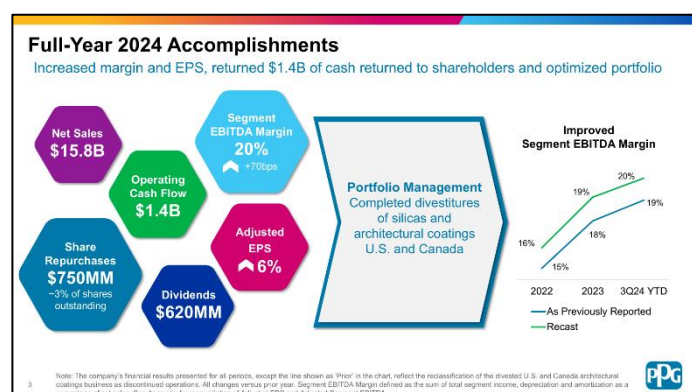




# PPG Fourth Quarter and Full-Year 2024 Financial Results

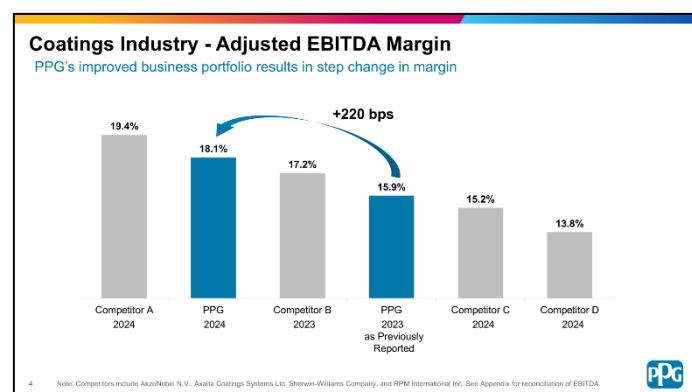
## Earnings Brief – January 30, 2025

These prepared remarks should be read in conjunction with PPG’s earnings press release and related presentation that were posted on PPG’s website at [investor.ppg.com](http://investor.ppg.com) on January 30, 2025. In addition, these detailed remarks supplement the commentary that the company makes on its fourth quarter 2024 earnings conference call on January 31, 2025.



### Full-Year 2024 Accomplishments

In 2024, we demonstrated resilience in a challenging macro environment by growing our adjusted EPS from continuing operations by 6%, improving aggregate segment margins and generating \$1.4 billion in operating cash flow which we returned to shareholders. During the year, we repurchased approximately \$750 million of stock, which represented approximately 3% of our outstanding shares. Combined with our dividend, we have returned \$1.4 billion to our shareholders in 2024.

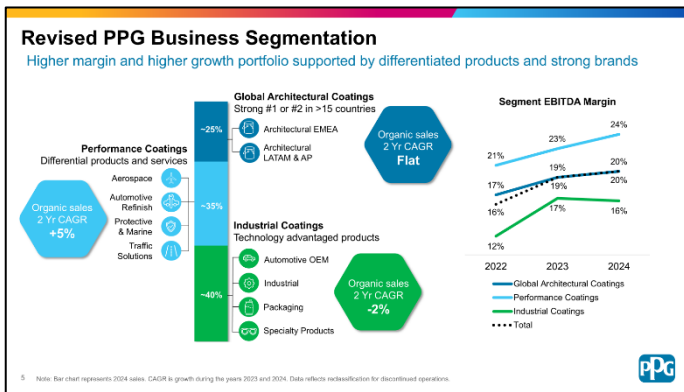


In the fourth quarter 2024, we completed the sale of both our silica products and our architectural coatings U.S. and Canada businesses. These divestitures improve our financial profile, including the company adjusted EBITDA margin of 18.1%, and results in a more focused organization which positions the company to deliver sustainable organic growth.

Full-year 2024 net sales from continuing operations were \$15.8 billion, a decrease of 2% compared with 2023 driven by slightly lower sales

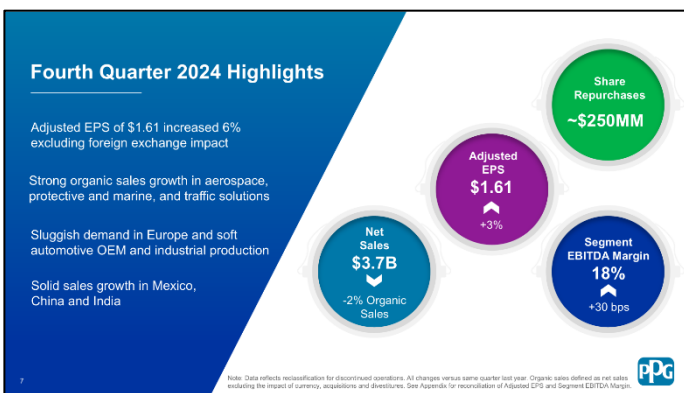
volumes and the impact of unfavorable foreign currency translation and divestitures. Sales volumes declined by 1% year over year with growth in Mexico, China and India as well as growth in the aerospace coatings, protective and marine coatings, packaging coatings and traffic solutions businesses more than offset by declines in the automotive original equipment manufacturer (OEM), industrial and architectural EMEA coatings businesses.

Full-year 2024 adjusted EPS was \$7.87 which grew 6% year over year and excludes \$0.27 of EPS that have been reclassified to discontinued operations, which reflects the results of the divested U.S. and Canada architectural business absent certain allocated costs, consistent with U.S. GAAP requirements.



