

McCormick & Company, Inc.
Cash Conversion Cycle (CCC)

McCormick uses a calculation of cash conversion cycle to measure our working capital management. The Company calculates its cash conversion cycle as shown below:

	2016	2015	2014	2013	2012	
Days Sales Outstanding	34.8	35.1	38.1	38.1	36.4	Average trade accounts receivable divided by average daily net sales
Days Inventory	104.4	103.4	100.8	94.4	95.3	Average inventory divided by average daily cost of goods sold
Days Payable Outstanding	(50.7)	(48.3)	(47.5)	(47.7)	(49.6)	Avg accounts payable divided by avg. daily cost of goods sold plus avg daily change in inventory
Cash Conversion Cycle	88.5	90.2	91.4	84.8	82.1	