
WINNING
FLAVOR

2017 Annual Shareholder Meeting





Lawrence Kurzius

*Chairman, President &
Chief Executive Officer*



AN EXCEPTIONAL YEAR

- ✓ Met key financial targets*
- ✓ Grew sales, operating income and earnings per share*
- ✓ Record cash flow

*IN CONSTANT CURRENCY



AN EXCEPTIONAL YEAR

- ✓ Cost savings exceeded \$100 million
- ✓ Delivered breakthrough innovation
- ✓ Enhanced cutting-edge digital marketing presence
- ✓ New high in marketing spend



2016

AN EXCEPTIONAL YEAR

- ✓ On-trend products
- ✓ Stepped up acquisitions
- ✓ 9% quarterly dividend increase



McCormick Brings Passion to Flavor™





POWER OF PEOPLE

McCormick Brings Passion to Flavor™



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McCORMICK



Michael Conway





Michael Fitzpatrick





Freeman Hrabowski





Lawrence Kurzius





Patricia Little





Michael Mangan





Maritza Montiel





Margaret Preston





Gary Rodkin





Jacques Tapiero





Alan Wilson





McCORMICK



Mike Smith

*Executive Vice President &
Chief Financial Officer*



FORWARD-LOOKING INFORMATION

Certain information contained in these materials and our remarks 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 us, the expected impact of raw material costs and our pricing actions on our results of operations and gross margins, the expected productivity and working capital improvements, expectations regarding growth potential in various geographies and markets, expected trends in net sales and earnings performance and other financial measures, the expectations of pension and postretirement plan contributions, the holding period and market risks associated with financial instruments, the impact of foreign exchange fluctuations, the adequacy of internally generated funds and existing sources of liquidity, such as the availability of bank financing, our ability to issue additional debt or equity securities and our expectations regarding purchasing shares of our common stock under the existing repurchase authorizations.

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

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

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2016 RESULTS



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2016 RESULTS: SALES GROWTH

5.5%↑

IN CONSTANT CURRENCY

- ✓ Base business
- ✓ New Products
- ✓ Acquisitions
- ✓ Pricing



Percentage change in sales expressed on a constant currency basis excludes the impact of currency. See 2016 Form 10K reconciliation of GAAP to non-GAAP financial results.

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2016 RESULTS: ADJUSTED OPERATING INCOME

9% ↑

IN CONSTANT CURRENCY

- ✓ Higher sales
- ✓ \$109M cost savings
- ✓ Higher marketing



Percentage change in adjusted operating income in constant currency excludes the impact of currency and other items affecting comparability. See 2016 Form 10K reconciliation of GAAP to non-GAAP financial results.

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2016 RESULTS: CONSUMER SEGMENT

SALES

6% ↑
IN CONSTANT CURRENCY

ADJUSTED OPERATING INCOME

9% ↑
IN CONSTANT CURRENCY



Percentage change in sales in constant currency excludes the impact of foreign currency exchange. Percentage change in adjusted operating income in constant currency excludes the impact of foreign currency exchange and other items affecting comparability. See 2016 Form 10K reconciliation of GAAP to non-GAAP financial results.

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2016 RESULTS: INDUSTRIAL SEGMENT

