



SHERWIN-WILLIAMS®



1Q 2021 RESULTS & 2021 OUTLOOK

APRIL 27, 2021

Forward-Looking Statement

This presentation may contain certain "forward-looking statements," as defined under U.S. federal securities laws. These forward-looking statements are based upon management's current expectations, estimates, assumptions and beliefs concerning future events and conditions. Readers and attendees 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 and economic conditions; the Company's ability to successfully integrate past and future acquisitions into its existing operations, as well as the performance of the businesses acquired; 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; adverse weather conditions or impacts of climate change, natural disasters and public health crises, including the COVID-19 pandemic; the duration, severity and scope of the COVID-19 pandemic and the actions implemented by international, federal, state and local public health and governmental authorities to contain and combat the outbreak and spread of COVID-19, which may exacerbate one or more of the aforementioned and/or other risks, uncertainties and factors more fully described in the Company's reports filed with the Securities and Exchange Commission (SEC); and other risks, uncertainties and factors described from time to time in the Company's 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 the Company undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

1Q 2021 Financial Performance Highlights

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(\$ in millions, except per share data)	1Q 2021	1Q 2020	1Q 2019	% Change	
				'21 vs. '20	'21 vs. '19
Sales	\$4,656.0	\$4,146.7	\$4,040.9	12.3%	15.2%
Gross Profit	\$2,112.0	\$1,889.7	\$1,735.1	11.8%	21.7%
<i>Gross Margin</i>	<i>45.4%</i>	<i>45.6%</i>	<i>42.9%</i>	<i>-20 bps</i>	<i>+250 bps</i>
Reported EPS	\$1.51	\$1.15	\$0.87	31.3%	73.6%
Adjusted EPS⁽¹⁾	\$2.06	\$1.36	\$1.20	51.5%	71.7%
Net Operating Cash	\$195.7	\$54.9	(\$36.0)	256.5%	643.6%

- Sales increased 12.3%, driven by strong growth in residential repair, DIY, new residential and industrial businesses
- 20 bps decline in gross margin due to greater than anticipated raw material cost inflation
- SG&A as % of sales down 300 basis points – good cost control while continuing strategic long-term investments
- Adjusted EPS⁽¹⁾ increased 51.5% to \$2.06/share vs. \$1.36/share
- Adjusted EBITDA⁽²⁾ increased to \$848.7 million, or 18.2% of sales
- Net operating cash improved \$140.8 million, or 256.5%

Note: All comparisons are to the first quarter of the prior year, unless otherwise noted

(1) Reconciliation from reported EPS to adjusted EPS provided in Appendix

(2) Reconciliation from reported EBITDA to adjusted EBITDA provided in Appendix

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THE AMERICAS GROUP



(\$ in millions)	1Q 2021	1Q 2020	1Q 2019	% Change	
				'21 vs. '20	'21 vs. '19
Sales	\$2,503.1	\$2,305.5	\$2,154.9	8.6%	16.2%
Segment Profit	\$480.0	\$388.3	\$331.1	23.6%	45.0%
<i>Segment Margin</i>	<i>19.2%</i>	<i>16.8%</i>	<i>15.4%</i>	<i>240 bps</i>	<i>380 bps</i>

- Same store sales increased 8.2%
- Double-digit growth in residential repaint, DIY and new residential
- Commercial slightly up; property management slightly down; protective and marine down but sequentially improving
- Double digit growth in exterior paint, interior paint and spray equipment
- Largest percentage growth in Canada division, followed by South Eastern, Mid Western, South Western and Eastern divisions
- Price increase effective February 1
- Segment profit increased 23.6% to \$480.0 million, and segment margin increased 240 basis points to 19.2%

Note: All comparisons are to the first quarter of the prior year, unless otherwise noted

Res Repaint	New Residential	Commercial	Property Maintenance	DIY	Protective & Marine

1Q-21 vs. 1Q-20 (HSD/MSD/LSD = high, mid or low single digit %. DD = double digit %)

