Cost of sales	52.95	56.80	54.18	57.59	60.44	60.14	[illegible]
Selling, general & other expenses	27.33	27.98	24.61	21.61	21.78	23.06	[illegible]
Operating profit	19.73	15.22	21.21	20.80	17.78	16.80	[illegible]
Other income	0.28	0.31	0.67	0.34	0.14	0.30	[illegible]
Total income	20.01	15.53	21.88	21.14	17.92	17.10	[illegible]
Income deductions	0.54	0.64	0.45	0.46	0.47	0.61	[illegible]
Balance	19.47	14.89	21.43	20.68	17.45	16.49	[illegible]
Income taxes & surtax	10.14	7.40	10.84	10.61	8.92	8.45	[illegible]
Tax adjustment—prior years	0.24	--------	--------	--------	--------	--------	--------
Net income to surplus	9.09	7.49	10.59	10.07	8.53	8.04	[illegible]

[1]Dividends disbursed during fiscal year.
[2]Price ranges for calendar years ended three months after fiscal years.
[3]Paid, after 2-for-1 split in Oct., 1955 and prior to 5% in stock Sept. 28, 1956.
[4]Depreciation includes amount charged to expense in lieu of depreciation.
[5]Includes $1.50 paid prior to 2-for-1 split.
[6]Also 3% in stock.
[7]Includes $1.50 paid prior to 5% stock Sept. 27, 1955.
[8]After 2-for-1 split; before, 78-48½.
[9]Paid prior to 5% in stock. Sept. 30, 1957.
[10]After 2-for-1 split; before, 77¾-53.

LONG TERM DEBT

Term Loans: Outstanding, Sept. 30, 1959, $3,895,000 notes, payable as follows:

(1) $1,320,000 3¼% notes, due Nov. 1, 1963; dated Nov. 1, 1948; payable $210,000 annually to Nov. 1, 1962, incl., balance due Nov. 1, 1963.

(2) $1,300,000 3⅝% note, due Apr. 1, 1967; dated Apr. 1, 1952; payable $140,000 each Apr. 1, to 1963, incl., $200,000 each Apr. 1, 1965-66, and balance Apr. 1, 1967.

(3) $1,275,000 4¼% notes, due 1957-69, incl.; dated July 2, 1953 (issued July 31, 1954); payable $75,000 each Aug. 1, 1957-63, incl., and 1967, $150,000 Aug. 1, 1965, $225,000 Aug. 1, 1966 and 1968 and balance on Aug. 1, 1969. All sold privately to New York Life Insurance Co.

Proceeds of loans for additional working capital and to complete construction of branch plant at Hampstead, Md.

Cash dividends are restricted to net income after Sept. 30, 1953, plus $1,500,000 provided consolidated net current assets are at least 200% of funded debt, Sept. 30, 1959, $13,853,874 of consolidated earned surplus was not so restricted.

Bank Credit: Agreement provides for maximum borrowings until Feb. 1, 1960 of $3,000,000, evidenced by 5-year notes, with interest at ¼% above prime rate but not less than 3% nor more than 4% and repayable in multiples of $50,000. Proceeds to be used for addition to Hampstead, Md., plant.

At Sept. 30, 1959, no borrowings were outstanding under this agreement.

Company may not pay cash dividends in excess of net income after Sept. 30, 1953 plus $1,500,000 and unless consolidated net current assets are at least 165% of consolidated funded debt.

CAPITAL STOCK

1. The Black & Decker Manufacturing Co. common; par 50 cents:

AUTHORIZED—3,000,000 shares; outstanding, 2,154,160 shares; reserved for option, 4,968 shares; reserved for employee stock plan, 86,458 shares; par $1.

Par changed from $100 par to $25 par on Aug. 11, 1920 (4-for-1 basis); from $25 par to no par Dec. 28, 1926 (2½-for-1 basis); and from no par to $1 par Jan. 31, 1955, share for share; $1 par shares split 2-for-1 Oct. 17, 1955; changed from $1 to 50 cents by 2-for-1 split Sept. 11, 1959.

Dividend Record (in $)
(Calendar Years)

($25 par shares)					
1920	[1]	1921	0.50	1922	nil
1923	1.75	1924	2.50	1925	2.00
1926	2.00				
(no par shares)					
1927	0.80	1928	0.95	1929	1.50
1930	1.20	1931-36	nil	1937	1.75
1938	0.50	1939	1.00	1940	1.35
1941	1.80	1942-43	1.60	1944	2.00
1945	1.60	1946	2.30	1947	2.50
1948	3.00	1949	2.50	1950-51	3.00
[1]1952-54	2.00				
(On $1 par shares)					
[1]1955	1.50				
(On $1 par shares after 2-for-1 stock split)					
1955	0.25	[1]1956	1.25	[1]1957	1.40
1958	1.70	1959	1.00		
(On 50 cent shares after 2-for-1 split)					
1959	0.60				

[1]Also stock dividends: 1920, 312½%; 1952, 1953 and 1954, 3%; 1955 to 1957, 5% each.

