

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Form 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For Quarterly Period May 31, 2013

Commission File Number 001-14920

McCORMICK & COMPANY, INCORPORATED

(Exact name of registrant as specified in its charter)

MARYLAND
(State or other jurisdiction of
incorporation or organization)

52-0408290
(I.R.S. Employer
Identification No.)

**18 Loveton Circle, P. O. Box 6000,
Sparks, MD**

(Address of principal executive offices)

21152-6000

(Zip Code)

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

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 filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "accelerated filer," "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-Accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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

	Shares Outstanding
	<u>May 31, 2013</u>
Common Stock	12,299,298
Common Stock Non-Voting	119,686,666

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

McCORMICK & COMPANY, INCORPORATED
CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
(in millions except per share amounts)

	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
Net sales	\$ 1,002.6	\$ 984.0	\$ 1,936.9	\$ 1,890.7
Cost of goods sold	608.2	595.6	1,180.8	1,147.0
Gross profit	394.4	388.4	756.1	743.7
Selling, general and administrative expense	278.4	267.1	528.1	509.8
Operating income	116.0	121.3	228.0	233.9
Interest expense	13.5	13.9	27.4	27.4
Other income (expense), net	0.8	(0.1)	1.4	0.7
Income from consolidated operations before income taxes	103.3	107.3	202.0	207.2
Income taxes	30.6	30.8	58.8	60.8
Net income from consolidated operations	72.7	76.5	143.2	146.4
Income from unconsolidated operations	5.9	3.9	11.4	8.5
Net income	\$ 78.6	\$ 80.4	\$ 154.6	\$ 154.9
Earnings per share – basic	\$ 0.60	\$ 0.61	\$ 1.17	\$ 1.17
Average shares outstanding – basic	132.1	132.6	132.3	132.8
Earnings per share – diluted	\$ 0.59	\$ 0.60	\$ 1.16	\$ 1.15
Average shares outstanding – diluted	133.6	134.1	133.8	134.3
Cash dividends paid per share	\$ 0.34	\$ 0.31	\$ 0.68	\$ 0.62

See notes to condensed consolidated financial statements (unaudited).

McCORMICK & COMPANY, INCORPORATED
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
(in millions)

	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
Net income	\$ 78.6	\$ 80.4	\$ 154.6	\$ 154.9
Net income attributable to non-controlling interest	0.4	0.5	0.9	1.3
Other comprehensive income (loss), net of tax:				
Unrealized components of pension plans	9.2	7.3	22.1	10.3
Currency translation adjustments	(29.6)	(98.3)	(45.8)	(75.5)
Change in derivative financial instruments	3.5	1.3	7.7	0.2
Less: Deferred taxes	(4.3)	(2.0)	(8.3)	(3.3)
Comprehensive income (loss)	<u>\$ 57.8</u>	<u>\$ (10.8)</u>	<u>\$ 131.2</u>	<u>\$ 87.9</u>

See notes to condensed consolidated financial statements (unaudited).

McCORMICK & COMPANY, INCORPORATED
CONDENSED CONSOLIDATED BALANCE SHEET
(in millions)

	May 31, 2013	May 31, 2012	Nov 30, 2012
	(unaudited)	(unaudited)	
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 72.1	\$ 61.4	\$ 79.0
Trade accounts receivables, net	399.9	378.0	465.9
Inventories			
Finished products	293.2	279.2	289.0
Raw materials and work-in-process	318.2	331.8	326.0
	611.4	611.0	615.0
Prepaid expenses and other current assets	134.1	116.8	125.5
Total current assets	1,217.5	1,167.2	1,285.4
Property, plant and equipment	1,364.0	1,281.3	1,333.1
Less: accumulated depreciation	(809.7)	(773.8)	(785.8)
Property, plant and equipment, net	554.3	507.5	547.3
Goodwill	1,754.2	1,651.8	1,695.3
Intangible assets, net	353.3	341.1	323.5
Investments and other assets	329.5	298.1	313.9
Total assets	\$ 4,208.8	\$ 3,965.7	\$ 4,165.4
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Short-term borrowings	\$ 299.1	\$ 242.2	\$ 140.3
Current portion of long-term debt	252.8	2.2	252.3
Trade accounts payable	322.1	321.9	375.8
Other accrued liabilities	352.2	334.0	419.2
Total current liabilities	1,226.2	900.3	1,187.6
Long-term debt	774.4	1,027.7	779.2
Other long-term liabilities	474.5	398.8	498.4
Total liabilities	2,475.1	2,326.8	2,465.2
Shareholders' Equity			
Common stock	346.9	313.9	332.6
Common stock non-voting	600.8	548.8	575.6
Retained earnings	953.2	885.9	934.6
Accumulated other comprehensive loss	(184.2)	(127.3)	(159.9)
Non-controlling interests	17.0	17.6	17.3
Total shareholders' equity	1,733.7	1,638.9	1,700.2
Total liabilities and shareholders' equity	\$ 4,208.8	\$ 3,965.7	\$ 4,165.4

See notes to condensed consolidated financial statements (unaudited).

McCORMICK & COMPANY, INCORPORATED
CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)
(in millions)

	Six months ended May 31,	
	2013	2012
Cash flows from operating activities		
Net income	\$ 154.6	\$ 154.9
Adjustments to reconcile net income to net cash flow provided by operating activities:		
Depreciation and amortization	51.7	50.6
Stock-based compensation	12.5	8.7
Income from unconsolidated operations	(11.4)	(8.5)
Changes in operating assets and liabilities	(77.3)	(72.6)
Dividends from unconsolidated affiliates	2.6	11.3
Net cash flow provided by operating activities	132.7	144.4
Cash flows from investing activities		
Acquisition of business	(116.7)	—
Capital expenditures	(34.6)	(35.2)
Proceeds from sale of property, plant and equipment	1.9	0.3
Net cash flow used in investing activities	(149.4)	(34.9)
Cash flows from financing activities		
Short-term borrowings, net	158.9	25.3
Long-term debt repayments	(0.9)	(4.2)
Proceeds from exercised stock options	29.8	29.6
Common stock acquired by purchase	(92.1)	(68.6)
Dividends paid	(90.1)	(82.4)
Net cash flow provided by (used in) financing activities	5.6	(100.3)
Effect of exchange rate changes on cash and cash equivalents	4.2	(1.7)
(Decrease) increase in cash and cash equivalents	(6.9)	7.5
Cash and cash equivalents at beginning of period	79.0	53.9
Cash and cash equivalents at end of period	\$ 72.1	\$ 61.4

See notes to condensed consolidated financial statements (unaudited).

1. ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all the information and notes required by United States generally accepted accounting principles ("U.S. GAAP") for complete financial statements. In our opinion, the accompanying condensed consolidated financial statements contain all adjustments, which are of a normal and recurring nature, necessary to present fairly the financial position and the results of operations for the interim periods presented.

The results of consolidated operations for the three and six month periods ended May 31, 2013 are not necessarily indicative of the results to be expected for the full year. Historically, our net sales, net income and cash flow from operations are lower in the first half of the fiscal year and increase in the second half. The typical increase in net sales, net income and cash flow from operations in the second half of the year is largely due to the consumer business cycle in the U.S., where customers typically purchase more products in the fourth quarter due to the Thanksgiving and Christmas holiday seasons.

For further information, refer to the consolidated financial statements and notes included in our Annual Report on Form 10-K for the year ended November 30, 2012.

Accounting and Disclosure Changes

In February 2013, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2013-02 *Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income*. This guidance is intended to provide disclosure on items reclassified out of accumulated other comprehensive income either in the notes or parenthetically on the face of the income statement. Early adoption is permitted, however we have not currently elected to early adopt this standard. We do not expect any material impact on our financial statements from adoption.

In June 2011, the FASB issued Accounting Standards Update No. 2011-05 *Comprehensive Income (Topic 220): Presentation of Comprehensive Income*. This guidance is intended to increase the prominence of other comprehensive income in financial statements by presenting it in either a single statement or two-statement approach. We adopted this new accounting pronouncement with our first quarter of 2013 and included a Consolidated Statement of Comprehensive Income in this filing.

2. ACQUISITIONS

On May 31, 2013, we purchased the assets of Wuhan Asia-Pacific Condiments Co. Ltd. (WAPC), a privately held company based in China, for approximately \$146.7 million, subject to certain closing adjustments and financed with a combination of cash and debt. Of the total purchase price, \$116.7 million was paid by the end of the second quarter 2013, and the remaining balance of \$30.0 million is included in other accrued liabilities in the balance sheet and is payable upon attaining certain post-closing conditions. WAPC manufactures and markets DaQiao and ChuShiLe brand bouillon products, which have a leading position in the central region of China and will be included in our consumer business segment. At the time of acquisition, annual sales of WAPC were approximately \$122 million. As of May 31, 2013, a preliminary valuation of the assets of WAPC resulted in \$31.1 million allocated to tangible net assets, \$37.7 million allocated to other intangible assets and \$77.9 million allocated to goodwill.

During the quarter ended May 31, 2013, we recorded \$3.7 million in transaction-related expenses associated with the WAPC acquisition. Proforma financial information for this acquisition has not been presented because the financial impact is not material.

3. FINANCIAL INSTRUMENTS

We use derivative financial instruments to enhance our ability to manage risk, including foreign currency and interest rate exposures, which exist as part of our ongoing business operations. We do not enter into contracts for trading purposes, nor are we a party to any leveraged derivative instruments. The use of derivative financial instruments is monitored through regular communication with senior management and the use of written guidelines.

In November 2012 and April 2013, we entered into a total of \$100 million of forward starting interest rate swap agreements to manage our interest rate risk associated with the anticipated issuance of at least \$100 million of fixed rates notes by August

2013. We intend to cash settle these agreements upon issuance of the fixed rate notes thereby effectively locking in the fixed interest rate in effect at the time the swap agreements were initiated. The weighted average fixed rate of these agreements is 1.94%. We have designated these forward starting interest rate swap agreements, which expire on August 28, 2013, as cash flow hedges. The gain or loss on these agreements is deferred in other comprehensive income and will be amortized over the life of the fixed rate notes as a component of interest expense. Hedge ineffectiveness of these agreements was not material.

As of May 31, 2013, the maximum time frame for our foreign exchange forward contracts is 7 months. For all derivatives, the net amount of accumulated other comprehensive income expected to be reclassified in the next 12 months is \$0.1 million as an increase to earnings.

All derivatives are recognized at fair value in the balance sheet and recorded in either current or noncurrent other assets or other accrued liabilities or other long-term liabilities depending upon nature and maturity.

The following table discloses the fair values of derivative instruments on our balance sheet (in millions):

As of May 31, 2013	Asset Derivatives			Liability Derivatives		
	Balance Sheet Location	Notional Amount	Fair Value	Balance Sheet Location	Notional Amount	Fair Value
Interest rate contracts	Other current assets	\$ 200.0	\$ 18.4			
Foreign exchange contracts	Other current assets	115.1	1.9	Other accrued liabilities	\$ 64.5	\$ 0.6
Total			\$ 20.3			\$ 0.6

As of May 31, 2012	Asset Derivatives			Liability Derivatives		
	Balance Sheet Location	Notional Amount	Fair Value	Balance Sheet Location	Notional Amount	Fair Value
Interest rate contracts	Other current assets	\$ 100.0	\$ 17.9			
Foreign exchange contracts	Other current assets	30.3	1.7	Other accrued liabilities	\$ 142.4	\$ 2.7
Total			\$ 19.6			\$ 2.7

As of November 30, 2012	Asset Derivatives			Liability Derivatives		
	Balance Sheet Location	Notional Amount	Fair Value	Balance Sheet Location	Notional Amount	Fair Value
Interest rate contracts	Other current assets	\$ 100.0	\$ 16.7	Other accrued liabilities	\$ 50.0	\$ 0.1
Foreign exchange contracts	Other current assets	123.1	0.9	Other accrued liabilities	65.7	1.9
Total			\$ 17.6			\$ 2.0

The following tables disclose the impact of derivative instruments on our other comprehensive income (OCI), accumulated other comprehensive income (AOCI) and our income statement for the three and six month periods ending May 31, 2013 and 2012 (in millions):

Fair Value Hedges

Derivative	Income statement location	Expense			
		For the 3 months ended May 31, 2013	For the 3 months ended May 31, 2012	For the 6 months ended May 31, 2013	For the 6 months ended May 31, 2012
Interest rate contracts	Interest expense	\$ 1.3	\$ 1.2	\$ 2.5	\$ 2.4

Cash Flow Hedges –

For the 3 months ended May 31,

Derivative	Gain or (Loss) recognized in OCI		Income statement location	Gain or (Loss) reclassified from AOCI	
	2013	2012		2013	2012
Interest rate contracts	\$ 3.3	\$ —	Interest expense	\$ (0.4)	\$ (0.4)
Foreign exchange contracts	0.6	0.5	Cost of goods sold	(0.2)	0.2
Total	\$ 3.9	\$ 0.5		\$ (0.6)	\$ (0.2)

Cash Flow Hedges –

For the 6 months ended May 31,

Derivative	Gain or (Loss) recognized in OCI		Income statement location	Gain or (Loss) reclassified from AOCI	
	2013	2012		2013	2012
Interest rate contracts	4.5	\$ —	Interest expense	\$ (0.7)	\$ (0.7)
Foreign exchange contracts	2.1	(0.4)	Cost of goods sold	(0.7)	0.6
Total	\$ 6.6	\$ (0.4)		\$ (1.4)	\$ (0.1)

The amount of gain or loss recognized in income on the ineffective portion of derivative instruments is not material. The amounts noted in the tables above for OCI do not include any adjustments for the impact of deferred income taxes.

4. FAIR VALUE MEASUREMENTS

Fair value can be measured using valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flow), and the cost approach (cost to replace the service capacity of an asset or replacement cost). Accounting standards utilize a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

- Level 1: Observable inputs such as quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.
- Level 3: Unobservable inputs that reflect the reporting entity's own assumptions.

