



First Quarter 2021 Financial Results

Michael H. McGarry, Chairman and Chief Executive Officer
Vincent J. Morales, Senior Vice President and Chief Financial Officer
John Bruno, Vice President, Investor Relations



We protect and beautify the world™

Forward-Looking Statements

This presentation contains forward-looking statements that reflect the Company's current views with respect to future events and financial performance. You can identify forward-looking statements by the fact that they do not relate strictly to current or historic facts. Forward-looking statements are identified by the use of the words "aim," "believe," "expect," "anticipate," "intend," "estimate," "project," "outlook," "forecast" and other expressions that indicate future events and trends. Any forward-looking statement speaks only as of the date on which such statement is made, and the Company undertakes no obligation to update any forward looking statement, whether as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our reports to the Securities and Exchange Commission. Also, note the following cautionary statements:

Many factors could cause actual results to differ materially from the Company's forward-looking statements. Such factors include statements related to the expected effects on our business of the COVID-19 pandemic and the pace of recovery from the pandemic, global economic conditions, increasing price and product competition by our competitors, fluctuations in cost and availability of raw materials, the ability to achieve selling price increases, the ability to recover margins, customer inventory levels, our ability to maintain favorable supplier relationships and arrangements, the timing of and the realization of anticipated cost savings from restructuring and other initiatives, the ability to identify additional cost savings opportunities, the timing and expected benefits of our acquisitions, difficulties in integrating acquired businesses and achieving expected synergies therefrom, economic and political conditions in the markets we serve, the ability to penetrate existing, developing and emerging foreign and domestic markets, foreign exchange rates and fluctuations in such rates, fluctuations in tax rates, the impact of future legislation, the impact of environmental regulations, unexpected business disruptions, the unpredictability of existing and possible future litigation, including asbestos litigation and governmental investigations. However, it is not possible to predict or identify all such factors. Consequently, while the list of factors presented here and under Item 1A of PPG's 2020 Form 10-K are considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in the results compared with those anticipated in the forward-looking statements could include, among other things, lower sales or earnings, business disruption, operational problems, financial loss, legal liability to third parties, other factors set forth in Item 1A of PPG's 2020 Form 10-K and similar risks, any of which could have a material adverse effect on the Company's consolidated financial condition, results of operations or liquidity.

All of this information speaks only as of April 15, 2021, and any distribution of this presentation after that date is not intended and will not be construed as updating or confirming such information. PPG undertakes no obligation to update any forward-looking statement, except as otherwise required by applicable law.

First Quarter 2021 Financial Highlights

Net sales up ~15%

- Net sales totaled ~\$3.9 billion; Y-O-Y sales volumes increased ~7%
- Continued strong architectural coatings demand, and sales volumes in Industrial Coatings segment up ~10% Y-O-Y
- Selling prices increased nearly 2%
- Acquisition-related sales added ~\$95 million: mostly Traffic Solutions (Ennis-Flint)
- Foreign currency translation was favorable by about 3.5% Y-O-Y

Record adjusted earnings per diluted share* of \$1.88

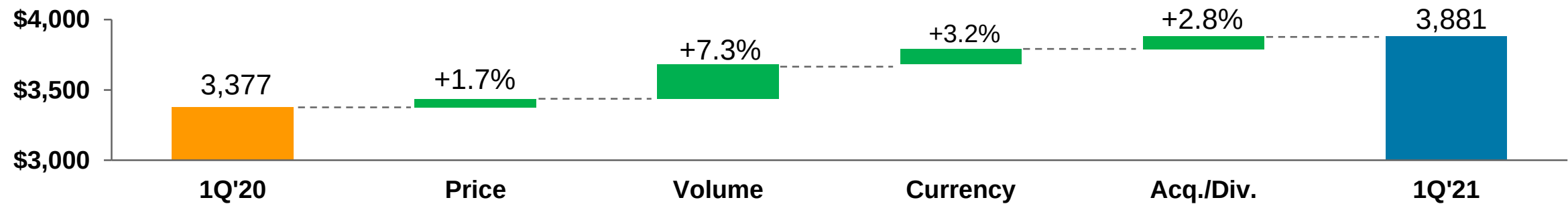
- Adjusted EPS was higher by 44% and 27% versus 2020 and 2019 first quarter respectively
- Strong operating earnings leverage from recovering demand
- Commodity supply disruptions causing higher raw material inflation
- Cost mitigation actions: ~\$30 million of interim PPG savings in this quarter
- Business restructuring actions: ~\$35 million of structural cost savings

