

PPG - First Quarter 2016 Financial Results

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The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by or on behalf of the Company. This presentation contains forward-looking statements that reflect the Company's current views with respect to future events and financial performance. You can identify forward-looking statements by the fact that they do not relate strictly to current or historic facts. Forward-looking statements are identified by the use of the words "aim," "believe," "expect," "anticipate," "intend," "estimate," "project," "outlook," "forecast" and other expressions that indicate future events and trends. Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to update any forward looking statement, whether as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our reports to the Securities and Exchange Commission. Also, note the following cautionary statements.

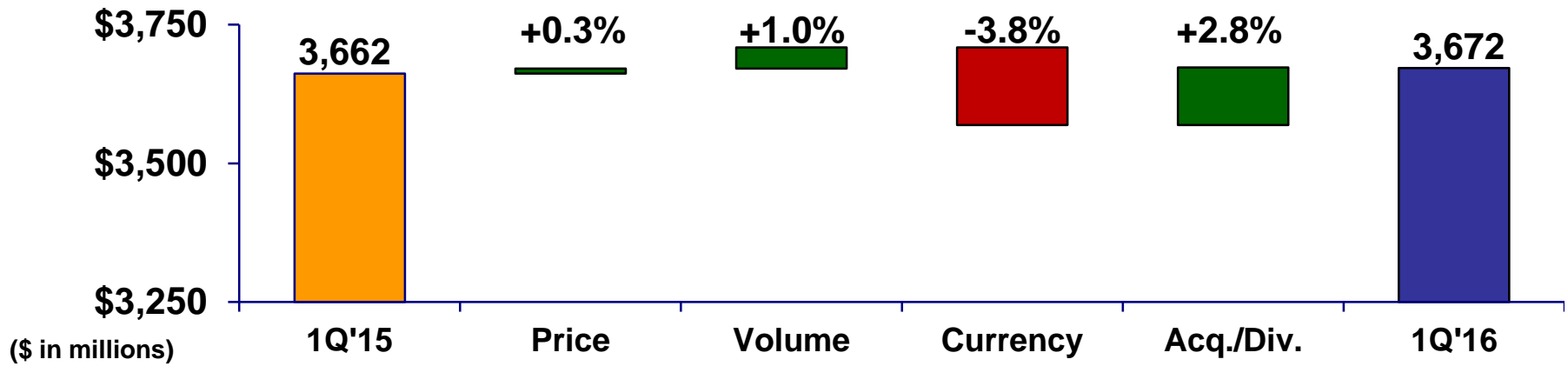
Many factors could cause actual results to differ materially from the Company's forward-looking statements. Such factors include global economic conditions, increasing price and product competition by foreign and domestic competitors, fluctuations in cost and availability of raw materials, the ability to maintain favorable supplier relationships and arrangements, the timing of and the realization of anticipated cost savings from restructuring initiatives, difficulties in integrating acquired businesses and achieving expected synergies therefrom, economic and political conditions in international markets, the ability to penetrate existing, developing and emerging foreign and domestic markets, foreign exchange rates and fluctuations in such rates, fluctuations in tax rates, the impact of future legislation, the impact of environmental regulations, unexpected business disruptions and the unpredictability of existing and possible future litigation, including litigation that could result if the proposed asbestos settlement does not become effective. However, it is not possible to predict or identify all such factors. Consequently, while the list of factors presented here and under Item 1A of PPG's 2015 Form 10-K is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in the results compared with those anticipated in the forward-looking statements could include, among other things, lower sales or earnings, business disruption, operational problems, financial loss, legal liability to third parties, other factors set forth in Item 1A of PPG's 2015 Form 10-K and similar risks, any of which could have a material adverse effect on the Company's consolidated financial condition, results of operations or liquidity. All of this information speaks only as of April 21, 2016, and any distribution of this release after that date is not intended and will not be construed as updating or confirming such information. PPG undertakes no obligation to update any forward-looking statement, except as otherwise required by applicable law.



