

Why Invest in Smucker



The J. M. Smucker Company



Founded in 1897 by **JEROME M. SMUCKER** and began trading on NYSE in **1965**

FIVE GENERATIONS of Smucker family management with only **SIX CEOs** in Company's history

Committed to **CORE VALUES AND PRINCIPLES** upon which the Company was founded

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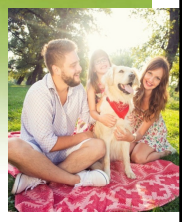
Our Purpose

"Helping to bring families together to share memorable meals and moments."



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Our Vision Guides Our Strategy

"**Engage**, **delight**, and **inspire** consumers through trusted food brands that bring joy throughout their lives."

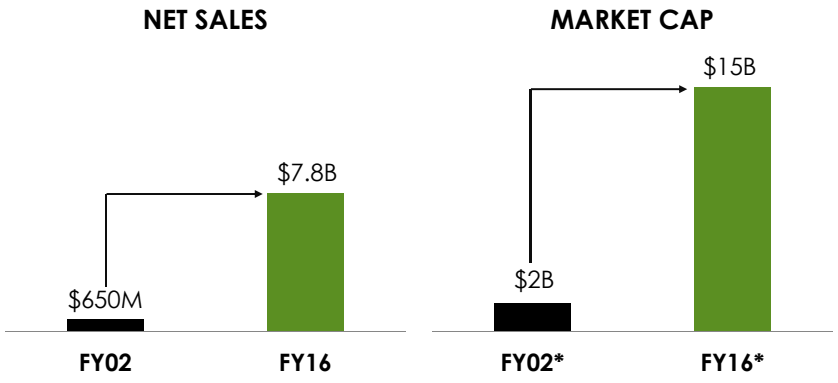
A portfolio that combines **#1 AND LEADING BRANDS** with **EMERGING, ON-TREND BRANDS** will drive balanced growth.







A Period of Transformational Growth

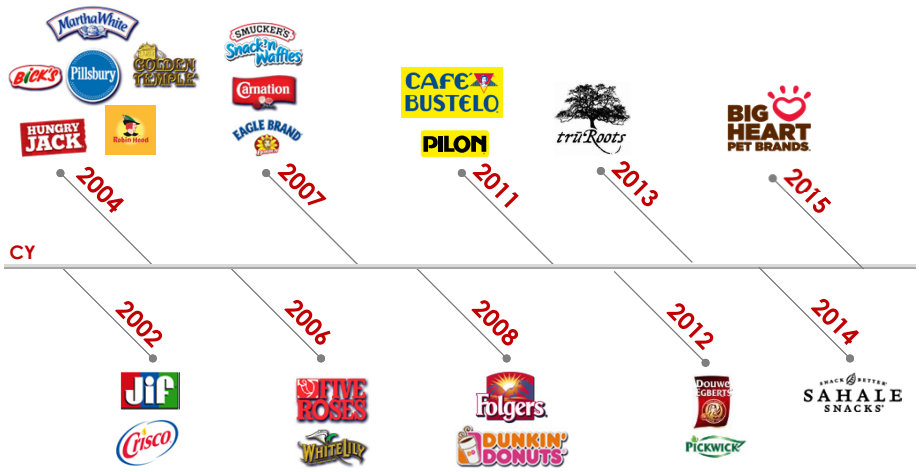


Total shareholder return has averaged **13%** annually over this time.

Market capitalization calculated as of last day of respective fiscal year.

Our Key Acquisitions

Acquisitions have brought new brands, categories, and capabilities



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Three Platforms for Growth

COFFEE	CONSUMER AND NATURAL FOODS	PET FOOD AND SNACKS



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Strong Food Presence

With our increased scale, we are a key supplier to our customers

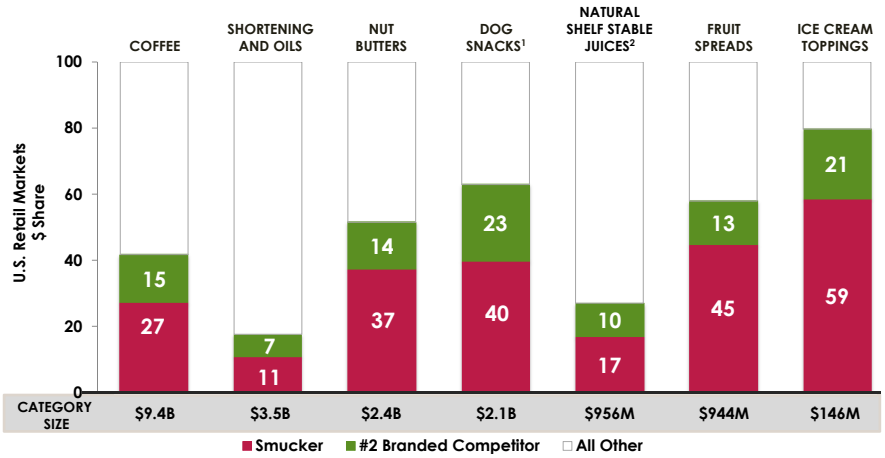
8th LARGEST
Shelf-stable Food and Beverage Manufacturer in
$251 Billion
U.S. Center of the Store

