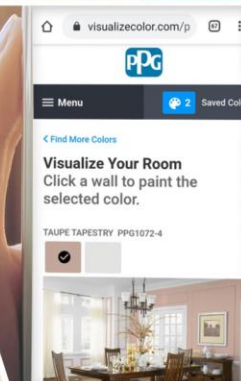


PPG工业防护与船舶涂料
昆山亚太研发中心20周年庆典
暨 PPG AQUACOVER® 新品发布会



Fourth Quarter 2020 Financial Results

Michael H. McGarry, Chairman and Chief Executive Officer
Vincent J. Morales, Senior Vice President and Chief Financial Officer
John Bruno, Director, Investor Relations

Forward-Looking Statements

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 statements related to the expected effects on our business of the COVID-19 pandemic, global economic conditions, increasing price and product competition by our 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 and other 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 2019 Form 10-K and third 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 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 2019 Form 10-K and third quarter 2020 quarterly report on Form 10-Q 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 January 21, 2021, and any distribution of this presentation 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.

Fourth Quarter 2020 Financial Highlights

Net sales up ~2%

- Net sales totaled ~\$3.8 billion; Y-O-Y sales volumes declined 1.4%, primarily due to lower demand in aerospace and automotive refinish coatings related to the pandemic
- Sales volumes in the Industrial Coatings segment were up 5% Y-O-Y
- Selling prices increased by 1.6%
- Acquisition-related sales added about \$25 million: ICR, Texstars, Alpha Coatings, and Ennis-Flint
- Foreign currency translation was favorable by 1.6% Y-O-Y

Record adjusted earnings per diluted share* of \$1.59

- Adjusted EPS was higher by 21% versus prior year
- Strong operating earnings from recovering demand in certain end-use markets
- Cost mitigation actions: ~\$40 million of interim savings for this quarter
- Business restructuring actions: nearly \$40 million of structural cost savings

Cash deployment and liquidity

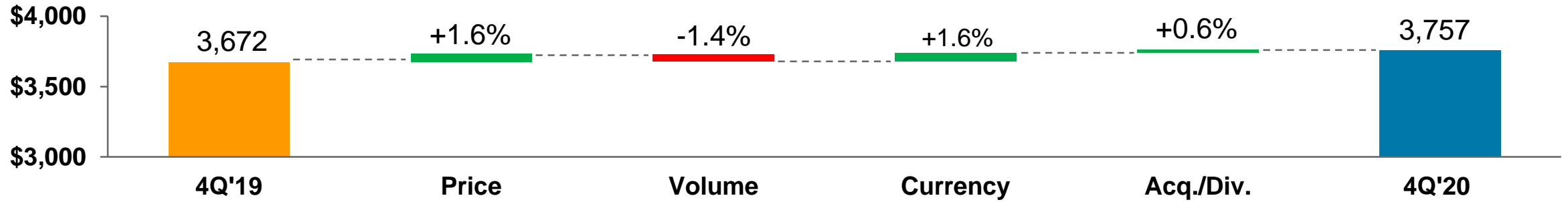
- Generated record Q4 operating cash flow of about \$1 billion (~\$2.1 billion for full year)
- Cash and short-term investments totaled ~\$1.9 billion at December 31, 2020
- Funded Ennis-Flint acquisition out of cash on hand
- Repaid additional \$100 million of short-term debt (maturing in April 2021); \$400 million remains outstanding
- Annual dividends per share increased for the 49th consecutive year

3 Comparisons are year-over-year, unless otherwise indicated.

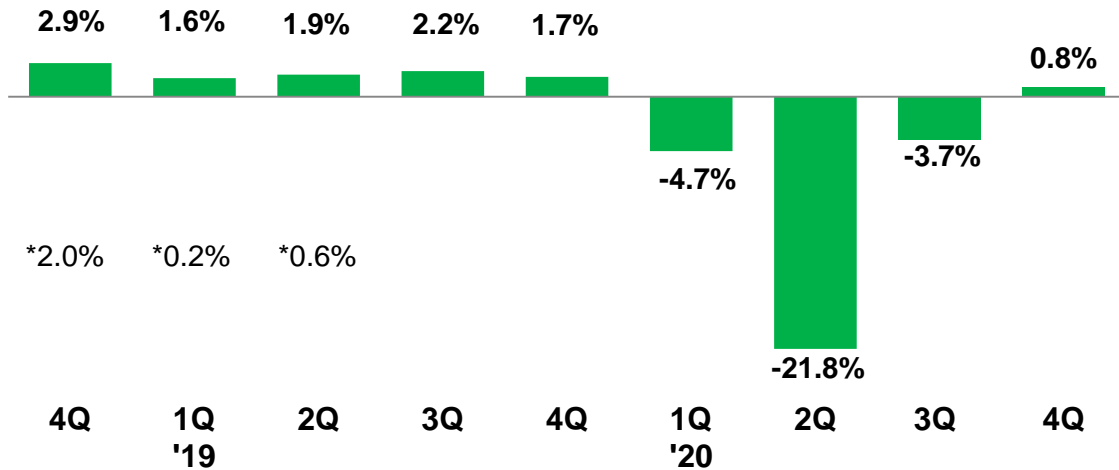
*Adjusted EPS (from continuing operations) – see presentation appendix for reconciliation to reported EPS.

