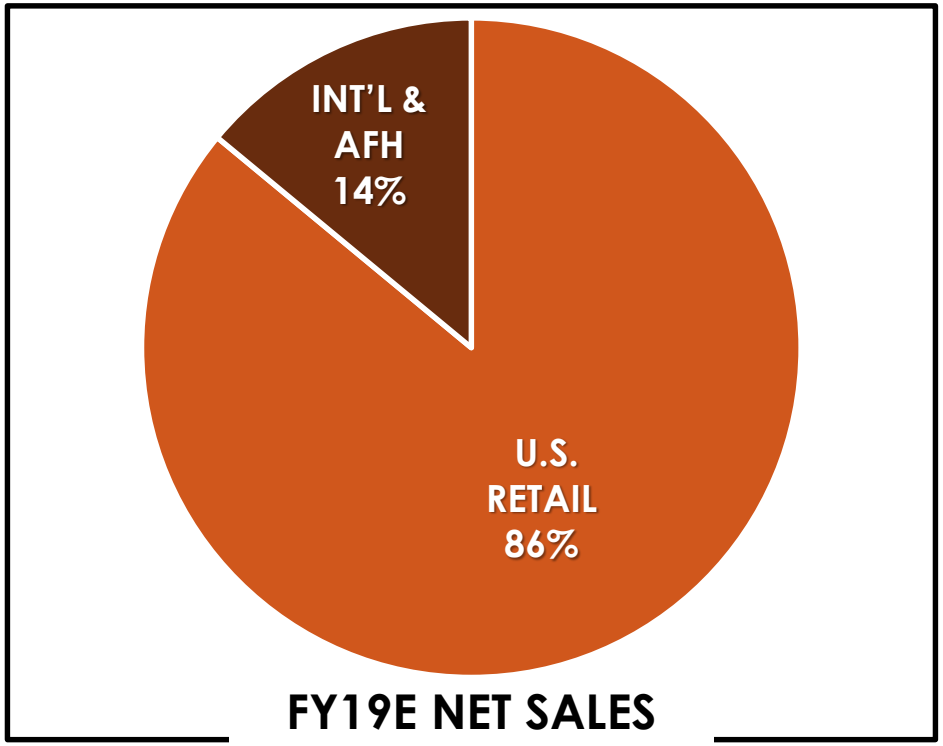
Financial Overview

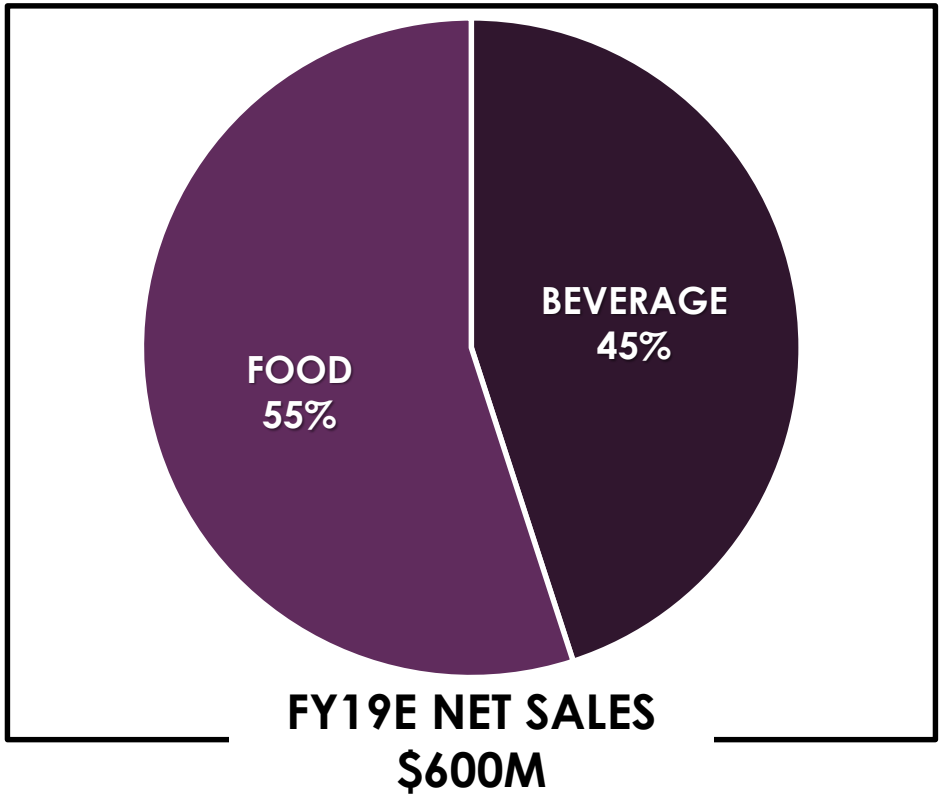
Mark Belgya

Vice Chair and Chief Financial Officer

International & Away From Home



Away From Home Net Sales



Away From Home Net Sales Growth



+4%

FY18

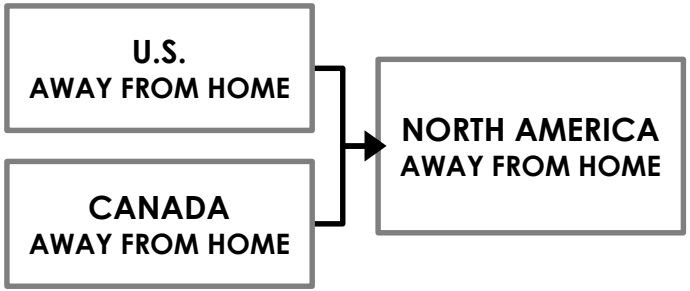
+3%

FY19

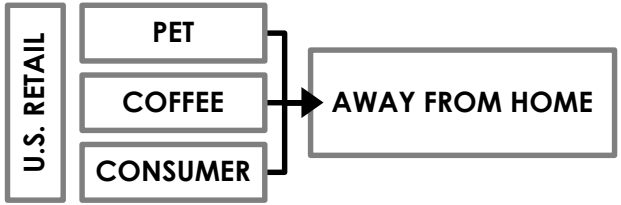
GROWTH SUPPORTED BY EXPANDED CHANNEL PRESENCE

