

PPG Industries, Inc.



First Quarter 2010 Financial Results

**Charles E. Bunch, Chairman and
Chief Executive Officer**

**Robert J. Dellinger, Sr. Vice President,
Finance and Chief Financial Officer**

April 15, 2010

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 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'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 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, difficulties in integrating acquired businesses and achieving expected synergies therefrom, the realization of anticipated cost savings from restructuring initiatives, economic and political conditions in international markets, the ability to penetrate existing, developing and emerging foreign and domestic markets, which also depends on economic and political conditions, foreign exchange rates and fluctuations in such rates, the impact of future legislation, 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 and in PPG's Form 10-K for the year ended December 31, 2009 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, 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 information in this presentation speaks only as of April 15, 2010, 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.

Agenda



- ❖ Opening Remarks
- ❖ Financial Recap
- ❖ Closing Comments
- ❖ Question & Answer Session

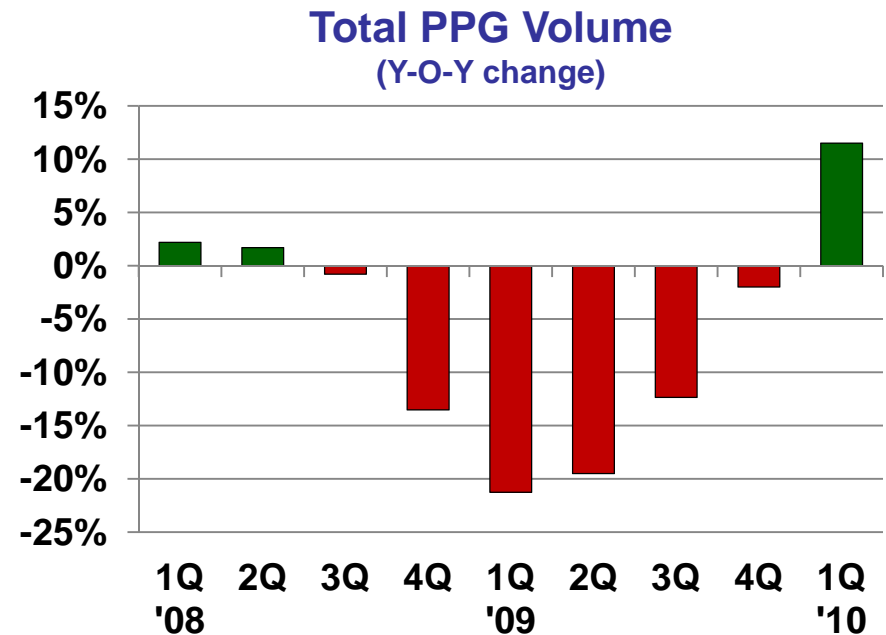
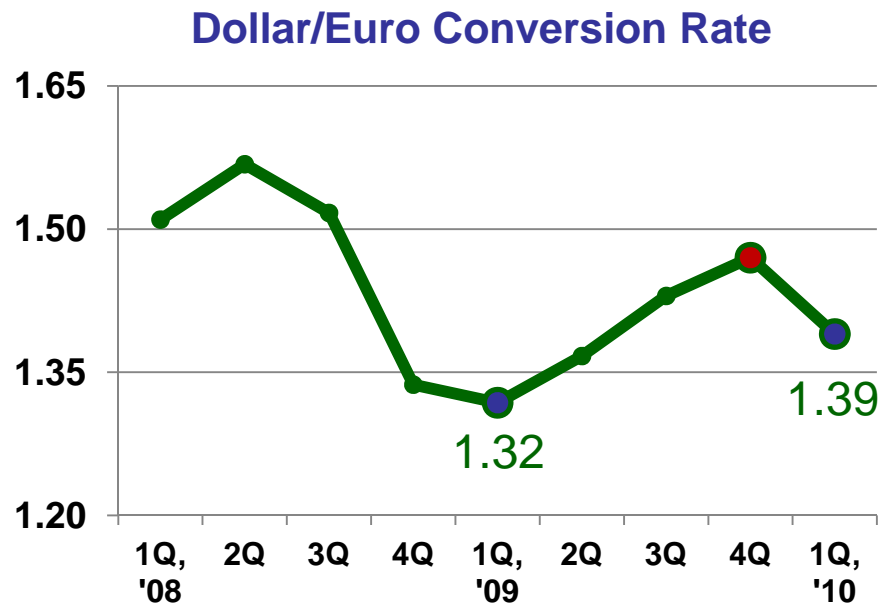
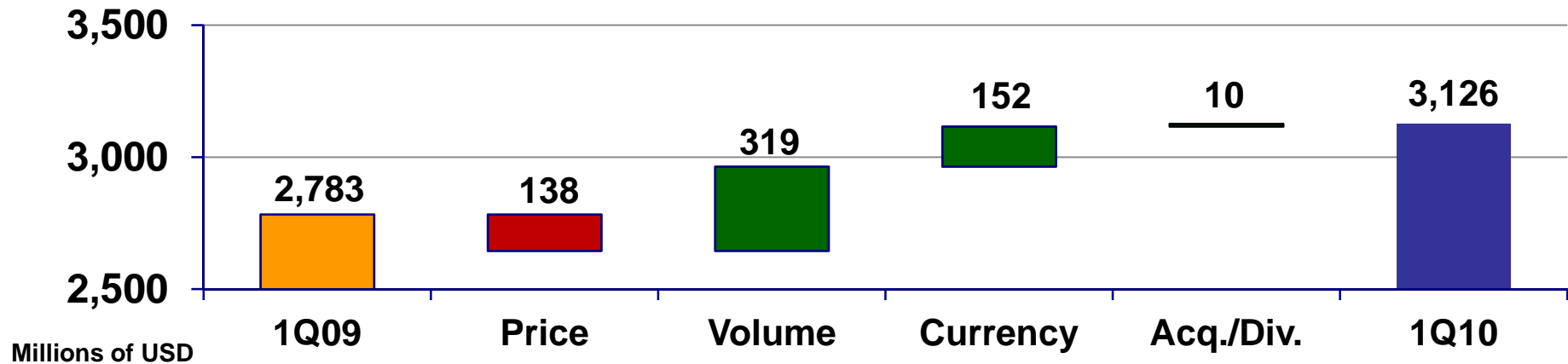
First Quarter Financial Recap