STRONG, COLLABORATIVE
relationships with our customers

Source: Smucker Internal Multi-Outlet Share Report 52 weeks ended April 17, 2016

Our Category Leadership

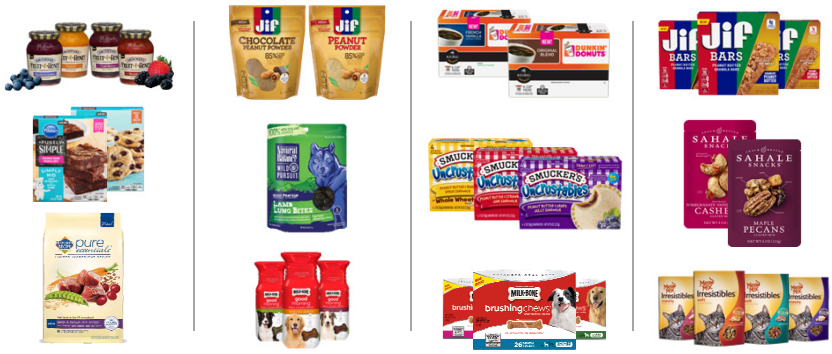
#1 branded position in 7 center of store categories



Source: Smucker Internal Multi-Outlet Share Report 52 weeks ended May 15, 2016; (1) Smucker Internal Multi-Outlet Share Report 52 weeks ended May 28, 2016; (2) SPINS SPL Universe 52 weeks ended May 15, 2016

Meeting Changing Consumer Preferences

SIMPLE INGREDIENTS	NUTRIENT RICH	ADDED CONVENIENCE	MINDFUL SNACKING



Strong Track Record of Innovation

10% of FY16 net sales were from products launched within the last three years



Corporate Sustainability

Established environmental goals and sourcing initiatives

WASTE REDUCTION	WATER REDUCTION	ENERGY REDUCTION	RESPONSIBLE SOURCING	SUSTAINABLE BUILDING
Divert 95% of waste from landfill	Reduce water usage by 15%*	Reduce greenhouse gas emissions by 10%*	Palm Oil & Green Coffee Sustainability	5 *LEED® Certified™* Facilities
GOAL BY 2020	GOAL BY 2020	GOAL BY 2020		

*From 2014 baseline

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Segment Reporting – FY16 Results

($ in millions)

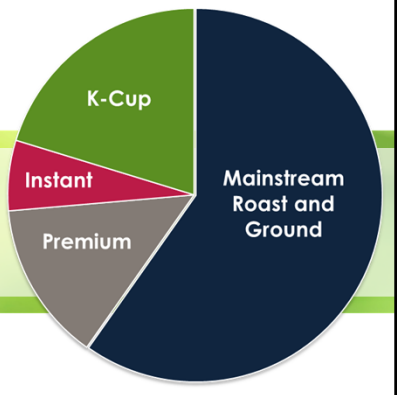
	COFFEE	CONSUMER FOODS	PET FOODS	INT'L & FOODSERVICE
NET SALES *YoY CHANGE*	**$2,239** *8%*	**$2,270** *-3%*	**$2,250** *N/A*	**$1,052** *0%*
% of Total Net Sales	29%	29%	29%	13%
SEGMENT PROFIT *YoY CHANGE*	**$646** *18%*	**$460** *0%*	**$392** *N/A*	**$157** *12%*
Segment Profit Margin	28.8%	20.3%	17.4%	14.9%

