THE J.M. SMUCKER Co.

Fiscal 2022 Fourth Quarter Earnings

SUPPLEMENTARY INFORMATION

June 07, 2022

Consolidated Results

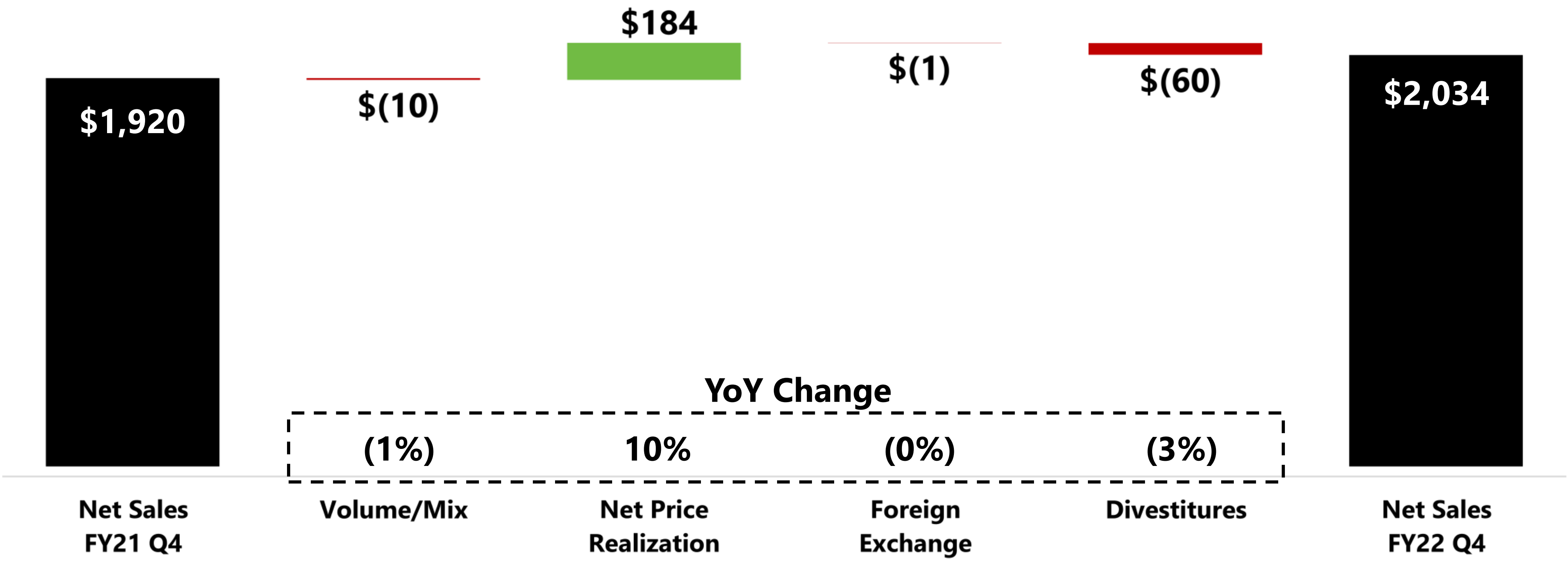
($ in millions, except per share data)	FY22 Q4	FY21 Q4	YoY Change
Net Sales	$2,033.8	$1,920.2	6%
Adjusted Gross Profit	$655.2	$727.0	(10%)
Adjusted Gross Profit Margin	32.2%	37.9%	-570bps
Adjusted Operating Income	$350.9	$311.6	13%
Adjusted Operating Income Margin	17.3%	16.2%	+110bps
Adjusted Effective Income Tax Rate	22.3%	23.3%	-100bps
Adjusted EPS – Assuming Dilution	$2.23	$1.89	18%

Note: Please refer to the press release dated June 7, 2022 for details related to the impact of the *Jif®* peanut butter product recall.

Consolidated Results

Net Sales Analysis

($ in millions)



Note: Amounts may not add due to rounding

Consolidated Results

Balance Sheet/Cash Flow Highlights

($ in millions)	FY22 Q4	FY21 Q4
Cash from Operations	$393.7	$291.0
Capital Expenditures	(173.0)	(108.0)
Free Cash Flow	$220.7	$183.0
	April 30, 2022	**April 30, 2021**
Total Debt (Gross)	$4,490.6	$4,751.7
EBITDA (as adjusted, TTM)	$1,614.2	$1,805.3
Gross Debt/EBITDA (TTM)	2.8x	2.6x

Segment Results: FY22 Q4

($ in millions)	PET FOODS	COFFEE	CONSUMER FOODS	INT'L & AFH
Net Sales	$718.1	$647.2	$397.3	$271.2
YoY Change	6%	11%	(5%)	12%
YoY Net Sales Change Summary:				
Acquisition/Divestitures	(4%)	-	(8%)	(1%)
Foreign Currency Exchange	-	-	-	(0%)
Net Sales Excluding Divestitures and Foreign Currency Exchange	10%	11%	3%	13%
Volume/Mix	-	(6%)	2%	7%
Net Price Realization	10%	17%	1%	6%
Segment Profit	$120.7	$164.2	$95.0	$34.5
YoY Change	19%	(5%)	0%	18%
Segment Profit Margin	16.8%	25.4%	23.9%	12.7%
YoY Change	+170bps	-440bps	+130bps	+70bps

Note: Amounts may not add due to rounding

Please refer to the press release dated June 7, 2022 for details related to the impact of the *Jif®* peanut butter product recall.

