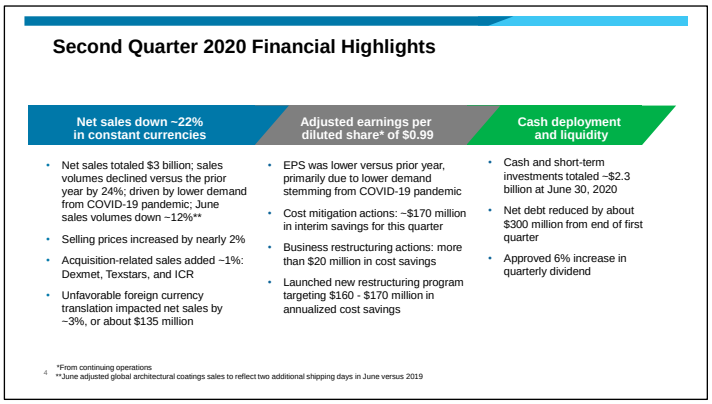
PPG Second Quarter 2020 Financial Results

Earnings Brief – July 16, 2020

These prepared remarks should be read in conjunction with the PPG's earnings press release and presentation that were posted on PPG's website (investor.ppg.com) on July 16. In addition, these detailed remarks supplement the commentary that the company will make on its earnings call on July 17.



Second Quarter Financial Highlights

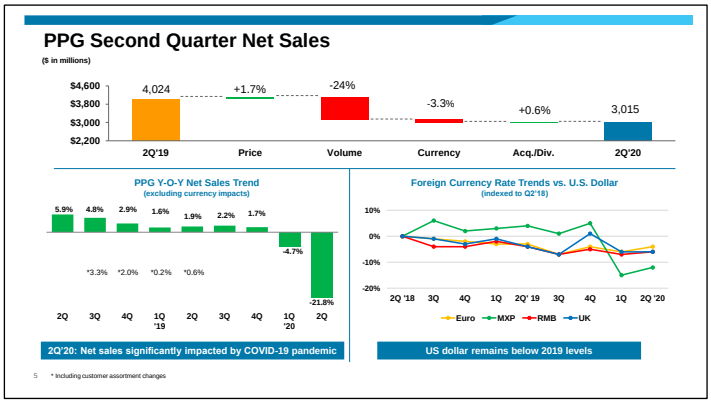
PPG second quarter net sales were approximately $3.0 billion, down about 25% versus the prior year. Net sales in constant currencies were down by nearly 22% versus the prior year. Second quarter results reflect a wide-ranging deterioration in global demand due to the COVID-19 pandemic. Industrial demand improved in late May and June as many economies across the world were re-opened, particularly in Asia and Europe. Economic activity in the quarter was the strongest in China.

Reported earnings per diluted share from continuing operations was $0.42, compared to $1.13 in the second quarter of 2019. Adjusted earnings per diluted share was $0.99, compared to $1.85 in the second quarter 2019. Year-over-year earnings were impacted by the pandemic, which caused significant demand degradation in several end-use markets. Partially offsetting this impact were higher selling prices of nearly 2%, savings from previously announced cost-savings programs and interim cost-mitigation actions, which delivered about $170 million of savings in the second quarter. The cost-savings programs resulted in an incremental $20 million of savings in the quarter, which are permanent reductions to the company's cost structure. Operating earnings in China were sharply higher year-over-year in the second quarter as the company realized strong leverage on the increased sales volumes. Finally, unfavorable foreign currency translation impacted net sales by about $135 million, resulting from strengthening of the U.S. dollar compared to the Mexican peso, euro, British pound, Chinese RMB, and several other currencies in the second quarter. The segment earnings impact from the unfavorable foreign currency translation was nearly $20 million.

The lower sales volumes drove roughly a 25% decrement to aggregate segment operating margins, including the unfavorable impact of some additional pandemic-related costs in the second quarter. The company has significantly reduced its breakeven point in the past few years, which helped drive higher operating earnings in the second quarter compared to the last recession in 2008/2009. For example, in the 2009 recession, the industrial coatings reporting segment had negative earnings during the first two quarters of the downturn. In the second quarter, the Industrial Coatings segment delivered positive earnings despite sales volumes being down 38% versus the prior year. Third quarter margin decrements are expected to be slightly worse to those of the second quarter as certain cost will be added back to properly service customers restarting and ramping up their operations.

