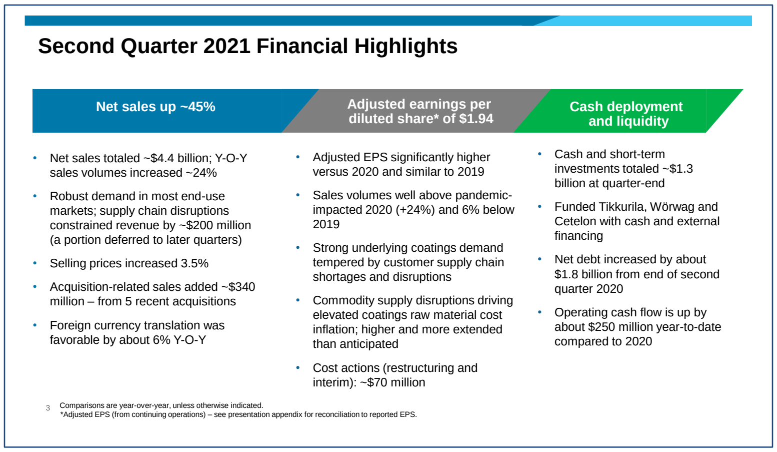
PPG Second Quarter 2021 Financial Results

Earnings Brief – July 19, 2021

These prepared remarks should be read in conjunction with the PPG's earnings press release and related presentation that were posted on PPG's website (investor.ppg.com) on July 19, 2021. In addition, these detailed remarks supplement the commentary that the company will make on its second quarter 2021 earnings conference call on July 20, 2021.



Second Quarter Financial Highlights

PPG's record second quarter 2021 net sales were approximately $4.4 billion, an increase of about 45% versus the prior year. Net sales in constant currencies were up nearly 40%, as foreign currency translation had a favorable impact to net sales of about 6%. Second quarter results reflect continuing broad demand growth across much of the company's business portfolio. Economic activity in the quarter continued its recovery in most major regions and remained the strongest in China. As highlighted and anticipated in the company's first quarter earnings materials, in April revenue was impacted by both direct supply chain disruptions and production constraints among some customers due to shortages in their input components. The estimated impact to revenue was more than $200 million, compared to the $70 million to $90 million expected impact communicated in April. A portion of the revenue impact will be recovered in future quarters, particularly in the automotive original equipment (OEM), traffic solutions, and automotive refinish businesses. Demand conditions remained weakest in the commercial aerospace and marine coatings end-use markets.

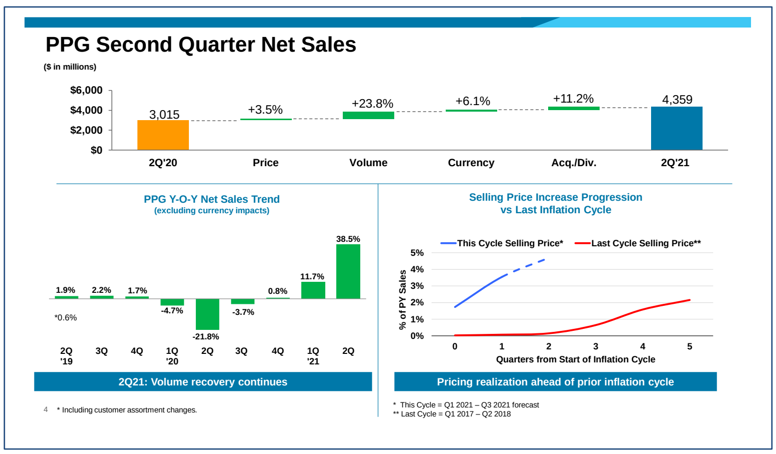
Second quarter 2021 net sales compared to the second quarter of 2019 were up about 8%, despite a sales volume decline of about 6% stemming primarily from effects of the global pandemic. The volume decline was most impactful in the aerospace and automotive refinish coatings businesses, which have not yet fully recovered from the pandemic, and in the automotive original equipment manufacturer (OEM) business due to computer chip shortages. Offsetting the volume decline were higher selling prices of more than 4%, acquisition-related sales of 9% and favorable currency translation of about 1%.