Cash deployment and liquidity

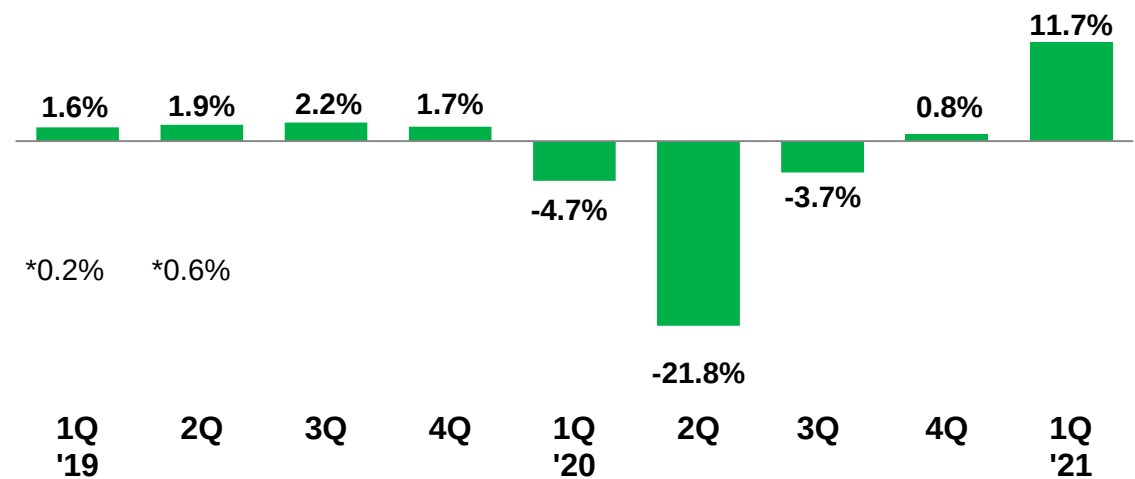
- Cash and short-term investments totaled ~\$1.9 billion on March 31, 2021
- Fully repaid remaining \$400 million balance of short-term debt (April 2021 maturity)
- Net debt increased by about \$500 million from end of fourth quarter 2020; Issued \$700 million of new long term debt at attractive rate

PPG First Quarter Net Sales

(\$ in millions)

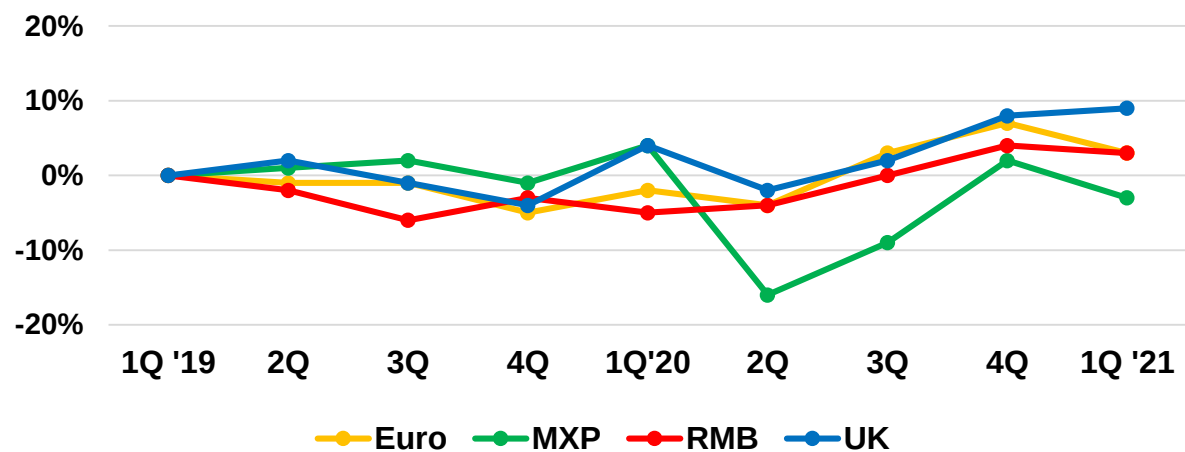


PPG Y-O-Y Net Sales Trend
(excluding currency impacts)



1Q'21: Volume recovery continues

Foreign Currency Rate Trends vs. U.S. Dollar
(indexed to Q1'19)



In 1Q 2021 US dollar weakened (YOY) versus key currencies

First 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	Above Market	Above Market		Above Market	
Automotive Refinish	Above Market	Above Market	At Market		At Market	
Architectural	At Market	Above Market	Australia Above Mkt	China At Market	Mexico Above Market	Brazil Above Mkt
Protective	At Market	Above Market	Above Market		At Market	
Marine	At Market	At Market	At Market		N/A	
Automotive OEM	At Market	Above Market	Above Market		Above Market	
General Industrial	At Market	At Market	Above Market		Above Market	
Packaging	At Market	At Market	At Market		Above Market	

Legend:

PPG compared to expected industry end-use market demand:

Above Market
 At Market
 Below Market

Year-over-year PPG volume:

Contraction
 Expansion

Performance Coatings

\$MM (USD)	1Q21	1Q20	Chg	%
Net Sales	2,319	2,008	+311	+16%
Income	386	272	+114	+42%
Margin %	16.6%	13.5%	+3.1%	--
Margin % excl. amort.	17.9%	14.8%	+3.1%	--

Select Net Sales Detail	Volume	Currency	Acquisition
1Q Y-O-Y Change	+5%	+4%	+5%

1st Quarter Highlights

- Strong architectural coatings sales volumes in all regions
- Continued selling price increases (similar to 1Q 2020 and 4Q 2020)
- Traffic Solutions (Ennis-Flint acquisition) met expectations despite significant supply disruptions
- Airlines domestic flight activity increasing
- Favorable YOY foreign currency translation; increased sales ~+\$75MM and +\$8MM income

