



**McCormick &
Company, Inc.**

Consumer Analyst
Group of NY
Conference

February 20, 2018



The *joy* of
FLAVOR



FORWARD-LOOKING INFORMATION

Certain information contained in this presentation and our remarks, including statements concerning expected performance such as those relating to net sales, earnings, cost savings, acquisitions, trends in flavor, new product introduction, product innovations and brand marketing support, are “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. These statements may be identified by the use of words such as “may,” “will,” “expect,” “should,” “anticipate,” “intend,” “believe” and “plan.” These statements may relate to: the expected results of operations of businesses acquired by the company, including the acquisition of RB Foods; the expected impact of raw material costs and pricing actions on the company's results of operations and gross margins; the expected impact of productivity improvements, including those associated with our CCI program and global enablement initiative; the expected working capital improvements; expectations regarding growth potential in various geographies and markets, including the impact from customer, channel, category, and e-commerce expansion; expected trends in net sales and earnings performance and other financial measures; the expected impact of the U.S. tax legislation passed in December 2017; 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, the anticipated sufficiency of future cash flows to enable the payments of interest and repayment of short- and long-term debt as well as quarterly dividends and the ability to issue additional debt or equity securities; and expectations regarding purchasing shares of McCormick's common stock under the existing repurchase authorization.

These and other forward-looking statements are based on management's current views and assumptions and involve risks and uncertainties that could significantly affect expected results. Results may be materially affected by factors such as: damage to the company's reputation or brand name; loss of brand relevance; increased private label use; product quality, labeling, or safety concerns; negative publicity about our products; business interruptions due to natural disasters or unexpected events; actions by, and the financial condition of, competitors and customers; the company's inability to achieve expected and/or needed cost savings or margin improvements; negative employee relations; the lack of successful acquisition and integration of new businesses, including the acquisition of RB Foods; difficulties or delays in the successful transition of RB Foods from the information technology systems of the seller to those of McCormick as well as risks associated with the integration and transition of the operations, systems and personnel of the RB Foods, within the remaining term of the post-closing transition services agreement between McCormick and the seller in the first half of 2018; issues affecting the company's supply chain and raw materials, including fluctuations in the cost and availability of raw and packaging materials; government regulation, and changes in legal and regulatory requirements and enforcement practices; global economic and financial conditions generally, including the availability of financing, and interest and inflation rates; the effects of increased level of debt service following the RB Foods acquisition as well as the effects that such increased debt service may have on the company's ability to react to certain economic and industry conditions and ability to borrow or the cost of any such additional borrowing; the interpretations and assumptions we have made, and guidance that may be issued, regarding the U.S. tax legislation enacted in December 2017; assumptions we have made regarding the investment return on retirement plan assets, and the costs associated with pension obligations; foreign currency fluctuations; the stability of credit and capital markets; risks associated with the company's information technology systems, including the threat of data breaches and cyber attacks; fundamental changes in tax laws; volatility in our effective tax rate; climate change; infringement of intellectual property rights, and those of customers; litigation, legal and administrative proceedings; and other risks described in the company's filings with the Securities and Exchange Commission.

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

NON-GAAP FINANCIAL MEASURES

Certain disclosures in this presentation and our remarks represent non-GAAP financial measures which are prepared as a complement to our financial measures prepared in accordance with United States generally accepted accounting principles ("GAAP").

We believe that these non-GAAP financial measures are important. The presentation of information on a constant currency basis, the exclusion of special charges, the impact of the acquisition date-inventory fair value adjustment on cost of goods sold, transaction and integration expenses, and other debt costs, and our net debt to Adjusted EBITDA ratio provide additional information that enables enhanced comparisons to prior periods and, accordingly, facilitates the development of future projections and earnings growth prospects or is a meaningful metric to investors in evaluating our financial leverage. This information is also used by management to measure the profitability of our ongoing operations and analyze our business performance and trends.

These non-GAAP financial measures may be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for, or superior to, GAAP results. In addition, these non-GAAP financial measures may not be comparable to similarly titled measures of other companies because other companies may not calculate them in the same manner that we do. We intend to continue to provide these non-GAAP financial measures as part of our future earnings discussions and, therefore, the inclusion of these non-GAAP financial measures will provide consistency in our financial reporting. A reconciliation of these non-GAAP financial measures to the related GAAP financial measures is provided in the Appendix to this presentation.

McCORMICK & COMPANY
OUR FOCUS IS GROWTH

1. We're a different kind of CPG company
2. We're delivering against our objectives
3. We're building the McCormick of the future



WE'RE A DIFFERENT KIND OF CPG COMPANY

McCORMICK IS GLOBAL FLAVOR

\$5.2B 2017 Net Sales*

62% Consumer / **38%** Flavor Solutions

16,300 products sold annually

70% Americas / **18%** EMEA /
12% APZ

Large and **fast growing**
emerging markets penetration

7 acquisitions last 3 years

~7% of net income from joint ventures

Leading and iconic flavor brands in
150 countries and territories

Operations and joint ventures in
27 countries

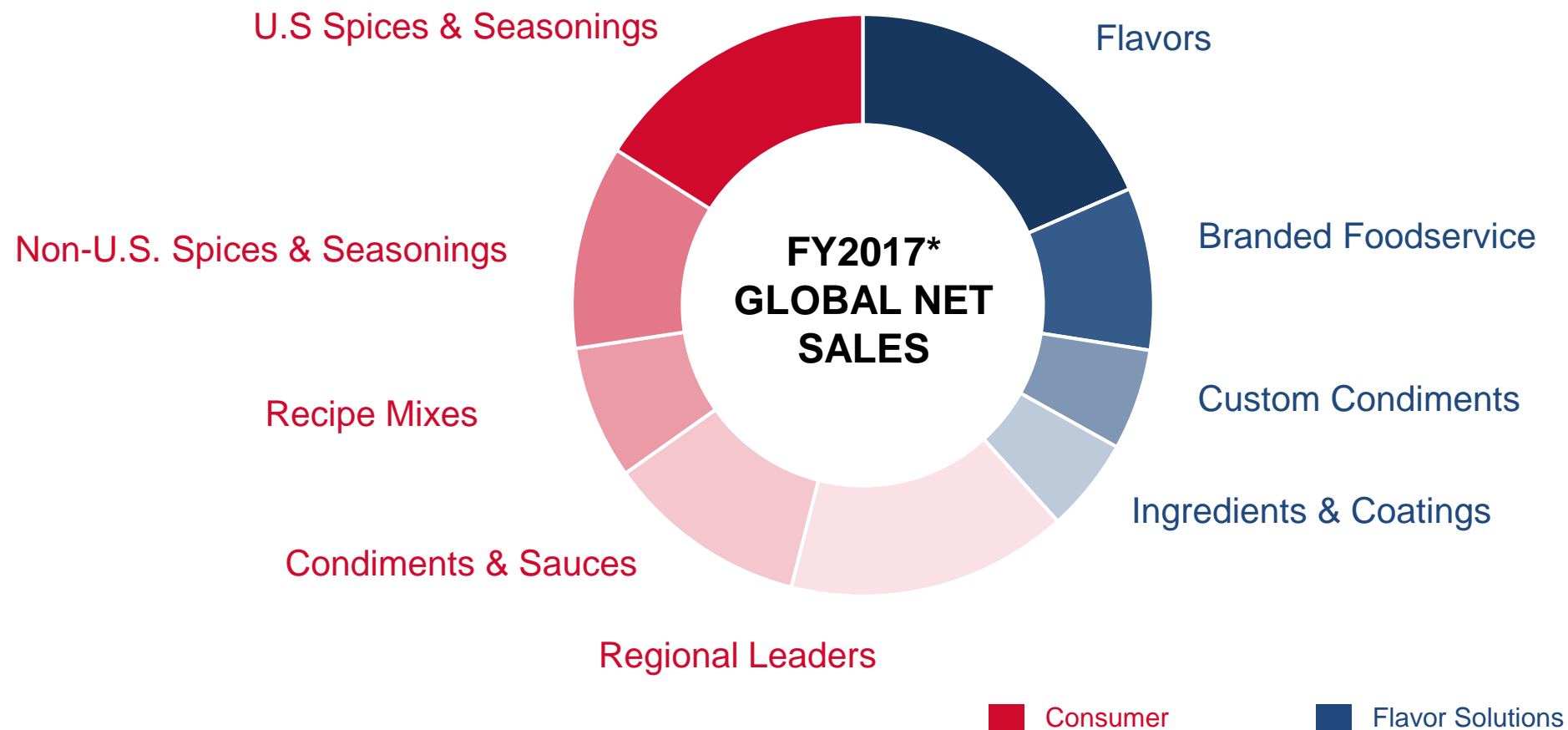
High quality raw materials &
ingredients sourced from **>80**
countries

Leader in **clean** flavor



WE'RE A DIFFERENT KIND OF CPG COMPANY

BROAD AND ADVANTAGED GLOBAL FLAVOR PORTFOLIO



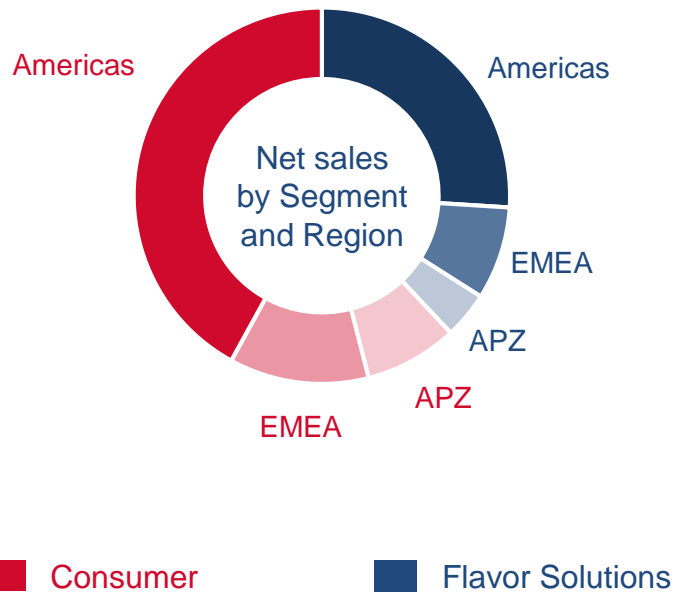
* Pro Forma FY2017 reflecting a full year of the RB Foods' acquisition and approximation of category sizes



WE'RE A DIFFERENT KIND OF CPG COMPANY

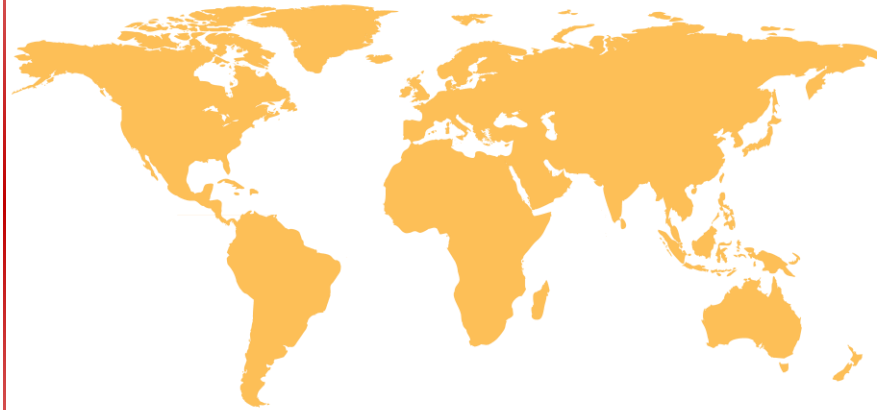
NO MATTER *WHERE* YOU EAT OR DRINK, YOU'RE LIKELY ENJOYING
SOMETHING FLAVORED BY McCORMICK...

ACROSS THE GLOBE



STRONG PRESENCE IN DEVELOPING MARKETS

19% of global sales*



* Based on 2017 Pro Forma including a full year of RB Foods and includes MKC share of joint ventures

ACROSS EVERY CHANNEL

Consumer Segment

Traditional Grocery
Supercenter and club
Hard Discounters
Specialty and Ethnic
E-commerce
Convenience

Flavor Solutions Segment

Manufacturers
Quick Service Restaurants
Casual Dining Restaurants
Retail Foodservice
Broadline & Regional
Distributors
Cash & Carry
E-commerce

WE'RE A DIFFERENT KIND OF CPG COMPANY

NO MATTER *WHAT OR WHEN* YOU EAT OR DRINK, YOU'RE LIKELY ENJOYING
SOMETHING FLAVORED BY McCORMICK...

