

# First Quarter 2025 Financial Results

April 29, 2025



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 global economic conditions, geopolitical issues, increasing price and product competition by our competitors, fluctuations in cost and availability of raw materials, energy, labor and logistics, the ability to achieve selling price increases, the ability to recover margins, customer inventory production 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 imposition and magnitude of tariffs, 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, global human health issues, 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 2024 Form 10-K 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 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 2024 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 29, 2025, 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 2025 Highlights

Positive sales volume and momentum for sustainable growth

Strong organic sales growth in aerospace, refinish, protective and marine, and traffic solutions

Industrial coatings volume growth in all regions

Sluggish demand in architectural coatings and soft automotive OEM production

Solid sales growth in China, India, Brazil and Vietnam

Net Sales  
**\$3.7B**  
+1% Organic Sales

Adjusted EPS  
**\$1.72**

Segment EBITDA Margin  
**19.4%**

Share Repurchases  
**~\$400MM**

Note: Data reflects reclassification for discontinued operations. All changes versus same quarter last year. Organic sales defined as net sales excluding the impact of currency, acquisitions and divestitures. See Appendix for reconciliation of Adjusted EPS and Segment EBITDA Margin.

# PPG's Enterprise Growth Strategy

Driving superior performance through high-margin business growth and strong cash flow

## Actions Taken to Deliver Customer Success and Shareholder Value



Portfolio

- ✓ Portfolio pruning – *completed 2024*
- ✓ Re-segment portfolio to provide increased accountability / transparency – *completed 2024*
- ✓ Disciplined, opportunistic and accretive M&A



Growth & Margin Leadership

- ✓ Delivery of world-class margins – *2024 / ongoing*
- ✓ Decisive self-help actions – *2024 / ongoing*
- ✓ Building / executing organic growth competencies
- ✓ Deliver customer innovation including digital and AI



Capital Allocation

- ✓ Reward shareholders – *2024 / ongoing*
- ✓ Growth-focused capital spending
- ✓ Free cash deployment to drive shareholder value