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CONSUMER BRANDS GROUP



(\$ in millions)	1Q 2021	1Q 2020	1Q 2019	% Change	
				'21 vs. '20	'21 vs. '19
Sales	\$778.1	\$622.3	\$654.5	25.0%	18.9%
Reported Segment Profit	\$143.7	\$83.5	\$87.9	72.1%	63.5%
Reported Segment Margin	18.5%	13.4%	13.4%	510 bps	510 bps
Adjusted Segment Profit ⁽¹⁾	\$166.5	\$105.9	\$110.8	57.2%	50.3%
Adjusted Segment Margin	21.4%	17.0%	16.9%	440 bps	450 bps

- Sales increased 25.0% driven by double-digit growth across all regions
- Adjusted segment profit increased to \$166.5 million, and adjusted segment margin increased to 21.4%
- Divested Australian Watty business on March 31, 2021
- Pricing actions being implemented to offset raw material inflation

Note: All comparisons are to the first quarter of the prior year, unless otherwise noted
 (1) Reconciliations from segment profit to adjusted segment profit provided in Appendix

▲ +DD	▲ +DD	▲ +DD	▲ +DD
NORTH AMERICA	EMEA	ASIA	AUS/NZ

1Q-21 vs. 1Q-20 (HSD/MSD/LSD = high, mid or low single digit %. DD = double digit %)

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PERFORMANCE COATINGS GROUP



(\$ in millions)	1Q 2021	1Q 2020	1Q 2019	% Change	
				'21 vs. '20	'21 vs. '19
Sales	\$1,374.3	\$1,217.6	\$1,230.8	12.9%	11.7%
Reported Segment Profit	\$143.8	\$113.7	\$98.7	26.5%	45.7%
<i>Reported Segment Margin</i>	<i>10.5%</i>	<i>9.3%</i>	<i>8.0%</i>	<i>120 bps</i>	<i>250 bps</i>
Adjusted Segment Profit⁽¹⁾	\$196.7	\$166.7	\$152.8	18.0%	28.7%
<i>Adjusted Segment Margin</i>	<i>14.3%</i>	<i>13.7%</i>	<i>12.4%</i>	<i>60 bps</i>	<i>190 bps</i>

- Sales increased 12.9% year-over-year with strength in all divisions and regions
- Europe and Asia +DD, Latin America +HSD, North America +LSD
- Industrial Wood and General Industrial +DD and up in all regions
- Coil and Packaging strength continues
- Auto Refinish grows as miles driven remain sluggish
- Adjusted segment profit increased to \$196.7 million, and adjusted segment margin increased to 14.3%
- Pricing actions being implemented to offset raw material inflation

Note: All comparisons are to the first quarter of the prior year, unless otherwise noted
(1) Reconciliations from segment profit to adjusted segment profit provided in Appendix

+MSD	+HSD	+DD	+DD	+HSD
AUTO REFINISH	COIL	GENERAL INDUSTRIAL	INDUSTRIAL WOOD	PACKAGING

1Q-21 vs. 1Q-20 (HSD/MSD/LSD = high, mid or low single digit %. DD = double digit %)

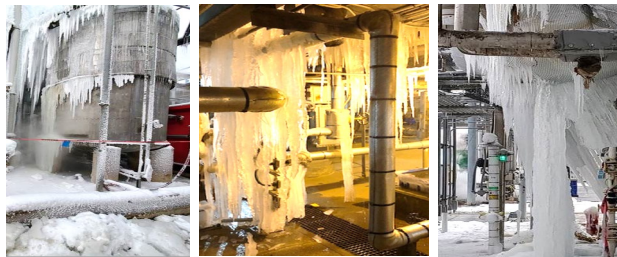
IMPACT OF WINTER STORM URI ON GLOBAL CHEMICAL INDUSTRY

PETROCHEMICAL SUPPLY CHAIN NETWORK

At Peak (early March)


168

Industry Facilities
Impacted Across U.S.
Due To
Winter Storm Uri



COMPLEX & HIGHLY-INTERDEPENDENT SUPPLY CHAIN

In an already challenging environment due to COVID-19, Winter Storm Uri in February further impacted the complex Petrochemical network causing significant disruptions in the supply chain.