PPG Fourth Quarter Net Sales

(\$ in millions)

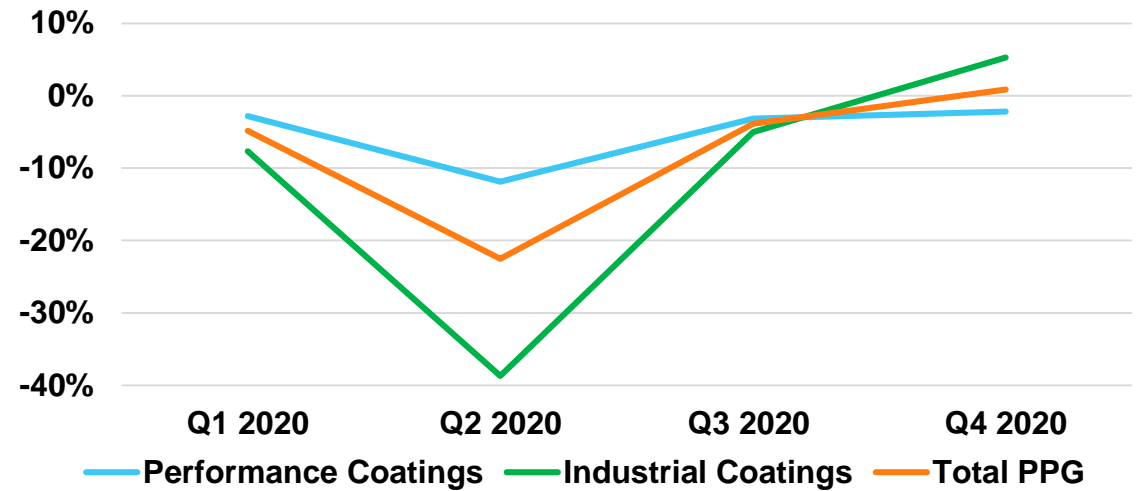


PPG Y-O-Y Net Sales Trend (excluding currency impacts)



4Q'20: Net sales turn positive aided by strong industrial demand

Reporting Segment Sales Trends (versus 2019 & excluding currency impacts)



Industrial Segment total Q4 Sales above prior year

⁴ * Including customer assortment changes.

Fourth Quarter Sales Volumes

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

	 U.S. and Canada	 Europe / Middle East / Africa	 Asia-Pacific	 Latin America		
Aerospace	Above Market	At Market	Above Market	At Market		
Automotive Refinish	At Market	At Market	At Market	At Market		
Architectural	Below Market	Above Market	Australia Above Mkt	China At Market	Mexico Above Market	Brazil Above Mkt
Protective	At Market	Above Market	Above Market	Above Market		
Marine	At Market	Above Market	At Market	N/A		
Automotive OEM	At Market	Above Market	Above Market	At Market		
General Industrial	At Market	At Market	Above Market	Above Market		
Packaging	Above Market	At Market	Below Market	Above Market		

Legend:

PPG compared to expected industry end-use market demand:
 Above Market At Market Below Market

Year-over-year PPG volume:
 Contraction ●●●●● Expansion

Performance Coatings

\$MM (USD)	4Q20	4Q19	Chg	%
Net Sales	2,167	2,183	-16	-1%
Income	299	307	-8	-3%
Margin %	14%	14%	--	--