SALES

4% ↑

IN CONSTANT CURRENCY

ADJUSTED OPERATING INCOME

12% ↑

IN CONSTANT CURRENCY

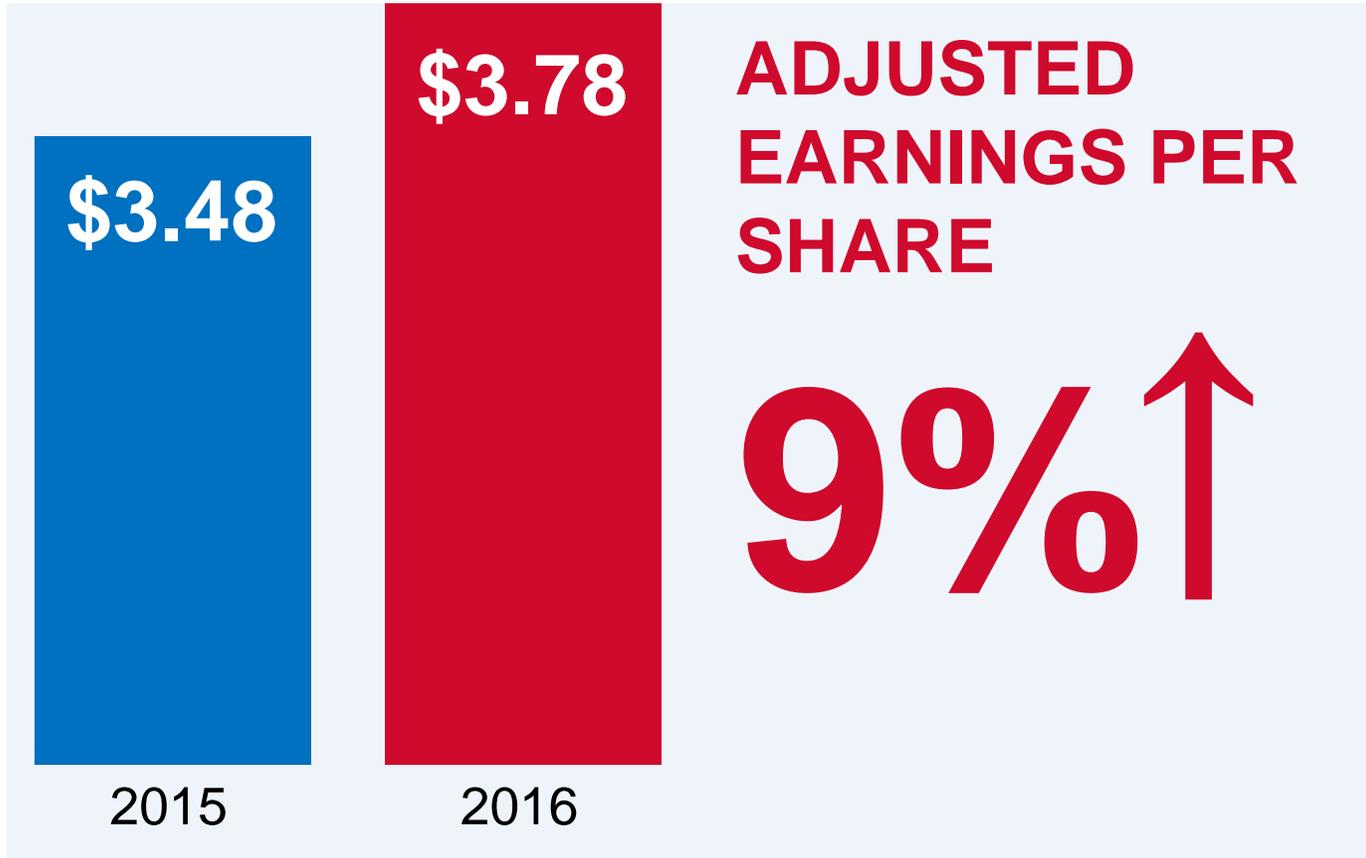


Percentage change in sales in constant currency excludes the impact of foreign currency exchange. Percentage change in adjusted operating income in constant currency excludes the impact of foreign currency exchange and other items affecting comparability. See 2016 Form 10K reconciliation of GAAP to non-GAAP financial results.

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2016 RESULTS: ADJUSTED EARNINGS PER SHARE



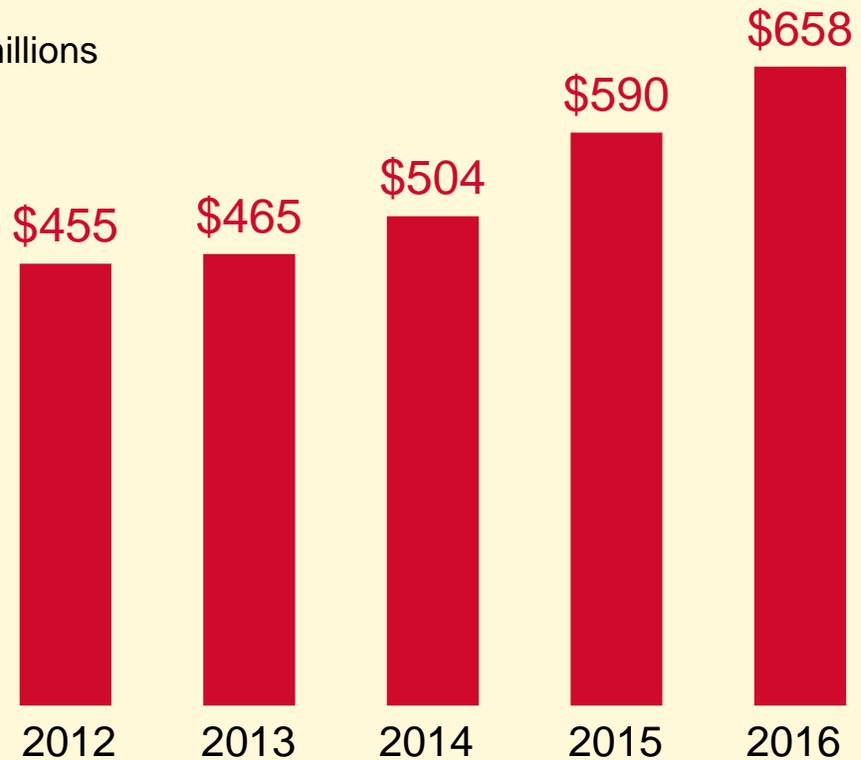
Adjusted earnings per share excludes items affecting comparability. See 2016 Form 10K reconciliation of GAAP to non-GAAP financial results.

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2016 RESULTS: CASH FLOW FROM OPERATIONS

