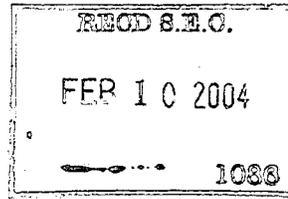




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AR/S

exhilarating

BRIGHT

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FRESH

Dynamic

imaginative

fun

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PROCESSED

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THOMSON
FINANCIAL

ENERGIZING

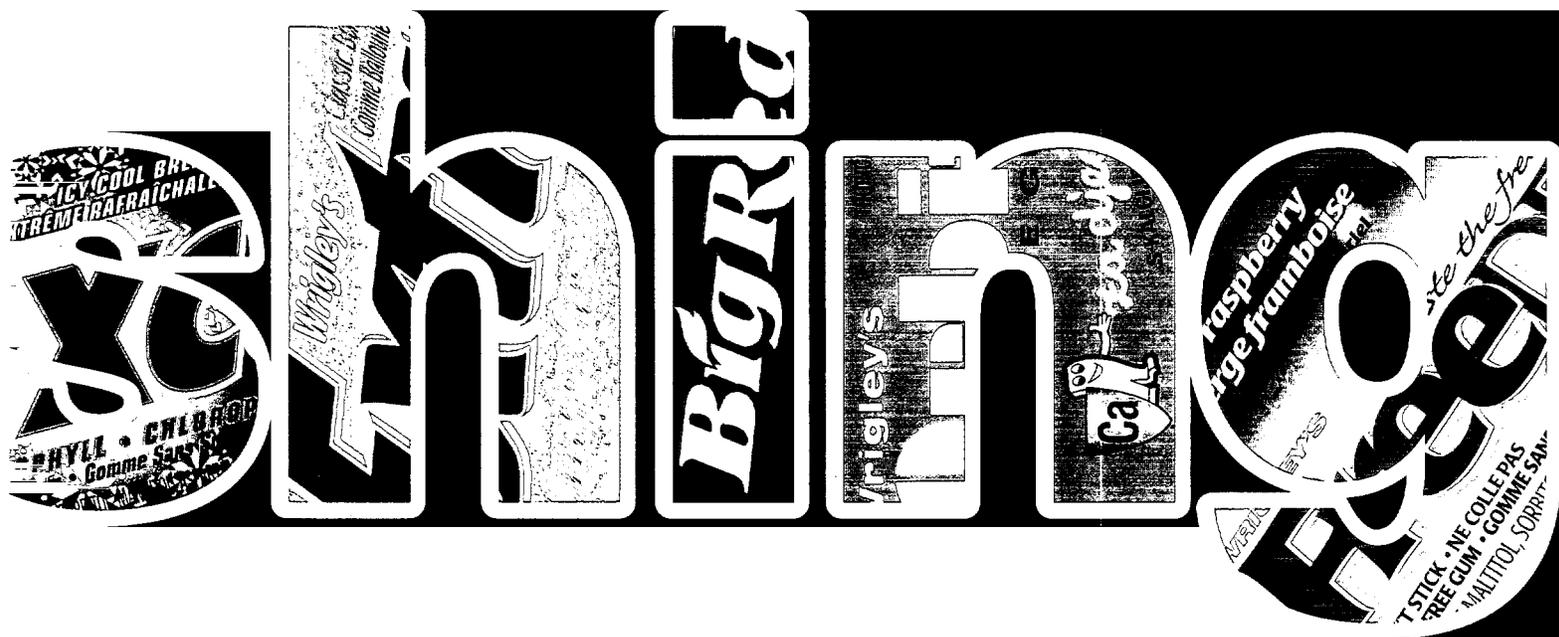
COOL

limitless

Wm



way



of doing business

Fresh

> “To make a success of life or business, you’ve got to hang on to the knack of putting yourself in the other person’s place.” The refreshing philosophy of our founder, William Wrigley Jr., is at the core of our successful relationships with consumers, retail customers and suppliers.

Connecting with our consumers and understanding their needs; working with our retail partners to address changes in our sales channels; collaborating with suppliers to identify the very best ingredients for that next great product — the insights supplied by these key groups are a fundamental part of the way we look at every challenge and opportunity. Taking our own creativity and experience and combining it with the perspective of our strategic partners assures that our products and services are the very best.

Perspective

COOL

Wrigley's Extra brand in Europe has evolved into a portfolio of products including chewing gum, breath strips and now, mints. With the 2003 launch of Extra Mints in the U.K., Wrigley reenergized the mint category and gave consumers a diverse combination of Extra offerings to freshen their breath. Leveraging the success of Eclipse in the U.S., two new gum flavors and Eclipse mints were launched in January 2004.



Stimulating

Since its founding in 1891, the Wm. Wrigley Jr. Company has established itself as a leader in the confectionery industry – but maintaining the status quo is not an option. To be a leader in not just gum, but other confectionery arenas as well, we must innovate in our products, processes and systems.

Original thinking has led to gains for existing gum brands, contribution to net sales from new products, and more diversification into confections including dental candies, breath strips, and mints. Continuous enhancement of our systems provides faster, more robust data for planning, decision-making and faster execution. While ongoing evaluation and improvement of our processes is helping us manage costs and meet or exceed the expectations of our customers.



Growth

DYNAMIC

Launched in the U.S. in 2001, the Orbit brand is the fastest-growing chewing gum in the country. In 2003, two new flavors, Cinnamon and Bubblegum, added to the brand's momentum. In Europe, the next generation of Orbit includes sugarfree Orbit Professional gum and Orbit Drops dental candies.



Invigorated

A growing share in the chewing and bubble gum business, expanding retail representation with great non-gum confections, and top-of-mind presence with consumers in over 150 countries are all evidence that Wrigley is winning in the marketplace.

Behind that success is the leadership demonstrated every day by the 12,000 Wrigley associates around the globe. Realignment of our management team created a structure that better balances resources and accountability against our key business priorities. But it is the passionate drive of our entire Wrigley team that delivers results and success in executing against our strategic plan.



Wrigley associates at work around the world: (top row L to R) Stefan Pfander and Frank Birkel, a portion of the Sales and Marketing team from Wrigley Paris, Ralph Scozzafava. (bottom row L to R) Denis Schrey, Michael Yeung and Michael Wong, and members of Wrigley China's Web ESPRIT team.

ENERGIZING

The Juicy Fruit® brand is "sweeter" than ever. In Canada, crunchy, coated pellets and new fruit flavors have almost tripled the brand's share over the last three years. This year, Juicy Fruit in the U.S. debuted in the same fun format and two great new flavors — Strappleberry™ and Grapermelon™ — captivating teens and "tweens" and expanding the brand franchise. In Asia, locally-favored fruit flavors are pumping up volumes.



Exhilarating

> Weaving Wrigley brands into the fabric of everyday life around the world... this vision, supported by our strategic business plan, defines our objective and the route we believe will help us deliver generational growth.

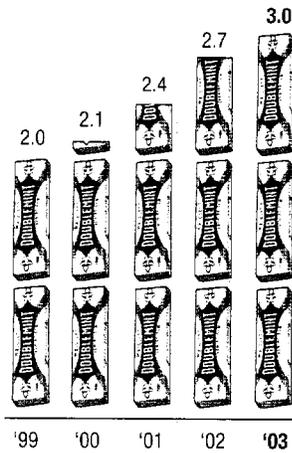
While our vision and our plan provide focus, they have served not to restrict us, but to make clear the limitlessness of our potential. The energy that Wrigley associates around the world have demonstrated in moving us toward our vision has exhilarated the entire organization. In every area of our business there is commitment to delivering the very best, sharing best practices and working together. While we have defined a common goal, the Wrigley team's response to this rich opportunity is anything but common.



FUN

Hubba Bubba products are spreading across Europe faster than you can say fun. By combining kid's confections under the umbrella of the Hubba Bubba brand we are building brand equity for products including Hubba Bubba Bubble Tape, Hubba Bubba Sweet Roll and Hubba Bubba Mix & Match. Their success is also expanding Wrigley's global presence in the kid's confectionery category.





Net Sales
billions of dollars



Net Earnings
millions of dollars



New Products
as a percentage of net sales

Financial Highlights

in millions of dollars, except per share amounts

	2003	2002
Net Sales	\$ 3,069,088	\$ 2,746,318
Net Earnings	\$ 445,894	\$ 401,525
Per Share of Common Stock		
Basic and diluted	\$ 1.98	\$ 1.78
Dividends Paid	\$ 194,633	\$ 181,232
Per Share of Common Stock	\$.865	\$.805
Expenditures to Property, Plant and Equipment	\$ 220,259	\$ 216,872
Stockholders' Equity	\$ 1,820,821	\$ 1,522,576
Return on Average Equity	26.7%	28.7%
Stockholders of Record at Close of Year	40,954	40,534
Average Shares Outstanding (000)	224,963	225,145

Additional historical financial data see page 26.

To our stockholders and the worldwide Wrigley team:

In 2003, we were pleased to deliver another year of record shipments, sales and earnings for the Wrigley Company. Against a backdrop of increased competition and consolidation, we continued to drive against our strategic choices to boost our core gum business and to expand into non-gum confections through both organic development and acquisition.



Bill Wrigley, Jr.

Additionally, we have adopted an internal mindset that we refer to as the "Wrigley Confectionery Company." While the name over the door is not changing, this philosophical shift captures our intent to be a serious player in a broader confectionery arena. We see opportunities to leverage our expertise in everything from flavor and packaging technology to distribution and merchandising across a greater range of products and marketplaces.

This aspirational term also reminds us on a daily basis that there is more than one path to take us to a successful future. We must continue to pursue multiple strategies and parallel initiatives to ensure that we are offering the right mix of brands and benefits for our consumers and the optimal combination of profitability and service for our customers. Our initiatives include both incremental, one-step-at-a-time changes and more groundbreaking, revolutionary changes, as we recognize that both alternatives can deliver positive, energizing results. Through this approach, we will continue to build — in unique and value-added ways — sustainable competitive advantages that will enable us to win in the marketplace and create generational growth for our Company. We remain true to our Vision ... "Wrigley Brands Woven into the Fabric of Everyday Life Around the World".

In support of our vision and aspiration, we recently announced an agreement to acquire various confectionery businesses of The Joyco Group of Barcelona, Spain. While the transaction still requires regulatory approval, we are excited about the potential expansion of the Wrigley portfolio to include such successful, quality brands as Boomer®, Pim Pom® and Solano®. When completed, this acquisition will broaden Wrigley's offerings in bubble gum, lollipops and other sweets, as well as strengthen our distribution in dozens of countries, especially China, India and Spain. As with all our investment decisions, the key drivers of this transaction were strategic fit and

candies have already climbed into the top five among all confectionery items in places like Slovenia and Croatia. Our dissolvable fresh breath films, under the banners of Extra Thin Ice™ and Eclipse Flash™, are securing growing distribution and trial across Europe.

Our Extra and Eclipse brands are also leading the Wrigley charge into the mint category. Following their September launch, Extra sugarfree mints have achieved strong customer and consumer acceptance in the United Kingdom, and we will continue to expand their availability in Europe. In the U.S., the three-to-one preference ratio for our new Eclipse mints over

The Executive Leadership Team



(L to R) Reuben Gamoran, Peter Hempstead, Howard Malovany, Duke Petrovich, Darrell Splithoff, Surinder Kumar, Ron Waters

potential to create incremental value. The complementary nature of Wrigley and Joyco operations and product portfolios, as well as our compatible corporate cultures, will help facilitate the integration process and provide a solid foundation for future growth. We look forward to obtaining the necessary approvals to complete this acquisition and to successfully integrating Joyco people, facilities and brands into the Wrigley family.

On a parallel path, our ongoing organic confectionery initiatives produced some impressive results in 2003. We continued to extend the reach of key brands — such as Orbit®, Extra®, and Eclipse® — beyond chewing gum. The distribution of Orbit Drops™ has expanded across Central Europe to a very positive marketplace reception. These sugarfree dental

competitive offerings during consumer testing had our retail customers clamoring for early shipments. This new product is just now beginning to appear on store shelves, so it is still too early to report on consumer takeaway, but you will hear more about these terrific mints, in their new-style tin, as the year unfolds.