Second quarter reported earnings per diluted share (EPS) was $1.80, compared to $0.42 in the prior-year quarter. Adjusted earnings per diluted share was $1.94, compared to $1.09 in the second quarter 2020. Adjusted second quarter 2021 EPS excludes $0.13 of acquisition-related amortization. Increased year-over-year earnings were driven by strong sales volume recovery compared to the second quarter of 2020, continued execution of cost initiatives, earnings from recent acquisitions, and favorable foreign currency translation. Interim cost-mitigation actions delivered about $30 million of savings and structural cost-savings programs, which are permanent reductions in the company's cost structure, resulted in an additional $40 million of savings in the quarter. The supply disruptions specifically affecting the coatings supply chain escalated during the second quarter. Raw material cost inflation was up by about a mid-to-high-teen percentage, higher than the company expected entering the quarter, as supply remains tight due to multiple force majeure declarations, maintenance projects and transportation shortages, which, along with rising oil prices, is elongating the inflation cycle. It is expected that raw material costs will increase further in the third quarter, to about 20% higher on a year-over-year basis. The company implemented selling price increases in the second quarter and will prioritize further selling price increases in the third quarter.

During the second quarter, the company finalized the following acquisitions:

- Cetelon, a manufacturer of a wide range of coatings systems for automotive and light truck wheel applications. The acquisition was completed in April 2021. Cetelon's 2020 revenue was approximately €35 million.
- Wörwag, a global manufacturer of coatings for industrial and automotive applications headquartered in Stuttgart, Germany. The company specializes in developing sustainable liquid, powder and film coatings. The acquisition was completed in May 2021. Worwag's full-year 2020 revenue was about €220 million.
- Tikkurila, a publicly-traded, European-based paint and coatings company listed and headquartered in Helsinki, Finland. Tikkurila sells decorative paints and painting-related products to wholesalers, retailers, and construction supply stores. About 85% of sales are from decorative paint and the remaining sales are from general industrial products. The acquisition was completed in June 2021. Tikkurila's full-year 2020 revenue was about €582 million.

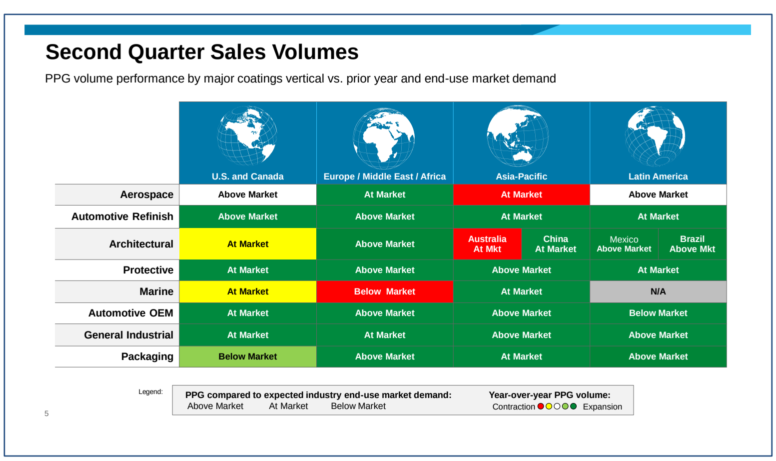
The second quarter 2021 reported and adjusted effective tax rates were about 27% and 23%, respectively, compared to the second quarter 2020 reported and adjusted effective tax rates of about 23% and 25%, respectively. The third quarter 2021 adjusted tax rate is expected to be between 21% and 23%.



PPG Second Quarter Net Sales

PPG's second quarter record net sales of about $4.4 billion were about 45% higher, compared to the prior year. Aggregate global demand patterns remained robust; however, sales were unfavorably impacted by ongoing direct and customer supply disruptions. In aggregate, company sales volumes were higher by about 24% versus the prior-year second quarter, but still remained about 6% below pre-pandemic, second quarter 2019 levels, partly due to the supply disruptions.

