

MCCORMICK & CO INC  
Form 10-Q  
June 27, 2014

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
Form 10-Q  
QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934  
For Quarter Ended May 31, 2014  
Commission File Number 001-14920

McCORMICK & COMPANY, INCORPORATED  
(Exact name of registrant as specified in its charter)

MARYLAND 52-0408290  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

18 Loveton Circle, P. O. Box 6000, 21152-6000  
Sparks, MD (Zip Code)  
(Address of principal executive offices) (410) 771-7301  
Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "accelerated filer," "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer  Accelerated Filer   
Non-Accelerated Filer  Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

	Shares Outstanding May 31, 2014
Common Stock	12,178,330
Common Stock Non-Voting	117,633,560

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## PART I - FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

McCORMICK & COMPANY, INCORPORATED  
 CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)  
 (in millions except per share amounts)

	Three months ended May 31,		Six months ended May 31,	
	2014	2013	2014	2013
Net sales	\$1,033.4	\$1,002.6	\$2,026.8	\$1,936.9
Cost of goods sold	620.9	608.2	1,222.8	1,180.8
Gross profit	412.5	394.4	804.0	756.1
Selling, general and administrative expense	290.8	278.4	557.7	528.1
Operating income	121.7	116.0	246.3	228.0
Interest expense	12.5	13.5	24.9	27.4
Other income, net	0.3	0.8	0.5	1.4
Income from consolidated operations before income taxes	109.5	103.3	221.9	202.0
Income taxes	31.2	30.6	66.2	58.8
Net income from consolidated operations	78.3	72.7	155.7	143.2
Income from unconsolidated operations	6.2	5.9	11.3	11.4
Net income	\$84.5	\$78.6	\$167.0	\$154.6
Earnings per share – basic	\$0.65	\$0.60	\$1.28	\$1.17
Average shares outstanding – basic	130.2	132.1	130.6	132.3
Earnings per share – diluted	\$0.64	\$0.59	\$1.27	\$1.16
Average shares outstanding – diluted	131.2	133.6	131.7	133.8
Cash dividends paid per share	\$0.37	\$0.34	\$0.74	\$0.68

See notes to condensed consolidated financial statements (unaudited).

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McCORMICK & COMPANY, INCORPORATED  
 CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
 (in millions)

	Three months ended May 31,		Six months ended May 31,		
	2014	2013	2014	2013	
Net income	\$84.5	\$78.6	\$167.0	\$154.6	
Net income attributable to non-controlling interest	0.7	0.4	1.7	0.9	
Other comprehensive income (loss):					
Unrealized components of pension plans	4.1	9.2	7.9	22.1	
Currency translation adjustments	(0.2	) (29.6	) 4.1	(45.8	)
Change in derivative financial instruments	(0.3	) 3.5	—	7.7	)
Deferred taxes	(1.4	) (4.3	) (2.9	) (8.3	)
Comprehensive income	\$87.4	\$57.8	\$177.8	\$131.2	

See notes to condensed consolidated financial statements (unaudited).

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McCORMICK & COMPANY, INCORPORATED  
CONDENSED CONSOLIDATED BALANCE SHEET  
(in millions)

	May 31, 2014 (unaudited)	May 31, 2013 (unaudited)	November 30, 2013
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ASSETS  
Current Assets