

FINANCIAL OVERVIEW

AL MISTYSYN

SENIOR VICE PRESIDENT -
FINANCE & CHIEF FINANCIAL OFFICER



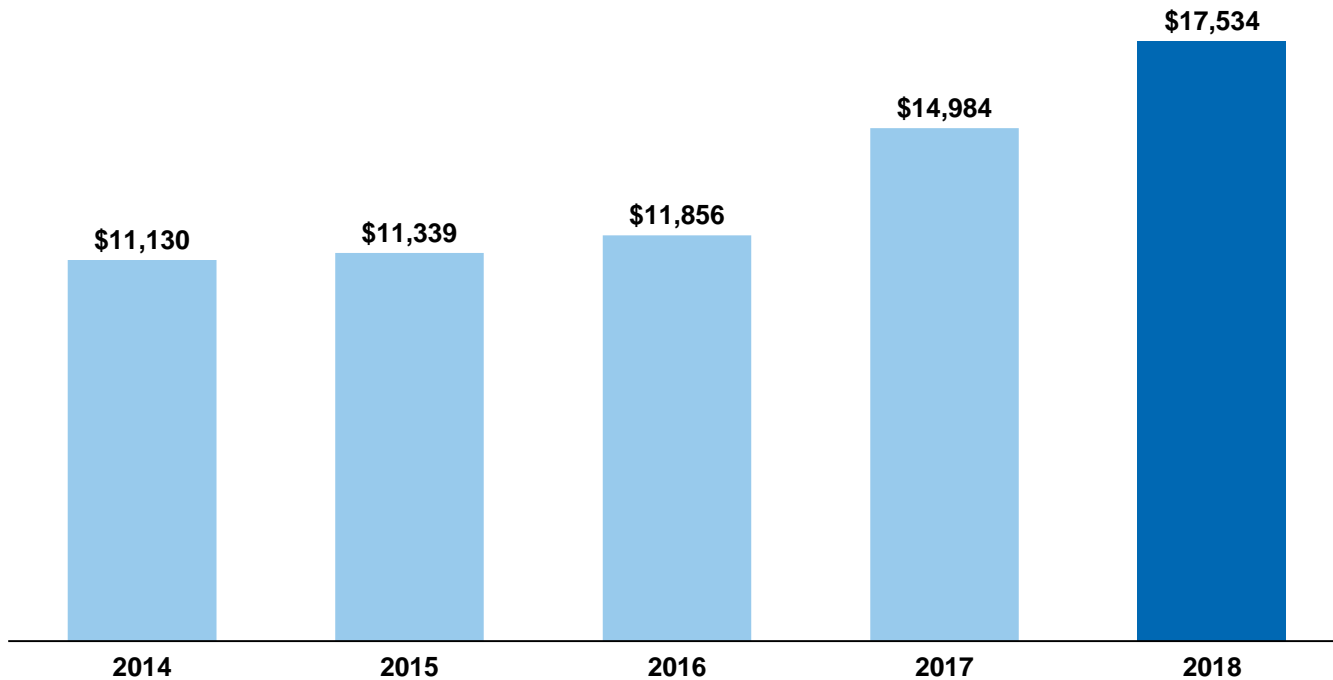
Forward-Looking Statements

The presentations today will contain certain “forward-looking statements,” within the meaning of the federal securities laws, with respect to anticipated future performance (including sales and earnings), expected growth, future business plans and other matters. These statements may be identified by the use of words and phrases such as “believe,” “expect,” “may,” “will,” “should,” “target,” “project,” “could,” “plan,” “goal,” “potential,” “seek,” “intend” or “anticipate” or the negative thereof or comparable terminology. These 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 our control that could cause actual results to differ materially from such statements and from our historical results and experience. These risks, uncertainties and other factors include such things as: general business conditions, strengths of retail and manufacturing economies and the growth in the coatings industry; changes in raw material and energy supplies and pricing; changes in our relationships with customers and suppliers; our ability to successfully integrate past and future acquisitions into our existing operations, including Valspar, as well as the performance of the businesses acquired; risks inherent in the achievement of additional anticipated cost synergies resulting from the acquisition of Valspar and the timing thereof; competitive factors, including pricing pressures and product innovation and quality; the nature, cost, quantity and outcome of pending and future litigation and other claims, including the lead pigment and lead-based paint litigation, and the effect of any legislation and administrative regulations relating thereto; adverse weather conditions and natural disasters; and other risks, uncertainties and factors described from time to time in our reports filed with the SEC. 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 we undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Consolidated Sales

