



THE J.M. SMUCKER Co.

Fourth Quarter Fiscal 2021 Earnings

SUPPLEMENTARY INFORMATION

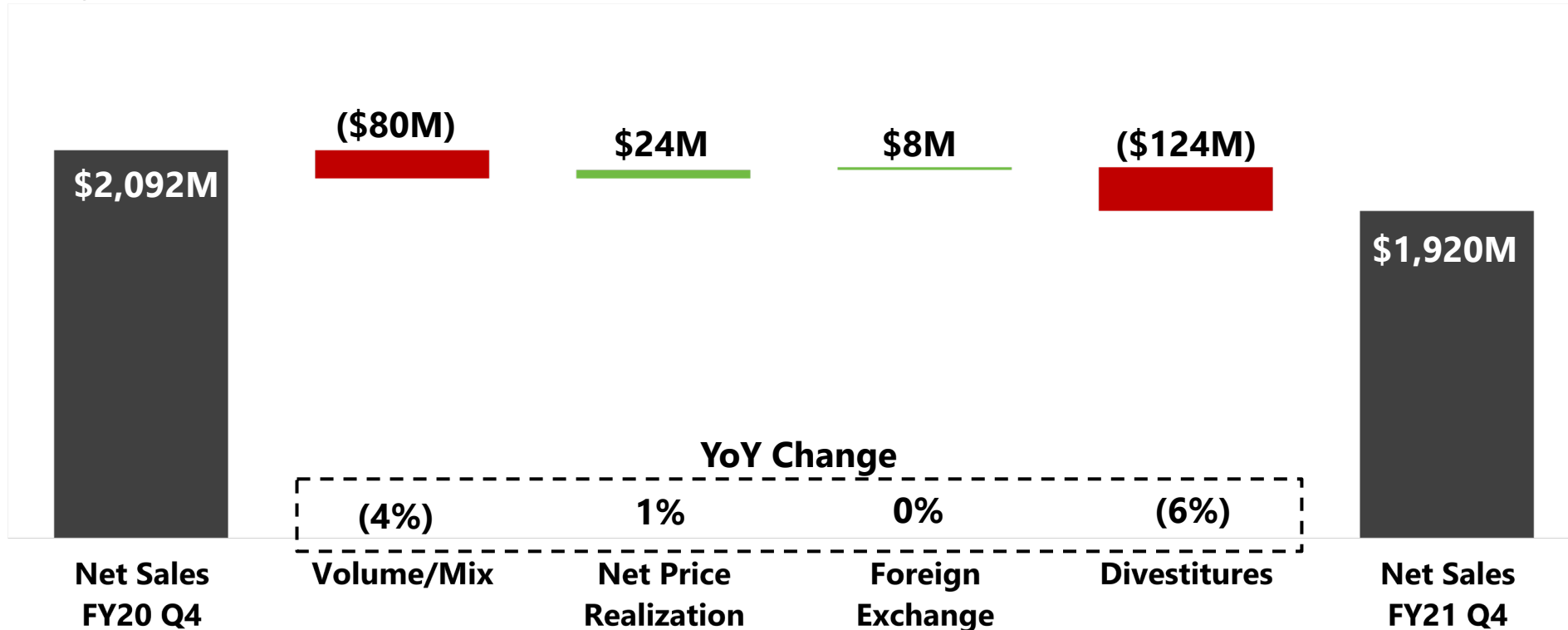
June 3, 2021

Consolidated Results

(\$ in millions, except per share data)	FY21 Q4	FY20 Q4	YoY Change
Net Sales	\$1,920.2	\$2,092.0	(8%)
Adjusted Gross Profit	\$727.0	\$806.4	(10%)
Adjusted Gross Profit Margin	37.9%	38.5%	-60bps
Adjusted Operating Income	\$311.6	\$431.2	(28%)
Adjusted Operating Income Margin	16.2%	20.6%	-440bps
Adjusted Effective Tax Rate	23.3%	23.4%	-10bps
Adjusted EPS – Assuming Dilution	\$1.89	\$2.57	(26%)

Consolidated Results

Net Sales Analysis



Note: Amounts may not add due to rounding

Consolidated Results

Balance Sheet/Cash Flow Highlights

(\$ in millions)	FY21 Q4	FY20 Q4
Cash from Operations	\$291.0	\$287.7
Capital Expenditures	(108.0)	(76.4)
Free Cash Flow	\$183.0	\$211.3
	April 30, 2021	April 30, 2020
Total Debt (Gross)	\$4,751.7	\$5,621.3
EBITDA (as adjusted, TTM)	\$1,805.3	\$1,714.8
Gross Debt/EBITDA (TTM)	2.6x	3.3x

Segment Results: FY21 Q4

(\$ in millions)	PET FOODS	COFFEE	CONSUMER FOODS	INT'L & AFH
Net Sales	\$674.6	\$583.1	\$419.8	\$242.7
YoY Change	(12%)	-	(13%)	(7%)
YoY Net Sales Change Summary:				
Volume/Mix	(6%)	-	(3%)	(9%)
Net Price Realization	1%	-	4%	-
Acquisition/Divestiture	(7%)	-	(14%)	(3%)
Foreign Currency Exchange	-	-	-	3%
Segment Profit	\$101.7	\$173.7	\$94.8	\$29.2
YoY Change	(32%)	(9%)	(29%)	(30%)
Segment Profit Margin	15.1%	29.8%	22.6%	12.0%
YoY Change	-440bps	-290bps	-510bps	-390bps

