



Second Quarter 2021 Financial Results

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We protect and beautify the world™

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 and the pace of recovery from the 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, the timing and expected benefits of our acquisitions, 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 2020 Form 10-K and first quarter 2021 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 2020 Form 10-K and first quarter 2021 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 July 19, 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.

Second Quarter 2021 Financial Highlights

Net sales up ~45%

- Net sales totaled ~\$4.4 billion; Y-O-Y sales volumes increased ~24%
- Robust demand in most end-use markets; supply chain disruptions constrained revenue by ~\$200 million (a portion deferred to later quarters)
- Selling prices increased 3.5%
- Acquisition-related sales added ~\$340 million – from 5 recent acquisitions
- Foreign currency translation was favorable by about 6% Y-O-Y

Adjusted earnings per diluted share* of \$1.94

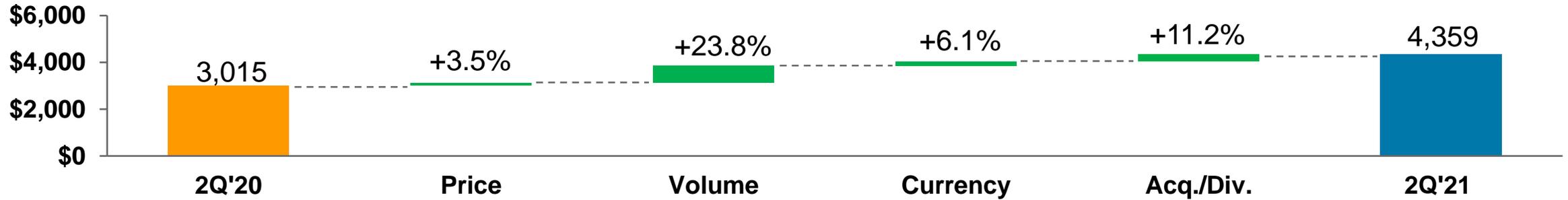
- Adjusted EPS significantly higher versus 2020 and similar to 2019
- Sales volumes well above pandemic-impacted 2020 (+24%) and 6% below 2019
- Strong underlying coatings demand tempered by customer supply chain shortages and disruptions
- Commodity supply disruptions driving elevated coatings raw material cost inflation; higher and more extended than anticipated
- Cost actions (restructuring and interim): ~\$70 million

Cash deployment and liquidity

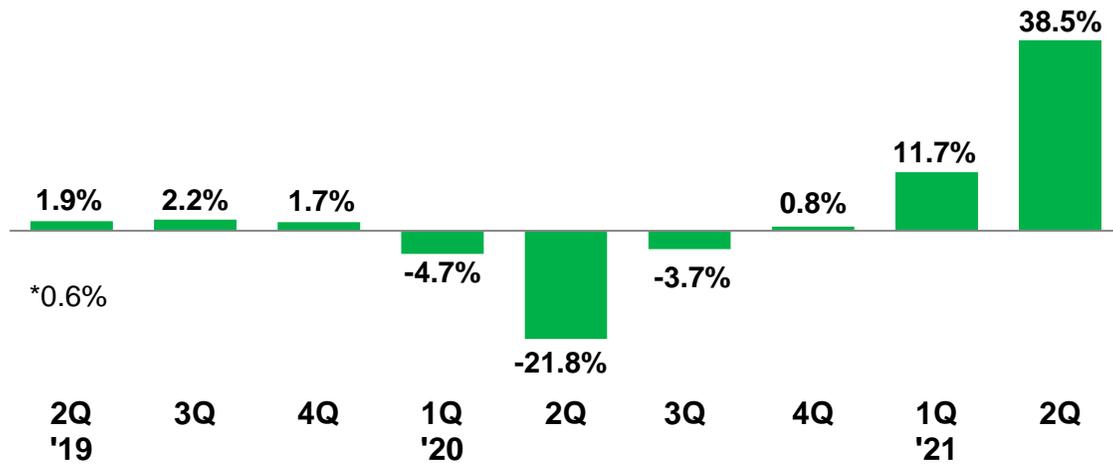
- Cash and short-term investments totaled ~\$1.3 billion at quarter-end
- Funded Tikkurila, Wörwag and Cetelon with cash and external financing
- Net debt increased by about \$1.8 billion from end of second quarter 2020
- Operating cash flow is up by about \$250 million year-to-date compared to 2020

PPG Second Quarter Net Sales

(\$ in millions)

