



July 24, 2001

**FOR IMMEDIATE RELEASE**  
**Wm. Wrigley Jr. Company (WWY)**  
**Second Quarter and First Half 2001 Financial Results**

**Consolidated Financial Results**

The Wm. Wrigley Jr. Company announced today continued strength in sales and earnings, with solid gains recorded for the second quarter and first half of 2001. Earnings per share for the quarter and first six months were up 10% over the year ago periods on overall sales gains of 9% for the quarter and 10% year to date. The gains were driven by strong worldwide shipment growth of 8% for the quarter and 10% for the first half and expanded gross margins, partially offset by increased marketing investments and the translation of foreign results into the strong U.S. dollar. In the absence of the negative effect of currency translation, sales would have grown by 13% in the quarter and 14% year to date; earnings per share for the same periods would have climbed by 15% and 14% respectively.

Bill Wrigley, Jr., President & CEO, noted, "Our solid financial results for the second quarter are indicative of the Wrigley Company's underlying business strength. In a quarter with negative impact from currency translation, continued strong support for Wrigley brands – both old and new – and increased spending on Wrigley Healthcare, we were able to grow the top and bottom line at a healthy clip."

**Sales**

Global sales for the second quarter rose to \$624 million, an increase of \$54 million or more than 9% from a year ago, on a solid shipment volume increase of 8%. Consolidated sales would have increased 13% in the absence of the negative currency translation effect. Sales in the Europe and Asia/Pacific regions combined increased by 11% in the second quarter, but would have been up 17% without the effect of translating foreign currencies, especially the euro and the pound, to the stronger U.S. dollar. Sales in the Americas region climbed by 8%, reflecting solid volume growth, mix improvement, and selected selling price increases in the U.S. market and improved performance across Latin America.

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For the first six months of 2001, consolidated net sales were nearly \$1.2 billion, up \$112 million or more than 10% from 2000, reflecting a 9% sales gain in the Americas and an 11% gain in overseas markets. Year-to-date, the overseas sales gain would have been 18% without the negative effect of foreign currency translation into the strong U.S. dollar.

Consolidated gross margins of 59.8% for the quarter and 59.6% year to date improved by 100 and 150 basis points respectively versus the year-ago periods, reflecting selected selling price increases, product mix improvements and cost controls.

### **Earnings**

Consolidated second quarter net earnings of \$100 million were up \$8 million or 9%. On a per share basis, reflecting fewer average shares outstanding, earnings for the quarter rose by \$0.04 or 10% to \$0.44. Without the currency translation effect, earnings per share would have been \$0.46.

Operating profits for the second quarter, excluding currency, increased 13% versus the prior year. In Europe, the improvement was led by Eastern Europe, especially Russia, as well as the United Kingdom. In Asia/Pacific, solid gains were recorded across almost all markets, led by China and Taiwan. In the Americas, operating profits also showed strong growth. In consolidation, operating profits from the established chewing gum business were partially offset by losses from Wrigley Healthcare, as launch costs and heavy marketing spending behind Surpass<sup>®</sup> antacid chewing gum continued to exceed revenues.

First half 2001 net earnings were up \$15 million or 9% to \$182 million. On a per share basis, earnings rose by \$0.07 or 10% to \$0.80 per share. Without the negative impact of currency translation, year-to-date earnings per share would have been \$0.83.

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To the extent that statements contained in this press release may be considered forward-looking statements, the following will be deemed to be the Company's meaningful cautionary disclosure regarding such statements. A variety of factors could cause actual results to differ materially from the anticipated results or expectations expressed. The important factors that could affect these outcomes are set forth in Exhibit 99 to the Company's Annual Report on Form 10-K for the year ended December 31, 2000.



**STATEMENT OF CONSOLIDATED EARNINGS OF  
WM. WRIGLEY JR. COMPANY**

	Three Months Ended		Six Months Ended	
	June 30.		June 30.	
	2001	2000	2001	2000
Net sales	\$ 623,892,000	570,224,000	\$ 1,185,515,000	1,073,515,000
Cost of sales	<u>251,096,000</u>	<u>235,495,000</u>	<u>479,491,000</u>	<u>450,461,000</u>
Gross profit	<u>372,796,000</u>	<u>334,729,000</u>	<u>706,024,000</u>	<u>623,054,000</u>
Selling and general administrative	<u>230,188,000</u>	<u>203,195,000</u>	<u>447,919,000</u>	<u>387,327,000</u>
Operating income	<u>142,608,000</u>	<u>131,534,000</u>	<u>258,105,000</u>	<u>235,727,000</u>
Investment income	3,628,000	4,159,000	7,717,000	7,891,000
Other income/(expense)	<u>(575,000)</u>	<u>(533,000)</u>	<u>(766,000)</u>	<u>472,000</u>
Earnings before income taxes	<u>145,661,000</u>	<u>135,160,000</u>	<u>265,056,000</u>	<u>244,090,000</u>
Income taxes	<u>45,628,000</u>	<u>43,057,000</u>	<u>83,493,000</u>	<u>77,382,000</u>
Net earnings	<u>\$ 100,033,000</u>	<u>92,103,000</u>	<u>\$ 181,563,000</u>	<u>166,708,000</u>
Net earnings per average share of common stock (basic and diluted) <sup>a</sup>	<u>\$ 0.44</u>	<u>0.40</u>	<u>\$ 0.80</u>	<u>0.73</u>
Average number of shares outstanding for the period	<u>225,604,521</u>	<u>227,527,586</u>	<u>225,577,183</u>	<u>228,007,164</u>

<sup>a</sup> Per share calculations based on the average number of shares outstanding for the period.