



McCormick Reports Record Profits and 7% Sales Increase for Third Quarter

September 16, 1999

SPRING, Md., Sept. 16 (PRNewswire) - McCormick & Company, Incorporated (NYSE: MCC) today reported record sales and earnings per share for the third quarter of 1999 on a comparable basis with 1998. Earnings per share before the effect of previously announced special charges were 38 cents for the quarter versus 28 cents for the prior year, an increase of 34%. For the first three quarters, the Company reported comparable earnings per share of 92 cents, an increase of 26% over earnings per share of 73 cents for the prior year. Including the special charges, earnings per share were 35 cents for the first quarter and 68 cents for the first nine months.

Net sales for the quarter were \$477 million, up 7% over the third quarter of 1998. Excluding the effects of foreign exchange and divested businesses, sales for the quarter increased 8%. Third quarter sales rose 9% for the Company's worldwide consumer food business and 6% for the industrial and food service businesses. Sales for the Company's packaging business rose 8%. For the first three quarters, McCormick's net sales were \$1.4 billion, an increase of 7% over 1998.

In the quarter, gross margin increased to 34.4% from 32.8% in 1998. Before special charges, operating income rose 17%. Unconsolidated income from McCormick's joint ventures more than doubled to \$4.5 million for the quarter.

Commercial Baker's, Lawless, Claxton, Prudden & CDO, Ylla are exceeding our 1999 targets for net sales growth, gross margin improvement and earnings per share increase. Sales growth initiatives and operations improvements contributed to another successful quarter. Supply chain management, programs to improve manufacturing efficiencies, well-executed marketing strategies and working capital management are translating into improved financial performance in our consumer, industrial and packaging operations worldwide.

"Performance was consistently positive across all businesses this quarter. We have good momentum as we begin our important fourth quarter and are confident that 1999 will be an outstanding year for McCormick."

McCormick & Company, Incorporated			
Third Quarter Report			
Consolidated Income Statement (Unaudited)			
(In thousands, except per-share data)			
	Three Months Ended	Nine Months Ended	
	8/31/99	8/31/98	8/31/98
NET SALES	\$476,761	\$446,793	\$1,388,482
Cost of goods sold	312,532	296,718	899,179
Gross profit	164,229	146,775	487,303
Gross profit			420,725
percentage	34.4%	32.9%	33.7%
Selling, general & administrative expenses	120,280	107,295	335,042
Special charges	\$109	\$26	\$826
Operating income	43,910	38,851	\$4,557
Interest expense	6,231	6,676	24,519
Other (income)			(3,903)
expense, net	(1,072)	(1,140)	(3,903)
Income before income taxes	33,751	30,997	73,386
Income taxes	12,904	10,943	32,376
Net income from consolidated operations	20,847	19,454	41,010
Income from unconsolidated operations	4,514	1,996	6,217
NET INCOME	\$25,361	\$21,450	\$47,227
EARNINGS PER SHARE - BASIC	\$0.36	\$0.29	\$0.69
Average shares outstanding - basic	71,280	73,154	71,700
EARNINGS PER SHARE - DILUTED	\$0.35	\$0.29	\$0.68
Average shares outstanding - diluted	71,800	73,856	72,230
Condensed Consolidated Balance Sheet (Unaudited)			
(In thousands)			
	8/31/99	8/31/98	
Assets			
Receivables	\$282,294	\$179,847	
Inventories	271,409	278,622	
Prepaid expenses	135,653	142,592	
Property, plant and equipment, net	384,458	384,270	
Other assets	238,331	268,570	
Total assets	\$1,233,943	\$1,273,909	
Liabilities and shareholders' equity			
Short-term borrowings	\$213,000	\$254,083	
Other current liabilities	320,766	307,180	
Long-term debt	247,117	262,016	
Other liabilities	107,680	103,023	
Shareholders' equity	355,280	350,607	
Total liabilities and shareholders' equity	\$1,233,943	\$1,273,909	

SOURCE: McCormick & Company, Incorporated