PPG INDUSTRIES INC
Form 424B5
July 31, 2012
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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-168310

This preliminary prospectus supplement relates to an effective registration statement under the Securities Act of 1933, but is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED JULY 26, 2010

PPG Industries, Inc.

$ % Notes due 2022

We are offering $ % Notes due 2022 (the notes). We will pay interest on the notes on August 15 and February 15 of each year, beginning on February 15, 2013. We may redeem some or all of the notes at any time and from time to time at the redemption price described herein.

We must offer to repurchase the notes upon the occurrence of a change of control triggering event at the price described in this prospectus supplement in Description of the Notes Change of Control Offer.

The notes will be our senior unsecured obligations and will rank equally with all our other senior unsecured indebtedness from time to time outstanding.

See Risk Factors on page S-11 of this prospectus supplement and Risk Factors contained in our Annual Report on Form 10-K for the year ended December 31, 2011, incorporated by reference herein, to read about certain risks you should consider before investing in the notes.

	Price to Public (1)	Underwriting Discount	Proceeds To Issuer
Per note	%	%	%
Total	$	$	$

(1) Plus accrued interest, if any, from August , 2012.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the prospectus to which it relates is truthful or complete. Any representation to the contrary is a criminal offense.

We do not intend to list the notes on any securities exchange.

Delivery of the notes offered hereby in book-entry form only, will be made on or about August , 2012.

Joint Book-Running Managers

BNP PARIBAS **Goldman, Sachs & Co.** **J.P. Morgan**

The date of this prospectus supplement is July , 2012.

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Prospectus Supplement

Prospectus

We have not authorized anyone to provide any information other than that contained in this document or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This document may be used only where it is legal to sell these securities. The information in this document may be accurate only on the date of this document.

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ABOUT THIS PROSPECTUS SUPPLEMENT

We provide information to you about this offering in two separate documents. The accompanying prospectus provides general information about us and securities we may offer from time to time, some of which may not apply to this offering. This prospectus supplement describes the specific details regarding this offering. Generally, when we refer to the prospectus, we are referring to both documents combined. Additional information is incorporated by reference in this prospectus supplement. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement.

We have not authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or any free writing prospectus filed by us with the Securities and Exchange Commission, or the SEC. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are not, and the underwriters are not, making an offer to sell these notes in any jurisdiction where the offer and sale are not permitted. You should not assume that the information in this prospectus supplement, the accompanying prospectus, any free writing prospectus or any document incorporated by reference is accurate as of any date other than their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

DISCLOSURE ABOUT FORWARD-LOOKING STATEMENTS

Statements in this prospectus supplement and the accompanying prospectus relating to matters that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 reflecting our current view with respect to future events or objectives and financial or operational performance or results. These matters involve risks and uncertainties as discussed in our periodic reports on Form 10-K and Form 10-Q, and our current reports on Form 8-K, filed with the Securities and Exchange Commission (the SEC). Accordingly, many factors could cause actual results to differ materially from our forward-looking statements.

Among these factors are 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, the realization of anticipated cost savings from restructuring initiatives, difficulties in integrating acquired businesses and achieving expected synergies therefrom, the ability to penetrate existing, developing or emerging foreign and domestic markets, economic and political conditions in international 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 and the unpredictability of existing and possible future litigation, including litigation that could result if the asbestos settlement discussed in our filings with the SEC does not become effective. However, it is not possible to predict or identify all such factors.

This prospectus supplement also contains statements about our agreement to separate our commodity chemicals business in a Reverse Morris Trust transaction (the Transaction), as more fully described under Summary Recent Developments Pending Separation of Our Commodity Chemicals Business. Many factors could cause actual results to differ materially from our forward-looking statements with respect to the Transaction, including the parties ability to satisfy the conditions of the Transaction; the parties ability to complete the Transaction on anticipated terms and schedule, including the ability of Georgia Gulf Corporation (Georgia Gulf) to obtain the requisite shareholder approval and the ability of the parties to obtain regulatory approvals and the anticipated tax treatment of the Transaction and related transactions; risks relating to any unforeseen liabilities, future capital expenditures, revenues, expenses, earnings, synergies, economic performance, indebtedness, financial condition, losses and future prospects; business and management strategies for the management, expansion and growth of Georgia Gulf s operations; Georgia Gulf s ability to integrate our

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commodity chemicals business successfully after the closing of the Transaction and to achieve anticipated synergies; and the risk that disruptions from the Transaction will harm our or Georgia Gulf s respective businesses.

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 as 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 our consolidated financial condition, results of operations or liquidity.

Forward-looking statements speak only as of the date of their initial issuance, and we do not undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise, except as otherwise required by applicable law.

