THE J.M. SMUCKER Co.

INVESTOR DAY

DECEMBER 10, 2020



TUCKER MARSHALL

Chief Financial Officer

Fiscal 2021 Results

$ IN MILLIONS, EXCEPT PER SHARE DATA	FY21 Q2	FY21 YTD
NET SALES	**$2,034.0**	**$4,005.8**
YoY Change	*4%*	*7%*
ADJUSTED OPERATING PROFIT	**$408.8**	**$813.3**
YoY Change	*5%*	*19%*
ADJUSTED EPS	**$2.39**	**$4.76**
YoY Change	*6%*	*24%*
FREE CASH FLOW	**$326.3**	**$658.7**
YoY Change	*103%*	*113%*

Fiscal 2021 Financial Outlook

$ IN MILLIONS, EXCEPT PER SHARE DATA	FY21
NET SALES GROWTH YoY	0% - 1%
ADJUSTED EPS	$8.35 - $8.65
FREE CASH FLOW	$975M - $1,025M
CAPITAL EXPENDITURES	$315M
EFFECTIVE TAX RATE	24.0%

Financial Priorities

THE J.M. SMUCKER Co.

CONSISTENT AND TRANSPARENT COMMUNICATION	EXECUTION AGAINST TARGETS	INCREASED RETURN ON INVESTED CAPITAL	COST CONTROL AND MARGIN ENHANCEMENT	BALANCED CAPITAL DEPLOYMENT

CREATE LONG-TERM SHAREHOLDER VALUE

Long-Term Operating Income Outlook

5%
OPERATING INCOME GROWTH

$50M
ANNUAL COST REDUCTIONS IN FY22-FY24

TOTAL OF
$150M

- REDUCE DISCRETIONARY EXPENSES
- OPTIMIZE ORGANIZATION
- SUPPLY CHAIN EFFICIENCIES

Long-Term Growth Targets

NET SALES	2%	• VOLUME/MIX • NET REVENUE OPTIMIZATION • INNOVATION • CATEGORY GROWTH
OPERATING INCOME	5%	• ACCRETIVE MIX • MARGIN MANAGEMENT • DESIGN TO VALUE
ADJUSTED EPS	8%	• DEBT/INTEREST REDUCTION • TAX EFFICIENCIES • SHARE REPURCHASE
TOTAL SHAREHOLDER RETURN	10+%	• DIVIDEND GROWTH

Balanced Capital Deployment

INVESTING IN GROWTH	RETURNING CASH TO SHAREHOLDERS
• CAPITAL EXPENDITURES • STRATEGIC PROJECTS	• DIVIDENDS • SHARE REPURCHASES • DEBT REPAYMENT
50%	50%