Our population of financial assets and liabilities subject to fair value measurements on a recurring basis are as follows (in millions):

	Fair value measurements using fair value hierarchy			
	As of			
	May 31, 2013			
	Fair Value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	\$ 72.1	\$ 72.1	\$ —	\$ —
Insurance contracts	80.5	—	80.5	—
Bonds & other long-term investments	13.4	13.4	—	—
Interest rate derivatives	18.4	—	18.4	—
Foreign currency derivatives	1.9	—	1.9	—
Total	\$ 186.3	\$ 85.5	\$ 100.8	\$ —
Liabilities				
Foreign currency derivatives	\$ 0.6	\$ —	\$ 0.6	\$ —

	Fair value measurements using fair value hierarchy			
	As of			
	May 31, 2012			
	Fair Value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	\$ 61.4	\$ 61.4	\$ —	\$ —
Insurance contracts	63.3	—	63.3	—
Bonds & other long-term investments	12.3	12.3	—	—
Interest rate derivatives	17.9	—	17.9	—
Foreign currency derivatives	1.7	—	1.7	—
Total	\$ 156.6	\$ 73.7	\$ 82.9	\$ —
Liabilities				
Foreign currency derivatives	\$ 2.7	\$ —	\$ 2.7	\$ —

	Fair value measurements using fair value hierarchy			
	As of			
	November 30, 2012			
	Fair Value	Level 1	Level 2	Level 3
Assets				
Cash and cash equivalents	\$ 79.0	\$ 79.0	\$ —	\$ —
Insurance contracts	72.5	—	72.5	—
Bonds & other long-term investments	13.6	13.6	—	—
Interest rate derivatives	16.7	—	16.7	—
Foreign currency derivatives	0.9	—	0.9	—
Total	\$ 182.7	\$ 92.6	\$ 90.1	\$ —
Liabilities				
Foreign currency derivatives	\$ 1.9	\$ —	\$ 1.9	\$ —
Interest rate derivatives	0.1	—	0.1	—
Total	\$ 2.0	\$ —	\$ 2.0	\$ —

The fair values of insurance contracts are based upon the underlying values of the securities in which they are invested and are from quoted market prices from various stock and bond exchanges for similar type assets. The fair values of bonds and other long-term investments are based on quoted market prices from various stock and bond exchanges. The fair values for interest rate and foreign currency derivatives are based on values for similar instruments using models with market based inputs.

5. EMPLOYEE BENEFIT AND RETIREMENT PLANS

The following table presents the components of our pension expense of the defined benefit plans for the three months ended May 31, (in millions):

	United States		International	
	2013	2012	2013	2012
Defined benefit plans				
Service cost	\$ 5.8	\$ 4.4	\$ 2.2	\$ 1.7
Interest costs	7.8	8.0	3.1	3.3
Expected return on plan assets	(10.4)	(9.5)	(4.2)	(4.1)
Amortization of prior service costs	—	—	0.1	0.1
Recognized net actuarial loss	7.4	4.5	1.4	0.9
Total pension expense	\$ 10.6	\$ 7.4	\$ 2.6	\$ 1.9

The following table presents the components of our pension expense of the defined benefit plans for the six months ended May 31, (in millions):

	United States		International	
	2013	2012	2013	2012
Defined benefit plans				
Service cost	\$ 11.6	\$ 8.7	\$ 4.4	\$ 3.4
Interest costs	15.6	15.9	6.3	6.4
Expected return on plan assets	(20.7)	(18.9)	(8.5)	(8.1)
Amortization of prior service costs	—	—	0.2	0.2
Recognized net actuarial loss	14.8	9.1	2.8	1.8
Total pension expense	\$ 21.3	\$ 14.8	\$ 5.2	\$ 3.7

During the six months ended May 31, 2013 and 2012, we made \$37.7 million and \$54.7 million, respectively, in total contributions to our pension plans. Total contributions to our pension plans in fiscal year 2012 were \$104.3 million.

The following table presents the components of our other postretirement benefits expense (in millions):

	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
Other postretirement benefits				
Service cost	\$ 1.2	\$ 1.1	\$ 2.5	\$ 2.2
Interest costs	1.0	1.2	2.0	2.4
Amortization of prior service costs	(0.3)	(1.0)	(0.6)	(2.0)
Amortization of losses	0.3	0.1	0.7	0.1
Total other postretirement expense	\$ 2.2	\$ 1.4	\$ 4.6	\$ 2.7

6. STOCK-BASED COMPENSATION

We have three types of stock-based compensation awards: restricted stock units (RSUs), stock options and company stock awarded as part of our mid-term incentive program (MTIP). The following table sets forth the stock-based compensation recorded in selling, general and administrative (SG&A) expense (in millions):

	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
Stock-based compensation expense	\$ 9.7	\$ 6.1	\$ 12.5	\$ 8.7

Our 2013 annual grant of stock options and RSUs occurred in the second quarter, similar to the 2012 annual grant. The weighted-average grant-date fair value of an option granted in 2013 was \$9.47 and in 2012 was \$7.17 as calculated under a lattice pricing model. The fair values of option grants in the stated periods were computed using the following range of assumptions for our various stock compensation plans:

	2013	2012
Risk-free interest rates	0.1 - 1.8%	0.1 - 2.2%
Dividend yield	1.9%	2.3%
Expected volatility	14.5 - 20.6%	16.5 - 21.6%
Expected lives	6.2	6.1

The following is a summary of all stock option activity for the six months ended May 31, 2013 and 2012:

(shares in millions)	2013		2012	
	Number of Shares	Weighted-Average Exercise Price	Number of Shares	Weighted-Average Exercise Price
Outstanding at beginning of period	5.1	\$ 40.06	6.6	\$ 34.98
Granted	0.9	71.60	0.8	54.24
Exercised	(0.9)	32.70	(1.0)	28.46
Outstanding at end of the period	5.1	47.13	6.4	38.71
Exercisable at end of the period	2.9	\$ 38.59	4.1	\$ 34.56

As of May 31, 2013 the intrinsic value (the difference between the exercise price and the market price) for all options outstanding was \$112.6 million and for exercisable options was \$87.5 million. The total intrinsic value of all options exercised during the six months ended May 31, 2013 and 2012 was \$32.7 million and \$32.0 million, respectively.

The following is a summary of all of our RSU activity for the six months ended May 31, 2013 and 2012:

(shares in thousands)	2013		2012	
	Number of Shares	Weighted-Average Grant-Date Fair Value	Number of Shares	Weighted-Average Grant-Date Fair Value
Outstanding at beginning of period	192	\$ 49.65	233	\$ 43.23
Granted	89	71.60	112	54.24
Vested	(113)	51.05	(146)	42.78
Forfeited	(2)	55.16	(5)	46.09
Outstanding at end of period	166	\$ 60.65	194	\$ 49.86

The following is a summary of the MTIP award activity for the six months ended May 31, 2013 and 2012:

(shares in thousands)	2013		2012	
	Number of Shares	Weighted-Average Grant-Date Fair Value	Number of Shares	Weighted-Average Grant-Date Fair Value
Outstanding at beginning of period	240	\$ 46.63	120	\$ 44.47
Granted	94	64.74	120	48.78
Outstanding at end of period	334	\$ 51.73	240	\$ 46.63

7. INCOME TAXES

Other than additions for current year tax positions, there were no significant changes to unrecognized tax benefits during the six months ended May 31, 2013.

Income taxes for the six months ended May 31, 2013 include \$1.2 million of discrete tax benefits due to the recognition of a 2012 U.S. research tax credit, which was recorded in the first quarter. A new law was enacted in 2013 that retroactively granted the credit for 2012. There were no discrete tax effects in the quarter ended May 31, 2013. Income taxes for the three and six months ended May 31, 2012 include a \$1.5 million discrete tax benefit. The benefit was due to the reversal of a portion of a valuation allowance originally established against a subsidiary's net operating losses. This subsidiary established a pattern of profitability which resulted in us concluding during the second quarter of 2012 that a portion of the valuation allowance should be reversed.

8. EARNINGS PER SHARE AND STOCK ISSUANCE

The following table sets forth the reconciliation of average shares outstanding (in millions):

	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
Average shares outstanding – basic	132.1	132.6	132.3	132.8
Effect of dilutive securities:				
Stock options/RSUs/MTIP	1.5	1.5	1.5	1.5
Average shares outstanding – diluted	133.6	134.1	133.8	134.3

The following table sets forth the stock options and RSUs for the three and six months ended May 31, 2013 and 2012 which were not considered in our earnings per share calculation since they were anti-dilutive.

	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
Anti-dilutive securities	0.3	0.7	0.3	0.6

The following table sets forth the common stock activity for the three and six months ended May 31, 2013 and 2012 under the Company's stock option and employee stock purchase plans and the repurchases of common stock under its stock repurchase program (in millions):

	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
Shares issued under stock option, employee stock purchase plans and RSUs	0.5	0.5	0.9	1.0
Shares repurchased in connection with the stock repurchase program	0.4	0.5	1.4	1.3

As of May 31, 2013, \$45 million remained of the \$400 million share repurchase authorization that was authorized by the Board of Directors in June 2010. In April 2013, the Board of Directors authorized a new share repurchase program to purchase up to another \$400 million of the company's outstanding shares.

9. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table sets forth the components of accumulated other comprehensive income (loss), net of tax where applicable (in millions):

	May 31, 2013	May 31, 2012	November 30, 2012
Foreign currency translation adjustment	\$ 120.6	\$ 105.4	\$ 166.3
Unrealized gain (loss) on foreign currency exchange contracts	0.3	0.8	(1.6)
Fair value of open interest rate swaps	4.3	—	—
Unamortized value of settled interest rate swaps	(4.9)	(4.9)	(4.1)
Pension and other postretirement costs	(304.5)	(228.6)	(320.5)
Accumulated other comprehensive loss	<u>\$ (184.2)</u>	<u>\$ (127.3)</u>	<u>\$ (159.9)</u>

10. BUSINESS SEGMENTS

We operate in two business segments: consumer and industrial. The consumer and industrial segments manufacture, market and distribute spices, herbs, seasoning mixes, condiments and other flavorful products throughout the world. Our consumer segment sells to retail outlets, including grocery, mass merchandise, warehouse clubs, discount and drug stores under the “McCormick” brand and a variety of brands around the world, including “Lawry’s”, “Zatarain’s”, “Simply Asia”, “Thai Kitchen”, “Ducros”, “Vahine”, “Schwartz”, “Club House”, “Kamis” and “Kohinoor”. Our industrial segment sells to food manufacturers and the foodservice industry both directly and indirectly through distributors.

In each of our segments, we produce and sell many individual products which are similar in composition and nature. With their primary attribute being flavor, we regard the products within each of our segments to be fairly homogenous. It is impracticable to segregate and identify sales and profits for individual product lines.

We measure segment performance based on operating income. Although the segments are managed separately due to their distinct distribution channels and marketing strategies, manufacturing and warehousing are often integrated to maximize cost efficiencies. We do not segregate jointly utilized assets by individual segment for internal reporting, evaluating performance or allocating capital. Because of manufacturing integration for certain products within the segments, products are not sold from one segment to another but rather inventory is transferred at cost. Intersegment sales are not material.

	Consumer	Industrial	Total
	(in millions)		
Three months ended May 31, 2013			
Net sales	\$ 591.0	\$ 411.6	\$ 1,002.6
Operating income	87.6	28.4	116.0
Income from unconsolidated operations	5.3	0.6	5.9
Three months ended May 31, 2012			
Net sales	\$ 568.8	\$ 415.2	\$ 984.0
Operating income	88.6	32.7	121.3
Income from unconsolidated operations	2.6	1.3	3.9
	Consumer	Industrial	Total
	(in millions)		
Six months ended May 31, 2013			
Net sales	\$ 1,160.7	\$ 776.2	\$ 1,936.9
Operating income	175.3	52.7	228.0
Income from unconsolidated operations	9.9	1.5	11.4
Six months ended May 31, 2012			
Net sales	\$ 1,102.9	\$ 787.8	\$ 1,890.7
Operating income	170.0	63.9	233.9
Income from unconsolidated operations	6.4	2.1	8.5

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

Our Business

We are a global leader in flavor, with the manufacturing, marketing and distribution of spices, seasoning mixes, condiments and other flavorful products to the entire food industry. Customers range from retail outlets and food manufacturers to food service businesses. Our major sales, distribution and production facilities are located in North America and Europe. Additional facilities are based in China, Australia, Mexico, India, Singapore, Central America, Thailand and South Africa. Annually, approximately 40% of our sales have been outside of the United States.

We operate in two business segments, consumer and industrial. Consistent with market conditions in each segment, our consumer business has a higher overall profit margin than our industrial business. In 2012, the consumer business contributed 60% of sales and 79% of operating income and the industrial business contributed 40% of sales and 21% of operating income. Across both segments, we have the customer base and product breadth to participate in all types of eating occasions, whether it is cooking at home, dining out, purchasing a quick service meal or enjoying a snack. We offer consumers a range of products from premium to value-priced.

Our Strategy and Outlook

Our strategy is straightforward – we invest in the business to drive sales and profits and fund these investments with cost savings from our Comprehensive Continuous Improvement (CCI) program. This simple strategy has been the driver of our success and is our plan for growth in the future.

Increasing Sales and Profits – Our long-term goals are to grow sales 4 to 6%, increase operating income 7 to 9% and increase earnings per share 9 to 11%. Long-term, we expect to achieve our sales growth with one-third from category growth, share gains and new distribution, one-third from product innovation and one-third from acquisitions. In 2013, with the addition of Wuhan Asia Pacific Condiments Co. Ltd. (WAPC) in China (see the Acquisitions note to our financial statements), sales are projected to grow 4% to 6% in local currency, due primarily to higher volume and product mix. We have a pipeline of new products for 2013 that includes new varieties of seasonings blends, grilling products, dessert items and authentic ethnic meals. Plans for increased digital marketing activity and other brand support are designed to build consumer awareness and drive volume. We expect the impact of pricing and currency on 2013 sales to be minimal. Earnings per share are projected to be between \$3.13 and \$3.19, which reflects the impact of higher sales and the CCI cost savings, offset in part by a year-on-year increase in the tax rate and an increase of \$22 million in retirement benefit expenses.

In addition to increased sales and profit, our business generates strong cash flow (we generated \$455 million in cash flow from operations in 2012). Long-term, we expect higher cash flow and more efficient asset utilization as we anticipate growth in net income and further reductions in our working capital. We are increasing shareholder return with consistent dividend payments. We have paid dividends every year since 1925 and increased the dividend in each of the past 27 years.

Investing in the Business – We are investing in our consumer business with new products, new packaging and greater marketing support. In 2012, we increased brand marketing by \$11 million, or 6%, over the prior year to support additional digital marketing, which is one of our highest return investments in brand marketing support. We have planned increases of incremental brand marketing support in 2013 of approximately \$15 million and this includes further increases in digital marketing and support for new product launches.

As an industry leader, McCormick brings innovative ideas to consumers and to industrial customers. Innovation continues to be one of the best ways to distinguish our brands from private label and other competition. In the U.S., these include new varieties of GrillMates, Perfect Pinch, Recipe Inspirations and recipe mixes. We are also introducing Zatarain's rice mixes in a convenient microwavable pouch and a line of frozen Thai Kitchen single-serve entrees. In Canada, we are launching a range of recipe mixes to easily prepare authentic Chinese and Philippine dishes and a line of Bag'n Season products. In France, new products include Vahiné dessert items, a recipe mix range and a line of premium gourmet spices and herbs. Product innovation in Poland includes recipe mixes and Bag'n Season items under the Kamis brand. In Australia, we launched liquid marinades in a convenient packaging format and are expanding our Aeroplane gelatin brand with ready-to-serve varieties and a line of "Sweet Treats" dessert mixes. Our first new products for Kohinoor in India include a convenient mix of Rice 'n Spice and a "2 Minute Meal kit." On the industrial side of our business, we have a solid pipeline of new flavors and seasonings aligned with our customers' new product launch plans.

