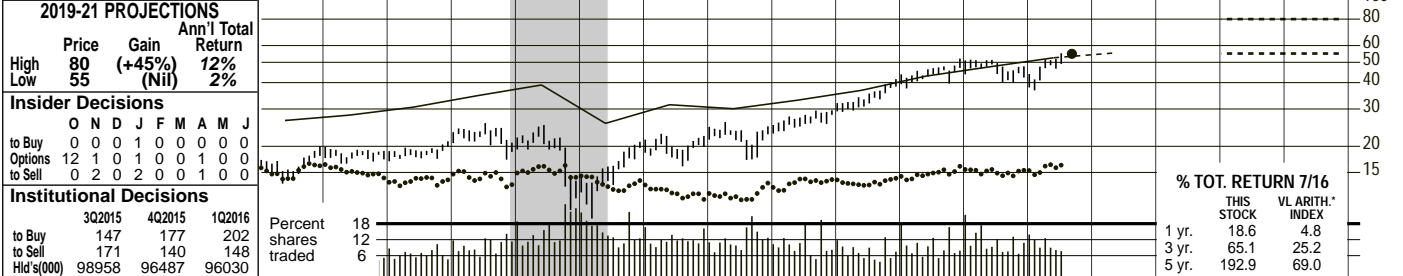


TIMELINESS <b>3</b> Lowered 7/15/16	High: 19.9	21.1	25.7	25.2	21.0	22.9	26.0	29.6	41.6	52.0	51.4	55.3							Target Price Range
SAFETY <b>3</b> New 7/27/90	Low: 16.5	17.0	17.3	10.0	9.1	16.1	17.2	23.0	29.1	37.6	40.1	36.8							2019 2020 2021
TECHNICAL <b>3</b> Lowered 9/2/16	LEGENDS — 15.0 x "Cash Flow" p sh ... Relative Price Strength Options: Yes Shaded area indicates recession																		
BETA 1.10 (1.00 = Market)																			



2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
18.95	19.64	17.32	18.04	20.17	21.74	25.33	27.61	29.82	26.21	26.27	25.90	28.71	30.78	32.84	34.49	36.21	38.10	Sales per sh <sup>A</sup>	44.25
1.53	1.41	1.38	1.58	1.77	1.87	2.04	2.32	2.60	1.71	2.10	2.01	2.20	2.45	2.86	3.17	3.50	3.70	"Cash Flow" per sh	4.70
.73	.62	.97	1.06	1.22	1.25	1.35	1.57	1.81	1.05	1.45	1.45	1.65	1.83	2.18	2.38	2.63	2.75	Earnings per sh <sup>AB</sup>	3.60
.49	.50	.50	.52	.55	.59	.63	.69	.75	.79	.82	.84	.86	.89	.95	1.02	1.09	1.17	Div'ds Decl'd per sh <sup>CA</sup>	1.45
.61	.53	.35	.36	.44	.47	.52	.58	.59	.43	.18	.31	.54	.69	.70	.64	.88	1.00	Cap'l Spending per sh	.85
6.26	6.26	7.48	7.59	8.40	8.90	7.80	8.99	9.30	8.90	8.31	9.67	9.00	10.38	10.38	9.70	10.32	11.75	Book Value per sh <sup>D</sup>	17.75
103.13	102.21	114.70	115.50	116.12	117.55	118.74	120.91	122.19	128.50	129.92	130.58	131.56	132.60	133.27	133.20	132.94	132.50	Common Shs Outst'g <sup>E</sup>	132.00
16.1	14.9	13.5	12.5	12.1	13.8	13.6	13.1	12.1	15.2	12.9	14.5	14.0	15.9	17.7	19.8	17.3		Avg Ann'l P/E Ratio	18.5
1.05	.76	.74	.71	.64	.73	.73	.70	.73	1.01	.82	.91	.89	.89	.93	1.00	.93		Relative P/E Ratio	1.15
4.2%	5.4%	3.8%	3.9%	3.7%	3.4%	3.4%	3.3%	3.4%	4.9%	4.4%	4.0%	3.7%	3.1%	2.5%	2.2%	2.4%		Avg Ann'l Div'd Yield	2.1%

