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 Quarter Ended February 28, 1998 Commission File Number 0-748

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

MARYLAND	52-0408290
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

18 Loveton Circle, Sparks, Maryland	21152-6000
(Address of principal executive offices)	(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 X 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 March 31, 1998
Common Stock	9,832,090
Common Stock Non-Voting	63,634,834

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McCORMICK & COMPANY, INCORPORATED

INDEX - FORM 10-Q

February 28, 1998

Page No.

Part I. FINANCIAL INFORMATION

Item 1. Financial Statements:

Condensed Consolidated Income Statement 2

Condensed Consolidated Balance Sheet	3
Condensed Consolidated Statement of Cash Flows	4
Notes to Condensed Consolidated Financial Statements	5
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	7
Part II. OTHER INFORMATION	
Item 6. Exhibits and Reports on Form 8-K	11
SIGNATURES	12
Exhibit Index	13

McCORMICK & COMPANY, INCORPORATED
CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
(In Thousands Except Per Share Amounts)

	Three Months Ended	
	February 28, 1998	February 28, 1997
Net sales	$415,202	$407,402
Cost of goods sold	282,030	270,685
Gross profit	133,172	136,717
Selling, general and administrative expense	103,075	108,005
Restructuring charges	68	259
Operating income	30,029	28,453
Interest expense	8,389	8,501
Other (income) expense - net	(1,515)	(1,528)
Income before income taxes	23,155	21,480
Provision for income taxes	8,336	7,948
Net income from consolidated operations	14,819	13,532
Income from unconsolidated operations	1,390	1,683
Net income	$ 16,209	$ 15,215
Earnings per common share - basic and diluted	$.22	$.20
Cash dividends declared per common share	$.16	$.15

See notes to condensed consolidated financial statements.

McCORMICK & COMPANY, INCORPORATED
CONDENSED CONSOLIDATED BALANCE SHEET
(In Thousands)

	Feb. 28, 1998 (Unaudited)	Feb. 28, 1997 (Unaudited)	Nov. 30, 1997
ASSETS			
Current Assets			
Cash and cash equivalents	$ 8,360	$ 23,475	$ 13,500
Accounts receivable - net	171,214	196,081	217,198
Inventories			
Raw materials and supplies	126,980	115,256	124,998
Finished products and work-in process	141,153	134,429	127,086
	268,133	249,685	252,084
Other current assets	24,926	47,089	23,736
Total current assets	472,633	516,330	506,518
Property - net	380,240	394,820	380,015
Goodwill - net	154,658	162,020	157,962
Prepaid allowances	150,243	149,500	130,943
Other assets	79,749	77,456	80,794
Total assets	$1,237,523	$1,300,126	$1,256,232
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Short-term borrowings	$178,209	$177,830	$112,313
Current portion of long-term debt	15,782	10,396	8,989
Trade accounts payable	128,998	122,745	150,330
Other accrued liabilities	181,510	216,804	226,617
Total current liabilities	504,499	527,775	498,249
Long-term debt	266,526	286,338	276,489
Deferred income taxes	1,753	4,890	2,038
Other long-term liabilities	86,916	81,024	86,346
Total liabilities	859,694	900,027	863,122
Shareholders' Equity			
Common stock	47,404	46,077	44,408
Common stock non-voting	118,006	111,590	115,042
Retained earnings	247,274	272,762	264,309
Foreign currency translation adj.	(34,855)	(30,330)	(30,649)
Total shareholders' equity	377,829	400,099	393,110
Total liabilities and shareholders' equity	$1,237,523	$1,300,126	$1,256,232

See notes to condensed consolidated financial statements.

McCORMICK & COMPANY, INCORPORATED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
(In Thousands)

	Three Months Ended Feb. 28, 1998	Three Months Ended Feb. 29, 1997
Cash flows from operating activities		
Net income	$ 16,209	$ 15,215
Adjustments to reconcile net income to net cash used in operating activities		
Non cash charges and credits		
Depreciation and amortization	13,029	12,769
Income from unconsolidated operations	(1,390)	(1,683)
Other	(102)	43
Changes in selected working capital items		
Accounts receivable	44,499	18,092
Inventories	(18,375)	(7,427)
Prepaid allowances	(19,299)	(351)
Accounts payable, trade	(20,179)	(28,232)
Other assets and liabilities	(43,603)	(11,568)
Net cash used in operating activities	(29,211)	(3,142)
Cash flows from investing activities		
Capital expenditures	(13,600)	(12,174)
Acquisitions of businesses	-	(3,315)
Proceeds from sale of assets	478	809
Other investments	(9)	(308)
Net cash used in investing activities	(13,131)	(14,988)
Cash flows from financing activities		
Short-term borrowings, net	66,120	81,189
Long-term debt borrowings	48	-
Long-term debt repayments	(1,963)	(1,773)
Common stock issued	7,566	349
Common stock acquired by purchase	(23,037)	(48,382)
Dividends paid	(11,813)	(11,632)
Net cash provided by financing activities	36,921	19,751
Effect of exchange rate changes on cash and cash equivalents	281	(564)
(Decrease) increase in cash and cash equivalents	(5,140)	1,057
Cash and cash equivalents at beginning of period	13,500	22,418
Cash and cash equivalents at end of period	$ 8,360	$ 23,475