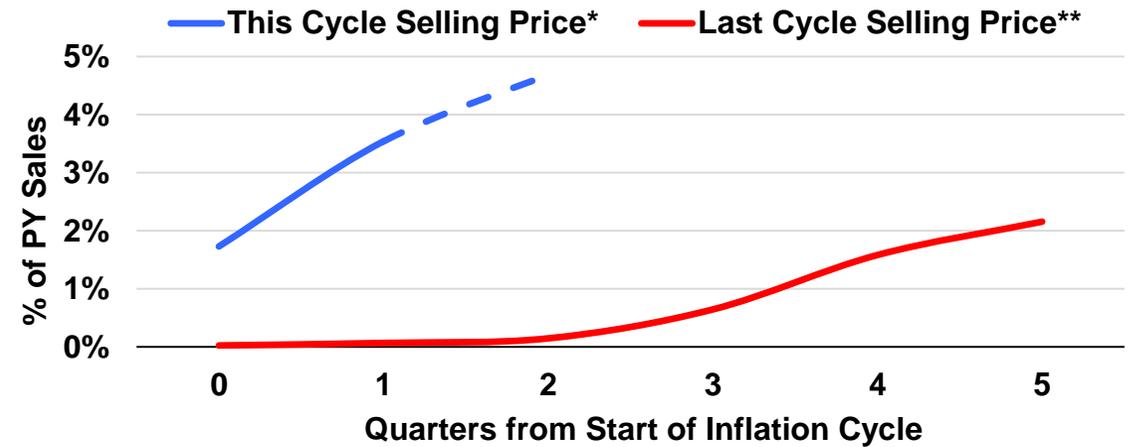


PPG Y-O-Y Net Sales Trend
(excluding currency impacts)



2Q21: Volume recovery continues

Selling Price Increase Progression
vs Last Inflation Cycle



Pricing realization ahead of prior inflation cycle

4 * Including customer assortment changes.

* This Cycle = Q1 2021 – Q3 2021 forecast

** Last Cycle = Q1 2017 – Q2 2018

Second 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	At Market	Above Market	
Automotive Refinish	Above Market	Above Market	At Market	At Market	
Architectural	At Market	Above Market	Australia At Mkt	China At Market	Mexico Above Market Brazil Above Mkt
Protective	At Market	Above Market	Above Market	At Market	
Marine	At Market	Below Market	At Market	N/A	
Automotive OEM	At Market	Above Market	Above Market	Below Market	
General Industrial	At Market	At Market	Above Market	Above Market	
Packaging	Below Market	Above Market	At 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)	2Q21	2Q20	Chg	%
Net Sales	2,749	2,069	+680	+33%
Income	454	362	+92	+25%
Margin %	16.5%	17.5%	-1.0%	--
Margin % excl. amort.	17.6%	18.5%	-0.9%	--

Select Net Sales Detail	Volume	Currency	Acquisition
2Q YOY Change	+9%	+6.5%	+14%

2nd Quarter Highlights

- Sales impacted by raw material shortages / logistics bottlenecks; impacting most businesses
- Architectural: softening DIY sales from elevated levels; Trade demand improving
- Selling price increases of more than 3%; higher than 1Q 2021
- Acquisition sales: Ennis-Flint, Tikkurila (partial quarter), and VersaFlex; below segment margins
- Aerospace commercial aftermarket sales beginning to recover
- Higher than normal open orders at quarter-end in several end-use markets
- Favorable YOY foreign currency translation; increased sales ~\$134MM and income of \$25MM

Sales Volume YOY	Total Segment	Refinish	Architectural Americas & AP	Architectural EMEA	Aerospace	PMC
2 nd Quarter Results	HSD	DD	MSD	DD	LSD	DD
3 rd Quarter Outlook	LSD	LSD	LSD	MSD	DD	LSD

Legend: Green (YOY increase); Red (YOY Decrease); DD = double digit; HSD/MSD/LSD = High/Mid/Low Single Digit

3rd Quarter Outlook

- Additional selling price increases above second quarter levels reflecting raw material cost inflation mitigation efforts
- Raw material cost inflation ~mid-teens percentage year-over-year
- Sales volumes impacted by continued raw material shortages ~\$50 million sales impact
- Acquisition sales (Tikkurila, Ennis-Flint, and VersaFlex) expected to be ~\$400 to \$420 million; margins below segment average
- Favorable YOY foreign currency translation; increased segment sales ~\$60MM and income \$7 to \$10MM

Industrial Coatings

\$MM (USD)	2Q21	2Q20	Chg	%
Net Sales	1,610	946	+664	+70%
Income	190	34	+156	+458%
Margin %	11.8%	3.6%	+8.1%	--
Margin % excl. amort.	12.5%	4.7%	+7.8%	--

