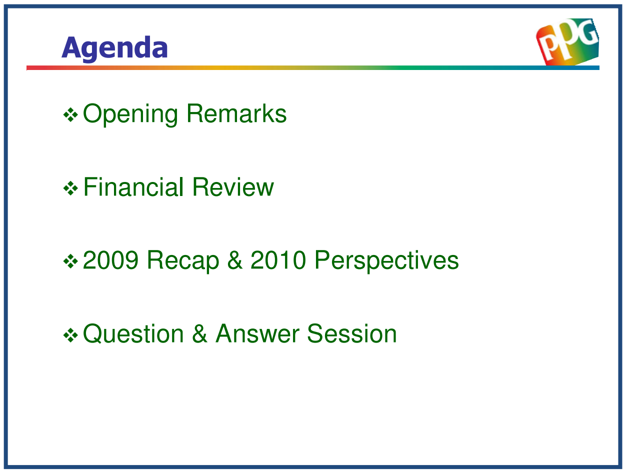
PPG Industries, Inc. Fourth Quarter 2009 Financial Results

Recorded Commentary – January 21, 2010

Comments by: Charles E. Bunch, Chairman & CEO



Thank you Vince and welcome everyone.

This afternoon, I will provide a brief overview of our fourth quarter and full year performance. Bob Dellinger will review details of our financial results. I will make a few closing remarks and then we will take questions.

The fourth quarter of 2009 capped what was a challenging year. The global recession was both steep and broad, and adversely affected many of our end-use markets. PPG reacted decisively as we implemented aggressive restructuring and cost-reduction actions and further increased our focus on cash flow. The impact of these efforts is clearly evident in our fourth quarter and full year financial results.

Led by our Coatings and Optical and Specialty Materials businesses, we have continued to realize positive momentum in our financial performance. These segments performed well and delivered higher year-over-year earnings. Given challenging end-use market conditions, our Performance Glazings business unit and Commodity Chemicals segment weakened in comparison with the prior year's quarter and a seasonally stronger third quarter.

Overall demand in the quarter was lower year-over-year, with the exception of double-digit percentage growth in Asia and improvement in a few select global industrial end-use markets such as auto production. However, activity levels were stable or modestly improved versus the third quarter 2009 when taking into account seasonal trends.

Our increased operating leverage – again being driven by our restructuring initiatives – was a major contributor to our improved financial performance. This was most evident in our Industrial Coatings segment where earnings grew by $129 million versus last year's fourth quarter on only modest volume improvement. In fact, Industrial Coatings earnings were even higher than fourth quarter 2007 despite over 15 percent lower demand.

And, our focus on cash and working capital continued with nearly $600 million of cash generation in the quarter, exceeding even last year's strong performance.

PPG's full year results provide continued validation that the strategic direction and the actions we have taken over the past few years to transform the company are yielding the intended improvement. Despite the severity of this recession, the aggregate full year earnings of our Coatings and Optical and Specialty Materials segments dropped by less than 10 percent. Measured in local currencies, this figure was only about 5 percent, with the remainder due to negative currency conversion. This performance includes higher earnings in local currencies from our Architectural Coatings EMEA segment, which represents the majority of our 2008 SigmaKalon acquisition.

Our focus on growing our presence in Asia also yielded significant benefits in 2009, as our markets there continued to demonstrate good growth characteristics. Lastly, our improved portfolio was important in enabling us to generate over $1.3 billion in cash from operations in 2009, which is our second highest year on record. Our strong cash performance allowed us to confidently raise our annual dividend payout, yet again, and we substantially reduced our debt level paying down an additional $675 million.

I am pleased with how we finished the year. Our earnings are recovering, and our strong cash position provides us with financial flexibility to support earnings growth going forward. Yet, until we see further signs that demand is recovering more broadly, our attention will remain focused on cost management and diligent execution of our strategy.

Now, I'll turn the call over to Bob to review financial performance for the fourth quarter and full year.

Comments by: Robert J. Dellinger, Sr. Vice President, Finance & CFO

Fourth Quarter Financial Recap

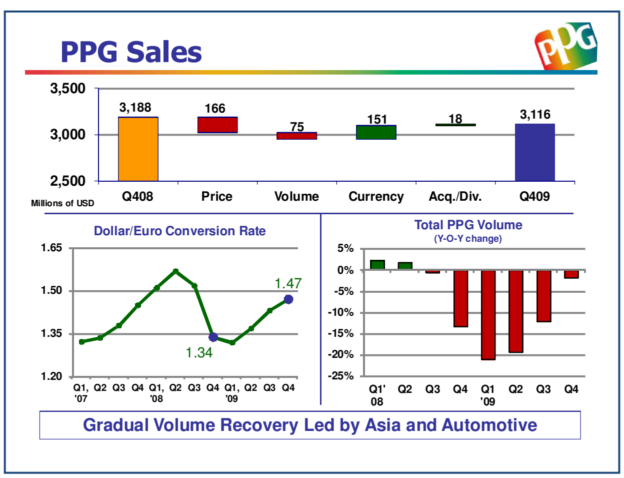
Thanks Chuck.