BROAD RANGE OF CONSUMER FORMATS



24/7 IN- AND AWAY-FROM-HOME



Breakfast
Lunch
Dinner
Snacks
Beverage



BROAD RANGE OF CUSTOMER APPLICATIONS



Beverage



Savory snacks



Bakery & Confectionary



Cereal & bars



Dairy



Meats & sauces

FLAVOR SOLUTIONS FOR EVERY TREND

Every cuisine, clean, natural, non-GMO, organic and
Better-for-You



mc
Flavor
Forecast 2018



WE'RE A DIFFERENT KIND OF CPG COMPANY

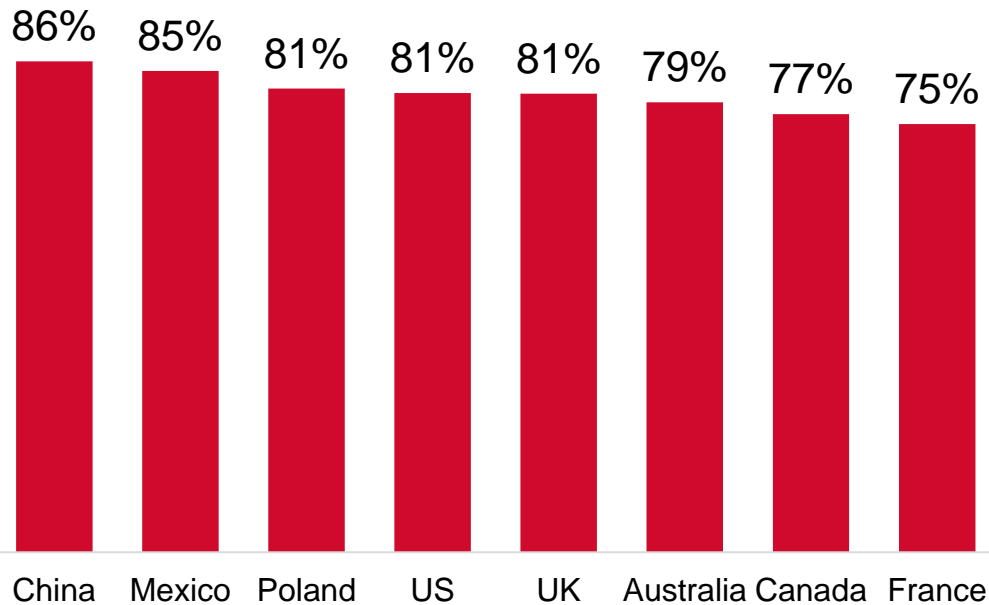
FLAVOR IS AN ADVANTAGED GLOBAL CATEGORY

GLOBAL DEMAND FOR FLAVOR GROWING

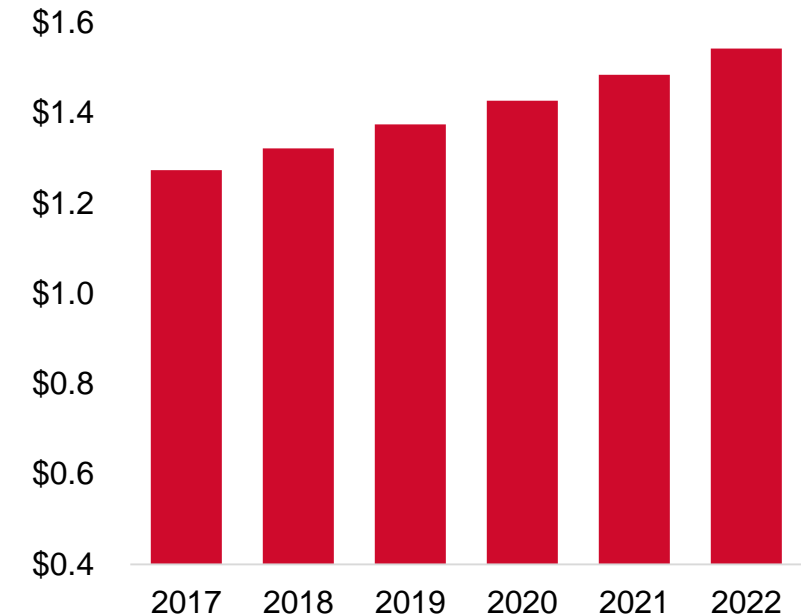
5% 5-year CAGR

80%

of consumers globally **LOVE** trying new spices, seasonings and flavors¹



8% CAGR 2017 – 2022 projected in Condiments, Sauces and Dressings in Asia²



1) Euromonitor: In our flavor categories in 2017

2) Global H&W McCormick primary research (SRG) – global average across US, Canada, UK, France, Poland, Australia, China, Mexico. Question: % of people choosing "I love trying new spices, seasonings, and flavors".

2) Source: Euromonitor

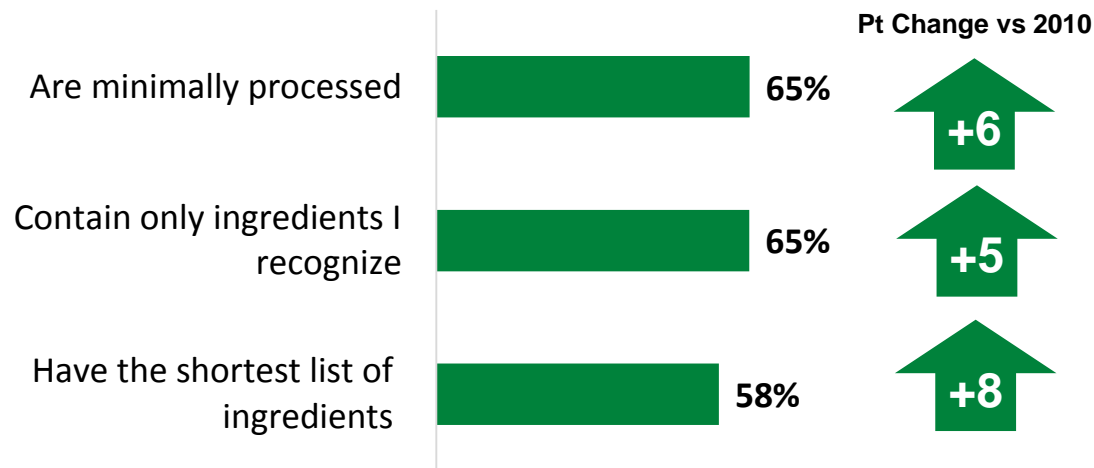


WE'RE A DIFFERENT KIND OF CPG COMPANY

FRESH FOOD AND CLEAN LABEL GROWTH IS A TAILWIND

Fresh Perimeter growing **2X** as fast as total US Food & Beverage

Consumers look for Foods & Beverages that...



Source: IRI % US consumers agree strongly/somewhat

THE McCORMICK ADVANTAGE: WE FLAVOR FRESH AND WE FLAVOR CLEAN



Customers look to us to provide **flavor solutions to deliver clean label,**

Consumers look to us to **flavor fresh food and cooking at home**



WE'RE DELIVERING AGAINST OUR OBJECTIVES

SUCCESSFULLY EXECUTING ON STRATEGY

STRENGTHENING OUR FLAVOR LEADERSHIP

....through investments



...through growth in priority flavor categories



....through category management



...through customer intimacy



DELIVERING ON OUR LONG TERM OBJECTIVES

3-Year CAGR*

Net sales **+7%**

Adjusted Operating Income **+11%**

Adjusted Operating Margin Expansion
160 bp

Adjusted EPS **+11%**

* In Constant Currency



WE'RE DELIVERING AGAINST OUR OBJECTIVES
PURPOSE-LED PERFORMANCE

DRIVEN TO DO WHAT'S RIGHT

INDUSTRY-LEADING
FINANCIAL PERFORMANCE

and

MAKE EVERY DAY BETTER FOR PEOPLE,
OUR COMMUNITIES AND PLANET



WE'RE BUILDING THE McCORMICK OF THE FUTURE

SCALABLE, AGILE, RELEVANT & FOCUSED

Globally-enabled



Technology-equipped



Insight-driven



Forward-focused



Science-empowered



Sustainably Driven



**GIVE YOUR
SALMON
SOME
SWAGGER.**

GIVE YOUR **FOOD**
SOME **CHARACTER.**



**Frank's
RedHot
and French's**



The *joy* of
FLAVOR



WE'RE BUILDING THE McCORMICK OF THE FUTURE

RB FOODS ADDS POWERFUL BRANDS TO THE McCORMICK PORTFOLIO

EXPANDS CONDIMENTS & SAUCES
FROM 7% to 18% OF
GLOBAL CONSUMER SALES

#1 or #2 brands in many regions



EXPANDS BRANDED FOODSERVICE
FROM 15% TO 23% OF
GLOBAL FLAVOR SOLUTIONS SALES



McCormick **#1 or #2** brands in hot sauce, mustard and BBQ sauce in US and Canada

BRINGS INCREMENTAL HOUSEHOLDS
AND RESTAURANTS

Frank's RedHot and
French's **adds** to
McCormick

+4 MM

Incremental Households

>30%

Increase in Foodservice
customers

WE'RE BUILDING THE McCORMICK OF THE FUTURE

INCREASING FUEL TO DRIVE FRANK'S REDHOT

DRIVE AWARENESS AND TRIAL



- 1st time on TV in 7 years
- 40% increase in working media
- Enhanced regional programs



- Strengthen share of shelf
- Expanded distribution and core flavors

INCREASE CORE INNOVATION AND EXPAND BEYOND LIQUID



Stingin' Honey Garlic and Chili Lime
2Q 2018



Frank's RedHot
Seasoning 4Q 2017



Frank's RedHot
Seasoning Blends
3Q 2018



Buffalo
Chicken Dip
4Q 2017



Jalapeno Popper
Dip
2Q 2018



Frank's RedHot Recipe Mixes
3Q 2018



WE'RE BUILDING THE McCORMICK OF THE FUTURE

RE-ENERGIZE FRENCH'S MUSTARD CATEGORY LEADERSHIP

REFRESHED LEADERSHIP AGENDA

- Reinforcing brand position and product integrity
- Working media +60%
- Category management
- Innovation in Specialty



Distilled Vinegar, Water, #1 Grade **Mustard Seed**, Salt, Turmeric, Paprika, Spice, Natural Flavors and Garlic Powder.



Honey Mustard Dipping Sauce and Stone Ground Dijon 2Q 2018

DRIVE USAGE AND H&W BENEFITS



WE'RE BUILDING THE McCORMICK OF THE FUTURE

RE-ENERGIZE FRENCH'S MUSTARD WITH PROMOTIONAL SCALE

Launching our **BIGGEST** Grilling program ever
in Summer 2018



WE'RE BUILDING THE McCORMICK OF THE FUTURE

LEVERAGING NEW SCALE FOR GROWTH IN RETAIL

INCREASED SALES COVERAGE AND RESOURCES

Dedicating teams with category focus

*Spices &
Seasonings Team*

*Condiments &
Sauces Team*

Adding experience, tools & capabilities previously under resourced at French's

- Category management
- E-commerce
- Revenue Management

EXTENDING GROWTH ACROSS CHANNELS

Leveraging the MKC focus on growth channels



Launching bundle packs across the portfolio



WE'RE BUILDING THE McCORMICK OF THE FUTURE

LEVERAGING NEW SCALE FOR GROWTH IN FOODSERVICE

INCREASED OPERATOR PENETRATION

Combining Complementary Strengths

McCormick

Back-of-house
Geographically aligned
Dry flavor
Distributor focus

RB Foods

Front-of-house
Channel aligned
Liquid flavor
National Accounts focus

On-trend, leading, flavor brands

Expanding The Flavor Solutions We Offer Operators

Expanded target accounts
Cross-selling
Increased innovation

RE-ALIGNED OUR SALES ORGANIZATION

Created Teams Aligned By Channel

Distributor
Team

National
Account Team

Specialty
Channel Team

Adding Capabilities Not Previously Resourced

Culinary Team
Menu Insights
Trade Promotion Management

WE'RE BUILDING THE McCORMICK OF THE FUTURE

INCREASED RESOURCES IN FOODSERVICE

LEVERAGE THE FULL PORTFOLIO ACROSS OPERATORS



- Expanding King of Wings program
- Increased National Account menu programs



- Leverage superior product



- Drive table-top growth behind bundled programs



- Enhanced cross-selling across full portfolio
- Packaging innovation in all product formats