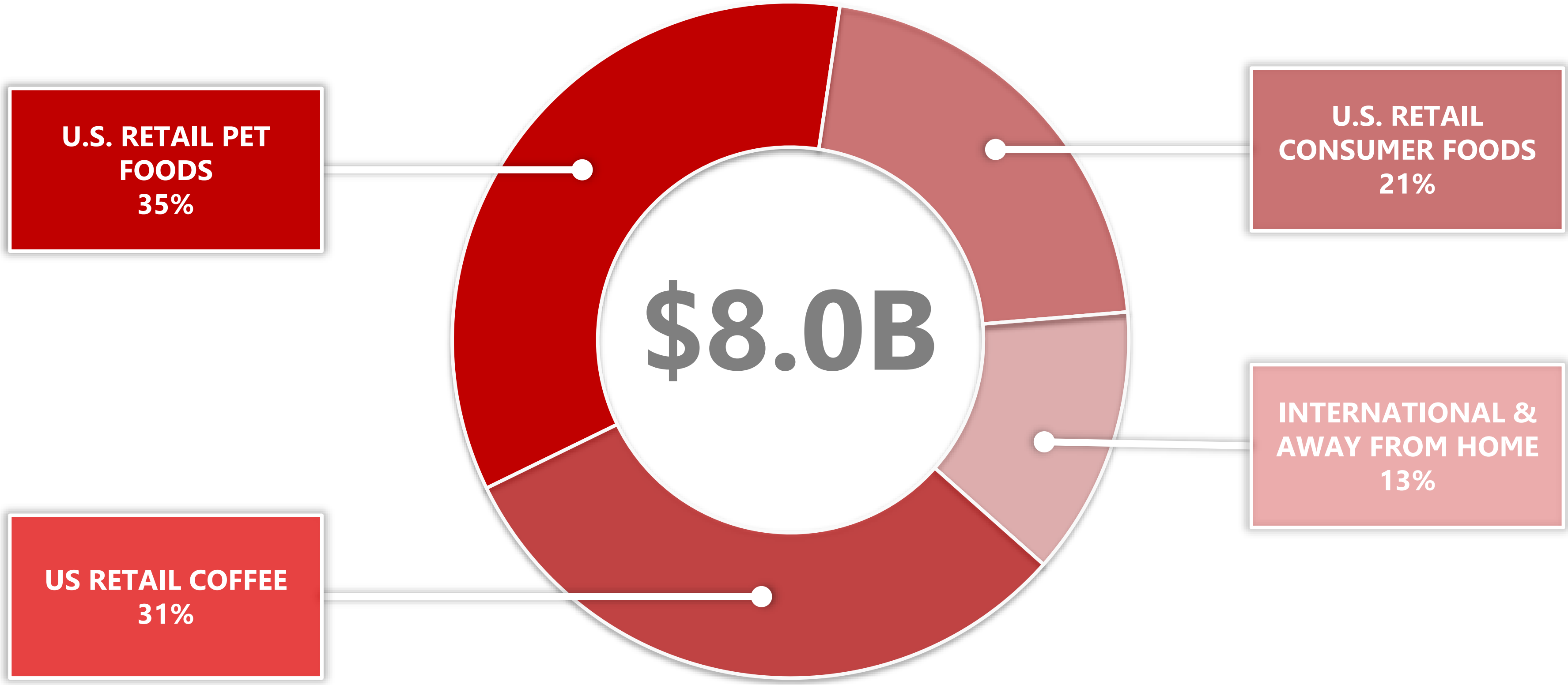
Full-Year Fiscal 2023 Outlook

Net Sales Increase	3.5% – 4.5%
Adjusted EPS – Assuming Dilution	$7.85 - $8.25
Free Cash Flow (in millions)	$500
Capital Expenditures (in millions)	$550
Adjusted Effective Income Tax Rate	24.2%

Please refer to the press release dated June 7, 2022 for details related to the impact of the *Jif®* peanut butter product recall.

Total Company

Fiscal 2022 Net Sales by Reportable Segment



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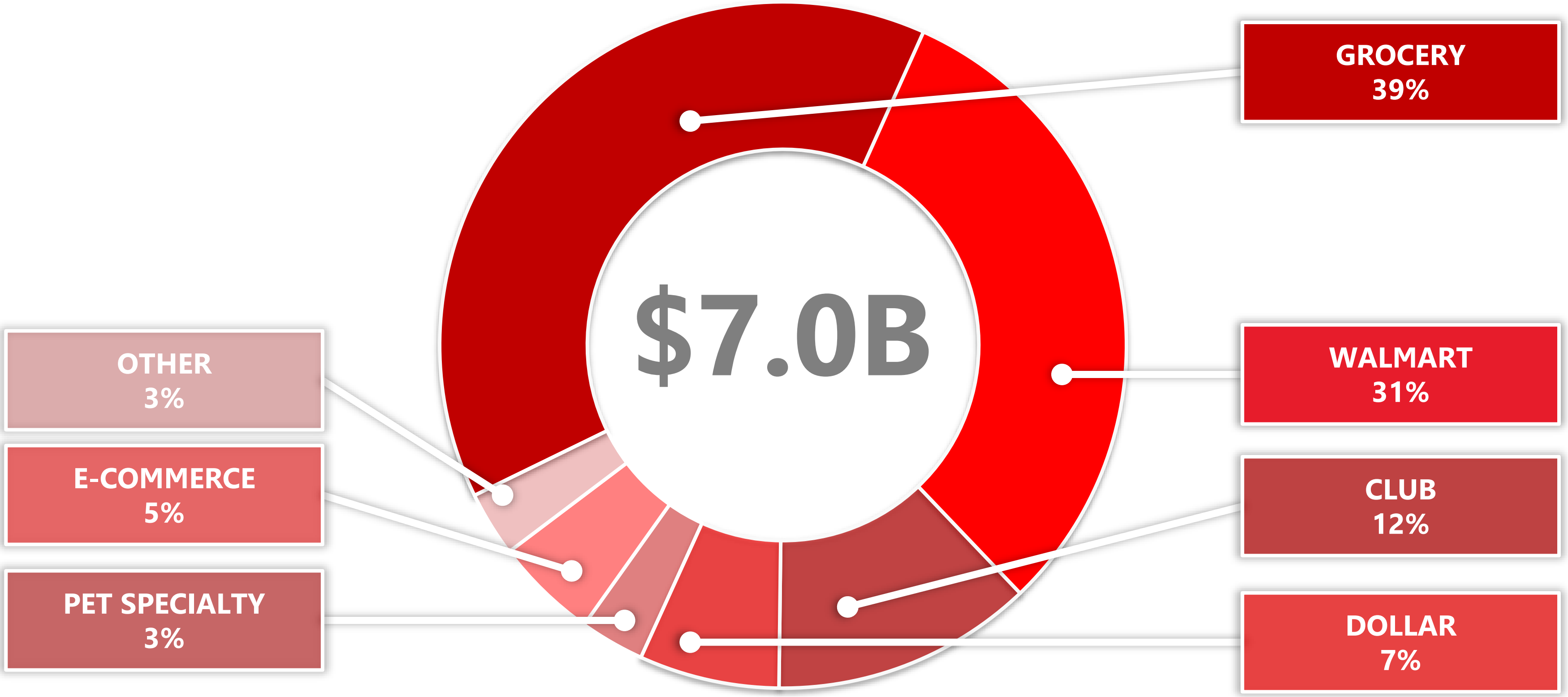
U.S. Retail Reportable Segments

