

PPG Industries, Inc.



Citi Chemical Conference 2008

William H. Hernandez

**Sr. Vice President, Finance, and
Chief Financial Officer**

December 2, 2008

Agenda



- ❖ **Opening Remarks**
- ❖ **Financial Review**
- ❖ **Strategic Progress**
- ❖ **Cash / Liquidity**
- ❖ **Current Environment**
- ❖ **Questions**

Forward-Looking Statement



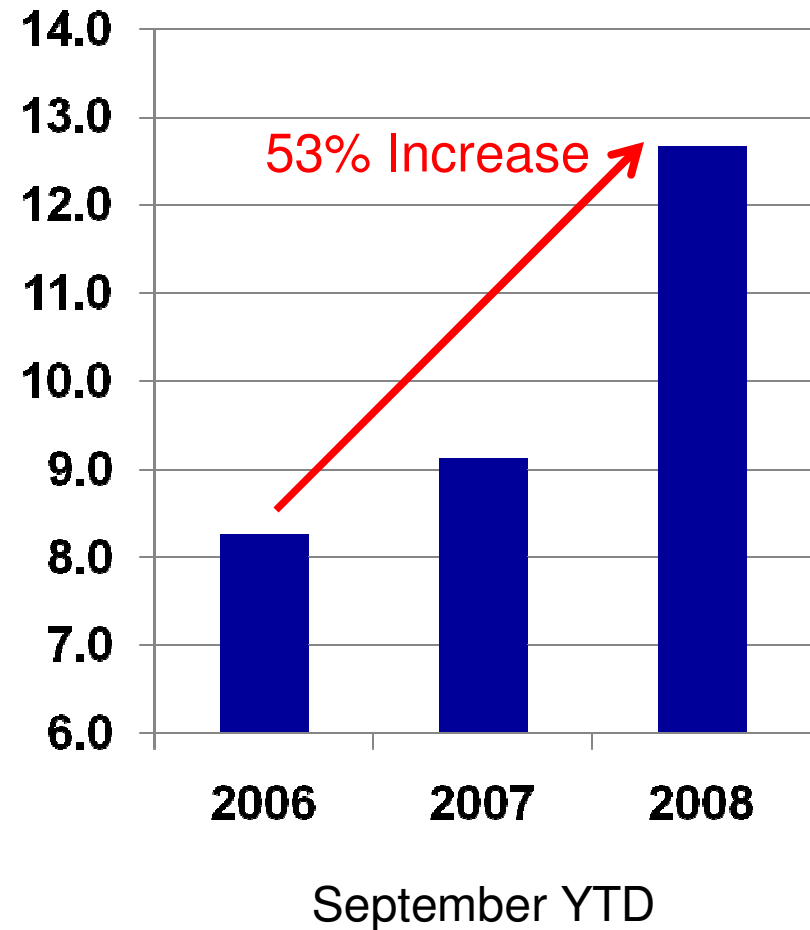
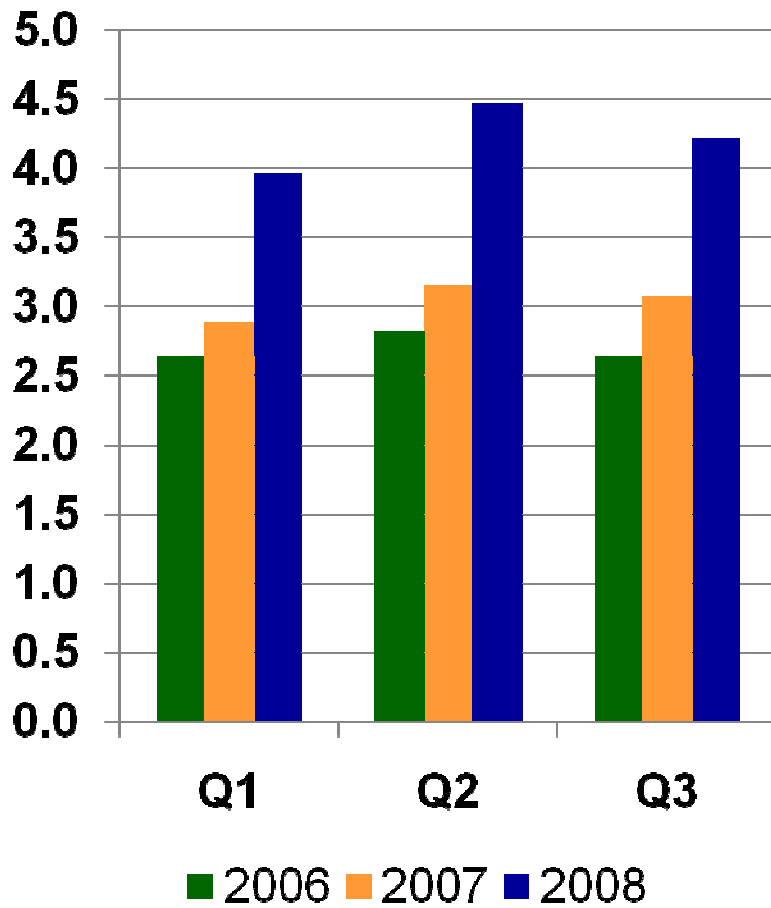
Statements contained herein relating to matters that are not historical facts are forward-looking statements reflecting PPG's current view with respect to future events and financial performance. These matters involve risks and uncertainties that may affect PPG's operations, as discussed in PPG's filings with the Securities and Exchange Commission pursuant to Sections 13(a), 13(c) or 15(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder. Accordingly, many factors may cause actual results to differ materially from the forward-looking statements contained herein. Such factors include increasing price and product competition by foreign and domestic competitors, fluctuations in cost and availability of raw materials and energy, the ability to maintain favorable supplier relationships and arrangements, economic and political conditions in international markets, foreign exchange rates and fluctuations in such rates, integration of acquisitions and achievement of expected synergies therefrom, the impact of environmental regulations, unexpected business disruptions, and the unpredictability of existing and possible future litigation, including litigation that could result if the asbestos settlement discussed in PPG's filings with the Securities and Exchange Commission does not become effective. However, it is not possible to predict or identify all such factors. Consequently, while the list of factors presented here is 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, 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, operations or liquidity. All information in this presentation speaks only as of December 2, 2008, and any distribution of this presentation after that date is not intended and will not be construed as updating or confirming such information.