Aggregate selling prices increased by 3.5% year over year, with strong sequential contributions from both business segments, including a 4% year-over-year increase in the Industrial Coatings segment. The selling price increases are largely structural in nature. Additional selling price increases are being prioritized in the third quarter to mitigate expected higher raw material and logistics costs. The five recent acquisitions (Ennis-Flint, VersaFlex, Cetelon, Worwag, and Tikkurila) increased net sales by about 11%, or about $340 million, in the quarter. The U.S. dollar weakened year over year compared to the company's overall basket of currencies resulting in a favorable foreign currency translation impact to net sales of about $185 million in the second quarter. For the third quarter 2021, foreign currency translation is expected to have a favorable impact year over year to net sales and earnings by $90 million to $100 million and $10 million to $15 million, respectively.



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

5

Second Quarter 2021 Sales Volumes

Aggregate year-over-year global sales volumes increased about 24% due to improving demand for industrial coatings products and continued strong demand for global architectural coatings, which more than offset continued soft demand for commercial aerospace coatings. Aggregate sales volumes remain about 6% lower than the second quarter of 2019.

In the U.S. and Canada, sales volumes were up nearly 20% compared to the prior year. Aerospace coatings sales volumes were up a low-single-digit percentage year over year, which is slightly higher than recent quarters, due to a modest recovery of commercial aftermarket demand, aided by higher domestic flight activity and consistent demand for military applications. Overall aerospace demand still remains down over 25% versus 2019 levels. Automotive refinish coatings sales volumes were significantly above the prior-year level, reflecting a comparison to depressed sales in the prior-year period resulting from the pandemic. Body shop activity continues to improve as congestion and miles driven increased from the prior year. Collision claims in the U.S. were estimated to be up about 30% compared to the prior year, but remain down about 15% compared to the second quarter of 2019.

In the architectural coatings business, net sales, excluding the impact of currency and acquisitions (organic sales) decreased by a high-single-digit percentage, driven by moderating do-it-yourself (DIY) demand and coatings production constraints related to continuing supply issues for certain raw materials. Professional paint contractors are reporting higher backlogs in the trade channel. Sales volumes in the automotive OEM coatings and general industrial coatings businesses were significantly higher as demand greatly improved from depressed prior year levels due to the pandemic. Despite very strong end-use market demand for automobiles, coatings volumes and industry production remain below 2019 levels due to computer chip shortages.

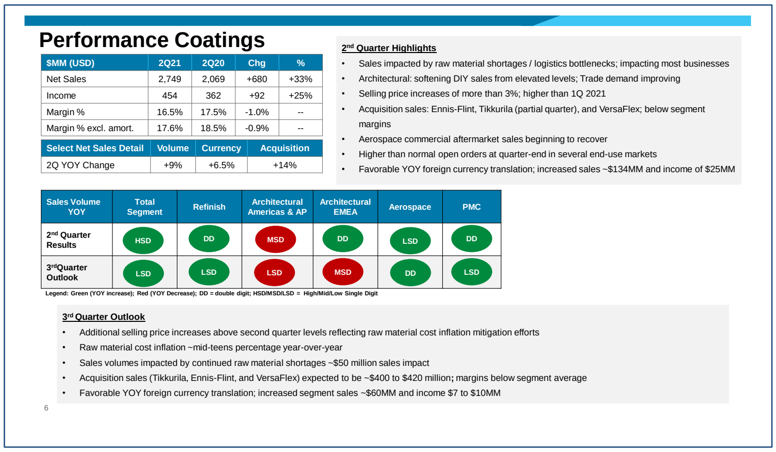
Demand for packaging coatings products remained at high levels, with growing demand in canned beverage packaging products. The traffic solutions business, which is the Ennis-Flint acquisition, was impacted by raw material availability, which reduced sales by an estimated $30 million. Demand for traffic paint remains robust resulting in a historically high open orders in the business.

In the Europe, Middle East, and Africa (EMEA) region, sales volumes were up by more than 30% on a year-over-year basis largely due to depressed sales in the prior-year period caused by the pandemic. The businesses in the Industrial Coatings segment and the automotive refinish coatings businesses had more substantial year-over-year increases due to their respective favorable comparisons versus the prior year pandemic effects on demand. The Western European automotive OEM selling rate rose to nearly 12 million units per year in June, continuing a recent gradual upward trend. However, Western European registrations remain 24% below the equivalent 2019 period. Sales volumes for the packaging coatings business grew by about 10% on a year-over-year basis, led by strong canned beverage and food demand. Industry demand for protective and marine coatings products improved a low-teen percentage compared to the second quarter of 2020. Overall demand conditions in the architectural coatings – EMEA business remained strong, as organic sales were higher by about a mid-teen percentage compared with the prior year. Sales volumes in automotive refinish coatings were mixed by country and higher by nearly 10% in aggregate on a sequential basis continuing a modest recovery despite COVID-related travel restrictions, which continued to constrain mobility. Sales volumes in the aerospace coatings business were higher compared to severely depressed sales volumes in the prior-year and up modestly on a sequential basis compared to the first quarter 2021. Aggregate sales volumes in the region remain about 2% lower than the second quarter of 2019.

