

RPM International Inc. (RPM)

\$105.79 (Stock Price as of 12/24/2025)

Price Target (6-12 Months): **\$111.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 03/10/23)

Prior Recommendation: Underperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

4-Sell

Zacks Style Scores:

VGM: B

Value: B

Growth: C

Momentum: B

Summary

RPM International has been gaining from strong demand for turnkey solutions and repair-and-maintenance services, reflecting its ability to execute effectively across high-performance building markets. The company is also seeing gains from the effective implementation of its MAP 2025 initiatives, along with accretive acquisitions and structural SG&A streamlining. Management expects the benefits of MAP 2025 to continue through fiscal 2026, supported by ongoing process improvements and carryover efficiencies. However, ongoing housing market softness and soft DIY demand are weighing heavily on RPM International's prospects. Shares of the company have underperformed the industry in the past six months. Earnings estimates for fiscal 2026 have moved down over the past 30 days, depicting analysts' concerns.

Data Overview

52 Week High-Low	\$129.12 - \$95.28
20 Day Average Volume (sh)	1,011,708
Market Cap	\$13.6 B
YTD Price Change	-14.0%
Beta	1.11
Dividend / Div Yld	\$2.16 / 2.0%
Industry	Chemical - Specialty
Zacks Industry Rank	Bottom 15% (206 out of 243)

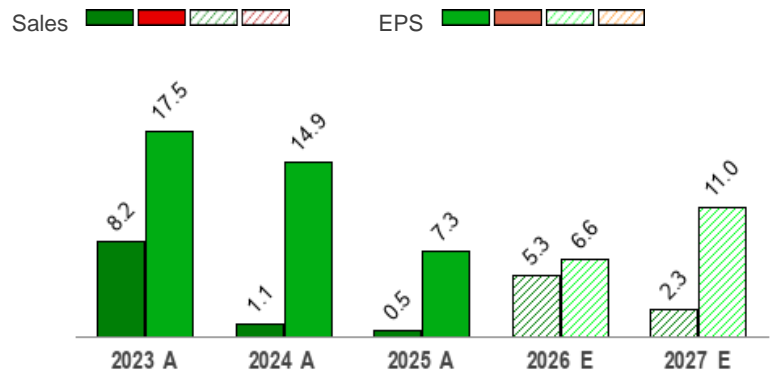
Last EPS Surprise	0.5%
Last Sales Surprise	3.4%
EPS F1 Est- 4 week change	-0.1%
Expected Report Date	01/08/2026
Earnings ESP	-1.3%

P/E TTM	19.8
P/E F1	18.7
PEG F1	2.1
P/S TTM	1.8

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	2,186 E	1,991 E	1,602 E	2,163 E	7,942 E
2026	2,114 A	1,938 E	1,571 E	2,139 E	7,761 E
2025	1,969 A	1,845 A	1,477 A	2,082 A	7,373 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	2.01 E	1.56 E	0.60 E	2.10 E	6.27 E
2026	1.88 A	1.44 E	0.46 E	1.87 E	5.65 E
2025	1.84 A	1.39 A	0.35 A	1.72 A	5.30 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 12/24/2025.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/23/2025.

Overview

RPM International Inc., through its subsidiaries, manufactures and markets high-performance coatings, sealants and specialty chemicals, primarily for maintenance and improvement applications.

