CONSOLIDATED OPERATING STATEMENT

THE GLIDDEN COMPANY - CLEVELAND, AND SUBSIDIARIES
OTHER THAN CALIFORNIA MINING COMPANIES

For the fiscal year ended October 31, 1930.

INCOME				
SALES (excluding inter-company and subsidiary sales and transfers)			$38,651,257.20	
LESS:				
Returns, allowances and freight adjustments		$ 1,676,543.85		
Discount allowed on sales		351,701.00		
Freight and express		188,959.74	2,217,204.59	
			NET SALES	$36,434,052.61
COST OF SALES				
Inventory October 31, 1929	$ 8,640,114.45			
Purchases	22,795,874.79	$31,435,989.24		
LESS:				
Inventory October 31, 1930	$ 7,694,341.51			
Discount on purchases	87,930.35	7,782,271.86	$23,653,717.38	
Direct labor			1,531,132.78	
Manufacturing expense (as shown by exhibit)		$ 3,613,849.49		
Less: Labor, material and expense capitalized or redistributed		377,881.99	3,235,967.50	28,420,817.66
		MANUFACTURING PROFIT		$ 8,013,234.95
EXPENSE				
SELLING, GENERAL AND ADMINISTRATIVE				
As shown by exhibit				6,698,627.37
				$ 1,314,607.58
OTHER DEDUCTIONS				
Provision for doubtful accounts, less recoveries on accounts previously charged off		$ 336,359.43		
Interest paid		297,721.11		
Depreciation on steel drums		36,890.14		
Loss sustained on disposal of capital assets-net		35,674.63		
Bond discount and expense		19,501.93		
Loss on leasehold-net		10,656.67		
Donations		10,289.57		
Life insurance expense		7,722.55		
Provision for Canadian taxes		5,700.00		
Depletion-ore land-Democrat mine		4,533.26		
Depreciation on patents-Euston Lead Co.		2,941.20		
Miscellaneous		10,365.67	$ 778,356.16	
LESS: OTHER INCOME				
Interest earned		$ 48,751.64		
Commissions earned		18,510.52		
Miscellaneous		41,431.92	108,694.08	
		OTHER DEDUCTIONS-NET		669,662.08
		PROFIT BEFORE PROVIDING FOR DEPRECIATION		$ 644,945.50
PROVISION FOR DEPRECIATION				633,579.76
			NET PROFIT	$ 11,365.74

GLD014711

BALANCE SHEET

- CLEVELAND, AND SUBSIDIARIES

October 31, 1926.

LIABILITIES

CURRENT				
Notes Payable-For Money Borrowed:				
From Banks		$ 600,000.00		
Through Brokers		250,000.00	$ 850,000.00	
Notes Payable-For Purchase of Property and for acquisition of Subsidiary Company			73,333.34	
Accounts Payable			897,914.76	
Customers' Credit Balances and Miscellaneous Accounts			63,374.77	
Accrued Taxes, Bond Interest, Insurance, Royalties, etc.			172,194.76	$2,056,817.63
RESERVE FOR ESTIMATED FEDERAL TAXES				268,000.00
DEFERRED				
Note given in connection with acquisition of Subsidiary Company				180,000.00
BOND AND MORTGAGE INDEBTEDNESS				
FIRST MORTGAGE 6% GOLD BONDS				
The Glidden Company:				
Authorized		$3,000,000.00		
Less: Retired		100,000.00	$2,900,000.00	
(Series of $100,000.00 due September 1, 1927)				
The Chemical & Pigment Company, Inc.				
Collinsville Plant:				
Authorized and Issued			350,000.00	
(First Series of $35,000.00 due April 15, 1928)				
Euston Lead Company:				
Authorized		$ 160,000.00		
Less: Retired		16,000.00	144,000.00	
(Series of $16,000.00 due August 1, 1927)				
FIRST 6% MORTGAGE				
The Glidden Company of California, Oakland Plant, Due September 10, 1928			190,000.00	3,584,000.00
RESERVE				
For General Contingencies				687,818.41
CAPITAL STOCK-MINORITY INTEREST				
(The Glidden Stores Company)				12,605.00
CAPITAL STOCK (The Glidden Company)				
PRIOR PREFERENCE 7% CUMULATIVE				
Authorized	75,000 shares	$7,500,000.00		
Less: Unissued and Retired	3,337 "	333,700.00	$7,166,300.00	
COMMON (No Par Value)				
Authorized	500,000 shares			
Issued	400,000 "			
Declared Value of $5.00 per share			2,000,000.00	9,166,300.00
SURPLUS				
Balance October 31, 1926				5,580,658.35
				$21,536,199.39

OTHER DEDUCTIONS-OTHER INCOME

THE GLIDDEN COMPANY - CLEVELAND, AND SUBSIDIARIES

For the fiscal year ended October 31, 1926.

