BUILDING THE
McCORMICK
OF THE FUTURE

3rd Quarter 2019 Financial Results and Outlook

October 1, 2019

The following slides accompany an October 1st , 2019, earnings release conference call. This information should be read in conjunction with the press release issued on that date.

FORWARD-LOOKING INFORMATION

Certain information contained in this presentation, including statements concerning expected performance such as those relating to net sales, gross margins, earnings, cost savings, acquisitions, brand marketing support, special charges, income tax expense and the impact of foreign currency rates 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 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; 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 Act enacted 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.

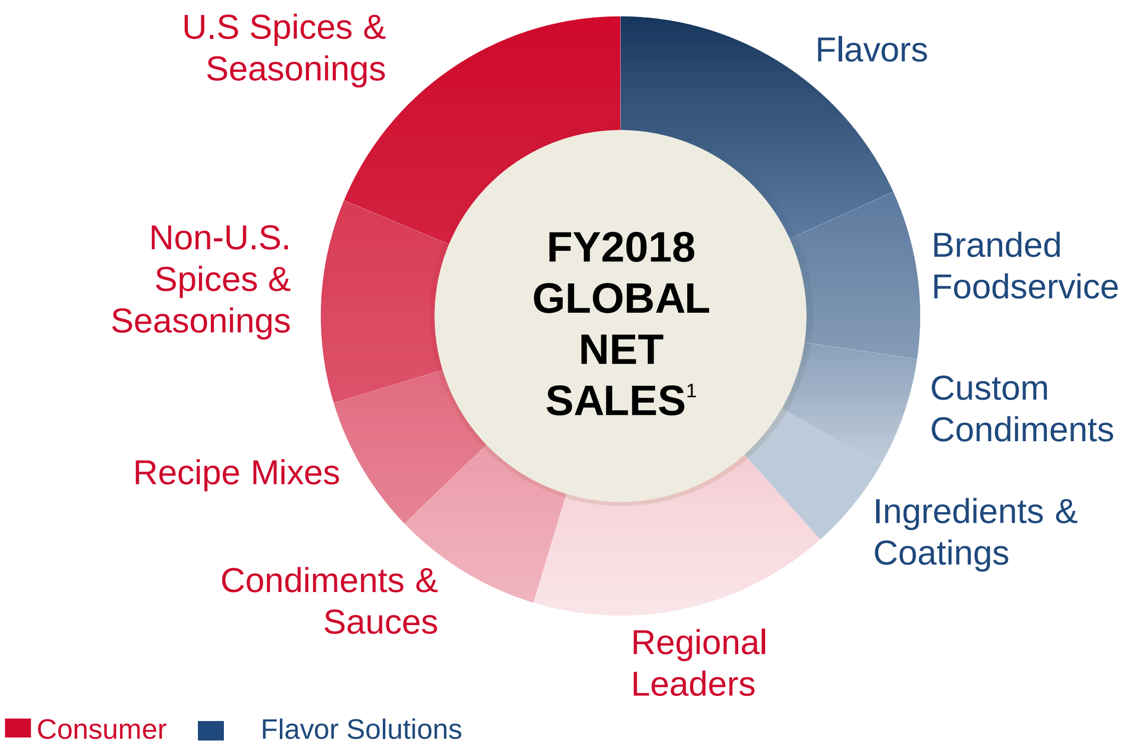
These and other forward-looking statements are based on management's current views and assumptions and involve risks and uncertainties that could significantly affect expected results. Results may be materially affected by factors such as: damage to the company's reputation or brand name; loss of brand 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; issues affecting the company's supply chain and raw materials, including fluctuations in the cost and availability of raw and packaging materials and freight; government regulation, and changes in legal and regulatory requirements and enforcement practices; global economic and financial conditions generally, including the availability of financing, interest and inflation rates; the imposition of tariffs, quotas, trade barriers and other similar restrictions; and the pending exit of the U.K. from the European Union (Brexit); 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 Act 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.

LAWRENCE KURZIUS

BREADTH & REACH BALANCES PORTFOLIO FOR CONSISTENT PERFORMANCE

OUR BROAD AND ADVANTAGED GLOBAL PORTFOLIO



CONSUMER AND FLAVOR SOLUTIONS SEGMENTS

Reaching across the globe and every channel

with compelling offerings for every retail and customer strategy

with our broad range of consumer formats and flavor applications

1) Approximation of category sizes

THIRD QUARTER 2019 FINANCIAL RESULTS

GREW NET SALES 2%*

- Consumer segment growth accelerated from first half 2019
- Flavor solutions segment flat following strong first half 2019

GREW ADJUSTED OPERATING INCOME 10%*

- Higher sales, Comprehensive Continuous Improvement (CCI) led cost savings and favorable product mix
- Adjusted operating margin expansion 160 bps

ADJUSTED EARNINGS PER SHARE GREW 14% TO $1.46

* In constant currency

The non-GAAP measures included herein, which we refer to as “adjusted”, exclude the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures on slides 27 to 31 including the impact of constant currency.

