



McCormick Completes Acquisition of Reckitt Benckiser's Food Division

August 17, 2017

SPRING, Md., Aug. 17, 2017 (PRNewswire - McCormick & Company Inc. (NYSE: MCC), a global leader in flavor, today announced that it has completed its acquisition of Reckitt Benckiser's Food Division ("RB Foods") from Reckitt Benckiser Group plc ("RB"), which was previously announced on July 18, 2017.

The brands acquired including Frito's On the Border, Frito de and Caliente and other high quality brands and a natural strategic fit with McCormick's robust global brand portfolio. McCormick funded the purchase price of approximately \$4.2 billion, subject to certain customary purchase price adjustments, through a combination of new debt, completed or senior unsecured notes and pre-existing term loans, and equity. The notes offering and equity offering were completed on August 11, 2017.

"You are excited to acquire Frito's On the Border, Frito de and other iconic, market leading brands, as we complete a transaction that has been at the top of our strategic list for over a decade and will generate significant shareholder value," said Lawrence E. Kurita, Chairman, President and Chief Executive Officer. "McCormick is the perfect home for brands like Frito's On the Border and Frito de as their simple, clean ingredients make them liquid gold. The addition of these highly complementary brands will allow McCormick to continue to take advantage of the growing trend toward spicy, flavorful eating with natural, high-quality ingredients and advance our vision to bring the Joy of Flavor to Life. The talented employees of RB Foods have built a great business, and we look forward to working with them to achieve continued success."

McCormick expects to release its 2017 annual guidance, inclusive of the acquisition, on its third-quarter earnings call on September 20, 2017 at 8:00 a.m. ET.

Forward-Looking Information

Certain information contained in this press release includes or consists of certain "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934. These statements may be identified by the use of words such as "may," "will," "expect," "should," "anticipate," "intend," "believe" and "plan." The forward-looking statements contained in this press release include, without limitation, statements related to the expected impact of the acquisition of RB Foods, including among others, on McCormick's net sales, expected levels of net sales and earnings performance and other financial measures, expectations regarding improved costs, growth potential in various products, geographies and market categories, including the impact from innovation, a more diverse product offering and increased household penetration, expectations regarding growth in the Hot Sauce category, the realization of anticipated cost synergies, margin expansion and adjusted earnings per share accretion from the acquisition, the ability to retain key personnel, and the anticipated sufficiency of future cash flows to enable the payments of interest and repayment of debt and long-term debt to well as ongoing dividends.

These and other forward-looking statements are based on management's current views and assumptions and involve risks and uncertainties that could significantly affect expected results. Results may be materially affected by factors such as: risks associated with acquisitions generally, such as the failure to retain key management and employees of RB Foods, issues or delays in the successful integration of RB Foods' operations with those of McCormick, including incurring or experiencing unanticipated costs and/or delays or difficulties, or delays in the successful transition of the RB Foods business from the information technology systems of RB to those of McCormick as well as risks associated with the integration and transition of the operations, systems and personnel of RB Foods, while the term of the six-month post-closing transition services agreement between McCormick and RB, future levels of revenues being lower than expected and costs being higher than expected, failure or inability to implement growth strategies in a timely manner, unfavorable reaction to the acquisition by customers, competitors, suppliers and employees, conditions affecting the industry generally, local and global political and economic conditions, changes in the level of capital investment, and other risks described in the company's filings with the Securities and Exchange Commission, including McCormick's Annual Report on Form 10-K for the year ended November 30, 2016.

Actual results could differ materially from those projected in the forward-looking statements. The company undertakes no obligation to update or revise publicly, any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law.

About McCormick

McCormick & Company, Incorporated is a global leader in flavor. With \$4.4 billion in annual sales, the company manufactures, markets and distributes spices, seasoning mixes, condiments and other flavorful products to the entire food industry - retail outlets, food manufacturers and foodservice businesses. Every day, no matter where or what you eat, you can enjoy food flavored by McCormick. McCormick Brings the Joy of Flavor to Life.™

For more information, visit www.mccormick.com/pressroom

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