Select Net Sales Detail	Volume	Currency	Acquisition
4Q Y-O-Y Change	-6%	+1%	+1%

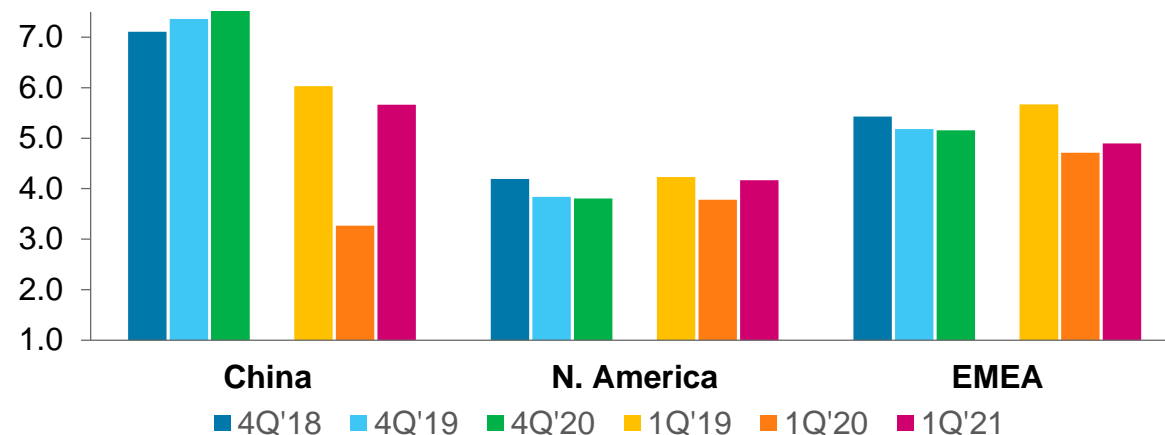
Business	4th Quarter Results	1st Quarter Outlook
Segment	<ul style="list-style-type: none"> ✓ Segment sales close to prior year levels despite continuing soft demand for global aerospace, auto refinish and U.S. protective coatings (COVID-19 related) ✓ Improved selling pricing continues: up nearly 3% ✓ Results include a few days of activity from acquisition of Ennis-Flint which resulted in a small operating loss. 	<ul style="list-style-type: none"> ✓ Expect sequential selling price realization of about 2% due to anniversary of certain price increases; raw materials expected to be inflationary Y-O-Y ✓ Aggregate sales volumes down a low-single-digit percentage ✓ Ennis-Flint acquisition (Traffic Solutions) sales expected to be ~\$90MM and a modest operating loss (normal seasonality)
Refinish	Net Sales were slightly higher sequentially from the third quarter but remain below prior year in aggregate. Sales levels in the Asia-Pacific region were close to prior year.	<ul style="list-style-type: none"> ✓ Similar demand activity as that experienced in the fourth quarter; no significant improvement expected in the U.S. or European regions ✓ Sales in Asia-Pacific significantly higher Y-O-Y due to prior year COVID-19 impact
Architectural Americas & Asia-Pacific	<ul style="list-style-type: none"> ✓ Strong do-it-yourself (DIY) sales growth in U.S., Canada, and Australia ✓ Trade (do-it-for-me) sales were higher in the U.S compared to prior year quarter with improving residential demand, partially offset by weaker commercial demand ✓ In Mexico, PPG-Comex organic sales increased by about 10%. Demand for PPG-Comex products through the concessionaire network remains elevated. 	<ul style="list-style-type: none"> ✓ Similar demand trends expected in U.S. Trade and DIY businesses ✓ Latin America organic sales up a high-single-digit percentage Y-O-Y with normal seasonality expected – sales lower on a sequential basis
Architectural EMEA	Organic sales increased by a low-teen percentage, including record sales in the UK and strong sales in France	Organic sales expected to be higher by a high-single-digit percentage
Aerospace	Sales volumes impacted by significantly lower commercial OEM customer builds and weak aftermarket demand due to much lower airline activity; sales for military applications continue to be similar to 2019 levels	<ul style="list-style-type: none"> ✓ Commercial: continuing lower sales volumes due to reduced customer builds and significantly fewer global miles flown ✓ Sales from military applications higher versus prior year levels
PMC	Lower sales volumes in the U.S. (weak demand in oil and gas sector) partially offset by growth in Europe & Latin America regions. China protective coatings sales volumes remain strong.	In aggregate, organic sales down a mid-single-digit percentage
Currency	Favorable Y-O-Y foreign currency translation; increased segment sales (~\$30MM) and no significant impact to income	Expect favorable sales impact between \$70 - \$90 million from foreign currency translation based on current rates

Industrial Coatings

\$MM (USD)	4Q20	4Q19	Chg	%
Net Sales	1,590	1,489	+101	+7%
Income	282	203	+79	+39%
Margin %	18%	14%	+4%	--

