

SENSIENT TECHNOLOGIES CORP
Form 10-K
February 27, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Fiscal Year Ended December 31, 2011
OR
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

Commission File Number 1-7626

Sensient Technologies Corporation

WISCONSIN
(State of Incorporation)

39-0561070
(IRS Employer Identification Number)

777 EAST WISCONSIN AVENUE
MILWAUKEE, WISCONSIN 53202-5304
(414) 271-6755
(Address of Principal Executive Offices)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

| TITLE OF EACH CLASS | NAME OF EACH EXCHANGE ON WHICH REGISTERED |
|--------------------------------|--|
| Common Stock, \$0.10 par value | New York Stock Exchange, Inc. |

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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 such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for at least 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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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

Large accelerated filer Accelerated filer Non-accelerated filer Smaller Reporting Company

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

The aggregate market value of the voting Common Stock held by non-affiliates of the Registrant as of June 30, 2011, was \$1,829,709,405. For purposes of this computation only, the Registrant's directors and executive officers were considered to be affiliates of the Registrant. Such characterization shall not be construed to be an admission or determination for any other purpose that such persons are affiliates of the Registrant.

There were 50,284,023 shares of Common Stock outstanding as of February 16, 2012.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of: (1) the Company's Annual Report to Shareholders for the fiscal year ended December 31, 2011 (see Parts I, II and IV of this Form 10-K), and (2) the Company's Notice of Annual Meeting and Proxy Statement of the Company dated March 15, 2012 (see Part III of this Form 10-K).

SENSIENT TECHNOLOGIES CORPORATION—FORM 10-K FOR YEAR ENDED DECEMBER 31, 2011 INDEX

| | | | |
|-----------------|----------|---|----|
| PART I | | | 3 |
| | Item 1. | <u>Business</u> | 3 |
| | | <u>General</u> | 3 |
| | | <u>Description of Business</u> | 3 |
| | | <u>Flavors & Fragrances Group</u> | 4 |
| | | <u>Color Group</u> | 4 |
| | | <u>Asia Pacific and China Groups</u> | 5 |
| | | <u>Research and Development/Quality Assurance</u> | 5 |
| | | <u>Products and Application Activities</u> | 5 |
| | | <u>Raw Materials</u> | 6 |
| | | <u>Competition</u> | 6 |
| | | <u>Foreign Operations</u> | 7 |
| | | <u>Patents, Formulae and Trademarks</u> | 7 |
| | | <u>Employees</u> | 7 |
| | | <u>Regulation</u> | 7 |
| | Item 1A. | <u>Risk Factors</u> | 7 |
| | Item 1B. | <u>Unresolved Staff Comments</u> | 10 |
| | Item 2. | <u>Properties</u> | 10 |
| | Item 3. | <u>Legal Proceedings</u> | 13 |
| | Item 4. | <u>Mine Safety Disclosure</u> | 15 |
| PART II | | | 16 |
| | Item 5. | <u>Market for the Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u> | 16 |
| | Item 6. | <u>Selected Financial Data</u> | 17 |
| | Item 7. | <u>Management’s Discussion and Analysis of Financial Condition and Results of Operation</u> | 17 |
| | Item 7A. | <u>Quantitative and Qualitative Disclosures about Market Risk</u> | 17 |
| | Item 8. | <u>Financial Statements and Supplementary Data</u> | 17 |
| | Item 9. | <u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u> | 17 |
| | Item 9A. | <u>Controls and Procedures</u> | 17 |
| | Item 9B. | <u>Other Information</u> | 18 |
| PART III | | | 18 |
| | Item 10. | <u>Directors, Executive Officers of the Registrant and Corporate Governance</u> | 18 |
| | Item 11. | <u>Executive Compensation</u> | 18 |
| | Item 12. | <u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u> | 18 |
| | Item 13. | <u>Certain Relationships and Related Transactions, and Director Independence</u> | 18 |
| | Item 14. | <u>Principal Accountant Fees and Services</u> | 19 |
| PART IV | | | 19 |
| | Item 15. | <u>Exhibits and Financial Statement Schedules</u> | 19 |
| | | <u>Financial Statements</u> | 19 |
| | | <u>Financial Statement Schedule</u> | 19 |
| | | <u>Report of Independent Registered Public Accounting Firm</u> | 20 |
| | | <u>Schedule II Valuation and Qualifying Accounts</u> | 21 |

SIGNATURES

22

EXHIBIT INDEX

E-1

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements that reflect management's current assumptions and estimates of future economic circumstances, industry conditions, Company performance and financial results. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for such forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that could cause actual events to differ materially from those expressed in those statements. A variety of factors could cause the Company's actual results and experience to differ materially from the anticipated results. These factors and assumptions include the pace and nature of new product introductions by the Company and the Company's customers; the Company's ability to successfully implement its growth strategies; the outcome of the Company's various productivity-improvement and cost-reduction efforts; changes in costs of raw materials, including energy; industry and economic factors related to the Company's domestic and international business; growth in markets for products in which the Company competes; industry and customer acceptance of price increases; actions by competitors; currency exchange rate fluctuations; and the matters discussed below under the heading "Risk Factors" and under Part II, including the critical accounting policies incorporated by reference from pages 19-20 of the Company's 2011 Annual Report to Shareholders. The Company does not undertake to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized.

Index

PART I

Item 1. Business

General

Sensient Technologies Corporation (the "Company") was incorporated in 1882 in Wisconsin. Its principal executive offices are located at 777 East Wisconsin Avenue, Suite 1100, Milwaukee, Wisconsin 53202-5304, telephone (414) 271-6755.

The Company is subject to the informational and reporting requirements of the Securities Exchange Act of 1934, as amended (the "Act"), and, in accordance with the Act, has filed annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). These reports and other information may be read and copied at the public reference facilities of the Commission at its principal offices at 100 F Street, N.E., Washington, D.C. 20549, and can also be accessed from the website maintained by the Commission at <http://www.sec.gov>. The public may obtain information on operations of the public reference room by calling the Commission at (800) SEC-0330.

The Company's common stock is listed on the New York Stock Exchange under the ticker symbol "SXT." Information about the Company may be obtained at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The Company can also be reached at its website at www.sensient.com. The Company's web address is provided as an inactive textual reference only, and the contents of that website are not incorporated in or otherwise to be regarded as part of this report. The Company makes available free of charge on its website its proxy statement, its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to these reports filed or furnished pursuant to Section 13(a) or 15(d) of the Act as soon as reasonably practicable after such documents are electronically filed with or furnished to the Commission. Charters for the Audit, Compensation and Development, and Nominating and Corporate Governance Committees of the Company's Board of Directors, as well as the Company's Code of Conduct, Standards of Conduct for International Employees, Code of Ethics for Senior Financial Officers, Corporate Governance Guidelines, our Policy on Recovery of Incentive Compensation From Executives and our Directors and Officers Stock Ownership Guidelines are also available on the Company's website, and are available in print to any shareholder, free of charge, upon request. If there are any amendments to the Code of Conduct, the Standards of Conduct, the Code of Ethics or the Corporate Governance Guidelines, or if waivers from any of them are granted for executive officers or directors, those amendments or waivers also will be posted on the Company's website.

Description of Business

Sensient Technologies Corporation is a global manufacturer and marketer of colors, flavors and fragrances. Sensient uses advanced technologies at facilities around the world to develop specialty food and beverage systems, cosmetic and pharmaceutical systems, inkjet and specialty inks and colors, and other specialty chemicals. The Company's customers include major international manufacturers representing some of the world's best-known brands.

The Company's principal products include:

- flavors, flavor enhancers and bionutrients;
- fragrances and aroma chemicals;
- dehydrated vegetables and other food ingredients;
- natural and synthetic food and beverage colors;

- cosmetic and pharmaceutical colors and additives; and
- technical colors, inkjet colors and inks, and specialty dyes and pigments.

The Company's operations, except for the Asia Pacific and China Groups, are managed on a products-and-services basis. The Company's two reportable segments are the Flavors & Fragrances Group and the Color Group. The Asia Pacific and the China Groups are included in the "Corporate & Other" category, along with the Company's corporate expenses. Financial information regarding the Company's two reportable segments and the operations included within Corporate & Other is incorporated by reference to the information set forth on pages 36 through 38 of the Company's 2011 Annual Report to Shareholders under the heading "Segment and Geographic Information."

Index

Flavors & Fragrances Group

The Company is a global developer, manufacturer and supplier of flavor and fragrance systems for the food, beverage, pharmaceutical, personal care and household-products industries. The Company's flavor formulations are used in many of the world's best-known consumer products. Under the unified brand names of Sensient Flavors, Sensient Dehydrated Flavors and Sensient Fragrances, the Group is a supplier to multinational companies.

