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 November 30, 1997 Commission file number 0-748

McCORMICK & COMPANY, INCORPORATED
(Exact name of registrant as specified in its charter)

Maryland	52-0408290
(State of incorporation)	(I.R.S. Employer Identification No.)

18 Loveton Circle Sparks, Maryland	21152
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (410) 771-7301

Securities registered pursuant to Section 12(b) of the Act: Not applicable

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, No Par Value	Common Stock Non-Voting, No Par Value
(Title of Class)	(Title of Class)

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 for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes /X/ 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 /X/

The aggregate market value of the voting stock held by non-affiliates of the registrant $204,420,144

The aggregate market value of the non-voting stock held by non-affiliates of the registrant $1,847,529,347

The aggregate market value indicated above was calculated as follows:

The number of shares of voting stock and non-voting stock held by non-affiliates of the registrant as of January 30, 1998 was 7,003,688 and 63,298,650 respectively. This number excludes shares held by the McCormick Profit Sharing Plan and PAYSOP and its Trustees, the McCormick Pension Plan and its Trustees, and the directors and officers of the registrant, who may or may not be affiliates. This number was then multiplied by the closing price of the stock as of January 30, 1998, $29.1875.

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Class	NUMBER OF SHARES OUTSTANDING	Date
Common Stock	10,063,999	1/30/98
Common Stock Non-Voting	63,594,106	1/30/98

DOCUMENTS INCORPORATED BY REFERENCE

Document	Part of 10-K into which incorporated
Registrant's 1997 Annual Report to Stockholders	Part I, Part II, Part IV
Registrant's Proxy Statement dated 2/18/98	Part III, Part IV

PART I

As used herein, the "Registrant" means McCormick & Company, Incorporated and its subsidiaries, unless the context otherwise requires.

Item 1. Business

The Registrant, a diversified specialty food company, is principally engaged in the manufacture of spices, seasonings, flavors and other specialty food products and sells such products to the consumer food market, the foodservice market and to industrial food processors throughout the world. The Registrant also, through subsidiary corporations, manufactures and markets plastic packaging products for food, personal care and other industries.

The Registrant's Annual Report to Stockholders for 1997, which is enclosed as Exhibit 13, contains a description of the general development, during the last fiscal year, of the business of the Registrant, which was formed in 1915 under Maryland law as the successor to a business established in 1889. Pages 6 through 11 and 35 through 41 of that Report are incorporated by reference. Unless otherwise indicated, all references to amounts in this Report or in the Registrant's Annual Report to Stockholders for 1997 are amounts from continuing operations. The Registrant's net sales increased 4.0% in 1997 to $1,800,966,000.

The Registrant operates in two business segments, Food Products and Packaging Products, and has disclosed in Note 11 of the Notes to Consolidated Financial Statements on pages 29 and 30 of its Annual Report to Stockholders for 1997, which Note is incorporated by reference, the financial information about the business segments required by this Item.

The Registrant's Annual Report to Stockholders for 1997 sets forth a description of the business conducted by the Registrant on pages 6 through 11. Those pages of the Registrant's Annual Report are incorporated by reference.

The Registrant implemented restructuring plans in 1994 and 1996 which were intended to increase focus on core businesses and improve its cost structure. A description of the actions taken under these plans is set forth in the Registrant's Annual Report to Stockholders for 1997 in Note 10 of the Notes to Consolidated Financial Statements on page 28, which Note is incorporated by reference. In the third quarter of 1997, the Registrant reevaluated its restructuring plans. Most of the actions required by these plans have been completed or are near completion and have resulted in losses less than originally anticipated. In addition, an agreement in principal to dispose of an overseas food brokerage and distribution business was not consummated. As a result of these developments, the Registrant recognized a restructuring credit of $9,493,000. Concurrent with the reevaluation of restructuring plans, the Registrant initiated plans to streamline the overseas food brokerage and distribution business and to close the Freehold, New Jersey packaging plant. These actions resulted in a $5,734,000 restructuring charge. The credit for the restructuring reevaluation, the charge for the new initiatives and charges directly related to the restructuring plan which could not be accrued in 1996 resulted in a net restructuring credit of $3,227,000 ($2,033,000 after tax) in 1997.

In August 1996, the Registrant sold substantially all of the assets of Gilroy Foods, Incorporated to ConAgra, Inc. and the assets of Gilroy Energy Company, Inc. to an affiliate of Calpine Corporation. The Registrant's Annual Report to Stockholders for 1997 sets forth a description of the sale of Gilroy Foods and Gilroy Energy in Note 10 of the Notes to Consolidated Financial Statements on page 28, which Note is incorporated by reference. Based on the settlement of terms related to assumptions used to estimate the gain or loss from these transactions, the Registrant recognized income from discontinued operations, net of income taxes of $1,013,000 in 1997.

Principal Products/Marketing

Spices, seasonings, flavorings, and other specialty food products are the Registrant's principal products. The Registrant also manufactures and markets plastic bottles and tubes for food, personal care and other products, primarily in the United States. The net sales value of each of these product segments is set forth in Note 11 of the Notes to Consolidated Financial Statements on pages 29 and 30 of the Registrant's Annual Report to Stockholders for 1997, which Note is incorporated by reference. No other products or classes of similar products or services contributed as much as 10% to consolidated net sales during the last three fiscal years.

The Registrant markets its consumer products and foodservice products through its own sales organization, food brokers and distributors. In the industrial market, sales are made mostly through the Registrant's own sales force. The Registrant markets its packaging products through its own sales force and distributors.

Raw Materials

Many of the spices and herbs purchased by the Registrant are imported into the United States from the country of origin, although significant quantities of some materials, such as paprika, dehydrated vegetables, onion and garlic, and food ingredients other than spices and herbs, originate in the United States. The Registrant is a direct importer of certain raw materials, mainly black pepper, vanilla beans, cinnamon, herbs and seeds from the countries of origin. Some of the imported materials are purchased from dealers in the United States. The principal purpose of such purchases is to satisfy the Registrant's own needs. In addition, the Registrant also purchases cheese and dairy powders from US sources for use in many industrial products.

The raw materials most important to the Registrant are onion, garlic and capsicums (paprika and chili peppers), most of which originate in the United States, black pepper, most of which originates in India, Indonesia, Malaysia and Brazil, vanilla beans, which the Registrant obtains from the Malagasy Republic and Indonesia and cheese and dairy powders, most of which originate in the US. The Registrant does not anticipate any material restrictions or shortages on the availability of raw materials which would have a significant impact on the Registrant's business in the foreseeable future.

Substantially all of the raw materials used in the packaging business originate in the United States.

Trademarks, Licenses and Patents

The Registrant owns a number of registered trademarks, which in the aggregate may be material to the Registrant's business. However, the loss of any one of those trademarks, with the exception of the Registrant's "McCormick," "Schilling," "Schwartz" and "Club House" trademarks, would not have a material adverse effect on the Registrant's business. The "McCormick" and "Schilling" trademarks are extensively used by the Registrant in connection with the sale of a substantial number of the Registrant's products in the United States. The "McCormick" and "Schilling" trademarks are registered and used in various foreign countries as well. The "Schwartz" trademark is used by the Registrant in connection with the sale of the Registrant's products in Europe and the "Club House" trademark is used in connection with the sale of the Registrant's products in Canada. The terms of the trademark registrations are as prescribed by law and the registrations will be renewed for as long as the Registrant deems them to be useful.

The Registrant has entered into a number of license agreements authorizing the use of its trademarks by affiliated and non-affiliated entities in foreign countries. In the aggregate, the loss of license agreements with non-affiliated entities would not have a material adverse effect on the Registrant's business. The terms of the license agreements are generally 3 to 5 years or until such time as either party terminates the agreement. Those agreements with specific terms are renewable upon agreement of the parties.

The Registrant owns various patents, but they are not viewed as material to the Registrant's business.

Seasonal Nature of Business

Historically, the Registrant's sales and profits are lower in the first two quarters of the fiscal year and increase in the third and fourth quarters.

Working Capital

In order to meet increased demand for its products during its fourth quarter, the Registrant usually builds its inventories during the third quarter. In common with other companies, the Registrant generally finances working capital items (inventory and receivables) through short-term borrowings, which include the use of lines of credit and the issuance of commercial paper. Note 3 of the Notes to Consolidated Financial Statements on pages 20 and 21 of the Registrant's Annual Report to Stockholders for 1997 and page 40 of the Registrant's Annual Report to Stockholders for 1997, which pages are incorporated by reference, set forth a description of the Registrant's liquidity and capital resources.

Customers

The Registrant has a large number of customers for its products. No single customer accounted for as much as 10% of consolidated net sales in 1997. In the same year, sales to the five largest customers represented approximately 20% of consolidated net sales.

Backlog Orders

The dollar amount of backlog orders of the Registrant's business is not material to an understanding of the Registrant's business, taken as a whole.

Government Contracts

No material portion of the Registrant's business is subject to renegotiation of profits or termination of contracts or subcontracts at the election of the Government.

Competition

The Registrant is a leader in the manufacture and sale of spices, seasonings and flavorings and competes in a geographic market which is global and highly competitive. For further discussion, see pages 6 through 11, 35 and 37 of the Registrant's Annual Report to Stockholders for 1997, which pages are incorporated by reference.

Research and Quality Control

The Registrant has emphasized quality and innovation in the development, production and packaging of its products. Many of the Registrant's products are prepared from confidential formulae developed by its research laboratories and product development departments. The long experience of the Registrant in its field contributes substantially to the quality of the products offered for sale. Quality specifications exist for the Registrant's products, and continuing quality control inspections and testing are performed. Total expenditures for these and other related activities during fiscal years 1997, 1996 and 1995 were approximately $37,709,000, $35,705,000 and $33,825,000 respectively. Of these amounts, expenditures for research and development amounted to $16,077,000 in 1997, $12,216,000 in 1996 and $12,015,000 in 1995. The amount spent on customer-sponsored research activities is not material.

Environmental Regulations

Compliance with Federal, State and local provisions related to protection of the environment has had no material effect on the Registrant's business. No material capital expenditures for environmental control facilities are expected to be made during this fiscal year or the next.

Employees

The Registrant had on average approximately 7,500 employees during fiscal year 1997.

Foreign Operations

International businesses have made significant contributions to the Registrant's growth and profits. In common with other companies with foreign operations, the Registrant is subject in varying degrees to certain risks typically associated with doing business abroad, such as local economic and market conditions, exchange and price controls, restrictions on investment, royalties and dividends and exchange rate fluctuations.

Note 11 of the Notes to Consolidated Financial Statements on pages 29 and 30 of the Registrant's Annual Report to Stockholders for 1997, and pages 35 through 39 of the Registrant's Annual Report to Stockholders for 1997 contain the information required by subsection (d) of Item 101 of Regulation S-K, which pages are incorporated by reference.

Forward-Looking Information

For a discussion of forward-looking information, see page 41 of the Registrant's Annual Report to Stockholders for 1997, which page is incorporated be reference.

Item 2. Properties

The location and general character of the Registrant's principal plants and other materially important physical properties are as follows:

(a) Consumer Products

A plant is located in Hunt Valley, Maryland on approximately 52 acres in the Hunt Valley Business Community. This plant, which contains approximately 540,000 square feet, is used for processing spices and other food products. There is an approximately 110,000 square foot office building located in Hunt Valley, Maryland which is the headquarters for the Registrant's consumer products division. Also in Hunt Valley, Maryland is a facility of approximately 100,000 square feet which contains the Registrant's printing operations and a warehouse. All of these facilities are owned in fee. A plant of approximately 370,000 square feet and a distribution center of approximately 325,000 square feet are located in Salinas, California and a plant of approximately 108,000 square feet is located in Commerce, California. Both of the plants are owned in fee; the distribution center is leased. These facilities are used for milling, processing, packaging, and distributing spices and other food products.

(b) Industrial Products

The Registrant has two principal plants devoted to industrial flavoring products in the United States. A plant of 105,000 square feet is located in Hunt Valley, Maryland and is owned in fee. A plant of 102,000 square feet is located in Irving, Texas and is owned in fee.

(c) Spice Milling

Located adjacent to the consumer products plant in Hunt Valley is a spice milling and cleaning plant which is owned in fee by the Registrant and contains approximately 185,000 square feet. This plant services all food product groups of the Registrant. Much of the milling and grinding of raw materials for the Registrant's seasoning products is done in this facility.

(d) Packaging Products

The Registrant has three principal plants which are devoted to the production of plastic products. A plant of approximately 275,000 square feet is located in Anaheim, California and a plant of approximately 221,000 square feet is located in Easthampton, Massachusetts. Both of these facilities are owned in fee. A plant of approximately 203,000 square feet is located in Cranbury, New Jersey and is leased.

(e) International

The Registrant has a plant in London, Ontario which is devoted to the processing, packaging and distribution of food products. This facility is approximately 140,000 square feet and is owned in fee. The Registrant has a 251,000 square foot facility in Buckinghamshire, England which contains the Registrant's European headquarters and manufacturing plant for dry products.

(f) Research and Development

The Registrant has a facility in Hunt Valley, Maryland which houses the research and development laboratories and the technical capabilities of the Registrant. The facility is approximately 110,000 square feet and is owned in fee.

(g) Distribution

The Registrant has a distribution center in Belcamp, Maryland. The leased 369,000 square foot facility handles the distribution of consumer, foodservice and industrial products in the eastern United States.

Item 3. Legal Proceedings

There are no material pending legal proceedings to which the Registrant or any of its subsidiaries is a party or to which any of their property is subject.

Item 4. Submission of Matters to a Vote of Security Holders

No matter was submitted during the fourth quarter of Registrant's fiscal year 1997 to a vote of security holders.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

The Registrant has disclosed at pages 40 and 41 of its Annual Report to Stockholders for 1997, which pages are incorporated by reference, the information relating to the market, market quotations, and dividends paid on Registrant's common stocks required by this Item.

The approximate number of holders of common stock of the Registrant based on record ownership as of January 30, 1998 was as follows:

Title of Class	Approximate Number of Record Holders
Common Stock, no par value	2,000
Common Stock Non-Voting, no par value	9,500

Item 6. Selected Financial Data

The Registrant has disclosed the information required by this Item in the line items for 1993 through 1997 entitled "Net sales," "Net income-continuing operations," "Earnings per share - continuing operations," "Common dividends declared," "Long-term debt" and "Total assets" on page 12 of its Annual Report to Stockholders for 1997, which page is incorporated by reference.

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

The Registrant's Annual Report to Stockholders for 1997 at pages 35 through 41 contains a discussion and analysis of the Registrant's financial condition and results of operations for the three fiscal years ended November 30, 1997. Said pages are incorporated by reference.

Item 7A. Quantitative and Qualitative Disclosure About Material Risk

As the Registrant's market capitalization was less than $2.5 billion at January 28, 1997, the Registrant is not required to comply with the disclosure provisions of Item 305 of Regulation S-K.

Note 1 of the Notes to Consolidated Financial Statements at pages 18 and 19 of the Registrant's Annual Report to Stockholders for 1997 contains the accounting policy information required by Rule 4-08(n) of Regulation S-X. Said Note is incorporated by reference.

Item 8. Financial Statements and Supplementary Data

The financial statements and supplementary data for McCormick & Company, Incorporated are included on pages 13 through 33 of the Registrant's Annual Report to Stockholders for 1997, which pages are incorporated by reference. The report of independent auditors from Ernst & Young LLP on such financial statements is included on page 34 of the Registrant's Annual Report to Stockholders for 1997, which page is incorporated by reference. The supplemental schedule for 1995, 1996 and 1997 is included on page 16 of this Report on Form 10-K.

The unaudited quarterly data required by Item 302 of Regulation S-K is included in Note 13 of the Notes to Consolidated Financial Statements at pages 32 and 33 of the Registrant's Annual Report to Stockholders for 1997, which Note is incorporated by reference.

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

No response is required to this item.

PART III

Item 10. Directors and Executive Officers of the Registrant

The Registrant has filed with the Commission a definitive copy of its Proxy Statement dated February 18, 1998, which sets forth the information required by this Item at pages 3 through 7 which pages are incorporated by reference. In addition to the executive officers and directors discussed in the Proxy Statement, J. Allan Anderson, Christopher J. Kurtzman, Robert C. Singer and Robert W. Skelton are also executive officers of the Registrant.

Mr. Anderson is 51 years old and has had the following work experience during the last five years: 1/92 to present - Vice President and Controller.

Mr. Kurtzman is 45 years old and has had the following work experience during the last five years: 2/96 to present - Vice President and Treasurer; 5/94 to 2/96 - Assistant Treasurer-Domestic; 9/90 to 5/94 - Assistant Treasurer-Investor Relations & Financial Services.

Mr. Singer is 42 years old and has had the following work experience during the last five years: 3/96 to present - Vice President - Acquisitions and Financial Planning; 5/94 to 3/96 - Vice President of Finance - McCormick Flavor Division; 12/91 to 5/95 - Vice President of Finance - International Group.

Mr. Skelton is 50 years old and has had the following work experience during the last five years: 6/97 to present - Vice President, General Counsel and Secretary; 4/96 to 6/97 - Vice President and General Counsel; 1/84 to 4/96 -Assistant Secretary and Associate General Counsel.

Item 11. Executive Compensation

The Registrant has filed with the Commission a definitive copy of its Proxy Statement dated February 18, 1998, which sets forth the information required by this Item at pages 7 through 17 which pages are incorporated by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management

The Registrant has filed with the Commission a definitive copy of its Proxy Statement dated February 18, 1998, which sets forth the information required by this Item at pages 2 through 6 which pages are incorporated by reference.

Item 13. Certain Relationships and Related Transactions

The Registrant has filed with the Commission a definitive copy of its Proxy Statement dated February 18, 1998, which sets forth the information required by this Item at page 7, which page is incorporated by reference.

PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K

(a) The following documents are filed as a part of this Form:

1. The consolidated financial statements for McCormick & Company, Incorporated and subsidiaries which are listed in the Table of Contents appearing on page 15 below.

2. The financial statement schedules required by Item 8 of this Form which are listed in the Table of Contents appearing on page 15 below.

3. The exhibits which are filed as a part of this Form and required by Item 601 of Regulation S-K are listed on the accompanying Exhibit Index at pages 17 and 18 of this Report.

(b) The Registrant filed no reports during the last quarter of its fiscal year 1997 on Form 8-K.

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 on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized.

McCORMICK & COMPANY, INCORPORATED

By:

/s/ Robert J. Lawless Robert J. Lawless	President & Chief Executive Officer	February 16, 1998

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

Principal Executive Officer:

By:

/s/ Robert J. Lawless Robert J. Lawless	President & Chief Executive Officer	February 16, 1998

Principal Financial Officer:

/s/ Robert G. Davey Robert G. Davey	Executive Vice President & Chief Financial Officer	February 16 , 1998

Principal Accounting Officer:

/s/ J. Allan Anderson J. Allan Anderson	Vice President & Controller	February 16, 1998

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons, being a majority of the Board of Directors of McCormick & Company, Incorporated, on the date indicated:

THE BOARD OF DIRECTORS:	DATE:
/s/ James S. Cook James S. Cook	February 16, 1998
/s/ Robert G. Davey Robert G. Davey	February 16, 1998
/s/ Freeman A. Hrabowski, III Freeman A. Hrabowski, III	February 16, 1998
/s/ Robert J. Lawless Robert J. Lawless	February 16, 1998
/s/ Charles P. McCormick, Jr. Charles P. McCormick, Jr.	February 16, 1998
/s/ George V. McGowan George V. McGowan	February 16, 1998
/s/ Carroll D. Nordhoff Carroll D. Nordhoff	February 16, 1998
/s/ Robert W. Schroeder Robert W. Schroeder	February 16, 1998
/s/ William E. Stevens William E. Stevens	February 16, 1998
/s/ Karen D. Weatherholtz Karen D. Weatherholtz	February 16, 1998

CROSS REFERENCE SHEET

PART		ITEM	REFERENCED MATERIAL/PAGE(S)
PART I			
	Item 1.	Business	Registrant's 1997 Annual Report to Stockholders/Pages 6-11, 20-21, 28-30 and 35-41.
	Item 2.	Properties	None.
	Item 3.	Legal Proceedings	None.
	Item 4.	Submission of Matters to a Vote of Security Holders.	None.
PART II			
	Item 5.	Market for the Registrant's Common Equity and Related Stockholder Matters.	Registrant's 1997 Annual Report to Stockholders/Pages 40-41.
	Item 6.	Selected Financial Data	Registrant's 1997 Annual Report to Stockholders/Page 12.
	Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations.	Registrant's 1997 Annual Report to Stockholders/Pages 35-41.
	Item 7A.	Quantitative and Qualitative Disclosures About Material Risk.	Registrant's 1997 Annual Report to Stockholders/Pages 18-19.
	Item 8.	Financial Statements and Supplementary Data.	Registrant's 1997 Annual Report to Stockholders/Pages 13-34 and Page 16 of this Report.
	Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.	None.

PART III

Item 10.	Directors and Executive Officers of the Registrant.	Registrant's Proxy Statement dated February 18, 1998/Pages 3-7.
Item 11.	Executive Compensation.	Registrant's Proxy Statement dated February 18, 1998/Pages 7-17.
Item 12.	Security Ownership of Certain Beneficial Owners and Management.	Registrant's Proxy Statement dated February 18, 1998/Pages 2-6.
Item 13.	Certain Relationships and Related Transactions.	Registrant's Proxy Statement dated February 18, 1998/Page 7.

PART IV

Item 14.	Exhibits, Financial Statement Schedules and Reports on Form 8-K.	See Exhibit Index pages 17 and 18 and the Table of Contents at page 15 of this Report.

McCORMICK & COMPANY, INCORPORATED

TABLE OF CONTENTS AND RELATED INFORMATION

Included in the Registrant's 1997 Annual Report to Stockholders, the following consolidated financial statements are incorporated by reference in Item 8*:

Included in Part IV of This Annual Report:

Schedules other than those listed above are omitted because of the absence of the conditions under which they are required or because the information called for is included in the consolidated financial statements or notes thereto.

* Pursuant to Rule 12b-23 issued by the Commission under the Securities Exchange Act of 1934, as amended, a copy of the 1997 Annual Report to Stockholders of the Registrant for its fiscal year ended November 30, 1997 accompanies this Annual Report on Form 10-K.

SUPPLEMENTAL FINANCIAL SCHEDULE II
CONSOLIDATED

McCORMICK & COMPANY, INCORPORATED

VALUATION AND QUALIFYING ACCOUNTS

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
DESCRIPTION	BALANCE AT BEGINNING OF YEAR	ADDITIONS CHARGED TO COSTS AND EXPENSES	DEDUCTIONS	BALANCE AT END OF YEAR
YEAR ENDED NOVEMBER 30, 1997				
Allowance for doubtful receivables.......	$3,527,000	$1,002,000	$795,000(1)	$3,734,000
YEAR ENDED NOVEMBER 30, 1996				
Allowance for doubtful receivables......	$2,545,000	$1,713,000	$731,000 (1)	$3,527,000
YEAR ENDED NOVEMBER 30, 1995				
Allowance for doubtful receivables.......	$2,520,000	$654,000	$629,000 (1)	$2,545,000

- -------------------

Note:

(1) Accounts written off net of recoveries.