First Quarter 2016 Financial Highlights

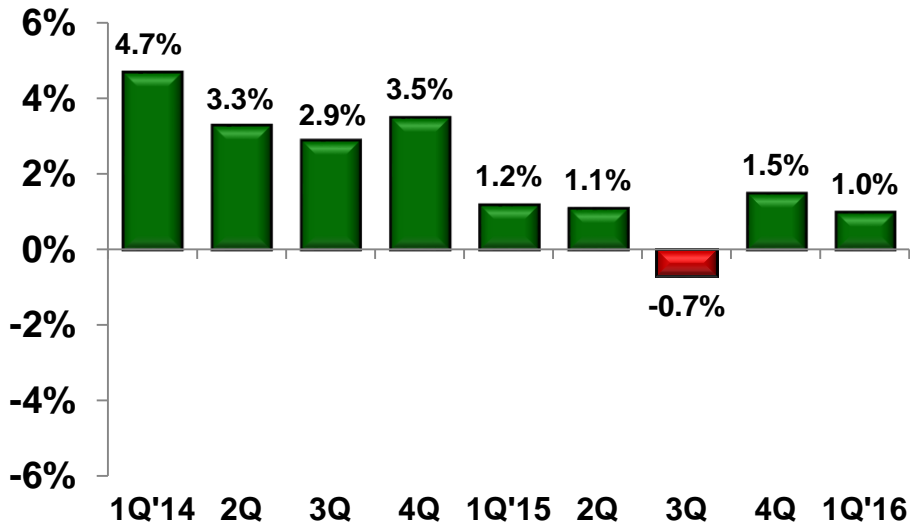
- **Sales growth continues; 4 percent increase in local currencies**
 - Aggregate sales volumes increased 1 percent year-over-year, led by 3 percent growth in EMEA
 - Acquisition-related sales contributed 3 percent from 6 acquisitions completed in 2015
 - Unfavorable foreign currency translation reduced sales by 4 percent, or approximately \$140 million
- **Record quarterly adjusted earnings per diluted share**
 - First quarter record adjusted earnings per diluted share of \$1.31; up 11 percent versus the prior year, despite a \$0.04 unfavorable foreign currency translation impact
 - Thirteenth consecutive quarter of double-digit percentage adjusted earnings per diluted share growth
 - Segment income improved 9 percent in local currencies due to sales volume growth, acquisition-related income, and continued cost management
 - On pace to fully realize previously announced restructuring benefits
- **Cash deployment continues**
 - Cash and short-term investments of \$1.0 billion at quarter-end
 - Operating working capital as a percent of sales improved by 90 basis points versus prior year
 - Cash deployment focused on earnings accretion
 - ✦ Share repurchases of \$150 million; average diluted shares outstanding reduced by 2 percent YOY
 - Company remains on pace for earnings-accretive cash deployment in 2015 and 2016 (combined) of \$2.0 -to- \$2.5 billion
 - ✦ \$1.3 billion deployed period-to-date

PPG First Quarter Net Sales



PPG Y-O-Y Volume Trends

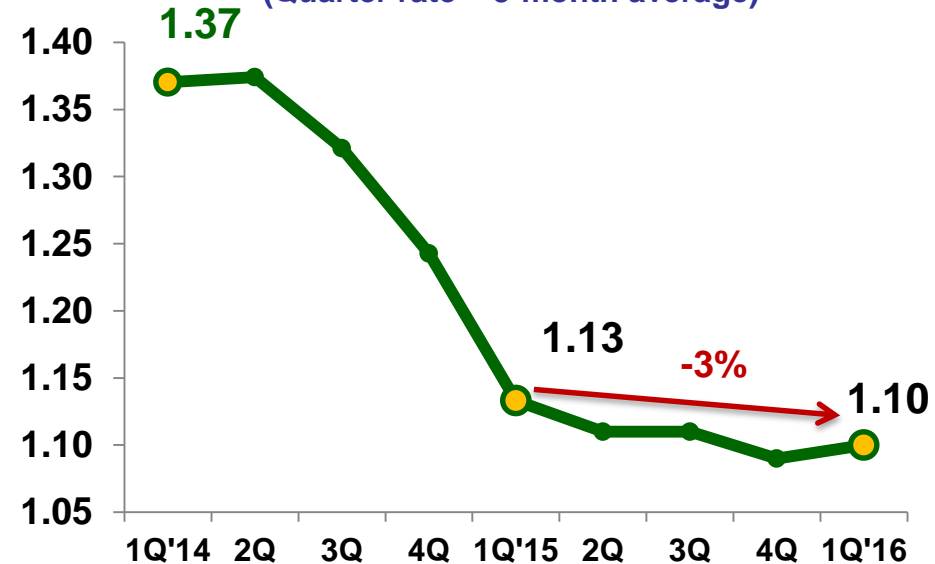
(excl. price, currency and acquisition/divestiture impacts)



1Q'16: Continuation of modest global growth

Dollar/Euro Conversion Rate

(Quarter rate = 3-month average)

