

## **McCormick Provides Update On Growth Strategies And Discusses Long-Term Financial Objectives Wednesday, February 19, 2014 10:30:00 PM (GMT)**

SPARKS, Md., Feb. 19, 2014 /PRNewswire/ -- McCormick & Company, Incorporated (NYSE:MKC), a global leader in flavor, presented to the Consumer Analyst Group of New York (CAGNY) at that group's annual conference. McCormick executives provided an update on the company's growth strategies and discussed its long-term financial objectives.

The company described an advantaged position in the food industry, supplying flavors at every price point and reaching consumers at all types of eating occasions, both at home or eating out. Increased consumer demand for flavor is being driven in part by younger consumers who have a greater interest in cooking and discovering new flavors, as well as mature adults who are using spices and herbs as a replacement for sugar, salt and fat. McCormick is expanding its geographic presence in emerging markets where rising incomes have consumers purchasing branded packaged spices and seasonings rather than as a bulk ingredient. McCormick is investing in brand marketing, innovation and acquisitions to grow sales. Productivity improvements through its Comprehensive Continuous Improvement program (CCI) are the fuel for this growth and expected to yield annual cost savings of at least \$45 million.

Alan D. Wilson, Chairman, President and CEO, commented, "Clearly, demand for flavor is growing all around the world. As a global leader in flavor, this is a great opportunity for McCormick and our strategic imperatives have us well-positioned for success. These begin with our people, 10,000 McCormick employees around the world who are fully engaged. The second imperative is growth, with our objective to win share with a global focus for both our consumer and industrial businesses. Our third imperative is performance. Since 2008, when the current leadership team came together, we have increased sales at a 5% compound annual growth rate and delivered a total shareholder return ahead of the food industry and broader stock market."

Long-term, McCormick's objective remains annual growth of 4-6% in sales, 7-9% operating income and 9-11% earnings per share. In addition, the company expects to continue to generate strong cash flow and to return a significant portion of that cash to its shareholders. During the presentation, the financial expectations for fiscal year 2014 were reaffirmed, as previously provided by the company on January 29, 2014.

### **Live Webcast**

As previously announced, McCormick's presentation at the CAGNY conference today at 4:15pm ET will be webcast live via the McCormick web site. Go to [ir.mccormick.com](http://ir.mccormick.com) and follow directions to listen to the call and access the accompanying presentation materials. The webcast will be archived at this same web site location.

### **Forward-looking Information**

Certain information contained in this release, including statements concerning expected performance such as those relating to net sales, earnings, cost savings, acquisitions and brand marketing support, are "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934. These statements may be identified by the use of words such as "may," "will," "expect," "should," "anticipate," "believe" and "plan." These statements may relate to: 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 and anticipated charges associated with such plans, the holding period and market risks associated with financial instruments, the impact of foreign exchange fluctuations, the adequacy of internally generated funds and existing sources of liquidity, such as the availability of bank financing, our ability to issue additional debt or equity securities and our expectations regarding purchasing shares of our common stock under the existing authorizations.

These and other forward-looking statements are based on management's current views and assumptions and

involve risks and uncertainties that could significantly affect expected results. Results may be materially affected by factors such as: damage to our 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; our ability to achieve expected and/or needed cost savings or margin improvements; the 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, the threat of data breaches and cyber attacks; 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 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. Information provided in these materials represents our consolidated business activities consistent with the standards of US GAAP and does not represent any of the activities of any one particular legal entity that is a part of the consolidated enterprise.

### **About McCormick**

McCormick & Company, Incorporated is a global leader in flavor with \$4 billion in annual sales. McCormick manufactures, markets and distributes spices, seasoning mixes, condiments and other flavorful products to the entire food industry – retail outlets, food manufacturers and foodservice businesses - in more than 125 countries and territories. Since Willoughby M. McCormick founded the company selling root beer extract in 1889, McCormick has demonstrated a strong commitment to the communities in which it operates and the planet as a whole. Innovation in flavor and a clear focus on employee engagement and product quality has allowed McCormick to grow its business globally and become the flavor leader it is today. For more information, visit [www.mccormickcorporation.com](http://www.mccormickcorporation.com).

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SOURCE McCormick & Company, Inc.

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