## Aggressive 2025 Execution

Driving growth momentum

Accelerating self-help

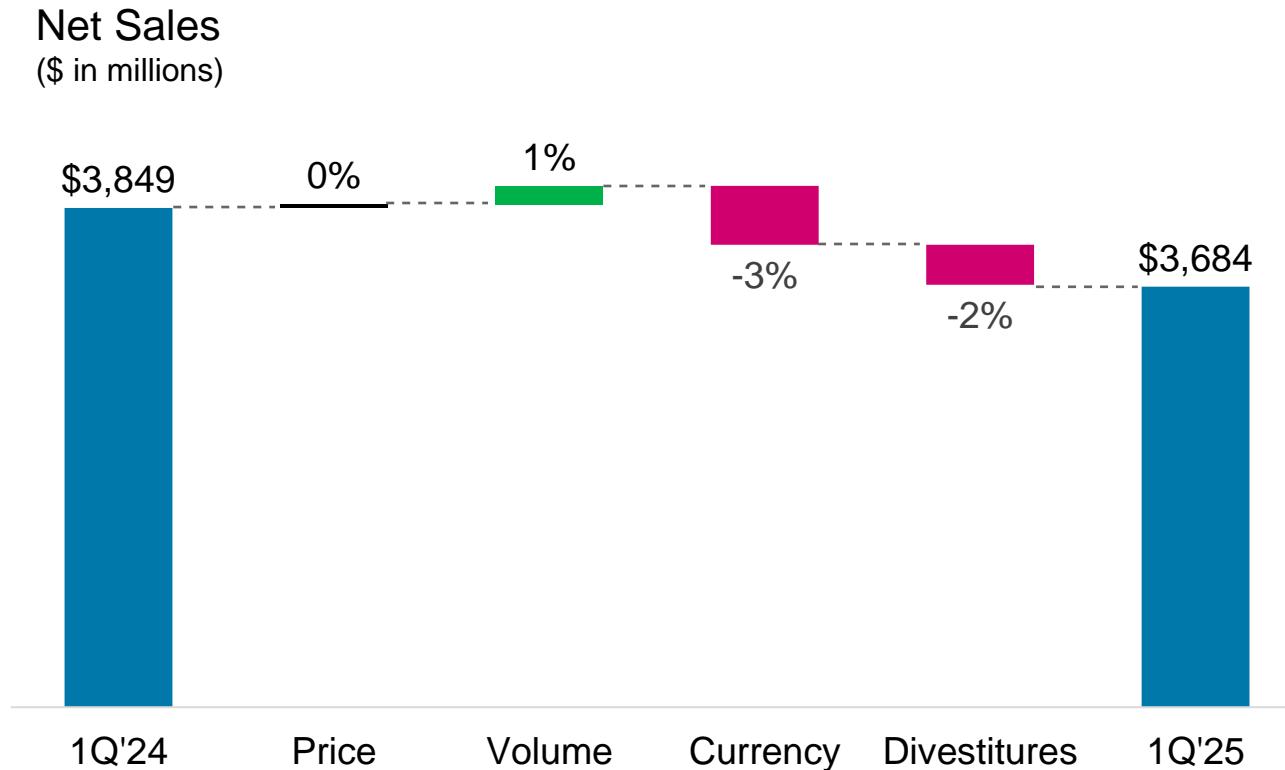
Capitalizing on structural resilience

Leveraging a strong balance sheet



# First Quarter Net Sales

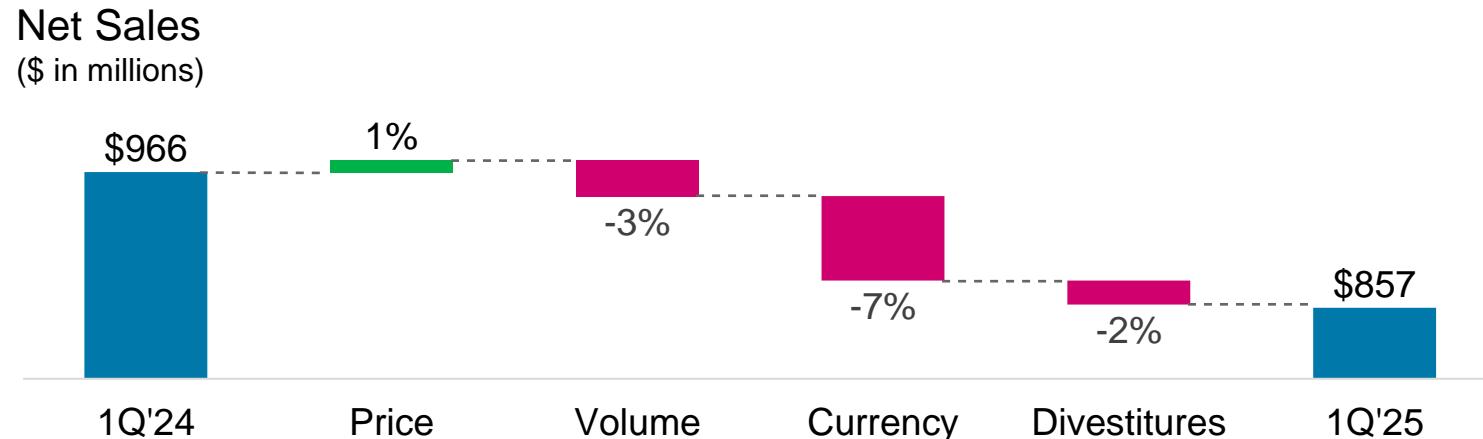
Organic sales up 1% driven by strength in Performance Coatings segment



- ✓ Selling prices: Slightly positive with targeted increases offset by carry over of index-based pricing in certain customer contracts
- ✓ Volumes: Growth in Performance Coatings partially offset by Global Architectural Coatings and Industrial Coatings
- ✓ Divestitures: Includes silicas in 4Q'24

# Global Architectural Coatings

Results impacted by soft but moderating European demand and paused Mexico investment