Inspiring healthy choices is one of our company pillars and we have a number of reduced-sodium and gluten-free products that help consumers create great-tasting meals. Through the McCormick Science Institute, founded by McCormick in 2007, we are funding the advancement of scientific knowledge of the potential health benefits of culinary spices and herbs. This institute is also committed to educating consumers, nutritionists and dietitians about these potential health benefits. In 2012, we added creative and sensory facilities in Mexico and South Africa, and completed new flavor labs in the U.S. and U.K. Early in 2013, we opened a new Asian center for technical innovation in China, similar to our centers for North America and EMEA, where we are developing on-trend, consumer preferred products.

Through acquisitions we are adding leading brands to extend our reach into new geographic regions where we currently have little or no distribution. We have a particular interest in emerging markets that offer high growth potential, such as India and China. On May 31, 2013, we completed our acquisition of the assets of WAPC in China. In our developed markets, we are seeking consumer brands that have a defensible market position and meet a growing consumer trend.

Cost Savings from CCI – CCI is our ongoing initiative to improve productivity and reduce costs throughout the company. With CCI, each business unit develops cost reduction opportunities and sets specific goals. Our projects fall into the areas of cost optimization, cost avoidance and productivity that includes streamlining processes. However, the only amounts we report are actual cost reductions where costs have decreased from the prior year. CCI cost savings totaled \$56 million in 2012, of which \$39 million lowered cost of goods sold. In 2013, CCI-related cost savings are expected to reach at least \$50 million, with a large portion impacting our cost of goods sold.

Material cost inflation is expected to moderate to about 3% in 2013, compared to a high single-digit increase in 2012. As such, the year-on-year increase in material costs is expected to ease in 2013 as we progress through the year. We anticipate the 2013 impact of the material cost inflation will be offset in part by the cost savings from our CCI program.

RESULTS OF OPERATIONS - COMPANY

(in millions)	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
Net sales	\$ 1,002.6	\$ 984.0	\$ 1,936.9	\$ 1,890.7
Percent increase	1.9%	11.3%	2.4%	13.5%
Gross profit	\$ 394.4	\$ 388.4	\$ 756.1	\$ 743.7
Gross profit margin	39.3%	39.5%	39.0%	39.3%

The sales increase of 1.9% for the second quarter of 2013 included a 1.2% unfavorable impact from foreign currency exchange rates. Excluding the foreign currency impact, we grew sales 3.1%. This increase was the result of pricing actions, which added 1.7% to net sales, and higher volume and product mix, which rose 1.4%, driven by our consumer business. For the consumer business, sales increased 3.9%, which included a 1.1% unfavorable impact from foreign exchange rates. Volume and product mix added 2.9% driven largely by product innovation, effective brand marketing support and distribution gains. Pricing actions added 2.1% to consumer net sales. For the industrial business, net sales decreased 0.9%, which included a 1.3% unfavorable impact from foreign exchange rates. Pricing actions added 1.0% to industrial net sales, while volume and product mix declined 0.6% due largely to lower demand from quick service restaurants. In the Americas, quick service restaurant demand was soft due to promotional emphasis on menu items not flavored by McCormick, while in Asia, demand was impacted by consumer concern about bird flu in China. This pressure on industrial business sales is expected to extend through the third quarter of 2013 and improve in the fourth quarter.

Gross profit for the second quarter of 2013 increased by 1.5% over the comparable period from last year, however our gross profit margin declined by 20 basis points when compared to the second quarter of 2012. This was an improvement from the 50 basis point decline in the first quarter of 2013 compared to the first quarter of 2012. The major reason for the gross profit margin decline in 2013 was material cost inflation. We were able to offset most of the material cost increases with price increases on a dollar basis, however, it had a negative impact on gross margin percentage. We had a favorable mix of businesses with our consumer business growing faster than our industrial business, however this was offset by unfavorable business mix in our industrial segment. We expect material cost inflation of about 3% in fiscal 2013, down from a high single digit rate of increase in 2012. As material costs inflation is anticipated to ease, we expect further improvement in the fourth quarter of 2013.

(in millions)	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
Selling, general & administrative expense (SG&A)	\$ 278.4	\$ 267.1	\$ 528.1	\$ 509.8
Percent of net sales	27.7%	27.2%	27.2%	26.9%

SG&A as a percentage of net sales increased 0.5% for the second quarter of 2013 as compared to the second quarter of 2012. Brand marketing support was \$3.0 million higher in the second quarter of 2013 as compared to the same period from the prior year. We also incurred \$3.7 million of transaction costs for our WAPC acquisition in the second quarter of 2013. In addition, second quarter 2013 SG&A included an increase in retirement benefit expense, partially offset by cost savings from our CCI program. For the six months ended May 31, 2013, the SG&A percentage was impacted by an increase in retirement benefit expense and the WAPC acquisition transaction costs, partially offset by a \$0.9 million decrease in brand marketing support when compared to the same period of the prior year.

(in millions)	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
Interest expense	\$ 13.5	\$ 13.9	\$ 27.4	\$ 27.4
Other (expense) income, net	0.8	(0.1)	1.4	0.7

The impact of lower average debt balances in 2013 compared to 2012 was offset by the impact of higher interest rates for 2013 compared to 2012, leading to interest expense for the second quarter and first half of 2013 that was comparable to the prior period. The WAPC acquisition occurred at the end of the second quarter so it had no impact on interest expense in these periods.

(in millions)	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
Income from consolidated operations before income taxes	\$ 103.3	\$ 107.3	\$ 202.0	\$ 207.2
Income taxes	30.6	30.8	58.8	60.8
Effective tax rate	29.6%	28.7%	29.1%	29.3%

Income taxes for the six months ended May 31, 2013 include \$1.2 million of discrete tax benefits due to the recognition of a 2012 U.S. research tax credit, which was recorded in the first quarter. A new law was enacted in 2013 that retroactively granted the credit for 2012. There were no discrete tax adjustments for the second quarter of 2013. Income taxes for the three and six months ended May 31, 2012 include a \$1.5 million discrete tax benefit. The benefit was due to the reversal of a portion of a valuation allowance originally established against a subsidiary's net operating losses. We expect our tax rate for the second half of 2013 to be approximately 29.5%.

(in millions)	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
Income from unconsolidated operations	\$ 5.9	\$ 3.9	\$ 11.4	\$ 8.5

Income from unconsolidated operations for the second quarter of 2013 increased \$2.0 million, or 51%, compared to the same period in 2012. Our joint venture in Mexico grew sales 16%, which contributed to the increase in income from unconsolidated operations for the second quarter and half year, plus we also had improved performance with our Eastern joint venture in India.

The following table outlines the major components of the change in diluted earnings per share from 2012 to 2013:

	Three months ended May 31,	Six months ended May 31,
2012 Earnings per share – diluted	\$ 0.60	\$ 1.15
Lower operating income	(0.01)	(0.01)
WAPC acquisition transaction costs	(0.02)	(0.02)
Impact of interest expense and other income	0.01	—
Impact of tax rate	(0.01)	0.01
Higher unconsolidated income	0.02	0.02
Impact of lower shares outstanding	—	0.01
2013 Earnings per share – diluted	\$ 0.59	\$ 1.16

RESULTS OF OPERATIONS - SEGMENTS

CONSUMER BUSINESS

	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
(in millions)				
Net sales	\$ 591.0	\$ 568.8	\$ 1,160.7	\$ 1,102.9
Percent increase	3.9%	14.0%	5.2%	15.7%
Operating income	87.6	88.6	175.3	170.0
Operating income margin	14.8%	15.6%	15.1%	15.4%

The 3.9% increase in sales in the second quarter of 2013 as compared to the second quarter of 2012 included a 1.1% unfavorable impact from foreign currency rates. Excluding the foreign currency impact, we grew sales 5.0%, with higher volume and product mix of 2.9% and increased pricing of 2.1%.

In the Americas, sales increased 5.4% in the second quarter of 2013, compared to the second quarter of 2012, including a 0.3% decrease from unfavorable foreign exchange rates. Excluding the foreign exchange impact, we grew sales 5.7%, with 4.4% from higher volume and product mix and 1.3% from pricing actions. This followed a similar result in the first quarter of 2013. Unit growth was strong for both of our core growth platforms: in branded spices, herbs and seasonings, and in recipe mixes. We also had good sales results with Simply Asia.

Second quarter of 2013 sales in EMEA increased 0.1% compared to the second quarter of 2012, including an unfavorable impact of 2.9% from foreign exchange rates. Excluding the foreign currency impact, we grew sales 3.0% where higher pricing added 1.8% and favorable volume and product mix increased sales by 1.2%. Innovation and incremental brand marketing drove sales in France and the UK. While still a small percentage of total sales, in Russia we achieved a 35% sales increase this quarter, largely through distribution gains. These increases were partially offset by a modest sales decline in several smaller markets.

In the Asia/Pacific region, sales increased 2.4% in the second quarter of 2013, compared to the second quarter of 2012, with a 2.0% decrease from unfavorable foreign exchange rates. Excluding the foreign currency impact, we grew sales 4.4% with 9.9% from higher pricing actions, partially offset by 5.5% from unfavorable volume and product mix. China was the largest contributor to increased sales again this quarter with 10.6% growth in local currency, driven by strong sales execution, revitalized packaging and expanded advertising. Australia also grew sales largely through product innovation. Sales in India declined 1.6% in local currency. As disclosed in our first quarter 2013 filing, we are passing through a significant increase in the cost of basmati rice, which is driving the 9.9% price increase in this region. We have seen some consumer reaction to this which led to a decline in volume and product mix for the Kohinoor brand.

For the six months ended May 31, 2013, the total consumer business sales increase of 5.2%, including 0.4% from unfavorable foreign exchange rates. Excluding the foreign currency impact, we grew sales 5.6%, driven by higher volume and product mix which added 3.7% and pricing actions added 1.9%.

Second quarter of 2013 operating income for our consumer business decreased \$1.0 million, or 1.1%, compared to the second quarter of 2012. During this period, the favorable impact of higher sales and CCI cost savings were more than offset by \$3.7 million of transaction costs to complete the acquisition of WAPC, as well as higher retirement benefit costs and a \$2.5 million increase in brand marketing support.

For the six months ended May 31, 2013, consumer business operating income increased by 3.1% compared to the same period of 2012. The growth in operating income was the result of higher sales and cost savings from CCI, partially offset by acquisition costs and higher retirement benefit costs noted above. Brand marketing support for the six months ended May 31, 2013 was \$1.5 million below the same period in 2012.

INDUSTRIAL BUSINESS

(in millions)	Three months ended May 31,		Six months ended May 31,	
	2013	2012	2013	2012
Net sales	\$ 411.6	\$ 415.2	\$ 776.2	\$ 787.8
Percent (decrease)/increase	(0.9)%	7.9%	(1.5)%	10.4%
Operating income	28.4	32.7	52.7	63.9
Operating income margin	6.9 %	7.9%	6.8 %	8.1%

The 2013 second quarter sales decrease of 0.9% from the second quarter of 2012 includes an unfavorable foreign exchange rate impact of 1.3%. Excluding the impact of foreign currency, sales increased 0.4%. Higher pricing added 1.0% to sales, which was partially offset by lower volume and product mix that decreased sales 0.6%.

In the Americas, sales decreased 0.8%, which included a favorable impact of 0.1% from foreign currency rates. Lower volume and product mix reduced sales 1.7%, partially offset by higher pricing which added 0.8% to sales. In this region, sales of our branded products to food service distributors improved slightly this quarter and we had solid sales growth with food manufacturers, particularly with snack seasonings in both the U.S. and Mexico. However, we experienced lower demand for our customized products for quick service restaurant customers. We are encouraged by our new product pipeline and expect to see further improvement in the fourth quarter of 2013.

In EMEA, our industrial business decreased 3.1%, which included an unfavorable foreign currency impact of 7.1%. In local currency, sales increased 4.0% with higher volume and product mix contributing 2.1%, led by increased sales of branded food service items in the U.K, and pricing actions adding 1.9%.

In the Asia/Pacific region, industrial sales increased 2.4% in the second quarter of 2013 compared to the second quarter of 2012, which included a favorable foreign exchange rate impact of 0.3%. Excluding this impact of foreign currency, sales increased 2.1%. Favorable volume and product mix increased sales 1.1% and higher pricing added 1.0%. In Australia, we achieved a double-digit increase in sales with strong demand from quick service restaurants and the supply of new "limited time offer" menu items. This growth was offset in part by lower sales in China where consumer traffic in quick service restaurants declined as a result of consumer concerns about bird flu.

For the six months ended May 31, 2013, total industrial business sales decreased 1.5%, which included 0.4% from unfavorable foreign exchange rates. Excluding the impact from foreign currency, the sales decrease was 1.1%, driven by unfavorable volumes and product mix of 2.7%, partially offset by higher pricing of 1.6%.

For the second quarter of 2013, operating income for the industrial business decreased \$4.3 million, or 13% compared to the second quarter of 2012. Lower sales, an unfavorable business mix, higher retirement benefit costs and material cost inflation were offset in part by our pricing actions and CCI cost savings. Operating income is expected to remain under pressure in the third quarter with a recovery expected in the fourth quarter.

For the six months ended May 31, 2013, industrial business operating income decreased by 17.5% and operating income margin was 130 basis points lower than the first half of 2012. The decrease in operating income was due to the same factors noted for the second quarter above.

MARKET RISK SENSITIVITY

Foreign Exchange Risk

We utilize foreign currency exchange contracts to enhance our ability to manage foreign currency exchange risk. We do not enter into contracts for trading purposes, nor are we a party to any leveraged derivative instrument and all derivatives are designated as hedges.

The following table sets forth the notional values and unrealized gain or (loss) of the portfolio of our forward foreign currency contracts (in millions):

	May 31, 2013	May 31, 2012	November 30, 2012
Notional value	\$ 179.6	\$ 172.7	\$ 188.8
Unrealized (loss) gain	1.3	(1.0)	(1.0)

The quarterly fluctuation in notional value is a result of our decisions on foreign currency exposure coverage, based on our foreign currency exposures.

Interest Rate Risk

We manage our interest rate exposure by entering into both fixed and variable rate debt arrangements. In addition, we use interest rate swaps to minimize worldwide financing costs and to achieve a desired mix of fixed and variable rate debt. We do not enter into contracts for trading purposes, nor are we a party to any leveraged derivative instrument and all derivatives are designated as hedges. As of May 31, 2013, we had a total of \$200 million, notional value, of interest rate swap contracts outstanding. The fair value of our interest rate swaps was a \$18.4 million accumulated gain as of May 31, 2013, compared to a \$16.6 million accumulated gain as of November 30, 2012. The change in fair values is due to changes in interest rates and the remaining duration of the interest rate derivatives. Also, we entered into \$50 million of additional interest rate swap contracts during the six months ended May 31, 2013. (See Note 3 of the financial statements.)