Exhibit Index

Item 601

Exhibit Number		Reference or Page
(2)	Plan of acquisition, reorganization, arrangement, liquidation or succession	Not applicable.
(3)	Articles of Incorporation and By-Laws	
	Restatement of Charter of McCormick & Company, Incorporated dated April 16, 1990.	Incorporated by reference from Registration Form S-8, Registration No. 33-39582 as filed with the Securities and Exchange Commission on March 25, 1991.
	Articles of Amendment to Charter of McCormick & Company, Incorporated dated April 1, 1992.	Incorporated by reference from Registration Form S-8 Registration Statement No. 33-59842 as filed with the Securities and Exchange Commission on March 19, 1993.
	By-laws of McCormick & Company, Incorporated - Restated and Amended as of June 17, 1996	Incorporated by reference from Registrant's Form 10-Q for the quarter ended May 31, 1996 as filed with the Securities and Exchange Commission on July 12, 1996.
(4)	Instruments defining the rights of security holders, including indentures.	With respect to rights of securities, see Exhibit 3 (Restatement of Charter). No instrument of Registrant with respect to long-term debt involves an amount of authorized securities which exceeds 10 percent of the total assets of the Registrant and its subsidiaries on a consolidated basis. Registrant agrees to furnish a copy of any such instrument upon request of the Commission.
(9)	Voting Trust Agreement.	Not applicable.
(10)	Material Contracts.	

i) Registrant's supplemental pension plan for certain senior officers is described in the McCormick Supplemental Executive Retirement Plan, a copy of which was attached as Exhibit 10.1 to the Registrant's Report on Form 10-K for the fiscal year 1992 as filed with the Securities and Exchange Commission on February 17, 1993, which report is incorporated by reference.

ii) Stock option plans, in which directors, officers and certain other management employees participate, are described in Registrant's S-8 Registration Statements Nos. 33-33725 and 33-23727 as filed with the Securities and Exchange Commission on March 2, 1990 and March 23, 1997 respectively, which statements are incorporated by reference.

iii) Asset Purchase Agreement among the Registrant, Gilroy Foods, Inc. and ConAgra, Inc. dated August 28, 1996 which agreement is incorporated by reference from Registrant's Report on Form 8-K as filed with the Securities and Exchange Commission on September 13, 1996.

iv) Asset Purchase Agreement among the Registrant, Gilroy Energy Company, Inc. and Calpine Gilroy Cogen, L.P., dated August 28, 1996 which agreement is incorporated by reference from Registrant's Report on Form 8-K as filed with the Securities and Exchange Commission on September 13, 1996.

v) Consulting letter agreement between Registrant and Charles P. McCormick, Jr. dated January 2, 1997, which letter is incorporated by reference from Registrant's Form 10-Q as filed with the Securities and Exchange Commission on April 11, 1997.

(11) Statement re computation of per-share earnings.	Page 19 of this Report on Form 10-K.
(12) Statements re computation of ratios.	Pages 40-41 of Exhibit 13.
(13) Annual Report to Security Holders	
McCormick & Company, Incorporated Annual Report to Stockholders for 1997.	Submitted in electronic format.
(16) Letter re change in certifying accountant.	Not applicable.
(18) Letter re change in accounting principles.	Not applicable.
(21) Subsidiaries of the Registrant	Page 43 of Exhibit 13.
(22) Published report regarding matters submitted to vote of securities holders.	Not applicable.
(23) Consent of independent auditors	Page 20 of this Report on Form 10-K.
(24) Power of attorney	Not applicable.
(27) Financial Data Schedule	Submitted in electronic format only.
(99) Additional exhibits	Registrant's definitive Proxy Statement dated February 18, 1998.

Exhibit 11

Statement Re Computation
of Per Share Earnings

McCormick and Company, Inc. Part I
- - Exhibit 11

(In Thousands Except Per Share Amounts)

Statement re Computation of Per-Share Earnings*

Computation for Statement of Income	Year Ended November 30 1997	1996	1995
Net Income..	$98,428	$41,918	$97,521
Reconciliation of Weighted Average Number of Shares Outstanding to Amount used in Primary Earnings Per Share Computation			
Weighted Average Number of Shares Outstanding....	75,658	80,641	81,181
Add - Dilutive Effect of Outstanding Options (as Determined by the Application of the Treasury Stock Method) (1)...........................	194	61	138
Weighted Average Number of Shares Outstanding As Adjusted for Equivalent Shares................	75,852	80,702	81,319
PRIMARY EARNINGS PER SHARE.....................	$1.30	$0.52	$1.20

Computation for Statement of Income	Year Ended November 30 1997	1996	1995
Reconciliation of Weighted Average Number of Shares Outstanding to Amount used in Fully Diluted Earnings Per Share Computation			
Weighted Average Number of Shares Outstanding....	75,658	80,641	81,181
Add - Dilutive Effect of Outstanding Options (As Determined by the Application of the Treasury Stock Method) (1).....................	251	98	159
Weighted Average Number of Shares Outstanding As Adjusted for Equivalent Shares................	75,909	80,739	81,340
FULLY DILUTED EARNINGS PER SHARE.................	$1.30	$0.52	$1.20

- ----------------------
*See 1997 Annual Report, Note (1) of the Notes to Financial Statements.

(1)"This calculation is submitted in accordance with Regulation S-K item 601(b)(11) although not required by footnote 2 to paragraph 14 of APB Opinion No. 15 because it results in dilution of less than 3%."

Exhibit 13

[Bottle of Whole Black Peppercorns]

McCormick & Company, Incorporated

1997 Annual Report

We Flavor the World -TM-

[Close-up of portion Whole Black Peppercorn bottle]

The primary mission of McCormick & Company,Incorporated is to profitably expand its worldwide leadership position in the spice, seasoning and flavoring markets.

McCormick & Company, Incorporated
1997 Annual Report

Dividends have been paid every year since 1925.

The Annual Meeting will be held at 10 a.m., Wednesday, March 18, 1998, at Marriott's Hunt Valley Inn, 245 Shawan Road (exit 20A off I-83 north of Baltimore), Hunt Valley, Maryland 21031.

[Bottle of Peppermint Extract]

The scent for this year's annual report is peppermint.

When people hear the name McCormick, they think of the spices they use every day. Indeed, we are the world's largest spice company. Yet, the Company is also the leader in the manufacture, marketing and distribution of not only spices, but seasonings, flavors and other food products to the entire food industry - to foodservice and food processing businesses as well as to retail outlets. In addition,our packaging group manufactures and markets specialty plastic bottles and tubes for food, personal care and other industries. McCormick products a are sold in more than 100 countries. How do we manage this complex business from the growing fields to the consumer purchase? It all starts with Multiple Management, an enlightened corporate philosophy and system of participative management begun in 1932. Multiple Management fosters the importance and power of people by encouraging participation at all levels of employment and sharing the rewards of success. This interaction of people is instrumental in shaping our Corporate culture and enhancing strengths throughout McCormick. Founded in 1889, McCormick has 7,600 employees. Many are shareholders. They are the ones who flavor your world.

[line of 8 Gourmet spices]   [chicken sandwich]

[world globe]

[tube of red Cake Mate decorating icing]

[spice drawing]

[Multiple Management Board committee meeting with four people]

[chef holding a can of Old Bay]   [3 foil pack products from Australia]

[spice drawing]

[Photo of two people looking at U.S. Beef Stew foil pack in grocery store by display]

Packages purchased from our Meal Idea Center provide shopping lists for other ingredients needed to make quick, easy and flavorful meals.

We Flavor Your World-TM-

Financial Highlights
(dollars in millions except per-share data)

	Year ended November 30		
	1997	1996	1995
Net sales	$1,801.0	$1,732.5	$1,691.1
Before restructuring (credits) charges			
Net income from continuing operations	$ 95.4	$ 83.1	$ 84.5
Net income	96.4	81.5	95.2
Earnings per share - continuing operations	1.26	1.03	1.04
Earnings per share - total	1.27	1.01	1.17
Return on shareholders' equity	22.4%	16.2%	19.7%
After restructuring (credits) charges			
Net income from continuing operations	$ 97.4	$ 43.5	$ 86.8
Net income	98.4	41.9	97.5
Earnings per share - continuing operations	1.29	.54	1.07
Earnings per share - total	1.30	.52	1.20
Return on shareholders' equity	25.2%	8.6%	20.3%
Dividends paid per share	$ .60	$ .56	$ .52
Margins			
Gross profit	34.9%	34.9%	34.5%
Operating income	9.5%	5.4%	10.2%
Net income from continuing operations	5.4%	2.5%	5.1%
Cash flows from operating activities	$ 181.2	$ 201.7	$ 59.4
Cash flows from investing activities	(46.7)	187.9	(78.5)
Cash flows from financing activities	(145.2)	(380.8)	17.7
Economic value added or EVA*	$ 23.4	$ (44.6)	$ (3.7)
Debt to total capital	50.3%	47.1%	55.5%
Shareholders' equity	$ 393.1	$ 450.0	$ 519.3
Average shares outstanding (000s)	75,658	80,641	81,181
Ending shares outstanding (000s)	74,024	78,205	81,218

* An "EVA" mark is owned by Stern Stewart & Co.

Market Capitalization in Billions

1987	$0.4
1997	$1.9

Ten-Year Growth of a Dollar Investment 11/30/87 to 11/30/97
(Includes dividend reinvestment)

S&P 500	$5.56
S&P Food	$6.68
McCormick Stock	$7.63

Ten-year average annual compound growth rate for McCormick Stock is 22.5%.

McCormick & Company, Incorporated
Letter To Shareholders

Last year, the theme of our Annual Report was "Turning Up the Heat!" We viewed 1996 as a turnaround year for the Company. As we entered 1997, our top priorities were to win the battle against our largest consumer competitor and complete the turnaround so that we would begin new earnings and sales growth from a stronger base. As the year closed, the competitor had announced large losses and a decision to withdraw from the spice business. That is about as big a win as we could hope for.

Despite the intense competition that has existed in the marketplace, McCormick earnings and EVA performance improved dramatically, and we approved a 7 percent increase in the regular quarterly cash dividend. McCormick has paid dividends every year since 1925, and during the last 10 years our dividend has increased 380 percent. We have also repurchased seven million of the 10 million shares authorized under the Company's current buyback program. In summary, 1997 was a good year - and firmly established our new base for future growth.

Our confidence in the future is a result of the foundation that has been established in recent years. By focusing on a few key strategies building global brands, leveraging our product development technologies and growing our global consumer and industrial businesses we are creating shareholder value. Margin gains will continue through improved productivity and operations efficiency. By being more responsive, more flexible and using available information systems technology, we expect to earn a greater competitive advantage. We are positioned to grow globally with very focused initiatives.

[Photo of CEO Lawless and Chairman McCormick]

Picture of Robert J. Lawless, President & CEO, (left) and Charles P. McCormick, Jr., Chairman

We continue our commitment to increase our industry leadership. A recent initiative by our McCormick/Schilling Division is capitalizing on those factors that are at the heart of consumer decisions: choice, convenience and value. We have repositioned and relaunched our Dry Seasoning Mix (DSM) product line. Packaging changes include stronger brand identification, updated food graphics, a menu shopping list and easier-to-read instructions for preparation. New items have been added, and the products have been grouped into a newly created McCormick Meal Idea Center. It will be much more apparent to the consumer that McCormick makes the product and is demonstrating leadership in the category.

Despite all the talk about home meal replacements, the average consumer still prepares nearly 70 percent of meals at home. On any given day, many meal preparers do not know what they will have for dinner as late as two hours ahead of time. The combination of the Meal Idea Center with substantial advertising and increased promotional activity should generate unit growth for McCormick and our trade partners in 1998 and beyond.

As we reinvigorate the spice business, another major initiative involves our business relationship with the trade. In this program, the grocer takes a more active role in selling the product. Relying on us for category management expertise, the grocer takes steps necessary to sell the product like never before. Sales have been lost at grocery stores because shelf prices have been too high. In some cases, the consumer is driven to purchase spices elsewhere.

We Flavor The World

We are now working with a number of accounts who are using "everyday low prices" on selected items. For those accounts, retail shelf prices have been reduced significantly. With lower prices, they will watch their spice sales grow and benefit with additional sales elsewhere in the store. The momentum of the program is taking hold, and more major retailers will begin this innovative strategy in 1998. Establishing a better price/value relationship for the consumer is another important way to grow our business. This program emphasizes our brands and allows us to leverage advertising. Our breadth of experience and expertise in the food business rivals any of the other premier food companies. That is why the grocery trade views McCormick as far more than a supplier. We are a partner.

Our foodservice business, which serves broad-line distributors, national restaurant accounts and warehouse clubs, was a valuable contributor to 1997's performance. Since the early 1990s when we lost much of the warehouse club business, sales have rebounded. For the past three years, the United States' largest food distributor has ranked McCormick among its very best suppliers.

Our industrial flavor and seasoning business, which sells to food processors and major restaurant chains, experienced strong sales growth in 1997. Combined with the Food Service Group, it represented 42 percent of our consolidated sales worldwide. We add flavor to a broad array of products that you eat every day. We can be found in just about every item on the plate and around it as well.

In addition, our Packaging Group, which represents approximately 10 percent of consolidated sales, had a strong year. This business, with a U.S. focus, manufactures and markets plastic bottles and tubes for food, personal care and other products. Our Packaging Group has been innovative with high-end packaging that wins industry awards on a consistent basis and is considered a high growth performer.

As we proceed through 1998, we will continue to take the right steps to build for the future. We are committed to growing sales, being a low-cost producer and utilizing assets better, thereby increasing shareholder value. Factors that will make a difference in creating success are accountability by our people, unparalleled customer service, innovation, increased efficiency and leveraging our core competencies.

During the year, Dr. Hamed Faridi was appointed Vice President-Research & Development. He succeeds Dr. Marshall J. Myers who retired. Robert W. Skelton, Vice President & General Counsel, was elected Secretary of the Corporation. Susan L. Abbott was named Vice President-Regulatory & Environmental Affairs, and Roger T. Lawrence succeeded her as Vice President-Quality Assurance. Paul C. Beard was named President of McCormick Canada, Inc. In addition, Richard W. Single, Sr., Vice President-Government Affairs, Secretary and Counsel to the Board of Directors; Dr. James J. Albrecht, Vice President-Science & Technology and George W. Koch, Of Counsel, Kirkpatrick & Lockhart, retired from the Board. We thank them for their many years of outstanding service to the Company.

We also wish to thank our loyal employees who have supported the organization during the challenges of recent years. People are our greatest asset. They helped us achieve much in 1997 including recognition by FORTUNE magazine as one of the 100 best companies to work for in America. We have raised the bar and have a management team capable of achieving goals previously unattainable.

Our Core Values

We Believe:

- That our people are the most important ingredient to our success.
- In continuously adding value for our shareholders.
- Customers are the reason we exist.
- In doing business honestly and ethically.
- In focused achievement of goals and objectives through teamwork.

/s/ Charles P. McCormick

Charles P. McCormick, Jr. Chairman of the Board

/s/ Robert J. Lawless

Robert J. Lawless President & Chief Executive Officer

McCormick & Company, Incorporated
Report on Operations 1997

Leveraging Our Leadership

It's been said, "The proof is in the numbers." Here are some to consider. In more than 100 countries around the world, you can purchase McCormick products. You would be able to make that selection from potentially 500 items carrying McCormick brands. In more than 700 packaged foods in grocery stores and other outlets, you can enjoy McCormick ingredients used by the world's premier food manufacturers. Impressive numbers. When added together they equal "Number One"- industry leadership.

McCormick is the leader in the manufacture, marketing and distribution of spices, seasonings and flavors throughout the food industry. The activities of the past year solidified that leadership position and propelled the Company on a course for growth.

In last year's annual report, three areas of focus for 1997 were identified: growth, asset management and performance. The three combined to be McCormick's driving force during the year. The formula worked. We built on the foundation of a good second half in 1996 to record a good year in 1997. Several key initiatives were inaugurated in 1997 to fuel that pursuit of growth. There is now a momentum within McCormick, and this report will detail the focused initiatives and the other powerful strengths that have the Company performing more like an industry leader than ever before.

A Brief Look at Who We Are

McCormick's consumer, foodservice and some industrial businesses are aligned globally into three zones: the Americas market, the European market and the Asia/Pacific market.

McCormick's oldest and largest business is dedicated to the manufacture and consumer sale of spices, herbs, extracts, proprietary seasoning blends, sauces and marinades. These consumer products are sold in the United States, primarily under the McCormick brand in the East, the Schilling brand in the West, in Canada under the Club House brand and in the United Kingdom under the Schwartz brand. In other market zones, the McCormick brand name is primarily used.

Our foodservice business serves foodservice distributors, national restaurant accounts and membership warehouse clubs. McCormick's industrial flavor and seasoning business supplies major food processors and restaurant chains worldwide.

McCormick's Packaging Group, comprised of Setco, Inc. and Tubed Products, Inc., is a U.S.-focused business that manufactures and markets plastic bottles and tubes for food, personal care and other industries.

[illustration of world with ribbon graphic bearing the words "We Flavor Your World"]

Brand Power

In recent years, the Company rediscovered the value and power of its brand. The McCormick name, according to our extensive research, carries substantial weight with the consumer. In 1995, the Company started in earnest to drive the brand through advertising. The first noteworthy example was the start of the "Flavor Up!" campaign that has continued as a tag line with our advertising.

The "all-star" of that first major brand push was Bag'n Season. In last year's report, we chronicled the surge in sales for Bag 'n Season that was driven by heavy advertising and a new-look foil package with a more pronounced McCormick identification. The effort to make the McCormick name stand out continued in 1997 with redesigned packages for our entire Dry Seasoning Mix (DSM) line. It's very clear to the consumer that this new DSM package is from McCormick. The familiar Corporate logo is "up front" and positioned over a flowing red ribbon. It's a bold graphic that received great reaction during initial testing. To the consumer, the McCormick name means quality meals.

We plan to use the McCormick logo on the packaging of our smaller and lesser known brands, such as Golden Dipt and Produce Partners. The combined approach will provide additional consumer recognition and credibility to those brands while maintaining their own individual character. Along with our brand-building consumer advertising program, maximizing the power of the McCormick trademark will strengthen our leadership position and help drive growth. And we're also focused on stretching our brand power into other areas of the flavoring market.

We Flavor Your World

Brand recognition goes far beyond the U.S. domestic market. The names Club House in Canada, Schwartz and Noel's in the United Kingdom and McCormick in various global locations are all part of the Company's efforts to drive our brands. One key spot in this initiative is China where there are few established brands. We're building a solid platform to become the national brand Chinese consumers think of when they buy spices and seasonings.

[photo of Montreal Steak Seasoning product from Club House Foods (Canada)]

Innovation

Innovation has been called the fuel of corporate longevity, and an innovative mind-set has become more important to the success of McCormick than at any time during our 108-year history. The lifestyles, tastes and purchasing habits of consumers have changed so much and so quickly that those businesses married to what may have worked in the past may face failure.

An exciting initiative begun in 1997 demonstrates McCormick's leadership in the industry as well as our innovative approach to consumer trends. For many years, the grocery aisle containing dry seasoning mixes was unorganized, at times cluttered and often confusing for the consumer. Put simply, it was one of the more difficult areas of the store to shop. Usually, the consumer would stop by the DSM aisle, pick up his or her regular purchase and move on. There was little time spent browsing. Data showed that each consumer made fewer than 10 purchases from this department on average each year. The potential for the DSM section is great, and McCormick has responded to that potential by developing a section that answers a consumer need.

Research indicates that consumers are pressed for time, have limited cooking experience and often have no idea what they'll be having for dinner within a few hours of the meal. For some, the answer is the home meal replacement (HMR). With the HMR, a consumer buys a meal prepared away from the home, perhaps by the chef in the grocery store kitchen. Once home, the meal is heated in the oven and then eaten. Although the HMR has received much attention, it is a costly alternative that carries a price tag too high to become a regular habit for many households. Research indicates that 70 percent of consumers still prepare their meals in the home. And they want meals that are fresh and convenient. They are in a "recipe rut," and they are looking for help.

[photo of Light Mayonesa (mayonnaise) from Mexico]

The answer to their predicament is the McCormick Meal Idea Center.

When consumers see the Meal Idea Center, they will find a wide variety of "meal solutions" in well-displayed sections. The McCormick DSMs have been organized in eight color-coded product categories instead of the random jumble of packages by various manufacturers too often seen in a DSM aisle. This innovative arrangement will foster browsing. Just a few more purchases per consumer per year should create growth in this under-performing category.

The consumer benefits, McCormick benefits - and so, too, will the grocery store. A key part of the Meal Idea Center initiative calls for the retailer to advertise and promote the center. Rather than a standard "commodity" promotion like two packages for the price of one, the retailer would, for example, promote the chili seasoning mix along with a sale on the price of the related ingredients. The back of the new DSM package shows all the meal ingredients necessary, so the consumer uses it as a shopping list for other areas of the store.

The combination of the Meal Idea Center with fresh new packaging, substantial advertising and increased promotional activity should generate significant unit growth for McCormick and our trade partners. It is an innovative effort that clearly reflects industry leadership and the quest to drive McCormick brands. A commitment to the McCormick Meal Idea Center is reflected in our continued advertising on television, radio and in print. We want the consumer to know we have the brand to trust, and we have the answers to their cooking needs.The message is being heard.

The source of so much innovation in the food industry is research and development (R&D). And McCormick's R&D is yet another way that we differentiate ourselves from the competition and demonstrate our industry leadership. Our annual budget for R&D is on a par with the upper echelon of the food industry. Out of a superb R&D facility in Maryland and with satellite locations around the world, a team of scientists, sensory analysts and food specialists creates flavor systems for the premier global food manufacturers as well as McCormick.

In the past, the efforts of our R&D team have been largely focused on our food processing and fast-food customers. With our commitment to consumer-oriented marketing, we see the need for an intensified focus on new product development for our consumer business. We have also added key personnel who have extensive experience in new consumer product development. R&D will play a critical role in our push for exciting, new products to anticipate and respond to the needs and eating trends of the consuming public.

