PPG Acquires Minority Stake in Taiwan Chlorine Industries

04/11/2017

PITTSBURGH--(BUSINESS WIRE)-- PPG (NYSE:PPG) today announced that it has acquired a 40 percent ownership interest in Taiwan Chlorine Industries Ltd. (TCI) from China Petrochemical Development Corporation (CPDC).

TCI was established in 1986 as a joint venture between PPG and CPDC to produce chlorine-based products in Taiwan, at which time PPG owned 60 percent of the venture. In conjunction with the 2013 separation of its commodity chemicals business, PPG transferred its ownership interest in TCI to Axiall Corporation. Axiall was subsequently acquired by Westlake Chemical Corporation in 2016.

In connection with the sale of PPG's original 60 percent ownership interest in TCI to Axiall, CPDC was granted an option to sell its 40 percent ownership interest in TCI to Axiall for $100 million following the three-year anniversary of PPG's commodity chemical business separation. Axiall was concurrently granted the right to name PPG as its designee to purchase CPDC's 40 percent ownership interest. In April 2016, CPDC elected to sell its 40 percent TCI ownership interest to Axiall, and in June, Axiall designated PPG to purchase this ownership interest.

PPG funded the acquisition, which represents a minority interest related to one of PPG's legacy businesses, using cash on hand.

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At PPG (NYSE:PPG), we work every day to develop and deliver the paints, coatings and materials that our customers have trusted for more than 130 years. Through dedication and creativity, we solve our customers' biggest challenges, collaborating closely to find the right path forward. With headquarters in Pittsburgh, we operate and innovate in more than 70 countries and reported net sales of $14.8 billion in 2016. We serve customers in construction, consumer products, industrial and transportation markets and aftermarkets. To learn more, visit www.ppg.com.

Forward-Looking Statements

Statements in this news release relating to matters that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 reflecting the company's current view with respect to future events or objectives and financial or operational performance or results. The forward-looking statements contained herein include statements relating to the Taiwan Chlorine Industries transaction. Actual events may differ materially from current expectations and are subject to a number of risks and uncertainties, including the future performance of Taiwan Chlorine Industries, and the other risks and uncertainties discussed in PPG Industries' periodic reports on Form 10-K and Form 10-Q and its current reports on Form 8-K filed with the Securities and Exchange Commission. Forward-looking statements speak only as of the date of their initial issuance, and PPG Industries does not undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise.

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PPG Media Contact:
Mark Silvey, +1-412-434-3046
Corporate Communications
silvey@ppg.com
or
PPG Investor Contact:
Scott Minder, +1-412-434-3466
Investor Relations
sminder@ppg.com
www.ppg.com/investor

Source: PPG