During the second quarter, the company approved a new restructuring program with significant and broad actions to further reduce its global cost structure. The actions stem from the COVID-19 pandemic and related pace of recovery in a few end-use markets, along with further opportunities to optimize supply chain and functional costs. When completed, the company expects the planned actions will deliver $160 to $170 million in annual pre-tax cost savings, with approximately $25 to $35 million of savings projected in 2020. The remainder of the annual cost savings is anticipated to be substantially realized by year-end 2021, on a run rate basis. It is expected that all current restructuring programs will deliver $60 to $70 million of additional savings in the second half of 2020.

The second quarter reported and adjusted effective tax rates were both about 23% and 25% respectively, compared to the reported and adjusted 24% rate in the second quarter of 2019. The adjusted rate tax for the second quarter was higher than the first quarter due to country earnings mix.

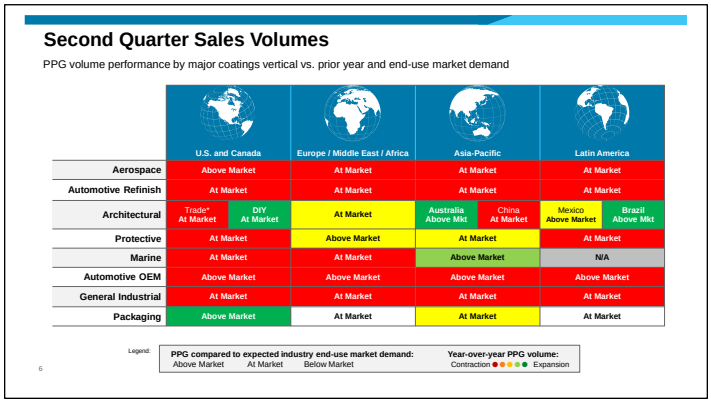


PPG Second Quarter Net Sales

PPG second quarter net sales of about $3.0 billion were down about 25% compared to the prior year.

In aggregate, company sales volumes were lower versus the prior year in April by approximately 35%. The company experienced continued improvement throughout the month of May, with aggregate monthly sales volumes down less than 30% versus 2019, including the unfavorable impact from 2 fewer ship days year-over-year. Further sequential improvement of sales volumes continued in June. Sales volumes were down about 9% in June, or 12% adjusted for the two extra shipping days which primarily benefited the global architectural business. The total ship days for the quarter were equal to the prior year. These results include higher year-over-year sales volumes in China and sequential monthly net sales improvement in both the U.S. and Europe reflecting the reopening of economic activity.

Aggregate selling prices increased by nearly 2% year-over-year, with stronger contributions from the Performance Coatings reportable segment. The recent acquisitions of Dexmet, Texstars, ICR, and Alpha increased net sales by about 1%, or about $25 million, in the quarter. Overall, the U.S. dollar was stronger compared to the company's basket of currencies resulting in an unfavorable foreign currency translation impact of more than 3%, or approximately $135 million on net sales. For the third quarter, foreign currency translation is expected to be unfavorable to net sales and earnings year-over-year by $50 to $70 million and $10 to $12 million, respectively.



Second Quarter Sales Volumes

Aggregate year-over-year global net sales volumes were down 24% in the second quarter of 2020, stemming from the global COVID-19 pandemic.

In the U.S. and Canada region, sales volumes were down nearly 30%. Sales volumes for the packaging coatings business grew by a high-single-digit percentage for the second consecutive quarter. In the architectural coatings business, sales volumes fell by a low-single-digit percentage. Strong net sales growth in the do-it-yourself (DIY) channel was offset by lower aggregate organic sales in the company-owned store and independent dealer channels. Sales volumes in the aerospace coatings business were lower by about 30% as solid net sales for military applications were more than offset by soft net sales to the commercial segment which was impacted by lower demand for new planes and less after-market maintenance due to lower miles flown. Sales volumes in both automotive refinish coatings and automotive original equipment manufacturer (OEM) coatings were significantly lower. A sharp decrease in miles driven during the quarter and less congestion during peak driving hours negatively impacted demand for automotive refinish products. Collison claims in the U.S. were estimated to be down 35% in the second quarter. The automotive OEM coatings business was impacted by many customer shutdowns that started in March and continued well into May. Automotive OEM production activity made a strong sequential recovery in June, but was still

