1,395**
Other financial income	48	46	349	90
Financial income	**196**	**792**	**1,015**	**1,485**
Interest expenses				
from bank loans	–909	–1,509	–2,607	–2,847
from other loans	–4,375	–4,604	–13,369	–13,409
other	–3,116	–4,489	–9,715	–11,718
Interest expenses	**–8,400**	**–10,602**	**–25,691**	**–27,974**
Foreign currency gains/losses	–1,382	1,713	–2,478	1,476
Fees for financing the Diana acquisition	0	–297	0	–5,027
Impact on earnings from business combinations achieved in stages	0	0	0	–2,799
Other financial expenses	–462	–925	–1,035	–1,352
Financial expenses	**–10,244**	**–10,111**	**–29,204**	**–35,676**
Financial result	**–10,048**	**–9,319**	**–28,189**	**–34,191**
thereof interest result	–8,252	–9,856	–25,025	–26,579
thereof other financial result	–1,796	537	–3,164	–7,612

The financial result for the Group contains one-off non-recurring specific influences relating to the financing of the acquisition of the Diana Group amounting to € 5.0 million, as well as one-off non-recurring specific influences of € 2.8 million stemming from the first-time consolidation of Probi AB, Sweden (see note 4).

8. INCOME TAXES

Current taxes paid or owed in individual countries and deferred taxes are recognized as income taxes.

T€	Q3 2013	Q3 2014	9M 2013	9M 2014
Current tax expense	–21,119	–24,341	–62,665	–61,282
Deferred tax expense	1,284	–2,351	6,978	–825
Income taxes	**–19,835**	**–26,692**	**–55,687**	**–62,107**
Effective tax rate (in %)	29.9	30.7	28.5	27.7

9. EARNINGS PER SHARE

11,150,000 new shares were issued in the second quarter of 2014 and 489,274 new shares in the third quarter of 2014, which were entitled to dividend payments from January 1, 2014, and correspondingly proportionately included in the calculation of earnings per share.

Basic earnings per share are calculated by dividing the profit attributable to the holders of the parent company's ordinary shares by the weighted average number of ordinary shares outstanding during the reporting period.

No option or conversion rights were issued in the first nine months of 2014 or in the year 2013. As a consequence, there is no dilutive effect on the earnings per share. The diluted and basic results are therefore identical.

	Q3 2013	Q3 2014	9M 2013	9M 2014
Net income for the period attributable to the shareholders of Symrise AG (T€)	46,544	59,478	139,932	160,759
Weighted average number of ordinary shares (shares)	118,173,300	129,535,319	118,173,300	123,818,973
Earnings per share (€)	**0.39**	**0.46**	**1.18**	**1.30**

10. OTHER CURRENT AND NON-CURRENT ASSETS AND RECEIVABLES

The items mainly include advance payments made and deferred listing fees (current: € 23.6 million, non-current: € 6.2 million; December 31, 2013: current: € 15.5 million, non-current: € 6.8 million) as well as current value-added tax and other non-income tax receivables (€ 34.3 million; December 31, 2013: € 19.3 million).

11. CURRENT AND NON-CURRENT FINANCIAL ASSETS

The financial assets mainly contain fiduciary account balances in connection with the processing of the acquisition of the Belmay Group in the 2013 fiscal year (current: € 3.2 million, non-current: € 1.6 million; December 31, 2013: current: € 0.0 million, non-current: € 7.3 million). Non-current financial assets also include securities totaling € 5.4 million (December 31, 2013: € 5.3 million). Current financial assets contain a reimbursement claim of € 2.3 million (December 31, 2013: € 0.0 million) for withholding and wage taxes paid in France. Further financial assets resulted from collateral pledged (current: € 1.4 million, non-current: € 1.7 million; December 31, 2013: current: € 1.0 million, non-current: € 1.1 million) and loans to customers and employees (current: € 1.2 million, non-current: € 1.3 million; December 31, 2013: current: € 1.2 million, non-current: € 1.4 million).

12. INVESTMENT PROPERTY

Investment property refers to property and buildings in Switzerland that are being held for the purpose of capital appreciation.

T€	Investment property
January 1, 2014	**2,583**
Disposals	–708
Fair value changes	
Recognized in profit or loss	247
Currency translation effects	40
September 30, 2014	**2,162**

Fair value is determined using market value simulation. This resulted in an underlying price range of CHF 130 to 255 per square meter.

13. INTANGIBLE ASSETS

In the first nine months of 2014, investments in intangible assets amounted to € 7.0 million (September 30, 2013: € 78.4 million). In the previous year, additions were mainly related to the business combination with the Belmay Group (€ 71.5 million).

14. PROPERTY, PLANT AND EQUIPMENT

In the first nine months of 2014, € 48.6 million (September 30, 2013: € 35.8 million) was invested in property, plant and equipment. The most important investments include the expansion of chemical production, the capacity expansion in extraction and distillation as well as the renovation to the mass spectrometer in research.