U.S. Retail Coffee Segment

$2.2B

FY16 Net Sales



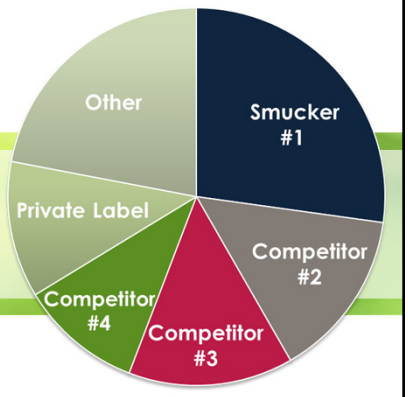


Leader in At-Home Coffee

27 Dollar Share

of $9.4B Category





Source: Smucker Internal Multi-Outlet Share Report 52 weeks ended May 15, 2016

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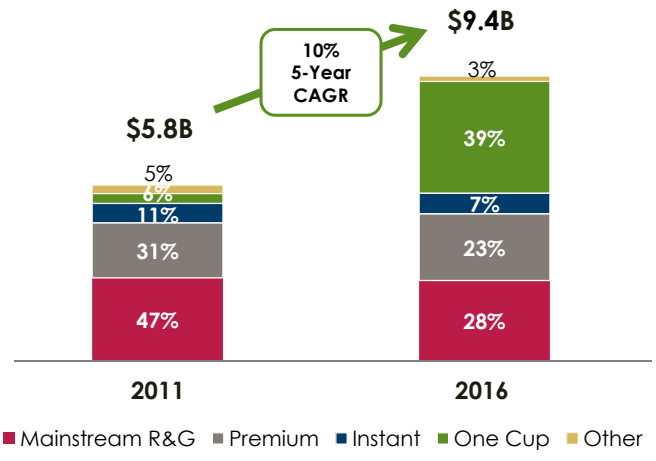
At-Home Coffee Category Growth

Category has increased significantly since 2011 driven by One Cup



Source: Smucker Internal Multi-Outlet Share Report 52 weeks ended January 30, 2011 and January 24, 2016

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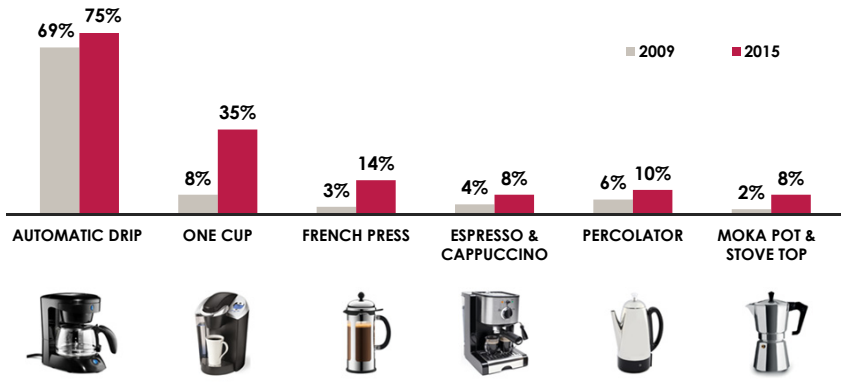
Our Brands Compete in Key Segments

	Folgers / Folgers Gourmet	Dunkin' Donuts	Café Bustelo / Pilon	COMBINED DOLLAR SHARE
MAINSTREAM	✓		✓	55
PREMIUM	✓	✓	✓	16
ONE CUP	✓	✓	✓	15
INSTANT	✓		✓	29

Source: Smucker Internal Multi-Outlet Share Report 52 weeks ended May 15, 2016

Coffee Makers in U.S. Households

Household penetration for all types of coffee makers is increasing



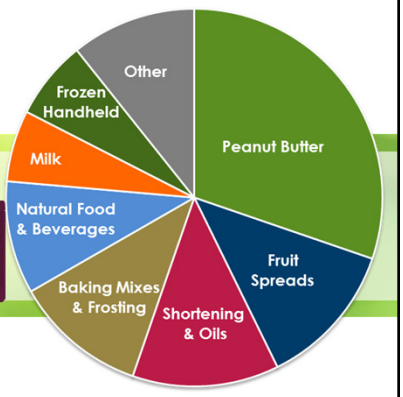
Source: Smucker Custom Quantitative Research, 2009 and 2015

U.S. Retail Consumer Foods Segment

$2.3B

FY16 Net Sales





Note: FY16 net sales includes 8 months of sales for the divested U.S. canned milk business

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Consumer Foods Category Participation

$23B

10 Largest Categories in Which We Participate

CATEGORY	Size (in billions)
Snack Bars	$5.2
Frozen Handheld	4.3
Shortening and Oils	3.5
Baking and Ingredients	2.7
Nut Butters	2.4
Pancake, Waffles, and Syrups	1.2
Trail Mix[1]	1.1
Natural Shelf Stable Juices[2]	1.0
Fruit Spreads	0.9
Natural Grains, Beans, and Rice[2]	0.7

Source: Smucker Internal Multi-Outlet Share Report 52 weeks ended May 15, 2016; (1)Smucker Internal Multi-Outlet Plus C-Store Share Report 52 weeks ended May 15, 2016; (2)SPINS SPL Universe 52 weeks ended May 15, 2016