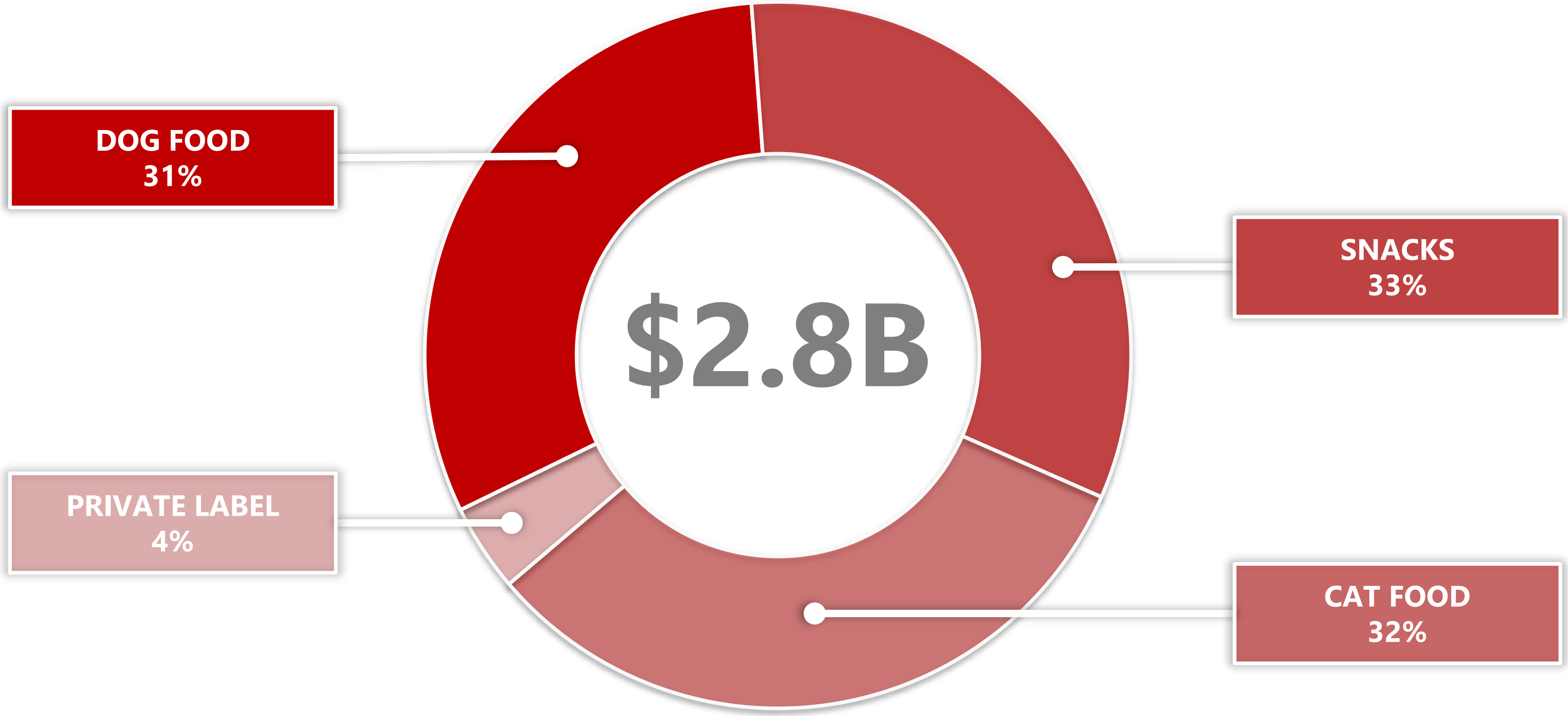
Fiscal 2022 Net Sales by Channel



Note: E-Commerce represents pure-play online retailers only; Other includes Drug, Military, Mass Retail, and Convenience. Amounts may not add due to rounding.