The Flavors & Fragrances Group produces flavor and fragrance products that impart a desired taste, texture, aroma and/or other characteristics to a broad range of consumer and other products. This Group includes the Company's dehydrated flavors business, which produces ingredients for food processors. The main products of the Group are systems products, including flavor-delivery systems, and compounded and blended products. In addition, the Group has strong positions in selected ingredient products such as essential oils, natural and synthetic flavors, and aroma chemicals. The Group serves food and non-food industries. In food industries, markets include savory, beverage, dairy, confectionery and bakery flavors. In non-food industries, the Group supplies fragrance products to the personal and home-care markets and supplies flavor products to the pharmaceuticals market.

Operating through its Sensient Dehydrated Flavors business, the Company believes it is the second largest producer (by sales) of dehydrated onion and garlic products in the United States. The Company is also one of the largest producers and distributors of chili powder, paprika, chili pepper and dehydrated vegetables such as parsley, celery and spinach. Domestically, the Company sells dehydrated products to food manufacturers for use as ingredients and also for repackaging under private labels for sale to the retail market and to the food service industry. In addition, Sensient Dehydrated Flavors is one of the leading dehydrators of specialty vegetables in Europe and it has a growing presence in China. Advanced dehydration technologies utilized by Sensient Dehydrated Flavors permit fast and effective rehydration of ingredients used in many of today's popular convenience foods.

The Flavors & Fragrances Group operates principally through the Company's subsidiaries Sensient Flavors LLC and Sensient Dehydrated Flavors LLC. The Group's principal manufacturing plants are located in California, Illinois, Indiana, Michigan, Wisconsin, Belgium, Canada, China, France, Germany, Italy, Mexico, the Netherlands, Spain and the United Kingdom.

Color Group

The Company is a developer, manufacturer and supplier of colors for businesses worldwide. The Company provides natural and synthetic color systems for use in foods, beverages and pharmaceuticals; colors and other ingredients for cosmetics and pharmaceuticals; and technical colors for industrial applications and digital imaging.

The Company believes that it is one of the world's largest producers (by sales) of synthetic and natural colors, and that it is the world's largest manufacturer (by sales) of certified food colors. The Company sells its synthetic and natural colors to domestic and international producers of beverages, bakery products, processed foods, confections, pet foods, cosmetics and pharmaceuticals. The Company also makes inkjet inks and other dyes and pigments used in a variety of non-food applications.

The Color Group operates principally through the Company's subsidiary Sensient Colors LLC. The Group's principal manufacturing plants are located in California, Missouri, New Jersey, Brazil, Canada, Mexico, France, Germany, Hungary, Italy, Switzerland and the United Kingdom.

Index

The Color Group operates under the following trade names:

- Sensient Food Colors (food and beverage colors);
- Sensient Pharmaceutical Coating Systems (pharmaceutical colors and coatings);
- Sensient Cosmetic Technologies (cosmetic colors and ingredients and systems); and
- Sensient Industrial Colors (including paper colors; industrial colors for plastics, leather, wood stains, antifreeze and other uses; inkjet colors and inks; specialty inks; and display imaging).

The Company believes that its advanced process technology, state-of-the-art laboratory facilities and equipment and a complete range of synthetic and natural color products constitute the basis for its market leadership position.

Asia Pacific and China Groups

The Asia Pacific Group and the China Group focus on marketing the Company's diverse product line in the Pacific Rim under the Sensient name. Through these operations, the Company offers a full range of products from its Flavors & Fragrances Group and Color Group, as well as products developed by regional technical teams to appeal to local preferences.

Sales, marketing and technical functions are managed through the Asia Pacific Group's headquarters in Australia. Manufacturing operations are located in Australia, Japan, New Zealand and the Philippines. The Asia Pacific Group maintains offices for research and development, as well as sales, in India, Indonesia, Korea, Singapore and Thailand.

The China Group's operations in China include the Group headquarters, a manufacturing facility and multiple sales and technical offices.

Research and Development/Quality Assurance

The development of specialized products and services is a complex technical process calling upon the combined knowledge and talents of the Company's research, development and quality assurance personnel. The Company believes that its competitive advantage lies in its ability to work with its customers to develop and deliver high-performance products that address the distinct needs of those customers.

The Company's research, development and quality assurance personnel support the Company's efforts to improve existing products and develop new products tailored to customer needs, while providing on-going technical support and know-how to the Company's manufacturing activities. The Company employed 621 people in research and development, quality assurance, quality control and lab technician positions as of December 31, 2011.

Expenditures for research and development related to continuing operations in calendar year 2011 were \$33.2 million, compared with \$30.6 million in the year ended December 31, 2010, and \$29.3 million in the year ended December 31, 2009. As part of its commitment to quality as a competitive advantage, the Company holds certifications under the requirements established by the International Organization for Standardization in Geneva, Switzerland, through its ISO 9000 series of quality standards. Certified sites include Flavors & Fragrances Group plants in the United States, Belgium, Canada, France, Germany, Italy, Mexico, the Netherlands, Spain and the United Kingdom, and Color Group plants in the United States, Mexico and the United Kingdom. The Flavors & Fragrances Group plant in Spain has also received additional certification through the ISO 14001 and 18001 quality standards.

Products and Application Activities

The Company's strategic focus is on the manufacture and marketing of high-performance components that bring life to products. Accordingly, the Company devotes considerable attention and resources to the development of product applications and processing improvements to support its customers' numerous new and reformulated products. Many of the proprietary processes and formulae developed by the Company are maintained as trade secrets and under confidentiality agreements with customers.

Index

Within the Flavors & Fragrances Group, development activity is focused on ingredients, flavors and flavor systems that are responsive to consumer trends and the processing needs of our food and beverage customers. These activities include the development of functional ingredient systems for foods and beverages, savory flavors, and ingredient systems for prepared foods and flavors and ingredients for dairy, confectionery and other applications. The Company believes that the development of yeast derivatives and other specialty ingredients also provides growth opportunities in bionutrients and biotechnology markets, such as pharmaceuticals, vitamins, vaccines and bioremediation.

Within the Color Group, development activity for food and beverage product lines is focused on value-added products derived from synthetic dyes and pigments and natural food and beverage colors and on color systems. The Company also produces a diverse line of colors and ingredients for cosmetics and pharmaceutical applications, technical colors for industrial applications and specialty chemicals for digital imaging.

Raw Materials

The Company uses a wide range of raw materials in producing its products. Chemicals used to produce certified colors are obtained from several domestic and foreign suppliers. Raw materials for natural colors, such as carmine, beta-carotene, annatto and turmeric, are purchased from overseas and U.S. sources. In the production of flavors and fragrances, the principal raw materials include essential oils, aroma chemicals, botanicals, fruits and juices, and are obtained from domestic and foreign suppliers. Flavor enhancers and secondary flavors are produced from yeast and vegetable materials such as corn and soybeans. Chili peppers, onion, garlic and other vegetables are acquired under annual contracts with numerous growers in the western United States and Europe. The Company has expanded its sources of vegetables to include growers in China and expects to add growers in other Asian countries.

The Company believes that alternate sources of materials are generally available to enable it to maintain its competitive position in the event of an interruption in the supply of raw materials from a single supplier.

Competition

All Company products are sold in highly competitive markets. While no single factor is determinative, the Company's competitive position is based principally on process and applications expertise, quality, technological advances resulting from its research and development, and customer service and support. Because of its highly differentiated products, the Company competes with only a few companies across multiple product lines, and is more likely to encounter competition specific to an individual product.

- **Flavors and Fragrances.** Competition to supply the flavors and fragrances industries has taken on an increasingly global nature. Most of the Company's customers do not buy their entire flavor and/or fragrance products from a single supplier and the Company does not compete with a single supplier in all product categories. Competition for the supply of flavors and fragrances is based on the development of customized ingredients for new and reformulated customer products, as well as on quality, customer service and price. Competition to supply dehydrated vegetable products is present through several large and small domestic competitors, as well as competitors in other countries. Competition for the supply of dehydrated vegetables is based principally on product quality, customer service and price.
- **Color.** Competition in the color market is diverse, with the majority of the Company's competitors specializing in either synthetic dyes and pigments or natural colors. The Company believes that it gains a competitive advantage as the only major basic manufacturer of a full range of color products, including synthetic dyes and pigments as well as natural colors. Competition in the supply of inkjet inks is based principally upon price, quality and service, as well as product development and technical capabilities. The Company competes against a number of large and small suppliers of inkjet inks.

- Asia Pacific and China. Because of the broad array of products available to customers of the Asia Pacific Group and the China Group, the Company believes that it is able to offer a wider product base than many of its competitors. Competition is based upon reliability in product quality, service and price as well as technical support available to customers.

Index

Foreign Operations

The information appearing under the heading “Geographic Information” in Note 9 to the Consolidated Financial Statements of the Company, which appears on page 38 of the 2011 Annual Report to Shareholders, is incorporated herein by reference.