OTHER DEDUCTIONS		
Interest on Notes Payable	$ 123,272.55	
Interest on Mortgage Bonds	196,901.86	
Doubtful Accounts Receivable charged off-Net	119,130.33	
Provision for Doubtful Accounts	1,341.16	
Special Discount Allowed	4,733.15	
Bond Discount and Expense-Amortized Portion	14,155.68	
Bond Discount and Expense-Amortized Portion, Euston Lead Co.	1,559.97	
Bond Premium and Expense	34.00	
Depreciation on Steel Drums	43,310.72	
Insurance Premiums on lives of Companies' Officers	36,153.06	
Loss sustained on disposal of Permanent Assets-Net	15,357.04	
Donations	7,796.46	
Linseed Oil Mill Property Expense	5,602.15	
Reducing to nominal value of $1.00, investment in Tung Tree development project	4,999.00	
St. Louis Oil Mill Accounts charged off	4,276.13	
Depreciation on Patents-Euston Lead Co.	2,941.19	
Miscellaneous Accounts charged off-Net	1,666.58	
Claims against Common Carriers charged off	38.36	
Adjustment of Accounts Receivable Control-Net	5.40	
Miscellaneous	966.36	
TOTAL OTHER DEDUCTIONS		$ 584,241.15
LESS: OTHER INCOME		
Interest Earned	$ 30,283.13	
Interest Earned on California Zinc Co.-Bonds	19,500.00	
Excess of recoveries on fire losses over book values of property destroyed	9,251.65	
Rentals Received	2,794.19	
Commissions Earned	2,483.92	
Recoveries on Miscellaneous Accounts and Claims against Common Carriers	2,034.24	
Scrap and Miscellaneous Sales	1,087.22	
Unclaimed Wages Absorbed	304.39	
Cash Overages-Net	198.42	
Adjustment of General Ledger Trial Balance, A. Wilhelm Company	100.00	
Interest Earned on Domestic Bonds	34.50	
TOTAL OTHER INCOME		68,071.66
OTHER DEDUCTIONS-NET AS SHOWN BY OPERATING STATEMENT		$ 516,169.49

GLD014713

BALANCE SHEET

CLEVELAND, AND SUBSIDIARIES

October 31, 1925.

LIABILITIES			
CAPITAL STOCK (The Glidden Company)			
PRIOR PREFERENCE-7% CUMULATIVE			
Authorized $7,500,000.00			
Shares Issued	$7,192,000.00		
Scrip Certificates	9,300.00	$7,201,300.00	
COMMON (No Par Value)			
Authorized 500,000 shares			
Issued 400,000 shares			
Declared value-$5.00 per share		2,000,000.00	$ 9,201,300.00
CURRENT			
Notes Payable-For Money Borrowed:			
From Banks	$ 950,000.00		
Through Brokers	250,000.00	$1,200,000.00	
Accounts Payable		959,620.48	
Customers' Credit Balances and Miscellaneous Notes and Accounts		74,197.61	
Accrued Taxes, Bond Interest, Insurance, Royalties, etc.		164,707.93	2,398,526.02
DEFERRED			
Note given in connection with acquisition of Subsidiary Company			240,000.00
RESERVE			
For Federal Income Taxes and for Contingencies, etc.			363,134.87
BONDED INDEBTEDNESS			
The Glidden Company:			
First Mortgage 6% Serial Gold Bonds Authorized and Issued (First Series of $100,000.00 due September 1, 1926)		$3,000,000.00	
Euston Lead Company:			
First Mortgage 6% Serial Gold Bonds Authorized and Issued (Due $16,000.00 annually beginning August 1, 1926)		160,000.00	3,160,000.00
CAPITAL STOCK-MINORITY INTEREST (The Glidden Stores Company)			14,620.00
SURPLUS			
Balance October 31, 1925			5,429,394.08
			$20,806,974.97

(Note A) The provision made for Taxes is subject to any necessary adjustment upon determination of the Companies' final liability therefor.

(Note B) This Balance Sheet is subject to the comments contained in our "Certificate", included in and made a part of this report.

GLD014714

OTHER DEDUCTIONS-OTHER INCOME

THE GLIDDEN COMPANY - CLEVELAND, AND SUBSIDIARIES

For the fiscal year ended October 31, 1925.

OTHER DEDUCTIONS		
Interest on Notes Payable	$ 150,743.96	
Interest on Mortgage Bonds	204,010.75	
Doubtful Accounts Receivable charged off-Net	110,214.58	
Provision for Doubtful Accounts	1,299.85	
Provision for Special Discounts	6,904.47	
Bond Discount and Expense-Amortized Portion	31,050.16	
Depreciation on Steel Drums	42,752.12	
Insurance Premiums on lives of Companies' Officers	26,309.05	
Loss sustained on disposal of Permanent Assets-Net	17,202.69	
Donations	6,947.05	
Writing off Book Value of Dipping Machine	3,874.18	
Depreciation on Patents-Euston Lead Co.	2,941.18	
Loss sustained on sales of Raw Materials	1,103.49	
Plant Moving Expense	825.60	
Claims against Common Carriers charged off	211.35	
Miscellaneous Accounts charged off	372.96	
TOTAL OTHER DEDUCTIONS		$ 606,763.44
LESS: OTHER INCOME		
Interest Earned	$ 19,376.36	
Scrap and Miscellaneous Sales	5,138.03	
Excess of recoveries on fire losses over book values of property destroyed	5,488.08	
Rentals Received	4,331.20	
Commissions Earned	2,179.95	
Credit Balances absorbed	3,422.66	
Recoveries on Miscellaneous Accounts and Claims Against Common Carriers	2,043.13	
Miscellaneous	179.16	
TOTAL OTHER INCOME		42,158.57
OTHER DEDUCTIONS-NET AS SHOWN BY OPERATING STATEMENT		$ 564,604.87

BALANCE SHEET

- CLEVELAND, AND SUBSIDIARIES

October 31, 1924.