Current


64

Industry Facilities
Remain Offline

END-MARKET DISRUPTIONS

MOST INDUSTRIES IMPACTED INCLUDING:



PLASTICS



ADHESIVES



COATINGS



SEALANTS

OUR EFFORTS TO MINIMIZE DISRUPTIONS

- ✓ Continued investment in the face of adversity
- ✓ Prioritized raw material and key product manufacturing
- ✓ Activation of developed offshore raw material supply chain
- ✓ Global supplemental open market raw material purchases
- ✓ National / local support to connect right product for the job
- ✓ Product experts located near every job
- ✓ Utilizing our fleet to expedite product internally and externally

Sherwin-Williams Responsiveness & Solutions

Sherwin-Williams has a proven and proud track record of swift and effective response to unforeseen challenges to minimize disruption and maintain service to keep our customers profitable and productive.

- ✓ **Global Pandemic – Resiliency Through Uncertain World Events**
- ✓ **Natural Disasters – From Earthquakes to Hurricanes to Deep Freezes**
- ✓ **Economic – Depressions, Recessions & Volatility**

SECOND QUARTER 2021

- Consolidated sales: up mid to high-teens percentage
 - **TAG:** up mid to high-teens percentage
 - **CBG:** down low-double-digit to mid-teens percentage
 - Includes negative 4% related to WattyI divestiture
 - **PCG:** up high 20s percentage

FULL YEAR 2021

Sales

- Increase by mid to high-single-digit percentage

Segments

- **TAG:** up mid to high-single-digits percentage
- **CBG:** up or down low-single-digits percentage
 - Includes negative 5% related to WattyI divestiture
- **PCG:** up mid-single-digits percentage

GAAP Earnings Per Share: \$7.66-\$7.93

- Includes acquisition-related amortization expense of approximately \$0.80 per share and a loss on the WattyI divestiture of \$0.34 per share
- Adjusted earnings per share: \$8.80-\$9.07

Raw materials: up high-single-digits to low-double-digits percentage

Capital expenditures: \$370 million core plus \$100 million for new headquarters and R&D facilities

Interest expense: approximately \$340 million

Depreciation (~\$280 million) and **amortization** (~\$300 million)

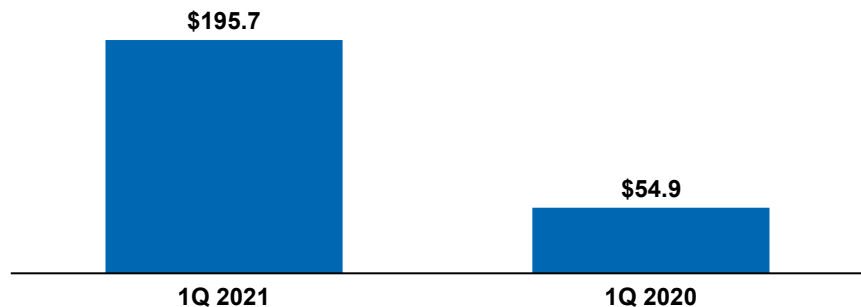
Tax rate: low 20s%

Strong Financial Position

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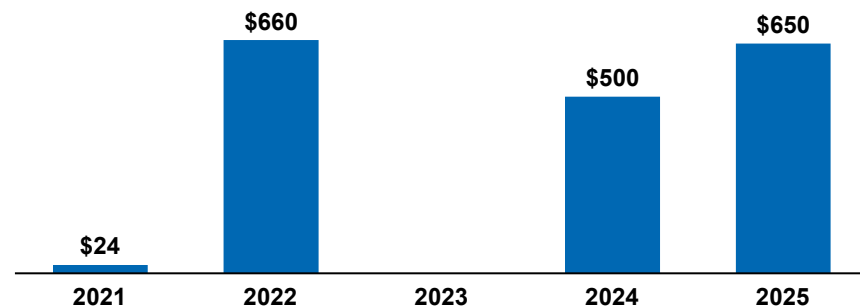
Operating Cash Flow

(\$ in millions)



Near Term Debt Maturities⁽¹⁾

(\$ in millions)



Cash & Liquidity Position

(\$ in millions)

3/31/2021

Cash	\$314.7
Liquidity	
Total Credit Facilities	\$3,500.0
(Less Amount Utilized)	(\$816.9)
Net Credit Available	\$2,683.1