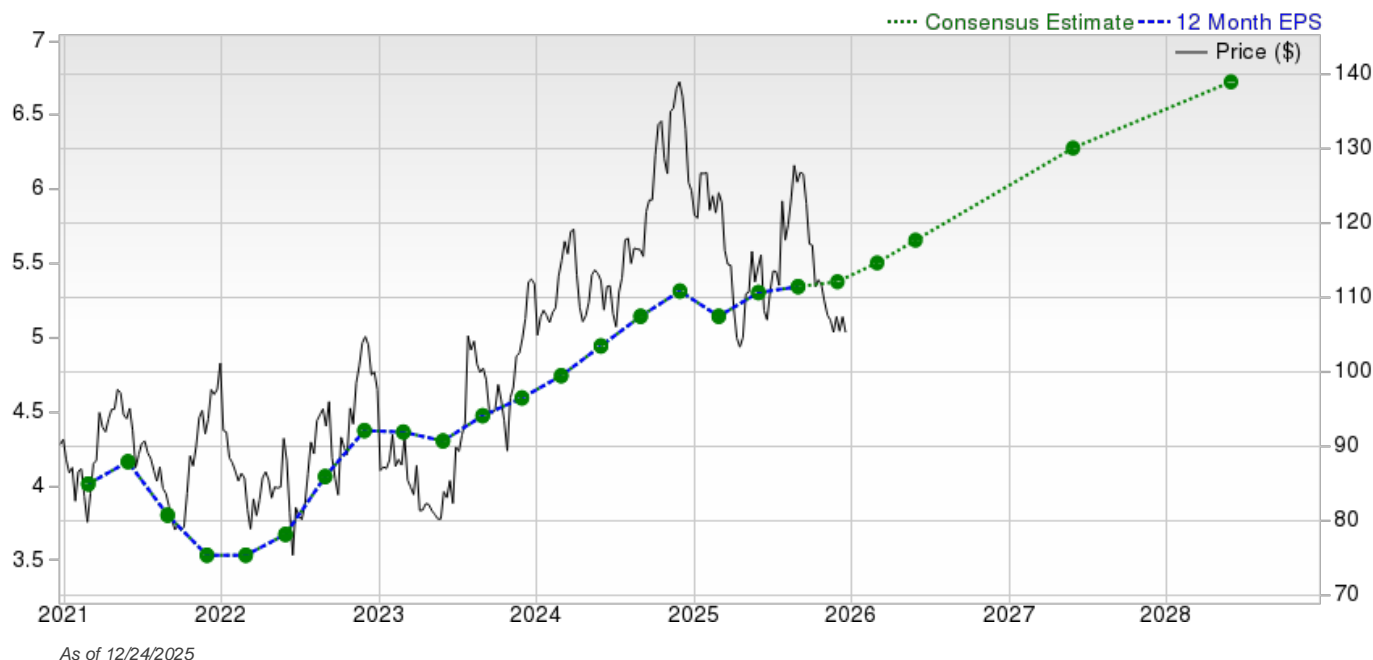
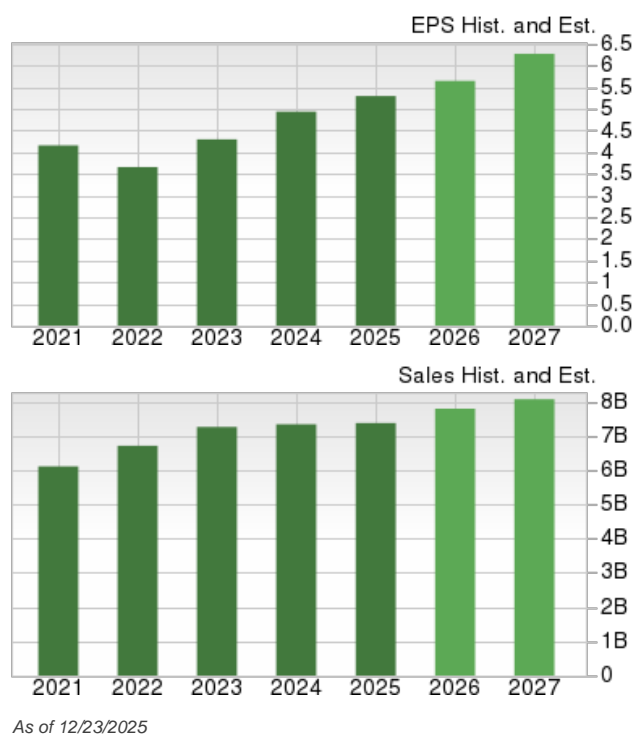
As of Aug. 31, 2025, the company's products were sold in nearly 159 countries and territories. The company operated manufacturing facilities in approximately 118 locations across the world. RPM has four reportable segments - Construction Products Group, Performance Coatings Group, Consumer Group and Specialty Products Group.

Construction Products Group ("CPG") (contributing 36.8% to fiscal 2024 net sales) comprises Tremco, Tremco illbruck, Euclid Chemical, Viapol, Vandex and Flowcrete businesses. Products in the segment are sold throughout North America and account for the majority of international sales. Products and services within this segment include construction sealants and adhesives; coatings and chemicals; roofing systems; concrete admixture and repair products; building envelope solutions; insulated cladding; flooring systems; as well as weatherproofing solutions.