In Millions of Dollars

SHERWIN-WILLIAMS®

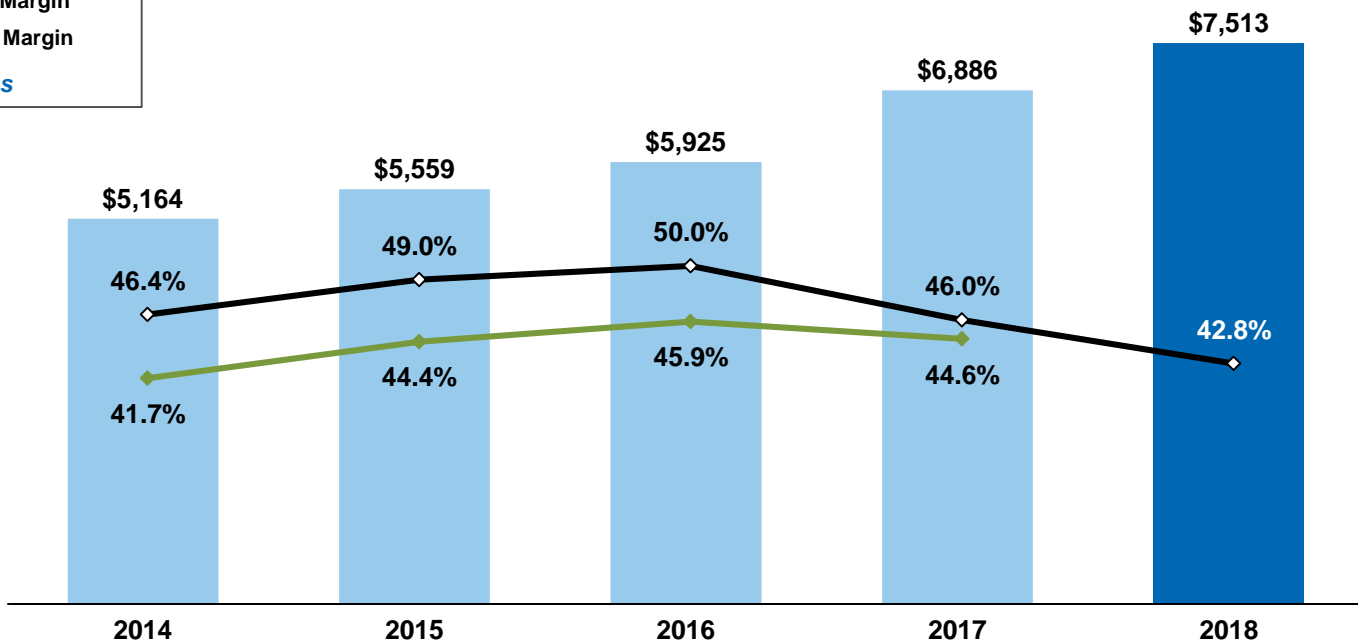


Expect 4% to 6% Sales CAGR Through FY20

Consolidated Gross Profit

Excluding Acquisition Related & One-Time Costs

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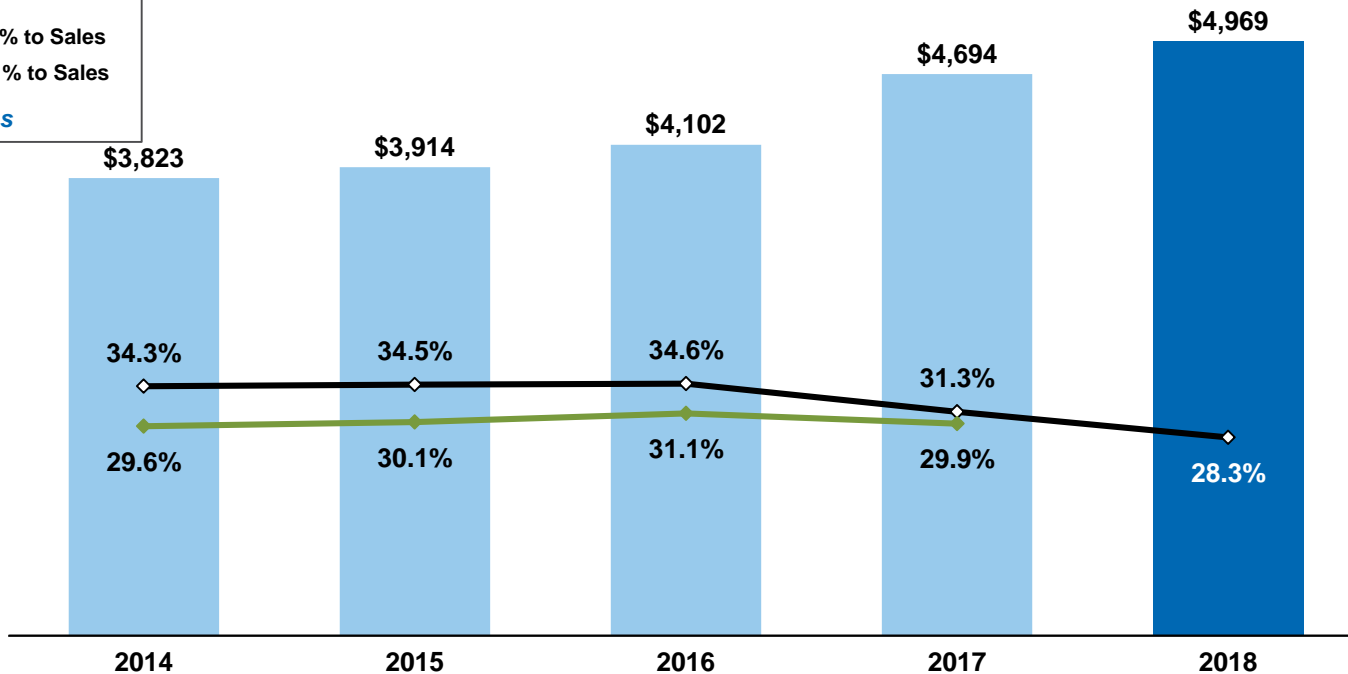
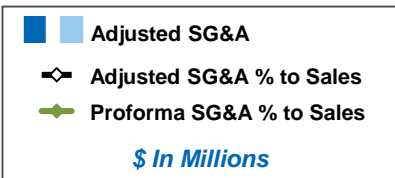


Expect Long Term Gross Margin Range of 45% to 48%

SG&A Expense

Excluding Acquisition Related & One-Time Costs

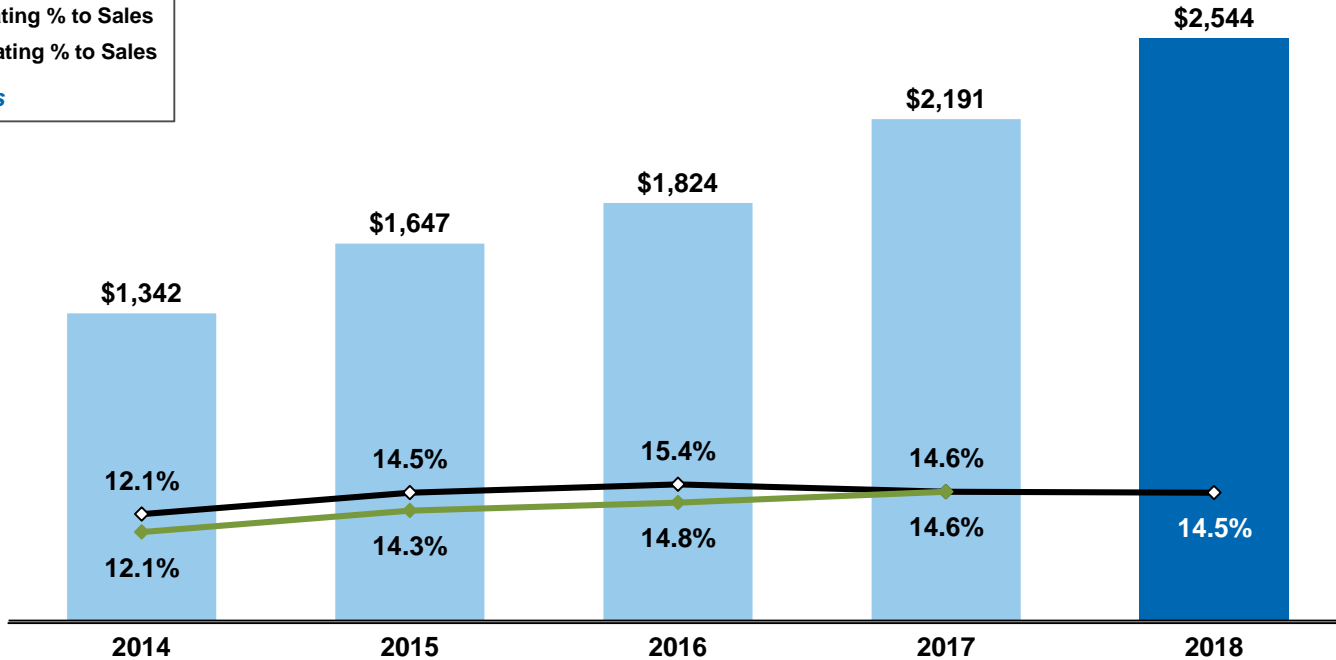
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Operating Income

