The presentations today will contain certain “forward-looking statements,” as defined under U.S. federal securities laws, with respect to sales, earnings and other matters. These statements can be identified by the use of forward-looking terminology such as "believe," "expect," "may," "will," "should," "project," "could," "plan," "goal," "potential," "seek," "intend" or "anticipate" or the negative thereof or comparable terminology. These forward-looking statements are based upon management's current expectations, estimates, assumptions and beliefs concerning future events and conditions. Readers are cautioned not to place undue reliance on any forward-looking statements. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company that could cause actual results to differ materially from such statements and from the Company's historical results and experience. These risks, uncertainties and other factors include such things as: general business conditions; the Company's ability to successfully integrate past and future acquisitions into its existing operations, including Valspar, as well as the performance of the businesses acquired; risks inherent in the achievement of anticipated cost synergies resulting from the acquisition of Valspar and the timing thereof; strengths of retail and manufacturing economies and the growth in the coatings industry; changes in the Company's relationships with customers and suppliers; changes in raw material availability and pricing; unusual weather conditions; and other risks, uncertainties and factors described from time to time in the Company's reports filed with the Securities and Exchange Commission. Since it is not possible to predict or identify all of the risks, uncertainties and other factors that may affect future results, the above list should not be considered a complete list. Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.
What is the Consumer Brands Group?

SHERWIN-WILLIAMS. Diversified Brands

valspar Paint Segment

ARCHITECTURAL

valspar paint

wattyl

华润涂料
Integration Update

First 125 Days
- Leadership
- Sales & Marketing
- R&D
- Locations
- Project Prioritization
- Strategic Planning

In Progress
- Systems Consolidation
- Vendor Consolidation
- Support Functions Optimized
- Global Product Transfer
- Business Rationalization

No Disruption to Our Customers
## Consumer Brands Group
### Global Architectural Paint Sales

<table>
<thead>
<tr>
<th>NORTH AMERICA</th>
<th>ANZ</th>
<th>CHINA</th>
<th>EUROPE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>77%</strong></td>
<td><strong>8%</strong></td>
<td><strong>8%</strong></td>
<td><strong>7%</strong></td>
</tr>
<tr>
<td><strong>PRODUCTS</strong></td>
<td><strong>PRODUCTS</strong></td>
<td><strong>PRODUCTS</strong></td>
<td><strong>PRODUCTS</strong></td>
</tr>
<tr>
<td>Interior and exterior latex paint, stains and specialty products</td>
<td>Interior and exterior paints, stains and specialty products</td>
<td>Interior and exterior paints and stains; texture and stucco products for exterior commercial projects</td>
<td>Interior and exterior paints, stains and specialty products</td>
</tr>
<tr>
<td><strong>CHANNELS</strong></td>
<td><strong>CHANNELS</strong></td>
<td><strong>CHANNELS</strong></td>
<td><strong>CHANNELS</strong></td>
</tr>
<tr>
<td>Sold through big box home improvement retailers, mass merchants, two-step hardware channel, and industrial retailers and distributors</td>
<td>Sold through big box home improvement, hardware, independent trade centers and company owned stores</td>
<td>Sold through exclusive distribution and national key accounts</td>
<td>Sold through B&amp;Q big box home improvement stores in UK and Ireland, and other home improvement retailers.</td>
</tr>
<tr>
<td><strong>TARGETS</strong></td>
<td><strong>TARGETS</strong></td>
<td><strong>TARGETS</strong></td>
<td><strong>TARGETS</strong></td>
</tr>
<tr>
<td>Emphasis on Do-It-Yourself (DIY) and small contractor</td>
<td>DIY in big box and hardware channels and professional painter in trade centers and company owned stores</td>
<td>Emphasis on “Do-It-For-Me” and professional painter</td>
<td>Emphasis on both DIY and contractor</td>
</tr>
</tbody>
</table>
DIY → Contractor Shift Will Continue in U.S. & Canada

Source: USDOC, Company Estimates
## Consumer Brands Group

Financial highlights 1H-17 vs 1H-16

<table>
<thead>
<tr>
<th></th>
<th>1H-16</th>
<th>1H-17</th>
<th>% Chg.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>$827.1M</td>
<td>$859.8M</td>
<td>3.9%</td>
</tr>
<tr>
<td>Segment Profit</td>
<td>$163.0M</td>
<td>$132.0M</td>
<td>(19.1%)</td>
</tr>
<tr>
<td>% Sales</td>
<td>19.7%</td>
<td>15.3%</td>
<td></td>
</tr>
</tbody>
</table>
**Consumer Brands Group Solid Growth Potential**