Commodity Risk

We purchase certain raw materials which are subject to price volatility caused by weather, market conditions, growing and harvesting conditions, governmental actions and other factors beyond our control. Our most significant raw materials are dairy products, pepper, rice, capsicums (red peppers and paprika), onion, soybean oil and wheat. While future movements of raw material costs are uncertain, we respond to this volatility in a number of ways, including strategic raw material purchases, purchases of raw material for future delivery and customer price adjustments. We generally have not used derivatives to manage the volatility related to this risk. To the extent that we have used derivatives for this purpose, it has not been material to our business.

Credit Risk

The customers of our consumer business are predominantly food retailers and food wholesalers. Consolidations in these industries have created larger customers, some of which are highly leveraged. In addition, competition has increased with the growth in alternative channels including mass merchandisers, dollar stores, warehouse clubs and discount chains. This has caused some customers to be less profitable and increased our exposure to credit risk. We continue to closely monitor the credit worthiness of our customers and counterparties. We feel that our allowance for doubtful accounts properly recognizes trade receivables at net realizable value. We consider nonperformance credit risk for other financial instruments to be insignificant.

CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

As of May 31, 2013, there have been no material changes in our contractual obligations and commercial commitments outside the ordinary course of business since November 30, 2012.

LIQUIDITY AND FINANCIAL CONDITION

	Six months ended May 31,	
	2013	2012
	(in millions)	
Net cash provided by operating activities	\$ 132.7	\$ 144.4
Net cash used in investing activities	(149.4)	(34.9)
Net cash provided by (used in) financing activities	5.6	(100.3)

In the statement of cash flows, the changes in operating assets and liabilities are presented excluding the translation effects of changes in foreign currency exchange rates, as these do not reflect actual cash flows. Accordingly, the amounts in the statement of cash flows do not agree with changes in the operating assets and liabilities that are presented in the balance sheet.

Due to the cyclical nature of a portion of our business, we generate much of our cash flow in the fourth quarter of the fiscal year.

Operating Cash Flow – Cash flow from operations is typically lower in the first and second quarters and then builds in the third and fourth quarters of our fiscal year. For the first half of 2013, cash flow from operations was \$11.7 million lower than the same period of 2012. This decrease was due mostly to the timing of income tax payments.

Investing Cash Flow – The increase in cash outflow used for investing was the result of our WAPC acquisition in the second quarter of 2013 (see Note 2 of the financial statements). We spent \$34.6 million on capital expenditures in the first six months of 2013, compared to \$35.2 million for the same period last year. Capital expenditures for fiscal year 2013 are expected to be \$120 to \$130 million.

Financing Cash Flow – The change in cash flow for financing activities when compared to the prior year is primarily due to an increase in net borrowings. In the first six months of 2013, we increased short-term borrowings by \$158.9 million, mostly as part of the funding for our WAPC acquisition. In the first six months of 2012, we increased short-term borrowings by only \$25.3 million. In addition, we increased our common stock repurchases by \$23.5 million in the first half of 2013 as compared to the same period for 2012.

The following table outlines the activity in our share repurchase program for the six months ended May 31 (in millions):

	2013		2012	
Number of shares of common stock repurchased		1.4		1.3
Dollar amount	\$	92.1	\$	68.6

As of May 31, 2013, \$45 million remained of the \$400 million share repurchase authorization that was authorized by the Board of Directors in June 2010. In April 2013, the Board of Directors authorized a new share repurchase program to purchase up to another \$400 million of the company's outstanding shares.

During the six months ended May 31, 2013, we received proceeds of \$29.8 million from exercised options compared to \$29.6 million in the first six months of last year. We increased dividends paid to \$90.1 million for the first six months of 2013 compared to \$82.4 million in the same period last year. Dividends paid in the first quarter of 2013 were declared on November 27, 2012.

We use total debt to earnings before interest, tax, depreciation and amortization (EBITDA) as a measure of leverage. EBITDA and the ratio of total debt to EBITDA are both non-GAAP financial measures. This ratio measures our ability to repay outstanding debt obligations. Our target for total debt to EBITDA, excluding the temporary impact from acquisition activity, is 1.5 to 1.7. We believe that total debt to EBITDA is a meaningful metric to investors in evaluating our financial leverage and may be different than the method used by other companies to calculate total debt to EBITDA.

We define EBITDA as net income plus expenses for interest, income taxes, depreciation and amortization. The following table reconciles our EBITDA to our net income for the trailing twelve month periods ending May 31, 2013, May 31, 2012 and November 30, 2012:

	May 31, 2013		May 31, 2012		Nov 30, 2012	
Net income	\$	407.5	\$	378.6	\$	407.8
Depreciation and amortization		103.9		100.4		102.8
Interest expense		54.5		54.1		54.6
Income tax expense		137.8		143.1		139.8
EBITDA		703.7		676.2		705.0
Total debt	\$	1,326.3	\$	1,272.1	\$	1,171.8
Total debt/EBITDA		1.88		1.88		1.66

Our total debt to EBITDA increased as of May 31, 2013 when compared to November 30, 2012 reflecting an increase in short-term borrowings. This higher debt level is due to the WAPC acquisition and the seasonality of our operating cash flows, which are typically higher in the second half of our fiscal year. When comparing total debt to EBITDA as of May 31, 2013 to May 31, 2012, the ratio is flat. The ratio in 2012 was higher than our target range of 1.5 to 1.7 as we were still reducing debt incurred for the 2011 acquisitions.

Most of our cash is denominated in foreign currencies. We manage our worldwide cash requirements by considering available funds among the many subsidiaries through which we conduct our business and the cost effectiveness with which those funds can be accessed. The permanent repatriation of cash balances from certain of our subsidiaries could have adverse tax consequences; however, those balances are generally available without legal restrictions to fund ordinary business operations, capital projects and any possible future acquisitions. At quarter-end May 31, 2013, we temporarily used \$110.6 million of cash from our foreign subsidiaries to pay down short-term debt in the U.S. At quarter-end May 31, 2012, we temporarily used \$188.5 million of cash from our foreign subsidiaries to pay down short-term debt in the U.S. During a quarter, our short-term borrowings vary, but are lower at the end of a quarter. The average short-term borrowings outstanding for the six months ended May 31, 2013 and May 31, 2012 were \$388.3 million and \$456.6 million, respectively. Total average debt outstanding for the six months ended May 31, 2013 and May 31, 2012 was \$1,393.3 million and \$1,461.6 million, respectively.

The reported values of our assets and liabilities are significantly affected by fluctuations in foreign exchange rates between periods. At May 31, 2013, the exchange rates for the Euro, the Polish zloty and Australian dollar were higher than May 31, 2012. At May 31, 2013, the exchange rate for the Euro, the British pound sterling, the Polish zloty, the Canadian dollar and Australian dollar were lower than at November 30, 2012.

U.S. Pension Plan

To reduce the size and potential volatility of its U.S. defined benefit pension plan obligation, we recently offered approximately 3,300 former employees who have deferred vested pension plan benefits a one-time option to receive a lump sum distribution of their benefits in early September 2013. The vested benefit obligation associated with these former employees is approximately \$125 million, equivalent to about 20% of the company's benefit obligation for this U.S. plan. Eligible participants have until early August to make their election. If the percentage of benefits distributed through the lump sum option exceeds approximately 40% of the benefit obligation associated with these former employees, we expect to recognize a one-time, non-cash settlement charge in the fourth quarter of 2013. We estimate this amount to be in a range of \$25 million to \$45 million. The lump sum payments will be funded from existing pension plan assets.

Credit and Capital Markets

Cash flows from operating activities are our primary source of liquidity for funding growth, dividends, capital expenditures and share repurchases. We also rely on our revolving credit facilities, or borrowings backed by these facilities, to fund seasonal working capital needs and other general corporate requirements. We generally use these facilities to support our issuance of commercial paper. If the commercial paper market is not available or viable we could borrow directly under our revolving credit facilities. The facilities are made available by syndicates of banks, with various commitments per bank. If any of the banks in these syndicates are unable to perform on their commitments, our liquidity could be impacted, which would reduce our ability to grow through funding of seasonal working capital.

We engage in regular communication with all of the banks participating in our revolving credit facilities. During these communications none of the banks have indicated that they may be unable to perform on their commitments. In addition, we periodically review our banking and financing relationships, considering the stability of the institutions, pricing we receive on services, and other aspects of the relationships. Based on these communications and our monitoring activities, we believe the likelihood of one of our banks not performing on its commitment is remote.

We hold investments in equity and debt securities in both our qualified defined benefit pension plans and a rabbi trust for our nonqualified defined benefit pension plan. We estimate total contributions to our pension plans in 2013 of approximately \$48 million, which compares to \$104.3 million of contributions in 2012. Future increases or decreases in pension liabilities and required cash contributions are highly dependent on changes in interest rates and the actual return on plan assets.

In September 2013, we have \$250 million of debt maturing and intend to refinance this with fixed rate notes. In November 2012 and April 2013, we entered into a total of \$100 million of forward starting interest rate swap agreements to manage a portion of our interest rate risk associated with this anticipated issuance.

We believe that internally generated funds and the existing sources of liquidity under our credit facilities are sufficient to meet current liquidity needs and fund ongoing operations.

ACQUISITIONS

Acquisitions are part of our strategy to increase sales and profits. We have a particular interest in emerging markets.

On May 31, 2013, we purchased the assets of Wuhan Asia-Pacific Condiments Co. Ltd. (WAPC), a privately held company based in China, for approximately \$146.7 million, subject to certain closing adjustments and financed with a combination of cash and debt. Of the total purchase price, \$116.7 million was paid by the end of the second quarter 2013, and the remaining balance of \$30.0 million is included in other accrued liabilities in the balance sheet and is payable upon attaining certain post-closing conditions. WAPC manufactures and markets DaQiao and ChuShiLe brand bouillon products, which have a leading position in the central region of China and will be included in our consumer business segment.

See note 2 of the financial statements for further details on this acquisition.

ACCOUNTING AND DISCLOSURE CHANGES

New accounting pronouncements are issued periodically that affect our current and future operations. See Note 1 of the financial statements for further details of these impacts.

FORWARD-LOOKING INFORMATION

Certain statements contained in this report, 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,” “believe” and “plan.” These statements may relate to items such as: the expected results of operations of businesses acquired by us, the expected impact of raw materials costs and our pricing actions on our results of operations and gross margins, the expected productivity and working capital improvements, expected trends in net sales and earnings performance and other financial measures, the expectations of pension and postretirement plan contributions and anticipated charges associated with such plans, 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, our ability to issue additional debt or equity securities, and our expectations regarding purchasing shares of our 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 external factors such as: damage to our reputation or brand name, business interruptions due to natural disasters or similar unexpected events, actions of competitors, customer relationships and financial condition, the ability to achieve expected cost savings and margin improvements, the successful acquisition and integration of new businesses, fluctuations in the cost and availability of raw and packaging materials, changes in regulatory requirements and global economic conditions generally which would include the availability of financing, interest and inflation rates and investment return on retirement plan assets, as well as foreign currency fluctuations, risks associated with our information technology systems and the threat of data breaches or cyber attacks, 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. We undertake 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.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For information regarding our exposure to certain market risks, see “Market Risk Sensitivity” in the Management’s Discussion and Analysis of Financial Condition and Results of Operations above and Item 7A, Quantitative and Qualitative Disclosures About Market Risk, in our Annual Report on Form 10-K for the year ended November 30, 2012. Except as described in Management’s Discussion and Analysis of Financial Condition and Results of Operations above, there have been no significant changes in our financial instrument portfolio or market risk exposures since our November 30, 2012 fiscal year end.

ITEM 4. CONTROLS AND PROCEDURES

The Company’s management, with the participation of the Company’s Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company’s disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as of the end of the period covered by this report. Based on that evaluation, the Company’s Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this report, the Company’s disclosure controls and procedures were effective.

No change occurred in our “internal control over financial reporting” (as defined in Rule 13a-15(f)) during our last fiscal quarter which was identified in connection with the evaluation required by Rule 13a-15(a) as materially affecting, or reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION**ITEM 1. LEGAL PROCEEDINGS**

There are no material pending legal proceedings in which we or our subsidiaries is a party or in which any of our or their property is the subject.

ITEM 1.A RISK FACTORS

There have been no material changes in our risk factors from those disclosed in Part I, Item 1A to our Annual Report on Form 10-K for the fiscal year ended November 30, 2012.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table summarizes our purchases of Common Stock (CS) and Common Stock Non-Voting (CSNV) during the second quarter of 2013:

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased	Average Price Paid per share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
March 1, 2013 to March 31, 2013	CS – 0	\$ —	—	\$ 74 million
	CSNV – 52,423	\$ 67.02	52,423	
April 1, 2013 to April 30, 2013	CS – 5,000	\$ 71.63	5,000	\$ 64 million
	CSNV – 123,517	\$ 71.59	123,517	
May 1, 2013 to May 31, 2013	CS – 9,953	\$ 72.18	9,953	\$ 45 million
	CSNV – 252,982	\$ 73.03	252,982	
Total	CS – 14,953	\$ 72.00	14,953	\$ 45 million
	CSNV – 428,922	\$ 71.88	428,922	

As of May 31, 2013, \$45 million remained of a \$400 million share repurchase authorization approved by the Board of Directors in June 2010. In April 2013, the Board of Directors authorized a new share repurchase program to purchase up to another \$400 million of the company's outstanding shares. There is no expiration date for either of our repurchase programs. The timing and amount of any shares repurchased is determined by our management based on its evaluation of market conditions and other factors. The repurchase programs may be suspended or discontinued at any time.

