Company Overview

JOHN MORIKIS

President & Chief Executive Officer
Why SHW?

• Market Leading Competitive Strengths
  • Controlled Distribution
  • Pricing Discipline
  • Brand Power
  • Technology Leadership

• Strong Financial Position

• Clear Strategy For Global Growth

• Track Record of Generating Attractive Returns for Shareholders

• Experienced Management Team and Strong Talent Supply Chain
# Company Overview

## Financial Highlights (Non-GAAP)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>‘13-’14 % Chg.</th>
<th>‘14-’15 % Chg.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>$10.19B</td>
<td>$11.13B</td>
<td>$11.34B</td>
<td>+9.3%</td>
<td>+1.9%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>$1,336M</td>
<td>$1,521M</td>
<td>$1,809M</td>
<td>+13.8%</td>
<td>+18.9%</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>$753M</td>
<td>$866M</td>
<td>$1,053M</td>
<td>+15.1%</td>
<td>+21.7%</td>
</tr>
<tr>
<td><strong>% Sales</strong></td>
<td>7.4%</td>
<td>7.8%</td>
<td>9.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Earnings Per Share</strong></td>
<td>$7.26</td>
<td>$8.78</td>
<td>$11.16</td>
<td>+20.8%</td>
<td>+27.1%</td>
</tr>
<tr>
<td><strong>Net Operating Cash</strong></td>
<td>$1,084M</td>
<td>$1,082M</td>
<td>$1,447M</td>
<td>----</td>
<td>+33.8%</td>
</tr>
<tr>
<td><strong>Dividends Per Share</strong></td>
<td>$2.00</td>
<td>$2.20</td>
<td>$2.68</td>
<td>+10.0%</td>
<td>+21.8%</td>
</tr>
<tr>
<td><strong>Return on Assets</strong></td>
<td>11.8%</td>
<td>15.2%</td>
<td>18.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Return on Equity</strong></td>
<td>42.0%</td>
<td>48.8%</td>
<td>105.8%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Company Overview

### Financial Highlights 1Q-16 vs 1Q-15

<table>
<thead>
<tr>
<th></th>
<th>GAAP</th>
<th>Non-GAAP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1Q-15</td>
<td>1Q-16</td>
</tr>
<tr>
<td><strong>Net Sales</strong></td>
<td>$2.45B</td>
<td>$2.57B</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>$255.0M</td>
<td>$290.8</td>
</tr>
<tr>
<td><strong>Net Income % Sales</strong></td>
<td>$131.4M</td>
<td>$147.1M</td>
</tr>
<tr>
<td><strong>Earnings Per Share</strong></td>
<td>$1.38</td>
<td>$1.57</td>
</tr>
</tbody>
</table>
Reportable Segments

The Americas Group
- Paint Stores Group
- Latin America Coatings Group

Consumer Group
- Diversified Brands
- Global Supply Chain

Global Finishes Group
- Protective & Marine
- Automotive Finishes
- Product Finishes
Company Overview
Revenue & Profit by Segment - 2015

Segment Revenues: $11.34B
Segment Profit: $1.96B

Average: 17.3%

Operating Profit as a % of Sales

Share of Revenue

Latin America
Global Finishes
Paint Stores
Consumer

Note: Excludes Administrative Segment
Controlled Distribution Accounts for ~75% of Consolidated Sales

Paint Stores

Automotive Finishes

Latin America

Product Finishes
Controlled Distribution
Advantages

• Direct Relationship with Customer / End-User
• Control Over Brands, Pricing, Inventory, Staffing
• Control Pace and Place of Growth
Pricing Discipline

- $ Gross Profit
- % of Sales
- Raw Material Index

<table>
<thead>
<tr>
<th>Year</th>
<th>$ Millions</th>
<th>% of Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>$3,499</td>
<td>43.8</td>
</tr>
<tr>
<td>2009</td>
<td>$3,263</td>
<td>46.0</td>
</tr>
<tr>
<td>2010</td>
<td>$3,481</td>
<td>44.8</td>
</tr>
<tr>
<td>2011</td>
<td>$3,745</td>
<td>42.7</td>
</tr>
<tr>
<td>2012</td>
<td>$4,222</td>
<td>44.3</td>
</tr>
<tr>
<td>2013</td>
<td>$4,617</td>
<td>45.3</td>
</tr>
<tr>
<td>2014</td>
<td>$5,164</td>
<td>46.4</td>
</tr>
<tr>
<td>2015</td>
<td>$5,559</td>
<td>49.0</td>
</tr>
</tbody>
</table>

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Brand Equity
Leading U.S. Brand Awareness