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

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

2nd Quarter Outlook

- Additional selling price increases above first quarter levels reflecting raw material inflation mitigation efforts
- Sales volumes higher due to continued strength in architectural coatings businesses and easier YOY sales comparisons (COVID related)
- Raw material supply disruptions expected to have an unfavorable impact on sales of \$30MM to \$60MM (mostly in architectural businesses)
- Traffic Solutions (Ennis-Flint acquisition) sales expected to be ~\$200MM; margins below segment average
- Tikkurila acquisition expected to close in second quarter; not included in guidance
- Favorable YOY foreign currency translation; increased segment sales ~+\$100MM and income +\$15MM to \$17MM

Industrial Coatings

\$MM (USD)	1Q21	1Q20	Chg	%
Net Sales	1,562	1,369	+193	+14%
Income	245	181	+64	+35%
Margin %	15.7%	13.2%	+2.5%	--
Margin % excl. amort.	16.3%	14.0%	+2.3%	--

Select Net Sales Detail	Volume	Currency	Acquisition
1Q Y-O-Y Change	+11%	+3%	-0-

1st Quarter Highlights

- Strong demand momentum continued for PPG technology-advantaged products
- Results include an estimated unfavorable sales impact of ~\$40 million from customer supply disruptions (primarily auto industry semi-conductor chips)
- Selling prices increased by about 1% in 1Q (automotive OEM, industrial, and packaging all delivered higher pricing YOY), secured additional pricing for 2Q
- Favorable YOY foreign currency translation; increased sales ~\$35MM & income +\$4MM

Sales Volume	Total Segment	Automotive OEM	Industrial	Packaging
1 st Quarter Results	DD	DD	DD	DD
2 nd Quarter Outlook	DD+	DD+	DD+	MSD

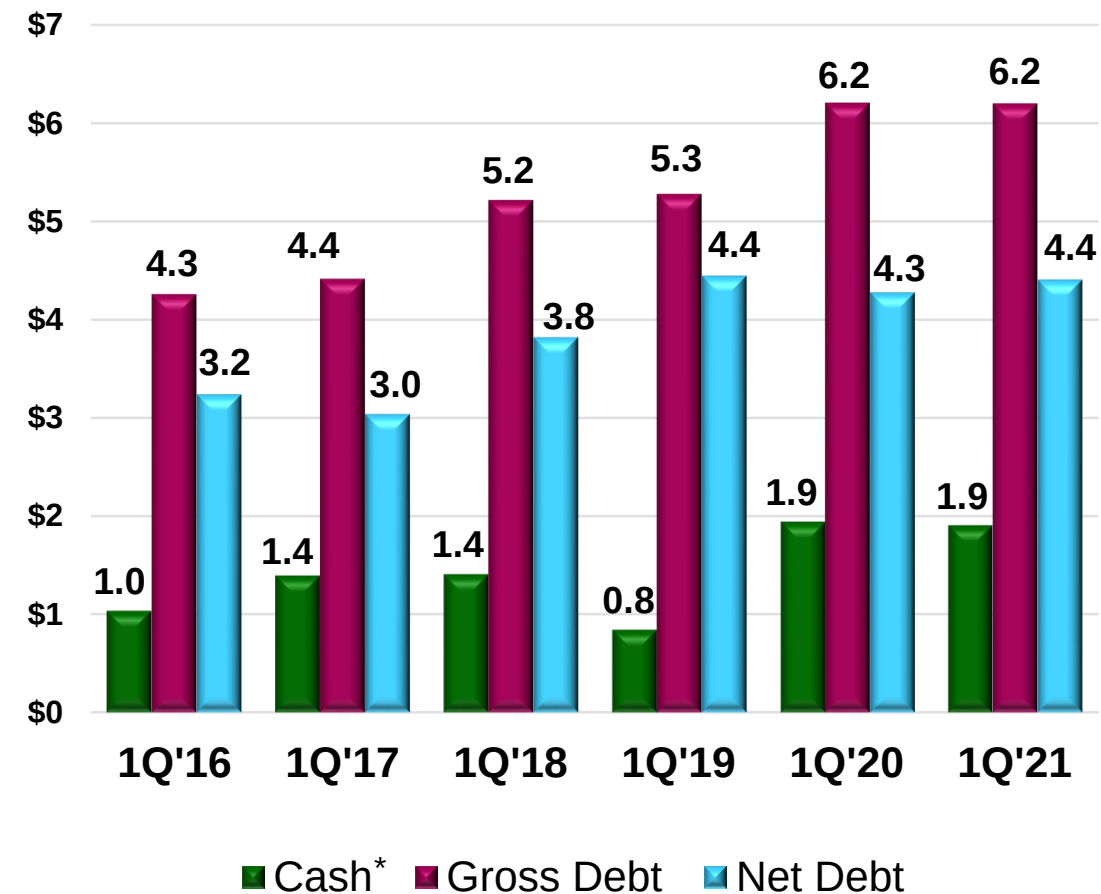
Legend: Green (YOY increase); Red (YOY Decrease); DD = double digit; HSD/MSD/LSD = High/Mid/Low Single Digit

2nd Quarter Outlook

- Strong global industrial demand recovery trends expected to continue with comparable (to 1Q 2021) sales volume impact from customer supply disruptions
- Selling price momentum to continue; fully offset raw material inflation in 2H 2021
- Operating margins in 2Q expected to be similar to 1Q
- Favorable YOY foreign currency translation; increased sales ~+\$30MM & income +\$4MM
- Wörlag acquisition expected to close in 2Q; not included in guidance