CONSUMER SEGMENT UPDATE

AMERICAS

- Broad growth across the portfolio
- Strong category management, expanded distribution and new products
- Effective marketing support and merchandising
- Condiment leadership acceleration

EMEA

- Growth tempered by extreme high temperatures
- New products and category management drove U.K. growth

APZ

- Accelerated growth from first half 2019
- Effective merchandising, new products and expanded distribution

DIGITAL LEADERSHIP RECOGNITION

Gartner L2

#1 digital

Gartner L2 ranking across U.S. food brands

FLAVOR SOLUTIONS SEGMENT UPDATE

AMERICAS

- Timing of customers' activities following strong first half
- Growth temporarily constrained due to warehouse transition
- Growth in snack seasonings and branded foodservice
- Customer demand remains strong

EMEA

- Quick service restaurants growth from promotional activity
- Packaged food companies' base business and new product growth

APZ

- Timing of customers activity impacted growth
- Exit of low margin business




SOLID FOUNDATION AND STRONG 2019 THIRD QUARTER RESULTS

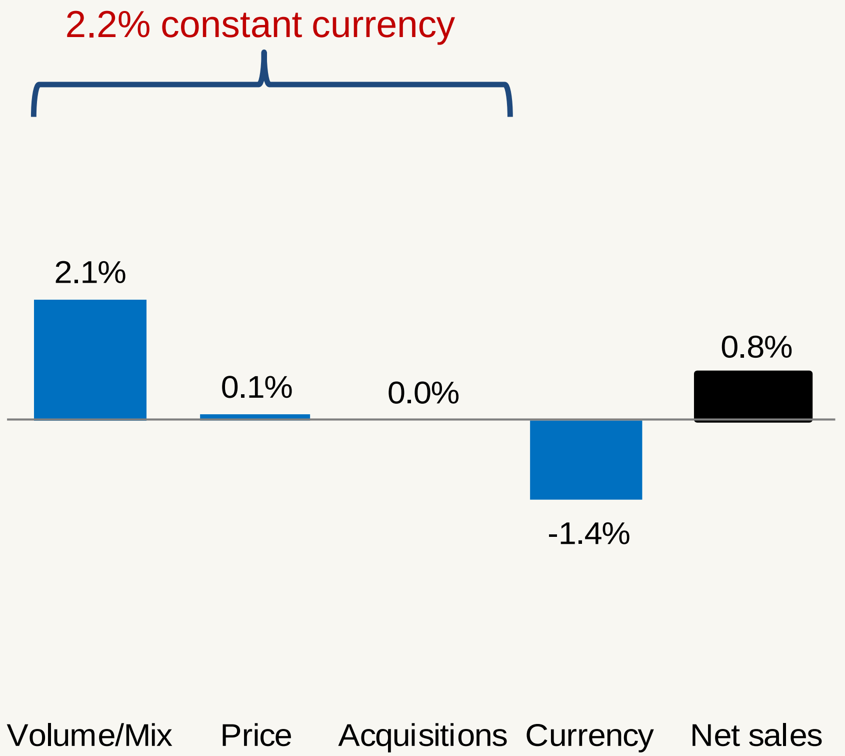
- Aligned with the emerging consumer demands and preferences
- Agile, relevant and focused on sustainable growth in a dynamic environment
- Third quarter results a continuation of great first half performance
- Strong fundamentals and momentum to continue growth trajectory
- Strategies are building long-term value
- Confident and well positioned for delivering updated 2019 outlook

MIKE SMITH

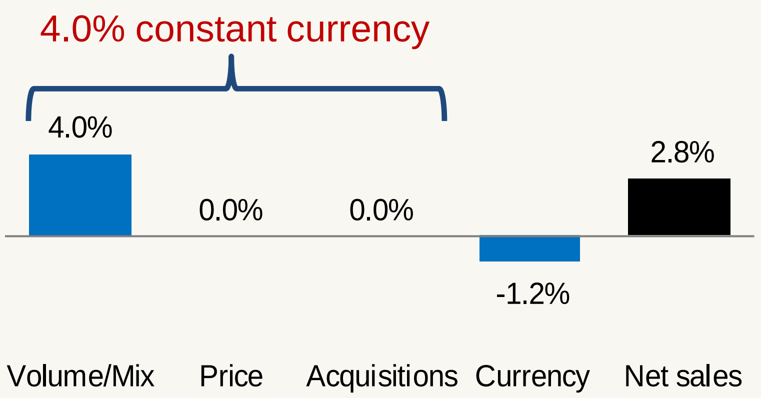
Executive Vice President and
Chief Financial Officer