Selected Financial Ratios

3/31/2021

Total Debt / TTM EBITDA	2.6x
Total Debt / TTM Adj EBITDA ⁽²⁾	2.5x

(1) Full debt maturity schedule provided in Appendix

(2) Reconciliation from reported EBITDA to adjusted EBITDA provided in Appendix



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APPENDIX

Debt Summary

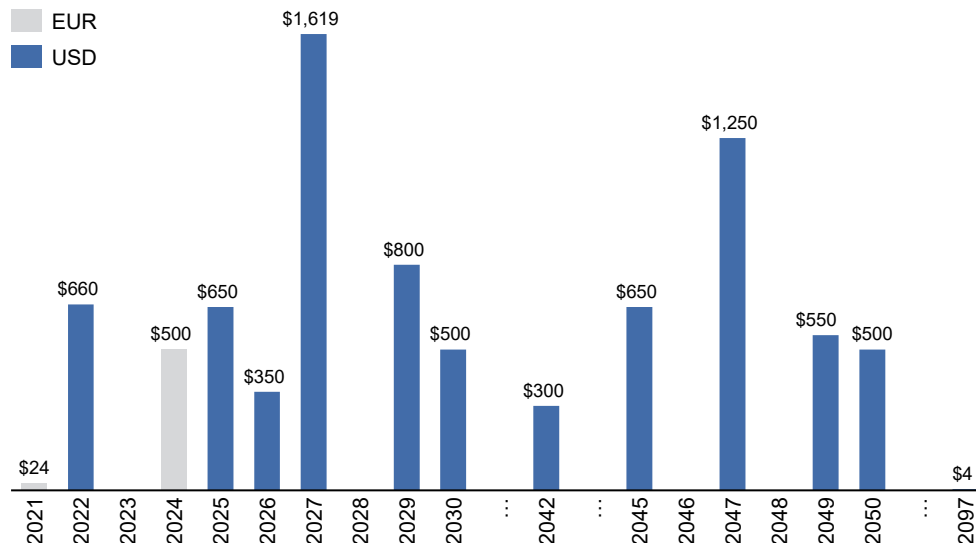
(as of March 31, 2021)

				Q1 2021	
				Balance	Int. Rate
Short-Term:					
Domestic				816.9	0.29%
Non-Domestic:				1.2	2.98%
Short-Term:				818.1	0.29%
Long-Term:					
4-year EUR, .92% notes due	2021	23.5	0.92%		
5-year, 2.75% notes due	2022	260.2	2.75%		
10-year, 4.20% notes due	2022	400.0	4.20%		
7-year, 3.125% notes due ⁽¹⁾	2024	500.0	1.39%		
10-year, 3.30% notes due	2025	250.0	3.30%		
10-year, 3.45% notes due	2025	400.0	3.45%		
10-year, 3.95% notes due	2026	350.0	3.95%		
10-year, 3.45% notes due	2027	1,500.0	3.45%		
30-year, 7.375% notes due	2027	119.4	7.38%		
10-year, 2.95% notes due	2029	800.0	2.95%		
10-year, 2.30% notes due	2030	500.0	2.30%		
30-year, 4.00% notes due	2042	300.0	4.00%		
30-year, 4.40% notes due	2045	250.0	4.40%		
30-year, 4.55% notes due	2045	400.0	4.55%		
30-year, 4.50% notes due	2047	1,250.0	4.50%		
30-year, 3.80% notes due	2049	550.0	3.80%		
30-year, 3.30% notes due	2050	500.0	3.30%		
100-year, 7.45% notes due	2097	3.5	7.45%		
Promissory Notes	Various	2.2	2.54%		
Other ⁽²⁾		(67.9)	0.00%		
Total LT Debt				8,290.9	3.56%
Total Debt				9,109.0	3.27%

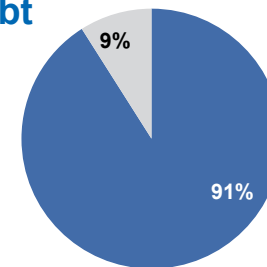
(1) Debt swapped to EUR fixed rate interest in Q1 2020

(2) "Other" long-term debt is comprised of unamortized premiums, discounts and issuance costs