Balance Sheet and Cash

First Quarter Cash and Debt (\$ in billions)



First Quarter 2021 Activity and Liquidity

1Q 2021 approximate cash uses

- Capital spending \$80 million
- Dividends \$130 million

Liquidity

- ~\$1.9 billion cash and short term investments at end of March 2021
- \$2.2 billion revolving credit facility currently undrawn

Total net debt: \$4.4 billion; up ~\$500 million from 4Q20

- \$6.2 billion gross debt; \$4.4 billion net debt
- In 1Q, repaid remaining \$400 million of outstanding \$1.5 billion short-term loan
- Issued \$700 million of new long term debt at attractive rate

Strong cash position remains

- Strong liquidity
- Elevated cash balance; expect to fund Tikkurila and Wörwag in 2Q
- Reduced working capital as a % of sales by 200 basis points Y-O-Y
- Continued prudent capital spending

*Cash includes short-term investments.

Figures in the table may not recalculate due to rounding.

Second Quarter 2021 Financial Projections

(\$ in millions unless otherwise stated)

Category

Projection

Total company net sales (Q-O-Q)

Up a low-teen percentage (quarter-over-quarter)

2Q acquisition sales (Ennis Flint + VersaFlex)

\$220 million (margins below company average)

***2Q adjusted earnings-per-diluted share**

\$2.15- \$2.20

Raw material costs (Y-O-Y)

Inflationary: high-single digits Y-O-Y

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

\$130 - \$150 net sales
\$17 - \$21 segment income

Corporate and legacy expenses (total)

\$55 - \$60

Net interest expense (total)

\$27 - \$29 (full year updated to \$120 to \$125 million)

Restructuring savings (incremental)

~\$30

2Q tax rate

23 - 24%

Overview of Recently Announced Acquisitions

				
Date of Announcement	November 30, 2020	December 18, 2020	January 5, 2021	January 11, 2021
Estimated Date of Closing	Completed December 2020	~1H 2021	Completed February 2021	~1H 2021
Estimated Annual Revenue	~\$600MM	~\$700MM	~\$70MM	~\$260MM
EBITDA Synergies as % of Sales	6-8%	8-10%	>10%	8-10%

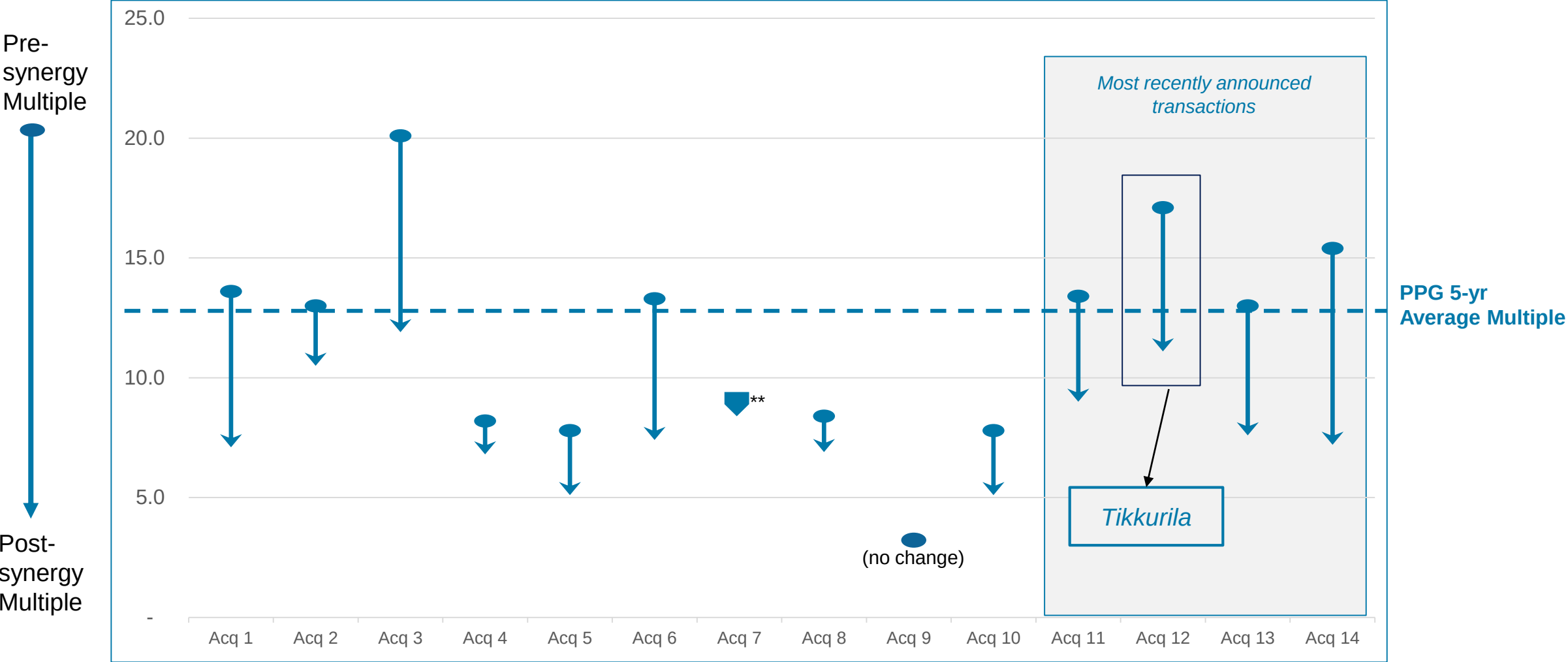
Key Attributes

Geographic Expansion		✓		
Product Line Extension	✓		✓	✓
Complementary Technology	✓	✓	✓	✓
ESG Benefits	✓	✓	✓	✓