Dividends payable quarterly Mar. 31, etc., to stock of record about Mar. 17, etc.

DIVIDEND RESTRICTIONS—See term loan above.

VOTING RIGHTS—One vote per share.

PREEMPTIVE RIGHTS—None.

LISTED—New York Stock Exchange.

TRANSFER AGENT—Morgan Guaranty Trust Co., New York.

REGISTRAR—Bankers Trust Co., New York.

DIVIDENDS PAYING AGENT — Maryland Trust Co., Baltimore, Md.

OFFERED—38,376 shares of common (no par) at $19 per share in November, 1935 by Lehman Bros., Stone & Webster and Blodget, Inc., New York. This offering did not represent company financing.

Stock Options: Outstanding, Sept. 30, 1959, options held by certain officers and employees on 43,124 shares at prices from $15.195 to $25.3125 per share. Options expire in 1967.

THE GLIDDEN COMPANY

CAPITAL STRUCTURE

LONG TERM DEBT

Issue	Rating	Amount Outstanding	Times Charges Earned 1959	Times Charges Earned 1958	Interest Dates	Call Price	Price Range 1959	Price Range 1932-59
1. Debenture 4¾s, 1983	A	$30,000,000	12.89	8.91	M&N 1	[1]---	104⅝-97½	[2]104⅝-97½

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	Earned per Sh. 1959	Earned per Sh. 1958	Divs. per Sh. 1959	Divs. per Sh. 1958	Call Price	Price Range 1959	Price Range 1932-59
1. Common	$10	2,307,850 shs.	$3.31	$2.64	$2.00	$2.00	---	50¼-41⅞	[3]50¼-17⅝

[1]See text. [2]Range since issuance. [3]Range since 2-for-1 split in 1947; range from 1932 and to the split in 1947, 56¼-3⅛.

HISTORY

Incorporated in Ohio, Dec. 11, 1917 to acquire the business and assets of Glidden Varnish Co. of Cleveland, founded in 1875, and its subsidiary, The Glidden Co., Ltd., Toronto.

On Dec. 30, 1919 was reorganized and acquired the following paint and varnish manufacturers:

Company, location, founded.
Adams & Elting Co., Chicago, 1892.
American Paint Works, New Orleans, 1900.
T. L. Blood & Co., St. Paul, 1897.
Campbell Paint & Varnish Co., St. Louis, 1879.
Forest City Paint & Varnish Co., Cleveland, 1864.
Heath & Milligan Mfg. Co., Chicago, 1851.
Heath & Milligan Mfg. Co. of California, San Francisco, 1899.
Nubian Paint & Varnish Co., Chicago, 1879.
Twin City Varnish Co., Minneapolis, 1900.
A. Wilhelm Co., Reading, Pa., 1857.

In 1920 formed Glidden Food Products Co. a wholly-owned subsidiary to refine vegetable oils, manufacture oleomargarine, etc.

In 1921 formed Chemical & Pigment Co., Inc. a wholly-owned subsidiary to manufacture lithopone (now operated as a division).

On Jan. 1, 1936 acquired all the assets of seventeen wholly owned subsidiaries, including all ten paint companies acquired in 1919, Durkee Famous Foods, Inc., The Chemical & Pigment Co., Inc., The Diamond Paint Co., Euston Lead Co., The Glidden Co. of Oregon, Metals Refining Co. and the Mamolith Carbon Paint Co., Inc.

On May 9, 1936 acquired the paint and varnish business and paint and varnish inventories and some movable equipment of modest value of Certain-teed Products Corp. and on Oct. 7, 1938, the paint and varnish inventories and business of the Billings-Chapin Co. of Cleveland, O.

On Aug. 31, 1940, organized (in Ohio) Nelio Resin Processing Corp. and transferred to it the assets and business of the former Nelio resin division of Glidden company. Company acquired all assets Oct. 31, 1946. Nelio Resin Processing Corp. was dissolved and now operated as a division of company.

[illegible] essing Corp., processors of crude gums at Jacksonville, Fla. (disposed of in 1957)

In 1950, company acquired entire common stock of E. W. Colledge G. S. A. Inc. of Jacksonville, Fla. (dissolved in 1957).

In 1954, company acquired assets of Mound City Paint & Color Co., St. Louis.

In Apr., 1955, acquired Zapon Industrial Finishes Division of Atlas Powder Co.

In 1955, organized Glidden International C. A., wholly-owned subsidiary in Venezuela, to handle licensing, manufacture, and distribution of Glidden products in foreign markets.

In June, 1958, acquired domestic paint business of General Paint Corp., including plants at Tulsa, Okla. and Portland, Ore. and 21 branches for $850,000.