**ARCHITECTURAL PAINTS SECTOR IS LARGE, GROWING AND FRAGMENTED**
- $47.2B Total Global Architectural Paint Market
- 4% Historical CAGR
- Europe & Asia-Pacific Largest Decorative Paint Markets
- Painting is Still #1 in DIY Activity

**STRONG RETAIL PARTNERSHIPS**
- Lowe’s, Home Depot, Ace, B&Q, Mitre 10 and Distributor Platform in China

**STRONG STABLE OF HERO BRANDS**
- Top Brands Include Valspar, HGTV HOME by Sherwin-Williams, Cabot, Minwax, Krylon, Purdy, Wattyl, Huarun, and Thompson’s WaterSeal

**INNOVATION LEADERSHIP IN AND OUT OF THE CAN**
- Product, Merchandising, Marketing, Field Service are Best in Class

**VALUE AND GROWTH LEVERS GLOBALLY**
- Growth in North America
- Growth in ANZ
- Growth in China
- Growth in Europe

Source: USDOC, Company Estimates
Strong Global Retail Partnerships
Innovation In and Out of the Can

Product Quality & Innovation

Twist & Pour Expansion
Colorant Technology

Simplification Solutions

Solutions

Paint Department Solutions

Exclusive at Ace

Exclusive at Lowe’s
Global CBG Growth Drivers

**North America**
- Strong Retail Partnerships and Complete Portfolio Solutions
- Drive “Hero” Brands Across All Channels

**Australia/New Zealand**
- Leverage the Americas Group Controlled Distribution Expertise
- Increase Penetration in the Independent Hardware Channel
- Product Technology Transfer

**China**
- Expand Branded and Non-Branded Store Footprint in China
- Product Technology Transfer
- Expand in the Project Channel

**Europe**
- Grow in UK with B&Q
- Expansion Opportunity in Continental Europe
- Color Resources and Expertise
North American Architectural Paint Industry

MARKET DYNAMICS

- DIY - Driven by Disposable Income, Wealth Effect, Strong Remodeling Activity and Existing Home Turnover; Stable Growth
- Painting Remains #1 DIY Activity
- Certain Professional Trades Prefer Multi-Category Retail

KEY GROWTH DRIVERS

1. Expand Sales of Portfolio with Best in Class CBG Retail Model
2. Drive Hero Brands Across All Channels
3. Introduce Unique Product Technologies
4. Convert Shoppers to Buyers

Source: USDOC, Company Estimates
Strong Retail Partnership Operating Model
Strong Retail Partnership Platform Model

**Sales**
- In-Store Consumer engagement – Convert Shoppers to Buyers
- Cultivating Relationships With Professional Trades Who Shop Retail Channels

**Strategy**
- Helping Our Partners Grow Their Paint Business
- Using Business Analytic Tools and Industry Insights to Help Decision Makers

**Training**
- Reaching Hundreds of Retail Paint Associates
- Flexible Model: In-Department, In-Classroom and Online On-Demand

+800 Consumer Brands Group Associates Driving Sales!

**BEST-IN-CLASS**
Every Day at Our Retail Partners Across North America, We are Driving Sales and Building the Stable of Brands Through Best-in-Class Field Service and Training Support.
Driving Hero Brands Across Retail
## History of Building DIY Hero Brands

### Valspar

**10,000 Points of Distribution**
More Than any Other North American Brand

<table>
<thead>
<tr>
<th>Purchase Intent Rank</th>
<th>Years in Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEHR</td>
<td>1</td>
</tr>
<tr>
<td>Valspar</td>
<td>2</td>
</tr>
<tr>
<td>Glidden</td>
<td>4</td>
</tr>
<tr>
<td>Benjamin Moore</td>
<td>6</td>
</tr>
</tbody>
</table>

**Source:** Stevenson June 2014 vs. June 2008; Traqline Q3 2014 vs. Q3 2008.
*Net Promoter Score Base: Respondents in the Buying Cycle for Interior Paint Q3 2014*
North American Architectural Paint Growth Drivers:
Optimize CBG Retail Model to Drive Portfolio of Brands

HIGHLIGHTS
• ~10,000+ Points of Distribution
• Dedicated Sales & Service Teams
• Proven Retail Model
• Opportunity to Expand Portfolio with Brands like Cabot, Krylon, Purdy, Minwax & Thompson’s WaterSeal
• Placement in Extensive Retail Locations Ideal for Omni-Channel Service Competitiveness

CONSUMER BRANDS GROUP IN ~10,000 + LOCATIONS

CBG RETAIL SERVICE MODEL BEST IN CLASS
Australia/New Zealand Architectural Paint Industry

