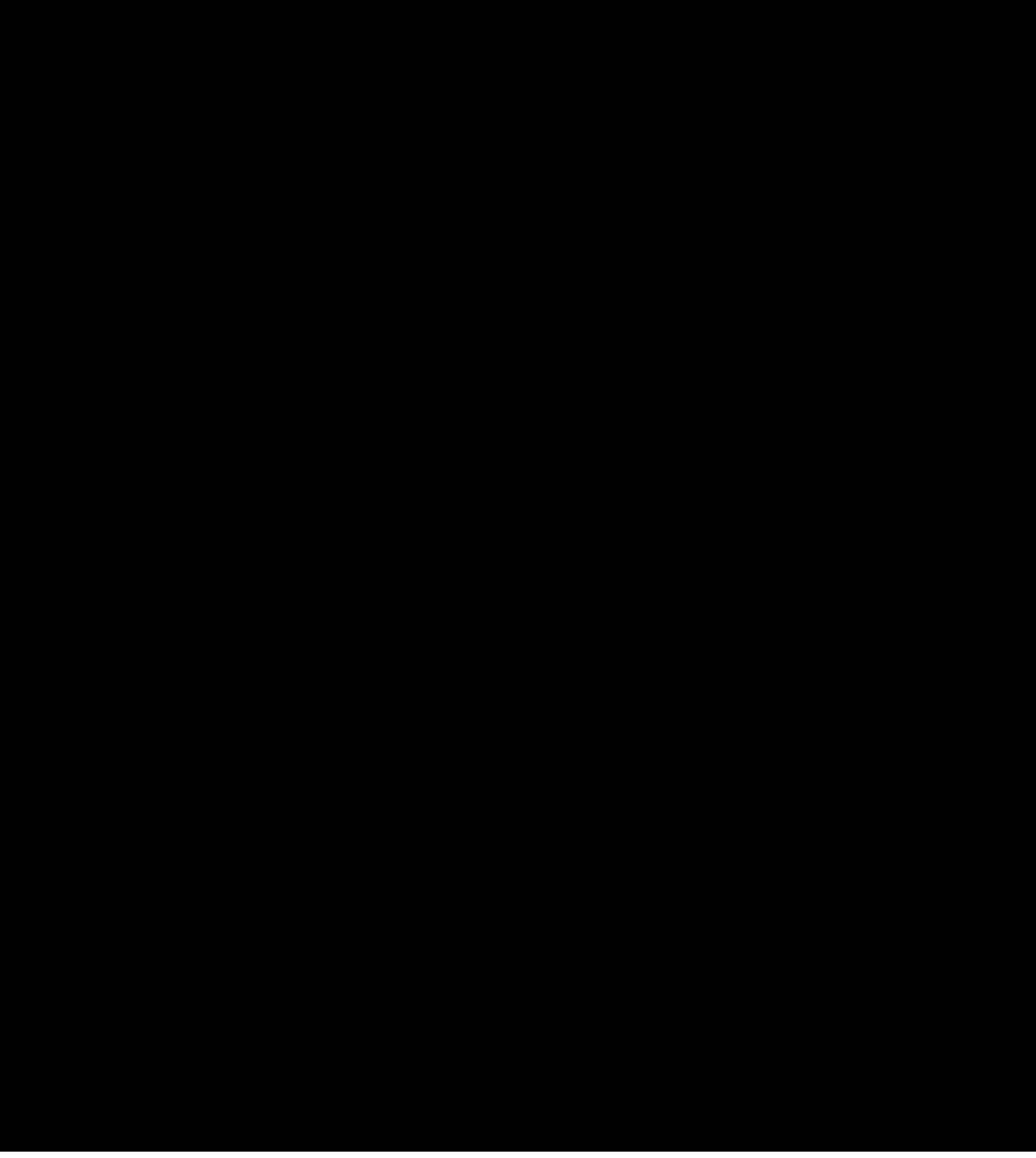




CONSOLIDATED OPERATING STATEMENT

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
		MANUFACTURING PROFIT	28,420,817.66
			\$ 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
			633,579.76

PROVISION FOR DEPRECIATION

NET PROFIT \$ 11,365.74
=====

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 15,000.00 144,000.00

(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

GL0014712

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
=====

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 \$3,000,000.00
(First Series of \$100,000.00 due
September 1, 1926)

Euston Lead Company:

First Mortgage 6% Serial Gold Bonds
Authorized and Issued 160,000.00 3,160,000.00
(Due \$16,000.00 annually beginning
August 1, 1926)

CAPITAL STOCK-MINORITY INTEREST
(The Glidden Stores Company)

14,620.00

SURPLUS

Balance October 31, 1925

5,429,394.08

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

\$20,806,974.97

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

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
=====

GLD014715

DATED
COMPANY
Business

BALANCE SHEET

- CLEVELAND, AND SUBSIDIARIES

October 31, 1924.