- ❖ Global demand recovering; sales improved from low levels last year
 - Global Automotive OEM and industrial improvements
 - Asia/Pacific and Optical Products deliver strong growth
- ❖ High volume leverage on incremental sales; previous cost actions aiding results. Cost focus remains.
- ❖ Modest coatings raw material inflation in 1Q; anticipated higher inflation rate in 2Q. Natural gas costs declining.
- ❖ Strong cash to be deployed in a disciplined manner



PPG Quarterly Sales

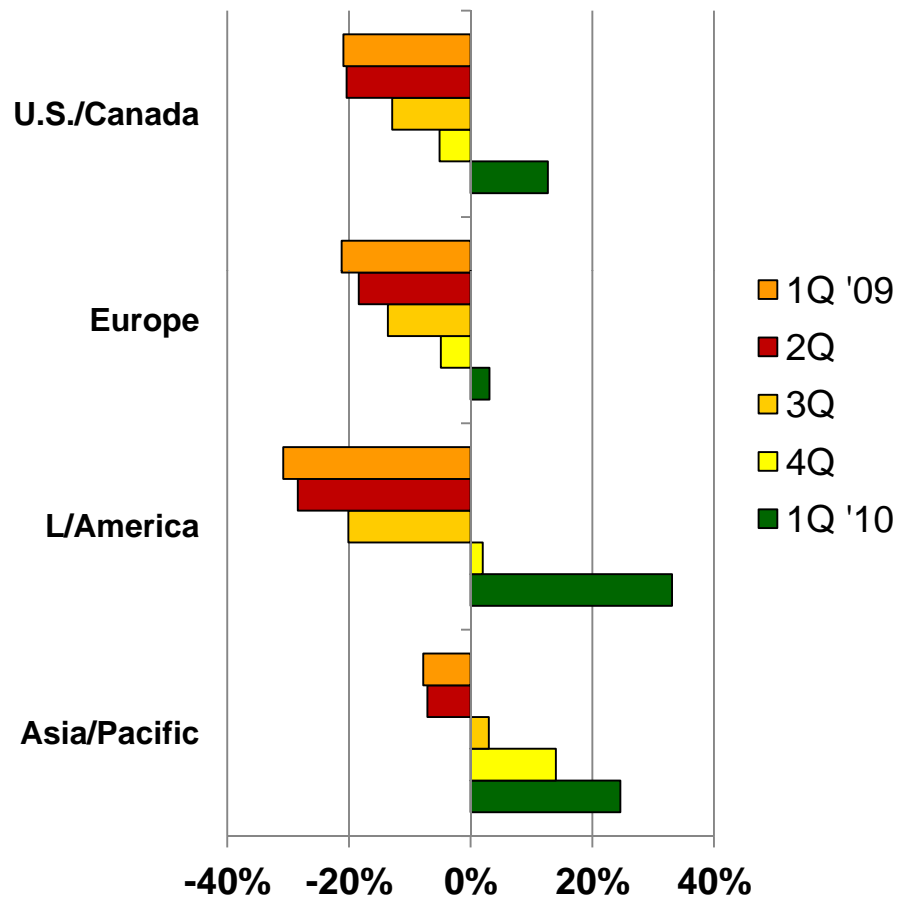


Volume Recovery Led by Industrial Demand and Asia

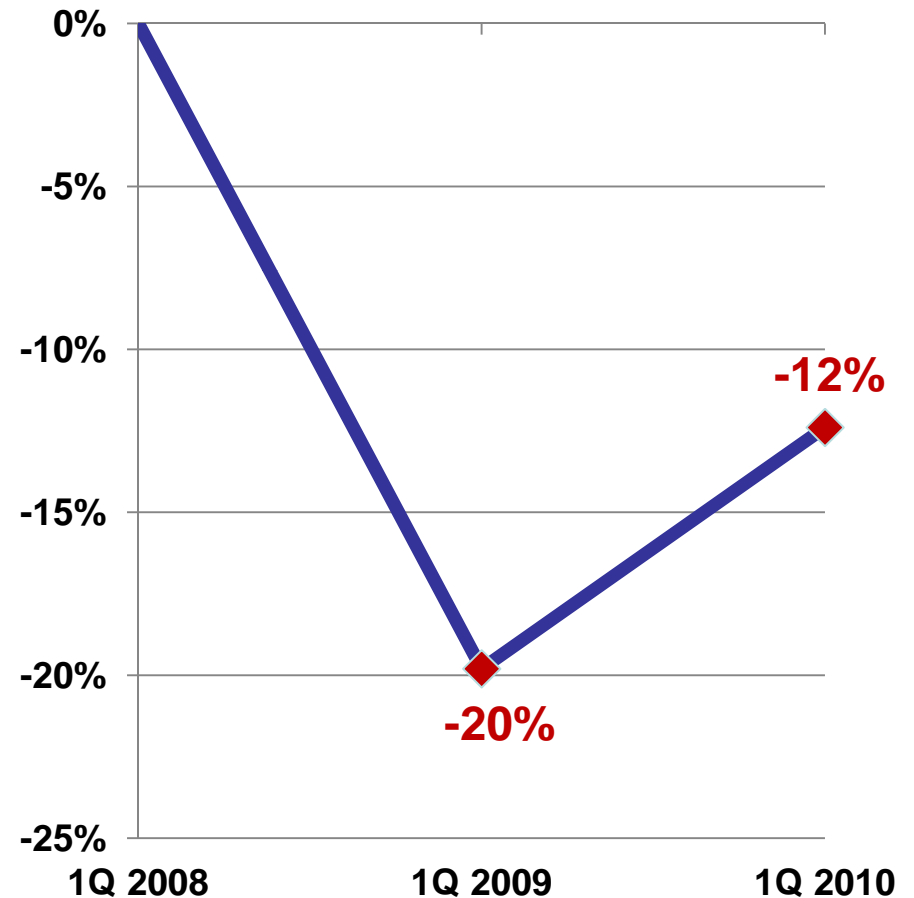
PPG Sales Data



Regional Volume Trend (Total PPG)



PPG 1Q Sales Volume Index (2008 Base Year)