Patents, Formulae and Trademarks

The Company owns or controls many patents, formulae and trademarks related to its businesses. The businesses are not materially dependent upon patent or trademark protection; however, trademarks, patents and formulae are important to the business of the Company.

Employees

As of December 31, 2011, the Company employed 3,887 persons worldwide.

Regulation

Compliance with government provisions regulating discharges into the environment, or otherwise relating to the protection of the environment, did not have a material adverse effect on the Company's operations for the year covered by this report. Current compliance is not expected to have a material adverse effect in the next two years. The production, packaging, labeling and distribution of certain of the products of the Company in the U.S. are subject to the regulations of various federal, state and local governmental agencies, in particular the U.S. Food & Drug Administration. The Company is subject to similar regulations in many international markets.

Item 1A. Risk Factors.

As with any business, the Company's business and operations involve risks and uncertainties. In addition to the other discussions in, and incorporated by reference in, this report, particularly those in “Management's Discussion & Analysis of Operations & Financial Condition” incorporated by reference from pages 15 through 22 of the 2011 Annual Report to Shareholders and “Forward Looking Statements” on page 22 of the 2011 Annual Report to Shareholders, the following factors should be considered:

- In some product lines, most of our sales are made to a relatively small number of customers; if we lose any of those customers, sales and operating results could decline.

In some of our product lines, our sales are concentrated to a small number of customers. While we do not currently have any single customer that we consider to be significant to us as a whole, the loss of a significant customer of a product line could substantially affect the sales and profitability of that line, which may cause us to re-evaluate that line. Those developments could affect our results. In addition, the financial condition of our customers may adversely affect their ability to buy from us or to pay for products that they have already purchased.

- Many of our products are used in items for human consumption and contact. We may be subject to product liability claims and product recalls, which could negatively impact our profitability and corporate image.

We sell flavors, fragrances and colors which are used in foods, beverages, pharmaceuticals, cosmetics and other items for human consumption or contact. These products involve risks such as product contamination or spoilage, product tampering and other adulteration. We may be subject to liability if the consumption or use of our flavors, fragrances and colors, or products which incorporate ingredients we manufacture, cause injury, illness or death. In addition, we

or our customers may need to recall products in the event of contamination or damage.

A significant product defect, product liability judgment or product recall may negatively impact our profitability for a period of time depending on publicity, product availability, scope, competitive reaction and consumer attitudes. Even if a product liability claim is unsuccessful or is not fully pursued, the negative publicity surrounding any assertion that our products caused illness, injury or death could adversely affect our reputation with existing and potential customers and our corporate image.

7

Index

- Consolidation has resulted in customers with increased buying power, which can affect our profitability.

Many of our customers have consolidated in recent years and we expect the combination trend to continue. These consolidations have often produced large, sophisticated customers with increased buying power who are more capable of resisting price increases. If the larger size or greater buying power of those customers results in additional negotiating strength, the prices we are able to charge could be negatively affected and our profitability could decline.

- Intense competition may result in reduced sales and profitability.

The industries and markets in which we operate are highly competitive. That competition can reduce both our sales and the prices at which we are able to sell our products, which can in turn negatively affect our profitability.

- Our sales and profitability are affected by changing consumer preferences and changing technologies.

Although we do not generally make or sell proprietary consumer products, many of our products are sold to companies which develop and market consumer products. Sales of these flavors, fragrances, colors and inks depend in part upon our customers' ability to identify and meet consumer preferences and their sales and marketing efforts, all of which are beyond our control. Our sales could also be affected by changing technologies that could impact consumer demand for products that contain our flavors, fragrances, colors and inks. Therefore, we depend upon our customers' ability to create markets for the consumer products which incorporate many of the flavors, fragrances, colors and inks which we manufacture.

- If we do not maintain an efficient cost structure, our profitability could decrease.

Our success depends in part on our ability to maintain an efficient cost structure. We regularly initiate cost-reduction measures that could impact our manufacturing, sales, operations and information systems functions. If we do not continue to manage costs and achieve additional efficiencies, or we do not successfully implement related strategies, our competitiveness and our profits could decrease.

- Commodity and energy price increases or material shortages may reduce our profits.

We use many different commodities as raw ingredients. We also use petroleum-based raw materials and other raw materials whose production is energy intensive. In addition, various energy sources are used in our production and distribution processes. Commodity and energy prices are subject to significant volatility caused by market fluctuations, supply and demand, currency fluctuation, production and transportation disruption, world events, and changes in governmental programs. Commodity and energy price increases, including any increases that may result from regulation of greenhouse gases, will raise both our raw material costs and operating costs. We may not be able to increase our product prices enough to offset these increased costs. Increasing our prices also may reduce sales volume and related profitability.

In addition, we obtain some of the raw materials that we use from a single supplier or a limited number of suppliers, and problems with those suppliers could affect the availability of those materials. Even if there are multiple suppliers of a particular raw material, there are occasional shortages. An unavailability or shortage of a raw material could negatively affect our operations using that raw material and thus our results.

- There are many laws and regulations applicable to our industries. Compliance with those requirements is costly to us and can affect our operations. Failure to comply could also be costly and disruptive.

Our facilities and products are subject to many laws and regulations relating to the processing, packaging, storage, distribution, quality and safety of food, drugs, cosmetics and other consumer products, inkjet inks and industrial colors. These laws and regulations are administered in the United States by the Department of Agriculture, the Food and Drug Administration, the Environmental Protection Agency and other federal and state governmental agencies. We are subject to similar governmental regulation and oversight abroad. Compliance with these laws and regulations can be costly and affect our operations. Also, if we fail to comply with applicable laws and regulations, we could be subject to administrative penalties and injunctive relief, civil remedies, fines and recalls of our products. Our customers, particularly those in the pharmaceutical industry, are also subject to laws and regulations which may impose costs on or create risk for us.

Index

- Environmental compliance may be costly to us.

Our operations are subject to extensive and increasingly stringent laws and regulations which pertain to the discharge of materials into the environment (including greenhouse gases) and the handling and disposition of wastes. These rules operate or will operate at both the federal and state levels in the United States, and there are analogous laws at many of our overseas locations. Environmental regulations, and the potential failure to comply with them, can have serious consequences, including the costs of compliance and defense, interference with our operations or the ability to obtain required permits, civil and administrative penalties and negative publicity.

- Operating in foreign countries exposes us to increased risks, including foreign currency risks.

We operate and sell our products in many foreign countries. The international aspects of our business subject us to risks that could materially impact our operating results, including: foreign exchange rate fluctuations; difficulties in staffing and managing foreign personnel in diverse cultures; transportation delays or interruptions; and the effects of international political developments and political and economic instability. In addition, changes in policies by the United States or foreign governments could negatively affect our operating results due to changes in duties, tariffs, trade regulations, taxes or limitations on currency or fund transfers.

- We depend on certain key personnel, and the loss or retirement of these persons may harm our business.

Our success depends in large part on the continued service and availability of our key management and technical personnel, and on our ability to attract and retain qualified new personnel. The competition for these individuals can be significant, and the loss of key employees could harm our business. In addition, as some of these persons approach retirement age, we need to provide for smooth transitions, and our operations and results may be negatively affected if we are not able to do so.

- We may not successfully complete and integrate future acquisitions, which could adversely affect our operating results.

We have acquired many companies and operations in the past and may resume growth by acquisition in the future. Our future growth through acquisitions could involve significant risks that may have a material adverse effect on us. We may also be at risk for factors associated with acquisitions that the Company has made in the past. Acquired companies may also have significant latent liabilities which may not be discovered before an acquisition or fully reflected in the price we pay.

We may also need to finance future acquisitions, and the terms of any financing, and the need to ultimately repay or refinance any indebtedness, may have negative effects on us. Acquisitions also could have a dilutive effect on our financial results. Acquisitions also generally result in goodwill, which would need to be written off against earnings in the future if it becomes impaired.

- Our ability to successfully maintain and upgrade our information technology systems may affect our competitiveness and our profits could decrease.

Our success depends in part on our ability to maintain a current information technology platform for our business to operate. We routinely review and upgrade our information technology systems in order to better manage and report the sales, manufacturing and other operations of our business. If we do not continue to maintain our information technology platform and successfully implement upgrades to the system, our competitiveness and profits could decrease.

- World events and natural disasters are beyond our control and could affect our results.

World events, such as the conflict in Afghanistan, the situations in North Korea, Iran and elsewhere in the Middle East and the financial stresses in Europe, can adversely affect national, international and local economies. Economies can also be affected by natural disasters or by epidemics. Such events and conditions, as well as the current impairment of financial markets, high unemployment and constrained consumer spending, have adversely affected and could continue to affect our revenues and profitability, particularly if they occur in locations in which we or our customers have significant operations.