New Operating Model

CONSOLIDATED NORTH AMERICAN TEAM



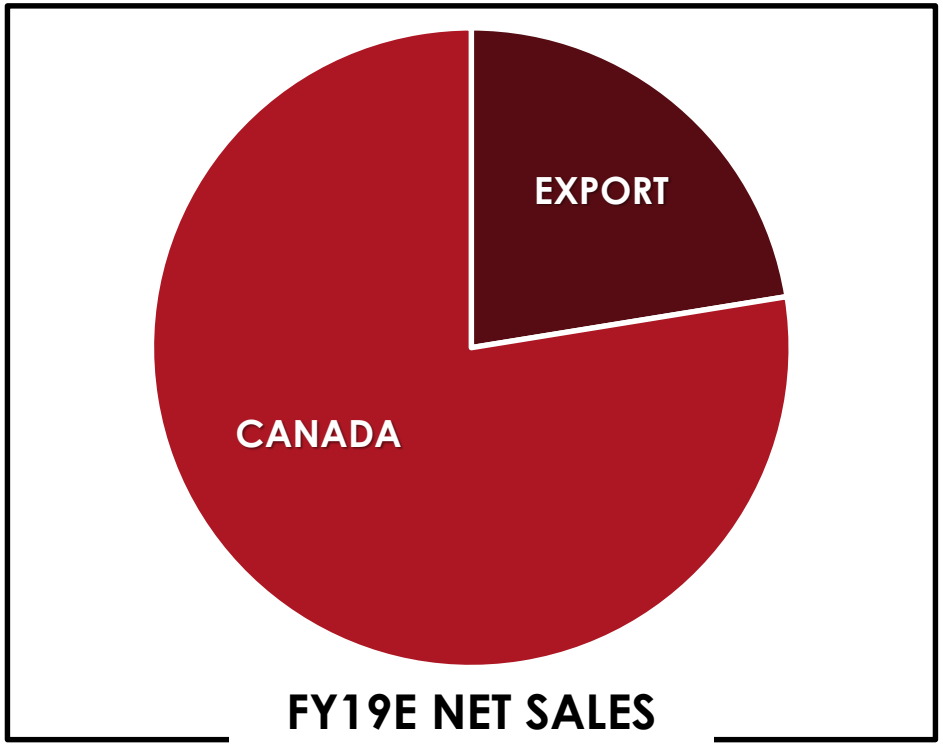
CONVENIENCE CHANNEL TRANSFER



SUPPORTING OUR STRATEGY TO BE WHERE OUR CONSUMERS SHOP



International Net Sales



Canada

LEADING CANADIAN BRANDS

#1 IN OILS	#1 IN PICKLES	#1 IN FRUIT SPREADS	#1 IN BAKING	#1 IN CANNED MILK
Crisco	BICK'S	SMUCKER'S	Robin Hood	Carnation

