THE GLIDDEN COMPANY

shareholder information
and dividend notice

N 2177

GLD002563

THE PRESIDENT'S REPORT

April 1, 1958

To the Shareholders:

Sales for the six months ended February 28, 1958, were $100,519,759 compared with sales of $111,996,858 for the similar period last year. Net income for these same six months was $2,105,573 equivalent to 92 cents per share. Last year net income for the first half was $3,481,183 or $1.52 per share.

Operating results for this portion of our current fiscal year reflect the full impact of the sharp drop in business activity which has occurred throughout much of the national economy. The decline in earnings experienced during our first quarter continued through December, which was an extremely poor month. This downward trend appears to have been reversed as operations for the last two months of the second quarter showed considerable improvement, with February results being only slightly below those for the same month last year. It is still too early, however, to determine whether we are now on the way to a full recovery.

Because of lower earnings, we have cut back our spending for new plant and equipment. The construction of facilities relating to cost reduction programs has been accelerated while other less essential activities have been slowed down. We expect that capital expenditures this year will be about $10,000,000 compared with $12,465,000 last year.

At the regular monthly meeting held February 25, 1958, your Board of Directors declared a regular cash dividend of 50 cents a share on common stock, payable April 1, 1958, to shareholders of record at the close of business March 7, 1958.

While net income for the first half of our 1958 fiscal year was insufficient to cover regular dividend requirements, your Board of Directors deemed it advisable to maintain the regular rate for the second quarterly payment. Historically, our net income for the first half is lower than that for the second half due to seasonal factors. With this in mind and with the improvement experienced in February, the directors felt that a dividend reduction at this time would be premature and not in the long term interests of our shareholders. Of course, cash and working capital requirements limit the extent to which we can continue to pay unearned dividends. Should third quarter earnings fail to reach higher levels, the directors may then find it necessary to take appropriate action.

Effective March 31, we permanently discontinued production of titanium pigments at the St. Helena Works. St. Helena, where we started pigment production in 1922, had outlived its usefulness and was on the verge of obsolescence. With satisfactory and very efficient production of titanium dioxide being obtained at the new Adrian Joyce Works, this shift was made to obtain the benefits of lower unit costs and more uniform quality. In addition, the shutdown ultimately will permit a $2,100,000 reduction in working capital requirements and the elimination of dual expenses incurred while operating the old plant during the start-up period for the new plant.

Also in March, we disposed of our Euston Lead operations at Scranton, Pennsylvania. These operations, acquired by Glidden in 1926, were relatively minor in nature and no longer fit the company's long term plans.

We have previously reported our activities to acquire domestic, titanium-bearing ore reserves. Because of legal and economic factors, we have exercised our option to withdraw from a lease of ilmenite ore deposits on Cumberland Island, Georgia. We do, however, have options on other property where preliminary exploratory results are most encouraging.

Chairman and President

CONSOLIDATED INCOME STATEMENT
THE GLIDDEN COMPANY AND CANADIAN SUBSIDIARY

	Six months ended Feb. 28, 1958	Six months ended Feb. 28, 1957
Net sales	$100,519,759	$111,996,858
Other income	530,973	159,683
	$101,050,732	$112,156,541
Cost of products sold	$ 77,326,404	$ 86,081,053
Selling, administrative and general expenses	16,013,545	15,601,421
Provision for depreciation, depletion and amortization	2,539,719	2,434,243
Interest expense	847,491	566,641
	$ 96,727,159	$104,683,358
Income before income taxes	$ 4,323,573	$ 7,473,183
Provision for income taxes	2,218,000	3,992,000
Net income	$ 2,105,573	$ 3,481,183
Earnings per share of common stock	$ .92	$1.52
Shares outstanding	2,298,170	2,296,170

This is an unaudited interim statement.

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GLD002566

NEW IMPROVED SPR

NEW!
Decorator-soft beauty

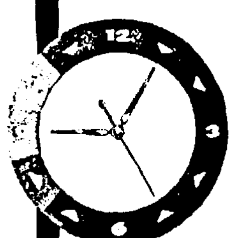
NEW!
Durability for walls, ceilings, woodwork

So easy to apply
Dries in 20 minutes
No unpleasant odor
Touch-ups don't show
Highly washable...can be scoured
No brushmarks or laps
Most colors cover in one coat
No solvents or thinners to buy
Painting tools clean up in water

NEW!
Easy way to select colors

with this
'AROUND THE CLOCK WITH COLOR' BOOK

Choose color schemes the way you tell time
Easy to find harmonizing paint colors
Recommendations for trim and accent colors, fabrics
Complete interior decorating advice



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GLD002567

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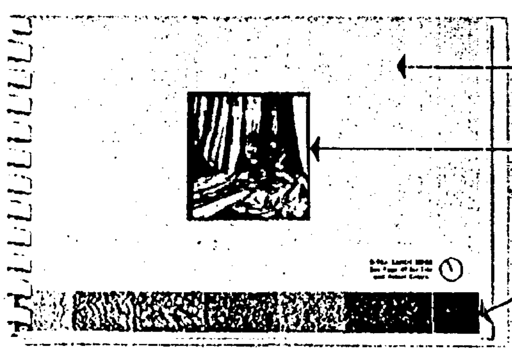
NEW! Lovely low-sheen finish with candle-light-soft beauty decorators recommend for interiors.

NEW! Improved protection for woodwork. NEW SPRED SATIN is specially made to adhere better than ever—even over previously painted wood.

NEW! Convenience—you can use NEW SPRED SATIN in kitchens and bathrooms, wash it, scrub it within a few days if necessary!

THE NEW IMPROVED 100%
LATEX WONDER WALL PAINT



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Die-cut area shows a variety of harmonizing fabric colors for you to use.

You can find your carpet color in one of the 10 floor-covering color groups.

Glidden

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the following paints: HEATH & MILLIGAN
CLIMATIC • ROYAL • T. L. BLOOD • MOUND CITY

Leading national magazines are carrying this two-page announcement of new SPRED SATIN. Note the bright, sparkling foil label which is in keeping with the quality of the product inside and will make it a "standout" on dealers' shelves. Be sure to try new SPRED SATIN.