LIABILITIES

CAPITAL STOCK (The Glidden Company)				
PRIOR PREFERENCE-7% CUMULATIVE				
Authorized	$7,500,000.00			
Shares Issued		$6,896,400.00		
Interim Certificates and Scrip		208,720.00	$7,105,120.00	
PREFERRED-7% CUMULATIVE				
Issued and Outstanding			70,500.00	
COMMON (NO PAR VALUE)				
Authorized 360,000 shares				
Issued 322,955 shares				
Declared Value			1,614,775.00	$ 8,790,395.00
CURRENT				
Notes Payable-For Money Borrowed				
From Banks		$ 875,000.00		
Through Brokers		775,000.00	$1,650,000.00	
Accounts Payable			793,292.56	
Customers' Credit Balances and Miscellaneous			110,617.50	
Accrued Local Taxes, Bond Interest, Insurance, Royalties, etc.			175,829.62	2,729,739.68
DEFERRED				
Notes given in connection with acquisition of Subsidiary Company and purchase of property				250,096.28
RESERVES				
For Federal Income Taxes and for Contingencies, etc.			$ 223,538.72	
For adjustment of dividends on Preferred Stock not yet exchanged for Prior Preference Stock			13,937.85	237,476.57
BONDED INDEBTEDNESS				
The Glidden Company-First Mortgage 8% Sinking Fund Gold Bonds:				
Authorized		$3,350,000.00		
Less:				
Bonds Retired	$480,000.00			
Held for Retirement	2,500.00	482,500.00	$2,867,500.00	
Euston Lead Company-First Mortgage 6% Sinking Fund 20 year Bonds:				
Authorized and Issued			200,000.00	3,067,500.00
CAPITAL STOCK-MINORITY INTEREST				
(The Glidden Stores Company)				28,770.00
SURPLUS				
Balance October 31, 1924				3,084,803.06
				$18,188,780.59

GLD014716

	THE GLIDDEN COMPANY CLEVELAND	
SURPLUS-DEFICIT October 31, 1923 as shown by Audit Report		$3,464,870.59
DEDUCTIONS		
Par Value of 7% Prior Preference Stock issued in payment of accrued dividends on 7% Cumulative Preferred Stock covering the period from January 1, 1922 to April 13, 1924	$ 924,264.00	
Dividends paid on Prior Preference stock during the current fiscal year	220,821.36	
Provision for adjustment of dividends on Preferred stock not exchanged at October 31, 1924 for Prior Preference stock	13,937.85	
Elimination of appreciation on property sold during the fiscal year ended October 31, 1924	170,408.95	
Writing off excess of original subscription price over declared value of $5.00 per share on 2,151 shares of common no par value stock of The Glidden Company due to cancelling during current year notes for employees' stock subscriptions	53,775.00	
Excess of purchase price over declared value of $5.00 per share on 8 shares of common no par value stock of The Glidden Stores Company acquired by The Glidden Company during the fiscal year ended October 31, 1924	35.00	
Preferred Dividends paid by The Glidden Stores Company (Funds advanced therefor by The Glidden Company)	-o-	
Provision for Contingencies, etc.	25,000.00	
TOTAL DEDUCTIONS	$1,408,242.16	
ADDITIONS		
Net Profit-Loss from operations for the fiscal year ended October 31, 1924	$1,034,620.76	
Increasing to par value of $100.00 per share 9,578 shares of 7% Preferred Stock of The Glidden Company acquired by the Company for retirement at prices below par	221,768.80	
Dividends received on Preferred Stock Owned of The Glidden Stores Company	32,865.00	
Excess of value recorded over declared value of $5.00 per share on 2,151 shares of no par value common stock of The Glidden Company issued in exchange for a like number of shares of no par value common stock of The Euston Lead Company on the basis of $10.00 per share	10,755.00	
Partial payments and balances absorbed in connection with cancellation of employees' subscriptions to no par value common stock of The Glidden Company	3,269.89	
Increasing to par value of $100.00 per share, 40 shares of 7% Preferred Stock of The Glidden Stores Company acquired by The Glidden Company during the fiscal year ended October 31, 1924	1,000.00	
Refund received on prior years' Federal Taxes:		
Glidden Company of St. Paul	537.73	
Heath & Milligan Manufacturing Company-Chicago	252.82	
TOTAL ADDITIONS	$1,305,070.00	
NET DEDUCTIONS		103,172.16

GLD014718

CLEVELAND, AND SUBSIDIARIES

1924.

THE GLIDDEN COMPANY, LTD. TORONTO, CANADA		THE GLIDDEN STORES COMPANY CLEVELAND		C O M B I N E D	
	$ 32,808.89		$ 253,372.46		$3,178,689.24
$ -0-		$ -0-		$ 924,264.00	
				220,821.36	
-0-		-0-		13,937.85	
-0-		-0-		170,408.95	
-0-		-0-		53,775.00	
-0-		-0-		35.00	
-0-		35,000.00		35,000.00	
-0-		-0-		25,000.00	
$ -0-		$ 35,000.00		$1,443,242.16	
$ 56,360.97		$ 12,074.99		$1,078,906.74	
-0-		-0-		221,768.80	
-0-		-0-		32,865.00	
-0-		-0-		10,755.00	
-0-		-0-		3,269.89	
-0-		-0-		1,000.00	
-0-		-0-		537.73	
-0-		-0-		252.82	
$ 56,360.97		$ 12,074.99		$1,349,355.98	
	56,360.97		47,074.99		93,886.18
	$ 23,552.08		$ 300,447.45		$3,084,803.06

GLD014719

SHEET

LIMITED - TORONTO, CANADA

October 31, 1923.