3Q 2019 SALES RESULTS

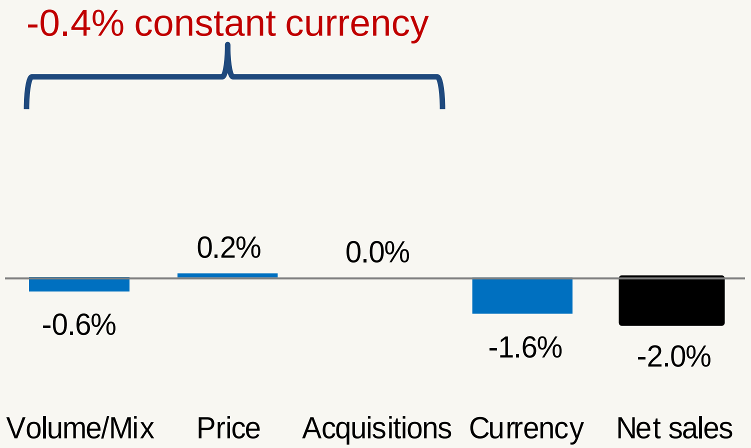
TOTAL COMPANY



CONSUMER



FLAVOR SOLUTIONS



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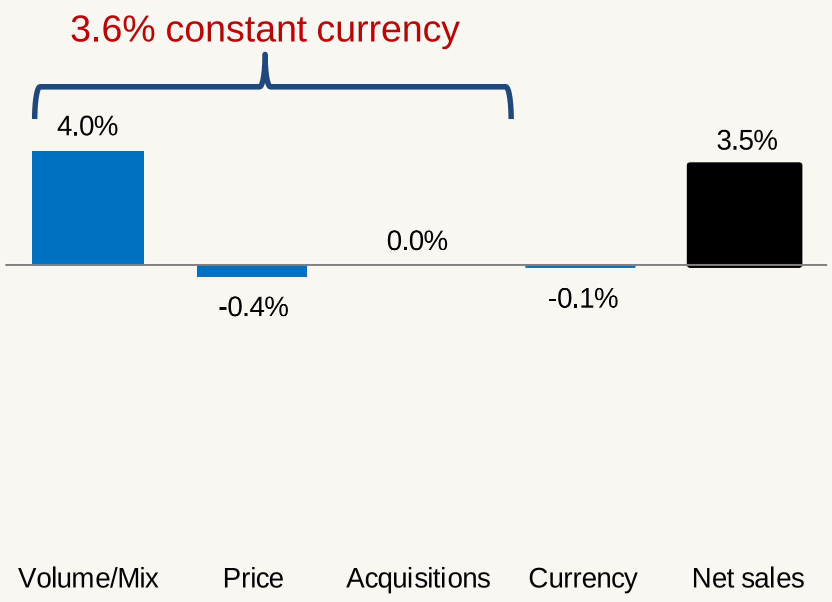
3Q 2019 SALES RESULTS: CONSUMER SEGMENT

AMERICAS



- Growth favorably impacted by:
  - New products
  - Category management
  - Strong brand marketing
- Growth was broad based across the portfolio

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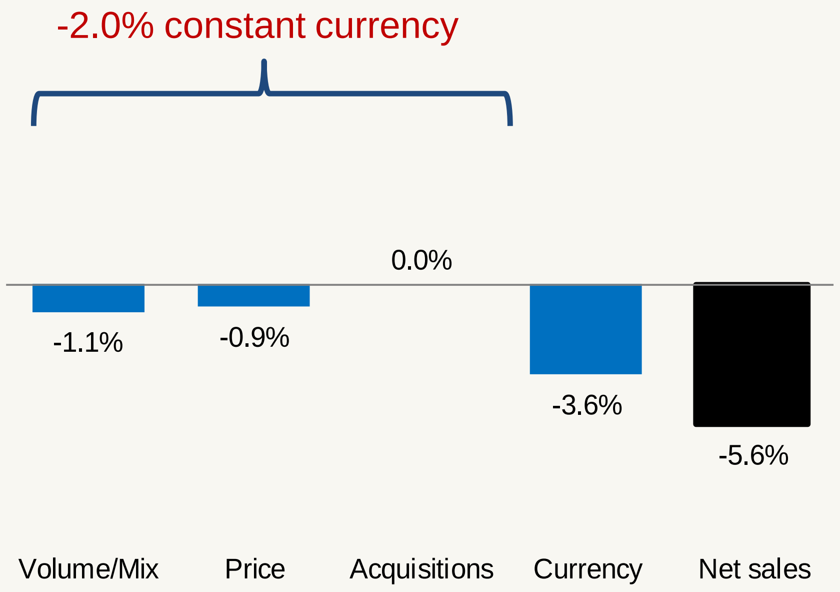
3Q 2019 SALES RESULTS: CONSUMER SEGMENT

EMEA



- Volume and mix impacted by:
  - Extreme warm temperatures in Europe
  - Private label decline
- Pricing includes trade promotional activities

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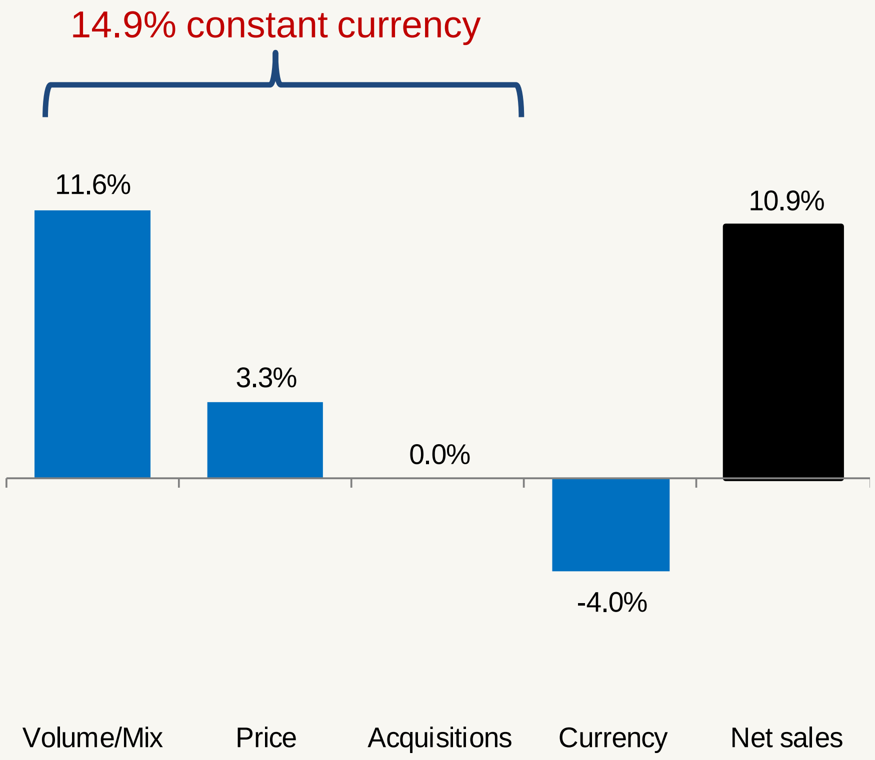
3Q 2019 SALES RESULTS: CONSUMER SEGMENT