## New Segmentation

Given the recent divestitures and revised portfolio, we have expanded our segment reporting structure and will now report all architectural coatings businesses as a separate segment, Global Architectural Coatings. The reporting of the remainder of the businesses within the Performance Coatings and Industrial Coatings segments will stay the same. This expanded segmentation will provide investors with enhanced visibility as we drive the company's growth and performance.



## Fourth Quarter 2024 Highlights

PPG fourth quarter net sales were \$3.7 billion, a decrease of 5% compared with the fourth quarter 2023 due to lower sales volumes, unfavorable foreign currency translation and business divestitures. Overall organic sales<sup>(a)</sup> declined 2% with growth in Mexico, China and India as well as growth in the aerospace coatings, protective and marine coatings, and traffic solutions businesses more than offset by declines in the automotive original equipment manufacturer (OEM), industrial and architectural EMEA coatings businesses. We

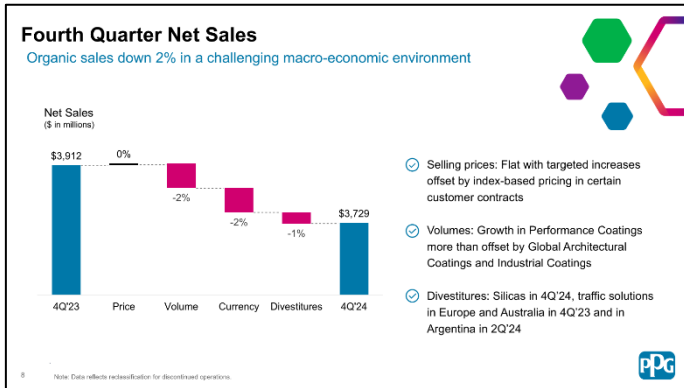
achieved record quarterly net sales and segment income in aerospace coatings and gained share in automotive refinish coatings, protective and marine coatings, and traffic solutions.

Reported earnings per diluted share (EPS) was \$0.01. Adjusted EPS was \$1.61, including an unfavorable foreign currency translation impact of \$0.05 as many currencies weakened versus the U.S. dollar during the quarter. PPG's combined operating segments delivered earnings growth resulting in an aggregate segment EBITDA margin of 18%, 30 basis points higher than the prior-year fourth quarter. This marks the ninth consecutive quarter of year-over-year segment margin improvement.

Our balance sheet remains strong and consistent with our heritage, we remain focused on shareholder value creation. During the quarter, the company repurchased approximately \$250 million of stock.

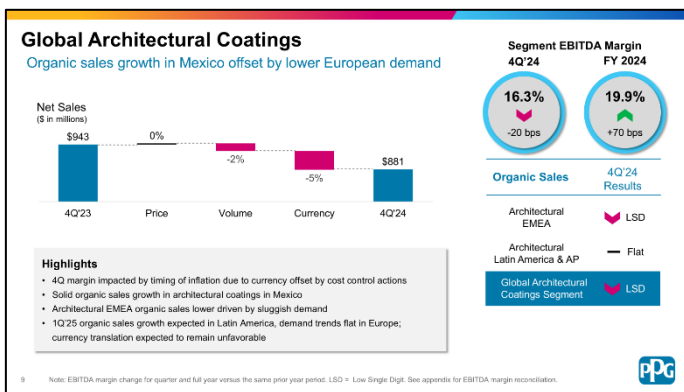
In the fourth quarter, the realized cost of raw materials was unchanged versus 2023 but remained well above historical levels despite the ample availability of raw materials compared to pre-pandemic

conditions. The company expects year-over-year raw material costs, to increase by a low single-digit percentage in the first quarter 2025, primarily due to the effect of already enacted tariffs.



**Fourth Quarter Net Sales**

Organic sales decreased 2% year over year in a challenging macro-economic environment. Aggregate selling prices were flat year over year as structural price increases were offset by declines in certain indexed-based customer contract pricing. Overall company sales volumes declined 2% compared to the prior-year fourth quarter. Sales volume increased 1% in the Performance Coatings segment more than offset by lower sales volumes of 2% in the Global Architectural Coatings segment and increasingly challenged global industrial production which constrained demand in the Industrial Coatings segment.



**Global Architectural Coatings Segment**

The Global Architectural Coatings segment, which was previously reported as part of the Performance Coatings segment, is comprised of the architectural coatings Europe, Middle East and Africa (EMEA) and the architectural coatings Latin America and Asia Pacific business units. Fourth quarter 2024 net sales for the Global Architectural Coatings segment were \$881 million, a decrease of 7% compared to the prior year. Foreign currency translation negatively impacted results by 5% and sales volumes

declined by 2% driven by lower year-over-year demand in architectural coatings EMEA.

Segment EBITDA decreased by 8% versus the prior year driven by unfavorable foreign currency translation, primarily the Mexican peso, and lower sales volumes, partially offset by cost control actions and positive net price.