In certain circumstances, we issue shares of CS in exchange for shares of CSNV, or issue shares of CSNV in exchange for shares of CS, in either case pursuant to the exemption from registration provided by Section 3(a)(9) of the Securities Act of 1933, as amended. Typically, these exchanges are made in connection with the administration of our employee benefit plans, executive compensation programs and dividend reinvestment/direct purchase plans. The number of shares issued in an exchange is generally equal to the number of shares received in the exchange, although the number may differ slightly to the extent necessary to comply with the requirements of the Employee Retirement Income Security Act of 1974. During the second quarter of 2013, we issued 386,770 shares of CSNV in exchange for shares of CS and issued 7,231 shares of CS in exchange for shares of CSNV.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 6. EXHIBITS

The following exhibits are attached or incorporated herein by reference:

	Exhibit Number	Description	
(3)	(i)	Articles of Incorporation and By-Laws Restatement of Charter of McCormick & Company, Incorporated dated April 16, 1990 Articles of Amendment to Charter of McCormick & Company, Incorporated dated April 1, 1992 Articles of Amendment to Charter of McCormick & Company, Incorporated dated March 27, 2003	Incorporated by reference from Exhibit 4 of Registration Form S-8, Registration No. 33-39582 as filed with the Securities and Exchange Commission on March 25, 1991. Incorporated by reference from Exhibit 4 of Registration Form S-8, Registration Statement No. 33-59842 as filed with the Securities and Exchange Commission on March 19, 1993. Incorporated by reference from Exhibit 4 of Registration Form S-8, Registration Statement No. 333-104084 as filed with the Securities and Exchange Commission on March 28, 2003.
	(ii)	By-Laws By-Laws of McCormick & Company, Incorporated Amended and Restated on June 26, 2012	Incorporated by reference from Exhibit 3(ii) of McCormick's Form 10-Q for the quarter ended May 31, 2012, File No. 1-14920, as filed with the Securities and Exchange Commission on July 2, 2012.
(4)		Instruments defining the rights of security holders, including indentures	
	(i)	See Exhibit 3 (Restatement of Charter and By-Laws)	
	(ii)	Summary of Certain Exchange Rights, incorporated by reference from Exhibit 4.1 of McCormick's Form 10-Q for the quarter ended August 31, 2001, File No. 0-748, as filed with the Securities and Exchange Commission on October 12, 2001.	
	(iii)	Indenture dated December 5, 2000 between McCormick and SunTrust Bank, incorporated by reference from Exhibit 4(iii) of McCormick's Form 10-Q for the quarter ended August 31, 2003, File No. 1-14920, as filed with the Securities and Exchange Commission on October 14, 2003.	
	(iv)	Indenture dated December 7, 2007 between McCormick and The Bank of New York, incorporated by reference from Exhibit 4.1 of McCormick's Form 8-K dated December 4, 2007, File No. 0-748, as filed with the Securities and Exchange Commission on December 10, 2007.	
	(v)	Indenture dated July 8, 2011 between McCormick and U.S. Bank National Association, incorporated by reference from Exhibit 4.1 of McCormick's Form 8-K dated July 5, 2011, File No. 1-14920, as filed with the Securities and Exchange Commission on July 8, 2011.	
	(vi)	Form of 5.20% Notes due 2015, incorporated by reference from Exhibit 4.2 of McCormick's Form 8-K dated December 1, 2005, File No. 0-748, as filed with the Securities and Exchange Commission on December 6, 2005.	
	(vii)	Form of 5.75% Notes due 2017, incorporated by reference from Exhibit 4.2 of McCormick's Form 8-K dated December 4, 2007, File No. 0-748, as filed with the Securities and Exchange Commission on December 10, 2007.	
	(viii)	Form of 5.25% Notes due 2013 (issued pursuant to an Indenture between McCormick and The Bank of New York Mellon, formerly known as The Bank of New York, as trustee, a copy of which was filed with the Securities and Exchange Commission as Exhibit 4.1 to McCormick's Form 8-K on December 10, 2007, File No. 0-748), incorporated by reference from Exhibit 4.1 of McCormick's Form 8-K dated September 3, 2008, File No. 1-14920, as filed with the Securities and Exchange Commission on September 4, 2008.	

(ix) Form of 3.90% Notes due 2021, incorporated by reference from Exhibit 4.2 of McCormick's Form 8-K dated July 5, 2011, File No. 1-14920, as filed with the Securities and Exchange Commission on July 8, 2011.

(10) Material Contracts

- (i) McCormick's supplemental pension plan for certain senior and executive officers, amended and restated with an effective date of January 1, 2005, adopted by the Compensation Committee of the Board of Directors on November 28, 2008, which agreement is incorporated by reference from Exhibit 10(i) of McCormick's 10-K for the fiscal year ended November 30, 2009, File No. 1-14920, as filed with the Securities and Exchange Commission on January 28, 2010.*
- (ii) The 2001 Stock Option Plan, in which officers and certain other management employees participate, is set forth on pages 33 through 36 of McCormick's definitive Proxy Statement dated February 15, 2001, File No. 1-14920, as filed with the Securities and Exchange Commission on February 14, 2001, and incorporated by reference herein.*
- (iii) 2004 Long-Term Incentive Plan, in which officers and certain other management employees participate, is set forth in Exhibit A of McCormick's definitive Proxy Statement dated February 17, 2004, File No. 1-14920, as filed with the Securities and Exchange Commission on February 17, 2004, and incorporated by reference herein.*
- (iv) 2004 Directors' Non-Qualified Stock Option Plan, provided to members of McCormick's Board of Directors who are not also employees of McCormick, is set forth in Exhibit B of McCormick's definitive Proxy Statement dated February 17, 2004, File No. 1-14920, as filed with the Securities and Exchange Commission on February 17, 2004, and incorporated by reference herein.*
- (v) Directors' Share Ownership Program, provided to members of McCormick's Board of Directors who are not also employees of McCormick, is set forth on page 28 of McCormick's definitive Proxy Statement dated February 17, 2004, File No. 1-14920, as filed with the Securities and Exchange Commission on February 17, 2004, and incorporated by reference herein.*
- (vi) Deferred Compensation Plan, as restated on January 1, 2000, and amended on August 29, 2000, September 5, 2000 and May 16, 2003, in which directors, officers and certain other management employees participate, a copy of which Plan document and amendments was attached as Exhibit 10(viii) of McCormick's Form 10-Q for the quarter ended August 31, 2003, File No. 1-14920, as filed with the Securities and Exchange Commission on October 14, 2003, and incorporated by reference herein.*
- (vii) 2005 Deferred Compensation Plan, amended and restated with an effective date of January 1, 2005, in which directors, officers and certain other management employees participate, which agreement is incorporated by reference from Exhibit 4.1 of McCormick's Form S-8, Registration No. 333-155775, as filed with the Securities and Exchange Commission on November 28, 2008.*
- (viii) The 2007 Omnibus Incentive Plan, in which directors, officers and certain other management employees participate, is set forth in Exhibit A of McCormick's definitive Proxy Statement dated February 20, 2008, File No. 1-14920, as filed with the Securities and Exchange Commission on February 20, 2008, and incorporated by reference herein, as amended by Amendment No. 1 thereto, which Amendment is incorporated by reference from Exhibit 10(xi) of McCormick's 10-K for the fiscal year ended November 30, 2008, File No. 1-14920, as filed with the Securities and Exchange Commission on January 28, 2009.*
- (ix) The 2013 Omnibus Incentive Plan, in which directors, officers and certain other management employees participate, is incorporated by reference from Exhibit 4.1 of McCormick's Form S-8, Registration No. 333-187703, as filed with the Securities and Exchange Commission on April 3, 2013*
- (x) Form of Mid-Term Incentive Program Agreement Filed herewith

- (xi) Form of Restricted Stock Units Agreement Filed herewith
- (xii) Form of Restricted Stock Units Agreement for Directors Filed herewith
- (xiii) Form of Non-Qualified Stock Option Agreement Filed herewith
- (xiv) Form of Non-Qualified Stock Option Agreement for Directors Filed herewith

(31) Rule 13a-14(a)/15d-14(a) Certifications Filed herewith

(32) Section 1350 Certifications Filed herewith

(101) The following financial information from the Quarterly Report on Form 10-Q of McCormick for the quarter ended May 31, 2013, furnished electronically herewith, and formatted in XBRL (Extensible Business Reporting Language): (i) Condensed Consolidated Balance Sheet; (ii) Condensed Consolidated Income Statement; (iii) Condensed Consolidated Cash Flow Statement; and (iv) Notes to the Condensed Consolidated Financial Statements.**

* Management contract or compensatory plan or arrangement.

McCormick hereby undertakes to furnish to the Securities and Exchange Commission, upon its request, copies of additional instruments of McCormick with respect to long-term debt that involve an amount of securities that do not exceed 10 percent of the total assets of McCormick and its subsidiaries on a consolidated basis, pursuant to Regulation S-K, Item 601(b)(4)(iii)(A).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

McCORMICK & COMPANY, INCORPORATED

June 28, 2013

By: /s/ Gordon M. Stetz, Jr.
Gordon M. Stetz, Jr.
Executive Vice President & Chief Financial Officer

June 28, 2013

By: /s/ Kenneth A. Kelly, Jr.
Kenneth A. Kelly, Jr.
Senior Vice President & Controller

McCORMICK & COMPANY, INCORPORATED
2013 OMNIBUS INCENTIVE PLAN
MID-TERM INCENTIVE PROGRAM AGREEMENT
Cycle ___

THIS AGREEMENT, made as of this 1st day of December, 201_ by and between McCORMICK & COMPANY, INCORPORATED, a Maryland corporation, with its principal offices in Baltimore County, Maryland (hereinafter called the "Company") and, _____ an individual residing at _____ (the "Employee").

RECITALS

WHEREAS, the Board of Directors of the Company (the "Board") believes that the interests of the Company and its stockholders will be advanced by providing an incentive to senior management to cause the Company to achieve certain of its financial goals and strategic objectives over a period of years; and

WHEREAS, the Board adopted the 2013 Omnibus Incentive Plan (the "Plan") on November 27, 2012, and the shareholders approved the Plan on April 3, 2013, to permit the Company to grant cash-based incentive awards to reward employees and others for the achievement of performance goals, as well as the grant of restricted stock units, options and other equity-based awards to align the interests of its employees, directors and others with the interests of its stockholders; and

WHEREAS, pursuant to the Plan, the Compensation Committee (the "Committee") of the Board has established a mid-term incentive program which is intended to provide an inducement to certain senior executives of the Company to cause the Company to achieve specified financial goals over a period of three years; and

WHEREAS, the Committee has designated the Employee as a participant in the mid-term incentive program and has established performance goals and measures, and an incentive award target, for the three year performance cycle beginning on December 1, 201_ and ending on November 30, 201_.

NOW THEREFORE, in consideration of the foregoing and of the covenants and agreements below set forth, the parties hereby agree as follows:

1. Grant of Participation Right. The Committee has established a target award for the Employee with a total value of \$ _____ (US) dollars. This award consist of a target stock award of _____ shares of voting common stock of the Company subject to adjustment based upon the achievement of pre-established performance goals for sales, and a target cash award in the amount of \$ _____ (US) dollars, subject to adjustment based on the achievement of pre-established performance goals for total shareholder return for the Company. Both of these awards are for the performance cycle beginning on December 1, 201_ and ending on November 30, 201_. No stock award will be paid to the Employee unless the Company achieves cumulative sales growth of __% at the end of the cycle. No cash award will be paid to the Employee unless the Company achieves a total shareholder return ranking at least in the __th percentile, as compared to the Company's designated peer group companies at the end of the cycle.

2. Cumulative Sales Growth. The Company's cumulative sales growth goal for the performance cycle is ___%. The Company's cumulative sales growth will be calculated in accordance with the attached Administrative Guidelines. The target award for stock described in Section 1 will be earned and paid if, at the end of the cycle, the Company achieves the cumulative sales growth of ___%. The attached Administrative Guidelines schedule reflects the adjustment to the target award if performance is less than, or greater than, this performance goal.

3. Total Shareholder Return. The Company's goal for cumulative total shareholder return, which includes dividends as well as appreciation in share value, is to rank in the top _____ percent (___%) of its peer group companies. The Company's total shareholder return will be calculated in accordance with the attached Administrative Guidelines and will be determined at the end of the performance cycle based on a comparison to the total shareholder returns for the peer companies listed in the attached Administrative Guidelines. The target award for cash described in Section 1 will be earned and paid if, at the end of the cycle, the Company achieves a total shareholder return which ranks in the ___th percentile as compared to the total shareholder return for the peer group companies. The attached Administrative Guidelines Schedule reflects the adjustment to the target award if performance is less than, or greater than, this performance goal.

4. Termination of Employment. In the event of the retirement or disability of the Employee, or in the event of the involuntary termination of the Employee's employment for reasons other than "cause," as defined in the Plan, prior to the completion of the performance cycle, the Employee will be paid an award at the end of the performance cycle based on the Company's actual sales growth and total shareholder return for the cycle, adjusted pro rata based on the amount of time that the Employee was actively employed by the Company during the performance cycle. Such amount shall be paid in accordance with the terms of Section 6. In the event of a voluntary termination of employment (other than retirement), or an involuntary termination of employment for "cause," prior to completion of the performance cycle, the Employee shall be deemed to have forfeited any and all rights to the payment of any award under this program. In the event of the death of the Employee prior to the completion of the performance cycle, the deceased Employee's personal representative will be paid, as soon as practicable after the Employee's death, an amount equal to the target award, adjusted pro rata based on the amount of time that the Employee was actively employed by the Company during the performance cycle.

5. Non-Transferability. The rights granted to the Employee pursuant to this Agreement shall not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of during the term of this Agreement. Any award payable under this Agreement shall be paid only to the Employee, or in the event of the Employee's death or disability, to authorized legal representatives.

6. Section 409A of the Internal Revenue Code. Before any award is paid hereunder, the Committee must certify in writing (by resolution or otherwise) that the performance criteria set forth in this agreement have been satisfied. Unless otherwise provided by the Committee, any award earned hereunder shall be paid as soon as practicable after the Committee has certified that the applicable goals and terms of such awards have been satisfied, but in no event later than the fifteenth (15th) day of February 201_. Notwithstanding the foregoing, to the extent an amount was intended to be paid so as to qualify as a short-term deferral under Section 409A of the Code and the applicable regulations, then such payment may be delayed if the requirements of Treas. Reg. 1.409A-1(b)(4)(ii) are met. In such case, payment of such deferred amounts must be made as soon as reasonably practicable following the first date on which the Company anticipates or reasonably should anticipate that, if the payments

were made on such date, the Company's deduction with respect to such payment would no longer be restricted due to the applicability of Section 162(m) of the Code.

7. Amendments. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that (except as provided by Section 8 hereof or as required by law) no amendment shall adversely affect the rights of the Employee under this Agreement without the Employee's consent.

8. Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be severable from the other provisions hereof, and the remaining provisions hereof shall continue in effect and to be fully enforceable.

9. Relation to Plan. This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Plan and this Agreement shall be administered by the Committee in accordance with the provisions of the Plan. Except as expressly provided in this Agreement, capitalized terms used herein shall have the meanings ascribed to them in the Plan.

10. Withholding. The Company and/or the Employee's local employer shall have the right to deduct or withhold, or require the Employee to remit to the Company and to the Employee's local employer, an amount sufficient to satisfy taxes imposed under the laws of any country, state, province, city or other jurisdiction, including but not limited to income taxes, capital gains taxes, transfer taxes, and social security contributions that are required by law to be withheld with respect to the payment of the award pursuant to this program.

11. No Right to Continued Employment. Neither the Plan, the grant of the participation rights under the mid-term incentive program, the payment of cash or stock under this Agreement, gives the Employee any right to continue to be employed by the Company or the Employee's local employer, or restricts, in any way, the Employee's right, or the right of the Employee's employer, to terminate the Employee's employment at any time for any reason not specifically prohibited by law.