Turning to our core gum business, we are very proud of its continued positive momentum. Both our development and sales teams operated at full throttle in 2003, as we pursued flavor, format and benefit innovation to meet evolving consumer preferences and drive additional trial and consumption. In the two dozen or so countries where we compete directly against the second largest gum manufacturer, we gained share in two-thirds of the geographies and held share in most of the rest, with only minor declines in a couple of locations.

In the U.S., a focused, integrated marketing campaign and new flavor offerings enabled Orbit to remain the fastest-growing gum product. With strong sales distribution support and a compelling combination of product design, flavor delivery and unique packaging, Orbit passed Trident® after just two years in the marketplace. It achieved the #2 ranking in U.S. dollar sales for gum products, trailing only our own Extra brand. Citrus variations and pellet formulations of Juicy Fruit® in Asia and in the U.S. continued the revitalization of this 111-year-old global brand. The expanded distribution of Bubble Tape® under the Hubba Bubba® label and the

Successful innovation begins with finding the right people, providing them a dynamic and nurturing environment, and creating a culture that is conducive to experimentation and the development of great new ideas. To that end, we are making another major investment in our people and our future by constructing a new Global Innovation Center in our headquarters city of Chicago. Designed to foster collaboration, this facility will include state-of-the-art laboratories and pilot plant, and will be filled with Wrigley associates representing a cross-section of functions and disciplines. It will serve as a creative hub that brings our



launch of an innovative flavor and format combination, called Hubba Bubba Mix & Match™, pushed our bubble gum share to new heights in countries like France and Germany. The rollouts of teeth-cleansing Orbit Professional™ and Extra Professional gum products are reinforcing the already strong dental benefit positioning of these brands and building incremental business in Europe and the Pacific.

Achieving a breakout success in the confectionery marketplace is not easy — it requires the combined efforts of many talented teams from R&D to Supply Chain to Sales & Marketing. Our successful internal product development program is a result of our long-term business perspective, our passion for understanding consumers and our strong investment in innovation, up an average of 20% in each of the past three years.

people together — helping us draw ideas, strength, energy and inspiration from all corners of the Wrigley world.

We have also invested to make our overall technology infrastructure more robust than ever before. Our global SAP implementation is now nearly 90% complete, establishing a single, truly integrated, global repository for our business data. The system is already paying dividends in terms of providing more timely and higher quality data, enabling us to improve our operations and shaving time off everything from flavor production scheduling to order processing.

In 2003, we reached a significant milestone that testifies to the accelerating pace of the marketplace and the overall growth of our business. It took the Wrigley Company 99

years — from 1891 to 1990 — to reach \$1 billion in annual sales. Only nine years later — in 1999 — we had added a second billion dollars to our top line. Just four years after that, we have achieved \$3 billion in sales.

In acknowledgement of this dramatic change in scale and mindful of our many opportunities and aggressive aspirations going forward, we put in place a realigned organizational structure effective January 1, 2004. The new alignment better focuses our management resources and accountability against our top business priorities — allowing us to “divide and conquer” the wide range of initiatives that are essential to our long-term business growth. It will enable us to more fully leverage our global scale — both operationally and strategically — and positions us to take full advantage of promising opportunities we see in the dynamic, worldwide confectionery marketplace.

Ron Waters has stepped into the role of Chief Operating Officer, an important new element of our structure going forward. As he concentrates on coordinating and unifying our operations around the world and fully tapping into the strength and depth of our global management team, I will be able to better focus on areas critical to the Company’s long-term success and business growth, including strategic direction, innovation, and people development. The entire Executive Leadership Team continues to work closely together to map the Company’s path to the future, determining our operating philosophy as well as directing and guiding all aspects of our business.

At Wrigley, everything starts with people. The “Wrigley Way” is to treat every individual with trust, dignity and respect. From that simple premise, we have established a number of core values that form the “soul” of our Company. Every Wrigley associate — starting with me — is expected to embrace these shared values and to use them to guide their business decisions and behavior toward others — both inside and outside the organization. Traveling such a path is not

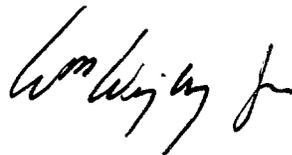
always easy or expedient, but it is always the best way to develop healthy, long-lasting relationships and a reputation for ethical behavior and fair dealing. Going forward, our core values remain constant in an ever-changing world.

Overall, the excellent progress of our business in the face of shifting conditions is testimony to the strength and flexibility of our plan, the power and equity of our brands, the resilience of our organization, and the skill and dedication of our people.

The Wrigley Company remains focused on delivering the most creative thinking, the most compelling benefits, the most innovative packaging, the most exciting products and the most powerful consumer messaging in the confectionery marketplace. We intend to capture and pursue great ideas generated around the Wrigley world that will build our business in ways that we cannot even imagine today. I can personally attest to the fact that the appetite of Wrigley associates for growth and innovation has only been whetted by the accomplishments of the past year, and their drive for progress and exploration is stronger than ever before.

Your backing enables us to focus on what we do best — create, communicate and distribute great brands and products that delight our consumers and build “win-win” relationships with our customers, suppliers, associates and the communities in which we operate. Your ongoing support will be deeply appreciated as we continue to pursue the creation of long-term value for all Wrigley stakeholders around the world.

Sincerely,



William Wrigley, Jr.
Chairman of the Board, President and Chief Executive Officer



Board of Directors

(L to R) Alex Shumate, Tom Knowlton, Steven Sample, Bill Wrigley, Jr., Howard Bernick, Melinda Rich, John Bard, Penny Pritzker, Richard Smucker

WILLIAM WRIGLEY, JR.

Director of the Company since 1988
 Joined the Wm. Wrigley Jr. Company in 1985
 Chairman of the Board since 2004, President
 and Chief Executive Officer since 1999
 Senior Vice President (1999)
 Vice President (1991-98)

JOHN F. BARD

Director of the Company since 1999
 Executive Vice President,
 Wm. Wrigley Jr. Company (1999-2000)
 Senior Vice President,
 Wm. Wrigley Jr. Company (1991-99)
 Director, Sea Pines Associates, Inc.
 Director, Weight Watchers International, Inc.

HOWARD BERNICK

Director of the Company since 2001
 Joined Alberto-Culver Company in 1977
 President and Chief Executive Officer since
 1994, and Director since 1986
 Director, AAR Corp.

THOMAS A. KNOWLTON

Director of the Company since 1996
 Dean-Faculty of Business, Ryerson
 University, since 2000
 Executive Vice President, Kellogg Company (1992-98)
 President, Kellogg North America (1994-98)

PENNY PRITZKER

Director of the Company since 1994
 Chairman, Classic Residence by Hyatt, since 1987
 President, Pritzker Realty Group L.P., since 1991
 Director, Hyatt Corporation and Hyatt
 International Corporation

MELINDA R. RICH

Director of the Company since 1999
 Joined Rich Products Corp. in 1986
 Executive Vice President of Innovation since 1997
 and Director since 1998
 President, Rich Entertainment Group, since 1994
 Director, M & T Bank Corp. (Buffalo, NY)

STEVEN B. SAMPLE

Director of the Company since 1997
 President, University of Southern California, since 1991
 Director, Unova, Inc.
 Director, AMCAP Fund, Inc.
 Director, American Mutual Fund, Inc.
 Director, Advanced Bionics Corporation

ALEX SHUMATE

Director of the Company since 1998
 Joined law firm of Squire, Sanders & Dempsey in 1988
 Managing Partner of the Columbus Office since 1991
 Director, Nationwide Financial Services, Inc.

RICHARD K. SMUCKER

Director of the Company since 1988
 Joined The J. M. Smucker Company in 1972
 Chief Financial Officer since 2003
 Co-CEO since 2001
 President since 1987
 Director since 1975
 Director, Sherwin-Williams Company

Committees of the Board of Directors

AUDIT

Richard K. Smucker, *Chairman*

Howard B. Bernick

Melinda R. Rich

Alex Shumate

COMPENSATION

Thomas A. Knowlton, *Chairman*

Howard Bernick

Steven B. Sample

Alex Shumate

CORPORATE GOVERNANCE

Penny Pritzker, *Chairman*

John F. Bard

Melinda R. Rich

Steven B. Sample

Elected Officers

As of January 1, 2004

WILLIAM WRIGLEY, JR.

Chairman of the Board, President and
Chief Executive Officer

President and Chief Executive Officer

PETER R. HEMPSTEAD

Senior Vice President — Worldwide Strategy
and New Business

Senior Vice President — International

SURINDER KUMAR

Senior Vice President and Chief Innovation Officer

Chief Innovation Officer

DUSHAN PETROVICH

Senior Vice President and Chief Administrative Officer

*Senior Vice President — People, Learning
and Development*

DARRELL R. SPLITHOFF

Senior Vice President — Worldwide Supply Chain

*Senior Vice President — Supply Chain
and Corporate Development*

RONALD V. WATERS

Chief Operating Officer

Senior Vice President and Chief Financial Officer

REUBEN GAMORAN

Vice President and Chief Financial Officer

Vice President and Controller

HOWARD MALOVANY

Vice President, Secretary and General Counsel

DONALD E. BALSTER

Vice President — Worldwide Manufacturing

VINCENT C. BONICA

Vice President — Organizational Development

DONAGH HERLIHY

Vice President and Chief Information Officer

PHILIP C. JOHNSON

Vice President — People, Learning and Development

Senior Director — Benefits and Compensation

SHAUN KIM

Vice President — Worldwide Engineering

JEFFREY KINZBACH

Vice President — Research and Development

PATRICK D. MITCHELL

Vice President — Procurement

KATHRYN E. OLSON

Vice President — U.S. Consumer Marketing

JON ORVING

Vice President — International and
Managing Director — North Region

STEFAN PFANDER

Vice President — International and
Managing Director — EMEA

ALAN J. SCHNEIDER

Vice President and Treasurer

RALPH P. SCOZZAFAVA

Vice President and Managing

Director — North America/Pacific

Vice President — General Manager — U.S.

MICHAEL F. WONG

Vice President — International and

Managing Director — Asia

A. RORY FINLAY

Senior Director — Global Branding

*For those individuals holding different titles during Fiscal 2003, previous titles are reflected in blue.

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Wrigley Brands	inside back cover

Management's Discussion and Analysis of Results of Operations and Financial Condition

Dollar and share amounts in thousands except per share figures

The Management's Discussion and Analysis reviews the Company's results of operations, liquidity and capital resources, critical accounting policies and estimates, and certain other matters. This discussion should be read in conjunction with the consolidated financial statements and related notes contained in this Annual Report.

RESULTS OF OPERATIONS

Net Sales

Consolidated net sales for 2003 increased \$322,770 or 12% from 2002. Net sales for 2003 were favorably affected by higher worldwide shipments and selected selling price increases, primarily in the International regions, and translation of foreign currencies to a weaker U.S. dollar. Higher worldwide shipments, including the introduction of new products, increased net sales by 4%. Selected selling price changes increased net sales by 1%. Translation of foreign currencies to a weaker U.S. dollar increased reported net sales by approximately 7%. New products accounted for 17.1% of net sales in 2003.

Net sales for the Americas in 2003 increased 6% compared to 2002. Higher shipment volume in the U.S. and Canada, offset by lower volume for Amurol and Latin America, increased net sales for the Americas by 4%. Favorable product mix increased net sales 1%, due mainly to increased U.S. sales of Orbit® and higher sales of Juicy Fruit pellets in the U.S. and Canada. Americas net sales were increased by 1% as a result of translation of the stronger Canadian dollar to a weaker U.S. dollar.

International 2003 net sales increased by 16% as a result of growth in shipment volume, selected selling price changes and translation of foreign sales to a weaker U.S. dollar. Unit volume increased net sales by 5% over 2002, led by growth in the Western European geographies of France, Germany, the U.K., and Spain and the Central/Eastern European geographies of Russia, Poland, and Ukraine. Selected selling price changes primarily in

Europe and Australia contributed 1% to International net sales growth. International net sales were increased by 10% as a result of translation of foreign currencies, primarily in Europe and Australia, to a weaker U.S. dollar.