U.S. Retail Pet Foods Segment

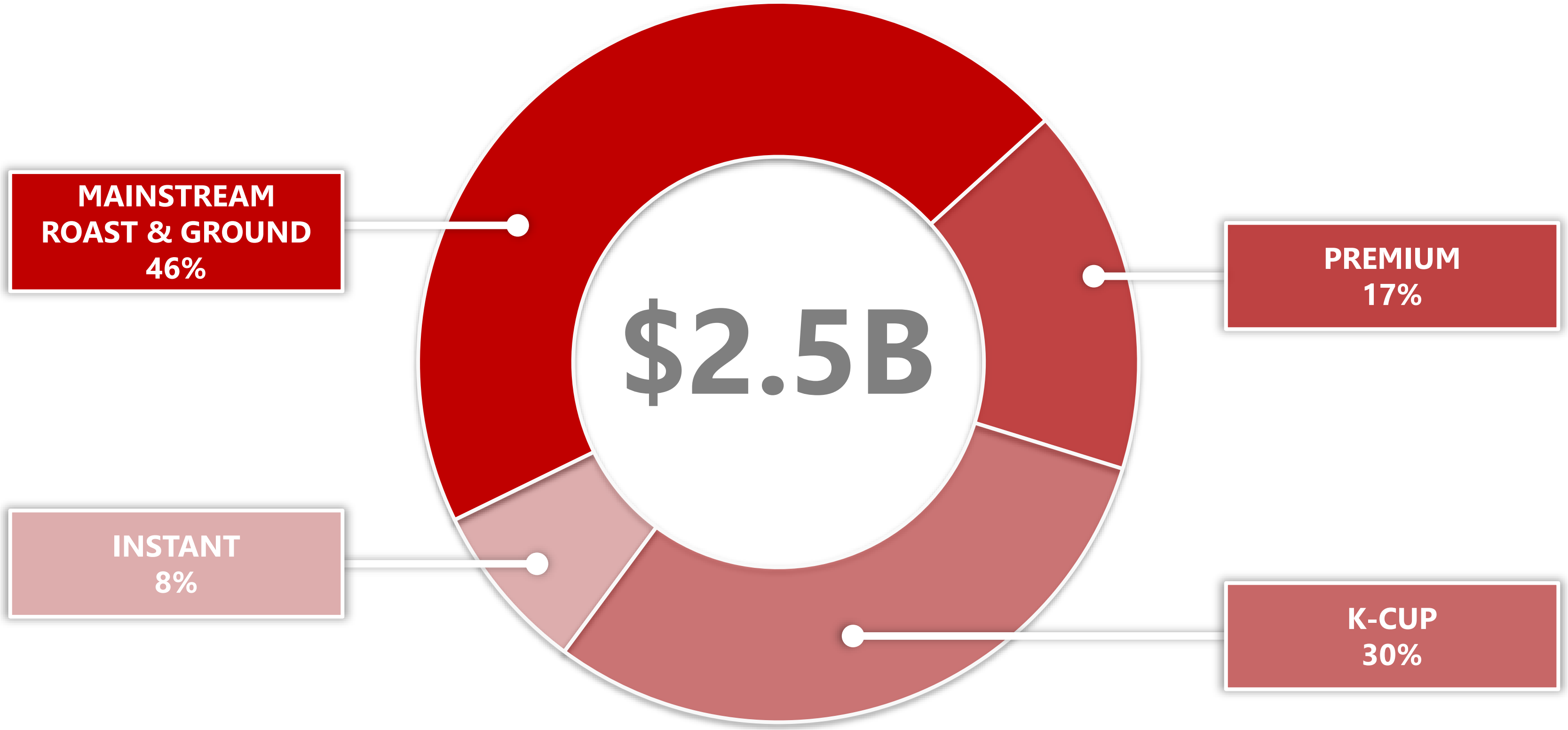
Fiscal 2022 Net Sales



Note: Amounts may not add due to rounding

U.S. Retail Coffee Segment

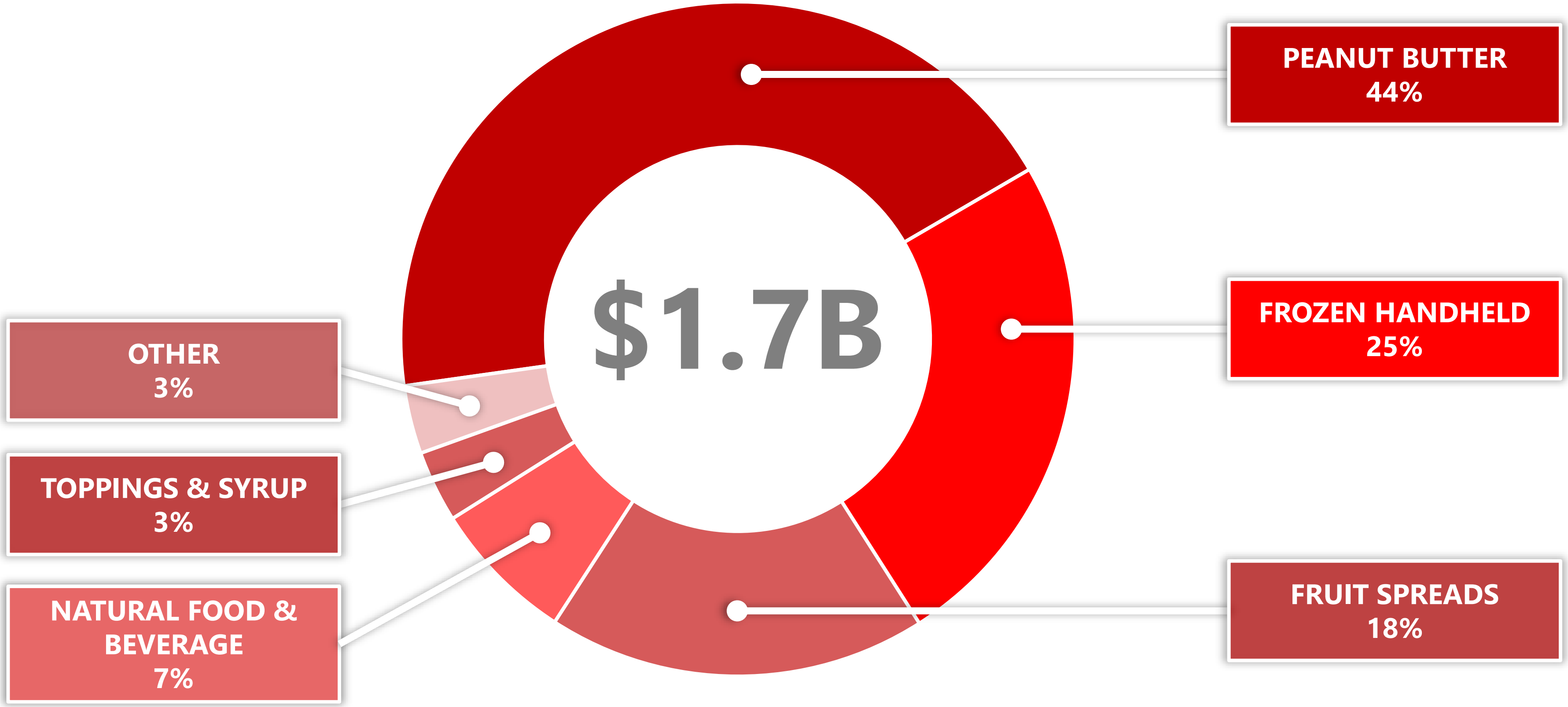
Fiscal 2022 Net Sales



