SENSIENT TECHNOLOGIES CORP
Form 11-K
June 24, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 11-K
FOR ANNUAL REPORTS OF EMPLOYEE STOCK PURCHASE, SAVINGS AND SIMILAR PLANS PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

(Mark One)

þ **ANNUAL REPORT PURSUANT TO 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2007

o **TRANSITION REPORT PURSUANT TO 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from __________ to __________

Commission file number: 1-7626

A. Full title of the plan and address of the plan, if different from that of the issuer named below:

Sensient Technologies Corporation Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Sensient Technologies Corporation
777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202-5304
(414) 271-6755

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Benefits Administrative Committee
Sensient Technologies Corporation Savings Plan

We have audited the accompanying statements of net assets available for benefits of Sensient Technologies Corporation Savings Plan (the Plan) as of December 31, 2007 and 2006, and the related statement of changes in net assets available for benefits for the year ended December 31, 2007. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan s internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2007 and 2006, and the changes in its net assets available for benefits for the ended December 31, 2007, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2007 is presented for purposes of additional analysis and is not a required part of the financial statements but are supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, are fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ ERNST & YOUNG, LLP
Milwaukee, Wisconsin
May 30, 2008

SENSIENT TECHNOLOGIES CORPORATION SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2007 AND 2006

	2007	2006
ASSETS:		
Investments at fair value:		
Interest in Sensient Technologies Corporation		
Master Trust	**$ 103,113,322**	$ 89,128,282
Participant loans	**4,232,062**	3,906,145
Total investments	**107,345,384**	93,034,427
Contributions receivable from Sensient Technologies Corporation:		
Employee contributions	**130,267**	138,593
Employer contributions	**2,702,535**	2,387,376
Total receivables	**2,832,802**	2,525,969
Net assets available for benefits at fair value	**110,178,186**	95,560,396
Adjustments from fair value to contract value for fully benefit responsive investment contracts	**129,211**	122,314
Net assets available for benefits	**$ 110,307,397**	$ 95,682,710

See notes to financial statements.

SENSIENT TECHNOLOGIES CORPORATION SAVINGS PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2007

	2007
ADDITIONS:	
Contributions:	
Participants	$ 5,366,888
Sensient Technologies Corporation	2,706,162
Rollovers	217,020
Interest on Participant Loans	306,588
Total additions	8,596,658
DEDUCTIONS:	
Withdrawals and distributions	(5,986,037)
Administrative expenses	(52,846)
Total deductions	(6,038,883)
Investment income Equity in net income of Sensient Technologies Corporation Master Trust	12,066,912
Net additions	14,624,687
Net assets available for benefits:	
Beginning of year	95,682,710
End of year	$110,307,397

See notes to financial statements.

SENSIENT TECHNOLOGIES CORPORATION SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

Note A Description of the Plan:

The following description of the Sensient Technologies Corporation Savings Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more comprehensive description of the Plan s provisions.

The Plan is a defined contribution plan sponsored by Sensient Technologies Corporation (the Company). Substantially all domestic employees of the Company, except for employees covered by collective bargaining agreements that do not expressly provide for participation in the Plan, are eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Employees can contribute up to the maximum amount of their eligible compensation prescribed by law. Employee contributions are 100% vested at all times. The Company intends to contribute an amount sufficient to provide 100% matching of the first 4% of eligible compensation contributed to the Plan by those employees who made contributions during the Plan year. All Company contributions made after January 1, 2003 are invested in accordance with each participant s investment election, regardless of age or vested service. Company contributions made before January 1, 2003, previously were invested in common stock of the Company. Effective January 1, 2007 these contributions can be diversified into funds chosen by the employee. Company contributions to the Plan were $2,706,162 for the year ended December 31, 2007.

Effective January 1, 2006, the Plan was amended and restated. The amendment provides that company matching contributions allocable for Plan years beginning on or after January 1, 2006 shall be fully vested at all times. Company matching contributions allocable for Plan years beginning before January 1, 2006 vest at 20% per year of credited service with the Company or upon termination due to death or disability.

The amendment further states, two percent of the compensation of eligible employees hired (or rehired) on or after January 1, 2006, shall be automatically withheld and contributed to the Plan on the employee s behalf as a pre-tax elective deferral contribution, unless the employee elects a different contribution amount or elects not to participate in the Plan.