McCormick's R&D efforts have evolved. Historically, they were tactical and project-oriented. In keeping with our quest to perform like the industry leader we are, our R&D activities have become more strategic. Beyond the pursuit of new products is our challenge and ultimate goal to create new technologies that can then be used to serve various customers - industrial, consumer or foodservice. With a new technology, we can create a "family" of new products. An example is the FlavorCell technology developed in McCormick's R&D labs a few years ago. Such technologies may have a longer payback horizon. McCormick, however, considers it a wise investment, ultimately benefiting our business, customers (both trade and consumer) and shareholders.

Our food enhancement capabilities are some of the best in the industry - another example of how McCormick remains the leader. We will continue to leverage these and other technologies throughout all of our businesses in all regions of the world.

One of our packaging businesses, Tubed Products, Inc. (TPI), enjoyed a resounding turnaround year. After a poor 1996, they grew sales through a combination of new technological innovations, improved customer service and significant productivity improvements.

The tube market is now focused on more up-scale packaging, and TPI has the latest technologies to meet those demands. The "soft-touch" tube introduced in 1997 for a hair-care line was named "Best of Show" by the National Association of Container Distributors. Other examples of TPI's technological leadership include three-color silk screening, advancements with the click-top Dispens-R-Tube and the introduction of oval tubes. TPI, which celebrated its 50th anniversary in 1997, is the market leader in plastic squeeze tubes.

Setco, Inc., another part of our Packaging Group, also relies on technological innovation in producing bottles for numerous businesses, including many McCormick products and the fast-growing nutritional supplement and herb markets.

Expertise

What does the McCormick name mean to consumers? "It stands for quality."

That was the majority response offered during consumer testing. Those responses reaffirm how we work every day. After 108 years of "flavoring the world," we state with pride and conviction - we know food! Few food companies can match our breadth of experience.

We Flavor The World

That experience is evident in meals you eat, snacks you munch and drinks you consume. The odds are strong that during one of the three main daily meals, you will consume a McCormick product. Salad seasonings, soup ingredients, blends for entree meals, ingredients for baked goods, flavorings for drinks and the dessert that follows - McCormick is there. And that's just a small sampling. Walk down the aisles of your grocery store, and you will see the well-known McCormick brands on some shelves. In nearly every aisle where there is food, even though you may not see our name on the package, but our flavor or ingredient will be there. We supply the vast majority of the top 100 food processors and restaurant companies, and they produce hundreds of packaged foods and countless prepared meals flavored by - McCormick.

At many of the restaurants, McCormick seasons the sandwich or flavors the drink. Our expertise, borne of a century of experience, leads us to be not only the supplier of choice for the world's largest food businesses - but the partner of choice.

A small amount of the ingredients of many processed food items accounts for a large amount of the flavor. That's where we come in. We are that powerful, vital ingredient. But we bring much more. With our extensive experience and breadth of knowledge in the food industry and the fact that few ingredient companies have consumer experience, we act as consultants to food manufacturers and the restaurant trade. To increase the chance for the success of new products, food manufacturers and the restaurant trade bring McCormick into the equation very early. Our R&D and sensory evaluation services are used well "upstream" during the concept development. Far more than a supplier, we are a partner benefiting our customers with consultation and expertise.

Our expertise actually starts from "square one" with our comprehensive, global sourcing program that we have detailed in earlier reports. Our control over raw materials allows us to provide customers with a consistent, dependable supply of the highest quality spices and herbs. McCormick's global sourcing program is unmatched in the industry.

We have the broadest line of flavor systems, know the food business from commodity to "center of the plate" entrees and have experience in nearly every aisle of the grocery store. What we bring to the consumer and our trade customers is more than an ingredient. We bring unmatched expertise.

[photo of Jalisco (hot) Sauce from El Salvador]

Leadership

Over the years, McCormick has gained its leadership position for many reasons. One is the Company's role in finding a better way. This broad statement can be demonstrated by the Company's category manage- ment initiative with the grocery trade. By again acting as the consultant, we offer marketing guidance that will result in increased sales of our branded products, benefiting the grocer and McCormick. The latest initiative that we believe will play a key role in growing our consumer business involves pricing. As stated in the Letter to Shareholders, we are working with our grocery trade partners to price our products more favorably.

Our Food Service Group demonstrated leadership as it provided flavor systems and training for HMR programs for meat, deli and seafood departments in supermarkets. McCormick developed a "turn-key" supermarket foodservice program to facilitate the grocers' expansion into this explosive trend. Our foodservice HMR business nearly doubled in 1997 compared to the previous year.

In 1997, the Food Service Group again received recognition from its key customers for service excellence.

McCormick & Company, Incorporated

Global Reach -- Global Growth

These are all pieces of a powerful equation with the result being market leadership. Of the top 20 retailers/ wholesalers in the United States, 15 have McCormick as the primary core spice line. In gourmet spices, McCormick is the primary line for 11 and shares in seven others. In seasoning mixes, McCormick is the primary line in 16 and shares one. In the U.S., we are the leader in dollar share of the spice and seasoning market.

Led by our Club House brand, we also hold a leading market position in Canada. Driven by strong performances in the consumer and industrial businesses, McCormick Canada had record sales and profits in 1997.

McCormick Flavor Division achieved double-digit sales growth, despite lackluster overall food industry growth. Growth has been particularly strong with key partners in snacks, restaurants and prepared foods. As the multinational companies that we supply grow globally, we go with them.

An emerging global market trend that holds great opportunity for our industrial business is the so-called "wellness foods" (nutraceuticals, functional foods and health foods). These foods pose special flavoring challenges as they often require flavor "masking" or enhancement.

[photo of American Frites (French fries) with Tomatoes foil pack]

We are developing new, specialized flavor systems to answer the demand.

In the United States foodservice business, we are again the leader supplying spices, seasonings and other flavor systems for foodservice distributors. The Food Service Group had an excellent year in both sales and profits.

In other parts of the Americas Zone, we have the leading market share in consumer spices and herbs in Central America and Venezuela. McCormick de Centro America set a profit record for the seventh consecutive year. Overseas, we also enjoy a leading market share in the United Kingdom. The Schwartz brand enjoyed more success with sales growing for the fourth consecutive year to a new record level. The introduction of Potato Wedges seasoning mix was the most successful new consumer product introduction in our U.K. history. We were also presented a prestigious "Supplier of the Year" award from a major global fast-food restaurant chain. It recognized five years of our quality service in Europe.

Our employees, shareholders and others who follow McCormick are well aware of the excitement we feel about growth potential in the Asia/ Pacific Zone. We have identified China as a region for accelerated growth, and much activity took place in 1997 in pursuit of that goal. Shanghai McCormick Foods Company, Limited has established a distribution network within China that now reaches more than 80 cities.

Our product line in China has expanded to include: bottled spices, chicken batters, authentic Chinese recipe mixes, rice seasonings, soups, ketchup, puddings and gelatins. Our plan is to add two new product lines each year for the foreseeable future.

Managing Our Business

Playing crucial roles in the revitalization of McCormick have been our aggressive approach to managing our business and our steps to strengthen the balance sheet.

In support of our objective to create shareholder value, the Company adopted economic value added (EVA) in 1996 as a primary indicator to measure the performance of the businesses. This value-based management tool combines into one measure the profitability of our businesses after considering the associated capital costs. Positive EVA is generated when the Company's net operating profit after tax exceeds the cost to finance its capital. We believe that consistent growth in EVA will directly translate into superior returns for our shareholders over time. In order to grow EVA, we will focus on the following: increasing our worldwide market share, effectively managing our assets and growing earnings per share. Our strategies will concentrate on global sales and profit growth, while concurrently improving asset utilization.

Economic Value Added In Millions

1995	($ 4)
1996	($45)
1997	$23

The Company also believes that linking EVA to compensation and properly educating the work force in its use are critical components in the successful implementation of a value-based management program. As a result, EVA has been incorporated into the incentive compensation system. During the past two years, many managerial personnel have been trained in the utilization of EVA and are using it in daily business decisions. All major investment decisions, including capital asset acquisitions, business acquisitions and working capital decisions go through an EVA screen. The education of the work force is a continual process. As the work force learns of the opportunities they have to improve EVA, we believe the Company, our employees and ultimately our shareholders will all benefit.

In 1997, the Company experienced significant improvement in the economic value created for our shareholders. After a period of several years during which the Company experienced declining EVA, we took action in 1996 to improve the return performance of our businesses. A comprehensive portfolio review of our operating businesses was completed in 1996, actions were taken and a restructuring charge resulted in the third quarter of that year. Additionally, as discussed in last year's report, Gilroy Foods and Gilroy Energy Company were divested in August 1996, resulting in proceeds of $263 million. At the same time, a 10 million share buyback program was announced, an indication of the Company's confidence in the future. These actions laid the foundation for the substantial value growth that occurred during 1997. With a streamlined and focused capital base, the Company was able to increase the EVA of its businesses through sales growth, production efficiencies and effective asset management. Our shareholders have been rewarded by these initiatives. As of November 30, McCormick stock had appreciated nearly 40 percent since the announcement and implementation of these actions in August 1996. Our work is far from over. We are committed to achieving even greater value creation for our shareholders in the coming years.

We are continuing our initiative to pay down debt. Our capital expenditures were at their lowest level in recent history as a result of efforts to leverage our existing fixed assets. We are also focusing attention on improving the collection of accounts receivable. In 1997, our inventory turnover improved as we continued to achieve efficiencies in the management of our supply chain. With improved working capital management and through judicious use of our fixed capital, we experienced improved return performance in most of our businesses. These initiatives reflect an aggressively managed business committed to bringing value to our shareholders.

We will also use a disciplined approach regarding acquisitions. Any potential acquisition must have a correct "fit" with McCormick, resulting in substantial benefit for our shareholders. It must be in line with our Corporate objectives and offer a strong management team already in place.

[Photo of Aeroplane Dessert Whip product from McCormick Australia]

To Summarize

McCormick has undergone a transformation. Some of it was driven by the competition, but much of it was driven from within. The past year saw us continue initiatives to drive our brands, grow globally and reassert our industry leadership. The coming year will see us demonstrate our commitment to return to a premier position among our food industry peer group. With continued growth, we will achieve that goal.

McCormick & Company, Incorporated

Historical Financial Summary
(dollars in millions except per-share data)

For the Year	1997	1996	1995	1994	1993	1992	1991	1990	1989
Net sales	1,801.0	1,732.5	1,691.1	1,529.4	1,400.9	1,323.9	1,276.3	1,166.2	1,110.2
Percent change over prior year	4.0%	2.4%	10.6%	9.2%	5.8%	3.7%	9.4%	5.0%	1.0%
Operating profit	170.8	93.3	172.6	86.0	142.1	121.4	100.6	86.9	74.5
Operating profit excluding restructuring	167.6	151.4	168.7	156.5	142.1	121.4	100.6	86.9	74.5
Income (loss) from unconsolidated operations	7.8	5.6	2.1	7.9	10.3	9.9	8.8	3.7	3.5
Net income - continuing operations	97.4	43.5	86.8	42.5	82.9	73.6	60.4	51.8	47.1
Net income(1)	98.4	41.9	97.5	61.2	73.1	95.2	80.9	69.4	135.5
Earnings per share:(2)									
Continuing operations	1.29	.54	1.07	.52	1.01	.90	.73	.62	.54
Discontinued operations	.01	.08	.13	.23	.21	.26	.25	.21	1.00
Extraordinary item	-	(.10)	-	-	-	-	-	-	-
Accounting changes(3)	-	-	-	-	(.33)	-	-	-	-
Net earnings	1.30	.52	1.20	.75	.89	1.16	.98	.83	1.54
Percentage of net sales:									
Gross profit	34.9%	34.9%	34.5%	36.5%	38.5%	38.9%	36.9%	36.0%	35.2%
Operating profit	9.5%	5.4%	10.2%	5.6%	10.1%	9.2%	7.9%	7.5%	6.7%
Income - continuing operations	5.4%	2.5%	5.1%	2.8%	5.9%	5.6%	4.7%	4.4%	4.2%
Effective tax rate	37.0%	38.7%	36.1%	40.5%	41.4%	39.4%	38.4%	38.0%	38.1%
Depreciation and amortization	49.3	63.8	63.7	62.5	50.5	43.8	40.5	36.6	34.8
Capital expenditures	43.9	74.7	82.1	87.7	76.1	79.3	73.0	58.4	53.4
Common dividends declared(4)	.61	.57	.53	.49	.45	.40	.31	.24	.19
Market closing price:									
High	27.06	25.00	26.50	24.63	30.25	28.75	22.88	13.38	12.50
Low	22.63	19.25	18.13	18.00	20.40	20.63	11.88	9.13	6.31
Dividend payout ratio(5)	47.6%	50.5%	44.4%	36.4%	36.1%	32.8%	28.6%	28.9%	30.8%
Average shares outstanding (000s)	75,658	80,641	81,181	81,240	81,766	81,918	82,396	83,720	87,772
At Year End									
Current debt	121.3	108.9	297.3	214.0	84.7	122.6	78.2	30.4	20.3
Long-term debt	276.5	291.2	349.1	374.3	346.4	201.0	207.6	211.5	210.5
Total debt	397.8	400.1	646.4	588.3	431.1	323.6	285.8	241.9	230.8
Shareholders' equity	393.1	450.0	519.3	490.0	466.8	437.9	389.2	364.4	346.2
Total capital	790.9	850.1	1,165.7	1,078.3	897.9	761.5	675.0	606.3	577.0
Total assets	1,256.2	1,326.6	1,614.3	1,555.7	1,313.2	1,130.9	1,037.4	946.9	864.5
Return on equity	25.2%	8.6%	20.3%	12.8%	17.0%	23.3%	21.8%	20.4%	40.0%
Debt to total capital	50.3%	47.1%	55.5%	54.6%	48.0%	42.5%	42.3%	39.9%	40.0%
Book value per common share(2)	5.31	5.75	6.39	6.03	5.70	5.45	4.88	4.56	4.18
Market closing price	26.50	24.63	23.63	19.00	23.25	28.50	20.63	11.50	12.50

For the Year	1988
Net sales	1,099.1
Percent change over prior year	8.7%
Operating profit	65.4
Operating profit excluding restructuring	65.4
Income (loss) from unconsolidated operations	(0.4)
Net income - continuing operations	24.8
Net income(1)	42.7
Earnings per share:(2)	
Continuing operations	.27
Discontinued operations	.12
Extraordinary item	-
Accounting changes(3)	.07
Net earnings	.46
Percentage of net sales:	
Gross profit	32.6%
Operating profit	6.0%
Income - continuing operations	2.3%
Effective tax rate	46.6%
Depreciation and amortization	29.8
Capital expenditures	50.4
Common dividends declared(4)	.14
Market closing price:	
High	7.25
Low	3.85

Dividend payout ratio(5)	36.5%
Average shares outstanding (000s)	93,068
At Year End	
Current debt	49.5
Long-term debt	229.4
Total debt	278.9
Shareholders' equity	294.3
Total capital	573.2
Total assets	846.4
Return on equity	14.6%
Debt to total capital	48.7%
Book value per common share(2)	3.27
Market closing price	6.88

---

(1) The Company disposed of its wholly-owned real estate subsidiary in 1989, and both Gilroy Foods, Incorporated and Gilroy Energy Company, Inc. in 1996.
(2) All share data adjusted for 2-for-1 stock splits in January 1992, January 1990 and April 1988.
(3) In 1993, the Company adopted SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other than Pensions," and in 1988, it adopted SFAS No. 96, "Accounting for Income Taxes."
(4) Includes fourth quarter dividends for the years 1988-1997, which were declared in December of each of those years.
(5) Dividend payout ratio does not include gain or losses on sale of discontinued operations, cumulative effect of accounting changes and restructuring charge or credit, and extraordinary items.

We Flavor The World

Consolidated Income Statement
(in thousands except per-share data)

	Year ended November 30		
	1997	1996	1995
Net sales	$1,800,966	$1,732,506	$1,691,086
Cost of goods sold	1,172,328	1,128,032	1,106,935
Gross profit	628,638	604,474	584,151
Selling, general and administrative expense	461,022	453,088	415,459
Restructuring (credit) charge	(3,227)	58,095	(3,904)
Operating income	170,843	93,291	172,596
Interest expense	36,332	33,811	39,298
Other (income) expense - net.	(7,795)	(2,254)	692
Income from consolidated continuing operations before income taxes	142,306	61,734	132,606
Income taxes	52,653	23,871	47,866
Net income from consolidated continuing operations	89,653	37,863	84,740
Income from unconsolidated operations	7,762	5,612	2,068
Net income from continuing operations	97,415	43,475	86,808
Income from discontinued operations, net of income taxes	1,013	6,249	10,713
Net income before extraordinary item	98,428	49,724	97,521
Extraordinary loss from early extinguishment of debt, net of income tax benefit	-	(7,806)	-
Net income	$ 98,428	$ 41,918	$ 97,521
Earnings per shareContinuing operations	$ 1.29	$ .54	$ 1.07
Discontinued operations	.01	.08	.13
Extraordinary loss from early extinguishment of debt.	-	(.10)	-
Total earnings per share	$ 1.30	$ .52	$ 1.20

- ---------------------

See Notes to Consolidated Financial Statements, pages 18-33.

McCormick & Company, Incorporated

Consolidated Balance Sheet
(in thousands)

Assets

	November 30 1997	November 30 1996
Current assets		
Cash and cash equivalents....................	$ 13,500	$ 22,418
Receivables, less allowances of $3,734 for 1997 and $3,527 for 1996..............	217,198	217,495
Inventories..................................	252,084	245,089
Prepaid expenses.............................	9,790	15,648
Deferred income taxes........................	13,946	33,762
Total current assets.......................	506,518	534,412
Property, plant and equipment - net...........	380,015	400,394
Goodwill - net................................	157,962	165,066
Prepaid allowances............................	130,943	149,200
Investments and other assets..................	80,794	77,537
	$1,256,232	$1,326,609

- ----------------------

See Notes to Consolidated Financial Statements, pages 18-33.

Liabilities and Shareholders' Equity

	November 30	
	1997	1996
Current liabilities		
Short-term borrowings	$ 112,313	$ 98,450
Current portion of long-term debt	8,989	10,477
Trade accounts payable	150,330	153,584
Other accrued liabilities	226,617	236,791
Total current liabilities	498,249	499,302
Long-term debt	276,489	291,194
Deferred income taxes	2,038	4,937
Other long-term liabilities	86,346	81,133
Total liabilities	863,122	876,566
Shareholders' equity		
Common Stock, no par value; authorized 160,000 shares; issued and outstanding: 1997 - 10,182 shares, 1996 - 11,533 shares	44,408	48,541
Common Stock Non-Voting, no par value; authorized 160,000 shares; issued and outstanding: 1997 - 63,842 shares, 1996 - 66,672 shares	115,042	112,489
Retained earnings	264,309	313,847
Foreign currency translation adjustments	(30,649)	(24,834)
Total shareholders' equity	393,110	450,043
	$1,256,232	$1,326,609

- ---------------------

See Notes to Consolidated Financial Statements, pages 18-33.

Consolidated Statement of Cash Flows
(in thousands)

	Year ended November 30		
	1997	1996	1995
Cash flows from operating activities			
Net income	$ 98,428	$ 41,918	$ 97,521
Adjustments to reconcile net income to net cash provided by operating activities			
Restructuring (credit) charge	(3,227)	58,095	(3,904)
Depreciation and amortization	49,344	63,788	63,698
Deferred income taxes	18,921	(26,368)	15,697
Other	2,868	2,402	483
Income from unconsolidated operations	(7,762)	(5,612)	(2,068)
Extraordinary item	-	7,806	-
Changes in operating assets and liabilities			
Receivables	(4,221)	(5,363)	(21,560)
Inventories	(13,667)	21,811	(13,751)
Prepaid allowances	18,128	23,689	(40,133)
Accounts payable	(634)	24,443	3,973
Other assets and liabilities	13,492	(4,931)	(40,549)
Dividends received from unconsolidated affiliates	9,501	-	-
Net cash provided by operating activities	181,171	201,678	59,407
Cash flows from investing activities			
Acquisitions of businesses	(3,315)	-	-
Capital expenditures	(43,856)	(74,654)	(82,140)
Proceeds from sale of discontinued operations	-	248,766	-
Proceeds from sale of assets	3,792	15,283	1,910
Other	(3,341)	(1,497)	1,703
Net cash (used in) provided by investing activities	(46,720)	187,898	(78,527)
Cash flows from financing activities			
Short-term borrowings - net	16,125	(186,541)	85,148
Long-term debt borrowings	573	4,454	-
Long-term debt repayments	(12,204)	(83,178)	(20,186)
Common stock issued	6,952	4,524	11,314
Common stock acquired by purchase	(111,167)	(74,709)	(16,330)
Dividends paid	(45,525)	(45,322)	(42,202)
Net cash (used in) provided by financing activities	(145,246)	(380,772)	17,744
Effect of exchange rate changes on cash and cash equivalents	1,877	1,149	(1,725)
(Decrease)/increase in cash and cash equivalents	(8,918)	9,953	(3,101)
Cash and cash equivalents at beginning of year	22,418	12,465	15,566
Cash and cash equivalents at end of year	$ 13,500	$ 22,418	$ 12,465

- ---------------------

See Notes to Consolidated Financial Statements, pages 18-33.

Consolidated Statement of Shareholders' Equity
(in thousands except per-share data)

	Common Stock Shares	Common Stock Non-Voting Shares	Common Stock Amount	Retained Earnings	Foreign Currency Translation Adjustments	Total Shareholders' Equity
Balance, December 1, 1994........	13,279	67,927	$151,703	$ 343,285	$ (5,024)	$ 489,964
Net income.......................				97,521		97,521
Dividends declared ($.52/share)..				(42,202)		(42,202)
Currency translation adjustments.................					(24,035)	(24,035)
Other adjustments................				3,021		3,021
Shares purchased and retired.....	(435)	(336)	(2,362)	(13,968)		(16,330)
Shares issued....................	298	485	11,314			11,314
Equal exchange...................	(1,053)	1,053				
Balance, November 30, 1995.......	12,089	69,129	160,655	387,657	(29,059)	519,253
Net income.......................				41,918		41,918
Dividends declared ($.56/share)..				(45,322)		(45,322)
Currency translation adjustments.................					4,225	4,225
Other adjustments................				154		154
Shares purchased and retired.....	(264)	(3,111)	(4,149)	(70,560)		(74,709)
Shares issued....................	189	173	4,524			4,524
Equal exchange...................	(481)	481				
Balance, November 30, 1996.......	11,533	66,672	161,030	313,847	(24,834)	450,043
Net income.......................				98,428		98,428
Dividends declared ($.60/share)..				(45,525)		(45,525)
Currency translation a djustments................				(5,815)	(5,815)	
Other adjustments................				194		194
Shares purchased and retired.....	(353)	(4,152)	(8,532)	(102,635)		(111,167)
Shares issued....................	90	234	6,952			6,952
Equal exchange...................	(1,088)	1,088				
Balance, November 30, 1997.......	10,182	63,842	$159,450	$ 264,309	$ (30,649)	$ 393,110

- -------------------

See Notes to Consolidated Financial Statements, pages 18-33.

