THE J.M. SMUCKER Co

NEWS RELEASE

The J. M. Smucker Company Announces Second Quarter Results

11/16/2007

Quarterly Net Sales and Earnings Highest in Company's History\n

ORRVILLE, Ohio, Nov. 16 /**PRNewswire-FirstCall**/ -- The J. M. Smucker Company (NYSE: SJM) today announced results for the second quarter ended October 31, 2007, of its 2008 fiscal year. Results for the quarter and six-month period ended October 31, 2007, include the operations of Eagle Family Foods Holdings, Inc. ("Eagle") which was acquired on May 1, 2007.

Second Quarter Results

	Three months ended October 31,		
	2007	2006	% Increase
	(Dollars in millions, except per share data)		
Net sales	$707.9	$605.0	17%
Net income:			
Income	$50.2	$45.6	10%
Income per diluted share	$0.87	$0.80	9%

Net sales increased 23 percent in the second quarter, excluding the Canadian nonbranded, grain-based foodservice and industrial businesses sold in September 2006. The acquired Eagle businesses contributed $81.4 million in the

quarter. Also contributing to growth in the quarter were the Smucker's(R), Jif(R), Pillsbury(R), and Uncrustables(R) brands, and strong performance across the special markets segment. The acquired Carnation(R) and White Lily(R) businesses and the impact of favorable exchange rates also added to net sales. Net sales growth more than offset higher raw material costs and interest expense, resulting in an increase in net income of 10 percent.

Net income per diluted share for the quarter was $0.87, an increase of 9 percent compared to last year's second quarter. Net income for the second quarter of 2008 included restructuring and merger and integration costs of $0.04 per diluted share, while net income for the second quarter of 2007 included restructuring costs of $0.03 per diluted share. Excluding these costs in both years, the Company's income per diluted share was $0.91 in the second quarter of 2008, and $0.83 in the second quarter of 2007, an increase of 10 percent.

"This quarter, we achieved the highest quarterly sales and earnings results in our history, despite an extremely challenging cost environment," commented Tim Smucker, chairman and co-chief executive officer. "This accomplishment is a tribute to our dedicated employees and we appreciate their efforts. As we look ahead, commodity cost pressures remain. We anticipate further price increases as we navigate the short-term volatility. Our strategy of owning and marketing leading North American food brands will continue to provide opportunities for long-term profitable growth."

Six-Month Results

	Six months ended October 31,		%
	2007	2006	Increase
(Dollars in millions, except per share data)			
Net sales	$1,269.4	$1,131.5	12%
Net income:			
Income	$90.9	$74.3	22%
Income per diluted share	$1.58	$1.30	22%

Net sales increased 20 percent in the first six months of 2008 compared to the first six months of 2007, excluding the Canadian nonbranded, grain-based foodservice and industrial businesses sold in September 2006. The acquired Eagle businesses contributed $124.9 million in the first six months of 2008.

Net income per diluted share for the first six months of 2008 was $1.58, a 22 percent increase over last year's first six months. Net income for the first six months of 2008 included restructuring and merger and integration costs of $0.05 per diluted share, while net income for the first six months of 2007 included restructuring costs of $0.12 per

diluted share. Excluding these costs in both years, the Company's income per diluted share was $1.63 in the first six months of 2008, and $1.42 in the first six months of 2007, an increase of 15 percent.

The Company uses income and income per diluted share, excluding restructuring and merger and integration costs, as key performance measures of results of operations for purposes of evaluating performance internally. These non-GAAP measures are not intended to replace the presentation of financial results in accordance with U.S. GAAP. Rather, the presentation of results excluding such charges is consistent with the way management internally evaluates its businesses, facilitates the comparison of past and present operations, and provides a more comprehensive understanding of the financial results. A reconciliation of non-GAAP measures to net income for the current quarter and six-month period is included in the "Unaudited Financial Highlights" table.

