

First Quarter 2019 Financial Results

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Information current as of April 18, 2019



Forward Looking Statements

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 achieve selling price increases, the ability to recover margins, customer inventory levels, our ability to maintain favorable supplier relationships and arrangements, the timing of and the realization of anticipated cost savings from restructuring initiatives, the ability to identify additional cost savings opportunities, difficulties in integrating acquired businesses and achieving expected synergies therefrom, economic and political conditions in the markets we serve, 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, the unpredictability of existing and possible future litigation, including asbestos litigation, and governmental investigations. 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 2018 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 2018 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.

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First Quarter 2019 Financial Highlights

Net sales flat with prior year in constant currency

- Net sales down approximately 4 percent, including significant unfavorable foreign currency translation impacts of more than 4 percent, or nearly \$165 million
- Sales volumes unfavorable versus the prior year by about 3 percent, with half of the decline relating to the previously announced customer assortment changes in the U.S. architectural coatings business
- Selling prices increased 2.6 percent, marking eight quarters of sequentially higher pricing, with similar contributions from each reporting segment

First quarter adjusted earnings per diluted share of \$1.38*

- Adjusted earnings per diluted share were modestly higher year-over-year in constant currency
- Operating margin recovery under way, driven by additional selling price realization and continued cost management
- Business restructuring savings of more than \$20 million in the quarter, on pace with expectations

Cash deployment focus on acquisition opportunities

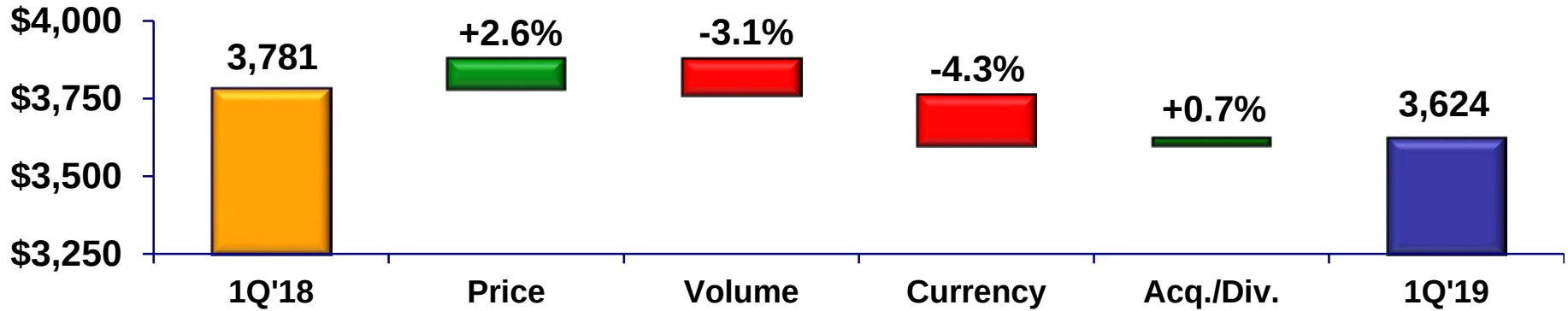
- Completed acquisitions of Whitford and Hemmelrath
- Acquisition pipeline remains active

* Adjusted EPS (from continuing operations) – see presentation appendix for reconciliation to reported EPS



