

THE VALSPAR CORPORATION
COMPARATIVE CONSOLIDATED EARNINGS
For the Quarters Ended January 29, 2010 and January 30, 2009

(Dollars in thousands, except per share amounts)	First Quarter	
	(Unaudited)	(Unaudited)
	2010	2009
Net Sales	\$ 672,363	\$ 639,497
Cost of Sales	455,372	450,153
Gross Profit	216,991	189,344
Research and Development	23,665	23,069
Selling, General and Administrative	133,437	132,032
Income From Operations	59,889	34,243
Interest Expense	14,385	11,926
Other (Income) Expense, Net	(204)	554
Income Before Income Taxes	45,708	21,763
Income Taxes	11,771	7,595
Net Income	\$ 33,937	\$ 14,168
Huarun Redeemable Stock Accrual (1)	-	(3,318)
Net Income Available to Common Stockholders	33,937	10,850
Average Number of Shares O/S - basic	99,133,315	99,782,705
Average Number of Shares O/S - diluted	101,115,945	100,188,774
Net Income per Common Share - basic	\$ 0.34	\$ 0.11
Net Income per Common Share - diluted	\$ 0.34	\$ 0.11

(1) Huarun redeemable stock accrual reduced basic and diluted net income per common share \$0.03 in the first quarter of 2009.

NON-GAAP FINANCIAL MEASURES

In the accompanying press release, management has reported non-GAAP financial measures - "Adjusted Net Income per Common Share - diluted" and "Full Year Guidance for Adjusted Net Income per Common Share - diluted" - which exclude a non-cash accrual relating to Huarun Redeemable Stock in connection with the Company's acquisition of the remaining minority interest shares of Huarun Paints Holding Company Limited and restructuring charges. Management discloses these measures because it believes these measures may assist investors in comparing the Company's results of operations in the respective periods without regard to the effect of the non-cash accrual relating to the Huarun acquisition in the 2009 period and the effect of the restructuring charges in the 2010 and 2009 periods.

NON-GAAP RECONCILIATION

The following is a reconciliation of "Net Income Per Common Share - diluted" to "Adjusted Net Income Per Common Share - diluted" for the periods presented:

	First Quarter	
	2010	2009
Net Income per Common Share - diluted	\$ 0.34	\$ 0.11
Huarun Redeemable Stock Accrual	-	0.03
Restructuring Charges	0.02	0.06
Adjusted Net Income per Common Share - diluted	\$ 0.36	\$ 0.20

The following is a reconciliation of "Forecasted Net Income per Common Share - diluted" to our "Full Year Guidance" for the period:

	Full Year
	2010
Forecasted Net Income per Common Share - diluted	\$1.83 - \$2.03
Restructuring Charges	\$0.02
Full Year Guidance for Adjusted Net Income per Common Share - diluted	\$1.85 - \$2.05

(Dollars in thousands)	January 29,	October 30,	January 30,
	2010	2009	2009
	(Unaudited)	(Unaudited)	(Unaudited)
Assets			
Current Assets:			
Cash and Cash Equivalents	\$ 129,636	\$ 187,719	\$ 81,072
Accounts and Notes Receivable, Net	449,485	518,188	453,943
Inventories	247,373	238,449	265,561
Deferred Income Taxes	34,401	34,479	31,817
Prepaid Expenses and Other	79,169	83,631	85,658
Total Current Assets	940,064	1,062,466	918,051
Goodwill	1,337,555	1,337,997	1,320,946
Intangibles, Net	628,283	629,923	632,017
Other Assets	4,251	4,192	4,217
Long Term Deferred Income Taxes	5,425	5,358	2,801
Property, Plant & Equipment, Net	459,428	471,088	471,733
Total Assets	\$ 3,375,006	\$ 3,511,024	\$ 3,349,765
Liabilities and Stockholders' Equity			
Current Liabilities:			
Notes Payable and Commercial Paper	\$ 6,278	\$ 7,278	\$ 231,218
Current Portion of Long Term Debt	-	-	5
Trade Accounts Payable	285,983	349,999	266,722
Income Taxes	10,641	4,762	43
Other Accrued Liabilities	274,816	349,440	243,991
Total Current Liabilities	577,718	711,479	741,979
Long Term Debt, Net of Current Portion	873,278	873,095	767,080
Deferred Income Taxes	239,766	235,975	228,826
Other Long Term Liabilities	170,686	185,968	159,607
Total Liabilities	1,861,448	2,006,517	1,897,492
Huarun Redeemable Stock	-	-	36,895
Stockholders' Equity	1,513,558	1,504,507	1,415,378
Total Liabilities and Stockholders' Equity	\$ 3,375,006	\$ 3,511,024	\$ 3,349,765