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PPG Industries – Sales

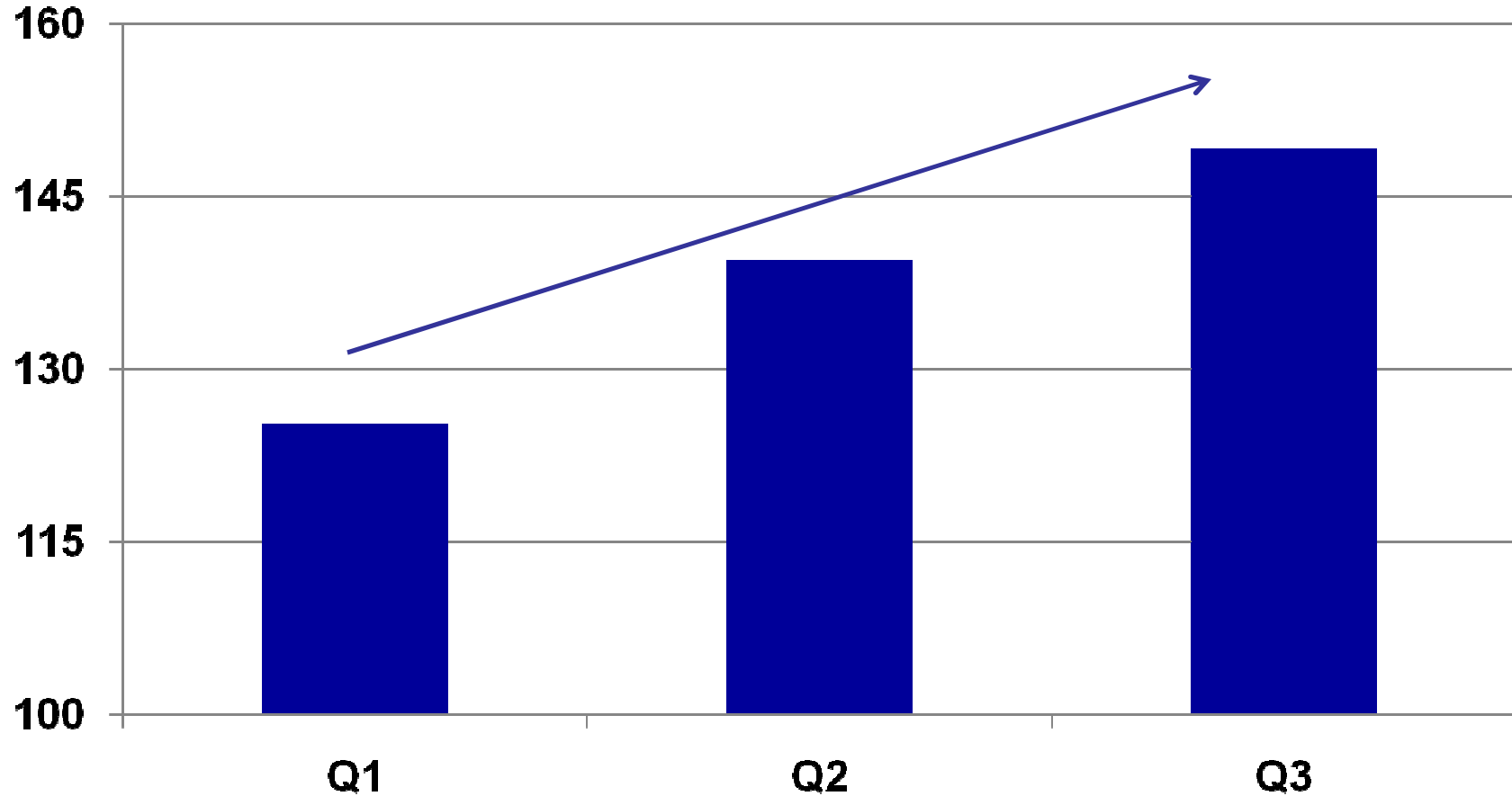


Strong sales growth continues