WHERE YOU CAN FIND MORE INFORMATION

Available information

We file reports, proxy statements and other information with the SEC. Such reports, proxy statements and other information that we file with the SEC can be read and copied at the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 to obtain further information on the operation of the Public Reference Room. The SEC maintains an internet site that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC, including us. The SEC s internet address is *http://www.sec.gov*. In addition, our common stock is listed on the New York Stock Exchange, and our reports and other information can be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005. Our internet address is *http://www.ppg.com*. The information on our internet site is not a part of this prospectus supplement or the accompanying prospectus.

Incorporation by Reference

The SEC allows us to incorporate by reference information that we file with it. This means that we can disclose important information to you by referring you to other documents. Any information we incorporate in this manner is considered part of this prospectus except to the extent updated and superseded by information contained in this prospectus and any prospectus supplement. Some information that we file with the SEC after the date of this prospectus and until we sell all of the securities covered by this prospectus will automatically update and supersede the information contained in this prospectus.

We incorporate by reference the following documents that we have filed with the SEC and any filings that we make with the SEC in the future under Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), until we sell all of the securities covered by this prospectus, including between the date of this prospectus and the date on which the offering of the securities under this prospectus is terminated, except as noted in the paragraph below:

Our SEC Filings (File No. 1-01687)	Period for or Date of Filing
Annual Report on Form 10-K	Year Ended December 31, 2011
Quarterly Reports on Form 10-Q	Quarters Ended March 31 and June 30, 2012
Current Reports on Form 8-K	April 5 (filed under Item 2.05 of Form 8-K), April 25 and July 19, 2012 (filed under Items 1.01 and 8.01 of Form 8-K)
Definitive Proxy Statement on Schedule 14A	March 8, 2012

Pursuant to General Instruction B of Form 8-K, any information submitted under Item 2.02, Results of Operations and Financial Condition, or Item 7.01, Regulation FD Disclosure, of Form 8-K is not deemed to be

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filed for the purpose of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. We are not incorporating by reference any information submitted under Item 2.02 or Item 7.01 of Form 8-K into any filing under the Securities Act of 1933, as amended (the Securities Act), or the Exchange Act or into this prospectus supplement or the accompanying prospectus.

Statements contained in this prospectus supplement or the accompanying prospectus as to the contents of any contract, agreement or other document referred to in this prospectus supplement or the accompanying prospectus do not purport to be complete, and where reference is made to the particular provisions of that contract, agreement or other document, those references are qualified in all respects by reference to all of the provisions contained in that contract, agreement or other document. For a more complete understanding and description of each such contract, agreement or other document, we urge you to read the exhibits to the registration statement of which the accompanying prospectus is a part.

Any statement contained in a document incorporated by reference, or deemed to be incorporated by reference, into this prospectus supplement and the accompanying prospectus will be deemed to be modified or superseded for purposes of this prospectus supplement and the accompanying prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is incorporated by reference in this prospectus supplement and the accompanying prospectus modifies or supersedes that statement. Any such statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement and the accompanying prospectus.

We will provide without charge, upon written or oral request, a copy of any or all of the documents that are incorporated by reference into this prospectus supplement and the accompanying prospectus and a copy of any or all other contracts, agreements or documents which are referred to in this prospectus supplement or the accompanying prospectus. Requests should be directed to: PPG Industries, Inc., One PPG Place, Pittsburgh, Pennsylvania 15272, Attention: Corporate Secretary; telephone number: (412) 434-3131. You also may review a copy of the registration statement of which the accompanying prospectus is a part and its exhibits at the SEC s Public Reference Room in Washington, D.C., as well as through the SEC s internet site.

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SUMMARY

The following summary information is qualified in its entirety by the information contained elsewhere in this prospectus supplement and the accompanying prospectus, including the documents we have incorporated by reference, and in the indenture as described under Description of the Notes. References to PPG, the Company, the registrant, we, our and us and similar terms mean PPG Industries, Inc. and its consolidated subsidiaries, unless the context requires otherwise. References herein to U.S.$, $, dollar or U.S. dollar are to the currency of the United States of America.

THE COMPANY

We are a diversified manufacturer and are comprised of six reportable segments: Performance Coatings, Industrial Coatings, Architectural Coatings EMEA (Europe, Middle East and Africa), Optical and Specialty Materials, Commodity Chemicals, and Glass.

Performance Coatings, Industrial Coatings and Architectural Coatings EMEA

The Performance Coatings, Industrial Coatings and Architectural Coatings EMEA reportable segments supply protective and decorative finishes for customers in a wide array of end use markets, including industrial equipment, appliances and packaging; factory-finished aluminum extrusions and steel and aluminum coils; marine and aircraft equipment; automotive original equipment; other industrial and consumer products and coatings used by painting and maintenance contractors and by consumers for decoration and maintenance. In addition to supplying finishes to the automotive original equipment market, we supply automotive refinishes to the aftermarket.