McCormick & Company, Incorporated

Notes to Consolidated Financial Statements
(dollars in thousands except per-share data)

1. Summary of Accounting Policies:

Consolidation

The consolidated financial statements include the accounts of the Company and all majority-owned subsidiaries. In the first quarter of fiscal 1995, the Company changed the end of the reporting period for foreign subsidiaries from October 31 to November 30 to provide uniform reporting on a worldwide basis. Accordingly, an additional month of operating results for those subsidiaries is included in the 1995 financial statements. Investments in 20% to 50% owned affiliates are accounted for under the equity method. Intercompany transactions have been eliminated. Certain prior year amounts have been reclassified to conform to the presentation in 1997.

Use of Estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual amounts could differ from these estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity date of three months or less to be cash equivalents.

Inventories

Inventories are stated at the lower of cost (first-in, first-out) or market.

Property, Plant and Equipment

Property, plant and equipment is stated at cost and depreciated over its estimated useful life using straight-line methods for financial reporting and both accelerated and straight-line methods for tax reporting.

Goodwill

Goodwill is amortized using the straight-line method over periods up to 40 years.

On a periodic basis, the Company estimates the future undiscounted cash flows of the businesses to which goodwill relates in order to ensure that the carrying value of such goodwill has not been impaired.

Prepaid Allowances

Prepaid allowances arise when the Company prepays sales discounts and marketing allowances to certain customers in connection with multi-year sales contracts. These costs are capitalized and amortized over the lives of the contracts, generally ranging from three to five years. The amounts reported in the Consolidated Balance Sheet are stated at the lower of unamortized cost or management's estimate of the net realizable value of these costs.

Research and Development

Research and development costs are expensed as incurred.

Earnings Per Share

Earnings per share have been computed by dividing net income by the weighted average number of common shares outstanding during the period.

Stock Compensation

The Company follows Accounting Principles Board Opinion (APB) No. 25, "Accounting for Stock Issued to Employees," in accounting for its employee stock options and other stock-based compensation. Under APB No. 25, because the exercise price of the Company's employee stock options equals the market price of the underlying stock on the date of the grant, no compensation expense is recognized. The Company has elected to adopt the disclosure provisions only of Statement of Financial Accounting Standards (SFAS) No. 123, "Accounting for Stock-Based Compensation."

Foreign Currency

The functional currency for the majority of the Company's operations outside of the United States is the applicable local currency. The translation from the applicable foreign currencies to the United States dollar is performed for balance sheet accounts using the current exchange rates in effect at the balance sheet date and for revenue and expense accounts using the weighted average exchange rate during the period. The resulting gains or losses are included in the foreign currency translation adjustments account within shareholders' equity.

Gains or losses resulting from foreign currency transactions and the translation of the financial statements for those operations in a hyperinflationary environment are included in the income statement.

The Company periodically enters into foreign exchange contracts to hedge the impact of foreign currency fluctuations on its investments in certain foreign subsidiaries, the impact of foreign currency transactions and the impact of firm foreign currency commitments. The gains and losses on foreign investment hedges, net of income taxes, are included in the foreign currency translation adjustments account within shareholders' equity. The gains and losses on foreign currency transaction hedges are recognized in income and offset the foreign exchange gains and losses on the underlying transactions. Gains and losses of foreign currency firm commitment hedges are deferred and included in the basis of the transactions underlying the commitments.

Credit Risk

The Company is potentially subjected to concentrations of credit risk with trade accounts receivable, prepaid allowances and forward exchange contracts for foreign currency. Because the Company has a large and diverse customer base with no single customer accounting for a significant percentage of trade accounts receivable and prepaid allowances, there was no material concentration of credit risk in these accounts at November 30, 1997. The Company evaluates the credit worthiness of the counterparties to forward exchange contracts for foreign currency and considers nonperformance credit risk to be remote.

Accounting and Disclosure Changes

In February 1997, the Financial Accounting Standards Board (FASB) issued SFAS No. 128, "Earnings per Share." This Statement is effective for financial statements issued for periods ending after December 15, 1997. The Statement will have no significant effect on the reported earnings per share for the Company.

In June 1997, the FASB issued SFAS No. 130, "Reporting Comprehensive Income," which requires that an enterprise report the change in its net assets, by major components and as a single total, during the period from non-owner sources. The FASB also issued SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information," which establishes annual and interim reporting standards for an enterprise's operating segments and related disclosures about its products, services, geographic areas and major customers. Both Statements are effective for fiscal years beginning after December 15, 1997. Adoption of these standards will not impact the Company's consolidated financial position, results of operations or cash flows, and any effect, while not yet determined by the Company, will be limited to the presentation of its disclosures.

2. Investments:

The Company owns from 30% to 50% of its unconsolidated food products affiliates. Although the Company reports its share of net income from the affiliates, their financial statements are not consolidated with those of the Company. The Company's share of undistributed earnings of the affiliates was $31,379 at November 30, 1997.

Summarized year-end information from the financial statements of these companies representing 100% of the businesses follows:

	Unconsolidated Affiliates		
	1997	1996	1995
Current assets	$154,000	$149,860	$113,486
Noncurrent assets. . .	73,185	79,566	70,670
Current liabilities. .	90,755	96,085	77,229
Noncurrent liabilities	46,503	45,988	42,362
Net sales.	345,429	327,967	297,823
Gross profit	131,727	121,469	107,257
Net income	15,720	12,907	3,730

McCormick & Company, Incorporated

3. Financing Arrangements:

The Company's outstanding debt is as follows:

	1997	1996
Short-term borrowings		
Commercial paper	$ 79,508	$ 59,282
Other	32,805	39,168
	$112,313	$ 98,450
Weighted-average interest rate at year end	6.92%	6.54%
Long-term debt		
8.95% note due 2001	$ 74,596	$ 74,504
9.00% and 9.75% installment notes due through 1999 and 2001	10,341	16,114
5.78% - 7.77% medium-term notes due 2004 to 2006	95,000	95,000
7.63% - 8.12% medium-term notes due 2024 with put option in 2004	55,000	55,000
9.34% pound sterling installment note due through 2001	14,807	17,252
10.00% Canadian dollar bond due 1999	7,023	7,400
3.13% yen note due 1999	902	2,953
9.74% Australian dollar note due 1999	8,167	9,792
Other	10,653	13,179
	$276,489	$291,194

The Company has available credit facilities with domestic and foreign banks for various purposes. The available credit facilities and the amounts outstanding under each category of facility (and included in debt above) are as follows:

	1997		1996	
	Total Facility	Amount Borrowed	Total Facility	Amount Borrowed
Available credit facilities				
In support of commercial paper issuance	$ 300,000	$ -	$ 300,000	$ -
For the benefit of foreign subsidiaries	109,935	32,711	90,577	39,168
Other	100,000	94	245,000	-
	$ 509,935	$ 32,805	$ 635,577	$ 39,168

The Company's long-term debt agreements contain various restrictive covenants, including limitations on the payment of cash dividends. Under the most restrictive covenants, $163,729 of retained earnings was available for dividends at November 30, 1997. The holders of the medium-term notes due 2024 have a one-time option to require retirement of these notes during 2004. Maturities of long-term debt during the four years subsequent to November 30, 1998 are as follows:

1999 - $28,446	2001 - $ 87,054
2000 - $ 7,959	2002 - $ 362

Credit facilities in support of commercial paper issuance require a commitment fee of $225. All other credit facilities require no commitment fee. Credit facilities for other purposes are subject to the availability of funds. At November 30, 1997, the Company had unconditionally guaranteed $12,035 of the debt of unconsolidated affiliates.
Interest paid in 1997, 1996 and 1995 was $38,075; $47,330 and $51,641 respectively.

Rental expense under operating leases was $13,630 in 1997; $12,428 in 1996 and $11,616 in 1995. Future annual fixed rental payments for the years ending November 30, are as follows:

1998	- $9,872
1999	- $8,449
2000	- $7,572
2001	- $5,774
2002	- $3,655
Thereafter	- $8,255

The Company has guaranteed the residual value of a leased distribution center at 85% of its original cost.

4. Pension and Profit Sharing Plans:

The net periodic cost of the Company's pension and profit sharing plans follows:

	1997	1996	1995
Pension plans			
Defined benefit plans			
Service cost	$ 5,473	$ 5,741	$ 5,509
Interest cost on projected benefit obligations	10,700	10,380	9,972
Actual return on plan assets	(18,920)	(10,284)	(14,067)
Net amortization and deferral.	9,830	1,425	6,904
Net pension cost	7,083	7,262	8,318
Foreign and other retirement plans	3,384	3,072	2,957
Total pension expense.	$ 10,467	$ 10,334	$ 11,275
Profit sharing plan expense.	$ 4,380	$ 3,350	$ 3,150

Pension Plans

The Company has a non-contributory defined benefit plan (the principal plan) covering substantially all United States employees and a non-contributory defined benefit plan (the supplemental plan) providing supplemental retirement benefits to certain officers. The benefits provided by both plans are generally based on the employee's years of service and compensation during the last five years of employment. The Company's funding policy is to comply with federal laws and regulations and to provide the principal plan with assets sufficient to meet future benefit payments. The plan assets for both plans consist principally of equity securities, fixed income securities and short-term money market investments. The principal plan and supplemental plan hold 427,000 and 46,000 shares, respectively, of the Company's common stock at November 30, 1997.

The Company also contributed to certain retirement plans of its foreign subsidiaries.

The following table sets forth the principal and supplemental plans' funded status at September 30, the measurement date:

	1997	1996
Actuarial present value of vested benefit obligation	$122,872	$117,077
Accumulated benefit obligation	$129,083	$123,024
Projected benefit obligations for service rendered to date .	$156,169	$146,336
Plan assets at fair value.	134,211	117,448
Projected benefit obligations in excess of plan assets . . .	21,958	28,888
Unrecognized net loss	(17,917)	(24,074)
Unrecognized transition asset and prior service cost	46	1,352
Pension liability included in the Consolidated Balance Sheet	$ 4,087	$ 6,166

	1997	1996
Significant assumptions:		
Discount rate.	7.5%	7.5%
Salary scale	4.5%	4.5%
Expected return on plan assets	10.0%	10.5%

Profit Sharing Plan

The Company makes contributions to the McCormick Profit Sharing Plan in accordance with the Plan's provisions. The Profit Sharing Plan is available to substantially all United States employees. The Profit Sharing Plan assets consist principally of equity securities, fixed income securities and short-term money market investments. The Profit Sharing Plan holds 2,571,000 shares of the Company's stock at November 30, 1997.

5. Other Postretirement Benefits:

The net periodic cost of the Company's other postretirement benefits follows:

	1997	1996	1995
Other postretirement benefits			
Service cost	$1,894	$2,026	$1,829
Interest cost.	4,294	4,603	4,614
Amortization of prior service cost . . .	(75)	(75)	(111)
Total other postretirement benefit expense	$6,113	$6,554	$6,332

The Company provides health care and life insurance benefits to eligible retirees having at least 10 years of service. Health care benefits are also extended to eligible dependents of retirees as long as the retiree remains covered. Health care benefits are based on the retiree's age and service at retirement and require other cost-sharing features, such as deductibles and co-insurance. Life insurance protection is non-contributory. Other postretirement benefit plans are generally not funded.

The following table sets forth the amounts recognized in the Company's Consolidated Balance Sheet as of November 30, the measurement date:

	1997	1996
Accumulated other postretirement benefit obligation		
Retirees.	$38,552	$38,006
Fully eligible active participants.	2,378	3,150
Other active participants	20,585	21,138
	61,515	62,294
Unrecognized net gain/(loss).	3,456	(496)
Unrecognized prior service cost	892	967
Accrued other postretirement benefit liability included in the Consolidated Balance Sheet.	$65,863	$62,765

The assumed annual rate of increase in the cost of covered health care benefits is 9.2% for 1998. It is assumed to decrease gradually to 4.5% in the year 2007 and remain at that level thereafter. Increasing this assumed health care cost trend rate by one percentage point in each year would increase the accumulated postretirement benefit obligation at November 30, 1997 by $5,933 and the aggregate of the service and interest cost components of net periodic other postretirement benefit cost for 1997 by $755.

The assumed weighted average discount rates were 7.5% for 1997 and 1996.

6. Stock Purchase and Option Plans:

The Company has an Employee Stock Purchase Plan (ESPP) enabling substantially all United States employees to purchase the Company's Common Stock Non-Voting at the lower of the stock price on the grant date or the exercise date. Similarly, options were granted for certain foreign-based employees in lieu of their participation in the ESPP. Options granted under both plans have two-year terms and are fully exercisable on the grant date.

Under the Company's 1990 and 1997 Stock Option Plans and the McCormick (U.K.) Share Option Schemes, options to purchase shares of the Company's common stock have been or may be granted to employees. The option price for shares granted under these plans is the fair market value on the grant date. Options have five- and ten-year terms and generally become fully exercisable at the end of two and three years of continued employment for the U.S. and U.K. plans, respectively.

Pro forma information regarding net income and earnings per share is required by SFAS No. 123 and has been determined as if the Company had accounted for its employee stock options under the fair value method of that Statement. The fair value for these options was estimated at the date of grant using a Black-Scholes option pricing model with the following range of assumptions for the Stock Option Plans, McCormick (U.K.) Share Option Schemes and the ESPP (including options to foreign employees):

	1997	1996
Risk-free interest rates	5.9% - 6.7%	5.4% - 6.4%
Dividend yields.	2.0%	2.0%
Expected volatility. . .	23.0%	23.0%
Expected lives	1.6 - 4.6 years	1.6 - 4.6 years

For purposes of pro forma disclosures, the estimated fair value of the options is amortized to expense over the options' vesting period. The Company's pro forma information follows:

	1997	1996
Pro forma net income	$94,541	$40,558
Pro forma earnings per share	$ 1.25	$ .50

The effects of applying SFAS No. 123 on pro forma net income are not indicative of future amounts until the new rules are applied to all outstanding non-vested awards.

A summary of the Company's stock option activity and related information for the years ended November 30 follows:

	1997		1996	
	Shares (000s)	Weighted-average exercise price	Shares (000s)	Weighted-average exercise price
Options outstanding - beginning of year.	2,737	$ 22.71	2,559	$ 22.11
Granted.	1,311	$ 24.25	713	$ 22.35
Exercised.	(358)	$ 21.94	(382)	$ 18.38
Forfeited.	(477)	$ 24.91	(153)	$ 22.09
Options outstanding - end of year.	3,213	$ 23.11	2,737	$ 22.71
Exercisable - end of year. . . .	1,833	$ 22.73	1,780	$ 22.95
Weighted-average fair value of options granted during the year.	$ 4.63	$ 4.56	N/A	

	1995	
	Shares (000s)	Weighted-average exercise price
Options outstanding - beginning of year.	2,649	$ 19.92
Granted.	980	$ 22.00
Exercised.	(787)	$ 14.46
Forfeited.	(283)	$ 22.20
Options outstanding - end of year.	2,559	$ 22.11
Exercisable - end of year. . . .	1,785	$ 22.03
Weighted-average fair value of options granted during the year		

N/A: Information not applicable as the date of issue for the 1995 option grants precedes the effective date of SFAS No. 123 requirements.

Stock options outstanding at November 30, 1997 were as follows:

	Options Outstanding			Options Exercisable	
Range of exercise price	Shares (000s)	Weighted-average remaining life in years	Weighted-average exercise price	Shares (000s)	Weighted-average exercise price
$ 4.66 to $22.38	1,183	3.2	$ 21.99	732	$ 21.79
$22.63 to $24.25	2,003	2.5	$ 23.74	1,086	$ 23.32
$24.50 to $26.00	27	4.5	$ 25.31	15	$ 26.00
	3,213	2.8	$ 23.11	1,833	$ 22.73

Under all stock purchase and option plans, there were 6,126,000 and 1,928,000 shares reserved for future grants at November 30, 1997 and 1996, respectively.

7. Income Taxes:

For financial reporting purposes, sources of income from consolidated continuing operations before income taxes were:

	1997	1996	1995
Pretax income			
United States	$115,600	$ 59,309	$104,270
International	26,706	2,425	28,336
	$142,306	$ 61,734	$132,606
Components of income taxes were:			
Current			
United States	$ 24,443	$ 33,503	$ 17,793
State	5,447	8,448	5,177
International	3,842	8,288	8,212
Total current	33,732	50,239	31,182
Deferred			
United States	10,709	(20,036)	13,891
State	2,325	(2,822)	2,183
International	5,887	(3,510)	610
Total deferred	18,921	(26,368)	16,684
	$ 52,653	$ 23,871	$ 47,866
Tax benefits allocated directly to equity components are as follows:			
Relating to employee stock options	$ (123)	$ (118)	$ (439)

Differences between income taxes computed at the United States federal statutory rate and actual income taxes are as follows:

	1997		1996		1995	
	Amount	Percent	Amount	Percent	Amount	Percent
Tax at United States statutory rate	$49,807	35.0%	$21,607	35.0%	$46,412	35.0%
State income taxes, net of United States benefits	6,105	4.3	2,648	4.3	5,689	4.3
Higher/(lower) effective income taxes on earnings in other countries	382	.3	3,929	6.4	(423)	(.3)
General business and other tax credits	(3,663)	(2.6)	(2,674)	(4.3)	(3,553)	(2.7)
Amended prior year tax return	-	-	(3,938)	(6.4)	-	-
Other items	22	-	2,299	3.7	(259)	(.2)
Income tax expense	$52,653	37.0%	$23,871	38.7%	$47,866	36.1%

The tax effects of temporary differences that give rise to significant portions of deferred tax assets and liabilities consist of the following:

	1997	1996
Current deferred income tax assets		
Restructuring liability	$ 1,718	$ 13,183
Employee benefits	6,629	7,839
State income tax	3,392	5,677
Accrued liabilities	2,900	3,807
Inventory	3,116	2,951
Bad debt reserve	1,078	2,320
Prepaid and other assets	(2,590)	(2,214)
Other	(2,297)	199
Total current deferred income tax assets	$ 13,946	$ 33,762
Noncurrent deferred income tax assets		
Employee benefits	$ 24,884	$ 27,744
Property, plant and equipment	(27,213)	(26,699)
Accrued liabilities	7,875	5,516
Intangible assets	(3,376)	(2,473)
Prepaid allowances	1,601	1,649
Other	312	350
Total noncurrent deferred income tax assets	$ 4,083	$ 6,087
Noncurrent deferred income tax (liabilities)		
Property, plant and equipment	$ (2,038)	$ (4,937)
Total noncurrent deferred income tax (liabilities)	$ (2,038)	$ (4,937)

In addition to the deferred tax assets shown in the table, the Company also has certain tax credit carryforwards of $2,830 in 1997 and $4,888 in 1996. These tax credit carryforwards have been fully reserved due to the restrictive provisions for their use in offsetting future taxes.

Deferred tax assets are primarily in the United States. The Company has a history of having taxable income and anticipates future taxable income to realize these assets.

United States income taxes are not provided for unremitted earnings of international subsidiaries and affiliates. The Company's intention is to reinvest these earnings permanently or to repatriate the earnings only when it is tax effective to do so. Accordingly, the Company believes that any United States tax on repatriated earnings would be substantially offset by United States foreign tax credits. Unremitted earnings of such entities were $107,992 at November 30, 1997.

Income taxes paid in 1997, 1996 and 1995 were $25,800; $44,875 and $38,214 respectively.

8. Capital Stocks:

Holders of Common Stock have full voting rights except that (1) the voting rights of persons who are deemed to own beneficially 10% or more of the outstanding shares of voting Common Stock are limited to 10% of the votes entitled to be cast by all holders of shares of Common Stock regardless of how many shares in excess of 10% are held by such person; (2) the Company has the right to redeem any or all shares of stock owned by such person unless such person acquires more than 90% of the outstanding shares of each class of the Company's common stock; and (3) at such time as such person controls more than 50% of the vote entitled to be cast by the holders of outstanding shares of voting Common Stock, automatically, on a share-for-share basis, all shares of Common Stock Non-Voting will convert into shares of Common Stock.

Holders of Common Stock Non-Voting will vote as a separate class on all matters on which they are entitled to vote. Holders of Common Stock Non-Voting are entitled to vote on reverse mergers and statutory share exchanges where the capital stock of the Company is converted into other securities or property, dissolution of the Company and the sale of substantially all of the assets of the Company, as well as forward mergers and consolidation of the Company.

9. Fair Value and Financial Instruments:

Cash and cash equivalents, trade receivables, short-term borrowings, accounts payable and accrued liabilities: The amounts reported in the Consolidated Balance Sheet approximate fair value.

Investments: Investments, consisting principally of investments in unconsolidated affiliates, are not readily marketable. Therefore, it is not practicable to estimate their fair value.

Long-term debt: The fair value of long-term debt, including current portion, based on a discounted cash flow analysis using the Company's current incremental borrowing rate for debt of similar maturities is as follows:

	1997		1996	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Long-term debt	$308,277	$ 285,478	$312,697	$ 301,671

Forward exchange contracts for foreign currency: Forward exchange contracts at November 30, 1997 are summarized as follows:

	Nominal Value	Fair Value
Currency sold		
Pound sterling	$ 1,849	$ (26)
Deutsche mark.	1,425	(71)
Italian lira .	234	4

All contracts outstanding hedge foreign currency commitments and, accordingly, have no carrying amount on the balance sheet. The loss explicitly deferred is $119 and is expected to be realized in 1998 as these transactions are realized.

The fair value of forward exchange contracts is estimated using quoted market prices for comparable instruments.

10. Business Restructuring and Discontinued Operations:

Business Restructuring

In the third quarter of 1996, the Company began implementation of a restructuring plan and recorded a restructuring charge of $58,095. This charge reduced net income by $39,582 or $.49 per share. In addition, there were additional charges directly related to the restructuring plan which could not be accrued in 1996 but will be expensed as the plan is implemented. Under the restructuring plan, the Company has closed the Brooklyn, New York packaging plant, converted from a direct sales force to a broker sales force for certain regions in the U.S., exited from certain minor non-core product lines, closed its manufacturing facility in Switzerland and moved that production to its U.K. facility, sold the Minipack business and sold Giza National Dehydration Company of Egypt.

In the fourth quarter of 1994, the Company recorded a charge of $70,445 for restructuring its business operations. Except for the realignment of some of our overseas operations, this restructuring plan is complete.