Index

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

The following table sets forth information as to the principal properties of the Company and its subsidiaries. All properties are owned except as otherwise indicated below. All facilities are considered to be in good condition (ordinary wear and tear excepted) and suitable and adequate for the Company's requirements.

| LOCATION | GROUP/DIVISION | FUNCTION |
|-------------------|----------------------|---|
| UNITED STATES | | |
| California | | |
| Carlsbad* | Color | Sales and R&D/inkjet products and specialty inks |
| Greenfield** | Flavors & Fragrances | |
| Livingston (2) | Flavors & Fragrances | Production, R&D and field/dehydrated flavors |
| Turlock | Flavors & Fragrances | Production, R&D and sales/dehydrated flavors |
| Illinois | | |
| Amboy | Flavors & Fragrances | Production/ingredients and flavors |
| Indiana | | |
| Indianapolis | Flavors & Fragrances | Production, sales and R&D/flavors, group headquarters/flavors & fragrances |
| Michigan | | |
| Harbor Beach | Flavors & Fragrances | Production/flavors and flavor enhancers |
| Missouri | | |
| St. Louis | Color | Production, R&D, sales/food, cosmetic, pharmaceutical and technical colors, group headquarters/colors |
| New Jersey | | |
| South Plainfield* | Color | Production, R&D and sales/cosmetic colors |
| Wisconsin | | |
| Juneau | Flavors & Fragrances | Production/flavor enhancers and extracts |
| Milwaukee* | Headquarters | Administrative offices |

INTERNATIONAL

Argentina

Buenos Aires* Color Sales/food colors

Australia

Keysborough Asia Pacific Production, R&D and sales/colors and flavors, group headquarters/Asia Pacific

Austria

Vienna* Flavors & Fragrances Sales/flavors

Index

INTERNATIONAL

(continued)

Belgium

| | | |
|-----------|----------------------|---|
| Brussels* | Flavors & Fragrances | Production and sales/natural health ingredients |
| Heverlee | Flavors & Fragrances | Production, R&D and sales/ingredients and flavors |

Brazil

| | | |
|------------|-------|---|
| Jundiaí* | Color | Production, R&D and sales/food colors and flavors |
| São Paulo* | Color | Sales/cosmetic colors |

Canada

| | | |
|-------------------------|----------------------|--|
| Cornwall, Ontario | Flavors & Fragrances | Production/flavor enhancers and extracts |
| Delta, British Columbia | Flavors & Fragrances | Production/ingredients and flavors |
| Halton Hills, Ontario | Flavors & Fragrances | Production/ingredients and flavors |
| Kingston, Ontario | Color | Production, R&D and sales/food colors |
| Mississauga, Ontario | Flavors & Fragrances | R&D and sales/flavors and dehydrated flavors |
| Tara, Ontario | Flavors & Fragrances | Production/ingredients and flavors |

China

| | | |
|------------|----------------------|--|
| Beijing* | China | Sales/colors and flavors |
| Guangzhou* | China | Production, R&D and sales/flavors and food and pharmaceutical colors, group headquarters/China |
| Hong Kong | China | Sales/colors and flavors |
| Qingdao* | Flavors & Fragrances | Production/dehydrated flavors |
| Shanghai* | China | R&D and sales/colors and flavors |

Colombia

| | | |
|---------|----------------------|------------------------------|
| Bogota* | Flavors & Fragrances | Sales/flavors and fragrances |
|---------|----------------------|------------------------------|

Costa Rica

| | | |
|-----------|----------------------|------------------------------|
| San Jose* | Flavors & Fragrances | Production and sales/flavors |
|-----------|----------------------|------------------------------|

Czech Republic

| | | |
|---------|-------|-------------------|
| Prague* | Color | Sales/food colors |
|---------|-------|-------------------|

Denmark

| | | |
|-----------------------------|----------------------|---|
| Nyborg* | Flavors & Fragrances | Sales/flavors |
| Finland | | |
| Espoo | Flavors & Fragrances | Sales/flavors |
| France | | |
| Marchais | Flavors & Fragrances | Production/dehydrated flavors |
| Saint-Denis* | Color | Sales/food colors |
| S a i n t O u e n L'Aumone* | Color | Production, R&D and sales/cosmetic colors and ingredients |
| Strasbourg | Flavors & Fragrances | Production, R&D and sales/flavor enhancers and extracts |

IndexINTERNATIONAL
(continued)

Germany

| | | |
|------------|----------------------|---|
| Bremen (2) | Flavors & Fragrances | Production, R&D and sales/flavors, flavored products and essential oils |
| Geesthacht | Color | Production, R&D and sales/food colors |
| Wolfen | Color | Production, R&D and sales/specialty dyes and chemicals |

Guatemala

| | | |
|-----------------|----------------------|------------------|
| Guatemala City* | Flavors & Fragrances | Sales/fragrances |
|-----------------|----------------------|------------------|

Hungary

| | | |
|----------|-------|-------------------|
| Budapest | Color | Sales/food colors |
|----------|-------|-------------------|

India

| | | |
|---------|--------------|----------------------------------|
| Mumbai* | Asia Pacific | R&D and sales/colors and flavors |
|---------|--------------|----------------------------------|

Indonesia

| | | |
|----------|--------------|--|
| Jakarta* | Asia Pacific | R&D and sales/fragrances and cosmetic colors |
|----------|--------------|--|

Italy

| | | |
|-------------------|----------------------|---|
| Milan | Flavors & Fragrances | Production, R&D and sales/flavors |
| Reggio Emilia (2) | Color | Production, warehouse, R&D and sales/natural colors |

Japan

| | | |
|---------|--------------|----------------------------------|
| Hitachi | Asia Pacific | Production/flavors and colors |
| Tokyo* | Asia Pacific | R&D and sales/flavors and colors |

Korea

| | | |
|--------|--------------|---|
| Seoul* | Asia Pacific | Sales/flavors, colors and specialty chemicals |
|--------|--------------|---|

Mexico

| | | |
|-------------------|----------------------|--|
| Celaya | Flavors & Fragrances | Production and sales/flavor enhancers and extracts |
| Lerma | Color | Production, R&D and sales/food and cosmetic colors |
| Tijuana* | Color | Production/inkjet inks |
| Tlalnepantla (2)* | Flavors & Fragrances | Production, R&D, distribution and sales/ingredients, flavors and fragrances and essential oils |

The Netherlands

| | | |
|----------|----------------------|--|
| Elburg | Flavors & Fragrances | Production/dehydrated flavors |
| Naarden* | Flavors & Fragrances | Sales/food colors and dehydrated and other flavors |

New Zealand

| | | |
|----------|--------------|-----------------------------------|
| Auckland | Asia Pacific | Production, R&D and sales/flavors |
|----------|--------------|-----------------------------------|

Philippines

| | | |
|---------|--------------|--|
| Manila* | Asia Pacific | Production, R&D and sales/flavors, fragrances, cosmetic ingredients and color blending |
|---------|--------------|--|

Poland

| | | |
|---------|---------|-----------------------------|
| Poznań* | Color | Sales & warehouse/cosmetics |
| Warsaw* | Color | Sales/food colors |
| Warsaw* | Flavors | Sales/flavors |

IndexINTERNATIONAL
(continued)

Romania

| | | |
|------------|---------|-------------------|
| Bucharest* | Flavors | Sales/flavors |
| Morazia* | Color | Sales/food colors |

Singapore

| | | |
|------------|--------------|---|
| Singapore* | Asia Pacific | R&D and sales/food colors, flavors and dehydrated flavors |
|------------|--------------|---|

South Africa

| | | |
|---------------|---------|---------------------------------------|
| Johannesburg* | Color | Production, R&D and sales/food colors |
| Rivonia* | Flavors | Sales/flavors |

Spain

| | | |
|------------|----------------------|---|
| Barcelona* | Flavors & Fragrances | Sales/flavors |
| Granada | Flavors & Fragrances | Production, R&D and sales/fragrances and aromatic chemicals |

Sweden

| | | |
|---------------|----------------------|---------------|
| Kristianstad* | Flavors & Fragrances | Sales/flavors |
|---------------|----------------------|---------------|

Switzerland

| | | |
|---------|-------|--|
| Morges* | Color | Production, R&D and sales/technical colors |
|---------|-------|--|

Thailand

| | | |
|--------------|--------------|--|
| Bangkok (2)* | Asia Pacific | Production, R&D and sales/colors and flavors |
|--------------|--------------|--|

Turkey

| | | |
|----------|----------------------|---------------|
| Istanbul | Flavors & Fragrances | Sales/flavors |
|----------|----------------------|---------------|

Ukraine

| | | |
|-------|----------------------|---------------|
| Kiev* | Flavors & Fragrances | Sales/flavors |
|-------|----------------------|---------------|

United Kingdom

| | | |
|---------------|----------------------|--|
| Ceredigion | Flavors & Fragrances | Production, R&D and sales/flavors and flavor enhancers |
| Kings Lynn* | Color | Production, R&D and sales/food colors and inkjet inks |
| Milton Keynes | Flavors & Fragrances | Production, R&D and sales/flavors and extracts |

- () Indicates number of properties at the locations, if more than one.
* Indicates one leased property at the location.
** Production had ceased at indicated facility and property was sold in 2011.