**Architectural coatings – Europe, Middle East, and Africa (EMEA)**

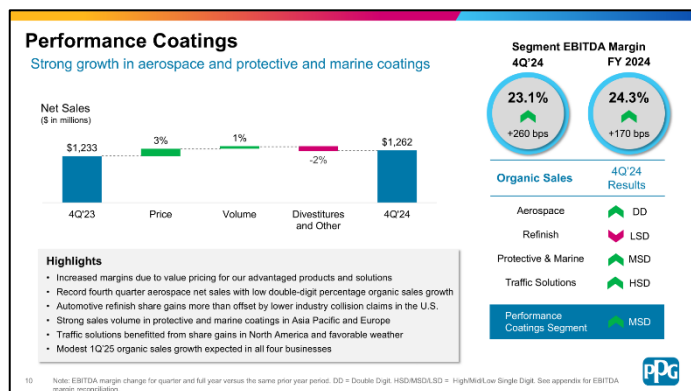
Fourth quarter organic sales for architectural coatings – EMEA declined a low single-digit percentage compared to the prior year. Consumer confidence remained weak during the quarter, and regional demand was uneven by country. Demand declined in all sub-regions in the fourth quarter; however, sales were higher for the full year in eastern and central Europe. The company expects first quarter 2025 demand for architectural coatings in Europe to be similar to the prior year.

## Architectural coatings – Latin America and Asia Pacific

Organic sales for architectural coatings – Latin America and Asia Pacific were flat but slightly positive compared to the prior-year quarter. In Mexico, our concessionaire network continues to perform well. First quarter organic sales are expected to increase in both Latin America and Asia Pacific.

## Outlook

Looking ahead, we continue to expect demand in Mexico to be strong and consumer sentiment in Europe to be tepid. Aggregate organic sales for the segment are expected to be in the range of flat to an increase of a low single-digit percentage compared to the first quarter 2024.



## Performance Coatings Segment

The Performance Coatings segment, which is now comprised of aerospace coatings, automotive refinish coatings, protective and marine coatings, and traffic solutions delivered fourth quarter 2024 net sales of \$1.3 billion, an increase of 2% compared to the prior year. Selling prices increased by 3% year over year, and sales volume increased 1% with growth led by aerospace coatings, protective and marine coatings, and traffic solutions. Segment sales were negatively impacted by 2% stemming from

the divestiture of the non-North American portion of PPG's traffic solutions business in prior quarters.

Segment EBITDA increased by 15% versus the prior year, and segment EBITDA margin improved 260 basis points year over year to 23.1%, driven by price increases stemming from our advantaged products and digital-technology subscriptions, along with cost-control actions partially offset by general cost inflation.

## Aerospace coatings

Aerospace coatings sales were a quarterly record with organic sales increasing by a double-digit percentage compared to the fourth quarter 2023, led by higher selling prices and sales volume. Demand remained strong, and customer order backlogs increased to approximately \$300 million, even with improved production and other productivity gains. Global international and domestic air travel have improved year over year but combined they remain about 3% below pre-pandemic levels. The company remains focused on debottlenecking and further expanding manufacturing capabilities to drive further volume and earnings growth. In the first quarter 2025, demand and organic sales growth are expected to continue at a pace similar to prior quarters.

## Automotive refinish coatings

Fourth quarter organic sales for automotive refinish coatings decreased a low single-digit percentage versus the prior year. In the U.S., sales volumes declined with benefits from share gains more than offset by lower industry collision claims. In Europe, organic sales increased modestly year over year driven by price including digital-technology subscriptions. In China, demand for refinish products is recovering and is expected to improve in the coming quarters. In the fourth quarter, the company grew the number of LINQ™ services subscriptions and added more than 600 Moonwalk™ installations for the full year 2024, further supporting customer productivity and related share gain. The company expects to benefit in the first quarter 2025 from price increases for our technology-advantaged refinish products and services.

### Protective and marine coatings

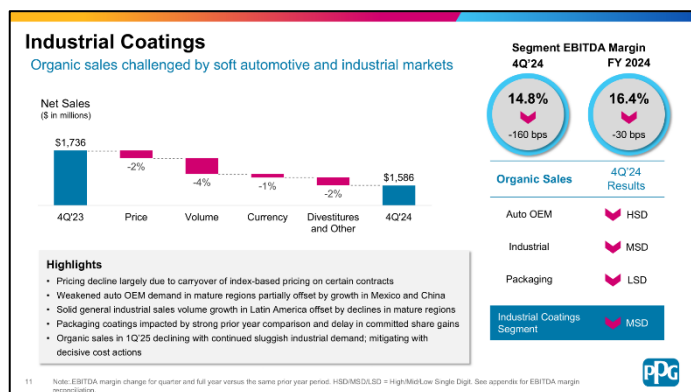
Organic sales for protective and marine coatings increased a mid-single-digit percentage compared to the prior-year fourth quarter driven by higher sales volumes in Europe and the Asia-Pacific region. The fourth quarter was the seventh consecutive quarter with positive year-over-year sales volume growth. In Europe and the Asia-Pacific region, increased sales volumes were driven by share gains in marine maintenance and repair, reflecting demand for PPG's sustainably-advantaged products. The company expects first quarter 2025 organic sales to grow driven by industry growth and share gains.

### Traffic solutions

Fourth quarter organic sales for the traffic solutions business increased a high single-digit percentage compared to the prior-year fourth quarter driven by share gains and favorable weather. Seasonally, first and fourth quarter sales in the business are typically lower, about half the second and third quarter, due to the difficulty of applying traffic markings in colder temperatures. First quarter organic sales are expected to increase driven by share gains.

### Outlook

Looking ahead, we anticipate continued strength in aerospace coatings as well as protective and marine coatings, and we expect growth in automotive refinish coatings above industry rates. Traffic solutions is expected to follow typical seasonal trends and is well positioned to continue to benefit in the coming years from increased U.S. infrastructure spending. First quarter aggregate organic sales for the segment are anticipated to increase by a low single-digit percentage to a mid-single-digit percentage compared to the first quarter 2024.



