



Gourmet Garden Fact Sheet April 2016



Business Description

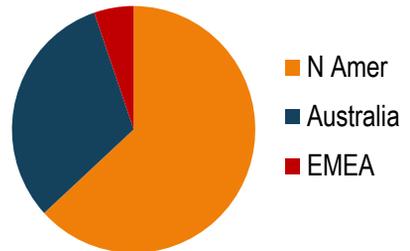
- Gourmet Garden is a global leader in chilled convenient packaged herbs
- Founded in 1999
- Modern production facility in Queensland, Australia
- Export to 15 countries, with largest being U.S.
- Approximately 200 employees

Net Sales

- Annual sales approx. 70M AUD (53M USD)
- Double-digit sales growth expected to continue next several years
- Approximately 50 items

Strategic Rationale for Acquisition

- Expand McCormick's portfolio with complementary products in perimeter of grocery stores
- Strong brand in high-growth category that over-indexes with Millennials and Gen-X
- Robust pipeline of innovation
- Potential to grow business as part of McCormick
 - Increase household penetration
 - Expand distribution in current and new markets
 - Leverage marketing expertise



Stir-in pastes and seasonings

Agreement Overview and Financial Impact

- Purchased 100% stock of Botanical Food Company Pty Ltd. for 150 million AUD (114 million U.S. dollars), subject to certain closing adjustments.
- Funded with cash and short-term borrowings
- Transaction multiple is approximately 12x EBITDA (earnings before interest, tax, depreciation and amortization)
- Expect neutral 2016 EPS impact due to transaction, integration and financing costs, and fully accretive in 2017.



Lightly dried herbs and spices



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Forward-looking Information

Certain information contained in this release, including statements concerning expected performance such as those relating to net sales, earnings, cost savings, acquisitions and brand marketing support, are "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934. These statements may be identified by the use of words such as "may," "will," "expect," "should," "anticipate," "intend," "believe" and "plan." These statements may relate to: the expected results of operations of businesses acquired by the company, the expected impact of raw material costs and pricing actions on the company's results of operations and gross margins, the expected productivity and working capital improvements, expectations regarding growth potential in various geographies and markets, expected trends in net sales and earnings performance and other financial measures, the expectations of pension and postretirement plan contributions, the holding period and market risks associated with financial instruments, the impact of foreign exchange fluctuations, the adequacy of internally generated funds and existing sources of liquidity, such as the availability of bank financing, the ability to issue additional debt or equity securities and expectations regarding purchasing shares of McCormick's common stock under the existing authorizations.

These and other forward-looking statements are based on management's current views and assumptions and involve risks and uncertainties that could significantly affect expected results. Results may be materially affected by factors such as: damage to the company's reputation or brand name; loss of brand relevance; increased use of private label or other competitive products; product quality, labeling, or safety concerns; negative publicity about our products; business interruptions due to natural disasters or unexpected events; actions by, and the financial condition of, competitors and customers; the company's inability to achieve expected and/or needed cost savings or margin improvements; negative employee relations; the lack of successful acquisition and integration of new businesses; issues affecting the company's supply chain and raw materials, including fluctuations in the cost and availability of raw and packaging materials; government regulation, and changes in legal and regulatory requirements and enforcement practices; global economic and financial conditions generally, including the availability of financing, and interest and inflation rates; the investment return on retirement plan assets, and the costs associated with pension obligations; foreign currency fluctuations; the stability of credit and capital markets; risks associated with the company's information technology systems, the threat of data breaches and cyber attacks; volatility in the effective tax rate; climate change; infringement of intellectual property rights, and those of customers; litigation, legal and administrative proceedings; and other risks described in the company's filings with the Securities and Exchange Commission.

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

McCormick Brings Passion to Flavor™