Select Net Sales Detail	Volume	Currency	Acquisition
2Q Y-O-Y Change	+56%	+5%	+5%

Sales Volume	Total Segment	Automotive OEM	Industrial	Packaging
2 nd Quarter Results	DD+	DD+	DD+	HSD
3 rd Quarter Outlook	LSD	HSD	MSD	HSD

Legend: Green (YOY increase); Red (YOY Decrease); DD = double digit; HSD/MSD/LSD = High/Mid/Low Single Digit

2nd Quarter Highlights

- Strong demand momentum continued for PPG technology advantaged products
- Raw material inflation rapidly escalated; up ~20% YOY
- Results include an estimated unfavorable sales impact of ~\$100 million from supply chain disruptions (primarily auto industry chip issue)
- Selling prices increased by about 4% in 2Q; significant sequential progress
- Acquisition sales: Wörwag and Cetelon below segment margins
- Favorable YOY foreign currency translation; increased sales ~\$50MM & income \$4MM

3rd Quarter Outlook

- Strong global industrial demand recovery trends to continue with comparable (to 2Q 2021) sales volume impact from customer supply disruptions ~\$100 million
- Raw material inflation continues +20% YOY
- Further selling price increases; to exceed second quarter levels
- Acquisition-related sales of ~\$80 million
- Favorable YOY foreign currency translation; sales ~\$30MM and of income \$3 to \$5MM

Key highlights of PPG's ESG Focus and Progress

We protect and beautify the world through our Environmental, Social, and Governance initiatives

A sampling of sustainable PPG products



Environmental

- 35% of sales generated from more sustainable products and processes

2025 goal: 40% of sales

- Continuously innovating to reduce resource consumption, waste generation, and GHG emissions

2022 goal: sustainability goals certified to science-based targets



Social

- Launched first-ever global DE&I strategy and funded 8 Employee Resource Groups

- Committed to investing \$20M by 2025 to advance racial equity

- 350+ Colorful Communities projects completed to date

2021 plan: complete over 50 additional Colorful Communities projects



Governance

- Appointed 2 new independent board members

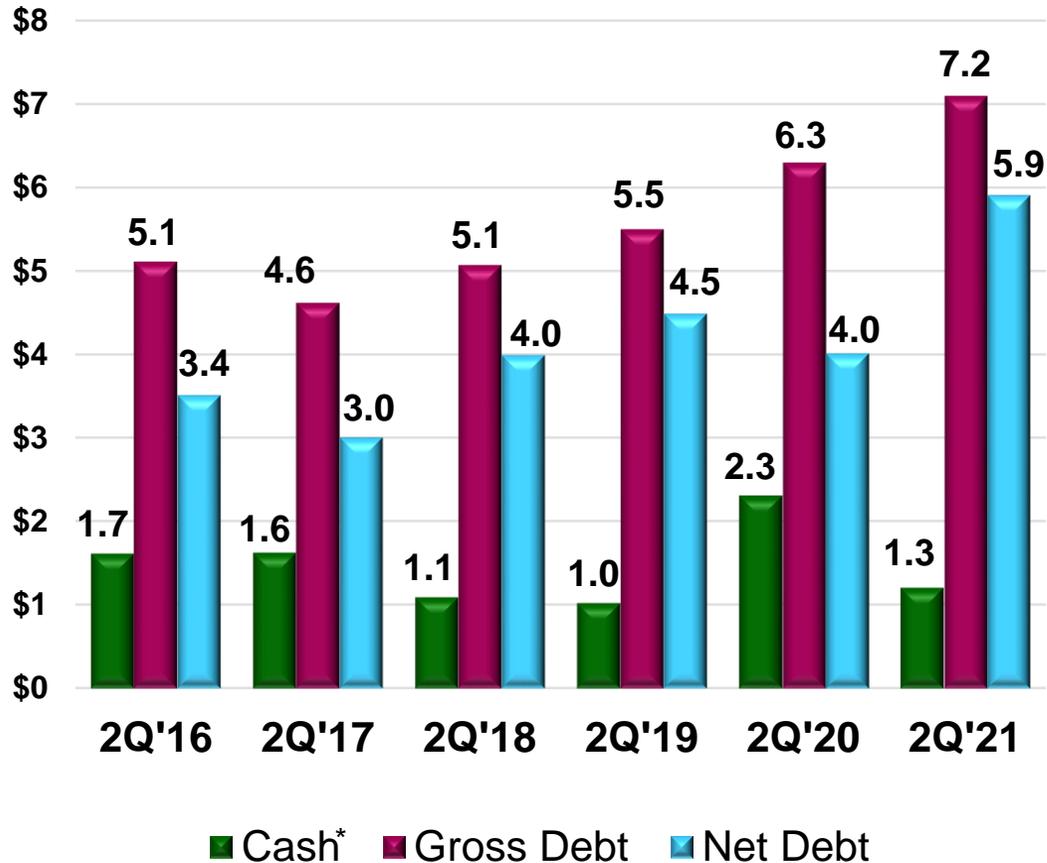
- 7 of 13 board members add gender, ethnic, or cultural diversity