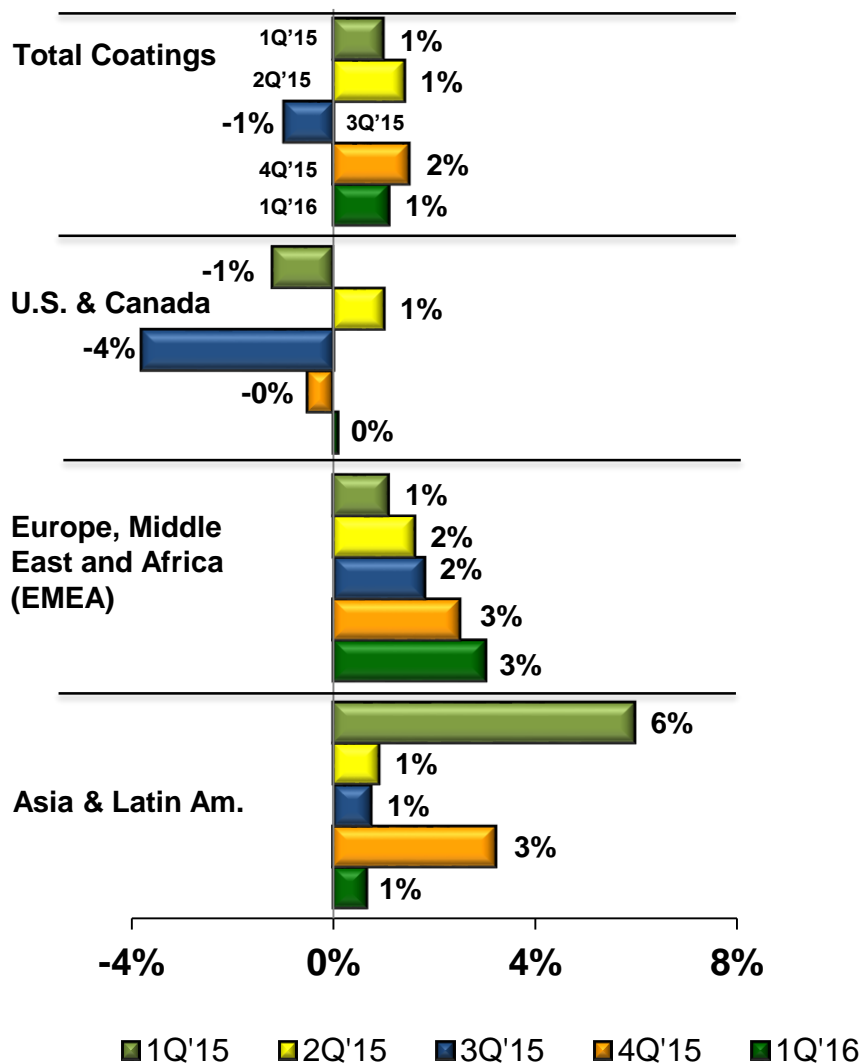


Euro decline moderating versus prior quarters



Net Sales Volume Trends – Coatings Segments

PPG Coatings Y-O-Y Regional Volume Trends
(excl. price, currency and acquisition/divestiture impacts)



1Q 2016 Commentary Y-O-Y (versus 1Q 2015):

U.S. & Canada:

Year-over-year sales volumes were slightly higher than the prior year; continued sequential improvement.

Volume results were uneven by business. Growth led by auto refinish and packaging coatings. Regional architectural coatings volumes improved modestly with mixed performance across channels and softness in Canada. Lower aerospace volumes due to uneven customer demand and inventory management.

Europe, Middle East & Africa:

Improving regional sales volume growth rate trend continued for 5th consecutive quarter.

Expanding growth footprint across businesses and countries led by packaging and automotive OEM coatings. Improved architectural coatings EMEA sales volumes across several countries Y-O-Y and sequentially.