LIABILITIES

CURRENT			
ACCOUNTS PAYABLE			
For Purchases, Expenses, etc.	$ 3,695.11		
Accrued Pay Roll	1,394.08		
Bank Overdraft	1,660.61		
Customers' Credit Balances	2,192.62		
Salesmen's Commissions	400.00	$ 9,342.42	
DUE AFFILIATED COMPANY			
The Glidden Company, Cleveland, Ohio-Net		357,716.82	$ 367,059.24
NOMINAL			
CAPITAL STOCK			
Authorized and Issued		$ 350,000.00	
DEFICIT			
Deficit October 31, 1922	34,820.56		
Net Profit from Operations for the year ended October 31, 1923	2,011.67	32,808.89	317,191.11
			$ 684,250.35

GLD014720

(Note A) This Balance Sheet is subject to the comments contained in our "Certificate", included in and made a part of this report.

ADJUSTMENTS APPLICABLE TO PRIOR PERIOD

THE GLIDDEN COMPANY - CLEVELAND

October 31, 1923.

CREDITS

Inventory value of Advertising Stock, etc., of Campbell Paint & Varnish Division at October 31, 1922, not recorded on books at the date named	$ 31,034.79	
Adjustment of local taxes applicable to prior period:		
Glidden Company of St. Paul	4,704.81	
Glidden Company of Massachusetts	859.44	
Excess of provision for bonuses, etc., for period ended October 31, 1922, over amounts subsequently expended therefor:		
A. Wilhelm Division	2,246.37	
Glidden Company of St. Paul	750.00	
Adjustment of Steel Drum Inventory Account, Adams & Elting Division	3,130.40	
Refund received on prior years' Federal Taxes Campbell Paint & Varnish Division	472.13	
Miscellaneous Adjustments applicable to prior period:		
Forest City Paint & Varnish Division	1,052.27	
A. Wilhelm Division	835.19	$ 45,085.40

CHARGES

Charging off proportion of net operating loss of Mound City Linseed Oil Company for the period from July 31st to October 31, 1922, previously charged, in accordance with operating agreement, to Manager of Mound City Linseed Oil Company	$ 12,041.14	
Corrections applicable to October 31, 1922, Inventories	4,318.12	
Rental of Brooklyn, New York storage site-used by Adams & Elting Division-applicable to prior periods	2,500.00	
Adjustment of Purchase Discounts applicable to prior period	1,570.72	20,429.98
	NET CREDIT	$ 24,655.42

GLD014721

CONSOLIDATED

THE GLIDDEN COMPANY

October 31st,

	THE GLIDDEN COMPANY CLEVELAND	
SURPLUS-DEFICIT December 31st, 1921 - as shown by Audit Report		$2,074,562.73
ADJUSTMENTS		
CHARGES		
Corrections applicable to December 31st, 1921 Inventories	$ -o-	
Local taxes paid for year 1921 in excess of provision made therefor:		
Adams & Elting Company - Chicago	12,626.61	
Linseed Oil Plant - St Louis	1,422.78	
TOTAL CHARGES	$ 14,049.39	
CREDITS		
Recording inventory of Steel Drums	$ -o-	
Net Refund received on Federal Taxes paid for the year 1917	2,933.56	
Miscellaneous adjustments-net-applicable to the year 1921 - Campbell Paint & Varnish Company, St Louis	2,683.82	
TOTAL CREDITS	$ 5,617.38	
NET CHARGES		8,432.01
ADJUSTED SURPLUS-DEFICIT DECEMBER 31ST, 1921		$2,066,130.72
CURRENT TRANSACTIONS		
ADDITIONS		
Dividends received on Preferred Stock owned of The Glidden Stores Company	$ 24,491.25	
Net Profit-Loss for the ten months' period ended October 31st, 1922	205,698.80	
TOTAL ADDITIONS	$ 230,190.05	
DEDUCTION		
Preferred Dividends paid by The Glidden Stores Company (Funds advanced therefor by The Glidden Company)	$ -o-	
TOTAL DEDUCTION	$ -o-	
NET ADDITIONS		230,190.05
SURPLUS-DEFICIT OCTOBER 31ST, 1922		$2,296,320.77

GLD014722

ED SURPLUS

TY - CLEVELAND, AND SUBSIDIARIES

, 1922.

	THE GLIDDEN COMPANY, LTD. TORONTO - CANADA		THE GLIDDEN STORES COMPANY CLEVELAND		COMBINED	
3		$ 39,318.51		$ 148,408.61		$1,886,835.61
	$ 7,714.79		$ -o-		$ 7,714.79	
	-o-		-o-		12,626.61	
	-o-		-o-		1,422.78	
	$ 7,714.79		$ -o-		$ 21,764.18	
	$ 1,849.50		$ -o-		$ 1,849.50 ✓	
	-o-		-o-		2,933.56 ✓	
	-o-		-o-		2,683.82 ✓	
	$ 1,849.50		$ -o-		$ 7,466.88	
		5,865.29		-o-		14,297.3
		$ 45,183.80		$ 148,408.61		$1,872,538.3
	$ -o-		$ -o-		$ 24,491.25	
	10,363.24		23,337.14		192,724.90	
	$ 10,363.24		$ 23,337.14		$ 217,216.15	
	$ -o-		$ 26,250.00		$ 26,250.00	
	$ -o-		$ 26,250.00		$ 26,250.00	
		$ 10,363.24		49,587.14		$ 190,966.1
		$ 34,820.56		$ 197,995.75		$2,063,504.4

GLD014723

SURPLUS-DEFICIT

THE GLIDDEN COMPANY, LIMITED - TORONTO, CANADA.