\$ in millions



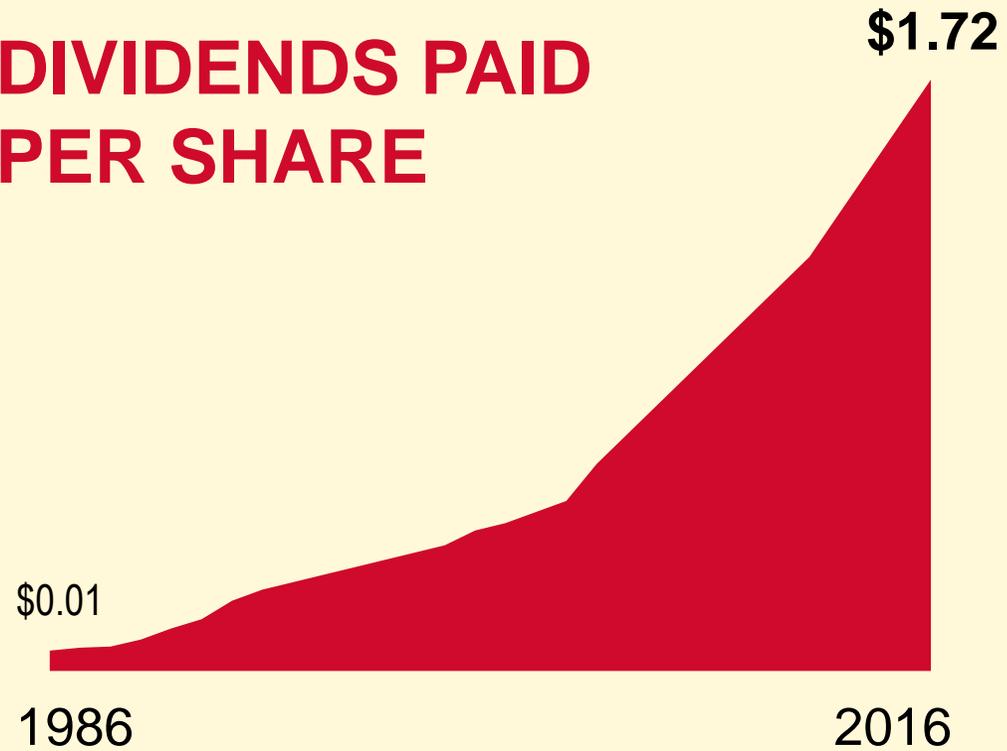
- ✓ 14% CAGR
- ✓ Reached record \$658M in 2016
- ✓ Higher net income and working capital improvement



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DIVIDENDS PAID PER SHARE



- ✓ Returned record \$461M to shareholders
- ✓ 31st consecutive annual dividend increase





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GROW SALES

5 - 7%

IN CONSTANT CURRENCY



- ✓ Base business
- ✓ New products
- ✓ Acquisitions
- ✓ Pricing



Percentage change in projected sales growth in constant currency excludes the estimated impact of foreign currency exchange. See Form 8K containing fourth quarter financial results for reconciliation of GAAP to non-GAAP projected financial results.

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2017 OUTLOOK: COST SAVINGS

- ✓ Approximately \$100M in cost savings
- ✓ On target to achieve 4-year \$400M goal



GROW ADJUSTED OPERATING INCOME

9 - 11%

- ✓ Higher sales
- ✓ Cost savings

IN CONSTANT CURRENCY



Percentage change in projected increase in adjusted operating income in constant currency excludes the impact of foreign currency exchange and other items affecting comparability. See Form 8K containing fourth quarter financial results for reconciliation of GAAP to non-GAAP projected financial results.

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2017 OUTLOOK: ADJUSTED EARNINGS PER SHARE

ADJUSTED EARNINGS
PER SHARE

\$4.05 - \$4.13

9 - 11% ↑

IN CONSTANT CURRENCY



Percentage change in projected increase in adjusted earnings per share in constant currency excludes the impact of foreign currency exchange and other items affecting comparability. See Form 8K containing fourth quarter financial results for reconciliation of GAAP to non-GAAP projected financial results.

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2017 FIRST QUARTER RESULTS



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2017 FIRST QUARTER RESULTS

SALES

4% ↑

IN CONSTANT CURRENCY

**ADJUSTED
OPERATING
INCOME**

8% ↑

IN CONSTANT CURRENCY



Percentage change in sales in constant currency excludes the impact of foreign currency exchange. Percentage change in adjusted operating income in constant currency excludes the impact of foreign currency exchange and other items affecting comparability. See 2017 Form 10Q reconciliation of GAAP to non-GAAP financial results.

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2017 FIRST QUARTER RESULTS: ADJUSTED EARNINGS PER SHARE

ADJUSTED
EARNINGS
PER SHARE

\$0.76



Adjusted earnings per share excludes items affecting comparability. See Form 10Q reconciliation of GAAP to non-GAAP financial results.

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LONG TERM



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LONG-TERM FINANCIAL OBJECTIVES

Sales growth 4-6%

Operating income 7-9%

Earnings per share 9-11%

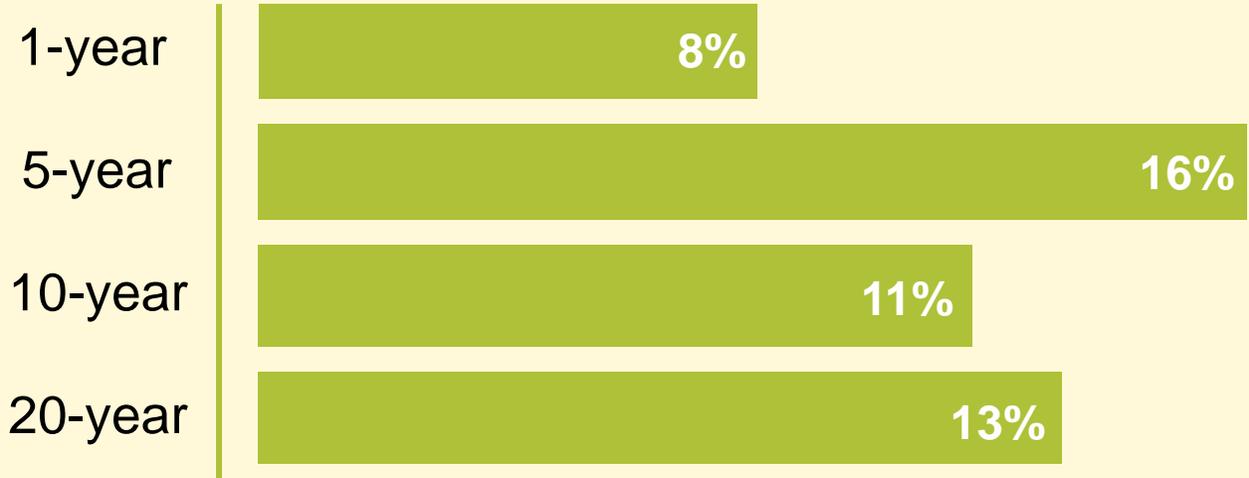
IN CONSTANT CURRENCY



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TOTAL ANNUAL SHAREHOLDER RETURN



