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.
Global Mix by Category (Based on $)

- Architectural Paints: 39%
- OEM Coatings: 41%
- Special Purpose Coatings: 20%

Total Coatings 2018
- ~9.7 Billion Gallons
- ~130 Billion Dollars

Source: KNG Global Research

Mix by Category (Based on $)

- Architectural Paints: 39%
- OEM Coatings: 41%
- Special Purpose Coatings: 20%

The use of KNG information in this presentation is for illustrative and consistency purposes only; SHW have not verified the accuracy of KNG Research.
### Paint & Coatings Demand by Region

#### Geographic Split of Global Revenue

<table>
<thead>
<tr>
<th>Region</th>
<th>All Coatings</th>
<th>OEM Coatings</th>
<th>Architectural Paints</th>
<th>Special Purpose Coatings</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>23%</td>
<td>24%</td>
<td>21%</td>
<td>25%</td>
</tr>
<tr>
<td>South America</td>
<td>4%</td>
<td>6%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Europe</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>25%</td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>46%</td>
<td>41%</td>
<td>52%</td>
<td>43%</td>
</tr>
<tr>
<td>ROW ~ 4%</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

**Sources:** KNG Global Research

The use of KNG information in this presentation is for illustrative and consistency purposes only; SHW have not verified the accuracy of KNG Research. Company Estimates.
Top Global Manufacturers
Coatings Industry 2018

All Others
(>5,000 firms)

PPG
Akzo Nobel
Nippon
Asian Paints
Mascot

Source: KNG Global Research
The use of KNG information in this presentation is for illustrative and consistency purposes only; SHW have not verified the accuracy of KNG Research.
North America Paint & Coatings Industry
Sales ($) Mix by Category

- Architectural Paints: 41%
- OEM Coatings: 37%
- Special Purpose: 22%

Source: KNG Global Research

The use of KNG information in this presentation is for illustrative and consistency purposes only; SHW have not verified the accuracy of KNG Research.
U.S. Paint & Coatings Industry
Architectural Paint Gallons & Square Footage

Architectural Paint Gallons

Nonresidential & Residential Square Footage

18% growth in square footage since prior peak should drive continued gallon growth due to larger repaint opportunity
U.S. Architectural Paints
Estimated Breakdown by Segment

Sources: ACA (Total Gallons), Company Estimates (Segment Breakdown)

- DIY: 38% (311M Gal)
- Residential Repaint (Pro): 29% (238M Gal)
- New Residential: 12% (98M Gal)
- Non-Residential Repaint: 15% (123M Gal)
- New Non-Residential: 6% (49M Gal)

819 Million Gallons in 2018
U.S. Demographics

[SILENT] 1928-1945
- Transitioning to Senior Living Facilities

[BABY BOOMERS] 1946-1964
- Aging in place; driving remodeling spend
- Eventually will downsize
- Eventually will relocate to active adult facilities

[GEN X] 1965-1980
- Move up creates churn and drives remodeling
- Most likely to hire contractors

[MILLENNIALS (GEN Y)] 1981-1996
- Forming households
- First time homebuyers
- Demand for entry level homes
- Driving multifamily and rentals

[iGEN (GEN Z)] 1997-2012
- Will further extend household formation
- Always connected, eComm

73-90 YEARS OLD
(AS OF 2018)
- 27 MILLION
- 8% OF U.S. POPULATION

54-72 YEARS OLD
(AS OF 2018)
- 72 MILLION
- 22% OF U.S. POPULATION

38-53 YEARS OLD
(AS OF 2018)
- 66 MILLION
- 20% OF U.S. POPULATION

22-37 YEARS OLD
(AS OF 2018)
- 73 MILLION
- 22% OF U.S. POPULATION

6-21 YEARS OLD
(AS OF 2018)
- 78 MILLION
- 24% OF U.S. POPULATION

Sources: PewResearch.org
Please Note: above are estimates based Census projections for 2019 US population
Percentages exclude those born before 1928 and after 2012. No chronological end date has been set for Gen-Z
Housing Supply Not Keeping Pace