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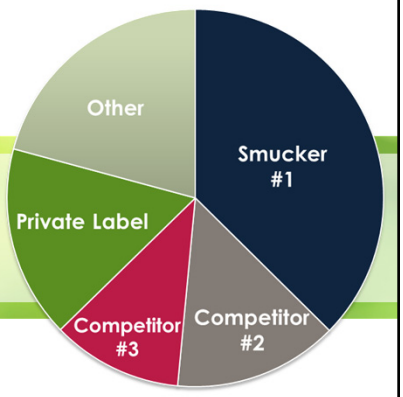
Leader in Nut Butter Category

37 Dollar Share

of $2.4B Category





Source: Smucker Internal Multi-Outlet Share Report 52 weeks ended May 15, 2016

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Growing Jif To A Billion Dollar Brand

Total Company net sales of approximately $625 million in FY16





Convenience



Natural & Specialty



Snacking



Flavors

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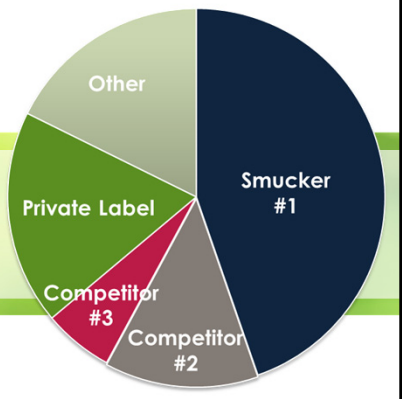
Leader in Fruit Spreads Category

45 Dollar Share
of $944M Category





Source: Smucker Internal Multi-Outlet Share Report 52 weeks ended May 15, 2016

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Smucker's Uncrustables Sandwiches

Total Company net sales of approximately $200 million in FY16



17 consecutive quarters of **DOUBLE DIGIT VOLUME GROWTH***

Capacity to produce **1.5 MILLION** sandwiches daily

*In U.S. Retail Consumer Foods Segment

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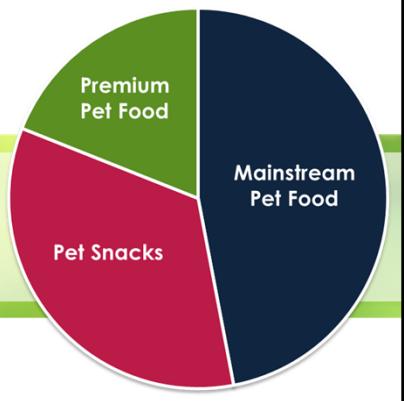
U.S. Retail Pet Foods Segment

$2.3B

FY16 Net Sales





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Drivers of Pet Food Growth

PET SNACKS

MILK-BONE, Milo's Kitchen, Pup-Peroni, Meow Mix, Jerky Treats

Leader in dog snacks

Growth opportunities in cat snacks

PREMIUM PET FOOD

Dick Van Patten's Natural Balance Pet Foods, Inc., Nature's Recipe

Participates in fast growing channels

Capitalizes on premiumization trends

MAINSTREAM PET FOOD

Meow Mix, Kibbles 'n Bits, 9Lives, Alley Cat, Gravy Train

Highly cash flow generative

#2 position in dry cat food

Anticipate overall sales growth of **4-5%** over the long term.
Over the next 12-18 months, challenges in Mainstream Pet Food are expected to result in overall growth slightly below long-term targets.

Source: Smucker Internal Multi-Outlet Plus Pet Specialty Share Report 52 weeks ended May 28, 2016

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Pet Food is a Large and Attractive Category

SALES BY CHANNEL



$29 Billion

PET FOOD CATEGORY

- 3rd largest category in grocery
- Pet population growing in the U.S.
- Premiumization driving growth in pet specialty
- Accelerated growth in pet snacks
- Growth opportunities in e-commerce

Note: 2015 sales; (1)Includes farm and feed stores, internet retailing, and veterinary clinics
Source: Euromonitor May 2016; Smucker Internal Multi-Outlet Share Report 52 weeks ended April 17, 2016

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Trends Driving Consumers to Trade Up











CHILD FREE HOUSEHOLDS	DEEPER BONDS	SNACKS AS MEALS	WELL-BEING	TECHNOLOGY
64%	**1 in 5**	**+14%**	**3 in 4**	**69%**
Of dog and cat households are child free	Prefer to spend Valentine's Day with their pet than their partner	Increase in snacking and treating occasions	Pet parents say their pets should "get the best care possible, regardless of cost"	Of millennials are likely to use technology to keep track of their pets

Source: Euromonitor, April 2015, August 2015; Packaged Facts, April 2015; Mintel, September 2015

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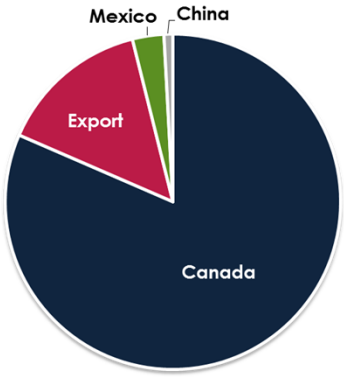
International and Foodservice