ASIA / PACIFIC



- China led growth driven by:
  - Strength in herbs and spices, world flavor sauces and chicken bouillon
  - Earlier timing of a national holiday
  - Pricing actions

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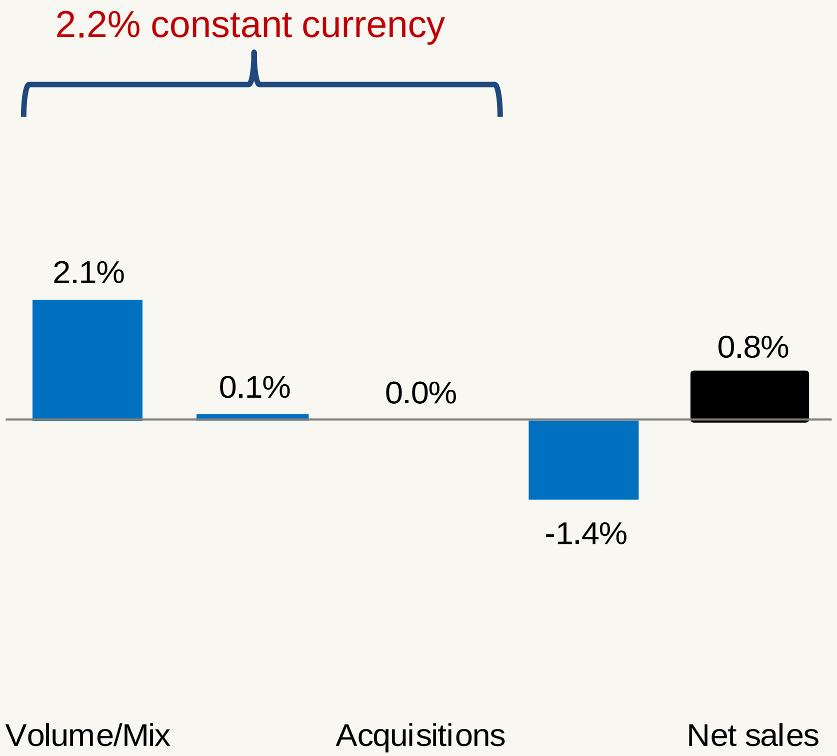
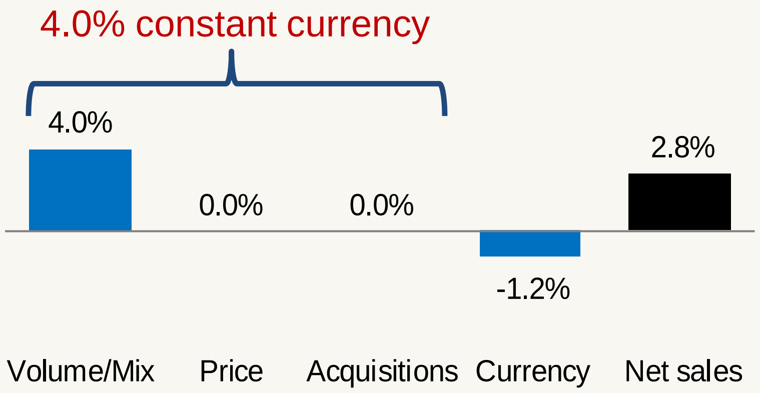
3Q 2019 SALES RESULTS