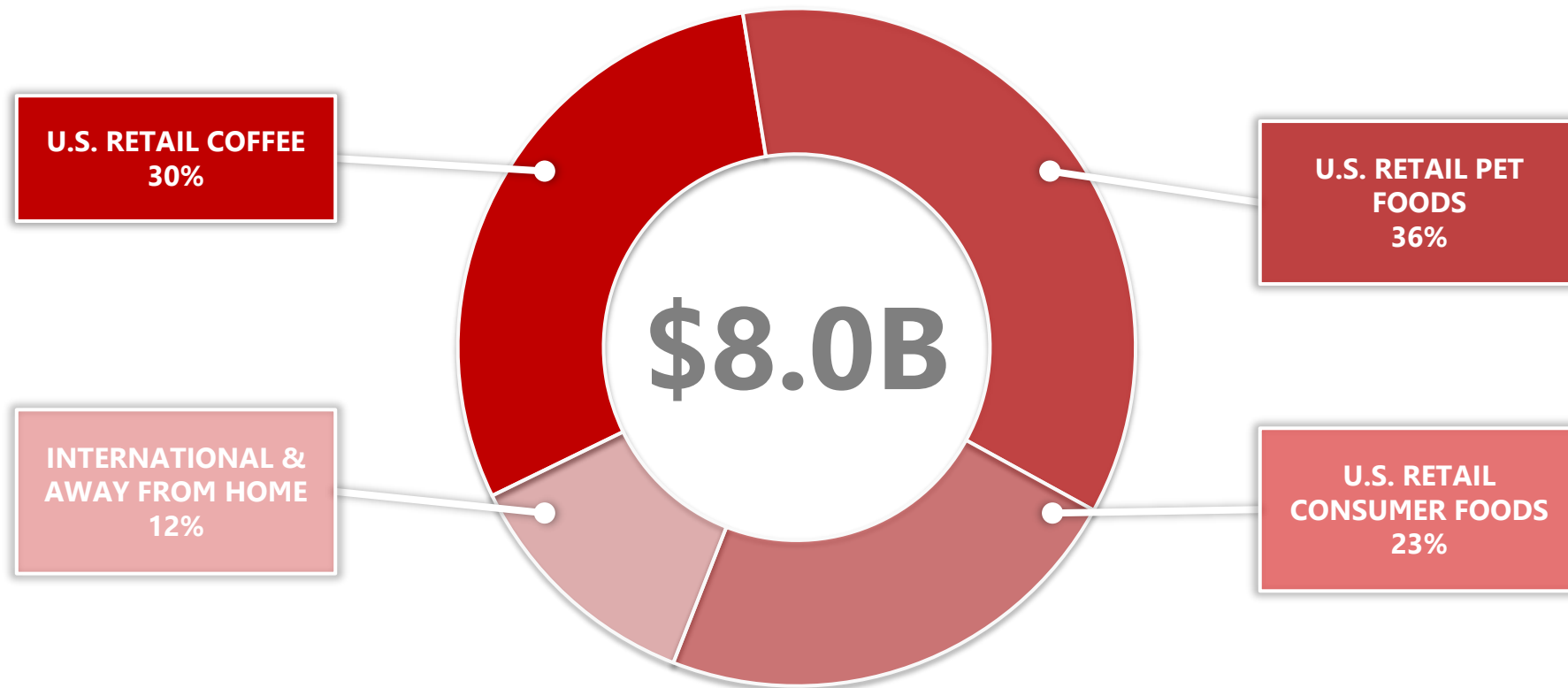
Note: Amounts may not add due to rounding

Full-Year Fiscal 2022 Outlook

Net Sales	(3)% - (2)%
Adjusted EPS – Assuming Dilution	\$8.70 - \$9.10
Free Cash Flow (in millions)	\$900
Capital Expenditures (in millions)	\$380
Adjusted Effective Tax Rate	24.0%

