MINUTES OF STOCKHOLDERS' MEETING.

Cleveland, Ohio, November 10th, 1909.

TWENTY-SIXTH ANNUAL MEETING.

The Twenty-sixth Annual Meeting of the shareholders of The Sherwin-Williams Company was held at above time and place.

There were represented either in person or by proxy 37,069 shares of [illegible]381 outstanding of both Common and Preferred Stock.

W. H. Cottingham was chosen chairman and A. W. Frank secretary.

Reading of the minutes of the previous meeting was dispensed with.

The annual report of the President, W. H. Cottingham, was presented [illegible] follows:-

"Our last business year, which closed August 31st, was the most prosperous in the history of the Company. The volume of sales was greater and the gross and net profits were larger than in any previous year. These gratifying results are in part due to the general improvement in business throughout the country. They are also largely due to our having been able to secure our raw materials at lower than average costs, while maintaining our regular selling prices.

In addition to these favorable factors, we have been able through the increased efficiency of our organization to reduce the cost of operating, and I would like here to give credit to our managers and the staff generally for the excellent work they have done in increasing sales, while administering the affairs of the business in an economical and efficient manner.

The total sales of the various departments of the business, including all auxiliaries, for the year were	$10,746,906.22
These figures show an increase over last year of	1,241,385.39
and an increase over the previous largest year of	461,067.46
The net profit, after deducting all expenses excepting the retirement for depreciation of plants, was	1,100,451.68
Although the good condition of all of our plants has been well maintained and the expense of maintenance charged to operating, following our usual custom we have charged to depreciation out of this year's earnings	138,232.31
leaving the net surplus on the year's trading	962,219.37

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The financial condition of the Company on August 31st last was as follows.

ASSETS:

Merchandise - Manuf'd & Unmanuf'd per Inventory	$2,626,395.61	
Cash on hand and in bank this day	509,527.52	
Accounts and Bills Receivable	1,914,964.62	
Plant	3,586,425.67	
Tax Department (Cleveland)	33,300.00	$8,670,613.42

LIABILITIES:

Capital Stock - Common	3,186,300.00		
7% Preferred	500,000.00		
6% Preferred	580,700.00	$4,267,100.00	
Surplus and Profits		2,733,725.90	
Accounts and Bills Payable		1,669,887.52	$8,670,613.42

It will be seen from this statement that our capital stock has been increased during the past year, principally by the sale of six per cent. preferred stock, $112,300.00 and that our surplus now stands at $2,733,725.90, an increase over last year of $603,192.99. Another very gratifying feature of the financial statement is the reduction in Accounts and Bills Payable of $654,632.99.

During the past year new branch houses were opened at Houston, Tex., New Orleans, La. and Victoria, B. C. After very careful consideration and investigation, your Directors decided to enter the white lead business, and we are now erecting on new ground adjoining our Chicago plant a white lead works of 6000 tons capacity. We have also secured additional property adjoining our Newark plant, and expect shortly to erect dry color works there to take care of the requirements of our eastern trade.

These investments and the increase in sales which we confidently look forward to will require some additional capital, which we expect to be able to provide largely through the sale of preferred stock. Your Directors recommend that we take advantage of this general meeting to increase the authorized capital of the Company, so that we shall be in a position to raise additional funds should it be necessary later on.

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RECORD BOOK PAGE ATTEST G. A. Martin SECRETARY.