Sales volumes in the Asia-Pacific region were higher by a low-teen percentage on a year-over-year basis as economic activity in China remained robust, more than offsetting soft demand conditions in India and Southeast Asia due to further pandemic-related restrictions. Most businesses had positive year-over-year sales growth during the second quarter led by the businesses in the Industrial Coatings reporting segment. Demand remained strong for electronic materials, new construction, heavy-duty equipment, and kitchenware. Additional selling price actions are being implemented to offset elevated raw material and logistics cost inflation in the region. Aggregate sales volumes in the region are higher by about 2% compared to the second quarter of 2019.

In Latin America, sales volumes were higher by about 45% versus the prior year with solid contributions from all businesses. In the architectural coatings business, Mexico, Brazil, and Central America all had double-digit percentage organic sales growth in the second quarter. Automotive OEM coatings sales volumes were impacted by the computer chip shortages.

Looking ahead, in aggregate for the company we expect demand recovery to continue. However, the pace of recovery will vary across end-use markets and geographic regions. In the third quarter, sales volumes are expected to be up by a low-single-digit percentage compared to the third quarter 2020. This includes the unfavorable impact of continuing raw material shortages and growing customer production constraints related to computer chip shortages.



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
2nd Quarter Results	HSD	DD	MSD	DD	LSD	DD
3rd 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

6

Performance Coatings

Second quarter net sales for the Performance Coatings segment were more than $2.7 billion, up about 33% versus the prior year. Selling prices increased more than 3%, improving sequentially from the first quarter. Segment sales volumes were up by about 9% compared to the second quarter 2020. Acquisition-related sales added about 14% and favorable foreign currency translation added about 6.5% to the year-over-year sales growth. The level of digital sales in our global architectural businesses continued to increase and were about 5.5% of total net sales transacted. In comparison to 2019 sales volume levels, sales volumes were down about 7% due in part to coatings raw material shortages that constrained coatings production and delayed sales in several end-use markets. Segment income was about $455 million, up about $90 million compared to the second quarter 2020. Earnings were favorably impacted by higher sales volumes, higher selling prices, acquisition-related earnings, cost-mitigation actions and restructuring savings, partially offset by raw material and logistics cost inflation.

From a business unit perspective, year-over-year sales volumes for automotive refinish coatings improved by about 45%, aided by a favorable comparison in most regions due to the impact of the pandemic in the second quarter of 2020 and were up a low-single-digit percentage sequentially as aggregate demand for automotive refinish products continues to gradually improve. Aggregate sales volumes in the first half of 2021 were about 4% lower than the first half of 2019. Demand was strongest in China where sales activity is close to pre-pandemic levels. In Europe, congestion and miles driven in major cities improved as many countries began to lift pandemic-related mobility restrictions. In the U.S., body shop activity also improved during the second quarter driven by higher miles driven and higher collision claims compared to recent trends with year-over-year claims up about 30% but still 15% below the second quarter 2019 levels. Globally, the business continued to convert new body shops to PPG products during the second quarter. In Europe, PPG has now installed about 750 Moonwalk™ automated paint dispensing devices, with about 20% of these being installed with new PPG customers. Pilots of Moonwalk™ continue in the U.S. with positive customer feedback. It is expected that global demand conditions will continue to gradually improve as more people return to their offices. Aggregate sales activity in the third quarter is expected to be similar to that experienced in the second quarter, with normal seasonal trends.