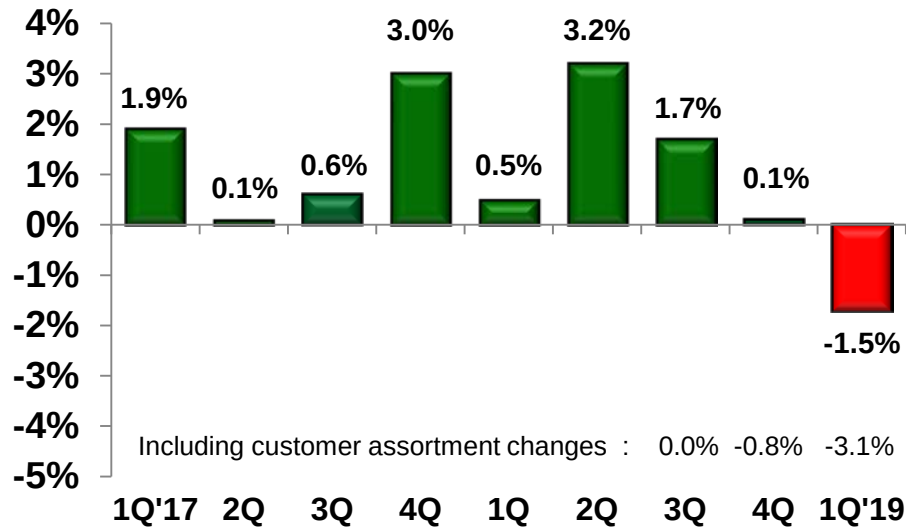
PPG First Quarter Net Sales*

(\$ in millions)



PPG Y-O-Y Volume Trends

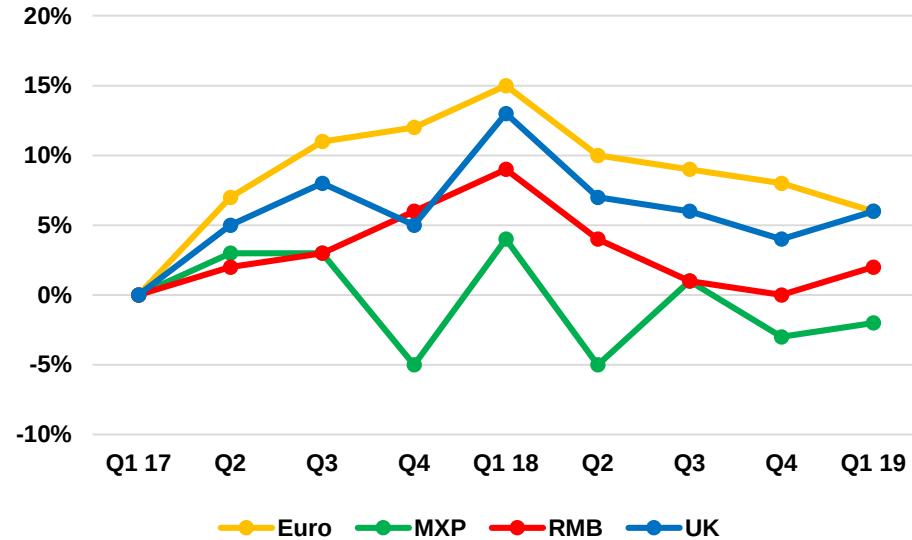
(excl. price, currency and acquisition/divestiture impacts)



1Q'19: Sales volume impacted by soft macro industrial demand

Foreign Currency Rate Trends vs. U.S. Dollar

(indexed to Q1'17)



US dollar gained versus most key currencies in 1Q'19

* Sales from continuing operations



First Quarter Net Sales Volumes

PPG volume performance by major coatings vertical vs. prior year and end-use market demand

	U.S. & Canada		Europe / Middle East / Africa	Asia-Pacific		Latin America	
Aerospace	Above Market		Above Market	Above Market		Above Market	
Automotive Refinish	At Market		Below Market	At Market		Above Market	
Architectural	Co. Stores At Market	DIY & Dealer Below Mkt	Above Market	AUS At Market	CN At Market	Mexico At Market	BRZ Below Mkt
Protective	At Market		At Market	Above Market		At Market	
Marine	Above Market		Above Market	Above Market		N/A	
Automotive OEM	Below Market		Above Market	At Market		At Market	
General Industrial	At Market		At Market	At Market		At Market	
Packaging	Below Market		At Market	At Market		Above Market	