In the third quarter of 1997, the Company reevaluated its restructuring plans. Most of the actions under these plans are completed or near completion and have resulted in losses being less than originally anticipated. In addition, an agreement in principle to dispose of an overseas food brokerage and distribution business with 6% of consolidated net sales was not consummated. As a result of these developments, the Company recognized a restructuring credit of $9,493. Concurrent with the reevaluation of restructuring plans, the Company initiated plans to streamline the food brokerage and distribution business and close the Freehold, New Jersey packaging plant, resulting in a $5,734 restructuring charge. Charges related to these initiatives include severance and personnel costs of $2,516 and a $3,218 writedown of assets to net realizable value and will require net cash outflows of approximately $3,365. The credit for the restructuring reevaluation, the charge for the new initiatives and charges directly related to the restructuring plan which could not be accrued in 1996 resulted in a net restructuring credit of $3,227 ($2,033 after tax) in 1997.

As of November 30, 1997, the restructuring liabilities are as follows: $4,274 for severance and personnel costs and $1,287 for other exit costs. In addition, approximately $1,711 of additional charges remain to be expensed during the implementation, primarily costs to move equipment and personnel. The Company expects to have all restructuring programs completed in 1998.

Discontinued Operations

On August 29, 1996, the Company sold substantially all the assets of Gilroy Foods, Incorporated (GFI) and Gilroy Energy Company, Inc. (GEC) to ConAgra, Inc. and Calpine Corporation, respectively, for $263.3 million in total. Based on the settlement of terms related to assumptions used to estimate the gain or loss from the disposals of GFI and GEC, the Company recognized income from discontinued operations, net of income taxes of $1,013 in 1997. In 1996, an after tax loss of $291 was included in the caption, "Income from discontinued operations, net of income taxes" in the Consolidated Income Statement.

The operating results of GFI and GEC have been reclassified for all required periods on the Consolidated Income Statement to the caption "Income from discontinued operations, net of income taxes." This caption includes interest expense based on the debt specifically associated with GEC and an allocation of interest to GFI assuming a debt to capital ratio similar to the Company's. Income taxes have also been allocated based on the statutory tax rates applicable to GFI and GEC. The income and expense disclosures in Notes to Consolidated Financial Statements exclude discontinued operations. Sales, interest expense and income taxes applicable to discontinued operations are as follows:

	1996	1995
Net sales	$129,373	$167,608
Interest expense.......	11,173	15,972
Income taxes..........	3,841	5,834

The Company signed a three year non-compete agreement with Calpine Corporation. Under this agreement, McCormick received payments of $8,000 in 1997 and $4,500 in 1996, which are included in "Other (income) expense - net" in the Consolidated Income Statement.

11. Business Segments and Geographic Areas:

Business Segments

The Company operates in two business segments, Food Products and Packaging Products. The Food Products segment manufactures, markets and distributes spices, seasonings, flavorings and other specialty food products and sells these products to the consumer food market, the foodservice market and to industrial food processors throughout the world. The Food Products segment represents the majority of the Company and, accordingly, all corporate items and eliminations have been included in this segment. The Packaging Products segment manufactures and markets plastic packaging products for the food, cosmetic and health care industry, predominately in the United States.

	Food Products	Packaging Products	Consolidated
1997:			
Net sales.	$1,595,142	$ 205,824	$ 1,800,966
Operating income	150,415	20,428	170,843
Identifiable assets.	1,133,094	123,138	1,256,232
Capital expenditures	34,121	9,735	43,856
Depreciation and amortization.	38,587	10,757	49,344
1996:			
Net sales.	$1,532,296	$ 200,210	$ 1,732,506
Operating income (loss)(1) . .	99,169	(5,878)	93,291
Identifiable assets.	1,196,514	130,095	1,326,609
Capital expenditures	63,526	11,128	74,654
Depreciation and amortization.	51,758	12,030	63,788
1995:			
Net sales.	$1,501,763	$ 189,323	$ 1,691,086
Operating income	153,287	19,309	172,596
Identifiable assets.	1,473,006	141,335	1,614,341
Capital expenditures	70,357	11,783	82,140
Depreciation and amortization.	51,083	12,615	63,698

(1) Includes restructuring charges of $41,085 for Food Products and $17,010 for Packaging Products.

Packaging net sales include sales to the Food Products segment of $25,960 in 1997; $30,186 in 1996 and $34,527 in 1995.

Geographic Areas

	North America	Europe	Other Countries	Total
1997:				
Net sales.	$1,346,905	$336,865	$ 117,196	$1,800,966
Net income -- continuing operations.	79,521	12,325	5,569	97,415
Assets	941,980	237,759	76,493	1,256,232
1996:				
Net sales.	$1,311,292	$325,683	$ 95,531	$1,732,506
Net income (loss) -- continuing operations(1).	52,197	84	(8,806)	43,475
Assets	984,676	254,576	87,357	1,326,609
1995:				
Net sales.	$1,276,066	$325,019	$ 90,001	$1,691,086
Net income -- continuing operations.	74,090	10,016	2,702	86,808
Assets	1,332,342	223,718	58,281	1,614,341

(1) Includes net restructuring charges of $19,614 for North America, $10,195 for Europe and $9,773 for Other Countries.

12. Supplemental Financial Statement Data:

	1997	1996
Inventories:		
Finished products and work-in-process.	$ 136,650	$ 125,849
Raw materials and supplies	115,434	119,240
Inventories.	$ 252,084	$ 245,089
Property, plant and equipment:		
Land and improvements.	$ 29,288	$ 27,260
Buildings.	192,777	179,599
Machinery and equipment.	445,938	432,525
Construction in progress	25,513	54,410
Accumulated depreciation	(313,501)	(293,400)
Property, plant and equipment -- net.	$ 380,015	$ 400,394
Goodwill:		
Cost	$ 205,526	$ 211,035
Accumulated amortization	(47,564)	(45,969)
Goodwill -- net.	$ 157,962	$ 165,066
Other accrued liabilities:		
Payroll and employee benefits.	$ 48,544	$ 42,031
Restructuring.	5,561	42,332
Sales allowances	46,029	37,036
Income taxes	22,092	8,734
Other.	104,391	106,658
Other accrued liabilities.	$ 226,617	$ 236,791

	1997	1996	1995
Income statement:			
Depreciation	$ 43,856	$ 49,222	$45,064
Research and development	16,077	12,216	12,015
Average shares outstanding (000s). . . .	75,658	80,641	81,181

13. Quarterly Data (Unaudited):

	1997 Quarters				
	1st	2nd	3rd	4th	Year
Net sales	$407,402	$413,720	$422,870	$556,974	$1,800,966
Cost of goods sold	270,685	279,257	284,326	338,060	1,172,328
Gross profit	136,717	134,463	138,544	218,914	628,638
Selling, general and administrative expense	108,005	105,690	106,181	141,146	461,022
Restructuring charge (credit)	259	127	(3,726)	113	(3,227)
Operating income	28,453	28,646	36,089	77,655	170,843
Interest expense	8,501	9,183	9,367	9,281	36,332
Other (income) expense -- net	(1,528)	(1,782)	(1,090)	(3,395)	(7,795)
Income from consolidated continuing operations before income taxes	21,480	21,245	27,812	71,769	142,306
Income taxes	7,948	7,860	10,930	25,915	52,653
Net income from consolidated continuing operations	13,532	13,385	16,882	45,854	89,653
Income from unconsolidated operations	1,683	1,426	2,317	2,336	7,762
Net income from continuing operations	15,215	14,811	19,199	48,190	97,415
Income from discontinued operations, net of income taxes	--	--	1,013	--	1,013
Net income	$ 15,215	$ 14,811	$ 20,212	$ 48,190	$ 98,428
Earnings per share					
Continuing operations	$ .20	$ .20	$ .26	$ .65	$ 1.29
Discontinued operations	--	--	.01	--	.01
Total earnings per share	$ .20	$ .20	$ .27	$ .65	$ 1.30
Average shares outstanding (000s)	77,239	75,761	75,117	74,397	75,658

We Flavor The World

	1996 Quarters				
	1st	2nd	3rd	4th	Year
Net sales	$395,799	$393,828	$405,451	$537,428	$1,732,506
Cost of goods sold	262,507	273,333	269,115	323,077	1,128,032
Gross profit	133,292	120,495	136,336	214,351	604,474
Selling, general and administrative expense	110,828	98,563	103,184	140,513	453,088
Restructuring charge	--	--	57,538	557	58,095
Operating income (loss)	22,464	21,932	(24,386)	73,281	93,291
Interest expense	8,773	7,952	8,082	9,004	33,811
Other (income) expense -- net	(1,186)	818	524	(2,410)	(2,254)
Income (loss) from consolidated continuing operations before income taxes	14,877	13,162	(32,992)	66,687	61,734
Income taxes	5,361	4,695	(9,871)	23,686	23,871
Net income (loss) from consolidated continuing operations	9,516	8,467	(23,121)	43,001	37,863
Income from unconsolidated operations	296	929	1,557	2,830	5,612
Net income (loss) from continuing operations	9,812	9,396	(21,564)	45,831	43,475
Income from discontinued operations, net of income taxes	(462)	1,599	5,112	--	6,249
Net income (loss) before extraordinary item	9,350	10,995	(16,452)	45,831	49,724
Extraordinary loss from early extinguishment of debt, net of income tax benefit	--	--	(7,806)	--	(7,806)
Net income (loss)	$ 9,350	$ 10,995	$(24,258)	$ 45,831	$ 41,918
Earnings (loss) per share					
Continuing operations	$ .12	$ .12	$ (.26)	$ .58	$ .54
Discontinued operations	--	.02	.06	--	.08
Extraordinary loss from early extinguishment of debt	--	--	(.10)	--	(.10)
Total earnings (loss) per share	$ .12	$ .14	$ (.30)	$ .58	$ .52
Average shares outstanding (000s)	81,255	81,305	80,982	79,339	80,641

McCormick & Company, Incorporated

Management's Responsibility for Financial Statements

The consolidated financial statements of McCormick & Company, Incorporated and subsidiaries have been prepared by the Company in accordance with generally accepted accounting principles. Management has primary responsibility for the financial information presented and has applied judgment to the information available, made estimates and given due consideration to materiality in preparing the financial information in this annual report.

The financial statements, in the opinion of management, present fairly the consolidated financial position, results of operations and cash flows of the Company and subsidiaries for the stated dates and periods in conformity with generally accepted accounting principles. The financial statements in this report have been audited by the Company's independent auditors, Ernst & Young LLP. The independent auditors review and evaluate control systems and perform such tests of the accounting information and records as they consider necessary to reach their opinion on the Company's consolidated financial statements. In addition, McCormick's internal audit resources perform audits of accounting records, review accounting systems and internal controls, and recommend improvements when appropriate.

The Audit Committee of the Board of Directors is composed of outside directors. The committee meets periodically with the internal auditors, with members of management and with the independent auditors in order to review annual audit plans, financial information and the Company's internal accounting and management controls.

The Company believes that it maintains accounting systems and related controls, and communicates policies and procedures, which provide reasonable assurance that the financial records are reliable, while providing appropriate information for management of the business and maintaining accountability for assets.

/s/ Robert G. Davey

Robert G. Davey
President & Chief Executive Officer

/s/ Robert G. Davey

Robert G. Davey
Executive Vice President & Chief Financial Officer

/s/ J. Allan Anderson

J. Allan Anderson
Vice President & Controller, Chief Accounting Officer

Report of Independent Auditors
To the Shareholders
McCormick & Company, Incorporated

We have audited the accompanying consolidated balance sheets of McCormick & Company, Incorporated and subsidiaries as of November 30, 1997 and 1996 and the related consolidated statements of income, cash flows and shareholders' equity for each of the three years in the period ended November 30, 1997. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We have conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as 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 consolidated financial position of McCormick & Company, Incorporated and subsidiaries at November 30, 1997 and 1996, and the consolidated results of their operations and their cash flows for each of the three years in the period ended November 30, 1997 in conformity with generally accepted accounting principles.

/s/ Ernst & Young LLP
- -------------------------
Ernst & Young LLP

Baltimore, Maryland
January 15, 1998

We Flavor Your World

Management's Discussion and Analysis

For 1997, the Company reported net income of $98.4 million or $1.30 per share compared to $41.9 million or $.52 per share last year. During 1997, the Company recorded adjustments relating to a favorable revaluation of reserves for restructuring programs and discontinued operations and unfavorable adjustments at its Venezuelan operation, principally related to the correction of a prior period currency translation error. During 1996, the Company recorded a business restructuring, completed the sale of both Gilroy Foods, Incorporated (GFI) and Gilroy Energy Company, Inc. (GEC) and recorded a loss on prepayment of debt associated with GEC. Excluding these transactions, net income on a comparable basis was $98.4 million or $1.30 per share compared to $83.1 million or $1.03 per share last year.

Net Sales (In Billions)

1993.	$1.4
1994.	$1.53
1995.	$1.70
1996.	$1.73
1997.	$1.80

Results of Operations 1997 compared to 1996

Sales from operations increased 4.0% to $1.8 billion, principally due to a combination of price and mix changes and unit volume increases. Sales improvement was experienced in all operating groups except the consumer businesses within the Americas and European Zones. While underlying sales patterns in the grocery store have recently shown some improvement, the U.S. consumer business experienced volume decreases, partially offset by the combined favorable effect of price and mix changes. Our industrial and foodservice businesses within the U.S. experienced strong sales growth, mainly due to volume increases. Sales increases for the European Zone were the result of volume gains and favorable currency exchange translations primarily within the industrial and foodservice businesses. Volume and price increases continued to fuel sales growth in the Asia/Pacific Zone. The Packaging Group experienced increased sales, primarily due to a favorable combination of price and mix changes.

Sales of unconsolidated operations increased 5.3% in 1997, due principally to the sales from our Mexican joint venture and Signature Brands, which is now operating the Cake Mate business. Foreign exchange translations, primarily due to a weaker Japanese yen, had a negative effect on unconsolidated sales.

Operating income as a percentage of net sales, excluding restructuring, increased to 9.3% in 1997 from 8.7% in 1996.

Gross profit as a percentage of net sales remained at the same level in 1997 as 1996. Excluding the impact of adjustments at the Company's Venezuelan operation, gross profit as a percentage of net sales increased to 35.1% in 1997 from 34.9% in 1996. Gross margin percentages increased in 1997 in our U.S. consumer, industrial and packaging businesses as compared to 1996. These were partially offset by slightly reduced gross margin percentages in our European and Asia/Pacific businesses. Gross margin improvements in the U.S. consumer business were driven by continuing product rationalization efforts and a change in mix to higher margin products. In the U.S. industrial and packaging businesses, gross margins improved during 1997 due to stronger sales of our higher margin, value-added products. Improvement in the packaging business was also partially due to improved operating efficiencies in 1997 and a write-off of packaging inventory for obsolete products in 1996.

Selling, general and administrative expenses were higher in 1997 than 1996 on a dollar basis, but were down slightly as a percentage of sales. The dollar increase is mainly due to earnings-based employee compensation costs, additional resources to support our R&D program and increased information systems spending to allow the Company's systems to cope with the change to the year 2000. These increases were partially offset by decreases in promotional and advertising spending. Promotional spending is down due to the effect of lower U.S. consumer sales on volume-based promotions combined with a shift to promotional programs which encourage more efficient spending activities. Advertising spending, while lower in 1997 than 1996 primarily because of timing issues, is still higher than historical levels as the Company continues its focus on brand recognition.

Interest expense increased $2.5 million in 1997 as compared to 1996, primarily as a result of increased borrowing to fund the Company's stock buyback program. Interest expense in 1996 excluded $11.2 million, which was reclassified to discontinued operations on the Consolidated Income Statement. Total interest expense decreased $8.7 million in 1997 compared to 1996. The significant decrease in total interest is primarily due to reduced borrowing levels as a result of the sales of GFI and GEC in 1996. See Notes to Consolidated Financial Statements for amounts and methods of allocations used.

Other (income) expense -- net increased $5.5 million in 1997 as compared to 1996. This increase is primarily due to income from a non-compete agreement relating to the sale of GEC, which totalled $8.0 million in 1997 versus a total of $4.5 million in 1996.

	Sales					
	1997	1996	1995	1997	1996	1995
	(in millions)			(percentage increase)		
Americas						
Consumer	$ 596.4	$ 621.5	$ 605.4	(4.0)%	2.7%	3.0%
Industrial & foodservice	601.2	549.7	547.4	9.4	0.4	4.7
Europe						
Consumer	221.2	223.3	228.1	(1.0)	(2.1)	22.6
Industrial & foodservice	117.8	97.7	94.3	20.5	3.6	69.6
Asia/Pacific						
Consumer	43.2	36.2	29.4	19.6	22.9	119.0
Industrial & foodservice	41.3	34.1	31.7	21.3	7.3	42.5
Packaging.	179.9	170.0	154.8	5.8	9.8	9.2
Total.	$1,801.0	$1,732.5	$1,691.1	4.0%	2.4%	10.6%

Sales Increase Analysis

	1997	1996	1995
Volume change	2.6%	2.6%	4.6%
Price and mix change. . . .	1.4	4.8	3.2
Foreign currency change . .	0.4	(0.8)	0.3
Other changes(1).	(0.4)	(4.2)	2.5
Total change from continuing operations.	4.0%	2.4%	10.6%

(1) Other changes include the disposal of businesses which are not accounted for as discontinued operations, business acquisitions and the effect of the 1995 change in reporting period for foreign subsidiaries.

The Company recorded income tax expense on net income from continuing operations at an effective rate of 37.0% in 1997 as compared to a rate of 38.7% in 1996. Excluding the effects of the restructuring, the Company's effective tax rate was approximately 35.5% for 1996. The effective tax rate increased in 1997 due to the favorable effect in 1996 of refunds of certain U.S. tax credits from prior years. In reclassifying the Consolidated Income Statement for discontinued operations, income taxes were allocated to discontinued operations. See Notes to Consolidated Financial Statements for the amounts and methods of allocation used.

Income from unconsolidated operations improved in 1997 as compared to 1996 mainly due to improved results of our Mexican joint venture.

We Flavor The World

The raw materials most important to the Company are onion, garlic and capsicums, which generally originate in the United States, and black pepper, cinnamon and vanilla beans, from overseas sources. Although the price of black pepper rose significantly in 1997 due to cyclical events in the worldwide commodity markets, the Company did not experience a materially adverse impact on earnings. While future movements of commodity costs are uncertain, a variety of programs, including periodic commodity purchases and customer price adjustments, help the Company address commodity cost fluctuations.

Results of Operations 1996 compared to 1995

Sales from continuing operations increased 2.4% to $1.7 billion. The sales comparison is impacted by a number of non-recurring factors. First, in 1995, the Company changed the year-end reporting period for foreign subsidiaries from October 31 to November 30 to provide uniform reporting worldwide, which had the effect of an additional month of sales for the foreign units in 1995. Also in 1995, the Company sold its frozen food business in the third quarter. Thus, seven months' sales for this divested business are included in 1995 sales. In 1996, the Cake Mate brand was transferred to a joint venture to form Signature Brands, the sales of which are no longer accounted for in the Company's consolidated results. These changes had the effect of reducing sales by 4.2% versus 1995. On a comparable basis, after adjusting for these factors, sales increased 6.6%.

Sales were up due to both volume and price increases, partially offset by unfavorable foreign exchange translations. Consumer growth in the Americas Zone was due to price increases and volume gains in a number of heavily promoted product lines. Sales increases for the European Zone were masked by the change in fiscal year mentioned above and unfavorable currency exchange translations. Sales continue to grow strongly in the Asia/Pacific Zone as we expand into new markets and introduce new products.

Sales of unconsolidated operations increased 10.1% in 1996 due principally to the sales from Signature Brands, a new joint venture formed in 1996. Foreign exchange translations, primarily due to a weaker Japanese yen and Mexican peso, had a negative effect on unconsolidated sales.

Operating income, excluding restructuring, as a percentage of net sales decreased from 10.0% in 1995 to 8.7% in 1996.

Gross profit as a percentage of sales increased from 34.5% in 1995 to 34.9% in 1996. Gross margin percentages increased in 1996 in both our U.S. consumer and industrial businesses as compared to 1995. These were partially offset by a slightly reduced gross margin percentage in our European business and a more significant reduction in our U.S. packaging business. In the U.S. consumer business, gross margins improved in 1996 due to stronger sales in our higher margin core businesses, particularly in the second half of the year. The decreased gross margin percentage in packaging products was due to competitive pricing pressures, a write-off of inventory for products that had been discontinued and manufacturing inefficiencies.

Selling, general and administrative expenses were higher in 1996 than 1995 on both a dollar basis and as a percentage of sales. The increase was mainly due to additional advertising and promotion spending as the Company continued to market the McCormick brand name more aggressively, the adjustment of certain employee benefit accruals in both years and increased information systems spending to allow the Company's systems to cope with the change to the year 2000.

Interest expense decreased $5.5 million in 1996 as compared to 1995. This decrease was due to both declines in borrowing levels and lower borrowing rates. In reclassifying the Consolidated Income Statement for discontinued operations, interest expense was allocated to discontinued operations. See Notes to Consolidated Financial Statements for the amounts and methods of allocation used.

Other (income) expense -- net includes $4.5 million of income from the non-compete agreement relating to the GEC sale.

McCormick & Company, Incorporated

Earnings Per Share -- Continuing Operations (after restructuring)

1993	$1.01
1994	$0.52
1995	$1.07
1996	$0.54
1997	$1.29

The Company recorded income tax expense on net income from continuing operations at an effective rate of 38.7% in 1996 as compared to a rate of 36.1% in 1995. The increased rate was due to certain restructuring charges which were not tax deductible and the mix of tax rates from differing tax jurisdictions. Excluding the effects of the restructuring, the Company's effective tax rate is approximately 35.5% for 1996. This tax rate was lower in 1996 than what can be expected in the future due to the favorable effect of refunds of certain U.S. tax credits from prior years. In reclassifying the Consolidated Income Statement for discontinued operations, income taxes were allocated to discontinued operations. See Notes to Consolidated Financial Statements for the amounts and methods of allocation used.

Deferred tax liabilities decreased significantly in 1996 primarily due to deferred tax liabilities of GEC which was sold, causing these taxes to become payable in 1996. The remaining deferred tax assets were primarily in the United States. The Company has a history of having United States taxable income and anticipates future taxable income to realize these assets.

Income from unconsolidated operations improved in 1996 as compared to 1995 mainly due to improved results of our Mexican joint venture and the results of the Company's new joint venture, Signature Brands.

In the first quarter of fiscal 1995, the Company changed the end of the reporting period for foreign subsidiaries from October 31 to November 30 to provide uniform reporting on a worldwide basis. Accordingly, an additional month of operating results for those subsidiaries was included in the first quarter 1995 results, which increased net income by $1.4 million.