### Industrial Coatings Segment

Fourth quarter net sales for the Industrial Coatings segment were \$1.6 billion, down 9% versus the prior year. Organic sales declined 6% compared to the fourth quarter 2023 driven by lower selling prices and sales volumes. Selling prices declined due to certain index-based customer contracts. Sales volumes decreased 4% with growth in specialty products more than offset by soft global industrial demand and weak automotive OEM industry production.

Segment EBITDA decreased 18%, and segment EBITDA margin declined by 160 basis points compared to the fourth quarter 2023, driven by lower sales volumes and lower selling prices due to certain index-based pricing contracts.

### *Automotive OEM coatings*

Organic sales decreased by a high single-digit percentage compared to the fourth quarter 2023 driven by lower sales volumes and lower indexed-based selling prices for certain customer contracts. Sales volume increases in the Latin America and Asia Pacific regions were more than offset by declines in the U.S. and Europe where automotive industry build rates were lower due to reduced demand and extended OEM downtime. In China, industry automotive retail sales activity increased nearly 20% year over year, and while the pace of export growth slowed in the second half of the year, exports have grown almost 20% year to date compared to last year. Industry trends in the first quarter are expected to follow a similar trend as the fourth quarter with year over year declines in the U.S. and Europe and growth in Latin America and Asia Pacific. The company expects to benefit from its strong position in China and the realization of share gains later in the year.

### *Industrial coatings*

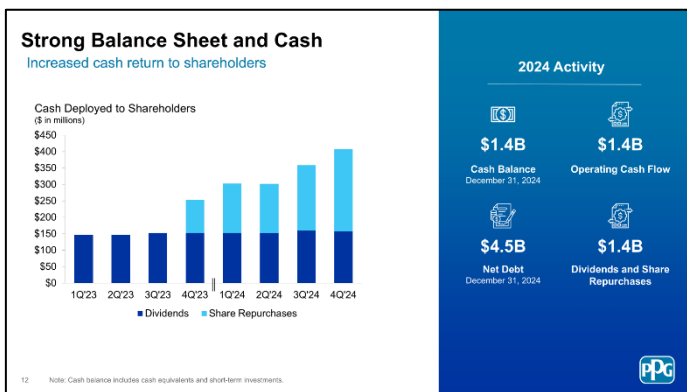
Fourth quarter industrial coatings organic sales were down a mid-single-digit percentage compared to the prior year due to lower sales volumes and lower indexed-based prices. Industrial production remained sluggish especially in Europe and the U.S. Sales volume declines in those regions were partially offset by strong growth in Latin America. Sales in several product categories were above prior-year levels, including solid growth in consumer electronics and kitchen bakeware. The most pronounced weakness was in heavy-duty equipment, and declines were experienced in transportation, wood, and coil. Industrial coatings demand is expected to remain challenged but moderating in the first quarter 2025 compared to the prior year.

### *Packaging coatings*

Fourth quarter organic sales in packaging coatings decreased by a low single-digit percentage compared to the prior year with higher sales volumes in Europe and Latin America offset by lower, index-based prices. Results were lower than expected driven by a delay in converting customer-committed share gains and a strong prior-year comparison. Global beverage demand remains solid, and PPG sales growth is outpacing the market reflecting prior year and current year share gains. In the Asia-Pacific region, market growth is strong in all categories, and PPG is well positioned to support this continued growth. The company expects first quarter organic sales to follow a similar trend to the fourth quarter with realization of share gains later in the year.

### *Outlook*

Looking ahead, global industrial production is expected to be a headwind and remain at a low relative level in the first quarter with improvement in the Asia-Pacific and Latin America regions offset by sluggishness in Europe and in the U.S. Demand growth for PPG's industrial coatings in China is expected to continue for the next several quarters. Automotive OEM industry build rates are expected to decline in the first quarter, but we expect to outpace the market growth in Latin America and the Asia-Pacific region. Aggregate organic sales for the segment are anticipated to decrease by a low single-digit percentage to a mid-single-digit percentage compared to the first quarter 2024.

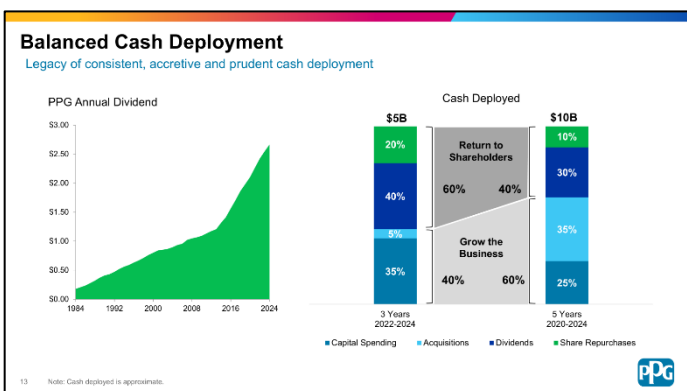


## Balance Sheet, Cash and Other

Cash and short-term investments totaled \$1.4 billion and net debt totaled \$4.5 billion at the end of the fourth quarter, which is about \$30 million lower than the same quarter last year. 2024 operating cash flow was \$1.4 billion. This strong cash flow was returned to shareholders as dividends and share repurchases.