Summarizing the fourth quarter sales were down $72 million, or a modest 2 percent decline, versus fourth quarter 2008 sales, which were partially impacted by the onset of the industrial recession. Commodity Chemicals experienced a sharp decline in sales due to lower pricing. This decline was partially offset by higher sales in our other businesses, including higher volumes in Automotive Coatings and favorable currency impacts. Overall, we experienced fairly normal seasonal sales patterns with the exception of automotive production which remained consistent throughout the quarter as opposed to the traditional pattern of trailing off in December.

Our gross margins expanded not only versus 2008, but also versus solid 2007 results, reflecting the impact from our restructuring actions, additional cost management initiatives and lower input costs.

Our full year tax rate came in at 30 percent, based on actual full year mix of earnings by geography. The lower rate added $0.12 to fourth quarter earnings-per-share due to the catch-up from the lowering of the tax rate the prior three quarters. We also estimate our 2010 tax rate will remain at 30 percent.

We delivered very strong cash performance in the quarter generating almost $600 million, and that is after recognizing an additional $100 million we contributed to our pension plans in December. Also, we reduced debt by an additional $175 million during the quarter, and ended the year with over $1 billion of cash on hand.



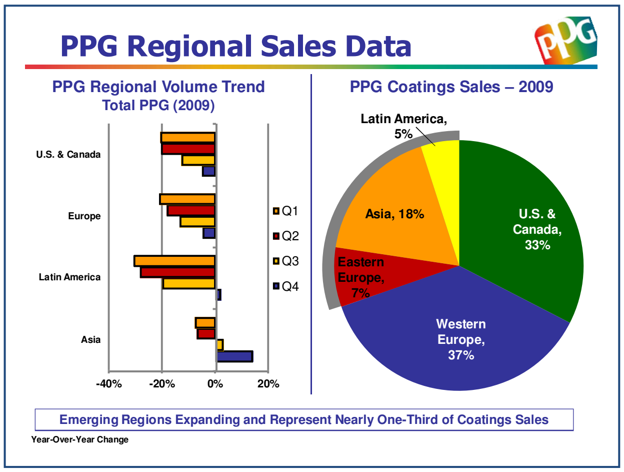
PPG Sales

A year-over-year bridge of our fourth quarter sales, along with some relevant trends, is depicted on the next slide and a full year sales bridge is included in the appendix for your reference.

Negative price of $166 million is entirely attributable to lower selling prices in Commodity Chemicals and lower year-over-year energy and fuel surcharges in Glass. We realized modest price improvements in coatings and optical but they were not sufficient to overcome the sharp drops in Commodity Chemicals and Glass.

Following four consecutive quarters of headwind, currency conversion finally became a tailwind and positively impacted fourth quarter sales by $150 million. As depicted on the chart, the Euro advanced modestly versus the third quarter of this year. However year-over-year improvement was realized due to a rapidly weakening Euro in the fourth quarter of 2008. Despite the favorable impact in the fourth quarter, currency translation reduced full year sales by nearly $600 million.

Our volumes remained negative in the quarter. However, they have recovered gradually over the year, and the decline was less severe in the fourth quarter than prior quarters. This reflects a lower activity level in last year's fourth quarter, modest demand improvements in Asia and several of our industrial end-use markets, and higher Commodity Chemicals exports.

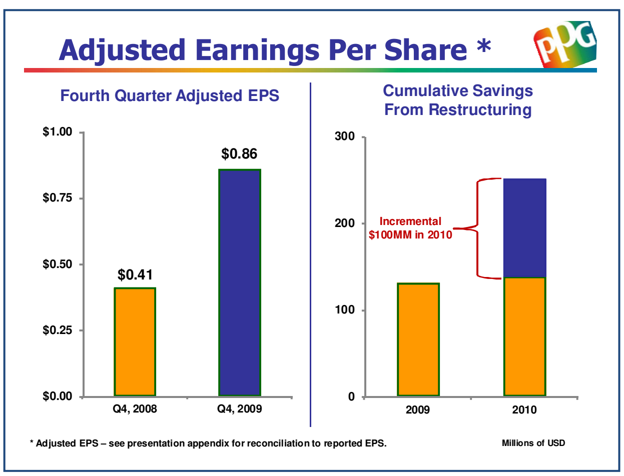


PPG Sales (Regional Data)

The next slide provides sales data by region. Our regional volume variance for each quarter in 2009 is provided versus the prior year's quarter.

In the fourth quarter, volumes remained modestly negative in both the United States and Europe. However, we experienced growth in our emerging regions including, single-digit growth in Latin America and nearly 15 percent growth in Asia/Pacific driven by higher industrial demand.

And on a full year, the emerging regions of Asia, Latin America and Eastern Europe, represented nearly one-third of our coatings portfolio.



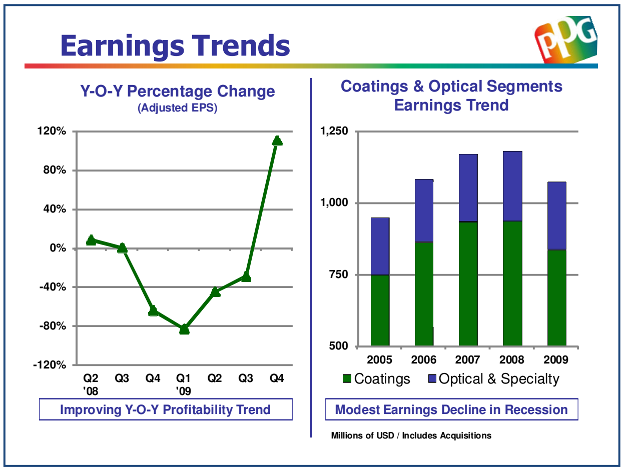
Adjusted Earnings Per Share

Our adjusted earnings-per-share is presented on the next slide. A reconciliation of these amounts to our reported earnings-per-share is included in the appendix of today's presentation materials, which is available at the investor center on our website at ppg.com.