Each contributed net sales of over $500 million in FY16

INTERNATIONAL

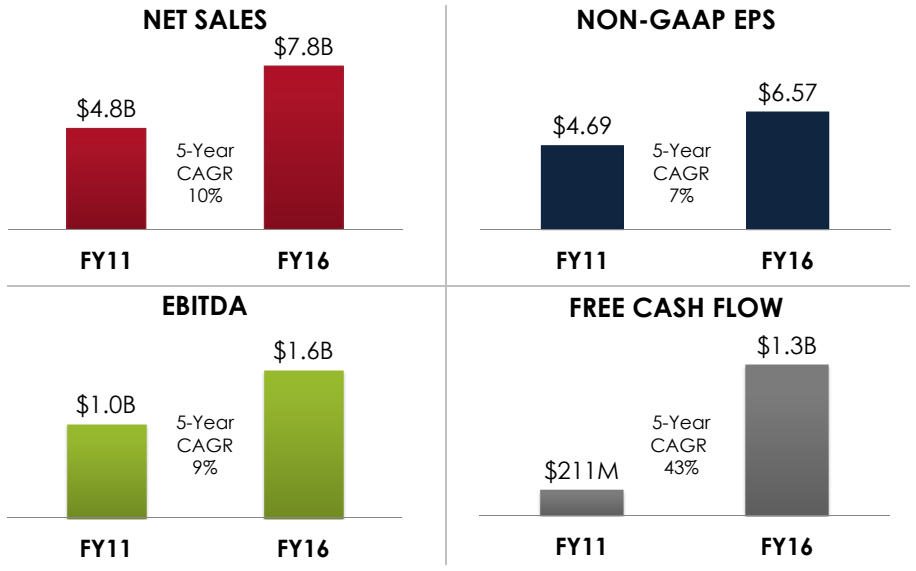


FOODSERVICE





History of Long-Term Growth



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Long-Term Growth Targets

PET FOODS	4-5%
COFFEE	2-3%
CONSUMER FOODS	2-3%
INT'L & FOODSERVICE	2-3%

3% NET SALES

COST SAVINGS AND PRODUCTIVITY

6% OPERATING PROFIT

DECREASE IN INTEREST EXPENSE AND SHARE REPURCHASES

8% EARNINGS PER SHARE

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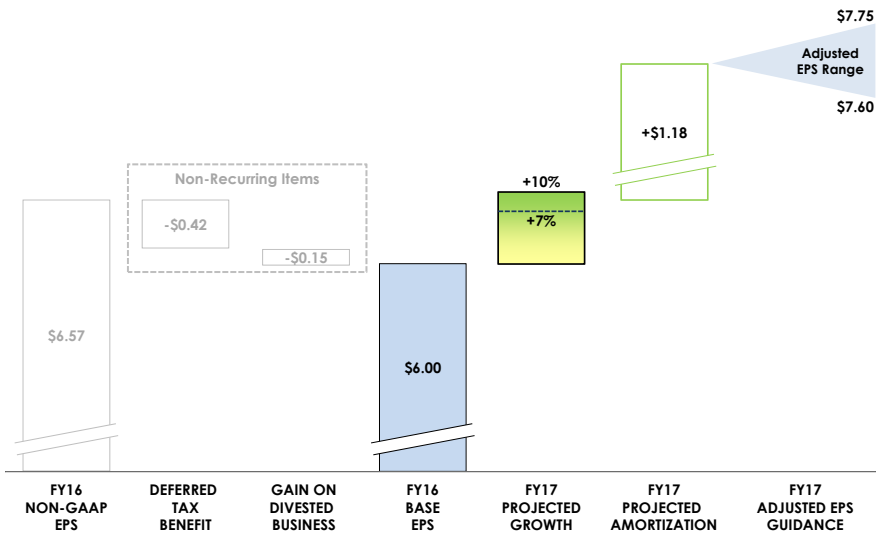
Fiscal 2017 Outlook

Net Sales* (YoY change)	-1%
Net Sales Excluding Impact of Divested Business (YoY change)	+1%
Adjusted Non-GAAP Income per Diluted Share	$7.60 - $7.75
Free Cash Flow	$1.0B
Capital Expenditures	$240M
Effective Tax Rate	34.0%

*Net sales decline reflects the divesture of the U.S. canned milk business on December 31, 2015

Fiscal 2017 Adjusted EPS Bridge



Amortization Expense by Segment

Beginning in fiscal 2017, we are transitioning to a non-GAAP earnings per share metric which excludes noncash intangible amortization. Amortization expense will also be removed from our definition of segment profit, non-GAAP operating income, and non-GAAP income.