Select Net Sales Detail	Volume	FX	Acquisition
4Q Y-O-Y Change	+5%	+2%	--

Regional Auto Production Forecast (million units)*

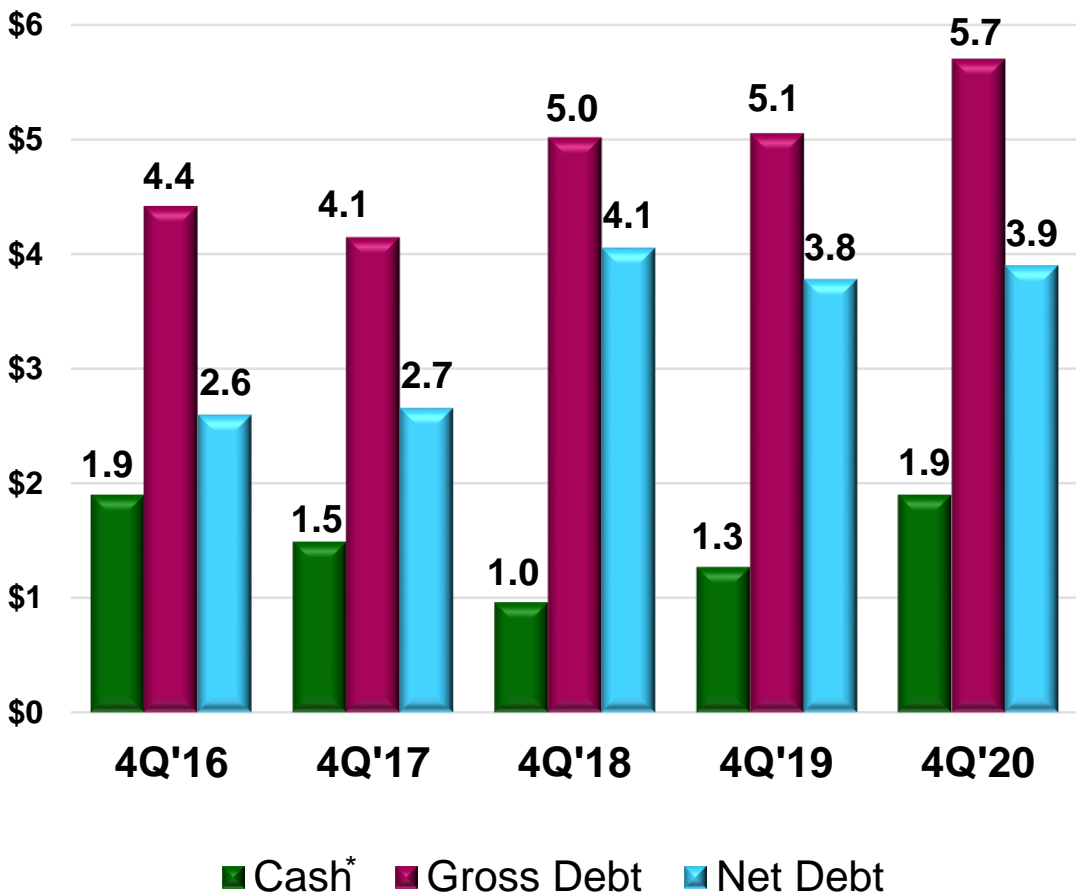


*IHS forecast Jan 1, 2021

Business	4th Quarter Results	1st Quarter Outlook
Segment	<ul style="list-style-type: none"> ✓ Strong demand momentum continued for PPG products ✓ Selling prices were flat with the prior year ✓ Operating margins similar to third quarter with strong earnings leverage on higher sales ✓ Announced Wörwag acquisition 	<ul style="list-style-type: none"> ✓ Expect stable selling prices and sales volumes to be higher by a mid to-high-single-digit percentage ✓ Raw materials expected to be inflationary Y-O-Y and higher sequentially; continue to execute restructuring initiatives and pursuing additional selling price increases
Automotive OEM	<ul style="list-style-type: none"> ✓ In aggregate, sales volumes higher by a high-single-digit percentage compared to prior year, ahead of industry <ul style="list-style-type: none"> • Sales volumes higher by more than 20% in China; strong retail sales throughout quarter • U.S. and Europe automotive production rates continued to improve sequentially 	<ul style="list-style-type: none"> ✓ Expect global automotive OEM sales volumes to increase by a high-teen percentage Y-O-Y ✓ Significantly higher sales volumes in China due to impact of pandemic in prior year first quarter (2020)
Industrial	<ul style="list-style-type: none"> ✓ Sales volumes were higher by a mid-single-digit percentage ✓ U.S. sales volumes improved throughout the quarter and were positive Y-O-Y in Dec. ✓ In China, sales volumes up ~20% Y-O-Y 	<ul style="list-style-type: none"> ✓ Continued aggregate higher sales volumes Y-O-Y, including favorable comparison in Asia-Pacific region due to the impact of pandemic in first quarter 2020
Packaging	Sales volumes were higher by mid-single digit percentage driven by strong sales volumes in the U.S., Europe, and Latin America	Expect sales volumes to be slightly higher on a sequential basis as those experienced in the fourth quarter; including positive Y-O-Y sales in Asia-Pacific region
Currency	Favorable Y-O-Y foreign currency translation; increasing segment sales (~\$30MM) and income (~\$2MM)	Expect favorable sales impact between \$30 - \$50 million from foreign currency translation based on current rates