See notes to condensed consolidated financial statements.

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 generally accepted accounting principles for complete financial statements. In the opinion of management, the accompanying condensed consolidated financial statements contain all adjustments necessary to present fairly the financial position and the results of operations for the interim periods.

The results of consolidated operations for the three month period ended February 28, 1998 are not necessarily indicative of the results to be expected for the full year. Historically, the Company's consolidated sales and profits are lower in the first half of the fiscal year, and increase in the second half.

For further information, refer to the consolidated financial statements and notes included in the Company's Annual Report on Form 10-K for the year ended November 30, 1997.

Business Restructuring

In the third quarter of 1996, the Company began implementation of a restructuring plan and recorded a restructuring charge of $58,095 in 1996. This charge reduced net income by $39,582 or $.49 per share. In addition there are additional charges directly related to the restructuring plan which could not be accrued in 1996. In the fourth quarter of 1994, the Company recorded a charge of $70,445 for restructuring its business operations. Except for the realignment of some of our overseas operations, this restructuring plan is complete.

In the third quarter of 1997, the Company reevaluated its restructuring plans. Most of the actions under these plans are completed or near completion and have resulted in losses being less than originally anticipated. In addition, an agreement in principal to dispose of an overseas food brokerage and distribution business with 6% of consolidated net sales was not consummated, resulting in a restructuring credit of $9,493. Concurrent with the reevaluation of restructuring plans, the Company initiated plans to streamline the food brokerage and distribution business and close a domestic packaging plant resulting in a restructuring charge of $5,734. Charges related to these initiatives include severance and personnel costs of $2,516 and a $3,218 writedown of assets to net realizable value.

The restructuring liability remaining at February 28, 1998 was $4,398 for severance and personnel and $841 for other exit costs. The Company expects to have all restructuring programs completed in 1998.

Accounting and Disclosure Changes

In February 1998, the FASB issued Statement of Financial Accounting Standards (SFAS) No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits." SFAS No. 132, which is effective for fiscal years beginning after December 15, 1997, does not change the recognition or measurement of pension or postretirement benefit plans, but revises and standardizes disclosure requirements. Any effect, while not yet determined by the Company, will be limited to the presentation of its disclosures.

In March 1998, the AICPA issued Statement of Position (SOP) 98-1 "Accounting For the Costs of Computer Software Developed For or Obtained For Internal-Use." The SOP, which is effective for years beginning after December 15, 1998, will require the capitalization of certain costs incurred in connection with developing or obtaining software for internal-use. The Company is currently assessing the impact of the SOP.

In the first quarter of 1998, the Company adopted SFAS No. 128, "Earnings per Share." SFAS No. 128 revised the standards for computation and presentation of earnings per share (EPS), requiring the presentation of basic and diluted EPS on the income statement. Basic EPS is based on the weighted average shares outstanding during the applicable period. Diluted EPS reflects the potential dilution which could occur if all dilutive securities (such as outstanding stock options) were converted to common shares. The EPS amounts for all periods have been presented in compliance with SFAS No. 128. No changes to previously presented EPS were necessary.

The following table sets forth the computation of basic and diluted earnings per common share in accordance with the provisions of SFAS No. 128.

	Three Months Ended	
	2/28/98	2/28/97
Numerator:		
Net income from continuing operations for basic and diluted earnings per common share	$16,209	$15,215
Denominator:		
Denominator for basic earnings per common share - weighted average shares	73,753	77,239
Effect of dilutive securities:		
Stock options	493	141
Employee stock purchase plan	37	20
Denominator for diluted earnings per common share - adjusted weighted average shares	74,283	77,400
Earnings per common share - basic and diluted	$0.22	$0.20

Financial Instruments

During the first quarter of 1998, the Company entered into a foreign currency hedge contract. The Company sold Mexican pesos forward to cover its net investment in its Mexican subsidiary and affiliate. This contract, which expires in December 1998, has a nominal amount of $9,738 at February 28, 1998.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(Amounts In Thousands Except As Otherwise Noted)

Overview

For the quarter ended February 28, 1998, the Company reported net income of $16.2 million versus $15.2 million for the comparable period last year. Basic and diluted earnings per share were $.22 for the first quarter of 1998, compared to $.20 last year.