Estimated \$130 million of synergies from combined acquisitions

Transaction Multiples Pre- and Post-synergy

Acquisitions that have been closed for at least 24 months and the four most recently announced acquisitions*



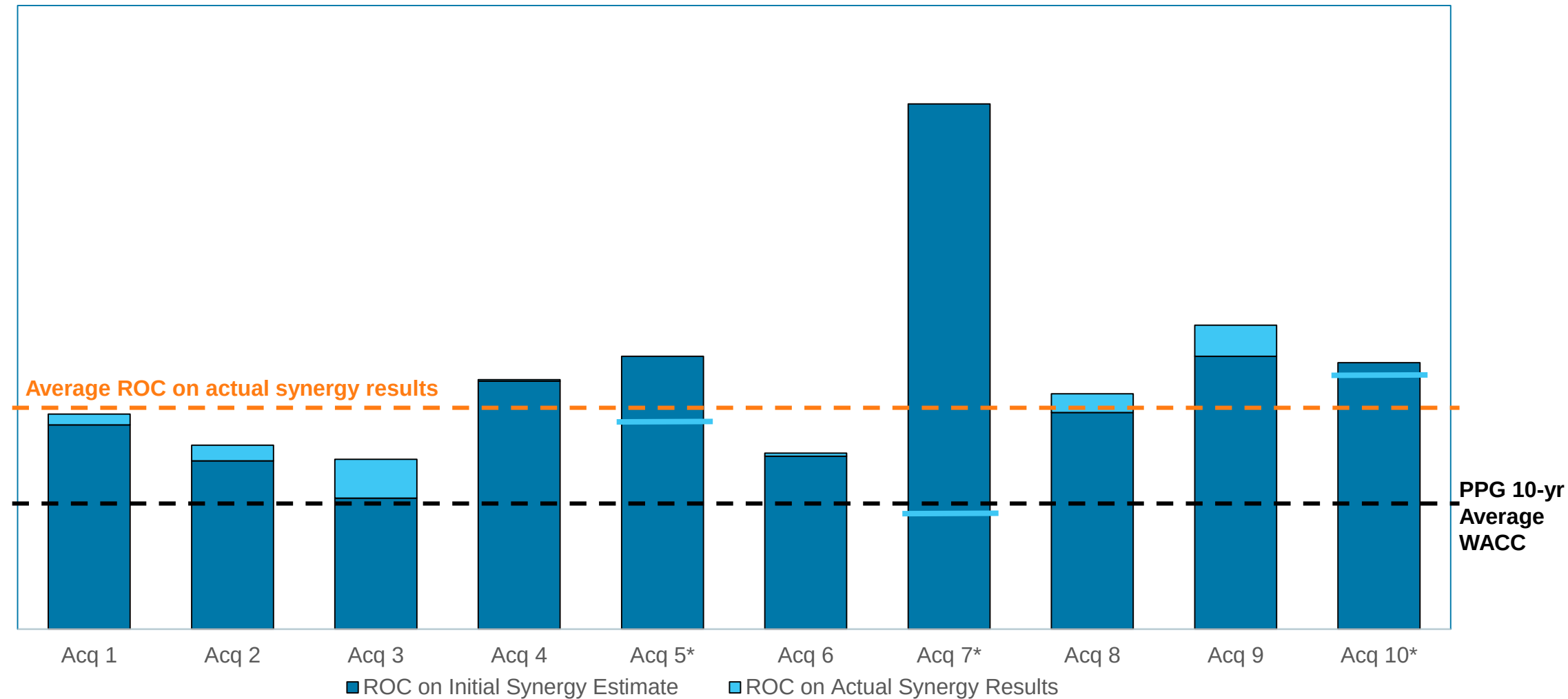
Shareholder value creation: Post-synergy multiples below current PPG valuation