On Sept. 1, 1958, sold soybean processing and grain merchandising business to Central Soya Co., Inc. for $3,760,000. Production facilities and grain elevators at Chicago, Indianapolis, Lockport and Seneca, Ill., have been leased to Central Soya for three years with option to purchase at Aug. 31, 1961 for $8,550,000.

In 1958 acquired R. C. Pauli & Sons, San Francisco, a bulk spice processor.

In 1959, Glidden Co. Ltd. (subsidiary) acquired Douglas Paint Co., Ltd., Vancouver and Mowat-Grant, Ltd., Victoria, Can.

SUBSIDIARIES

Functions primarily as an operating company. As of Aug. 31 1959, owned 100% of the voting control of the following:

Name, place of incorporation and business:
Glidden International, C. A. Venezuela.
The Glidden Co., Ltd., Ont., Manufactures paints, varnishes, etc.
Durkee Famous Foods, Inc., Ill., Inactive.

AFFILIATES

Fabrica Nacional de Pinturas, S.A., Cuba
Ishihara Sangyo Kaisha, Ltd., Japan
Pinturas Ico Ltda., Colombia (33⅓% owned)
Pintec, Ecuador (33⅓% owned).

BUSINESS & PRODUCTS

Company is engaged principally in production of paints, varnishes, lacquers, enamels [illegible]

mainly of bulk shortenings, hard butters, specialty edible oil products, spices; pigments and metal powders; naval stores, terpene chemicals, tall oil products and resins. Subsidiaries engaged in production of paints, varnishes, lacquers, enamels.

Business of company and subsidiaries as now constituted comprises four principal classifications or subdivisions: Paint, Food, Chemicals - Pigments - Metals and Organic Chemical.

As of Aug. 31, 1959, net sales of various divisions comprised: Paint, 45% (1958, 36%); Food, 40% (1958, 39%); Chemicals-Pigments-Metals, 10% (1958, 6%); Chemurgy, (1958, 15%); Organic Chemical, 5% (1958, 4%).

PRINCIPAL PLANTS & PROPERTIES

Paint Division: Company owns and operates twelve plants in U. S. which are engaged in manufacture of consumer and industrial paints, varnishes, enamels, lacquers, water-thinned paints and protective coatings. Plants located in Atlanta, Chicago (2), Cleveland, Reading, St. Louis, New Orleans, Minneapolis, Los Angeles, San Francisco, Tulsa and Portland, Ore., Glidden Co., Ltd. (wholly-owned subsidiary) owns and operates plants at Toronto and Montreal. Also operates 150 branch warehouses throughout United States and Canada for distribution of consumer products.

Food Division: Edible oil refineries located at Chicago, Louisville, Berkeley, Cal. produce hydrogenated shortenings, bulk refined oils and specialty edible oil products. Bethlehem, Pa. plant produces spices, seasonings and coconut. Berkeley plant also produces margarine and salad products. Bakers' products produced at a second Chicago plant.

Chemical Division: At Collinsville, Ill., produces lithopone; Baltimore, Md., titanium dioxide and cadmium pigments; Hammond, Ind., metal powders; Jacksonville, Fla., resin, terpene chemicals and other naval stores products; Port St. Joe, Fla., tall oil products.

In 1959, acquired from American Metal Climax, Inc., a large deposit of high grade ilmenite ore in Ocean County, N. J. Company plans to build concentrating and separating [illegible]

Capital Expenditures: In 1959 totaled $7,607,000, over 50% of which was for titanium dioxide facilities. Capital expenditures in 1960 are expected to reach $10,000,000.

MANAGEMENT

Officers:
Dwight P. Joyce, Chmn. & President
W. C. Lighter, Executive Vice-Pres.
A. D. Duncan, Vice-President
H. L. Slaughter, Vice-President
B. W. Maxey, Vice-President, Finance
J. H. Weeks, Vice-President, Personnel
G. M. Halsey, Vice-President
G. S. Warner, Vice-President
W. D. Stallcup, Vice-President
W. von Fischer, Vice-Pres., Research
J. W. Pollard, Jr., Vice-Pres., Eng.
R. D. Horner, Sec. & Gen. Counsel
W. G. Phillips, Treasurer
D. E. Erskine, Controller
R. K. Dutton, Asst. Secretary

Directors:
Dwight P. Joyce, Cleveland
H. L. Slaughter, Cleveland
John H. Weeks, Cleveland
A. D. Duncan, Cleveland
B. W. Maxey, Cleveland
R. D. Horner, Cleveland
W. G. Phillips, Cleveland
W. C. Lighter, Cleveland
G. M. Halsey, Baltimore
W. D. Stallcup, Jacksonville, Fla.
G. S. Warner, Cleveland.
W. P. Smith, Washington

General Counsel: R. D. Horner.
Auditors: Ernst & Ernst.
Annual Meeting: Second Thursday in Dec.
No. of Stockholders: Aug. 31, 1959, 20,993.
No. of Employees: Aug. 31, 1959, 6,023.
Executive Office: 900 Union Commerce Bldg., Cleveland 14, O.