PERIODS ENDING IN NOVEMBER 30, 2016



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DELIVERING HIGHER PERFORMANCE

- ✓ Investing in growth
- ✓ Driving sales and profit
- ✓ Stepped-up cost savings
- ✓ Generating significant cash flow
- ✓ Strong balance sheet
- ✓ Financially disciplined





Lawrence Kurzius

*Chairman, President &
Chief Executive Officer*



ACROSS GENERATIONS
TASTE IS #1



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A close-up photograph of a man with dark hair and a slight beard, wearing a grey sweater, looking intently at a plate of food on a wooden cutting board. He is in a kitchen setting, with a metal strainer containing green herbs visible in the background. The lighting is warm and focused on the man and the food.

**63% OF
MILLENNIALS
ENJOY COOKING**

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EVOLVING CONSUMER PREFERENCES

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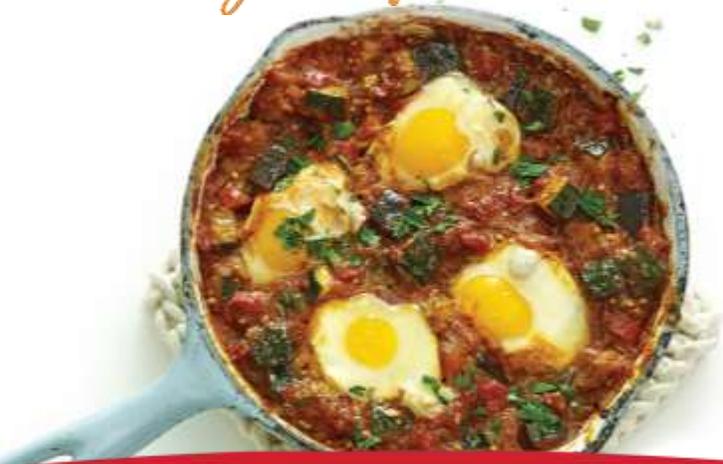