Asia & Latin America (emerging regions):

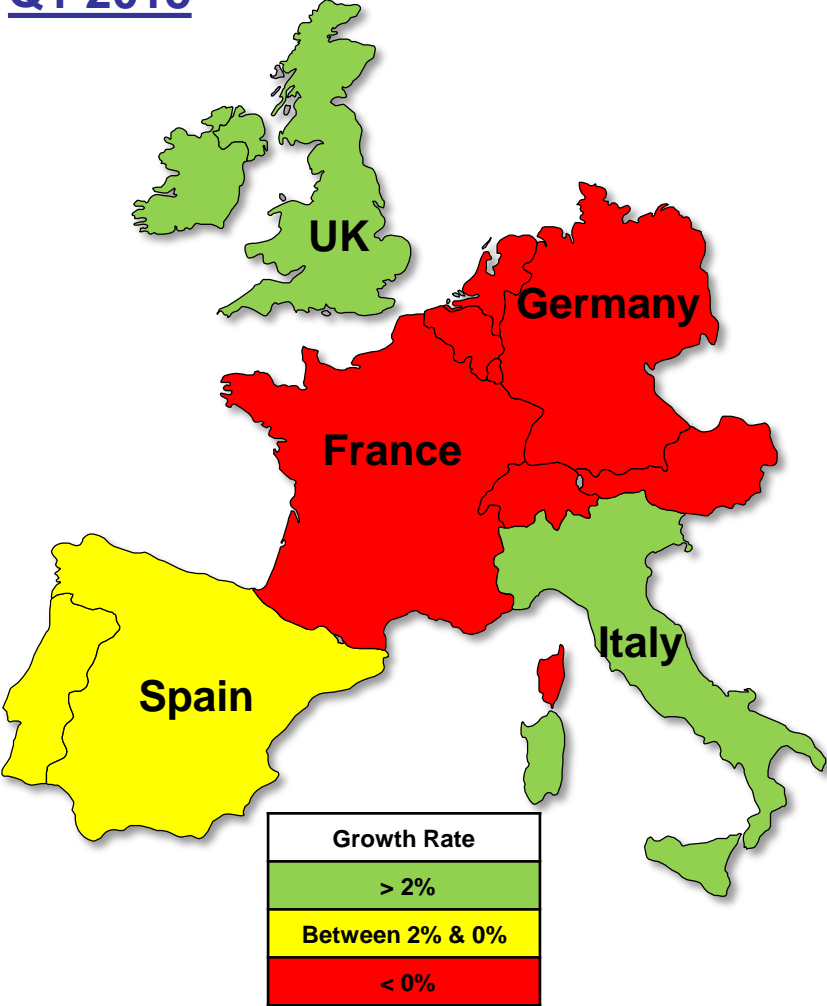
Sales volume growth continued despite strong prior year growth of 6 percent. Sales volumes increased in China, India, and Australia, partially offset by declines in Brazil and Korea.

Business unit growth was led by packaging, refinish, and protective & marine coatings. Automotive OEM coatings Y-O-Y comparison against robust PPG-specific prior year double-digit percentage Asian growth.