Item 3. Legal Proceedings.
Commercial Litigation

Cherry Blossom Litigation

Cherry Blossom LLC, a Traverse City, Michigan contractor that had produced cherry products for the Company, ceased operations in May 2009. At the time, Cherry Blossom had physical possession of brined cherries belonging to the Company with a book value of approximately \$0.5 million. Despite the Company's demands, Cherry Blossom refused to permit the Company to take possession of the cherries for processing elsewhere.

In June 2009, the Company sued Cherry Blossom in the Circuit Court of Grand Traverse County, Michigan, seeking an order for return of the cherries. Cherry Blossom's asset based lender, Crossroads Financial (which claimed to be owed \$1.4 million) ("Crossroads"), intervened and claimed a senior lien on the cherries. The Circuit Court denied the Company's request for immediate possession and permitted Cherry Blossom to retain and process the cherries. The Circuit Court later held that Crossroads held a senior lien on the cherries and was entitled to receive the proceeds from the sale of the cherries. The Circuit Court also denied the Company's cross claims against Crossroads to recoup certain overpayments that the Company made to Cherry Blossom/Crossroads and to recoup payments made by the Company to the United States Department of Labor on Cherry Blossom's/Crossroads' behalf. The Company has appealed these adverse decisions of the Circuit Court.

Index

Crossroads asserted a claim against the Company for money damages in an undetermined amount. Crossroads claimed that it has a lien on all of Cherry Blossom's accounts receivable from the Company and that the Company had performed a number of offsets against its accounts payable to Cherry Blossom in derogation of Crossroads' rights as lienholder. The Circuit Court denied Crossroads' claims for money damages against the Company. Crossroads has appealed this decision of the Circuit Court.

The Company and Crossroads have completed briefing on their respective appeals. The appellate court will now decide whether, and if so when, to grant oral argument. The appellate court is likely to make a decision regarding oral argument in early 2012.

Cherry Blossom counterclaimed against the Company, alleging that Cherry Blossom had purchased exclusive rights to certain proprietary cherry processing formulas used in the Company's cherry product. Cherry Blossom sought a preliminary injunction against the Company's delivery of copies of the formulas to any third party. The Court denied Cherry Blossom's motion regarding the formulas and eventually dismissed Cherry Blossom's claims. The Company also initiated a suit against Cherry Blossom in the United States District Court for the Western District of Michigan seeking a declaratory judgment that the Company has the right to use the cherry processing formulas. Because Cherry Blossom subsequently filed a petition in bankruptcy, the Federal District Court closed the matter. This closing was for administrative purposes only and did not constitute a decision on the merits.

Christopher Hubbell, a principal of Cherry Blossom, has personally filed a petition for bankruptcy. The Company has opposed the bankruptcy petition to the extent Mr. Hubbell seeks a discharge of the Company's alleged damages arising from his own fraudulent acts connected to Cherry Blossom's granting of an allegedly superior interest in the Company's cherries to Crossroads Financial.

Hubbell has moved the bankruptcy court to dismiss the Company's adverse claims against him. Hubbell argued that the bankruptcy court should dismiss the Company's adverse claims because the Company has not had to pay Crossroads money as a result of Crossroads' claims against the Company. At a hearing on January 20th, 2012, the bankruptcy court denied Hubbell's motion to dismiss and scheduled a trial for the third week of August, 2012.

S.A.M. (Amaral) v. Sensient Technologies Corp., et al.

On August 5, 2010, the owners and operators of a 135-acre vineyard near the dehydration facility formerly operated by Sensient Dehydrated Flavors, LLC ("SDF") in Greenfield, California, filed a lawsuit in California state court in Monterey, California. The lawsuit names as defendants both Sensient Technologies Corporation ("Sensient") and SDF. A response to the complaint was filed on October 1, 2010. The suit sets out claims for nuisance per se, trespass and negligence per se and alleges almost a million dollars in losses plus punitive damages, all based on the fact that, between the summer of 2007 and early October 2009, SDF was processing onions that allegedly caused an "onion taint" in the grapes and wine produced from the plaintiffs' vineyard. While SDF had an air permit covering its operations, its Monterey County use permit specifically named only chili peppers, celery and parsley, but not onions, as commodities that could be dehydrated at the Greenfield facility. SDF's effort to modify the Greenfield facility's use permit to specifically include the processing of onions was blocked by local vineyard owners. SDF has since closed and then sold its Greenfield facility and consolidated its onion dehydration operations at its fully-permitted and more efficient facility at Livingston, California.

This lawsuit follows an earlier lawsuit (J. Lohr Vineyards and Wines v. Sensient Technologies) (the "Lohr lawsuit") brought by a larger, adjacent landowner. The Lohr lawsuit was settled in December 2009, with an agreement that included SDF's abandonment of onion processing at its Greenfield facility but did not require the payment of any settlement amount to Lohr despite Lohr's substantial damage claims. The S.A.M. plaintiffs have essentially copied, and seek to rely upon, the factual allegations and expert analyses developed in the Lohr lawsuit before a settlement

was reached. The S.A.M. plaintiffs will not, however, be receiving any assistance from Lohr. Sensient and SDF believe the S.A.M. plaintiffs' claims are without merit and intend to pursue a vigorous defense.

Index

While trial of the matter was originally set for October 31, 2011, the trial date was vacated because the S.A.M. plaintiffs' counsel obtained new employment and could no longer represent the plaintiffs. The S.A.M plaintiffs, after some delay and a threat of sanctions from the court, have obtained new counsel. A case management conference was held on February 17, 2012. The court set the case for jury trial to commence on April 23, 2012. The court also directed the parties to attend a settlement conference on March 9, although it is anticipated that this conference may be delayed until discovery is conducted.

Daito Kasei Kogyo Co. Ltd. v. Sensient Cosmetic Technologies SAS

In 1992 Sensient Cosmetic Technologies SAS ("SCT") and Daito Kasei Kogyo Co., Ltd. ("Daito") entered into a distribution agreement pursuant to which SCT became the exclusive distributor in Europe of coloring agents and ingredients manufactured in Japan by Daito and, in turn, Daito became the exclusive distributor in Japan of certain products produced in France by SCT. By 2008, the sale of Daito products represented €4 million of SCT's sales. In contrast, Daito's sales of SCT's products in Japan amounted to only €0.4 million in 2008. The agreement was entered into for an initial period to end on December 31, 1993, and was tacitly renewed for two-year periods through December 31, 2009, subject to a requirement of six months' notice for termination.

On July 7, 2009, Daito notified SCT of its decision to terminate SCT's distributorship in Europe, with effect as of February 10, 2010. SCT informed Daito that the notice of termination was insufficient in light of the lengthy commercial relationship between the parties. Daito eventually ostensibly agreed to extend the notice period but the commercial relationship did not function as it had in the past. On August 10, 2010, SCT filed a complaint before the Paris Commercial Court alleging that Daito wrongfully terminated its long-standing established commercial relationship with SCT, that SCT should have been given a notice period of thirty-six months in light of the twenty-year relationship between the parties and that Daito should pay damages to SCT of over €3.8 million.

On January 26, 2011, Daito filed a response in a hearing of the Court in which it denied any liability for SCT's claims and asserted counter-claims of €1.5 million for unlawful termination of Daito's distributorship in Japan, unlawful termination of an alleged "agency contract" in Japan and SCT's cancellation of certain Daito orders in October 2010.

At a hearing on May 4, 2011, Daito's counsel indicated that she would no longer represent Daito in this case due to a conflict of interest. On September 14, 2011, new counsel appeared for Daito at a hearing and filed slightly amended pleadings contending that SCT had not suffered any loss as a result of the termination. SCT responded to the amended pleadings confirming the extent of its losses at a hearing on November 9, 2011. At a hearing on February 1, 2012, SCT re-asserted its claims against Daito and again requested dismissal of Daito's counter claims. No trial date has been set.

The Company is involved in various other claims and litigation arising in the normal course of business. In the judgment of management, which relies in part on information from Company counsel, the ultimate resolution of these actions will not materially affect the consolidated financial statements of the Company except as described above.

Item 4. Mine Safety Disclosure.