In the quarter, our adjusted earnings-per-share was $0.86 and includes a 30 percent effective tax rate. We anticipate this same tax rate of 30 percent for year 2010.

While lower taxes were part of the earnings-per-share improvement, a significant contributor to the EPS was the increase in savings generated by our restructuring actions. As we ended 2009, we had completed all major elements of these initiatives ahead of schedule, including the reduction of two European manufacturing operations during the fourth quarter.

Throughout 2009, we realized partial year savings from many of our actions, and we will have an incremental $100 million of savings in 2010 in recognition of the full year structural cost savings from these actions.



Earnings Trends

Our improving EPS trend is detailed on the next slide. As you can see, our fourth quarter performance represented a sizable gain versus a difficult fourth quarter of 2008.

The right side displays the segment earnings trend for our Coatings and Optical segments. While not immune to the effects of a recessionary economy, these segments have experienced only modest earnings declines. What's more, they've achieved these results despite the fact that several businesses are exposed to severely challenged end-use markets, such as automotive and construction, that were heavily impacted by this recession. As Chuck stated, this strong performance during a recession provides continued validation of our strategy to grow these segments as a portion of our portfolio.

Industrial Coatings

$MM (USD)	Q409	Q408	Chg	%		2009	2008	Chg	%
Sales	859	767	92	12%		3,068	3,999	-931	-23%
Earnings	89	-40	129	323%		159	212	-53	-25%
Op Margin	10.4%	-5.2%	--	--		5.2%	5.3%	--	--

Select Sales Detail	Total	Volume	Currency
Q4 Y-O-Y Change	12%	6%	6%

Select Sales Detail	Total	Volume	Currency
2009 Y-O-Y Change	-23%	-21%	-3%

Fourth Quarter
- ✓ Lower costs a key contributor to substantial earnings improvement
- ✓ Sizable earnings leverage on volume gains
- ✓ All regions delivered notable earnings increases (Y-O-Y), led by Asia and U.S.
- ✓ Q4 volumes still more than 15% below year Q4, 2007 level

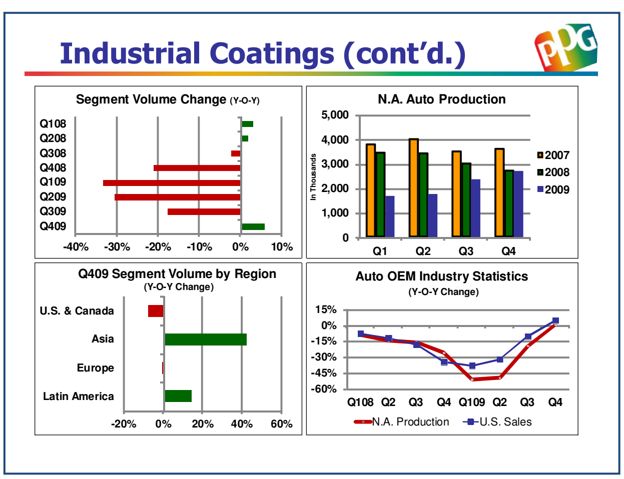
Full Year
- ✓ Severe global industrial downturn and inventory destocking
- ✓ U.S. automotive OEM production crippled in 1H09
- ✓ Significant structural cost reductions completed
- ✓ Asia now >20% of segment sales, and highest regional margins

Industrial Coatings

Moving now to review our individual business segments, let me start on the next slide with Industrial Coatings which delivered dramatically improved results in the quarter versus what was a poor performance last year. In the quarter, sales grew 12 percent, or $92 million. Earnings improved by $129 million from a $40 million loss last year, and we achieved a 10 percent operating margin.

This improvement was driven largely by lower costs, including restructuring and cost management. In addition, we experienced modest year-over-year end-use market demand improvements. All regions realized higher earnings, with the largest gains in Asia and the U.S.

Looking quickly at the full year, we experienced the full effect of the global recession in 2009, as demand dropped dramatically due to lower consumer spending and significant industrial inventory destocking. While volumes have partially recovered this past quarter, they still remain well below historic levels. We reacted swiftly to the demand declines by completing major reductions in our cost structure. One bright spot this year has been Asia which now represents more than 20 percent of this segment in sales, and even more in earnings, as the region is now delivering our highest operating margins.



Industrial Coatings (Cont'd)

Further details on our Industrial Coatings segment are included on the next slide. We grew volumes in the quarter versus a very weak fourth quarter 2008. To put this in perspective, our volumes this past quarter were still more than 15 percent below fourth quarter 2007 volumes. By region, volumes improved significantly in Asia, growing over 40 percent, and also in Latin America, but remained negative in the U.S. and Europe.