Note: Amounts may not add due to rounding

U.S. Retail Consumer Foods Segment

Fiscal 2022 Net Sales



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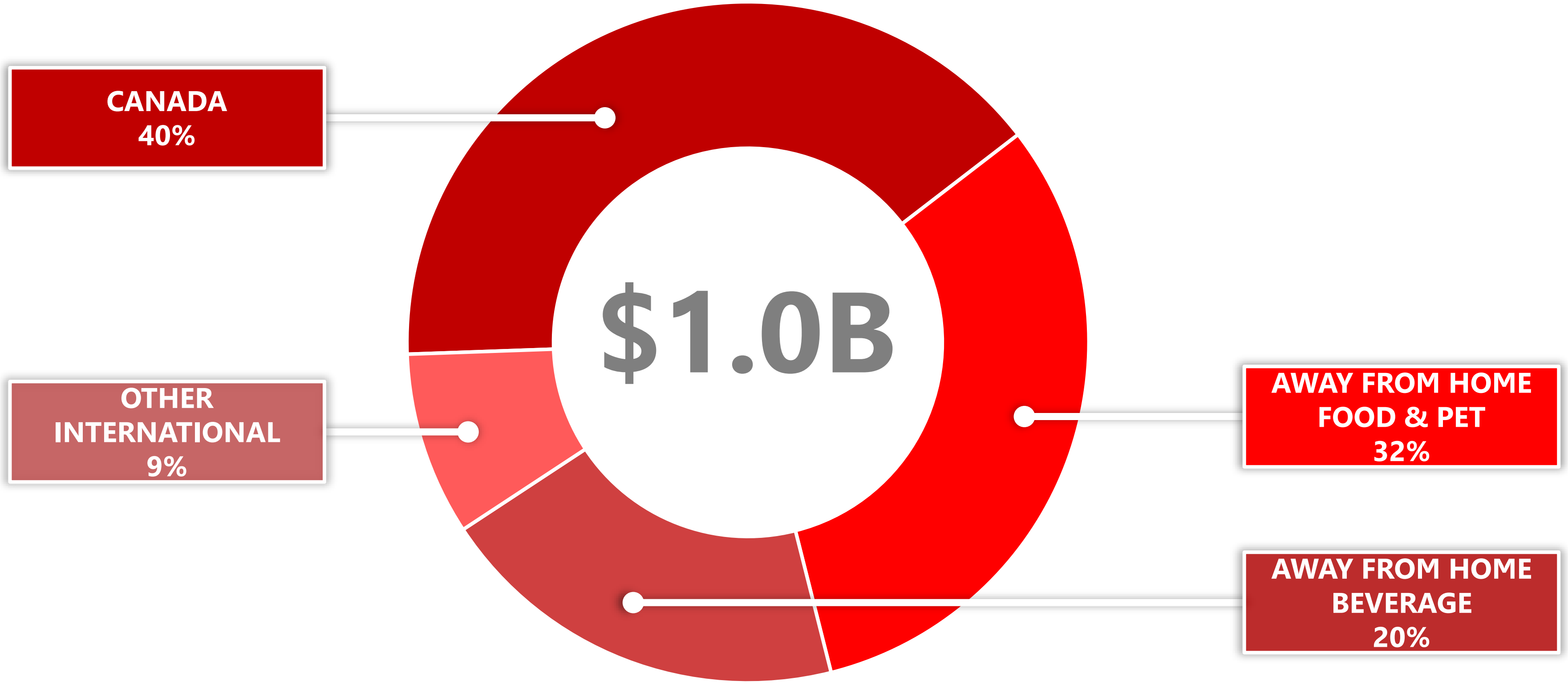
International and Away From Home Segment