PPG Organic Sales Growth

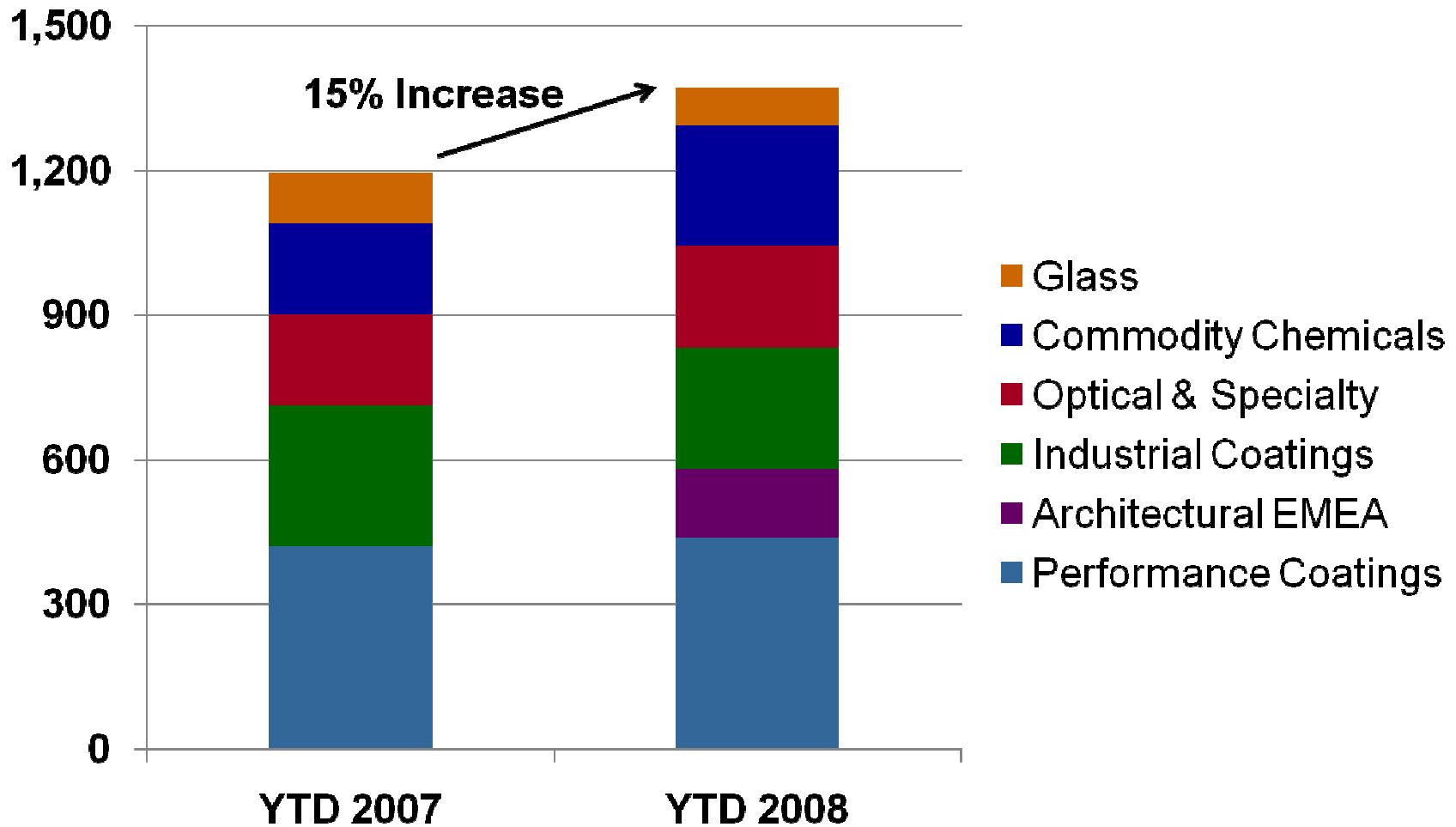


Price/Volume



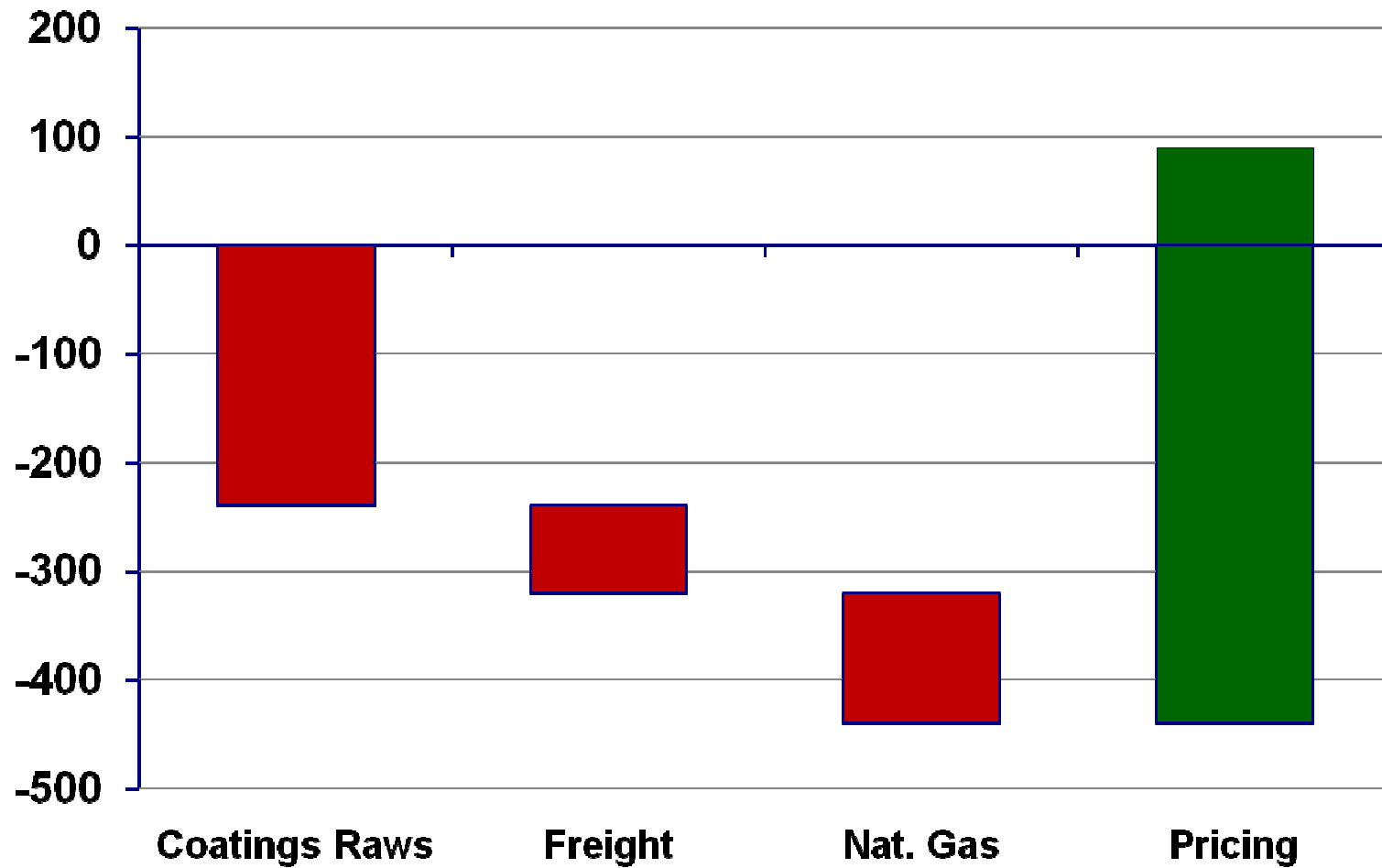
Solid organic growth aided by selling prices