Fourth quarter 2024 additional financial highlights:

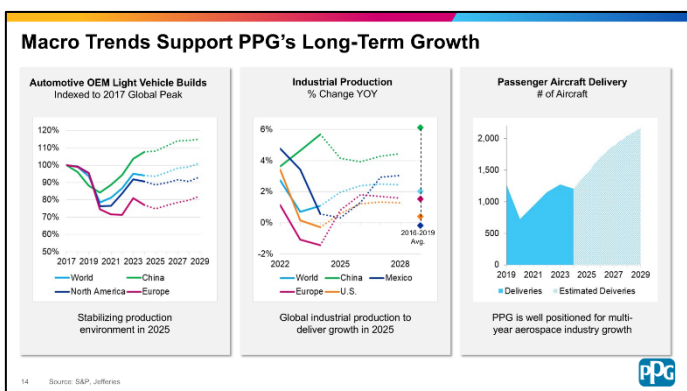
- Restructuring actions from previously announced programs delivered about \$15 million of incremental structural cost savings.
- Corporate expenses were \$87 million in the fourth quarter, which was \$27 million lower than the prior year due to lower incentive-based compensation and cost savings actions, and includes a reclassification of certain allocated costs due to the divestiture of the architectural coatings U.S. and Canada business.
- Net interest expense was \$15 million in the fourth quarter.
- The reported effective tax rate on



continuing operations was 86% for the fourth quarter, as certain business restructuring-related costs and portfolio optimization items did not have a tax benefit. The adjusted effective tax rate was 22% for the fourth quarter.

Fourth quarter and full-year 2024 uses of cash were as follows:

- Capital expenditures were \$198 million in the quarter and \$721 million for the full year.
- Dividends paid were \$158 million in the quarter and \$622 million for the full year. PPG has paid uninterrupted annual dividends since 1899 and raised its annual dividend for 53 consecutive years.
- Shares repurchased were approximately \$250 million in the quarter and about \$750 million for the full year. The company ended the year with \$2.8 billion remaining on its current share repurchase authorization.



## 2025 Outlook

Looking ahead, we anticipate a choppy start to 2025 as demand in Europe and global industrial end-use markets remains challenged. Despite the macroeconomic environment, we expect to deliver organic sales growth of a low single-digit percentage for the year, with first quarter organic growth flat to slightly down and stronger results in the second half of the year. As announced in October, we are taking decisive action to reduce costs, including global structural costs and European manufacturing consolidations. This is

expected to provide \$60 million in pre-tax savings in 2025. The combination of organic sales growth and cost savings actions are estimated to improve aggregate segment margin by approximately 50 basis points year over year.

**PPG's Next Chapter**  
Driving superior performance through high-margin business growth and strong cash flow

**Aggressive Execution of Enterprise Growth Strategy** → **2025 Outcomes**

<b>Portfolio</b>	<ul style="list-style-type: none"> <li>✓ Sharpened portfolio with 3 distinct segments</li> <li>✓ Selective, accretive M&amp;A</li> </ul>	<b>Organic Sales</b> +LSD, driven by share gains, 2H weighted <b>Adjusted EPS</b> +5-9% excluding FX and Tax Rate
<b>Growth &amp; Margin Leadership</b>	<ul style="list-style-type: none"> <li>✓ Building and executing organic growth muscle</li> <li>✓ Delivery of world class margins</li> <li>✓ Decisive self-help actions</li> <li>✓ Rapidly expanding digital and AI impact</li> </ul>	<b>Improved Segment EBITDA Margin</b> >20%, +50 bps YOY <b>Strong Operating Cash Flow</b> >10% of sales <b>Cost Reduction Program</b> \$60MM gross, pre-tax savings <b>Accretive Cash Deployment</b> Maximize shareholder value creation
<b>Capital Allocation</b>	<ul style="list-style-type: none"> <li>✓ Growth focused innovation and capex</li> <li>✓ Capital deployment to drive shareholder value</li> </ul>	

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Our balance sheet remains strong, which continues to provide us with financial flexibility, and we remain committed to driving shareholder value creation. Thus, we are deploying about \$400 million toward share repurchases during the first quarter.

The company anticipates that adjusted earnings per share for the full-year 2025 will be in the range of \$7.75 to \$8.05, which at the mid-point is 6% lower than consensus after discontinued operations accounting adjustments and

represents EPS growth of 7% year over year excluding the impact of foreign currency translation and a higher tax rate. This range is based on current global economic activity and foreign exchange rates, ongoing soft global industrial production, and mixed demand across the various regions in which we operate. The company expects that annual EPS growth will be weighted toward the second half of 2025 as global industrial demand weakened and the U.S. dollar strengthened in the second half of 2024. Additionally, we expect to realize more than \$100 million in annualized share gains in our Industrial Coatings segment beginning in the second half of the year.

**First Quarter and Full-Year 2025 Financial Projections**

	First Quarter 2025		Full Year 2025
Share Repurchases	Up to \$400MM	Adjusted EPS	\$7.75 - \$8.05 per share
Segment organic sales (YOY %):	-LSD to Flat		+LSD
Global Architectural Coatings	Flat to +LSD		+LSD to +MSD
Performance Coatings	+LSD to +MSD		+LSD to +MSD
Industrial Coatings	-MSD to -LSD		Flat to +LSD
Segment margin (YOY)	-150 bps		+50 bps
Raw material and enacted tariff costs (YOY)	LSD inflation		LSD inflation
Foreign exchange (basis current rates)	-\$0.10 to -\$0.13 per share		-\$0.30 to -\$0.35 per share
Corporate expense (net of TSA)	\$95MM - \$100MM		\$340MM - \$360MM
Net interest expense	\$20MM - \$24MM		\$85MM - \$95MM
Effective tax rate	24%		23% - 25%
		Capital expenditures	\$725MM - \$775MM
		Restructuring savings (net of stranded costs)	\$45MM

16 Note: All forecasts are approximate. MSD/LSD = Mid/Low Single Digit. The company is not able to provide a reconciliation of full-year 2025 expected adjusted earnings per diluted share to the most directly comparable GAAP financial measure because certain items that impact such measure are uncertain or cannot be reasonably predicted at this time.