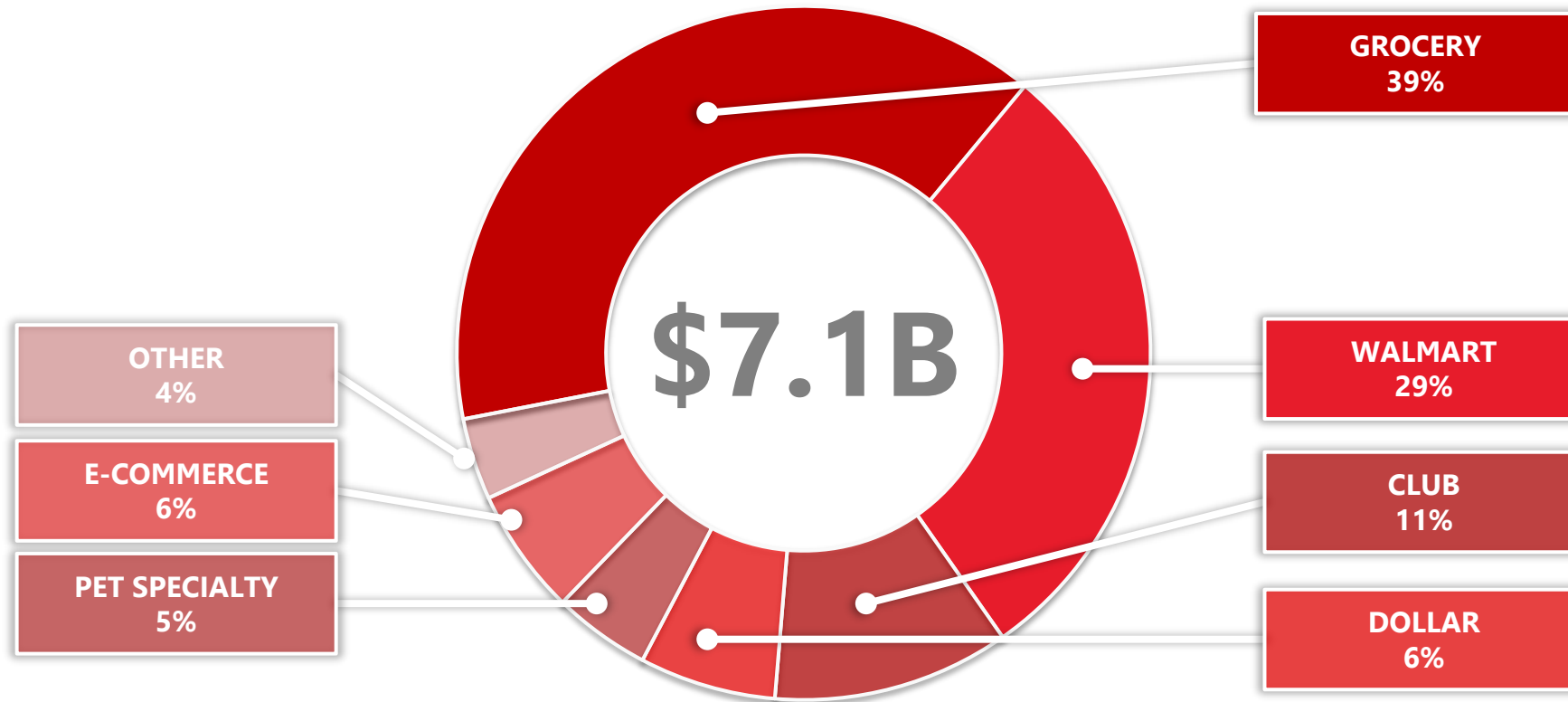
Total Company

Fiscal 2021 Net Sales by Reportable Segment



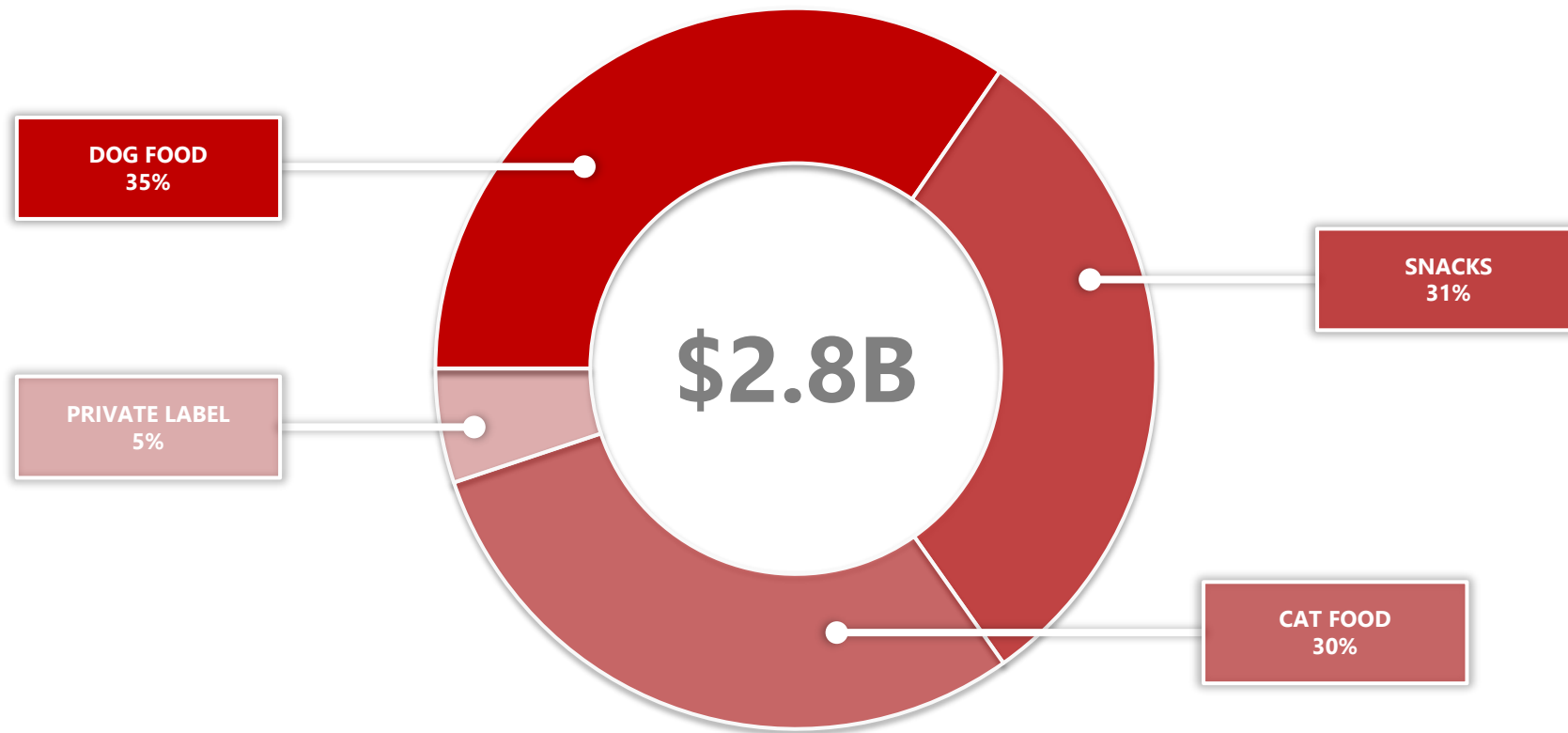