Business Restructuring

During the past several years, management has reassessed the global strategic direction and focus of the Company. It conducted a portfolio review of its businesses with the intent to increase focus on core businesses and improve its cost structure. As a result of this review, the Company began implementation of a restructuring plan and recorded a restructuring charge of $58.1 million in 1996. This charge reduced net income by $39.6 million or $.49 per share. In addition, there were additional charges directly related to the restructuring plan which could not be accrued in 1996, but will be expensed as the plan is implemented. Under the restructuring plan, the Company closed the Brooklyn, New York packaging plant, converted from a direct sales force to a broker sales force for certain regions in the U.S., exited from certain minor non-core product lines, closed its manufacturing facility in Switzerland and moved that production to its U.K. facility, sold the Minipack business, and sold Giza National Dehydration Company of Egypt.

In the fourth quarter of 1994, the Company recorded a charge of $70.4 million for restructuring its business operations. Except for the realignment of some of our overseas operations, this restructuring plan is complete.

In the third quarter of 1997, the Company reevaluated its restructuring plans. Most of the actions under these plans have been completed or are near completion and have resulted in losses being less than originally anticipated. In addition, an agreement in principle to dispose of an overseas food brokerage and distribution business with 6% of consolidated net sales was not consummated. As a result of these developments, the Company recognized a restructuring credit of $9.5 million. Concurrent with the reevaluation of restructuring plans, the Company initiated plans to streamline the food brokerage and distribution business and close the Freehold, New Jersey packaging plant. These actions resulted in a $5.7 million restructuring charge. Charges related to these initiatives include severance and personnel costs of $2.5 million and a $3.2 million writedown of assets to net realizable value and will require net cash outflows of approximately $3.4 million. The credit for the restructuring reevaluation, the charge for the new initiatives and charges directly related to the restructuring plan which could not be accrued in 1996 resulted in a net restructuring credit of $3.2 million ($2.0 million after tax) in 1997.

We Flavor Your World

The restructuring liability remaining at November 30, 1997 was $4.3 million for severance and personnel costs and $1.3 million for other exit costs. In addition, approximately $1.7 million of additional charges remain to be expensed during the implementation, primarily costs to move equipment and personnel.

The Company expects to have all restructuring programs completed in 1998.

Discontinued Operations

On August 29, 1996, the Company sold substantially all the assets of GFI and GEC for $263.3 million. Based on the settlement of terms related to assumptions used to estimate the gain or loss from the disposals of GFI and GEC, the Company recognized income from discontinued operations, net of income taxes of $1.0 million in 1997. In 1996, a $0.3 million after tax loss was included in the caption, "Income from discontinued operations, net of income taxes" in the Consolidated Income Statement.

The operating results of GFI and GEC have been reclassified on the Consolidated Income Statement to the caption, "Income from discontinued operations, net of income taxes," for all required periods.

The sale of GEC necessitated prepayment of the 11.68% non-recourse installment note. The prepayment resulted in an extraordinary net loss of $7.8 million in 1996.

Foreign Currency Management

The Company is subject to foreign currency translation risks at all of its subsidiaries and affiliates located outside the United States, principally in the United Kingdom, Canada, Australia, Mexico and China. Increases or decreases in the value of the applicable foreign currency relative to the U.S. dollar can increase or decrease the reported net assets of foreign subsidiaries and reported net investments in foreign affiliates. Management periodically enters into hedge contracts to further reduce translation exposure. At year end, the Company did not have any hedges in place to cover net asset exposures.

Due to the economic situation in Mexico, the Company considers Mexico highly inflationary for accounting purposes. Beginning in 1997, all translation gains or losses for our Mexican operations are recorded in the income statement rather than the translation component of equity.

The Company is also exposed to foreign exchange risk for transactions that are denominated in other than the applicable local currency. The Company assesses its risk to foreign currency fluctuation along with other business risks and opportunities that are caused by fluctuations in foreign currencies. To reduce these risks, the Company may, from time to time, enter into hedging contracts. The amount of hedge contracts outstanding and their fair market value are summarized in the Notes to Consolidated Financial Statements.

Cash Flows From Operations In Millions

1993	$ 81
1994	$ 73
1995	$ 59
1996	$202
1997	$181

Year 2000

Recognizing the need to ensure operations will not be adversely impacted by year 2000 software failures, the Company has developed plans to address this possible exposure. Key financial information and operational systems are being assessed, detailed plans have been developed and initial conversion efforts are underway. Management believes that the necessary conversion efforts will be completed by December 31, 1999. The Company is also communicating with suppliers, dealers, financial institutions and others with which it does business to coordinate year 2000 conversions. The annual financial impact of making the required systems changes is not expected to be materially greater than levels incurred by the Company in 1997.

Financial Condition

Strong cash flows from operating activities continued to provide the Company with substantial financial resources to fund operating and investing objectives and support the ongoing share repurchase program, while maintaining a manageable debt level.

In the Consolidated Statement of Cash Flows, cash flows from operating activities decreased from $201.7 million in 1996 to $181.2 million in 1997, remaining significantly higher than historical levels.

This decrease is partially due to a change in working capital levels, especially inventory. However, cash flows from operating activities in 1996 include the positive effect of a $30.6 million decrease in working capital in the GFI and GEC businesses prior to their sale. This was due to a thorough inventory review performed in 1996, as well as the seasonality of the GFI business. After removing the impact of the GFI and GEC improvement in 1996, cash flows from operating activities improved $10.1 million on a comparable basis in 1997. In addition, favorable business trends continued to reduce prepaid allowance levels, positively impacting operating cash flows.

Capital Expenditures In Millions

	Capital Expenditures	Depreciation
1993	$76	$47
1994	$88	$57
1995	$82	$56
1996	$75	$58
1997	$44	$44

Investing activities used cash of $46.7 million in 1997 versus cash generation of $187.9 million in 1996. The significant change is principally due to cash proceeds received on the sale of GFI and GEC in 1996. Capital expenditures continue to trend lower as the Company focuses its efforts on projects where returns exceed the associated cost of capital, consistent with the Company's commitment to creating shareholder value. The Company was able to maintain capital expenditures at the same level as depreciation in 1997. Proceeds from sale of assets in 1997 include the sale of Giza National Dehydration and the proceeds received from the dissolution of the McCormick & Wild joint venture. Our only acquisition in 1997 was the purchase of a line of dry seasoning mixes in Canada which are marketed under the French's brand name.

Debt to Capital

1993	48%
1994	55%
1995	56%
1996	47%
1997	50%

Cash flows from financing activities were a significant use of funds in 1996 and 1997. Proceeds from the sale of GFI and GEC were used to reduce both short-term and long-term debt in 1996. In addition, the Company began a repurchase program in 1996 to buy back up to 10 million shares of the Company's outstanding stock from time to time in the open market. To date, 7.0 million shares have been repurchased under this program, of which 4.5 million were repurchased in 1997.

The Company's ratio of debt to total capital was 50.3% as of November 30, 1997, up slightly from 47.1% at November 30, 1996. The Company was able to maintain this manageable debt level while continuing to fund its stock repurchase program.

Management believes that internally generated funds and its existing sources of liquidity are sufficient to meet current and anticipated financing requirements over the next 12 months.

Over the last 10 years, dividends have increased 14 times and have risen at a compounded annual rate of 17% since 1987. Total dividends paid during fiscal 1997 were $45.5 million versus $45.3 million in 1996 and $42.2 million in 1995.

We Flavor The World

The quarterly dividends paid during the past three years are summarized below:

	1997	1996	1995
First Quarter.	$ .15	$ .14	$ .13
Second Quarter	.15	.14	.13
Third Quarter.	.15	.14	.13
Fourth Quarter	.15	.14	.13
Total.	$ .60	$ .56	$ .52

In December 1997, the Board of Directors approved a 7% increase in the quarterly dividend from $.15 to $.16 per share. The high and low closing prices of common stock during fiscal quarters as reported on the NASDAQ national market follow:

	1997		1996	
Quarter ended	High	Low	High	Low
February 28........................	$25.38	$22.63	$24.25	$21.25
May 31.............................	26.88	22.81	23.13	21.88
August 31..........................	26.88	23.31	22.38	19.25
November 30........................	27.06	23.50	25.00	20.75

Forward-Looking Information

Certain statements contained in this report, including those related to commodity price fluctuations, cost recovery program results, expected year 2000 and restructuring expenditure levels and the market risks associated with financial instruments, are "forward-looking statements" within the meaning of Section 21E of the Securities and Exchange Act of 1934. Because forward-looking statements are based on management's current views and assumptions, and involve risks and uncertainties that could significantly affect expected results, operating results could be materially affected by external factors such as: actions of competitors, customer relationships, fluctuations in the cost and availability of supply chain resources and foreign economic conditions, including currency rate fluctuations and inflation rates.

McCormick Stock Price Performance Table

TRADE HISTORY - MONTHLY

Nasdaq Online-TM-

Sources: Nasdaq, IDC

MCCRK - McCORMICK & COMPANY INC - COMMON STOCK

START DATE: 11/1/94 END DATE: 11/1/97

	High	Low	Close	Total Trades	Total Volume	Block Trades	Block Volume	Non-Block Trades	Non-Block Volume
Summary	27.375	17.750	26.500	107,842	224,948,693	4,754	103,955,285	103,088	110,844,446
Average	--	--	--	3,081	6,079,694	136	2,970,151	2,945	3,182,943
11/94	20.000	17.750	19.000	--	3,512,455	--	--	--	--
12/94	19.250	18.031	18.250	--	6,077,954	--	--	--	--
1/95	21.875	18.125	21.875	3,942	7,051,304	192	2,959,574	3,750	4,091,730
2/95	22.750	21.125	22.125	4,362	8,142,350	201	3,599,887	4,161	4,542,463
3/95	23.375	21.875	22.625	3,302	6,854,893	199	3,339,413	3,103	3,515,480
4/95	23.125	21.750	22.000	2,322	5,258,647	123	2,598,910	2,199	2,659,737
5/95	22.625	20.125	21.000	3,580	13,036,040	287	8,731,751	3,293	4,304,289
6/95	22.250	20.250	21.500	2,772	5,325,825	118	2,418,179	2,654	2,907,646
7/95	23.250	21.375	22.500	2,455	4,278,876	88	1,694,705	2,367	2,584,171
8/95	23.500	21.500	22.125	2,678	4,882,361	95	2,248,075	2,583	2,634,286
9/95	24.250	21.375	23.875	2,846	4,502,254	72	1,393,721	2,774	3,108,533
10/95	26.625	23.125	24.750	4,063	7,377,280	157	2,897,903	3,906	4,479,377
11/95	26.000	22.625	23.625	3,058	6,006,397	135	2,571,130	2,923	3,435,267
12/95	24.500	22.875	24.125	2,545	5,326,179	114	2,512,682	2,431	2,813,497
1/96	24.500	20.375	22.875	3,484	7,459,806	171	3,492,483	3,313	3,967,323
2/96	23.750	21.750	22.875	3,447	8,876,180	201	5,300,713	3,246	3,575,467
3/96	23.375	21.875	22.000	3,066	6,329,236	154	3,115,581	2,912	3,213,655
4/96	24.625	22.000	22.250	2,375	5,145,074	129	2,846,308	2,246	2,298,766
5/96	23.000	21.750	22.750	2,985	6,943,196	132	3,855,695	2,853	3,087,501
6/96	22.750	21.500	22.125	3,115	5,008,734	108	1,986,890	3,007	3,021,844
7/96	22.375	19.875	19.875	2,691	3,838,137	68	1,225,900	2,623	2,612,237
8/96	20.750	18.875	20.500	3,557	9,258,756	179	5,602,800	3,378	3,655,956
9/96	24.250	20.250	23.375	3,869	7,469,007	179	3,595,384	3,690	3,873,623
10/96	24.625	23.375	24.125	2,726	4,698,291	94	2,065,895	2,632	2,632,396
11/96	25.375	22.500	24.625	2,882	6,236,970	121	3,277,532	2,761	2,959,438
12/96	25.125	22.625	23.563	2,882	5,278,459	89	2,208,235	2,793	3,070,224
1/97	25.125	23.500	24.750	2,945	5,471,173	115	2,606,600	2,830	2,433,415

12/17/97 2:07:43 PM

TRADE HISTORY - MONTHLY

Nasdaq Online-TM-

Sources: Nasdaq, IDC

MCCRK - McCORMICK & COMPANY INC - COMMON STOCK

START DATE: 11/1/94 END DATE: 11/1/97

	High	Low	Close	Total Trades	Total Volume	Block Trades	Block Volume	Non-Block Trades	Non-Block Volume
Summary	27.375	17.750	26.500	107,842	224,948,693	4,754	103,955,285	103,088	110,844,446
Average	--	--	--	3,081	6,079,694	136	2,970,151	2,945	3,182,943
2/97	25.375	23.250	23.625	2,340	4,653,773	113	2,519,350	2,227	2,062,494
3/97	25.250	22.625	24.500	2,964	5,210,684	118	2,163,260	2,846	3,047,424
4/97	24.625	23.250	23.625	2,109	4,105,302	106	2,000,401	2,003	2,049,435
5/97	26.875	23.625	26.125	3,418	5,516,126	127	2,497,352	3,291	3,018,774
6/97	27.000	24.625	25.250	3,422	7,804,402	180	4,133,229	3,242	3,671,173
7/97	26.250	24.250	26.000	3,002	4,562,200	93	1,609,550	2,909	2,952,650
8/97	26.500	23.250	23.625	2,783	4,635,782	107	1,940,115	2,676	2,695,667
9/97	25.000	23.500	24.063	3,209	8,730,541	188	5,284,972	3,021	3,445,569
10/97	25.750	22.750	25.000	3,775	5,083,916	88	1,266,150	3,687	3,817,766
11/97	27.375	24.500	26.500	2,871	5,000,133	113	2,394,960	2,758	2,605,173

Dividends Paid Per Share

1993	$.44
1994	$.48
1995	$.52
1996	$.56
1997	$.60

McCormick & Company, Incorporated
Directors and Officers

[photo of Board of Directors]

Board of Directors

Executive Committee
- Charles P. McCormick, Jr.
- Robert J. Lawless
- Robert G. Davey
- Carroll D. Nordhoff

Dr. James J. Albrecht*

James S. Cook+D
Former Executive in Residence
College of Business Administration
Northeastern University

Dr. Freeman A. Hrabowski, III+
President
University of Maryland Baltimore County

George V. McGowanD
Chairman of the Executive Committee
Baltimore Gas and Electric Company

Robert W. Schroeder
Vice President & General Manager
McCormick/Schilling Division

William E. Stevens+D
Executive Vice President
Mills & Partners

Karen D. Weatherholtz

Corporate Officers

Charles P. McCormick, Jr.
Chairman of the Board

Robert J. Lawless
President & Chief Executive Officer

Susan L. Abbott
Vice President - Regulatory & Environmental Affairs

J. Allan Anderson
Vice President & Controller

Allen M. Barrett, Jr.
Vice President - Corporate Communications

Robert G. Davey
Executive Vice President & Chief Financial Officer

Dr. Hamed Faridi
Vice President - Research & Development

Randall B. Jensen
Vice President - Operations Resources

Christopher J. Kurtzman
Vice President & Treasurer

Roger T. Lawrence
Vice President - Quality Assurance

C. Robert Miller, II
Vice President - Management Information Systems

Carroll D. Nordhoff
Executive Vice President

Robert C. Singer
Vice President - Acquisitions & Financial Planning

Robert W. Skelton
Vice President, General Counsel & Secretary

Karen D. Weatherholtz
Vice President - Human Relations

W. Geoffrey Carpenter
Assistant Secretary & Associate General Counsel

David P. Smith
Assistant Treasurer

Gordon M. Stetz, Jr.
Assistant Treasurer - Financial Services

+Audit Committee Member
D Compensation Committee Member
*Retired January 1, 1998

We Flavor Your World

McCormick Worldwide

U.S.A.

Consolidated Operating Units

Food Service Group
Hunt Valley, Maryland
F. Christopher Cruger
Vice President & General Manager

McCormick Flavor Division
Hunt Valley, Maryland
Howard W. Kympton, III
Vice President & General Manager

McCormick Ingredients
Hunt Valley, Maryland

McCormick/Schilling Division
Hunt Valley, Maryland
Robert W. Schroeder
Vice President & General Manager

Setco, Inc.
Anaheim, California
Donald E. Parodi
President

Tubed Products, Inc.
Easthampton, Massachusetts
Alan D. Wilson
President

Affiliates

Signature Brands, L.L.C. (50%)
Ocala, Florida

SupHerb Farms (50%)
Turlock, California

Outside U.S.A.

Consolidated Operating Units

Global Food Ingredients Europe
Haddenham, England
Timothy J. Casey
Managing Director

McCormick Canada, Inc.
London, Ontario, Canada
Paul C. Beard
President

McCormick de Centro America, S.A. de C.V.
San Salvador, El Salvador
Arduino Bianchi
Managing Director

McCormick de Venezuela, C.A.
Caracas, Venezuela
Alberto Diaz
Managing Director

McCormick Foods Australia Pty. Ltd.
Clayton, Victoria, Australia
Bruce S. Galanter
Managing Director

McCormick (Guangzhou) Food Company, Ltd.
Guangzhou, China
Victor K. Sy
Managing Director

McCormick Ingredients Southeast Asia Private Limited
Jurong, Republic of Singapore
Hector Veloso
Managing Director

McCormick Pesa, S.A. de C.V.
Mexico City, Mexico
Robert E. Horn
President

McCormick S.A.
Regensdorf Z.H., Switzerland
Ernest Abouchar
Managing Director

McCormick U.K. plc

Haddenham, England
John C. Molan
Managing Director

McCormick Foodservice
Limited
Haddenham, England
Neville Beal
Managing Director

McCormick Glentham (Pty) Limited
Midrand, South Africa
John C. Eales
Managing Director

Oy McCormick Ab
Helsinki, Finland
John C. Molan
Chairman

Shanghai McCormick Foods Company, Limited (90%)
Shanghai, People's Republic of China
Victor K. Sy
President

Affiliates

AVT-McCormick Ingredients Limited (50%)
Cochin, India

McCormick de Mexico,
S.A. de C.V. (50%)
Mexico City, Mexico

McCormick Kutas Food Service Ltd. (50%)
Haddenham, England

McCormick-Lion Limited (49%)
Tokyo, Japan

McCormick Philippines, Inc. (50%)
Manila, Philippines

P.T. Kimballmas Sejati (50%)
Jakarta, Indonesia

P.T. McCormick Indonesia (50%)
Jakarta, Indonesia

P.T. Sumatera Tropical Spices (30%)
Padang, Sumatera, Indonesia

Stange (Japan) K.K. (50%)
Tokyo, Japan

Vaessen Schoemaker de Mexico, S.A. de C.V. (50%)
Mexico City, Mexico

McCormick & Company, Incorporated
Investor Information

Corporate Address and Telephone Number
McCormick & Company, Incorporated
18 Loveton Circle
Sparks, MD 21152-6000
U.S.A.
(410) 771-7301

Stock Information
Traded Over-the-Counter,
NASDAQ National Market List
Symbol: MCCRK

Stock Dividend Dates - 1998

Record Date	Payment Date
3/31/98	4/13/98
7/2/98	7/14/98
10/1/98	10/13/98
12/31/98	1/22/99

There were more than 12,000 shareholders of record, 4,100 holders in McCormick's 401(K) plan for employees and an estimated more than 25,000 "street-name" beneficial holders whose shares are held in names other than their own, for example, in brokerage accounts.

Investor Services

For inquiries concerning shareholder records, stock certificates, dividends or dividend reinvestment, please contact Investor Services at the Corporate address or telephone:
(800) 424-5855 or
(410) 771-7537

To obtain without cost a copy of the annual report filed with the Securities & Exchange Commission (SEC) on Form 10-K, contact the Treasurer's Office at the Corporate address or contact the SEC web site:
http://www.sec.gov

For general questions about McCormick or information in the annual or quarterly reports, contact the Treasurer's Office at the Corporate address or telephone:
Report Ordering: (800) 424-5855 or
(410) 771-7537
Analysts' Inquiries: (410) 771-7244

Another source of McCormick information is located on the Internet. Our web site is: http://www.mccormick.com

Missing or Destroyed Certificates or Checks
Shareholders whose certificates or dividend checks are missing or destroyed should notify Investor Services immediately so that a "stop" can be placed on the old certificate or check, and a new certificate or check can be issued.

Address Change
Shareholders should advise Investor Services immediately of any change in address. Please include the old address and the new address. All changes of address must be submitted in writing.

Transfer Agent and Registrar
Contact Investor Services at the Corporate address or telephone:
(800) 424-5855 or
(410) 771-7786

Multiple Dividend Checks and Duplicate Mailings
Some shareholders hold their stock in different but similar names (for example, as John Q. Doe and J. Q. Doe). When this occurs, it is necessary to create a separate account for each name. Even though the mailing addresses are the same, we are required to mail separate dividend checks and annual and quarterly reports for each account.

We encourage shareholders to eliminate multiple dividend checks and mailings by contacting Investor Services and requesting an account consolidation.

Shareholders who want to eliminate duplicate mailings but still receive multiple dividend checks and proxy material may do so by contacting Investor Services.

Dividend Reinvestment Plan
Shareholders may automatically reinvest their dividends and make optional cash purchases of stock through the Company's Dividend Reinvestment Plan, subject to limitations set forth in the Plan prospectus. A Plan prospectus and enrollment form may be obtained by contacting Investor Services at:
(800) 424-5855 or
(410) 771-7537

Trademarks

Use of -Registered Trademark- or -TM- in this annual report indicates trademarks owned or used by McCormick & Company, Incorporated and its subsidiaries and affiliates.

This Report is printed on recycled paper.

[McCormick/Schilling product coupons valued at $3.00 and $1.50]

[World illustration from page 6, screened to produce subtle graphic]

Exhibit 23 -- Consent of Independent Auditors

We consent to the incorporation by reference in this Annual Report (Form 10-K) of McCormick & Company, Incorporated and subsidiaries of our report dated January 15, 1998, included in the 1997 Annual Report to Stockholders of McCormick & Company, Incorporated.

Our audits also included the financial statement schedule of McCormick & Company, Incorporated and subsidiaries listed in Item 14(a). This schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, present fairly in all material respects the information set forth therein.

We also consent to the incorporation by reference in the following Registration Statements of McCormick & Company, Incorporated and subsidiaries and in the related Prospectuses (if applicable) of our report dated January 15, 1998, with respect to the consolidated financial statements and schedule of McCormick & Company, Incorporated and subsidiaries included in the 1997 Annual Report to Stockholders and incorporated by reference in this Annual Report (Form 10-K) for the year ended November 30, 1997.