Performance Coatings Group ("PCG") (19.9%) includes Stonhard, Carboline, USL and Fibergrate businesses. Consumer brands comprise Rust-Oleum and DAP. PCG offers high-performance flooring solutions, corrosion control and fireproofing coatings, infrastructure repair systems, fiberglass reinforced plastic gratings, as well as drainage systems.

Consumer Group's (33.5%) products include specialty, hobby, professional paints, nail enamels, caulks, adhesives, silicone sealants and wood stains. The segment manufactures professional use and do-it-yourself ("DIY") products. This segment comprises three operating units - Rust-Oleum Group, DAP Group and SPG-Consumer Group.

Effective June 1, 2025, the company reorganized its Specialty Products Group (SPG), transferring the Legend Brands unit to CPG, the Industrial Coatings and Food Groups to PCG, and the Color Group to Consumer.



Reasons To Buy:

▲ **Robust MAP 2025 Plan:** RPM International successfully concluded its MAP 2025 operational improvement program at the end of fiscal 2025. The initiative delivered meaningful progress through SG&A optimization, supply-chain efficiencies and facility consolidation. These actions improved productivity and working capital efficiency while supporting profitability in a mixed demand environment. Although temporary manufacturing inefficiencies were noted during plant transitions, MAP 2025 provided a strong foundation for margin stability and cost control.

The company expects the benefits of MAP 2025 to extend through fiscal 2026, with additional savings anticipated from ongoing process improvements and the carryover of prior-year efficiencies. These initiatives are expected to help offset inflationary and tariff-related pressures, supporting steady earnings performance. Overall, MAP 2025 has strengthened RPM International's cost structure and positioned the business for continued margin improvement and long-term growth. For fiscal 2026, our model expects total adjusted EBIT to increase 8.2% year over year to \$1.1 billion.

RPM International benefits from execution of MAP 2025 operational improvement initiative and a boost in infrastructure spending. Also, accretive acquisitions and strong liquidity position bode well.

▲ **Increased Infrastructure Spending:** The U.S. government's effort to boost the country's infrastructure has been generating demand for the company's products. RPM International continues to benefit from rising infrastructure and high-performance construction activity. In the first quarter of fiscal 2026, the company achieved record sales across all segments, supported by strong demand for turnkey solutions serving infrastructure, data centers and institutional projects such as hospitals and schools. The Construction Products Group recorded solid growth driven by roofing, sealants and repair-and-maintenance work. Unit volumes in the group increased 4% year over year, reflecting solid project execution despite mixed construction markets. The company highlighted that demand for repair and maintenance work remained stable and less cyclical than new construction.

Looking ahead, RPM International expects infrastructure and maintenance demand to remain a key growth driver in the fiscal second quarter, contributing to another quarter of record sales and higher adjusted EBIT.

▲ **Acquisitions Driving Growth:** Acquisitions and divestitures have been an important part of RPM International's growth strategy. During fiscal 2025, RPM International completed six acquisitions across its four reportable segments. In the first quarter of fiscal 2026, RPM International reported net sales of \$2.1 billion, up 7.4% year over year. Sales growth included 3% organic expansion, 3.8% contribution from acquisitions and a 0.6% benefit from foreign currency translation. The successful integration of recent strategic acquisitions, including The Pink Stuff and READY SEAL, supported record quarterly results. These businesses delivered accretive margins and strengthened the company's presence in consumer categories.

Looking ahead, RPM International expects consolidated sales and adjusted EBIT to increase by mid-single digits in the second quarter, with the Consumer segment projected to outperform Performance Coatings and Construction Products due to recent acquisitions. The company remains focused on expanding its acquisition pipeline, with plans to pursue additional opportunities in high-growth categories to drive long-term sales and margin improvement.

▲ **Stable Balance Sheet Position:** RPM International maintained a strong liquidity position to navigate the current environment. At the first-quarter fiscal 2026-end, RPM International had a total liquidity of \$933.4 million compared with \$969.1 million at fiscal 2025-end. As of May 31, 2025, the company had cash and cash equivalents of \$297.1 million compared with \$302.1 million at fiscal 2025-end. Long-term debt, less current maturities, at the fiscal first-quarter end was \$2.66 billion compared with \$2.64 billion at fiscal 2025-end. Its current cash balance is enough to meet short-term obligations of \$7.4 million.