PPG Segment Earnings



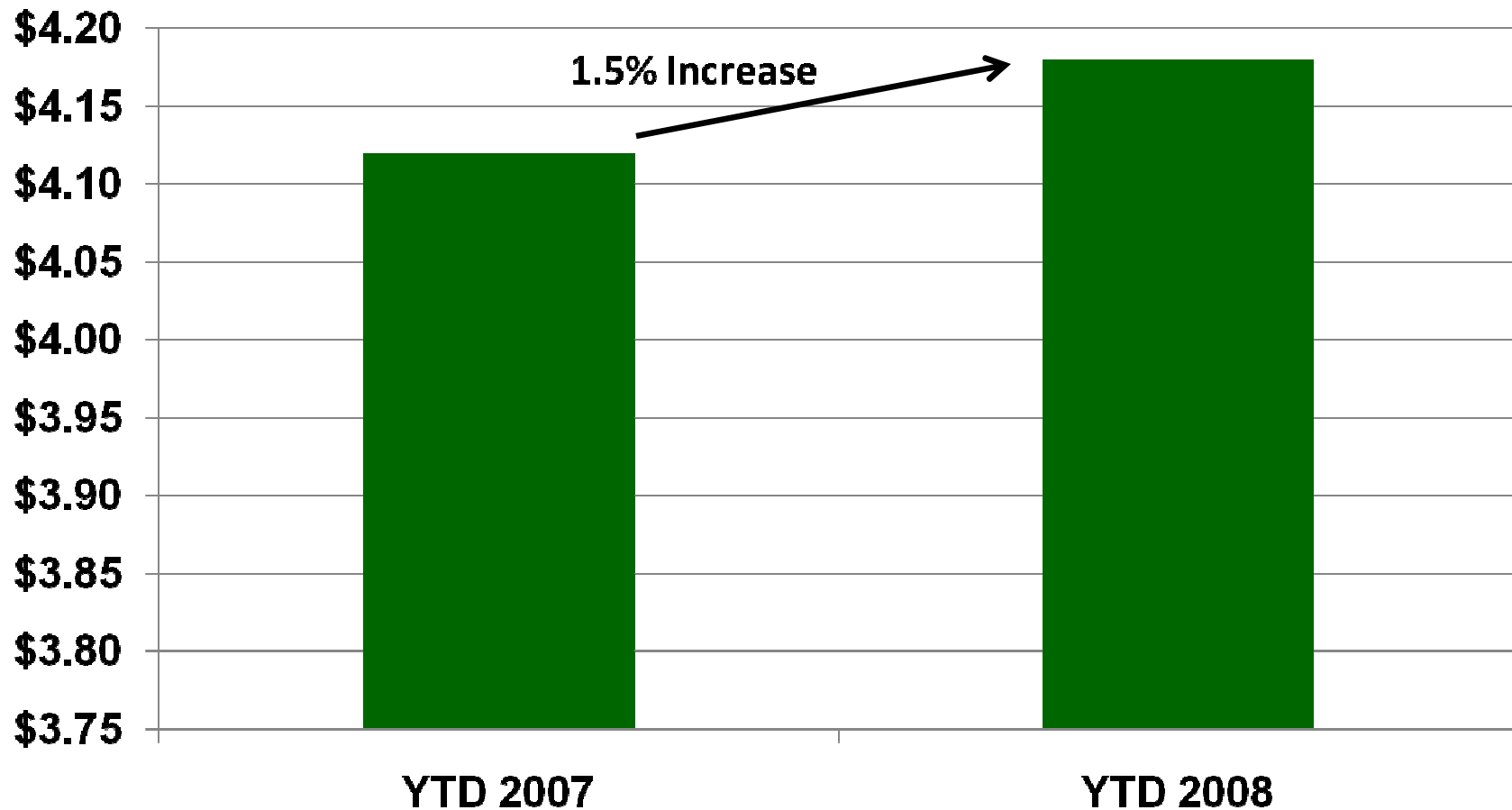
Double-digit percent increase in segment earnings

2008 Inflation vs. Selling Price



Focus remains on inflation cost recovery

Adjusted Earnings Per Share *



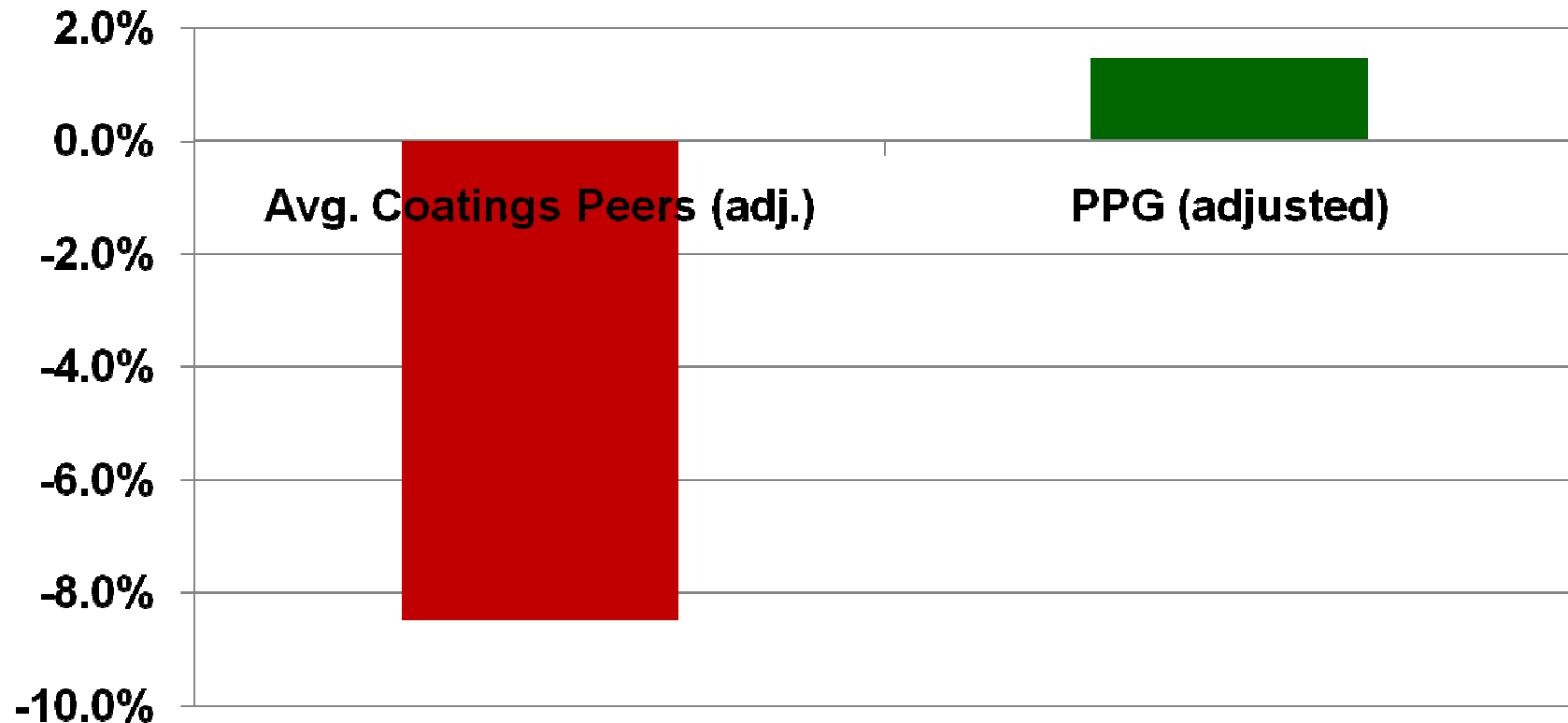
Increased results despite difficult economic backdrop