Consolidated net sales for 2002 increased \$344,899 or 14% from 2001. Net sales for 2002 were favorably affected by higher worldwide shipments and favorable product mix. Higher worldwide shipments, including the introduction of new products, increased net sales by 10%. Favorable mix from premium priced products increased net sales by 2%. Translation of foreign currencies to a weaker U.S. dollar increased reported net sales by approximately 2%. New products accounted for 22.9% of net sales in 2002.

Net sales for the Americas in 2002 increased 13% compared to 2001. Higher shipment volume in the U.S. and Canada, as well as for Amurol Confections, increased net sales for the Americas by 7%. Favorable product mix increased net sales 6%, due mainly to increased U.S. sales of Eclipse® and Orbit® gum and the introduction of Eclipse® Flash Strips.

International 2002 net sales increased by 16% as a result of growth in shipment volume, selected selling price changes and translation of foreign sales to a weaker U.S. dollar. Unit volume increased net sales by 11% over 2001, due primarily to growth in Russia, China, France, the U.K., and numerous other international markets. Net sales were also favorably impacted by new product introductions across all regions. Selected selling price

changes primarily in Europe and Australia contributed 1% to International net sales growth. International net sales were increased by 4% as a result of translation of foreign currencies, primarily in Europe, to a weaker U.S. dollar.

Cost of Sales and Gross Profit

In 2003, consolidated cost of sales increased \$120,061 or 10% from 2002. Higher worldwide shipments increased cost of sales by 4%. Translation of foreign currencies to a weaker U.S. dollar increased cost of sales by approximately 6%. Consolidated gross profit in 2003 was \$1,792,353, an increase of \$202,709 or 13% from 2002. The consolidated gross profit margin on net sales was 58.4% for 2003, up 0.5 percentage points from the 2002 gross margin of 57.9%, mainly due to slightly lower product costs and selected selling price increases.

In 2002, consolidated cost of sales increased \$154,751, or 15% from 2001. Higher worldwide shipments increased cost of sales by 10%. Higher costs due to worldwide product mix increased cost of sales by 2%. Slightly higher worldwide product costs increased cost of sales by 1%. Translation of foreign currencies to a weaker U.S. dollar increased cost of sales by approximately 2%. Consolidated gross profit in 2002 was \$1,589,644, an increase of \$190,148 or 14% from 2001. The consolidated gross profit margin on net sales was 57.9% for 2002, down 0.4 percentage points from the 2001 gross margin of 58.3%, mainly due to slightly higher product costs.

Selling, General and Administrative Expenses

Consolidated 2003 selling, general and administrative (SG&A) expenses were \$1,142,991, up \$138,421 or 14% from 2002. Translation of stronger foreign currencies to a weaker U.S. dollar increased SG&A by 6%. Higher selling and other marketing expenses due mainly to investment in the U.S., Russia, Germany, and the U.K. increased SG&A by 3%. Higher brand support, mainly due to increased merchandising and consumer promotion spending in the U.S. and Europe in support of new products, increased SG&A by 3%. Finally, general

and administrative expenses increased SG&A by 2% due to increased investment in worldwide information technology and research and development spending, partially offset by the absence of costs connected with the 2002 exploration of a business combination with Hershey Foods Corporation.

Consolidated 2002 SG&A expenses increased \$118,430 or 13% from 2001. Translation of stronger foreign currencies to a weaker U.S. dollar increased SGA by 1%. Higher brand support in the Americas, Europe and Pacific regions, including spending behind new and improved products increased SG&A by 5%. Higher selling and other marketing expenses to support growth in the U.S., Russia, China and other key markets increased SG&A by 3%. Finally, general and administrative expenses increased SG&A by 4%. The increase included higher investment in new technology and research and development. Also contributing to the increase were approximately \$10,000 in costs connected with the exploration of a business combination with Hershey Foods Corporation.

As a percentage of consolidated net sales, SG&A expenses were as follows:

	2003	2002	2001
Advertising	12.1%	13.2%	13.7%
Merchandising and Promotion/Other	6.2%	5.0%	5.1%
Total Brand Support	18.3%	18.2%	18.8%
Selling and Other Marketing	10.2%	9.5%	9.5%
General and Administrative	8.7%	8.9%	8.6%
Total	37.2%	36.6%	36.9%

"Other" expense reported in merchandising and promotion includes brand research spending and royalty fees paid to third parties.

Investment Income

The Company earns investment income primarily from the cash and cash equivalent and short-term investment balances it maintains throughout the year. In 2003, consolidated investment income was \$9,608 compared to \$8,918 in 2002, an increase of \$690. The increase

reflected gains from the sale of marketable equity securities and higher worldwide cash balances, which were partially offset by lower worldwide yields.

In 2002, consolidated investment income decreased \$9,635 from 2001. The decrease reflected lower worldwide yields in 2002 and interest income received from a U.S. tax refund in the third quarter of 2001.

Other Expense

In 2003, other expense was \$7,429, compared to \$10,571 in 2002. The decrease in expense was primarily due to market-driven portfolio gains in 2003, compared with losses in 2002, associated with the cash surrender value of company-owned life insurance.

In 2002, other expense was \$10,571, up \$6,028 from 2001. The increase in expense was driven primarily by foreign currency transaction losses, mostly caused by a weaker U.S. dollar.

Income Taxes

Income taxes in 2003 were \$205,647, up \$23,751 or 13% from 2002. The result is due primarily to an increase in pretax earnings of \$68,120 or 12%. The consolidated effective income tax rate in 2003 was 31.6%, compared to 31.2% in 2002.

Income taxes in 2002 were \$181,896, up \$17,516 or 11% from 2001 due primarily to increase in pretax earnings of \$56,055 or 11%. The effective consolidated income tax rate, in both 2002 and 2001, was 31.2%.

Net Earnings

Consolidated net earnings in 2003 totaled \$445,894, up \$44,369 or 11%. On a per share basis, net earnings increased \$.20 or 11% from 2002.

Consolidated net earnings in 2002 increased \$38,539 or 11%. On a per share basis, net earnings increased \$.17 or 11% from 2001.

SUBSEQUENT EVENT

Pending Acquisition

On January 8, 2004, the Company agreed with Agrolimen, a privately-held Spanish conglomerate, to purchase certain confectionery businesses of The Joyco Group. Under the terms of the agreement, the Company will pay total consideration of 215 million Euro, which will be funded from the Company's available cash and a draw on the line of credit the Company is negotiating for purposes of this transaction.

This transaction strengthens the Company's operations in key geographies such as Spain, India and China through a broader confectionery brand portfolio, access to additional distribution channels and increased confectionery and gumbase manufacturing capacity. These opportunities along with the efficiencies from combining the operations of the Company with those of The Joyco Group were key factors associated with the determination of the purchase price. The proposed acquisition is subject to customary closing conditions, including regulatory clearances. The Company expects to complete the transaction in the first quarter 2004.

LIQUIDITY AND CAPITAL RESOURCES

Operating Cash Flow and Current Ratio

Net cash provided by operating activities in 2003 was \$645,495 compared with \$374,435 in 2002 and \$390,491 in 2001. The increase from 2002 was primarily due to increased net earnings, reduced levels of working capital investment in 2003 versus 2002, and a decrease in pension and post-retirement plan contributions of \$77,800 in 2003 compared to 2002. The decrease in 2002 compared to 2001 was primarily due to pension and post-retirement plan contributions paid which increased \$75,800 from 2001 and higher working capital requirements, mostly offset by increased earnings. The Company had a current ratio (current assets divided by current liabilities) in excess of 2.7 to 1 at December 31, 2003 and in excess of 2.6 to 1 at December 31, 2002. The Company's current ratio has increased primarily due

to higher cash balances at December 31, 2003 as compared to December 31, 2002.

Additions to Property, Plant and Equipment

Capital expenditures for 2003 were \$220,259, an increase of \$3,387 from the 2002 capital expenditures of \$216,872. The increase was due primarily to higher spending on worldwide manufacturing capacity, offset by decreased spending on the Company's global enterprise resource planning (ERP) systems project. Capital expenditures for 2002 were \$216,872, an increase of \$35,112 from the 2001 capital expenditures of \$181,760. The increase was due primarily to spending in order to increase worldwide manufacturing capacity, including spending to support new product introductions and expenditures on the global ERP systems project. Additions to property, plant and equipment in 2004 are expected to be slightly higher than 2003 levels and are planned to be funded from the Company's cash flow from operations.

Share Repurchases

In 2003, the Company repurchased 822 shares totaling \$44,842, including 809 shares totaling \$44,021 under the Board of Directors authorized Share Repurchase Program and 13 shares totaling \$821 under the shareholder approved Management Incentive Plan (MIP). At December 31, 2003, \$45,238 is available for repurchase under the Share Repurchase Program. In 2002, the Company repurchased 527 shares totaling \$27,759, including repurchases under the Board of Directors authorized Share Repurchase Program of 483 shares totaling \$25,504. In 2002, the Company also repurchased 44 shares totaling \$2,255 under the shareholder approved MIP.

On January 28, 2004, the Company's Board of Directors authorized future share repurchases of up to \$100,000. This new repurchase program will follow the completion

of the Share Repurchase Program authorized by the Board of Directors in 2000, under which \$45,238 remains available for repurchases.

Line of Credit

In September 2003, the Company renewed its \$100 million unsecured line of credit. There were no borrowings under this line during 2003. Upon drawing on the line of credit, the Company has the option to elect a fixed or floating interest rate. The line of credit expires in September 2004.

In connection with the pending acquisition, the Company is negotiating a \$300 million line of credit. The line of credit would mature 3 years from the date drawn. Upon entering into this line of credit, the Company would terminate the \$100 million, unsecured line of credit which had been renewed in September 2003.

Contractual Obligations

The Company enters into arrangements that obligate the Company to make future payments under contracts such as leases and unconditional purchase obligations. The Company enters into these arrangements in the normal course of business in order to ensure adequate levels of raw materials, office and warehousing space and machinery, equipment or services for significant capital projects. Of these items, capital lease obligations, which total \$4,082 and \$5,149, are currently recognized as liabilities in the Company's consolidated balance sheet at December 31, 2003 and 2002, respectively. Operating lease obligations and unconditional purchase obligations, which total \$623,587 at December 31, 2003, are primarily related to normal anticipated raw material requirements for 2004, and are not recognized as liabilities in the Company's consolidated balance sheet in accordance with generally accepted accounting principles.

A summary of the Company's contractual obligations at the end of 2003 is as follows:

Contractual Obligations	PAYMENTS DUE BY PERIOD				
	Total	Less than 1 year	2-3 Years	4-5 Years	Thereafter
Capital lease obligations	\$ 4,830	3,075	1,755	—	—
Operating Leases	40,844	13,194	17,168	7,393	3,089
Purchase obligations	582,743	553,667	20,955	8,121	—
Total	628,417	569,936	39,878	15,514	3,089

Additionally, the Company does not have any related party transactions that materially affect the Company's results of operations, cash flows or financial condition.

OTHER MATTERS

Critical Accounting Policies and Estimates

The Company's significant accounting policies are discussed in the notes to the consolidated financial statements. The application of certain of these policies requires significant judgments or an estimation process that can affect the results of operations, financial position and cash flows of the Company, as well as the related footnote disclosures. The Company bases its estimates on historical experience and other assumptions that it believes are reasonable. If actual amounts are ultimately different from previous estimates, the revisions are included in the Company's results of operations for the period in which the actual amounts become known. The accounting policies and estimates with the greatest potential to have a significant impact on the Company's operating results, financial position, cash flows and footnote disclosures are as follows:

Allowance for Doubtful Accounts — In the normal course of business, the Company extends credit to customers that satisfy pre-defined credit criteria. An allowance for doubtful accounts, which is reported as part of accounts receivable, is determined through an analysis of the aging of accounts receivable, assessments of collectibility based on historical trends, assessing the credit worthiness of its customers, and an evaluation of current and projected economic conditions at the balance

sheet date. Actual collections of accounts receivable could differ from management's estimates due to changes in future economic or industry conditions or specific customers' financial condition.

Valuation of Long-lived Assets — Long-lived assets, primarily property, plant and equipment, are reviewed for impairment as events or changes in circumstances occur indicating that the amount of the asset reflected in the Company's balance sheet may not be recoverable. An estimate of undiscounted cash flows produced by the asset, or the appropriate group of assets, is compared to the carrying value to determine whether impairment exists. The estimates of future cash flows involve considerable management judgment and are based upon assumptions about expected future operating performance. The actual cash flows could differ from management's estimates due to changes in business conditions, operating performance, and economic conditions.