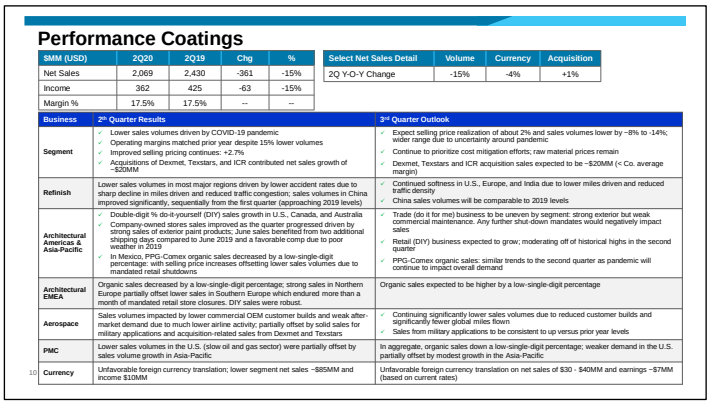
down about 10% in June on a year-over-year basis. Aggregate demand in the region is expected to improve sequentially from the second quarter, but still remain down between 10% and 20% year-over-year in the third quarter due to the COVID-19 pandemic.

Sales volumes were lower by about 25% in the Europe, Middle East, and Africa (EMEA) region compared to the previous year, driven by lower demand in most end-use markets due to the pandemic. The automotive OEM, automotive refinish, aerospace, and general industrial coatings businesses experienced the steepest declines due to customer shutdowns in various countries and lower miles driven and flown during the quarter. Demand for the protective and marine coatings businesses was also lower during the second quarter driven by delayed projects due to the pandemic. In the EMEA architectural coatings business, net sales, excluding the impact of currency and acquisitions (organic sales), fell by a low-single-digit percentage compared to prior year due to Southern European countries and the U.K. mandating closures of architectural retail paint stores in April and part of May. Demand activity returned rapidly as stores were permitted to re-open, and sales in the month of June were higher on a year-over-year basis, including the benefit of two extra shipping days. Aggregate demand in the region is expected to be down by 7% to 15% year-over-year in the third quarter as economic activity is projected to improve sequentially.

Economic activity in the Asia-Pacific region was mixed during the second quarter mainly as a result of the COVID-19 pandemic and was lower by a high-single-digit percentage in aggregate. Sales in China continued to recover and were up a low-single-digit percentage on a year-over-year basis as demand for automotive OEM, automotive refinish and general industrial coatings significantly improved during the quarter. Automotive OEM production builds improved on a year-over-year basis driven by automotive retail sales in China which were higher than prior year in the months of April and May and for the entire second quarter. In addition, demand for PPG products in Australia improved during the second quarter driven by record sales of architectural products. Offsetting these results were significantly lower sales in India and Southeast Asia due to the growing impacts of the pandemic. In the third quarter, overall demand in the region is expected to be down by a low-mid-digit percentage as continued recovery in China is anticipated to be offset by lingering, soft economic activity in India and Southeast Asia due to the effects of the pandemic.

In Latin America, sales volumes were lower by nearly 25%, as economic activity was impacted by the COVID-19 pandemic during the second quarter. Sales volumes were relatively flat in the packaging coatings business. Organic sales decreased by a low-single-digit percentage in the Mexican PPG Comex architectural coatings business. For most of the quarter, a portion of the concessionaire network was mandated to close. As the quarter progressed and concessionaire locations were allowed to reopen, demand for architectural products quickly improved. Sales volumes in the automotive OEM, automotive refinish, and the general industrial coatings businesses were significantly lower as these end-use markets all experienced much softer demand conditions. Overall demand is expected to decline by about 10% to 15% in the third quarter compared to the third quarter 2019.

Looking ahead for the company in aggregate, we expect recovery in demand to continue; although the pace of recovery will vary across end-use markets and geographic regions. In the third quarter, we expect sales volumes will be unfavorable by 8% to 15% compared to the prior year, which includes continued favorable economic activity trends in China. The wide range is due to the uncertainty of the pace of recovery and potential for recurring negative impacts from the pandemic.