WE'RE DELIVERING AGAINST OUR OBJECTIVES

INTEGRATING FRANK'S REDHOT AND FRENCH'S INTO THE McCORMICK GLOBAL NETWORK

INCREASING PENETRATION WHERE McCORMICK ALREADY SELLS CONDIMENTS & SAUCES

Country/Region	Previous Resources	McCormick Resources		
	Headcount / Coverage	Sales	Marketing	Operations
United Kingdom	5	✓	✓	✓
France	Distributor	✓	✓	✓
Poland	Distributor	✓	✓	✓
Mexico	1 / Distributor	✓	✓	✓
Latin America	Limited	✓	✓	✓
China	Limited	✓	✓	✓
Southeast Asia	1 / Distributor	✓	✓	✓

WE'RE DELIVERING AGAINST OUR OBJECTIVES

DRIVING GROWTH THROUGH GLOBAL McCORMICK

Building Frank's RedHot to #1 Globally



\$3.4B global Hot Sauce category

\$947M



\$477M



\$355M



\$1.6B

All Other



+25.4% category growth since 2012



Flavor Solutions



The *joy* of
FLAVOR



WE'RE A DIFFERENT KIND OF FLAVOR COMPANY

McCORMICK FLAVOR SOLUTIONS

\$2.0B 2017 Net Sales*

Custom solutions for **every food & beverage category**, application and trend

Leader in **Clean label, Organic, Natural extracts** and better-for-you solutions

Customer intimacy leadership

Technically advanced



Culinary, real food, leadership

Innovation with deep **in-market consumer & trend insight**

Partner with **TOP 10** packaged food & beverage companies and **9 of top 10** foodservice restaurant chains

Materials & application science, quality & regulatory leadership

WE'RE A DIFFERENT KIND OF FLAVOR COMPANY

CULINARY IS OUR FOUNDATION

**REAL FOOD. REAL BEVERAGE.
REAL INNOVATION.**

- World-class Executive Chefs, Certified Research Chefs, Specialty Chefs, Culinary Nutritionists, Mixologists
- Deep expertise translating global preferences into successful product concepts and flavors



- State-of-the-art facilities and culinary technology
- 10 culinary teams spanning the globe
- McCormick Flavor Academy for Customer culinary groups

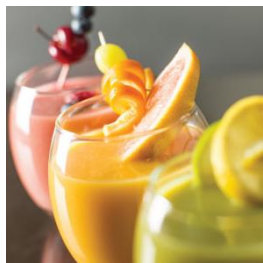
FOR THE
LOVE
OF FOOD

WE'RE A DIFFERENT KIND OF FLAVOR COMPANY

FUSION OF ART AND SCIENCE

OUR PROPRIETARY FLAVOR MODULATION TECHNOLOGIES

- MEET “LOW” AND “NO” CHALLENGES WITHOUT SACRIFICING ICONIC FLAVOR
- EASE BURDEN OF COST-IN-USE TARGETS

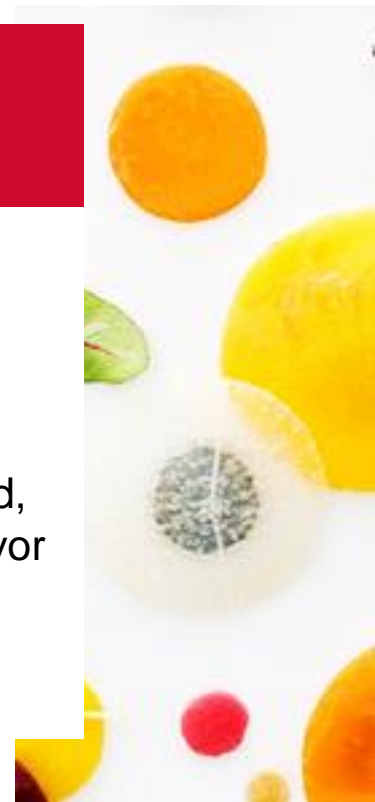


CONSISTENTLY DELIVERING.
CONSISTENTLY PREFERRED.

FLAVORCELL®

OUR FLAVOR DELIVERY ENCAPSULATION
TECHNOLOGY MAKING THE MAGIC HAPPEN

- Creates complex craveable flavors with layered, sequential release for uniquely experiential flavor
- Preserves flavor integrity during intensive manufacturing processes



WE'RE A DIFFERENT KIND OF FLAVOR COMPANY
CLEAN LABEL: KEEPING IT REAL.

MCCORMICK CLEAN MEANS ... CLEAN.

**CUSTOM FLAVOR SOLUTIONS
FOR “LOW” & “NO”**

- Natural flavor delivery
- Natural flavor modulation
- Real food ingredients & organics

Rooted in deep expertise
in the science of *nature*



WE'RE A DIFFERENT KIND OF FLAVOR COMPANY

SUPERIOR CUSTOMER COLLABORATION

We translate insight into **CONSUMER-PREFERRED.**



Industry-leading
Customer in-field flavor
trend emersion and
CreateIT programs



TEAMS AROUND GLOBE AT CENTER OF
EMERGING FLAVOR AND CONSUMER
EATING TRENDS

**Delivering tomorrow's
favorite flavors, Today**

**WHAT OUR
CUSTOMERS SAY...**

“McCormick R&D is
leading in the area of
thought leadership.”

– A top global Consumer Foods
Manufacturer

WE'RE DELIVERING AGAINST OUR OBJECTIVES

SUCCESSFULLY EXECUTING ON OUR STRATEGY

STRENGTHENING OUR FLAVOR LEADERSHIP

Grow and migrate our portfolio to value-added products

GIOTTI
Your Natural Flavor House

BRAND
AROMATICS

FRANK'S
RedHot

French's
Since 1888

Accelerate Customer Intimacy



Drive growth from priority categories



Invest in innovation and technology



DELIVERING ON OUR LONG TERM OBJECTIVES

3-Year CAGR*

Net sales **+8%**

Adjusted Operating Income **+23%**

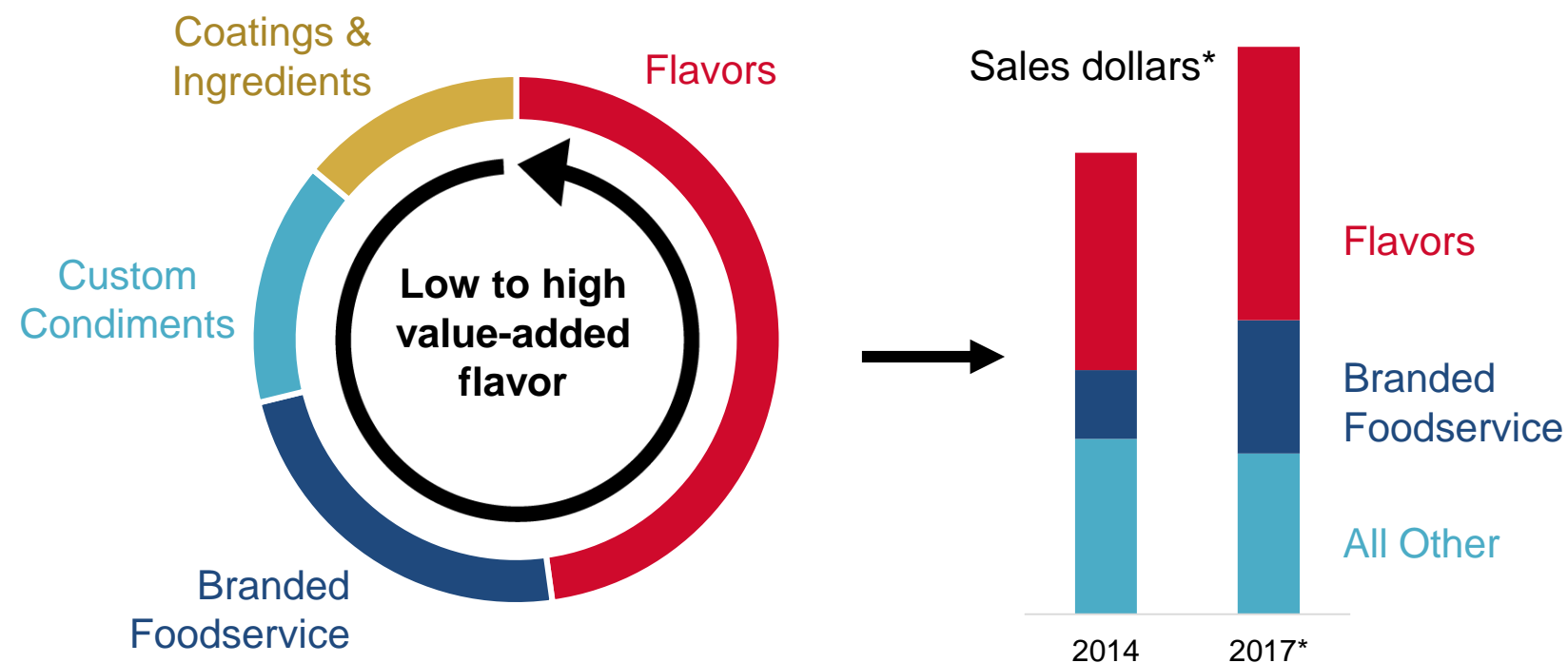
Adjusted Operating Margin **+380 bps**

WE'RE DELIVERING AGAINST OUR OBJECTIVES

PORTFOLIO SHIFT DRIVING MARGIN EXPANSION

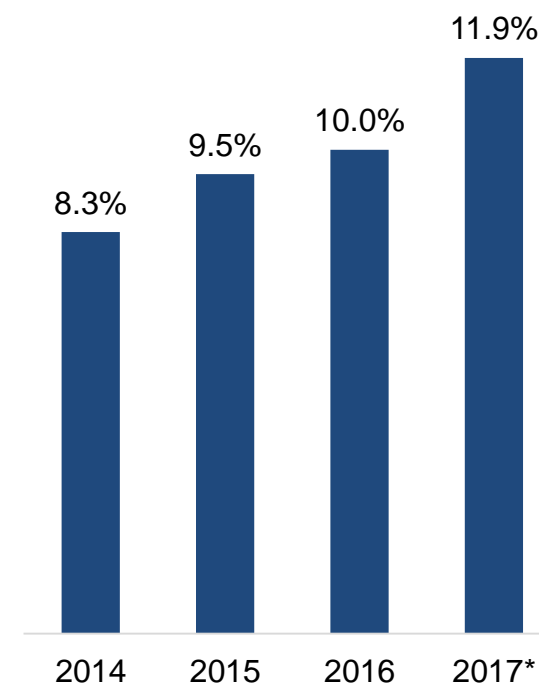
GLOBAL SHIFT TO MORE VALUE-ADDED PRODUCTS

Shifted the Portfolio from **62% to 72%** Value-Add



MARGIN EXPANSION

Expanding adjusted operating margin**



** As reported



WE'RE DELIVERING AGAINST OUR OBJECTIVES

EXPANDING FLAVOR CUSTOMER AND CATEGORY BASE

FLAVOR CUSTOMER EXPANSION

Tripled our global flavor supplier status in the last 3 years

Increased US mid-tier customer sales
19% 3-year CAGR

Added **1,300** regional customers in EMEA in last 3 years

CATEGORY GROWTH

+37% 3-year sales CAGR global beverage growth

+20% 2-year sales CAGR USDA organic savory



WE'RE DELIVERING AGAINST OUR OBJECTIVES

DELIVERING INDUSTRY-LEADING CUSTOMER INTIMACY

INCREASED ENGAGEMENT IN VALUE-ADD FLAVOR

+26% 3-year CAGR in
Global Customer TIC visits



+8% 3-year sales CAGR in products
using our flavor modulation technology

+89% 3-year sales CAGR in products
utilizing FLAVORCELL technology

OVER 60% of 2017 US briefs
had better-for-you attributes



WE'RE DELIVERING AGAINST OUR OBJECTIVES

INVESTMENTS TO DRIVE GROWTH



SINGAPORE



ITALY



UK



TURKEY



SHANGHAI



US



BRAZIL



THAILAND

WE'RE BUILDING THE McCORMICK OF THE FUTURE

EXPANDING OUR BREADTH

TECHNOLOGY



- Natural extracts, Organics & juice concentrates
- USDA Organic savory flavors & technologies