McCORMICK



*Rise & Shine
to Global Tastes*

*Egg Yolks:
The Sunny Side of Flavor*



Flavor Forecast 2017



*Plancha:
Flat-Out Grilling*

Sweet on Pepper



Modern Med



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MOVING TO FRESH



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**SUPERIOR
QUALITY**



VANILLA



RED PEPPER



OREGANO



BLACK PEPPER

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OUR
VANILLA
STORY

Video: Vanilla sourcing





VISION AND MISSION

**OUR VISION IS TO
BRING THE JOY OF
FLAVOR TO LIFE**

**OUR MISSION IS TO
MAKE EVERY MEAL
AND MOMENT BETTER**



McCormick Brings Passion to Flavor™



McCORMICK

FIVE PRINCIPLES

PASSION FOR
FLAVOR

POWER OF
PEOPLE

TASTE YOU
TRUST



McCORMICK

PURPOSE-LED
PERFORMANCE

DRIVEN TO
INNOVATE

McCormick Brings Passion to Flavor™



McCORMICK

DRIVEN TO INNOVATE

INNOVATION IS EVERYONE'S RESPONSIBILITY

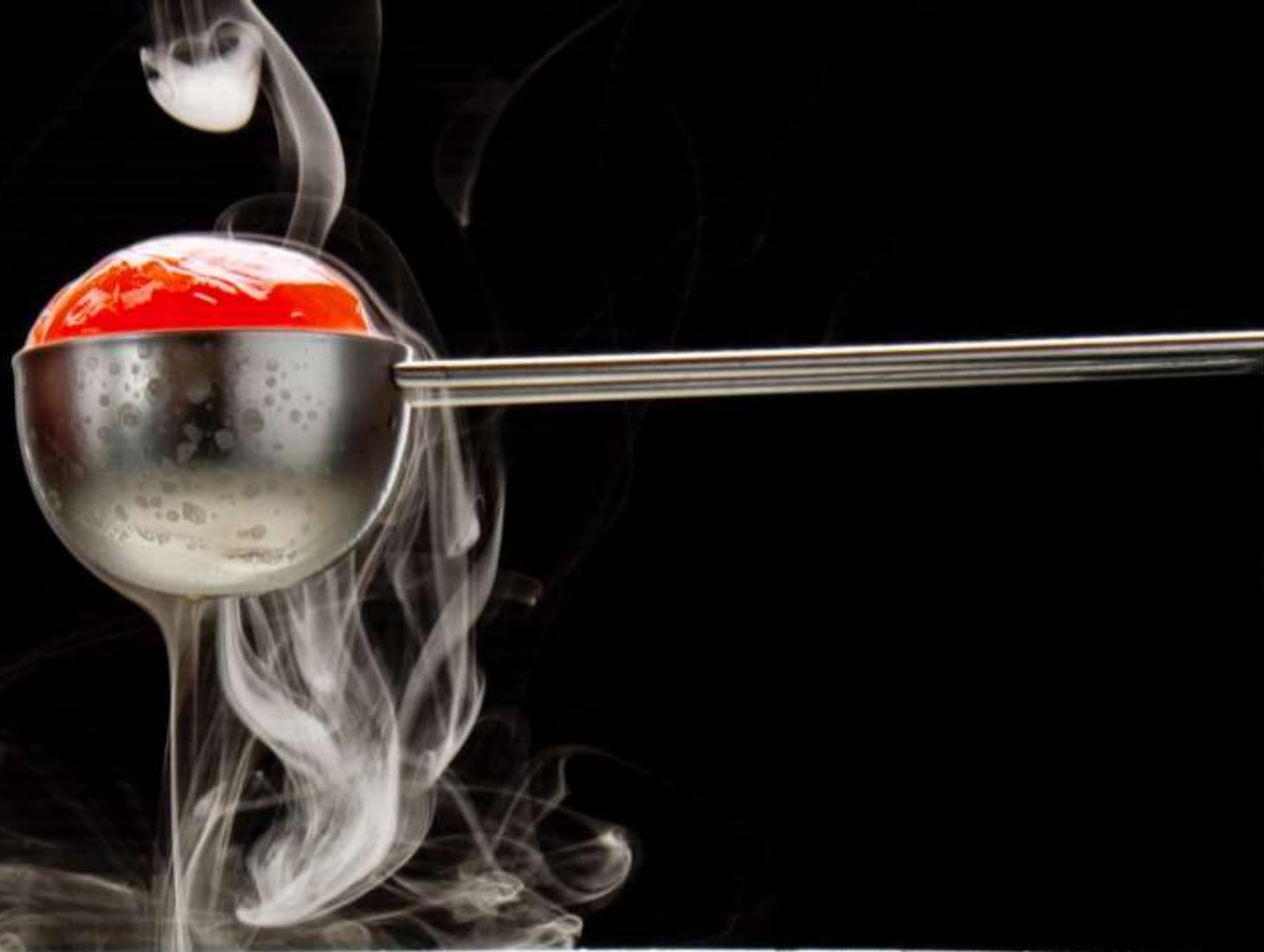
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DRIVEN TO INNOVATE

PURSUIT OF WHAT'S NEXT IN FLAVOR



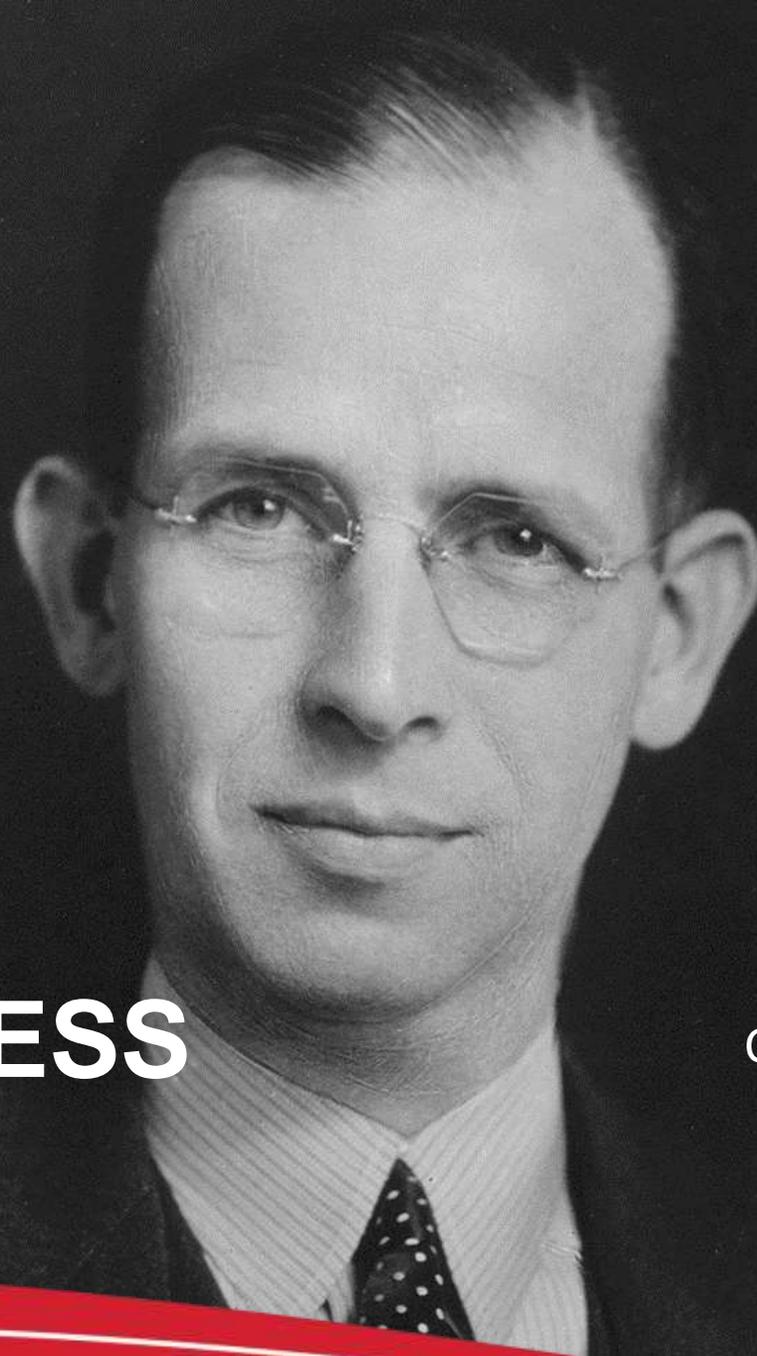
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DRIVEN TO INNOVATE