Balance Sheet and Cash

Fourth Quarter Cash and Debt (\$ in billions)



Fourth Quarter 2020 Activity and Liquidity

4Q 2020 approximate cash uses

- Capital spending \$135 million
- Dividends \$130 million

Liquidity

- \$1.9 billion cash and short term investments at end of December 2020
- \$2.2 billion revolving credit facility currently undrawn

Total net debt: \$3.9 billion; up ~\$400 million from 3Q20

- \$5.7 billion gross debt; \$3.9 billion net debt
- In 4Q, repaid \$100 million of outstanding \$1.5 billion short-term loan (remainder of \$400 million due April 2021)

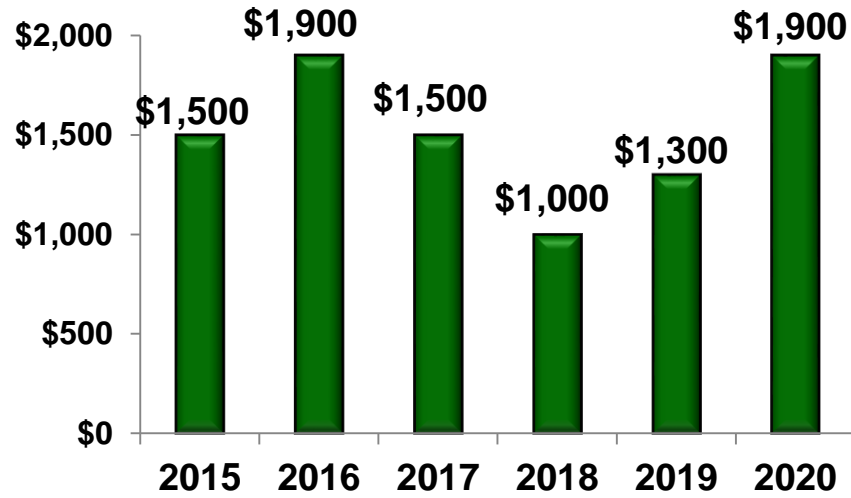
Strong cash position remains

- Strong liquidity
- Reduced working capital as a % of sales by 180 basis points Y-O-Y
- Continued prudent capital spending