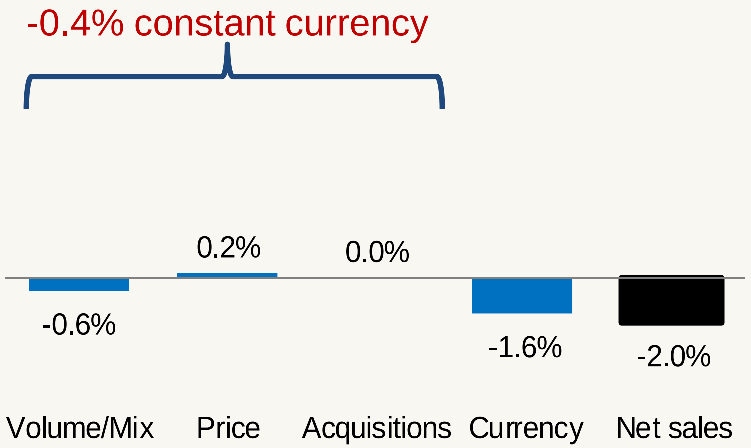
TOTAL COMPANY



CONSUMER



FLAVOR SOLUTIONS



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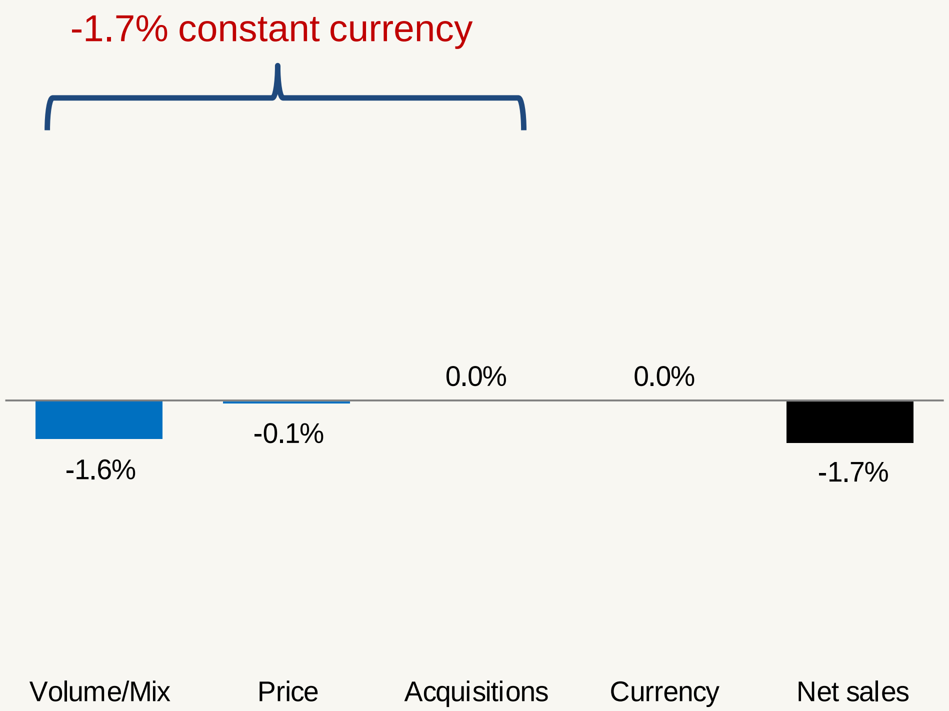
3Q 2019 SALES RESULTS: FLAVOR SOLUTIONS SEGMENT

AMERICAS

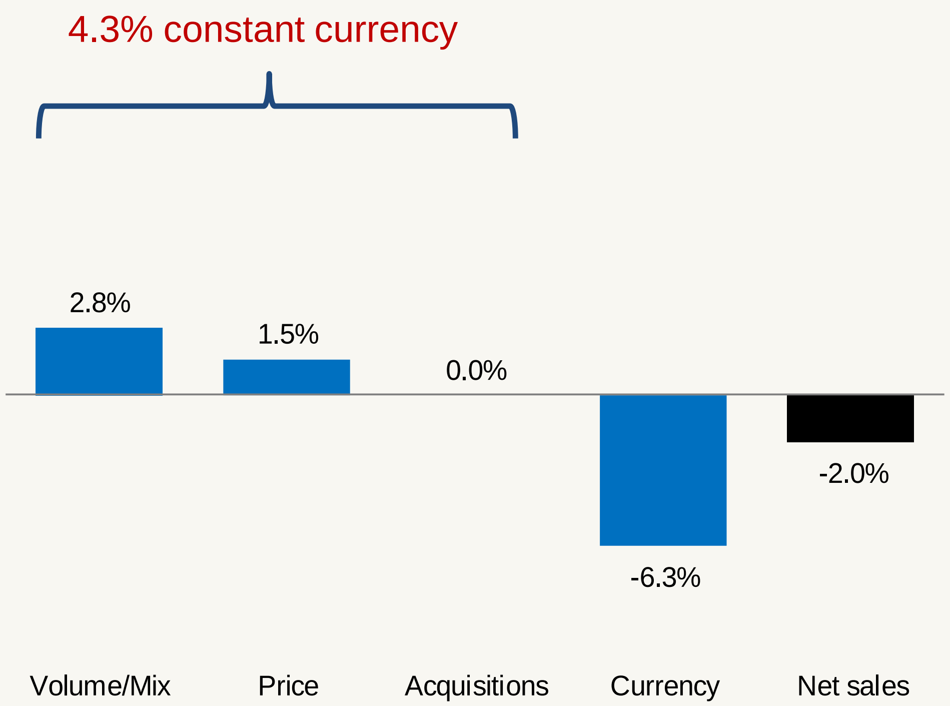


- Growth unfavorably impacted by:
  - Timing of customers' promotions and new products
  - Warehouse transition to support growth
- Snack seasonings and branded foodservice growth partially offset decline

The non-GAAP measures included herein, which we refer to as "adjusted", exclude the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures on slides 27 to 31 including the impact of constant currency.