1Q'25  
Segment  
EBITDA  
Margin

16.8%  
-310 bps

Organic Sales

1Q'25  
Results

Architectural  
EMEA

— Flat

Architectural  
Latin America & AP

▼ MSD

Global Architectural  
Coatings Segment

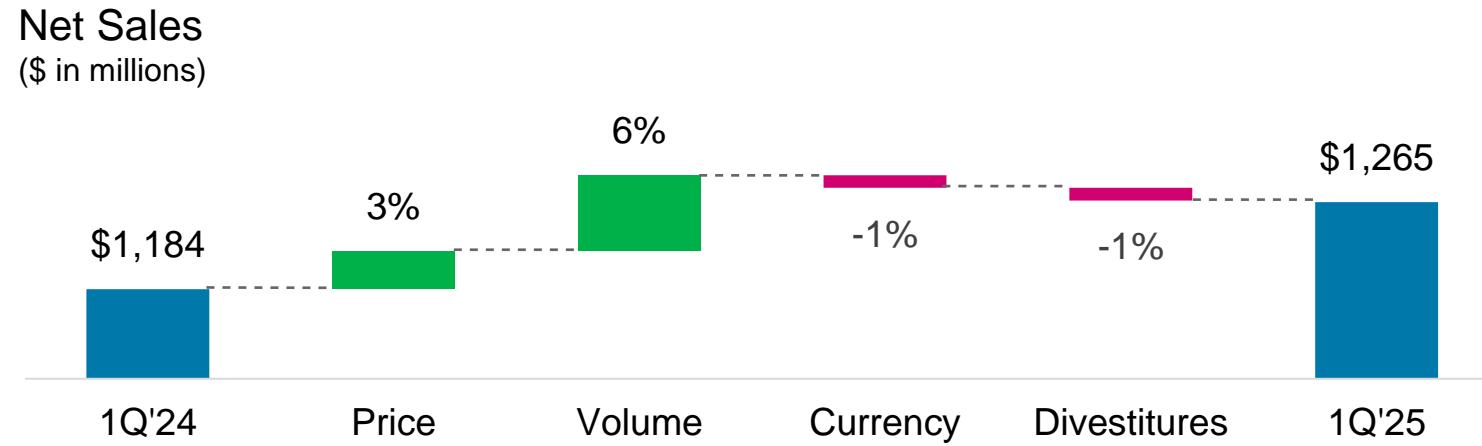
▼ LSD

## Highlights

- Architectural EMEA organic sales flat with positive price offset by lower sales volume
- Architectural coatings sales in Mexico impacted by a pause in project-related spending
- 1Q margin impacted by lower volume and inflation due to currency, offset by cost control actions
- 2Q'25 organic sales growth expected; currency translation expected to remain unfavorable

# Performance Coatings

First quarter sales and earnings record with strong growth in all four businesses



1Q'25  
Segment  
EBITDA  
Margin



## Highlights

- Record quarterly aerospace net sales with double-digit percentage organic sales growth
- Automotive refinish share gains more than offset lower industry collision claims in the U.S.
- Strong, above-market protective and marine coatings growth driven by new technologies
- Traffic solutions benefitted from share gains in North America
- 2Q'25 organic sales growth expected in aerospace, traffic solutions and protective & marine