Maturities of Long-Term Debt



Fixed vs. Floating Rate Debt



Adjustments to Segment Profit

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(\$ in millions)	Three Months Ended March 31, 2021					Consolidated
	The Americas Group	Consumer Brands Group	Performance Coatings Group	Admin		
Net external sales	\$ 2,503.1	\$ 778.1	\$ 1,374.3	\$ 0.5	\$	4,656.0
Segment profit (as reported)	\$ 480.0	\$ 143.7	\$ 143.8	\$ (258.5)	\$	509.0
<i>% of sales (as reported)</i>	<i>19.2%</i>	<i>18.5%</i>	<i>10.5%</i>	<i>NM</i>		10.9%
<u>Other adjustments</u>						
Loss on divestiture	-	-	-	111.9	\$	111.9
Pension plan settlement expense	-	-	-	-	\$	-
Total other adjustments	\$ -	\$ -	\$ -	\$ 111.9	\$	111.9
<u>Acquisition-related costs</u>						
Integration costs ⁽¹⁾	-	-	-	-	\$	-
Acquisition-related amortization ⁽²⁾	-	22.8	52.9	(0.1)	\$	75.6
Total acquisition-related costs	\$ -	\$ 22.8	\$ 52.9	\$ (0.1)	\$	75.6
Segment Profit (Adjusted)	\$ 480.0	\$ 166.5	\$ 196.7	\$ (146.7)	\$	696.5
<i>% of sales (as adjusted)</i>	<i>19.2%</i>	<i>21.4%</i>	<i>14.3%</i>	<i>NM</i>		15.0%

(1) Integration costs consist primarily of professional service expenses, salaries and other employee-related expenses dedicated directly to the integration effort, and severance expense. These costs are included in Selling, general and administrative and other expenses and Cost of goods sold.

(2) Acquisition-related amortization expense consists primarily of the amortization of intangible assets related to the Valspar acquisition.

Adjustments to Segment Profit

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(\$ in millions)	Three Months Ended March 31, 2020					Consolidated
	The Americas Group	Consumer Brands Group	Performance Coatings Group	Admin		
Net external sales	\$ 2,305.5	\$ 622.3	\$ 1,217.6	\$ 1.3	\$	4,146.7
Segment profit (as reported)	\$ 388.3	\$ 83.5	\$ 113.7	\$ (193.2)	\$	392.3
<i>% of sales (as reported)</i>	<i>16.8%</i>	<i>13.4%</i>	<i>9.3%</i>	<i>NM</i>		9.5%
<u>Other adjustments</u>						
Loss on divestiture	-	-	-	-	\$	-
Pension plan settlement expense	-	-	-	-	\$	-
Total other adjustments	\$ -	\$ -	\$ -	\$ -	\$	-
<u>Acquisition-related costs</u>						
Integration costs ⁽¹⁾	-	-	-	-	\$	-
Acquisition-related amortization ⁽²⁾	-	22.4	53.0	0.2	\$	75.6
Total acquisition-related costs	\$ -	\$ 22.4	\$ 53.0	\$ 0.2	\$	75.6
Segment Profit (Adjusted)	\$ 388.3	\$ 105.9	\$ 166.7	\$ (193.0)	\$	467.9
<i>% of sales (as adjusted)</i>	<i>16.8%</i>	<i>17.0%</i>	<i>13.7%</i>	<i>NM</i>		11.3%

(1) Integration costs consist primarily of professional service expenses, salaries and other employee-related expenses dedicated directly to the integration effort, and severance expense. These costs are included in Selling, general and administrative and other expenses and Cost of goods sold.

(2) Acquisition-related amortization expense consists primarily of the amortization of intangible assets related to the Valspar acquisition.