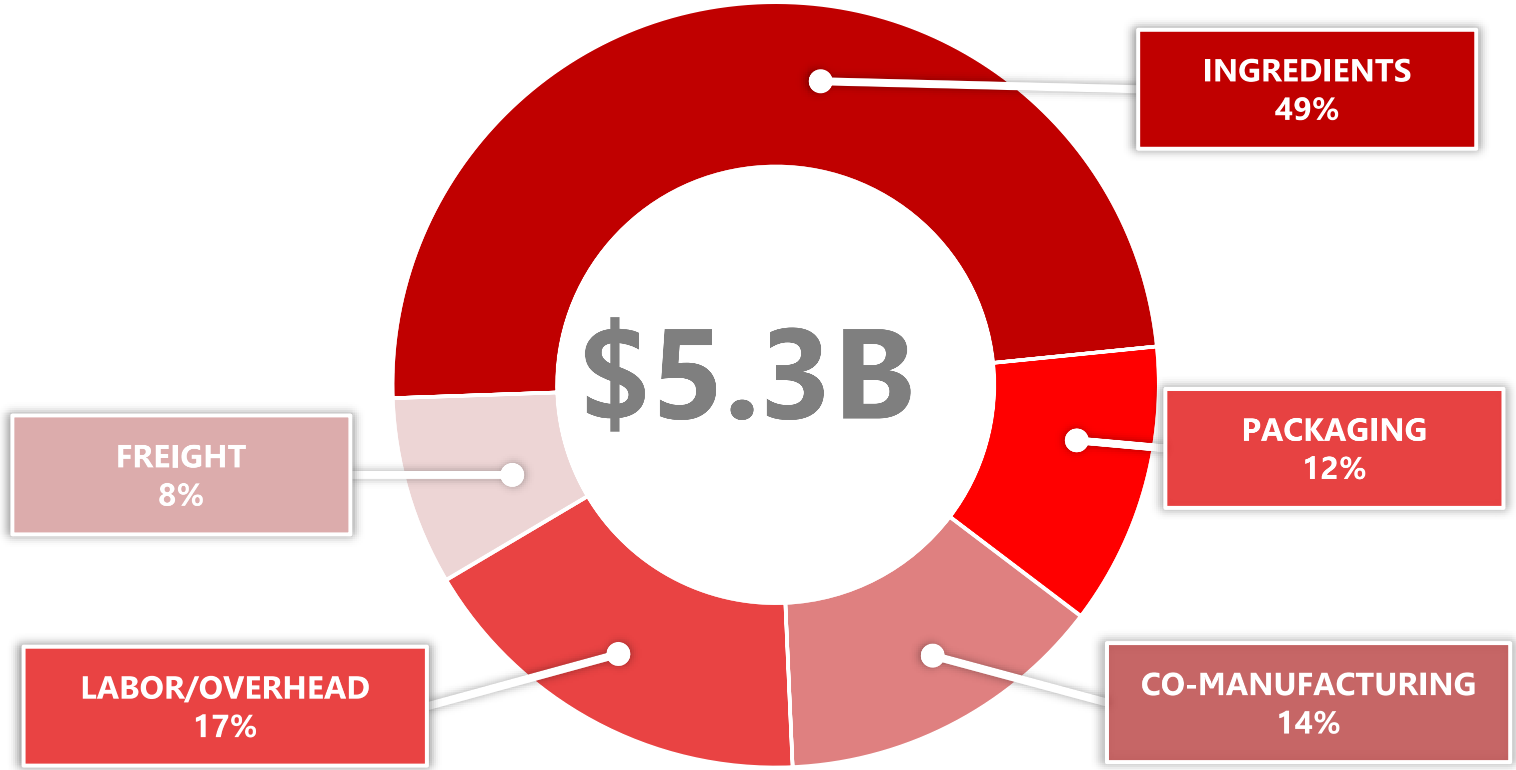
Fiscal 2022 Net Sales



Note: Amounts may not add due to rounding

Cost of Products Sold

Fiscal 2022



TOP 5 RAW MATERIALS

1. Coffee
2. Meats and Protein Meals
3. Nuts
4. Resin
5. Grains

69% OF TOTAL RAW MATERIALS

Note: Amounts may not add due to rounding

Forward-Looking Statements

This presentation contains forward-looking statements, such as projected net sales, operating results, earnings, and cash flows that are subject to risks and uncertainties that could cause actual results to differ materially from future results expressed or implied by those forward-looking statements. The risks, uncertainties, important factors, and assumptions listed and discussed in this presentation, which could cause actual results to differ materially from those expressed, include: the impact of the COVID-19 pandemic on the Company's business, industry, suppliers, customers, consumers, employees, and communities; disruptions or inefficiencies in the Company’s operations or supply chain, including any impact caused by product recalls (including the recent Jif® peanut butter recall), political instability, terrorism, armed hostilities (including the recent conflict between Russia and Ukraine), extreme weather conditions, natural disasters, pandemics (including the COVID-19 pandemic), or other calamities; risks related to the availability of, and cost inflation in, supply chain inputs, including labor, raw materials, commodities, packaging, and transportation; the impact of food security concerns involving either the Company’s products or its competitors' products, including product recalls; risks associated with derivative and purchasing strategies the Company employs to manage commodity pricing and interest rate risks; the availability of reliable transportation on acceptable terms, including any impact of the COVID-19 pandemic; the ability to achieve cost savings related to restructuring and cost management programs in the amounts and within the time frames currently anticipated; the ability to generate sufficient cash flow to continue operating under the Company's capital deployment model, including capital expenditures, debt repayment, dividend payments, and share repurchases; the ability to implement and realize the full benefit of price changes, and the impact of the timing of the price changes to profits and cash flow in a particular period; the success and cost of marketing and sales programs and strategies intended to promote growth in the Company's businesses, including product innovation; general competitive activity in the market, including competitors' pricing practices and promotional spending levels; the Company's ability to attract and retain key talent; the concentration of certain of the Company's businesses with key customers and suppliers, including single-source suppliers of certain key raw materials and finished goods, and the Company’s ability to manage and maintain key relationships; impairments in the carrying value of goodwill, other intangible assets, or other long-lived assets or changes in the useful lives of other intangible assets or other long-lived assets; the impact of new or changes to existing governmental laws and regulations and their application; the outcome of tax examinations, changes in tax laws, and other tax matters; a disruption, failure, or security breach of the Company or their suppliers’ information technology systems, including ransomware attacks; foreign currency exchange rate and interest rate fluctuations; and risks related to other factors described under "Risk Factors" in other reports and statements filed with the Securities and Exchange Commission, including the Company’s most recent Annual Report on Form 10-K. The Company undertakes no obligation to update or revise these forward-looking statements, which speak only as of the date made, to reflect new events or circumstances.