A Form 8-K will be filed later this quarter to recast prior year segment results to reflect the change. The following is a breakdown of fiscal 2016 full year amortization expense by segment:

U.S. Retail Pet Foods	49%
U.S. Retail Coffee	37%
International and Foodservice	11%
U.S. Retail Consumer Foods	3%

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Fiscal 2017 Outlook by Segment

SEGMENT	NET SALES	SEGMENT PROFIT	KEY DRIVERS
U.S. Retail Coffee	↓	↔	• Net sales decline due to lower pricing • Expect green coffee costs to remain favorable
U.S. Retail Consumer Foods	↓	↓	• Declines due to divested milk business • Excluding divestiture, sales and profit expected to increase
U.S. Retail Pet Foods	↑	↑	• Reflects contribution of new products • Profit growth also reflects incremental synergies
International and Foodservice	↑	↓	• Base business growth • Foreign exchange headwind on COGS

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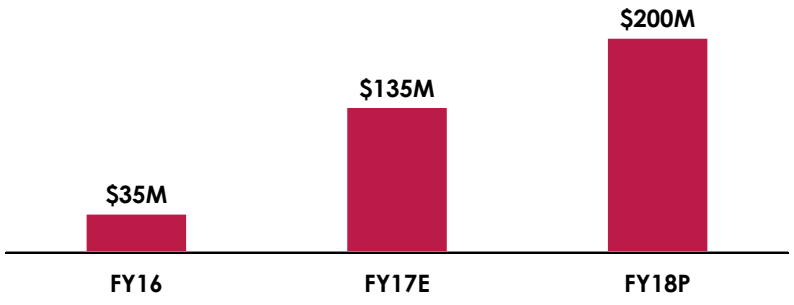
Targeting Synergies of $200M by FY18

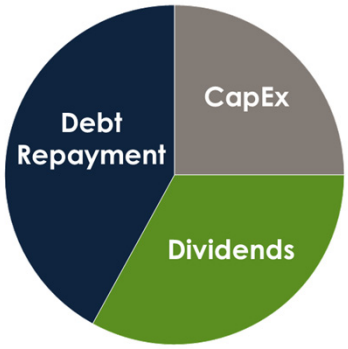
DIRECT MATERIALS	• Consolidate supplier base • Negotiate improved terms	**$60M**
OPERATIONS & SUPPLY CHAIN	• Eliminate redundant distribution centers • Optimize logistics and transportation • Leverage manufacturing best practices	**$40M**
MARKETING & SELLING	• Consolidate marketing agencies • Leverage scale for advertising and data buys • Combine sales organizations	**$30M**
CORPORATE ADMINISTRATION	• Eliminate redundancies • Centralize shared services • Adopt common systems and processes • Improve indirect spend efficiency	**$70M**

Synergy Realization Timing

$200M Annual Synergies by FY18



Current Cash Deployment Strategy



Cash from Operations Expected to Average $1.25B Annually Over Next 5 Years

- CapEx of 3-3.5% of net sales
- Maintain current dividend payout ratio
- Apply 40-45% towards debt repayment

In addition, we will deploy cash for opportunistic share repurchases and mergers and acquisitions

Leverage Ratio Progression

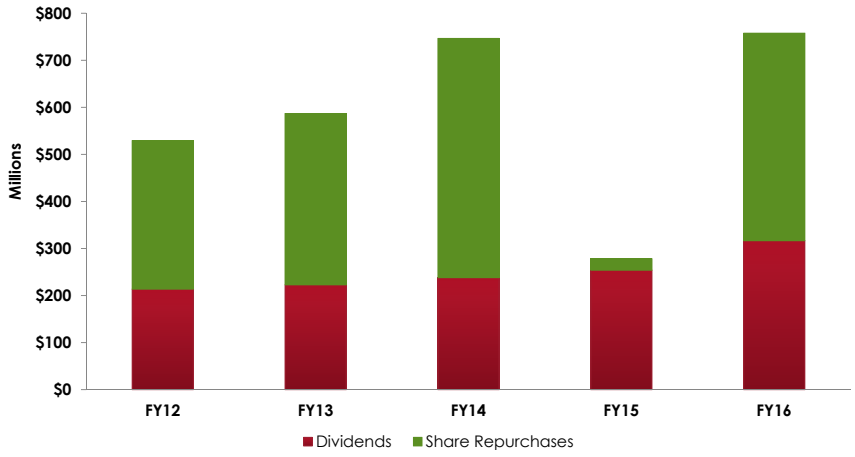
	FY15	FY16	FY17E
LEVERAGE*	4.1x	3.4x	3.1x