The administration of the Plan is the responsibility of the Benefits Administrative Committee (the Committee) which is appointed by the Finance Committee of the Company Board of Directors. The assets of the Plan are maintained in a trust fund that is administered under a Master Trust agreement (as described in Note C) with Fidelity Management Trust Company (the Trustee or Fidelity). The Trustee is responsible for maintaining the assets of the Plan and, generally, performing all other acts deemed necessary or proper to fulfill its responsibility as set forth in the Master Trust agreement pertaining to the Plan.

Amounts that have been forfeited in accordance with provisions of the Plan serve to reduce Company contributions. Forfeitures available to reduce the Company contribution were $57,000 at December 31, 2007.

Plan assets may be invested in any type of investment that is legally permitted for employee retirement plans.

Participants direct the investment of their account balance from both participant and employer contributions, except certain prior Company contributions previously noted, into various investment options offered by the Plan. The Plan currently offers 12 mutual funds and the Sensient

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SENSIENT TECHNOLOGIES CORPORATION SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

Note A (continued):

Technologies Common Stock Fund as investment options for participants. Participants may revise their investment allocations daily.

Individual accounts are maintained by the Trustee for each Plan participant. Each participant s account is credited with the participant s contribution, the Company s matching contribution and an allocation of Plan income, and charged with withdrawals and an allocation of Plan losses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant s vested account.

The Plan allows participants to borrow funds from their account through the loan fund, up to 50% of their vested balance. Loan requests must be for a minimum of $1,000 and a maximum of $50,000 of the vested balance, less any other outstanding loans in the Plan. Monthly payroll deductions are required to repay the loan over one to five years, or longer if the loan is used to acquire a principal residence. Loans bear interest at a rate of 1.5% above the prime rate at the end of the previous quarter. Unless loans are repaid in full 90 days after the time of retirement or termination, the amount of the loan becomes taxable income to the participant. Interest rates on loans outstanding at December 31, 2007 and 2006 ranged from 5.50% to 9.75%.

Hardship withdrawals may be authorized by the Committee in the event of financial hardship of the participant. Such distributions are made in accordance with written policies and procedures, as set forth in accordance with the Internal Revenue Code, Treasury regulations and applicable law.

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event of termination, participant accounts become fully vested.

Note B Accounting Policies:

The financial statements of the Plan are prepared on an accrual basis in accordance with U.S. generally accepted accounting principles. Assets of the Plan are stated at fair value.

Certain administrative expenses incurred by the Plan are paid by the Company on behalf of the Plan or from Plan assets as determined by the Committee.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The Plan s investments are stated at fair value. Shares of mutual funds are valued based on quoted market prices which represent the net asset value of shares held by the Plan at year-end. The fair value of the participation units in the common collective trusts is based on quoted redemption values on the last business day of the Plan s year-end. Participant loans are valued at their outstanding balances, which approximate fair value.

SENSIENT TECHNOLOGIES CORPORATION SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

Note B (continued):

As described in Financial Accounting Standards Board Staff Position (FSP) AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the FSP), investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through a common collective trust, Sensient Technologies Corporation Master Trust (the Master Trust). As required by the FSP, the statement of net assets available for benefits presents the fair value of the investment in the common collective trust as well as the adjustment from fair value to contract value for fully benefit-responsive investment contracts. The fair value of the Plan s interest in the Master Trust is based on information reported by the issuer of the common collective trust at year-end. The contract value of the Master Trust represents contributions plus earnings, less participant withdrawals and administrative expenses.

Note C Sensient Technologies Corporation Master Trust:

The Plan s investments, except participant loans, are held by the Master Trust, along with the investments of the Sensient Technologies Corporation Retirement Employee Stock Ownership Plan (ESOP). Use of the Master Trust permits the commingling of assets of various employee benefit plans for investment and administrative purposes. Although plan assets are commingled, supporting records are maintained for the purpose of determining changes in each plan s undivided and specifically allocated interest in the Master Trust.

Quoted market prices are used to determine the fair value of marketable securities. Shares of registered investment companies or collective trusts are stated at quoted market prices or withdrawal value. Investment income, realized gains and losses, and unrealized appreciation and depreciation of investments in the Master Trust are allocated to each plan participating in the Master Trust based upon the relationship of the individual interest of each plan to the total of the individual interests of all plans participating in the Master Trust.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date. Capital gain distributions are included in dividend income.