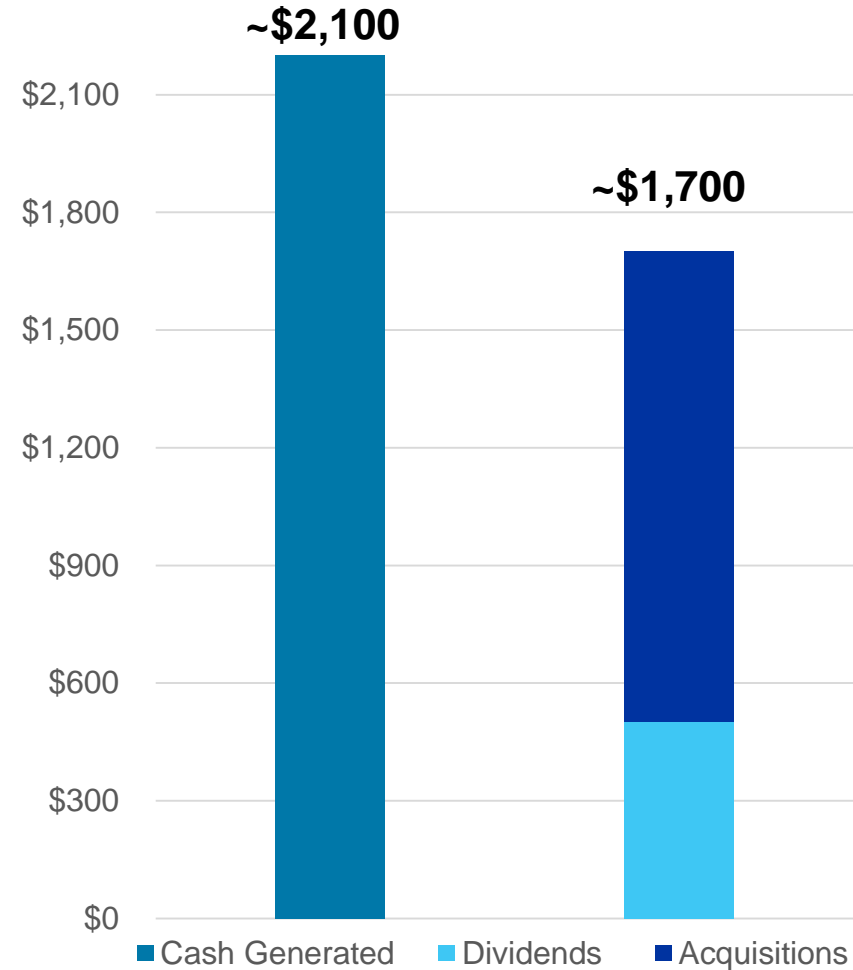
Cash

(\$ in millions)

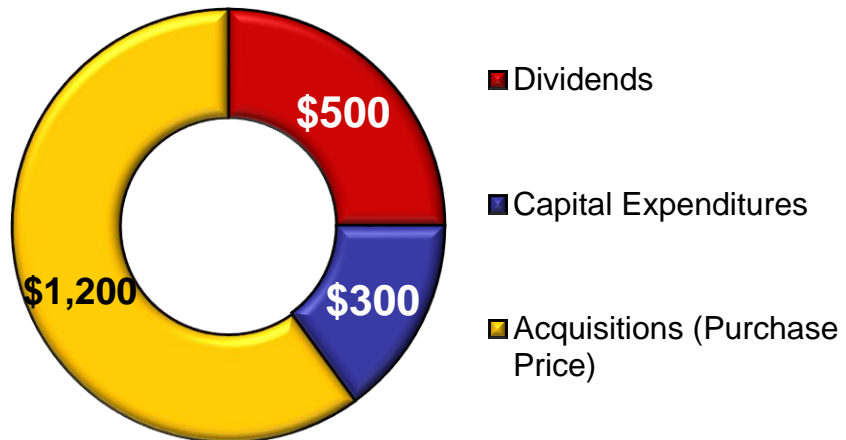
Cash and Short-term Investments*



2020 Cash Generated & Uses



Approximate 2020 Cash Uses**

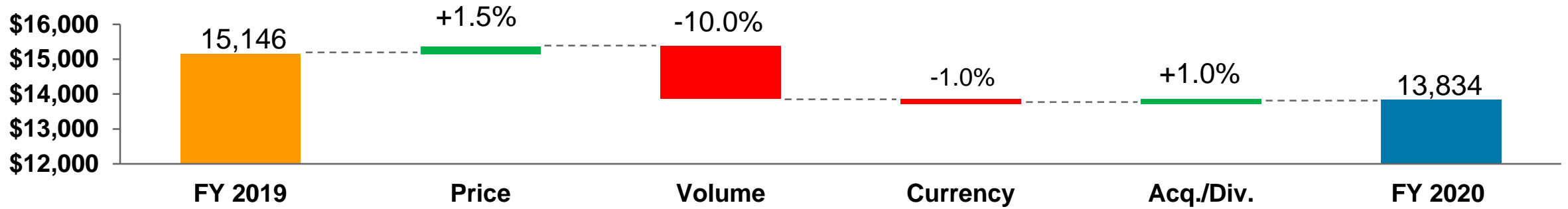


9 *Total is rounded to the nearest '000 million; exact figure included in PPG's quarterly and annual filings with the SEC.

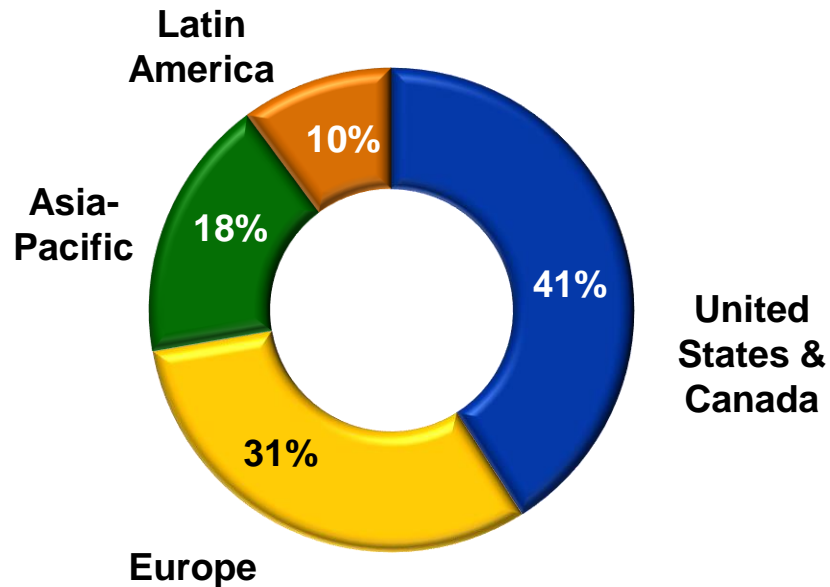
**PPG did not repurchase any company stock in 2020.