Q2 Highlight --
Appointed PPG's first
VP of Global Sustainability

PPG collaborates with customers to achieve sustainable advantages

Balance Sheet and Cash

Second Quarter Cash and Debt (\$ in billions)



Second Quarter 2021 Activity and Liquidity

2Q 2021 approximate cash uses

- Capital spending ~\$60 million
- Dividends ~\$130 million

Liquidity

- ~\$1.3 billion cash and short term investments at end of June 2021
- ~\$2.5 billion undrawn credit facility and bank loan

Total net debt: \$5.9 billion; up ~\$1.8 billion from 2Q20

- \$7.2 billion gross debt; \$5.9 billion net debt
- Funded Tikkurila, Wörwag, and Cetelon acquisitions in 2Q

Strong cash position remains

- Reduced working capital as a % of sales by 420 basis points Y-O-Y and by 170 basis compared to second quarter 2019
- Continued prudent capital spending

Five acquisitions completed since December 2020

- Aggregate revenue of ~\$1.7 billion
- Consistent with strategy to acquire companies with leading positions and/or differentiated technologies
- Expands PPG product, geographical, and sustainability capabilities
- Integration focus includes leveraging PPG's existing back-office capabilities while accelerating future growth
- Synergies / opportunities identified in one acquisition are being leveraged across all acquisitions
- On-track for \$130 million of synergies by end of 2022



WÖRWAG



ENNIS-FLINT®



CETELON

Third Quarter and Full Year 2021 Financial Projections

(\$ in millions unless otherwise stated)

Category

Projection

Total company net sales (Y-O-Y)

Up 21% to 23%

3Q acquisition sales

~\$500 million (margins below company average)

*** 3Q adjusted earnings-per-diluted share**

\$1.90- \$1.95

*** 2021 full-year adjusted earnings-per-diluted share**

\$7.40- \$7.60

Raw material costs (Y-O-Y)

Inflationary: high-teen-percent to 20%

**Favorable foreign currency (Y-O-Y)
based on current rates**

\$90 - \$100 net sales
\$10 - \$15 segment income

Corporate and legacy expenses (total)

~\$60

Net interest expense (total)

\$28 - \$30

Restructuring savings (incremental)

~\$30

3Q tax rate

21 - 23%

Additional materials and appendix

Adjusted EPS Reconciliation

\$ in millions, except EPS

Second Quarter 2021	Total PPG	
	Net Income	EPS ^(a)
Net Income from Continuing Operations, As Reported	\$ 431	\$ 1.80
Acquisition-related amortization expense	31	0.13
Net tax charge related to UK statutory rate change	22	0.09
Acquisition-related costs	13	0.05
Environmental remediation charges	7	0.03
Expenses incurred due to natural disasters ^(b)	4	0.02
Decrease in allowance for doubtful accounts related to COVID-19	(11)	(0.05)
Business restructuring-related costs, net ^(c)	(15)	(0.06)
Income from legal settlements	(17)	(0.07)
Adjusted Net Income Attributable to PPG	\$ 465	\$ 1.94

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

(b) In the second half of 2020, Hurricanes Laura and Delta damaged a southern U.S. factory supporting the Company's specialty coatings and materials business. In the first quarter of 2021, a winter storm further damaged that factory as well as other Company factories in the southern U.S. Incremental expenses incurred in the second quarter of 2021 due to these storms included costs related to maintenance and repairs of damaged property, freight and utility premiums and other incremental expenses directly related to the impacted areas. These incremental expenses largely related to the Company's specialty coatings and materials business.