INCOME ACCOUNTS COMPARATIVE CONSOLIDATED INCOME ACCOUNT FOR STATED PERIODS
(Taken from reports to Securities and Exchange Commission)
(Excluding California mining companies)

	Year to Aug. 31,'59	Year to Aug. 31,'58	Year to Aug. 31,'57	Year to Aug. 31,'56	10 mos. to Aug. 31,'55	Year to Oct. 31,'54	Year to Oct. 31,'53
Sales, less returns, discts. & allow.	$195,764,389	$217,352,681	$225,537,291	$226,290,387	$180,524,822	$209,083,579	$211,758,522
[1]Cost of sales	142,534,797	168,979,340	177,151,928	177,764,374	142,243,394	168,032,940	170,492,456
[1]Selling, general & adm. expenses	36,803,888	34,148,467	33,168,329	31,947,320	24,144,648	27,303,224	26,636,577
Prov. for doubtful accounts less rec.	--------	--------	--------	--------	Not stated	210,312	102,430
Operating profit	16,425,704	14,224,874	15,216,534	16,578,693	14,136,780	13,537,103	14,527,059
[3]Other income	839,745	902,452	1,448,679	673,148	480,287	1,078,858	664,985
Total	17,265,449	15,127,326	16,665,213	17,251,841	14,617,067	14,615,961	15,192,044
Interest on long term debt	1,339,918	1,562,025	1,277,776	801,104	292,500	380,918	357,772
[2]Other income deductions	--------	1,215,239	--------	--------	--------	--------	--------
Balance	15,925,531	12,350,062	15,387,437	16,450,737	14,324,567	14,235,043	14,834,272
Provision for Federal taxes	7,696,000	5,818,000	7,620,000	7,834,000	6,865,000	6,734,000	7,150,000
Dominion & state income taxes	596,000	469,000	503,000	470,000	347,000	408,000	575,000
Net income to surplus	7,633,531	6,068,062	7,264,437	8,146,737	7,112,567	7,093,043	7,109,272
Earned surplus beginning of year	54,460,366	52,993,644	50,323,547	46,768,245	44,244,266	41,733,083	39,202,349
Preferred dividends	--------	--------	--------	--------	--------	--------	--------
Common dividends	4,609,795	4,596,340	4,594,340	4,591,435	4,588,588	4,581,860	4,578,538
Earned surplus end of year	$57,484,102	$54,460,366	$52,993,644	$50,323,547	$46,768,245	$44,244,266	$41,733,083
SUPPLEMENTARY P. & L. DATA							
Maintenance & repairs	$3,085,590	$3,262,923	$3,371,291	$2,756,570	$2,251,347	$2,501,057	$2,311,790
Depreciation & depletion	6,579,313	5,838,032	5,046,378	2,870,339	2,234,960	2,332,685	2,185,184
[6]Taxes other than income	1,757,647	1,944,432	1,843,283	1,597,655	1,319,006	1,408,960	1,422,050
Rents	1,300,897	1,120,468	871,550	692,148	447,452	556,458	541,908
Royalties	140,485	158,586	182,034	130,893	130,171	132,639	114,186

[1]Includes related portions of items shown under "Supplementary p. & l. data" below statement.
[2]1958: Abandonment of St. Helena plant.
[3]1959: Includes $2,175,000 rental income from Chemurgy properties, after $2,100,056 depreciation.
[6]Includes payroll taxes: (1959, $732,062).

General Notes

(a) Inter-company sales have been eliminated.
(b) In 1955, fiscal year changed to Aug. 31.
(c) Principles of consolidation (see note (a) under balance sheet).

Record of Earnings, years ended Oct. 31 (in $):