U.S. Retail Reportable Segments

Fiscal 2021 Net Sales by Channel



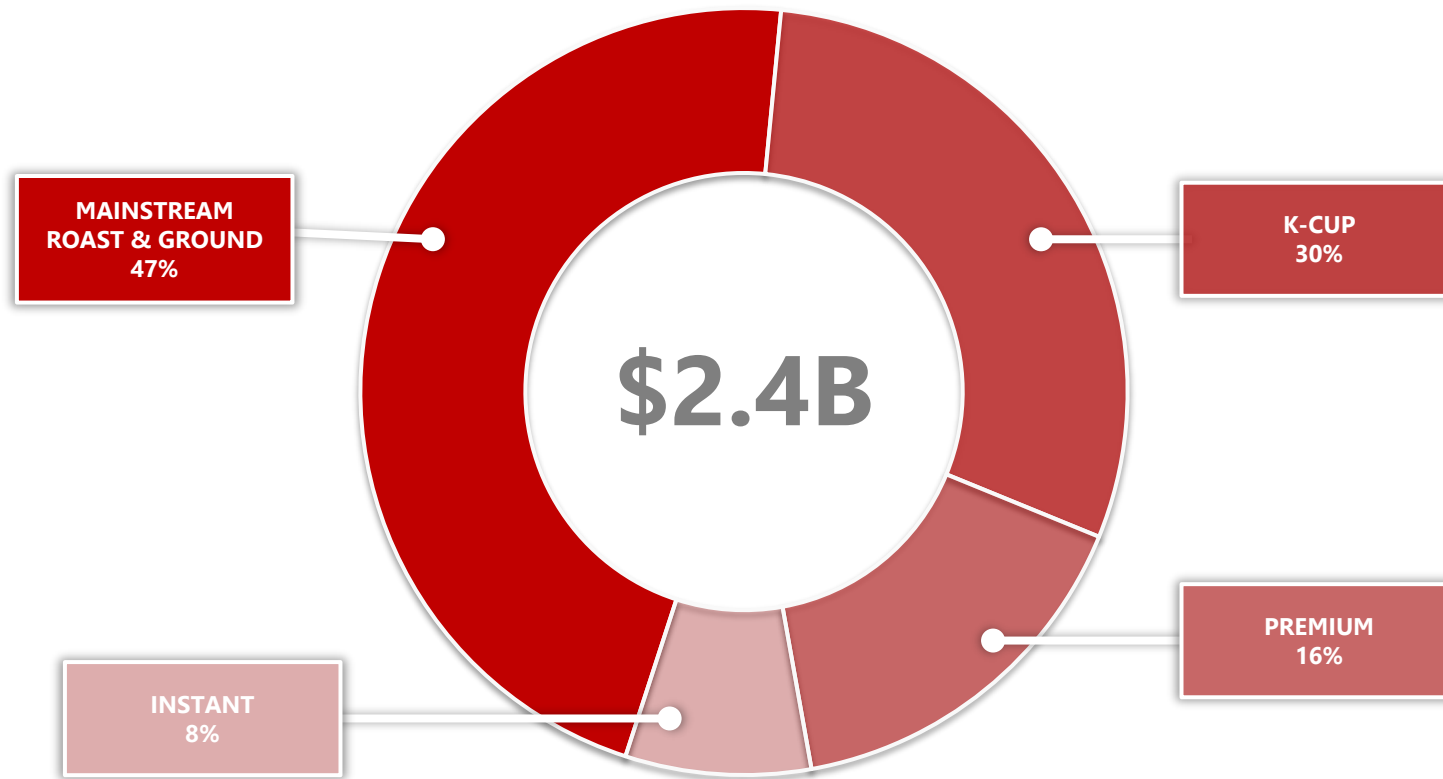
U.S. Retail Pet Foods Segment