3Q 2019 SALES RESULTS: FLAVOR SOLUTIONS SEGMENT

EMEA

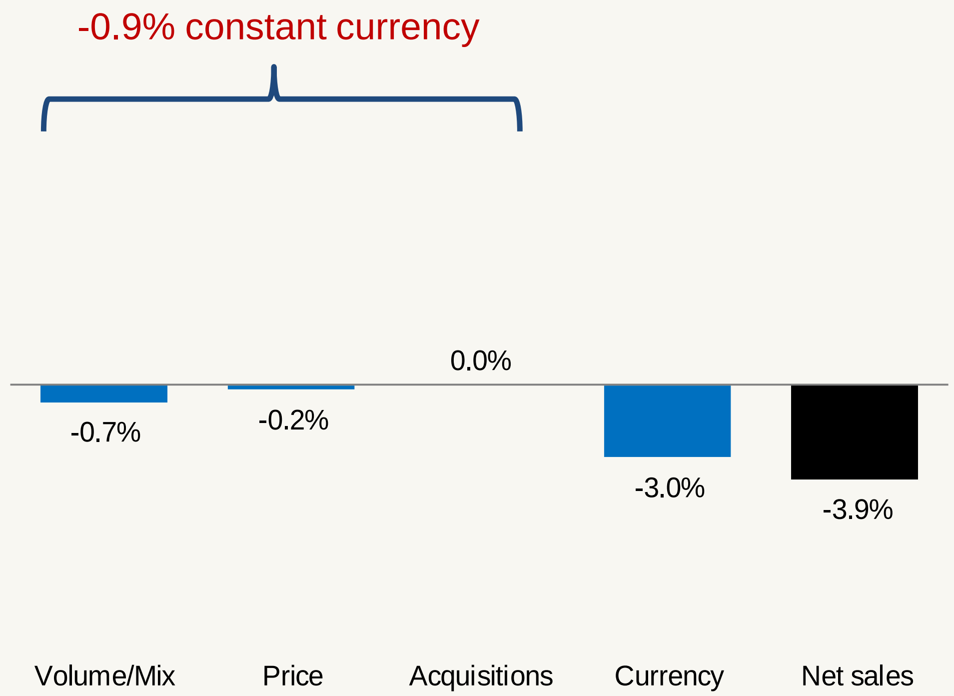


- New products, pricing and base business volume growth

The non-GAAP measures included herein, which we refer to as “adjusted”, exclude the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures on slides 27 to 31 including the impact of constant currency.

3Q 2019 SALES RESULTS: FLAVOR SOLUTIONS SEGMENT

ASIA / PACIFIC



- Growth unfavorably impacted by:
  - Timing of customers' promotional activities
  - Exit of low margin business

The non-GAAP measures included herein, which we refer to as "adjusted", exclude the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures on slides 27 to 31 including the impact of constant currency.

OPERATING INCOME

(in millions)	**3Q 2019**	**3Q 2018**	**Fav/(Unfav) Change**
Operating income	**$253.5**	$229.9	10%
Adjusted operating income	**$261.2**	$238.8	9%
Consumer	**176.5**	152.0	16%
Flavor Solutions	**84.7**	86.8	(2%)

- 10% constant currency adjusted operating income growth for total company with 17% growth for the consumer segment and 1% decline for the flavor solutions segment
- Brand marketing $3 million higher in 3Q 2019 versus 3Q 2018
- Special charges were $8 million in 3Q 2019 versus $3 million in 3Q 2018
- Transaction and integration expenses were $6 million in 3Q 2018

The non-GAAP measures included herein, which we refer to as "adjusted", exclude the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures on slides 27 to 31 including the impact of constant currency.

OPERATING MARGIN

(in millions)	**3Q 2019**	**3Q 2018**	**Fav/(Unfav) Change**
Gross margin	**40.6%**	39.6%	100 bps
Selling, general & administrative expenses as percent of net sales	**20.9%**	21.5%	60 bps
Operating margin	**19.1%**	17.4%	170 bps
Adjusted operating margin	**19.7%**	18.1%	160 bps

- Gross margin expansion of 100 basis points driven by CCI-led cost savings and favorable product mix
- SG&A decreased 60 basis points
  - Driven by higher sales, CCI-led cost savings and a one-time 2019 global benefit plan alignment
  - Partially offset by increased brand marketing and business transformation expenses
- Adjusted operating margin increased 160 basis points

The non-GAAP measures included herein, which we refer to as “adjusted”, exclude the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures on slides 27 to 31 including the impact of constant currency.

INCOME TAXES

(in millions)	**3Q 2019**	**3Q 2018**
Income tax rate	**16.8%**	13.1%
Adjusted income tax rate	**17.6%**	18.8%

- Adjusted income tax rate decreased by 120 bps vs the year-ago period driven by favorable impact of discrete items
- 2019 adjusted effective income tax rate expected to be approximately 20%

The non-GAAP measures included herein, which we refer to as "adjusted", exclude the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures on slides 27 to 31 including the impact of constant currency.

INCOME FROM UNCONSOLIDATED OPERATIONS

(in millions)	**3Q 2019**	**3Q 2018**	**Fav/(Unfav) Change**
Income from unconsolidated operations	**$9.6**	$8.4	14%

The non-GAAP measures included herein, which we refer to as “adjusted”, exclude the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures on slides 27 to 31 including the impact of constant currency.

EARNINGS PER SHARE

	3Q 2019	3Q 2018	Fav/(Unfav) Change
Earnings per share	**$1.43**	$1.30	10%
Adjusted earnings per share	**1.46**	1.28	14%

Change in adjusted earnings per share	
Increase in adjusted operating income	$0.13
Decrease in interest expense	0.02
Decrease in adjusted tax rate	0.02
Increase in unconsolidated income	0.01
Other impacts, net	-
Total increase	$0.18

The non-GAAP measures included herein, which we refer to as “adjusted”, exclude the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures on slides 27 to 31 including the impact of constant currency.