Year	Net Sales	Cost and Expenses	Operating Profit	Oth. Inc. & Ded. (Net)	Inc. Bef. Taxes	Income Taxes	Net Income	Common Dividends	Com. Shs. Outstand.	Earn. Per Com. Sh.
1941	68,901,706	64,722,927	4,178,779	d 13,389	4,165,390	1,155,000	3,010,390	1,143,788	830,543	3.08
1942	81,705,732	77,367,361	4,338,371	d 192,618	4,145,753	2,292,000	1,853,753	1,077,206	827,243	1.90
1943	97,144,617	90,545,686	6,598,931	d 2,127,732	4,471,199	4,473,000	1,998,199	743,979	825,443	1.88
1944	111,897,815	106,085,525	5,812,290	d 1,410,001	4,402,289	2,285,000	2,117,289	742,899	825,443	2.02
1945	111,616,438	104,618,321	6,998,117	d 248,473	6,749,644	4,402,000	2,347,644	1,043,986	892,000	2.13
1946	122,439,119	112,208,590	10,230,529	199,986	10,430,515	4,715,500	5,715,015	1,781,920	887,700	5.93
1947	185,753,246	163,450,770	22,302,476	228,508	22,530,984	8,773,000	13,757,984	1,938,950	1,757,800	7.57
1948	202,318,794	187,265,191	15,053,603	389,216	15,442,819	6,166,000	9,276,819	3,336,675	1,752,717	5.04
1949	160,143,276	150,005,994	10,137,282	11,641	10,148,923	3,957,000	6,191,923	[1]3,680,637	1,780,536	3.23
1959	188,607,966	174,259,593	14,348,373	89,287	14,437,660	5,876,000	8,561,660	3,910,279	1,971,623	4.11
1951	228,522,503	212,614,664	15,907,839	93,029	16,000,868	7,687,000	8,313,868	4,512,127	2,280,238	3.65
1952	205,113,304	191,128,106	13,985,198	218,607	14,203,805	7,255,000	6,948,805	5,134,246	2,284,739	3.04
1953	211,758,522	287,231,463	14,527,059	307,213	14,834,272	7,725,000	7,109,272	4,578,538	2,290,794	3.10

[1]Includes $841,787 representing 2% paid in stock.

BALANCE SHEETS COMPARATIVE CONSOLIDATED BALANCE SHEET, AS OF
(Taken from reports to Securities and Exchange Commission; excluding California mining companies)

ASSETS	Aug. 31,'59	Aug. 31,'58	Aug. 31,'57	Aug. 31,'56	Aug. 31,'55	Oct.31,'54	Oct. 31,'53
Cash	$8,868,172	$9,295,760	$9,581,466	$5,512,638	$13,233,718	$16,061,456	$8,230,545
Short-term securities (cost)	7,957,140	--------	--------	--------	--------	--------	--------
[1]Notes & accounts receivable	16,904,805	20,175,792	18,343,022	18,244,642	17,080,926	15,914,940	17,511,525
[2]Inventories	39,588,415	36,771,649	42,125,263	38,492,240	33,701,460	32,454,157	33,307,058
[3]Inventories of Chemurgy Div.	--------	3,756,249	5,262,342	--------	--------	--------	--------
Other current receivables	1,094,742	1,900,305	4,022,319	1,593,612	1,388,986	2,042,268	8,380,845
Prepaid insurance, expenses	708,912	608,840	--------	--------	--------	--------	--------
Total current assets	$75,122,186	$72,508,595	$79,334,412	$63,843,132	$65,405,090	$66,472,821	$67,429,973
Cash surrender value of life insurance	--------	--------	--------	--------	--------	--------	840,678
Receivables & other assets	1,523,549	739,536	720,023	617,923	710,992	741,881	404,433
[4]Property, plant & equipment	96,799,892	89,963,169	89,176,622	79,840,016	64,421,382	57,207,100	55,527,573
Less: [5]Deprec. & depletion res.	35,893,175	29,971,238	29,659,661	26,426,284	24,427,903	22,713,954	22,293,330
Net property account	60,906,717	59,991,931	59,516,961	53,413,732	39,993,479	34,493,146	33,234,243
Prepaid insurance, expenses, etc.	--------	--------	798,459	863,216	652,563	961,907	840,270
Total	$137,552,452	$133,240,062	$140,369,855	$118,738,003	$106,762,124	$102,669,755	$102,749,597
LIABILITIES							
Notes payable	--------	$5,500,000	$9,000,000	$11,000,000	$1,500,000	$1,500,000	$5,500,000
Dividend payable	$1,153,925	1,149,085	1,149,085	1,147,995	1,147,675	--------	--------
Accounts payable	7,676,924	6,467,609	8,002,714	6,824,354	6,346,925	5,480,190	6,358,282
Accrued taxes, ins., etc.	1,549,489	1,439,805	1,639,224	1,429,106	1,307,975	1,134,542	1,692,162
Fed., Dom. & State income taxes	6,493,507	5,379,725	7,241,716	7,745,829	7,946,532	7,132,415	7,874,832
Total current liabilities	$16,873,845	$19,936,224	$27,032,739	$28,147,284	$18,249,107	$15,247,147	$21,425,276
Long term debt	30,000,000	26,000,000	27,500,000	7,500,000	9,000,000	10,500,000	7,000,000
[6]Common stock	23,078,500	22,981,700	22,981,700	22,959,900	22,953,500	5,733,638	5,728,325
[7]Capital surplus	10,116,005	9,861,772	9,861,772	9,807,272	9,791,272	26,944,704	26,875,642
Earned surplus	57,484,102	54,460,366	52,993,644	50,323,547	46,768,245	44,244,266	41,733,083
Total capital stock & surplus	90,678,607	87,303,838	85,837,116	83,090,719	79,513,017	76,922,608	74,337,050
[8]Less: Treasury stock (cost)	--------	--------	--------	--------	--------	--------	12,729
Net capital stock & surplus	$90,678,607	$87,303,838	$85,837,116	$83,090,719	$79,513,017	$76,922,608	$74,324,321
Total	$137,552,452	$133,240,062	$140,369,855	$118,738,003	$106,762,124	$102,669,755	$102,749,597
Net current assets	$58,248,341	$52,572,371	$52,301,673	$35,695,848	$47,155,983	$51,225,674	$46,004,697
PROPERTY ACCT.—ANALYSIS							
Additions at cost	$7,607,001	9,214,395	$12,452,811	$16,630,003	$8,155,750	$4,020,936	$4,149,573
Retirements or sales	818,907	8,427,848	3,116,205	1,211,369	941,468	2,341,409	1,545,684
DEPREC. RESERVE—ANALYSIS							
Additions charged to income	$6,579,313	$6,524,801	$5,046,379	$[illegible],870,339	$2,234,960	$2,332,685	$2,185,184
Retirements, renewals chgd. to res.	693,512	6,213,224	1,800,397	871,958	521,011	1,912,854	1,421,684
Other additions	40,893	--------	--------	--------	107,396	793	--------
Other reductions	4,757	--------	12,604	--------	--------	--------	--------
REVAL. RESERVE—ANALYSIS							
Reductions	--------	--------	--------	--------	107,396	--------	--------