Margins

	Three months ended October 31,		Six months ended October 31,	
	2007	2006	2007	2006
	(% of net sales)			
Gross margin	30.9%	31.6%	31.9%	30.9%
Selling, distribution, and administrative expenses	18.6%	19.2%	19.5%	19.8%
Operating margin	11.9%	12.3%	12.0%	10.9%

Operating income increased by $9.7 million, or 13 percent, compared to the second quarter of 2007 while decreasing from 12.3 percent to 11.9 percent of net sales. Although the quarter's gross margin benefited from the divestiture of the lower margin, nonbranded Canadian businesses in the second quarter of fiscal 2007, and improved Uncrustables profitability, the impact of higher raw material costs, particularly milk and wheat, resulted in the decrease from 31.6 percent of net sales to 30.9 percent.

Selling, distribution, and administrative ("SD&A") expenses increased $15.3 million, or 13 percent, for the second quarter of 2008 compared to 2007, resulting from increased marketing, selling, and distribution expenses attributed primarily to the acquired Eagle business. Corporate overhead expenses increased at a lesser rate than sales resulting in an overall decrease in SD&A from 19.2 percent of net sales to 18.6 percent, offsetting the decline in gross margin.

Interest Expense and Income

Interest expense increased by $5.0 million in the second quarter of 2008 compared to the second quarter of 2007,

resulting from the issuance of $400 million in senior notes in the first quarter of 2008, a portion of which was used to repay short-term debt used in financing the Eagle acquisition. The investment of excess proceeds resulted in an increase in interest income of $1.8 million during the quarter compared to the same quarter last year.

Segment Performance

Net sales	Three months ended October 31,		% Increase (Decrease)	Six months ended October 31,		% Increase (Decrease)
	2007	2006		2007	2006	
	(Dollars in millions)			(Dollars in millions)		
U.S. retail market	$535.2	$434.4	23%	$953.4	$787.8	21%
Special markets	$172.7	$170.5	1%	$316.0	$343.7	(8%)
Special markets excluding divested nonbranded Canadian businesses	$172.7	$142.7	21%	$316.0	$268.6	18%

U.S. Retail Market

U.S. retail market segment net sales for the quarter were up 23 percent. Net sales in the consumer strategic business area increased 10 percent led by peanut butter, fruit spreads, and Uncrustables. Net sales in the consumer oils and baking strategic business area were up 38 percent. Excluding the contribution of $69.8 million from the acquired Eagle business, consumer oils and baking sales increased 3 percent as growth in baking mixes and frostings more than offset declines in oils.

For the first six months of 2008, U.S. retail market segment net sales increased 21 percent compared to the first six months of 2007. Net sales in the consumer strategic business area increased 8 percent, and excluding the contribution of $108.0 million from the acquired Eagle business, sales in the oils and baking strategic business area increased 6 percent over the first six months of 2007.

Special Markets

Net sales in the second quarter for the special markets segment, excluding divested Canadian businesses, increased 21 percent. Sales increased 34 percent in foodservice, 22 percent in Canada, and 8 percent in beverage. Excluding the contribution of the Eagle acquisition, foodservice sales were up 19 percent. Sales in Canada were up primarily due to the impacts of the acquired Eagle and Carnation canned milk businesses and favorable exchange rates.

For the first six months of 2008, special markets segment net sales increased 18 percent compared to the first six months of 2007, excluding divested Canadian businesses.

Conference Call

The Company will conduct an earnings conference call and webcast on Friday, November 16, 2007, at 8:30 a.m. E.T. The webcast, as well as a replay in downloadable MP3 format, can be accessed from the Company's website at www.smuckers.com. For those unable to listen to the webcast, an audio replay will be available following the call and can be accessed by dialing 888-203- 1112 or 719-457-0820, with a pass code of 8703498, and will be available until Friday, November 23, 2007.

About The J. M. Smucker Company

The J. M. Smucker Company is the leading marketer and manufacturer of fruit spreads, peanut butter, shortening and oils, ice cream toppings, sweetened condensed milk, and health and natural foods beverages in North America. Its family of brands includes Smucker's(R), Jif(R), Crisco(R), Pillsbury(R), Eagle Brand(R), R.W. Knudsen Family(R), Hungry Jack(R), White Lily(R) and Martha White(R) in the United States, along with Robin Hood(R), Five Roses(R), Carnation(R) and Bick's(R) in Canada. The Company remains rooted in the Basic Beliefs of Quality, People, Ethics, Growth and Independence established by its founder and namesake more than a century ago. Since 1998, the Company has appeared on FORTUNE Magazine's annual listing of the 100 Best Companies to Work For in the United States, ranking number one in 2004. For more information about the Company, visit www.smuckers.com.