December 31st, 1921.

	UNEARNED SURPLUS	PROFIT & LOSS SURPLUS-DEFICIT	COMBINED
SURPLUS-DEFICIT December 31st, 1920 - as shown by Audit Report	$ 89,709.83	$ 1,383.78	$ 88,326.05
ADJUSTMENTS			
Duty refunds applicable to prior period	-o-	1,461.37	1,461.37
Adjustment of duplicate charge to Machinery and Equipment Account for paint mill installed in 1920	-o-	1,150.75	1,150.75
ADJUSTED SURPLUS-DEFICIT DECEMBER 31ST, 1920	$ 89,709.83	$ 1,073.16	$ 88,636.67
CURRENT CHARGES			
Portion of depreciation charged off during current year applicable to Unearned Surplus	$ 3,869.75	$ -o-	$ 3,869.75
Net Loss for year ended December 31st, 1921	-o-	124,085.43	124,085.43
	$ 3,869.75	$ 124,085.43	$ 127,955.18
SURPLUS-DEFICIT DECEMBER 31ST, 1921	$ 85,840.08	$ 125,158.59	$ 39,318.51

GLD014724

CONSOLIDATED SURPLUS

THE GLIDDEN COMPANY - CLEVELAND, AND SUBSIDIARIES

December 31st, 1921.

	The Glidden Company Cleveland		The Glidden Company, Ltd. Toronto, Canada.		The Glidden Stores Company Cleveland		C O M B I N E D	
SURPLUS December 31st, 1920 - as shown by Audit Report		$4,961,306.54		$ 88,326.05		$ 1,279.18		$5,050,911
ADJUSTMENTS								
CHARGES								
Corrections applicable to December 31st, 1920 Inventories	$ 36,631.82		$ -0-		$ -0-		$ 36,631.82	
Miscellaneous Expenses-Net-Cleveland Division applicable to year 1920	734.73		-0-		-0-		734.73	
Miscellaneous Expenses-Net-A. Wilhelm Division applicable to year 1920, in excess of reserve of $10,000.00 provided therefor at December 31st, 1920	9,271.54		-0-		-0-		9,271.54	
Loss in settlement with former stockholders of Campbell Paint & Varnish Co., on accounts receivable guaranteed by them	2,200.76		-0-		-0-		2,200.76	
Correction of duplicate charges to Permanent Accounts-Year 1920	1,625.00		1,150.75		-0-		2,775.75	
Correction of entry recording par value of four shares Glidden Stores Co. Preferred Stock December 31st, 1920	400.00		-0-		-0-		400.00	
TOTAL CHARGES	$ 50,863.85		$ 1,150.75		$ -0-		$ 52,014.60	
CREDITS								
Special discounts received on material purchases applicable to year 1920	$ 26,363.46		$ -0-		$ 2,715.47		$ 29,078.93	
Miscellaneous Credits applicable to year 1920 Campbell Paint & Varnish Division	771.64		-0-		-0-		771.64	
Proceeds from Life Insurance Policy sold	-0-		-0-		878.00		878.00	
Duty refunds applicable to year 1920			1,461.37		-0-		1,461.37	
TOTAL CREDITS	$ 27,135.10		$ 1,461.37		$ 3,593.47		$ 32,189.94	
NET CHARGES-CREDITS		23,728.75		310.62		3,593.47		19,824.
ADJUSTED SURPLUS DECEMBER 31ST, 1920		$4,937,577.79		$ 88,636.67		$ 4,872.65		$5,031,087.
CURRENT TRANSACTIONS								
ADDITIONS								
Portion of Cash Surrender Value Life Insurance Policies	$ 8,064.00		$ -0-		$ -0-		$ 8,064.00	
Dividends received on Preferred Stock owned of The Glidden Stores Co.	32,648.00		-0-		-0-		32,648.00	
Excess of declared value of $5.00 per share on Common Stock issued during the year 1921	750.00		-0-		-0-		750.00	
TOTAL ADDITIONS	$ 41,462.00		$ -0-		$ -0-		$ 41,462.00	
DEDUCTIONS								
Net Loss for the year ended December 31st, 1921	$2,372,925.62		$ 124,085.43		$ 118,281.26		$2,615,292.31	
Proportion of depreciation on Permanent Assets charged off during the year 1921 applicable to Appreciation	58,618.70		3,869.75		-0-		62,488.45	
Preferred Dividends Paid-Net	472,932.74		-0-		35,000.00		507,932.74	
TOTAL DEDUCTIONS	$2,904,477.06		$ 127,955.18		$ 153,281.26		$3,185,713.50	
NET DEDUCTIONS		2,863,015.06		127,955.18		153,281.26		3,144,251.5
SURPLUS-DEFICIT-DECEMBER 31ST, 1921		$2,074,562.73		$ 39,318.51		$ 148,408.61		$1,886,335.6

BALANCE SHEET

- CLEVELAND AND SUBSIDIARIES

December 31st, 1920.