Fiscal 2021 Net Sales



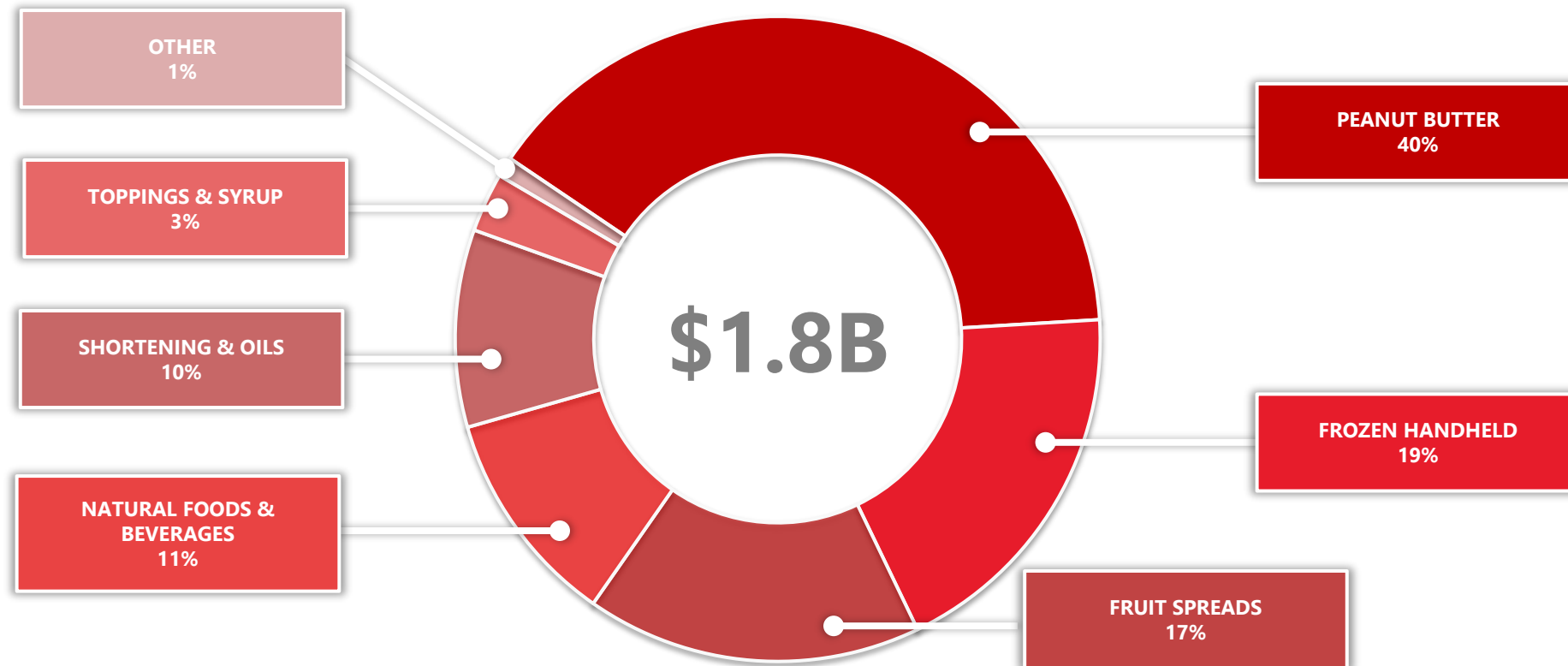
U.S. Retail Coffee Segment

Fiscal 2021 Net Sales



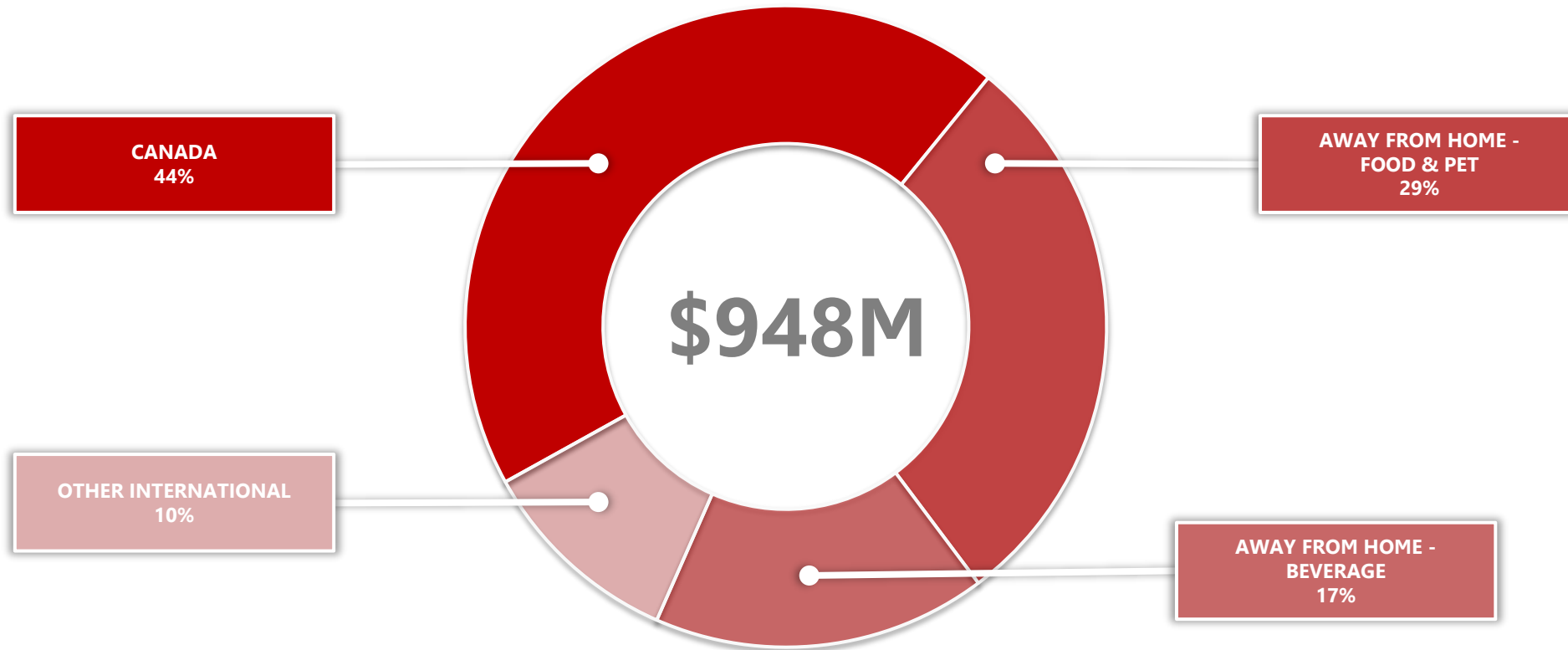