*Acquisitions are not listed in chronological order

**Post-transaction valuation of small, strategic acquisition which was in a loss-making position at time of acquisition

PPG M&A has created significant shareholder value

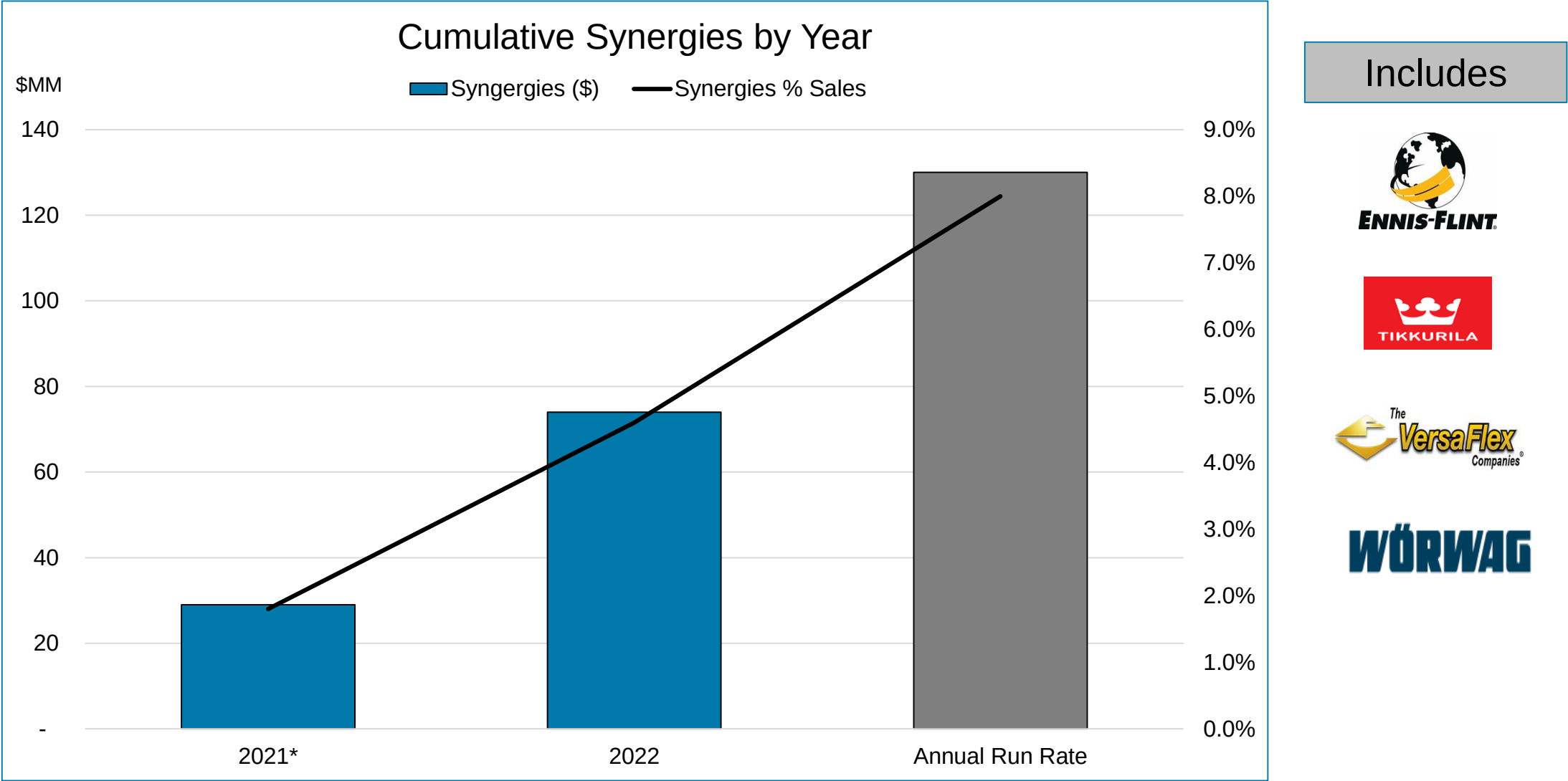
Acquisitions that have been closed for at least 24 months



Actual PPG synergy capture typically higher than initial company estimates, resulting in average ROC improvement of 50 basis points versus preliminary projections