BALANCE SHEET AND CASH FLOW

- YTD cash flow provided from operations of $495 million vs $389 million in 2018
- Cash conversion cycle improved 9 days from 2018 year end
- $206 million year to date repayment on term loans
- 3.7x debt to adjusted EBITDA ratio
- Returned $226 million of cash to shareholders through dividends
- Capital expenditures of $107 million through third quarter
- Another year of strong cash flow driven by profit and working capital initiatives expected

Balanced Use of Cash

- ✓ Drive growth
- ✓ Return to shareholders
- ✓ Pay down debt

2019 FINANCIAL OUTLOOK

	Reported Currency	Constant Currency
Sales growth *	**1% to 2%**	**3% to 4%**
Adjusted operating income increase *	**6% to 7%**	**8% to 9%**
CCI-led cost savings	Approximately $110M	
Cost inflation	Low single digit increase	
Gross profit margin *	50 to 75 bps increase	
Brand marketing	Comparable to 2018	
Income from unconsolidated operations	High single digit increase	
Adjusted tax rate *	Approximately 20%	
Adjusted earnings per share *	**$5.30 - $5.35**	
Adjusted earnings per share growth *	**7% to 8%**	**9% to 10%**
Shares outstanding	Approximately 134M	

** Indicates update from guidance provided on June earnings call*

The non-GAAP measures included herein, which we refer to as “adjusted”, exclude the impact of items affecting comparability between periods. See reconciliation of GAAP to non-GAAP financial measures on slides 27 to 31 including the impact of constant currency.

KEY TAKEAWAYS

- Third quarter a continuation of strong first half
- Delivering against plans and well-positioned for fourth quarter
- Outlook reflects strong performance
- Confident 2019 will be another successful year
- Differentiated results while investing for the future

BUILDING THE McCORMICK OF THE FUTURE

3rd Quarter 2019 Financial Results and 2019 Outlook

October 1st , 2019

NON-GAAP FINANCIAL MEASURES

The tables below include financial measures of adjusted operating income, adjusted operating income margin, adjusted income taxes, adjusted income tax rate, adjusted net income and adjusted diluted earnings per share, each excluding the impact of special charges for each of the periods presented. These financial measures also exclude in 2018 the impact of transition and integration costs associated with our acquisition of RB Foods in August 2017, as these items significantly impact comparability between years. These financial measures also exclude the net estimated impact of the effects of the one-time transition tax and re-measurement of our U.S. deferred tax assets and liabilities as a result of the U.S. Tax Act passed in December 2017 as these items may significantly impact comparability between years. Adjusted operating income, adjusted operating income margin, adjusted income taxes, adjusted income tax rate, adjusted net income and adjusted diluted earnings per share 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 separate line items captioned "Special charges" and "Transaction and integration expenses" in arriving at our consolidated operating 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, expected benefits and expected timing) 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 consist of expenses associated with the acquisition or integration of the RB Foods business. These costs primarily consist of outside advisory, service and consulting costs; employee-related costs; and other costs related to the acquisition. We incurred these costs in 2018.

Income taxes associated with the enactment of the U.S. Tax Act in December 2017 consists of a net income tax benefit of $10.3 million and $308.2 million recognized during the three and nine months ended August 31, 2018, respectively, which includes the estimated impact of the tax benefit from revaluation of net U.S. deferred tax liabilities based on the new lower corporate income tax rate and the tax expense associated with the one-time transition tax on previously unremitted earnings of non-U.S. subsidiaries. We recorded an additional net income tax benefit of $1.5 million in the three and nine months ended August 31, 2019 associated with a provision-to-return adjustment related to the U.S. Tax Act.

We believe that these non-GAAP financial measures are important. The exclusion of special charges, transaction and integration expenses, and the net income tax benefit associated with enactment of the U.S. Tax Act 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 below:

NON-GAAP FINANCIAL MEASURES

(in millions except per share data)	Three Months Ended	
	8/31/2019	8/31/2018
Operating income	$ 253.5	$ 229.9
Impact of transaction and integration expenses	—	5.6
Impact of special charges	7.7	3.3
Adjusted operating income	$ 261.2	$ 238.8
% increase versus year-ago period	9.4%	
Adjusted operating income margin (1)	19.7%	18.1%
Income tax expense (benefit)	$ 36.8	$ 24.9
Non-recurring benefit, net, of the U.S. Tax Act (2)	1.5	10.3
Impact of transaction and integration expenses	—	1.3
Impact of special charges	1.6	0.8
Adjusted income tax expense	$ 39.9	$ 37.3
Adjusted income tax rate (3)	17.6%	18.8%
Net income	$ 191.9	$ 173.5
Impact of transaction and integration expenses	—	4.3
Impact of special charges	6.1	2.5
Non-recurring benefit, net, of the U.S. Tax Act (2)	(1.5)	(10.3)
Adjusted net income	$ 196.5	$ 170.0
% increase versus year-ago period	15.6%	
Earnings per share - diluted	$ 1.43	$ 1.30
Impact of transaction and integration expenses	—	0.04
Impact of special charges	0.04	0.02
Non-recurring benefit, net, of the U.S. Tax Act (2)	(0.01)	(0.08)
Adjusted earnings per share - diluted	$ 1.46	$ 1.28
% increase versus year-ago period	14.1%	

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

2) The non-recurring income tax benefit, net, associated with enactment of the U.S. Tax Act of $10.3 million for the three months ended August 31, 2018 is based upon estimates and judgments that we believe to have been reasonable for the time period. That benefit is provisional and changed during the measurement period, which ended in the fourth quarter of 2018, as a result of among other things, changes in interpretations and assumptions we made, guidance issued and other actions taken as a result of the U.S. Tax Act different from that previously assumed. During the three months ended August 31, 2019, there was an additional income tax benefit of $1.5 million recorded associated with enactment of the U.S. Tax Act.