Excluding Acquisition Related & One-Time Costs

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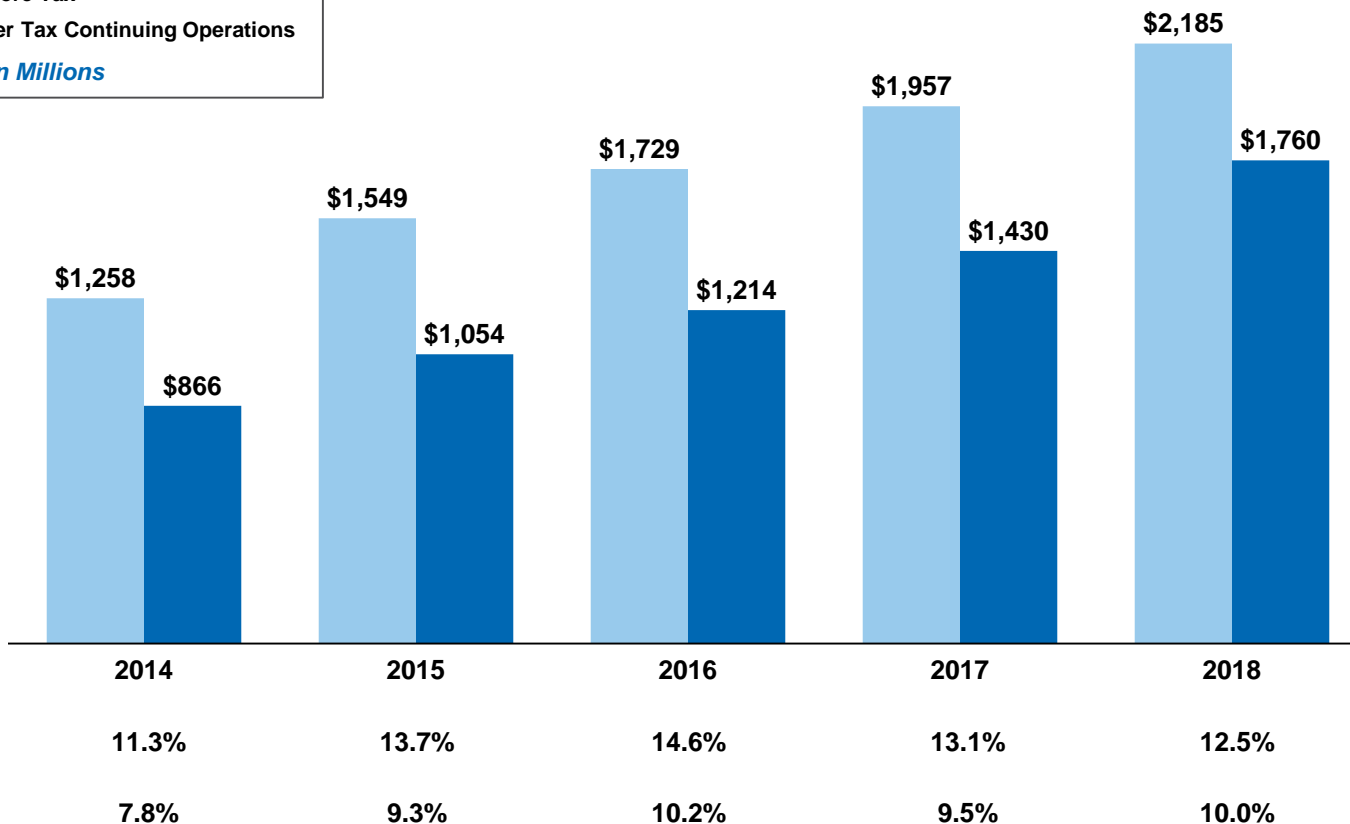
Profit Before & After Tax

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Excluding Acquisition Related & One-Time Costs & Tax Reform

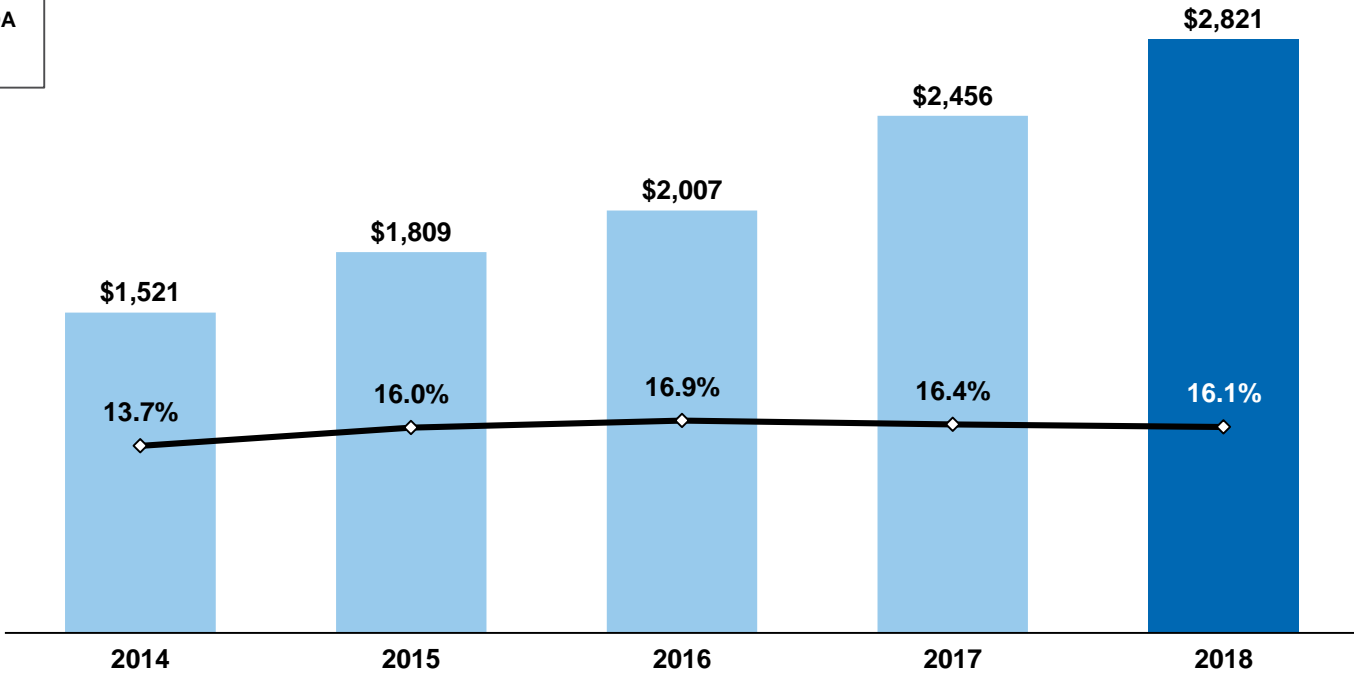
Adjusted Profit Before Tax
Adjusted Profit After Tax Continuing Operations