Reasons To Sell:

▼ **Tepid Sales Expectation:** RPM International expects fiscal 2026 sales growth to be at the high end of its earlier low to mid-single-digit range. However, persistent economic uncertainty is likely to weigh on performance through the fiscal year. DIY demand remains soft, as housing turnover stays at a 40-year low, continuing to limit recovery in consumer sales.

▼ **Inflation & Foreign Exchange Risks:** RPM International continues to experience cost pressures from inflation, tariffs and growth-related investments. Material inflation in the first quarter of fiscal 2026 was about 1% on a consolidated basis, with expectations to rise to 2-3% in the fiscal second quarter, led mainly by the Consumer segment. Tariff impacts remain significant, with an estimated unmitigated exposure of \$90-\$95 million for the year. The company has offset roughly half of this amount through production shifts, supplier cost sharing and pricing actions.

While underlying wage inflation is a factor, the primary increase in personnel-related costs stems from deliberate growth investments. Underlying compensation inflation is estimated to be in the 2.5% to 3% range. Consequently, the outlook for adjusted EBIT growth is constrained and expected to be toward the lower end of the previously announced high single-digit to low double-digit range. This tempered profitability is largely due to several cost headwinds, including temporary manufacturing inefficiencies from ongoing facility consolidations, significant increases in health care costs and uncertainty surrounding the full financial impact of the current tariff regime.

About 28.9% of RPM International's net sales in fiscal 2025 can be attributed to foreign manufacturing operations. A strengthening dollar or any other global economic uncertainty may affect its operating results.

▼ **Customer Concentration:** RPM International's Consumer segment faces a substantial amount of customer concentration as it has some large customers, which account for a significant portion of net sales. These customers accounted for approximately 65%, 67% and 67% of segment net sales for fiscal 2025, 2024 and 2023, respectively. On a consolidated basis, these customers accounted for 22%, 24% and 25% for fiscal 2025, 2024 and 2023, respectively. Any delay or cancellation of a significant order or any other difficulty in purchasing an order may lead to a significant loss to the company.

▼ **Federal Government Actions:** RPM International, a leading manufacturer and seller of specialty chemicals for industrial, specialty, and consumer markets globally, could face significant implications from the Federal Reserve's interest rate increases. Given the cyclical nature of the housing industry and its sensitivity to changes in consumer confidence and economic conditions, RPM's operations may also be impacted.

The Fed began to increase rates in early 2022 to counter the high ongoing inflation scenario in the market, and it started moving toward the 2% target. On Dec. 10, 2025, the Federal Reserve lowered interest rates by 0.25 percentage points for the third time this year, setting the benchmark range at 3.5% to 3.75%. Policymakers signaled one more cut for 2026, though the vote showed a divided view on the path ahead. For the U.S. housing market, the update offers limited support, as Chair Jerome Powell noted that a small rate move is unlikely to ease conditions.

Demand for RPM International's specialty chemicals used in construction, such as waterproofing, coatings, and roofing systems, gets adversely affected, especially in the U.S. market. The company may need to adapt its strategies to navigate these challenging market conditions and address potential shifts in customer demand.

▼ **Inclement Weather:** Adverse weather conditions have affected sales of paint, coatings, roofing, construction products and related products. Extreme cold and rainy weather, especially during the general construction and exterior painting season, could adversely impact sales of such products. Historically, the company's fiscal third quarter (December through February) faces weaker sales and net income compared with other quarters. The inconsistency in weather conditions impacts productivity adversely.

Tepid sales projection, high costs & expenses, and federal government actions may mar the company's prospects.

Last Earnings Report

RPM International Q1 Earnings & Sales Beat, Adjusted EBIT Up Y/Y

RPM International reported impressive first-quarter fiscal 2026 (ended Aug. 31, 2025) results, with earnings and net sales surpassing the Zacks Consensus Estimate and increasing year over year.

Inside RPM International's Headlines

The company's adjusted earnings per share (EPS) of \$1.88 surpassed the Zacks Consensus Estimate of \$1.87 by 0.5%. In the year-ago quarter, the company reported an adjusted EPS of \$1.84.

Net sales of \$2.11 billion also beat the consensus mark of \$2.04 billion by 3.4% and increased 7.4% year over year.