### First Quarter and Full-Year 2025 Financial Assumptions

The company provided financial assumptions for the first quarter and full-year 2025 in its accompanying presentation materials based on information that is currently known. A few of the assumptions are highlighted below.

First quarter 2025 assumptions are as follows:

- Aggregate organic sales lower by a low single-digit percentage to flat
- Global Architectural Coatings segment organic sales within the range of flat to an increase of a low single-digit percentage
- Performance Coatings segment organic sales higher within the range of a low single-digit to mid-single-digit percentage
- Industrial Coatings segment organic sales within the range of down by a low single-digit percentage to down a mid-single-digit percentage
- Aggregate segment margin decline of approximately 150 basis points
- Corporate expenses net of the transaction service agreement income from Pittsburgh Paints Company, of \$95 million to \$100 million
- Net interest expense of \$20 million to \$24 million
- Foreign currency translation reducing earnings per share by \$0.10 to \$0.13
- Effective tax rate of approximately 24%

Full-year 2025 assumptions are as follows:

- Aggregate organic sales higher by a low single-digit percentage
- Global Architectural Coatings segment organic sales higher within the range of a low single-digit to mid-single-digit percentage
- Performance Coatings segment organic sales higher within the range of a low single-digit to mid-single-digit percentage
- Industrial Coatings segment organic sales within the range of flat to an increase of a low single-digit percentage
- Corporate expenses net of the transaction service agreement income from Pittsburgh Paints Company of \$340 million to \$360 million
- Net interest expense of \$85 million to \$95 million
- Foreign currency translation reducing earnings per share by \$0.30 to \$0.35
- Adjusted earnings per diluted share of \$7.75 to \$8.05
- Capital expenditures of approximately \$725 million to \$775 million in support of future organic growth opportunities and as we continue to recover from lower spending during the pandemic
- Restructuring savings, net of stranded costs of \$45 million
- Effective tax rate of approximately 23% to 25%

Additional information related to the fourth quarter and full-year 2024 financial information is posted within the slides and earnings release associated with the fourth quarter earnings documents on the investor section of the company's website.

The company is not able to provide a reconciliation of full-year 2025 expected adjusted earnings per diluted share to the most directly comparable GAAP financial measure without unreasonable effort because certain items that impact such measure are uncertain or cannot be reasonably predicted at this time.

(a) Organic sales are defined as: net sales excluding the impact of currency, acquisitions and divestitures.

### PPG: A Compelling Long-Term Investment

- Diversified Global Portfolio**: Leading positions in all coatings verticals
- Strong Brands, Technologies and Services**: Organic and inorganic growth opportunities
- Asset-Light, Highly Flexible Cost Structure**: Accelerating margin expansion
- Strong Balance Sheet & Consistent Cash Generation**: Cash deployment focused on shareholder value creation

### Segment Margin Reconciliation

\$ in millions, except margin %

	2022	2023		2024		2025	
	Q1	Q2	Q3	Q4	Y1	Q1	Q2
<b>Global Architectural Coatings</b>							
Segment Margin, As Reported	14.5%	13.4%	17.4%	16.7%	13.9%	17.2%	16.7%
Net Sales	\$3,862	\$975	\$1,208	\$1,107	\$943	\$4,001	\$988
Segment Income	558	131	208	186	131	682	166
Depreciation and Amortization	102	25	29	29	101	29	28
Adjusted EBITDA	660	106	237	216	232	711	204
Adjusted EBITDA Margin	17.1%	10.9%	19.6%	20.4%	24.6%	17.8%	20.5%
<b>Performance Coatings</b>							
Segment Margin, As Reported	11.7%	10.9%	23.1%	18.2%	17.7%	13.1%	22.3%
Net Sales	\$4,730	\$1,183	\$1,422	\$1,321	\$1,203	\$5,130	\$1,184
Segment Income	547	129	329	240	218	278	265
Depreciation and Amortization	142	35	35	35	139	34	31
Adjusted EBITDA	689	164	364	275	357	312	296
Adjusted EBITDA Margin	14.6%	13.9%	25.6%	20.8%	29.6%	24.2%	25.1%
<b>Industrial Coatings</b>							
Segment Margin, As Reported	9.2%	13.7%	13.0%	13.9%	13.3%	14.7%	14.8%
Net Sales	\$6,070	\$1,723	\$1,823	\$1,707	\$1,728	\$7,081	\$1,899
Segment Income	566	241	240	240	231	558	280
Depreciation and Amortization	207	53	53	53	211	52	52
Adjusted EBITDA	602	284	289	289	274	660	332
Adjusted EBITDA Margin	10.1%	16.5%	15.8%	16.4%	15.8%	17.7%	17.2%
<b>Total Segment</b>							
Segment Margin, As Reported	13.1%	16.3%	17.7%	16.6%	14.8%	17.3%	18.8%
Net Sales	\$15,144	\$3,881	\$6,454	\$4,135	\$3,874	\$16,212	\$3,888
Segment Income	2,051	331	795	666	589	2,600	651
Depreciation and Amortization	451	113	114	114	450	112	113
Adjusted EBITDA	2,500	744	877	799	634	3,113	727
Adjusted EBITDA Margin	16.5%	19.2%	20.2%	19.3%	17.1%	19.3%	20.2%