Aerospace coatings sales volumes increased by a low single-digit percentage versus the prior year and about 5% sequentially from the first quarter. Sales remain more than 25% lower than second quarter 2019. During the quarter, there was a solid uptick in commercial aftermarket demand that is expected to continue as the year progresses as airlines add more domestic flights. In the U.S., domestic passenger volume continues to improve sequentially and is approaching pre-pandemic levels. International flight activity is still significantly below pre-pandemic levels, which impacts the recovery of aerospace coatings products demand for wide-body aircraft. Sales to the military segment remain solid and are expected to continue to trend higher in subsequent quarters due to new business wins driven by PPG's advantaged technology.

Commercial new build demand remains depressed and was still about 40% below the second quarter of 2019. Sales volumes, in aggregate, are expected to be up a mid-single-digit percentage on a sequential basis in the third quarter, but remain significantly below pre-pandemic levels.

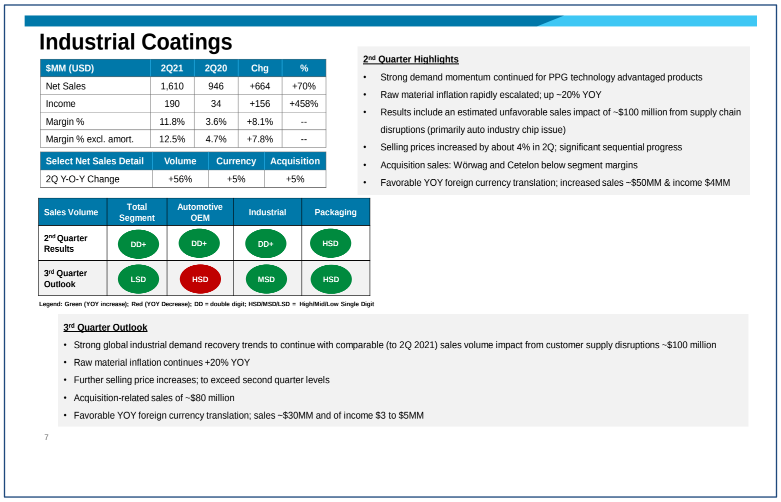
Record year-over-year organic sales increased by a mid-teen percentage in architectural coatings – EMEA, with broad-based, year-over-year sales volume growth in most countries. The improved year-over-year performance was also aided by a pandemic-related activity decline in the prior year, especially in Southern Europe. Second quarter sales growth was led by improving demand in the trade (do-it-for-me) channel. Demand for DIY products remained at elevated levels, but moderated as the quarter progressed as certain countries began to lift strict, stay-at-home mandates. Compared with the second quarter of 2019, organic sales were 10% higher. In the third quarter, organic sales are expected to be similar to third quarter 2020 sales, which included strong DIY sales. Also, normal historical seasonal trends are expected. The Tikkurila acquisition is being integrated into this business unit and will be reported as part of PPG's acquisition-related sales until it reaches the one year anniversary of the acquisition closing. Seasonally, historical third quarter sales in the Tikkurila business are about 8% lower than the second quarter.

Architectural coatings - Americas and Asia-Pacific organic sales decreased by a low single-digit percentage. Sales were impacted by more severe raw material shortages than anticipated, including challenges procuring certain emulsions that are a key input for manufacturing architectural coatings. Underlying demand remained strong, and PPG professional paint contractors (customers) are reporting higher backlogs than normal. Sales were also impacted by some moderation of DIY paint demand. In the U.S. and Canada, organic sales in the trade channel increased by a mid single-digit percentage during the quarter due to continuing residential paint demand, partially offset by lower commercial repaint activity. In Mexico, PPG-Comex organic sales were higher by a mid-teen percentage, as the concessionaire network sell-out of PPG products remained robust. About 30 new concessionaire locations have been added in 2021, bringing the total store count to nearly 4,900. Sales in the Asia Pacific region were mixed as higher year-over-year sales in China were offset by lower year-over-year sales in Australia, partially due to difficult comparison to the prior year quarter, including elevated DIY demand. Looking ahead, aggregate net sales, excluding foreign currency translation, are expected to be up a low single-digit percentage, with normal seasonal demand patterns. Coatings raw material availability is expected to continue to negatively impact sales in the third quarter.