\$ In Millions



Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) *SHERWIN-WILLIAMS* Excluding Acquisition Related & One-Time Costs

◆ % to Sales
■ Adjusted EBITDA
\$ In Millions



Medium Term Target EBITDA as a % to Sales of 18.8% to 21.0%

	1Q18	1Q19	% Chg.
External Sales	\$3.97B	\$4.04B	+1.9%
US/Canada SSS	+5.2%	+3.6%	
Consolidated EPS, Excluding Acquisition Related & One-Time Costs	\$3.57	\$3.60	+0.8%
EBITDA, Excluding Acquisition Related & One-Time Costs	\$582M	\$575M	-1.2%

2019 Adjusted EPS Guidance Reconciliation

Full Year EPS

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2019 FULL YEAR GUIDANCE	MID-POINT
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Diluted Net Income per Share	\$17.43
Pension Plan Settlement Expense	\$0.27
Transaction & Integration Costs	\$0.56
Purchase Accounting Impacts	<u>\$2.64</u>
Total Acquisition Costs	\$3.20

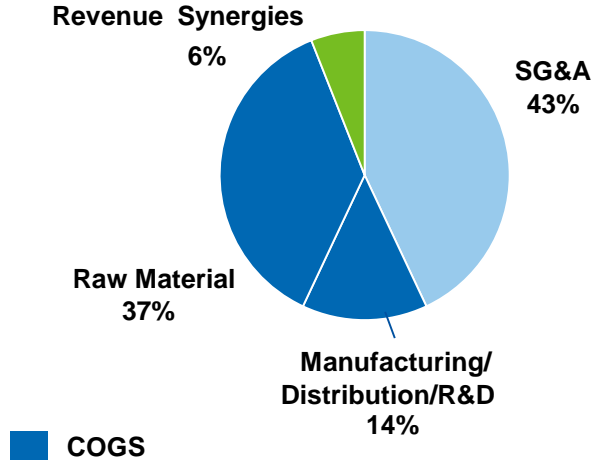
Adjusted Diluted Net Income per Share	\$20.90
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% Chg. Vs. Prior Year	+12.8%
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- Reaffirmed FY19 Adjusted EPS Guidance of \$20.40 to \$21.40 per Share, Excluding Acquisition Related Costs & Pension Plan Settlement Expense
- Material Other Non-Operating Expenses, Transaction & Integration Costs, & Purchase Accounting Will Continue to be Disclosed
- Regulation G Reconciliation Table Over Time Not Required

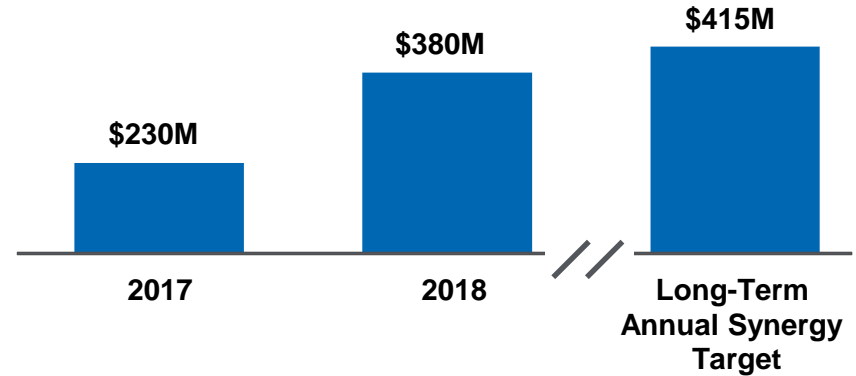
Consolidated Run Rate Synergies

Synergies Allocations (\$415M)