Pension and Other Post-Retirement Plan Benefits —

The Company sponsors pension and other post-retirement plans in various forms covering substantially all employees who meet eligibility requirements. Independent actuaries perform the required calculation to determine pension and other post-retirement plan expense, in accordance with accounting principles generally accepted in the U.S. Several statistical and other factors which attempt to anticipate future events are used in calculating the expense and liability related to the plans. These factors include assumptions about the discount rate, expected return on plan assets, rate of future employee compensation increases and trends in healthcare costs. In addition, the Company also uses subjective actuarial assumptions such as withdrawal and mortality rates to estimate these factors. The actuarial assumptions used by the Company may differ from actual results due to changing market and economic conditions, higher or lower withdrawal rates or longer or shorter life spans of participants. These differences may impact the amount of pension and post-retirement liability and expense recorded by the Company.

Income Taxes — Deferred income taxes are recognized for the future tax effects of temporary differences between financial and income tax reporting using tax rates in effect for the years in which the differences are expected to reverse. Federal income taxes are provided on that portion of the income of foreign subsidiaries that is expected to be remitted to the United States and be taxable, but not on the portion that is considered to be permanently invested in the foreign subsidiary. The Company, along with third-party advisers, periodically reviews assumptions and estimates of the Company's probable tax obligations using historical experience in tax jurisdictions and informed judgments.

Market Risk

Inherent in the Company's operations are certain market risks related to changes in foreign currency exchange rates, interest rates, and the equity markets. Changes in these factors could cause fluctuations in the Company's net earnings, cash flows, and to the fair values of market risk sensitive financial instruments. In the normal course of business, the Company identifies these risks and mitigates their financial impact through its corporate policies and hedging activities. The Company's hedging activities include the use of derivative financial instruments. The Company uses derivatives only where there is an underlying exposure and does not use them for trading or speculative purposes. The counter parties to the hedging activities are highly rated financial institutions. Additional information regarding the Company's use of financial instruments is included in the notes to the consolidated financial statements.

The Company's primary area of market risk is foreign currency exchange rate risk. The Company's primary exchange rate exposure is with the Euro and British Pound against the U.S. Dollar. The Company has

determined that for its market risk sensitive instruments, any reasonably possible near-term changes in market rates or prices do not result in material near term losses in future earnings, fair values, or cash flows.

Forward-Looking Statements

Statements contained in this report may be considered to be forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. The Company wishes to ensure that such statements are accompanied by meaningful cautionary statements to comply with the safe harbor under the Act. The Company notes that a variety of factors could cause actual results to differ materially from the anticipated results or expectations expressed in these forward-looking statements.

Important factors that may influence the operations, performance, development and results of the Company's business include global and local business and economic conditions; currency exchange and interest rates; ingredient, labor, and other operating costs; insufficient or under-utilization of manufacturing capacity; destruction of all or part of manufacturing facilities; labor strikes or unrest; political or economic instability in local markets; war or acts of terrorism; competition and other industry trends; retention of preferred retail space; effectiveness of marketing campaigns or new product introductions; consumer preferences, spending patterns, and demographic trends; legislation and governmental regulation; and accounting policies and practices.

We caution the reader that the list of factors may not be exhaustive. The Company undertakes no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

Quarterly Data

In thousands of dollars except per share amounts

Consolidated Results

	Net Sales	Cost of Sales	Net Earnings	Net Earnings Per Share
2003				
First Quarter	\$ 672,393	275,280	97,019	.43
Second Quarter	792,614	319,579	125,930	.56
Third Quarter	782,877	336,613	113,068	.50
Fourth Quarter	821,204	345,263	109,877	.49
Total	\$ 3,069,088	1,276,735	445,894	1.98
2002				
First Quarter	\$ 599,026	250,708	85,332	.38
Second Quarter	708,467	287,837	109,967	.49
Third Quarter	699,511	296,993	98,464	.44
Fourth Quarter	739,314	321,136	107,762	.48
Total	\$ 2,746,318	1,156,674	401,525	1.78

Market Prices

Although there is no established public trading market for the Company's Class B Common Stock, these shares are at all times convertible into shares of Common Stock on a one-for-one basis and are entitled to identical dividend payments.

The Common Stock of the Company is listed and traded on the New York and Chicago Stock Exchanges. The table below presents the high and low sales prices for the two most recent years on the New York Stock Exchange.

	2003 High	2003 Low	2002 High	2002 Low
First Quarter	\$ 57.49	51.05	56.90	49.89
Second Quarter	58.90	54.25	58.90	52.50
Third Quarter	56.96	52.00	56.84	44.21
Fourth Quarter	57.49	54.44	56.03	49.25

Dividends

The following table indicates the quarterly breakdown of aggregate dividends declared per share of Common Stock and Class B Common Stock for the two most recent years. Dividends declared in a quarter are paid in the following quarter.

	2003	2002
First Quarter	\$.220	.205
Second Quarter	.220	.205
Third Quarter	.220	.205
Fourth Quarter	.220	.205
Total	.880	.820

Selected Financial Data

In thousands of dollars except per share amounts, stockholders of record and employees

Operating Data

	2003	2002	2001	2000
Net Sales	\$ 3,069,088	2,746,318	2,401,419	2,126,114
Cost of Sales	1,276,735	1,156,674	1,001,923	904,266
Income Taxes	205,647	181,896	164,380	150,370
Net Earnings*	445,894	401,525	362,986	328,942
Per Share of Common Stock (basic and diluted)	1.98	1.78	1.61	1.45
Dividends Paid	194,633	181,232	167,922	159,138
Per Share of Common Stock	.865	.805	.745	.701
As a Percent of Net Earnings	44%	45%	46%	48%
Dividends Declared Per Share of Common Stock	.880	.820	.760	.701
Average Shares Outstanding	224,963	225,145	225,349	227,037

Other Financial Data

Net Property, Plant and Equipment	\$ 956,180	836,110	684,379	607,034
Total Assets	2,520,410	2,108,296	1,777,793	1,574,740
Working Capital	825,797	620,205	581,519	540,505
Stockholder's Equity	1,820,821	1,522,576	1,276,197	1,132,897
Return on Average Equity	26.7%	28.7%	30.1%	29.0%
Stockholders of Record at Close of Year	40,954	40,534	38,701	37,781
Employees at Close of Year	12,000	11,250	10,800	9,800
Market Price of Stock				
High	58.90	58.90	53.30	48.31
Low	51.05	44.21	42.94	29.94

*(includes amounts related to factory closure — net gain of \$6,763 or \$.03 per share in 1998, and net costs of \$2,145 or \$.01 per share and \$12,990 or \$.06 per share in 1997 and 1996, respectively; and nonrecurring net gain on sale of Singapore property in 1994 of \$24,766 or \$.11 per share)

1999	1998	1997	1996	1995	1994	1993
2,045,227	1,990,286	1,923,963	1,835,987	1,754,931	1,596,551	1,428,504
904,183	894,988	892,751	859,414	820,478	737,239	653,687
136,247	136,378	122,614	128,840	126,492	122,746	103,944
308,183	304,501	271,626	230,272	223,739	230,533	174,891
1.33	1.31	1.17	.99	.96	.99	.75
153,812	150,835	135,680	118,308	111,401	104,694	87,344
.664	.650	.585	.510	.480	.450	.375
50%	50%	50%	51%	50%	45%	50%
.740	.655	.595	.510	.495	.470	.375
231,722	231,928	231,928	231,966	232,132	232,716	233,022

599,140	520,090	430,474	388,149	347,491	289,420	239,868
1,547,745	1,520,855	1,343,126	1,233,543	1,099,219	978,834	815,324
551,921	624,546	571,857	511,272	458,683	413,414	343,132
1,138,775	1,157,032	985,379	897,431	796,852	688,470	575,182
26.8%	28.4%	28.9%	27.2%	30.1%	36.5%	32.6%
38,626	38,052	36,587	34,951	28,959	24,078	18,567
9,300	9,200	8,200	7,800	7,300	7,000	6,700
50.31	52.16	41.03	31.44	27.00	26.94	23.06
33.25	35.47	27.28	24.19	21.44	19.06	14.75

Management's Report On Responsibility For Financial Reporting

Management of the Wm. Wrigley Jr. Company is responsible for the preparation and integrity of the financial statements and related information presented in this Annual Report. This responsibility is carried out through a system of internal controls to ensure that assets are safeguarded, transactions are properly authorized, and financial records are accurate.

These controls include a comprehensive internal audit program, written financial policies and procedures, appropriate division of responsibility, and careful selection and training of personnel. Written policies include a Code of Business Conduct prescribing that all employees maintain the highest ethical and business standards.

Ernst & Young LLP has conducted an independent audit of the financial statements, and its report appears below.

The Board of Directors exercises its control responsibility through an Audit Committee composed entirely of independent directors. The Audit Committee meets regularly to review accounting and control matters. Both Ernst & Young LLP and the internal auditors have direct access to the Audit Committee and periodically meet privately with them.

WM. WRIGLEY JR. COMPANY

Chicago, Illinois

January 21, 2004

Report Of Independent Auditors

To the Stockholders and Board of Directors of the Wm. Wrigley Jr. Company:

We have audited the accompanying consolidated balance sheets of the Wm. Wrigley Jr. Company and associated companies (the "Company") at December 31, 2003 and 2002 and the related consolidated statements of earnings, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2003. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company at December 31, 2003 and 2002, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2003, in conformity with accounting principles generally accepted in the United States.

ERNST & YOUNG LLP

Chicago, Illinois

January 21, 2004

Consolidated Statement of Earnings

In thousands of dollars except per share amounts

	2003	2002	2001
EARNINGS			
Net sales	\$ 3,069,088	2,746,318	2,401,419
Cost of sales	1,276,735	1,156,674	1,001,923
Gross profit	1,792,353	1,589,644	1,399,496
Selling, general and administrative expense	1,142,991	1,004,570	886,140
Operating income	649,362	585,074	513,356
Investment income	9,608	8,918	18,553
Other expense	(7,429)	(10,571)	(4,543)
Earnings before income taxes	651,541	583,421	527,366
Income taxes	205,647	181,896	164,380
Net earnings	\$ 445,894	401,525	362,986
PER SHARE AMOUNTS			
Net earnings per share of Common Stock (basic and diluted)	\$ 1.98	1.78	1.61
Dividends paid per share of Common Stock	.865	.805	.745

See accompanying accounting policies and notes.

Consolidated Balance Sheet

In thousands of dollars

	2003	2002
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 505,217	279,276
Short-term investments, at amortized cost	22,509	25,621
Accounts receivable (less allowance for doubtful accounts: 2003 - \$9,232; 2002 - \$5,850)	328,862	312,919
Inventories:		
Finished goods	127,839	88,583
Raw materials and supplies	222,129	232,613
	349,968	321,196
Other current assets	60,209	47,720
Deferred income taxes — current	23,826	19,560
Total current assets	1,290,591	1,006,292
Marketable equity securities, at fair value	16,239	19,411
Deferred charges and other assets	224,252	213,483
Deferred income taxes — noncurrent	33,148	33,000
Property, plant and equipment, at cost:		
Land	50,499	48,968
Buildings and building equipment	422,468	393,780
Machinery and equipment	1,272,226	1,049,001
	1,745,193	1,491,749
Less accumulated depreciation	789,013	655,639
<i>Net property, plant and equipment</i>	956,180	836,110
TOTAL ASSETS	\$ 2,520,410	2,108,296

In thousands of dollars and shares

	2003	2002
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 134,888	97,705
Accrued expenses	206,360	172,137
Dividends payable	49,469	46,137
Income and other taxes payable	68,650	66,893
Deferred income taxes — current	5,427	3,215
Total current liabilities	464,794	386,087
Deferred income taxes — noncurrent	82,919	70,589
Other noncurrent liabilities	151,876	129,044
Stockholders' equity:		
Preferred Stock — no par value		
Authorized: 20,000 shares		
Issued: None		
Common Stock — no par value		
Common Stock		
Authorized: 400,000 shares		
Issued: 2003 - 191,964 shares; 2002 - 190,898 shares		
	12,790	12,719
Class B Common Stock — convertible		
Authorized: 80,000 shares		
Issued and outstanding: 2003 - 40,477 shares; 2002 - 41,543 shares		
	2,706	2,777
Additional paid-in capital	8,342	4,209
Retained earnings	2,152,566	1,902,990
Common Stock in treasury, at cost (2003 - 7,581 shares; 2002 - 7,385 shares)	(320,450)	(297,156)
Accumulated other comprehensive income:		
Foreign currency translation adjustment	(42,692)	(112,303)
Loss on derivative contracts	(1,902)	(853)
Unrealized holding gains on marketable equity securities	9,461	10,193
	(35,133)	(102,963)
Total stockholders' equity	1,820,821	1,522,576
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 2,520,410	2,108,296

See accompanying accounting policies and notes.