Optical and Specialty Materials and Commodity Chemicals

Our Optical and Specialty Materials reportable segment produces *Transitions*® lenses, sunlenses, optical lens materials; amorphous precipitated silicas for tire, battery separator, and other end-use markets; and Teslin® synthetic printing sheet used in such applications as waterproof labels, e-passports and identification cards. The Commodity Chemicals reportable segment produces chlor-alkali and derivative products including chlorine, caustic soda, vinyl chloride monomer, chlorinated solvents, calcium hypochlorite, ethylene dichloride, hydrochloric acid and phosgene derivatives. For more information regarding the pending separation of our commodity chemicals business, see Recent Developments Pending Separation of Our Commodity Chemicals Business below.

Glass

We are a producer of flat and fabricated glass in North America and a global producer of continuous-strand fiber glass. Our major markets include commercial and residential construction, wind energy, energy infrastructure, transportation and the electronics industry. We manufacture flat glass by the float process and fiber glass by the continuous-strand process.

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We are a Pennsylvania corporation with our principal executive offices located at One PPG Place, Pittsburgh, Pennsylvania 15272, telephone number (412) 434-3131.

Our internet address is *http://www.ppg.com*. The information on our internet site is not a part of this prospectus supplement or the accompanying prospectus.

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Recent Developments

Pending Separation of Our Commodity Chemicals Business

On July 19, 2012, we announced that we had entered into definitive agreements, dated July 18, 2012, with Georgia Gulf pursuant to which we will separate our commodity chemicals business in a Reverse Morris Trust transaction. In particular, pursuant to the terms of the agreements governing the Transaction (the Agreements), we will separate our commodity chemicals business through a spin off or split off, and the new company containing the commodity chemicals business will immediately merge with Georgia Gulf or a Georgia Gulf subsidiary. Following the completion of the Transaction, our shareholders will own approximately 50.5% of the outstanding capital stock of Georgia Gulf, with Georgia Gulf shareholders owning approximately 49.5% of the capital stock of Georgia Gulf.

The aggregate value for the Transaction of approximately $2.1 billion consists of $900 million of cash to be paid to us, approximately $95 million of indebtedness to be assumed by the surviving company, approximately $87 million of minority interest and approximately 35.2 million shares of Georgia Gulf common stock to be received by our shareholders, which are valued at approximately $1.0 billion based on Georgia Gulf s closing stock price on July 18, 2012. In the Transaction, we will transfer certain related environmental liabilities, pension assets and liabilities and other post-employment benefits obligations associated with our commodity chemicals business to the surviving company. We expect the Transaction to be completed in late 2012 or early 2013.

The completion of the Transaction is subject to customary conditions set forth in the Agreements, including (i) the receipt of certain private letter rulings from the Internal Revenue Service regarding the Transaction and the consummation of the Transaction in accordance with those private letter rulings; (ii) the expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and, if applicable, the attainment of approval of the transaction under the *Competition Act* (Canada), R.S.C., c. C-34, as amended; (iii) the effectiveness of the registration statement to be filed by Georgia Gulf under the Securities Act to register the issuance of shares of Georgia Gulf common stock; (iv) the receipt of the necessary approval by the shareholders of Georgia Gulf in accordance with applicable law and the rules and regulations of the New York Stock Exchange; (v) the consummation of certain financing transactions, as set forth in the Agreements; (vi) the absence of any law, order or other legal restraint, injunction or prohibition preventing the completion of the Transaction; (vii) subject to certain exceptions, the accuracy of the respective representations and warranties made by the parties in the Agreements; and (viii) the performance by each of the parties in all material respects of the respective covenants in the Agreements required to be performed by it. There can be no assurance that the Transaction will be completed. This offering is not conditioned upon the completion of the Transaction.

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The Offering

Issuer	PPG Industries, Inc.
Securities Offered	$ aggregate principal amount of notes.
Maturity	The notes will mature on August 15, 2022.
Interest Payment Dates	August 15 and February 15 of each year, commencing on February 15, 2013.
Interest Rate	The notes will bear interest at % per year.
Optional Redemption	We may redeem the notes, in whole or in part, at any time and from time to time at the redemption prices described herein under the caption Description of the Notes Optional Redemption.
Change of Control Offer	If we experience a change of control triggering event, we may be required to offer to purchase the notes at a purchase price equal to 101% of their principal amount, plus accrued and unpaid interest. See Description of the Notes Change of Control Offer.
Certain Covenants	The indenture governing the notes contains certain restrictions, including a limitation that restricts our ability and the ability of certain of our subsidiaries to create or incur secured indebtedness. Certain sale and leaseback transactions are similarly limited. See Description of the Notes Certain Covenants.
Ranking	The notes will be our senior unsecured obligations and will rank equally with all our other senior unsecured indebtedness, including all other unsubordinated debt securities issued under the indenture, from time to time outstanding. The indenture governing the notes provides for the issuance from time to time of senior unsecured indebtedness by us in an unlimited amount. See Description of the Notes.
Form and Denomination	The notes will be issued in fully registered form in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.
DTC Eligibility	The notes will be represented by global certificates deposited with The Depository Trust Company (DTC) or its nominee. See Description of the Notes Book-Entry Procedures.
Same Day Settlement	Beneficial interests in the notes will trade in DTC s same-day funds settlement system until maturity. Therefore, secondary market trading activity in such interests will be settled in immediately available funds.