Not Applicable

Index

Executive Officers of the Registrant

The executive officers of the Company and their ages as of March 1, 2012, are as follows:

| Name | Age | Position |
|------------------------|-----|---|
| Kenneth P. Manning | 70 | Chairman, President and Chief Executive Officer |
| John F. Collopy | 42 | Vice President and Treasurer |
| Christopher M. Daniels | 38 | Vice President, Human Resources |
| John L. Hammond | 65 | Senior Vice President, General Counsel and Secretary |
| Richard F. Hobbs | 64 | Senior Vice President and Chief Financial Officer |
| Jeffrey T. Makal | 48 | Vice President, Controller & Chief Accounting Officer |
| Richard J. Malin | 45 | Assistant Controller |
| Paul Manning | 37 | President, Color Group |
| James P. McCarthy | 59 | President, Flavors & Fragrances Group |
| Stephen J. Rolfs | 47 | Vice President, Administration |
| Robert J. Wilkins | 55 | President, Asia Pacific Group |

The Company has employed all of the individuals named above, in substantively their current positions, for at least the past five years except as follows. Mr. Daniels has held his present office since July 22, 2010, and previously served as Assistant Treasurer (October 2008 – July 2010), Director, Treasury Services (February 2006 – October 2008) and Manager, Treasury & Risk (April 2005 – February 2006). Mr. Hammond was Vice President before being named Senior Vice President in December 2008. Mr. Hobbs was Vice President before being named Senior Vice President in December 2008. Mr. Makal has held his present office since July 22, 2010, and previously served as Vice President Taxation (December 2006 – July 2010) and Director Taxation (2000-2006). Mr. Paul Manning has held his present office since July 22, 2010, and previously served as General Manager, Colors – North America (November 2009 – July 2010) and General Manager, Food Colors – North America (June 2009 – November 2009). Mr. McCarthy has held his present office since July 22, 2010, and previously served as appointed President, Flavors & Fragrances Group (June 2009 – July 2010) and General Manager, Dairy Systems (September 2008 – June 2009). Mr. Rolfs has held his present position since July 22, 2010, and previously served as Vice President, Controller and Chief Accounting Officer (2001-2010). Mr. Wilkins has held his present position since April 23, 2009, and previously served as appointed President, Asia Pacific (2005-2009).

PART II

Item 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

The only market in which the common stock of the Company is traded is the New York Stock Exchange. The range of the high and low sales prices as quoted in the New York Stock Exchange – Composite Transaction tape for the common stock of the Company and the amount of dividends declared for the fiscal years 2010 and 2011 appearing under “Common Stock Prices and Dividends” on page 44 of the 2011 Annual Report to Shareholders are incorporated by reference. In 2011, common stock dividends were paid on a quarterly basis, and it is expected that quarterly dividends will continue to be paid in the future.

On February 10, 2000, the Board of Directors established a share-repurchase program that authorized the Company to repurchase up to five million shares of the Company’s common stock, all of which have been repurchased. On April 27, 2001, the Board of Directors authorized the repurchase of an additional five million shares. As of February 21,

2012, 2,243,704 shares had been repurchased under the latter authorization. The Company did not repurchase any shares during the fourth quarter of 2011.

The number of shareholders of record on February 16, 2012 was 2,853.

On January 21, 2011, the Company announced an increase in its cash dividend on its common stock from an annual rate of 80 cents per share to an annual rate of 84 cents per share, commencing with the quarterly dividend paid on March 1, 2011, to shareholders of record on February 9, 2011.

Index

Information regarding the Company's equity compensation plans is incorporated by reference into Item 11 of Part III of this report.

The graph found on page 44 of the Company's 2011 Annual Report to Shareholders comparing the cumulative five year total return on the Company's common stock to the appropriate Standard and Poor's indices is incorporated by reference.

Item 6. Selected Financial Data.

The selected financial data required by this item is incorporated by reference from the "Five Year Review" and the notes thereto on page 45 of the 2011 Annual Report to Shareholders.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation.

The information required by this item is set forth under "Management's Discussion & Analysis of Operations & Financial Condition" on pages 15 through 22 of the 2011 Annual Report to Shareholders and is incorporated by reference.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

The information required by this item is set forth under "Market Risk Factors" on pages 20 and 21 of the 2011 Annual Report to Shareholders and is incorporated by reference.

Item 8. Financial Statements and Supplementary Data.

The financial statements and supplementary data required by this item are set forth on pages 23 through 41 and page 45 of the 2011 Annual Report to Shareholders and are incorporated by reference.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures. The Company carried out an evaluation, under the supervision and with the participation of management, including the Company's Chairman, President and Chief Executive Officer and its Senior Vice President and Chief Financial Officer, of the effectiveness, as of December 31, 2011, of the design and operation of the disclosure controls and procedures, as defined in Rule 13a-15(e) of the Act. Based upon that evaluation, the Company's Chairman, President and Chief Executive Officer, and its Senior Vice President and Chief Financial Officer have concluded that the disclosure controls and procedures were effective as of December 31, 2011.

Management's Report on Internal Control over Financial Reporting. The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) under the Act. The Company's internal control over financial reporting is designed 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. Management has assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2011. In making its assessment of internal control over financial reporting, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control — Integrated Framework. Based on that assessment, management has concluded that

the Company's internal control over financial reporting was effective as of December 31, 2011. Management's report on internal control over financial reporting, which appears on page 41 of the 2011 Annual Report to Shareholders, is incorporated by reference.

The Company's internal control over financial reporting as of December 31, 2011, has been audited by Ernst & Young LLP, an independent registered public accounting firm. Their opinion on the Company's internal control over financial reporting, set forth on page 43 of the 2011 Annual Report to Shareholders, is incorporated by reference.

Index

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Changes in Internal Control over Financial Reporting. There has been no change in the Company's internal control over financial reporting during the quarter ended December 31, 2011, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers of the Registrant and Corporate Governance.

Information regarding directors and officers and corporate governance matters including information regarding our Audit Committee and our Nominating and Corporate Governance Committees appearing under "Election of Directors" and "Section 16(a) Beneficial Ownership Reporting Compliance" in the Proxy Statement for the Annual Meeting of Shareholders of the Company dated March 15, 2012 ("Proxy Statement"), is incorporated by reference. Additional information regarding executive officers appears at the end of Part I above, and information regarding codes of conduct and ethics for officers appears at the beginning of Part I above.

Item 11. Executive Compensation.

Information relating to compensation of directors and officers is incorporated by reference from the "Director Compensation and Benefits," "Executive Compensation," "Equity Compensation Plan Information" and "Employment Agreements" portions of the Proxy Statement. Information relating to the Compensation and Development Committee of the Company's Board of Directors is incorporated by reference from the heading "Committees of the Board of Directors" in the Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The discussion of security ownership of certain beneficial owners and management and related stockholder matters appearing under "Principal Shareholders" in the Proxy Statement is incorporated by reference. The discussion appearing under "Equity Compensation Plan Information" in the Proxy Statement is incorporated by reference.

Item 13. Certain Relationships and Related Transactions and Director Independence.

Kenneth Manning is the father of Paul Manning. There are no other family relationships between any of the directors or director nominees and the officers of the Company, nor any arrangement or understanding between any director or officer or any other person pursuant to which any of the nominees has been nominated. No director, nominee for director or officer had any material interest, direct or indirect, in any material business transaction of the Company or any subsidiary during the period January 1, 2011, through December 31, 2011, or in any such proposed transaction except as described under "Transactions With Related Persons" found in the Proxy Statement, which is incorporated by reference herein. In the ordinary course of business, the Company may engage in business transactions with companies whose officers or directors are also directors of the Company. These transactions are routine in nature and are conducted on an arm's-length basis. The terms of any such transactions are comparable at all times to those

obtainable in business transactions with unrelated persons.

18

Index

Item 14. Principal Accountant Fees and Services.

The disclosure regarding principal accountant fees and services appearing under “Audit Committee Report” in the Proxy Statement is incorporated by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

Documents filed:

1 and 2: Financial Statements and Financial Statement Schedule. See below for “List of Financial Statements and Financial Statement Schedule.”

3: See Exhibit Index following this report.

List of Financial Statements and Financial Statement Schedule

| | Page Reference in 2011 Annual Report to Shareholders |
|--|--|
| 1. Financial Statements | |
| The following consolidated financial statements of Sensient Technologies Corporation and subsidiaries are incorporated by reference from the Annual Report to Shareholders for the year ended December 31, 2011: | |
| Reports of Independent Registered Public Accounting Firm | 42-43 |
| Consolidated Balance Sheets – December 31, 2011 and 2010 | 24 |
| Consolidated Statements of Earnings – Years ended December 31, 2011, 2010 and 2009 | 23 |
| Consolidated Statements of Shareholders' Equity – Years ended December 31, 2011, 2010 and 2009 | 26 |
| Consolidated Statements of Cash Flows – Years ended December 31, 2011, 2010 and 2009 | 25 |
| Notes to Consolidated Financial Statements | 27-40 |
| 2. Financial Statement Schedule | Page Reference in Form 10-K |
| Report of Independent Registered Public Accounting Firm | 20 |
| Schedule II – Valuation and Qualifying Accounts | 21 |

All other schedules are omitted because they are inapplicable, not required by the instructions or the information is included in the consolidated financial statements or notes thereto.