1. PPG compared to expected industry end-use market demand legend:

- Above Market
- At Market
- Below Market

2. Year-over-year PPG volume legend:



Based on PPG estimates

Performance Coatings

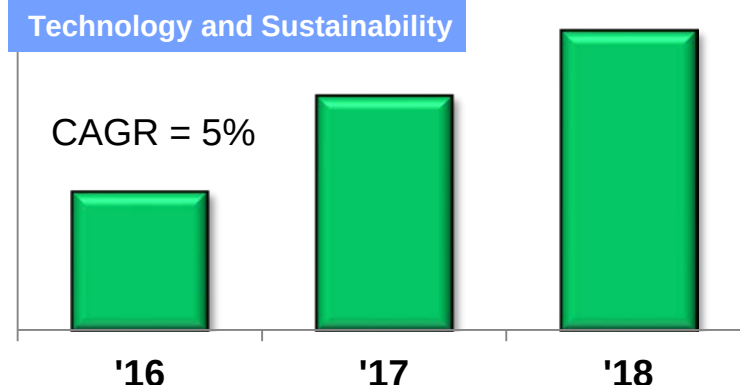
\$MM (USD)	1Q19	1Q18	Chg	%
Net Sales	2,108	2,160	-52	-2%
Income	297	280	+17	+6%
Margin %	14.1%	13.0%	+1.1%	--

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

First Quarter (Y-O-Y):

- ✓ Increase in selling prices and cost savings from restructuring initiatives aid margin improvement
- ✓ Volume growth was ~1% excluding lower U.S. DIY sales
- ✓ Automotive refinish organic sales were modestly lower impacted by sales volume in Europe
- ✓ Aerospace coatings sales volume grew a double-digit percentage for the fourth consecutive quarter
- ✓ Architectural coatings EMEA sales volumes grew a low-single-digit percentage – all key sub regions were positive
- ✓ U.S. & Canada architectural coatings sales volumes:
 - Low-single-digit percentage sales growth in company-owned same-store sales (soft industry demand)
 - Lower U.S. DIY sales due to customer assortment change – reduced segment revenue by ~260 bps
- ✓ Low single-digit organic sales in Mexico architectural due to timing of annual Easter holiday promotions
- ✓ Strong sales volumes continued in protective and marine
- ✓ Unfavorable foreign currency translation; segment sales (~\$85MM) and income (~\$10MM)

PPG Supplied Waterborne Refinish Paint Shops



Second Quarter 2019 Outlook:

- ✓ Higher sequential sales due to normal seasonality
- ✓ Expect modest raw material inflation and further selling price actions to support margin recovery
- ✓ Sales volumes for architectural coatings in Latin America are expected to grow by a mid-single-digit percentage
- ✓ Automotive refinish organic sales to be down low-single-digit percentage due to delayed shipments related to a planned Q2 ERP conversion in U.S. business
- ✓ Sales volumes in aerospace, protective and marine coatings businesses expected to continue to grow, albeit at lower rates than 1Q due to difficult comparisons
- ✓ Continued organic sales growth similar to the first quarter for architectural EMEA coatings
- ✓ Architectural coatings growth in U.S. & Canada company-owned stores to be similar to the first quarter and lower DIY sales of ~\$60MM (customer assortment changes)
- ✓ Acquisition-related sales growth of ~\$15MM, above segment margins
- ✓ Expect unfavorable sales impact between \$70 - \$80 million from foreign currency translation based on current rates



