



Facts

About

PPG

2006

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FAP-CORP-0406-EN-10K



PPG



PPG Industries

## AT A GLANCE

PPG Industries is a leading diversified manufacturer that supplies products and services around the world.

The company makes protective and decorative coatings, adhesives, sealants, metal pretreatment products, flat glass, fabricated glass products, continuous-strand fiber glass products, and chlor-alkali and specialty chemicals — including photochromic

ophthalmic lenses, optical materials, amorphous precipitated silicas and fine chemicals. In addition, PPG provides insurance claims-processing services.

With headquarters in Pittsburgh, PPG has 110 manufacturing facilities and equity affiliates in more than 20 countries.

## MARKETS SERVED

### CONSTRUCTION

- **Commercial** – Architectural glass, protective coatings and indoor and outdoor paints
- **Residential** – Window glass, paints, stains and coatings

### CONSUMER

- **Automotive** – Paints, glass, insurance claims management, car care products
- **Eyewear** – Photochromic ophthalmic eyeglass lenses and other lens materials
- **Home** – Window and door glass, indoor and outdoor paints and stains, pool care products

### INDUSTRIAL

- **Coatings** – Vehicle paints, coil coatings, decorative and protective packaging coatings and optical materials
- **Manufacturing** – Process additives, silicas, fiber glass, glass, paints, coatings and services used in making everything from bathtubs to pharmaceuticals, from footwear to computers
- **Processing and Packaging** – Sealants, chemicals and industrial and packaging coatings

### SERVICES

- **Chemicals** – Process management, procurement, inventory management and training
- **Insurance and Services** – Training, tools, technology and expertise that help distributors, retailers, technicians, consumers and insurance companies

### TRANSPORTATION

- **Aerospace** – Cockpit window glass, sealants and global application support centers
- **Automotive Aftermarket** – Products and services that help consumers, repair and service shops, manufacturers and insurers
- **Insurance and Services** – Technology and service solutions that help insurance companies, repair shops and consumers
- **Original-Equipment Manufacturing (OEM)** – Paints, glass, sealants, fiber glass and silicas to help land, air and water vehicles look and work better
- **Parts and Accessories** – Replacement, treatment and add-on products for consumers and repair or service shops

## BUSINESS UNITS

- **Aerospace**
- **Architectural Coatings**
- **Automotive Coatings**
- **Automotive OEM Glass**
- **Automotive Refinish**
- **Automotive Replacement Glass**
- **Chlor-Alkali and Derivatives**
- **Fiber Glass**
- **Fine Chemicals**
- **Industrial Coatings**
- **Insurance and Services**
- **Optical Products**
- **Packaging Coatings**
- **Performance Glazings**
- **Silicas**

## HISTORY

PPG Industries was founded in 1883 as the Pittsburgh Plate Glass Co. The company's first plant, at Creighton, Pa., near Pittsburgh, was the first commercially successful plate glass factory in the United States. PPG expanded flat glass production operations rapidly during the next decade and a half through new facilities and acquisitions.

Diversification began with construction of a plant in Ohio in 1899 to ensure a reliable supply of alkali for glassmaking – the first of PPG's chemicals businesses – and the 1900 acquisition of a paint company that was the foundation of its coatings businesses. In 1902, PPG became one of the first American manufacturing firms to establish European operations.

Glass and paint provided continued prosperity to the company in the 1920s, as the automotive industry and construction of skyscrapers transformed and modernized the American scene.

During this period, PPG also increased its commitment to developing technology for improved production efficiency and high product quality and versatility. One early achievement in 1924 was the first straight-line conveyor method of glass manufacture, which advanced the glass production process much as the assembly line transformed the automotive industry. In the decades since, PPG has continued to develop new glass and paint products to meet more demanding market needs, and to expand its array of chemical products.

In 1952, recognizing the potential of another type of glass product, the company established its fiber glass business. One of the "miracle" fibers created by laboratory researchers, fiber glass continues to achieve expanding use in a variety of products, and PPG has been at the forefront of product and process development.

As a result of its diversification, growth and rapidly developing global presence, as well as the passing of the old plate process for making glass, the company changed its name to PPG Industries in 1968. In the ensuing decades, as many of its basic commodity product markets matured in North America and Europe, the company gave new emphasis to development of specialty, value-added products, process efficiency and accelerated global expansion.

Today PPG is a leader in its markets, streamlined and efficient, and on the leading edge of new technologies to provide a growth-focused future worldwide.