Performance Coatings

$MM (USD)	2Q20	2Q19	Chg	%
Net Sales	2,069	2,430	-361	-15%
Income	362	425	-63	-15%
Margin %	17.5%	17.5%	--	--

Select Net Sales Detail	Volume	Currency	Acquisition
2Q Y-O-Y Change	-15%	-4%	+1%

Business	2th Quarter Results	3rd Quarter Outlook
Segment	✓ Lower sales volumes driven by COVID-19 pandemic ✓ Operating margins matched prior year despite 15% lower volumes ✓ Improved selling pricing continues: +2.7% ✓ Acquisitions of Dexmet, Texstars, and ICR contributed net sales growth of ~$20MM	✓ Expect selling price realization of about 2% and sales volumes lower by ~8% to -14%; wider range due to uncertainty around pandemic ✓ Continue to prioritize cost mitigation efforts; raw material prices remain ✓ Dexmet, Texstars and ICR acquisition sales expected to be ~$20MM (< Co. average margin)
Refinish	Lower sales volumes in most major regions driven by lower accident rates due to sharp decline in miles driven and reduced traffic congestion; sales volumes in China improved significantly, sequentially from the first quarter (approaching 2019 levels)	✓ Continued softness in U.S., Europe, and India due to lower miles driven and reduced traffic density ✓ China sales volumes will be comparable to 2019 levels
Architectural Americas & Asia-Pacific	✓ Double-digit % do-it-yourself (DIY) sales growth in U.S., Canada, and Australia ✓ Company-owned stores sales improved as the quarter progressed driven by strong sales of exterior paint products; June sales benefitted from two additional shipping days compared to June 2019 and a favorable comp due to poor weather in 2019 ✓ In Mexico, PPG-Comex organic sales decreased by a low-single-digit percentage; with selling price increases offsetting lower sales volumes due to mandated retail shutdowns	✓ Trade (do it for me) business to be uneven by segment: strong exterior but weak commercial maintenance. Any further shut-down mandates would negatively impact sales ✓ Retail (DIY) business expected to grow; moderating off of historical highs in the second quarter ✓ PPG-Comex organic sales: similar trends to the second quarter as pandemic will continue to impact overall demand
Architectural EMEA	Organic sales decreased by a low-single-digit percentage; strong sales in Northern Europe partially offset lower sales in Southern Europe which endured more than a month of mandated retail store closures. DIY sales were robust.	Organic sales expected to be higher by a low-single-digit percentage
Aerospace	Sales volumes impacted by lower commercial OEM customer builds and weak after-market demand due to much lower airline activity; partially offset by solid sales for military applications and acquisition-related sales from Dexmet and Texstars	✓ Continuing significantly lower sales volumes due to reduced customer builds and significantly fewer global miles flown ✓ Sales from military applications to be consistent to up versus prior year levels
PMC	Lower sales volumes in the U.S. (slow oil and gas sector) were partially offset by sales volume growth in Asia-Pacific	In aggregate, organic sales down a low-single-digit percentage; weaker demand in the U.S. partially offset by modest growth in the Asia-Pacific
Currency	Unfavorable foreign currency translation; lower segment net sales ~$85MM and income $10MM	Unfavorable foreign currency translation on net sales of $30 - $40MM and earnings ~$7MM (based on current rates)

10

Performance Coatings

Second quarter net sales for the Performance Coatings segment were about $2.1 billion, down about 15% versus the prior year. Selling prices increased by nearly 3%. Segment sales volumes were down about 15%. Net sales were negatively impacted by unfavorable foreign currency translation of about $85 million, or about 4%. Finally, acquisition-related sales, net of divestitures, added nearly 1% to sales growth.

Segment income was $362 million, down about $65 million compared to the second quarter 2019. Earnings were unfavorably impacted by lower sales volumes, general inflation, and unfavorable foreign currency translation, which was partially offset by higher selling prices, cost-mitigation actions, and restructuring savings.