* EPS excludes unusual items – see appendix for reconciliation to GAAP (Sept. YTD)

PPG Adjusted EPS vs. Industry Peers



Year-over-Year Percentage Change *



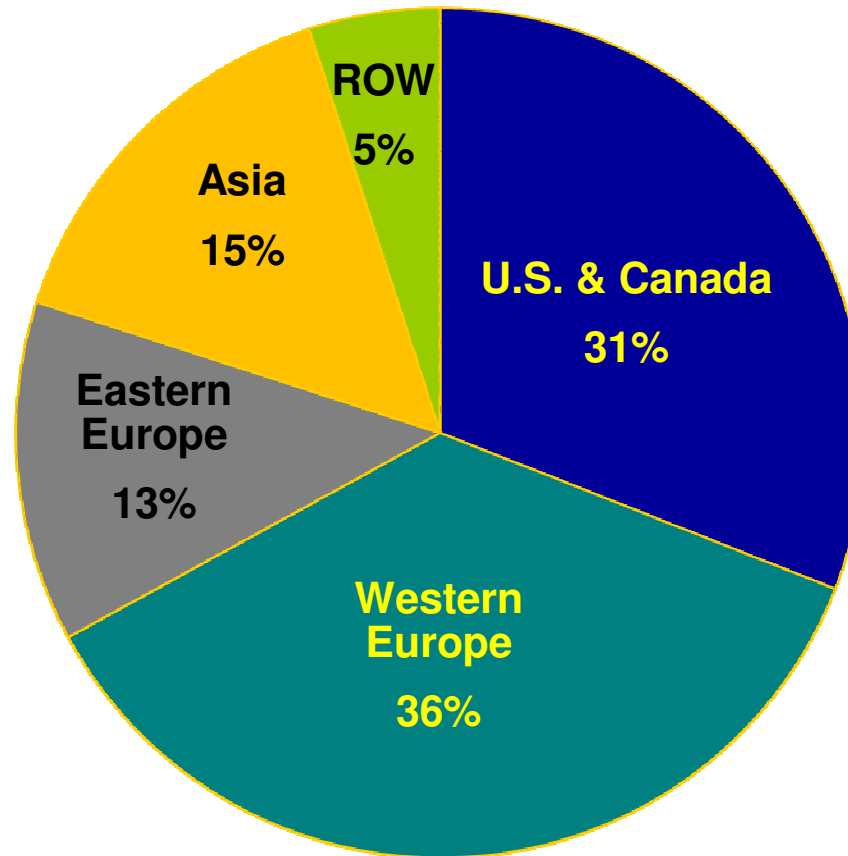
PPG outperforming coatings industry peers

* First three 2008 reporting periods. Industry peer EPS adjusted for unusuals, provided by ThomsonOne.

Coatings Sales by Geography



2008 YTD PPG Coatings Sales



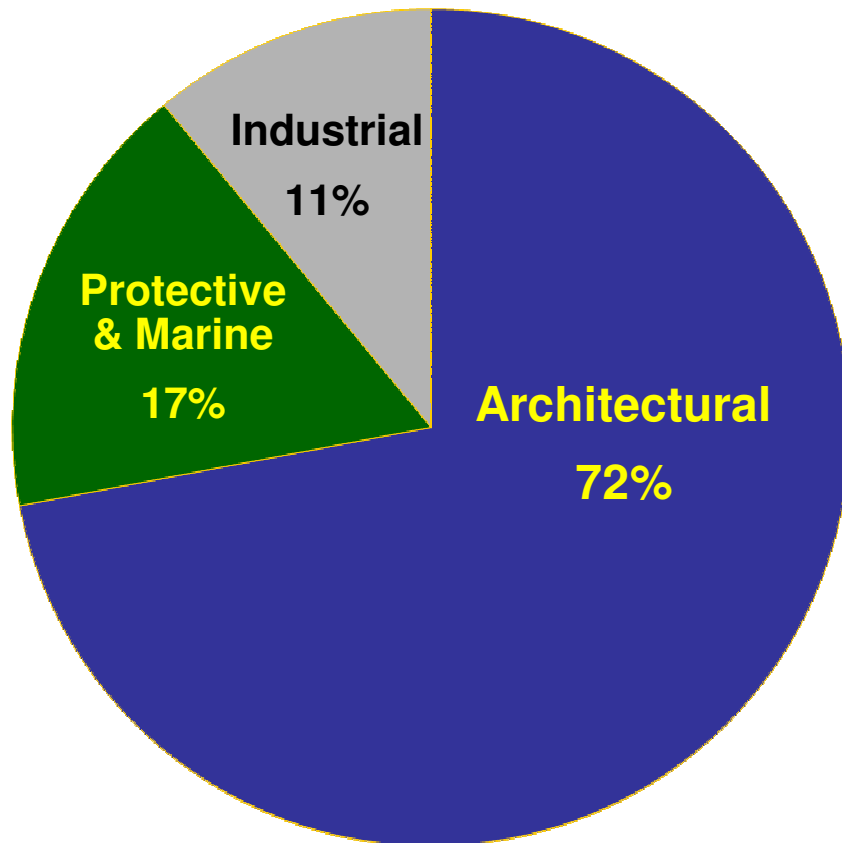
Geographic sales diversity aids in stability and growth