PPG Western Europe Organic Growth Trends

Q1 2015



Q1 2016

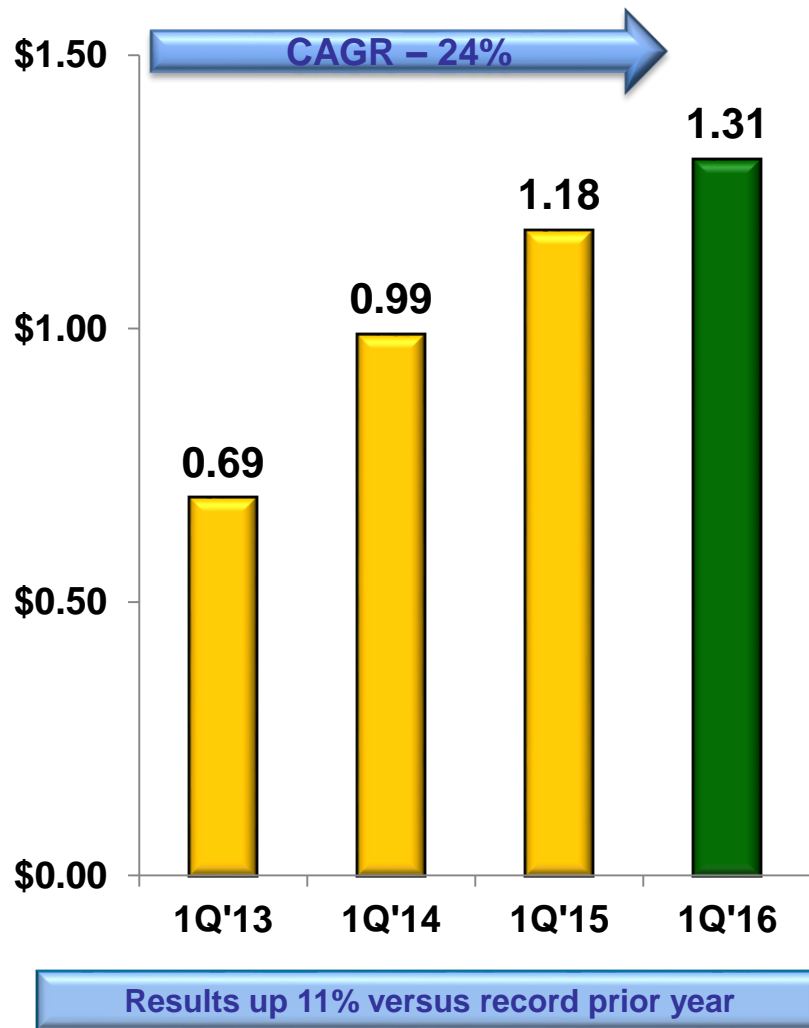


Expansion of growth rates across Western Europe



PPG First Quarter Earnings Per Share

Adjusted Earnings Per Diluted Share*



First Quarter Comments

- ✓ Reporting segment updates included on succeeding slides. Aggregate items embedded in segment reviews:
 - ❖ Income leverage from sales volume growth
 - ❖ Continued cost management
 - ❖ Acquisition-related income
 - ❖ Unfavorable foreign currency translation Y-O-Y (~\$15MM pre-tax)
- ✓ Higher corporate net interest cost (March 2015 debt issuance):
 - ❖ 1Q 2016 net interest = \$24MM
 - ❖ 1Q 2015 net interest = \$18MM
- ✓ Higher effective income tax rate on adjusted net income (mix of geographic earnings):
 - ❖ 1Q 2016 = 25.0%
 - ❖ 1Q 2015 = 24.4%
- ✓ Average diluted shares outstanding down 2 percent vs. prior-year quarter

Performance Coatings

| \$MM (USD) | 1Q15 | 1Q16 | Chg | % |
|--------------------------------|--------------|---------------|-----------------|------------|
| Net Sales | 2,055 | 2,039 | -16 | -1% |
| Income | 262 | 279 | 17 | +6% |
| Margin % | 12.7% | 13.7% | -- | -- |
| Select Net Sales Detail | Total | Volume | Currency | |
| 1Q Y-O-Y Change | -1% | +1% | -4% | |

First Quarter (Y-O-Y):

- ✓ Continued automotive refinish coatings organic sales growth led by U.S. and China
- ✓ Lower aerospace volumes due to reduced industry demand and customer inventory management
- ✓ Increased volumes in architectural coatings EMEA due to broadening demand in Western Europe
- ✓ Modest local currency sales growth in architectural coatings Americas & Asia Pacific:
 - ✓ Higher Comex, U.S. company-owned stores and national accounts offset by lower independent dealer and Canadian demand
 - ✓ New product launches/growth initiatives at U.S. national accounts (~\$15MM planned expense)
- ✓ Protective coatings sales volume growth offset by weak marine industry demand
- ✓ Acquisition-related sales of ~\$25MM
- ✓ Unfavorable foreign currency translation on segment sales (~\$85MM) and income (~\$10MM)

New Products at U.S. National Accounts



Second Quarter 2016 Outlook:

- ✓ Higher sequential sales due to normal seasonality
- ✓ Continued growth Y-O-Y in automotive refinish and protective coatings, further weakness in marine
- ✓ Modest improvement in aerospace demand; return to normal customer order patterns
- ✓ Architectural coatings EMEA improving; economic recovery-related gains in certain countries
- ✓ Consistent industry demand trends (seasonally adjusted) in architectural U.S. & Canada
 - ✓ No additional expense for product launches and other growth initiatives
- ✓ Comex local currency sales growth expected to remain at double the Mexican GDP growth rate
- ✓ Acquisition-related sales of \$20 -to- \$30MM
- ✓ Unfavorable Y-O-Y foreign currency translation; slightly less than first quarter 2016 at current rates