Year-Over-Year Change

Solid and Broad Volume Growth, but Demand Still Below Pre-Recession Levels

Adjusted Earnings Per Share*



* Adjusted EPS – see presentation appendix for reconciliation to reported EPS

- ✓ Key Items:
 - ❖ Improved volumes a significant factor
 - ❖ Lower costs also a major contributor
 - ❖ Partial offset - lower Commodity Chemicals selling price

- ✓ Tax rate:
 - ❖ 1Q 2010 – 30%
 - ❖ 1Q 2009 – 33%

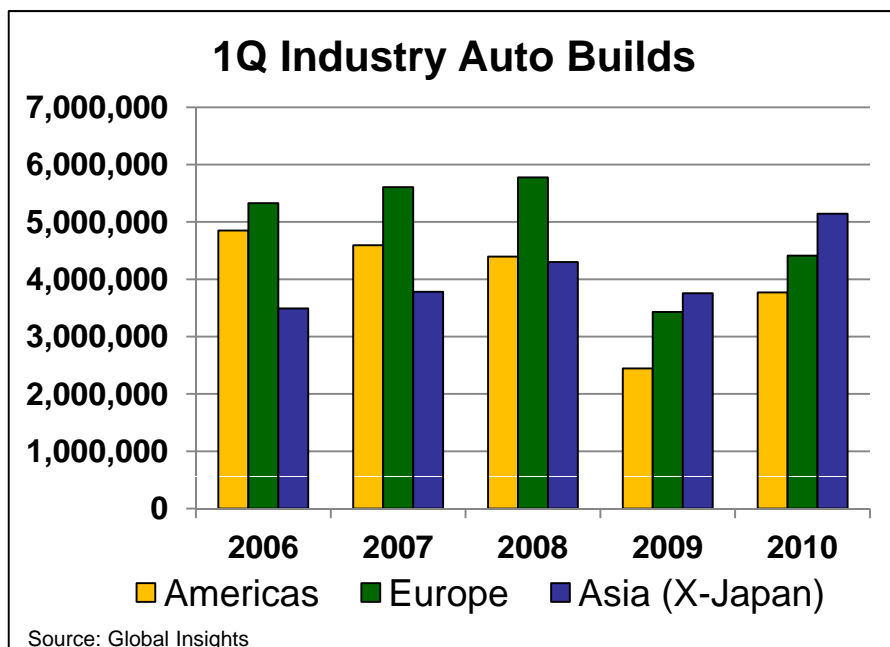
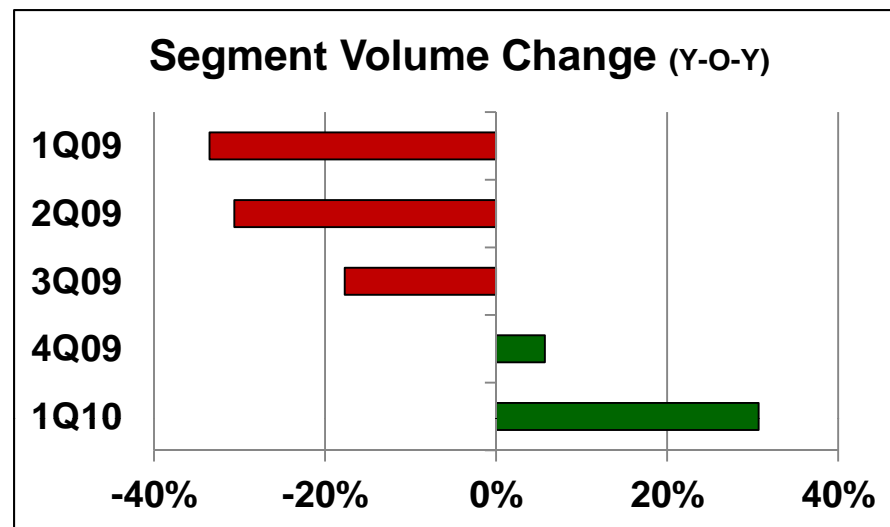


Industrial Coatings

\$MM (USD)	1Q10	1Q09	Chg	%
Sales	893	644	249	39%
Earnings	101	-16	117	731%
Op Margin	11.3%	-2.5%	--	--