- 2018 P&L synergies of \$180M
- 2019 P&L synergies approx. \$70M to \$80M

...Run Rate Synergies Expected To Be Realized

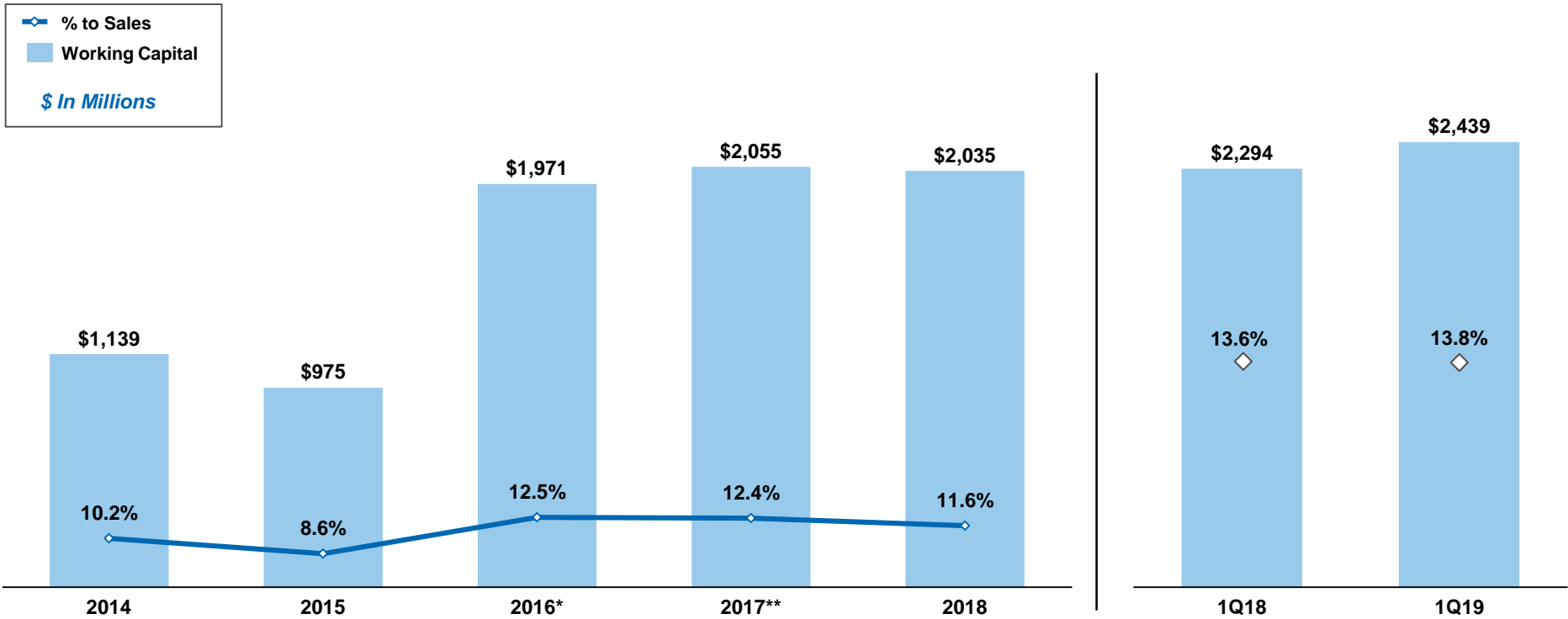


- Expect to incur majority of costs to achieve by end of 2019

Sherwin-Williams has Successfully Acquired and Integrated 21 Businesses In the Ten Years Prior to Valspar

Working Capital Performance

Accounts Receivable + Inventory – Payables

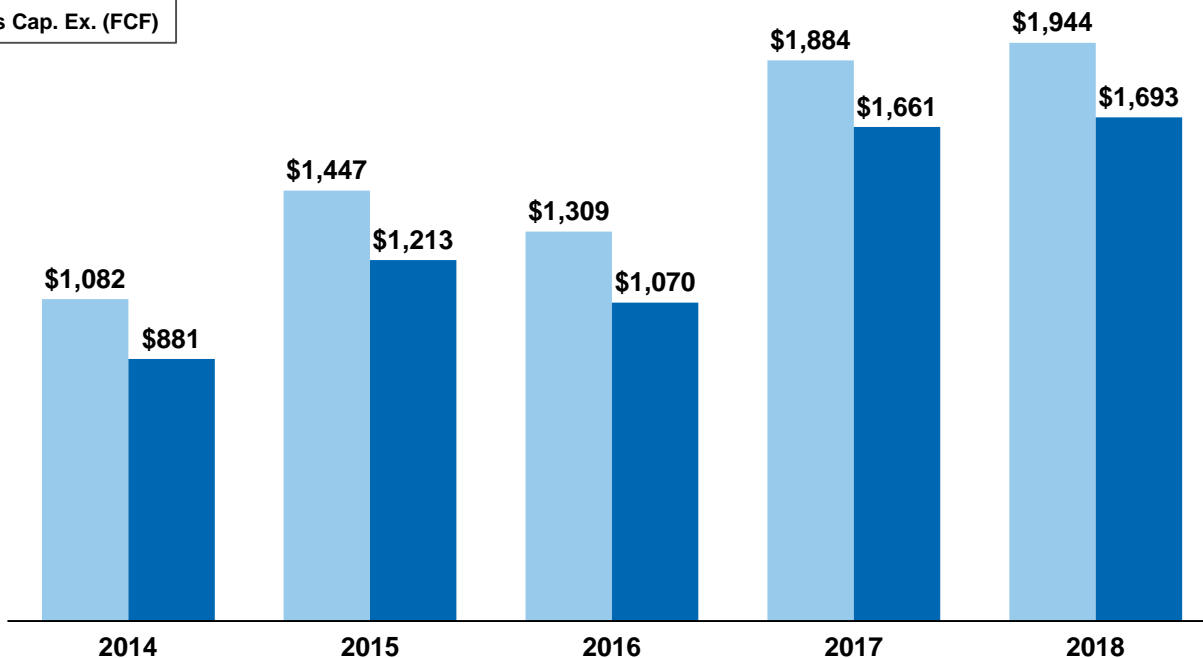
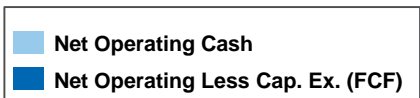


Target FY Working Capital as a % to Sales of 11% to 11.5%

Cash Flow Performance, as Reported

In Millions of Dollars

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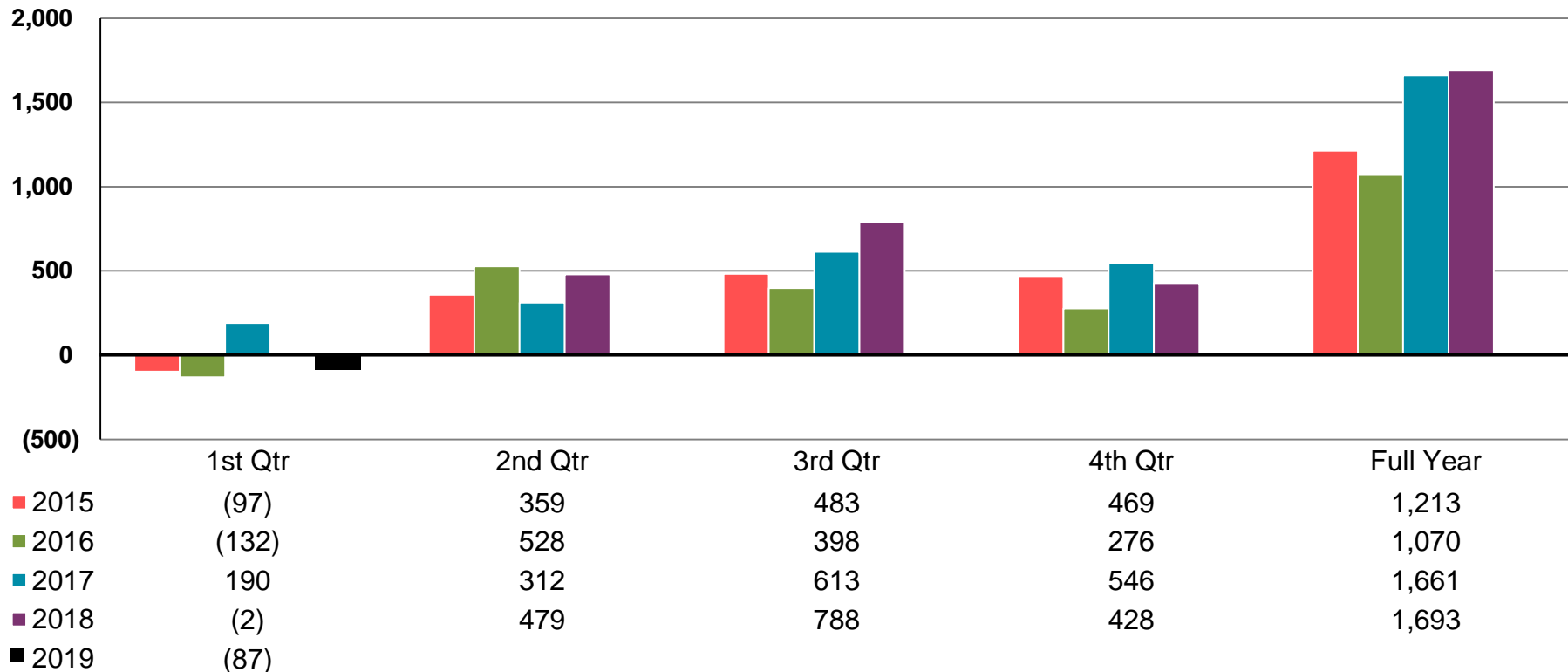
Uses of Cash