Capital Expenditures

FY21E

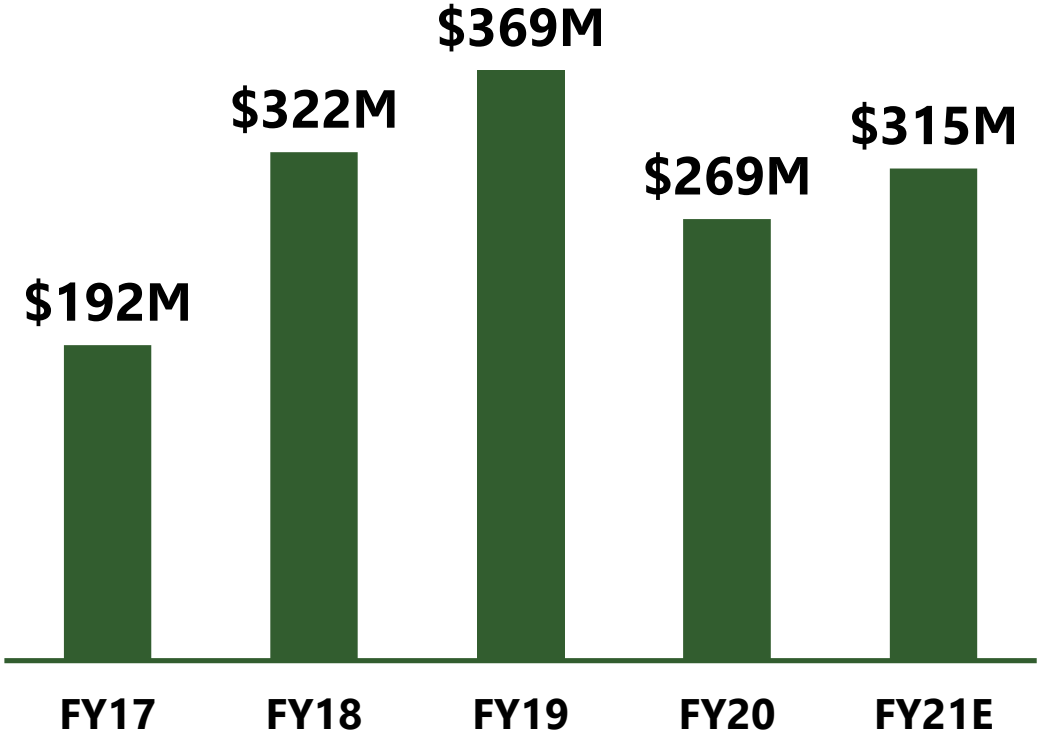
3.8% OF NET SALES

FY22E – FY23E

4.5% OF NET SALES

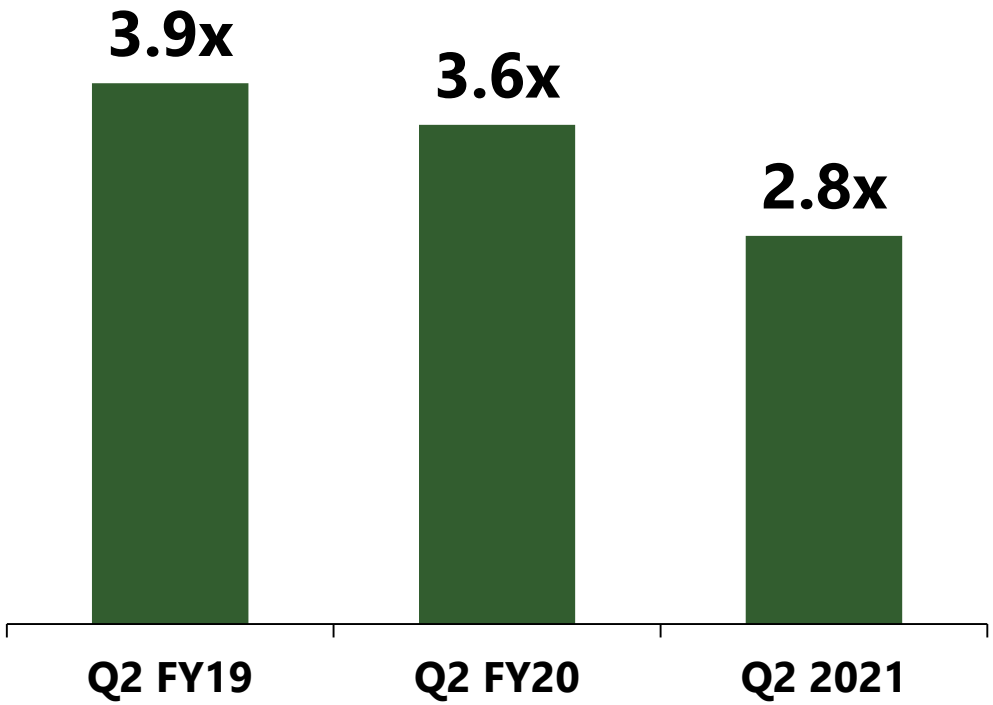
LONG-TERM OBJECTIVE

3.5% OF NET SALES



Note: Based on midpoint of FY21 net sales guidance provided on November 24, 2020

Debt Reduction



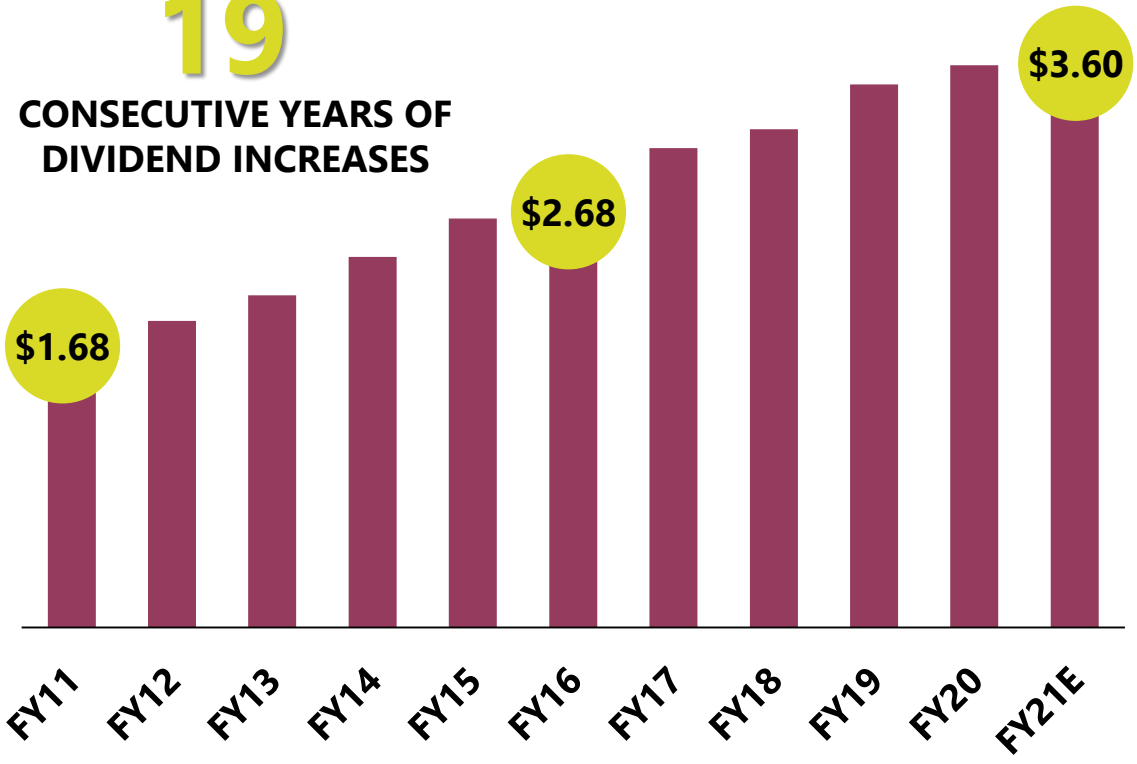
CURRENTLY BELOW
3.0x
TARGET ENHANCES FINANCIAL FLEXIBILITY

$1.5B
DEBT REPAYMENTS SINCE AINSWORTH PET FOOD ACQUISITION

Completed acquisition of Ainsworth Pet Nutrition, LLC on May 14, 2018

Dividend Growth

19
CONSECUTIVE YEARS OF DIVIDEND INCREASES



8%
10-YEAR CAGR

40-45%
ADJUSTED EPS PAYOUT TARGET

Capital Deployment

- FINANCIAL OVERSIGHT FOR STRATEGIC INVESTMENTS
- STRENGTHENING OUR REPORTING AND ANALYTICAL TOOLS
- CONTINUOUS PORTFOLIO EVALUATION





LONG-TERM SHAREHOLDER VALUE CREATION

EXECUTE AGAINST FINANCIAL TARGETS

STRONG CASH GENERATION

BALANCED CAPITAL DEPLOYMENT

THE J.M. SMUCKER Co.

THANK YOU