From a business unit perspective, year-over-year net sales of automotive refinish coatings were lower by nearly 35%. The lower sales were due to the pandemic causing a significant reduction of miles driven in the second quarter. In the U.S. and Europe, sales volumes strengthened modestly throughout the quarter on a sequential basis off low activity levels from March and April. While demand for gasoline has improved and miles driven have increased in the past few months, U.S. traffic levels remain generally depressed across the country, especially during peak hours. Of note is the U.S. Center for Disease Control recommendation that individuals limit use of public transportation to help limit the spread of COVID. In Europe, congestion has modestly improved as many people continue to work from home. While congestion levels in France are returning to normal, with a jump in morning peak-hour traffic in major cities, peak congestion levels at the end of June in the UK, Italy and Spain were still 40% - 60% below normal. Sales volumes in China are near 2019 levels and continue to show good recovery. Peak-hour congestion in some large Chinese cities is at or above 2019 average levels as commuters show a preference for driving in order to avoid public transport. Congestion levels in larger South American cities remain depressed. Miles driven are anticipated to improve sequentially in the third quarter, including the benefit from individual concerns over utilization of mass transit. However, they likely will continue to be below 2019 levels, and traffic density during peak driving hours will remain depressed due to continuing stay-at-home work practices. Autobody shop customers in the U.S. and Europe indicated they were at 70% to 80% of their normal capacity utilization in June, and customers indicated they were no longer holding excess inventory. Globally, the PPG automotive refinish coatings business continued to convert additional body shops to PPG products during the second quarter.

Aerospace coatings sales volumes decreased by about 30%, driven by a sharp decline in sales volumes of commercial OEM, general aviation and after-market products. Net sales benefited from solid demand for the company's military applications and acquisition-related sales from Dexmet and Texstars. Airplane manufacturers have announced significantly fewer planned deliveries for the remainder of 2020, and commercial after-market demand is being impacted by a significant reduction in miles flown. Currently, global commercial passenger traffic is estimated to be down about 85% compared to 2019 levels. In addition, many of the world's airlines operated with drastic capacity cuts (40% to 95%) during the quarter. While airlines have announced plans to modestly increase their flight schedules for the third quarter, they are expected to still be down 30% to 50% in the third quarter, which will likely reduce demand for PPG aerospace products in the commercial aftermarket. Sales to the military segment, representing about 30% of PPG's aerospace coatings net sales, have not been impacted by the pandemic with year-over-year sales remaining near 2019 levels.

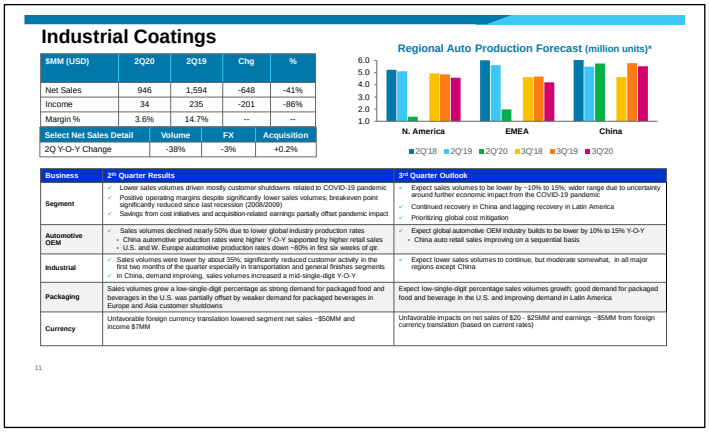
Year-over-year organic sales decreased by a low-single-digit percentage in architectural coatings EMEA. Solid selling price increases and volume growth in Northern Europe were more than offset by a sharp decline in demand in Southern Europe and the UK that occurred primarily in the months of April and May. As economies and retail outlets re-opened, demand rapidly returned resulting in higher sales

volumes in the month of June than the prior-year month. During the quarter, sales of DIY products were elevated and will likely start to return closer toward normal levels in the third quarter. Overall, third quarter organic sales are expected to be higher by a low-single-digit percentage.