U.S. Retail Consumer Foods Segment

Fiscal 2021 Net Sales



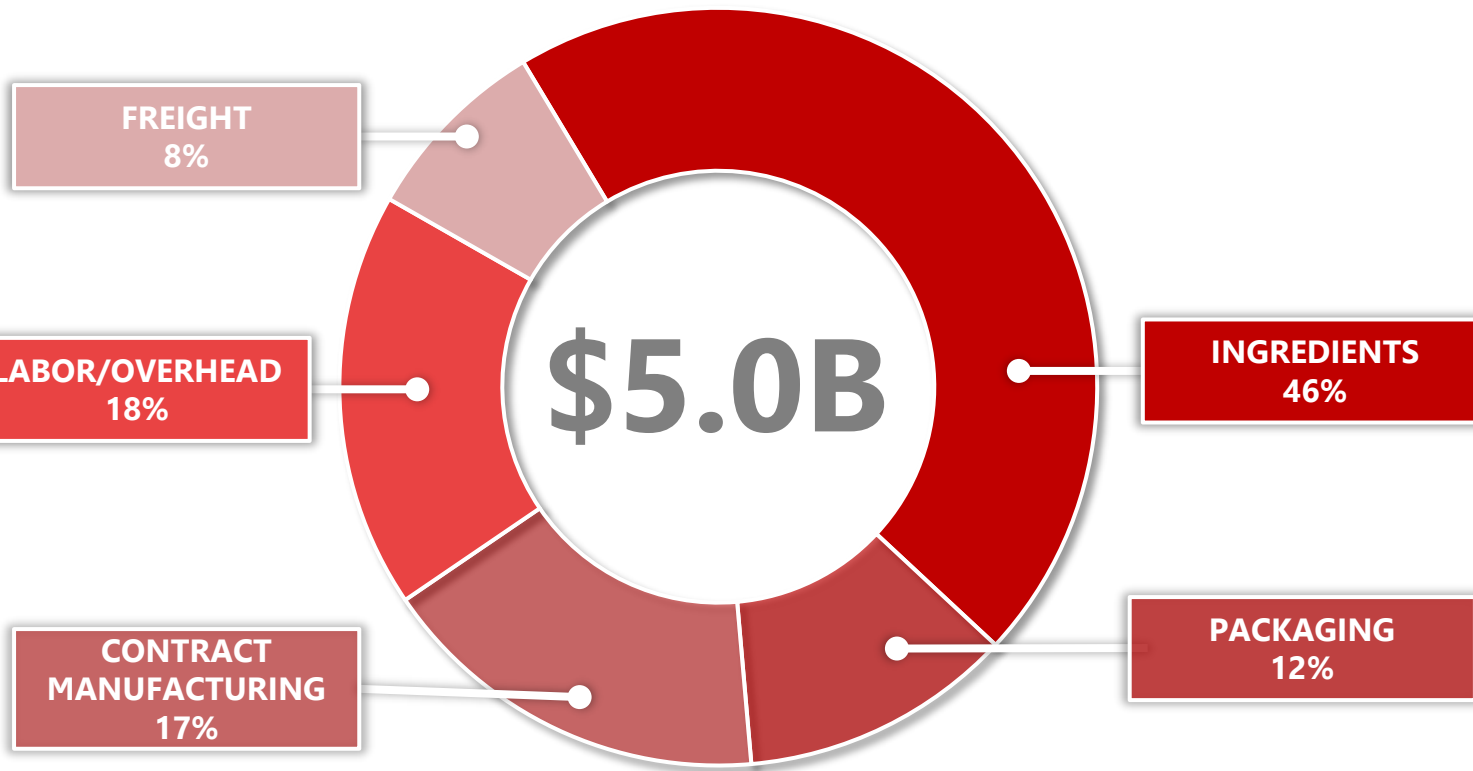
International and Away From Home Segment