We have underbuilt since the Great Recession and inhabitable vacancies have largely been absorbed

Sources: Wells Fargo Securities, U.S. Commerce Department
Household Growth vs. Completions & Placements

HVS Household Growth (3-Year Rolling Average) vs. Completions & Placements

New construction not keeping up with historic demand

Notes: Household Growth Data are three-year trailing averages. Source: Harvard Joint Center for Housing Studies, 2019, www.jchs.harvard.edu. All rights reserved.
Repaint & Remodel
Leading Indicator of U.S. Remodeling Activity

U.S. residential remodeling remains SOLID
Remodeling Drivers
Existing Home Sales & Monthly Housing Turnover

Existing Home Sales uneven recently, but not the only factor driving remodeling

Source: Census, NAR, Wells Fargo Securities, LLC Estimates
The median age of the nation's 137 million homes is 40 years old.
Price appreciation gives homeowners confidence to remodel

Source: Harvard Joint Center for Housing Studies, 2019, www.jchs.harvard.edu. All rights reserved.
Older homeowners now account for fully half of improvement spending nationally.

Source: Harvard Joint Center for Housing Studies, Improving America’s Housing 2019, www.jchs.harvard.edu. All rights reserved.
Employment and consumer confidence remain high

Source: Census Bureau
Repaint & Remodel  
DIY → Contractor Shift Will Continue in U.S. & Canada

Sherwin-Williams well positioned to serve both segments

Sources: U.S. Commerce Department, Company Estimates
COMMERCIAL CONSTRUCTION
Accumulated construction put in place drives maintenance opportunities

Sources: Deutsche Bank, Census Bureau
Commercial Construction Starts
Painting is one of the last trades into projects

Strong commercial construction starts in back half of 2018 leading to completions over next 12-18 months

Sources: Deutsche Bank, Dodge Commercial Analytics
INDUSTRIAL & SPECIAL PURPOSE COATINGS
PMI is a weighted average of five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers’ Delivery Times (15%) and Stocks of Purchases (10%). A reading above 50 indicates an overall increase compared to the previous month. 50 = stagnation. Up or down from prior month indicates acceleration or moderation. Sources: 2019 IHS Markit, Caixin.
Industrial Coatings

Technology driven, specialty solutions that drive customer throughput and productivity
Population shift to urban areas supports long-term growth across multiple end markets

Urbanization

Urban vs. Rural Global Population, 1950 - 2050

% of Population Living in Urban Areas

Source: United Nations Department of Economics & Social Affairs, Population Division

Source: United Nations Department of Economics & Social Affairs

Population shift to urban areas supports long-term growth across multiple end markets
Significant global backlog of infrastructure projects

Infrastructure Investment Gap by Region, 2016-2040

Extent to which estimated investment need is greater than investment expected under current trends

- **AMERICAS**: 47%
- **AFRICA**: 39%
- **EUROPE**: 16%
- **OCEANIA**: 10%
- **ASIA**: 10%
- **WORLD**: 19%

Oil & gas infrastructure capex spending is up, driving coating opportunities
Global Beverage Cans

NAR Beverage Cans
Market Size 93.5 Billion Units*
Market Growth -1% CAGR**

EMEAI Beverage Cans
Market Size 72.8 Billion Units*
Market Growth 3% CAGR**

APR Beverage Cans
Market Size 120.0 Billion Units*
Market Growth 4% CAGR**

LAR Beverage Cans
Market Size 39.3 Billion Units*
Market Growth 2% CAGR**

Sources: Euromonitor, CMI, SW Internal Est

*2017 Est.
**CAGR% 2017-2021

Solid international growth to continue
Auto Refinish Demand

Miles driven continues to increase steadily, driving demand for automotive refinish.

Source: Federal Reserve Bank of St. Louis Economic Data