LIABILITIES				
CURRENT				
NOTES & LOANS PAYABLE				
For Borrowed Money		$5,170,000.00		
For Purchase of properties, payments due during the year 1921		134,156.25		
Installment on Land Contract due May 1st, 1921		19,000.00		
Cash advanced on Employees' Notes for Capital Stock Subscriptions (Contra)		157,916.60	$5,481,072.85	
ACCOUNTS PAYABLE				
For Purchases, Expenses, etc.		$ 751,060.72		
Unpaid Pay Rolls, Commissions, Bonuses, etc.		90,484.70	841,545.42	
ACCRUED				
Local Taxes, etc.		$ 156,561.11		
Interest		10,884.08	167,445.19	
MORTGAGE PAYABLE				
Mortgage of Subsidiary Company due Aug. 15-1921			25,000.00	
DIVIDENDS				
Preferred Dividend-The Glidden Company payable January 3rd, 1921		$ 110,915.00		
Common Dividend-The Glidden Company, evidenced by Scrip payable October 1st, 1921		160,753.50		
Preferred Dividend-The Glidden Stores Co. payable January 3rd, 1921		8,750.00	280,418.50	
RESERVE				
For Federal Taxes & Contingencies			40,436.39	$ 6,835,918.35
DEFERRED				
Note given in connection with acquisition of Capital Stock of Subsidiary Company			$ 540,000.00	
Land Contract installments payable subsequent to year 1921			57,000.00	
Notes for properties purchased, installments due subsequent to year 1921			154,096.28	751,096.28
NOMINAL				
CAPITAL STOCK-MINORITY INTEREST (THE GLIDDEN STORES CO.)				
PREFERRED-7% CUMULATIVE				
Authorized and Issued		$ 500,000.00		
Less: Amount owned by The Glidden Co.		440,500.00	$ 59,500.00	
COMMON (NO PAR VALUE)				
Authorized 10,000 shares Declared Value		$ 50,000.00		
Less:				
Held in Treasury	$ 25,000.00			
Owned by The Glidden Co.	24,190.00	49,190.00	810.00	60,310.00
CAPITAL STOCK (THE GLIDDEN COMPANY)				
PREFERRED-7% CUMULATIVE				
Authorized		$7,500,000.00		
Unissued		721,900.00	$6,778,100.00	
COMMON (NO PAR VALUE)				
Authorized 360,000 shares Issued 322,845 shares-Declared value		$1,614,225.00		
SURPLUS		5,102,319.09	6,716,544.09	13,494,644.09
				$21,141,968.72

(Note B) This Balance Sheet is subject to the comments contained in our "Introductory Letter", included in and made a part of this report.

OTHER DEDUCTIONS - OTHER INCOME

THE GLIDDEN COMPANY - CLEVELAND, AND SUBSIDIARIES

For the year ended December 31st, 1920.

OTHER DEDUCTIONS

Interest Paid	$ 311,783.44	
Bad Accounts charged off and provided for-Net	88,015.43	
Lease Rental in Connection with operation of A. Wilhelm Company	34,811.80	
Loss incurred in disposal of Permanent Assets-Net	22,788.13	
Loss on Sales of Raw Materials to Subsidiary Companies, Brokers, etc.-Net	34,075.90	
Loss sustained on Crude Oil Resales-Margarine Plant	65,699.61	
Loss incurred through tank leakages-Margarine Plant	12,796.24	
Life Insurance Premiums	12,228.75	
Donations	8,215.87	
Loss on sale of U. S. Government Securities	5,895.46	
Claims against Common Carriers charged off	4,979.80	
Adjustment-Accounts Receivable-Net	782.09	
Adjustment of Cash Shortages and Overages-Net	261.02	
Provisions for Contingencies	10,200.00	
Miscellaneous	324.82	
TOTAL OTHER DEDUCTIONS		$ 612,858.36

LESS: OTHER INCOME

Interest Earned	$ 53,234.69	
Recovery on Fire Insurance in excess of Book Value of Property destroyed	40,326.49	
Profit realized through sale of Contract for Operating Plants of Yaryan Rosin & Turpentine Company	200,000.00	
Settlement received through Abrogation of Purchase Contract	6,000.00	
Special rebate on Purchases-Glidden Stores Company	12,014.66	
Sales of Scrap, Drums, etc.	4,506.86	
Rentals received	1,197.50	
Interest Received-Corporation Bonds	192.00	
Interest Received-U. S. & Canadian Government Bonds	986.21	
Dividends Received-Miscellaneous Stocks	467.70	
Dividends Received-Subsidiary Company	4,500.00	
Profit on sale of Miscellaneous Stocks-Net	515.53	
Customers and Miscellaneous Credit Balances absorbed	14,976.14	
Income from Gas Well	155.05	
Miscellaneous Income	2,070.88	
TOTAL OTHER INCOME		341,143.71
OTHER DEDUCTIONS NET AS SHOWN BY OPERATING STATEMENT		$ 271,714.65

CONDENSED

THE GLIDDEN COMPANY - CLEVELAND, AND SUBSIDIARIES

For the year ended December 31st, 1920 (Except as noted below)