TALENT



- Expanding science and commercial talent
- Enhancing capabilities with talent

CATEGORIES



- Beverage, sweet, savory and dairy
- Soups, condiments, proteins and snacks

Mc Flavorsolutions

GIOTTI
Your Natural Flavor House



BRAND
AROMATICS

CUSTOMERS

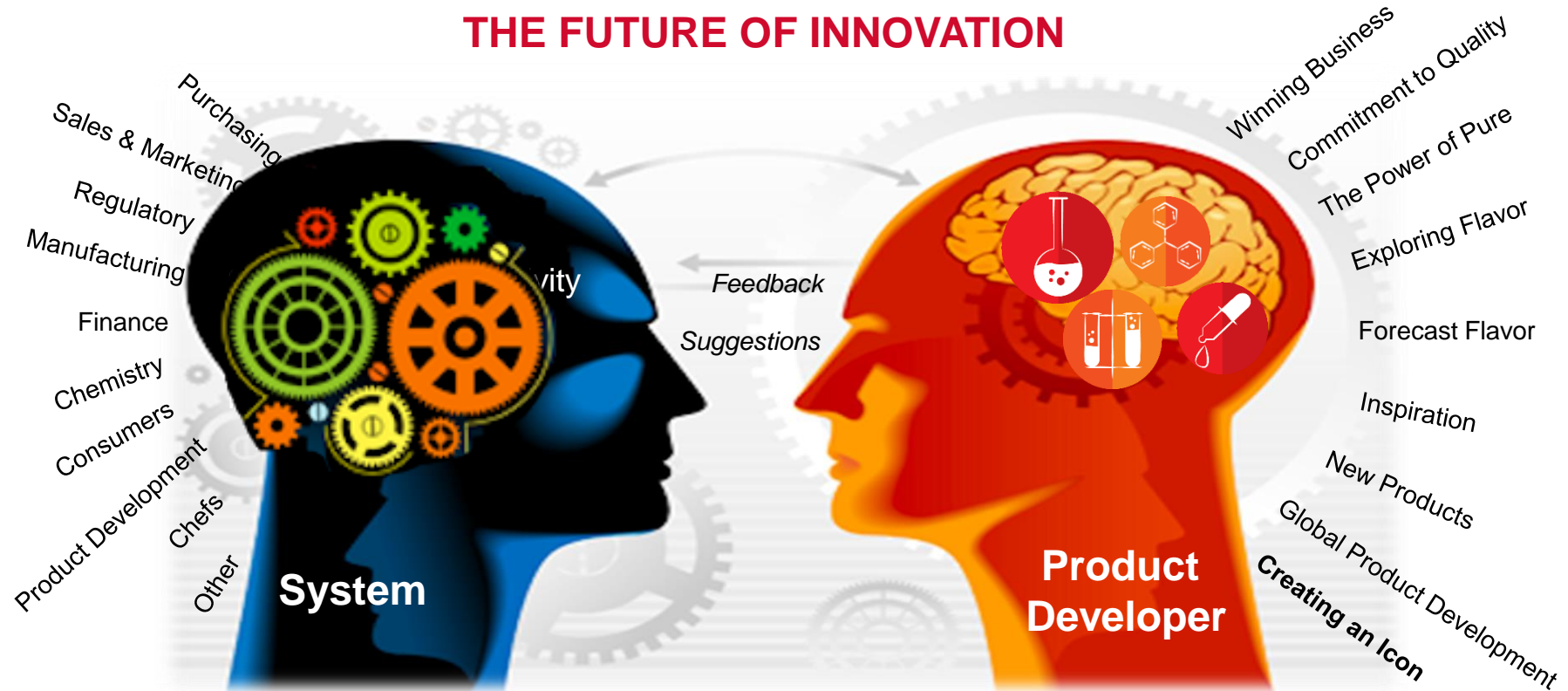


- Wider product range for existing customers
- New customer relationships

WE'RE BUILDING THE McCORMICK OF THE FUTURE

CUTTING-EDGE TECHNOLOGY INVESTMENT

THE FUTURE OF INNOVATION



COMPUTATIONAL CREATIVITY

Ground-breaking technology utilizing artificial intelligence to deliver CONSUMER-PREFERRED—faster, better with even higher consumer preference scores

FOR EVERY CUSTOMER NEED THERE'S A McCORMICK FLAVOR SOLUTION



**WE ARE THE SECRET SAUCE
BEHIND OUR CUSTOMERS'
SECRET SAUCE**

Favorite drinks. Iconic burgers. From every corner of the globe to every corner of the store, McCormick flavor solutions are everywhere and helping the biggest brands create flavors that keep people coming back for more.

**OUR CUSTOMERS
ARE MANY OF THE LEADING ...**

CONSUMER FOOD MANUFACTURERS

QUICK SERVICE RESTAURANTS

FOODSERVICE OPERATORS

... AROUND THE WORLD



WE'RE A DIFFERENT KIND OF CPG COMPANY

McCORMICK CONSUMER

\$3.2B 2017 Net Sales*

Leading and iconic
flavor brands in 150 countries
and territories

Products at every price point,
from Branded to Private
Label

10% of cost and 90% of flavor



Flavoring Fresh, Inspiring
Healthy Choices

Category leadership

Traditional Grocery, Supercenter & Club,
Hard Discounters, E-commerce,
Convenience, Specialty & Ethnic

Digital leadership

Broad range of products, categories and formats

* Pro Forma FY2017 reflecting a full year of the RB Foods' acquisition



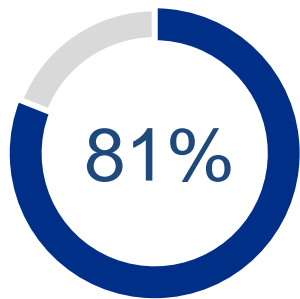
WE'RE A DIFFERENT KIND OF CPG COMPANY

CONSUMER DEMAND FOR FLAVOR CONTINUES TO GROW

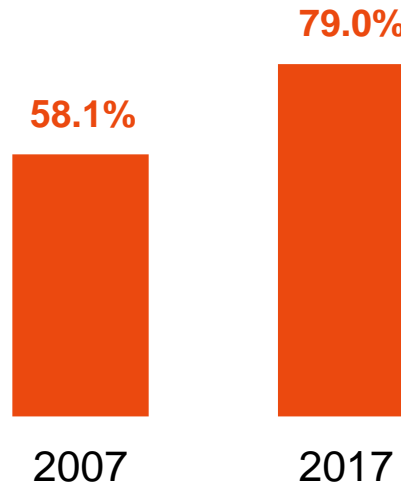
INCREASE IN COOKING AT HOME¹

81% of all meals & snacks are
made at home

2 pt increase over last 10 years

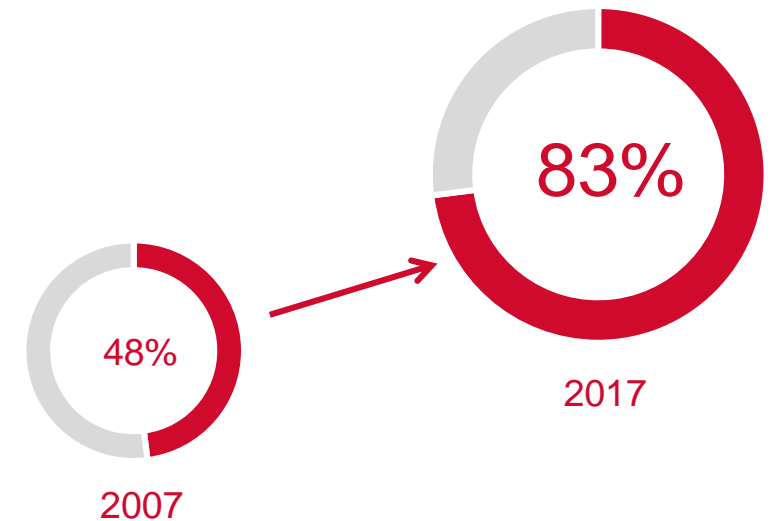


DEMAND FOR FLAVOR IN RECIPES IS UP **+21 PPTS** VS 2007²



% of US general population who 'agree completely' or 'agree somewhat' with "I usually add flavorful spices & ingredients when cooking or preparing a meal."¹

+35 PPT INCREASE IN MILLENNIAL DEMAND FOR FLAVOR VS 2007¹



% of US Millennials (18-34) who 'agree completely' or 'agree somewhat' with "I usually add flavorful spices & ingredients when cooking or preparing a meal."¹

WE'RE A DIFFERENT KIND OF CPG COMPANY

YOUNGER GENERATIONS FUELING FLAVOR DEMAND

MILLENNIALS (24%) AND GEN Z (26%) MAKE UP HALF OF U.S. POPULATION

MILLENNIALS ARE DRIVING INCREASED DEMAND FOR FLAVOR



78% say they **love to cook**

83% reporting fewer restaurant visits and more **cooking more at home**

McCormick holds **leading share** of Millennial spice and herb purchases

74% view McCormick brand as authentic; a brand that 'gets me'

WE'RE A DIFFERENT KIND OF CPG COMPANY

YOUNGER GENERATIONS FUELING FLAVOR DEMAND

MILLENNIALS (24%) AND GEN Z (26%) MAKE UP HALF OF U.S. POPULATION

GEN Z* IS SHAPING UP TO BE EVEN MORE FOCUSED ON FLAVOR



Looking for...

“Natural”, “Organic”, and “Sustainable”

Delicious, fresh, fast, made from scratch, global cuisine

84% of GenZ foodies say more likely to buy brand that exposes to **new sensations or experiences**

Index higher than all adults in **feeling spices & seasonings make a dish unique**

Fastest growing cohort in the growth of fresh foods**

More likely to shop **Groceries online**

Sources: Mintel Report “Cooking Enthusiasts” November 2017
The NPD Group/National Eating Trends®, 2YE ending Aug '17

*Gen Z defined as 0-20

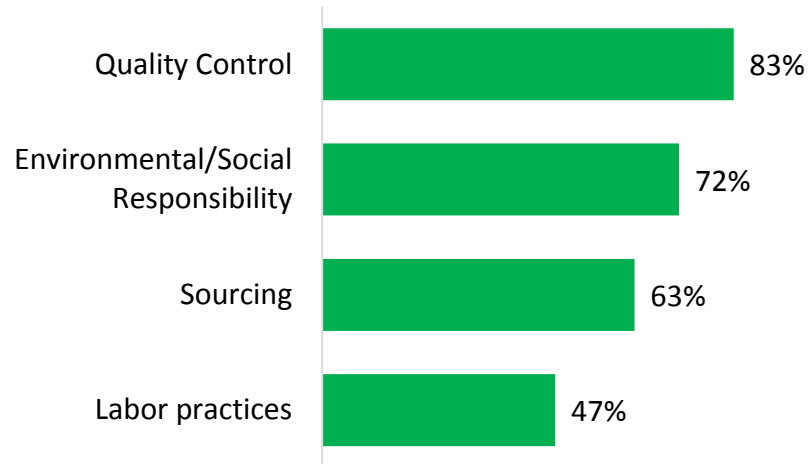
**Fresh food defined as fresh fruit, vegetables, refrigerated meats, poultry, fish, and eggs

WE'RE A DIFFERENT KIND OF CPG COMPANY

McCORMICK DELIVERS ON CONSUMER DEMAND FOR SOCIAL IMPACT

INCREASING CONSUMER INTEREST AND INFLUENCE

Business practices about which companies should be transparent...