- Capital Expenditures
- Pay Dividends
- Manage Debt
- Acquisitions
- Buy Back Stock

Targeting Steady State Future Free Cash Flow of Greater Than 11.0% of Sales

Net Operating Cash Less CapEx, as Reported

In Millions of Dollars

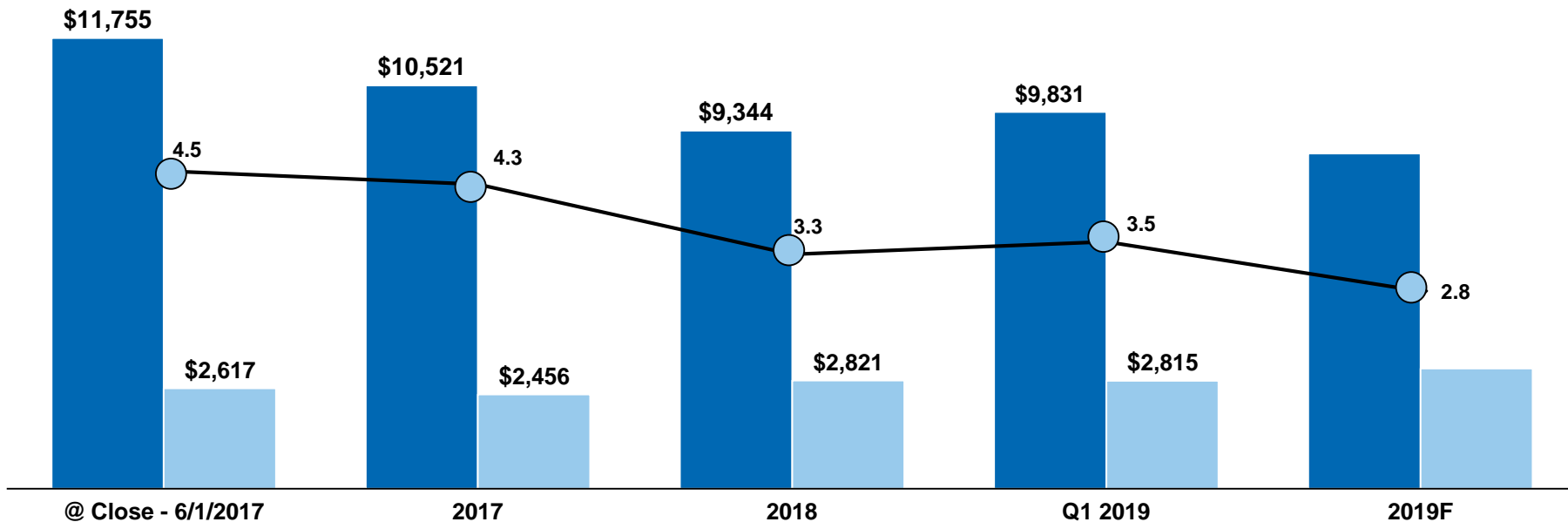


Debt to EBITDA Ratio

Excluding Acquisition Related & One-Time Costs

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■ Debt ◆ Debt to EBITDA
■ Adjusted EBITDA
\$ In Millions

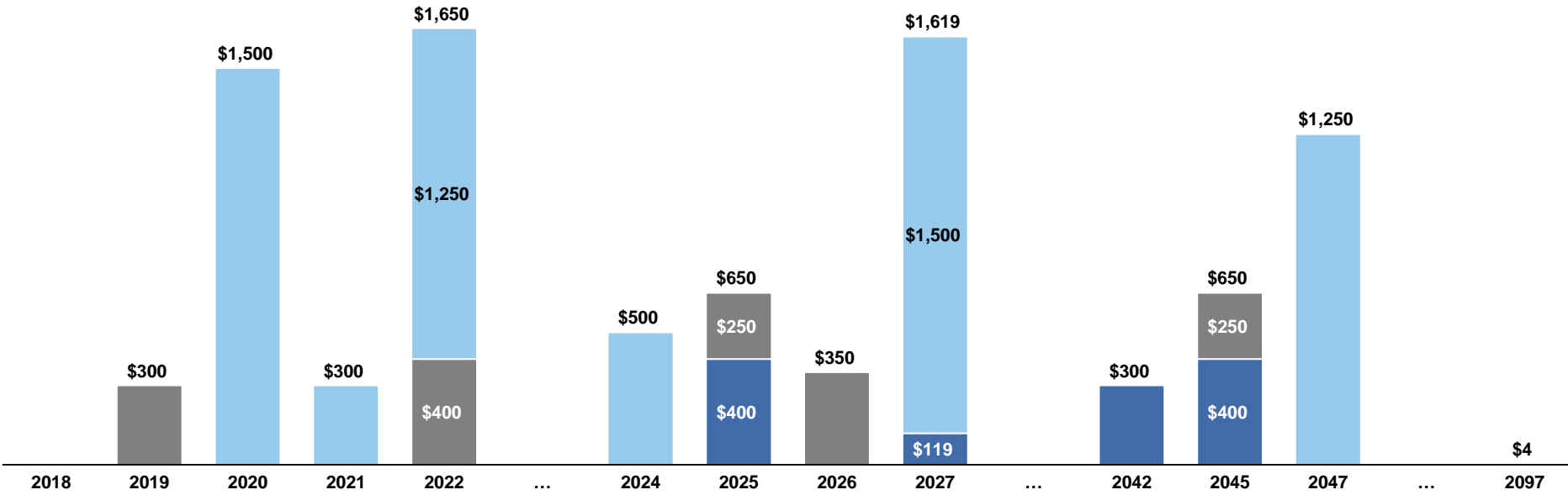


Targeting Long Term Debt to EBITDA Ratio of 2.0X to 2.5X

Maturities of Long-Term Debt (as of December 31, 2018)

SHW Acquisition - LT Debt
VAL

\$ In Millions



Committed to Reducing Total Debt \$600M in 2019

Consistent Capital Allocation Philosophy WE WILL NOT HOLD CASH

KEY OBJECTIVES

- BBB+ Target Rating
- Debt to EBITDA Leverage 2.0x to 2.5x
- Maintain Financial Flexibility

