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Kellogg's board approves separation into 2 companies

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Kellogg Company announced that its Board of Directors formally approved the previously announced separation into two independent, publicly traded companies, Kellanova and WK Kellogg Co.

Upon completion of the separation on October 2, 2023, Kellogg Company will be renamed Kellanova, and will continue to trade on the New York Stock Exchange (NYSE) under the ticker symbol â??Kâ??, while WK Kellogg Co is expected to begin trading on the NYSE under the ticker symbol â??KLGâ??.

"After more than a year of comprehensive planning and execution, we are more confident than ever that the separation will produce two stronger companies and create substantial value for shareowners," stated Steve Cahillane, Kellogg Company's Chairman and Chief Executive Officer.

Kellanova will feature a growth-oriented portfolio that is weighted toward snacks and emerging markets and will be led by highly differentiated brands with considerable opportunity for expansion. It is projected to generate net sales of approximately $13.4-$13.6 billion and adjusted-basis EBITDA1 of approximately $2.25-$2.3 billion2 in 2024. Kellanova expects to deliver long-term annual growth rates of 3-5 per cent for net sales (organic basis), 5-7 per cent for operating profit (currency neutral and adjusted basis), and 7-9 per cent for earnings per share (currency neutral and adjusted basis), including in 2024 on a like-for-like basis excluding WK Kellogg Co.

"We are looking forward to a new era as Kellanova, marked by a more growth-oriented portfolio, a renewed vision and strategy, and an energised organisation grounded by a winning culture and our founder's values," said Cahillane, who will remain Chairman and Chief Executive Officer of Kellanova. "These elements build on what has already been a track record of strong and consistent financial performance for the Kellanova portfolio."