PPG Full Year Net Sales (continuing operations)

(\$ in millions)



2020 Net Sales by Major Region



PPG Currency Exposure

Currency	~2020 % PPG Net Sales
Euro	21%
China RMB	10%
Mexican Peso	7%
Canada Dollar	4%
British Pound	4%
All Others	2% or less

Selling price increases and acquisition sales were offset by lower sales volumes due to the pandemic

2020 Full Year Summary

Financial and operational performance

- Net sales lower by nearly 8% in constant currencies, including selling price increases of 1.5%
- Sales volumes fell by about 10%, impacted by the COVID-19 pandemic
- Acquisition-related sales growth of 1%
- Despite lower sales, aggregate segment margins modestly improved year-over-year
- Adjusted earnings per diluted share* of \$5.70, down about 8%
- Cost savings from restructuring actions totaled ~\$115 million

Strategic execution and cash deployment focused on value creation

- Announced six acquisitions since January 2020; completed three of them in 2020
- Increased quarterly per share dividend about 6 percent (in September); 49th consecutive year of annual per share increases

Financial flexibility remains

- Funded \$1.2 billion Ennis-Flint acquisition in fourth quarter, out of cash on hand
- Record ~\$2.1 billion of cash from continuing operations
- Cash and short-term investments totaled approximately \$1.9 billion at year-end

Overview of Recently Announced Acquisitions



<i>Date of Announcement</i>	November 30, 2020	December 18, 2020	January 5, 2021	January 11, 2021
<i>Estimated Date of Closing</i>	December 2020	~ 1H 2021	~1Q 2021	~1H 2021
<i>Estimated Annual Revenue</i>	~\$600MM	~\$680MM*	~\$70MM	~\$260MM

Key Attributes

Geographic Expansion		✓		
Product Line Extension	✓		✓	✓
Complimentary Technology	✓	✓	✓	✓
ESG Benefits	✓	✓	✓	✓
Other key factors	Mobility / infrastructure opportunities	Strong regional presence and distribution	Additional end-use market opportunities	Waterborne OEM specs and qualifications

PPG Traffic Solutions (Ennis-Flint) Overview

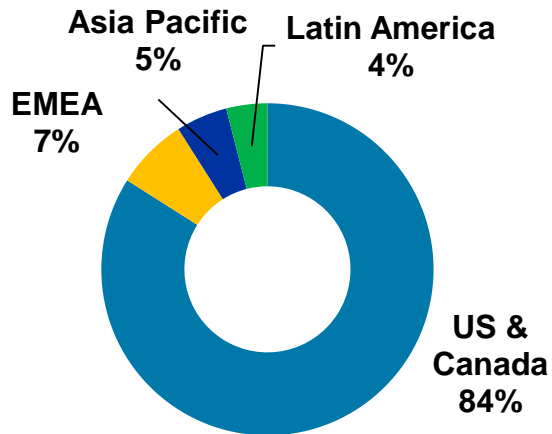


- A leading global manufacturer of pavement marking products – leading position in the U.S.
- 22 manufacturing facilities and ~1,000 employees
- Resilient demand: non-discretionary & essential maintenance spending
- Global total addressable sales ~\$2.5 billion
- New PPG business unit – Traffic Solutions
- Included in Performance Coatings reportable segment

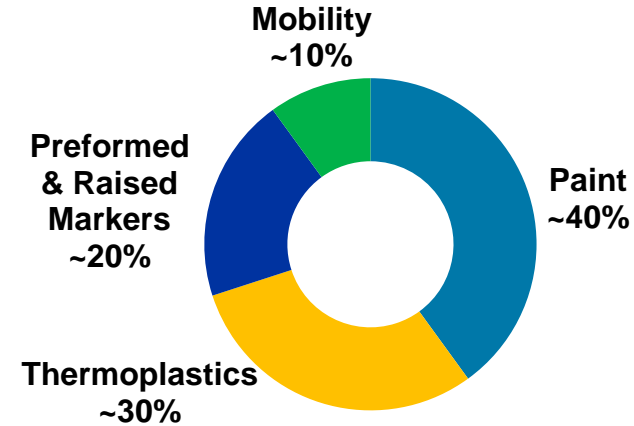


PPG Traffic Solutions Financial Information

Sales by Region



Sales by Segment



- Strong presence in US, UK, Italy and Australia; 2020 sales ~\$600 million & mid-teen percent EBITDA
- Highly seasonal business with 2Q and 3Q accounting for ~70% of sales, majority of profitability
- Traditional synergy capture expected
- **Growth opportunities:**
 - Several states evaluating widening longitudinal markings from 4-inch to 6-inch, and lengthening skip lines from 10 ft. to 15 ft.
 - Growing mobility segment; aided by ongoing developments in advanced driver assistance technologies
 - International expansion opportunities (organic and inorganic)