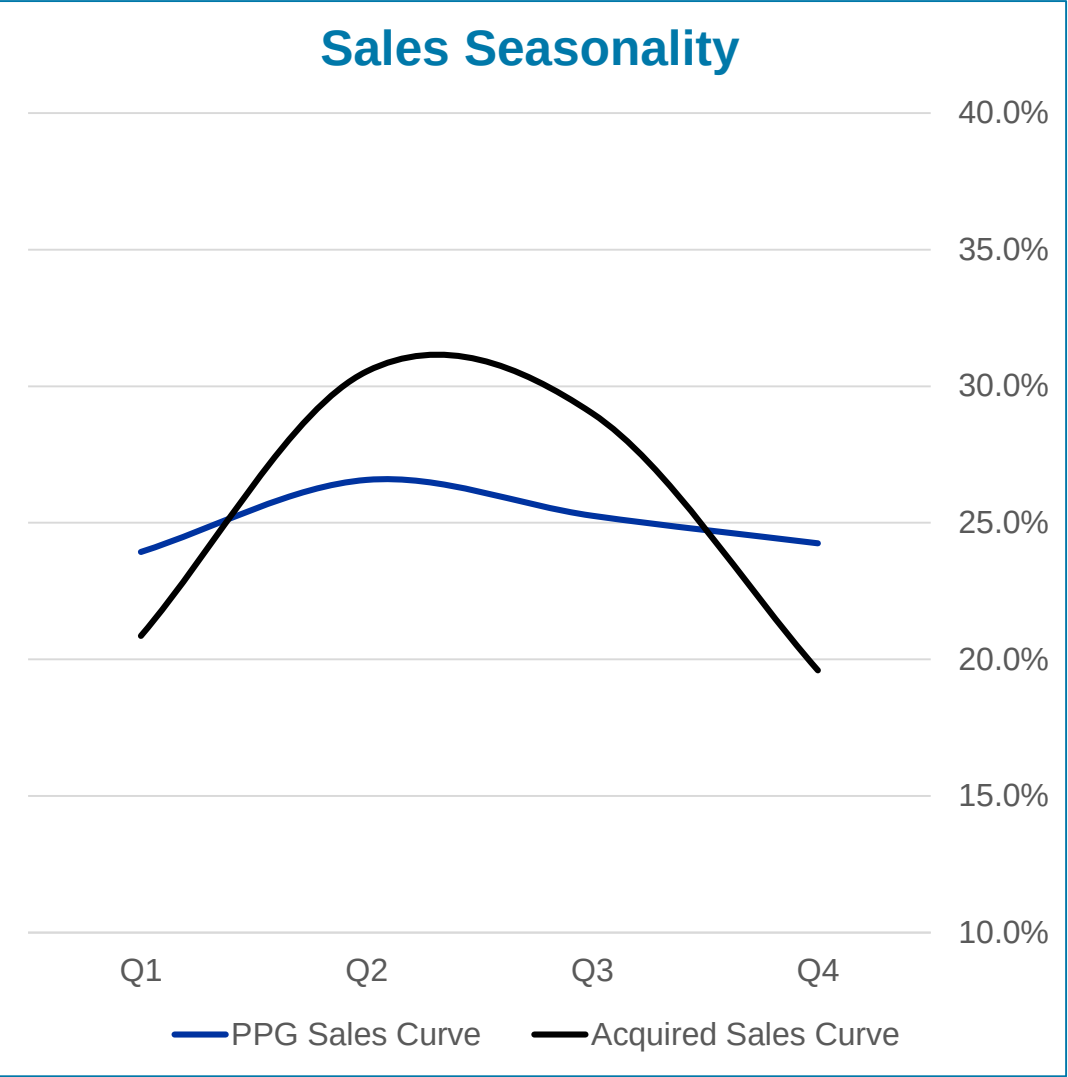
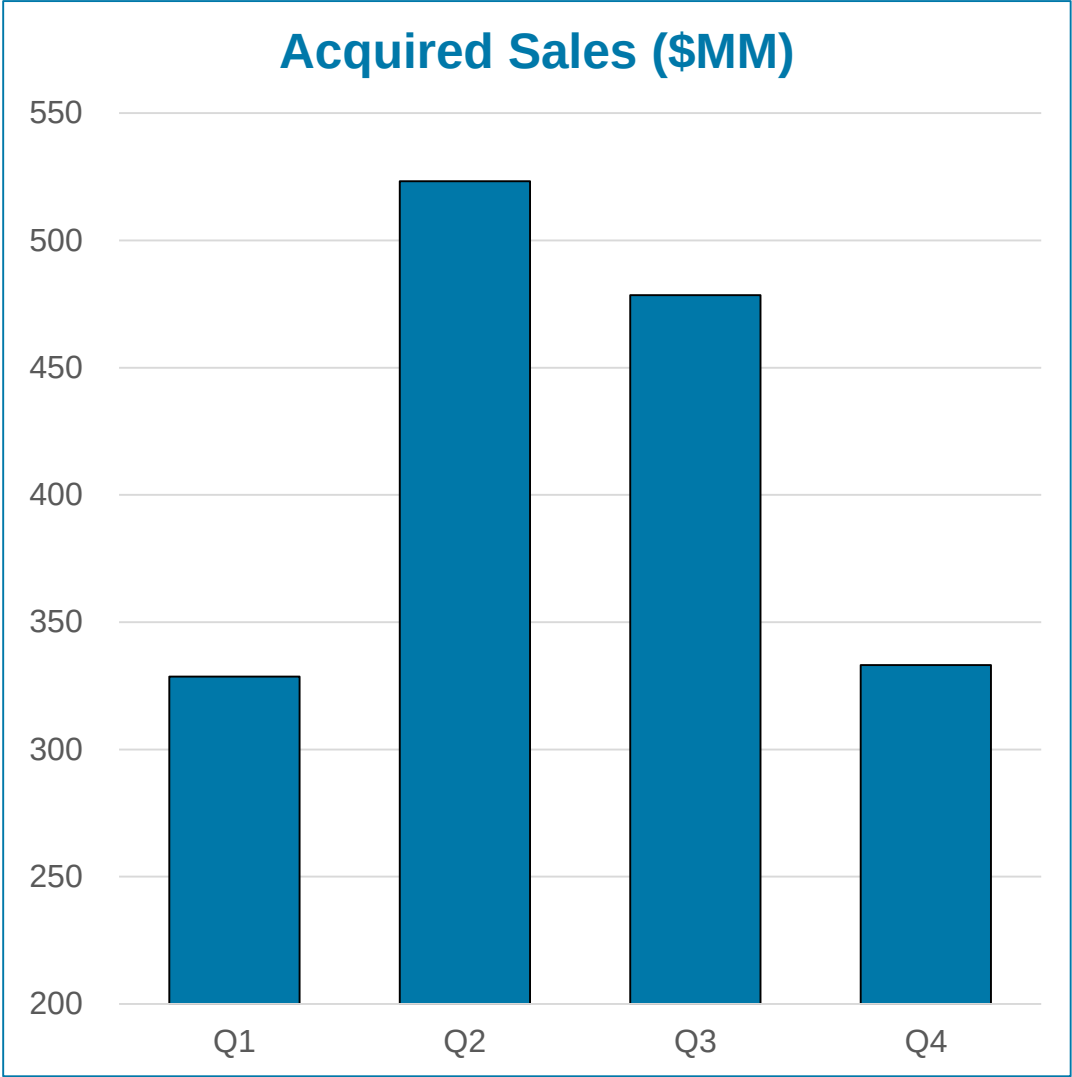
*Evaluation after the transaction showed a decrease in assumed ROC pre-transaction
**ROCs are after-tax and representative of the acquisition project; not overall company