Use of Proceeds	We expect to receive net proceeds, after deducting the underwriting discount but before deducting other offering expenses, of approximately $ from this offering. We expect to use the net proceeds from this offering to repay a portion of our outstanding 5.75% Notes due 2013 or for general corporate purposes. See Use Of Proceeds.

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No Listing of the Notes	We do not intend to apply to list the notes on any securities exchange or to have the notes quoted on any automated quotation system.
Governing Law	The notes will be, and the indenture is, governed by the laws of the State of New York, United States of America.
Trustee, Registrar and Paying Agent	The Bank of New York Mellon Trust Company, N.A.

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Summary Consolidated Historical Financial Data

The following table sets forth summary historical consolidated financial and other data as of and for the periods presented. The summary historical consolidated financial and other data as of and for the three years ended December 31, 2011 has been derived from our audited consolidated financial statements. The summary historical consolidated financial and other data as of and for the six months ended June 30, 2012 and 2011 has been derived from our unaudited condensed consolidated financial statements. In the opinion of PPG s management, the interim financial information provided herein reflects all adjustments (consisting of normal and recurring adjustments) necessary for a fair presentation of the data for the periods presented. Interim results are not necessarily indicative of the results to be expected for the entire fiscal year.

The historical results presented below are not necessarily indicative of results that you can expect for any future period. The following data should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and related notes and the other financial and statistical information included in our Annual Report on Form 10-K for our fiscal year ended December 31, 2011 and our Quarterly Report on Form 10-Q for our fiscal quarter ended June 30, 2012, which are incorporated by reference into this prospectus supplement and the accompanying prospectus, and with Capitalization and Unaudited Pro Forma Condensed Consolidated Financial Information included in this prospectus supplement.

	Year Ended December 31,			Six Months Ended June 30,	
	2011	2010	2009	2012	2011
			(In millions)		
				(Unaudited)	
Statement of Operations Data:					
Net Sales	$ 14,885	$ 13,423	$ 12,239	$ 7,707	$ 7,519
Cost of sales, exclusive of depreciation and amortization	9,081	8,214	7,539	4,581	4,544
Selling, general and administrative expenses	3,234	2,979	2,936	1,672	1,626
Depreciation	346	346	354	176	174
Amortization	121	124	126	56	62
Research and development net	430	394	388	224	213
Interest expense	210	189	193	101	108
Interest income	(42)	(34)	(28)	(19)	(21)
Asbestos settlement net	12	12	13	6	6
Business restructuring			186	208	
Other charges	73	84	65	189	46
Other earnings	(177)	(180)	(150)	(65)	(90)
Income before income taxes	1,597	1,295	617	578	851
Income tax expense	385	415	191	131	220
Net income attributable to the controlling and noncontrolling interests	1,212	880	426	447	631
Less: Net income attributable to noncontrolling interests	117	111	90	72	63
Net Income (attributable to PPG)	$ 1,095	$ 769	$ 336	$ 375	$ 568
Balance Sheet Data (at end of period):					
Total assets	$ 14,382	$ 14,975	$ 14,240	$ 14,817	$ 15,267
Working capital	2,992	3,433	2,404	2,586	3,317
Long-term debt less current portion	3,574	4,043	3,074	2,964	3,613
Other long-term obligations	3,660	3,474	3,667	3,613	3,444
Total PPG shareholders equity	3,249	3,638	3,753	3,461	4,054
Cash Flow Data:					
Cash from operating activities	$ 1,436	$ 1,310	$ 1,345	$ 434	$ 252
Cash from (used for) investing activities	353	(949)	(203)	(430)	325
Cash used for financing activities	(1,632)	(104)	(1,123)	(443)	(961)

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Summary Unaudited Pro Forma Condensed Consolidated Financial Information

As further described above under Recent Developments Pending Separation of Our Commodity Chemicals Business , on July 18, 2012, we and Georgia Gulf entered into definitive agreements pursuant to which we will separate our commodity chemicals business in a Reverse Morris Trust transaction. In particular, pursuant to the terms of the Agreements, we will separate our commodity chemicals business through a spin off or split off, and the new company containing the commodity chemicals business will immediately merge with Georgia Gulf or a Georgia Gulf subsidiary. The unaudited pro forma condensed consolidated financial information below has been adjusted to reflect the Transaction. As a result, our historical condensed consolidated balance sheet and condensed consolidated statements of income information has been adjusted on a pro forma basis to reflect the Transaction. The summary unaudited pro forma condensed consolidated financial information includes:

- unaudited pro forma condensed consolidated balance sheet data as of June 30, 2012 after giving effect to the Transaction as if it had occurred on June 30, 2012; and

- unaudited pro forma condensed consolidated statement of income data for the year ended December 31, 2011 and the six months ended June 30, 2012 after giving effect to the Transaction as if it had occurred on January 1, 2011.