## 2005 REVIEW

Net Sales	\$ 10.2 billion
Net Income	\$ 596 million
Earnings per Share <sup>(1)</sup>	\$ 3.49
Average Shares Outstanding <sup>(1)</sup>	170.9 million
Employees	30,800
Capital Spending <sup>(3)</sup>	\$ 379 million
Research and Development	\$ 325 million

<b>Assets, Sales &amp; Earnings By Business Segment</b>	<b>Assets (millions)</b>	<b>Sales (millions)</b>	<b>Operating Income (loss) (millions)</b>
Coatings	\$ 4,537	\$ 5,566	\$ 609
Glass	1,633	2,237	56
Chemicals	1,085	2,398	451
Corporate	1,426 <sup>(2)</sup>	—	(51)
Total	<u>\$ 8,681</u>	<u>\$ 10,201</u>	<u>\$ 1,065</u>

Asbestos settlement – net	(22)
Interest – net	(68)
Compensation cost associated with stock options	(28)
Income before income taxes and minority interest	<u>\$947</u>

<sup>(1)</sup> Assumes dilution.

<sup>(2)</sup> Principally cash and cash equivalents and deferred tax assets.

<sup>(3)</sup> Including business acquisitions.

<b>Assets, Sales &amp; Earnings By Geographic Segment</b>	<b>Assets (millions)</b>	<b>Sales (millions)</b>	<b>Operating Income (loss) (millions)</b>
United States	\$ 5,422	\$ 6,562	\$ 769
Europe	1,878	2,090	195
Other	1,381	1,549	152
Corporate	*	—	(51)
Total	<u>\$ 8,681</u>	<u>\$ 10,201</u>	<u>\$ 1,065</u>

Asbestos settlement – net	(22)
Interest – net	(68)
Compensation cost associated with stock options	(28)
Income before income taxes and minority interest	<u>\$947</u>

\* Corporate assets are shown within the appropriate geographic segment.

# MANUFACTURING LOCATIONS

Includes subsidiaries, joint ventures and minority affiliates. PPG's percentage of equity in those not wholly owned is shown in parentheses.

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## UNITED STATES

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### *Coatings*

Adrian, Mich.	Greensboro, N.C.
Arvada, Colo.	Houston, Texas
Batavia, Ill.	Huntsville, Ala.
Baton Rouge, La.	Kenosha, Wis.
Circleville, Ohio	Louisville, Ky.
Cleveland, Ohio	Mojave, Calif.
Delaware, Ohio	Oak Creek, Wis.
Dover, Del.	Springdale, Pa.
East Point, Ga.	Strongsville, Ohio
Euclid, Ohio	Waller, Texas
Glendale, Calif.	Watertown, Conn.
Gloucester City, N.J.	

### *Glass*

Berea, Ky.	Meadville, Pa.
Burlington, Iowa	Mount Zion, Ill.
Carlisle, Pa.	Newark, Del.
Creighton, Pa.	O'Fallon, Mo.
Crestline, Ohio	Salem, Ore.
Evansville, Ind.	Talladega, Ala.
Ewart, Mich.	Tipton, Pa.
Fresno, Calif.	Wichita Falls, Texas

Belletech Corp. (40%)	LYNX Services, LLC.
Bellefontaine, Ohio	Ft. Myers, Fla.
	Paducah, Ky.
	Trevose, Pa.

### *Fiber Glass*

Chester, S.C.	AZDEL, Inc. (50%)
Lexington, N.C.	Forest, Va.
Shelby, N.C.	Shelby, N.C.

### *Chemicals*

Barberton, Ohio	Marlborough, Mass.
Lake Charles, La.	Natrium, W.Va.
La Porte, Texas	
RS Cogen LLC. (50%)	PHH Monomers LLC. (50%)
Lake Charles, La.	Lake Charles, La.

Transitions Optical, Inc. (51%)  
Pinellas Park, Fla.

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## ARGENTINA

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### *Coatings*

PPG Industries Argentina S.A.  
Pilar

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## AUSTRALIA

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### *Coatings*

PPG Industries Australia PTY Ltd.  
Clayton, Vic.

### *Chemicals*

Transitions Optical PTY Ltd. (51%)  
Lonsdale, Vic.