LIABILITIES

CAPITAL STOCK (The Glidden Company)

PRIOR PREFERENCE-7% CUMULATIVE

Authorized \$7,500,000.00
=====

5.30 Shares Issued \$6,896,400.00
Interim Certificates and Scrip 208,720.00 \$7,105,120.00

1.55 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

14 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

CONSOLIDATED

THE GLIDDEN COMPANY

October 31,

=====

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)	-0-
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

GLD014718

CLEVELAND, AND SUBSIDIARIES

1924.

THE GLIDDEN COMPANY, LTD. THE GLIDDEN STORES COMPANY
TORONTO, CANADA 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		<u>400.00</u>	\$ 9,342.42

DUE AFFILIATED COMPANY

The Glidden Company, Cleveland, Ohio-Net	<u>357,716.82</u>	\$ 367,059.24
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NOMINAL

CAPITAL STOCK

Authorized and Issued	\$ 350,000.00
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DEFICIT

Deficit October 31, 1922	\$ 34,320.56	
Net Profit from Operations for the year ended October 31, 1923	<u>2,011.67</u>	<u>32,308.89</u>
		317,191.11

GLD014720

\$ 684,250.35

(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	\$ -0-
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
	<u>14,049.39</u>
TOTAL CHARGES	\$ 14,049.39

CREDITS

Recording inventory of Steel Drums	\$ -0-
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
	<u>5,617.38</u>
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
	<u>230,190.05</u>
TOTAL ADDITIONS	\$ 230,190.05

DEDUCTION

Preferred Dividends paid by The Glidden Stores Company (Funds advanced therefor by The Glidden Company)	\$ -0-
TOTAL DEDUCTION	\$ -0-

NET ADDITIONS 230,190.05

SURPLUS-DEFICIT OCTOBER 31ST, 1922 \$2,296,320.77

SURPLUS

- CLEVELAND, AND SUBSIDIARIES

1922.

THE GLIDDEN COMPANY, LTD.
TORONTO - CANADA

THE GLIDDEN STORES COMPANY
CLEVELAND

COMBINED

\$ 39,318.51	\$ 148,408.61	\$1,886,835.61
\$ 7,714.79	\$ -0-	\$ 7,714.79
-0-	-0-	12,626.61
-0-	-0-	1,422.78
\$ 7,714.79	\$ -0-	\$ 21,764.18
\$ 1,849.50	\$ -0-	\$ 1,849.50 ✓
-0-	-0-	2,933.56 ✓
-0-	-0-	2,683.82 ✓
\$ 1,849.50	\$ -0-	\$ 7,466.88
5,865.29	-0-	14,297.30
\$ 45,183.80	\$ 148,408.61	\$1,872,538.30
\$ -0-	\$ -0-	\$ 24,491.25
10,363.24	23,337.14	192,724.90
\$ 10,363.24	\$ 23,337.14	\$ 217,216.15
\$ -0-	\$ 26,250.00	\$ 26,250.00
\$ -0-	\$ 26,250.00	\$ 26,250.00
\$ 10,363.24	49,587.14	\$ 190,966.10
\$ 34,820.56	\$ 197,995.75	\$2,063,504.40

SURPLUS-DEFICIT

THE GLIDDEN COMPANY, LIMITED - TORONTO, CANADA.

December 31st, 1921.