Geographically, sales increased 5.9% in North America (accounting for around 79% of fiscal first-quarter total sales), driven by systems and turnkey solutions serving high-performance buildings. Sales in Europe (15% of total sales) increased 20.7% driven by M&A and favorable foreign exchange. The metric in Africa and the Middle East (1% of total sales) inched up 9.2%. Furthermore, the metric in the Asia Pacific (2% of total sales) also increased 0.1% year over year.

However, sales in Latin America (3% of total sales) were down 4.8% year over year.

Net sales increased 3% organically during the quarter. Acquisitions and favorable foreign currency translation aided sales by 3.8% and 0.6%, respectively.

RPM International's Operational Discussion

Selling, general and administrative expenses, as a percentage of net sales, increased 40 basis points (bps) to 27.1% from 26.7% reported a year ago.

Adjusted EBIT increased 2.9% year over year to \$337.8 million. Adjusted EBIT margin contracted 70 bps to 16%.

Segmental Details of RPM International

Construction Products Group (CPG): In the reported quarter, the segment's sales increased 6.3% from a year ago to \$809.9 million, owing to a 5.4% organic sales growth, a 0.5% contribution from buyouts and 0.6% favorable foreign currency translation. Adjusted EBIT of \$169.1 million was up 3.1% year over year, but adjusted EBIT margin contracted 60 bps to 19.2%.

Performance Coatings Group (PCG): The segment's sales inched up 9.9% year over year to \$538.5 million. Sales were up 6.7% organically, 2.5% driven by acquisitions and 0.7% aided by favorable foreign currency translation. Adjusted EBIT was up 11% on a year-over-year basis to \$87 million and adjusted EBIT margin expanded 20 bps to 16.2%.

Consumer Group: Sales in the segment inched up 6.6% year over year to \$693.8 million. Organic sales declined 2.9%, while favorable foreign currency translation aided sales by 0.4%. Also, the acquisition contributed 9.1% to sales growth. The segment's adjusted EBIT was up 2.9% from the prior-year level to \$119.9 million, but the adjusted EBIT margin contracted 60 bps to 17.2%.

RPM International's Balance Sheet

At the end of the fiscal first quarter 2026, RPM International had a total liquidity of \$933.4 million compared with \$969.1 million at the fiscal 2025-end. This includes cash and cash equivalents of \$297.1 million compared with \$302.1 million at fiscal 2025-end.

Long-term debt (excluding current maturities) at the fiscal first-quarter end was \$2.66 billion compared with \$2.64 billion at fiscal 2025-end.

RPM International's Q2 Fiscal 2026 Outlook

RPM International expects its pivot to growth to continue in the second quarter of fiscal 2026, supported by strength in non-residential construction markets and recent growth investments. Tariff-related inflation remains a challenge, but the company has implemented pricing actions and efficiency measures to help offset these cost pressures. The streamlined three-segment structure is also expected to enhance operational efficiency. For the fiscal second quarter, consolidated sales and adjusted EBIT are projected to increase in the mid-single-digit range from the prior-year period. The Consumer segment is expected to deliver moderately higher sales growth than the Performance Coatings and Construction Products segments, driven by recent acquisitions.

For fiscal 2026, RPM International plans to continue increasing growth investments in areas with strong potential, even as these initiatives add to SG&A expenses. The company expects these investments to accelerate sales momentum and strengthen its competitive position in a mixed demand environment. Consolidated sales are anticipated to increase toward the high end of the earlier low to mid-single-digit range, while adjusted EBIT is expected to rise toward the lower end of the high single to low double-digit range. Management expects both full-year sales and adjusted EBIT to reach record levels in fiscal 2026.

FY Quarter Ending **5/31/2025**

Earnings Reporting Date	Oct 01, 2025
Sales Surprise	3.43%
EPS Surprise	0.53%
Quarterly EPS	1.88
Annual EPS (TTM)	5.34

Valuation

RPM International's shares are down 4.4% in the past six months and 16.5% over the trailing 12-month period. Stocks in the Zacks sub-industry are down 4.7%, but the Zacks Basic Materials sector is up 18.1% in the past six months. Over the past year, the Zacks sub-industry has been down 3.5%, but the sector is up 27.9%.

The S&P 500 index is up 15% in the past six months and 15.1% in the past year.