Adjustments to Segment Profit

SHERWIN-WILLIAMS®

(\$ in millions)	Three Months Ended March 31, 2019					Consolidated
	The Americas Group	Consumer Brands Group	Performance Coatings Group	Admin		
Net external sales	\$ 2,154.9	\$ 654.5	\$ 1,230.8	\$ 0.7	\$	4,040.9
Segment profit (as reported)	\$ 331.1	\$ 87.9	\$ 98.7	\$ (218.8)	\$	298.9
<i>% of sales (as reported)</i>	<i>15.4%</i>	<i>13.4%</i>	<i>8.0%</i>	<i>NM</i>		7.4%
<u>Other adjustments</u>						
Loss on divestiture	-	-	-	-	\$	-
Pension plan settlement expense	-	-	-	32.4	\$	32.4
Total other adjustments	\$ -	\$ -	\$ -	\$ 32.4	\$	32.4
<u>Acquisition-related costs</u>						
Integration costs ⁽¹⁾	-	-	-	9.3	\$	9.3
Acquisition-related amortization ⁽²⁾	-	22.9	54.1	-	\$	77.0
Total acquisition-related costs	\$ -	\$ 22.9	\$ 54.1	\$ 9.3	\$	86.3
Segment Profit (Adjusted)	\$ 331.1	\$ 110.8	\$ 152.8	\$ (177.1)	\$	417.6
<i>% of sales (as adjusted)</i>	<i>15.4%</i>	<i>16.9%</i>	<i>12.4%</i>	<i>NM</i>		10.3%

(1) Integration costs consist primarily of professional service expenses, salaries and other employee-related expenses dedicated directly to the integration effort, and severance expense. These costs are included in Selling, general and administrative and other expenses and Cost of goods sold.

(2) Acquisition-related amortization expense consists primarily of the amortization of intangible assets related to the Valspar acquisition.

Regulation G Reconciliation

Adjusted EPS

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	Three Months Ended March 31, 2021			Three Months Ended March 31, 2020			Three Months Ended March 31, 2019		
	Pre-Tax	Tax Effect ⁽¹⁾	After- Tax	Pre-Tax	Tax Effect ⁽¹⁾	After- Tax	Pre-Tax	Tax Effect ⁽¹⁾	After- Tax
Diluted net income per share			\$ 1.51			\$ 1.15			\$ 0.87
Loss on divestiture	0.41	0.07	0.34	-	-	-	-	-	-
Pension plan settlement expense	-	-	-	-	-	-	0.12	0.03	0.09
Total other adjustments	\$ 0.41	\$ 0.07	\$ 0.34	\$ -	\$ -	\$ -	\$ 0.12	\$ 0.03	\$ 0.09
Integration costs ⁽²⁾	-	-	-	-	-	-	0.03	0.01	0.03
Acquisition-related amortization expense ⁽³⁾	0.28	0.07	0.21	0.27	0.06	0.21	0.27	0.06	0.21
Total acquisition-related costs	\$ 0.28	\$ 0.07	\$ 0.21	\$ 0.27	\$ 0.06	\$ 0.21	\$ 0.31	\$ 0.07	\$ 0.24
Adjusted diluted net income per share			\$ 2.06			\$ 1.36			\$ 1.20

(1) The tax effect is calculated based on the statutory rate and the nature of the item, unless otherwise noted.

(2) Integration costs consist primarily of professional service expenses, salaries and other employee-related expenses dedicated directly to the integration effort, and severance expense. These costs are included in Selling, general and administrative and other expenses and Cost of goods sold.

(3) Acquisition-related amortization expense consists primarily of the amortization of intangible assets related to the Valspar acquisition and is included in Amortization.

Regulation G Reconciliation

Adjusted EBITDA

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<i>(\$ in millions)</i>	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Net income	\$ 409.6	\$ 321.7	\$ 245.2
Interest expense	83.2	86.2	91.0
Income taxes	99.4	70.6	53.7
Depreciation	65.4	66.5	64.7
Amortization	79.2	78.1	78.8
EBITDA	<u>\$ 736.8</u>	<u>\$ 623.1</u>	<u>\$ 533.4</u>
Loss on divestiture	111.9	-	-
Pension plan settlement	-	-	32.4
Integration costs ⁽¹⁾	-	-	9.3
Adjusted EBITDA	<u>\$ 848.7</u>	<u>\$ 623.1</u>	<u>\$ 575.1</u>
% to net sales:			
EBITDA	15.8%	15.0%	13.2%
Adjusted EBITDA	18.2%	15.0%	14.2%
Net sales for EBITDA % calculation	\$ 4,656.0	\$ 4,146.7	\$ 4,040.9

(1) Integration costs consist primarily of professional service expenses, salaries and other employee-related expenses dedicated directly to the integration effort, and severance expense. These costs are included in Selling, general and administrative and other expenses and Cost of goods sold.