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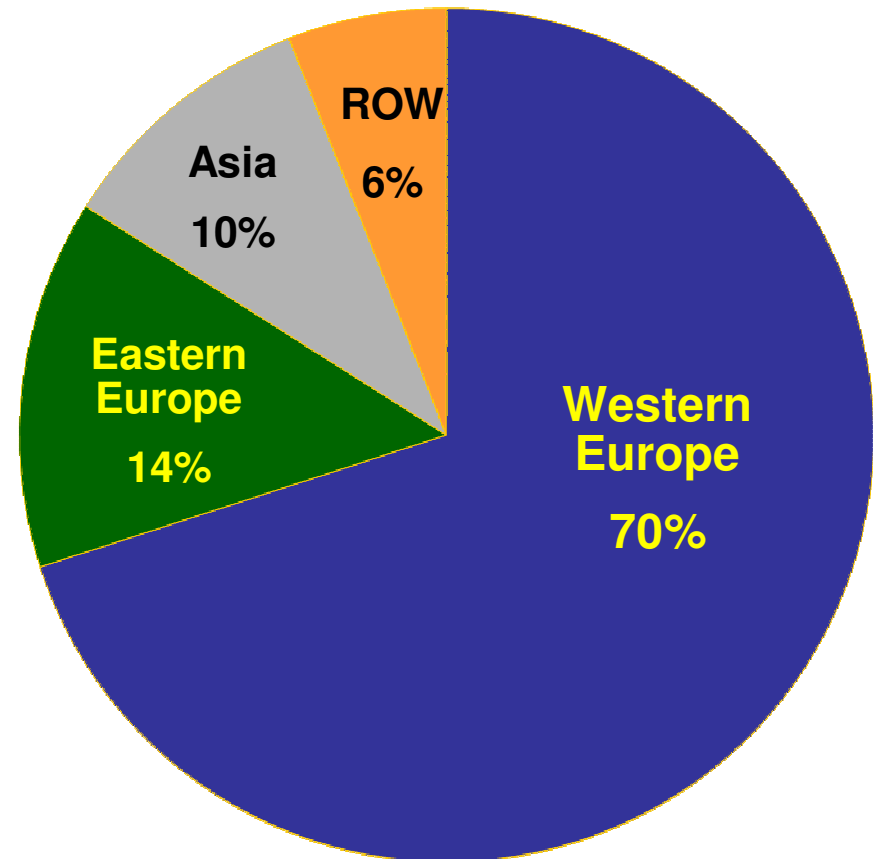


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Sales by End-Market





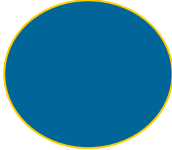
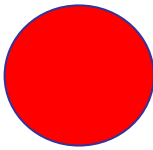
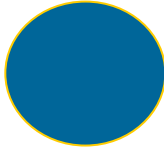

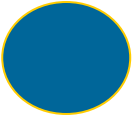


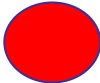

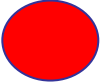

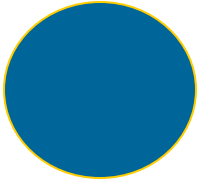
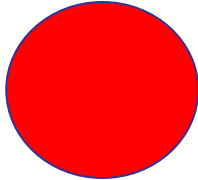

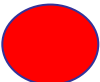



Sales by Geography



Complementary Business Mix



 =   =  SigmaKalon	Americas	Europe	Asia
Industrial		 	 
Protective & Marine	 	 	 
Architectural		 	 

SigmaKalon Deliverables



- Solid organic growth
- Surpassed 2008 synergy targets
- Incremental benefit – Inflation cost avoidance
- Actions underway - 2009 synergies

- Long-term debt secured - Q1, 2008
- Well ahead on debt repayment

Other Portfolio Actions (2008)



❖ Coatings Acquisitions

- Industrial Coatings (Vanex) – Q3, 2008
- Coil Coatings (BASF) – Q3, 2008
- China Automotive Refinish (Bonny) – Q3, 2008