The largest end-use market improvement was in automotive production. In North America, year-over-year auto production was down about 50 percent versus 2008 in the first half of the year, but fourth quarter 2009 was essentially flat with the weakened quarterly result from 2008. As illustrated on the bottom right graph, North American vehicle production is still running below the level of U.S. auto sales and automotive dealer inventories remain very low in comparison with historical levels. Also, we delivered very strong growth in Asia, on a much higher year-over-year auto production.

Overall for the segment, 2009 was a remarkably challenging year. That environment required us to aggressively manage and restructure the businesses to succeed, and we were pleased that our actions aided in achievement of double-digit operating margins this past quarter.

Looking ahead to 2010, for the full year we anticipate improvement in global industrial demand versus the low levels in 2009, especially in the early months of the year. These demand improvements will likely be led by automotive production, which we expect to increase by 10 percent globally versus 2009, with growth of 20 percent or more in North America alone. Due to our lower cost structure, we expect to fully leverage improving volume while we keep our focus on tightly managing costs and execution.

Performance Coatings

$MM (USD)	Q409	Q408	Chg	%		2009	2008	Chg	%
Sales	1,026	1,104	-78	-7%		4,095	4,716	-621	-13%
Earnings	149	143	6	4%		551	582	-31	-5%
Margin %	14.5%	13.0%	--	--		13.5%	12.3%	--	--

Select Sales Detail	Total	Volume	Currency
Q4 Y-O-Y Change	-7%	-14%	4%

Select Sales Detail	Total	Volume	Currency
2009 Y-O-Y Change	-13%	-13%	-3%

Fourth Quarter

- ✓ Margin / earnings improvement
- ✓ Aerospace and Protective & Marine volumes trending slightly down (later cycle markets)
- ✓ Architectural Coatings: Stores weak, DIY nearly flat
- ✓ Auto Refinish demand weak (limited restocking)
- ✓ Tight cost control

Full Year

- ✓ Mild earnings erosion in difficult economy
- ✓ Currency $24MM earnings headwind
- ✓ Stable volume trends: Quarter and year down low- to mid-teen percents
- ✓ Large inventory destocking occurred in Automotive Refinish

Performance Coatings

The Performance Coatings segment results are detailed on the next slide. In the quarter, despite sales volume decreases in the mid-teen percents, earnings grew modestly aided by strong cost management. Positive currency conversion added about $50 million to quarterly sales and $5 million to earnings.

This segment has historically demonstrated more stability in sales and earnings given the large aftermarket nature of the end-use segments. As such, our fourth quarter volume results were similar to volume results the prior three quarters of 2009. In the fourth quarter, year-over-year sales comparisons in Protective & Marine Coatings and Aerospace, both of which serve later cycle industries, trended down slightly. Volumes in our Architectural Coatings business declined slightly more than 10 percent, which is very similar to the prior two quarters. In the United States, our stores and dealer channels, which primarily serve professional paint contractors, were down more, while our national accounts or DIY channel was only slightly negative.

Full year earnings were down a modest $31 million, or 5 percent, including negative currency conversion of $24 million. Yet, the segment's operating margins improved by 120 basis points. For the year and fourth quarter, the Automotive Refinish business experienced the most sizable volume declines, including the negative impacts from distributor inventory destocking earlier in the year.

As we look ahead to 2010, we once again anticipate the segment will be a stable performer, with some year-over-year benefit due to the absence of inventory destocking and continued cost discipline.

Architectural Coatings – EMEA

$MM (USD)	Q409	Q408	Chg	%		2009	2008	Chg	%
Sales	457	414	43	10%		1,952	2,249	-297	-13%
Earnings	11	0	11	n/m		128	141	-13	-9%
Depreciation & Amortization						109	121	--	--
EBITDA						237	262	--	--
EBITDA Margin						12.1%	11.6%	--	--

% of Annual Sales (Excl. Currency Impacts)	Q1	Q2	Q3	Q4
2008	24%	30%	28%	18%
2009	23%	30%	28%	19%

Fourth Quarter
- ✓ Results reflect historical sales seasonality
- ✓ Mid-single-digit percentage volume declines
- ✓ Currency contributed ~$40MM to sales, ~$3MM earnings

Full Year
- ✓ Negative currency headwind of $19MM on earnings, ~$200MM on sales
- ✓ Stable volumes (down mid-single-digit percents) and earnings performance during recession
- ✓ Strong cash generation

Architectural Coatings EMEA

Results for our Architectural Coatings Europe, Middle East and Africa or "EMEA" business are on the following slide. Sales in the quarter were $457 million, up $43 million versus last year's period, and earnings improved by $11 million from a breakeven level last year.

The table in the center of the slide displays the seasonal mix of segment sales by quarter. You see a nearly identical trend in 2008 and 2009, including traditional seasonality in the fourth quarter. Volumes for both the quarter and year were down slightly more than 5 percent, with improved results in the second half of the year. This performance occurred despite a severe economic decline in the region, and clearly demonstrates the resilience of this segment due to the significant maintenance component of architectural coatings in Europe.

Currency aided sales by about $40 million and earnings by $3 million in the quarter. However, for the year, currency represented about $200 million, or two-thirds, of the $300 million sales decline, and had a $19 million negative impact on earnings. 2009 earnings in local currencies were higher than 2008, an exceptional achievement considering the economic environment. Also, as expected, the segment delivered strong cash flow.