The summary unaudited pro forma condensed consolidated financial information as of and for the year ended December 31, 2011 presented below has been derived primarily from our historical audited consolidated financial statements included in our Annual Report on Form 10-K for our fiscal year ended December 31, 2011, which is incorporated by reference into this prospectus supplement and the accompanying prospectus. This financial information was prepared in accordance with accounting principles generally accepted in the United States of America. The summary unaudited pro forma condensed consolidated financial information as of and for the six months ended June 30, 2012 presented below is based upon available information and assumptions we believe are reasonable under the circumstances as of the date of this prospectus supplement. Assumptions underlying the pro forma adjustments are described in the accompanying notes under Unaudited Pro Forma Condensed Consolidated Financial Information in this prospectus supplement, which should be read in conjunction with the summary unaudited pro forma condensed consolidated financial information presented below.

The summary unaudited pro forma condensed consolidated financial information presented below has been provided for information only and should not be considered indicative of our financial position or results of operations had the Transaction occurred as of the dates indicated. In addition, the summary unaudited pro forma condensed consolidated financial information presented below does not represent our future financial position or results of operations. The summary unaudited pro forma condensed consolidated financial information presented below also should be read in conjunction with our audited consolidated financial statements which are included in our Annual Report on Form 10-K for our fiscal year ended December 31, 2011 and our unaudited condensed consolidated financial statements which are included in our Quarterly Report on Form 10-Q for our fiscal quarter ended June 30, 2012, each of which are incorporated by reference in this prospectus supplement and the accompanying prospectus.

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	Year Ended December 31, 2011			Six Months Ended June 30, 2012		
	PPG Historical	Commodity Chemicals Business Historical	PPG Pro Forma Consolidated	PPG Historical	Commodity Chemicals Business Historical	PPG Pro Forma Consolidated
	(In millions) (Unaudited)					
Statement of Income Data:						
Net Sales	$ 14,885	$ (1,741)	$ 13,144	$ 7,707	$ (851)	$ 6,856
Cost of sales, exclusive of depreciation and amortization	9,081	(1,225)	7,856	4,581	(574)	4,007
Selling, general and administrative expenses	3,234	(112)	3,122	1,672	(52)	1,620
Depreciation	346	(39)	307	176	(20)	156
Amortization	121	(2)	119	56	(1)	55
Research and development net	430	(2)	428	224	(1)	223
Interest expense	210		210	101		101
Interest income	(42)		(42)	(19)		(19)
Business restructuring				208	(1)	207
Other charges	85	(10)	75	195	(4)	191
Other earnings	(177)	25	(152)	(65)	7	(58)
Income before income taxes	1,597	(376)	1,221	578	(205)	373
Income tax expense	385	(122)	263	131	(70)	61
Net income attributable to the controlling and noncontrolling interests	1,212	(254)	958	447	(135)	312
Less: Net income attributable to noncontrolling interests	117	(13)	104	72	(7)	65
Net Income (attributable to PPG)	$ 1,095	$ (241)	$ 854	$ 375	$ (128)	$ 247

	As of June 30, 2012		
	PPG Historical	Commodity Chemicals Business Historical	PPG Pro Forma Consolidated
	(In millions) (Unaudited)		
Balance Sheet Data:			
Total assets	$ 14,817	$ 137	$ 14,954
Working capital .	2,586	734	3,320
Long-term debt less current portion ..	2,964		2,964
Other long-term obligations ..	3,613	(310)	3,303
Total PPG shareholders equity .	3,461	659	4,120

See the accompanying notes to the unaudited pro forma condensed consolidated financial information on page S-20 for additional information.

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RISK FACTORS

An investment in the notes may involve various risks. Prior to making a decision about investing in our securities, and in consultation with your own financial and legal advisors, you should carefully consider, among other matters, the following risk factors, as well as those incorporated by reference in this prospectus supplement from our Annual Report on Form 10-K for our fiscal year ended December 31, 2011, under the heading Risk Factors and other filings we may make from time to time with the SEC.

The notes are subject to prior claims of any secured creditors and the creditors of our subsidiaries, and if a default occurs we may not have sufficient funds to fulfill our obligations under the notes.

The notes are our unsecured general obligations, ranking equally with our other senior unsecured indebtedness but below any secured indebtedness and effectively below the debt and other liabilities of our subsidiaries. The indenture governing the notes permits us and our subsidiaries to incur secured debt under specified circumstances. If we incur any secured debt, our assets and the assets of our subsidiaries will be subject to prior claims by our secured creditors. In the event of our bankruptcy, liquidation, reorganization or other winding up, assets that secure debt will be available to pay obligations on the notes only after all debt secured by those assets has been repaid in full. Holders of the notes will participate in our remaining assets ratably with all of our unsecured and unsubordinated creditors, including our trade creditors.

