



**Example Calculation - Gain Recognized and Tax Basis  
Multifoods shares exchanged for Smucker shares**

The following is an example of the tax/cost basis calculation for United States taxpayers. It uses the average of the high and low stock prices for Multifoods and Smucker as of 6/18/04, which is a reasonable method of determining fair market value. Other methods may also be acceptable. Please note that your basis will differ depending on the cost basis of your Multifoods shares.

<u>Item</u>	<u>Description</u>	<u>Calculation</u>	<u>Example</u>	<u>Shareholder Information</u>
<b>Calculation of gain prior to payment of cash in lieu of fractional shares</b>				
A	Smucker price on 6/18/04 (NYSE High/Low Average) = (\$46.85+\$46.07)/2	Input	\$ 46.46	
B	Total Multifoods shares held as of 6/17/04	Input	100.00	
C	Total cost basis of Multifoods shares held as of 6/17/04	Input	\$ 1,900.00	
D	Cost basis per share of Multifoods shares held as of 6/17/04	D=(C/B)	\$ 19.00	
E	Smucker shares received per Multifoods share	Per contract	0.4103	
F	Smucker shares after conversion	F=(E*B)	41.0300	
G	Value of Smucker shares	G=(F*A)	\$ 1,906.25	
H	Cash received per Multifoods share	Per contract	\$ 5.00	
I	Cash received	I=(H*B)	\$ 500.00	
J	Total value received	J=(I+G)	\$ 2,406.25	
K	Potential gain (cannot be less than zero)	K=(J-C)	\$ 506.25	
L	Gain	L=Lesser of I or K	\$ 500.00	
M	Total cost basis of Smucker shares after conversion	M=(C-I+L)	\$ 1,900.00	
N	Cost basis per Smucker share after conversion	N=(M/F)	\$ 46.31	
<b>Calculation of gain or loss on receipt of cash in lieu of fractional shares</b>				
O	Cash received in lieu of fractional shares	Input	\$ 1.46	
P	Cash paid per fractional share	Per contract	\$ 48.74	
Q	Cost basis per Smucker share received	Q=N	\$ 46.31	
R	Fractional shares sold	R=(O/P)	0.03	
S	Cost basis of fractional shares sold	S=(R*Q)	\$ 1.39	
T	Gain or (loss) on sale of fractional shares	T=(O-S)	\$ 0.07	
U	Remaining basis of Smucker shares received	U=(M-S)	\$ 1,898.61	
V	Remaining Smucker shares	V=(F-R)	41.00	
W	Cost basis per remaining Smucker share	W=(U/V)	\$ 46.31	

*Please be aware that the information provided in this attachment is general in nature and should not be construed to be legal, business or tax advice. You should consult your personal tax advisor as to the particular tax consequences of the transaction discussed above, including the applicability and effect of any state, local and foreign tax laws.*