Included on the slide are the earnings before interest, taxes, depreciation and amortization or EBITDA. As you can see, our EBITDA margins improved for the year in spite of the recession. We believe EBITDA is a relevant measure for this business given the ongoing, non-cash amortization expense stemming from the SigmaKalon acquisition.

Looking ahead, we anticipate a longer recovery time table for the European economies and therefore continue to expect modest volume challenges in this segment. Our focus remains on cost management and execution to maintain profitability levels, building our brands and positioning to grow in emerging regions.

Optical & Specialty Materials

$MM (USD)	Q409	Q408	Chg	%		2009	2008	Chg	%
Sales	245	239	6	3%		1,002	1,134	-132	-12%
Earnings	47	33	14	42%		235	244	-9	-4%
Margin %	19.1%	13.8%	--	--		23.3%	21.5%	--	--

Select Sales Detail	Total	Volume	Currency
Q4 Y-O-Y Change	3%	-2%	5%

Select Sales Detail	Total	Volume	Currency
2009 Y-O-Y Change	-12%	-10%	-2%

Fourth Quarter
- ✓ Volume recovery in Silicas (automotive end-market)
- ✓ Optical sales up modestly
- ✓ Earnings/margin improvement on strong cost management and Silicas volume recovery

Full Year
- ✓ Silicas volumes down ~20%
- ✓ Optical volumes down single-digit percents (new product introduction in '08)
- ✓ Transitions growth in Asia region of ~25%

Optical and Specialty Materials

Our Optical and Specialty Materials segment results are detailed on the next slide. Fourth quarter sales of $245 million were up slightly versus 2008. Margins improved as earnings of $47 million were up over 40 percent from last year's level aided by strong cash management.

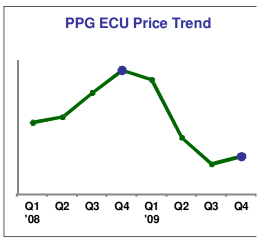
For the quarter, Optical Products sales grew slightly aided by favorable currency translation. Sales of our Silicas products, which are used as a raw material in the production of tires and car batteries, grew mid-single digit percents versus last year and reversed a sizable negative sequential volume trend that began in mid-2008.

Full year sales declined 12 percent, including volume declines in Silicas of nearly 20 percent, and single-digit percent declines in Optical Products in comparison to 2008, which featured the benefit of a new Transitions product introduction. One notable highlight was our near 25 percent Transitions growth rate in Asia. Full year segment earnings declined slightly in 2009. However, margins improved from focused cost management efforts.

Looking ahead, we expect this segment to return to a strong growth trend based on our Optical Products offering and anticipated improvement in the automotive OEM and after-markets which would aid Silicas.

Commodity Chemicals

$MM (USD)	Q409	Q408	Chg	%		2009	2008	Chg	%
Sales	306	419	-113	-27%		1,273	1,837	-564	-31%
Earnings	8	88	-80	-91%		152	340	-188	-55%
Margin %	2.6%	21.0%	--	--		11.9%	18.5%	--	--



Fourth Quarter
- ✓ ECU price lower Y-O-Y, although higher than Q309
- ✓ Higher level of export sales

Full Year
- ✓ Solid full year performance (12% operating margin)
- ✓ Average natural gas costs ~$6/MMBTU
- ✓ Good cash generation

Commodity Chemicals

The next slide shows our Commodity Chemicals segment results. Sales declined by over $100 million versus last year's period driven by lower pricing. Earnings fell $80 million in comparison with a strong performance the previous year.

Aggregate pricing for chlorine and caustic soda, the ECU price, fell significantly in comparison with last year's record fourth quarter, but was higher versus the third quarter 2009. Demand for our chlorine and caustic soda fell in North America versus a seasonally stronger third quarter and the prior year, although caustic exports grew and we experienced unfavorable mix driven by higher chlorine derivative exports.

Our fourth quarter and full year 2009 natural gas costs were approximately $6.00 per MMBTU. We anticipate our first quarter 2010 natural gas costs to be in the range of $6.50 to $7.00 per MMBTU, which includes the effects of recently higher market prices. In 2009, we had about 50 percent of our natural gas needs hedged at about $8.00, and in the full year of 2010 this drops to about 25 percent at similar price levels.

On a full year basis, the segment achieved a solid 12 percent operating margin, and once again delivered good cash generation.

Glass

	Q409	Q408	Chg	%		2009	2008	Chg	%
Sales	223	245	-22	-9%		849	1,914	-1,065	-56%
Earnings	1	-7	8	n/a		-39	70	-109	-156%
Pro-forma (excluding Auto Glass, which was sold 09/30/2008):									
Sales	223	245	-22	-9%		849	1,190	-341	-29%
Earnings	1	-7	8	n/a		-39	54	-93	-172%

Select Sales Detail	Total	Volume	Currency
Q4 Y-O-Y Change	-9%	-4%	2%

Select Sales Detail	Total	Volume	Currency
2009 Y-O-Y Change	-29%	-25%	-1%

Fourth Quarter
- ✓ Decline in Performance Glazings driven by weakening U.S. commercial construction
- ✓ Gradual global industrial demand improvement aiding Fiber Glass
- ✓ Cost focus continues

Full Year
- ✓ Restructuring actions reduced manufacturing capacity in Performance Glazings by >20%
- ✓ Reduction in manufacturing and overhead costs of ~$25MM
- ✓ Positive cash flow

Looking at early 2010, we have announced caustic soda price increases for the first quarter and, as mentioned, also anticipate higher natural gas prices versus the fourth quarter of 2009. We expect overall demand levels during the year to track closely with U.S. industrial production trends.