## Organic Sales

1Q'25  
Results

Aerospace



DD

Refinish



LSD

Protective & Marine



DD

Traffic Solutions



HSD

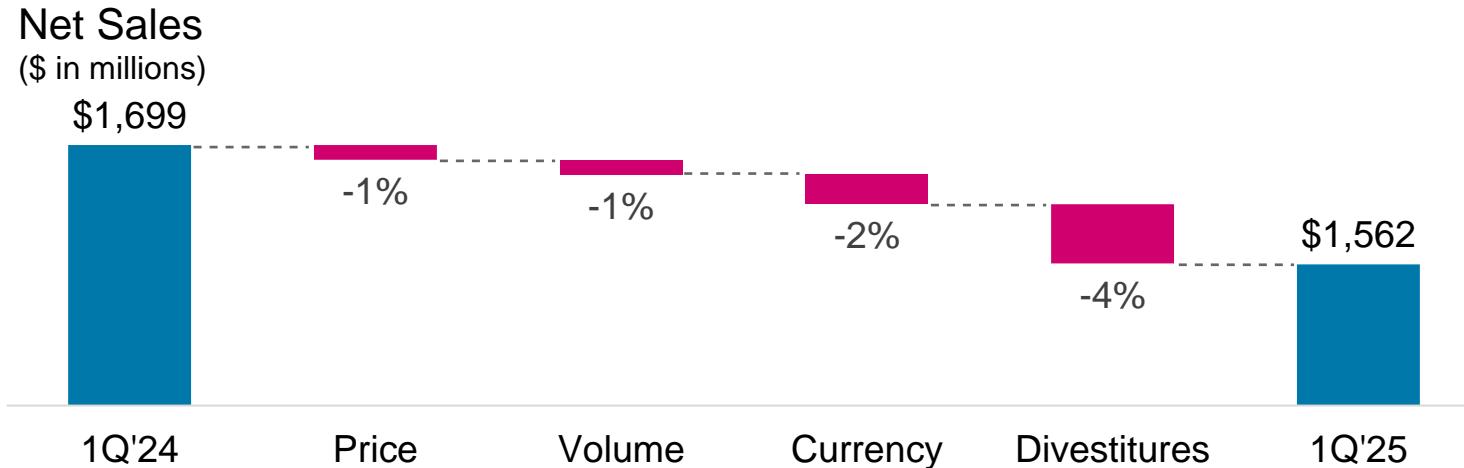
Performance  
Coatings Segment



HSD

# Industrial Coatings

Industrial and packaging growth offset by soft automotive markets



1Q'25  
Segment  
EBITDA  
Margin

16.8%  
-90 bps

Organic Sales

1Q'25  
Results

Auto OEM



MSD

Industrial



Flat

Packaging



LSD

Industrial Coatings  
Segment



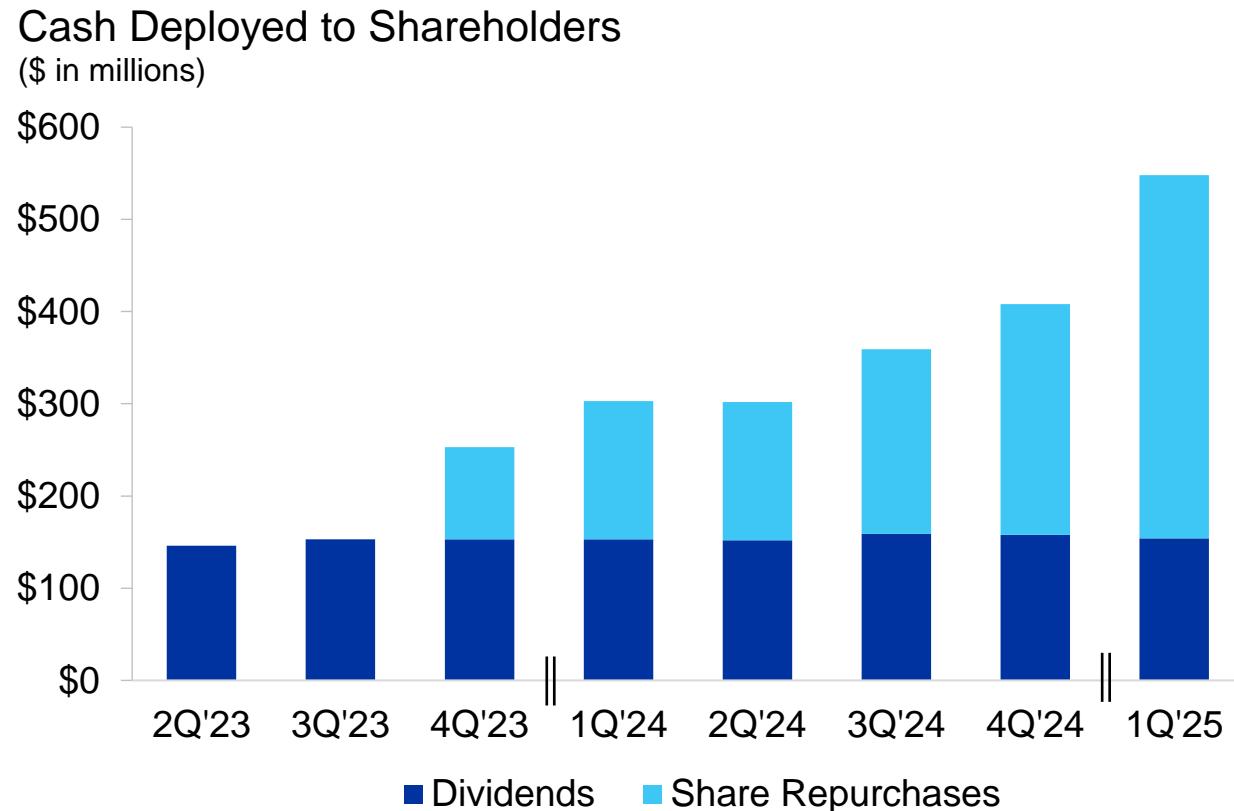
LSD

## Highlights

- Lower auto OEM demand in mature regions and growth in Asia Pacific and Latin America
- Positive momentum in industrial coatings sales volume with growth in all regions
- Packaging coatings sales volume growth driven by share gains
- 2Q'25 organic sales declining with lower auto production partially offset by higher industrial demand