% US consumers agree strongly/somewhat

MCCORMICK'S REPUTATION AND PURITY MESSAGES RESONATE WITH CONSUMERS

PURE QUALITY



SOURCING PURE



SUSTAINABLE PRACTICES



COMMUNITY SUPPORT



WE'RE DELIVERING AGAINST OUR OBJECTIVES

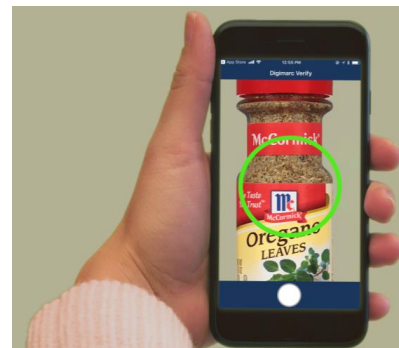
SUCCESSFULLY EXECUTING ON OUR STRATEGY

STRENGTHENING OUR FLAVOR LEADERSHIP

Driving our base business



Accelerating innovation



Expanding our availability and footprint



DELIVERING ON OUR LONG TERM OBJECTIVES

3-Year CAGR*

Net sales **+7%**

Adjusted Operating
Income **+7%**

Adjusted Operating
Margin **+40 bp**



* In constant currency



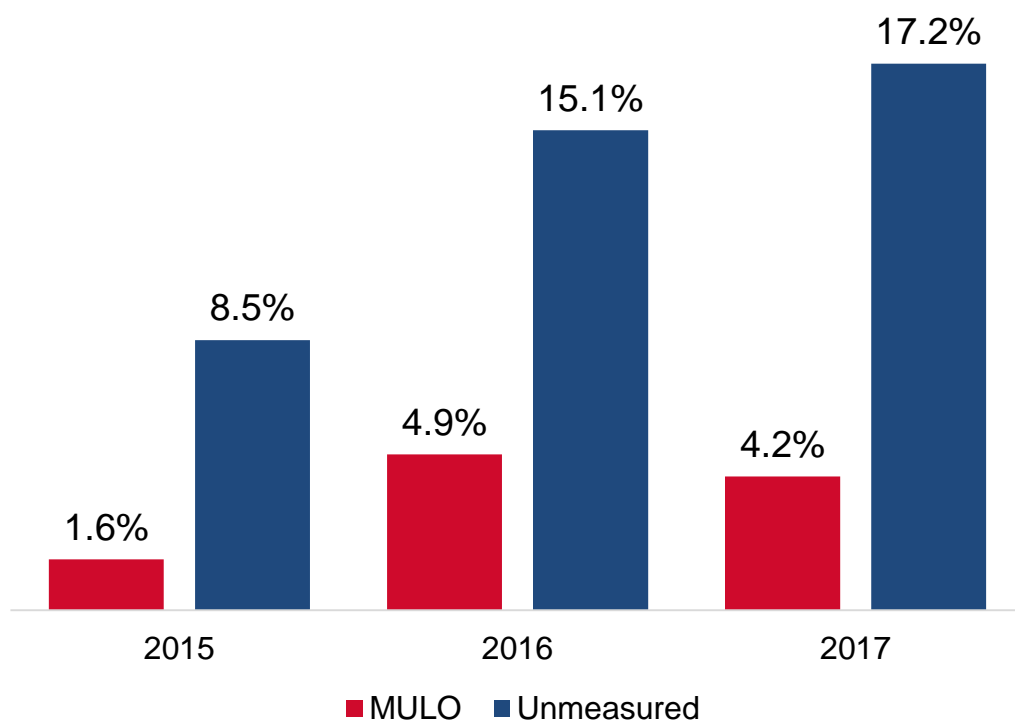
WE'RE DELIVERING AGAINST OUR OBJECTIVES

DRIVING STRONG SALES GROWTH IN BRANDED U.S. SPICES & SEASONINGS

+5.2% GROWTH ACROSS CHANNELS IN 2017

HOUSEHOLD GROWTH

Dollars % Change vs YA



**Outpacing overall category
penetration gains¹**

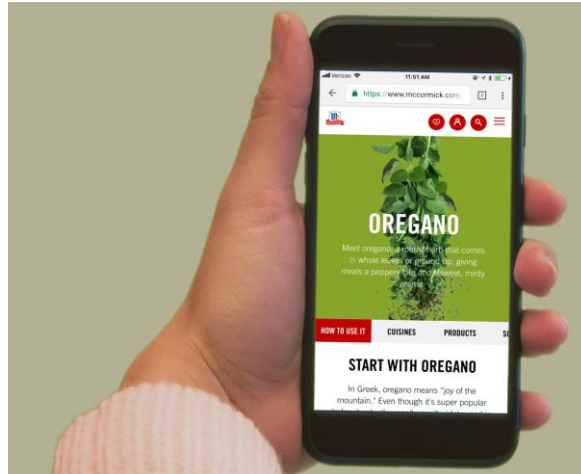
- ✓ Total Households **+70 bp**
- ✓ Millennials **+130 bp**
- ✓ Hispanic **+280 bp**
- ✓ African American **+40 bp**

¹Household penetration change 2015 -2017 vs. prior two-year period

WE'RE DELIVERING AGAINST OUR OBJECTIVES

STRENGTHENING SPICE & SEASONING LEADERSHIP THROUGH PACKAGING INNOVATION

DIGITAL CONNECTIVITY AT SHELF WITH SCANNABLE LABELS



NEW STRUCTURAL PACKAGING AND DESIGN



WE'RE DELIVERING AGAINST OUR OBJECTIVES

DRIVING GROWTH BY EXPANDING OUR SPICE & SEASONING ORGANIC RANGE

GROWING NORTH AMERICA ORGANIC SHARE



Successful Conversion
#1 share in Organic*



Successful Launch
#1 share in Organic



Herbs & Spices



Herbs & Spices



Red Cap
Black Pepper & Garlic



WE'RE DELIVERING AGAINST OUR OBJECTIVES

CONTINUED SPICES & SEASONINGS INNOVATION IN NEW FLAVORS AND VARIETIES



All Purpose Blends – Simple ingredients



Club House Signature Blends



Expanded Pepper range
Segmented by heat level and flavor



New Grinders



Re-launching Grillmates Rubs



McCormick Gourmet Flavor Forecast

WE'RE DELIVERING AGAINST OUR OBJECTIVES

GAINING RECIPE MIX SHARE IN KEY MARKETS AROUND THE GLOBE

BASE PROGRAMS AND INNOVATION DRIVING CATEGORY LEADERSHIP IN ALL MARKETS



McCormick
share
+0.1 pts.



Club House
share
+0.3 pts.



Schwartz
share
+0.1 pts.



McCormick
share
+0.7 pts.

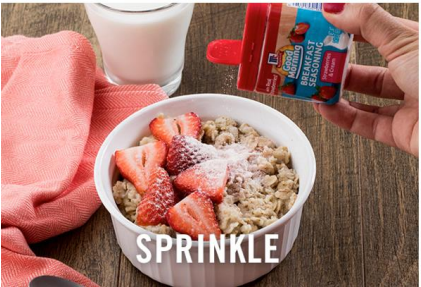
WE'RE DELIVERING AGAINST OUR OBJECTIVES

EXPANDING CONSUMER AVAILABILITY

BREAKFAST OCCASION



The Flavor Your Breakfast
Deserves



CLOSER TO FRESH



Strong 2017 Sales Performance



+22%



+8%



+10%



Expanding
distribution

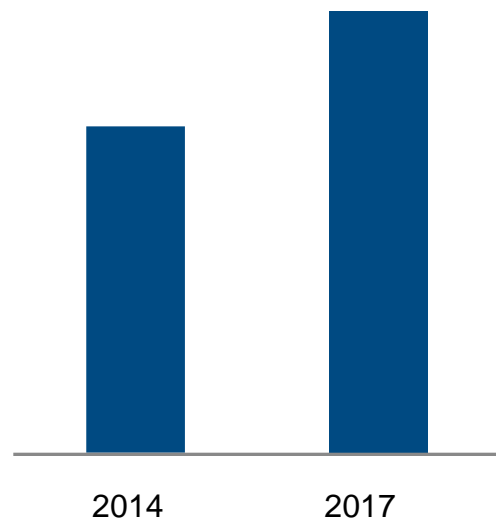


WE'RE DELIVERING AGAINST OUR OBJECTIVES

ACCELERATING SUPPORT BEHIND OUR BRANDS

INCREASING GLOBAL MARKETING SPEND

Increased brand marketing
+7% 3-year CAGR



STRONG INVESTMENT IN DIGITAL

53% of global and
61% of U.S. media spending



Investing in brand sites as
Flavor Destinations

DELIVERING TOP TIER RESULTS

**U.S. Digital ROI exceeds
industry average**

3.4 Billion
Digital Impressions in FY17

Organic traffic +64%
on top global sites



Achieved **Top 3**
ranking across U.S.
food brands
[4 years in 'Top 5']