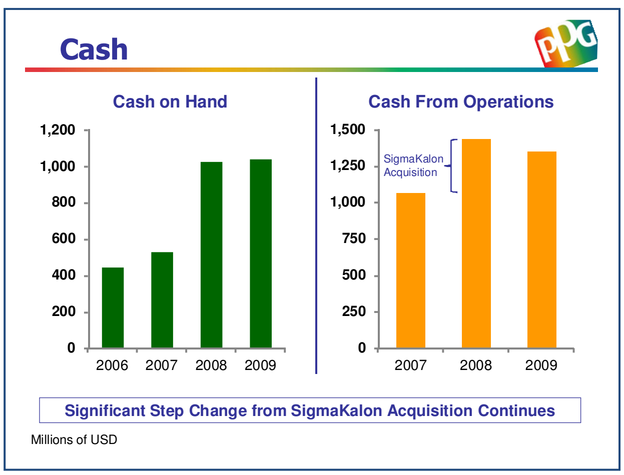
Glass

Our Glass segment details are on the following slide. As with last quarter, we included 2008 results both with and without the Automotive Glass and Services business that we divested at the end of third quarter of 2008. My full year comparison comments will be against the results excluding auto glass.

Sales this quarter were $223 million, down $22 million from last year. The demand environment for Performance Glazings, or architectural glass, deteriorated as U.S. commercial construction declined significantly versus last year and also versus the prior quarter. Fiber Glass demand strengthened modestly year-over-year, but still remains nearly 25 percent below 2007 levels. Pricing was down in reflection of lower fuel and energy surcharges. Full year sales declined 29 percent stemming from the volume declines.

Glass had $1 million in earnings this quarter versus a loss of $7 million in last year's quarter, aided by both lower costs and higher other income, including improved equity affiliate results. Earnings for the full year are down more than $90 million, as significantly lower volumes overshadowed $25 million in cost improvements including a 20 percent reduction in our Performance Glazings manufacturing capacity. The segment did, however, produce positive cash flow for the year.

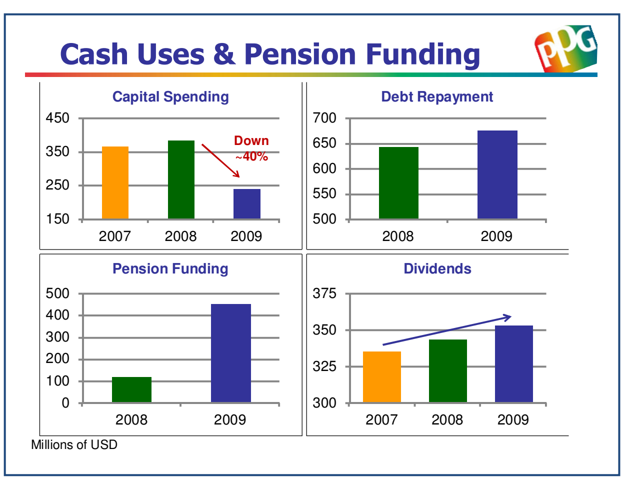
In 2010, improving industrial demand will aid Fiber Glass, but will likely be offset by commercial construction declines negatively impacting Performance Glazings. Our focus on cash and aggressively managing the cost structure will continue in 2010.



Cash

Our cash position is detailed on the next slide, and we ended the year with over $1 billion of cash on hand. We intentionally maintained a higher cash balance during 2009 given the global economic environment. In light of a gradual improving economy and following two years of significant debt reduction, we will begin to manage our cash balance down toward historical levels.

During the quarter, we generated almost $600 million of cash from operations. This strong cash performance and, more importantly, step-change improvement in cash stemming from our SigmaKalon acquisition continues as our full year cash from operations exceeded $1.3 billion, just below last year's record level.



Cash Uses and Pension Funding

Several notable cash uses are detailed on the following slide.

Our capital spending was $240 million, well below prior year levels and indicative of our ability to manage capital expenditures of our transformed business portfolio going forward.

Debt repayment was one of our top priorities following our acquisition of SigmaKalon in early 2008. We repaid an additional $675 million of debt in 2009, following a similar figure in 2008. Since the acquisition, we have lowered our net debt by about $1.9 billion, which is over 2.5 times our original target despite operating in a much more challenging economic environment.

Funding our pension plans is another cash use, and we have contributed about $450 million to our pension plans this year, with about $100 million of that consisting of stock. We mitigated the dilutive effect to our share count through share buybacks. I will remind you that pension contribution figures are pre-tax, and we do receive a tax benefit.

Lastly, we once again raised our annual dividend payout, marking our 38th year in doing so. A track record we are pleased to continue and made possible by our portfolio's strong cash characteristics.

Key Financial Data

	2009	2010 (projected)
Pension Expense	$200	$160
Full Year Tax Rate	30%	30%
Pension Contribution	$450	$200-250
Capital Spending	$240	$275-325
Debt Reduction	$675	$150-250
Asbestos Trust Funding (aftertax)	--	$310

Millions of USD, Except Percentages

Key Financial Data

This next slide details some estimates of key financial data for 2010 as compared to the approximate 2009 figures.