DIVISIONS	NET SALES (INCLUDING INTER-COMPANY SALES)	COST OF SALES (INCLUDING INTER-COMPANY PURCHASES)	MANUFACTURING PROFIT LOSS	SELLING, GENERAL & ADMINISTRATIVE EXPENSE	OPERATING PROFIT LOSS	OTHER INCOME-DEDUCTIONS NET	PROFIT BEFORE PROVISION FOR DEPRECIATION & ALLOWANCE FOR INVENTORY SHRINKAGE	PROVISION FOR DEPRECIATION EXCLUDING AMOUNT APPLICABLE TO APPRECIATION	ALLOWANCE FOR REDUCTION IN INVENTORY VALUES TO REPLACEMENT COST DEC. 31-1920	NET PROFIT LOSS
The Glidden Company Cleveland	$ 6,474,923.05	$ 4,355,421.53	$2,119,501.52	$1,867,145.67	$ 252,355.85	$ 121,483.44	$ 130,872.41	$ 82,980.95	$ 479,474.25	$ 431,582.7
A. Wilhelm Company Reading	3,271,473.76	2,539,909.42	731,564.34	185,152.44	546,411.90	9,811.32	536,600.58	34,261.76	80,892.44	421,446.3
Adams & Elting Co. Chicago	2,352,465.87	1,832,652.32	519,813.55	419,522.49	100,291.06	6,362.62	93,928.44	16,187.56	58,257.92	19,482.9
American Paint Works New Orleans	546,896.48	450,384.58	96,511.90	101,760.17	5,248.27	7,218.48	12,466.75	4,408.35	9,973.59	26,848.6
Campbell Paint & Varnish Company-St. Louis	3,062,669.82	2,536,493.31	526,176.51	583,289.75	57,113.24	30,294.38	87,407.62	10,025.95	46,166.89	143,600.4
T. L. Blood & Co. St. Paul	654,052.64	480,318.76	173,733.88	111,008.84	62,725.04	3,308.88	59,416.16	2,437.01	5,446.70	51,532.4
Forest City Paint & Varnish Company-Cleveland	863,633.74	700,368.24	163,265.50	137,657.70	25,607.80	211.25	25,819.05	5,627.98	29,599.73	9,408.6
Heath & Milligan Manufacturing Company-Chicago	2,658,130.86	2,086,567.50	571,563.36	479,975.16	91,588.20	3,103.00	94,691.20	31,633.62	56,529.77	6,527.8
Nubian Paint & Varnish Co. Chicago	1,698,463.55	1,196,363.84	502,099.71	129,782.03	372,317.68	6,688.86	365,628.82	20,956.99	48,167.85	296,503.9
Chemical & Pigments Division-St. Helena, Md.	280,704.29	240,131.93	40,572.36	22,304.99	18,267.37	2,994.50	15,272.87	25,686.86	-o-	10,413.9
Twin City Varnish Co. St. Paul	477,069.37	339,666.18	137,403.19	73,267.40	64,135.79	2,296.87	61,838.92	2,766.16	26,936.80	32,135.9
Glidden Co., Ltd. Toronto	838,067.63	529,745.46	308,322.17	187,797.61	120,524.56	647.27	121,171.83	8,059.45	58,205.40	54,906.9
Glidden Nut Butter Co. Chicago	1,054,802.01	1,038,337.81	16,464.20	122,489.72	106,025.52	79,539.66	185,565.18	36,094.61	94,110.99	315,770.7
Glidden Co. of California San Francisco	895,088.49	681,877.20	213,211.29	150,462.57	62,748.72	6,721.07	56,027.65	14,888.36	62,005.30	20,866.0
Glidden Co. of Massachusetts Boston	403,938.18	407,980.80	4,042.62	68,462.15	72,504.77	1,777.89	74,282.66	866.93	4,882.58	80,032.1
Glidden Co. of Texas Dallas	313,562.50	266,339.74	47,222.76	40,856.31	6,366.45	1,515.72	4,850.73	278.93	10,887.03	6,315.2
Twin City Varnish Co. Chicago	84,350.77	62,356.64	21,994.13	26,222.96	4,228.83	867.52	5,096.35	86.96	-o-	6,183.3
Linseed Oil Division St. Louis	102,762.16	109,285.73	6,523.57	18,169.59	24,693.16	-o-	24,693.16	5,273.00	-o-	29,966.1
Heath & Milligan Manufacturing Company of California Berkeley, California	94,235.26	85,551.27	8,683.99	14,934.51	6,250.52	63.33	6,313.85	2,193.02	5,886.36	14,393.2
Glidden Stores Co. Cleveland	1,109,482.52	843,192.50	266,290.02	252,657.70	13,632.32	5,268.37	18,900.69	5,546.31	-o-	13,354.3
TOTAL	$27,236,772.95	$20,782,944.76	$6,453,828.19	$4,992,919.76	$1,460,908.43	$ 271,714.65	$1,189,193.78	$ 310,260.76	$1,077,423.60	$ 198,490.5
Elimination of Inter-Company Sales & Purchases	5,472,102.46	5,472,102.46								
	$21,764,670.49	$15,310,842.30								

(Note A) The operating results of the Chemicals & Pigments Division are for the six months' period ended December 31st, 1920, this plant having been acquired by The Glidden Company as of July 1st, 1920.

(Note B) The Linseed Oil Division was only intermittently operated from May to December 1920.

(Note C) The Heath & Milligan Manufacturing Co. of California was acquired by The Glidden Company as of April 15th, 1920 but the operating results as herein stated also include the predecessor Company's operations from

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CONDENSED OPERATING STATEMENT

THE GLIDDEN COMPANY - CLEVELAND, AND SUBSIDIARIES

For the year ended December 31st, 1919, except as noted below.