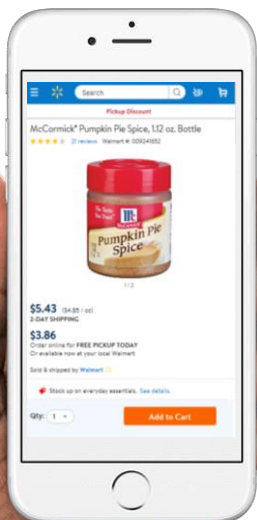
WE'RE BUILDING THE McCORMICK OF THE FUTURE

DRIVING GROWTH GLOBALLY THROUGH E-COMMERCE

CONTINUING TO DRIVE STRONG E-COMMERCE GROWTH

Pure Play
customers growing
+67%

Brick & Mortar digital
shopping growing
+23%



INVESTING TO DRIVE GROWTH

Increased digital product content by 3x

- Dedicated content teams
- Globally connected digital library

Increased dedicated headcount by 2X

- Dedicated Sales teams
- Dedicated Innovation team

Increased focus in 2018

- Increased promotional support
- E-commerce friendly products and design



WE'RE BUILDING THE McCORMICK OF THE FUTURE

LAUNCHED A DIRECT TO CONSUMER PLATFORM IN CHINA

McCormick Store on

天猫 TMALL.COM



Offering Innovative Products



Robust Data and Technology Enabled Cooking Inspiration



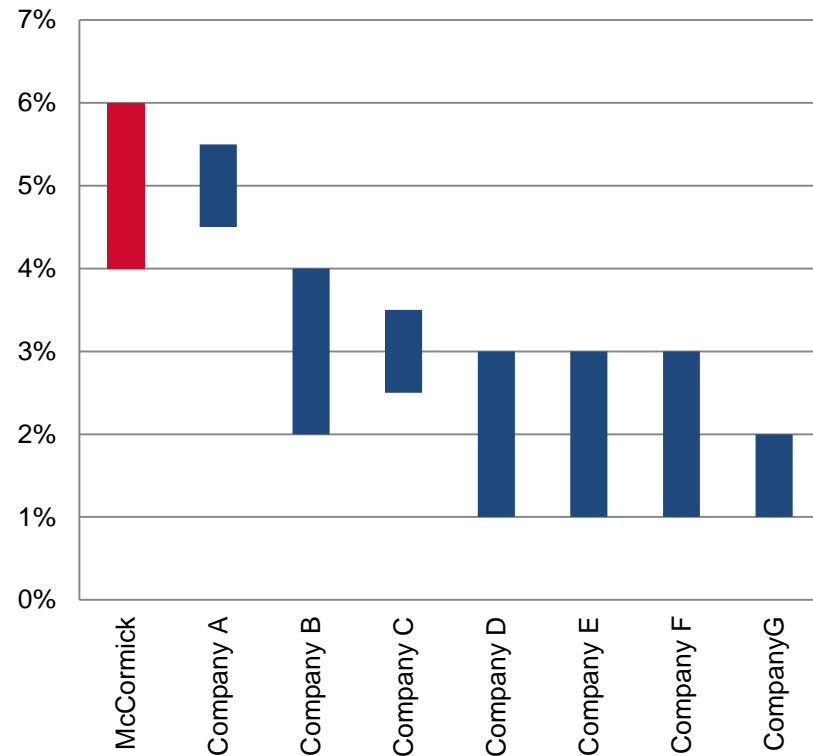


The *joy* of
FLAVOR

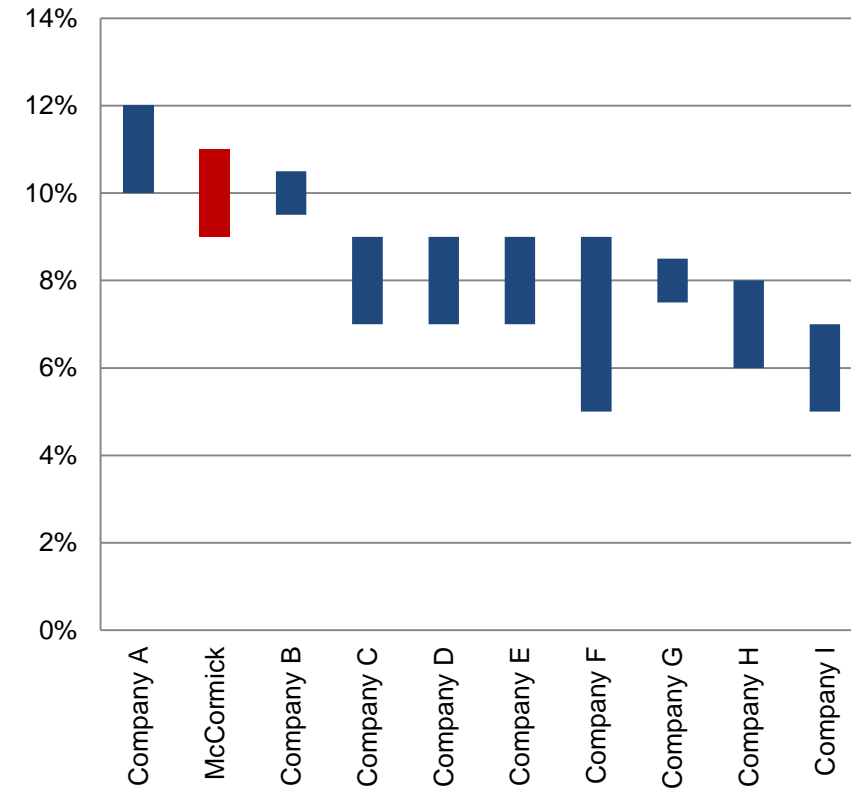
WE'RE A DIFFERENT KIND OF CPG COMPANY

DIFFERENTIATED BY TOP-TIER GROWTH OBJECTIVES

LONG-TERM SALES GROWTH TARGET



LONG-TERM ADJUSTED EPS GROWTH TARGET

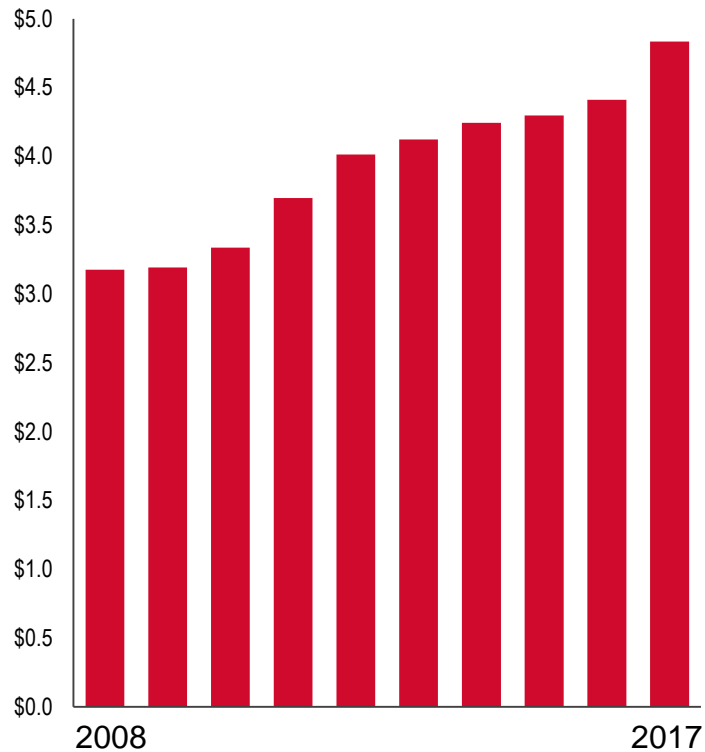


WE'RE DELIVERING ON OUR OBJECTIVES

ACHIEVING TOP-TIER BUSINESS PERFORMANCE

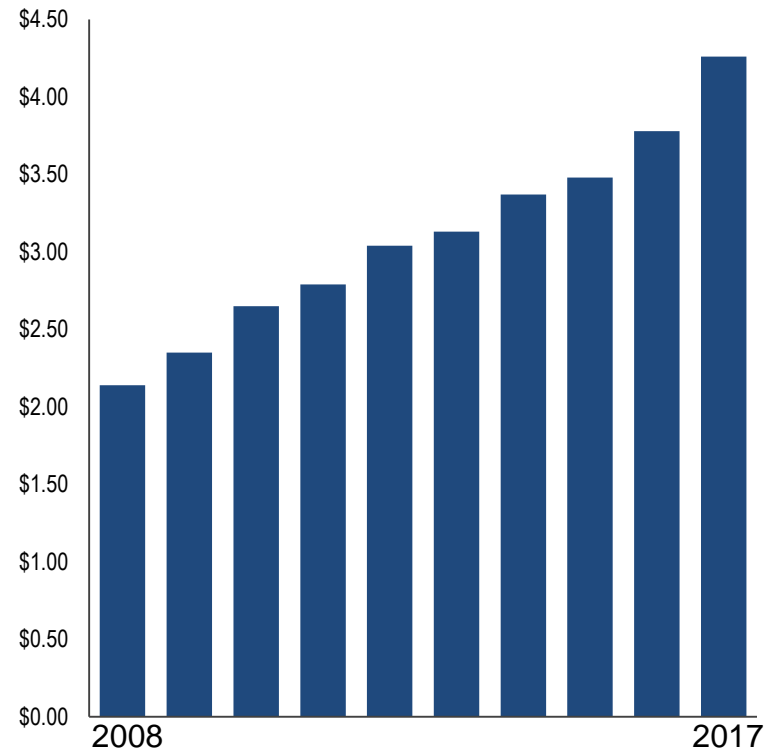
Net sales

in billions



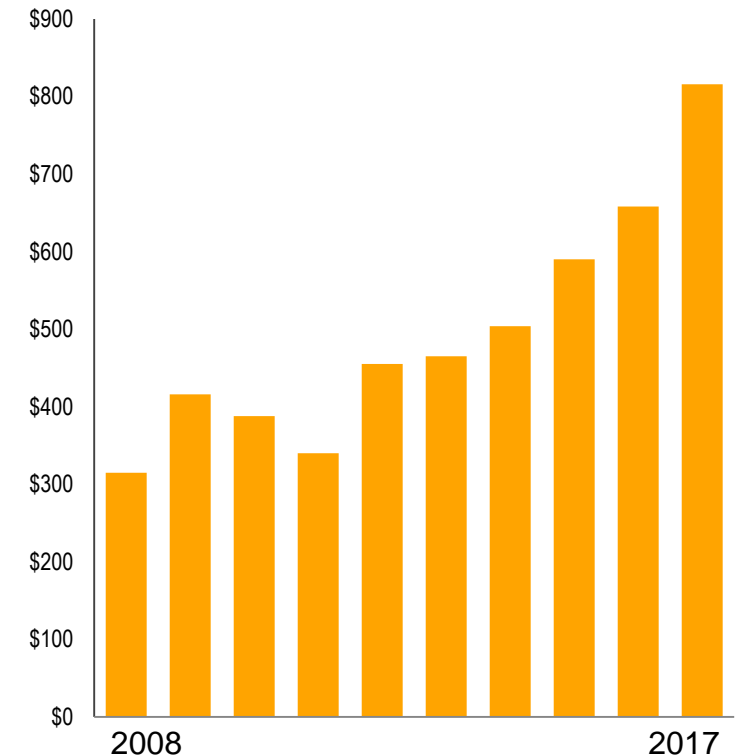
Adjusted EPS

per share



Cash flow from operations

in millions



WE'RE DELIVERING ON OUR OBJECTIVES

DELIVERING AGAINST LONG-TERM GROWTH OBJECTIVES

3-YEAR CAGR PERFORMANCE*

Sales growth	7%
Adjusted operating income	11%
Adjusted earnings per share	11%
Total shareholder return	13%

LONG-TERM FINANCIAL OBJECTIVES*

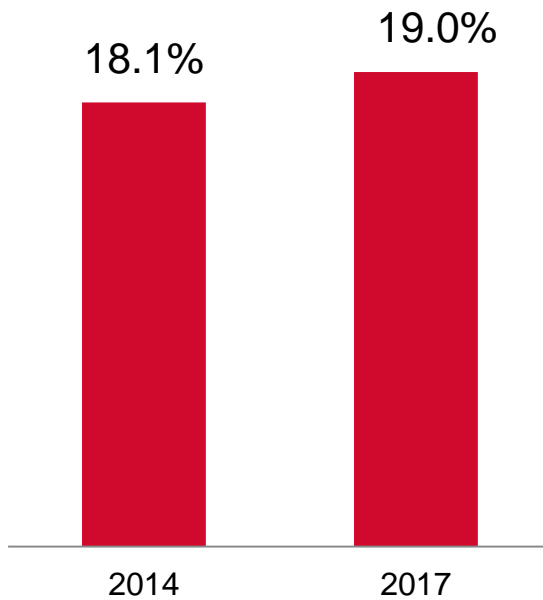
Sales growth	4-6%
Adjusted operating income	7-9%
Adjusted earnings per share	9-11%
Total shareholder return	11-13%

WE'RE DELIVERING ON OUR OBJECTIVES

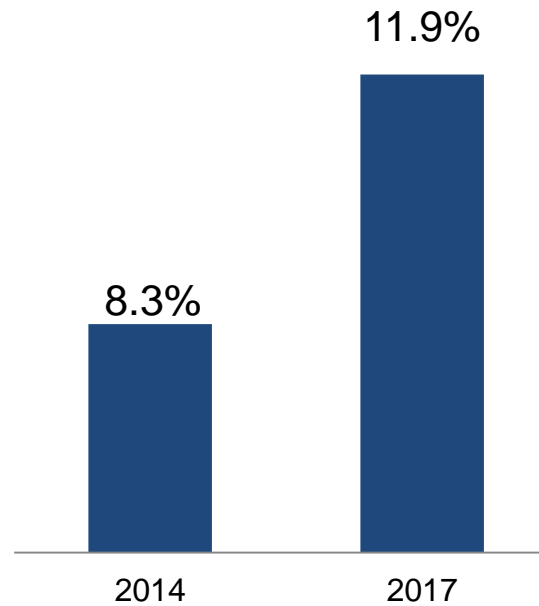
EXPANDING ADJUSTED OPERATING MARGINS*



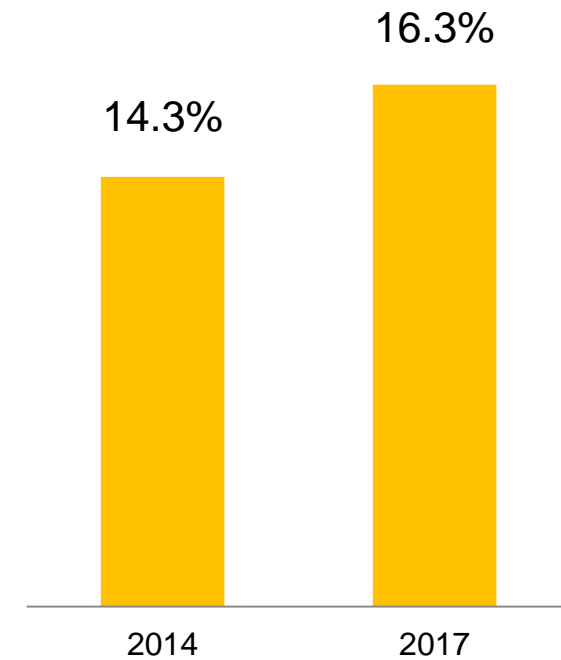
Consumer



Flavor Solutions



Total McCormick



Increased focus on profit realization

*Adjusted operating margin as reported

WE'RE DELIVERING ON OUR OBJECTIVES

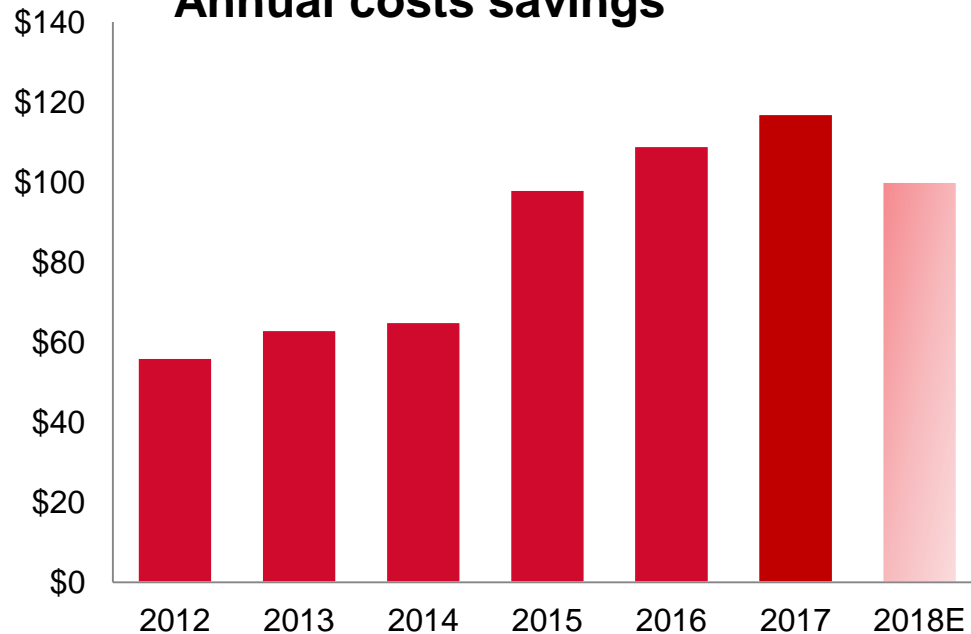
GENERATING FUEL FOR GROWTH



On track to reach \$400 million 4 year goal by 2019

\$226M in cost savings achieved in 2016 – 2017

Annual costs savings



WE'RE DELIVERING ON OUR OBJECTIVES

DELIVERING AGAINST ACQUISITION INTEGRATION AND SYNERGY TARGETS



INTEGRATION

Tracking favorably against original assumptions

- Amortization and interest expense lower
- Transaction and integration costs favorable
- Debt prepayment of \$250 million in FY17
- Lower tax rate