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## BRAZIL

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### *Coatings*

PPG Industrial do Brasil  
Cajamar  
Sumaré

### *Chemicals*

Transitions Optical do Brasil Limitada (51%)  
Sumaré

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## CANADA

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### *Coatings*

PPG Canada, Inc.  
Mississauga, Ont.  
Winnipeg, Man.  
Chemfil Canada Ltd. (50%)  
Windsor, Ont.

### *Glass*

PPG Canada, Inc.  
Alliston, Ont.  
Cambridge, Ont.  
Hawkesbury, Ont.  
Oshawa, Ont.  
Owen Sound, Ont.

### *Chemicals*

PPG Canada, Inc.  
Beauharnois, Que.

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## CHINA

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### *Coatings*

PPG Coatings (Tianjin) Co., Ltd.

Tianjin

PPG Packaging Coatings (Suzhou) Co., Ltd. (90%)

Suzhou

### *Fiber Glass*

PPG Fiber Glass (Kunshan) Co., Ltd. (50%)

Kunshan

PPG Sinoma Jinjing Fiber Glass Co. Ltd. (50%)

Zibo

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## ENGLAND

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### *Coatings*

PPG Industries (UK) Ltd.

Shildon

Stowmarket

### *Fiber Glass*

PPG Industries (UK) Ltd.

Wigan

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## FRANCE

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### *Coatings*

PPG Industries France SAS

Saultain

PPG Coatings SA

Gonfreville

### *Chemicals*

PPG-Sipsy SAS

Avrillé

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## GERMANY

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### *Coatings*

PPG Industries Lacke GmbH

Wuppertal

PPG Industries Lackfabrik GmbH

Weingarten

HOBA Lacke und Farben GmbH

Bodelshausen

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## INDIA

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### *Coatings*

Asian PPG Industries Ltd. (50%)

Mumbai

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## IRELAND

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### *Chemicals*

Transitions Optical Ltd. (51%)

Tuam

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## ITALY

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### *Coatings*

Ampaspace Srl (80%)

Casaletto Vaprio

Bellaria SpA

Felizzano

PPG Industries Italia Srl

Caivano

Milan

Quattordio

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## MALAYSIA

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### *Coatings*

PPG Coatings (Malaysia) Sdn. Bhd.

Selangor Darul Ehsan

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## MEXICO

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### *Coatings*

PPG Industries de Mexico, SA de CV

San Juan del Rio

### *Glass*

PPG Industries de Mexico, SA de CV

Saltillo

Cristal Laminado o Templado, SA de CV (50%)

Tepeji del Rio

### *Chemicals*

PPG Industries de Mexico, SA de CV

Altamira

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## NETHERLANDS

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### *Coatings*

PPG Coatings BV  
Tiel

### *Fiber Glass*

PPG Industries Fiber Glass BV  
Hoogezand  
AZDEL BV (50%)  
Bergen op Zoom

### *Chemicals*

PPG Industries Chemicals BV  
Delfzijl

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## PHILIPPINES

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### *Chemicals*

Transitions Optical Philippines, Inc. (51%)  
Laguna

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## SINGAPORE

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### *Coatings*

PPG Singapore Co.  
Singapore

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## SOUTH KOREA

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### *Coatings*

DongJu Industrial Co., Ltd. (50%)  
Chon Ahn  
Busan  
PPG Daihan Packaging Coatings Ltd. (50%)  
Anyang City

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## SPAIN

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### *Coatings*

PPG Iberica, S.A.  
Rubi  
Valencia  
Valladolid

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## TAIWAN

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### *Fiber Glass*

PFG Fiber Glass Corp. (50%)  
Chia Yi

### *Chemicals*

Taiwan Chlorine Industries Ltd. (60%)  
Kaohsiung

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## THAILAND

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### *Coatings*

PPG Coatings (Thailand) Co. Ltd.  
Bangsaothong

### *Chemicals*

Transitions Optical (Thailand) Ltd. (51%)  
Chonburi

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## TURKEY

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### *Coatings*

PPG Industries Kimya Sanayi ve Ticaret Anonim Sirketi  
Bursa

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## VENEZUELA

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### *Fiber Glass*

VFG-Sudamtex, C.A. (49%)  
Barcelona

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## PRINCIPAL RESEARCH & DEVELOPMENT FACILITIES

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Allison Park, Pa., Coatings  
Harmar Township, Pa., Glass  
Hoogezand, Netherlands, Fiber Glass  
Monroeville, Pa., Chemicals  
Shelby, N.C., Fiber Glass  
Springdale, Pa., Coatings