[1]After reserves (1959, $511,868).
[2]Priced at lower of cost (accumulated average) or replacement market except for certain edible oils, and other commodities stated at cost (last-in, first-out method) not in excess of replacement market. 1959: Raw materials and work in process, $19,212,522; finished goods, $20,375,893; total, $39,588,415.

[3]At amount realized from sale thereof on Sept. 1, 1958; 1957, at lower of cost or market.

[6]**Principal "capital surplus" changes follow:**

1955: After debiting $17,203,725 transferred to capital stock account resulting from change of common shares from no par to $10 par.

[9]1959	Book Value	Reserves
Ore, ld. & lease	$229,535	$177,329
Land	2,936,587	--------
Land improve.	1,022,953	438,298
R.R. sidings	243,937	56,513
Buildings	23,163,987	7,624,919
Mach. & equip.	41,278,713	14,092,395
Furn. & fixtures	3,665,730	1,780,589
Auto equip.	269,977	161,596
Constr. in process	1,483,531	--------
Abandon. allow.	--------	686,769
Chemurgy props	22,504,942	10,874,767
Total	$96,799,892	$35,893,175

[10]Represented by: 1959, 2,307,850; 1958-57, 2,298,170; 1956, 2,295,990; 1955, 2,295,350 $10 par shares; 1954 and prior years by no par shares: 1954, 2,293,455; 1953, 2,291,330. Includes treasury shares (see note [12] below).

[12]Common shares: 1953, 536.

Depreciation Policy: Depreciation is provided by amounts considered by company as fair and reasonable to amortize cost of depreciable properties over estimated useful life, on basis of anticipated wear, tear, obsolescence, and deterioration of properties. As to principal assets classifications, depreciation rates are predicated, in general, on useful life of 20 to 25 years for machinery and equipment and of 40 years for buildings. Cost of grain-storage facilities placed in service in 1954 is being amortized over 5-year period. Rates have been applied by straight-line method to properties acquired prior to Jan. 1, 1954, and to grain storage facilities acquired after that date, and by sum-of-years digits method to other properties acquired on or after that date.

General Notes

(a) **Glidden Co., Ltd., included in consolidated statements.**

(b) **Equity of company in net assets of** subsidiaries at Aug. 31, 1959, exceeded parent company's investment by $5,072,840.