Select Sales Detail	Total	Volume	Currency
Y-O-Y Percent Change	39%	31%	8%

- ✓ Significantly higher Auto OEM and Industrial volumes (Y-O-Y)
- ✓ Auto OEM sales improved in all regions
- ✓ Gradual global recovery in several industrial markets
- ✓ Very strong Asian growth continues
- ✓ Lower costs aided results



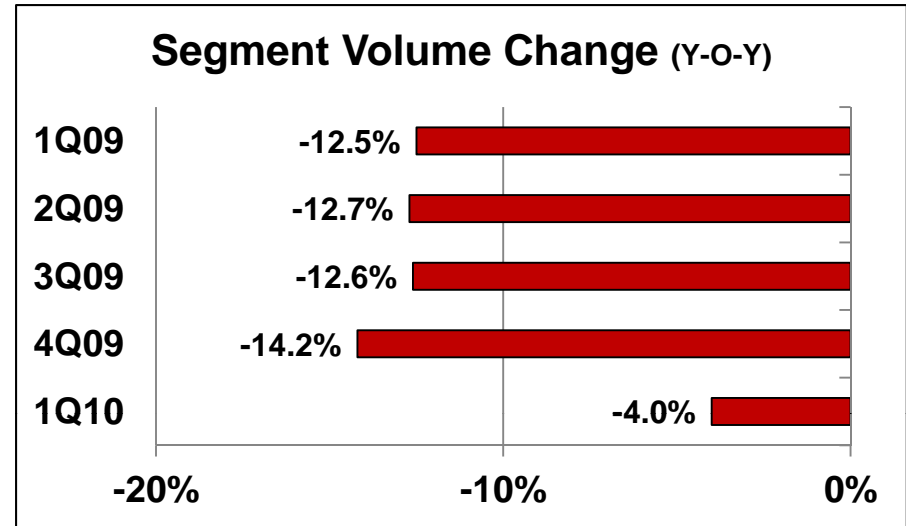
Source: Global Insights

Performance Coatings

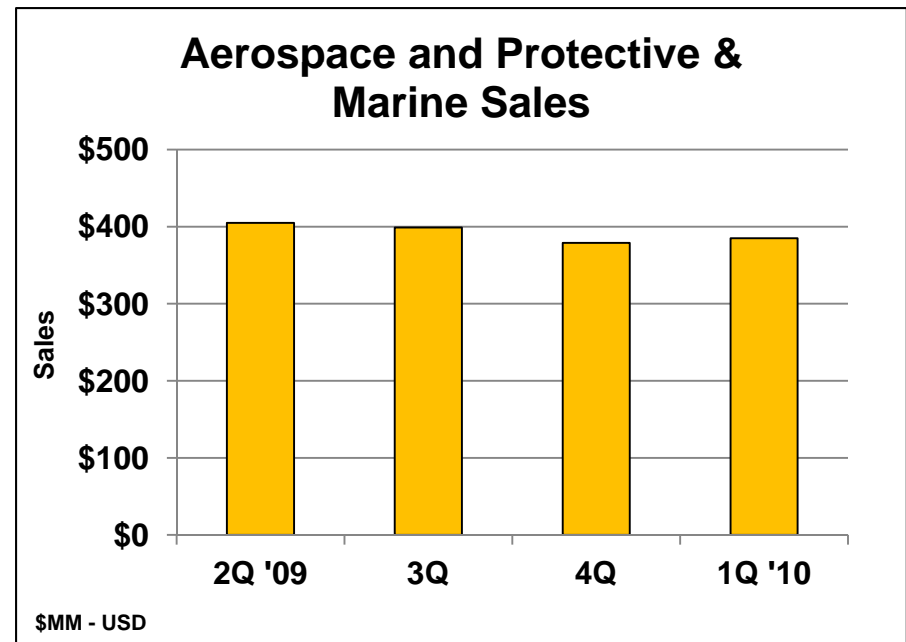


\$MM (USD)	1Q10	1Q09	Chg	%
Sales	965	928	37	4%
Earnings	127	89	38	43%
Op Margin	13.1%	9.6%	--	--