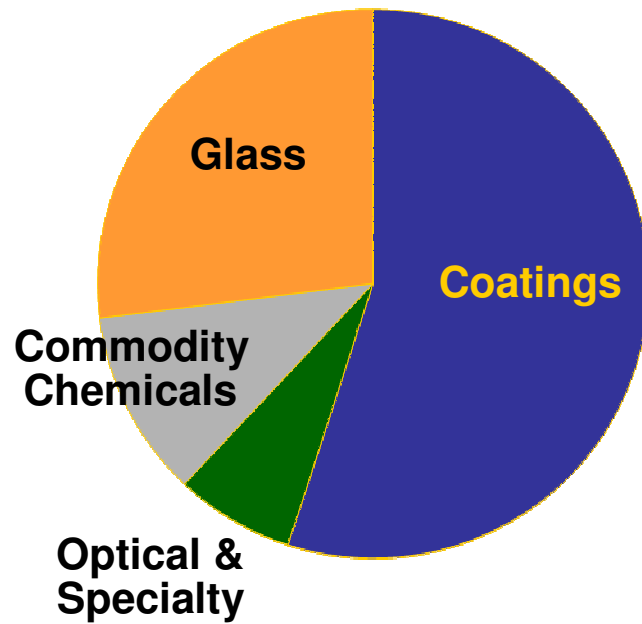
❖ Glass Divestiture

- Automotive Glass – Q3, 2008



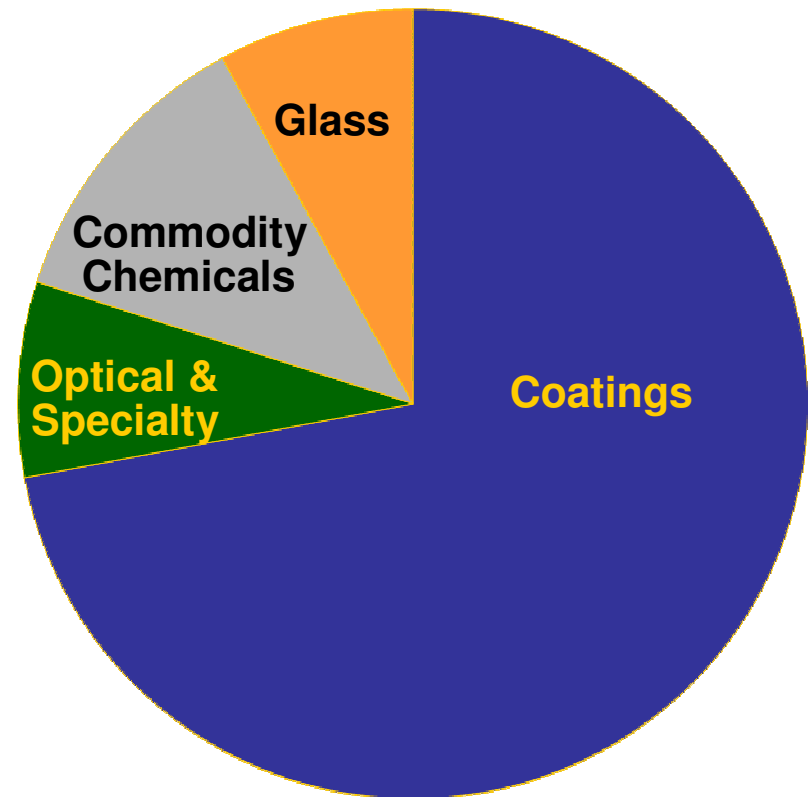
PPG's Transformation

2001 Reported Sales – \$8B



2008 Pro-forma Sales - ~\$16B

Excludes Automotive Glass

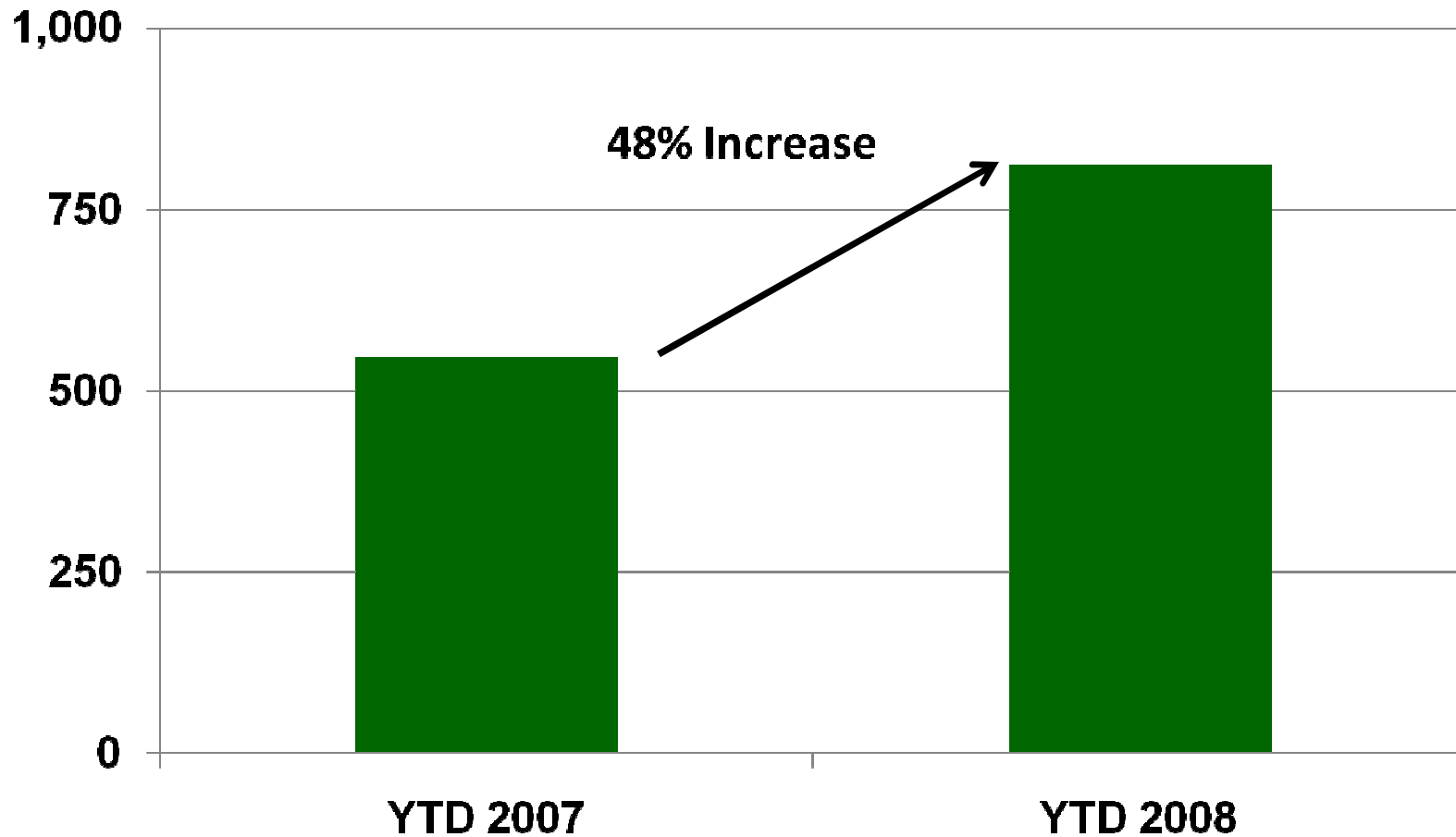


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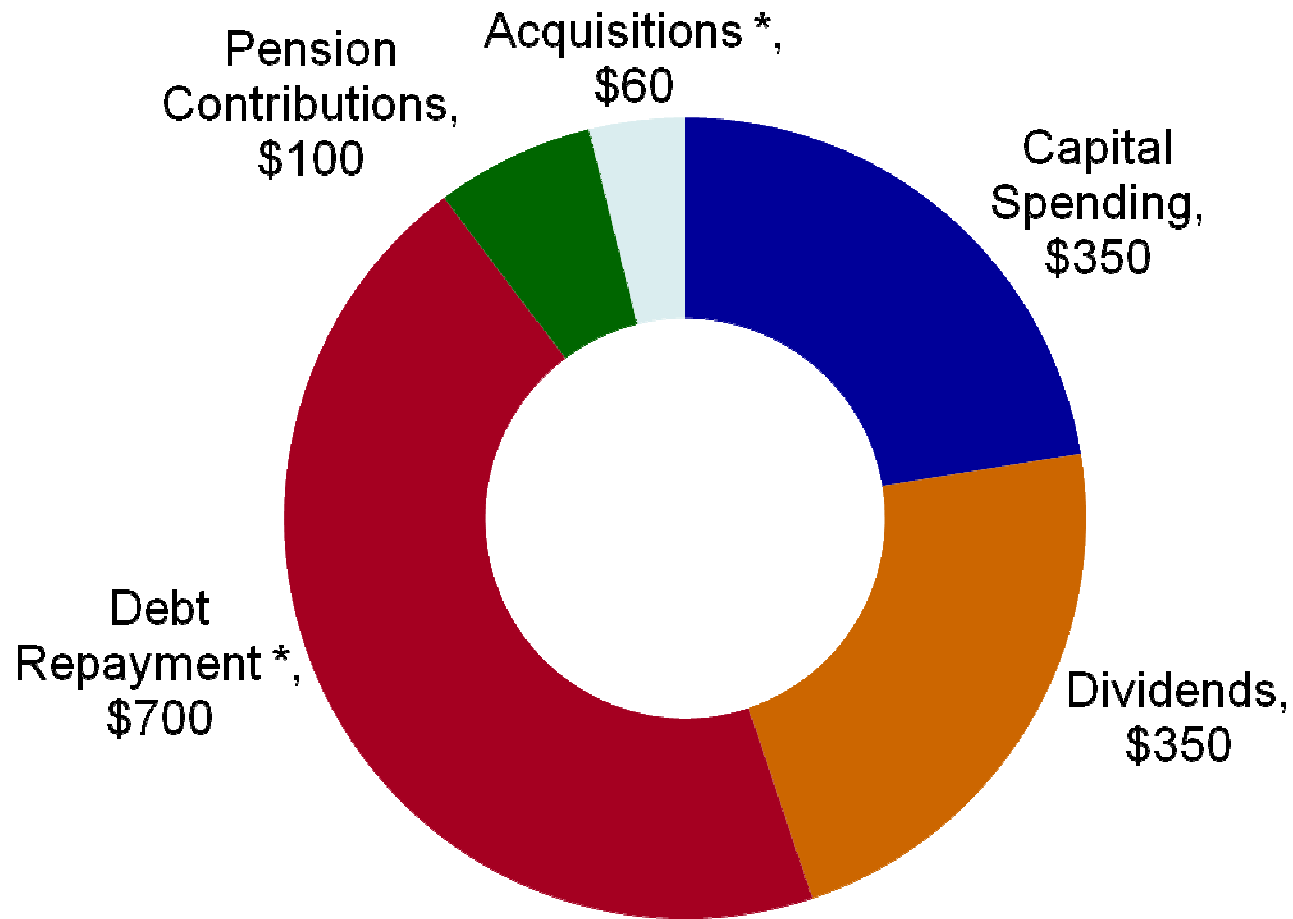
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Cash from Operations