Architectural coatings Americas and Asia-Pacific organic sales were down a low-single-digit percentage. Aggregate sales volumes were slightly down and selling prices improved by a low single-digit percentage in comparison to the prior-year quarter. Sales volumes in the national retail DIY channel in the U.S., Canada, and Australia were very strong throughout the quarter with each up more than 10% compared to the second quarter 2019. The Australian architectural business achieved record sales and earnings in the second quarter. The U.S. and Canada company-owned stores and independent dealer network improved each month during the quarter, but sales volumes were lower for the quarter due to lower professional or do-it-for-me (DIFM) demand, including lower professional residential repaint which represents about 40% of the overall market, also lower commercial maintenance and new build activity which represents another 30% of the overall market. Overall company-owned stores demand was aided by two extra shipping days in June and a favorable comparison to the prior-year quarter that was impacted by abnormally high levels of rainfall. Architectural sales in the U.S, and Canada were also aided by good sales for exterior paint and stain products, including PPG's leading Olympic® stain brand. In Mexico, PPG-Comex organic sales were lower by a low-single-digit percentage. PPG-Comex sales volumes progressively improved each month during the quarter and concessionaire sell-out was solid during the quarter. This year, about 20 new concessionaire locations have been opened through June. Looking ahead, excluding the impact of currency translation, aggregate net sales are expected to be comparable to the third quarter 2019 levels, including the impact of expected soft commercial maintenance demand in the U.S and continued elevated DIY sales, with the shift from DIFM likely to remain given high unemployment levels and COVID social distancing concerns.

Aggregate protective and marine coatings organic sales were lower by a mid-single-digit percentage compared to the prior year as higher selling prices partially offset lower sales volumes related to the pandemic and lower demand in the U.S. oil and gas end-use market. Sales volumes in China were higher than 2019 levels, and the business continues to win new projects in both the protective and marine segments. Sales volumes are expected to be down by a low-single-digit percentage in the third quarter as sales growth in China is expected to be more than offset by softer demand for protective coatings products for the oil and gas end-use market.

Looking ahead, aggregate net sales for the reporting segment are expected to be lower year-over-year by 8% to 14%, with sharper declines in the aerospace and refinish coatings businesses. All businesses continue to focus on strong cost management and mitigation actions. In addition, targeted selling price actions continue. Lastly, acquisitions are forecast to add about $20 million of net sales primarily from Dexmet, Texstars, and ICR, and foreign currency translation is expected to have an unfavorable impact on segment sales and earnings of about $35 million and $7 million, respectively, based on recent exchange rates.



Industrial Coatings

Second quarter net sales for the Industrial Coatings segment were about $950 million, down about 40% year over year. Segment sales volumes were lower by 38%, impacted by widespread customer shutdowns in the first two months of the quarter related to the COVID-19 pandemic, which significantly impacted global automotive industry builds and lowered industrial production in most regions of the world. Selling prices increased modestly versus the second quarter 2019. Net sales were also impacted by unfavorable foreign currency translation of about $50 million, or about 3%.

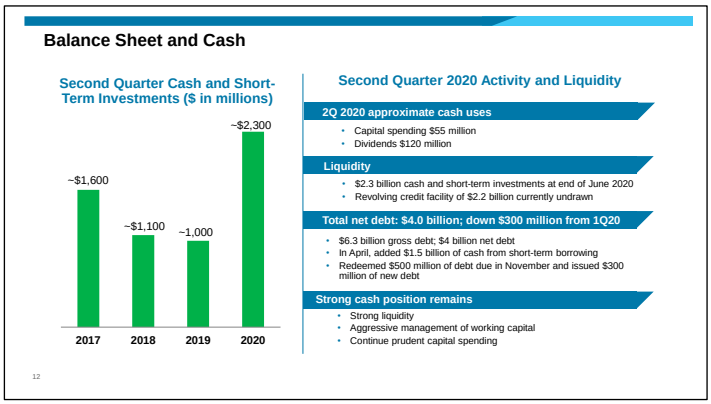
Segment income of $34 million was down about $200 million, or about 85% year over year, including unfavorable foreign currency translation of $7 million, primarily related to the Chinese RMB and the euro. Segment income was mostly impacted by lower sales volumes due to customer shutdowns related to the pandemic, partially offset by cost-mitigation actions, restructuring cost savings, and modestly higher selling prices.

From a business unit perspective, sales volumes were significantly lower in the automotive OEM coatings business versus the prior year. Global industry builds decreased by about 50% year-over-year. The sharp industry decline was widespread across most major regions, with the exception of China where retail sales and production were higher on a year-over-year basis. Automotive production improved markedly on a sequential basis in June as automobile manufacturers re-opened their factories and began to ramp up activity. Global automotive industry demand is expected to further improve sequentially in the third quarter in most regions, including cancellation or shortening of traditional seasonal shutdowns in July and August, with recovery patterns continuing in China. Global automotive builds are expected to fall by about 5% to 15% in the third quarter compared to the prior year, with lower declines in the U.S. and China. Low dealer inventory levels may also lead to improved production in the U.S. in the third quarter. The Hemmelrath acquisition achieved its one-year anniversary in April.