Select Sales Detail	Total	Volume	Currency
Y-O-Y Percent Change	4%	-4%	6%



- ✓ Higher stability due to large after-market presence
- ✓ Lower costs and improved business mix aided earnings
- ✓ Higher Auto Refinish volumes
- ✓ Slight declines (Y-O-Y) in Aerospace and Protective & Marine (sales higher vs. 4Q)
- ✓ Architectural remained weak



Architectural Coatings - EMEA



Segment Results:

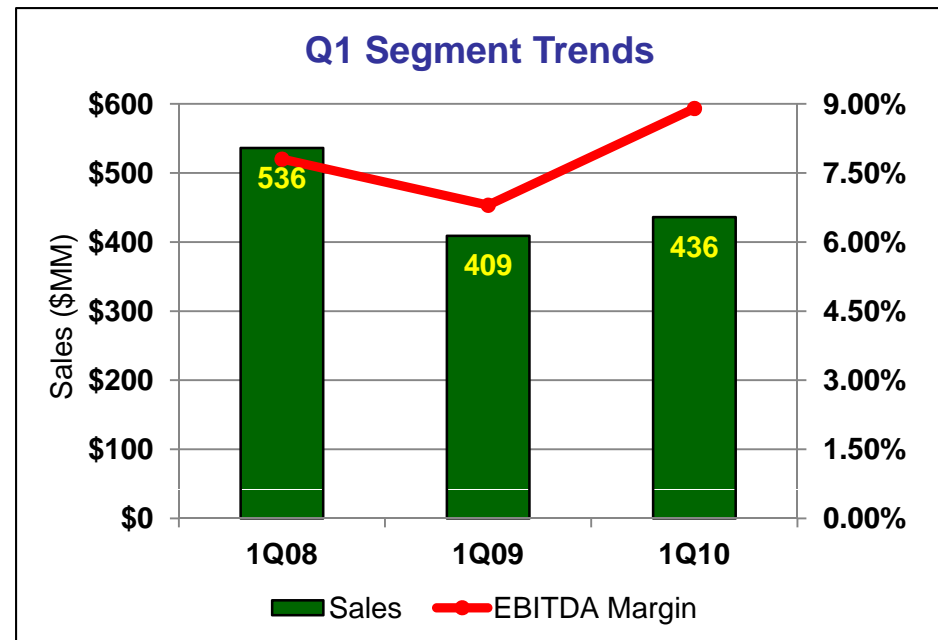
\$MM (USD)	1Q10	1Q09	Chg	%
Sales	436	409	27	7%
Earnings	11	3	8	266%

- ✓ 1Q slower seasonal quarter
- ✓ Higher earnings from lower cost structure
- ✓ Currency added 7% to sales, no earnings impact (potential 2Q headwind)
- ✓ Stable performer through recession
- ✓ Improved EBITDA margin (vs. both 2009 and 2008) on lower costs

EBITDA Reconciliation:

\$MM (USD)	1Q10	1Q09	1Q08
Earnings	11	3	9
Depreciation & Amortization	28	25	33
EBITDA	39	28	42
EBITDA Margin	8.9%	6.8%	7.8%

Note: Currency conversion is a large factor in year-over-year changes in Depreciation & Amortization.