Consolidated Statement of Cash Flows

In thousands of dollars

	2003	2002	2001
OPERATING ACTIVITIES			
Net earnings	\$ 445,894	401,525	362,986
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation	120,040	85,568	68,326
Loss on retirements of property, plant and equipment	15,510	1,014	2,910
(Increase) Decrease in:			
Accounts receivable	9,718	(55,288)	(53,162)
Inventories	(11,426)	(31,858)	(29,487)
Other current assets	(9,925)	1,304	(8,079)
Deferred charges and other assets	(2,244)	(78,585)	(15,852)
Increase (Decrease) in:			
Accounts payable	27,442	756	20,537
Accrued expenses	23,972	33,416	16,360
Income and other taxes payable	2,741	(3,715)	9,565
Deferred income taxes	7,947	19,082	5,570
Other noncurrent liabilities	15,826	1,216	10,817
Net cash provided by operating activities	645,495	374,435	390,491
INVESTING ACTIVITIES			
Additions to property, plant and equipment	(220,259)	(216,872)	(181,760)
Proceeds from retirements of property, plant and equipment	8,581	5,017	2,376
Purchases of short-term investments	(43,369)	(41,177)	(24,448)
Maturities of short-term investments	48,077	44,858	26,835
Net cash used in investing activities	(206,970)	(208,174)	(176,997)
FINANCING ACTIVITIES			
Dividends paid	(194,633)	(181,232)	(167,922)
Common Stock purchased, net	(22,532)	(16,402)	(34,173)
Net cash used in financing activities	(217,165)	(197,634)	(202,095)
Effect of exchange rate changes on cash and cash equivalents	4,581	2,864	(4,213)
Net increase (decrease) in cash and cash equivalents	225,941	(28,509)	7,186
Cash and cash equivalents at beginning of year	279,276	307,785	300,599
Cash and cash equivalents at end of year	\$ 505,217	279,276	307,785
SUPPLEMENTAL CASH FLOW INFORMATION			
Income taxes paid	\$ 192,646	173,010	146,858
Interest paid	\$ 1,724	1,636	1,101
Interest and dividends received	\$ 9,621	8,974	18,570

See accompanying accounting policies and notes.

Consolidated Statement of Stockholders' Equity

In thousands of dollars and shares

	Common Shares Outstanding	Common Stock	Class B Common Stock	Additional Paid-in Capital	Retained Earnings	Common Stock In Treasury	Other Comprehensive Income	Stock- holders' Equity
BALANCE DECEMBER 31, 2000	181,451	\$12,558	2,938	346	1,492,547	(256,478)	(119,014)	1,132,897
Net earnings					362,986			362,986
Changes in other comprehensive income:								
Foreign currency translation adjustments							(12,945)	(12,945)
Unrealized holding loss on marketable equity securities, net of \$1,655 tax							(3,077)	(3,077)
Gain on derivative contracts, net of \$21 tax							46	46
Total comprehensive income								347,010
Dividends to shareholders					(171,196)			(171,196)
Treasury share purchases	(744)					(36,432)		(36,432)
Options exercised and stock awards granted	170			807		3,111		3,918
Conversion from Class B Common to Common	1,432	88	(88)					
BALANCE DECEMBER 31, 2001	182,309	\$12,646	2,850	1,153	1,684,337	(289,799)	(134,990)	1,276,197
Net earnings					401,525			401,525
Changes in other comprehensive income:								
Foreign currency translation adjustments net of \$517 tax							37,007	37,007
Unrealized holding loss on marketable equity securities, net of \$2,150 tax							(4,081)	(4,081)
Loss on derivative contracts, net of \$363 tax							(899)	(899)
Total comprehensive income								433,552
Dividends to shareholders					(184,628)			(184,628)
Treasury share purchases	(527)					(27,759)		(27,759)
Options exercised and stock awards granted	633			1,676		20,402		22,078
Tax benefit related to stock options exercised				1,380				1,380
Conversion from Class B Common to Common	1,098	73	(73)					
ESOP tax benefit					1,756			1,756
BALANCE DECEMBER 31, 2002	183,513	\$12,719	2,777	4,209	1,902,990	(297,156)	(102,963)	1,522,576
Net earnings					445,894			445,894
Changes in other comprehensive income:								
Foreign currency translation adjustments, net of (\$305) tax							69,611	69,611
Unrealized holding loss on marketable equity securities, net of \$394 tax							(732)	(732)
Loss on derivative contracts, net of \$401 tax							(1,049)	(1,049)
Total comprehensive income								513,724
Dividends to shareholders					(197,966)			(197,966)
Treasury share purchases	(822)					(44,842)		(44,842)
Options exercised and stock awards granted	626			973		21,548		22,521
Tax benefit related to stock options exercised				3,160				3,160
Conversion from Class B Common to Common	1,066	71	(71)					
ESOP tax benefit					1,648			1,648
BALANCE DECEMBER 31, 2003	184,383	12,790	2,706	8,342	2,152,566	(320,450)	(35,133)	1,820,821

See accompanying accounting policies and notes.

Accounting Policies and Notes to Consolidated Financial Statements

Dollar and share amounts in thousands except per share figures

DESCRIPTION OF BUSINESS

The principal business of the Wm. Wrigley Jr. Company is manufacturing and marketing gum and other confectionery products worldwide. All other businesses constitute less than 10% of combined revenues, operating income and identifiable assets.

BASIS OF PRESENTATION

The consolidated financial statements include the accounts of the Wm. Wrigley Jr. Company and its associated companies (the Company). Intercompany balances and transactions have been eliminated. Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect assets, liabilities, revenues, expenses and certain financial statement disclosures. Actual results may vary from those estimates. Additionally, certain amounts reported in 2001 and 2002 have been reclassified to conform to the 2003 presentation.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Recently Adopted Accounting Policies

The Company adopted the provisions of SFAS 132 (revised 2003) "Employers' Disclosures about Pensions and Other Postretirement Benefits" as of December 31, 2003. This Statement amends the disclosure requirements of SFAS 132 to require more complete information in both annual and interim financial statements about pension and postretirement benefits as well as to increase the transparency of the financial reporting related to those plans and benefits. A discussion of the Company's accounting policy and the required disclosures under the revised provisions of SFAS 132 are included in the Pension and Other Post-Retirement Plans accounting policy notes on pages 35 and 40.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturity of three months or less to be cash equivalents.

Accounts Receivable

In the normal course of business, the Company extends credit to customers that satisfy pre-defined credit criteria. The Company believes that it has little concentration of credit risk due to the diversity of its customer base. Accounts receivable, as shown on the Consolidated Balance sheets, were net of allowances and anticipated discounts. An allowance for doubtful accounts is determined through analysis of the aging of accounts receivable at the date of the financial statements, assessments of collectibility based on historical trends and an evaluation of the impact of current and projected economic conditions. The Company monitors the collectibility of its accounts receivable on an ongoing basis by analyzing the aging of its accounts receivable, assessing the credit worthiness of its customers and evaluating the impact of reasonably likely changes in economic conditions that may impact credit risks.

Inventories

Inventories are valued at cost on a last-in, first-out (LIFO) basis for U.S. companies and at the lower of cost (principally first-in, first-out basis) or market for international associated companies. Inventories totaled \$349,968 and \$321,196 at December 31, 2003 and 2002, respectively, including \$129,431 and \$137,367 respectively, valued at cost on a LIFO basis. If current costs had been used, such inventories would have been \$5,173 and \$15,710 higher than reported at December 31, 2003 and 2002, respectively.

Derivative Financial Instruments

The Company accounts for all derivatives in accordance with SFAS 133, "Accounting for Derivatives and Hedging Activities", as amended. All derivatives are recognized on the balance sheet at fair value. Changes in the fair value of derivatives are recorded in earnings or other comprehensive income, based on whether the instrument is designated as part of a hedge transaction and, if so, the type of hedge transaction. Gains or losses on derivative instruments reported in other comprehensive income are reclassified to earnings in the period in which earnings are affected by the underlying hedged item. The ineffective portion of all hedges is recognized in earnings in the current period.

Property, Plant and Equipment

Land, building and equipment are recorded at cost. Depreciation is provided by the straight-line method over the estimated useful lives of the respective assets: buildings and building equipment — 12 to 50 years; machinery and equipment — 3 to 20 years. Expenditures for new property, plant and equipment and improvements that substantially extend the capacity or useful life of an asset are capitalized. Ordinary repairs and maintenance are expensed as incurred. When property is retired or otherwise disposed, the cost and related depreciation are removed from the accounts and any related gains or losses are included in net earnings.

Impairment of Long-Lived Assets

The Company reviews long-lived assets on at least an annual basis to determine if there are indicators of impairment. When indicators of impairment are present, the Company evaluates the carrying value of the long-lived assets in relation to the operating performance and future undiscounted cash flows of the underlying assets. The Company adjusts the net book value of the underlying assets to fair value if the sum of the expected future cash flows is less than book value.

Pension and Other Post-Retirement Plan Benefits

Pension and other post-retirement plan benefits are expensed as applicable employees earn such benefits. The recognition of expense is significantly impacted by estimates made by management such as discount rates used to value certain liabilities, expected return on assets, and future health costs. The Company uses third-party specialists to assist management in appropriately measuring the expense associated with pension and other post-retirement plan benefits.

Foreign Currency Translation

The Company has determined that the functional currency for each associated company, except for certain Eastern European entities, is its local currency. Some Eastern European entities use the U.S. dollar as their functional currency, as a significant amount of their business is indexed to the U.S. dollar.

The Company translates the results of operations of its foreign associated companies at the average exchange rates during the respective periods. Foreign-currency denominated assets and liabilities are translated into U.S. dollars at exchange rates in effect at the respective balance sheet dates resulting in foreign currency translation adjustments. Foreign currency translation adjustments are recorded as a separate component of Accumulated Other Comprehensive Income within stockholders' equity.

Revenue Recognition

Revenue from product sales is recognized when the goods are shipped.

Distribution Costs

The Company classifies distribution costs, including shipping and handling costs, in cost of sales.

Advertising

The Company expenses all advertising costs in the year incurred. Advertising expense was \$371,274 in 2003, \$362,548 in 2002 and \$328,346 in 2001.

Stock-Based Compensation

The Company applies Accounting Principles Board Opinion (APB) No. 25, "Accounting for Stock Issued to Employees" and related interpretations in accounting for stock-based compensation plans. APB No. 25 requires the use of the intrinsic value method, which measures compensation cost as the excess of the quoted market price of the stock at the date of grant over the amount an employee must pay to acquire the stock. The following table illustrates the effect on net earnings and earnings per share if the Company had applied the fair value recognition provisions of SFAS No. 123, "Accounting for Stock-Based Compensation" to stock-based compensation plans.

	2003	2002	2001
Net earnings as reported	\$ 445,894	401,525	362,986
Add: Stock-based compensation expense included in earnings, net of tax	\$ 11,930	7,786	5,277
Deduct: Total stock-based compensation expense determined under fair value method for all awards, net of tax	\$ 26,461	19,205	12,626
Pro forma net earnings	\$ 431,363	390,106	355,637
Pro forma basic and diluted earnings per share			
As reported	\$ 1.98	1.78	1.61
Pro forma	\$ 1.92	1.73	1.58

The Company's stock-based compensation plans are discussed further on page 38.