### Adjusted EPS Reconciliation

\$ in millions, except EPS

	Net Income	EPS <sup>(a)</sup>
<b>Fourth Quarter 2024</b>		
Net Income from Continuing Operations, As Reported	\$ 2	\$ 0.01
Acquisition-related amortization expense	24	0.10
Business restructuring-related costs, net <sup>(b)</sup>	314	1.35
Portfolio optimization costs <sup>(c)</sup>	35	0.15
Legacy environmental remediation charges <sup>(d)</sup>	3	0.01
Insurance recoveries <sup>(e)</sup>	(3)	(0.01)
<b>Adjusted Net Income Attributable to PPG</b>	<b>\$ 375</b>	<b>\$ 1.61</b>
<b>Full Year 2024</b>		
Net Income from Continuing Operations, As Reported	\$ 1,344	\$ 5.72
Acquisition-related amortization expense	100	0.42
Business restructuring-related costs, net <sup>(b)</sup>	324	1.39
Portfolio optimization costs <sup>(c)</sup>	65	0.28
Legacy environmental remediation charges <sup>(d)</sup>	18	0.07
Insurance recoveries <sup>(e)</sup>	(3)	(0.01)
<b>Adjusted Net Income Attributable to PPG</b>	<b>\$ 1,548</b>	<b>\$ 7.87</b>

### Adjusted EPS Reconciliation

\$ in millions, except EPS

	Net Income	EPS <sup>(a)</sup>
<b>Fourth Quarter 2023</b>		
Net Income from Continuing Operations, As Reported	\$ 103	\$ 0.43
Acquisition-related amortization expense	32	0.13
Impairment and other related charges, net <sup>(b)</sup>	160	0.67
Business restructuring-related costs, net <sup>(c)</sup>	13	0.05
Portfolio optimization costs <sup>(d)</sup>	28	0.12
Legacy environmental remediation charges <sup>(e)</sup>	17	0.07
Insurance recoveries <sup>(f)</sup>	(5)	(0.02)
<b>Adjusted Net Income Attributable to PPG</b>	<b>\$ 372</b>	<b>\$ 1.56</b>

10. Figures are based on diluted shares and are calculated based on unrounded numbers. Figures in the table may not reconcile due to rounding.

11. Business restructuring-related costs include costs related to the restructuring of the company's operations, including the sale of the company's assets, the restructuring of the company's operations, and the restructuring of the company's debt. These charges are included in Other (income) charges, net in the consolidated statement of income.

12. Portfolio optimization costs include costs related to the sale of certain assets, which are included in Other (income) charges, net in the consolidated statement of income. These charges are included in Other (income) charges, net in the consolidated statement of income.

13. Legacy environmental remediation charges represent environmental remediation costs of certain non-operating PPG manufacturing sites. These charges are included in Other (income) charges, net in the consolidated statement of income.

14. Insurance recoveries include insurance recoveries related to the restructuring of the company's operations, including the sale of the company's assets, the restructuring of the company's operations, and the restructuring of the company's debt. These charges are included in Other (income) charges, net in the consolidated statement of income.

15. Figures in the table may not reconcile due to rounding. Individual segment margin defined as segment income as a percentage of segment net sales and segment margin for the total segments defined as total segment income as a percentage of net sales.

16. Figures are based on diluted shares and are calculated based on unrounded numbers. Figures in the table may not reconcile due to rounding.

17. In the fourth quarter 2023, the company reported impairment and other related charges due to goodwill impairment recognized for the Traffic, Traffic Services, and as a result of its annual goodwill impairment test. The fair value of the Traffic Services and Traffic Services units was determined to be less than their carrying amount as of the reporting date. The impairment charge was recorded in the fourth quarter 2023. The impairment charge was recorded in the fourth quarter 2023. The impairment charge was recorded in the fourth quarter 2023.

18. Portfolio optimization costs include costs related to the sale of certain assets, which are included in Other (income) charges, net in the consolidated statement of income. These charges are included in Other (income) charges, net in the consolidated statement of income.

19. In December 2023, the company reported impairment and other related charges due to goodwill impairment recognized for the Argentine sales organization. The impairment charge was recorded in the fourth quarter 2023. The impairment charge was recorded in the fourth quarter 2023. The impairment charge was recorded in the fourth quarter 2023.



### Adjusted EPS Reconciliation

\$ in millions, except EPS

Full Year 2023	Total PPG	EPS <sup>(a)</sup>
Net income from Continuing Operations, As Reported	\$ 1,223	\$ 5.16
Acquisition-related amortization expense	115	0.48
Impairment and other related charges, net <sup>(b)</sup>	160	0.67
Business restructuring-related costs, net <sup>(c)</sup>	33	0.14
Portfolio optimization costs <sup>(d)</sup>	58	0.24
Legacy environmental remediation charges <sup>(e)</sup>	17	0.07
Argentina currency devaluation losses <sup>(f)</sup>	24	0.10
Insurance recoveries <sup>(g)</sup>	(12)	(0.05)
Pension settlement charge <sup>(h)</sup>	144	0.61
Adjusted Net Income Attributable to PPG	\$ 1,762	\$ 7.42