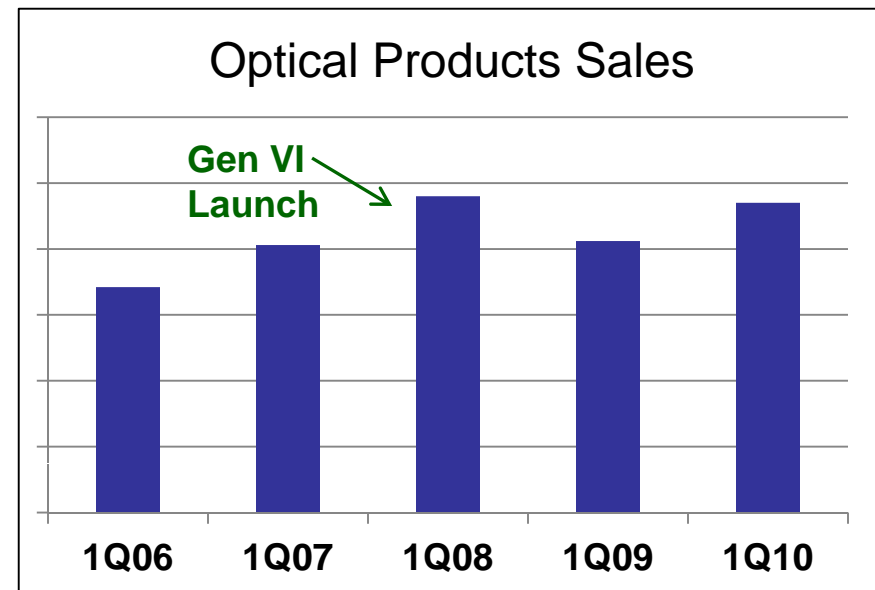
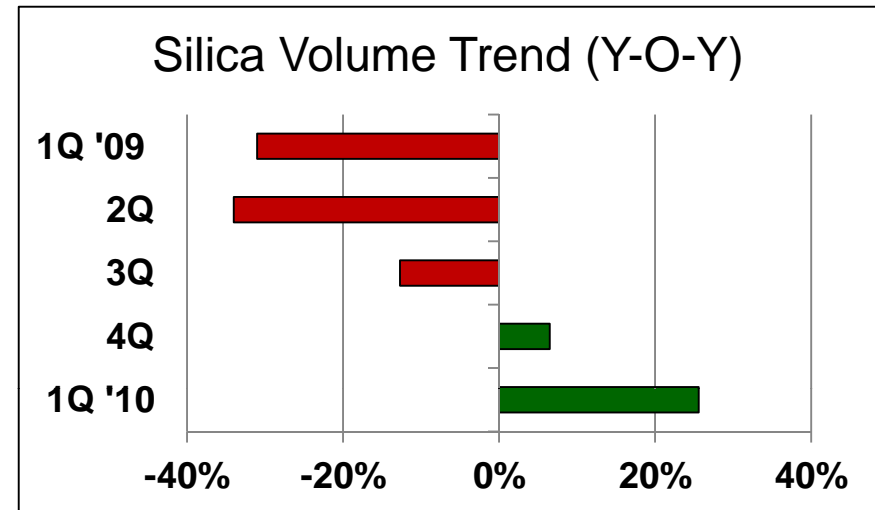
Optical and Specialty Materials



\$MM (USD)	1Q10	1Q09	Chg	%
Sales	284	245	39	16%
Earnings	82	60	22	37%
Op Margin	28.9%	24.5%	--	--

Select Sales Detail	Total	Volume	Currency
Y-O-Y Percent Change	16%	13%	3%

- ✓ Double-digit percent sales growth in Optical Products
- ✓ Dramatically improved Silica volumes (auto end-use market related)
- ✓ Lower costs stemming from prior-year actions



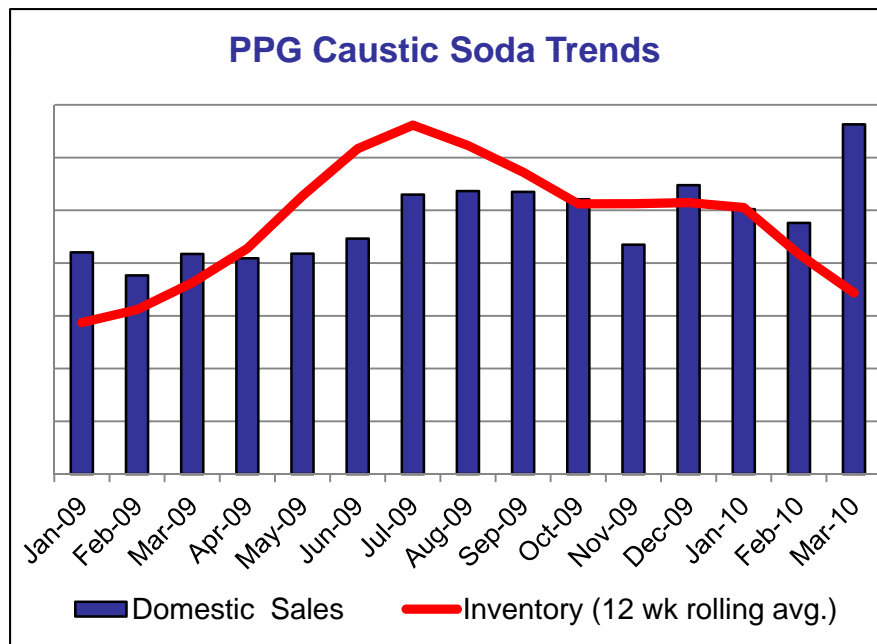
Commodity Chemicals



\$MM (USD)	1Q10	1Q09	Chg	%
Sales	328	361	-33	-9%
Earnings	3	83	-80	-96%
Op Margin	0.9%	23.0%	--	--