# Strong Balance Sheet and Cash

Increased cash return to shareholders



## 1Q'25 Activity



**\$1.9B**

**Cash Balance**  
March 31, 2025



**\$550MM**

**Dividends and Share  
Repurchases**



**\$5.4B**

**Net Debt**  
March 31, 2025



**1.9x**

**Net Debt / Adjusted  
EBITDA LTM**

- ✓ Issued long-term debt of €900 million due in 2032
- ✓ Debt maturities of €900 million due in 2025

# Tariff Impact and Mitigation

PPG well positioned to mitigate impact of tariffs

## Impacts

### Mexico project delays

PPG impact <1% of company net sales

### 2% Lower auto industry production

PPG impact <1% of company net sales

### Reduced China exports to U.S.

PPG impact <1% of company net sales

### LSD% increase in raw material cost

>95% of materials locally sourced / no-tariff

## PPG Differentiators

### Diverse portfolio

Regionally balanced  
Leading positions in all verticals

### Accelerating self-help

\$75MM in 2025

### Share gain momentum

>\$100MM annualized

## Offsets

### Excess chemical supply

Lower oil price

### European demand improvement

China stimulus

### Improved foreign exchange

Infrastructure spending

### Localization of production

Localization of supply

## No Change to Guidance

### Full-Year EPS

\$7.85 - \$8.05

### Raw Material Cost

LSD% Inflation

# Second Quarter Financial Projections

|  |                 |
|--|-----------------|
| <b>Segment organic sales (YOY %):</b>              | Flat to +LSD    |
| Global Architectural Coatings                      | Flat to +LSD    |
| Performance Coatings                               | +LSD to +MSD    |
| Industrial Coatings                                | -MSD to -LSD    |
| <b>Segment margin (YOY)</b>                        | -80 to -100 bps |
| <b>Raw material and enacted tariff costs (YOY)</b> | LSD inflation   |
| <b>Corporate expense (net of TSA)</b>              | \$85MM - \$95MM |
| <b>Net interest expense</b>                        | \$17MM - \$21MM |
| <b>Effective tax rate</b>                          | 24% - 25%       |

Note: All forecasts are approximate. MSD/LSD = Mid/Low Single Digit.



