



SHERWIN-WILLIAMS.

OPERATING SEGMENTS ADJUSTMENTS TO OPERATING PROFIT

4Q & FULL YEAR 2018

Consolidated



	CONSOLIDATED					
	THREE MONTH ENDED 12/31			YEAR ENDED 12/31		
	2018	2017 ⁽¹⁾	% change	2018	2017 ⁽¹⁾	% change
Consolidated Sales	4,064,221	3,979,564	2.1%	17,534,493	14,983,788	17.0%
Consolidated Profit, <i>As Reported</i> % to Sales	102,025 2.5%	225,980 5.7%	-54.9%	1,359,650 7.8%	1,469,310 9.8%	-7.5%
Integration Costs	57,800	62,700		157,670	139,060	
Purchase Accounting	79,700	74,900		326,700	290,700	
<u>Accounting Change⁽¹⁾</u>	<u>-</u>	<u>58,910</u>		<u>-</u>	<u>58,910</u>	
Total Acquisition Costs	137,500	196,510		484,370	488,670	
Non - Operating Charges	173,552			341,612		
Consolidated Profit, <i>Adjusted</i> % to Sales	413,077 10.2%	422,490 10.6%	-2.2%	2,185,632 12.5%	1,957,980 13.1%	11.6%

(1) 4Q & Full Year 2017 are revised for voluntary inventory accounting change.

The Americas Group



	THE AMERICAS GROUP					
	THREE MONTH ENDED 12/31			YEAR ENDED 12/31		
	2018	2017	% change	2018	2017	% change
Segment Sales	2,254,004	2,188,622	3.0%	9,625,139	9,117,279	5.6%
Segment Profit, <i>As Reported</i>	413,376	405,978	1.8%	1,898,403	1,769,466	7.3%
% to Sales	18.3%	18.5%		19.7%	19.4%	
Purchase Accounting	-	-		-	-	
<u>Accounting Change</u>	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	
Total Acquisition Costs	N/A	N/A		N/A	N/A	
Segment Profit, <i>Adjusted</i>	413,376	405,978	1.8%	1,898,403	1,769,466	7.3%
% to Sales	18.3%	18.5%		19.7%	19.4%	

Consumer Brands Group



	CONSUMER BRANDS GROUP					
	THREE MONTH ENDED 12/31			YEAR ENDED 12/31		
	2018	2017 ⁽¹⁾	% change	2018	2017 ⁽¹⁾	% change
Segment Sales	534,385	571,581	-6.5%	2,739,053	2,154,729	27.1%
Segment Profit, <i>As Reported</i>	11,996	408		261,068	202,813	28.7%
% to Sales	2.2%	0.1%		9.5%	9.4%	
Purchase Accounting	24,500	32,800		110,900	107,600	
<u>Accounting Change⁽¹⁾</u>	<u>-</u>	<u>23,200</u>		<u>-</u>	<u>23,200</u>	
Total Acquisition Costs	24,500	56,000		110,900	130,800	
Segment Profit, <i>Adjusted</i>	36,496	56,408	-35.3%	371,968	333,613	11.5%
% to Sales	6.8%	9.9%		13.6%	15.5%	

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Performance Coatings Group



	PERFORMANCE COATINGS GROUP					
	THREE MONTH ENDED 12/31			YEAR ENDED 12/31		
	2018	2017 ⁽¹⁾	% change	2018	2017 ⁽¹⁾	% change
Segment Sales	1,274,701	1,218,250	4.6%	5,166,380	3,706,134	39.4%
Segment Profit, <i>As Reported</i> % to Sales	112,261 8.8%	83,710 6.9%	34.1%	452,089 8.8%	262,782 7.1%	72.0%
Purchase Accounting	55,200	42,100		215,800	183,100	
<u>Accounting Change⁽¹⁾</u>	<u>-</u>	<u>35,700</u>		<u>-</u>	<u>35,700</u>	
Total Acquisition Costs	55,200	77,800		215,800	218,800	
Segment Profit, <i>Adjusted</i> % to Sales	167,461 13.1%	161,510 13.3%	3.7%	667,889 12.9%	481,582 13.0%	38.7%

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Administrative



	ADMINISTRATIVE					
	THREE MONTH ENDED 12/31			YEAR ENDED 12/31		
	2018	2017	% change	2018	2017	% change
Segment Sales	1,131	1,111	1.8%	3,291	5,646	-30.6%
Segment Profit, <i>As Reported</i> % to Sales	(435,608)	(264,116)	64.9%	(1,251,910)	(765,751)	63.5%
Integration Costs	57,800	62,700		157,670	139,060	
Purchase Accounting	-	-		-	-	
<u>Accounting Change</u>	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	
Total Acquisition Costs	57,800	62,700		157,670	139,060	
California Litigation Expense	-			136,333		
Environmental Expense	135,904			167,631		
Pension Expense	<u>37,648</u>			<u>37,648</u>		
Non -Operating Charges	173,552			341,612		
Segment Profit, <i>Adjusted</i> % to Sales	(204,256)	(201,416)	-1.4%	(752,628)	(626,691)	-20.1%