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The J. M. Smucker Company Forward-Looking Language

This press release contains forward-looking statements, including statements regarding estimates of future earnings and cash flows that are subject to risks and uncertainties that could cause actual results to differ materially. Uncertainties that could affect actual results include, but are not limited to: volatility of commodity markets from which raw materials are procured and the related impact on costs; crude oil price trends and its impact on transportation, energy, and packaging costs; the ability to successfully implement price changes; the success and cost of introducing new products and the competitive response; the success and cost of marketing and sales programs and strategies intended to promote growth in the Company's businesses; general competitive activity in the market, including competitors' pricing practices and promotional spending levels; the concentration of certain of the Company's businesses with key customers and the ability to manage and maintain key customer

relationships; the loss of significant customers or a substantial reduction in orders from these customers or the bankruptcy of any such customer; the ability of the Company to obtain any required financing; the timing and amount of capital expenditures, restructuring, and merger and integration costs; the outcome of current and future tax examinations and other tax matters, and their related impact on the Company's tax positions; foreign currency and interest rate fluctuations; the timing and cost of acquiring common shares under the Company's share repurchase authorization; and other factors affecting share prices and capital markets generally. Other risks and uncertainties that may materially affect the Company are detailed from time to time in the respective reports filed by the Company with the Securities and Exchange Commission, including Forms 10-Q, 10-K, and 8-K.

The J. M. Smucker Company
Unaudited Condensed Consolidated Statements of Income

	Three Months Ended October 31,		Six Months Ended October 31,	
	2007	2006	2007	2006
	(Dollars in thousands, except per share data)			
Net sales	$707,890	$604,955	$1,269,403	$1,131,464
Cost of products sold	489,402	411,645	864,931	772,987
Cost of products sold - restructuring	-	2,119	-	9,292
Gross Profit	218,488	191,191	404,472	349,185
Selling, distribution, and administrative expenses	131,361	116,088	248,111	224,485
Other restructuring costs	588	805	901	1,536
Merger and integration costs	2,552	-	2,984	-
Operating Income	83,987	74,298	152,476	123,164
Interest income	3,826	2,001	7,321	3,996
Interest expense	(10,917)	(5,924)	(21,010)	(12,025)
Other (expense) income - net	(1,020)	261	912	(308)
Income Before Income Taxes	75,876	70,636	139,699	114,827
Income taxes	25,710	25,067	48,772	40,534
Net Income	$50,166	$45,569	$90,927	$74,293
Net income per common share	$0.88	$0.80	$1.60	$1.31
Net income per common share - assuming dilution	$0.87	$0.80	$1.58	$1.30
Dividends declared per common share	$0.30	$0.28	$0.60	$0.56
Weighted-average shares				

outstanding	57,104,442	56,621,695	56,875,027	56,649,681
Weighted-average shares outstanding - assuming dilution	57,531,816	57,198,894	57,398,474	57,196,528

The J. M. Smucker Company
Unaudited Condensed Consolidated Balance Sheets

	October 31, 2007	April 30, 2007
	(Dollars in thousands)	
Assets		
Current Assets:		
Cash and cash equivalents	$287,123	$200,119
Trade receivables	223,303	124,048
Inventories	399,958	286,052
Other current assets	33,313	29,147
Total Current Assets	943,697	639,366
Property, Plant, and Equipment, Net	492,796	454,028
Other Noncurrent Assets:		
Goodwill	1,118,334	990,771
Other intangible assets, net	590,875	478,194
Marketable securities	40,200	44,117
Other assets	97,505	87,347
Total Noncurrent Assets	1,846,914	1,600,429
	$3,283,407	$2,693,823
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts payable	$133,179	$93,500
Current portion of long-term debt	-	33,000
Other current liabilities	159,992	109,968
Total Current Liabilities	293,171	236,468
Noncurrent Liabilities:		
Long-term debt, net of current portion	791,164	392,643
Other noncurrent liabilities	281,131	269,055
Total Noncurrent Liabilities	1,072,295	661,698
Shareholders' Equity, net	1,917,941	1,795,657
	$3,283,407	$2,693,823