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### Adjusted EBITDA Reconciliation

\$ in millions

	2024	2023
Net income from Continuing Operations, As Reported	\$ 1,244	\$ 1,223
Interest expense, net of interest income	64	76
Depreciation	340	349
Amortization	132	152
Net income attributable to noncontrolling interests	—	—
EBITDA	\$2,480	\$2,371
Business restructuring-related costs, net	10	31
Portfolio optimization costs	24	58
Legacy environmental remediation charges	(1)	17
Insurance recoveries	(1)	(12)
Impairment and other related charges	10	160
Currency valuation loss	—	24
Pension settlement charge	144	144
Adjusted EBITDA	\$2,666	\$2,824
Net income margin	18.1%	17.8%
Adjusted EBITDA margin	18.1%	17.8%

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### Adjusted EBITDA Reconciliation – As Presented in 2023 Form 10-K

\$ in millions

Full Year 2023	2023
Net income from Continuing Operations, As Reported	\$ 1,223
Interest expense, net of interest income	64
Depreciation	340
Amortization	132
Net income attributable to noncontrolling interests	—
EBITDA	\$2,480
Business restructuring-related costs, net	10
Portfolio optimization costs	24
Legacy environmental remediation charges	(1)
Insurance recoveries	(1)
Impairment and other related charges	10
Currency valuation loss	—
Pension settlement charge	144
Adjusted EBITDA	\$2,666
Net income margin	18.1%
Adjusted EBITDA margin	18.1%

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### Adjusted EBITDA Reconciliation

\$ in millions, except Akzo in millions

	SHW	PPG	AXTA	RPM	AKZA
Reported net income from continuing operations	\$2,681	\$1,344	\$299	\$369	€ 292
Interest expense, net of interest income and non-controlling interest	459	97	224	73	79
Income tax expense	770	475	88	198	246
Depreciation & Amortization	624	482	275	171	365
EBITDA	\$4,484	\$2,408	\$684	\$713	€ 1,282
Business restructuring-related costs, net	44	377	—	—	€ 198
Portfolio optimization	59	6.8	—	—	—
Legacy environmental remediation charges	24	—	—	—	—
Insurance recoveries	(4)	—	—	—	—
Impairment and other related charges	—	15	—	—	—
Currency valuation loss	—	—	—	—	—
Pension settlement charge	—	—	—	—	—
Debt extinguishment and refinancing related costs	—	10	—	—	—
Termination benefits and other employee related costs	—	18	—	—	—
Acquisition and divestiture-related costs	—	3	—	—	—
Long term employee benefit plan adjustments	—	9	—	—	—
Gains on sales of facilities	—	0	—	—	—
Russia Sanction Impacts	—	(2)	—	—	—
Other Adjustments	—	(1)	—	—	—
Adjusted EBITDA	\$4,480	\$2,866	\$893	\$1,113	€ 1,478
Net sales	\$23,099	\$15,845	\$5,194	\$7,326	€ 10,711
Adjusted EBITDA margin	19.4%	18.1%	17.2%	15.2%	13.8%

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### Full Year 2023 Discontinued Operations Impact

Item	Comments	Sales Impact \$MM	EBIT Impact \$MM	EPS Impact
Architectural coatings U.S. and Canada, as previously reported	Business as reported in Performance Coatings segment	\$1,950	\$3	
Commercial agreements	Historic product sales that will be supplied to buyer (Newco)	54	15	
Allocated costs retained by PPG – subject to Transition Services Agreements	Overhead costs moved to corporate that will be recovered via reimbursement from Newco (as other income)		25	
Allocated costs retained by PPG – stranded costs	Overhead costs moved to corporate that will be offset by restructuring or other cost actions		15	
Architectural coatings U.S. and Canada, discontinued operations	Discontinued operations, as reported	\$2,004	\$58	\$0.19
Amortization and restructuring	Adjustments		15	0.06
Architectural coatings U.S. and Canada, excluding amortization and restructuring	Impact of results moved to discontinued operations	\$2,004	\$73	\$0.25

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### Full Year 2024 Discontinued Operations Impact

Item	Comments	Sales Impact \$MM	EBIT Impact \$MM	EPS Impact
Architectural coatings U.S. and Canada, as previously reported	Business as reported in Performance Coatings segment	\$1,847	\$18	
Commercial agreements	Historic product sales that will be supplied to buyer (Newco)	31	12	
Allocated costs retained by PPG – subject to Transition Services Agreements	Overhead costs retained by PPG to corporate that will be recovered via reimbursement from Newco (as other income)		26	
Allocated costs retained by PPG – stranded costs	Overhead costs moved to corporate that will be offset by restructuring or other cost actions		15	
Book loss on sale of business	Book loss on divestiture		(285)	
Architectural coatings U.S. and Canada, discontinued operations	Discontinued operations, as reported	\$1,878	(\$214)	(\$0.97)
Amortization	Adjustment		6	0.02
Book loss on sale of business	Adjustment		285	1.22
Architectural coatings U.S. and Canada, excluding amortization	Impact of results moved to discontinued operations	\$1,878	\$77	\$0.27

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## 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 global economic conditions, geopolitical issues, increasing price and product competition by our competitors, fluctuations in cost and availability of raw

materials, energy, labor and logistics, the ability to achieve selling price increases, the ability to recover margins, customer inventory and production 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, global human health issues, 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 2023 Annual Report on Form 10-K, 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 January 30, 2025 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.