The increase in first quarter earnings as compared to last year is due to the growth and character of the Company's sales. Net income was favorably impacted by lower volume-based promotion and sales costs in the U.S. consumer business and a larger mix of industrial business, partially offset by higher pepper costs.

While U.S. consumer sales were disappointing in the first quarter of 1998 compared to the previous year, the Company recently gained important new distribution in the consumer and foodservice businesses. Because of normal contract transition timing, it is not expected that any material benefits of this new distribution will be realized in 1998.

Results of Operations

Net sales for the quarter ended February 28, 1998 increased 1.9% over the corresponding quarter of 1997. The effects of unfavorable foreign currency exchange rates decreased sales by slightly over 1%, primarily in our Australian and Canadian operations. Net sales of all operating groups except the U.S. consumer and packaging businesses were improved to last year with strong performances in the U.S. industrial and food service businesses. Net sales decreases in our U.S. consumer business are primarily volume-related and were negatively impacted by increased competitive activity and product relaunch implementation issues in the dry seasoning mix business. General market softness, principally for plastic tubes, contributed to volume declines in the packaging business. U.S. industrial and foodservice businesses were favorably impacted by both volume and the combination of price and mix changes.

Operating income as a percentage of net sales increased to 7.2% from 7.0% in the first quarter of last year.

Gross profit as a percentage of net sales at 32.1% decreased as compared to the first quarter of last year at 33.6%. The gross profit percentage of most major operating groups decreased versus last year. Factors contributing to this decline include a higher mix of lower margin industrial business and the negative impact of higher pepper costs. While the future movement of commodity costs are uncertain, a variety of programs, including periodic commodity purchases and customer price adjustments, are being used by the Company to address these fluctuations.

Selling, general and administrative expenses decreased in the first quarter as compared to last year in both dollar terms and as a percentage of net sales. Lower U.S. consumer sales and a higher mix of industrial business, which generally requires less support costs, reduced selling and promotional spending in the quarter.

Interest expense for the quarter decreased by $.1 million as compared to last year primarily due to lower debt levels. Short-term borrowing rates in the first quarter of 1998 were slightly higher than the first quarter of 1997.

Other income in 1998 and 1997 includes $1.8 and $2.0 million, respectively, of income from the three year non-compete agreement with Calpine Corporation, entered into as a part of the sale of Gilroy Energy Company, Inc.

The Company's effective tax rate for the first quarter of 1998 was 36% as compared to 37% in the first quarter of last year. The decrease in the tax rate is primarily due to more effective tax planning associated with our foreign operations.

Income from unconsolidated operations decreased to $1.4 million in the first quarter of 1998 from $1.7 million in the comparable quarter of last year. The decrease is primarily due to our Mexican joint venture, which realized translation losses from the devaluation of the Mexican Peso, recognized in accordance with hyper-inflationary accounting rules.

Business Restructuring

In the third quarter of 1996, the Company began implementation of a restructuring plan and recorded a restructuring charge of $58,095 in 1996. This charge reduced net income by $39,582 or $.49 per share. In addition there are additional charges directly related to the restructuring plan which could not be accrued in 1996. In the fourth quarter of 1994, the Company recorded a charge of $70,445 for restructuring its business operations. Except for the realignment of some of our overseas operations, this restructuring plan is complete.

In the third quarter of 1997, the Company reevaluated its restructuring plans. Most of the actions under these plans are completed or near completion and have resulted in losses being less than originally anticipated. In addition, an agreement in principal to dispose of an overseas food brokerage and distribution business with 6% of consolidated net sales was not consummated,

resulting in a restructuring credit of $9,493. Concurrent with the reevaluation of restructuring plans, the Company initiated plans to streamline the food brokerage and distribution business and close a domestic packaging plant resulting in a restructuring charge of $5,734. Charges related to these initiatives include severance and personnel costs of $2,516 and a $3,218 writedown of assets to net realizable value.

The restructuring liability remaining at February 28, 1998 was $4,398 for severance and personnel and $841 for other exit costs. The Company expects to have all restructuring programs completed in 1998.