Aggregate protective and marine coatings sales volumes increased by a low-teen percentage compared with the prior-year second quarter, aided by an easier comparison in most regions due to the impact of the pandemic in the prior year. Strong demand for PPG protective coatings products in the Asia Pacific region continued, offset by lower demand for marine coatings globally due to lower maintenance activity. Demand for protective coatings products that are used in the oil and gas industry improved on a sequential basis but remains lower than the second quarter of 2019. Infrastructure investments in China, Europe and the U.S. are expected to aid demand in the next few quarters. Third quarter sales trends are expected to be similar to those experienced in the second quarter, partially impacted by raw material availability. Sales in aggregate are trending above 2019 levels.

Second quarter net sales for the traffic solutions business, which is the recently acquired Ennis-Flint business, met expectations and were nearly equal with second quarter 2019 levels. Coatings raw material shortages impacted the ability to meet robust demand for PPG products, leading to a historically high level of unfilled orders at the end of the quarter. Integration of the acquisition continues to progress and is meeting the company's expectations, as synergies are being captured consistent with targets. Historical third quarter sales in the traffic solutions business are about 5% lower than the second quarter. Operating margins are expected to be below segment averages.

Looking ahead, raw material and transportation cost inflation is expected to be higher in the third quarter compared to the second quarter. Coatings raw material supply disruptions, which are mostly impacting the U.S. architectural coatings and traffic solutions businesses, and to a lesser extent refinish coatings, are anticipated to continue through the third quarter. Further selling price increases have been secured or will be initiated during the quarter. Third quarter sales are expected to follow historical seasonality patterns experienced before the pandemic. Third quarter acquisition-related sales are estimated to be between $400 and $420 million from Tikkurila, Ennis-Flint, and VersaFlex. The company will continue to execute against various cost-savings initiatives. Finally, foreign currency translation is expected to have a favorable impact on segment sales and earnings of about $60 million and approximately $7 to $10 million, respectively, based on recent exchange rates.



Industrial Coatings

Second quarter net sales for the Industrial Coatings segment were about $1.6 billion, up about 70% year over year. Segment sales volumes were higher by more than 50% as global industrial production demand continued to recover. In comparison to 2019, sales volumes were down about 5% due, in part, to customer production constraints related to computer chip shortages that lowered sales in the automotive OEM coatings business. In China, demand was similar to pre-pandemic levels in most industrial end-use markets. Aggregate selling prices were higher year-over-year by about 4% and sequentially higher compared to the first quarter of 2021. Favorable foreign currency translation added about 5% to sales growth. Acquisition-related sales, primarily from the Wörwag and Cetelon acquisitions, added about 5% to sales.

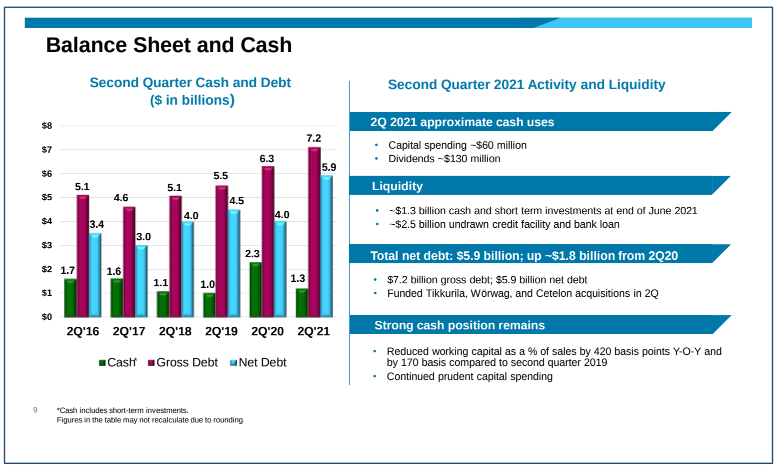
Segment income of $190 million was up about $155 million year over year. Segment income was aided by higher sales volumes, cost-mitigation actions, restructuring cost savings, higher selling prices, and favorable foreign currency translation, partially offset by raw material and logistics cost inflation. Businesses in the Industrial Coatings segment are experiencing the largest increases in raw material cost inflation due to the mix of raw materials used in these coatings.