	NET SALES	COST OF SALES	MANUFACTURING PROFIT	GENERAL & ADMINISTRATIVE EXPENSE	SELLING EXPENSE	OPERATING PROFIT	OTHER DEDUCTIONS	OTHER INCOME	OTHER DEDUCTIONS NET	NET PROFIT BEFORE FEDERAL TAXES
The Glidden Company Cleveland	$ 5,319,377.27 100%	$ 3,554,685.27 66.8%	$1,764,692.00 33.2%	$ 147,284.50 2.8%	$1,120,390.27 21.1%	$ 497,017.23 9.3%	$ 156,377.37 2.9%	$ 46,934.94 0.9%	$ 109,442.43 2.0%	$ 387,574.80 7.3%
The Forest City Paint & Varnish Company Cleveland	735,421.53 100%	576,394.39 78.4	159,027.14 21.6	9,977.49 1.4	103,892.62 14.1	45,157.03 6.1	18,324.89 [redacted]	1,359.42 [redacted]	16,965.47 [redacted]	28,191.56 [redacted]
Heath & Milligan Mfg. Co. Chicago	2,232,610.23 [redacted]	1,736,379.75 77.8	496,230.48 22.2	90,188.39 [redacted]	253,512.68 [redacted]	152,529.41 [redacted]	27,369.60 [redacted]	1,899.11 0.1	25,470.49 [redacted]	127,058.92 [redacted]
Nubian Paint & Varnish Co. Chicago	1,133,889.38 [redacted]	729,793.59 [redacted]	404,095.79 [redacted]	Note A	170,308.28 [redacted]	233,787.51 [redacted]	5,980.99 [redacted]	22,478.30 [redacted]	16,497.31 1.4	250,284.82 [redacted]
Adams & Elting Co. Chicago	2,127,333.49 [redacted]	1,513,646.18 [redacted]	613,687.31 [redacted]	112,362.29 [redacted]	298,233.18 [redacted]	203,091.84 [redacted]	29,420.44 [redacted]	12,025.98 [redacted]	17,394.46 [redacted]	185,697.38 [redacted]
A. Wilhelm Co. Reading	1,981,741.54 [redacted]	1,601,357.46 [redacted]	380,384.08 [redacted]	69,821.30 [redacted]	47,729.68 [redacted]	262,833.10 [redacted]	21,505.70 [redacted]	3,368.82 [redacted]	18,136.88 [redacted]	244,696.22 [redacted]
Campbell Glass & Paint Co. St. Louis	1,605,212.02 [redacted]	1,180,560.00 [redacted]	424,652.02 [redacted]	197,720.41 [redacted]	214,085.79 [redacted]	12,845.82 [redacted]	52,029.30 [redacted]	1,445.51 [redacted]	50,583.79 [redacted]	37,737.97 2.3
Twin City Varnish Co. St. Paul	391,869.75 [redacted]	267,150.31 [redacted]	124,719.44 [redacted]	Note A	83,354.36 [redacted]	41,365.08 [redacted]	7,386.39 [redacted]	1,911.22 [redacted]	5,475.17 [redacted]	35,889.91 [redacted]
Twin City Varnish Co. of Illinois Chicago	80,166.09 [redacted]	50,366.92 [redacted]	29,799.17 [redacted]	8,653.94 [redacted]	13,025.96 [redacted]	8,119.27 [redacted]	2,970.31 [redacted]	214.38 [redacted]	2,755.93 [redacted]	5,363.34 [redacted]
T. L. Blood & Co. St. Paul	423,339.76 [redacted]	311,675.52 [redacted]	111,664.24 [redacted]	45,559.72 [redacted]	37,795.02 [redacted]	28,309.50 [redacted]	6,495.55 [redacted]	11,664.68 [redacted]	5,169.13 1.2	33,478.63 7.9
American Paint Works New Orleans	542,936.67 [redacted]	430,220.41 [redacted]	112,716.26 [redacted]	36,969.05 [redacted]	50,041.43 [redacted]	25,705.78 [redacted]	10,478.99 [redacted]	1,105.31 [redacted]	9,373.68 [redacted]	16,332.10 [redacted]
The Glidden Co., Ltd. Toronto	570,227.60 [redacted]	373,534.11 [redacted]	196,693.49 [redacted]	24,105.38 [redacted]	137,916.55 [redacted]	34,671.56 [redacted]	5,977.51 [redacted]	1,288.28 [redacted]	4,689.23 [redacted]	29,982.33 [redacted]
The Glidden Co. of Massachusetts Boston	230,355.83 [redacted]	175,847.93 [redacted]	54,507.90 [redacted]	Note A	49,532.05 [redacted]	4,975.85 [redacted]	-o-	4,784.17 [redacted]	4,784.17 2.0	9,760.02 [redacted]
The Glidden Co. of California San Francisco	705,738.04 [redacted]	548,087.31 [redacted]	157,650.73 [redacted]	42,994.50 [redacted]	75,475.21 [redacted]	39,181.02 [redacted]	15,268.35 [redacted]	-o-	15,268.35 [redacted]	23,912.67 [redacted]
TOTALS	$18,080,219.20 [redacted]	$13,049,699.15 [redacted]	$5,030,520.05 [redacted]	$ 785,636.97 [redacted]	$2,655,293.08 [redacted]	$1,589,590.00 [redacted]	$ 359,585.39 [redacted]	$ 110,480.12 [redacted]	$ 249,105.27 [redacted]	$1,340,484.73 [redacted]

Provision for estimated Federal Taxes and Contingencies	332,283.12
NET PROFIT AFTER DEDUCTING ESTIMATED FEDERAL TAXES AND CONTINGENCIES	$1,008,201.61

2,655,293
785,637
3,440,930

359,585
110,480
249,105

(Note A) No separation is made, in the foregoing statement, between General, Administrative and Selling Expenses in the operations of Nubian Paint & Varnish Co., Twin City Varnish Co., St. Paul and The Glidden Co. of Massachusetts, all such expenses being included in Selling Expense, owing ...

(Note B) The operating results of Twin City Varnish Co., St. Paul and T. L. Blood & Co. are for the fifteen months ended December 31st, 1919, due to the fact that these Companies' previous fiscal years ended September 30th, no closing having been made December 31st, 1918.

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