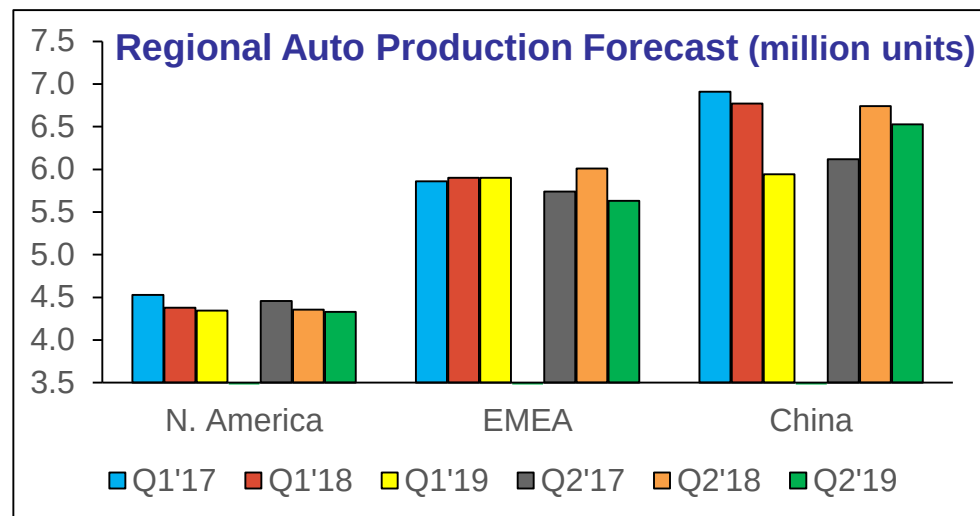
Industrial Coatings

\$MM (USD)	1Q19	1Q18	Chg	%
Net Sales	1,516	1,621	-105	-6%
Income	218	239	-21	-9%
Margin %	14.4%	14.7%	-0.3%	--

Select Net Sales Detail	Total	Volume	Currency
1Q Y-O-Y Change	-6%	-5%	-5%

First Quarter (Y-O-Y):

- ✓ Progress on margin recovery driven by higher selling prices of more than 2 percent
- ✓ Continued raw material and logistics cost inflation
- ✓ Automotive OEM sales volumes declined a high-single-digit percentage matching industry production rates
 - Sales volumes declined by a mid-teen-percentage in China and a high-single-digit percentage in Europe, consistent with industry. Price gains in all regions.
- ✓ General industrial coatings volume in aggregate was lower by a low-single-digit percentage with softer industry demand in all major regions, most notably in China
- ✓ Low single-digit percentage volume decline in packaging coatings driven by fewer customer conversions and in comparison to strong prior year
- ✓ Unfavorable foreign currency translation; segment sales (~\$80MM) and income (~\$10MM)
- ✓ Acquisition-related sales of ~\$15MM, currently below segment margins



Source: IHS Global Insights

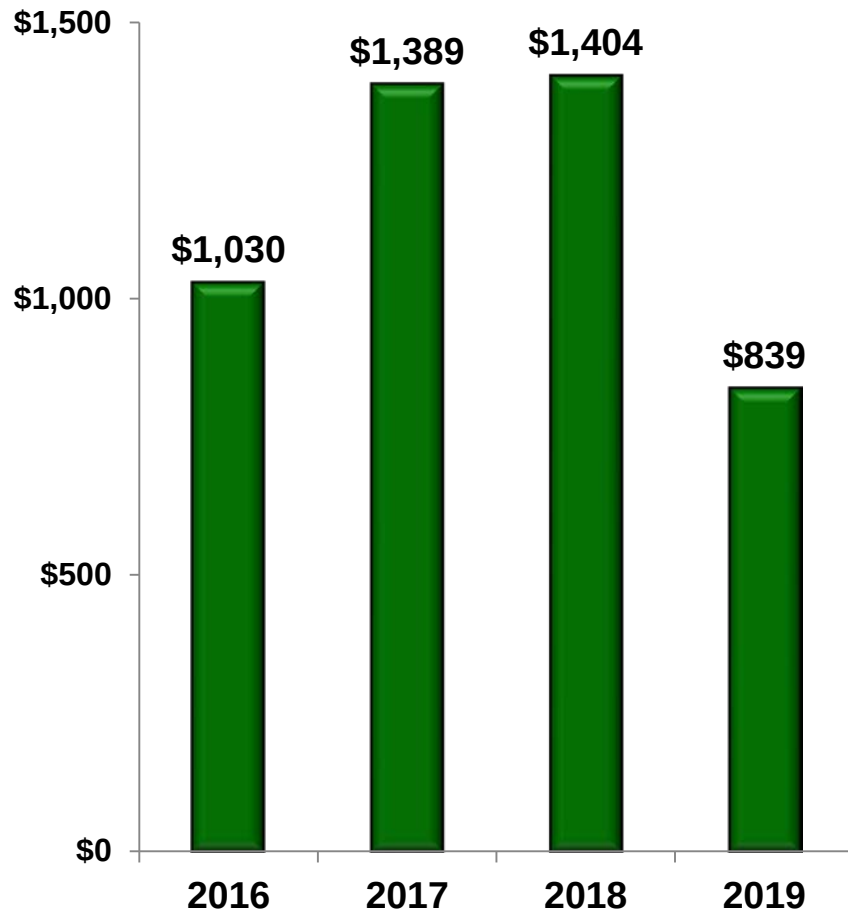
Second Quarter 2019 Outlook:

- ✓ Modestly higher sequential sales (normal seasonal trends)
- ✓ Continued raw material inflation and higher logistics costs
- ✓ Expect selling prices to increase Y-O-Y, similar to first quarter
- ✓ Softer industrial production activity in China is anticipated to continue but moderate
- ✓ Global automotive OEM industry builds projected to be lower year-over-year
- ✓ Packaging coatings sales volumes expected to be slightly lower than prior year driven by the anniversary of prior year customer conversions
- ✓ Whitford and Hemmelrath acquisition-related sales growth of approximately \$80MM, below segment margins
- ✓ Unfavorable sales impact \$60 - \$70 million from foreign currency translation based on current rates



Balance Sheet and Cash

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



First Quarter 2019 Activity

- ✓ 1Q 2019 approximate cash uses:
 - Capital Spending \$50MM
 - Dividends \$110MM
 - Share Repurchases \$175MM
- ✓ Share repurchases during the quarter were completed to offset dilution related to shares issued to the sellers of the Whitford acquisition (sellers requested PPG shares in lieu of cash)
- ✓ Strong cash position remains; continued focus on cash deployment for earnings accretion
- ✓ Acquisition pipeline remains active



Second Quarter 2019 Financial Assumptions

Category	Projection
(\$ in millions unless stated otherwise)	
Raw material costs (Y-O-Y)	Increasing at low-single-digit percentage
Unfavorable foreign currency (Y-O-Y) Based on current rates	\$130 - \$150 Sales \$15 - \$20 Segment expense
Corporate & legacy expenses (total)	\$45 - \$50
Net interest expense (total)	\$27 - \$30
Restructuring savings (incremental)	\$18 - \$20
2Q tax rate	23% - 25%
Adjusted earnings per diluted share	\$1.76 - \$1.86



Additional Materials and Appendix

Thank you for your interest in PPG Industries, Inc.

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Adjusted EPS Reconciliation

\$ in millions, except EPS

	Continuing Operations		Discontinued Operations		Total PPG	
	Net Income	EPS	Net Income	EPS	Net Income	EPS
First Quarter 2019						
Net Income Attributable to PPG as Reported	\$ 312	\$ 1.31	\$ --	\$ --	\$ 312	\$ 1.31
Acquisition-related costs	5	0.02	--	--	5	0.02
Environmental remediation charges	8	0.03	--	--	8	0.03
Costs associated with ongoing accounting investigations	3	0.01	--	--	3	0.01
Release of business restructuring reserves	(2)	(0.01)	--	--	(2)	(0.01)
Accelerated depreciation and other costs from restructuring actions	4	0.02	--	--	4	0.02
Adjusted Net Income Attributable to PPG	\$ 330	\$ 1.38	\$ --	\$ --	\$ 330	\$ 1.38
First Quarter 2018						
Net Income Attributable to PPG as Reported	\$ 328	\$ 1.31	\$ 6	\$ 0.02	\$ 334	\$ 1.33
Costs related to a customer assortment change	3	0.01	--	--	3	0.01
Environmental remediation charges	26	0.10	--	--	26	0.10
Adjusted Net Income Attributable to PPG	\$ 357	\$ 1.42	\$ 6	\$ 0.02	\$ 363	\$ 1.44