	UNEARNED SURPLUS	PROFIT & LOSS SURPLUS-DEFICIT	COMBINED
<u>SURPLUS-DEFICIT</u> December 31st, 1920 - as shown by Audit Report	\$ 89,709.83	\$ 1,383.73	\$ 88,326.05
<u>ADJUSTMENTS</u>			
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
<u>ADJUSTED SURPLUS-DEFICIT</u> DECEMBER 31ST, 1920	\$ 89,709.83	\$ 1,073.16	\$ 88,636.67
<u>CURRENT CHARGES</u>			
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
<u>SURPLUS-DEFICIT</u> DECEMBER 31ST, 1921	\$ 85,840.08	\$ 123,152.59	\$ 39,312.51

GLD014724

SUPPLIES

THE GLIDDEN COMPANY
December 31st,

- CLEVELAND, AND SUBSIDIARIES
1921.

THE GLIDDEN COMPANY
CLEVELAND

THE GLIDDEN COMPANY, LTD.
TORONTO, CANADA.

COMBINED
\$5,050.91

SURPLUS December 31st, 1920 - as shown by Audit Report

\$4,961,306.54

ADJUSTMENTS

CHARGES

Corrections applicable to December 31st, 1920 Inventories	\$	36,631.82
Miscellaneous Expenses-Net-Cleveland Division applicable to Year 1920		734.73
Miscellaneous Expenses-Net-A. Wilhelm Division applicable to Year 1920, in excess of reserve of \$10,000.00 provided therefor at Decem- ber 31st, 1920		9,271.54
Loss in settlement with former stockholders of Campbell Paint & Varnish Co., on accounts receivable guaranteed by them		2,200.76
Correction of duplicate charges to Permanent Accounts-Year 1920		1,625.00
Correction of entry recording par value of four shares Glidden Stores Co. Preferred Stock December 31st, 1920		400.00

CREDITS		TOTAL CHARGES	\$	50,863.85
Special discounts received on material purchases applicable to year 1920			\$	25,363.46
Miscellaneous Credits applicable to year 1920				771.64
Campbell Paint & Varnish Division				
Proceeds from Life Insurance Policy sold				
Duty refunds applicable to year 1920				-0-

TOTAL CREDITS \$ 27,135.10
NET CHARGES-CREDITS
PLUS DECEMBER 31ST, 1920

23,728.75
24,937,577.79

CURRENT TRANSACTIONS

ADDITIONS

Portion of Cash Surrender Value Life Insurance Policies	\$ 8,064.00
Dividends received on Preferred Stock owned of The Glidden Stores Co.	32,648.00
Excess of declared value of \$.50 per share on Common Stock issued during the year 1921	750.00

\$ 41,462.00
\$2,372,925.62

DEDUCTIONS

Net Loss for the year ended December 31st, 1921	\$2,372,925.62
Proportion of depreciation on Permanent Assets charged off during the year 1921 applicable to	
Appreciation	58,618.70
Preferred Dividends Paid-Net	472,932.74

Appreciation
Preferred Dividends Paid-Net

TOTAL DEDUCTIONS	\$2,904,477.06
NET DEDUCTIONS	

NET DEDUCTIONS

SURPLUS-DEFICIT-DECEMBER 31ST, 1921

32,074,562.73

BALANCE SHEET- CLEVELAND AND SUBSIDIARIES

December 31st, 1920.

LIABILITIESCURRENTNOTES & 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
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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
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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

NOMINALCAPITAL 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	\$ 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	
	5,102,319.09	6,716,544.09
		13,494,644.09

SURPLUS

\$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.

