MINUTES OF STOCKHOLDERS' MEETING.

Cleveland, Ohio, November 10th, 1910.

TWENTY-SEVENTH ANNUAL MEETING.

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

There were present either in person or by proxy 262 shareholders out of 345, representing 49338 shares out of a total of 61678 outstanding of both common and preferred stock.

On motion duly seconded and unanimously carried, Mr. W. H. Cottingham was chosen chairman and Mr. A. W. Frank secretary of the meeting.

The chair appointed Mr. G. A. Martin and Mr. E. M. Williams inspectors and tellers to verify the representation of stockholders at the meeting.

On motion the reading of the minutes of the previous meeting was dispensed with.

The annual report of the President, Mr. W. H. Cottingham, was presented as follows:-

"I am glad to be able to report that our last fiscal year was the most prosperous in the history of the Company. These gratifying results have been accomplished largely by the substantial increase made in sales, and by the increased earnings of our auxiliary departments.

Our percentage of gross profit on trading account in the Paint and Varnish Departments was reduced, owing to the unprecedentedly high costs of linseed oil and turpentine. High costs continue on these articles; and while our prices have been advanced, the advances are not entirely sufficient to cover the increase in costs, but we do not deem it wise to advance prices further at the present time, as such action might affect our turnover, which we are striving to maintain and increase.

The total sales of the various departments, including all auxiliaries, for the year were	$12,959,329.79
These figures show an increase over last year of	2,212,421.57
The net profit, after deducting all expenses excepting the retirement for depreciation of plants, was	1,306,432.47
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	115,308.90
leaving the net surplus on the year's trading	$ 1,191,123.57

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

ASSETS:

Merchandise per Inventory	$3,280,530.26	
Cash	171,581.62	
Accounts & Bills Receivable	2,134,739.04	5581850.92
Plant	3,979,999.84	
Investments	595,385.04	
Stationery, Prepaid Insurance, Taxes, etc.	20,148.55	$10,182,384.35

LIABILITIES:

Accounts & Bills Payable		1,665,437.13	
Reserved for Taxes, etc.		38,303.68	
Capital Stock:			
7% Preferred	500,000.00		
6% "	1,285,300.00		
Common	4,326,900.00	6,112,200.00	
Surplus		2,366,443.54	$10,182,384.35

Our lead corroding works at Chicago, referred to in my last report, have been completed, and are now in full operation. The prospects for earnings from this new department are encouraging.

During the past year we acquired all of the common stock of the Detroit White Lead Works, Detroit, and have been operating that Company since April last. We believe it will prove to be a profitable adjunct to our business.

During the last year we erected an ore concentrating plant at our mines in New Mexico to treat the ores from the mines. This plant has not yet been worked out successfully, but changes are now being made which promise good results.

Our English and foreign business is making satisfactory progress.

We still have some of the last issue of six per cent. preferred stock for sale, which we are placing judiciously where we think it will do good.

The high prices which we are obliged to obtain at the present time are making it difficult to make the usual increase in sales, but we are hopeful of making further gains in the new year.

Respectfully submitted,
(Signed) W. H. Cottingham
President."

RECORD BOOK PAGE ATTEST [signature] SECRETARY