# PPG: A Compelling Long-Term Investment



## Diversified Global Portfolio

Leading positions in all coatings verticals

## Strong Brands, Technologies and Services

Organic and inorganic growth opportunities

## Asset-Light, Highly Flexible Cost Structure

Accelerating margin expansion

## Strong Balance Sheet & Consistent Cash Generation

Cash deployment focused on shareholder value creation



# Appendix



# Segment Margin Reconciliation

\$ in millions, except margin %

| Global Architectural Coatings   |         |         |         |          |       |
|---|---------|---------|---------|----------|-------|
| Segment Margin, As Reported   |         |         |         |          |       |
| Net Sales   | 16.4%   | 17.4%   | 18.9%   | 13.9%    | 16.7% |
| \$975   | \$1,066 | \$1,037 | \$943   | \$4,021  |       |
| 160   | 186     | 196     | 131     | 673      |       |
| 25  | 25      | 26      | 25      | 101      |       |
| 185   | 211     | 222     | 156     | 774      |       |
| 19.0%   | 19.8%   | 21.4%   | 16.5%   | 19.2%    |       |
| Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) margin |         |         |         |          |       |
| Performance Coatings  |         |         |         |          |       |
| Segment Margin, As Reported   |         |         |         |          |       |
| Net Sales   | 19.9%   | 23.1%   | 18.3%   | 17.7%    | 19.9% |
| \$1,153   | \$1,424 | \$1,322 | \$1,233 | \$5,132  |       |
| 230   | 329     | 242     | 218     | 1,019    |       |
| 35  | 34      | 35      | 35      | 139      |       |
| 265   | 363     | 277     | 253     | 1,158    |       |
| 23.0%   | 25.5%   | 21.0%   | 20.5%   | 22.6%    |       |
| Adjusted EBITDA margin  |         |         |         |          |       |
| Industrial Coatings   |         |         |         |          |       |
| Segment Margin, As Reported   |         |         |         |          |       |
| Net Sales   | 13.7%   | 13.6%   | 13.9%   | 13.3%    | 13.7% |
| \$1,753   | \$1,833 | \$1,767 | \$1,736 | \$7,089  |       |
| 241   | 250     | 246     | 231     | 968      |       |
| 53  | 53      | 53      | 54      | 213      |       |
| 294   | 303     | 299     | 285     | 1,181    |       |
| 16.8%   | 16.5%   | 16.9%   | 16.4%   | 16.7%    |       |
| Adjusted EBITDA margin  |         |         |         |          |       |
| Total Segments  |         |         |         |          |       |
| Segment Margin, As Reported   |         |         |         |          |       |
| Net Sales   | 16.3%   | 17.7%   | 16.6%   | 14.8%    | 16.4% |
| \$3,881   | \$4,323 | \$4,126 | \$3,912 | \$16,242 |       |
| 631   | 765     | 684     | 580     | 2,660    |       |
| 113   | 112     | 114     | 114     | 453      |       |
| 744   | 877     | 798     | 694     | 3,113    |       |
| 19.2%   | 20.3%   | 19.3%   | 17.7%   | 19.2%    |       |
| Adjusted EBITDA margin  |         |         |         |          |       |

| 2023                        |         |         |         |          |       | 2024                        |         |         |         |          | 2025    |
|-----------------------------|---------|---------|---------|----------|-------|-----------------------------|---------|---------|---------|----------|---------|
| Q1                          |         | Q2      |         | Q3       |       | Q4                          |         | FY      |         | Q1       |         |
| 16.4%                       | 17.4%   | 18.9%   | 13.9%   | 16.7%    |       | 17.2%                       | 19.7%   | 18.2%   | 13.4%   | 17.3%    | 13.8%   |
| \$975                       | \$1,066 | \$1,037 | \$943   | \$4,021  |       | \$966                       | \$1,070 | \$1,004 | \$881   | \$3,921  | \$857   |
| 160                         | 186     | 196     | 131     | 673      |       | 166                         | 211     | 183     | 118     | 678      | 118     |
| 25                          | 25      | 26      | 25      | 101      |       | 26                          | 26      | 26      | 26      | 104      | 26      |
| 185                         | 211     | 222     | 156     | 774      |       | 192                         | 237     | 209     | 144     | 782      | 144     |
| 19.0%                       | 19.8%   | 21.4%   | 16.5%   | 19.2%    |       | 19.9%                       | 22.1%   | 20.8%   | 16.3%   | 19.9%    | 16.8%   |
| Segment Margin, As Reported |         |         |         |          |       | Segment Margin, As Reported |         |         |         |          |         |
| Net Sales                   | 19.9%   | 23.1%   | 18.3%   | 17.7%    | 19.9% | 21.2%                       | 23.0%   | 22.3%   | 20.5%   | 21.8%    | 21.7%   |
| \$1,153                     | \$1,424 | \$1,322 | \$1,233 | \$5,132  |       | \$1,184                     | \$1,418 | \$1,373 | \$1,262 | \$5,237  | \$1,265 |
| 230                         | 329     | 242     | 218     | 1,019    |       | 251                         | 326     | 306     | 259     | 1,142    | 274     |
| 35                          | 34      | 35      | 35      | 139      |       | 34                          | 34      | 31      | 33      | 132      | 33      |
| 265                         | 363     | 277     | 253     | 1,158    |       | 285                         | 360     | 337     | 292     | 1,274    | 307     |
| 23.0%                       | 25.5%   | 21.0%   | 20.5%   | 22.6%    |       | 24.1%                       | 25.4%   | 24.5%   | 23.1%   | 24.3%    | 24.3%   |
| Segment Margin, As Reported |         |         |         |          |       | Segment Margin, As Reported |         |         |         |          |         |
| Net Sales                   | 13.7%   | 13.6%   | 13.9%   | 13.3%    | 13.7% | 14.7%                       | 14.8%   | 12.1%   | 11.7%   | 13.4%    | 13.8%   |
| \$1,753                     | \$1,833 | \$1,767 | \$1,736 | \$7,089  |       | \$1,699                     | \$1,747 | \$1,655 | \$1,586 | \$6,687  | \$1,562 |
| 241                         | 250     | 246     | 231     | 968      |       | 249                         | 259     | 200     | 185     | 893      | 215     |
| 53                          | 53      | 53      | 54      | 213      |       | 52                          | 53      | 52      | 49      | 206      | 48      |
| 294                         | 303     | 299     | 285     | 1,181    |       | 301                         | 312     | 252     | 234     | 1,099    | 263     |
| 16.8%                       | 16.5%   | 16.9%   | 16.4%   | 16.7%    |       | 17.7%                       | 17.9%   | 15.2%   | 14.8%   | 16.4%    | 16.8%   |
| Segment Margin, As Reported |         |         |         |          |       | Segment Margin, As Reported |         |         |         |          |         |
| Net Sales                   | 16.3%   | 17.7%   | 16.6%   | 14.8%    | 16.4% | 17.3%                       | 18.8%   | 17.1%   | 15.1%   | 17.1%    | 16.5%   |
| \$3,881                     | \$4,323 | \$4,126 | \$3,912 | \$16,242 |       | \$3,849                     | \$4,235 | \$4,032 | \$3,729 | \$15,845 | \$3,684 |
| 631                         | 765     | 684     | 580     | 2,660    |       | 666                         | 796     | 689     | 562     | 2,713    | 607     |
| 113                         | 112     | 114     | 114     | 453      |       | 112                         | 113     | 109     | 108     | 442      | 107     |
| 744                         | 877     | 798     | 694     | 3,113    |       | 778                         | 909     | 798     | 670     | 3,155    | 714     |
| 19.2%                       | 20.3%   | 19.3%   | 17.7%   | 19.2%    |       | 20.2%                       | 21.5%   | 19.8%   | 18.0%   | 19.9%    | 19.4%   |