Index

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of
Sensient Technologies Corporation
Milwaukee, Wisconsin

We have audited the accompanying consolidated balance sheets of Sensient Technologies Corporation and subsidiaries as of December 31, 2011 and 2010, and the related consolidated statements of earnings, shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2011, and the effectiveness of the Company's internal control over financial reporting as of December 31, 2011, and have issued our reports thereon dated February 27, 2012. Such consolidated financial statements and reports are included in your 2011 Annual Report to Shareholders and are incorporated herein by reference. Our audits also included the consolidated financial statement schedule of the Company listed in Item 15. That consolidated financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits.

In our opinion, that consolidated financial statement schedule referred to above, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

/s/ ERNST & YOUNG LLP

Milwaukee, Wisconsin
February 27, 2012

Index

Schedule II

Valuation and Qualifying Accounts (in thousands); Years Ended December 31, 2011, 2010, 2009

| Valuation Accounts Deducted in the Balance Sheet From the Assets to Which They Apply | Balance at Beginning of Period | Additions Charged to Costs and Expenses | Additions Recorded During Acquisitions | Deductions (A) | Balance at End of Period |
|--|--------------------------------|---|--|----------------|--------------------------|
| 2009 | | | | | |
| Allowance for losses: | \$4,295 | \$1,264 | \$ 0 | \$2,132 | \$3,427 |
| Trade accounts receivable | | | | | |
| 2010 | | | | | |
| Allowance for losses: | \$3,427 | \$1,326 | \$ 0 | \$754 | \$3,999 |
| Trade accounts receivable | | | | | |
| 2011 | | | | | |
| Allowance for losses: | \$3,999 | \$747 | \$ 0 | \$1,158 | \$3,588 |
| Trade accounts receivable | | | | | |

(A) Accounts written off, net of recoveries.

Index

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

SENSIENT TECHNOLOGIES CORPORATION

/s/ John L. Hammond

John L. Hammond

Senior Vice President, General Counsel and Secretary

Dated: February 27, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below as of February 27, 2012, by the following persons on behalf of the Registrant and in the capacities indicated.

/s/ Kenneth P. Manning

Kenneth P. Manning

Chairman of the Board, President
and Chief Executive Officer

/s/ James A.D. Croft

James A.D. Croft

Director

/s/ Richard F. Hobbs

Richard F. Hobbs

Senior Vice President and
Chief Financial Officer

/s/ William V. Hickey

William V. Hickey

Director

/s/ Jeffrey T. Makal

Jeffrey T. Makal

Vice President, Controller and
Chief Accounting Officer

/s/ Peter M. Salmon

Peter M. Salmon

Director

/s/ Hank Brown

Hank Brown

Director

/s/ Elaine R. Wedral

Elaine R. Wedral

Director

/s/ Fergus M. Clydesdale

Fergus M. Clydesdale

Director

/s/ Essie Whitelaw

Essie Whitelaw

Director

Index

SENSIENT TECHNOLOGIES CORPORATION
EXHIBIT INDEX
2011 ANNUAL REPORT ON FORM 10-K

| Exhibit Number | Description | Incorporated by Reference from | Filed Herewith |
|----------------|---|---|----------------|
| 3.1 | Amended and Restated Articles of Incorporation adopted January 21, 1999, as amended as of April 21, 2005 | Exhibit 3.1 to Quarterly Report on Form 10-Q for the quarter ended March 31, 2005 (Commission File No.1-7626) | |
| 3.2 | Amended and Restated By-Laws of Sensient Technologies Corporation as amended as of July 22, 2010 | Exhibit 3.2 to Current Report on Form 8-K dated July 22, 2011 (Commission File No. 1-7626) | |
| 4.4 | Note Purchase Agreement dated as of June 27, 2006 | Exhibit 10.1 to Current Report on Form 8-K dated June 27, 2006 (Commission File No. 1-7626) | |
| 10 | Material Contracts | | |
| 10.1 | Management Contracts or Compensatory Plans | | |
| 10.1(a)(1) | Amended and Restated Executive Employment Contract dated August 17, 2007, between Company and Kenneth P. Manning (superseded) | Exhibit 10.1 to Current Report on Form 8-K dated August 17, 2007 (Commission File No. 1-7626) | |
| 10.1(a)(2) | Amended and Restated Executive Employment Contract dated as of October 27, 2008, between the Company and Kenneth P. Manning (superseded) | Exhibit 10.2 to Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) | |
| 10.1(a)(3) | Amended and Restated Executive Employment Contract dated as of February 5, 2009, between the Company and Kenneth P. Manning (superseded) | Exhibit 10.1 to Current Report on Form 8-K dated February 5, 2009 (Commission File No. 1-7626) | |
| 10.1(a)(4) | Amended and Restated Executive Employment Agreement Contract dated as of July 22, 2010, between the Company and Kenneth P. Manning | Exhibit 10.1 to Current Report on Form 8-K dated July 22, 2010 (Commission File No. 1-7626) | |
| 10.1(b)(1) | Form of Amended and Restated Change of Control Employment and Severance Agreement for Executive Officers (“Executive Change in Control Agreement”) (superseded) | Exhibit 10.1 to Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) | |

Edgar Filing: SENSIENT TECHNOLOGIES CORP - Form 10-K

| | | | |
|-------------------|---|---|---|
| 10.1(b)(2) | Form of Amendments to Executive Change in Control Agreement (superseded) | Exhibit 10.1 to Current Report on Form 8-K dated March 23, 2010 (Commission File No. 1-7626) | |
| <u>10.1(b)(3)</u> | Form of Change of Control Employment and Severance Agreement | | X |
| 10.1(c) | Sensient Technologies Corporation 2002 Non-Employee Directors Stock Plan | Appendix C to Definitive Proxy Statement filed on Schedule 14A on March 15, 2004 (Commission File No. 1-7626) | |
| 10.1(d) | Universal Foods Corporation 1994 Employee Stock Plan, as amended September 10, 1998 | Exhibit 10.2(f) to Annual Report on Form 10-K for the fiscal year ended September 30, 1998 (Commission File No. 1-7626) | |

E-1

Index

SENSIENT TECHNOLOGIES CORPORATION
EXHIBIT INDEX
2011 ANNUAL REPORT ON FORM 10-K

| Exhibit Number | Description | Incorporated by Reference from | Filed Herewith |
|----------------|--|---|----------------|
| 10.1(d)(1) | Amendment of 1994 Employee Stock Plan dated as of November 6, 2000 | Exhibit 10.1(e)(1) to Annual Report on Form 10-K for the fiscal year ended December 31, 2000 (Commission File No. 1-7626) | |
| 10.1(e) | Universal Foods Corporation 1998 Stock Option Plan, as amended September 10, 1998 | Exhibit 10.2(h) to Annual Report on Form 10-K for the fiscal year ended September 30, 1998 (Commission File No. 1-7626) | |
| 10.1(e)(1) | Amendment of 1998 Stock Option Plan dated as of November 6, 2000 | Exhibit 10.1(f)(1) to Annual Report on Form 10-K for the fiscal year ended December 31, 2000 (Commission File No. 1-7626) | |
| 10.1(f) | 1999 Non-Employee Director Stock Option Plan | Appendix A to Definitive Proxy Statement filed on Schedule 14A on December 17, 1999 (Commission File No. 1-7626) | |
| 10.1(f)(1) | Amendment of 1999 Non-Employee Director Stock Option Plan dated as of November 6, 2000 | Exhibit 10.1(g)(1) to Annual Report on Form 10-K for the fiscal year ended December 31, 2000 (Commission File No. 1-7626) | |
| 10.1(g) | Sensient Technologies Corporation 2002 Stock Option Plan | Appendix B to Definitive Proxy Statement filed on Schedule 14A on March 22, 2002 | |
| 10.1(g)(1) | Amendment No. 1 to the Sensient Technologies Corporation 2002 Stock Option Plan | Exhibit 10.11 to Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) | |
| 10.1(g)(2) | Form of Restricted Stock Agreement thereunder | Exhibit 10.1 to Current Report on Form 8-K dated December 1, 2005 (Commission File No. 1-7626) | |
| 10.1(h) | Sensient Technologies Corporation 2007 Restricted Stock Plan | Appendix B to the Proxy Statement for the Annual Meeting of Shareholders of the Company dated March 15, 2007 | |
| 10.1(h)(1) | Amendment No. 1 to the Sensient Technologies Corporation 2007 Restricted Stock Plan | Exhibit 10.12 to Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) | |
| 10.1(i) | | | |