Architectural Paint Brand
Stain & Protective Finish Brand
Aerosol Paint Brand Awareness
Auto Specialty Paint Brand
Painting Tool Brand
Wood Sealer Brand
Brand Marketing
Strategic Brand Development & Extension

Open/Expand New Distribution
Capitalize on Current Distribution Platform
Achieve Better Brand Alignment in Latin America
Extend Product Categories
Customer Relationship Branding
Leading Technology
Total Technical Expenditures

Research & Development
Commercialization

% of Sales

Millions

2005 1.5
2006 1.3
2007 1.3
2008 1.3
2009 1.4
2010 1.3
2011 1.5
2012 1.5
2013 1.4
2014 1.4
2015 1.3
Opportunity Territories
Custom Solutions
Opportunity Territories
Visual Appearance & Visualization
In 2015 We...

- Hired More Than 1,400 Management Trainees Company Wide
- Retained More Than 91% of Our Global Workforce
- Filled More Than 93% of Openings Internally
## Why VAL?

### Sherwin-Williams: New Businesses and Opportunities
- Significantly Expands Position in Asia-Pacific and EMEA
- Extends Capability Set Into Packaging and Coil With Leadership Positions
- Provides Scale Platform to Enable Growth in Asia-Pacific

### Customers: More Products More Places
- Broadens Product Offerings With Well-Known Brands and High-Quality Products
- Improves Technology Capabilities to Accelerate Product Innovation
- Expands Geographic Footprint
- Provides Benefit of Cost Reduction and Synergies

### Shareholders: Compelling Financial Benefits
- Annual Cost Synergies of $280 Million, Expected to be Achieved by 2018
- Anticipated to be Immediately Accretive to Earnings (Excluding One-Time Costs)
- Utilizes Balance Sheet and Low Cost of Capital to Enhance Top Line and Earnings Growth Profile
- Meaningfully Enhances Cash Flow Generation Profile
Enhanced Scale
A More Balanced Global Coatings Company

Sherwin-Williams Today
(CY 2015 Revenue & Profit by Segment)

- Segment Revenues: $11.34bn
- Segment Profit: $1.96bn

Average: 17.3%

Sherwin-Williams with Valspar
(CY 2015 Pro Forma Revenue & Profit by Segment)

- Segment Revenues: $15.4bn
- Segment Profit: $2.6bn

Including Synergies: ~18.6%
Average: 16.8%

(1) Excludes administrative costs of $414 million.
(2) Excludes Other and Administrative segment from Valspar.
(3) Excludes administrative costs of $414 million from Sherwin-Williams and Other and Administrative segment from Valspar.
Enhances Coverage
Alignment with Global Demand

Sherwin-Williams Revenue by Geography

- **US**: 84%
- **International**: 16%

2015: $11.3bn
Pro Forma 2015: $15.6bn

Paints and Coatings Demand by Geography

- **US**: 76%
- **International**: 24%

Sales: $120bn
Exceptional Combination of Brands and Innovative Technologies

Proven Global Brand Portfolio

valspar paint  Cabot  青木涂料
USC  SOLVER  valspar
PROXSPRAY  wattyl

Innovative Technologies

- Resin Technology and Internal Manufacturing
- 49 Non-BPA Patent Portfolio
- Hydrochrome Zero VOC Color Dispersion
- AquaGuard Water-Based Coatings
- Valde Low-Temp Fast Cure Resin Technology

Valspar

- Air Dry Automotive Clear Coats
- Surface / Temperature Tolerant Primers
- OEM “Soft Feel” Technology
- Purdy Power System
- Ecotoner Zero VOC Color Dispersion
- Duckback Deck & Dock Systems

Sherwin-Williams

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Clearly Defined & Meaningful Cost Synergies

$280 Million of Identified Synergies...

- Clear Path to Realize Identified Savings
- Integration Strategy in Process

...Expected To Be Realized by 2018

- Expect to Incur Significant Majority of Costs to Achieve in Two Years

Sherwin-Williams has Successfully Acquired and Integrated 21 Businesses in the Last 10 Years
Transaction Creates Significant Value Immediately Accretive to Earnings (Excluding One-Time Costs)

Pro Forma Revenues
(CY2015 Sales, $ in Billions)

$11.3

$4.3

$15.6

Pro Forma EBITDA
(CY2015 EBITDA, $ in Billions)

$1.8

EBITDA Margin
16.0%

$0.7

$2.5

$2.8

$280mm Synergies

(1) Includes annual cost synergies of $280 million, expected to be achieved by 2018.
Introductions...

Jay Davison
President
The Americas Group

Cheri Phyfer
President & GM,
Diversified Brands
Consumer Group

Joel Baxter
President & GM,
Global Supply Chain
Consumer Group

David Sewell
President
Global Finishes Group