

# Passion for Flavor™



## PASSION POINT

### 11th Annual Flavor Forecast®

*For more than a decade, we have brought together culinary experts in our leading markets to develop our Flavor Forecast, which provides insights into the latest trends in taste.*

At McCormick, we have a rich, 121-year heritage of bringing passion to flavor. We inspire memorable food experiences and provide the taste behind family food traditions passed down from generation to generation.

People's appetites for flavor and new taste experiences are growing all around the world. Our intimate knowledge of the way people purchase, prepare and enjoy food has put us on the leading edge of flavor trends and led to higher sales. Our eagerly awaited Flavor Forecast is now published in markets around the world, and in 2010 we published our second holiday edition and first grilling edition in the United States.

We are the creative spark behind new taste innovations in kitchens and restaurants. With 400 research and development employees globally, we have a strong track record in product innovation. Nearly 10% of our annual sales comes from products introduced in the past three years.



# Power of People™



McCormick has an enduring culture of respect and collaboration that engages employees throughout the organization.

Our unique Multiple Management philosophy, established in 1932, is the foundation of this culture and emphasizes employee involvement in improving many aspects of our business. We are further building on these values with motivational programs such as the McCormick High Performance System, which is leading to better training, lower turnover and greater efficiency. We were pleased to be named by *FORTUNE* magazine as one of the 100 Best Places to Work in 2010.

We have a strong sense of values which includes giving back to the communities where we operate. In the United States, employees can work an extra day and donate their earnings—which are also matched by the Company—to local charities. Employees in other global locations also donate their time and energy to raise funds for their local communities. In addition, the Company recognizes employees for community service with annual awards.

### PASSION POINT

## 78 Years of Multiple Management

*Part professional development and part business improvement process, Multiple Management represents the cultural backbone of McCormick. Following the formation of our first regional Multiple Management boards in 2009, we launched a global board in 2010.*



# Taste You Trust™



Our attention to quality begins right where our products are sourced. Many of the spices and herbs we use are grown by independent farmers in regions all around the world. McCormick's global sourcing team works with farmers to create sustainable growing practices and high quality products. In addition, we have built some health clinics and educational facilities to support these farmers and foster long-term relationships.

Our focus on quality continues once raw materials reach our production facilities. We apply world class cleaning and processing standards that ensure the safety of our products and our employees. In addition, we are implementing an environmental management system across our global operations.

From farm to fork, consumers and customers rely on McCormick's procurement and processing standards for safe, high quality products. In 2010, this reputation won us new business and helped grow our sales.

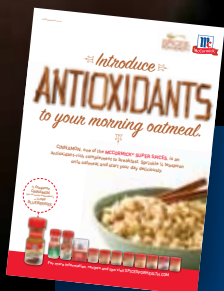
## PASSION POINT

### Brands Sold in >100 Countries

*With spices and herbs sourced from 40 countries, our leading foodservice and retail brands reach consumers in more than 100 countries. In 2010, we introduced special displays of our Ducros® brand in Morocco, Algeria and Tunisia.*



## Inspiring Healthy Choices



### PASSION POINT

#### Super Spices

*One teaspoon of cinnamon has as*

*many antioxidants as ½ cup of blueberries. Spices and herbs are a natural way to add flavor to oatmeal, stir fry, salads or other family favorites.*

Consumers are interested not only in great taste, but healthy eating. With a foundation in spices and herbs, we are well-positioned to meet this interest. Spices and herbs are naturally low in calories and many are high in antioxidants. Through the McCormick Science Institute, we are funding studies to learn more about the health aspects of spices.

We offer more than 300 salt-free consumer products in the United States. In 2010, we extended these offerings with our launch of Perfect Pinch® seasoning blends, which includes several salt-free varieties. About one-third of our product development work for industrial customers currently has some connection to health—either lower salt, reduced sugar, higher antioxidants or more natural ingredients.

In the workplace, McCormick employees benefit from a Company wellness initiative which includes programs for exercise, managing stress and smoking cessation.

We believe the interest in healthy living among consumers, customers and our own employees will continue to grow.

# Delivering High Performance



\$1.04

Dividend Paid  
Per Share  
1986–2010



Since 2000, McCormick has increased earnings per share at a double-digit compound annual rate. The strategy behind this growth is simple—invest in the business to grow sales and profits, and fuel this investment with improved margins.

In 2010, we invested in our business, increasing brand marketing by \$21 million and expanding our product innovation capabilities which included facility upgrades in the U.S., South Africa and pictured here, the U.K. We also acquired a small Hispanic specialty food business and entered into consumer business joint ventures in India and Turkey.

Our investments are fueled by margin improvement—resulting from our Comprehensive Continuous Improvement program, which delivered \$54 million in cost savings in 2010, as well as a more favorable mix of products. Gross profit margin reached a record 42% in 2010.

In addition to increasing sales and profits, we manage our business for cash in order to increase total return to McCormick shareholders. In 2010, we used \$221 million of our cash flow to directly benefit shareholders through the payment of dividends and share repurchases.

#### PASSION POINT

### 25 Consecutive Years of Dividend Increases

*At the end of 2010, our Board approved a dividend increase—the 25th consecutive year of higher dividends for our shareholders. McCormick has paid dividends every year since 1925.*

# Passion Points

Founded in 1889, McCormick is a global leader in delivering great flavor.

Drawing upon a heritage in spices and herbs, our products today include seasoning blends, condiments, ethnic foods, homemade desserts and other specialty items. Through geographic expansion and acquisitions, consumers can now buy our brands in more than 100 countries. And our industrial business flavors snacks, wraps, beverages and much more for customers, which include global restaurant chains and leading food manufacturers.

No matter what you eat, each and every day you are likely to taste something flavored by McCormick.

**#1** Brands

McCormick has the leading brand of spices and seasonings in each of its major markets, as well as many other top brands. Examples include a #1 share of wet marinades in the U.S., a #1 share of homemade desserts in France, a #1 share of honey in Canada and a #1 share of gelatin in Australia.

**10% / 90%**

While our products might be only 10% of the cost of a meal, they can deliver 90% of the flavor!

**\$3.3** Billion in Sales

For the past five years, our annual sales have grown at an average rate of 5%.

**15%** of Net Sales

New products launched in the past three years for restaurants and food manufacturers accounted for 15% of our industrial business sales in 2010.

**3X** Faster

Since 1980, U.S. spice consumption has grown almost three times as fast as population growth. Americans enjoy more than a billion pounds of spices and herbs annually.

**70%** Value-Added

Up from 60% ten years ago, today 70% of our sales are products to which we have added value—whether that's a creative blend of flavors, convenient preparation or unique packaging.

**3** Million Ounces of Ground Ginger

This is the amount sold during the Christmas holiday period in the United States. It is enough to produce 450 million gingerbread men which could circle the Earth nearly one and a half times!

**Top 5** in Profit Per Foot

The spice and seasonings category is one of the most profitable for U.S. food retailers. We work closely with our customers worldwide to optimize the assortment, placement and promotion of our products.

**26%** Reduction

We exceeded the 2010 environmental goals set in 2005 by reducing water usage 26%, greenhouse gas emissions 23%, solid waste 22% and electricity 17% per unit of production.

**11%** Shareholder Return

Since 2000, a double-digit compound annual growth rate in our earnings per share and higher dividends has led to an annual total shareholder return of 11% which exceeds the returns of the S&P 500 stock index and the food group.

**7,500** Employees Worldwide

Our McCormick High Performance System engages employees and creates an inclusive environment. Our employees are the key ingredient in our success.