Non-GAAP Financial Measures

The Company uses non-GAAP financial measures, including: net sales excluding divestitures and foreign currency exchange; adjusted gross profit; adjusted operating income; adjusted income; adjusted earnings per share; earnings before interest, taxes, depreciation, amortization, and impairment charges related to intangible assets ("EBITDA (as adjusted)"); and free cash flow, as key measures for purposes of evaluating performance internally. The Company believes that investors' understanding of its performance is enhanced by disclosing these performance measures. Furthermore, these non-GAAP financial measures are used by management in preparation of the annual budget and for the monthly analyses of its operating results. The Board of Directors also utilizes certain non-GAAP financial measures as components for measuring performance for incentive compensation purposes.

Non-GAAP financial measures exclude certain items affecting comparability that can significantly affect the year-over-year assessment of operating results, which include amortization expense and impairment charges related to intangible assets; certain divestiture, acquisition, integration, and restructuring costs ("special project costs"); gains and losses on divestitures; the net change in cumulative unallocated gains and losses on commodity and foreign currency exchange derivative activities ("change in net cumulative unallocated derivative gains and losses"); and other one-time items that do not directly reflect ongoing operating results. Income taxes, as adjusted is calculated using an adjusted effective income tax rate that is applied to adjusted income before income taxes and reflects the exclusion of the previously discussed items, as well as any adjustments for one-time tax related activities, when they occur. While this adjusted effective income tax rate does not generally differ materially from the GAAP effective income tax rate, certain exclusions from non-GAAP results, such as the one-time deferred state tax impact of the internal legal entity simplification during 2022, can significantly impact the adjusted effective income tax rate.

These non-GAAP financial measures are not intended to replace the presentation of financial results in accordance with U.S. GAAP. Rather, the presentation of these non-GAAP financial measures supplements other metrics used by management to internally evaluate its businesses and facilitate the comparison of past and present operations and liquidity. These non-GAAP financial measures may not be comparable to similar measures used by other companies and may exclude certain nondiscretionary expenses and cash payments. A reconciliation of certain non-GAAP financial measures to the comparable GAAP financial measure for the current and prior year periods is included in the "Unaudited Non-GAAP Financial Measures" tables. The Company has also provided a reconciliation of non-GAAP financial measures for its fiscal 2023 outlook.

Unaudited Non-GAAP Financial Measures

($ in millions)	Three Months Ended April 30,	
	2022	2021
Gross profit reconciliation:		
Gross profit	$666.7	$735.7
Change in net cumulative unallocated derivative gains and losses	(14.5)	(12.1)
Cost of products sold – special project costs	3.0	3.4
Adjusted gross profit	$655.2	$727.0
Operating income reconciliation:		
Operating income	$302.0	$238.7
Amortization	57.5	56.9
Other intangible assets impairment charge	-	3.8
Loss on divestitures – net	-	1.9
Change in net cumulative unallocated derivative gains and losses	(14.5)	(12.1)
Cost of products sold – special project costs	3.0	3.4
Other special project costs	2.9	19.0
Adjusted operating income	$350.9	$311.6

Unaudited Non-GAAP Financial Measures

($ and shares in millions, except per share data)	Three Months Ended April 30,	
	2022	2021
Net income reconciliation:		
Net income	$202.1	$147.0
Income tax expense	58.1	46.3
Amortization	57.5	56.9
Other intangible assets impairment charge	-	3.8
Loss on divestitures – net	-	1.9
Change in net cumulative unallocated derivative gains and losses	(14.5)	(12.1)
Cost of products sold – special project costs	3.0	3.4
Other special project costs	2.9	19.0
Pension plan termination settlement charges	-	1.7
Adjusted income before income taxes	$309.1	$267.9
Income taxes, as adjusted	69.0	62.4
Adjusted income	$240.1	$205.5
Weighted-average shares – assuming dilution	107.8	108.9
Adjusted earnings per share – assuming dilution	$2.23	$1.89

Unaudited Non-GAAP Financial Measures

($ in millions)	Three Months Ended				Year Ended	Year Ended
	July 31, 2021	October 31, 2021	January 31, 2022	April 30, 2022	April 30, 2022	April 30, 2021
EBITDA (as adjusted) reconciliation:						
Net income	$153.9	$206.0	$69.7	$202.1	$631.7	$876.3
Income tax expense	51.3	62.8	39.9	58.1	212.1	295.6
Interest expense – net	43.1	40.3	39.5	38.0	160.9	177.1
Depreciation	58.5	60.5	59.9	56.6	235.5	219.5
Amortization	55.4	55.4	55.3	57.5	223.6	233.0
Other intangible assets impairment charges	-	-	150.4	-	150.4	3.8
EBITDA (as adjusted)	$362.2	$425.0	$414.7	$412.3	$1,614.2	$1,805.3

Note: Amounts may not add due to rounding

Non-GAAP Reconciliation

Company Guidance

	Year Ending April 30, 2023	
	Low	High
Net income per common share – assuming dilution reconciliation:		
Net income per common share – assuming dilution	$ 5.90	$ 6.30
Change in net cumulative unallocated derivative gains and losses (A)	0.27	0.27
Amortization	1.58	1.58
Special project costs	0.10	0.10
Adjusted earnings per share	$ 7.85	$ 8.25

(A) We are unable to project derivative gains and losses on a forward-looking basis as these will vary each quarter based on market conditions and derivative positions taken. The change in unallocated derivative gains and losses in the table above reflects the net impact of the gains and losses that have been recognized in our GAAP results and excluded from non-GAAP results as of April 30, 2022, that are expected to be allocated to non-GAAP results in future periods.