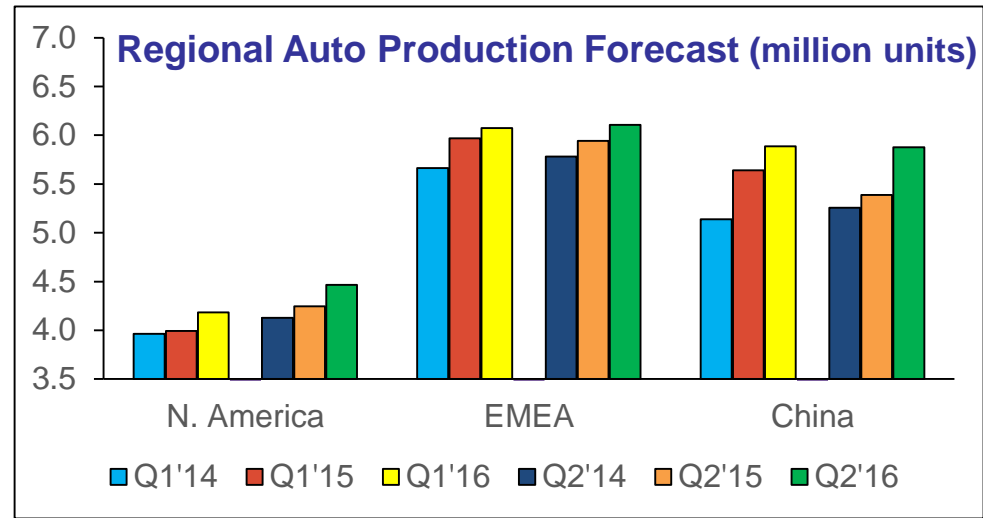
Industrial Coatings

| \$MM (USD) | 1Q15 | 1Q16 | Chg | % |
|------------------|--------------|--------------|-----------|------------|
| Net Sales | 1,340 | 1,372 | 32 | +2% |
| Income | 244 | 265 | 21 | +9% |
| Margin % | 18.2% | 19.3% | -- | -- |

| Select Net Sales Detail | Total | Volume | Currency |
|-------------------------|------------|------------|------------|
| 1Q Y-O-Y Change | +2% | +1% | -4% |

First Quarter (Y-O-Y):

- ✓ Auto OEM sales volumes in line with moderating global industry growth rates; PPG Y-O-Y results tempered by double-digit percentage prior year growth in Asia
- ✓ Industrial and specialty coatings and materials sales volumes grew modestly vs. prior year; sequential quarter improvement in EMEA and U.S.
- ✓ Continued positive momentum in packaging coatings with mid-to-high single digit percentage (above market) growth in each major region
- ✓ Acquisition-related sales of ~\$85MM
- ✓ Unfavorable foreign currency translation on segment sales (~\$50MM) and income (~\$5MM)



Second Quarter 2016 Outlook:

- ✓ Modestly higher sequential sales due to normal seasonal patterns
- ✓ Auto OEM growth supported by higher industry build growth sequentially
- ✓ Modest general industrial demand growth continues; varies by geography and sub-sector
- ✓ Continued growth in packaging coatings due to accelerating industry conversions to new can coatings technologies in all regions
- ✓ Acquisition-related sales growth \$35 -to- \$45MM
- ✓ Unfavorable Y-O-Y foreign currency translation



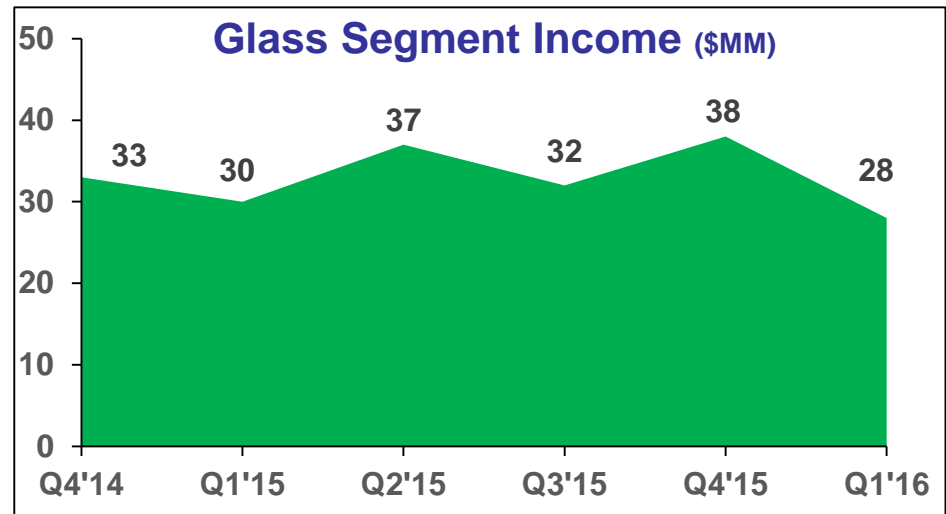
Glass

| \$MM (USD) | 1Q15 | 1Q16 | Chg | % |
|------------|-------|-------|-----|-----|
| Net Sales | 267 | 261 | -6 | -2% |
| Income | 30 | 28 | -2 | -7% |
| Margin % | 11.2% | 10.7% | -- | -- |

| Select Net Sales Detail | Total | Volume | Currency |
|-------------------------|-------|--------|----------|
| 1Q Y-O-Y Change | -2% | -2% | -1% |