SAP implementation & business process integration **complete**

Transition services agreement nearly **complete**

SYNERGY

On track for **\$50 million** target

2018 synergies **pacing ahead** of expectations

Closure of RB Foods' headquarters

Implementing **supply chain** and **logistics** network synergies

Identifying **reverse synergy** opportunities

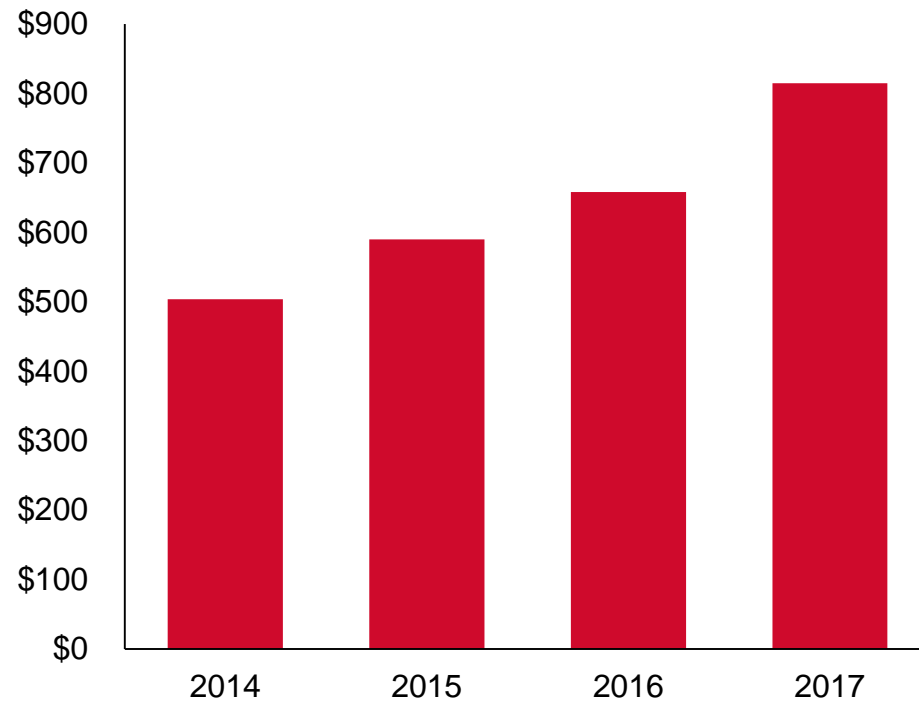


WE'RE DELIVERING ON OUR OBJECTIVES

DRIVING RECORD CASH FLOWS WITH WORKING CAPITAL EFFICIENCIES

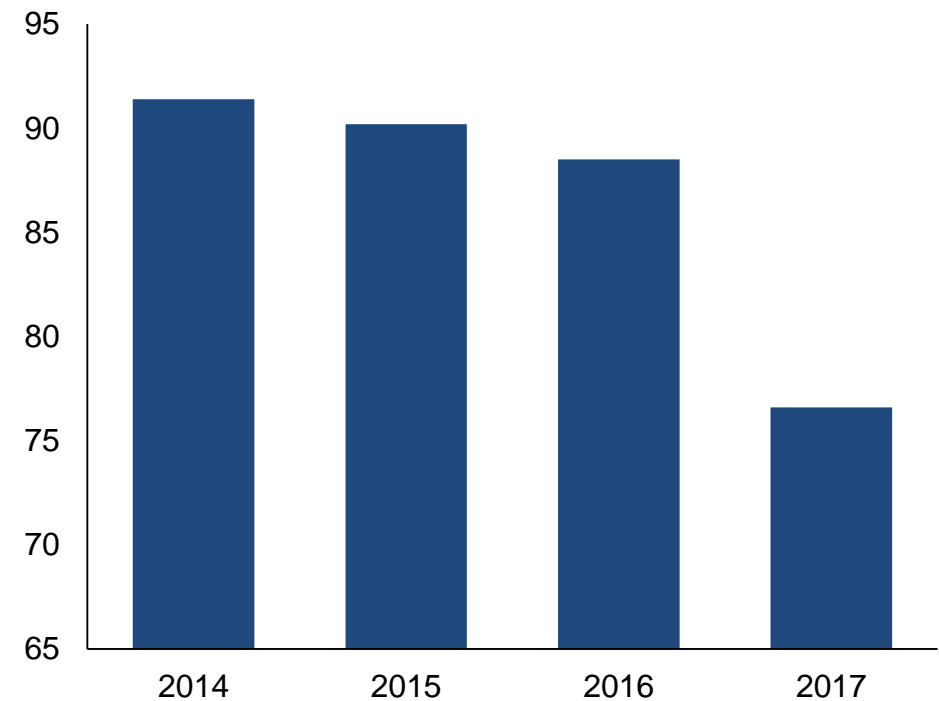
6TH CONSECUTIVE YEAR OF
RECORD CASH FLOWS

Cash Flow from Operations



EXECUTED PROGRAMS TO ACHIEVE
WORKING CAPITAL REDUCTIONS

Cash Conversion Cycle

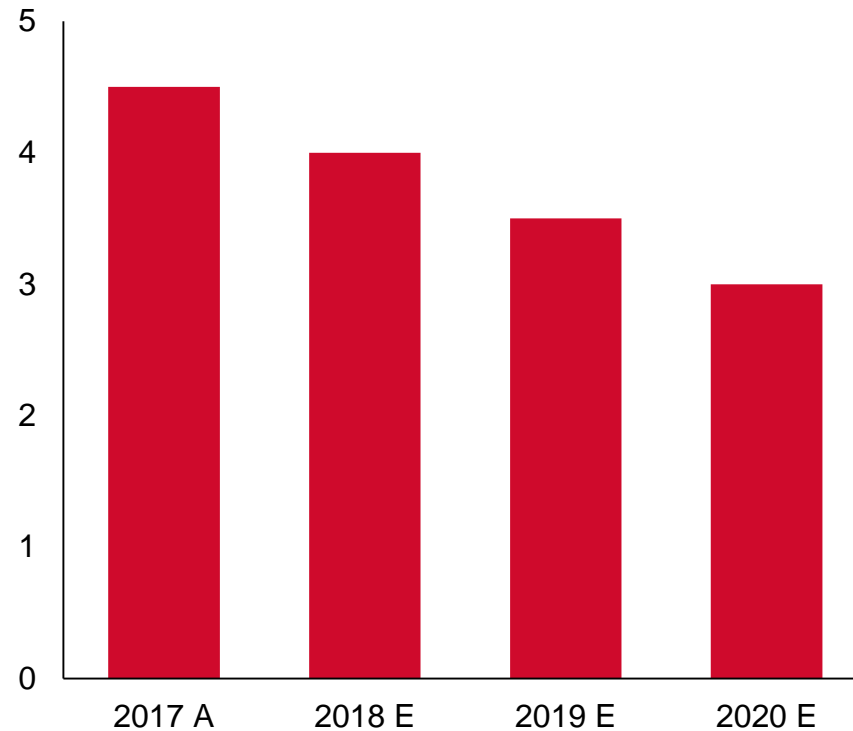


WE'RE DELIVERING ON OUR OBJECTIVES

FOCUSING ON DEBT REPAYMENT AND DIVIDEND INCREASES

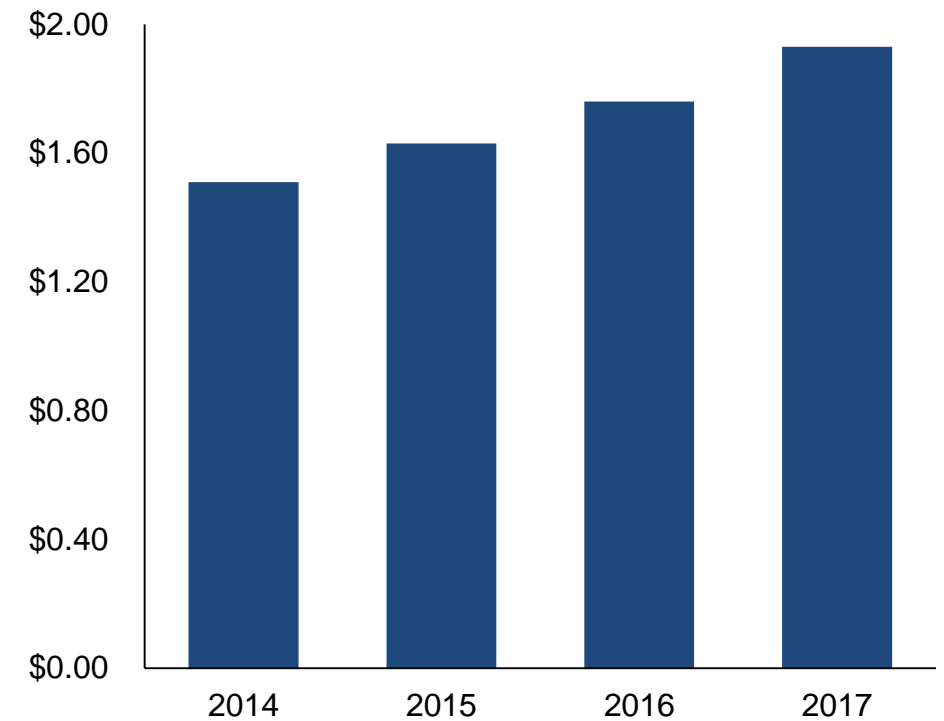
**\$250 MILLION PREPAYMENT ON
THREE-YEAR TERM LOAN**

Net Debt to Adjusted EBITDA



**DIVIDEND ARISTOCRAT WITH 32 YEARS
OF INCREASES**

Dividends Declared



WE'RE BUILDING THE McCORMICK OF THE FUTURE

PROJECTING ANOTHER YEAR OF TOP TIER PERFORMANCE

2018 OUTLOOK

Sales growth	12% to 14%*
Adjusted operating income	23% to 25%*
Adjusted EPS growth	13% to 15%*

WE'RE BUILDING THE McCORMICK OF THE FUTURE

PURPOSE-LED PERFORMANCE: DRIVEN TO DO WHAT'S RIGHT



COMMUNITIES

Goals to **increase** the **resilience** and **improve** the **livelihoods** of **small farmers** and **drive** broader **community involvement**

PLANET

Goals to **reduce** our **environmental impact** and to **increase sustainability of ingredients** we source

PEOPLE

Goals to **champion equality, educate** and **develop** our employees, and drive **better health outcomes** for people everywhere

WE'RE BUILDING THE McCORMICK OF THE FUTURE

MAKING A POSITIVE IMPACT ON OUR PLANET

REDUCING OUR ENVIRONMENTAL IMPACT

20% reductions by 2025

- Carbon Footprint
- Water Use



80% reduction in solid waste by 2025

Our Solar Powered Facilities



SOURCING SUSTAINABLY



Sustainably sourcing
100% by 2025

Sustainably sourcing our
iconic branded herbs and
spices

Our Sustainability Certification



WE'RE BUILDING THE McCORMICK OF THE FUTURE

INCREASING THE SUSTAINABILITY OF COMMUNITIES WHERE WE SOURCE

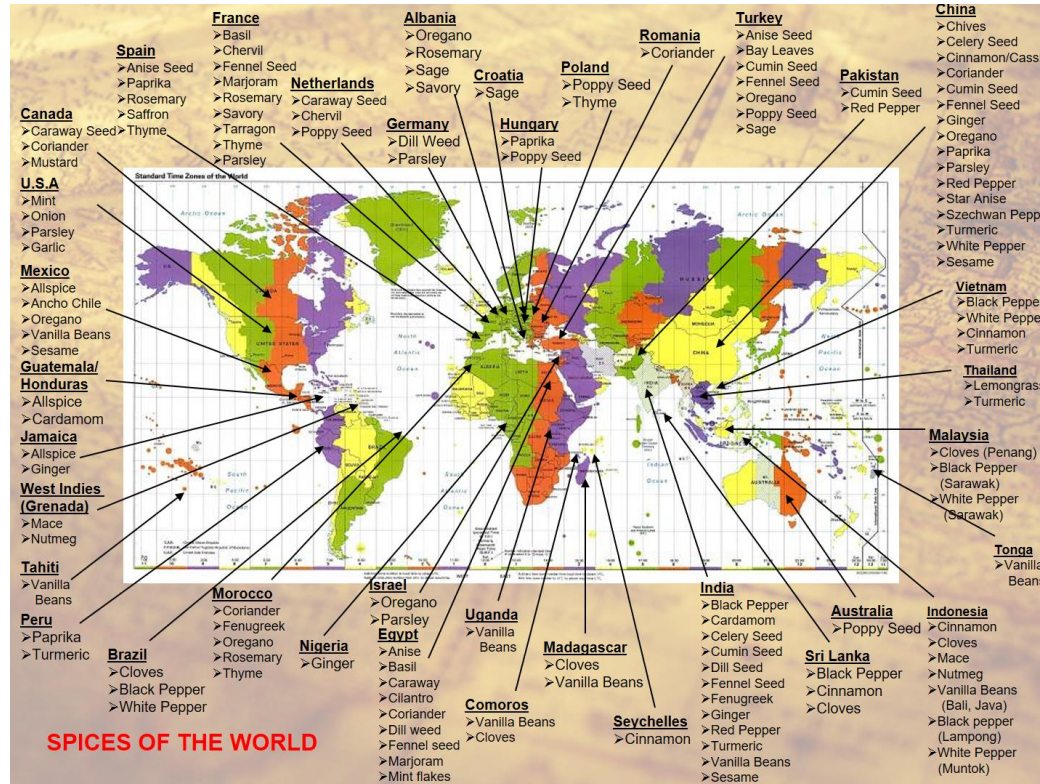
SOURCING FROM 80 COUNTRIES AND THOUSANDS OF GROWERS

UNRIVALED RAW MATERIAL
SOURCING REACH & QUALITY EXPERTISE

INCREASED RESILIENCE OF OUR
SOURCING COMMUNITIES

14,000 raw
material
ingredients

2,800
suppliers



Targeting **35,000** small farmers of our iconic herbs & spices with programs to increase their skills and education, income and health



