

PPG Marks Successful 2016, Reports Strong Financials at Annual Meeting

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PITTSBURGH--(BUSINESS WIRE)-- PPG (NYSE:PPG) today held its annual meeting of shareholders in Pittsburgh, where Chairman and Chief Executive Officer Michael H. McGarry reviewed the company's continued strategic progress and highlighted its strong financial performance.

"PPG had a successful year in 2016, achieving 7 percent year-over-year growth in adjusted earnings per diluted share despite a challenging economic environment," McGarry said. "We deployed \$1.4 billion to grow our businesses and reward shareholders, delivering on our two-year cash deployment commitment. In 2015 and 2016 combined, we deployed more than \$2.5 billion on acquisitions and share repurchases, achieving the top end of our cash deployment target."

At the meeting, McGarry highlighted several strategic actions by PPG to make the company stronger and more resilient. This included divesting the flat glass and European fiber glass businesses and PPG's ownership interest in two Asian fiber glass joint ventures, resulting in approximately \$1.1 billion of total cash proceeds. In addition, McGarry noted that PPG completed four acquisitions in 2016 and early January 2017, increasing PPG's geographic and product scope. He also highlighted PPG's continued focus on new product development, which includes nearly \$500 million in research and development investment in 2016.

McGarry discussed several key sustainability and social responsibility achievements by PPG in 2016, including:

- Safety performance improvement;
- Achievement of goals to reduce waste and greenhouse gas emissions four years ahead of 2020 targets, and PPG's sustainability committee is establishing new goals to drive further results in these key areas;
- A continued increase in the demand for PPG products that provide an environmental benefit to customers; and
- Completion of more than 40 [COLORFUL COMMUNITIES™ projects](#) as part of PPG's community engagement initiative to bring color and vitality to its communities around the world.

Looking ahead, McGarry said, "We anticipate deploying at least \$2.5 billion to \$3.5 billion of cash on acquisitions and share repurchases in years 2017 and 2018 combined, as we remain focused on shareholder value creation and we continue to identify acquisition opportunities to strengthen our company. This includes our interest in AkzoNobel. We continue to believe that a combination of PPG and AkzoNobel would result in enhanced financial growth prospects for the combined company in the coming years, which also would accrue to the benefit of all stakeholders of both companies."

At the meeting, shareholders re-elected directors Stephen Angel, chairman of the board, president and chief executive officer of Praxair, Inc.; Hugh Grant, chairman of the board and chief executive officer of Monsanto Company; Melanie Healey, former group president, North America, of The Procter & Gamble Company; and Michele Hooper, president and chief executive officer of The Directors' Council and former president and chief executive officer of Voyager Expanded Learning, Inc. Additionally, shareholders passed a non-binding resolution to approve the compensation of the company's named executive officers, and they ratified the appointment of PricewaterhouseCoopers LLP as the company's independent registered public accounting firm for 2017. Finally, shareholders voted to have future advisory votes on executive compensation each year.

PPG: WE PROTECT AND BEAUTIFY THE WORLD™

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 contained in this press release relating to matters that are not historical facts are forward-looking statements reflecting PPG Industries' current view with respect to future events and financial performance. These matters within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, involve risks and uncertainties that may affect PPG Industries' operations, as discussed in the company's filings with the Securities and Exchange Commission pursuant to Sections 13(a), 13(c) or 15(d) of the Exchange Act, and the rules and regulations promulgated thereunder. Accordingly, many factors could cause actual results to differ materially from the forward-looking statements contained herein. Such factors include global economic conditions, increasing price and product competition by

foreign and domestic competitors, fluctuations in cost and availability of raw materials, the ability to maintain favorable supplier relationships and arrangements, the timing of realization of anticipated cost savings from restructuring initiatives, 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, and the unpredictability of existing and possible future litigation, including asbestos litigation. The forward-looking statements contained herein also include statements about the proposed acquisition of Akzo Nobel N.V. ("AkzoNobel") by PPG Industries (such proposed acquisition, the "Transaction"), the terms of the proposed Transaction and the expected benefits of the Transaction for PPG Industries, AkzoNobel and their respective shareholders. These statements are based on the current expectations of the management of PPG Industries and are subject to uncertainty and to changes in circumstances and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such forward-looking statements. In addition, these statements are based on a number of assumptions that are subject to change. Such risks, uncertainties and assumptions include: whether an agreement in respect of the Transaction will be negotiated and executed; uncertainties as to whether AkzoNobel will cooperate with PPG Industries regarding the Transaction and whether AkzoNobel's management or supervisory boards will endorse the Transaction; the effect of the announcement of the Transaction on the ability of PPG Industries and AkzoNobel to retain customers, to retain and hire key personnel and to maintain favorable relationships with suppliers; the terms of the proposed Transaction; the timing of the proposed Transaction; the satisfaction of any conditions to the completion of the Transaction and other risks related to the completion of the Transaction and actions related thereto; risks relating to any unforeseen liabilities, future capital expenditures, revenues, expenses, earnings, economic performance, indebtedness, financial condition, future credit ratings, future prospects; business and management strategies; the expansion and growth of PPG Industries' and AkzoNobel's operations; PPG Industries' ability to integrate AkzoNobel's business successfully after the closing of the Transaction and to achieve anticipated synergies and benefits therefrom; and the risk that disruptions from the Transaction will harm the combined companies' business. However, it is not possible to predict or identify all such factors. Consequently, while the list of factors presented here and in PPG Industries' 2016 Form 10-K 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 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 Industries' consolidated financial condition, results of operations or liquidity. All information in this release speaks only as of April 20, 2017, and any distribution of this release after that date is not intended and will not be construed as updating or confirming such information. PPG Industries undertakes no obligation to update any forward-looking statement, except as otherwise required by applicable law.

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