12. Discretionary Nature of the Plan. By accepting this award, the Employee agrees to be bound by this Agreement and the Plan and acknowledge that:

(a) The award of participation rights hereunder, and any future awards under the mid-term incentive program and the Plan are entirely within the discretion of the Committee and the Company and shall not be deemed to create any obligation on the part of the Committee or the Company to grant any other awards, whether or not such a reservation is explicitly stated at the time of such an award. The Company has the right, at any time and/or on an annual basis, to amend, suspend or terminate the Plan; provided, however, that no such amendment, suspension, or termination shall adversely affect the Employee's rights hereunder.

(b) The Plan shall not be deemed to constitute, and shall not be construed by the Employee to constitute, part of the terms and conditions of employment, and neither the Company nor the Employee's local employer shall incur any liability of any kind to the Employee with respect to the terms and conditions of employment as a result of any change or amendment, or any cancellation, of the Plan at any time.

13. Forfeiture of Gain. The Employee will be required to forfeit any award made hereunder in the event the Employee takes any action in violation or breach of, or in conflict with any employment agreement, non-competition agreement, any agreement prohibiting solicitation of employees or clients of the Company or any affiliate thereof or any confidentiality obligation with respect to the Company or any affiliate thereof or otherwise in competition with the Company or any affiliate thereof. Furthermore, if the Company is required to prepare an accounting restatement due to the material noncompliance of the Company, as a result of misconduct, with any financial reporting requirement under the securities laws, if the Employee is subject to automatic forfeiture under Section 304 of the Sarbanes-Oxley Act of 2002 or if the Employee knowingly engaged in the misconduct, was grossly negligent in engaging in the misconduct, knowingly failed to prevent the misconduct or was grossly negligent in failing to prevent the misconduct, the Employee shall reimburse the Company the amount of any payment in settlement of this award if it is earned or accrued during the twelve-(12) month period following the public issuance or Exchange Act filing (whichever first occurred) of the financial document which was required to be restated.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the date first above written.

McCORMICK & COMPANY, INCORPORATED

By: _____

EMPLOYEE

_____ (LS)

McCORMICK & COMPANY, INCORPORATED
2013 OMNIBUS INCENTIVE PLAN
TERMS OF RESTRICTED STOCK UNITS AWARD

The following terms and conditions apply to restricted stock units granted under the 2013 Omnibus Incentive Plan by McCORMICK & COMPANY, INCORPORATED, a Maryland corporation, with its principal offices in Baltimore County, Maryland (hereinafter called the “Company”).

RECITALS

WHEREAS, the Board of Directors of the Company (the “Board”) believes that the interests of the Company and its stockholders will be advanced and the Company’s overall managerial strength will be enhanced by encouraging its officers and other key employees to become owners of common stock of the Company; and

WHEREAS, the Board approved and adopted the Company’s 2007 Omnibus Incentive Plan (the “Plan”) on November 27, 2012, effective December 1, 2012, subject to the approval of the Company’s stockholders on or before April 3, 2013; and

WHEREAS, the Company’s stockholders approved the Plan on April 3, 2013; and

WHEREAS, one of the purposes of the Plan is to provide an inducement to certain officers and other key employees of the Company and its affiliates (each a “Executive”) to acquire shares of common stock of the Company; and

WHEREAS, the Board has authorized and approved the grant of the Award (defined below) pursuant to the Plan;

NOW THEREFORE, in consideration of the foregoing and of the covenants and agreements below set forth, the terms of the Award consist of the following:

1. Grant of Restricted Stock Units. Details of the Executive’s award are described on the screen captioned “Grants & Awards” in the Computershare website. On the Grant Date referenced on the screen captioned “Grants & Awards,” the Company granted to the Executive restricted common stock units (hereinafter referred to as ‘Restricted Stock Units’), which shall become vested in accordance with the vesting schedule described in Section 3 hereof, for the number of shares of the Company’s common stock identified as Shares Granted (the “Award”). Each Restricted Common Stock Unit shall represent one hypothetical share of Common Stock, without par value, of the Company, (hereinafter referred to as “Common Stock”). Each Restricted Common Stock Unit shall at all times be equal in value to one share of Common Stock of the Company. The

Company shall credit each Restricted Stock Unit to a bookkeeping account that the Company shall maintain for the Executive until the Company issues Common Stock with respect to such Restricted Stock Unit in accordance with Section 4 hereof or such Restricted Stock Unit is forfeited in accordance with Section 3 hereof.

2. Restrictions on Transfer of Restricted Stock Units. The Restricted Stock Units granted herein and the rights and privileges conferred hereby shall not be transferred, assigned, pledged, or hypothecated in any way (whether by operation of law or otherwise) and shall not be subject to execution, attachment, or similar process. Upon any attempt to transfer, assign, pledge, hypothecate, or otherwise dispose of such Restricted Stock Units or of any right or privilege conferred hereby or upon the levy, attachment, or similar process upon such Restricted Stock Units or the rights and privileges conferred hereby, such Restricted Stock Units and the rights and privileges conferred hereby shall immediately become null and void.

3. Vesting of Restricted Stock Units.

(a) Fifty percent (50%) of the Restricted Common Stock Units shall become vested and non-forfeitable on March 15 in the year immediately following the Grant Date and the remaining fifty percent (50%) of the Restricted Common Stock Units shall become vested and non-forfeitable on March 15 of the second year following the Grant Date (hereinafter referred to collectively as the “Vesting Dates”) if the Executive continues in the employ of the Company from the Grant Date until the applicable Vesting Date. Except as provided in Section 3(b) hereof, if the Executive ceases to be an employee of the Company prior to a Vesting Date, the Restricted Stock Units that would otherwise vest on such Vesting Date shall be immediately forfeited.

(b) Notwithstanding the provisions of Section 3(a) hereof, any outstanding Restricted Stock Units shall immediately become vested and non-forfeitable in the event of the Executive’s death, total and permanent disability, or eligibility for retirement, or in the event of a Change in Control of the Company. If such Restricted Stock Units become vested and non-forfeitable pursuant to this Section 3(b), the date of the Executive’s death, total and permanent disability, or eligibility for retirement (or, if later, the Grant Date), or the date of the Change in Control, whichever applies, shall be treated as the Vesting Date for purposes of this Agreement.

(c) For purposes of this Agreement, the Executive shall be considered “totally and permanently disabled” if (i) the Executive is unable, as a result of demonstrable illness (including mental illness), injury or disease, to engage in any occupation or perform any work for remuneration or profit for which the Executive is reasonably qualified and (ii) the illness, injury or disease is expected to be permanent.

(d) For purposes of this Agreement, the Executive shall be considered to be eligible for retirement at the time the Executive attains age 55.

4. Issuance of Common Stock.

(e) The Company shall issue to the Executive (or, in the event of the Executive’s death, to the Executive’s personal representative) shares of Common Stock corresponding to vested

Restricted Stock Units, net of any applicable withholding taxes, as soon as practicable following the Vesting Date and in no event later than March 15th of the year following the Vesting Date, except as provided in the next sentence. If the Vesting Date occurs by reason of the Executive's eligibility for retirement, payment shall be made during the ninety day-period immediately following the earliest of (i) (A) March 15 of the year immediately following the Grant Date with respect to the 50% that would otherwise vest on that date and (B) March 15 of the second year following the Grant Date with respect to the 50% that would otherwise vest on that date; (ii) the date of the Executive's death; (iii) the date of the Executive's total and permanent disability, provided that such disability constitutes a "disability" within the meaning of Treas. Reg. § 1.409A-3(i)(4); or (iv) the date of a Change in Control. Shares of Common Stock, without par value, of the Company shall be issued with respect to vested Restricted Common Stock Units.

(f) No shares of Common Stock shall be issued to the Executive under this Agreement before the applicable Vesting Date.

(g) The Company's obligations to the Executive with respect to the Restricted Stock Units shall be satisfied in full upon the issuance of shares of Common Stock with respect to the Restricted Stock Units that vest in accordance with Section 3 hereof, net of any applicable withholding taxes, or upon the forfeiture of such Restricted Stock Units in accordance with such Section.

5. Dividend, Voting and Other Rights.

(a) The Restricted Stock Units are not shares of Common Stock, and the Executive shall therefore have no voting, dividend, or other shareholder rights by reason of receiving or being credited with Restricted Stock Units pursuant to this Agreement unless and until shares of Common Stock are issued to the Executive pursuant to Section 4 hereof.

(b) This Agreement represents only an unfunded and unsecured promise by the Company. The Executive's rights under this Agreement shall be limited to those of an unsecured general creditor of the Company.

6. Forfeiture of Gain. The Executive shall be required to forfeit to the Company any gain realized on account of the Restricted Stock Units in the event the Executive takes any action in violation or breach of, or in conflict with any employment agreement, non-competition agreement, any agreement prohibiting solicitation of employees or clients of the Company or any of its affiliates or any confidentiality obligation with respect to the Company or any of its affiliates or otherwise in competition with the Company or any of its affiliates. The Company shall annul this award if the participant is an employee of the Company or any of its affiliates and is terminated for "cause," as such term is defined in the Plan. Furthermore, if the Company is required to prepare an accounting restatement due to the material noncompliance of the Company, as a result of misconduct, with any financial reporting requirement under the securities laws, the individuals subject to automatic forfeiture under Section 304 of the Sarbanes-Oxley Act of 2002 and any Executive who knowingly engaged in the misconduct, was grossly negligent in engaging in the misconduct, knowingly failed to prevent the misconduct or was grossly negligent in failing to prevent the misconduct, shall reimburse the Company the amount of any payment in settlement of a Restricted Stock Unit earned

or accrued during the twelve-(12) month period following the public issuance or filing pursuant to the Securities Exchange Act of 1934 (whichever first occurred) of the financial document that was required to be restated.

7. Adjustments. The shares of Common Stock issuable with respect to the Restricted Stock Units are subject to adjustment as provided in Article V. G. of the Plan.

8. Compliance with Law. The Company shall make reasonable efforts to comply with all applicable federal and state securities laws. Notwithstanding any other provision of this Agreement, the Company shall not be obligated to issue any shares of Common Stock pursuant to this Agreement if the issuance thereof would result in a violation of any law.

9. Section 409A of the Internal Revenue Code.

(a) Except as provided in Section 9(b) hereof, it is intended that the Restricted Stock Units and this Agreement shall qualify as a short-term deferral arrangement described in Treas. Reg 1.409A-1(b)(4), and any successor thereto, and that, as a result, the Restricted Stock Units and this Agreement shall not be subject to the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (“Section 409A”). This Agreement and the Plan shall be administered in a manner consistent with the foregoing intent, and, except as provided in Section 9(b) hereof, any provision that would cause such Restricted Stock Units or this Agreement to be subject to Section 409A shall have no force or effect until this Agreement is amended to avoid the application of Section 409A (which amendment may be retroactive to the extent permitted by Section 409A and may be made by the Company without the Executive’s consent).

(b) Notwithstanding Section 9(a) hereof, the parties recognize that if the Executive is or becomes eligible to retire before the second anniversary of the Grant Date, Section 409A shall apply to the Restricted Stock Units that vest as a result of the Executive’s eligibility for retirement.

10. Amendments. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that (except as provided by Section 9 hereof or as required by law) no amendment shall adversely affect the rights of the Executive under this Agreement without the Executive’s consent.

11. Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be severable from the other provisions hereof, and the remaining provisions hereof shall continue in effect and to be fully enforceable.

12. Relation to Plan. This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Plan and this Agreement shall be administered by the Compensation Committee of the Board and the Management Committee of the Company in accordance with the provisions of Article II of the Plan. Except as expressly provided in this Agreement, capitalized terms used

herein shall have the meanings ascribed to them in the Plan or on the screen captioned "Grants & Awards."

13. Withholding. The Company and/or the Executive's local employer shall have the right to deduct or withhold, or require the Executive to remit to the Company and to the Executive's local employer, an amount sufficient to satisfy taxes imposed under the laws of any country, state, province, city or other jurisdiction, including but not limited to income taxes, capital gain taxes, transfer taxes, and social security contributions that are required by law to be withheld with respect to the plan, grant of restricted stock units, payment of shares or cash under this Agreement, the sale of shares acquired hereunder, and/or payment of dividends on shares acquired hereunder, as applicable. A sufficient number of the Company shares resulting from payout of the award at vesting may be retained by the Company to satisfy the tax withholding obligation.

14. No Right to Continued Employment. Neither the Plan, the grant of restricted stock units, payment of shares or cash under this Agreement, the sale of shares acquired hereunder, and/or payment of dividends on shares acquired hereunder, as applicable, gives the Executive any right to continue to be employed by his or her local employer or the Company, or restricts, in any way, the Executive's right, or the right of his or her employer to terminate the Executive's employment at any time for any reason not specifically prohibited by law.

15. The Executive shall be deemed to have accepted this Award unless the Executive provides written notice to the Company, within thirty (30) business days following the Grant Date, stating that the Executive does not wish to accept the Award. Notices should be directed to Investor Services at investor_services@mccormick.com, or to McCormick & Company, Inc. Attn: Investor Services, 18 Loveton Circle, Sparks, Maryland 21152.

16. Discretionary Nature of the Plan. By accepting the Award, the Executive agrees to be bound by the terms and conditions set forth herein and acknowledges that:

(a) The award of Restricted Stock Units hereunder, and any future awards under the Plan are entirely voluntary, and at the complete discretion of the Company. Neither the award of Restricted Stock Units hereunder or future awards by the Company shall be deemed to create any obligation to grant any other awards, whether or not such a reservation is explicitly stated at the time of such an award. The Company has the right, at any time and/or on an annual basis, to amend, suspend or terminate the Plan; provided, however, that no such amendment, suspension, or termination shall adversely affect the Executive's rights hereunder.

(b) The Plan shall not be deemed to constitute, and shall not be construed by the Executive to constitute, part of the terms and conditions of employment. Neither the Company nor the Executive's local employer shall incur any liability of any kind to the Executive as a result of any change or amendment, or any cancellation, of the Plan at any time.

McCORMICK & COMPANY, INCORPORATED
2013 OMNIBUS INCENTIVE PLAN
TERMS OF RESTRICTED STOCK UNITS AWARD

The following terms and conditions apply to restricted stock units granted under the 2013 Omnibus Incentive Plan by McCORMICK & COMPANY, INCORPORATED, a Maryland corporation, with its principal offices in Baltimore County, Maryland (hereinafter called the "Company").