Canadian Growth Opportunities

EXPAND PRESENCE OF *JIF®*



EXPAND *NATURE'S RECIPE®*



LAUNCH *NUTRISH®*

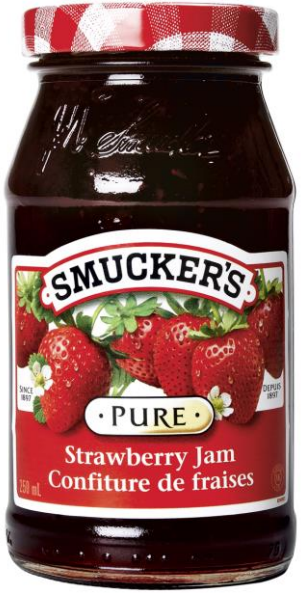


LAUNCH 1850™



Canadian Tariffs





BRIEFING • TARIFFS

Canada's Import Tariffs On U.S. Goods Go Into Effect

By ERIN CORBETT July 1, 2018

Canada's retaliatory tariffs on U.S. goods went into effect on Sunday, July 1, the same day the country celebrates its national holiday. Canada imposed a 25% tariff on metal products and a 10% tariff on over 250 other goods, such as coffee and whiskeys, according to the BBC. The total import duties target $12.6 billion worth of U.S. products.

Canada begins imposing tariffs on US goods

By Mark Moore July 1, 2018 | 4:36pm



FY19 ESTIMATED NET IMPACT

$5M

Source: Department of Finance, Canada

Financial Outlook

NET SALES

EARNINGS

TOTAL SHAREHOLDER RETURN

Long-Term Growth Objectives

CORE, LEADING BRANDS

#1 IN FRUIT SPREADS

SMUCKER'S

#1 IN NUT BUTTERS

JIF

#1 IN COFFEE

Folgers

#1 IN PET SNACKS

LOVED SINCE 1908 MILK-BONE

+

HIGH-GROWTH, ON-TREND BRANDS

RACHAEL RAY NUTRISH

CAFÉ BUSTELO

DUNKIN' DONUTS

JIF POWER UPS

SNACK BETTER SAHALE SNACKS

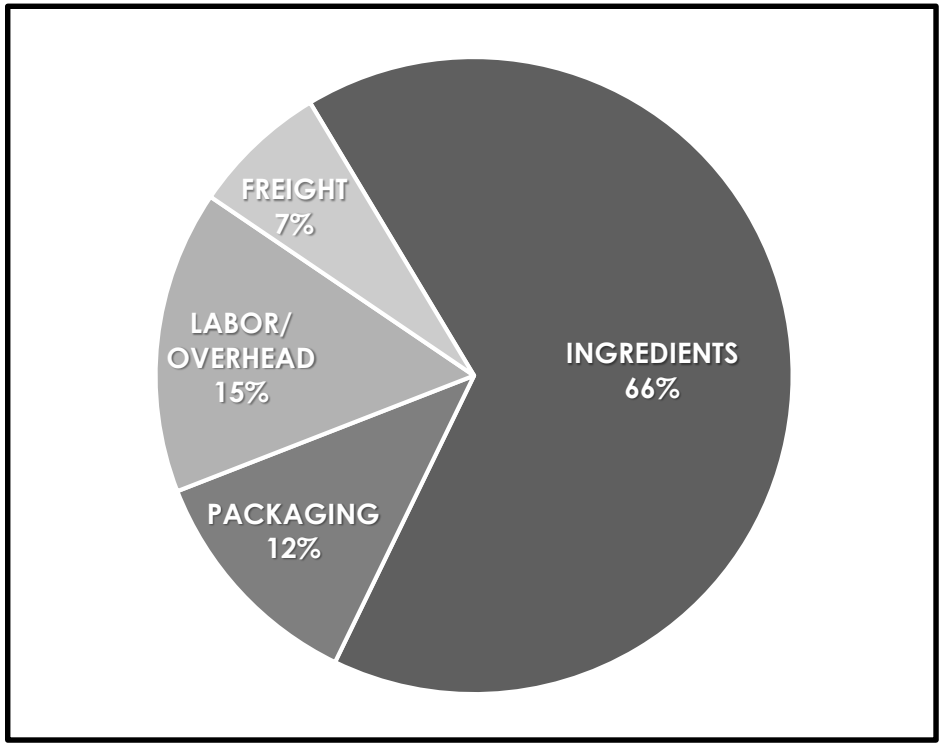
EST. 1982 NATURE'S RECIPE EVERY INGREDIENT COUNTS

SMUCKER'S UNCRUSTABLES

S.F. 1850 CA. THE FOLGER COFFEE CO.