CAPITAL STRUCTURE as of 5/31/16		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
Total Debt \$1651 mill.	Due in 5 Yrs \$1102 mill.	3008.3	3338.8	3643.8	3368.2	3412.7	3381.8	3777.4	4081.5	4376.4	4594.6	4813.6	5050	Sales (\$mill) <sup>A</sup>	5840						
LT Debt \$1646 mill.	LT Interest \$91.7 mill.	12.4%	12.6%	12.6%	10.1%	12.1%	12.3%	12.2%	12.3%	13.2%	13.4%	14.1%	14.5%	Operating Margin	15.0%						
(Total Interest Coverage: 6.6x)	(55% of Capital)	74.3	81.6	85.4	85.1	84.3	72.8	73.7	83.7	90.1	99.2	111.0	120	Depreciation (\$mill)	135						
		168.1	198.6	232.8	134.9	188.0	189.1	215.9	241.3	291.7	323.0	354.7	370	Net Profit (\$mill)	485						
		34.7%	32.1%	28.8%	31.3%	31.6%	31.1%	28.8%	29.2%	27.9%	26.2%	26.1%	30.0%	Income Tax Rate	30.0%						
Leases, Uncapitalized Annual rentals \$50.8 mill.		5.6%	5.9%	6.4%	4.0%	5.5%	5.6%	5.7%	5.9%	6.7%	7.0%	7.4%	7.3%	Net Profit Margin	8.3%						
Pension Assets 5/16 \$483.7 mill.	Oblig. \$776.1 mill.	655.7	705.6	937.6	703.7	817.2	1132.7	1051.5	958.3	1125.2	1196.7	1136.2	1195	Working Cap'l (\$mill)	1530						
		870.4	886.4	1066.7	762.3	924.3	1106.3	1113.0	1369.2	1346.0	1654.0	1646.3	1640	Long-Term Debt (\$mill)	1400						
Preferred Stock None		925.9	1086.9	1136.6	1143.7	1079.5	1263.2	1183.7	1200.9	1382.8	1291.4	1372.3	1560	Shr. Equity (\$mill) <sup>D</sup>	2340						
Common Stock 133,132,651 shares		10.6%	11.2%	11.8%	8.3%	10.7%	9.2%	10.8%	10.9%	12.2%	12.5%	11.8%	11.5%	Return on Total Cap'l	13.0%						
as of 7/25/16		18.2%	18.3%	20.5%	11.8%	17.4%	15.0%	18.2%	20.1%	21.1%	25.0%	25.8%	23.5%	Return on Shr. Equity	20.5%						
MARKET CAP: \$7.3 billion (Large Cap)		10.1%	10.7%	12.5%	2.9%	7.6%	6.4%	8.8%	10.3%	12.0%	14.5%	15.3%	14.0%	Retained to Com Eq	12.5%						
		44%	41%	39%	75%	56%	57%	52%	49%	43%	42%	41%	43%	All Div'ds to Net Prof	40%						

**BUSINESS:** RPM International Inc., a holding company, owns subsidiaries that manufacture, market, and sell various chemical product lines to the industrial (51% of '16 sales), consumer (34%), and specialty (15%) markets. Industrial brands include: *Tremco, Stonhard, Carboline, Illbruck, Day-Glo, Ecoloc, Dryvit, Vandex, Viapol*, etc. Consumer brands include: *Synta, Rust-Oleum, DAP, Zinsser, Varathane, Testors, Watco, Tor Coatings*, etc. Employs about 12,864. BlackRock owns 7.5% of common stock outstanding; T. Rowe Price, 7.0%; The Vanguard Group, 6.8%; State Street, 5.3%; off/dir., 2.3% (8/15 Proxy). Chairman & CEO: Frank C. Sullivan, Inc.: Delaware. Address: P.O. Box 777, 2628 Pearl Road, Medina, Ohio 44258. Telephone: 330-273-5090. Internet: www.rpminc.com.

**RPM International completed two tuck-in acquisitions last month.** First, its *Tremco* Group purchased the assets of Duram Industries Pty Limited (terms were not disclosed). Based in Australia, Duram manufactures a broad array of commercial waterproofing products that generate annual sales of roughly \$6 million. The addition widens *Tremco's* geographic footprint within the Australian market for its sealing and roofing systems. The deal is expected to be accretive to earnings within one year. Second, RPM acquired Applied Polymetrics, Inc. & Marketing Associates, Inc. (API/MAI) for an undisclosed sum. Based in North Carolina, API/MAI is a civil engineering and construction entity with a focus on bridges, roads, and major structures. The transaction adds about \$14 million in annual sales and is also expected to benefit the bottom line within a year. **Meantime, the company closed out fiscal 2016 on a good note (year ended May 31st).** Fourth-quarter sales rose 4%, as strong results in the Consumer and Specialty segments more than offset a currency-driven decline in the Industrial division. Still, Industrial segment EBIT (earnings before interest and taxes) climbed more than 15%, helped by an asset revaluation. Specialty segment EBIT grew 20%, while the Consumer segment's tally slipped 3%. Excluding a legal settlement charge and an earn-out reversal in the previous year, Consumer EBIT would have risen 18%. All told, on a lower tax rate, share net surged 20%, to \$1.13. **Giving consideration to \$0.09 per share of 2016 net gains that will not repeat, 2017 growth is apt to moderate.** Management guided to a 4%-6% sales advance in the year ahead. Our unchanged \$5.05 billion estimate reflects the midpoint of this range. Higher pension costs and adverse foreign exchange will pressure earnings, which factors into RPM's \$2.68-\$2.78 expected EPS range. Thus, we continue to forecast flat margins will reveal 5% bottom-line growth, to \$2.75. **This equity is ranked mirror the year-ahead market.** For those with a longer-term bent, RPM's share price is hovering near a 52-week high, thereby leaving uninspiring appreciation potential. *Michael Lavery* September 2, 2016

Fiscal Year Ends	Aug.31	Nov.30	Feb.28	May 31	Full Fiscal Year
2013	1049.6	1017.4	843.7	1170.8	4081.5
2014	1164.7	1071.5	863.4	1276.8	4376.4
2015	1203.9	1071.1	946.4	1373.2	4594.6
2016	1242.4	1156.0	988.6	1426.6	4813.6
2017	1300	1210	1035	1505	5050

(A) Fiscal years end May 31st. (B) Diluted earnings per share. Excludes non-recurring gains/losses: '03, (\$0.76); '05, (\$0.36); '06, (\$1.91); '07, (\$0.07); '08, (\$1.42); '09, (\$0.12); '10, (\$0.06); '13, (\$1.09). Qtly. figs. may not sum due to rounding. Next earnings report due early Oct. (C) Dividends historically paid late January, April, July, and October. (D) Dividend reinvestment plan available. Paid an accelerated dividend 12/12 in lieu of its 1Q '13 div'd payout. (E) Includes intangibles. In '16: \$1.8 billion, \$13.50 a share. (F) In millions. © 2016 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product. To subscribe call 1-800-VALUELINE