Income Taxes

Deferred income taxes are recognized for the future tax effects of temporary differences between financial and income tax reporting using tax rates in effect for the years in which the differences are expected to reverse. Federal income taxes are provided on the portion of the income of foreign associated companies that is expected to be remitted to the U.S. and be taxable, but not on the portion that is considered to be permanently invested in the foreign subsidiary.

Subsequent Event — Pending Acquisition

On January 8, 2004, the Company agreed with Agrolimen, a privately-held Spanish conglomerate, to purchase certain confectionery businesses of The Joyco Group. Under the terms of the agreement, the Company will pay total consideration of 215 million Euro, which will be funded from the Company's available cash and a draw on the line of credit the Company is negotiating for purposes of this transaction.

This transaction strengthens the Company's operations in key geographies such as Spain, India and China through a broader confectionery brand portfolio, access to additional distribution channels and increased confectionery and gum base manufacturing capacity. These opportunities along with the efficiencies from combining the operations of the Company with those of The Joyco Group were key factors associated with the determination of the purchase price. The proposed acquisition is subject to customary closing conditions, including regulatory clearances. The Company expects to complete the transaction in the first quarter 2004.

INVESTMENTS IN DEBT AND EQUITY SECURITIES

The Company's investments in debt securities, which typically mature in one year or less, are held to maturity and are valued at amortized cost, which approximates fair value. The aggregate fair values at December 31, 2003 and December 31, 2002 were, respectively, \$21,243 and \$24,370 for municipal securities, and \$1,266 and \$1,251 for other debt securities. The average yields of municipal securities held at December 31, 2003 and December 31, 2002 were 1.53% and 1.85%, respectively.

The Company's investments in marketable equity securities are held for an indefinite period. Application of SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities," resulted in unrealized holding gains of \$14,555 at December 31, 2003 and \$15,681 at December 31, 2002. Unrealized holding gains, net of the related tax effect, of \$9,461 and \$10,193 at December 31, 2003 and 2002, respectively, are included as components of Accumulated Other Comprehensive Income in stockholders' equity.

DEFERRED CHARGES AND OTHER ASSETS

Deferred charges and other assets included prepaid pension assets of \$73,300 and \$82,300 and deferred compensation assets of approximately \$57,500 and \$47,900 at December 31, 2003 and 2002, respectively.

ACCRUED EXPENSES

Accrued expenses at December 31, 2003 and 2002 included \$72,700 and \$55,160 of payroll expenses, respectively.

LINE OF CREDIT

In September 2003, the Company renewed its \$100 million unsecured line of credit. There were no borrowings under this line during 2003. Upon drawing on the line of credit, the Company has the option to elect a fixed or floating interest rate. The line of credit expires in September 2004.

OTHER NONCURRENT LIABILITIES

Other noncurrent liabilities at December 31, 2003, included liabilities for approximately \$83,700 of deferred compensation and \$6,700 for post-retirement benefits. At December 31, 2002, they included liabilities for approximately \$70,400 of deferred compensation and \$5,600 for post-retirement benefits.

FINANCIAL INSTRUMENTS

Derivative Financial Instruments And Hedging Activities

The Company enters into forward exchange contracts and purchases currency options to hedge against foreign currency exposures of forecasted purchase and sales transactions between associated companies and purchases with outside vendors. In addition, the Company enters into forward exchange contracts and purchases currency options to hedge the foreign currency exposures of forecasted future royalty payments from, and net investments in, associated companies. The Company generally hedges forecasted transactions over a period of twelve months or less.

On the date a derivative contract is entered into, the Company designates the derivative as either (1) a hedge of a recognized asset or liability (a fair value hedge), (2) a hedge of a forecasted transaction (a cash flow hedge), or (3) a hedge of a net investment in a foreign operation (a net investment hedge). The Company formally documents its hedge relationships, including identification of the hedging instruments and the hedged items, as well as its risk management objectives and strategies for undertaking the hedge transaction. This process includes linking derivatives that are designated as hedges to specific assets, liabilities or forecasted transactions. The Company also formally assesses both at inception and at least quarterly thereafter, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in the fair value or cash flows of the hedged item. If it is determined that a derivative ceases to be a highly effective hedge, the Company discontinues hedge accounting.

For fair value hedges, the effective portion of the changes in the fair value of the derivative, along with the gain or loss on the hedged item that is attributable to the hedged risk, are recorded in earnings. For cash flow hedges, the effective portion of the changes in the fair-value of a derivative is recorded in Accumulated Other Comprehensive Income and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings, generally within the next twelve months. For net investment hedges, the effective portion of the change in the fair value of derivatives used as a net investment hedge of a foreign operation is recorded in Foreign Currency Translation Adjustment.

The ineffective portion of the change in fair value of any derivative designated as a hedge is immediately recognized in other expense. Ineffectiveness recognized during 2003 and 2002 was immaterial.

At December 31, 2003, open foreign exchange contracts for a number of currencies, primarily the Euro, British pound and U.S. dollar, maturing at various dates through December 2004, had an aggregate notional amount of \$328,796. The notional amount of open foreign exchange contracts at December 31, 2002 aggregated \$304,937. The fair values of open foreign exchange contracts and currency options, as determined by bank quotes, were a \$4,200 loss and a \$2,328 loss recorded in current liabilities at December 31, 2003 and 2002, respectively.

Fair Value of Other Financial Instruments

The carrying amount of cash and cash equivalents, accounts receivable, and accounts payable approximate fair value. Marketable equity securities are carried at fair value.

COMMON STOCK

In addition to its Common Stock, the Company has Class B Common Stock outstanding. Each share of Class B Common Stock has ten votes, is restricted as to transfer or other disposition, is entitled to the same dividends as Common Stock, and is convertible at any time into one share of Common Stock.

Additional paid-in capital primarily represents the difference between the grant price of exercised stock options, awarded pursuant to Company's Management Incentive Plan (MIP), and the average acquisition cost of Treasury Stock used to fund the Plan and an income tax benefit received for stock options exercised.

Treasury Stock may be acquired for the Company's MIP or under the Share Repurchase Program resolutions adopted by the Board of Directors. The Board of Directors has authorized the Company to purchase under the Share Repurchase Program up to \$400,000 of shares in the open market.

During 2003, 2002 and 2001, the Company purchased 809 shares, 483 shares and 704 shares at an aggregate price of \$44,021, \$25,504, and \$34,652, respectively, under the Board of Director authorizations. As of December 31, 2003 a total of 8,748 shares at an aggregate price of \$354,762 were purchased under the Share Repurchase Program resolutions.

In May 2001, the Company's Board of Directors approved a Stockholder Rights Plan. Under the Rights Plan, each holder of Common Stock and Class B Common Stock at the close of business on June 6, 2001, automatically received a distribution of one Right for each share of Common Stock or Class B Common Stock held. Each Right entitles the holder to purchase one one-thousandth of a share of Series A Junior Participating Preferred Stock for \$250. The Rights will trade along with, and not separately from, the shares of Common Stock and Class B Common Stock unless they become exercisable. The Rights become exercisable, and they will separate, become tradable, and entitle stockholders to buy common stock if any person or group ("Acquiring Person") becomes the beneficial owner of, or announces a tender or exchange offer for, 15% or more of the Company's Common Stock. In such event, all Rights, except for those held by the Acquiring Person, become Rights to purchase \$500 worth of Common Stock for \$250, unless redeemed by the Board of Directors. In case of a subsequent merger or other acquisition of the Company after the Rights become exercisable, holders of Rights other than the Acquiring Person may purchase shares of the acquiring entity at a 50% discount. The Rights will expire on June 6, 2011, unless redeemed earlier, or renewed by the Company's Board of Directors.

At December 31, 2003, and 2002 there were authorized 20 million shares of preferred stock with no par value, of which 1 million Series A Junior Participating Preferred shares were reserved for issuance upon exercise of the Rights.

STOCK BASED COMPENSATION PLANS

On March 5, 1997, stockholders approved the Company's MIP which was subsequently amended on March 5, 2002 by the stockholders and submitted for further amendment in 2004. The MIP is designed to provide key employees the opportunity to participate in the long-term growth and profitability of the Company through cash and equity-based incentives. The MIP

authorizes the granting of up to 20,000 shares of the Company's new or reissued Common Stock. In accordance with the MIP, shares of Wrigley stock or deferral share units may be granted under the Wrigley Stock Option program or awarded under the Long-Term Stock Grant and Stock Award programs. Deferral share units are also awarded to non-employee directors. Options outstanding have been granted at prices which are equal to the fair market value of the stock on the date of grant. In general, options vest over a four-year period and expire ten years from the date of grant.

The status of the Company's Stock Option program is summarized as follows:

	Number of Shares	Weighted- Average Exercise Price
Outstanding at December 31, 2000	2,699,000	\$ 39.68
Granted in 2001	2,063,700	48.20
Exercised in 2001	(59,250)	38.99
Cancelled in 2001	(56,750)	41.67
Outstanding at December 31, 2001	4,646,700	\$ 43.45
Granted in 2002	2,005,000	57.01
Exercised in 2002	(316,425)	40.99
Cancelled in 2002	(58,950)	48.77
Outstanding at December 31, 2002	6,276,325	\$ 47.85
Granted in 2003	2,281,590	54.70
Exercised in 2003	(548,275)	42.28
Cancelled in 2003	(100,275)	53.75
Outstanding at December 31, 2003	7,909,365	\$ 50.15

The following table summarizes key information about stock options at December 31, 2003:

Range of Exercise Prices	Outstanding Stock Options			Exercisable Stock Options		
	Shares	Weighted-Average Remaining Contractual Life	Weighted- Average Exercise Price	Shares	Weighted- Average Exercise Price	
\$32.03	40,000	6.3	\$ 32.03	40,000	\$ 32.03	
\$36.81-45.28	1,866,500	6.1	39.72	1,574,279	40.13	
\$47.80-53.86	1,931,075	7.5	48.47	917,938	48.30	
\$54.04-58.14	4,071,790	9.0	55.90	462,099	57.29	

As the exercise price equaled the fair market value on the date of grant, no compensation expense has been recognized for the Wrigley Stock Option program. The impact to net earnings and earnings per share had compensation expense for the Company's stock-based compensation plans been determined based on fair value, consistent with SFAS No. 123, is reflected in the Summary of Significant Accounting Policies note on page 36.

In determining compensation expense under SFAS No. 123, the fair value of each option on the date of grant is estimated using the Black-Scholes option-pricing model.

The weighted average fair value of each option granted using the model was \$12.54, \$15.61, and \$13.98 in 2003, 2002 and 2001, respectively.

The table below summarizes the key assumptions used to calculate the fair value:

	Interest Rate	Dividend Yield	Expected Volatility	Expected Life
2003	2.91%	1.57%	22.3%	6 years
2002	4.86%	1.44%	22.3%	6 years
2001	5.85%	1.56%	23.8%	6 years

INCOME TAXES

Income taxes are based on pre-tax earnings which are distributed geographically as follows:

	2003	2002	2001
Domestic	\$178,054	161,646	130,140
Foreign	473,487	421,775	397,226
	\$651,541	583,421	527,366

Reconciliation of the provision for income taxes computed at the U.S. Federal statutory rate of 35% for 2003, 2002, and 2001 to the reported provision for income taxes is as follows:

	2003	2002	2001
Provision at U.S. Federal Statutory Rate	\$228,039	204,197	184,578
State Taxes — Net	4,390	4,922	4,401
Foreign Tax Rates	(26,351)	(23,089)	(25,140)
Tax Credits	(1,592)	(3,838)	(1,800)
Other — Net	1,161	(296)	2,341
	\$205,647	181,896	164,380

The components of the provision for income taxes for 2003, 2002, and 2001 are:

	Current	Deferred	Total
2003			
Federal	\$ 38,145	10,760	48,905
Foreign	151,650	(1,662)	149,988
State	6,511	243	6,754
	\$196,306	9,341	205,647
2002			
Federal	\$ 21,401	16,113	37,514
Foreign	135,901	908	136,809
State	6,786	787	7,573
	\$164,088	17,808	181,896
2001			
Federal	\$ 30,142	2,384	32,526
Foreign	121,137	2,704	123,841
State	6,770	1,243	8,013
	\$ 158,049	6,331	164,380

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Components of net deferred tax balances are as follows:

	2003	2002
Accrued Compensation, Pension and Post-retirement Benefits	\$ 10,602	15,493
Depreciation	(37,729)	(28,888)
Unrealized Holding Gains	(5,094)	(5,488)
All Other — Net	849	(2,361)
Net Deferred Tax Liability	\$(31,372)	(21,244)

Balance sheet classifications of deferred taxes are as follows:

	2003	2002
Deferred Tax Asset		
Current	\$ 23,826	19,560
Noncurrent	33,148	33,000
Deferred Tax Liability		
Current	(5,427)	(3,215)
Noncurrent	(82,919)	(70,589)
Net Deferred Tax Liability	\$(31,372)	(21,244)

Applicable U.S. income and foreign withholding taxes have not been provided on approximately \$745,000 of undistributed earnings of international associated companies at December 31, 2003. These earnings are considered to be permanently invested and, under the tax laws, are not subject to such taxes until distributed as dividends. Tax on such potential distributions would be substantially offset by foreign tax credits. If the earnings were not considered permanently invested, approximately \$132,000 of deferred income taxes would be provided.