First Quarter (Y-O-Y):

- ✓ Improved flat glass pricing
- ✓ Lower flat glass volumes driven by scheduled facility outage; solid end-market demand remains
- ✓ Modestly lower fiber glass sales volumes; increases in Europe offset by lower U.S. demand; strong cost management focus
- ✓ Scheduled flat glass facility repair-related expenses of \$8MM
- ✓ Lower equity earnings due to weaker Asian demand (consumer electronics)
- ✓ Unfavorable foreign currency translation on segment sales (~\$5MM) and minimal income impact

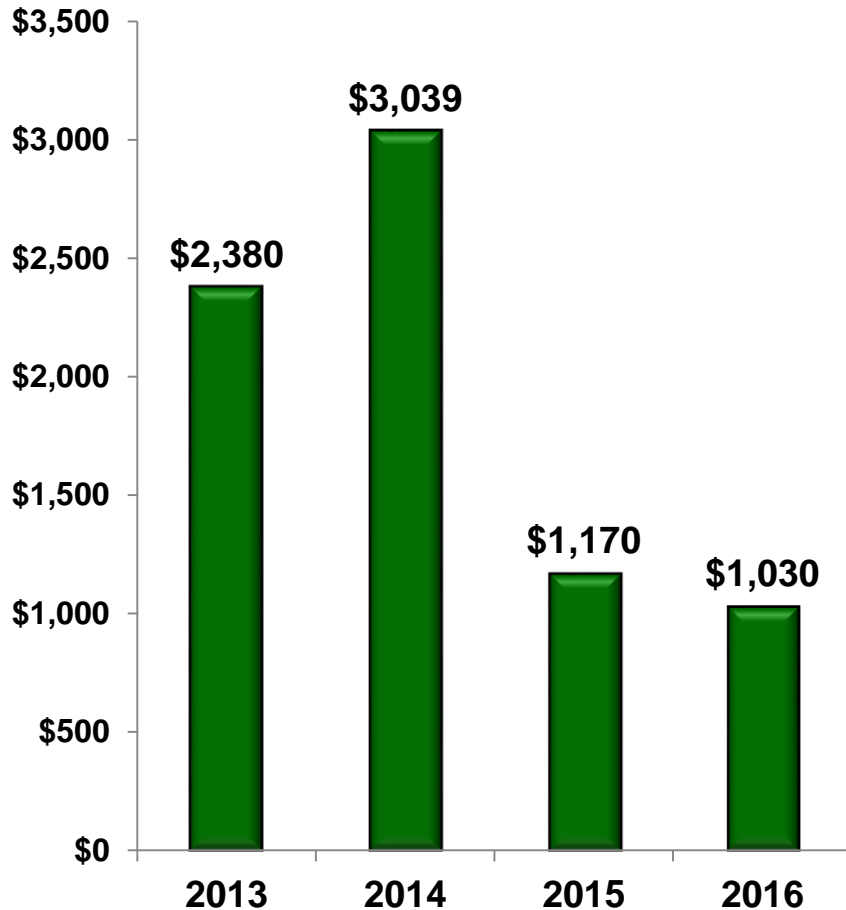


Second Quarter 2016 Outlook:

- ✓ Flat glass facility ramping-up during the second quarter to full capability following repair:
 - ✓ Moderate impact on volumes
 - ✓ Residual ramp-up costs (~\$4MM)
- ✓ Flat glass price increase effective during quarter
- ✓ Continuation of current fiber glass demand trends; cost focus remains
- ✓ Lower Y-O-Y equity earnings continue
- ✓ Unfavorable Y-O-Y foreign currency translation

Balance Sheet and Cash

First Quarter Cash and Short Term Investments (\$MM)



First Quarter 2016 Activity

- ✓ 1Q 2016 approximate cash uses:
 - ❖ Capital Spending \$75MM
 - ❖ Dividends \$100MM
 - ❖ Share Repurchases \$150MM
- ✓ 1Q 2016 debt maturity paid out of cash
- ✓ Strong cash position remains; continued focus on timely, disciplined cash deployment for earnings accretion
- ✓ On pace to meet cash deployment target of \$2.0 -to- \$2.5 billion for acquisitions and share repurchases for 2015 and 2016 combined