CONTINUOUS REINVENTION OF OUR BUSINESS



C.P. McCORMICK

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PURPOSE-LED PERFORMANCE

INDUSTRY-LEADING FINANCIAL PERFORMANCE

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PURPOSE-LED PERFORMANCE

**HELPING
~13,000
FARMERS**



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McCORMICK

PURPOSE-LED PERFORMANCE

MAXIMIZING
EFFICIENCIES



Corporate Knights ranked
McCormick

#14 Global 100 Most
Sustainable Corporations

#1 for Food Products Industry

McCormick Brings Passion to Flavor™





Our Vision is to Bring the Joy of Flavor to Life
Our Mission is to Make Every Meal and Moment Better

Growth	Performance	People
<p><i>Win Share</i></p> <ul style="list-style-type: none"> • Drive base business • Accelerate scalable & differentiated innovation • Expand availability & footprint • Excel in Customer Intimacy & Consumer Insights 	<p><i>Superior Results</i></p> <ul style="list-style-type: none"> • Accelerate fuel for growth • Drive continuous value creation • Pursue functional excellence & collaboration 	<p><i>Win with Talent</i></p> <ul style="list-style-type: none"> • Develop talent to match business ambitions • Enhance leadership capability • Generate organizational capacity to fuel business growth

McCormick Principles

Passion for Flavor | Power of People | Taste You Trust | Driven to Innovate | Purpose-led Performance

McCormick Brings Passion to Flavor™



STRATEGIC IMPERATIVES: GROWTH



Growth

Win Share

- Drive **base business**
- Accelerate scalable & differentiated **innovation**
- **Expand** availability & footprint
- Excel in Customer **Intimacy** & Consumer **Insights**

Long-term sales growth goal 4 – 6 %*



* IN CONSTANT CURRENCY

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GROWTH

SPICES AND SEASONINGS IS AN
**\$11 billion global
market**

WITH A PROJECTED
5% CAGR

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GROWTH

BASE BUSINESS
GROWTH

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GLUTEN-FREE, ORGANIC, NON- GMO & BPA-FREE

Gluten-free
Gravy



Gourmet
relaunch



Reduced sodium &
gluten-free recipe mixes



Organic gourmet



Non-GMO labeling



All-natural
food color



All-natural extracts
from imitation



Organic
recipe
mixes

BPA-free Packaging



Organic
vanilla
extract



Organic bag spice



2014

2015

2016

2017

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SUSTAINABLE PACKAGING

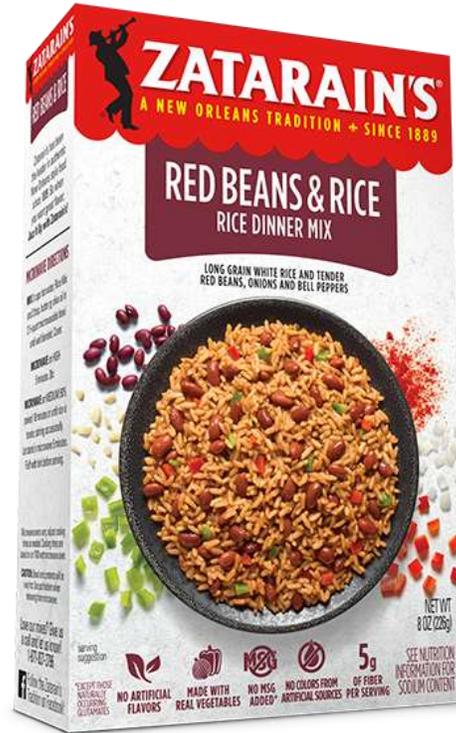
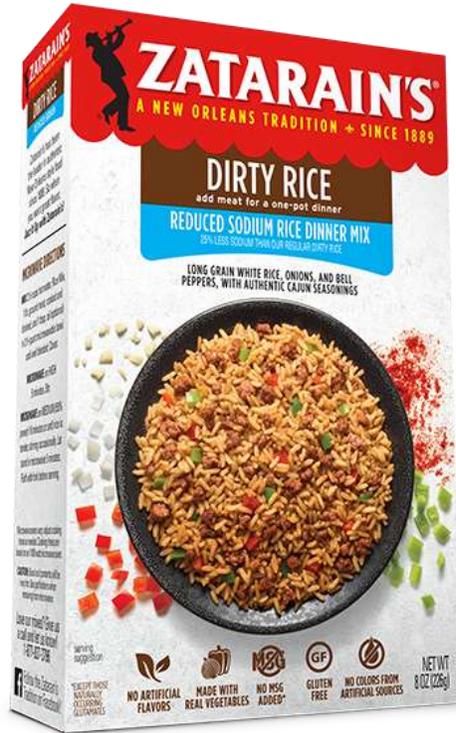
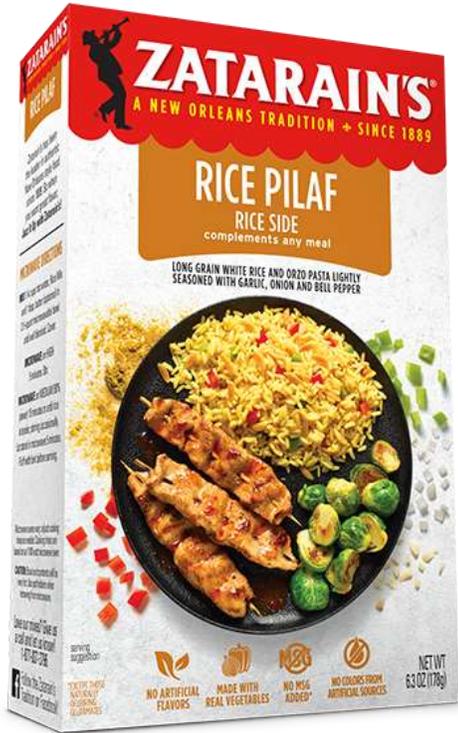
- ✓ Fresher
- ✓ Recyclable
- ✓ BPA-free