RECITALS

WHEREAS, the Board of Directors of the Company (the "Board") believes that the interests of the Company and its stockholders will be advanced by encouraging its directors to become owners of common stock of the Company; and

WHEREAS, the Board approved and adopted the Company's 2013 Omnibus Incentive Plan (the "Plan") on November 27, 2012, effective December 1, 2012, subject to the approval of the Company's stockholders on or before April 3, 2013; and

WHEREAS, the Company's stockholders approved the Plan on April 3, 2013; and

WHEREAS, one of the purposes of the Plan is to provide an inducement to the members of the Board (each a "Grantee") to acquire shares of common stock of the Company; and

WHEREAS, the Board has authorized and approved the grant of the Award (defined below) pursuant to the Plan;

NOW THEREFORE, in consideration of the foregoing and of the covenants and agreements below set forth, the terms of the Award consist of the following:

- 1. Grant of Restricted Stock Units.** Details of the Grantee's award are described on the screen captioned "Grants & Awards" in the Computershare website. On the Grant Date referenced on the screen captioned "Grants & Awards," the Company granted to the Grantee restricted common stock units (hereinafter referred to as "Restricted Stock Units"), which shall become vested in accordance with the vesting schedule described in Section 3 hereof, for the number of shares of the Company's common stock identified as Shares Granted (the "Award"). Each Restricted Common Stock Unit shall represent one hypothetical share of Common Stock, without par value, of the Company, (hereinafter collectively referred to as "Common Stock"). Each Restricted Common Stock Unit shall at all times be equal in value to one share of Common Stock of the Company. The Company shall credit each Restricted Stock Unit to a bookkeeping account that the Company shall maintain for the Grantee until

the Company issues Common Stock with respect to such Restricted Stock Unit in accordance with Section 4 hereof or such Restricted Stock Unit is forfeited in accordance with Section 3 hereof.

2. Restrictions on Transfer of Restricted Stock Units. The Restricted Stock Units granted herein and the rights and privileges conferred hereby shall not be transferred, assigned, pledged, or hypothecated in any way (whether by operation of law or otherwise) and shall not be subject to execution, attachment, or similar process. Upon any attempt to transfer, assign, pledge, hypothecate, or otherwise dispose of such Restricted Stock Units or of any right or privilege conferred hereby or upon the levy, attachment, or similar process upon such Restricted Stock Units or the rights and privileges conferred hereby, such Restricted Stock Units and the rights and privileges conferred hereby shall immediately become null and void.

3. Vesting of Restricted Stock Units.

(a) The Restricted Stock Units shall become vested and non-forfeitable at the close of business on March 15 of the calendar year immediately following the calendar year in which these Restricted Stock Units are granted (the "Vesting Date") if the Grantee continues to serve as a member of the Board from the Date of Grant until the Vesting Date. Except as provided in Section 3(b) hereof, if the Grantee ceases to be a director of the Company prior to the Vesting Date, the Restricted Stock Units shall be immediately forfeited.

(b) Notwithstanding the provisions of Section 3(a) hereof, any outstanding Restricted Stock Units shall immediately become vested and non-forfeitable in the event of the Grantee's death or total and permanent disability or in the event of a Change in Control of the Company. If such Restricted Stock Units become vested and non-forfeitable pursuant to this Section 3(b), the date of the Grantee's death or total and permanent disability or the date of the Change in Control, whichever applies, shall be treated as the Vesting Date for purposes of this Award.

(c) For purposes of this Section 3, the Grantee shall be considered "totally and permanently disabled" if (i) the Grantee is unable, as a result of demonstrable illness (including mental illness), injury or disease, to engage in any occupation or perform any work for remuneration or profit for which the Grantee is reasonably qualified and (ii) the illness, injury or disease is expected to be permanent.

4. Issuance of Common Stock.

(a) The Company shall issue to the Grantee (or, in the event of the Grantee's death, to the Grantee's personal representative) shares of Common Stock corresponding to the vested Restricted Stock Units as soon as practicable following the Vesting Date and in no event later than the March 15th of the calendar year following the Vesting Date. Shares of Common Stock, without par value, of the Company shall be issued with respect to vested Restricted Common Stock Units.

(b)No shares of Common Stock shall be issued to the Grantee under this Award before the Vesting Date.

(c)The Company's obligations to the Grantee with respect to the Restricted Stock Units shall be satisfied in full upon the issuance of shares of Common Stock with respect to the Restricted Stock Units that vest in accordance with Section 3 hereof, net of any applicable withholding taxes, or upon the forfeiture of such Restricted Stock Units in accordance with such Section.

5. Dividend, Voting and Other Rights.

(a)The Restricted Stock Units are not shares of Common Stock, and the Grantee shall therefore have no voting, dividend, or other shareholder rights by reason of receiving or being credited with Restricted Stock Units pursuant to this Award unless and until shares of Common Stock are issued to the Grantee pursuant to Section 4 hereof.

(b)This Award represents only an unfunded and unsecured promise by the Company. The Grantee's rights under the terms of this Award shall be limited to those of an unsecured general creditor of the Company.

6. Adjustments. The shares of Common Stock issuable with respect to the Restricted Stock Units are subject to adjustment as provided in Article V. G. of the Plan.

7. Compliance with Law. The Company shall make reasonable efforts to comply with all applicable federal and state securities laws. Notwithstanding any other provision of the terms of this Award, the Company shall not be obligated to issue any shares of Common Stock pursuant to this Award if the issuance thereof would result in a violation of any law.

8. Section 409A of the Internal Revenue Code. It is intended that the Restricted Stock Units and this Award shall qualify as a short-term deferral arrangement described in Treas. Reg. 1.409A-1(b)(4) and any successor thereto, and that, as a result, the Restricted Stock Units and this Award shall not be subject to the provisions of Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A"). The terms of this Award and the Plan shall be administered in a manner consistent with the foregoing intent, and any provision that would cause such Restricted Stock Units or the terms of this Award to be subject to Section 409A shall have no force or effect until the terms of this Award is amended to avoid the application of Section 409A (which amendment may be retroactive to the extent permitted by Section 409A and may be made by the Company without the Grantee's consent).

9. Acceptance of Award. Grantee shall be deemed to have accepted this Award unless the Grantee provides written notice to the Company, within thirty (30) business days following the Grant Date, stating that the Grantee does not wish to accept the Award. Notices should be directed to Investor Services at investor_services@mccormick.com, or to McCormick & Company, Inc. Attn: Investor Services, 18 Loveton Circle, Sparks, Maryland 21152.

10. **No Right to Continue as a Director.** The terms of this Award shall not confer upon the Grantee any right to continue to serve as a director of the Company.
11. **Amendments.** Any amendment to the Plan shall be deemed to be an amendment to the terms of this Award to the extent that the amendment is applicable hereto; provided, however, that (except as provided by Section 8 hereof or as required by law) no amendment shall adversely affect the rights of the Grantee under the terms of this Award without the Grantee's consent.
12. **Severability.** In the event that one or more of the provisions of this Award shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be severable from the other provisions hereof, and the remaining provisions hereof shall continue in effect and be fully enforceable.
13. **Relation to Plan.** This Award is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Award and the Plan, the Plan shall govern. The Plan and this Award shall be administered by the Compensation Committee of the Board in accordance with the provisions of Article II of the Plan. Except as expressly provided in the terms of this Award, capitalized terms used herein shall have the meanings ascribed to them in the Plan or on the screen captioned "Grants & Awards."
14. **Withholding.** The Company shall have the right to deduct or withhold, or require the Grantee to remit to the Company, an amount sufficient to satisfy taxes imposed under the laws of any country, state, province, city or other jurisdiction, including but not limited to income taxes, capital gain taxes, transfer taxes, and social security contributions that are required by law to be withheld with respect to the Plan, grant of restricted stock units, payment of shares or cash under this Award, the sale of shares acquired hereunder, and/or payment of dividends on shares acquired hereunder, as applicable.

A sufficient number of the Company shares resulting from payout of the Award at vesting may be retained by the Company to satisfy the tax withholding obligation unless the Grantee elects to satisfy all applicable tax withholding by check at the time of the taxable event, as applicable.

McCORMICK & COMPANY, INCORPORATED
2013 OMNIBUS INCENTIVE PLAN
TERMS OF NON-QUALIFIED STOCK OPTION AWARD

The following terms and conditions apply to stock options granted under the 2013 Omnibus Incentive Plan by McCORMICK & COMPANY, INCORPORATED, a Maryland corporation, with its principal offices in Baltimore County, Maryland (hereinafter called the “Company”).

RECITALS

WHEREAS, the Board of Directors of the Company (the “Board”) believes that the interests of the Company and its stockholders will be advanced and the Company’s overall managerial strength will be enhanced by encouraging its officers and other key employees to become owners of common stock of the Company; and

WHEREAS, the Board approved and adopted the Company’s 2013 Omnibus Incentive Plan (the “Plan”) on November 27, 2012, effective December 1, 2012, subject to the approval of the Company’s stockholders on or before April 3, 2013; and

WHEREAS, the Company’s stockholders approved the Plan on April 3, 2013; and

WHEREAS, one of the purposes of the Plan is to provide an inducement to certain officers and other key employees of the Company and its affiliates (each an “Executive”) to acquire shares of common stock of the Company; and

WHEREAS, the Board has authorized and approved the grant of this Award (defined below) to the Executive pursuant to the Plan;

NOW THEREFORE, in consideration of the foregoing and of the covenants and agreements below set forth, the terms of the Award consist of the following:

1. Details of the Executive’s non-qualified stock option, including the Grant Date, number of shares, Exercise Price, and Vesting Schedule, are described on the screen captioned “Grants & Awards” in the Computershare website. On the Grant Date referenced on the screen captioned “Grants & Awards,” the Company granted a non-qualified stock option to the Executive to purchase the number of shares of the Company’s Common Stock identified as Options Granted at the price per share specified under Exercise Price (the “Award”). In order to exercise the option, the Executive may (i) make a cash payment, (ii) surrender shares of Company stock of the same class owned by the Executive and having a market value equal to the Exercise Price and related taxes for the number of shares to be purchased pursuant to the exercise of all or part of this option, or (iii) authorize the Company to withhold a sufficient number of option shares, based on the market

value of such shares on the date of exercise, to pay the Exercise Price and related taxes and to issue the remaining number of option shares to the Executive ("net withholding exercise"). The option granted hereunder shall be exercisable, except as otherwise provided herein, in accordance with the Vesting Schedule until the option expires on the date provided on said screen.

2. Except as hereinafter provided, this option is not transferable by the Executive and is exercisable during the Executive's lifetime only by the Executive. This option may be transferred by the Executive pursuant to a will or as otherwise permitted by the laws of descent and distribution. In addition, an Executive may transfer all or any part of the option, not for value, to any Family Member. For purposes of this Section 2, a "not for value" transfer is a transfer which is (a) a gift, (b) a transfer under a domestic relations order in settlement of marital property rights; or (c) a transfer to an entity in which more than fifty percent of the voting interests are owned by Family Members (or the Executive) in exchange for an interest in that entity. Following a transfer under this Section 2, this option shall continue to be subject to the same terms and conditions as were applicable immediately prior to the transfer. A "Family Member" means a person who is a spouse, former spouse, child, stepchild, grandchild, parent, stepparent, grandparent, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother, sister, brother-in-law, or sister-in-law, including adoptive relationships, of the Executive, any person sharing the Executive's household (other than a tenant or employee), a trust in which any one or more of these persons have more than fifty percent of the beneficial interest, a foundation in which any one or more of these persons (or the Executive) control the management of assets, and any other entity in which one or more of these persons (or the Executive) own more than fifty percent of the voting interests.

3. (a) Subject to the provisions of subparagraphs 3(b) and 3(c), all rights to exercise this option shall terminate thirty (30) days after the Executive ceases to be an employee of the Company or of a subsidiary or affiliate of the Company.

(b) If the Executive ceases to be an employee on account of total and permanent disability, or retirement, any outstanding options shall immediately become vested and the Executive may, during the period ending on the earlier of the date on which this option expires or the expiration of five (5) years following the Executive's termination of employment, exercise this option in full, or from time to time in part, regardless of the restrictions that might otherwise apply with respect to the Options Granted. For purposes of this Award, the Executive shall be considered "totally and permanently disabled" if (i) the Executive is unable, as a result of demonstrable illness (including mental illness), injury or disease, to engage in any occupation or perform any work for remuneration or profit for which the Executive is reasonably qualified and (ii) the illness, injury or disease is expected to be permanent. For the purposes of this Agreement, "retirement" means termination of employment at or after age 55. If the Executive dies prior to the date on which this option expires without having exercised this option in full, any outstanding options shall immediately become vested and the Executive's personal representative may, during the period ending on the earlier of the date on which this option expires or the expiration of five (5) years following the Executive's death, exercise this option in full, or from time to time in part, regardless of the restrictions that might otherwise apply with respect to the Options Granted.

(c) In no event may this option be exercised after the date on which this option expires.

(d) An exercise of this option with respect to a part of the shares to which it relates shall not preclude a subsequent exercise as to any remaining part on or before the date on which this option expires,

4. Notwithstanding any provision of this Agreement to the contrary, in the event of a Change in Control of the Company, all conditions and restrictions on the exercise of this option (other than the restriction set forth in subparagraph 3(c) hereof), including the limitations contained in Paragraph 1 hereof, shall be waived and this option shall be immediately exercisable for all of the Options Granted. In addition, the Committee may take any other action it deems appropriate to ensure the equitable treatment of participants in the event of, or in anticipation of a Change in Control, including but not limited to any one or more of the following: (i) provision for the settlement of this option in exchange for its equivalent cash value, as determined by the Committee, as of the date of the Change in Control; or (ii) such other modification or adjustment to the option as the Committee deems appropriate to maintain and protect the rights and interests of the Executive upon or following the Change in Control, provided that the Committee shall not take any action that would cause this option to be subject to Section 409A of the Internal Revenue Code of 1986, as amended. The Committee also may accord any Executive a right to refuse any acceleration of exercisability, vesting or benefits, in such circumstances as the Committee may approve.

5. The Executive shall be required to forfeit to the Company any gain realized on account of this option in the event the Executive takes any action in violation or breach of, or in conflict with any employment agreement, non-competition agreement, any agreement prohibiting solicitation of employees or clients of the Company or any of its affiliates or any confidentiality obligation with respect to the Company or any of its affiliates or otherwise in competition with the Company or any of its affiliates. The Company shall annul this Award if the participant is an employee of the Company or any of its affiliates and is terminated for "cause," as such term is defined in the Plan. Furthermore, if the Company is required to prepare an accounting restatement due to the material noncompliance of the Company, as a result of misconduct, with any financial reporting requirement under the securities laws, the individuals subject to automatic forfeiture under Section 304 of the Sarbanes-Oxley Act of 2002 and any Executive who knowingly engaged in the misconduct, was grossly negligent in engaging in the misconduct, knowingly failed to prevent the misconduct or was grossly negligent in failing to prevent the misconduct, shall reimburse the Company the amount of any payment in settlement of an option earned or accrued during the twelve-(12) month period following the public issuance or filing pursuant to the Securities Exchange Act of 1934 (whichever first occurred) of the financial document that was required to be restated.