BALANCED CAPITAL ALLOCATION GOALS

CAPEX Invest

Dividend 30% of PY Earnings

Strategic M&A

Share Repurchase

- Return Dividend to 30% of PY Earnings – FY19 Increased 31.4%
- Reduce Debt to EBITDA Leverage To Below 3.0x - FY19
- Maintain CAPEX to Below 2% of Sales – FY18 & FY19
- Absent Strategic M&A
- Opportunistic Share Repurchase

Standard & Poor's Rating Services

May 2017

- Long-Term Rating at 'BBB'
- Short-Term Rating at 'A-2'
- Credit Watch Stable

Moody's Investors Services

February 2019

- Long-Term Rating at 'Baa3'
- Short-Term Rating at 'P-3'
- Credit Watch Stable

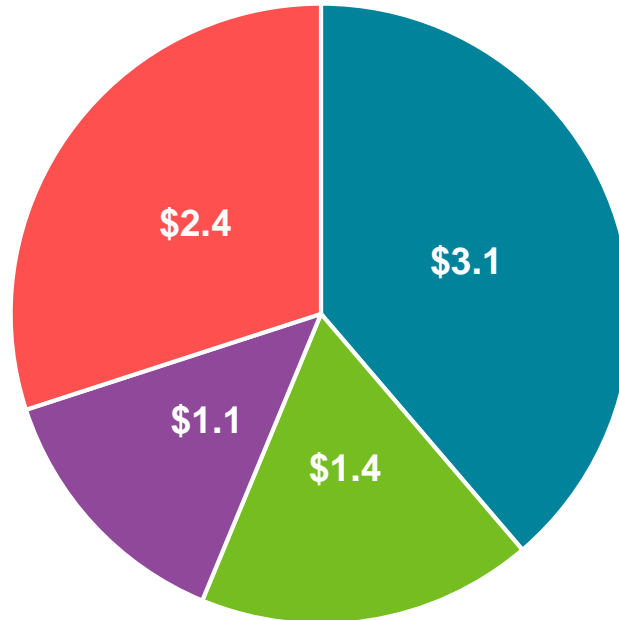
Fitch Ratings

May 2017

- Long-Term Rating at 'BBB'
- Short-Term Rating at 'F-3'
- Credit Watch Stable

5-Year Net Operating Cash: ~\$7.7B

2014-2018



- CASH DIVIDENDS
- DEBT REPAYMENT
- CAPITAL EXPENDITURES
- TREASURY STOCK PURCHASE

USES OF CASH

- Capital Expenditures
- Pay Dividends
- Manage Debt
- Acquisitions
- Buy Back Stock

Dividends Per Share

2005 - 2019

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2018 was 40th Consecutive Year
of Dividend Increases



Dividend Returned to 30% of Prior Year Earnings in 2019

Treasury Stock Acquired

2010 - 1Q 2019 (000s)

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	Shares	Average Price Per Share	Total Dollars	Avg. Shares Outstanding
2010	5,000	\$75.14	\$375,700	108,786
2011	4,700	\$78.16	\$367,372	105,672
2012	4,600	\$121.25	\$557,766	103,930
2013	4,300	\$178.90	\$769,271	103,049
2014	6,925	\$220.66	\$1,528,074	98,741
2015	3,575	\$278.57	\$995,880	94,544
2016	0	\$0.00	\$0	94,488
2017	0	\$0.00	\$0	94,927
2018	1,525	\$402.17	\$613,312	94,988
1Q 2019	750	\$406.86	\$305,146	93,669

Strong Financial Profile Provides Flexibility

	1Q19
Cash	\$0.09B
Debt	\$9.8B
Revolving Credit Facility	\$2.0B
LOC CDS	\$1.5B
Total Liquidity Available	\$3.5B

- Liquidity Sources Increase \$1.15B in 2018
- \$2.7B Available at 3/31/19
- Expect to Maintain Balance Sheet Flexibility to Pursue Growth Opportunities
- Annual Cash Generation Comfortably Supports Anticipated Funding Needs
- Reduce Debt \$600M FY19

FY20 Financial Target Update

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	FY16 PRO FORMA	FY17 PRO FORMA	FY18 ACTUAL	FY19 GUIDANCE	ORIGINAL FY20 TARGETS
Net Sales	\$15.8B	\$16.6B	\$17.5B	4%-7%	4%-6% CAGR Growth
EBITDA Margin	16.6%	16.2%	16.1%		18.8%- 21.0% Margin Expansion
Free Cash Flow % to Sales	8.9%	8.9%	9.7%		>11%
Core EPS*	\$16.57	\$15.65	\$18.53	\$20.90 At MidPoint	11.0%- 14.0% 4 YRS EPS CAGR

FY20 TARGET UPDATE

- Reaffirming Financial Targets
- Timing Revised
- Price Increases Implemented to Offset Significant Raw Material Cost Increases
- Dilutive to EBITDA Margin and EPS

EBITDA MARGIN

- Leverage From Organic Growth
- P&L Synergies 2017 to 2019 Estimate of \$315M

CORE EPS

- 2019 Guidance \$20.90/Share at MidPoint Increase of 12.8%
- Implied GM/EBITDA Expansion



A STRONG FOUNDATION

- Track Record of Financial Performance & Focused Execution
- Large, Stable Revenue Base with Improving EBITDA Margins
- Strong Balance Sheet & Getting Stronger
- SHW Experienced & Determined Management Team

...ON WHICH WE WILL CONTINUE TO BUILD

- Grow Revenue Organically & through Acquisitions
- Continue to Invest in our Controlled Distribution Platform
- Significant Cost Synergies & Operational Efficiencies to Expand EBITDA Margins
- Improved Free Cash Flow as % to Sales
- Disciplined Capital Allocation to Maximize Shareholder Returns
- Management Incentives Aligned with Multi-Industry Metrics



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FINANCIAL APPENDIX



Appendix 1: Income Statement *(In Millions of Dollars)*

Excluding Acquisition Related Costs, Reconciliation to As Reported

SHERWIN-WILLIAMS.