Fiscal 2021 Net Sales



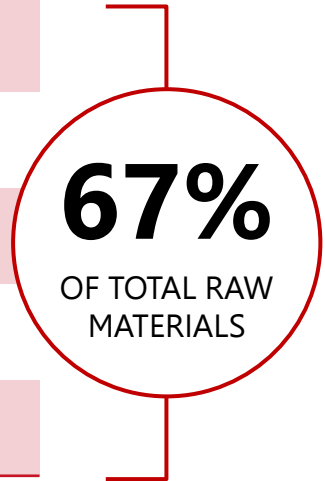
Cost of Products Sold

Fiscal 2021



TOP 5 RAW MATERIALS

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



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, particularly with respect to the Company's Away From Home business; disruptions or inefficiencies in the Company's operations or supply chain, including any impact of the COVID-19 pandemic; the ability to achieve cost savings related to the Company's 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; volatility of commodity, energy, and other input costs; 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 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 impact of food security concerns involving either the Company's products or its competitors' products; the impact of accidents, extreme weather, natural disasters, and pandemics (such as COVID-19); 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 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, including tariffs; the outcome of tax examinations, changes in tax laws, and other tax matters; 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: 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; divestiture, acquisition, integration, and restructuring costs (“special project costs”); gains and losses related to the sale of a business; unallocated gains and losses on commodity and foreign currency exchange derivatives (“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 permanent tax impacts associated with the *Crisco*[®] and *Natural Balance*[®] divestitures, 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 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 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 2022 outlook.

Unaudited Non-GAAP Financial Measures

(\$ in millions)	Three Months Ended April 30,	
	2021	2020
Gross profit reconciliation:		
Gross profit	\$735.7	\$788.4
Unallocated derivative losses (gains)	(12.1)	18.0
Cost of products sold – special project costs	3.4	-
Adjusted gross profit	\$727.0	\$806.4
Operating income reconciliation:		
Operating income	\$238.7	\$346.7
Amortization	56.9	59.9
Other intangible assets impairment charge	3.8	-
Gain on divestitures – net	1.9	-
Unallocated derivative losses (gains)	(12.1)	18.0
Cost of products sold – special project costs	3.4	-
Other special project costs	19.0	6.6
Adjusted operating income	\$311.6	\$431.2

Unaudited Non-GAAP Financial Measures

(\$ and shares in millions, except per share data)

	Three Months Ended April 30,	
	2021	2020
Net income reconciliation:		
Net income	\$147.0	\$226.3
Income tax expense	46.3	72.1
Amortization	56.9	59.9
Other intangible assets impairment charge	3.8	-
Gain on divestitures – net	1.9	-
Unallocated derivative losses (gains)	(12.1)	18.0
Cost of products sold – special project costs	3.4	-
Other special project costs	19.0	6.6
Other one-time items:		
Pension plan termination settlement charges	1.7	-
Adjusted income before income taxes	\$267.9	\$382.9
Income taxes, as adjusted	62.4	89.5
Adjusted income	\$205.5	\$293.4
Weighted-average common shares outstanding	108.4	113.4
Weighted-average participating shares outstanding	0.5	0.6
Total weighted-average shares outstanding	108.9	114.0
Dilutive effect of stock options	-	-
Total weighted-average shares outstanding – assuming dilution	108.9	114.0
Adjusted earnings per share – assuming dilution	\$1.89	\$2.57

Unaudited Non-GAAP Financial Measures

(\$ in millions)	Three Months Ended				TTM Ended April 30, 2021	Year Ended April 30, 2020
	July 31, 2020	October 31, 2020	January 31, 2021	April 30, 2021		
EBITDA (as adjusted) reconciliation:						
Net income	\$237.0	\$230.8	\$261.5	\$147.0	\$876.3	\$779.5
Income tax expense	76.6	72.7	100.0	46.3	295.6	247.2
Interest expense – net	46.1	45.1	43.5	42.4	177.1	189.2
Depreciation	54.1	54.1	53.5	57.8	219.5	210.2
Amortization	59.6	59.5	57.0	56.9	233.0	236.3
Other intangible assets impairment charges	-	-	-	3.8	3.8	52.4
EBITDA (as adjusted)	\$473.4	\$462.2	\$515.5	\$354.2	\$1,805.3	\$1,714.8

Note: Amounts may not add due to rounding

Non-GAAP Reconciliation

Company Guidance

	Year Ending April 30, 2022	
	Low	High
Net income per common share – assuming dilution reconciliation:		
Net income per common share – assuming dilution	\$ 6.55	\$ 6.95
Derivative gains (losses) – net ^(A)	0.43	0.43
Amortization	1.54	1.54
Other special project costs	0.18	0.18
Adjusted earnings per share	\$ 8.70	\$ 9.10

(A) As derivative gains and losses vary each quarter based on market conditions and derivative positions taken, the Company does not project derivative gains or losses on a forward-looking basis. Therefore, the forward-looking derivative gains (losses) in the table above reflect the net cumulative gains and losses already recognized in GAAP results as of April 30, 2021, that are expected to be allocated to non-GAAP results in future periods.

Non-GAAP Reconciliation

Company Guidance

(\$ in millions)

Free cash flow reconciliation:

Net cash provided by operating activities
Additions to property, plant, and equipment
Free cash flow

Year Ending
April 30, 2022

\$ 1,280

(380)

\$ 900

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 <i>Crisco</i> [®] Business	(79.5)	(84.9)	(34.5)	-	(198.9)
Divested <i>Natural Balance</i> [®] Business	(56.0)	(50.8)	(49.9)	-	(156.7)
Total Company Net Sales Less Divestitures	\$1,836.3	\$1,898.3	\$1,992.3	\$1,920.2	\$7,647.1