# Adjusted EBITDA Reconciliations

\$ in millions, except margin %

|  | 2024          |               |               |               |                 | 2025          |
|--|---------------|---------------|---------------|---------------|-----------------|---------------|
|  | Q1            | Q2            | Q3            | Q4            | FY              | Q1            |
| <b>Reported net income from continuing operations</b>    | \$ 405        | \$ 493        | \$444         | \$2           | \$1,344         | \$ 375        |
| Interest expense, net of interest income                 | 13            | 17            | 19            | 15            | 64              | 13            |
| Income tax expense                                       | 128           | 149           | 128           | 70            | 475             | 122           |
| Depreciation   | 95            | 89            | 89            | 87            | 360             | 89            |
| Amortization   | 35            | 35            | 30            | 32            | 132             | 32            |
| Net income attributable to noncontrolling interests      | 9             | 9             | 6             | 9             | 33              | 5             |
| <b>EBITDA</b>  | <b>\$ 685</b> | <b>\$ 792</b> | <b>\$ 716</b> | <b>\$ 215</b> | <b>\$ 2,408</b> | <b>\$ 636</b> |
| Business restructuring-related costs, net <sup>(a)</sup> | 11            | 4             | -             | 362           | 377             | 9             |
| Portfolio optimization costs <sup>(b)</sup>              | 6             | 26            | 10            | 17            | 59              | (6)           |
| Insurance recovery <sup>(c)</sup>                        | -             | -             | -             | (4)           | (4)             | (6)           |
| Legacy environmental remediation charges <sup>(d)</sup>  | -             | 20            | -             | 4             | 24              | -             |
| <b>Adjusted EBITDA</b>                                   | <b>\$ 702</b> | <b>\$ 842</b> | <b>\$ 726</b> | <b>\$ 594</b> | <b>\$ 2,864</b> | <b>\$ 633</b> |
| Net Sales  | \$ 3,849      | \$ 4,235      | \$ 4,032      | \$ 3,729      | \$ 15,845       | \$ 3,684      |
| Net income margin  | 10.5%         | 11.6%         | 11.0%         | 0.1%          | 8.5%            | 10.2%         |
| <b>Adjusted EBITDA margin</b>                            | <b>18.2%</b>  | <b>19.9%</b>  | <b>18.0%</b>  | <b>15.9%</b>  | <b>18.1%</b>    | <b>17.2%</b>  |