The Master Trust invests in various securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of

SENSIENT TECHNOLOGIES CORPORATION SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

Note C (continued):

investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

The fair value of the net assets of the Master Trust as of December 31, 2007 and 2006 is as follows:

	2007	2006
Sensient Technologies Corporation common stock*	**$ 55,532,190**	$ 53,362,163
Fixed income funds	**14,268,598**	14,493,107
Mutual funds	**79,342,001**	62,917,336
Net assets in Master Trust	**$ 149,142,789**	$ 130,772,606
Plan s investment in Master Trust	**$ 103,113,322**	$ 89,128,282
Plan s investment in Master Trust as a percent of total	**69.14%**	68.16%

* Party-in-interest

The net income of the Master Trust for the year ended December 31, 2007 is as follows:

	2007
Dividends on Sensient Technologies Corporation common stock*	**$ 1,277,960**
Interest and other dividends	**3,855,157**
Net appreciation of investments based on quoted market prices	**13,239,972**
Net income of Master Trust	**$ 18,373,089**
Plan s equity in net income of the Master Trust	**$ 12,066,912**

* Party-in-interest

During the year ended December 31, 2007, net appreciation of the investments held by the Master Trust (including gains and losses on investments bought and sold, as well as held during the year) is as follows:

	2007
Sensient Technologies Corporation common stock*	**$ 7,675,599**
Mutual funds	**5,564,373**

Net appreciation in fair value of investments	Master Trust	**$ 13,239,972**

* Party-in-interest

SENSIENT TECHNOLOGIES CORPORATION SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

Note D Non-participant Directed Investments:

The non-participant directed investments of the Plan held by the Master Trust, are invested in Sensient Technologies Corporation common stock. Participant account balances, which are eligible to be diversified but remain in Sensient Technologies Corporation common stock, cannot be separately determined and are reported as non-participant directed investments. Information about the net assets and the significant components of the changes in net assets relating to non-participant directed net assets of the Plan held by the Master Trust is as follows:

	2007	**2006**
Non-participant directed net assets:		
Sensient Technologies Corporation common stock*	**$ 16,486,125**	$ 15,120,336

	2007
Changes in non-participant directed net assets:	
Contributions	**$ (5,724)**
Dividends	**551,612**
Net appreciation	**1,743,303**
Withdrawals and distributions	**(913,791)**
Other	**(9,611)**
	$ 1,365,789

* Party-in-interest

Note E Income Tax Status:

The Plan has received a determination letter from the Internal Revenue Service dated December 18, 2002, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the Internal Revenue Service, the Plan was amended and restated. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended and restated, is qualified and the related trust is tax exempt.

Note F Benefits Payable:

As of December 31, 2007 and 2006, the Plan had no benefits payable to persons who elected to withdraw from participation in the earnings and operations of the Plan but had not yet been paid.

SENSIENT TECHNOLOGIES CORPORATION SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

Note G Parties-in-Interest:

Certain Plan investments are managed and issued by Fidelity, the custodian of the Plan s investment assets and, therefore, some transactions qualify as party-in-interest transactions. The Plan pays fees to Fidelity for investment management, recordkeeping, and other administrative services. Fees paid by the Plan were $52,846 for the year ended December 31, 2007.

Note H New Pronouncements:

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement No. 157 *Fair Value Measurements*. This statement defines fair value establishes a framework for measuring fair value and expands disclosures about fair value measurements. It also establishes a fair value hierarchy that prioritizes information used in developing assumptions when pricing an asset or liability. Statement No. 157 will be effective for the Company beginning in 2008. The Company does not believe this statement will have a material effect on the Plan s financial statements and related disclosures.

Note I Subsequent Event:

Effective January 1, 2008, the Plan was amended to provide for the addition of Roth elective deferrals. As of January 1, 2008, the Plan will accept Roth elective deferrals made on behalf of the participants. The participant s Roth elective deferrals will be allocated to a separate account maintained for such deferrals (the Roth Elective Deferral Account).

SUPPLEMENTAL SCHEDULE
FURNISHED PURSUANT TO
DEPARTMENT OF LABOR S RULES AND REGULATIONS

SENSIENT TECHNOLOGIES CORPORATION SAVINGS PLAN
FORM 5500, SCHEDULE H, PART IV, LINE 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2007

Plan 006
EIN 39-0561070

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment	(d) Cost	(e) Current Value
*	Participant Loans	Participant borrowings against their individual account balances, interest rates from 5.50% to 9.75%, and maturing through 2027 (705 loans outstanding)		$ 4,232,062
	Total			$ 4,232,062

* Party-in-interest

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefits plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Sensient Technologies Corporation Savings Plan

Date: June 24, 2008	By:	/s/ John L. Hammond
	Name:	John L. Hammond
	Title:	Vice President, Secretary and General Counsel

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EXHIBIT INDEX

Exhibit No.	Description
Exhibit 23.1	Consent of Independent Registered Public Accounting Firm

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