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 <i>Natural Balance</i> [®] Business	(56.0)	(50.8)	(49.9)	-	(156.7)
U.S. Retail Pet Food Net Sales Less Divestitures	\$636.6	\$657.9	\$718.7	\$674.6	\$2,687.8
U.S. Retail Consumer Foods Net Sales	\$489.2	\$479.1	\$447.6	\$419.8	\$1,835.7
Divested <i>Crisco</i> [®] Business	(71.7)	(75.1)	(31.7)	-	(178.5)
U.S. Retail Consumer Foods Net Sales Less Divestitures	\$417.5	\$404.0	\$415.9	\$419.8	\$1,657.2
International and Away From Home Net Sales	\$219.1	\$251.5	\$234.6	\$242.7	\$947.9
Divested <i>Crisco</i> [®] Business	(7.8)	(9.8)	(2.9)	-	(20.4)
International and Away From Home Net Sales Less Divestitures	\$211.3	\$241.7	\$231.7	\$242.7	\$927.5

Supplemental Net Sales Information

Net Sales Excluding Divestitures – FY20

(\$ in millions)

	Three Months Ended				Year Ended
	July 31, 2019	October 31, 2019	January 31, 2020	April 30, 2020	April 30, 2020
Total Company Net Sales	\$1,778.9	\$1,957.8	\$1,972.3	\$2,092.0	\$7,801.0
Divested <i>Crisco</i> ® Business	(52.8)	(73.8)	(70.9)	(71.7)	(269.2)
Divested <i>Natural Balance</i> ® Business	(62.1)	(54.7)	(53.8)	(52.2)	(222.8)
Total Company Net Sales Less Divestitures	\$1,664.0	\$1,829.3	\$1,847.6	\$1,968.1	\$7,309.0

Supplemental Net Sales Information

Net Sales Excluding Divestitures – FY20

(\$ in millions)

	Three Months Ended				Year Ended
	July 31, 2019	October 31, 2019	January 31, 2020	April 30, 2020	April 30, 2020
U.S. Retail Pet Food Net Sales	\$669.9	\$709.9	\$721.9	\$767.8	\$2,869.5
Divested <i>Natural Balance</i> ® Business	(62.1)	(54.7)	(53.8)	(52.2)	(222.8)
U.S. Retail Pet Food Net Sales Less Divestitures	\$607.8	\$655.2	\$668.1	\$715.6	\$2,646.7
U.S. Retail Consumer Foods Net Sales	\$402.2	\$426.1	\$422.9	\$480.5	\$1,731.7
Divested <i>Crisco</i> ® Business	(47.2)	(65.6)	(63.5)	(65.0)	(241.3)
U.S. Retail Consumer Foods Net Sales Less Divestitures	\$355.0	\$360.5	\$359.4	\$415.5	\$1,490.4
International and Away From Home Net Sales	\$241.1	\$278.4	\$268.7	\$262.1	\$1,050.3
Divested <i>Crisco</i> ® Business	(5.6)	(8.2)	(7.4)	(6.7)	(27.9)
International and Away From Home Net Sales Less Divestitures	\$235.5	\$270.2	\$261.3	\$255.3	\$1,022.3

Supplemental Net Sales Information

Net Sales Excluding Divestitures – FY19

(\$ in millions)

	Three Months Ended				Year Ended
	July 31, 2018	October 31, 2018	January 31, 2019	April 30, 2019	April 30, 2019
Total Company Net Sales	\$1,902.5	\$2,021.5	\$2,011.9	\$1,902.1	\$7,838.0
Divested <i>Crisco</i> ® Business	(52.9)	(80.5)	(77.2)	(47.9)	(258.5)
Divested <i>Natural Balance</i> ® Business	(70.9)	(74.8)	(61.6)	(66.9)	(274.2)
Divested U.S. Baking Business	(73.1)	(32.8)	-	-	(105.9)
Total Company Net Sales Less Divestitures	\$1,705.6	\$1,833.4	\$1,873.1	\$1,787.3	\$7,199.4

Supplemental Net Sales Information

Net Sales Excluding Divestitures – FY19

(\$ in millions)

	Three Months Ended				Year Ended
	July 31, 2018	October 31, 2018	January 31, 2019	April 30, 2019	April 30, 2019
U.S. Retail Pet Food Net Sales	\$671.2	\$728.1	\$759.0	\$721.2	\$2,879.5
Divested <i>Natural Balance</i> [®] Business	(70.9)	(74.8)	(61.6)	(66.9)	(274.2)
U.S. Retail Pet Food Net Sales Less Divestitures	\$600.3	\$653.3	\$697.4	\$654.3	\$2,605.3
U.S. Retail Consumer Foods Net Sales	\$483.3	\$461.9	\$422.7	\$393.6	\$1,761.5
Divested <i>Crisco</i> [®] Business	(46.7)	(71.1)	(68.5)	(41.9)	(228.2)
Divested U.S. Baking Business	(70.2)	(32.0)	-	-	(102.2)
U.S. Retail Consumer Foods Net Sales Less Divestitures	\$366.4	\$358.8	\$354.2	\$351.7	\$1,431.1
International and Away From Home Net Sales	\$258.5	\$286.6	\$268.6	\$261.0	\$1,074.7
Divested <i>Crisco</i> [®] Business	(6.2)	(9.4)	(8.7)	(6.0)	(30.3)
Divested U.S. Baking Business	(2.9)	(0.8)	-	-	(3.7)
International and Away From Home Net Sales Less Divestitures	\$249.4	\$276.4	\$259.9	\$255.0	\$1,040.7

Additional Information:

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