General industrial coatings net sales fell by more than 30% in the second quarter. All major regions experienced sharp declines, except China where sales volumes for the second quarter were higher than the prior year. The lower activity was due to many customers shutting down or significantly reducing their production during the second quarter due to the COVID-19 pandemic. Industrial production demand was broadly weak across most key sub-segments, with the exception of electronic materials where demand increased year-over-year. Sales volumes began to recover in June and were higher sequentially from the month of May partly driven by customer inventory replenishment. It is anticipated that demand will continue to be positive in China but remain soft in other major regions of the world, which will result in lower year-over-year sales volume trends in the third quarter.

Packaging coatings organic sales increased by a low-single-digit percentage versus the prior year, as modestly higher selling prices and strong sales volume growth in the U.S. was partially offset by softer demand in Asia-Pacific and in some end-use segments in Europe. We expect aggregate demand will be higher by a low-single-digit percentage in the third quarter as solid underlying demand patterns in the canned food segment are partially offset by weakness in canned beverage packaging in certain countries.

Looking ahead for the segment in aggregate, while demand is expected to be sequentially better in the third quarter compared to the second quarter, it is expected to remain below prior-year levels. Aggregate net sales for the business segment are expected to be lower by about 10% to 15% and it is anticipated that current selling prices will be maintained. Based on current exchange rates, foreign currency translation is expected to have an unfavorable impact on segment sales and earnings of about $25 million and $5 million, respectively, for the third quarter. All businesses are focusing on strong cost management and cost mitigation actions along with prioritizing cash flow optimization.



Balance Sheet and Cash

PPG finished the second quarter with $2.3 billion of cash and short-term investments. Operating cash flow was nearly $500 million in the second quarter, comparable to the second quarter 2019 levels. Strong working capital management contributed, including good accounts receivable collections and sequentially lower inventory levels.

During the second quarter, the company entered into a $1.5 billion 364-day term loan and utilized a portion of the proceeds to fully repay the revolver borrowing of $800 million that occurred in the first quarter. The company ended the second quarter with net debt of about $4 billion, which is $300 million lower than the end of the first quarter. The company's $2.2 billion revolving credit facility is currently undrawn.

Approximate uses of cash for the second quarter were as follows:

- Capital expenditures were about $55 million in the quarter and the Company currently expects full year capital spending to exceed $300 million, an increase versus the prior company estimate due to the restart of certain capital projects in China and capital spending associated with the restructuring programs approved in the second quarter 2020. The Company continues to defer non-essential capital spending in response to lower industry demand conditions and will adjust capital spending as required.

- Dividends paid were $120 million in the second quarter. The company announced a 54 cent per share quarterly dividend on July 16, to be paid in the third quarter, which is a 6% increase from the prior quarterly dividend payment.

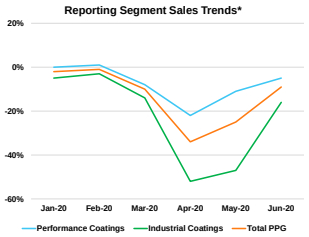
Due to increased borrowing and the drop in interest rates in certain countries where the company earns interest income, the interest expense for the third quarter is expected to be $32 to $36 million.

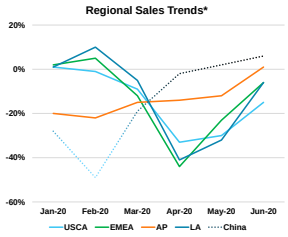
PPG Response to COVID-19 Pandemic

- Rapidly implemented global health and safety protocols based on CDC and WHO protocols
- Manufacturing hand sanitizer and surface disinfectants at factories in each major region to support our employees and customers
- Frequent employee communications by PPG's CEO and senior executives
- Maintained operational capability throughout the crisis; sharing best practices globally
- Executed cost mitigation actions to partly offset reduced economic activity
- Donated ~$2.0 million to support pandemic response in local communities in each major region where PPG operates

3

2020 Net Sales Trend by Reporting Segment and Major Regions





Asia-Pacific (AP) includes China. China also displayed separately.