Significant step change in cash generation

2008 Projected Uses of Cash



Well ahead of schedule on repayment of debt

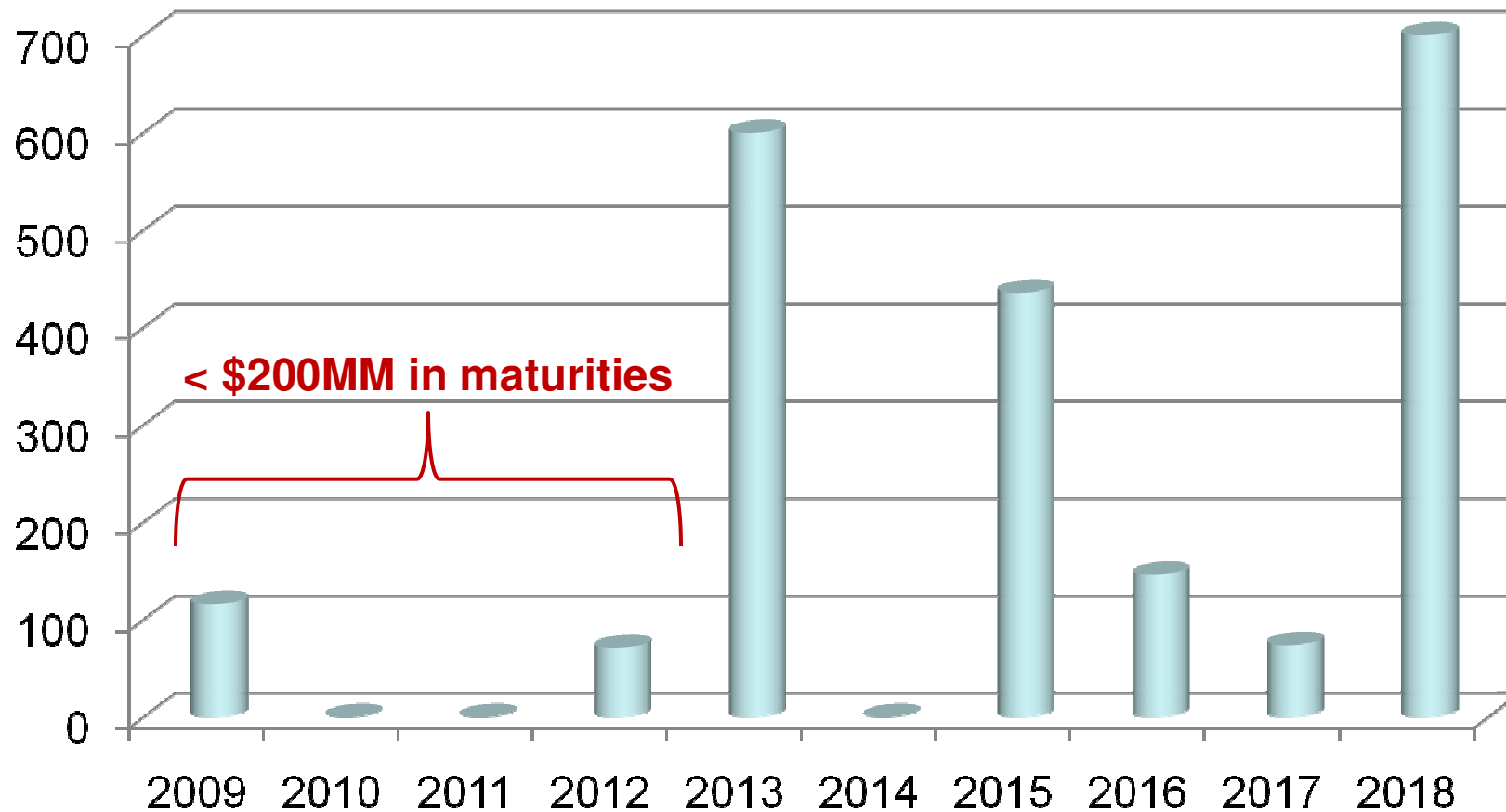
Liquidity



- ❖ **\$600 Million - Cash**
- ❖ **\$200 Million – Commercial Paper**
- ❖ **Zero Drawn on U.S. \$1 Billion Revolver**
- ❖ **No Significant Long-Term Maturities**

Financial flexibility remains

Debt Maturities



Extremely manageable debt maturity schedule

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Appendix



Thank you for your interest in PPG Industries, Inc.

Investor Contact:

Vince Morales (412) 434-3740

Adjusted Financial Results



Third quarter YTD earnings-per-share Reg G Reconciliation	2008	2007
Reported Earnings per Share, Continuing Operations, Fully Diluted	\$2.82	\$3.95
Add: 2008 Business Restructuring	0.67	--
Less: 2008 Auto Glass Gain on Business Sale	(0.02)	--
Add: Asbestos	0.03	0.08
Add: Acquisition Related Charges	0.54	0.03
Add: Auto Glass Charges	0.14	0.06
Adjusted Earnings per Share, Continuing Operations, Fully Diluted	<u><u>\$4.18</u></u>	<u><u>\$4.12</u></u>