GLD0014726

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

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CONDENSED

THE GLIDDEN COMPANY

For the year ended December 31st, 1920

DIVISIONS	NET SALES (INCLUDING INTER-COMPANY SALES)	COST OF SALES (INCLUDING INTER-COMPANY PURCHASES)	MANUFACTURING PROFIT	SELLING, GENERAL & ADMINISTRATIVE EXPENSE
The Glidden Company Cleveland	\$ 6,474,923.05	\$ 4,355,421.53	\$ 2,119,501.52	\$ 1,867,145.67
A. Wilhelm Company Reading	3,271,473.76	2,539,909.42	731,564.34	195,152.44
Adams & Elting Co. Chicago	2,352,465.87	1,832,652.32	519,813.55	419,522.49
American Paint Works New Orleans	546,896.48	450,384.58	96,511.90	101,760.17
Campbell Paint & Varnish Company-St. Louis	3,062,669.82	2,536,493.31	526,176.51	583,289.75
T. L. Blood & Co. St. Paul	654,052.64	480,318.76	173,733.88	111,008.84
Forest City Paint & Varnish Company-Cleveland	863,633.74	700,368.24	163,265.50	137,657.70
Heath & Milligan Manufacturing Company-Chicago	2,558,130.86	2,086,557.50	571,573.36	479,975.16
Rubian Paint & Varnish Co. Chicago	1,698,465.55	1,196,353.84	502,099.71	129,782.03
Chemical & Pigments Divi- sion-St. Helena, Md.	280,704.29	240,131.93	40,572.36	22,304.99
Twin City Varnish Co. St. Paul	477,069.37	339,566.18	137,503.19	73,267.40
Glidden Co., Ltd. Toronto	838,067.63	529,745.46	308,322.17	187,797.61
Glidden Nut Butter Co. Chicago	1,054,802.01	1,038,337.81	16,464.20	122,489.72
Glidden Co. of California San Francisco	895,088.49	681,877.20	213,211.29	150,462.57
Glidden Co. of Massachusetts Boston	403,938.18	407,980.80	4,042.62	68,462.15
Glidden Co. of Texas Dallas	313,562.50	266,339.74	47,222.76	40,856.31
Twin City Varnish Co. Chicago	84,350.77	62,356.64	21,994.13	26,222.96
Linseed Oil Division St. Louis	102,762.16	109,285.73	6,523.57	18,169.59
Heath & Milligan Manufacturing Company of California Berkeley, California	94,235.26	85,551.27	8,683.99	14,934.51
Glidden Stores Co. Cleveland	1,109,482.52	843,192.50	266,290.02	252,657.70
TOTAL	\$27,236,772.95	\$20,782,944.76	\$6,453,828.19	\$4,992,919.76
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.

- CLEVELAND, AND SUBSIDIARIES

(Except as noted below)

OPERATING PROFIT	OTHER INCOME DEDUCTIONS NET	SHRINKAGE FOR INVENTORY	AMOUNT APPLICABLE TO APPROPRIATION	ALLOWANCE PROVISION FOR REDUCTION IN INVENTORY VALUES TO REPLACEMENT COST	NET PROFIT LOSS
\$ 252,356.85	\$ 121,483.44	\$ 130,872.41	\$ 82,980.95	\$ 479,474.25	\$ 431,522.7
546,411.90	9,811.32	536,600.58	34,261.76	80,892.44	421,446.31
100,291.06	6,362.62	93,928.44	16,187.56	58,257.92	19,482.91
5,243.27	7,218.48	12,461.75	4,408.35	9,973.59	26,843.6
57,113.21	30,294.38	87,407.62	10,025.95	46,166.89	143,600.4
62,725.04	3,308.88	59,416.16	2,437.01	5,446.70	51,532.4
25,607.80	511.23	25,819.03	5,627.98	29,599.73	9,466.0
91,588.20	3,103.00	94,691.20	31,633.62	56,529.77	6,527.8
372,317.68	6,888.86	365,628.82	20,936.99	48,167.85	296,503.9
18,267.37	2,994.50	15,272.87	25,686.86	-0-	10,413.9
64,135.79	2,296.87	61,838.92	2,766.16	26,936.80	32,135.9
120,524.56	387.27	121,171.83	8,059.45	58,205.40	54,906.9
106,025.52	79,539.66	185,565.18	36,094.61	94,110.99	316,770.0
62,748.72	6,721.07	56,027.65	14,888.36	62,005.30	20,866.0
72,504.77	1,777.89	74,282.66	866.93	4,882.58	80,032.1
6,366.45	1,515.72	4,850.73	278.93	10,887.03	6,315.2
4,229.33	867.52	5,096.85	86.96	-0-	6,183.3
24,895.13	-0-	24,895.13	5,273.00	-0-	29,968.1
6,200.62	63.33	6,263.95	2,193.02	5,866.36	14,595.2
15,632.32	5,263.37	18,900.69	5,546.31	-0-	13,354.3
\$1,460,908.43	\$ 271,714.65	\$ 1,189,193.78	\$ 310,260.76	\$ 1,077,423.60	\$ 198,490.5

(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

CONDENSED
THE GLIDDEN COMPANY
For the year ended December 31st, 1919.