From a business unit perspective, global automotive OEM coatings year-over-year sales volumes rose by about 75% versus the prior year, above global industry production rates. During the quarter, there were ongoing production disruptions at many automotive OEM customers due to the computer chip shortage resulting in more than 2 million fewer vehicles being manufactured during the quarter than estimated in April. PPG sales were impacted by an estimated $100 million due to the production disruptions, or about $60 million more than expected in April. In China, automotive industry retail sales were slightly above prior year in the second quarter and were similar to second quarter 2019 levels. In the U.S., automotive retail dealer inventories decreased to historically low levels as consumer demand remained very robust while production levels were constrained. The computer chip shortages are expected to continue to impact industry production rates in the third quarter, and gradually improve into 2022, which will likely elongate the recovery of the automotive OEM business. Third-party global industry production automobile production estimates for the third quarter is about 5% below 2019 third quarter production levels. These third-party forecasts are likely not factoring in all recent production curtailment announcements by automobile manufacturers. PPG's aggregate sales volumes are expected to be down a high single-digit percentage in the third quarter compared to the third quarter 2020, largely due to the supply disruptions.

Second quarter industrial coatings sales were a record, rising nearly 50% in aggregate compared to the pandemic-impacted prior year, as global industrial production continued to improve. As another measure of the strong growth, global business unit organic sales were about 6% higher than the second quarter of 2019. Globally, the growth was broad-based across all segments with larger contributions coming from appliance, heavy-duty equipment, and general finishes. Certain segments were modestly impacted by the computer chip shortage, most notably for electronic materials. For the third quarter, strong demand trends are expected to continue with some impact from ongoing supply disruptions.

Sales volumes in packaging coatings increased by a high-single-digit percentage versus the prior year, led by strong volume growth in most regions. Growth in the canned beverage segment remained robust in most regions, partially offset by lower demand for canned personal care items, which remains soft in Europe and Asia-Pacific due to the pandemic. Overall sales in the second quarter were significantly higher than the second quarter 2019. The company continues to win new business stemming from beverage can capacity additions in North America. Third quarter demand and sales trends are expected to be similar to those experienced in the second quarter of 2021.

Looking ahead for the segment in aggregate, sales volumes are expected to be up a low single-digit percentage compared to the prior-year third quarter, including continuing impacts from customer supply disruptions and coatings raw material shortages. These factors are also expected to further elevate coatings raw material cost inflation in the third quarter compared to the second quarter. The company remains active in working with customers to secure further selling price increases in all businesses. Due to the rapid increase in raw material costs, the second half of the year will likely have an unfavorable net impact from higher raw material and logistics costs compared to selling price increases. This is anticipated to improve by the end of 2021. The company will also continue to aggressively execute against various cost-savings initiatives. The acquisitions of Wörwag and Cetelon are expected to deliver sales of about $80 million in the third quarter, with margins below segment average. Finally, foreign currency translation is expected to have a favorable impact on segment sales and earnings of about $30 million and $5 million, respectively, based on recent exchange rates.



Balance Sheet and Cash

PPG finished the second quarter with approximately $1.3 billion of cash and short-term investments. Operating cash flow was better than the prior-year quarter and is more than $250 million higher year-to-date compared to the first half of 2020.

During the second quarter, the company funded the Tikkurila, Wörwag, and Cetelon acquisitions with a combination of cash and external financing. The company ended the second quarter with net debt of about $5.9 billion, which is $1.8 billion higher than the end of the second quarter 2020.

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

- Capital expenditures were about $60 million for the quarter. The Company continues to expect full-year 2021 capital spending to be around $425 to $450 million, reflecting a return to historical levels of spending in support of future organic growth opportunities.

- Dividends paid were about $130 million in the second quarter. PPG has raised its annual dividend payout for 49 consecutive years and paid uninterrupted annual dividends since 1899. The company recently announced a near 10% dividend increase, which will mark the 50th consecutive year of increases once paid later this year.

The company continues to rapidly integrate all recent acquisitions, and we expect 2021 synergies from these closed acquisitions to be approximately $25 million.

Interest expense for the third quarter is expected to be $28 million to $30 million.

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%

11 * Adjusted EPS excludes amortization expense related to acquisitions

Third Quarter 2021 Financial Assumptions

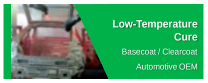
For the third quarter 2021, the company detailed financial assumptions in its accompanying presentation materials based on information that is currently known. A summary is also included below. The company previously announced plans to exclude intangible asset amortization related to completed acquisitions from its reporting of adjusted earnings per share beginning in 2021. The appendix of the earnings presentation includes a chart with historical reconciliations of adjusted earnings per share excluding amortization expense.