Repaid **$800 Million** of Term Loan in FY16

*As of fiscal year end, April 30

Cash Returned to Shareholders

$2.9 BILLION returned over the past 5 years



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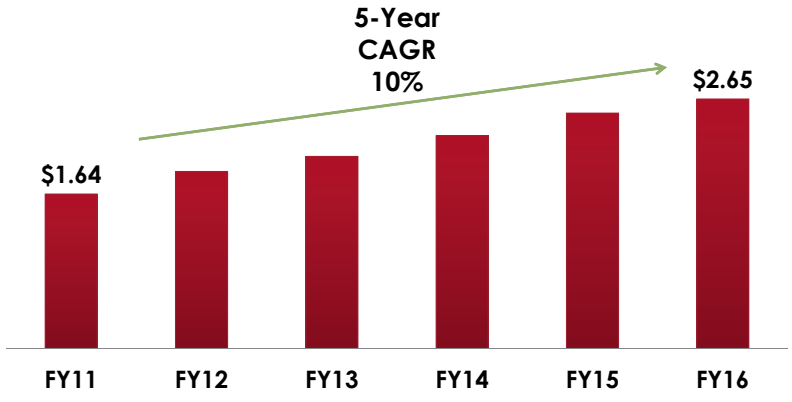
History of Dividend Growth



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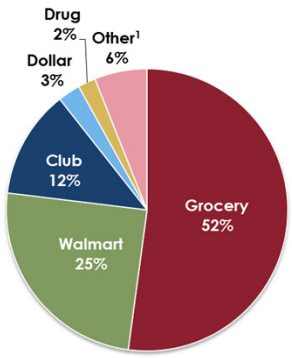
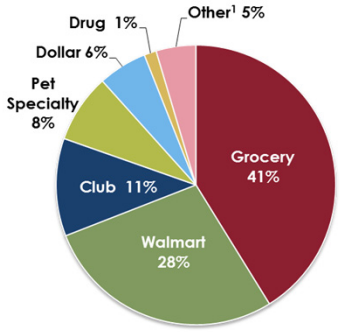
U.S. Retail Segments - Sales by Channel



FY11



FY16

Note: Excludes Natural Foods sales (1)Other includes Military, Mass Retail, Convenience, and E-commerce

Forward-Looking Statement

This presentation contains forward-looking statements, such as projected net sales, operating results, earnings, and cash flows, which 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 ability to achieve synergies and cost savings related to the Big Heart Pet Brands acquisition in the amounts and within the time frames currently anticipated and to effectively manage the related integration costs; the ability to generate sufficient cash flow to meet the Company's deleveraging objectives; volatility of commodity, energy, and other input costs; risks associated with derivative and purchasing strategies employed to manage commodity pricing risks; the availability of reliable transportation on acceptable terms; 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 businesses, including the introduction of new products; general competitive activity in the market, including competitors' pricing practices and promotional spending levels; the impact of food security concerns involving either the Company's or its competitors' products; the impact of accidents, extreme weather, and natural disasters; the concentration of certain of the Company's businesses with key customers and suppliers, including single-source suppliers of certain raw materials and finished goods, and the ability to manage and maintain key relationships; the timing and amount of capital expenditures and share repurchases; impairments in the carrying value of goodwill, other intangible assets, or other long-lived assets or changes in useful lives of other intangible 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; foreign currency 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 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.

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Non-GAAP Measures

The Company uses non-GAAP financial measures including: net sales excluding the noncomparable impact of acquisitions, divesture, and foreign currency exchange; non-GAAP income per diluted share; adjusted non-GAAP income per diluted share; earnings before interest, taxes, depreciation, and amortization ("EBITDA"); and free cash flow as key measures for purposes of evaluating performance internally. The Company believes that these measures provide useful information to investors because they are the measures used to evaluate performance on a comparable year-over-year basis. Non-GAAP profit measures exclude certain items affecting comparability which include merger and integration and restructuring costs ("special project costs") and unallocated gains and losses on commodity and foreign currency exchange derivatives ("unallocated derivative gains and losses"). The special project costs relate to specific merger and integration and restructuring projects that are each nonrecurring in nature and can significantly affect the year-over-year assessment of operating results. Unallocated derivative gains and losses reflect the changes in fair value of the Company's commodity and foreign currency exchange contracts and also affect comparability on a year-over-year basis. Adjusted non-GAAP income per diluted share further excludes the noncash impact of intangible amortization. The Company believes this provides investors an additional metric to evaluate performance and the ability to generate cash necessary to achieve its deleveraging objectives. These non-GAAP financial measures are not intended to replace the presentation of financial results in accordance with U.S. generally accepted accounting principles ("GAAP"). Rather, the presentation of these non-GAAP financial measures supplements other metrics used by management to internally evaluate its businesses, and facilitates 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 is included in the following slides. As the amount of unallocated derivative gains and losses varies depending on market conditions and levels of derivative transactions with respect to a particular fiscal year, it is not determinable on a forward-looking basis and no guidance has been provided.