First on the income statement side, we expect our pension expense to decline by about $40 million to $160 million. This reflects our high level of pension funding in 2009, along with our asset performance and finalized 2009 discount rate.

We anticipate that our full year tax rate for 2010 will be 30 percent, consistent with 2009.

Relative to cash deployment, the level of our pension funding is expected to decline to the range of about $200-to-$250 million.

And, although we still intend to keep our 2010 capital spending below the levels in most prior years, it will likely be higher than the very low 2009 figure.

Following our SigmaKalon acquisition, debt reduction was a primary cash use and, as mentioned, we are well ahead of schedule. In 2010, we will likely make some further debt reductions, but the level of debt repayment will likely be notably lower than the prior two years.

Finally, as we have mentioned the past several years, if our proposed asbestos settlement is confirmed by the court we will need to fund the trust, which would entail a net cash outlay totaling $310 million, after tax benefit.

Let me conclude by saying that the generally favorable year-over-year trends of the key cash uses noted here, combined with our strong and consistent cash generation history, will give us even further financial flexibility in 2010 to deploy cash with an earnings growth focus.

With that I will now turn it back over to Chuck for some closing remarks.

Comments by: Charles E. Bunch, Chairman & CEO

Conclusion
Thanks Bob.

I will conclude our prepared remarks by highlighting a few key items.

- Overall demand in the fourth quarter improved gradually versus the third quarter when adjusted for the seasonal nature of many of our businesses. We experienced strong earnings leverage on the modest volume gains.
- While earnings have not fully recovered, I am pleased with the pace of our improvement given the continued challenges in the global economy.
- We have completed our restructuring actions ahead of schedule, and these actions benefitted our 2009 performance and will do so to a greater degree in 2010.
- Despite the challenging environment, we once again delivered strong, near record cash generation in 2009 and raised our annual dividend payout.

Let me end by saying that due to the severity of the recession, 2009 was an extremely challenging year. Like most companies, PPG was not immune to wide reaching economic affects, but we reacted quickly and decisively. The rapid and full recovery of earnings in our Coatings and Optical and Specialty Materials segments along with our near record cash generation as a corporation, provides measurable validation of the soundness and execution of our strategy to focus on these businesses and expand our geographic breadth.

As we begin 2010, we are guardedly optimistic. While recovery in the global economy remains gradual, PPG is well-positioned in several ways. Our strong and growing presence in Asia will continue to yield benefits based on economic growth in that region. We will also realize an incremental $100 million of savings from our completed restructuring actions that should enable us to fully leverage anticipated higher full year global activity levels. And, we have a strong cash position of just over $1 billion to support earnings growth opportunities.

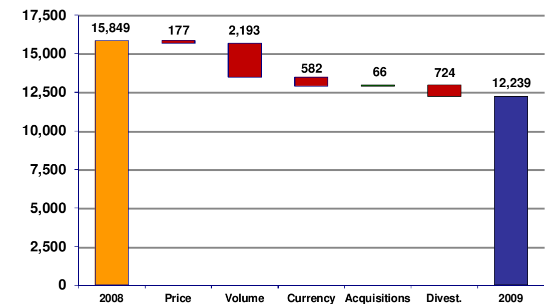
That concludes our prepared remarks. Now, operator, would you please give instructions and open the phone lines for questions.

Appendix

1. PPG 2008 and 2009 Full Year Sales

2. PPG 2007, 2008 and 2009 Quarterly Financial Results Regulation G Reconciliation

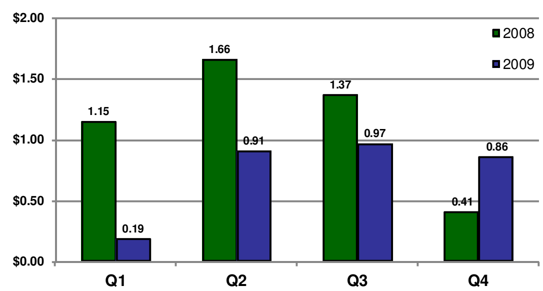
Full Year PPG Sales



Decline Stems from Volume, Currency & Auto Glass Divestiture

Millions of USD

Adjusted Earnings Per Share *



Performance Recovering in Difficult Economic Environment

* Adjusted EPS from continuing operations – see presentation appendix for reconciliation to reported EPS.

Adjusted EPS Reconciliation

First Quarter	2009		2008		2007	
	$$	EPS	$$	EPS	$$	EPS
Net (Loss)/Income Attributable to PPG as Reported	$(111)	$(0.68)	$100	$0.61	$194	$1.17
Net Charge for Asbestos Settlement	2	0.01	--	--	5	0.03
Business Restructuring Charge	141	0.86	--	--	--	--
Acquisition-Related Costs	--	--	89	0.54	--	--
Adjusted Net Income	$32	$0.19	$189	$1.15	$199	$1.20

Millions of USD, Except EPS Amounts

Adjusted EPS Reconciliation

Second Quarter	2009		2008		2007	
	$$	EPS	$$	EPS	$$	EPS
Net Income Attributable to PPG as Reported	$146	$0.89	$250	$1.51	$249	$1.50
Net Charge for Asbestos Settlement	2	0.02	2	0.01	6	0.03
Auto Glass & Services Depreciation Catch-Up	--	--	11	0.07	--	--
Auto Glass & Services Divestiture Benefits Costs	--	--	12	0.07	--	--
Adjusted Net Income	$148	$0.91	$275	$1.66	$255	$1.53