Form	Registration Number	Date Filed
S-8	33-23727	3/21/97
S-8	33-58197	3/23/95
S-3	33-66614	7/27/93
S-3	33-40920	5/29/91
S-8	33-33724	3/2/90
S-8	33-33725	3/2/90
S-3	33-32712	12/21/89
S-8	33-24660	3/16/89
S-8	33-24658	9/15/88
S-3	33-24659	9/15/88

Ernst & Young LLP

Baltimore, Maryland
February 16, 1998

5
1,000

12-MOS
NOV-30-1997
NOV-30-1997
13,500
0
220,932
3,734
252,084
506,518
693,516
313,501
1,256,232
498,249
276,489
0
0
159,450
233,660
1,256,232
1,800,966
1,800,966
1,172,328
457,795
(7,795)
0
36,332
142,306
52,653
97,415
1,013
0
0
98,428
1.30
1.30

Exhibit 99

PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant [x]
Filed by a Party other than the Registrant [ ]
Check the appropriate box:
[   ] Preliminary Proxy Statement
[x] Definitive Proxy Statement
[   ] Definitive Additional Materials
[   ] Soliciting Material Pursuant to Section 240.14a-11 (c) or Section 240.14a-12

MCCORMICK & COMPANY, INCORPORATED

(Name of Registrant as specified in its Charter)

The Board of Directors of McCormick & Company, Incorporated

(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):
[   ] $125 per Exchange Act Rules 0-11(c)(1)(ii), 14a-6(i)(1), or 14a-6(j)(2)
[   ] $500 per each party to the controversy pursuant to Exchange Act Rule14a-6(i)(3)
[   ] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:

4) Proposed maximum aggregate value of transaction:

[   ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form of Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule of Registration Statement No.:

3) Filing Party:
   ----

4) Date Filed:

MCCORMICK & COMPANY, INCORPORATED
18 LOVETON CIRCLE
SPARKS, MARYLAND 21152

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS TO BE HELD MARCH 18, 1998

The Annual Meeting of the Stockholders of McCormick & Company, Incorporated will be held at the Hunt Valley Inn, Hunt Valley, Maryland at 10:00 a.m., March 18, 1998, for the purpose of considering and acting upon:

(a) the election of directors to act until the next Annual Meeting of Stockholders or until their respective successors are duly elected and qualified;

(b) the approval of the Mid-Term Incentive Program, which has been adopted by the Board of Directors subject to the approval of the stockholders;

(c) the ratification of the appointment of Ernst & Young LLP as independent auditors of the Company to serve for the 1998 fiscal year; and

(d) any other matters that may properly come before such meeting or any adjournments thereof.

The Board of Directors has fixed the close of business on December 31, 1997 as the record date for the determination of stockholders entitled to notice of, and to vote at, the Meeting or any adjournments thereof. Only holders of Common Stock shall be entitled to vote. Holders of Common Stock Non-Voting are welcome to attend and participate in this meeting.

IF YOU ARE A HOLDER OF COMMON STOCK, A PROXY CARD IS ENCLOSED. PLEASE SIGN THE PROXY CARD PROMPTLY AND RETURN IT IN THE ENCLOSED SELF-ADDRESSED ENVELOPE IN ORDER THAT YOUR STOCK MAY BE VOTED AT THIS MEETING. THE PROXY MAY BE REVOKED BY YOU AT ANY TIME BEFORE IT IS VOTED.

February 18, 1998

Robert W. Skelton
Secretary

PROXY STATEMENT

GENERAL INFORMATION

This Proxy Statement is furnished on or about February 18, 1998 to the holders of Common Stock in connection with the solicitation by the Board of Directors of the Company of proxies to be voted at the Annual Meeting of Stockholders or any adjournments thereof. Any proxy given may be revoked at any time insofar as it has not been exercised. Such right of revocation is not limited or subject to compliance with any formal procedure. The shares represented by all proxies received will be voted in accordance with the instructions contained in the respective proxies. The cost of the solicitation of proxies will be borne by the Company. In addition to the solicitation of proxies by use of the mails, officers and regular employees of the Company may solicit proxies by telephone, telegraph, or personal interview. The Company also may request brokers and other custodians, nominees, and fiduciaries to forward proxy soliciting material to the beneficial owners of shares held of record by such persons, and the Company may reimburse them for their expenses in so doing.

At the close of business on December 31, 1997, there were outstanding 10,203,697 shares of Common Stock which represent all of the outstanding voting securities of the Company. Except for certain voting limitations imposed by the Company's Charter on beneficial owners of ten percent or more of the outstanding Common Stock, each of said shares of Common Stock is entitled to one vote. Only holders of record of Common Stock at the close of business on December 31, 1997 will be entitled to vote at the meeting or any adjournments thereof.

PRINCIPAL STOCKHOLDERS

On December 31, 1997, the assets of The McCormick Profit Sharing Plan and PAYSOP (the "Plan") included 2,545,946 shares of the Company's Common Stock, which represented 24.95% of the outstanding shares of Common Stock. The address for the Plan is 18 Loveton Circle, Sparks, Maryland 21152. The Plan is not the beneficial owner of the Common Stock for purposes of the voting limitations described in the Company's Charter. Each Plan participant has the right to vote all shares of Common Stock allocated to such participant's Plan account. The Plan's Investment Committee possesses investment discretion over the shares, except that, in the event of a tender offer, each participant of the Plan is entitled to instruct the Investment Committee as to whether to tender Common Stock allocated to such participant's account. Membership on the Investment Committee consists of three directors, Robert G. Davey, Carroll D. Nordhoff, and Karen D. Weatherholtz, and the Company's Vice President & Controller, J. Allan Anderson, the Company's Vice President & Treasurer, Christopher J. Kurtzman and the Company's Vice President, General Counsel & Secretary, Robert W. Skelton. Mary D. McCormick, whose address is 830 West 40th Street, Baltimore, Maryland 21211, held 609,012 shares of Common Stock as of December 31, 1997, representing 5.97% of the outstanding shares of Common Stock. Harry K. Wells and his wife Lois L.Wells, whose address is P. O. Box 409, Riderwood, Maryland 21139, held in two trusts 586,623 shares of Common Stock as of December 31, 1997, representing 5.75% of the outstanding shares of Common Stock.

ELECTION OF DIRECTORS

On June 1, 1997, Richard W. Single, Sr. retired as a member of the Board of Directors and as Vice President--Government Affairs & Secretary/Counsel to the Board of Directors. On January 1, 1998, Dr. James J. Albrecht retired as a member of the Board of Directors and as Vice President--Science & Technology. The Company is grateful to Mr. Single and Dr. Albrecht for their contributions during their many years of service.

The persons listed in the following table have been nominated for election as directors to serve until the next Annual Meeting of Stockholders or until their respective successors are duly elected and qualified. Management has no reason to believe that any of the nominees will be unavailable for election. In the event a vacancy should occur, the proxy holders reserve the right to reduce the total number of nominations for election. There is no family relationship between any of the nominees. No nominee has a substantial interest in any matter to be acted upon at the Annual Meeting.

The following table shows, as of December 31, 1997, the names and ages of all nominees, the principal occupation and business experience of each nominee during the last five years, the year in which each nominee was first elected to the Board of Directors, the amount of securities beneficially owned by each nominee, and directors and executive officers as a group, and the nature of such ownership. Except as otherwise noted, no nominee owns more than one percent of either class of the Company's common stock.

REQUIRED VOTE OF STOCKHOLDERS. The favorable vote of at least a majority of the shares of Common Stock of the Company present in person or by proxy at a meeting at which a quorum is present is required for the election of each nominee.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR EACH OF THE NOMINEES LISTED BELOW.

				AMOUNT AND NATURE* OF BENEFICIAL OWNERSHIP	
NAME	AGE	PRINCIPAL OCCUPATION & BUSINESS EXPERIENCE	YEAR FIRST ELECTED DIRECTOR	COMMON	COMMON NON-VOTING
James S. Cook.................	69	Former Executive in Residence, Northeastern University (1986 to 1997)	1982	1,833	3,675
Robert G. Davey...............	48	Executive Vice President & Chief Financial Officer (1996 to Present); Vice President & Chief Financial Officer (1994 to 1996); President, McCormick Canada, Inc., a subsidiary of the Company (1991 to 1994)	1994	27,057	4,799
Freeman A. Hrabowski, III.....	47	President, University of Maryland Baltimore County (1992 to Present)	1997	83	0
Robert J. Lawless.............	51	President (1996 to Present), Chief Executive Officer (1997 to Present) & Chief Operating Officer (1995 to Present), Executive Vice President (1995 to 1996); Senior Vice President--The Americas (1994 to 1995); Group Vice President--Europe (1993 to 1994); Vice President & Deputy Managing Director, International Group (1991 to 1993)	1994	30,498	24,991
Charles P. McCormick, Jr......	69	Chairman of the Board (1994 to Present), Chief Executive Officer (1996 to 1997); Chairman Emeritus (1993 to 1994); Chairman of the Board (1988 to 1993), Chief Executive Officer (1987 to 1992)	1955	264,986** (2.6%)	16,917

NAME	AGE	PRINCIPAL OCCUPATION & BUSINESS EXPERIENCE	YEAR FIRST ELECTED DIRECTOR	AMOUNT AND NATURE* OF BENEFICIAL OWNERSHIP COMMON	COMMON NON-VOTING
George V. McGowan............	69	Chairman of the Executive Committee, Baltimore Gas and Electric Company (1993 to Present); Chairman of the Board & Chief Executive Officer, Baltimore Gas and Electric Company (1988 to 1992)	1983	2,349	2,808
Carroll D. Nordhoff..........	52	Executive Vice President (1994 to Present); Executive Vice President -The Americas (1993 to 1994); Executive Vice President--Corporate Operations Staff (1992 to 1993)	1991	55,096	17,663
Robert W. Schroeder..........	52	Vice President & General Manager, McCormick/Schilling Division (1995 - Present); Vice President-- Sales & Marketing, McCormick/Schilling Division (1994 - 1995); Vice President -Packaging Group (1991 - 1994)	1996	13,347	8,425
William E. Stevens...........	55	Executive Vice President, Mills & Partners, (1996 to Present); President and Chief Executive Officer, United Industries Corp. (1989 to 1996)	1988	2,833	7,950
Karen D. Weatherholtz.........	47	Vice President--Human Relations (1988 to Present)	1992	21,885	7,667
Directors and Executive Officers as a Group (14 persons).......................................				528,716 (5.2%)	136,379

Footnotes continued on next page

* Includes shares of Common Stock and Common Stock Non-Voting known to be beneficially owned by directors and executive officers alone or jointly with spouses, minor children and relatives (if any) who have the same home as the director or executive officer. Also includes the following numbers of shares which could be acquired within 60 days of December 31, 1997 pursuant to the exercise of stock options: Mr. Cook--1,750 shares of Common Stock, 1,750 shares of Common Stock Non-Voting; Mr. Davey--11,397 shares of Common Stock, 4,799 shares of Common Stock Non-Voting; Mr. Hrabowski--0 shares of Common Stock, 0 shares of Common Stock Non-Voting; Mr. Lawless--14,798 shares of Common Stock, 5,932 shares of Common Stock Non-Voting; Mr. McCormick--14,875 shares of Common Stock, 6,125 shares of Common Stock Non-Voting; Mr. McGowan - 1,750 shares of Common Stock, 1,750 shares of Common Stock Non-Voting; Mr. Nordhoff--20,145 shares of Common Stock, 9,382 of Common Stock Non-Voting; Mr. Schroeder--10,013 shares of Common Stock, 4,338 of Common Stock Non-Voting; Mr. Stevens--1,750 shares of Common Stock, 1,750 shares of Common Stock Non-Voting; Ms. Weatherholtz--6,750 shares of Common Stock, 2,250 shares of Common Stock Non-Voting; and directors and executive officers as a group -109,550 shares of Common Stock, 49,151 shares of Common Stock Non-Voting. Also includes shares of Common Stock which are beneficially owned by certain directors and officers by virtue of their participation in the McCormick Profit Sharing Plan and PAYSOP: Mr. Davey--2,119 shares; Mr. Lawless--1,542 shares; Mr. Nordhoff--7,659 shares; Ms. Weatherholtz--8,534 shares; and directors and executive officers as a group--40,502 shares.

** Includes 2,768 shares of Common Stock owned by Mr. McCormick's wife. Mr. McCormick disclaims beneficial ownership of said shares.

BOARD COMMITTEES

The Board of Directors has established the following committees to perform certain specific functions. There is no Nominating Committee of the Board of Directors. Board Committee membership as of February 18, 1998 is listed below.

AUDIT COMMITTEE. This Committee reviews the plan for and the results of the independent audit and internal audit, reviews the Company's financial information and internal accounting and management controls, and performs other related duties. The following directors are currently members of the Committee and serve at the pleasure of the Board of Directors: Messrs. Cook, Hrabowski and Stevens. The Audit Committee held five meetings during the last fiscal year.

COMPENSATION COMMITTEE. This Committee establishes and oversees executive compensation policy; makes decisions about base pay, incentive pay and any supplemental benefits for the Chief Executive Officer, other members of the Executive Committee, and any other executives listed in the proxy statement as one of the five highest paid executives; and approves the grant of stock options, the timing of the grants, the price at which the options are to be offered, and the amount of the options to be granted to employee directors and officers. The following directors are members of the Committee and serve at the pleasure of the Board of Directors: Messrs. Cook, McGowan and Stevens. None of the Committee members are employees of the Company or are eligible to participate in the Company's stock option programs which are administered by the Committee. The Compensation Committee held six meetings during the last fiscal year.

EXECUTIVE COMMITTEE. This Committee possesses authority to exercise all of the powers of the Board of Directors in the management and direction of the affairs of the Company between meetings of the Board of Directors, subject to specific limitations and directions of the Board of Directors and subject to limitations of Maryland law. This Committee also reviews and approves all benefits and salaries of a limited group of senior executives and reviews and approves individual awards under approved stock option plans for all persons except directors and officers (see Compensation Committee). The following directors are currently members of the Committee and serve at the pleasure of the Board of Directors: Messrs. Davey, Lawless, McCormick, and Nordhoff. The Executive Committee held 18 meetings during the last fiscal year.

ATTENDANCE AT MEETINGS

During the last fiscal year, there were 9 meetings of the Board of Directors. All of the Directors were able to attend at least 75% of the total number of meetings of the Board and the Board Committees on which they served.

OTHER DIRECTORSHIPS

Certain individuals nominated for election to the Board of Directors hold directorships in other companies. Dr. Hrabowski is a director of Baltimore Gas and Electric Company, the Baltimore Equitable Society, Mercantile Shareholders Corporation and UNC, Incorporated. Mr. Lawless is a director of Carpenter Technology Corporation. Mr. McGowan is a director of Baltimore Gas and Electric Company, Baltimore Life Insurance Company, GTS Duratek Inc., Life of Maryland, Inc., NationsBank, N.A., Organization Resources Counselors, Inc., Scientech, Inc., and UNC, Incorporated. Mr. Stevens is a director of The Earthgrains Company.

REPORT ON EXECUTIVE COMPENSATION

COMPENSATION PHILOSOPHY AND OBJECTIVES

The Company has at the core of its compensation philosophy to attract, motivate and retain top quality executives who will think and act like owners and who will make decisions in the best interests of our shareholders. This is accomplished by offering a total compensation package that reflects the stated financial goals of the Company, provides support and direction for our corporate strategy, and compensates competitively for each executive's responsibilities and performance. Through a mix of base salary, an annual incentive program, a proposed mid-term incentive program, and a long-term incentive program, the Company is able to achieve focus on individual, operating unit, and corporate success.

To assist the Company in determining the relevance and competitiveness of its executive compensation, periodic special studies are conducted by independent compensation consultants. During 1997, the Compensation Committee engaged Towers Perrin to review the Company's compensation policies and practices. The independent consultant reported the following findings:

- The Company's annual incentive plan design provides strong linkage between an executive's pay and the achievement of objective performance targets.

- The annual incentive measures of profit growth, economic value added, and earnings per share growth reflect the Company's stated objectives.

- Use of peer company comparison to set performance targets provides an objective basis for measuring corporate success.

- The Company's use of stock options as its long-term incentive program aligns the interests of senior executives with shareholder performance.

- Shareholdings of the majority of the Company's executives exceed typical guidelines as a multiple of annual salary.

- Base salaries are consistent overall with median levels paid to senior executives having similar roles and responsibilities at food and manufacturing companies of comparable size.

- Annual incentive target awards and long-term incentive target awards are below market competitive levels.

The consultant also made the following recommendations, which were approved by the Compensation Committee and the Board of Directors:

- Raise annual incentive targets to a level that is comparable to annual targets for other peer companies. This action not only provides a level of annual incentive target that is competitive, but also increases the portion of executive pay that is at risk based on company performance.

- Under the Company's long-term incentive plan, grant ten (10) year options starting in 1998, rather than five (5) year options granted in recent years. This action will, for most executives, result in competitive levels of long-term incentives relative to peer companies. For a few of the most senior executives, an increase in the number of shares granted is necessary to provide a competitive total compensation package. This was recommended by the consultant to provide maximum alignment of executive compensation with shareholder interests.

- Introduce a Mid-Term Incentive Program for a limited group of key senior executives in order to support key strategies of the Company.

BASE SALARIES

Salary levels of the Company's senior executives are reviewed annually and, where appropriate, are adjusted to reflect individual responsibilities and performance as well as the Company's competitive position within the food industry. The Compensation Committee sets base salaries by targeting midpoints of the marketplace median and adjusting each executive officer's salary to reflect individual performance, experience, and contribution. The Compensation Committee considers salaries paid to senior executives at companies which are comparable to the Company (based on line of business or sales volume) in establishing base salaries for senior executives of the Company. Those companies included most of the fifteen companies in the S&P Food Products Index and other manufacturing companies which are not included in that index but which had similar sales volumes.

ANNUAL INCENTIVE PROGRAM

The following methodology was used to determine bonus payouts for fiscal year 1997:

ACTIONS AT THE START OF THE FISCAL YEAR:

- A target bonus was set for each participating executive based upon a percentage of the midpoint of the salary range for the executive's job and was calculated to provide median compensation for growth that is comparable to peer companies in the food industry.

- The Compensation Committee approved the level of payment to be made for superior performance relative to peer companies. In no case does the maximum payment to an individual exceed two times the target bonus. No bonus is paid to a participating executive if there is no growth in earnings per share.

- The amount of target bonus payable to operating unit executives was based on a formula, weighted two-thirds on achievement of the operating profit and economic value added objectives of the executive's operating unit and one-third on growth in the Company's earnings per share.

ACTIONS AT FISCAL YEAR END:

- Financial statements were prepared for the Company and each operating unit.

- Calculations were made according to the formula for each operating unit and for the Company. Extraordinary events such as major restructuring were excluded.

MID-TERM INCENTIVE PROGRAM

Subject to shareholder approval, the Compensation Committee and the Board of Directors have approved a Mid-Term Incentive Program for the three year period beginning December 1, 1997 and ending November 30, 2000. The Program is described in detail on page 19.

The Compensation Committee believes that this new Program will play an important role in aligning the compensation of top executives with the key strategic needs of the Company during the next three years. The Committee recommends implementation of this Program for the following reasons:

1) It facilitates clear focus on the strategic objectives that will drive the Company's success; specifically, sales growth and total shareholder return.

2) The Program is targeted to executives who are in positions which have a significant impact on the achievement of objectives of the Company as a whole, and who must provide strategic focus to a time horizon that extends beyond any one fiscal year.

3) The Program is designed such that award amounts are tightly linked to the level of achievement of the Program's objectives, and the rewards are highly leveraged, so that superior payouts are made only for superior performance.

4) It enhances our overall incentive program when combined with stock options to achieve McCormick's longer term strategies.

5) The Program provides a means to motivate and retain top talent at the most senior levels.

LONG-TERM INCENTIVE PROGRAM

Under the Long-Term Incentive Program, stock options are granted by the Compensation Committee to key management employees of the Company, including executive officers. The purpose of stock option grants is to aid the Company in securing and retaining capable employees by offering them an incentive, in the form of a proprietary interest in the Company, to join or continue in the service of the Company and to maximize their efforts to promote its economic performance. This incentive is created by granting options that have an exercise price of not less than 100% of the fair market value of the underlying stock on the date of grant, so that the employee may not profit from the option unless the Company's stock price increases. Options granted are designed to help the Company retain employees in that they are not fully exercisable in the early years and "vest" only if the employee remains with the Company. Accordingly, an employee must remain with the Company for a period of years in order to enjoy the full economic benefit of the option. The number of options granted is a function of the recipient's salary grade level.

McCormick has not found it necessary to establish share ownership guidelines for its executives, since the majority of executives EXCEED the typical ownership guidelines.

CHIEF EXECUTIVE OFFICER COMPENSATION

Mr. Lawless served as the Company's chief executive officer for 11 months of fiscal year 1997, succeeding Mr. McCormick who served as CEO for the first month of the fiscal year.

As a non-employee CEO, Mr. McCormick received a monthly consulting fee for services rendered to the Company. His fee for December 1996, while he was CEO, was $47,583.33. In January 1997, Mr. McCormick relinquished the title of CEO, while retaining the title of Chairman of the Board. His monthly fee for the remainder of fiscal year 1997 was $13,725.

In March 1997, Mr. McCormick was awarded a stock option in the amount of 12,000 shares. Mr. McCormick's annual incentive award for fiscal 1997 was $124,500, and was determined by the criteria and calculations applied to other executives and described on page 9.

Mr. Lawless' base compensation in the salary column of the Summary Compensation Table on page 13 consists of $443,334 for the period he has been CEO and $30,833 for the one month prior to his promotion to CEO. Mr. Lawless' salary changes during 1997 include a promotional increase when he assumed the position and responsibilities of CEO, a merit increase determined according to the same criteria as other executives, and a competitive pay adjustment as a result of the compensation review conducted by the independent consultant.

In March 1997, Mr. Lawless was awarded a stock option in the amount of 53,000 shares. Mr. Lawless' annual incentive award for fiscal year 1997 was $385,000, and was determined by the criteria and calculations applied to other executives and described on page 9.

1997 COMPENSATION ACTIONS--OTHER EXECUTIVE OFFICERS

Salary increases, annual incentive awards and long-term incentive grants for executive officers were granted in a manner consistent with those granted to other Company managers.

Submitted By:

COMPENSATION COMMITTEE	EXECUTIVE COMMITTEE
George V. McGowan, Chairman	Robert J. Lawless, Chairman
James S. Cook	Robert G. Davey
George W. Koch (retired 3/97)	Charles P. McCormick, Jr.
William E. Stevens	Carroll D. Nordhoff

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

After the retirement of Mr. Koch in March 1997, during fiscal year 1997 the Compensation Committee was comprised of three independent outside directors. Members are James S. Cook, George V. McGowan (Chairman) and William E. Stevens. No member of the Committee has any interlocking or insider relationship with the Company which is required to be reported under the applicable rules and regulations of the Securities and Exchange Commission.