First Quarter 2021 Financial Projections

(\$ in millions unless otherwise stated)

Category	Projection
Total company sales volumes (Y-O-Y)	Flat to up a low single-digit percentage
*1Q adjusted earnings-per-diluted share	\$1.55 - \$1.61
Raw material costs (Y-O-Y)	Inflationary: sequentially and Y-O-Y
Favorable foreign currency (Y-O-Y) based on current rates	\$100 - \$130 net sales \$10 - \$15 segment income
Corporate and legacy expenses (total)	\$60 - \$65
Net interest expense (total)	\$27 - \$29
Restructuring savings (incremental)	~\$35
1Q tax rate	24 - 25%

2021 Full Year Financial Assumptions

(\$ in millions unless otherwise stated)

Category	Full Year Net Sales	Full Year Pre-Tax Income	Comments
2020 - 2021 Acquisitions (acquired or announced)	~\$1.0 billion Assuming all close by 2Q	Below segment average operating margins	Phasing of incremental net sales follows 2020 and 2021 acquisition closure timeline
Favorable Foreign Currency Translation	\$350 - \$400 (Higher Net Sales)	\$35 - \$45 (Higher Income)	Based on recent exchange rates
Restructuring Savings	N/A	~\$120 - \$125 (Higher Income)	Continuation of programs initiated in June 2019 and June 2020
Full Year Effective Tax Rate	Estimated range of 22% - 24% (varies by quarter)		
Corporate and Legacy Costs	Expect full year expense to be between \$240 - \$260		
Net Interest Expense	Expect full year expense to be between \$130 - \$150		

Additional materials and appendix

Adjusted EPS Reconciliation

\$ in millions, except EPS

Fourth Quarter 2020	Total PPG	
	Net Income	EPS ^(a)
Net Income from Continuing Operations, As Reported	\$ 272	\$ 1.14
Impairment charges ^(b)	64	0.27
Business restructuring-related costs, net ^(c)	18	0.08
Environmental remediation charges	10	0.04
Expenses incurred due to a natural disaster ^(d)	7	0.03
Acquisition-related costs	7	0.03
Adjusted Net Income Attributable to PPG	\$ 378	\$ 1.59
Fourth Quarter 2019		
Net Income from Continuing Operations, As Reported	\$ 295	\$ 1.23
Business restructuring-related costs, net ^(c)	14	0.06
Litigation matters, net	4	0.02
Adjusted Net Income Attributable to PPG	\$ 313	\$ 1.31

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

(b) Impairment charges were recorded in the fourth quarter 2020 related to the planned sale of certain smaller entities in non-strategic regions and for certain asset write-downs. The revenue of these entities to be sold represent less than 1% of PPG annual net sales.

(c) 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.

(d) In the second half of 2020, Hurricanes Laura and Delta damaged a southern U.S. factory that supports the Company's specialty coatings and materials business.

Adjusted EPS Reconciliation

\$ in millions, except EPS

Full Year 2020	Total PPG	
	Net Income	EPS ^(a)
Net Income from Continuing Operations, As Reported	\$ 1,056	\$ 4.44
Business restructuring-related costs, net ^(b)	166	0.70
Impairment charges ^(c)	64	0.27
Increase to allowance for doubtful accounts related to COVID-19	23	0.10
Environmental remediation charges	19	0.08
Expenses incurred due to natural disasters ^(d)	13	0.06
Acquisition-related costs	7	0.03
Debt extinguishment charge	5	0.02
Adjusted Net Income Attributable to PPG	\$ 1,353	\$ 5.70
Full Year 2019		
Net Income from Continuing Operations, As Reported	\$ 1,243	\$ 5.22
Business restructuring-related costs, net ^(b)	168	0.71
Environmental remediation charges	47	0.20
Acquisition-related costs	13	0.05
Litigation matters, net	9	0.04
Adjusted Net Income Attributable to PPG	\$ 1,480	\$ 6.22

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

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Thank You For Your Interest In PPG

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