Millions of USD, Except EPS Amounts

Adjusted EPS Reconciliation

Third Quarter	2009		2008		2007	
	$$	EPS	$$	EPS	$$	EPS
Net Income Attributable to PPG as Reported	$159	$0.96	$117	$0.70	$191	$1.15
Net Charge for Asbestos Settlement	2	0.01	3	0.02	3	0.02
Restructuring Charge	--	--	110	0.67	--	--
Gain on Sale of Auto Glass & Services Divestiture	--	--	(3)	(0.02)	--	--
Acquisition-Related Costs	--	--	--	--	4	0.03
Glass divestiture Costs	--	--	--	--	11	0.06
Fine Chemicals Divestiture	--	--	--	--	19	0.11
Adjusted Net Income	$161	$0.97	$227	$1.37	$228	$1.37

Millions of USD, Except EPS Amounts

Adjusted EPS Reconciliation

Fourth Quarter	2009		2008		2007	
	$$	EPS	$$	EPS	$$	EPS
Net Income Attributable to PPG as Reported	$142	$0.85	$71	$0.43	$200	$1.21
Net Charge for Asbestos Settlement	2	0.01	(3)	(0.02)	1	0.01
Adjusted Net Income	$144	$0.86	$68	$0.41	$201	$1.22

Millions of USD, Except EPS Amounts

PPG INDUSTRIES, INC.
Condensed Statement of Operations
4th Quarter Results
(Millions of Dollars)

	3 Months Ended Dec. 31, 2009	3 Months Ended Dec. 31, 2008	% Change
Net Sales	**$ 3,116**	**$ 3,188**	**(2.3)**
Cost of Sales	1,934	2,029	
Selling and Other	859	857	0.2
Depreciation	90	88	2.3
Amortization	33	30	10.0
Interest Expense	49	61	(19.7)
Asbestos Settlement - Net	3	(5)	(160.0)
Other (earnings)/charges - net (Note A)	(52)	-	
Income Before Income Taxes	200	128	
Income Tax Expense	37	46	(19.6)
Net Income Attributable to the Controlling and Noncontrolling Interests	163	82	
Less: Net Income Attributable to Noncontrolling Interests	(21)	(11)	
Net Income (attributable to PPG)	**$ 142**	**$ 71**	100.0
Earnings per common share (attributable to PPG)	**$ 0.86**	**$ 0.43**	100.0
Earnings per common share -- assuming dilution (attributable to PPG)	**$ 0.85**	**$ 0.43**	97.7
Average shares outstanding	**166.0**	**164.7**	0.8
Average shares outstanding -- assuming dilution	**167.1**	**165.5**	1.0

Note A

The three months ended Dec. 31, 2009 includes approximately $40 million from improved equity affiliate results and higher royalty income stemming from improving business conditions, as well as the impact of gains on miscellaneous asset sales. The three months ended Dec. 31, 2008 includes approximately $10 million of uninsured losses and foreign currency losses and an insurance recovery of approximately $5 million that did not recur in 2009.

* - On Jan. 1, 2009, PPG Industries, Inc., adopted new accounting guidance related to noncontrolling interests in consolidated financial statements, which requires that "minority interests" be renamed "noncontrolling interests" and that a company present a consolidated net income measure that includes the amount attributable to such noncontrollng interests for all periods presented.

PPG INDUSTRIES, INC.
Business Segment Information
4th Quarter Results
(Millions of Dollars)

	Net Sales		Segment Income (Loss)	
	2009	2008	2009	2008
PERFORMANCE COATINGS	$ 1,026	$ 1,104	$ 149	$ 143
INDUSTRIAL COATINGS	859	767	89	(40)
ARCHITECTURAL COATINGS EMEA	457	414	11	-
OPTICAL and SPECIALTY MATERIALS	245	239	47	33
COMMODITY CHEMICALS	306	419	8	88
GLASS	223	245	1	(7)
SUBTOTAL	**$ 3,116**	**$ 3,188**	**$ 305**	**$ 217**
LEGACY ITEMS (NOTE A)			(15)	(17)
ASBESTOS SETTLEMENT - NET			(3)	5
INTEREST EXPENSE, NET OF INTEREST INCOME			(42)	(51)
UNALLOCATED STOCK BASED COMPENSATION (NOTE B)			(13)	(6)
OTHER UNALLOCATED CORP. EXPENSE - NET			(32)	(20)
INCOME BEFORE INCOME TAXES			**$ 200**	**$ 128**

Note A:

Legacy items include current costs related to former operations of the Company, including certain environmental remediation, pension and other postretirement benefit costs and certain charges that are considered to be unusual or non-recurring. Legacy items also include equity earnings/(loss) from PPG's 40-percent investment in the former automotive glass and services business.

Note B:

Unallocated stock-based compensation includes the cost of stock options, restricted stock units and contingent share grants which are not allocated to the operating segments.

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 there-from, 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 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, results of operations or liquidity. All information in this presentation speaks only as of January 21, 2010, and any distribution of this presentation after that date is not intended and will not be construed as updating or confirming such information.