Synergy Development of Recently Announced Acquisitions



Synergy estimates higher than historical industry average

Historical Seasonality of New Acquisitions Compared to PPG



Acquired \$1.6B of sales with pre-synergy EBTIDA margin of ~14%

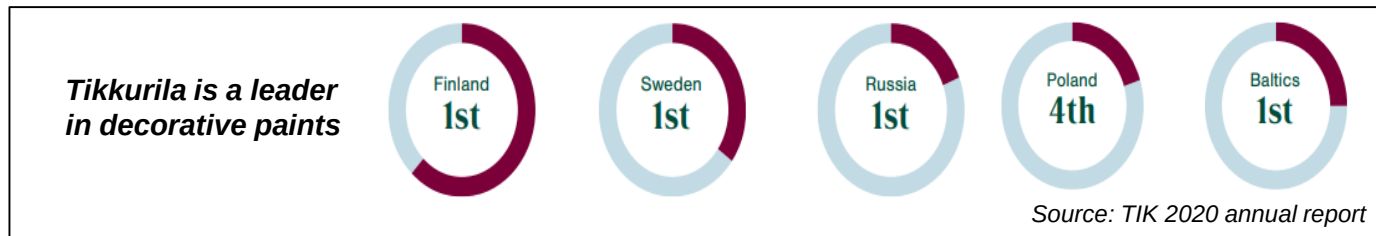
Tikkurila will quickly create value for PPG

Company Background

- Established in 1859
- Operations in 11 countries with sales in 40+ countries
- 2,700 employees

Value-Generating Attributes

- Leading positions with well-recognized, #1 regional brands
- Complete Tikkurila's initiatives targeting top-tier industry margins
- Provides growth opportunities in the Nordics and emerging markets, inclusive of cross-business product sales
- Large cost synergy opportunities and tax attributes
- Return on capital expected to be higher than PPG average 10 year WACC



Map Legend

	Countries with Tikkurila operations
	Tikkurila production (7 sites in 6 countries)
	PPG AC Presence



Additional materials and appendix

Historical ROS* 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
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%
Amortization	24	25	24	25	98	26	21	22	23	92	29
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%
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%
Amortization	8	10	10	10	38	10	10	10	10	40	10
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%
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%
Amortization	32	35	34	35	136	36	31	32	33	132	39
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%
	2019					2020					2021
Total PPG	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1
Adjusted EPS	1.38	1.85	1.67	1.31	6.22	1.19	0.99	1.93	1.59	5.70	1.76
Amortization EPS	0.10	0.11	0.10	0.11	0.42	0.12	0.10	0.10	0.10	0.42	0.12
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

*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.

Adjusted EPS Reconciliation

\$ in millions, except EPS

First Quarter 2021	Total PPG	
	Net Income	EPS ^(a)
Net Income from Continuing Operations, As Reported	\$ 378	\$ 1.58
Acquisition-related amortization expense	29	0.12
Acquisition-related costs	19	0.08
Environmental remediation charges	12	0.05
Expenses incurred due to natural disasters ^(b)	9	0.04
Business restructuring-related costs, net ^(c)	3	0.01
Adjusted Net Income Attributable to PPG	\$ 450	\$ 1.88

First Quarter 2020		
Net Income from Continuing Operations, As Reported	\$ 243	\$ 1.02
Acquisition-related amortization expense	28	0.12
Increase in allowance for doubtful accounts related to COVID-19	23	0.10
Business restructuring-related costs, net ^(c)	10	0.04
Environmental remediation charges, net	6	0.03
Adjusted Net Income Attributable to PPG	\$ 310	\$ 1.31

(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 first 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 related to previously approved programs.



Adjusted EPS Reconciliation

\$ in millions, except EPS

First Quarter 2019	Total PPG	
	Net Income	EPS ^(a)
Net Income from Continuing Operations, As Reported	\$ 312	\$ 1.31
Acquisition-related amortization expense	24	0.10
Acquisition-related costs	5	0.02
Environmental remediation charges	8	0.03
Costs associated with accounting investigations	3	0.01
Business restructuring-related costs, net ^(b)	2	0.01
Adjusted Net Income Attributable to PPG	\$ 354	\$ 1.48

(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.

Thank You For Your Interest In PPG

Contact Information:

INVESTORS:

John Bruno

phone: +1.412.434.3466

email: jbruno@ppg.com

MEDIA:

Mark Silvey

phone: +1.412.434.3046

email: silvey@ppg.com



We protect and beautify the world™