Unaudited Condensed Consolidated Statements of Cash Flow

	Six Months Ended October 31,	
	2007	2006
	(Dollars in thousands)	
Operating Activities		
Net income	$90,927	$74,293
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	28,651	27,905
Amortization	1,538	1,068
Asset impairments and other restructuring charges	-	9,292
Share-based compensation expense	5,553	5,266
Working capital	(86,244)	(10,403)
Net Cash Provided by Operating Activities	40,425	107,421
Investing Activities		
Businesses acquired, net of cash acquired	(163,494)	(60,410)
Additions to property, plant, and equipment	(36,319)	(31,831)
Proceeds from sale of business	3,407	79,942
Purchases of marketable securities	(179,505)	(20,000)
Sales and maturities of marketable securities	183,411	14,785
Other - net	446	31
Net Cash Used for Investing Activities	(192,054)	(17,483)
Financing Activities		
Proceeds from long-term debt	400,000	-
Repayments of long-term debt	(148,000)	-
Dividends paid	(34,243)	(31,936)
Purchase of treasury shares	(3,627)	(36,683)
Other - net	19,413	(15,417)
Net Cash Provided by Financing Activities	233,543	(84,036)
Effect of exchange rate changes	5,090	(157)
Net increase in cash and cash equivalents	87,004	5,745
Cash and cash equivalents at beginning of period	200,119	71,956
Cash and cash equivalents at end of period	$287,123	$77,701

The J. M. Smucker Company
Unaudited Financial Highlights

	Three Months Ended October 31,		Six Months Ended October 31,	
	2007	2006	2007	2006

(Dollars in thousands, except per share data)

Net sales	$707,890	$604,955	$1,269,403	$1,131,464
Net income and net income per common share:				
Net income	$50,166	$45,569	$90,927	$74,293
Net income per common share -- assuming dilution	$0.87	$0.80	$1.58	$1.30
Income before restructuring and merger and integration costs: (1)				
Income	$52,219	$47,438	$93,456	$81,299
Income per common share -- assuming dilution	$0.91	$0.83	$1.63	$1.42

(1)Reconciliation to net income:

Income before income taxes	$75,876	$70,636	$139,699	$114,827
Merger and integration costs	2,552	-	2,984	-
Cost of products sold - restructuring	-	2,119	-	9,292
Other restructuring costs	588	805	901	1,536
Income before income taxes, restructuring, and merger and integration costs	79,016	73,560	143,584	125,655
Income taxes	26,797	26,122	50,128	44,356
Income before restructuring and merger and integration costs	$52,219	$47,438	$93,456	$81,299

The Company uses income and income per diluted share, excluding restructuring and merger and integration costs, as key performance measures of results of operations for purposes of evaluating performance internally. These non-GAAP measures are not intended to replace the presentation of financial results in accordance with U.S. GAAP. Rather, the presentation of results excluding such charges is consistent with the way management internally evaluates its businesses, facilitates the comparison of past and present operations and provides a more comprehensive understanding of the financial results.

The J. M. Smucker Company
Unaudited Reportable Segments

	Three Months Ended October 31,		Six Months Ended October 31,	
	2007	2006	2007	2006
	(Dollars in thousands)			
Net sales:				
U.S. retail market	$535,224	$434,424	$953,379	$787,759
Special markets	172,666	170,531	316,024	343,705
Total net sales	$707,890	$604,955	$1,269,403	$1,131,464
Segment profit:				
U.S. retail market	$98,407	$89,739	$177,165	$159,045
Special markets	20,788	17,941	42,424	35,218
Total segment profit	$119,195	$107,680	$219,589	$194,263

SOURCE J. M. Smucker Company

CONTACT: Investors: Mark R. Belgya, Vice President, Chief Financial Officer and Treasurer, Sonal Robinson, Director, Corporate Finance and Investor Relations; or Media, Maribeth Badertscher, Director, Corporate Communications, 330-682-3000, all of The J. M. Smucker Company