Versus 1Q 2009:

- ✓ Lower ECU price (higher chlorine, lower caustic)
- ✓ Higher ethylene costs



Versus 4Q 2009:

- ✓ Flat ECU pricing (lower chlorine, higher caustic)
- ✓ Higher ethylene costs and natural gas price
- ✓ Improving domestic caustic demand

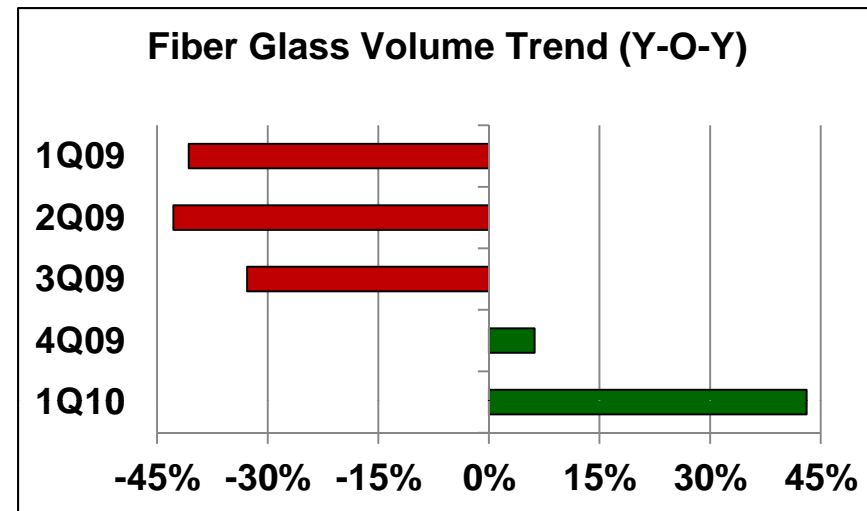
Announced Price Increase to be Implemented in 2Q 2010

Glass



\$MM (USD)	1Q10	1Q09	Chg	%
Sales	220	196	24	12%
Earnings	-3	-27	24	89%
Op Margin	-1.3%	-13.8%	--	--

Select Sales Detail	Total	Volume	Currency
Y-O-Y Percent Change	12%	16%	2%



- ✓ Improving industrial activity (Fiber Glass)
- ✓ Lower commercial and residential demand (Performance Glazings)
- ✓ Lower selling pricing including lower Y-O-Y energy surcharge

- ✓ Improved manufacturing utilization
- ✓ Improved equity earnings and royalty/licensing fees
- ✓ Fiber Glass inventory position remains low

Cash



1Q Cash on Hand



Millions of USD

- ✓ 1Q cash from operations ~\$250MM ahead of 2009
- ✓ Annual projections (\$MM):
 - ❖ Capital spending - \$300MM-\$350MM
 - ❖ Pension contribution - \$240MM
- ✓ Other potential uses:
 - ❖ Bolt-on acquisitions
 - ❖ Share repurchases

For More Information



Thank you for your interest in PPG Industries, Inc.

Investors

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Appendix



Adjusted EPS Reconciliation



First Quarter	2010		2009	
	<u>\$\$</u>	<u>EPS</u>	<u>\$\$</u>	<u>EPS</u>
Net Loss/(Income) Attributable to PPG as Reported	\$30	\$0.18	\$(111)	\$(0.68)
Business Restructuring Charge	-	-	141	0.86
Net Charge for Asbestos Settlement	2	0.01	2	0.01
Change in U.S. Tax Law (U.S. Patient Protection and Affordable Care Act)	\$85	0.51	-	-
Adjusted Net Income	<u>\$117</u>	<u>\$0.70</u>	<u>\$32</u>	<u>\$0.19</u>

Amounts in Millions of USD except EPS