15. CURRENT AND NON-CURRENT BORROWINGS

	Current borrowings		Non-current borrowing	
T€	December 31, 2013	September 30, 2014	December 31, 2013	September 30, 2014
Bank borrowings	37,077	177,998	82,177	304,179
Other borrowings	53	1,938	424,564	940,060
Accrued interest	3,869	12,389	0	0
Total	**40,999**	**192,325**	**506,741**	**1,244,239**

To finance the acquisition of the Diana Group, Symrise issued a € 500.0 million bond on July 3, 2014. The bond has a term of five years and a nominal interest rate of 1.75 %.

Net debt is determined as follows:

T€	Dezember 31, 2013	September 30, 2014
Borrowings	547,740	1,436,564
Cash and cash equivalents	–135,343	–210,688
Net debt	**412,397**	**1,225,876**
Provisions for pensions and similar obligations	332,400	422,020
Net debt incl. provisions for pensions and similar obligations	**744,797**	**1,647,896**

The leverage covenants are determined by basing the net debt or net debt incl. provisions for pensions and similar obligations on the EBITDAN of the last 12 months. As information on the Diana Group according to the accounting standards used by Symrise is only available for the third quarter of 2014, the EBITDAN of the Diana Group based on reporting in accordance with French commercial law was used for the remaining nine months to check that the leverage covenants had been adhered to. This amounts to net debt/EBITDAN of 2.4 and net debt incl. provisions for pensions and similar obligations/EBITDAN of 3.2.

16. OTHER CURRENT LIABILITIES

Other current liabilities mainly comprise employee-related liabilities (€ 70.1 million; December 31, 2013: € 39.4 million), liabilities to customers (€ 15.7 million; December 31, 2013: € 11.1 million), taxes on wages/salaries, social security contributions and other social benefits (€ 15.2 million; December 31, 2013: € 11.4 million) and liabilities for taxes other than income taxes (€ 22.2 million; December 31, 2013: € 6.0 million).

17. OTHER CURRENT AND NON-CURRENT PROVISIONS

Other current provisions mainly include provisions for the reorganization of individual departments (€ 2.1 million; December 31, 2013: € 2.0 million) and provisions for performance-based remuneration (€ 1.9 million; December 31, 2013: € 1.8 million). Other non-current provisions chiefly include provisions for jubilee obligations (€ 9.0 million; December 31, 2013: € 7.8 million), restoration obligations (€ 3.1 million; December 31, 2013: € 2.9 million) and performance-based remuneration (€ 1.2 million; December 31, 2013: € 1.0 million).

18. CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

Financial liabilities mainly correspond to the portion of the purchase price obligation relating to the acquisition of the Belmay Group in 2013 that was not immediately due (current: € 6.4 million, non-current: € 1.5 million; December 31, 2013: current: € 2.8 million, non-current: € 7.0 million). As of September 30, 2014, a first partial payment of USD 4.0 million was paid. Further, a subsequent purchase price component of € 1.2 million (USD 1.5 million) from a business combination by the Diana Group performed before the acquisition by Symrise was recognized in non-current financial liabilities. Financial liabilities also contain such from finance lease contracts (current: € 0.6 million, non-current: € 3.2 million; December 31, 2013: current: € 0.5 million, non-current: € 0.0 million).

19. PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

The increase to provisions for pensions and similar obligations of € 89.6 million to € 422.0 million is mainly attributable to remeasurements of the actuarial parameters, particularly the discount rate in Germany (September 30, 2014: 2.4 %, December 31, 2013: 3.5 %). The total effect of the remeasurements before taxes is € 74.7 million.

20. EQUITY

Symrise carried out a capital increase based on authorized capital in the second quarter of 2014. The capital increase was implemented with the authorization granted to the Executive Board at the Annual General Meeting on May 18, 2011, and with the exclusion of subscription rights. 11,150,000 new shares were issued to institutional investors. The shares were issued at an issue price of € 36 per share. The transaction was entered into the commercial register on May 15, 2014.

In the third quarter, a further capital increase from this authorized capital of 489,274 shares was carried out and was used to pay a portion of the purchase price for the Diana acquisition (see note 4). The shares were measured at the closing price for the Symrise stock on the day of closing, July 28, 2014 (€ 40.08 per share). The transaction was entered into the commercial register on August 21, 2014.

With the two capital increases, the share capital of Symrise AG increases from T€ 118,173 to T€ 129,813. The capital reserve increased by T€ 405,046 to T€ 1,375,957 after deducting transaction costs of T€ 6,091 and the subsequent taxes of T€ 1,766. The new shares are entitled to dividends from January 1, 2014. The authorized capital from May 18, 2011, now amounts to € 11,360,726 after its partial use.

21. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS AND THE MEASUREMENT OF FAIR VALUE

		Value recognized under IAS 39			
September 30, 2014 T€	Carrying amount	Amortized cost	Fair value in other comprehensive income	Fair value in profit or loss	Fair Value
ASSETS					
Loans and receivables (LaR)	**665,619**	**665,619**	**–**	**–**	**665,619**
Cash and cash equivalents	210,688	210,688	–	–	210,688
Trade receivables	442,487	442,487	–	–	442,487
Other financial assets	12,444	12,444	–	–	12,444
Financial assets available for sale (AfS)	**5,432**	**–**	**5,432**	**–**	**5,432**
Securities	3,318	–	3,318	–	3,318
Other financial assets	2,114	–	2,114	–	2,114
Financial assets held for trading (FAHfT)	**397**	**–**	**–**	**397**	**397**
Derivative financial instruments without hedge relationship	397	–	–	397	397
Derivative financial instruments with hedge relationship (n.a.)	**28**	**–**	**28**	**–**	**28**
LIABILITIES AND EQUITY					
Financial liabilities measured at amortized cost (FLAC)	**1,623,702**	**1,623,702**	**–**	**–**	**1,669,226**
Trade payables	186,560	186,560	–	–	186,560
Borrowings (current and non-current)	1,436,564	1,436,564	–	–	1,482,088
Other financial liabilities	578	578	–	–	578
Liabilities from finance lease (n.a.)	**3,840**	**–**	**–**	**–**	**3,840**
Financial liabilities at fair value through profit or loss (FLaFVtPL)	**9,039**	**–**	**–**	**9,039**	**9,039**
Other financial liabilities	9,039	–	–	9,039	9,039
Financial liabilities held for trading (FLHfT)	**619**	**–**	**–**	**619**	**619**
Derivative financial instruments without hedge relationship	619	–	–	619	619
Derivative financial instruments with hedge relationship (n.a.)	**436**	**–**	**436**	**–**	**436**

INFORMATION ON FINANCIAL INSTRUMENTS ACCORDING TO CATEGORY

The following table shows the recurring basis for the assets and liabilities measured at fair value in the statement of financial position:

September 30, 2014 T€		Level 1	Level 2	Level 3	Total
ASSETS					
Securities	AfS	3,318	–	–	**3,318**
Other financial assets	AfS	–	–	2,114	**2,114**
Derivative financial instruments without hedge relationship	FAHfT	–	397	–	**397**
Derivative financial instruments with hedge relationship	n.a.	–	28	–	**28**
Investment property	n.a.	–	–	2,162	**2,162**
LIABILITIES AND EQUITY					
Contingent purchase price obligation	FLaFVtPL	–	–	9,039	**9,039**
Derivative financial instruments without hedge relationship	FLHfT	–	619	–	**619**
Derivative financial instruments with hedge relationship	n.a.	–	436	–	**436**
Liabilities from finance lease	n.a.	–	3,840	–	**3,840**

The financial assets classified as available for sale in Level 1 relate to securities, whose fair value were determined based on quoted market prices from the closing date on active markets.

The valid forward exchange rates of partner banks are used as the valuation rates for the mark-to-market valuation of forward contracts in Level 2 for currency forwards. The forward exchange rates are established by the interest difference of the currencies involved while accounting for term duration.

The following table shows both the valuation methods and non-observable input factors for the recurring measurement of fair value in Level 3 of the fair value hierarchy. The measurement is performed regularly by corporate headquarters.

Type	Valuation method	Non-observable input factors	September 30, 2014
Other financial assets	Discounted cash flow	Weighted average cost of capital	13.5 %
		Terminal growth rate	3.0 %
		EBITDA margin	Ø 9.1 %
Contingent purchase price obligations	Present value of the payments relating to the obligation based on the Group's average refinancing rate while accounting for the probability of occurrence (sales and damage claim)	Discount rate	4.04 %
		Sales	80 % or 100 %
		Damage claim	0 %

The sensitivities have not notably changed since the annual financial statements as of December 31, 2013.

Reconciliation of the fair value measurement of assets within Level 3 of the fair value hierarchy:

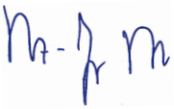
T€	Other financial assets	Contingent purchase price obligations
January 1, 2014	**1,959**	**9,788**
Additions	155	1,099
Redemptions	0	–3,176
Fair value changes		
Recognized in profit or loss	0	301
Currency translation effects	0	1,027
September 30, 2014	**2,114**	**9,039**

The additions of the contingent purchase price obligations contain a subsequent purchase price component of USD 1.5 million from a business combination by the Diana Group performed before the acquisition by Symrise (see note 18).

The fair value changes from the other financial assets were recognized in other comprehensive income. The fair value changes relating to the contingent purchase price obligations are recognized in other operating income and expenses. Fair value changes arising as effects of interest accrued are recognized in the financial result.

Holzminden, November 3, 2014

Symrise AG
The Executive Board



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Corporate and Financial Report 2014

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Interim Report on the First Quarter of 2015

MAY 12, 2015
Annual General Meeting

AUGUST 5, 2015
Interim Report on the Second Quarter of 2015

NOVEMBER 10, 2015
Interim Report on the Third Quarter of 2015

The German version of this Interim Report is legally binding. German and English online versions are available on the Web at www.symrise.com

The latest version of the Interim Report is available on our website.

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