At the close of fiscal year 1997, members of the Executive Committee were Robert G. Davey, Robert J. Lawless (Chairman), Charles P. McCormick, Jr. and Carroll D. Nordhoff. All except Mr. McCormick are employees and executive officers of the Company. Mr. McCormick is a retired employee of the Company. The table beginning on page 4 of this Proxy Statement sets forth the business experience of each of the members.

SUMMARY COMPENSATION TABLE

The following table sets forth the compensation paid by the Company and its subsidiaries for services rendered during each of the fiscal years ended November 30, 1997, 1996 and 1995 to the two individuals who served as Chief Executive Officer of the Company during the 1997 fiscal year and each of the four most highly compensated executive officers who were executive officers on the last day of the 1997 fiscal year, determined by reference to total annual salary and bonus for the 1997 fiscal year.

	ANNUAL COMPENSATION				LONG TERM COMPENSATION AWARDS	
NAME AND PRINCIPAL POSITION	FISCAL YEAR	(1) SALARY ($)	BONUS ($)	OTHER ANNUAL COMPENSATION ($)	SECURITIES UNDERLYING OPTIONS/SARS (#)	ALL OTHER COMPENSATION ($) (2)
CHARLES P. MCCORMICK, JR.(3)...........	1997	--	124,500	226,858(4)	12,000	0
Chairman of the Board	1996	--	195,300	600,000(4)	26,000	0
& Chief Executive Officer	1995	--	6,690	226,800(4)	6,000	0
ROBERT J. LAWLESS(3)....................	1997	479,567	385,000	(4)	53,000	5,217
President & Chief	1996	359,567	123,540		25,000	4,005
Executive Officer	1995	239,567	40,031		12,250	2,736
ROBERT G. DAVEY.........................	1997	284,567	195,240	(4)	28,600	4,091
Executive Vice President &	1996	227,483	66,500		17,800	3,389
Chief Financial Officer	1995	194,350	6,825		11,500	2,735
CARROLL D. NORDHOFF.....................	1997	267,400	170,160	(4)	28,600	4,345
Executive Vice President	1996	255,594	63,300		21,000	3,722
	1995	242,629	8,447		13,250	3,026
ROBERT W. SCHROEDER.....................	1997	250,400	142,000	(4)	22,100	4,008
Vice President & General Manager -	1996	219,167	47,000		14,800	3,475
McCormick/Schilling Divsion	1995	185,892	25,080		4,800	2,736
JAMES J. ALBRECHT.......................	1997	266,775	111,480	(4)	18,700	4,247
Vice President -	1996	259,103	34,000		13,200	3,651
Science & Technology	1995	246,171	30,968		7,750	2,880

- --------------------

(1) Includes Corporate Board of Directors fees and service awards.

(2) Amounts paid or accrued under the Company's Profit Sharing Plan for the accounts of such individuals. Figures for 1997 are estimates. The stated figure includes payments persons would have received under the Company's Profit Sharing Plan but for certain limits imposed by the Internal Revenue Code: (i) for 1997 for Dr. Albrecht and Messrs. Davey, Lawless, Nordhoff and Schroeder in the amounts of $881, $725, $1,858, $979 and $642, respectively; (ii) for 1996 for

Dr. Albrecht and Messrs. Davey, Lawless, Nordhoff and Schroeder payments in the amounts of $581, $319, $935, $652 and $405, respectively; (iii) for 1995 for Dr. Albrecht and Mr. Nordhoff in the amounts of $144 and $290, respectively.

(3) Mr. McCormick served as Chief Executive Officer from January 1, 1996 to January 1, 1997; Mr. Lawless became Chief Executive Officer on January 1, 1997.

(4) Mr. McCormick is paid a consulting fee for services rendered to the Company. There is no amount of other annual compensation that is required to be reported.

COMPENSATION OF DIRECTORS

Corporate Board of Directors fees were paid at the rate of $5,400 per year for each director who was an employee of the Company during the fiscal year ended November 30, 1997. Fees paid to each director who was not an employee of the Company consist of an annual retainer fee of $20,000 in cash, $2,000 in Common Stock of the Company, and $1,100 for each Board meeting attended. Non-employee directors serving on Board Committees receive $1,000 for each Committee meeting attended, with Committee chairs receiving an additional $250 for each Committee meeting attended.

On July 18, 1994, Mr. McCormick was elected as Chairman of the Board. Mr. McCormick's services in such capacity are consultative in nature. His compensation arrangements are discussed at page 11.

PENSION PLAN TABLE

The following table shows the estimated annual benefits (on a single-life basis), including supplemental benefits, payable upon retirement (assuming retirement at age 65) to participants in the designated average compensation and years of service classifications:

AVERAGE COMPENSATION	YEARS OF SERVICE 10 YEARS	15 YEARS	20 YEARS	25 YEARS	30 YEARS	35 YEARS
$ 300,000	51,997	77,997	103,996	129,995	155,994	181,994
350,000	60,697	91,047	121,396	151,745	182,094	212,444
400,000	69,397	104,097	138,796	173,495	208,194	242,894
450,000	78,097	117,147	156,196	195,245	234,294	273,344
500,000	86,797	130,197	173,596	216,995	260,394	303,794
550,000	95,497	143,247	190,996	238,745	286,494	334,244
600,000	104,197	156,297	208,396	260,495	312,594	364,694

The Company's Pension Plan is non-contributory. A majority of the employees of the Company and participating subsidiaries are eligible to participate in the Plan upon completing one year of service and attaining age 21. The Plan provides benefits (which are reduced by an amount equal to 50% of the participant's Social Security benefit) based on an average of the participant's highest consecutive 60 months of compensation, excluding any cash bonuses, and length of service. In 1979, the Company adopted a supplement to its Pension Plan to provide a limited group of its senior executives with an inducement to retire before age 65. That group of senior executives will receive credit for additional service for employment after age 55. In 1983, the supplement was expanded to include a significant portion of the senior executives' bonuses in the calculation of pension benefits. The supplement was amended in 1996 to provide that if a senior executive with Company service outside the U.S. retires after serving at least his or her last three years in the U.S., all of the executive's years of Company service, including years of service with foreign subsidiaries of the Company, will be counted in calculating pension benefits. The group of senior executives includes those listed in the table on page 13.

For purposes of calculating the pension benefit, the average of the highest consecutive 60 months of compensation for Dr. Albrecht and Messrs. Davey, Lawless, Nordhoff and Schroeder as of November 30, 1997 was $343,831, $315,490, $475,989, $349,987 and $289,110, respectively. The years of credited service for Dr. Albrecht and Messrs. Davey, Lawless, Nordhoff and Schroeder as of the same date were 15, 4, 7, 27 and 12 years, respectively.

Mr. Lawless and Mr. Davey are also entitled to receive pension benefits under the registered pension plan ("RPP") offered to employees of McCormick Canada, Inc. Benefits under the RPP are based on the average of the participant's highest three consecutive years of earnings. Upon retirement the Company has agreed to pay Mr. Lawless and Mr. Davey a supplemental benefit equal to the excess, if any, of the benefit calculated under the RPP (assuming all their service at McCormick Canada and the Company had been under the RPP) over (i) the pension benefit accrued under RPP (based on years of service with McCormick Canada) plus (ii) the benefit accrued under the Company's Pension Plan (based on years of service with the Company).

STOCK OPTIONS

During the last fiscal year, the Company has granted stock options to certain employees, including executive officers, pursuant to stock option plans approved by the Company's stockholders.

OPTION/SAR GRANTS IN LAST FISCAL YEAR

	INDIVIDUAL GRANTS*				POTENTIAL REALIZABLE VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR OPTION TERM ($)**		
NAME	NUMBER OF SECURITIES UNDERLYING OPTIONS/SARS GRANTED (#)	% OF TOTAL OPTIONS/SARS GRANTED TO EMPLOYEES IN FISCAL YEAR	EXERCISE OR BASE PRICE ($/SHARES)	EXPIRATION DATE	0%	5%	10%
Charles P. McCormick, Jr..........	12,000	1.3%	$24.25	03/18/02	$0	$ 80,400	$177,600
Robert J. Lawless.................	53,000	5.7%	$24.25	03/18/02	$0	$355,100	$784,400
Robert G. Davey...................	28,600	3.1%	$24.25	03/18/02	$0	$191,620	$423,280
Carroll D. Nordhoff...............	28,600	3.1%	$24.25	03/18/02	$0	$191,620	$423,280
Robert W. Schroeder...............	22,100	2.4%	$24.25	03/18/02	$0	$148,070	$327,080
James J. Albrecht.................	18,700	2.0%	$24.25	03/18/02	$0	$125,290	$276,760

---

* In general, the stock options are exercisable cumulatively as follows: none of the shares granted during the first year of the option; not more than 50% of the shares granted during the second year of the option; and 100% of the shares granted, less any portion of such option previously exercised, at any time during the period between the end of the second year of the option and the expiration date. Approximately 385 employees of the Company were granted options under the Company's option plans during the last fiscal year.

** The dollar amounts under these columns are the result of calculations at 0%, and at the 5% and 10% compounded annual rates set by the Securities and Exchange Commission, and therefore are not intended to forecast future appreciation, if any, in the price of the Company's Common Stock. The potential realizable values illustrated at 5% and 10% compound annual appreciation assume that the price of the Company's Common Stock increases $6.70 and $14.80 per share, respectively, over the 5-year term of the options. If the named executives realize these values, the Company's stockholders will realize aggregate appreciation in the price of the approximately 74 million shares of the Company's Common Stock outstanding as of December 31, 1997 of approximately $494 million and $1.09 billion, over the same period.

AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR AND FY-END OPTION/SAR VALUES

NAME	SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED ($)	NUMBER OF SHARES UNDERLYING UNEXERCISED OPTIONS/SARS AT FY-END (#) EXERCISABLE/UNEXERCISABLE	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS/SARS AT FY-END($) EXERCISALE/UNEXERCISABLE
Charles P. McCormick, Jr................	0	$0	21,000/25,000	$ 88,000/$80,625
Robert J. Lawless.......................	0	$0	20,730/77,320	$ 84,229/$221,696
Robert G. Davey.........................	0	$0	16,196/48,704	$ 66,183/$148,967
Carroll D. Nordhoff.....................	0	$0	29,527/54,573	$120,216/$167,759
Robert W. Schroeder.....................	0	$0	14,351/35,149	$ 57,248/$103,552
James J. Albrecht.......................	0	$0	12,483/39,917	$ 47,636/$130,265

Set forth below is a line graph comparing the yearly percent change in the Company's cumulative total shareholder return (stock price appreciation plus reinvestment of dividends) on the Company's Common Stock with (i) the cumulative total return of the Standard & Poor's 500 Stock Index, assuming reinvestment of dividends, and (ii) the cumulative total return of the Standard & Poor's Food Products Index, assuming reinvestment of dividends.

COMPARISON OF FIVE YEAR CUMULATIVE TOTAL RETURN*
AMONG MCCORMICK & COMPANY, INCORPORATED,
S&P 500 STOCK INDEX & S&P FOOD PRODUCTS INDEX**

	11/92	11/93	11/94	11/95	11/96	11/97
McCormick & Company, Inc.	100	83	69	88	95	104
S&P 500 Index:	100	110	111	152	195	250
S&P Foods Index:	100	92	97	125	158	213

Assumes $100 invested on December 1, 1992 in McCormick & Company Common Stock, S&P 500 Stock Index and S&P Food Products Index

*   Total Return Assumes Reinvestment of Dividends
** Fiscal Year ending November 30

MID-TERM INCENTIVE PROGRAM

On January 26, 1998, the Board of Directors, upon recommendation of the Compensation Committee, adopted the "Mid-Term Incentive Program," subject to approval of the Company's stockholders. If the Program is not approved by the required vote of stockholders, it will terminate.

The Mid-Term Incentive Program is designed to provide an incentive to a limited number of the Company's most senior executives to take actions to cause the Company to achieve targeted objectives for sales growth and total shareholder return. The Program would be comprised of several three-year cycles, the first three-year cycle to start on December 1, 1997, the second to start on December 1, 1999, and the remaining cycles to start every two years thereafter.

Prior to the commencement of each cycle, the Company will establish, with the approval of the Compensation Committee, a goal for sales growth and total shareholder return. Total shareholder return for the Company during a cycle will be compared to the total shareholder return of other companies in the S&P Food Products Index. The amount of the benefit to be paid under the Program to participants depends on the extent to which the sales growth target is achieved and also on the relative position of the Company, based on its total shareholder return for the three-year cycle, as compared to other companies on the S&P Food Products Index. Payments will be adjusted if actual performance over the three-year cycle is greater than or less than the goals. Payment will be in the form of shares of McCormick Common Stock based on the value of such shares at the time that the payment is due. The Program provides that the maximum benefit that may be paid to the highest level participant at the end of any three-year cycle is $2,000,000. However, the maximum benefit that can be paid at the end of the first cycle is $1,570,000, which is payable only if cumulative sales growth exceeds 50% and total shareholder returns place the Company in at least the 80th percentile of the S&P Food Products Index.

The Compensation Committee will administer the Program and will designate as participants in the Program certain key executives of the Company who are likely to have a significant impact on the Company's sales growth and shareholder return. For the first cycle beginning December 1, 1997, the Compensation Committee has named seven key executives as participants, including Messrs. Lawless, Davey, Nordhoff and Schroeder.

Participants will become vested in Program benefits upon completion of each three-year cycle, except for special circumstances such as retirement, death or disability. If a participant's employment terminates prior to completion of a Program cycle as a result of retirement, death or disability, a pro rata benefit is paid based on the participant's length of service in the cycle. If a participant terminates employment voluntarily or is terminated involuntarily for cause during a Program cycle, all benefits under the current cycle are forfeited. In addition, if a participant becomes an employee of, or provides services to, a competitor of the Company within two years after termination of employment with the Company, the participant must reimburse the Company for all Program payments made during the two years immediately preceding his termination of employment.

In general, upon receipt of shares of stock pursuant to the Program, it is expected that recipients will recognize ordinary income for U.S. income tax purposes and the Company will receive a tax deduction in the same amount. Shares of stock will not be registered under the Securities Act of 1933, and will, therefore, be "restricted" securities upon issuance. Recipients will be required to make a Section 83(b) election under the Internal Revenue Code of 1986, as amended.

If the Program had been in effect for the three-year cycle ending November 30, 1997, and assuming Program targets had been equal to those of the cycle beginning December 1, 1997, no benefits would have been payable to any participants, including those executive officers of the Company listed in the Compensation Table on page 13.

REQUIRED VOTE OF STOCKHOLDERS. The favorable vote of at least a majority of the shares of Common Stock of the Company present in person or by proxy at a meeting at which a quorum is present is required for the approval of the Program.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE APPROVAL OF THE PROGRAM.

RATIFICATION OF APPOINTMENT OF AUDITORS

The Board of Directors, upon recommendation of the Audit Committee, has appointed the accounting firm of Ernst & Young LLP to serve as the independent auditors of the Company for the current fiscal year subject to ratification by the stockholders of the Company. Ernst & Young LLP were first appointed to serve as independent auditors of the Company in 1982 and are considered by management of the Company to be well qualified.

Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting. They will have an opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

REQUIRED VOTE OF STOCKHOLDERS. The favorable vote of at least a majority of the shares of Common Stock of the Company present in person or by proxy at a meeting at which a quorum is present is required for ratification of the appointment of independent auditors.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR RATIFICATION.

OTHER MATTERS

Management knows of no other matters which may be presented for consideration at the meeting. However, if any other matters properly come before the meeting, it is the intention of the persons named in the proxy to vote such proxy in accordance with their judgment on such matters.

VOTING PROCEDURES

Each matter submitted to the stockholders for a vote is deemed approved if a majority of the shares of Common Stock of the Company present in person or by proxy at a meeting at which a quorum is present votes in favor of the matter. The presence in person or by proxy of stockholders entitled to cast a majority of all the votes entitled to be cast at the meeting constitutes a quorum.

Stockholder votes are tabulated manually by the Company's Shareholder Relations Office. Broker non-votes are neither counted in establishing a quorum nor voted for or against matters presented for stockholder consideration; proxy cards which are executed and returned without any designated voting direction are voted in the manner stated on the proxy card. Abstentions and broker non-votes with respect to a proposal are not counted as favorable votes, and therefore have the same effect as a vote against the proposal.

STOCKHOLDER PROPOSALS FOR 1999 ANNUAL MEETING

Proposals of stockholders to be presented at the 1999 Annual Meeting must be received by the Secretary of the Company prior to October 17, 1998 to be considered for inclusion in the 1999 proxy material.

APPENDIX

MID-TERM INCENTIVE PROGRAM

PLAN DOCUMENT

MCCORMICK MID-TERM INCENTIVE PROGRAM

BACKGROUND

/ / Stock options, McCormick's only longer-term incentive, reward growth in stock price, but do not provide guidance as to how to create shareholder value. Based on a study done by compensation consultants with the Compensation Committee, McCormick has a unique opportunity to introduce a special Mid-Term Incentive Program that would focus participants' performance and support key strategies, including:

_____ Focus on shareholder value

_____ Support and direct strategic growth

_____ Retention of an aggressive executive management team.

This new program should allow the executive management team and the Compensation Committee to establish and communicate their own goals for success and the rewards for achieving those goals. A Mid-Term Incentive Program coupled with the existing stock option program should provide a very direct incentive to executive management to achieve agreed upon goals.

MCCORMICK MID-TERM INCENTIVE PROGRAM

OBJECTIVE

/ /   Motivate participants to achieve cumulative corporate sales growth* and cumulative total shareholder return (TSR**) objectives for a three-year performance period. Provide appropriate rewards to participants for accomplishing the performance objectives.

*   Corporate sales growth--Net dollar sales growth for the corporation, adjusting for the impact of acquisitions and divestitures.

** (TSR) Total Shareholder Return--The total accumulation of stock appreciation plus dividends (assumed to be reinvested) over a period of time.

PARTICIPANT SELECTION CRITERIA

Those executives who have significant impact on Sales Growth and Total Shareholder Return as determined by the Compensation Committee.

PROGRAM TERM AND PARTICIPANT VESTING

Overlapping three-year performance cycles, with a new Program Cycle starting every two fiscal years, as shown below. Participants become vested in the program upon the completion of each three-year performance cycle, except for special terminations (e.g. retirement, death, disability, etc.).

```
                                           FISCAL YEAR
                               ----------------------------------
                     1998       1999       2000       2001        2002       2003    2004     2005


            1    Start  -------------------- End
Program                (12/1/97 - 11/30/00)
  Cycle     2                      Start --------------------- End
                                          (12/1/99 - 11/30/02)
            3
                                                            Start ------------------- End
                                                                  (12/1/01 - 11/30/04)
          etc.
```

THREE-YEAR PERFORMANCE MEASURES

Two performance measures, equally weighted: (i) Cumulative corporate sales growth compared to Program Cycle objectives and (ii) Cumulative McCormick Total Shareholder Return (TSR) Index compared to S&P Food Products Index (same companies as McCormick's proxy comparator group)

_____ Cumulative Corporate Sales Growth--Threshold, target and maximum sales growth percentages are established at the beginning of the Program Cycle.

_____ Cumulative TSR Index--Threshold, target and maximum relative TSR percentile rankings are established at the beginning of the Program Cycle.

PROGRAM MECHANICS

/ / A juxtaposition of rewards and degrees of performance achievement on selected financial goals is created and approved at the beginning of each Program Cycle. Awards are received in unregistered restricted shares of McCormick common stock at the end of the three-year performance period, depending upon actual achievement of the three-year performance objectives, as determined by a Performance matrix.

/ / The number of shares earned by the participant will depend on the incentive amount earned and McCormick's stock price at the end date.

/ / The Program design allows McCormick to expense the award at the end date and to receive "favorable" accounting treatment (i.e., fixed accounting charge independent of stock price fluctuations).

/ / Each participant will recognize ordinary income for tax purposes upon receipt of stock; McCormick will receive a tax deduction equal to the ordinary income recognized by participants.

/ / Each participant will be responsible for the payment of any tax liability which may arise as a result of his participation in this program and will also be required to submit and timely file an election under Section 83(b) of the Internal Revenue Code, as amended, to evidence his election to be taxed at the time the stock is awarded rather than upon expiration of the restriction on the stock.

/ / Each participant will pay the Company such amount of money as may be necessary to satisfy the Company's obligation to withhold any federal, state or local taxes from payments to be made under the Program. The participant may satisfy this obligation either by authorizing the Company to withhold shares of stock otherwise deliverable under the Program or by delivering cash or other shares of Company stock already owned by him to the Company. The shares of stock withheld or delivered shall have a fair market value equal to the withholding obligations.

/ / The Program provides that the maximum benefit that may be paid to the highest level participant at the end of any three-year cycle is $2,000,000.

TARGET AWARDS

/ /   Mid-Term Incentive Program target incentives are set so that McCormick's annualized total long-term incentive values (McCormick stock options plus Mid-Term Incentive Program target incentives) are between the 50th and 75th market percentile levels for each salary grade. These above median competitive levels are earned only to the degree that mid-term performance is achieved.

AWARD CALCULATION FORMULA -- TWO STEP PROCESS

```
1. Salary Grade Target                Sales Growth and TSR          Total Incentive $
    Performance $           X      Performance Award Modifier   =         Amount
       Amount                               Matrix

2. Total Incentive $ Amount  =        Number of McCormick
   -----------------------             Shares Awarded to
   Price Per Share on Date                Participant
        of Award
```

ADMINISTRATIVE GUIDELINES

The following are guidelines for the Program's administration:

/ / Business Acquisitions/Divestitures

____ Recalibrate the Cumulative Sales Growth threshold, target and maximum objectives

____ No change to TSR measures

/ / New Participants

____ Approved by the Compensation Committee for inclusion at the beginning of each program cycle

/ / Transfer to an Ineligible Position

____ Award paid based on pro rata target amount and adjusted for actual performance

/ / Terminations

____ Voluntary

___ Forfeit all benefits under the current cycle

___ And if the participant terminates his employment with McCormick and, within two years after termination, becomes an employee of, or otherwise provides services to, a competitor of McCormick, the participant shall forfeit any benefits received under the Program within two years prior to his termination. The forfeiture shall require the participant to deliver to the Company the shares of stock received under the Program within two years prior to his termination, or if the restriction on such shares has lapsed and the shares have been sold by the participant, the participant shall deliver to the Company the cash equivalent of such shares based on the NASDAQ National Market List closing price of McCormick's Common Stock Non-Voting on the date on which the participant begins providing services to the competitor. The shares or the cash shall be delivered to the Company within thirty days after the participant begins providing services to the competitor.

____ Involuntary (except "for cause")

____ Award paid based on pro rata target amount and adjusted for actual performance

____ Retirement

____ Award paid based on pro rata target amount and adjusted for actual performance

___ For Cause

____ Forfeit all benefits under the current cycle

/ / Death or Disability

____ Award paid based on pro rata target amount and adjusted for actual performance