7 *May and June adjusted global architectural coatings sales to reflect two fewer shipping days in May and two additional shipping days in June versus 2019

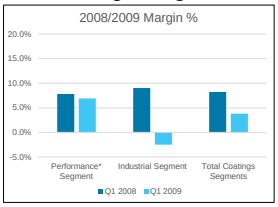
Second Quarter PPG End-Use Sales Volumes Trends (YOY)

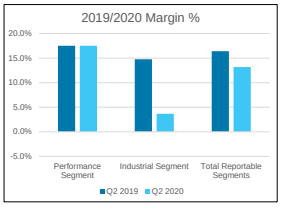


	April	May	June
Total PPG	-35%	-27%*	-12%*
> 10%	DIY - Australia	DIY - USCA DIY - EMEA DIY - Australia	DIY - USCA DIY - EMEA DIY - Australia
> -5% to +10%	Packaging DIY – USCA Protective & Marine	Packaging Arch – Mexico Protective & Marine	Packaging Arch - Mexico Arch – Trade Protective & Marine
< -20%	Arch - Trade DIY - EMEA Arch - Mexico	Arch - Trade	General Industrial Auto OEM
< -30%	Aerospace		Auto Refinish
< -45%	General Industrial Auto Refinish	Aerospace General Industrial	Aerospace
> -50%	Auto OEM	Auto Refinish Auto OEM	

8 *May and June adjusted global Architectural sales to reflect two fewer shipping days in May and two additional shipping days in June versus 2019

PPG Coatings Margin Trends





Volume Trends

	Q1 2008	Q1 2009
Performance* Segment	1%	-12%
Industrial Segment	2%	-34%
Total Coatings Segments	2%	-21%

	Q2 2019	Q2 2020
Performance Segment	-3%	-15%
Industrial Segment	-5%	-38%
Total Reportable Segments	-4%	-24%

9 * Sum of Performance Coatings, Architectural Coatings – EMEA, and Industrial Coatings 2009 segments

Third Quarter 2020 Financial Assumptions

($ in millions unless otherwise stated)

Category	Projection
Performance Coatings Segment Sales Volumes (Y-O-Y)	Lower 8% - 14%
Industrial Coatings Segment Sales Volumes (Y-O-Y)	Lower 10% - 15%
Raw material costs (Y-O-Y)	Moderating
Unfavorable foreign currency (Y-O-Y) Based on current rates	$50 - $60 net sales $10 - $12 segment expense
Corporate and legacy expenses (total)	$50 - $55
Net interest expense (total)	$32 - $36
Restructuring savings (incremental)	$30 - $35
3Q tax rate	23% - 25%

13

Adjusted EPS Reconciliation

$ in millions, except EPS

	Total PPG	
Second Quarter 2020	**Net Income**	**EPS[a]**
Net Income from Continuing Operations, As Reported	$ 99	$ 0.42
Business restructuring-related costs, net[b]	128	0.54
Debt extinguishment charge	5	0.02
Environmental remediation charges	3	0.01
Adjusted Net Income Attributable to PPG	**$ 235**	**$ 0.99**

Second Quarter 2019		
Net Income from Continuing Operations, As Reported	$ 270	$ 1.13
Business restructuring-related costs, net[b]	138	0.58
Environmental remediation charge	23	0.10
Acquisition-related costs	8	0.03
Cost associated with accounting investigations	2	0.01
Adjusted Net Income Attributable to PPG	**$ 441**	**$ 1.85**

(a) Earnings per diluted share is calculated based on unrounded numbers. Figures in the table may not recalculate due to rounding.

(b) Included in business restructuring-related costs, net are business restructuring charges, accelerated depreciation of certain assets and other related costs, offset by releases related to previously approved programs.

15

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 expected effects on our business of the COVID-19 pandemic, 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, the ability to maintain favorable supplier relationships and arrangements, the timing of 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 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, 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 in our Annual Report on Form 10-K and the first quarter 2020 quarterly report on Form 10-Q are 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 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 and similar risks, any of which could have a material adverse effect on PPG's consolidated financial condition, results of operations or liquidity.

All of this information speaks only as of July 16, 2020, and any distribution of this earnings brief 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.