MARKET DYNAMICS
- Housing is Stable
  - Housing Approvals Holding
  - Remodeling Activity Growing

KEY GROWTH DRIVERS
1. Growth in Paint Store Channel: Leverage TAG’s Controlled Distribution Expertise
2. Increase Penetration in the Hardware Channel: Expansion with the CBG Product Portfolio, Innovation and Investment in Wattyl Master Brand
3. Technology Transfer-Innovative Products

Source: APMF
ANZ Architectural Paint Growth Driver #1
Growth in Paint Stores Channel

**Customer Segmentation**
*People, Product, Service and Promotion Proposition That is Specific to Needs of Each Segment*

**Portfolio Focus with Controlled Distribution Platform**
*Optimal Metro and Regional Platform with Core Store Ranging and Trademark Service Offer*

**Sales Excellence Program**
*Integrated Program to Support a High Sales Culture with Tools and Training to Win*
ANZ Architectural Paint Growth Driver #2
Increase Penetration into Hardware Channel

Utilize CBG Brand and Product Portfolio
Focused Approach to Optimize Extensive Portfolio with Existing Core Customer Base as Priority

Utilizing our Local Brand Strength
Wattyl Local Brand Strength Enhanced with Technology Innovation and Investment
China Architectural Paint Industry Overview

MARKET DYNAMICS

- Mid Single Digit GDP Growth
- Fragmented Industry; Top 4 Players Approximately 40% Share
- Government Factors Have Impacted Industry Since 2014
- Huarun the Top Selling Chinese National Brand (#3 Overall)

KEY GROWTH DRIVERS

1. Retail Channel with Refined GTM Strategy, Upgraded Offering and Branded Store Expansion
2. Project Channel with Portfolio Product Maximizing Sherwin-Williams TAG Technology and Segmentation Approach

Source: Bain and Company Estimates
China Architectural Paint Channel Overview

**BRANDED STORES**
- **Target:**
  - Contractors
  - Consumers
- **Position:**
  - Brand, Ranging and Service
- **30-35%**

**NON-BRANDED STORES**
- **Target:**
  - Contractors
  - Consumers
- **Position:**
  - Price Shoppers
- **25-30%**

**HOME IMPROVEMENT CENTERS**
- **Target:**
  - Consumers
- **Position:**
  - High Quality
- **3-5%**

**HOME DECORATION COMPANIES**
- **Target:**
  - Consumers
- **Position:**
  - Paint as Part of Total Decor Project
- **10-15%**

**PROJECT**
- **Target:**
  - Property Developers
  - Targeted Product Portfolio
  - Labor and Materials Cost Sensitive
- **25-30%**

**Source:** Company Estimates
China Architectural Paint Growth Driver #1
Growth in Retail Channel

**Highlights**
- Safety and Healthy Assurance are #1 Consumers Needs
- Shifting From ‘Buy It Yourself’ to ‘Do It For Me’/ Pro Increasing Emphasis on Packaging Product and Labor (“Installed Sale“)

**Opportunities**
- Continue Huarun A+ Platform with French A+ Endorsement to Elevate Brand Image and to Drive Emulsion Business
- Leverage TAG Expertise and Service Model, Launch Full Range Paint & Sundry Products in China Market to Support “One-Stop-Solution” Service
- Grow Huarun Branded Store Footprint in Top 100 Cities
- Installed Sale Pilot in 2017 / Roll Out Decision in 2018
China Architectural Paint Growth Driver #2
Expand in the Project Channel

**Highlights**
- Residential Real Estate Developer Consolidation Via M&A
- Energy Efficiency Construction Mandate by Government
- Pre-Decorated Housing Policy a Boost for Interior Emulsion

**Opportunities**
- Capitalize on TAG Products and Expertise in Commercial and Multifamily Markets
- Extend CBG Product Portfolio

**Portfolio Approach to Segment in Channel**
Europe Architectural Paint Industry Overview

MARKET DYNAMICS
- Largest Decorative Paint Market in the World
- Vast Majority of Paints are “Pre-Tinted” (Packaged Colors)

KEY GROWTH DRIVERS
1. Grow in UK with B&Q
2. Expansion Opportunity in Continental Europe
3. Take Advantage of Color Resources and Expertise

Source: 2013 Orr & Boss, KNG and Company Estimates
European Architectural Paint Growth Driver: B&Q/Kingfisher
With expansion opportunity in continental Europe

- 300 Stores Set Across the UK
- Tinting has Increased Significantly
- Operating Model Fully in Place Since 2015
- Legacy Valspar Service Model Supporting Legacy Diversified Brands Products
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*Source: USDOC, Company Estimates*