ANNUAL NET SALES GROWTH +2% - +3%

Cost of Goods Sold

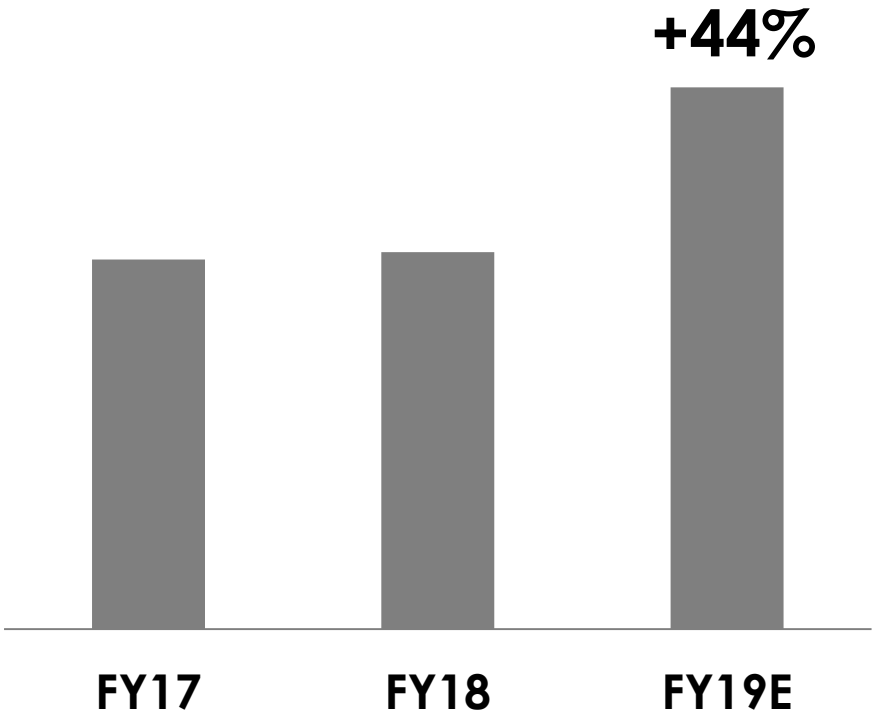


TOP 5 RAW MATERIALS

1. Coffee
2. Meats & Protein Meals
3. Nuts
4. Resin
5. Fats & Oils

77%
OF TOTAL RAW MATERIALS

Increased Marketing Spend











Cost Management Program

ACHIEVED

$300 MILLION
ANNUAL COST SAVINGS & SYNERGIES TO DATE

FY19

$80 MILLION
K-CUP® AGREEMENT
RIGHT SPEND
ORGANIZATIONAL RUN MODEL

FY20

$70 MILLION
CONTINUED SAVINGS FROM ONGOING COST MANAGEMENT PROGRAMS

$450 MILLION
TOTAL ANNUAL COST REDUCTION BY FY20

Cost Savings Initiatives

K-CUP® AGREEMENT



RIGHT SPEND

RIGHT SPEND

ORGANIZATIONAL RUN MODEL



5% ANNUAL OPERATING INCOME GROWTH OVER STRATEGIC HORIZON

Long-Term Guidance

NET SALES