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GROWTH: BASE BUSINESS



NO ARTIFICIAL FLAVORS



MADE WITH REAL VEGETABLES



NO MSG ADDED*



NO COLORS FROM ARTIFICIAL SOURCES

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GROWTH: BASE BUSINESS

BREAKTHROUGH MARKETING CAMPAIGNS

UK

United States

France

Poland

China

Australia

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GROWTH: BASE BUSINESS



PURE TASTES BETTER

The three small words at the heart of our mission—to bring you the purest possible flavor from source, to bottle, to your next delicious meal.

2016 TOP 5 BRAND

12

DIGITAL IQ INDEX®



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GROWTH: BASE BUSINESS

UK

TRIPLED ENGAGEMENT

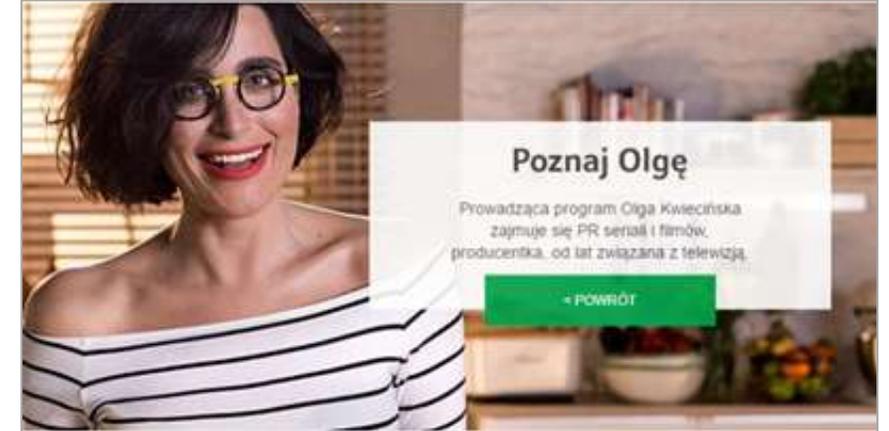


FRANCE

REACH UP 46%

POLAND

STRONGEST EMEA ROI



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GROWTH: BASE BUSINESS

CHINA

SOCIAL AND MESSAGING COMMUNITIES

GREW **51%**, ECOMMERCE UP **>150%**



AUSTRALIA

HIGHER REACH AND CONVERSION RATES

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Commercials: Americas



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Commercials: Americas



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Commercials: EMEA & APZ



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GROWTH: NEW PRODUCTS & INNOVATION

BEST IN CLASS
INNOVATION



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CLOSER TO FRESH
**TOP 2016
CONSUMER
PRODUCT
INNOVATION
AWARDS**

Product of the year in France



2016 CPG Award Winner



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GROWTH: NEW PRODUCTS & INNOVATION

McCORMICK CULINARY CENTER



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GROWTH: NEW PRODUCTS & INNOVATION



flavorsolutions
CULINARY-INSPIRED. CONSUMER-PREFERRED.

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Video: Industrial Segment



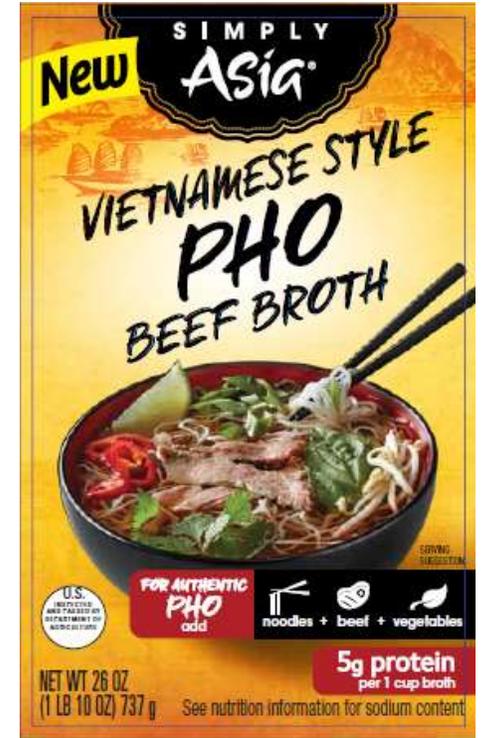
GROWTH: NEW PRODUCTS & INNOVATION



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GROWTH: NEW PRODUCTS & INNOVATION



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GROWTH: NEW PRODUCTS & INNOVATION