The stock is currently trading at 17.5X forward 12-month earnings, which compares to 20.52X for the Zacks sub-industry, 15.5X for the Zacks sector, and 23.27X for the S&P 500 index.

Over the past five years, the stock has traded as high as 24.2X and as low as 16.1X, with a 5-year median of 20X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$111 price target reflects 18.46X forward 12-month earnings.

The table below shows the summary valuation data for RPM.

Valuation Multiples - RPM					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	17.5	20.52	15.5	23.27
	5-Year High	24.2	25.17	16.68	23.78
	5-Year Low	16.1	15.03	8.03	15.73
	5-Year Median	20	22.26	12.87	21.22
P/S F12M	Current	1.7	2.17	2.49	5.25
	5-Year High	2.4	2.7	3.08	5.5
	5-Year Low	1.34	1.72	1.74	3.82
	5-Year Median	1.8	2.29	2.39	5.04
EV/EBITDA TTM	Current	14.4	12.24	14.91	18.56
	5-Year High	19.4	14.13	14.91	22.37
	5-Year Low	12.5	N/A	5.75	13.85
	5-Year Median	15.2	11.74	10.86	17.94

As of 12/22/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 15% (206 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Celanese Corporation (CE)	Neutral	3
Ecolab Inc. (ECL)	Neutral	3
H. B. Fuller Company (FUL)	Neutral	3
Masco Corporation (MAS)	Neutral	3
Gibraltar Industries...(ROCK)	Neutral	4
The Sherwin-Williams...(SHW)	Neutral	3
Ashland Inc. (ASH)	Underperform	5
PPG Industries, Inc. (PPG)	Underperform	5

Industry Comparison⁽¹⁾ Industry: Chemical - Specialty

	RPM	X Industry	S&P 500	CE	ECL	FUL
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	4	-	-	3	3	3
VGM Score	B	-	-	C	C	B
Market Cap	13.56 B	2.32 B	39.21 B	4.62 B	75.22 B	3.27 B
# of Analysts	8	2	22	5	9	3
Dividend Yield	2.04%	0.48%	1.39%	0.28%	1.10%	1.55%
Value Score	B	-	-	A	D	A
Cash/Price	0.02	0.07	0.04	0.31	0.03	0.04
EV/EBITDA	14.55	11.20	14.70	29.49	21.46	10.66
PEG Ratio	2.13	2.39	2.24	NA	2.51	0.98
Price/Book (P/B)	4.44	1.81	3.34	1.05	7.71	1.67
Price/Cash Flow (P/CF)	15.31	12.16	15.40	2.65	26.46	8.43
P/E (F1)	18.72	18.59	19.90	9.97	35.33	12.89
Price/Sales (P/S)	1.80	1.59	3.12	0.48	4.73	0.93
Earnings Yield	5.34%	4.67%	5.01%	10.03%	2.83%	7.75%
Debt/Equity	0.87	0.46	0.56	2.66	0.83	1.06
Cash Flow (\$/share)	6.91	2.35	8.98	15.90	10.04	7.17
Growth Score	C	-	-	D	B	C
Hist. EPS Growth (3-5 yrs)	8.80%	5.11%	8.16%	-16.30%	12.93%	NA
Proj. EPS Growth (F1/F0)	6.60%	10.92%	8.50%	-49.46%	13.08%	9.64%
Curr. Cash Flow Growth	9.78%	6.40%	6.86%	1.34%	17.64%	4.17%
Hist. Cash Flow Growth (3-5 yrs)	9.80%	5.85%	7.48%	2.38%	2.78%	5.85%
Current Ratio	2.26	2.11	1.18	1.63	1.70	1.93
Debt/Capital	46.55%	32.33%	38.01%	72.69%	45.22%	51.50%
Net Margin	9.16%	3.40%	12.78%	-31.85%	12.49%	3.28%
Return on Equity	24.22%	9.83%	17.00%	9.87%	22.55%	11.49%
Sales/Assets	1.04	0.69	0.53	0.42	0.69	0.69
Proj. Sales Growth (F1/F0)	5.30%	0.00%	5.84%	-7.00%	2.10%	-2.50%
Momentum Score	B	-	-	D	D	C
Daily Price Chg	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1 Week Price Chg	-1.95%	-0.83%	2.32%	-2.78%	0.00%	-0.83%
4 Week Price Chg	-1.08%	0.68%	1.75%	4.17%	-3.42%	3.09%
12 Week Price Chg	-9.01%	-2.81%	3.23%	-6.93%	-3.07%	2.30%
52 Week Price Chg	-15.65%	-6.76%	14.81%	-39.02%	10.95%	-11.71%
20 Day Average Volume	1,011,708	226,157	2,745,060	1,879,628	1,383,671	331,206
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	-0.13%	0.00%	0.00%	-1.01%	0.00%	0.00%
(F1) EPS Est 12 week change	-1.41%	-0.16%	0.64%	-2.53%	-0.14%	-1.10%
(Q1) EPS Est Mthly Chg	-1.72%	0.00%	0.00%	-0.56%	0.00%	0.00%