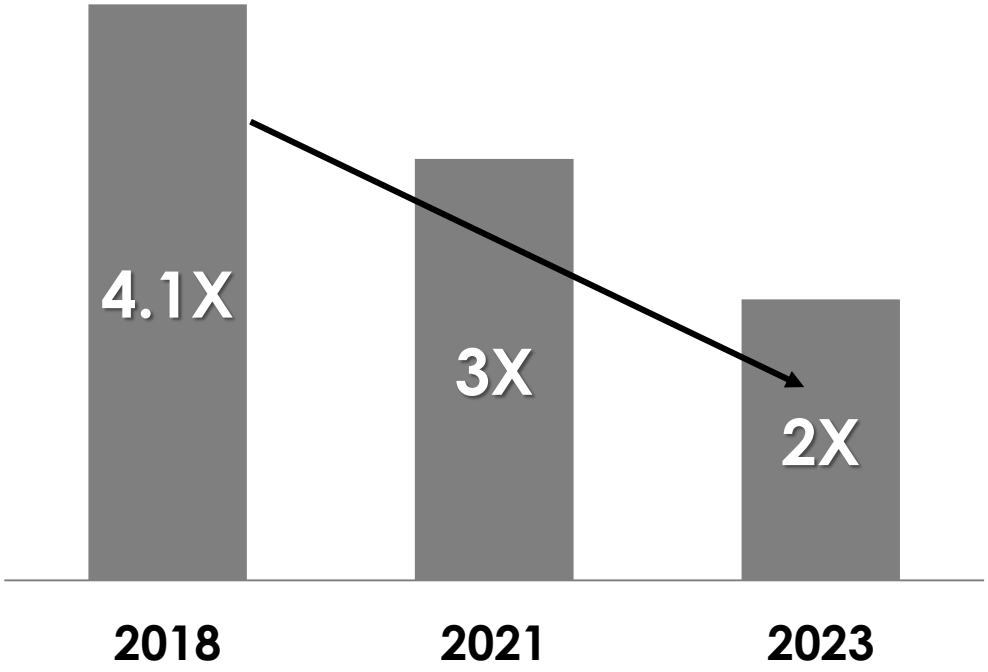
+2% - +3%

OPERATING INCOME

+5%

Free Cash Flow Allocation

PROJECTED LEVERAGE RATIO



DEBT REDUCTION ADDS

1%

ANNUAL EARNINGS GROWTH

Long-Term Guidance

NET SALES	OPERATING INCOME	INCOME BEFORE TAXES
+2% - +3%	+5%	+6%

Achieve Long-Term Earnings

CPG INDUSTRY



MARKETING SUPPORT



INTEREST RATES



LONG-TERM EARNINGS GUIDANCE

+8%

Long-Term Guidance

NET SALES	OPERATING INCOME	INCOME BEFORE TAXES	EPS
+2% - +3%	+5%	+6%	+8%

Capital Deployment

INVESTING IN THE BUSINESS		RETURNING CASH TO SHAREHOLDERS	
CAPEX **3.5% NET SALES** Jif POWER UPS SMUCKER'S Uncrustables	**ACQUISITIONS** RACHAEL RAY NUTRISH	**DIVIDENDS** **+10%** 10 Year CAGR	**SHARE REPURCHASES** **$1.3B** Past 5 Years