If we incur any additional obligations that rank equally with the notes, including trade payables, the holders of those obligations will be entitled to share ratably with the holders of the notes in any proceeds distributed upon our insolvency, liquidation, reorganization, dissolution or other winding up. This may have the effect of reducing the amount of proceeds paid to you. If there are not sufficient assets remaining to pay all these creditors, all or a portion of the notes then outstanding would remain unpaid.

An active trading market for the notes may not develop.

There is no existing market for the notes and we do not intend to apply for listing of the notes on any securities exchange or any automated quotation system. Accordingly, there can be no assurance that a trading market for the notes will ever develop or will be maintained. Further, there can be no assurance as to the liquidity of any market that may develop for the notes, your ability to sell your notes or the price at which you will be able to sell your notes. Future trading prices of the notes will depend on many factors, including prevailing interest rates, our financial condition and results of operations, the then-current ratings assigned to the notes and the market for similar securities. Any trading market that develops would be affected by many factors independent of and in addition to the foregoing, including:

- time remaining to the maturity of the notes;
- outstanding amount of the notes;
- the terms related to optional redemption of the notes; and
- level, direction and volatility of market interest rates generally.

The underwriters have advised us that they currently intend to make a market in the notes, but they are not obligated to do so and may cease market making at any time without notice.

Our ability to generate the significant amount of cash needed to pay interest and principal on the notes and service our other debt and financial obligations and our ability to refinance all or a portion of our indebtedness or obtain additional financing depends on many factors beyond our control.

Our ability to make payments on and to refinance our indebtedness, including the notes, depends on our ability to generate cash in the future. We are subject to general economic, industry, financial, competitive, legislative, regulatory and other factors that are beyond our control. In particular, economic conditions could

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cause the prices of the products we sell to fall, our revenue to decline and hamper our ability to repay our indebtedness, including the notes. As a result, we may need to refinance all or a portion of our indebtedness, including the notes, on or before maturity. Our ability to refinance debt or obtain additional financing will depend on, among other things:

- our financial condition at the time;
- restrictions in the indenture governing the notes and any other indebtedness of ours; and
- other factors, including financial market or industry conditions.

We may not be able to refinance any of our indebtedness, including the notes, on commercially reasonable terms, or at all. If our operations do not generate sufficient cash flow from operations, and additional borrowings or refinancings are not available to us, we may not have sufficient cash to enable us to meet all of our obligations, including payments on the notes.

The terms of the agreements governing our indebtedness contain significant restrictions that limit our operating and financial flexibility.

The indenture governing the notes and the agreements governing our and our subsidiaries other indebtedness contain various covenants and other restrictions that limit our ability and the ability of our restricted subsidiaries to engage in specified types of transactions. These covenants and other restrictions limit our and our restricted subsidiaries ability to, among other things:

- incur additional indebtedness;
- pay dividends on, repurchase or make distributions in respect of capital stock or make restricted payments;
- borrow the full amount under our credit facilities;
- make investments;
- create liens;
- issue and sell capital stock of subsidiaries;
- sell or transfer assets;
- enter into sale and leasebacks; and
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets.

These restrictions on operations and financings, as well as those that may be contained in future debt agreements, may limit our ability to execute preferred business strategies. Moreover, if our operating results fall below current levels, we may be unable to comply with these covenants. If that occurs, our lenders, including holders of notes, could accelerate the payment obligations with respect to that debt. If the payment obligations with respect to that debt are accelerated, we may not be able to repay all of that debt, in which case the indebtedness represented by your notes may not be fully repaid, if it is repaid at all.

We may not be able to repurchase the notes upon a change of control.

Upon the occurrence of specific kinds of change of control events, each holder of notes will have the right to require us to repurchase all or any part of such holder s notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of repurchase. The terms of our existing credit facilities and other financing arrangements may require repayment of amounts outstanding in the event of a change of control and limit our ability to fund the repurchase of the notes in certain circumstances. If we experience a change of control triggering event, there can be no assurance that we would have sufficient financial resources available to

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satisfy our obligations to repurchase the notes. Our failure to repurchase the notes as required under the supplemental indenture governing the notes would result in a default under the supplemental indenture, which could have material adverse consequences for us and the holders of the notes. See Description of the Notes Change of Control Offer.

Despite our current levels of debt, we may be able to incur substantially more debt. This could further exacerbate the risks associated with our existing debt.

We may be able to incur additional debt in the future, including debt that is senior to your notes. The terms of our other indebtedness and the indenture governing the notes allow us to incur substantial amounts of additional debt, subject to certain limitations. If new debt is added to our current debt levels, the related risks we could face would be magnified.