- Aggregate sequential net sales volumes up a low-single-digit percentage when compared to the third quarter 2020.
- Acquisition-related sales of about $500 million.
- Total structural cost savings from restructuring actions of about $30 million.
- Corporate expenses were about $52 million in the second quarter and are expected to be about $60 million in the third quarter.
- Net interest expense between $28 million and $30 million.
- Third quarter adjusted earnings per diluted share between $1.90 and $1.95.
- Full-year adjusted earnings per diluted share between $7.40 and $7.60.

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

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

Adjusted EPS Reconciliation

$ in millions, except EPS

	Total PPG	
Second Quarter 2021	**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

	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
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 ROS* Segment Margin and Adjusted EPS Excluding Amortization

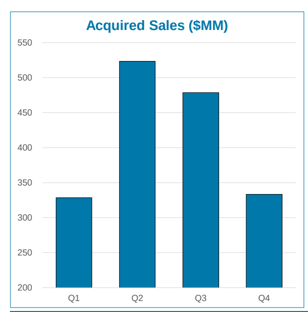
$ in millions, except ROS %

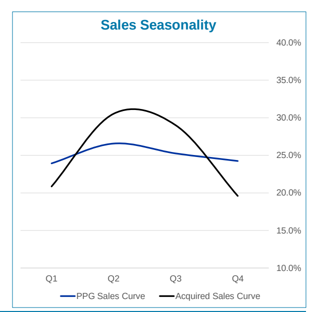
	2019					2020					2021	
Performance Segment	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
ROS Margin, As Reported	14.1%	17.5%	16.4%	14.1%	15.6%	13.5%	17.5%	18.9%	13.8%	16.0%	16.6%	16.5%
Amortization	24	25	24	25	98	26	21	22	23	92	29	30
ROS Margin excluding Amortization	15.2%	18.5%	17.5%	15.2%	16.7%	14.8%	18.5%	19.9%	14.9%	17.1%	17.9%	17.6%
Industrial Segment												
ROS Margin, As Reported	14.4%	14.8%	13.6%	13.6%	14.1%	13.2%	3.7%	17.7%	17.7%	14.0%	15.7%	11.8%
Amortization	8	10	10	10	38	10	10	10	10	40	10	11
ROS Margin excluding Amortization	14.9%	15.4%	14.3%	14.3%	14.7%	14.0%	4.7%	18.3%	18.4%	14.8%	16.3%	12.5%
Total Segments												
ROS Margin, As Reported	14.2%	16.4%	15.3%	13.9%	15.0%	13.4%	13.2%	18.4%	15.4%	15.2%	16.3%	14.7%
Amortization	32	35	34	35	136	36	31	32	33	132	39	41
ROS Margin excluding Amortization	15.1%	17.3%	16.2%	14.8%	15.9%	14.5%	14.2%	19.3%	16.3%	16.2%	17.3%	15.7%

	2019					2020					2021	
Total PPG	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
Adjusted EPS	1.38	1.85	1.67	1.31	6.22	1.19	0.99	1.93	1.59	5.70	1.76	1.81
Amortization EPS	0.10	0.11	0.10	0.11	0.42	0.12	0.10	0.10	0.10	0.42	0.12	0.13
Adjusted EPS excl Amortization	1.48	1.96	1.77	1.42	6.64	1.31	1.09	2.03	1.69	6.12	1.88	1.94

*ROS = Return on Sales
Full year EPS is calculated using the full year average diluted shares outstanding and quarterly EPS is calculated using the quarterly average diluted shares outstanding. As such, full year EPS may not equal the sum of the quarterly EPS figures due to this calculation.

Historical Seasonality of New Acquisitions Compared to PPG





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

Not reflective of estimated 2021 results due to timing of transaction closures
Acquired EBITDA margin below total company average

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 earnings brief 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," "target," "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, the ability to maintain favorable supplier relationships and arrangements, the timing of 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 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 2020 Annual Report on Form 10-K and first quarter 2021 quarterly report on Form 10-Q, 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 19, 2021, 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.