THE J.M. SMUCKER Co

NEWS RELEASE

J. M. Smucker Announces Year-End Results

6/23/1998

ORRVILLE, Ohio, June 12 /**PRNewswire**/ -- The J. M. Smucker Company, Orrville, Ohio (NYSE: SJMA and SJMB), today announced its final financial results for the year ended April 30, 1998, confirming its preliminary results issued earlier in the month. Sales for the year were $565,476,000, up nearly 8% over fiscal 1997 sales of $524,107,000. Earnings for the year, excluding the effect of an accounting change, were $36,348,000 or $1.25 per share, up 17% from $30,935,000 or $1.06 per share last year. During the year, the Company complied with an accounting ruling which required it to write-off previously capitalized costs associated with its information technology reengineering project. The impact of this accounting change reduced net income to $33,390,000 or $1.15 per share.

The Company also reported that sales in the fourth quarter were $142,242,000, up nearly 5% over the same period last year, while earnings for the period were $9,740,000, an increase of 7%. Earnings per share in the fourth quarter were $.34 compared to $.31 last year.

As previously reported, all business areas, except beverage, realized sales increases over fiscal 1997, with the largest percentage increase in the industrial area. The Company reported that sales of domestic fruit spreads were up, primarily in its grocery and mass retail markets. The addition of Kraft brand fruit spreads, acquired during the fourth quarter of fiscal 1997, also contributed to the sales growth. In the international area, sales were up over the prior year, despite the impact of unfavorable foreign exchange rates in both Australia and Canada.

The Company stated that the growth in sales played a key factor in the overall increase in income for the year. Other major factors that contributed to the increased earnings were lower costs of certain raw materials, improved

profitability in the Company's beverages and international businesses and a decrease in interest expense. These were somewhat offset by increases in marketing, selling, and administrative costs.

The J. M. Smucker Company is the nation's leading producer of branded preserves, jams, jellies, and other fruit spread products, health and natural foods beverages, ice cream toppings, and natural peanut butter.

The J.M. Smucker Company
CONDENSED STATEMENTS OF CONSOLIDATED INCOME

	Year Ended April 30,	
	1998	1997
	(Dollars in thousands, expect per share data)	
Net sales	$565,476	$524,107
Cost of products sold	365,613	348,949
Gross Profit	199,863	175,158
Selling, distribution, and administrative expenses	142,799	121,954
Operating Income	57,064	53,204
Interest income	2,525	2,048
Interest expense	(145)	(1,748)
Other income (expense) - net	1,315	(338)
Income Before Income Taxes and Cumulative Effect of Change in Accounting Method	60,759	53,166
Income taxes	24,411	22,231
Income Before Cumulative Effect of Change in Accounting Method	36,348	30,935
Cumulative effect of change in accounting method, net of tax benefit of $1,980	(2,958)	--
Net Income	$33,390	$30,935
Net income per Common Share:		
Income before cumulative effect of change in accounting method	$1.25	$1.06
Cumulative effect of change in accounting method	(.10)	--
Net income	$1.15	$1.06
Net income per Common Share - Assuming Dilution:		
Income before cumulative effect of change in accounting method	$1.24	$1.06
Cumulative effect of change		

in accounting method	(.10)	--
Net income	$1.14	$1.06
Dividends declared per share:		
Class A	$.53	$.52
Class B	$.53	$.52
Weighted-Average Shares Outstanding	29,038,723	29,104,969
Weighted-Average Shares Outstanding - Assuming Dilution	29,345,278	29,180,080

The J. M. Smucker Company
CONDENSED CONSOLIDATED BALANCE SHEETS

	April 30, 1998	1997
	(Dollars in thousands)	
ASSETS		
Current Assets:		
Cash and cash equivalents	$36,484	$24,091
Trade receivables	48,732	48,140
Inventories	103,465	94,106
Other current assets	12,825	12,135
Total Current Assets	201,506	178,472
Property, Plant & Equipment, Net	143,714	139,635
Other Noncurrent Assets	62,753	66,666
Total	$407,973	$384,773
LIABILITIES & SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$41,410	$36,582
Other current liabilities	43,490	35,434
Total Current Liabilities	84,900	72,016
Noncurrent Liabilities	20,896	20,866
Shareholders' Equity, Net	302,177	291,891
Total	$407,973	$384,773

The J. M. Smucker Company
SUMMARY OF QUARTERLY RESULTS OF OPERATIONS
(Unaudited)

The following is a summary of unaudited quarterly results of operations for the years ended April 30, 1998 and 1997. The Company adopted Statement of Financial Accounting Standards No. 128, Earnings per Share (SFAS 128), during the quarter ended January 31, 1998. All per share amounts shown for periods prior to adoption have been restated to conform to the provisions of SFAS 128. (Dollars in thousands, except per share data) Income Before Cumulative Effect of Quarter Net Gross Accounting Net Ended Sales Profit Change Income 1998 July 31 $147,389 $51,396 $9,973 $9,973 October 31 145,187 49,213 8,602 8,602 January 31 130,658 47,232 8,033 5,075 April 30 142,242 52,022 9,740 9,740 1997 July 31 $129,629 $43,746 $7,489 $7,489 October 31 138,296 44,139 7,818 7,818 January 31 120,251 39,868 6,533 6,533 April 30 135,931 47,405 9,095 9,095 Net Income per Net Income per Common Share Common Share -- Assuming Dilution Income Income Before Before Cumulative Cumulative Effect of Effect of Accounting Net Accounting Net Change Income Change Income 1998 July 31 $0.34 $0.34 $0.34 $0.34 October 31 0.30 0.30 0.29 0.29 January 31 0.27 0.17 0.27 0.17 April 30 0.34 0.34 0.33 0.33 1997 July 31 $0.26 $0.26 $0.26 $0.26 October 31 0.27 0.27 0.27 0.27 January 31 0.22 0.22 0.22 0.22 April 30 0.31 0.31 0.31 0.31

Annual earnings per share may not equal the sum of the individual quarters due to differences in the average number of shares outstanding during the respective periods.