FINANCIAL & OPERATING DATA

Statistical Record, Fiscal Years	Year to Aug. 31,'59	Year to Aug. 31,'58	Year to Aug. 31,'57	Year to Aug. 31,'56	10 mos. to Aug. 31,'55	Year to Oct. 31,'54	Year to Oct. 31,'53
Earned per share—common	$3.31	$2.64	$3.16	$3.55	$3.10	$3.09	$3.30
Dividends per share—common	$2.00	$2.00	$2.00	$2.00	$1.50	$2.00	$2.00
Deb. 4¾s, 1983	104⅝-97½	[7]103¾-102¾	--------	--------	--------	--------	--------
[3]Price range—common	50¼-41⅞	47-28	37½-29½	41⅛-34⅛	44½-36⅛	42⅛-28¾	38⅜-27⅞
Net tangible assets per sh.—common	$39.29	$37.99	$37.35	$36.19	$34.64	$33.54	$32.42
Times charges earned:							
Before income taxes	12.89	8.91	13.04	21.54	49.97	38.37	42.46
After income taxes	6.70	4.88	6.69	11.17	25.32	19.62	19.87
Net tang. assets per $1,000 lg. tm. debt	$4,023	$4,358	$4,121	$12,079	$9,835	$7,326	$14,679
Net curr. assets per $1,000 lg. tm. debt	$1,942	$2,022	$1,902	$4,759	$5,240	$4,879	$6,572
Number of shares—common	2,307,850	2,298,170	2,298,170	2,295,990	2,295,350	2,293,455	2,290,794
Financial and Operating Ratios							
Curr. assets ÷ curr. liab.	4.45	3.64	2.93	3.27	3.58	4.35	3.15
% cash & sec. to curr. assets	22.40	12.82	12.08	8.63	20.23	24.16	12.21
% inventory to curr. assets	52.70	55.89	59.73	60.29	51.53	44.82	[illegible]
% net curr. assets to net worth	64.24	60.22	60.93	42.96	59.31	68.59	[illegible]
% property depreciated	37.08	33.32	33.26	33.10	37.91	38.70	[illegible]
% annual depr. to gross property	6.80	6.49	5.66	3.60	3.47	4.08	3.94
Capitalization:							
% long term debt	24.86	22.95	24.26	8.28	10.17	12.01	8.61
% common stock & surp.	75.14	77.05	75.74	91.72	89.83	87.99	91.39
Sales ÷ inventory	4.94	5.36	4.76	5.88	5.36	6.44	6.35
Sales ÷ receivables	11.58	10.77	12.30	12.40	10.57	13.12	12.16
% sales to net property	321.42	362.30	378.93	423.65	451.39	644.23	635.45
% sales to total assets	142.32	163.13	160.67	190.58	169.09	203.65	206.09
% net income to total assets	5.55	4.55	5.18	6.86	6.66	6.91	6.92
% net income to net worth	8.42	6.94	8.46	9.80	8.85	9.22	9.57
Analysis of Operations	%	%	%	%	%	%	%
Net sales	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Cost of sales	72.81	77.74	78.55	78.56	78.79	80.36	80.51
Sell., gen. & other exp.	18.80	15.71	14.70	14.12	13.38	13.06	12.32
Operating profit	8.39	6.55	6.75	7.32	7.83	6.47	6.87
Other income	0.43	0.41	0.64	0.30	0.27	0.52	0.31
Total income	8.82	6.96	7.39	7.62	8.10	6.99	7.18
Interest on long term debt, etc.	0.69	0.72	0.57	0.14	0.16	0.18	0.17
Income deductions	--------	0.56	--------	0.21	--------	--------	--------
Net income before inc. taxes	8.13	5.68	6.82	7.27	7.94	6.81	7.01
Income taxes	4.23	2.89	3.60	3.67	4.00	3.42	3.65
Net income	3.90	2.79	3.22	3.60	3.94	3.39	3.36

[7]Range on N.Y.S.E. [3]Calendar years. [4]Disregarding preferred dividends due to conversion or redemption of entire issue.

LONG TERM DEBT

1. Glidden Co. debenture 4¾s, due 1983:

Rating—A

AUTHORIZED — $30,000,000; outstanding, $30,000,000.

DATED—Nov. 1, 1958.

MATURITY—Nov. 1, 1983.

INTEREST—M&N1 at office of trustee.

TRUSTEE AND REGISTRAR—First National City Trust Co., New York.

DENOMINATION—Coupon, $1,000; registerable as to principal; fully registered, $1,000 and multiples thereof.

CALLABLE—As a whole or in part at any time on 30 days' notice to Oct. 31, incl., as follows:

1960	103¾	1962	103½	1964	103¼
1966	103	1968	102¾	1970	102½
1972	102¼	1974	102	1976	101¾
1977	101½	1978	101¼	1979	101
1980	100½	1983	100		

However, no debentures may be redeemed prior to Nov. 1, 1963, from proceeds of borrowing at interest cost to company of less than 4.82%.

Also callable on like notice at 100 for sinking fund (which see).

SINKING FUND—Annually, cash (or debentures) to retire on each Nov. 1, 1964-82, not less than $1,500,000 nor more than $3,000,000 debentures at par; payments to retire entire issue by maturity.

LEASE-BACK RESTRICTION—Company or a restricted subsidiary is not permitted to transfer, under lease-back, any principal manufacturing property or research facility unless (1) consolidated funded debt is reduced by amount equal to greater of proceeds received or fair value at time of sale, or (2) total rental payments during initial term of lease and any renewal shall be deemed to be consolidated funded debt and shall also be included in consolidated net tangible assets.

SECURITY—Not secured. Company or any restricted subsidiary may not have any lien on tangible assets unless debentures are equally and ratably secured; excepted are purchase money liens up to 66⅔% of lesser of cost or fair value and other permitted liens.