First Quarter Summary

✓ Record first quarter financial performance

- Record first quarter adjusted earnings per diluted share up 11 percent year-over-year; 13th consecutive double-digit percentage increase
- Sales in local currencies up 4 percent; acquisition-related sales added 3 percent and sales volumes grew by 1 percent
- Fifth consecutive quarter of broadening European sales volume growth
- Cost management discipline, including restructuring actions, contributed to earnings growth
- Strong results despite unfavorable foreign currency translation on reported segment sales (\$140 million) and income (~\$15 million)

✓ Shareholders and balance sheet flexibility remain a focus

- Cash and short-term investments totaling ~\$1.0 billion at quarter-end
- Operating working capital focus remains; improved by 90 basis points versus prior year
- Quarterly dividend increase of 11 percent per share; effective Q2 2016

✓ Earnings accretive cash deployment continues

- On pace to deliver cash deployment of \$2.0 -to- \$2.5 billion (2015 and 2016 combined)
 - ✦ Share repurchases of ~\$150 million in the quarter
 - ✦ Cash deployment of \$1.3 billion on share repurchases and acquisitions since start of 2015





Additional Materials and Appendix

Thank you for your interest in PPG Industries, Inc.

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Adjusted EPS Reconciliation

1st Quarter Reporting Period

| | Continuing Operations | | Discontinued Operations | | Total PPG | |
|--|-----------------------|-----------|-------------------------|---------|------------|---------|
| | Net Income | EPS | Net Income | EPS | Net Income | EPS |
| Year 2016 | | | | | | |
| Net Income Attributable to PPG as Reported | \$ 347 | \$ 1.29 | \$ -- | \$ -- | \$ 347 | \$ 1.29 |
| Transaction-related costs | 1 | 0.01 | -- | -- | 1 | 0.01 |
| Asset write-down | 3 | 0.01 | -- | -- | 3 | 0.01 |
| Adjusted Net Income Attributable to PPG | \$ 351 | \$ 1.31 | \$ -- | \$ -- | \$ 351 | \$ 1.31 |
| Year 2015 | | | | | | |
| Net Income Attributable to PPG as Reported | \$ 321 | \$ 1.16 | \$ 1 | \$ 0.01 | \$ 322 | \$ 1.17 |
| Transaction-related costs | 6 | 0.02 | -- | -- | 6 | 0.02 |
| Adjusted Net Income Attributable to PPG | \$ 327 | \$ 1.18 | \$ 1 | \$ 0.01 | \$ 328 | \$ 1.19 |
| Year 2014 | | | | | | |
| Net Income Attributable to PPG as Reported | \$ 277 | \$ 0.98 | \$ 985 | \$ 3.50 | \$ 1,262 | \$ 4.48 |
| Transaction-related costs | 2 | 0.01 | -- | -- | 2 | 0.01 |
| Adjusted Net Income Attributable to PPG | \$ 279 | \$ 0.99 | \$ 985 | \$ 3.50 | \$ 1,264 | \$ 4.49 |
| Year 2013 | | | | | | |
| Net Income Attributable to PPG as Reported | \$ 191 | \$ 0.64 | \$ 2,219 | \$ 7.51 | \$ 2,410 | \$ 8.15 |
| Legacy pension costs | 13 | 0.04 | -- | -- | 13 | 0.04 |
| Environmental costs | 8 | 0.03 | | | 8 | 0.03 |
| Transaction-related costs | 5 | 0.01 | -- | -- | 5 | 0.01 |
| U.S. tax law change enacted in 2013 | (10) | (0.03) | -- | -- | (10) | (0.03) |
| Adjusted Net Income Attributable to PPG | \$ 207 | \$ 0.69 | \$ 2,219 | \$ 7.51 | \$ 2,426 | \$ 8.20 |
| Year 2012 | | | | | | |
| Net Income/(Loss) Attributable to PPG as Reported | \$ (49) | \$ (0.16) | \$ 61 | \$ 0.20 | \$ 12 | \$ 0.04 |
| Business restructuring | 137 | 0.45 | 26 | 0.08 | 163 | 0.53 |
| Environmental reserves | 99 | 0.32 | -- | -- | 99 | 0.32 |
| Transaction-related costs | 4 | 0.01 | -- | -- | 4 | 0.01 |
| Adjusted Net Income Attributable to PPG | \$ 191 | \$ 0.62 | \$ 87 | \$ 0.28 | \$ 278 | \$ 0.90 |

Amounts in Millions of USD except EPS