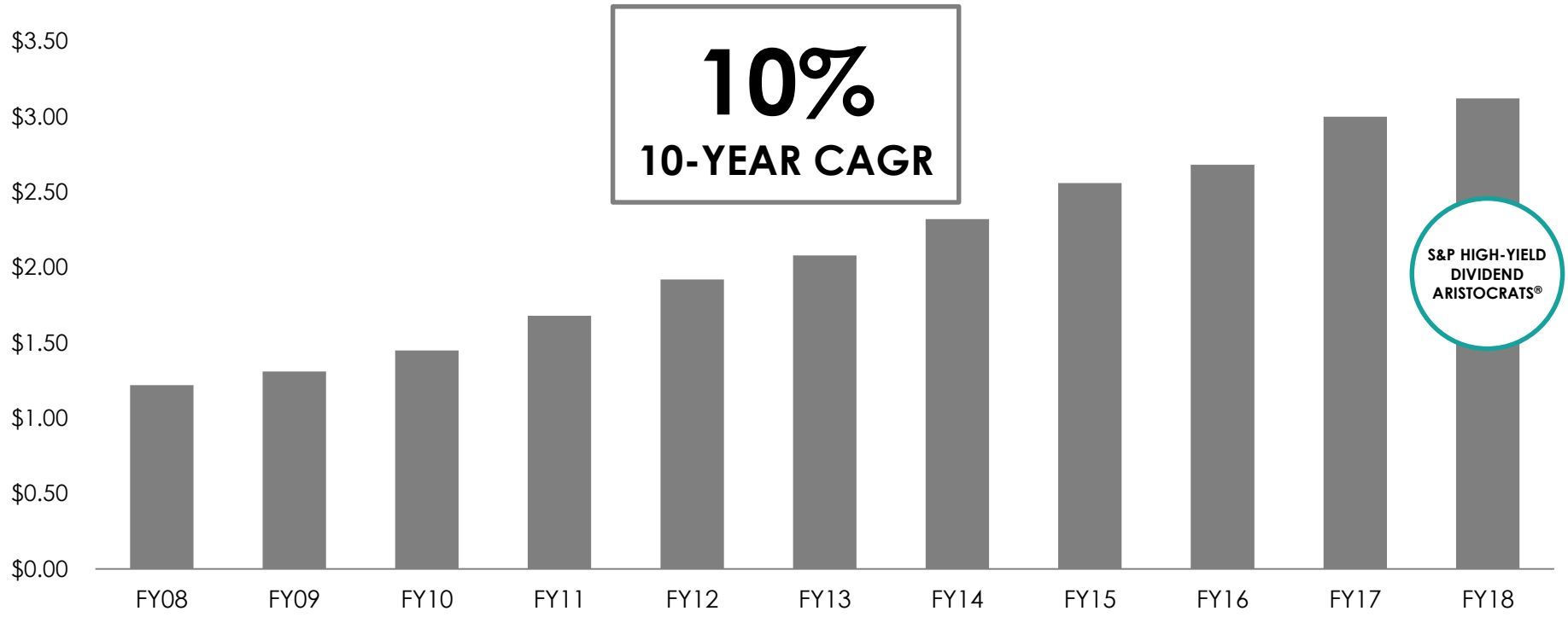
New *Smucker's® Uncrustables®* Plant





Returning Cash to Our Shareholders

Dividend Growth



Returning Cash to Our Shareholders

EPS

+8%

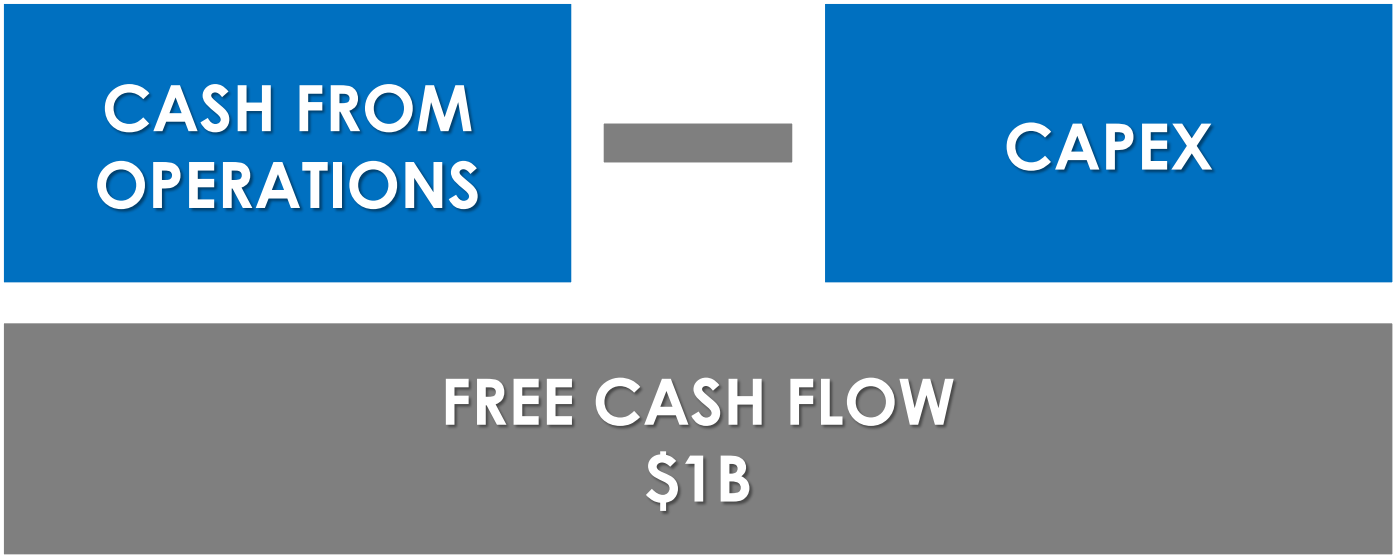
DIVIDENDS

+2% - +3%

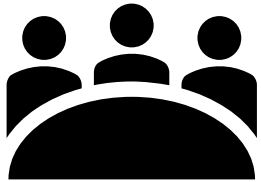
TOTAL SHAREDHOLDER RETURN

+10% - +11%

Free Cash Flow Growth



Investor Day Goals



GET TO KNOW THE LEADERSHIP TEAM



PLANS FOR GROWTH



CONFIDENCE IN ACHIEVING FINANCIAL OBJECTIVES

Question & Answer Session