6. The Company shall not be required to issue or deliver any certificate or certificates for shares of its capital stock purchased upon the exercise of the option herein granted unless and until the offering and sale of the shares represented thereby may legally be made under the Securities Act of 1933, as amended, and the applicable rules and regulations of the U.S. Securities and Exchange Commission.

7. The Company may require the Executive to agree that any shares of capital stock purchased upon the exercise of this option shall be acquired for investment and not for distribution and that each notice of the exercise of any portion of this option shall be accompanied by a written representation that the shares of capital stock are being acquired in good faith for investment and not for distribution.

8. In the event that, prior to the delivery by the Company of all of the shares of Common Stock with respect of which this option is granted, there is any change in the Common Stock of the Company through the declaration of stock dividends or through recapitalization resulting in stock splits, or combinations or exchanges of shares, or otherwise, the number of shares subject to this option and the option price shall be proportionally adjusted, to the extent permitted under the Plan, provided that the adjustment will not cause the option to be subject to Section 409A of the Code.

9. The Executive shall not have any of the rights or privileges of a stockholder of the Company in respect of any of the shares issuable upon the exercise of the option herein granted unless and until such shares have been issued and delivered.

10. Except as otherwise herein provided the option herein granted and the rights and privileges conferred hereby shall not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and shall not be subject to execution, attachment or similar process. Upon any attempt to transfer, assign, pledge hypothecate or otherwise dispose of said option or of any right or privilege conferred hereby contrary to the provisions hereof or upon the levy of any attachment or similar process upon the rights and privileges conferred hereby, this option and the rights and privileges conferred hereby shall immediately become null and void.

11. This option shall be binding upon and inure to the benefit of any successor successors of the Company.

12. This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Plan and this Agreement shall be administered by the Compensation Committee of the Board and the Management Committee of the Company in accordance with the provisions of Article II of the Plan. Except as expressly provided in this Agreement, capitalized terms used herein shall have the meanings ascribed to them in the Plan, or on the screen captioned "Grants & Awards."

13. The Company and/or the Executive's local employer shall have the right to deduct or withhold, or require the Executive to remit to the Company and to his or her local employer, an amount sufficient to satisfy taxes imposed under the laws of any country, state, province city or other jurisdiction including but not limited to income taxes, capital gain taxes, transfer taxes, and social security contributions that are required by law to be withheld with respect to the Plan, grant or exercise of stock options payment of shares or cash under this Agreement the sale of shares acquired hereunder, and/or payment of dividends on shares acquired hereunder, as applicable. A sufficient number of the shares resulting from the exercise of this option may be retained by the Company to satisfy the tax withholding obligation

14. Neither the Plan, the grant of stock options, payment of shares or cash under this Agreement, the sale of shares acquired hereunder, and/or payment of dividends on shares acquired hereunder, as applicable, gives the Executive any right to continue to be employed by the Company or the Executive's local employer, or restricts, in any way, his or her right, or the right of the employer, to terminate the Executive's employment at any time for any reason not specifically prohibited by law.

15. The Executive shall be deemed to have accepted this Award unless the Executive provides written notice to the Company, within thirty (30) business days following the Grant Date, stating that the Executive does not wish to accept the Award. Notices should be directed to Investor Services at investor_services@mccormick.com, or to McCormick & Company, Inc. Attn: Investor Services, 18 Loveton Circle, Sparks, Maryland 21152.

16. By accepting this Award, the Executive agrees to be bound by the terms and conditions set forth herein and acknowledges that:

(a) The grant of this Award and any future options under the Plan is entirely voluntary, and at the complete discretion of the Company. Neither the grant of this Award, nor any future grant of an option by the Company, shall be deemed to create any obligation to grant any other options, whether or not such a reservation is explicitly stated at the time of any such grant. The Company has the right, at any time and/or on an annual basis, to amend, suspend or terminate the Plan; provided, however, that no such amendment, suspension, or termination shall adversely affect the Executive's rights hereunder.

(b) The Plan shall not be deemed to constitute, and shall not be construed by the Executive to constitute, part of the terms and conditions of employment. Neither the Company nor the Executive's local employer shall incur any liability of any kind to the Executive as a result of any change or amendment, or any cancellation, of the Plan at any time.

McCORMICK & COMPANY, INCORPORATED
2013 OMNIBUS INCENTIVE PLAN
TERMS OF NON-QUALIFIED STOCK OPTION AWARD

The following terms and conditions apply to stock options granted under the 2013 Omnibus Incentive Plan by McCORMICK & COMPANY, INCORPORATED, a Maryland corporation, with its principal offices in Baltimore County, Maryland (hereinafter called the "Company").

R E C I T A L S:

WHEREAS, the Board of Directors of the Company (the "Board") believes that the interests of the Company and its stockholders will be advanced by encouraging its directors to become owners of common stock of the Company; and

WHEREAS, the Board approved and adopted the Company's 2013 Omnibus Incentive Plan (the "Plan") on November 27, 2012, effective December 1, 2012, subject to the approval of the Company's stockholders on or before April 3, 2013; and

WHEREAS, the Company's stockholders approved the Plan on April 3, 2013; and

WHEREAS, one of the purposes of the Plan is to provide an inducement to the members of the Board to acquire shares of common stock of the Company; and

WHEREAS, the Board has authorized and approved the grant of an option to each non-employee member of the Board (each a "Director") pursuant to the Plan and the Award (defined below);

NOW THEREFORE, in consideration of the foregoing and of the covenants and agreements below set forth, the terms of the Award consist of the following:

1. Details of the Director's non-qualified stock option, including the Grant Date, number of shares, Exercise Price, and Vesting Schedule, are described on the screen captioned "Grants & Awards" in the Computershare website. On the Grant Date referenced on the screen captioned "Grants & Awards," the Company granted a non-qualified stock option to the Director to purchase the number of shares of the Company's Common Stock identified as Options Granted at the price per share specified under Exercise Price (the "Award"). In order to exercise the option, the Director may (i) make a cash payment, (ii) surrender shares of Company stock of the same class owned by the Director and having a market value equal to the Exercise Price and related taxes for the number of shares to be purchased pursuant to the exercise of all or part of this option, or (iii) authorize the Company to withhold a sufficient number of option shares, based on the market value of such shares on the date of exercise, to pay the Exercise Price and related taxes and to issue the remaining number of option shares to the Director ("net withholding exercise"). The option granted

hereunder shall be exercisable, except as otherwise provided herein, in accordance with the Vesting Schedule until the option expires on the date provided on said screen.

2. Except as hereinafter provided, this option is not transferable by the Director and is exercisable during the Director's lifetime only by the Director. This option may be transferred by the Director pursuant to a will or as otherwise permitted by the laws of descent and distribution. In addition, a Director may transfer all or any part of the option, not for value, to any Family Member. For purposes of this Section 2, a "not for value" transfer is a transfer which is (a) a gift, (b) a transfer under a domestic relations order in settlement of marital property rights; or (c) a transfer to an entity in which more than fifty percent of the voting interests are owned by Family Members (or the Director) in exchange for an interest in that entity. Following a transfer under this Section 2, this option shall continue to be subject to the same terms and conditions as were applicable immediately prior to the transfer. A "Family Member" means a person who is a spouse, former spouse, child, stepchild, grandchild, parent, stepparent, grandparent, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother, sister, brother-in-law, or sister-in-law, including adoptive relationships, of the Director, any person sharing the Director's household (other than a tenant or employee), a trust in which any one or more of these persons have more than fifty percent of the beneficial interest, a foundation in which any one or more of these persons (or the Director) control the management of assets, and any other entity in which one or more of these persons (or the Director) own more than fifty percent of the voting interests.

3. (a) Subject to the provisions of subparagraphs 3(b) and 3(c), all rights to exercise this option shall terminate thirty (30) days after the Director ceases to serve as a member of the Board of Directors of the Company.

(b) If the Director ceases to serve as a member of the Board of Directors on account of death or total and permanent disability, any outstanding options shall immediately become vested and the Director (or in the event of the Director's death, the Director's personal representative) may exercise this option until the earlier of the Expiration Date or the fifth anniversary of the date on which such service ceases, regardless of the restrictions that might otherwise apply with respect to the Options Granted. For purposes of this Paragraph 3, the Director shall be considered "totally and permanently disabled" if (i) the Director is unable, as a result of demonstrable illness (including mental illness), injury or disease, to engage in any occupation or perform any work for remuneration or profit for which the Director is reasonably qualified and (ii) the illness, injury or disease is expected to be permanent.

(c) If the Director ceases to serve as a member of the Board of Directors on account of retirement, the Director may exercise this option if the shares have become vested as of the retirement date under the Vesting Schedule described in Paragraph 1 until the earlier of the Expiration Date or the fifth anniversary of the date of retirement.

(d) In no event may this option be exercised after the date on which this option expires.

(e) An exercise of this option with respect to a part of the shares to which it relates shall not preclude a subsequent exercise as to any remaining part on or before the date on which this option expires.

4. Notwithstanding any provision of this Award to the contrary, in the event of a Change in Control of the Company, all conditions and restrictions on the exercise of this option (other than the restriction set forth in subparagraph 3(d) hereof), including the limitations contained in Paragraph 1 hereof, shall be waived and this option shall be immediately exercisable for all of the Options Granted. In addition, the Committee may take any other action it deems appropriate to ensure the equitable treatment of participants in the event of, or in anticipation of a Change in Control, including but not limited to any one or more of the following: (i) provision for the settlement of this option in exchange for its equivalent cash value, as determined by the Committee, as of the date of the Change in Control; and (ii) such other modification or adjustment to the option as the Committee deems appropriate to maintain and protect the rights and interests of the Director upon or following the Change in Control, provided that the Committee shall not take any action that would cause this option to be subject to Section 409A of the Internal Revenue Code of 1986, as amended. The Committee also may accord any Director a right to refuse any acceleration of exercisability, vesting or benefits, in such circumstances as the Committee may approve.

5. The Company shall not be required to issue or deliver any certificate or certificates for shares of its capital stock purchased upon the exercise of the option herein granted unless and until the offering and sale of the shares represented thereby may legally be made under the Securities Act of 1933, as amended, and the applicable rules and regulations of the Securities and Exchange Commission.

6. The Company may require the Director to agree that any shares of capital stock purchased upon the exercise of this option shall be acquired for investment and not for distribution and that each notice of the exercise of any portion of this option shall be accompanied by a written representation that the shares of capital stock are being acquired in good faith for investment and not for distribution.

7. In the event that, prior to the delivery by the Company of all the shares of the Common Stock with respect of which this option is hereby granted, there is any change in the Common Stock of the Company through the declaration of stock dividends, or through re-capitalization resulting in stock splits, or combinations or exchanges of shares, or otherwise, the number of shares subject to this option and the option price shall be proportionately adjusted, to the extent permitted under the Plan, provided that the adjustment will not cause the option to be subject to Section 409A of the Code.

8. The Director shall not have any of the rights or privileges of a stockholder of the Company in respect of any of the shares issuable upon the exercise of the option herein granted unless and until such shares have been issued and delivered.

9. Except as otherwise herein provided, the option herein granted and the rights and privileges conferred hereby shall not be transferred, assigned, pledged, or hypothecated in any way (whether by operation of law or otherwise) and shall not be subject to execution, attachment, or

similar process. Upon any attempt to transfer, assign, pledge, hypothecate, or otherwise dispose of said option or of any right or privilege conferred hereby contrary to the provisions hereof or upon the levy of any attachment or similar process upon the rights and privileges conferred hereby, this option and the rights and privileges conferred hereby shall immediately become null and void.

10. This option shall be binding upon and inure to the benefit of any successor or successors of the Company.

11. The Company shall have the right to deduct or withhold, or require the Director to remit to the Company, an amount sufficient to satisfy taxes imposed under the laws of any country, state, province, city or other jurisdiction, including but not limited to income taxes, capital gain taxes, transfer taxes, and social security contributions that are required by law to be withheld with respect to the Plan, grant or exercise of stock options, payment of shares or cash under the terms of this Award, the sale of shares acquired hereunder, and/or payment of dividends on shares acquired hereunder, as applicable. A sufficient number of the Company shares resulting from payout of the award at vesting may be retained by the Company to satisfy any tax withholding obligation unless the Director elects to satisfy all applicable tax withholding by check at the time of the taxable event, as applicable.

12. This Award is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Award and the Plan, the Plan shall govern. The Plan and the terms of this Award shall be administered by the Compensation Committee of the Board in accordance with the provisions of Article II of the Plan. Except as expressly provided in the terms of this Award, capitalized terms used herein shall have the meanings ascribed to them in the Plan or on the screen captioned "Grants & Awards."

13. The Director shall be deemed to have accepted this Award unless the Director provides written notice to the Company, within thirty (30) business days following the Grant Date, stating that the Director does not wish to accept the Award. Notices should be directed to Investor Services at investor_services@mccomick.com, or to McCormick & Company, Inc. Attn: Investor Services, 18 Loveton Circle, Sparks, Maryland 21152.

14. By acceptance this Award, the Director agrees to be bound by the terms and conditions set forth herein and acknowledges that:

(a) The grant of this option and any future options under the Plan is entirely voluntary, and at the complete discretion of the Company.

(b) Neither the grant of this option, nor any future grant of an option by the Company, shall be deemed to create any obligation to grant any other options, whether or not such a reservation is explicitly stated at the time of any such grant.

(c) The Company has the right, at any time and/or on an annual basis, to amend, suspend, or terminate the Plan; provided, however, that no such amendment, suspension, or termination shall adversely affect the Director's rights hereunder.

EXHIBIT 31.1

CERTIFICATION PURSUANT TO RULE 13a-14(a)/15d-14(a)

I, Alan D. Wilson, certify that:

1. I have reviewed this report on Form 10-Q of McCormick & Company, Incorporated (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: June 28, 2013

/s/ Alan D. Wilson

Alan D. Wilson

Chairman, President & Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION PURSUANT TO RULE 13a-14(a)/15d-14(a)

I, Gordon M. Stetz, Jr. certify that:

1. I have reviewed this report on Form 10-Q of McCormick & Company, Incorporated (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: June 28, 2013

/s/ Gordon M. Stetz, Jr.

Gordon M. Stetz, Jr.

Executive Vice President & Chief Financial Officer

EXHIBIT 32.1
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of McCormick & Company, Incorporated (the "Company") on Form 10-Q for the period ending May 31, 2013, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Alan D. Wilson, Chairman, President & Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Alan D. Wilson

Alan D. Wilson

Chairman, President & Chief Executive Officer

Date: June 28, 2013

EXHIBIT 32.2
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of McCormick & Company, Incorporated (the "Company") on Form 10-Q for the period ending May 31, 2013, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gordon M. Stetz, Jr., Executive Vice President & Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Gordon M. Stetz, Jr.

Gordon M. Stetz, Jr.

Executive Vice President & Chief Financial Officer

Date: June 28, 2013