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USE OF PROCEEDS

We expect to receive net proceeds, after deducting the underwriting discount but before deducting other offering expenses, of approximately $ from this offering. We expect to use the net proceeds from this offering to repay a portion of our outstanding 5.75% Notes due 2013 (the 2013 Notes). The 2013 Notes, the outstanding aggregate principal amount of which as of June 30, 2012 was $600.0 million, are scheduled to mature on March 15, 2013. Any proceeds from the offering not used to repay a portion of our 2013 Notes will be used for general corporate purposes, which may include (i) working capital, (ii) capital expenditures, (iii) investments in or loans to our subsidiaries or joint ventures, (iv) the repayment, redemption or refinancing of debt, (v) the redemption or repurchase of our outstanding securities, (vi) funding of possible acquisitions and (vii) satisfaction of other obligations of ours. Pending any use of the net proceeds of this offering, the net proceeds may be invested in short-term instruments.

Certain of the underwriters or their affiliates hold positions in the 2013 Notes and, accordingly, will receive a portion of the net proceeds of this offering. (See Underwriting)

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CAPITALIZATION

The following table sets forth:

- our consolidated capitalization as of June 30, 2012;

- our as adjusted capitalization as of June 30, 2012, as adjusted to give effect to the offering of the notes and the application of the net proceeds of this offering as described under Use of Proceeds assuming that we invest the net proceeds of this offering in short-term instruments pending such use of proceeds.

You should read this table in conjunction with our consolidated financial statements, the related notes and other financial information contained in our Annual Report on Form 10-K for our fiscal year ended December 31, 2011 and our Quarterly Report on Form 10-Q for our fiscal quarter ended June 30, 2012, which are incorporated by reference in this prospectus supplement and the accompanying prospectus.

	As of June 30, 2012	
	Actual	**As Adjusted**
	(In millions)	
Cash and cash equivalents	$ 1,017	$
Long-term debt:		
Notes offered hereby	$	$
Other long-term debt	2,964	2,964
Total long-term debt	**2,964**	
Shareholders equity:		
Common stock	484	484
Additional paid-in capital	815	815
Retained earnings	9,486	9,486
Treasury stock, at cost	(5,531)	(5,531)
Accumulated other comprehensive loss	(1,793)	(1,793)
Total PPG shareholders equity	3,461	3,461
Noncontrolling interests	214	214
Total shareholders equity	**3,675**	**3,675**
Total capitalization	**$ 6,639**	**$**

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UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

As further described above under Recent Developments Pending Separation of Our Commodity Chemicals Business, on July 18, 2012, we and Georgia Gulf entered into definitive agreements pursuant to which we will separate our commodity chemicals business in a Reverse Morris Trust transaction. In particular, pursuant to the terms of the Agreements, we will separate our commodity chemicals business through a spin off or split off, and the new company containing the commodity chemicals business will immediately merge with Georgia Gulf or a Georgia Gulf subsidiary. The unaudited pro forma consolidated condensed financial information below has been adjusted to reflect the Transaction. As a result, our historical condensed consolidated balance sheet and condensed consolidated statements of income information has been adjusted on a pro forma basis to reflect the Transaction. The summary unaudited pro forma condensed consolidated financial information includes:

- an unaudited pro forma condensed consolidated balance sheet as of June 30, 2012 after giving effect to the Transaction as if it had occurred on June 30, 2012;

- unaudited pro forma condensed consolidated statements of income for the year ended December 31, 2011 and the six months ended June 30, 2012 after giving effect to the Transaction as if it had occurred on January 1, 2011; and

- notes to the unaudited pro forma condensed consolidated financial information.

The unaudited pro forma condensed consolidated financial information for the year ended December 31, 2011 presented below has been derived primarily from our historical audited consolidated financial statements included in our Annual Report on Form 10-K for our fiscal year ended December 31, 2011, which is incorporated by reference into this prospectus supplement and the accompanying prospectus. This financial information was prepared in accordance with accounting principles generally accepted in the United States of America. The unaudited pro forma condensed consolidated financial information as of and for the six months ended June 30, 2012 presented below is based upon available information and assumptions we believe are reasonable under the circumstances as of the date of this prospectus supplement. Assumptions underlying the pro forma adjustments are described in the accompanying notes below, which should be read in conjunction with the unaudited pro forma condensed consolidated financial information presented below.

The unaudited pro forma condensed consolidated financial information presented below has been provided for information only and should not be considered indicative of our financial position or results of operations had the Transaction occurred as of the dates indicated. In addition, the summary unaudited pro forma condensed consolidated financial information presented below does not represent our future financial position or results of operations. The unaudited pro forma condensed consolidated financial information presented below also should be read in conjunction with our audited consolidated financial statements which are included in our Annual Report on Form 10-K for our fiscal year ended December 31, 2011 and our unaudited condensed consolidated financial statements which are included in our Quarterly Report on Form 10-Q for our fiscal quarter ended June 30, 2012, each of which are incorporated by reference in this prospectus supplement and the accompanying prospectus.

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PPG Industries, Inc.