Analyst Earnings Model⁽²⁾

RPM International Inc. (RPM)

In \$MM, except per share data

	2023A	2024A	2025A		2026E					2027E				2028E
	FY	FY	FY	1QA	2QE	3QE	4QE	FY	1QE	2QE	3QE	4QE	FY	FY
FY Ends May 31st	May-23	May-24	May-25	31-Aug-25	30-Nov-25	28-Feb-26	31-May-26	May-26	31-Aug-26	30-Nov-26	28-Feb-27	31-May-27	May-27	May-28
Income Statement														
Net Sales	\$7,256.4	\$7,335.3	\$7,372.6	\$2,113.7	\$1,937.9	\$1,570.6	\$2,138.9	\$7,761.2	\$2,185.8	\$1,991.1	\$1,602.1	\$2,162.7	\$7,941.7	\$8,168.0
Organic Sales (%)	10.1%	1.3%	0.8%	3.0%	0.8%	0.9%	0.6%	1.3%	2.6%	2.7%	2.0%	1.1%	2.1%	2.8%
Currency Impact (%)	(2.7%)	(0.1%)	(0.9%)	0.6%	0.8%	1.1%	(0.1%)	0.6%	0.3%	0.0%	0.0%	0.0%	0.1%	0.0%
M&A (%)	0.8%	(0.1%)	0.6%	3.8%	3.4%	4.3%	2.2%	3.4%	0.6%	0.0%	0.0%	0.0%	0.2%	0.0%
Cost of Sales	\$4,508.4	\$4,320.7	\$4,322.2	\$1,220.5	\$1,126.2	\$959.1	\$1,211.5	\$4,517.3	\$1,239.1	\$1,147.4	\$956.6	\$1,247.2	\$4,590.3	\$4,653.0
Gross Profit	\$2,748.0	\$3,014.6	\$3,050.5	\$893.2	\$811.8	\$611.5	\$927.4	\$3,243.9	\$946.6	\$843.7	\$645.5	\$915.6	\$3,351.4	\$3,515.0
Selling, General and Administrative Expenses	\$1,956.0	\$2,113.6	\$2,150.5	\$573.5	\$553.8	\$518.9	\$596.9	\$2,243.1	\$598.1	\$569.9	\$538.8	\$548.9	\$2,255.7	\$2,325.4
Restructuring Expense	\$15.5	\$30.0	\$25.0	\$8.8	\$6.7	\$5.2	\$7.6	\$28.3	\$7.9	\$6.9	\$5.6	\$7.6	\$28.1	\$28.2
Goodwill Impairment	\$36.7	\$0.0	\$11.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
(Gain) on Sales of Assets, Net	(\$28.6)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other (Income) Expense, Net	\$9.8	\$10.2	(\$1.6)	(\$3.1)	(\$1.0)	(\$0.9)	(\$0.8)	(\$5.8)	(\$1.6)	(\$1.1)	(\$0.9)	(\$1.2)	(\$4.8)	(\$4.7)
Depreciation & Amortization	\$154.9	\$171.3	\$193.8	\$51.5	\$52.1	\$49.3	\$49.3	\$202.1	\$54.2	\$54.4	\$51.2	\$49.2	\$209.1	\$218.3
Adjusted EBITDA	\$996.6	\$1,112.8	\$1,169.9	\$389.3	\$319.4	\$156.5	\$393.0	\$1,258.1	\$416.5	\$342.3	\$173.2	\$429.4	\$1,361.4	\$1,464.4
Total Adjusted EBIT	\$841.6	\$941.6	\$976.0	\$337.8	\$267.3	\$107.3	\$343.7	\$1,056.1	\$362.2	\$288.0	\$122.0	\$380.2	\$1,152.4	\$1,246.1
Total EBIT	\$758.6	\$860.8	\$865.2	\$314.0	\$252.3	\$88.3	\$323.7	\$978.3	\$342.2	\$268.0	\$102.0	\$360.2	\$1,072.4	\$1,166.1
Interest Expense	\$119.0	\$118.0	\$96.5	\$29.3	\$28.3	\$28.5	\$29.5	\$115.6	\$28.6	\$29.7	\$24.0	\$30.7	\$113.0	\$117.9