	FY17 AS REPORTED (1)	FY17 ACQUISITION RELATED COSTS (1)	FY17 EXCLUDING ACQUISITION RELATED COSTS (2)
Sales	\$14,984		\$14,984
Gross Profit	\$6,719	(\$167)	\$6,886
% to Sales	44.8%		46.0%
SG&A	\$5,004	\$310	\$4,694
% to Sales	33.4%		31.3%
OPERATING INCOME	\$1,714	(\$477)	\$2,191
% to Sales	11.4%		14.6%
PBT	\$1,469	(\$488)	\$1,957
% to Sales	9.8%		13.1%
PAT	\$1,101	(\$330)	\$1,430
% to Sales	7.3%		9.5%
TAX REFORM	\$669		
DISC OPS	(\$42)		
PAT AS REPORTED	\$1,728		
	11.5%		

FY18 AS REPORTED	FY18 ONE TIME COSTS	FY18 ACQUISITION RELATED COSTS	FY18 EXCLUDING ACQ REL & ONE TIME COSTS
\$17,534			\$17,534
\$7,419	\$0	(\$95)	\$7,513
42.3%			42.8%
\$5,351	\$0	\$382	\$4,969
30.5%			28.3%
\$2,067	\$0	(\$477)	\$2,544
11.8%			14.5%
\$1,360	(\$341)	(\$484)	\$2,185
7.8%			12.5%
\$1,109	(\$257)	(\$394)	\$1,760
6.3%			10.0%

(1) 2017 as reported and acquisition related costs has been adjusted for an inventory change made in 2018.

(2) 2017 excluding acquisition related costs has been adjusted for the adoption of ASU No. 2017-07 (no PBT impact).

Appendix 2A: FY EBITDA *(In Millions of Dollars)*

Excluding Acquisition Related Costs, Reconciliation to As Reported

SHERWIN-WILLIAMS

	FY17 AS REPORTED	FY17 ACQUISITION RELATED COSTS	FY17 EXCLUDING ACQUISITION RELATED COSTS	FY18 AS REPORTED	FY18 ONE TIME COSTS	FY18 ACQUISITION RELATED COSTS	FY18 EXCLUDING ACQ REL & ONE TIME COSTS
Net Income from Continuing Operations	\$1,769	(\$330)	\$2,099	\$1,109	(\$257)	(\$394)	\$1,760
Interest Expense	\$263	\$9	\$254	\$367	\$0	\$0	\$367
Income Taxes	(\$300)	(\$159)	(\$141)	\$251	(\$85)	(\$90)	\$425
Depreciation	\$285	\$65	\$220	\$278	\$0	\$38	\$241
Amortization	\$207	\$183	\$24	\$318	\$0	\$290	\$28
EBITDA	\$2,225	(\$232)	\$2,456	\$2,323	(\$341)	(\$157)	\$2,821
% to Sales	14.8%		16.4%	13.2%			16.1%

Appendix 2B: 1Q EBITDA *(In Millions of Dollars)*

Excluding Acquisition Related Costs, Reconciliation to As Reported

SHERWIN-WILLIAMS®

	1Q18 AS REPORTED	1Q18 ONE TIME COSTS	1Q18 ACQUISITION RELATED	1Q18 EXCLUDING ACQ REL & ONE TIME COSTS	1Q19 AS REPORTED	1Q19 ONE TIME COSTS	1Q19 ACQUISITION RELATED	1Q19 EXCLUDING ACQUISITION RELATED COSTS
Net Income	\$250	\$0	(\$91)	\$341	\$245	(\$25)	(\$67)	\$337
Interest Expense	\$92	\$0	\$0	\$92	\$91	\$0	\$0	\$91
Income Taxes	\$53	\$0	(\$29)	\$82	\$54	(\$7)	(\$20)	\$81
Depreciation	\$72	\$0	\$12	\$60	\$65	\$0	\$5	\$60
Amortization	\$85	\$0	\$78	\$7	\$79	\$0	\$72	\$6
EBITDA	\$552		(\$30)	\$582	\$533	(\$32)	(\$9)	\$575

Appendix 3: 1Q Highlights *(In Millions of Dollars)*

Regulation G Reconciliation

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	1Q18	1Q19	2018	2019 GUIDANCE	
	ACTUAL	ACTUAL	ACTUAL	LOW	HIGH
Diluted net income per common share	\$2.62	\$2.62	\$11.67	\$16.93	\$17.93
California litigation expense			\$1.09		
Environmental expense provision			\$1.32		
Pension plan settlement expense		\$0.27	\$0.30	\$0.27	\$0.27
Other non-operating expenses		\$0.27	\$2.71	\$0.27	\$0.27
Transaction and integration costs	\$0.24	\$0.08	\$1.55	\$0.56	\$0.56
Purchase accounting impacts	\$0.71	\$0.63	\$2.60	\$2.64	\$2.64
Total acquisition costs	\$0.95	\$0.71	\$4.15	\$3.20	\$3.20
Consolidated excluding Valspar acquisition costs and one-time items	\$3.57	\$3.60	\$18.53	\$20.40	\$21.40

Appendix 4: 2017 PRO FORMA *(In Millions of Dollars)*

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	FY17 AS REPORTED (1)	FY17 ACQUISITION RELATED COSTS & TAX REFORM BENEFITS (1)	FY17 EXCLUDING ACQUISITION RELATED COSTS	FY17 PRO FORMA ADJUSTMENTS (2)	FY17 PRO FORMA
NET SALES	\$14,984		\$14,984	\$1,651	\$16,635
INCOME BEFORE INCOME TAXES	\$1,469	(\$488)	\$1,957	\$75	\$2,033
TAXES	(\$259)	(\$786)	\$527	\$20	\$548
NET INCOME	\$1,728	\$298	\$1,430	\$55	\$1,485
EPS	\$18.20	\$3.13	\$15.07	\$0.58	\$15.65

(1) 2017 as reported and acquisition related costs has been adjusted for an inventory accounting change made in 2018.

(2) Pro Forma Adjustments include January to May 2017 Valspar Operations and January to May 2017 New Debt Interest Expense.

Appendix 5: Group Financials *(In Millions of Dollars)*

Excluding Acquisition Related Costs, Reconciliation to As Reported

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	FY17 AS REPORTED	FY17 VAL PRO FORMA	FY17 ACQUISITION RELATED COSTS	FY17 PRO FORMA	FY18 AS REPORTED	FY18 ACQUISITION RELATED COSTS	FY18 PRO FORMA
PCG Sales	\$3,706	\$1,102		\$4,808	\$5,166		\$5,166
PCG Segment Profit	\$263	\$172	\$(219)	\$653	\$452	\$(216)	\$668
CBG Sales	\$2,155	\$547		\$2,701	\$2,739		\$2,739
CBG Segment Profit	\$203	\$60	\$(131)	\$394	\$261	\$(111)	\$372

	1Q18 AS REPORTED	1Q18 ACQUISITION RELATED COSTS	1Q18 PRO FORMA	1Q19 AS REPORTED	1Q19 ACQUISITION RELATED COSTS	1Q19 PRO FORMA
PCG Sales	\$1,228		\$1,228	\$1,231		\$1,231
PCG Segment Profit	\$91	\$(58)	\$148	\$99	\$(54)	\$153
CBG Sales	\$656		\$656	\$655		\$655
CBG Segment Profit	\$74	\$(32)	\$106	\$88	\$(23)	\$111