PENSION AND OTHER POST-RETIREMENT PLANS

The Company maintains non-contributory defined benefit plans covering substantially all of its employees in the U.S. and at certain international associated companies. Retirement benefits are a function of years of service and the level of compensation generally for the highest three consecutive salary years occurring within ten years prior to an employee's retirement date depending on the plan. The Company's policy is to fund within ERISA or other statutory limits to provide benefits earned to date and expected to be earned in the future. To the extent that an individual's annual retirement benefit under the plan exceeds the limitations imposed by the Internal Revenue Code of 1986, as amended, and the regulations thereunder, such excess benefits may be paid from the Company's non-qualified, unfunded, noncontributory supplemental retirement plan.

In addition, the Company maintains certain post-retirement plans, which provide limited health care benefits on a contributory basis and life insurance benefits primarily in the U.S. and at certain international associated

companies. The cost of these post-retirement benefits is provided during the employee's active working career.

The measurement date used for plans that make up the majority of the plan assets and benefit obligations for both pension and post-retirement is December 31.

Pension Plans

The funded status of the defined benefit plans were as follows:

	U.S. Plans		Non-U.S. Plans	
	2003	2002	2003	2002
Change in Benefit Obligation				
Benefit Obligation at Beginning of Year	\$ 324,100	295,200	\$ 142,100	113,300
Service Cost	10,000	9,100	7,800	5,900
Interest Cost	21,600	21,500	8,700	7,100
Plan Participants' Contributions	—	—	400	400
Actuarial Loss	10,700	13,300	2,900	6,700
Foreign Currency Exchange	—	—	23,200	13,200
Other	1,000	—	(300)	(200)
Benefits Paid	(16,100)	(15,000)	(5,900)	(4,300)
Benefit Obligation at End of Year	\$ 351,300	324,100	\$ 178,900	142,100
Change in Plan Assets				
Fair Value at Beginning of Year	276,000	266,000	111,300	83,600
Actual Return on Plan Assets	57,900	(25,300)	10,600	(5,000)
Plan Participants' Contributions	—	—	400	400
Foreign Currency Exchange	—	—	17,300	9,100
Employer Contribution	300	50,300	8,000	27,600
Other	—	—	(400)	(400)
Benefits Paid	(16,100)	(15,000)	(5,400)	(4,000)
Fair Value at End of Year	\$ 318,100	276,000	\$ 141,800	111,300
Underfunded Status of the Plan	(33,200)	(48,100)	(37,100)	(30,800)
Unrecognized Net Actuarial Loss	63,500	91,300	45,000	42,000
Unrecognized Prior Service Costs	2,500	2,800	2,300	2,300
Unrecognized Transition Asset	—	100	(2,600)	(2,600)
Prepaid (Accrued) Benefit Cost	\$ 32,800	46,100	\$ 7,600	10,900

The following table provides amounts recognized in the balance sheet as of December 31:

	U.S. Plans		Non-U.S. Plans	
	2003	2002	2003	2002
Prepaid Benefit Cost	\$39,400	52,400	\$33,900	29,900
Accrued Benefit Liability	(6,600)	(6,300)	(26,300)	(19,000)
Net Amount Recognized	\$32,800	46,100	\$7,600	10,900

The total accumulated benefit obligation for the U.S. defined benefit pension plan was \$290,200 and \$268,800 at December 31, 2003 and 2002, respectively. The Company's non-qualified, unfunded, noncontributory supplemental retirement plan has a projected benefit obligation of \$6,992 and \$5,994 and an accumulated

benefit obligation of \$5,793 and \$5,194 at December 31, 2003 and 2002, respectively. Additionally, certain non-U.S. plans are funded through insurance contracts. The value of these insurance assets totaled \$21,633 and \$15,546 at December 31, 2003 and 2002, respectively,

and are not reflected in the funded status of the non-U.S. plans above.

The U.S. plans' expected long-term rate of return on plan assets of 8.75% is based on the aggregate historical returns of the investments that comprise the U.S. defined benefit plan portfolio. The investment strategy of the U.S. plans is to achieve an asset allocation balance within planned targets to obtain an average 8.75% annual return for the long-term.

The Company's strategy is to fund its defined benefit plan obligations. The need for further contributions will be based on changes in the value of plan assets and the movements of interest rates during the year. The Company does not expect a need to fund the U.S.

pension plans in 2004. During the year, the Company periodically reviews with its actuaries its investment strategy and funding needs.

The Company's U.S. pension plan asset allocation at December 31, 2003, and 2002 and target allocation for 2004 by asset category are as follows:

Asset Category	Percentage of Plan Assets		Target Allocation
	2003	2002	2004
Equity Securities	68%	60%	55-65%
Fixed Income Securities	32%	40%	35-45%
Total	100%	100%	100%

Plan assets for non-U.S. plans consist primarily of marketable equity and fixed income securities, and contracts with insurance companies.

The components of net pension costs are as follows:

	2003	U.S. Plans		Non-U.S. Plans		
		2002	2001	2003	2002	2001
Service Cost	10,000	9,100	7,300	7,800	5,900	5,100
Interest Cost	21,600	21,500	20,000	8,700	7,100	6,200
Expected Return on Plan Assets	(23,500)	(23,800)	(25,200)	(6,500)	(6,200)	(6,900)
Amortization of Unrecognized Transition Assets	100	(200)	(400)	(500)	(400)	(400)
Prior Service Costs Recognized	400	400	1,500	200	200	200
Recognized Net Actuarial Loss	4,200	100	—	1,700	800	200
Other Pension Plans	1,000	200	—	1,200	1,200	1,300
Net Periodic Benefit Cost	13,800	7,300	3,200	12,600	8,600	5,700

Assumptions used to determine benefit obligations at the end of the year for the U.S. and non-U.S. defined benefit plans are as follows:

	U.S. Plans		Non-U.S. Plans	
	2003	2002	2003	2002
Discount Rates	6.25%	6.75%	5.50-6.50%	5.50-6.75%
Rates of Increase in Compensation Levels	4.25%	4.25%	3.30-4.50%	3.00-5.50%

Assumptions used to determine net costs for the U.S. and non-U.S. defined benefit plans are as follows:

	2003	U.S. Plans		Non-U.S. Plans		
		2002	2001	2003	2002	2001
Discount Rates	6.75%	7.25%	7.75%	5.50-6.75%	6.00-7.00%	6.00-7.25%
Long-term Rates of Return on Plan Assets	8.75%	9.25%	9.25%	6.50-7.50%	6.50-7.50%	6.50-7.50%
Rates of Increase in Compensation Levels	4.25%	4.75%	4.75%	3.00-5.50%	3.00-6.00%	3.00-6.00%

Other Post-Retirement Benefit Plans

The funded status of the Company's other post-retirement benefit plans were as follows:

Post-Retirement Benefit Plans		
	2003	2002
Change in Benefit Obligation		
Benefit Obligation at Beginning of Year	41,500	33,600
Service Cost	1,800	1,400
Interest Cost	2,800	2,600
Actuarial Loss	5,700	6,300
Benefits Paid	(2,800)	(2,400)
Benefit Obligation at End of Year	49,000	41,500
Change in Plan Assets		
Fair Value at Beginning of Year	19,300	13,700
Actual Return on Plan Assets	3,500	(3,000)
Employer Contribution	2,800	11,000
Benefits Paid	(2,800)	(2,400)
Fair Value at End of Year	22,800	19,300
Funded (Underfunded) Status of the Plan	(26,200)	(22,200)
Unrecognized Net Actuarial Loss	19,500	16,600
Prepaid (Accrued) Benefit Cost	(6,700)	(5,600)

The following table provides amounts recognized in the balance sheet as of December 31:

Post-Retirement Benefit Plans		
	2003	2002
Prepaid Benefit Cost	—	—
Accrued Benefit Liability	(6,700)	(5,600)
Net Amount Recognized	(6,700)	(5,600)

The U.S. post-retirement plan asset allocation at December 31, 2003, and 2002 and target allocation for 2004 by asset category are as follows:

Asset Category	Percentage of Plan Assets		Target Allocation
	2003	2002	2004
Equity Securities	93%	92%	85-95%
Fixed Income Securities	7%	8%	5-15%
Total	100%	100%	100%

The components of net periodic post-retirement benefit costs are as follows:

Post-Retirement Benefit Plans			
	2003	2002	2001
Service Cost	1,800	1,400	1,000
Interest Cost	2,800	2,600	2,100
Expected Return on Plan Assets	(1,500)	(1,200)	(1,100)
Recognized Net Actuarial Loss/(Gain)	800	400	(200)
Net Periodic Benefit Cost	3,900	3,200	1,800

Assumptions used to determine benefit obligations for the Company's post-retirement benefit plans are as follows:

Post-Retirement Benefit Plans		
	2003	2002
Discount Rate		
U.S. Plans	6.25%	6.75%
Non-U.S. Plans	6.25%	6.75%

Assumptions used to determine net costs for the Company's post-retirement benefit plans are as follows:

Post-Retirement Benefit Plans			
	2003	2002	2001
Discount Rate			
U.S. Plans	6.75%	7.25%	7.75%
Non-U.S. Plans	6.75%	7.25%	7.75%
Long-term Rates of Return on Plan Assets			
U.S. Plans	8.75%	9.25%	9.00%

The U.S. post-retirement benefit plan's expected long-term rate of return on plan assets of 8.75% is based on the aggregate historical returns of the investments that comprise the plan portfolio. The investment strategy of the U.S. plan is to achieve an asset allocation balance that achieves an average 8.75% annual return for the long-term.

The Company expects to contribute \$2,700 to the U.S. plan during 2004 to cover expected retiree benefit claims.

A 9% annual rate of increase in the per capita cost of covered post-retirement benefits was assumed for 2004. The rate was assumed to decrease gradually to 5% for 2008 and remain at that level thereafter.

Increasing or decreasing the health care trend rates by one percentage point in each year would have the following effect:

	1% Increase	1% Decrease
Effect on Post-retirement Benefit Obligation	4,100	(3,700)
Effect on Total of Service and Interest Cost Components	500	(500)

Defined Contribution Plans

In addition to the defined benefit plans described above, the Company also sponsors defined contribution plans within the U.S. and at certain international associated companies. The plans cover full time employees and provide for contributions between 3% and 7% of salary. The Company's expense for the defined contribution plans totaled \$6,289, \$6,010 and \$5,242 in 2003, 2002, and 2001, respectively.

Additionally, on January 1, 2002, the Company formed an Employee Stock Ownership Plan (ESOP) within the defined contribution plan for U.S. based employees. The primary purpose of the ESOP is to acquire and hold Wrigley shares credited to Wrigley Savings Plan participants' accounts as a result of employee contributions and Company matching program contributions. Company matching program contributions may be in the form of cash, treasury shares or authorized, unissued shares. The ESOP is a non-leveraged plan and all shares held are allocated to plan participants. Dividends on Company shares held by the ESOP are charged to retained earnings. The number of shares held by the ESOP at December 31, 2003 and December 31, 2002 were 4,898, and 5,419, respectively.

SEGMENT INFORMATION

Management organizes the Company's gum and other confectionery business based on geographic regions.