Non-GAAP Reconciliation

Company Guidance

($ in millions)	Year Ending April 30, 2023
Free cash flow reconciliation:	
Net cash provided by operating activities	$ 1,050
Additions to property, plant, and equipment	(550)
Free cash flow	$ 500

Supplemental Net Sales Information

Net Sales Excluding Divestitures – FY22

($ in millions)	Three Months Ended				Year Ended
	July 31, 2021	October 31, 2021	January 31, 2022	April 30, 2022	April 30, 2022
Total Company Net Sales	$1,858.0	$2,050.0	$2,057.1	$2,033.8	$7,998.9
Divested Private Label Dry Pet Food	(25.1)	(27.8)	(9.4)	-	(62.3)
Divested Natural Beverage and Grains Businesses	(33.4)	(37.2)	(36.1)	-	(106.7)
Total Company Net Sales Less Divestitures	$1,799.5	$1,985.0	$2,011.6	$2,033.8	$7,829.9

Note: Amounts may not add due to rounding

Supplemental Net Sales Information

Net Sales Excluding Divestitures – FY22

($ in millions)

	Three Months Ended				Year Ended
	July 31, 2021	October 31, 2021	January 31, 2022	April 30, 2022	April 30, 2022
U.S. Retail Pet Food Net Sales	$648.0	$701.6	$696.6	$718.1	$2,764.3
Divested Private Label Dry Pet Food	(25.1)	(27.8)	(9.4)	-	(62.3)
U.S. Retail Pet Food Net Sales Less Divestitures	$622.9	$673.8	$687.2	$718.1	$2,702.0
U.S. Retail Consumer Foods Net Sales	$435.6	$441.2	$433.1	$397.3	$1,707.2
Divested Natural Beverage and Grains Businesses	(31.4)	(35.7)	(34.7)	-	(101.8)
U.S. Retail Consumer Foods Net Sales Less Divestitures	$404.2	$405.5	$398.4	$397.3	$1,605.4
International and Away From Home Net Sales	$231.2	$262.1	$265.6	$271.2	$1,030.1
Divested Natural Beverage and Grains Businesses	(2.0)	(1.5)	(1.4)	-	(4.9)
International and Away From Home Net Sales Less Divestitures	$229.2	$260.6	$264.2	$271.2	$1,025.2

Note: Amounts may not add due to rounding

Supplemental Net Sales Information

Net Sales Excluding Divestitures – FY21

($ in millions)	Three Months Ended				Year Ended
	July 31, 2020	October 31, 2020	January 31, 2021	April 30, 2021	April 30, 2021
Total Company Net Sales	$1,971.8	$2,034.0	$2,076.7	$1,920.2	$8,002.7
Divested *Crisco*® Business	(79.5)	(84.9)	(34.5)	-	(198.9)
Divested *Natural Balance*® Business	(56.0)	(50.8)	(49.9)	-	(156.7)
Divested Private Label Dry Pet Food	(23.6)	(22.5)	(23.4)	(24.4)	(94.0)
Divested Natural Beverage and Grains Businesses	(36.0)	(37.6)	(34.3)	(35.5)	(143.4)
Total Company Net Sales Less Divestitures	$1,776.7	$1,838.2	$1,934.6	$1,860.3	$7,409.7

Note: Amounts may not add due to rounding

Supplemental Net Sales Information

Net Sales Excluding Divestitures – FY21

($ in millions)

	Three Months Ended				Year Ended
	July 31, 2020	October 31, 2020	January 31, 2021	April 30, 2021	April 30, 2021
U.S. Retail Pet Food Net Sales	$692.6	$708.7	$768.6	$674.6	$2,844.5
Divested *Natural Balance*® Business	(56.0)	(50.8)	(49.9)	-	(156.7)
Divested Private Label Dry Pet Food	(23.6)	(22.5)	(23.4)	(24.5)	(94.0)
U.S. Retail Pet Food Net Sales Less Divestitures	$613.0	$635.4	$695.3	$650.1	$2,593.8
U.S. Retail Consumer Foods Net Sales	$489.2	$479.1	$447.6	$419.8	$1,835.7
Divested *Crisco*® Business	(71.7)	(75.1)	(31.7)	-	(178.5)
Divested Natural Beverage and Grains Businesses	(34.4)	(36.2)	(33.0)	(33.3)	(136.9)
U.S. Retail Consumer Foods Net Sales Less Divestitures	$383.1	$367.8	$382.9	$386.5	$1,520.3
International and Away From Home Net Sales	$219.1	$251.5	$234.6	$242.7	$947.9
Divested *Crisco*® Business	(7.8)	(9.8)	(2.8)	-	(20.4)
Divested Natural Beverage and Grains Businesses	(1.6)	(1.4)	(1.3)	(2.2)	(6.5)
International and Away From Home Net Sales Less Divestitures	$209.7	$240.3	$230.4	$240.5	$920.9

Note: Amounts may not add due to rounding

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