3) Adjusted income tax rate is calculated as adjusted income tax expense as a percentage of income from consolidated operations before income taxes excluding special charges and for the 2018 periods, transaction and integration expenses, or $198.9 million for the three months ended August 31, 2018 and $226.8 million for the three months ended August 31, 2019.

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. We believe that this non-GAAP measure provides additional information that enables enhanced comparison to prior periods excluding the translation effects of changes in rates of foreign currency exchange and provides additional insight into the underlying performance of our operations located outside of the U.S. It should be noted that our presentation herein of amounts and percentage changes on a constant currency basis does not exclude the impact of foreign currency transaction gains and losses (that is, the impact of transactions denominated in other than the local currency of any of our subsidiaries in their local currency reported results).

Percentage changes in sales and adjusted operating income expressed in “constant currency” are presented excluding the impact of foreign currency exchange. To present this information for historical periods, current period results for entities reporting in currencies other than the U.S. dollar are translated into U.S. dollars at the average exchange rates in effect during the corresponding period of the prior fiscal year, rather than at the actual average exchange rates in effect during the current fiscal year. As a result, the foreign currency impact is equal to the current year results in local currencies multiplied by the change in the average foreign currency exchange rate between the current fiscal period and the corresponding period of the prior fiscal year. Constant currency growth rates follow:

	Three Months Ended August 31, 2019		
	Percentage Change as Reported	Impact of Foreign Currency Exchange	Percentage Change on Constant Currency Basis
Net sales			
Consumer segment			
Americas	3.5%	(0.1)%	3.6%
EMEA	(5.6)%	(3.6)%	(2.0)%
Asia/Pacific	10.9%	(4.0)%	14.9%
Total consumer segment	2.8%	(1.2)%	4.0%
Flavor solutions segment			
Americas	(1.7)%	—%	(1.7)%
EMEA	(2.0)%	(6.3)%	4.3%
Asia/Pacific	(3.9)%	(3.0)%	(0.9)%
Total flavor solutions segment	(2.0)%	(1.6)%	(0.4)%
Total net sales	0.8%	(1.4)%	2.2%
Adjusted operating income			
Consumer segment	16.1%	(0.5)%	16.6%
Flavor solutions segment	(2.4)%	(1.6)%	(0.8)%
Total adjusted operating income	9.4%	(0.9)%	10.3%

NON-GAAP FINANCIAL MEASURES

To present the percentage change in projected 2019 sales, adjusted operating income and adjusted earnings per share on a constant currency basis, projected sales and adjusted operating 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 2019 and are compared to the 2018 results, translated into U.S. dollars using the same 2019 budgeted exchange rate, rather than at the average actual exchange rates in effect during fiscal year 2018. This calculation is performed to arrive at adjusted net income divided by historical shares outstanding for fiscal year 2018 or projected shares outstanding for fiscal year 2019, as appropriate.

The following provides a reconciliation of our estimated earnings per share to adjusted earnings per share for 2019 and actual results for 2018:

	Twelve Months Ended	
	2019 Projection	11/30/18
Earnings per share - diluted	\$5.20 to \$5.25	$ 7.00
Impact of special charges and transaction and integration expenses	0.11	0.23
Non-recurring benefit, net, of the U.S. Tax Act	(0.01)	(2.26)
Adjusted earnings per share - diluted	\$5.30 to \$5.35	$ 4.97

NON-GAAP FINANCIAL MEASURES

In addition to the preceding non-GAAP financial measures, we use a leverage ratio that 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 is 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, and as further adjusted for cash and non-cash acquisition-related expenses (which may include the effect of the fair value adjustment of acquired inventory on cost of goods sold) and certain gains or losses (which may include third party fees and expenses and integration costs). 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 the Term Loan which requires us to maintain our leverage ratio below certain levels. Under those agreements, the applicable leverage ratio is reduced annually on November 30th. As of August 31, 2019, our capacity under the revolving credit facility is not affected by these covenants. We do not expect that these covenants would limit our access to our revolving credit facility for the foreseeable future; however, the leverage ratio could restrict our ability to utilize this facility. We expect to comply with this financial covenant for the foreseeable future.

The following table reconciles our net income to Adjusted EBITDA for the trailing twelve-month period ended August 31, 2019:

Net income	$	703.3
Depreciation and amortization		157.1
Interest expense		170.6
Income tax expense (benefit)		146.8
EBITDA	$	1,177.8
Adjustments to EBITDA (1)(2)		44.8
Adjusted EBITDA	$	1,222.6
Net debt	$	4,558.1
Leverage ratio (1)		3.7

1) Adjustments to EBITDA are determined under the leverage ratio covenant in our $1.0 billion revolving credit and term loan agreements and includes special charges, share-based compensation expense and transaction and integration costs (related to the RB Foods acquisition), including other debt costs.

2) The leverage ratio covenant in our $1.0 billion revolving credit facility and the Term Loan provide that Adjusted EBITDA also includes the pro forma impact of acquisitions.