Information by geographic region at December 31, 2003, 2002, and 2001 and for the years then ended is as follows:

Net Sales	2003	2002	2001
Americas, principally U.S.	1,195,742	1,131,703	1,001,074
EMEA, principally Europe	1,431,245	1,192,404	1,007,588
Asia	322,426	321,914	297,263
Pacific	103,249	82,053	74,293
All Other	16,426	18,244	21,201
Total Net Sales	3,069,088	2,746,318	2,401,419

"All Other" net sales consist primarily of sales of gumbase and sales for Wrigley Healthcare.

Operating Income	2003	2002	2001
Americas, principally U.S.	306,227	281,999	261,177
EMEA, principally Europe	384,127	346,518	304,666
Asia	90,174	89,211	77,453
Pacific	33,076	21,273	24,001
All Other	(164,242)	(153,927)	(153,941)
Total Operating Income	649,362	585,074	513,356

"All Other" operating income includes corporate expenses such as costs related to research and development, information systems and certain administrative functions and operating results for Wrigley Healthcare. In 2002, "All Other" operating income also includes certain costs connected with the exploration of a business combination with Hershey Foods Corporation.

Assets	2003	2002	2001
Americas, principally U.S.	1,034,703	878,232	700,692
EMEA, principally Europe	993,303	774,700	667,578
Asia	209,465	199,847	178,780
Pacific	70,703	49,039	39,920
All Other	61,027	61,966	74,497
Assets Used in Operating Activities	2,369,201	1,963,784	1,661,467
Corporate	151,209	144,512	116,326
Total Assets	2,520,410	2,108,296	1,777,793

Assets are categorized based upon the geographic segment where they reside. Assets in "Corporate" consist principally of short-term investments and marketable equity securities, which are held by the corporate office, as well as certain fixed assets.

Depreciation Expense	2003	2002	2001
Americas, principally U.S.	32,919	21,933	18,778
EMEA, principally Europe	49,231	36,563	30,341
Asia	9,985	9,305	7,658
Pacific	2,217	1,695	1,167
All Other	2,784	2,630	2,487
Depreciation Expense Related to Operating Activities	97,136	72,126	60,431
Corporate	22,904	13,442	7,895
Total Depreciation Expense	120,040	85,568	68,326

Depreciation expense is categorized consistently with the geographic region where the asset resides.

Capital Expenditures	2003	2002	2001
Americas, principally U.S.	82,672	68,991	94,808
EMEA, principally Europe	89,366	74,098	56,340
Asia	21,868	17,108	16,266
Pacific	6,597	5,078	6,392
All Other	2,396	4,721	4,407
Capital Expenditures for Operating Activities	202,899	169,996	178,213
Corporate	28,525	49,802	5,703
Gross Capital Expenditures	231,424	219,798	183,916
Intersegment Asset Transfers	(11,165)	(2,926)	(2,156)
Net Capital Expenditures	220,259	216,872	181,760

Capital expenditures are categorized based upon the geographic segment where the expenditure occurred. Intersegment asset transfers are primarily due to sales between production facilities worldwide. Asset sales are typically transferred at net book value.

Stockholder Information

STOCKHOLDER INQUIRIES

Any inquiries about your Wrigley stockholdings should be directed to:

Stockholder Relations
Wm. Wrigley Jr. Company
410 North Michigan Avenue
Chicago, IL 60611
1-800-874-0474

You can access your Wrigley stock account information via the Internet at the following address — gateway.equiserve.com.

Additional information about the Wrigley Company can be found on the Internet at www.wrigley.com.

CAPITAL STOCK

Common Stock of the Wm. Wrigley Jr. Company (WWY) is traded on the New York and Chicago Stock Exchanges.

Class B Common Stock, issued to stockholders of record on April 4, 1986, carries ten votes per share, has restricted transferability and is not traded on the New York Stock Exchange. It is at all times convertible, on a share-for-share basis, into Common Stock and once converted is freely transferable and publicly traded. Class B Common Stock also has the same rights as Common Stock with respect to cash dividends and treatment upon liquidation.

DIVIDENDS

Regular quarterly dividends are paid in advance on the first business day of February, May, August, and November with the record date for each payment falling on or about the 15th of the prior month.

DIRECT DIVIDEND DEPOSIT SERVICE

The Direct Dividend Deposit Service allows stockholders to receive cash dividends through electronic deposits into their checking or savings account.

DIVIDEND REINVESTMENT PLAN

The Dividend Reinvestment Plan (DRP) is open to all stockholders of record. The DRP is administered by EquiServe Trust Company, N.A. and uses cash dividends on both Common Stock and Class B Common Stock, along with voluntary cash contributions, to purchase additional shares of Common Stock. Cash contributions can be made monthly for a minimum of \$50 and a maximum of \$5,000.

All shares purchased through the DRP are retained in a DRP account, so there are no certificates that could be lost, misplaced, or stolen. Additionally, once a DRP account is established, a participant can deposit any Wrigley stock certificates held outside the DRP into the account for safekeeping.

Approximately 30,630 or 75% of the Company's stockholders of record currently participate in the DRP. A brochure fully describing the DRP and its enrollment procedure is available upon request.

CONSOLIDATION OF MULTIPLE ACCOUNTS

To avoid receiving duplicate mailings, stockholders with more than one Wrigley account may want to consolidate their shares. For more information, please contact the Company.

ELECTRONIC RECEIPT OF PROXY MATERIALS AND PROXY VOTING

If you are a stockholder who would like to receive your copies of the annual report and proxy statement via the Internet in the future, you need to complete an online consent form.

Stockholders of record can go directly to the EquiServe form at — www.econsent.com/www — or link to the form through the Wrigley web site.

“Street name” stockholders, holding their shares in a bank or brokerage account, should go to the Wrigley web site — www.wrigley.com — and complete the form they find under Stockholder Services in the Investor Information Section.

STOCK CERTIFICATES

For security and tax purposes, stockholders should keep a record of all of their stock certificates. The record should be kept in a separate place from the certificates themselves and should contain the following information for each certificate: exact registration, number of shares, certificate number, date of certificate and the original cost of the shares. If a stock certificate is lost or stolen, notification should be sent to the Company immediately. The transfer agent has two requirements to be met before a new certificate will be issued — a completed affidavit and payment for an indemnity bond based on the current market value of the lost or stolen stock. The replacement of a certificate will take about seven to ten days. Even if a certificate is lost or stolen, the stockholder will continue to receive dividends on those shares while the new certificate is being issued.

A transfer or re-registration of stock is required when the shares are sold or when there is any change in name or ownership of the stock. To be accepted for transfer or registration, the stockholder's signature on the certificate

or stock power must receive a Medallion Signature Guarantee by a qualified financial institution that participates in the Medallion Guarantee program. Many banks and stockbrokers are qualified institutions for this purpose. A verification by a notary public is not sufficient. Anytime a certificate is mailed, it should be sent registered mail, return receipt requested.

TRANSFER AGENT AND REGISTRAR

EquiServe Trust Company, N.A.

P. O. Box 43069

Providence, RI 02940-3069

Inside the U.S. 1-800-446-2617

Outside the U.S. + 1-781-575-2723

TDD/TTY for hearing impaired 1-800-952-9245

Internet: www.equiserve.com

COMPANY PUBLICATIONS

The Company's 2003 annual report to the Securities and Exchange Commission on Form 10-K is expected to be available on or about February 9, 2004.

Requests for this publication should be addressed to Stockholder Relations at the main office of the Company. They are also available for review at our Internet home page (www.wrigley.com).

CERTIFICATIONS

The Chief Executive Officer and Chief Financial Officer has certified in writing to the Securities and Exchange Commission (SEC) as to the integrity of the Company's financial statements, included in this Annual Report and incorporated by reference into the Company's Annual Report on Form 10-K filed with the SEC, and the effectiveness of the Company's disclosure and control procedures. The Chief Executive Officer has also certified that he is not aware of any violation by the Company of the New York Stock Exchange corporate governance listing standards.

Corporate Facilities and Principal Associated Companies

*Denotes production facility †Formerly Amurof Confections Company production facility

CORPORATE HEADQUARTERS

Wrigley Building
410 North Michigan Avenue
Chicago, Illinois 60611

PRINCIPAL ASSOCIATED COMPANIES

DOMESTIC

Wrigley Manufacturing Company, LLC
Chicago, Illinois 60609*
Gainesville, Georgia 30542*
Phoenix, Arizona 85004*
Yorkville, Illinois 60560*†

Four-Ten Corporation
Chicago, Illinois 60611

Wrigley Sales Company
Chicago, Illinois 60611

L.A. Dreyfus Company*
Edison, New Jersey 08820

Northwestern Flavors, LLC*
West Chicago, Illinois 60185

INTERNATIONAL

The Wrigley Company Pty. Limited*
Sydney, Australia

Wrigley Austria Ges.m.b.H.
Salzburg, Austria

Wrigley Bulgaria EOOD
Sofia, Bulgaria

Wrigley Canada*
Don Mills, Ontario, Canada

Wrigley Chewing Gum Company Ltd.*
Guangzhou, Guangdong,
Peoples's Republic of China

Wrigley Croatia d.o.o.
Zagreb, Croatia

Wrigley s.r.o.
Prague, Czech Republic

The Wrigley Company Limited*
Plymouth, England, U.K.

Oy Wrigley Scandinavia Ab
Turku, Finland

Wrigley France S.N.C.*
Biesheim, France

Wrigley G.m.b.H.
Munich, Germany

Wrigley B.V.
Bussum, Holland

The Wrigley Company (H.K.) Limited
Hong Kong

Wrigley Hungaria, Kft.
Budapest, Hungary

Wrigley India Private Limited*
Bangalore, Karnataka, India

Wrigley Israel Ltd.
Herzeliya-Pituach, Israel

Wrigley & Company Ltd., Japan
Tokyo, Japan

The Wrigley Company (East Africa) Limited*
Nairobi, Kenya

The Wrigley Company (Malaysia) Sdn. Bhd.
Kuala Lumpur, Malaysia

The Wrigley Company (N.Z.) Limited
Auckland, New Zealand

Wrigley Scandinavia AS
Oslo, Norway

The Wrigley Company (P.N.G.) Ltd.
Port Moresby, Papua New Guinea

Wrigley Philippines, Inc.*
Antipolo City, Philippines

Wrigley Poland Sp. zo.o.*
Poznan, Poland

Wrigley Romania Produse Zaharoase SRL
Bucharest, Romania

Wrigley OOO
Moscow, Russia
St. Petersburg, Russia*

Wrigley Slovakia s.r.o.
Banska Bystrica, Slovakia

Wrigley d.o.o.
Ljubljana, Slovenia

Wrigley Co., S.A.
Canary Islands, Spain

Wrigley Scandinavia AB
Stockholm, Sweden

Wrigley Taiwan Limited*
Taipei, Taiwan, R.O.C.

Wrigley Middle East, FZCO
Dubai, United Arab Emirates

The Wm. Wrigley Company markets chewing gum, bubble gum, and confectionery products around the world.

DOMESTIC BRANDS

100 League Chew	Extra	Orbit White
Big Red	Breident	Reed's
Doublemint	Hubba Bubba Bubble Jug	Squeeze Pop
Doublemint	Hubba Bubba Bubble Tape	Velamints
Doublemint	Hubba Bubba Ouch!	Winterfresh
Doublemint	Hubba Bubba Sweet Roll	Winterfresh Thin Ice
Doublemint	Juicy Fruit	Wrigley's Spearmint
Orbit	Orbit	

INTERNATIONAL BRANDS

100 Waves	Extra	Juicy Fruit
100 Wave	Extra Mints	Orbit
100 Wmint	Extra Thin Ice	Orbit Drops
100 Boy	Extra for Kids	Orbit for Kids
100 C	Extra White	Orbit White
100 Red	Breident	P.K.
100 Air	Breident for Kids	Winterfresh
100 Orange	Breident White	winterfresh Thin Ice
Doublemint	Hubba Bubba	Wrigley's Spearmint
Doublemint	Hubba Bubba Bubble Tape	X-Cite
Doublemint	Hubba Bubba Mix & Match	
Orbit	Icewhite	

The brands listed above are trademarks owned by the Wm. Wrigley Jr. Company or used under license from the trademark owner.

Wm. Wrigley Jr. Company
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410 North Michigan Avenue
Chicago, Illinois 60611