This presentation is available on our website at jmsmucker.com/investor-relations.

Non-GAAP Reconciliation

($ in millions, except per share data)	Year Ended April 30, 2016	2011
Net income reconciliation:		
Net income	$ 688.7	$ 479.5
Income tax expense	289.2	237.7
Unallocated derivative gains	(12.0)	(1.2)
Cost of products sold – special project costs	12.2	54.1
Other special project costs	135.9	59.1
Non-GAAP income before income taxes	$ 1,114.0	$ 829.2
Income tax expense, as adjusted	329.4	274.9
Non-GAAP income	$ 784.6	$ 554.3
Weighted-average shares outstanding – assuming dilution	119,477,312	118,276,086
Non-GAAP income per common share – assuming dilution	$ 6.57	$ 4.69

Non-GAAP Reconciliation

($ in millions)	Year Ended April 30, 2016	2011
Free cash flow reconciliation:		
Net cash provided by operating activities	$ 1,458.3	$ 391.6
Additions to property, plant, and equipment	(201.4)	(180.1)
Free cash flow	$ 1,256.9	$ 211.5

Non-GAAP Reconciliation

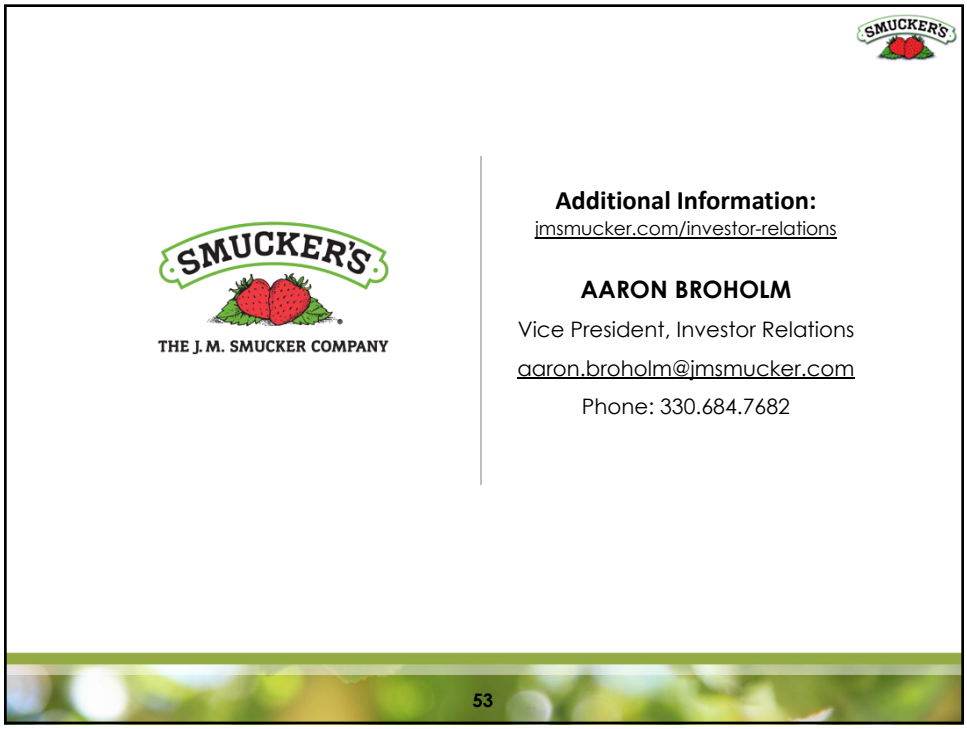
($ in millions)	Year Ended April 31, 2016	2011
EBITDA Reconciliation:		
Net income	$ 688.7	$ 479.5
Income tax expense	289.2	237.7
Interest expense – net	171.1	67.1
Depreciation	221.7	165.8
Amortization	208.4	73.8
Earnings before interest, taxes, depreciation, and amortization	$ 1,579.1	$ 1,023.9

Non-GAAP Reconciliation

Company Guidance

	Year Ending April 30, 2017 Low	High
Net income per common share – assuming dilution reconciliation:		
Net income per common share – assuming dilution	$ 5.85	$ 6.00
Special project costs	0.57	0.57
Amortization	1.18	1.18
Adjusted non-GAAP income per common share – assuming dilution	$ 7.60	$ 7.75

	Year Ending April 30, 2017 ($ in millions)
Free cash flow reconciliation:	
Net cash provided by operating activities	$ 1,240
Additions to property, plant, and equipment	(240)
Free cash flow	$ 1,000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