(a) Business restructuring-related costs, net include business restructuring charges, offset by releases related to previously approved programs, which are included in Other (income)/charges, net on the condensed consolidated statement of income, accelerated depreciation of certain assets, which is included in Depreciation on the condensed consolidated statement of income and other restructuring-related costs, which are included in Cost of sales, exclusive of depreciation and amortization and Selling, general and administrative on the condensed consolidated statement of income.

(b) Portfolio optimization includes the gain recognized on the sale of the Company's remaining Russia business in the first quarter 2025. There was no tax expense associated with that gain. Portfolio optimization also includes advisory, legal, accounting, valuation, other professional or consulting fees, and certain internal costs directly incurred to effect acquisitions, as well as similar fees and other costs to effect divestitures and other portfolio optimization exit actions. These costs are included in Selling, general and administrative expense on the condensed consolidated statement of income.

(c) In the first quarter 2025, the Company received reimbursement under its insurance policies for damages incurred at a southern U.S. factory from a winter storm in 2021.

(d) Legacy environmental remediation charges represent environmental remediation costs at certain non-operating PPG manufacturing sites. These charges are included in Other (income)/charges, net in the consolidated statement of income.

# Adjusted EPS Reconciliation

\$ in millions, except EPS

| First Quarter 2025  | Total PPG     |                    |
|---|---------------|--------------------|
|   | Net Income    | EPS <sup>(a)</sup> |
| <b>Net Income from Continuing Operations, As Reported</b> | \$ 375        | \$ 1.64            |
| Acquisition-related amortization expense                  | 24            | 0.10               |
| Business restructuring-related costs, net <sup>(b)</sup>  | 7             | 0.03               |
| Portfolio optimization costs <sup>(c)</sup>               | (6)           | (0.03)             |
| Insurance recovery <sup>(d)</sup>                         | (4)           | (0.02)             |
| <b>Adjusted Net Income Attributable to PPG</b>            | <b>\$ 396</b> | <b>\$ 1.72</b>     |

| First Quarter 2024  | Total PPG     |                    |
|---|---------------|--------------------|
|   | Net Income    | EPS <sup>(a)</sup> |
| <b>Net Income from Continuing Operations, As Reported</b> | \$ 405        | \$ 1.71            |
| Acquisition-related amortization expense                  | 26            | 0.11               |
| Business restructuring-related costs, net <sup>(b)</sup>  | 8             | 0.03               |
| Portfolio optimization costs <sup>(c)</sup>               | 4             | 0.02               |
| <b>Adjusted Net Income Attributable to PPG</b>            | <b>\$ 443</b> | <b>\$ 1.87</b>     |

(a) Earnings per diluted share is calculated based on unrounded numbers. Figures in the table may not recalculate due to rounding.

(b) Business restructuring-related costs, net include business restructuring charges, offset by releases related to previously approved programs, which are included in Other (income)/charges, net on the condensed consolidated statement of income, accelerated depreciation of certain assets, which is included in Depreciation on the condensed consolidated statement of income and other restructuring-related costs, which are included in Cost of sales, exclusive of depreciation and amortization and Selling, general and administrative on the condensed consolidated statement of income.

(c) Portfolio optimization includes a \$7 million gain recognized on the sale a business in the first quarter 2025. There was no tax expense associated with that gain. Portfolio optimization also includes advisory, legal, accounting, valuation, other professional or consulting fees, and certain internal costs directly incurred to effect acquisitions, as well as similar fees and other costs to effect divestitures and other portfolio optimization exit actions. These costs are included in Selling, general and administrative expense on the condensed consolidated statement of income.

(d) In the first quarter 2025, the Company received reimbursement under its insurance policies for damages incurred at a southern U.S. factory from a winter storm in 2021.



A large, stylized watermark of the PPG logo is positioned in the background, consisting of a blue and white chevron pattern with a red, orange, and yellow swoosh running through it.

# Thank You For Your Interest In PPG

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