OPERATING STATEMENT
- CLEVELAND, AND SUBSIDIARIES
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 PROFIT BEFORE FEDERAL TAXES
The Glidden Company	\$ 5,319,377.27	\$ 3,554,685.27	\$1,764,692.00	\$ 147,284.50	\$21,114	\$497,017.23	\$156,377.37	\$46,934.94	\$109,412.43	\$387,574.80
Cleveland	109,371	66,832	33,226	2,833						27,537
The Forest City Paint & Varnish Company	735,421.53	576,394.39	159,027.14	9,977.49	103,892.62	45,157.03	18,324.89	1,359.42	16,965.47	28,191.56
Cleveland	100,000	70,417	29,583	1,411	14,117	6,117	2,718.3	1,359.42	1,359.42	2,718.3
Heath & Milligan Mfg. Co.	2,232,610.23	1,736,379.75	496,230.48	90,188.39	253,512.68	152,529.41	27,369.50	1,899.11	25,470.49	127,058.92
Chicago	200,000	171,817	28,183	22,211	11,417	16,766		0.1		16,766
Mubian Paint & Varnish Co.	1,133,889.38	729,793.59	404,095.79	Note A	170,308.23	233,787.51	5,980.99	22,478.30	16,497.31	250,284.82
Chicago	200,000	124,797	75,203		11,417	6,117			1.4	6,117
Adams & Elting Co.	2,127,333.49	1,513,646.18	613,687.31	112,362.29	298,233.18	203,051.84	29,420.44	12,025.98	17,394.46	185,697.38
Chicago	200,000	124,797	75,203		11,417	6,117				6,117
A. Wilhelm Co.	1,981,741.54	1,601,357.46	380,384.08	69,821.30	47,729.68	252,853.10	21,505.70	3,363.82	18,136.88	244,696.22
Reading	200,000	124,797	75,203		11,417	6,117				6,117
Campbell Glass & Paint Co.	1,605,212.02	1,180,560.00	424,652.02	197,720.41	214,095.79	12,845.82	52,029.30	1,445.51	50,583.79	37,737.97
St. Louis	200,000	124,797	75,203		11,417	6,117				6,117
Twin City Varnish Co.	391,869.75	267,150.31	124,719.44	Note A	83,354.36	41,365.08	7,386.39	1,911.22	5,475.17	35,889.91
St. Paul	200,000	124,797	75,203		11,417	6,117				6,117
Twin City Varnish Co.	80,166.09	50,366.92	29,799.17	8,653.94	13,025.96	8,119.27	2,970.31	214.38	2,765.93	5,353.34
of Illinois	200,000	124,797	75,203		11,417	6,117				6,117
T. L. Blood & Co.	423,339.76	311,675.52	111,664.24	45,559.72	37,795.02	28,309.50	6,496.55	11,664.68	5,169.13	33,476.63
St. Paul	200,000	124,797	75,203		11,417	6,117				6,117
American Paint Works	542,938.67	430,220.41	112,718.26	36,969.05	50,041.43	25,705.78	10,478.99	1,105.31	9,373.68	16,332.10
New Orleans	200,000	124,797	75,203		11,417	6,117			1.2	6,117
The Glidden Co., Ltd.	570,227.60	373,534.11	196,693.49	24,105.38	137,916.55	34,671.56	5,977.51	1,288.29	4,689.23	29,982.33
Toronto	200,000	124,797	75,203		11,417	6,117				6,117
The Glidden Co. of Massachusetts	230,355.83	175,847.93	54,507.90	Note A	49,532.05	4,975.85	-0-	4,784.17	4,784.17	9,760.02
Boston	200,000	124,797	75,203		11,417	6,117			2.0	6,117
The Glidden Co. of California	705,738.04	546,087.31	157,650.73	42,994.50	75,475.21	39,181.02	15,268.35	-0-	15,268.35	23,912.67
San Francisco	200,000	124,797	75,203		11,417	6,117				6,117
TOTALS	\$18,080,219.20	\$13,049,699.15	\$5,030,520.05	\$785,636.97	\$2,655,293.08	\$1,589,590.00	\$359,585.39	\$110,480.12	\$249,105.27	\$1,340,484.73

Provision for estimated Federal Taxes and Contingencies

NET PROFIT AFTER DEDUCTING ESTIMATED FEDERAL TAXES AND CONTINGENCIES

\$1,008,201.61

332,283.12

61,001,472.6

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

(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.