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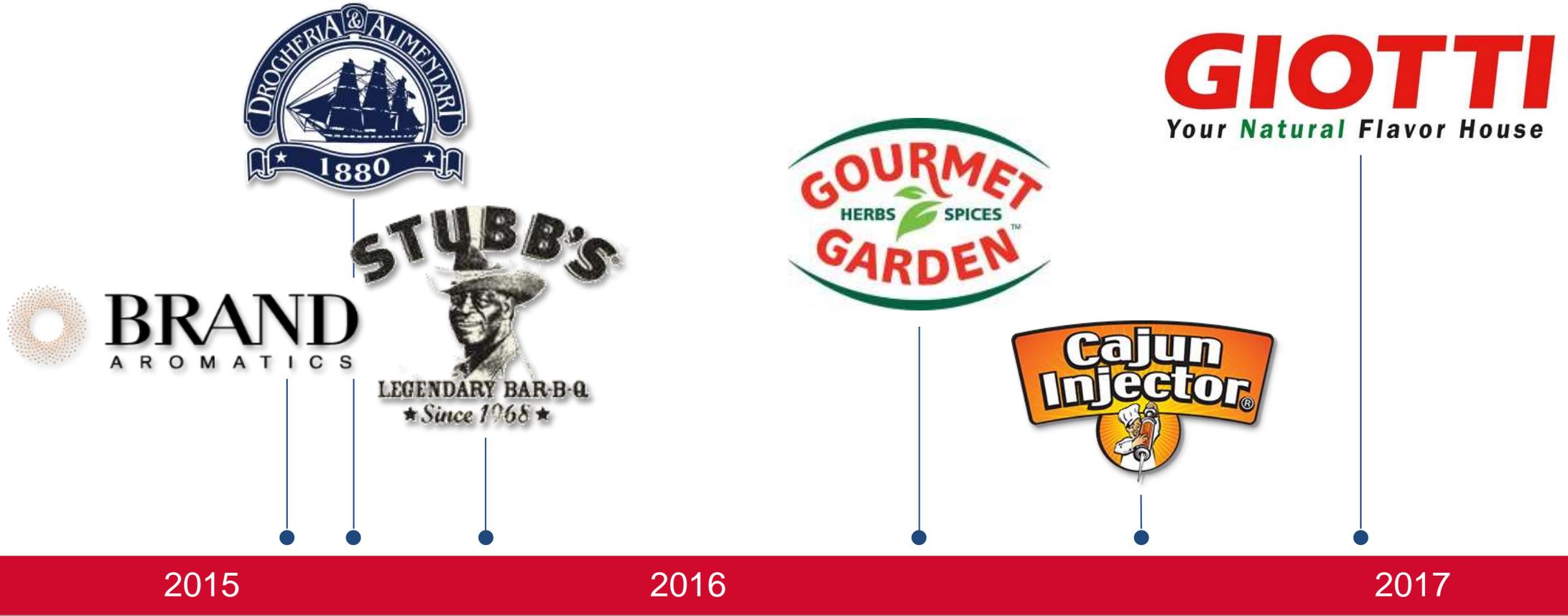
GROWTH: NEW PRODUCTS & INNOVATION



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GROWTH: ACQUISITIONS



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GROWTH: ACQUISITIONS



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GROWTH: ACQUISITIONS

GIOTTI
Your *Natural* Flavor House

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PERFORMANCE

2016 GOALS

- Roll out to MSS functions (NA & EMEA) by end of Q3
- Stabilize the process
- Establish the process for SAP launch/non-SAP implementation



CURRENT
PLANNED
IMPLEMENTATION
SITES—2016

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COST SAVINGS GOAL

\$400 MILLION 2016 - 2019

~2% of sales

AT UPPER END OF PEER
FOOD COMPANIES



McCormick Global Enablement

Building a scalable platform for future growth

Align

We will **ALIGN** our global operating model with end-to-end processes

Simplify

We will radically **SIMPLIFY** everything we do

Grow

We will **GROW** at scale via increased digitization and automation

RECORD HIGH
CASH FLOW
\$658
MILLION

OVER
\$2 BILLION
RETURNED TO
SHAREHOLDERS
LAST 5 YEARS



CHINA

NEW FACILITY IN SHANGHAI



UNITED ARAB EMIRATES

NEW FACILITY IN DUBAI

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NEW HUNT VALLEY HEADQUARTERS ENERGY-EFFICIENT



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Video: Project HUB



“PEOPLE FIRST”
CULTURE



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McCORMICK

PEOPLE



WIN WOMEN'S INTERNATIONAL NETWORK



AAA AFRICAN AMERICAN AMBASSADOR NETWORK



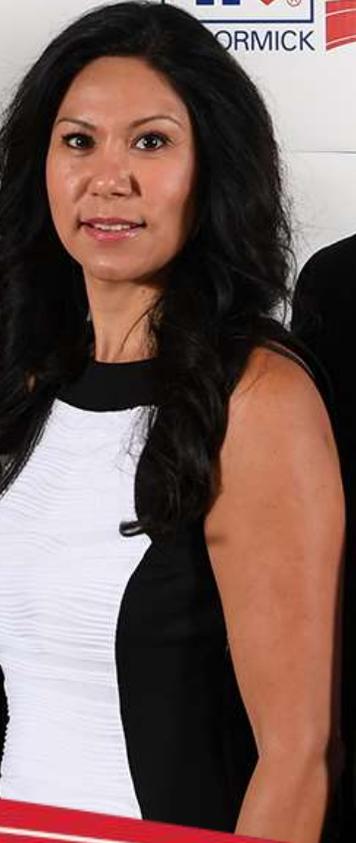
Supplier Diversity



YP Young Professionals Embracing Fresh Perspectives



Asian Diversity Group



COMMITTED TO DIVERSITY

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Video: Diversity & Inclusion



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CHARITY DAY



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PEOPLE



**FLAVOR
FOR LIFE™**
Inspiring Healthy Choices

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WINNING
FLAVOR
Thank you!