Investment Expense (Income), Net	(\$9.7)	(\$45.0)	(\$24.1)	(\$13.4)	(\$8.4)	(\$3.6)	(\$3.5)	(\$28.9)	(\$8.0)	(\$5.9)	(\$4.2)	(\$5.9)	(\$24.0)	(\$27.6)
Total Interest and Investment Expense (Income), Net	\$109.3	\$73.0	\$72.4	\$15.9	\$19.9	\$24.9	\$26.0	\$86.7	\$20.6	\$23.7	\$19.8	\$24.8	\$88.9	\$90.3
Pre-Tax Income	\$649.4	\$787.8	\$792.8	\$298.0	\$232.4	\$63.4	\$297.8	\$891.6	\$321.6	\$244.2	\$82.2	\$335.4	\$983.4	\$1,075.8
Income Tax	\$169.7	\$198.4	\$102.4	\$70.2	\$55.8	\$15.2	\$70.0	\$211.2	\$80.4	\$61.1	\$20.6	\$83.8	\$245.9	\$268.9
Tax Rate	26.1%	25.2%	12.9%	23.6%	24.0%	24.0%	23.5%	23.7%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Net Income	\$479.7	\$589.4	\$690.3	\$227.8	\$176.6	\$48.2	\$227.8	\$680.4	\$241.2	\$183.2	\$61.7	\$251.5	\$737.6	\$806.8
Non-Controlling Interests	\$1.0	\$1.0	\$1.6	\$0.2	\$0.2	\$0.2	\$0.2	\$0.9	\$0.2	\$0.2	\$0.2	\$0.2	\$0.9	\$0.9
Net Income, Adjusted	\$552.6	\$634.6	\$679.5	\$240.5	\$184.0	\$58.5	\$239.0	\$722.1	\$255.9	\$197.9	\$76.4	\$266.3	\$796.6	\$865.9
Net Income Attributable to RPM International Inc Stockholders	\$478.7	\$588.4	\$688.7	\$227.6	\$176.4	\$47.9	\$227.6	\$679.5	\$240.9	\$182.9	\$61.4	\$251.3	\$736.6	\$805.9
Net Income Available to Diluted Common Shareholders	\$478.7	\$588.8	\$686.1	\$226.7	\$175.5	\$47.1	\$226.7	\$676.0	\$240.1	\$182.0	\$60.6	\$250.4	\$733.1	\$802.4
Basic Shares Outstanding	127.5	127.8	127.6	127.3	127.1	127.0	126.8	127.1	126.7	126.5	126.4	126.3	126.5	125.9
Diluted Shares Outstanding	128.8	128.3	128.2	128.0	127.8	127.7	127.5	127.7	127.4	127.2	127.1	126.9	127.1	126.6
Basic EPS	\$3.74	\$4.58	\$5.38	\$1.78	\$1.39	\$0.38	\$1.79	\$5.34	\$1.90	\$1.45	\$0.49	\$1.99	\$5.82	\$6.40
Diluted EPS, Adjusted	\$4.30	\$4.94	\$5.30	\$1.88	\$1.44	\$0.46	\$1.87	\$5.65	\$2.01	\$1.56	\$0.60	\$2.10	\$6.27	\$6.84
Diluted EPS, GAAP	\$3.72	\$4.56	\$5.35	\$1.77	\$1.37	\$0.37	\$1.78	\$5.29	\$1.88	\$1.43	\$0.48	\$1.97	\$5.77	\$6.34
Dividend per Share	\$1.66	\$1.80	\$1.99	\$0.51	\$0.56	\$0.56	\$0.56	\$2.19	\$0.56	\$0.62	\$0.62	\$0.62	\$2.42	\$2.66

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	B
Growth Score	C
Momentum Score	B
VGM Score	B

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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