CREATION OF ADDITIONAL DEBT—Company may not (1) create (except for refunding) funded debt (other than the debentures); (2) permit any restricted subsidiary to create certain secured funded debt; (3) permit any corporation to become a restricted subsidiary if on consolidated basis ratio of funded debt to net tangible assets would be increased unless thereafter funded debt would not exceed 35% of net tangible assets.

DIVIDEND RESTRICTIONS—Company may not pay cash dividends on or acquire stock in excess of consolidated net income after Aug. 31, 1958, plus $10,000,000, net proceeds of stock sold and debt converted into stock after that date not in excess of cost of stock acquired or unless thereafter consolidated funded debt would not exceed 35% of consolidated net tangible assets.

RIGHTS ON DEFAULT—In event of default (30 day grace period for interest payment), trustee or 25% of debentures may declare principal due and payable.

INDENTURE MODIFICATION — Indenture may be modified, except as provided, with consent of 66⅔% of debentures.

LISTED—On New York Stock Exchange.

LEGAL—For savings banks in New Jersey.

PURPOSE—Proceeds to reduce bank loans by $15,000,000; to retire $6,000,000 notes due 1959-62 and reimburse treasury for debt incurred in financing working capital.

OFFERED—($30,000,000) at 99 (proceeds to company, 97¾) on Oct. 29, 1958, by Blyth & Co., Inc., New York, and associates.

CAPITAL STOCK

1. The Glidden Co. common; par $10:

AUTHORIZED—3,000,000 shares; outstanding, Aug. 31, 1959, 2,307,850 shares; reserved for options, 183,480 shares; no par (no par shares split 2-for-1 Oct. 24, 1947; changed from no par to $10 par Feb. 10, 1955, share for share).

(In reorganization, on Dec. 30, 1919, 8 no par shares were issued for each share of $100 par stock.)

Dividend Record (in $)
(Calendar Years)
($100 par shares)

1917-19	nil				
(no par shares before 2-for-1 split)					
1920	1.50	1921	0.50	1922-25	nil
1926	2.00	1927	1.00	1928	nil
1929	[1]2.00	1930	[2]1.80	1931-32	nil
1933	0.25	1934	0.90	1935	1.60
1936	2.00	1937	2.60	1938-39	0.50
1940	1.00	1941	1.50	1942	0.80
1943-44	0.90	1945	1.20	1946	2.00
1947	2.20				
(no par shares after 2-for-1 split)					
1948	1.90	1949	[2]1.60	1950	2.10
1951-52	2.25	1953-54	2.00	1955	1.00
($10 par shares)					
1955	1.00	1956-59	2.00	[3]1960	0.50

[1]Plus 1% in stock.
[2]Plus 2% stock Jan. 3, 1950.
[3]To Jan. 5.

VOTING RIGHTS—Has one vote per share; Cumulative voting permitted in election of directors.

PREEMPTIVE RIGHTS—None.

LISTED—On New York Stock Exchange Unlisted trading on Boston, Midwest, Pacific Coast, Philadelphia and Baltimore Stock Exchanges.

TRANSFER AGENT—Chemical Bank New York Trust Co., New York and Cleveland Trust Co., Cleveland.

REGISTRAR—Chase Manhattan Bank, New York and Central National Bank, Cleveland.

DIVIDEND DISBURSING AGENT—Company.

OFFERED—87,920 shares at $36 per share in Jan., 1920 by W. F. Ladd & Co., New York; Hayden Miller & Co., Cleveland.

(63,148 shares) at $31 per share (proceeds to company $30 per share) on May 25, 1945 by a syndicate headed by Blyth & Co., Inc., New York.

25,000 shares (unsubscribed portion of 178,535 shares offered to stockholders) at $28.75 per share (proceeds to company $27.75 per share) on Mar. 30, 1950 by Blyth & Co. Inc., New York and associates.

ISSUED—In reorganization dated Dec. 30, 1919, 160,000 shares were issued in exchange for old $100 par stock on the basis of 8 new shares for each old share; 52,000 shares were issued for part purchase price to acquire Nubian Paint & Varnish Co. and 97,400 shares were sold to underwriters to provide cash for part purchase price of constituent companies, and for working capital. At the same time 15,000 shares of 7% cumulative preferred stock were issued for a like number of shares of preferred; 24,849 preferred shares were issued as part payment for stocks of acquired companies and 20,238 preferred shares were sold to underwriters to provide cash for part purchase price of constituent companies, and for working capital.

In 1920, 11,470 common shares were sold to employees.

In May, 1925, 37,045 common shares were sold for the company's account in the open market.

In July, 1935 offered 46,000 common shares to officers and key men at $22 per share.

In May, 1945, sold 63,148 shares. Net proceeds were added to working capital, to be used for increased inventories and accounts receivable.

Stock Options: Outstanding, Aug. 31, 1959, options held by certain officers, directors and employees on 82,640 common shares at prices from $35 to $41.50 per share.