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

Adjusted EPS Reconciliation

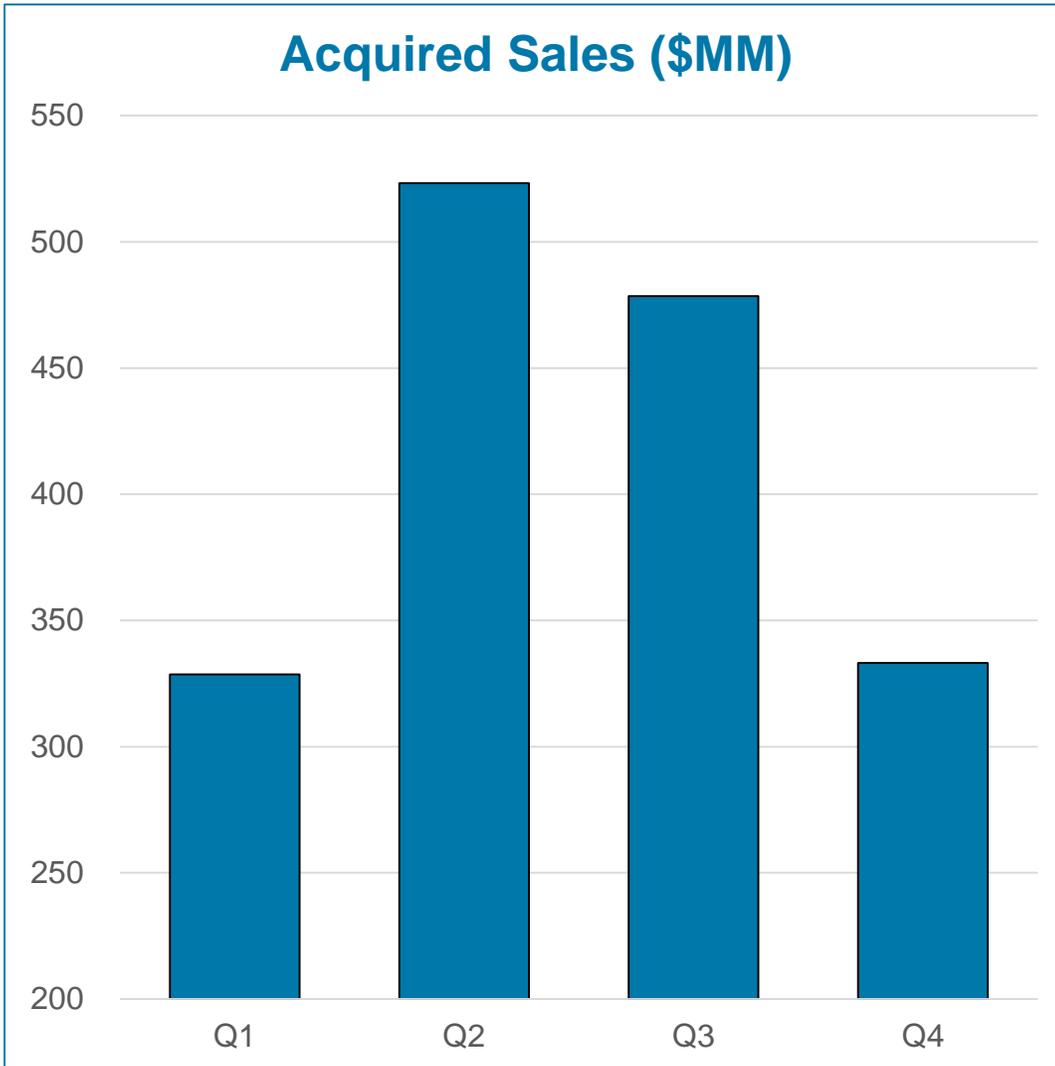
\$ in millions, except EPS

Second Quarter 2020	Total PPG	
	Net Income	EPS ^(a)
Net Income from Continuing Operations, As Reported	\$ 99	\$ 0.42
Business restructuring-related costs, net ^(b)	128	0.54
Acquisition-related amortization expense	23	0.10
Debt extinguishment charge	5	0.02
Environmental remediation charges	3	0.01
Adjusted Net Income Attributable to PPG	\$ 258	\$ 1.09
Second Quarter 2019		
Net Income from Continuing Operations, As Reported	\$ 270	\$ 1.13
Business restructuring-related costs, net ^(b)	138	0.58
Acquisition-related amortization expense	26	0.11
Environmental remediation charges, net	23	0.10
Acquisition-related costs	8	0.03
Costs associated with ongoing accounting investigation	2	0.01
Adjusted Net Income Attributable to PPG	\$ 467	\$ 1.96

(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.

Historical Seasonality of New Acquisitions Compared to PPG



Acquired \$1.7B of sales with pre-synergy EBTIDA margin of ~14%

Thank You For Your Interest In PPG

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