Financial Condition

In the Condensed Consolidated Statement of Cash Flows, cash flows from operating activities decreased from a cash outflow of $3.1 million at February 28, 1997 to a cash outflow of $29.2 million at February 28, 1998.

This decrease is primarily due to changes in working capital components. Prepaid allowances increased as the Company completed a period of numerous customer renewals in the first quarter of 1998. Reduced net sales in the U.S. consumer business contributed to a reduction in receivables and an increase in inventories versus the comparable quarter of 1997. Income tax payments increased in the first quarter of 1998 versus the comparable period in 1997.

Investing activities used cash of $13.1 million in the first quarter of 1998 versus $15.0 million in the comparable quarter of 1997. Although capital expenditures are slightly higher than last year, the Company continues to focus its efforts on implementing only higher return projects. Full year capital expenditures in 1998 are expected to be in line with depreciation.

Cash flows from financing activities include the purchase of 0.8 million shares of common stock under the Company's previously announced 10 million share buyback program. To date 7.8 million shares have been repurchased under this program.

The Company's ratio of debt to total capital was 54.9% as of February 28, 1998, up from 54.3% at February 28, 1997 and up from 50.3% at November 30, 1997. The increase was due primarily to the effect of the stock buyback program.

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

Forward-Looking Information

Certain statements contained in this report, including expected trends in net sales performance, commodity price fluctuations, cost recovery program results, restructuring program completion timing

and capital expenditure levels, are "forward-looking statements" within the meaning of Section 21E of the Securities and Exchange Act of 1934. Because forward-looking statements are based on management's current views and assumptions, and involve risks and uncertainties that could significantly affect expected results, operating results could be materially affected by external factors such as: actions of competitors, customer relationships, fluctuations in the cost and availability of supply chain resources and foreign economic conditions, including currency rate fluctuations and inflation rates.

PART II - OTHER INFORMATION

ITEM 6 Exhibits and Reports on Form 8-K

(a) EXHIBITS

Item 601 Exhibit Number	
PART I EXHIBIT	
(27) Financial Data Schedule	Submitted in electronic format only.
PART II EXHIBIT	
(10) Material Contracts.	
Consulting letter agreement between Registrant and Charles P. McCormick, Jr. dated December 17, 1997.	Page 14 of this report on Form 10-Q.

(b) REPORTS ON FORM 8-K. NONE.

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

Date: April 13, 1998

By:/s/Robert G. Davey
Robert G. Davey
Executive Vice President & Chief Financial Officer

Date: April 13, 1998

By:/s/J. Allan Anderson
J. Allan Anderson
Vice President & Controller

Exhibit Index

Item 601 Exhibit Number	Reference or Page
(10) Material Contracts.	
Consulting letter agreement between Registrant and Charles P. McCormick, Jr. dated December 17, 1997.	Page 14 of this report on Form 10-Q.
(27) Financial Data Schedule	Submitted in electronic format only.

December 17, 1997

Mr. Charles P. McCormick, Jr.
6761 S.E. North Marina Way
Stuart, Florida 34996

Dear Buzz:

This letter will confirm your consulting arrangement for 1998. You have expressed a desire to reduce the amount of time which you make available to the Company for consultation services.

For its part, the Company is amenable to limiting its requests for your services to approximately four days a month, on average, during 1998. You have indicated that you would be available to provide your counsel, guidance and expertise on that basis. As in the past, all requests for services would come from the Board of Directors or the President of the Company.

In consideration of your agreement to render such services, you will receive a monthly stipend of Seven Thousand Eighty-Three Dollars and Thirty-Three Cents ($7,083.33), payable on or about the fifteenth day of each month, together with such additional cash payments as may be deemed appropriate by the Compensation Committee of the Board of Directors consistent with the performance of the Company. In addition, the Company will reimburse you for reasonable and customary expenses incurred by you in providing such services, including, but not necessarily limited to, travel expenses, meals, lodging, and business related entertainment.

If the foregoing correctly expresses our understanding, please sign a copy of this letter in the space provided below and return it to me.

Very truly yours,

McCORMICK & COMPANY, INCORPORATED

By:/s/Robert J. Lawless
Robert J. Lawless
President, Chief Executive Officer and
Chief Operating Officer

By:/s/Karen D. Weatherholtz
Karen D. Weatherholtz
Vice President - Human Relations
Secretary - Compensation Committee

AGREED AND ACCEPTED THIS

19th day of December, 1997.

By:/s/Charles P. McCormick, Jr.
Charles P. McCormick, Jr.

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