WE'RE BUILDING THE McCORMICK OF THE FUTURE

BUILDING OUR TECHNICALLY ADVANTAGED SUPPLY CHAIN

APPLYING SCIENCE TO OUR SUPPLY CHAIN TO FURTHER OUR COMPETITIVE ADVANTAGE

Functional Collaboration

- Agronomy (*Sourcing*)
- Food safety (*Quality Assurance*)
- Food science (*R&D*)
- Engineering (*Supply Chain*)
- Digital technology (*IT*)



Delivering innovation

- Achieving sustainability milestones
- Delivering spice and herb quality superiority
- Increasing organic capabilities
- Applying advanced digital technologies



WE'RE BUILDING THE McCORMICK OF THE FUTURE

DEVELOPING OUR EMPLOYEES' SKILLS AND
STRENGTHENING OUR ORGANIZATION

REINVENTING OUR BUSINESS PROCESSES



JOURNEY TO EXCELLENCE

High performance culture + skills
and tools to eliminate losses

ALIGN SIMPLIFY GROW

Build a scalable platform
for future growth



WE'RE BUILDING THE McCORMICK OF THE FUTURE

WINNING WITH THE RIGHT PEOPLE AND RIGHT CULTURE

WINNING WAYS OF WORKING

- ✓ Faster decisions
- ✓ More personal accountability
- ✓ Actionable insights



DiversityInc
2017 TOP
50
COMPANIES FOR
DIVERSITY®

McCORMICK & COMPANY
OUR FOCUS IS GROWTH

1. We're a different kind of CPG company
2. We're delivering against our objectives
3. We're building the McCormick of the future



NON-GAAP FINANCIAL MEASURES

The following tables include financial measures of adjusted operating income, adjusted operating income margin, and adjusted diluted earnings per share, each excluding the impact of special charges for each of the periods presented. These financial measures also exclude the impact of items associated with our acquisition of RB Foods on August 17, 2017 (in particular, the amortization of the acquisition-date fair value adjustment of inventories that is included in cost of goods sold, transaction and integration expenses, and other debt costs) as these items significantly impact comparability between years. These financial measures also exclude, for 2018, and the comparison of our expected results for 2018 to 2017, the net estimated impact of the effects of the repatriation tax and re-measurement of our U.S. deferred tax assets and liabilities as a result of the recent U.S. tax legislation as these items will significantly impact comparability between years. Adjusted operating income, adjusted operating income margin, and adjusted diluted earnings per share, or percentage increases associated with any of these measures, represent non-GAAP financial measures which are prepared as a complement to our financial results prepared in accordance with United States generally accepted accounting principles.

In our consolidated income statement, we include the amortization of the acquisition-date inventory fair value adjustment within cost of goods sold as acquired inventory is sold. In our consolidated income statement, we include separate line items captioned “Special charges” and “Transaction and integration expenses” in arriving at our consolidated operating income. In our consolidated income statement, we include a separate line item captioned “Other debt costs” in arriving at our consolidated net income. Special charges consist of expenses associated with certain actions undertaken by the company to reduce fixed costs, simplify or improve processes, and improve our competitiveness and are of such significance in terms of both up-front costs and organizational/structural impact to require advance approval by our Management Committee. Upon presentation of any such proposed action (including details with respect to estimated costs, which generally consist principally of employee severance and related benefits, together with ancillary costs associated with the action that may include a non-cash component or a component which relates to inventory adjustments that are included in cost of goods sold; impacted employees or operations; expected timing; and expected benefits) to the Management Committee and the Committee’s advance approval, expenses associated with the approved action are classified as special charges upon recognition and monitored on an on-going basis through completion.

Transaction and integration expenses consists of expenses associated with the acquisition or integration of the RB Foods business. These costs primarily consist of amortization of the acquisition-date fair value adjustment of inventories that is included in cost of goods sold; outside advisory, service and consulting costs; employee-related costs; and other costs related to the acquisition, including the costs related to the Bridge financing commitment that is included in other debt costs. We anticipate incurring additional integration costs in 2018.

We believe that these non-GAAP financial measures are important. The exclusion of special charges, the impact of the acquisition date-inventory fair value adjustment on cost of goods sold, transaction and integration expenses, and other debt costs provide additional information that enables enhanced comparisons to prior periods and, accordingly, facilitates the development of future projections and earnings growth prospects. This information is also used by management to measure the profitability of our ongoing operations and analyze our business performance and trends.

These non-GAAP financial measures may be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for, or superior to, GAAP results. In addition, these non-GAAP financial measures may not be comparable to similarly titled measures of other companies because other companies may not calculate them in the same manner that we do. We intend to continue to provide these non-GAAP financial measures as part of our future earnings discussions and, therefore, the inclusion of these non-GAAP financial measures will provide consistency in our financial reporting. A reconciliation of these non-GAAP financial measures to the related GAAP financial measures is provided in the information that follows.

NON-GAAP FINANCIAL MEASURES

The following provides a reconciliation of our operating income to adjusted operating income and our adjusted operating income margin.

	Year Ended November 30,	
	<u>2014</u>	<u>2017</u>
Operating income	\$603.0	\$702.4
Impact of transaction and integration expenses included in cost of goods sold	—	20.9
Impact of other transaction and integration expenses	—	40.8
Impact of special charges	<u>5.2</u>	<u>22.2</u>
Percentage increase in adjusted earnings per share — diluted	<u>\$608.2</u>	<u>\$786.3</u>
Adjusted operating margin (1)	<u>14.3%</u>	<u>16.3%</u>

(1) Adjusted operating income margin is calculated as adjusted operating income as a percentage of net sales for each period presented.

NON-GAAP FINANCIAL MEASURES

The following provides a reconciliation of our estimated increase in adjusted earnings per share for 2018, and the related percentage increase, and actual results for 2017.

	2018 <u>Projection</u>	<u>2017</u>
Earnings per share – diluted	\$6.89 to \$7.14	\$3.72
Impact of special charges, transaction and integration expenses and other debt costs	0.24	0.54
Estimated non-recurring benefit, net, or recent U.S. tax legislation	<u>(2.33) to (2.48)</u>	<u>—</u>
Adjusted earnings per share – diluted	<u>\$4.80 to \$4.90</u>	<u>\$4.26</u>
Percentage increase in adjusted earnings per share – diluted	<u>13% to 15%</u>	

NON-GAAP FINANCIAL MEASURES

Because we are a multi-national company, we are subject to variability of our reported U.S. dollar results due to changes in foreign currency exchange rates. Those changes have been volatile over the past several years. The exclusion of the effects of foreign currency exchange, or what we refer to as amounts expressed “on a constant currency basis”, is a non-GAAP measure. To present the compounded annual growth rates (“CAGR”) percentages in sales, adjusted operating income and adjusted earnings per share on a constant currency basis, sales and adjusted operating income and adjusted net income for entities reporting in currencies other than the U.S. dollar are translated into U.S. dollars at the company's budgeted exchange rate for 2018 for all periods. This calculation is performed to arrive at adjusted earnings per share on a constant currency basis by dividing adjusted net income divided by historical shares outstanding for the applicable fiscal year.

A reconciliation of McCormick’s actual CAGR and constant currency CAGR follows:

3-Year CAGR – Net sales	4%
Impact of foreign currency exchange rates	<u>3%</u>
3-Year CAGR – Net sales on a constant currency basis	<u>7%</u>
3-Year CAGR – Adjusted operating income	9%
Impact of foreign currency exchange rates	<u>2%</u>
3-Year CAGR – Adjusted operating income on a constant currency basis	<u>11%</u>
3-Year CAGR – Adjusted earnings per share	8%
Impact of foreign currency exchange rates	<u>3%</u>
3-Year CAGR – Adjusted earnings per share on a constant currency basis	<u>11%</u>

NON-GAAP FINANCIAL MEASURES

A reconciliation of our Consumer and Flavor Solutions actual CAGR and constant currency CAGR for sales and adjusted operating income follows:

	<u>Consumer</u>	<u>Flavor Solutions</u>
3-Year CAGR – Net sales	4%	5%
Impact of foreign currency exchange rates	<u>3%</u>	<u>3%</u>
3-Year CAGR – Net sales on a constant currency basis	<u>7%</u>	<u>8%</u>
3-Year CAGR – Adjusted operating income	6%	18%
Impact of foreign currency exchange rates	<u>1%</u>	<u>5%</u>
3-Year CAGR – Adjusted operating income on a constant currency basis	<u>7%</u>	<u>23%</u>

NON-GAAP FINANCIAL MEASURES

In addition to the above non-GAAP financial measures, we use a leverage ratio which is determined using non-GAAP measures. A leverage ratio is a widely-used measure of ability to repay outstanding debt obligations and is a meaningful metric to investors in evaluating financial leverage. We believe that our leverage ratio is a meaningful metric to investors in evaluating our financial leverage and may be different than the method used by other companies to calculate such a leverage ratio. We determine our leverage ratio as net debt (which we define as total debt, net of cash in excess of \$75.0 million) to adjusted earnings before interest, tax, depreciation and amortization (Adjusted EBITDA). We define Adjusted EBITDA as net income plus expenses for interest, income taxes, depreciation and amortization, less interest income and as further adjusted for cash and non-cash acquisition-related transaction and integration expenses (which may include the effect of the fair value adjustment of acquired inventory on cost of goods sold), special charges and stock-based compensation expenses. Adjusted EBITDA and our leverage ratio are both non-GAAP financial measures. Our determination of the leverage ratio is consistent with the terms of our \$1.0 billion revolving credit facility and our term loans which require us to maintain our leverage ratio below certain levels.

The following table reconciles our net income to Adjusted EBITDA for the year ended November 30, 2017:

Net income	\$	477.4
Depreciation and amortization		125.2
Interest expense		95.7
Income tax expense		151.3
EBITDA		849.6
Adjustments to EBITDA ^{(1), (2)}		117.4
Adjusted EBITDA	\$	967.0
Net debt ⁽³⁾	\$	4,915.3
Leverage ratio (Net debt/Adjusted EBITDA) ⁽²⁾		5.1

- (1) Adjustments to EBITDA are determined under the leverage ratio covenant in our \$1.0 billion revolving credit facility and term loan agreements and includes special charges, stock-based compensation expense and, for the trailing twelve-month period ended November 30, 2017, transaction and integration expenses (related to RB Foods acquisition), including other debt costs.
- (2) The leverage ratio covenant in our \$1.0 billion revolving credit facility and the term loan agreements provide that Adjusted EBITDA also includes the pro forma impact of acquisitions. As of November 30, 2017, our leverage ratio under the terms of those agreements is 4.5.
- (3) The leverage ratio covenant in our \$1.0 billion revolving credit facility and the term loan agreements define net debt as the sum of short-term borrowings, current portion of long-term debt, and long-term debt, less the amount of cash and cash equivalents that exceeds \$75.0 million.