Edgar Filing: SENSIENT TECHNOLOGIES CORP - Form 10-K

| | | |
|------------|---|---|
| | Directors Deferred Compensation Plan, as amended and restated effective as of January 1, 2005 | Exhibit 10.3 to Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) |
| 10.1(i)(1) | Directors Unfunded Retirement Plan, Amended and Restated as of January 1, 2009 | Exhibit 10.1(i)(1) to Annual Report on Form 10-K for the fiscal year ended December 31, 2009 (Commission File No. 1-7626) |
| 10.1(j)(1) | Management Income Deferral Plan, as amended and restated effective as of December 31, 2004 (frozen portion) | Exhibit 10.5(a) to Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) |
| 10.1(j)(2) | Management Income Deferral Plan, as amended and restated effective as of January 1, 2005 (non-frozen portion) | Exhibit 10.5(b) to Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) |

E-2

Index

SENSIENT TECHNOLOGIES CORPORATION
EXHIBIT INDEX
2011 ANNUAL REPORT ON FORM 10-K

| Exhibit Number | Description | Incorporated by Reference from | Filed Herewith |
|----------------|--|--|----------------|
| 10.1(k)(1) | Executive Income Deferral Plan, as amended and restated effective as of December 31, 2004 (frozen portion) | Exhibit 10.4(a) to Quarterly Report on Form 10-Q the quarter ended September 30, 2008 (Commission File No. 1-7626) | |
| 10.1(k)(2) | Executive Income Deferral Plan, as amended and restated effective as of January 1, 2005 (non-frozen portion) | Exhibit 10.4(b) to Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) | |
| 10.1(l) | Amended and Restated Sensient Technologies Corporation Rabbi Trust "A" Agreement dated November 30, 2009, between Registrant and Wells Fargo Bank N.A. | Exhibit 10.1(l) to Annual Report on Form 10-K for the fiscal year ended December 31, 2009 (Commission File No. 1-7626) | |
| 10.1(m) | Amended and Restated Sensient Technologies Corporation Rabbi Trust "B" Agreement dated November 30, 2009, between Registrant and Wells Fargo Bank N.A. | Exhibit 10.1(m) to Annual Report on Form 10-K for the fiscal year ended December 31, 2009 (Commission File No. 1-7626) | |
| 10.1(n) | Amended and Restated Sensient Technologies Corporation Rabbi Trust "C" Agreement dated November 30, 2009, between Registrant and Wells Fargo Bank N.A. | Exhibit 10.1(n) to Annual Report on Form 10-K for the fiscal year ended December 31, 2009 (Commission File No. 1-7626) | |
| 10.1(o) | Incentive Compensation Plan for Elected Corporate Officers | Exhibit 10.10 to Quarterly Report on Form 10Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) | |
| 10.1(p) | Management Incentive Plan for Group Presidents | Exhibit 10.9 to Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) | |
| 10.1(q) | Management Incentive Plan for Corporate Management | Exhibit 10.7 to Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) | |
| 10.1(r) | Management Incentive Plan for Group/Division Management | Exhibit 10.8 to Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) | |

Edgar Filing: SENSIENT TECHNOLOGIES CORP - Form 10-K

| | | |
|------------|--|---|
| 10.1(s)(1) | Form of Agreement for Executive Officers (Supplemental Executive Retirement Plan A), as amended and restated effective as of January 1, 2005 | Exhibit 10.1(s) to Annual Report on Form 10-K for the fiscal year ended December 31, 2008 (Commission File No. 1-7626) |
| 10.1(s)(2) | Form of Amendment No. 1 to the Sensient Technologies Corporation Amended and Restated Supplemental Executive Retirement Plan A (Effective as of January 1, 2005) | Exhibit 10.1(s)(2) to Annual Report on Form 10-K for the fiscal year ended December 31, 2010 (Commission file No. 1-7626) |
| 10.1(s)(3) | Form of Amendment No. 2 to the Sensient Technologies Corporation Amended and Restated Supplemental Executive Retirement Plan A (Effective as of January 1, 2005) | Exhibit 10.1 to Current Report on Form 8-K dated April 22, 2010 (Commission File No. 1-7626) |

Index

SENSIENT TECHNOLOGIES CORPORATION
EXHIBIT INDEX
2011 ANNUAL REPORT ON FORM 10-K

| Exhibit Number | Description | Incorporated by Reference From | Filed Herewith |
|----------------|--|---|----------------|
| 10.1(t)(1) | Form of Agreement for Executive Officers (Supplemental Executive Retirement Plan B), as amended and restated effective as of January 1, 2005 | Exhibit 10.1(t) to Annual Report on Form 10-K for the fiscal year ended December 31, 2008 (Commission File No. 1-7626) | |
| 10.1(t)(2) | Form of Amendment No. 1 to the Sensient Technologies Corporation Amended and Restated Supplemental Executive Retirement Plan B (Effective as of January 1, 2005) | Exhibit 10.1(t)(2) to Annual Report on Form 10-K for the fiscal year ended December 31, 2010 (Commission File No. 1-7626) | |
| 10.1(t)(3) | Form of Amendment No. 2 to the Sensient Technologies Corporation Amended and Restated Supplemental Executive Retirement Plan B (Effective as of January 1, 2005) | Exhibit 10.2 to Current Report on Form 8-K dated April 22, 2010 (Commission File No. 1-7626) | |
| 10.1(u)(1) | Supplemental Benefit Plan, as amended and restated effective as of December 31, 2004 (frozen portion) | Exhibit 10.6(a) to Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) | |
| 10.1(u)(2) | Supplemental Benefit Plan, as amended and restated effective as of January 1, 2005 (non-frozen portion) | Exhibit 10.6(b) to Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (Commission File No. 1-7626) | |
| 10.1(v) | Sensient Technologies Corporation Policy on Recovery of Incentive Compensation from Executives effective January 1, 2012 | Exhibit 10.1 to Current Report on Form 8-K dated December 8, 2011 (Commission File No. 1-7626) | |
| 10.2 | Credit Agreement dated as of June 15, 2007 | Exhibit 10.1 to Current Report on Form 8-K dated June 15, 2007 (Commission File No. 1-7626) | |
| 10.3 | Credit Agreement dated as of October 7, 2008 | Exhibit 10.1 to Quarterly Report on Form 8-K dated October 7, 2008 (Commission File No. 1-7626) | |
| <u>13.1</u> | Annual Report to Shareholders for the year ended December 31, 2011 | | X |

Edgar Filing: SENSIENT TECHNOLOGIES CORP - Form 10-K

| | | | |
|-------------|--|---|---|
| | Code of Ethics for Senior Financial Officers | Exhibit 14 to Annual Report on Form 10-K for the fiscal year ended December 31, 2003 (Commission File No. 1-7626) | |
| <u>21</u> | Subsidiaries of the Registrant | | X |
| <u>23.1</u> | Consent of Ernst & Young LLP | | X |
| <u>31</u> | Certifications of Sensient's Chairman, President and Chief Executive Officer and Senior Vice President and Chief Financial Officer, pursuant to Rule 13a-14(a) of the Exchange Act | | X |
| <u>32</u> | Certifications of Sensient's Chairman, President and Chief Executive Officer and Senior Vice President and Chief Financial Officer, pursuant to 18 United States Code § 1350 | | X |

E-4

SENSIENT TECHNOLOGIES CORPORATION
EXHIBIT INDEX
2011 ANNUAL REPORT ON FORM 10-K

| Exhibit Number | Description | Filed Herewith |
|-------------------|--|-------------------|
| 101.INS* | Instance Document | X |
| 101.SCH* | XBRL Taxonomy Extension Schema Document | X |
| 101.CAL* | XBRL Taxonomy Extension Calculation Linkbase Document | X |
| 101.DEF* | XBRL Taxonomy Extension Definition Linkbase Document | X |
| 101.LAB* | XBRL Taxonomy Extension Label Linkbase Document | X |
| 101.PRE* | XBRL Taxonomy Extension Presentation Linkbase Document | X |

*The following financial information formatted in XBRL (eXtensible Business Reporting Language) and furnished electronically herewith: (i) Consolidated Statements of Earnings for the twelve months ended December 31, 2011, December 31, 2010, and December 31, 2009; (ii) Consolidated Balance Sheets as of December 31, 2011 and December 31, 2010; (iii) Consolidated Statements of Shareholder's Equity for the twelve months ended December 31, 2011, December 31, 2010, and December 31, 2009; (iv) Consolidated Statements of Cash Flow for the twelve months ended December 31, 2011, December 31, 2010, and December 31, 2009; and (v) Notes to Consolidated Financial Statements.