Unaudited Pro Forma Condensed Consolidated Balance Sheet

As of June 30, 2012

	PPG Historical	Commodity Chemicals Business Historical (a) (In millions)	PPG Pro Forma Consolidated
Assets			
Current assets:			
Cash	$ 1,017	$ 883**(b)**	$ 1,900
Receivables	3,310	(268)	3,042
Inventories	1,775	(68)	1,707
Other current assets	1,049	(13)	1,036
Total current assets	7,151	534	7,685
Property net	2,719	(370)	2,349
Investments	419	(3)	416
Goodwill and intangibles	3,711	(5)	3,706
Other assets	817	(19)	798
Total Assets	$ 14,817	$ 137	$ 14,954
Liabilities and Shareholders Equity			
Short-term debt and current portion	$ 647	$	$ 647
Accounts payable and accrued liabilities	3,802	(200)	3,602
Business restructuring	116		116
Total current liabilities	4,565	(200)	4,365
Long-term debt	2,964		2,964
Pensions	997	(77)	920
Other postretirement benefits	1,216	(171)	1,045
Other liabilities	1,400	(62)	1,338
Total Liabilities	11,142	(510)	10,632
Common Stock	484		484
Additional paid-in capital	815		815
Retained earnings	9,486	464**(c)**	9,950
Treasury stock, at cost	(5,531)		(5,531)
Accumulated other comprehensive loss	(1,793)	195	(1,598)
Total PPG shareholders equity	3,461	659	4,120
Noncontrolling interests	214	(12)	202
Total Shareholders Equity	3,675	647	4,322

Total Liabilities and Shareholders Equity	$ 14,817	$ 137	$ 14,954

See accompanying notes to unaudited pro forma condensed consolidated financial information.

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PPG Industries, Inc.

Unaudited Pro Forma Condensed Consolidated Statement of Income

Year-ended December 31, 2011

	PPG Historical	Commodity Chemicals Business Historical (d)	PPG Pro Forma Consolidated
	(In millions, except per share amounts)		
Net sales	$ 14,885	$ (1,741)	$ 13,144
Cost of sales, exclusive of depreciation and amortization	9,081	(1,225)	7,856
Selling, general and administrative	3,234	(112)	3,122
Depreciation	346	(39)	307
Amortization	121	(2)	119
Research and development net	430	(2)	428
Interest expense	210		210
Interest income	(42)		(42)
Other charges	85	(10)	75
Other earnings	(177)	25	(152)
Income before income taxes	1,597	(376)**(e)**	1,221
Income tax expense	385	(122)	263
Net income attributable to the controlling and noncontrolling interests	1,212	(254)	958
Less: net income attributable to noncontrolling interests	117	(13)	104
Net income attributable to PPG	$ 1,095	$ (241)	$ 854
Earnings per common share			
Net Income	$ 6.96		$ 5.43
Weighted average common shares outstanding	157.3		157.3
Earnings per common share assuming dilution			
Net Income	$ 6.87		$ 5.36
Weighted average common shares outstanding	159.3		159.3

See accompanying notes to unaudited pro forma condensed consolidated financial information.

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PPG Industries, Inc.

Unaudited Pro Forma Condensed Consolidated Statement of Income

Six Months Ended June 30, 2012

	PPG Historical	Commodity Chemicals Business Historical (d)	PPG Pro Forma Consolidated
	(In millions, except per share amounts)		
Net sales	$ 7,707	$ (851)	$ 6,856
Cost of sales, exclusive of depreciation and amortization	4,581	(574)	4,007
Selling, general and administrative	1,672	(52)	1,620
Depreciation	176	(20)	156
Amortization	56	(1)	55
Research and development net	224	(1)	223
Interest expense	101		101
Interest income	(19)		(19)
Business restructuring	208	(1)	207
Other charges	195	(4)	191
Other earnings	(65)	7	(58)
Income before income taxes	578	(205)(e)	373
Income tax expense	131	(70)	61
Net income attributable to the controlling and noncontrolling interests	447	(135)	312
Less: net income attributable to noncontrolling interests	72	(7)	65
Net income attributable to PPG	$ 375	$ (128)	$ 247
Earnings per common share			
Net Income	$ 2.45		$ 1.61
Weighted average common shares outstanding	153.0		153.0
Earnings per common share assuming dilution			
Net Income	$ 2.42		$ 1.60
Weighted average common shares outstanding	154.7		154.7

See accompanying notes to unaudited pro forma condensed consolidated financial information.

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PPG Industries, Inc.

Unaudited Pro Forma Condensed Consolidated Financial Information

Basis of Pro Forma Presentation

On July 18, 2012, we entered into definitive agreements under which we will separate our commodity chemicals business and merge it with Georgia Gulf or a subsidiary of Georgia Gulf. The terms of the Transaction call for us to form a new company by separating our commodity chemicals business through a spin off or split off, and then immediately merging the new company containing the commodity chemicals business with Georgia Gulf or a Georgia Gulf subsidiary in a Reverse Morris Trust transaction. At our election, the distribution of shares in the new company containing the commodity chemicals business may be effected by means of a pro rata dividend in a spin off or by means of an exchange offer in a split off. We have not yet made a decision as to the form of this distribution. For purposes of presenting the unaudited pro forma condensed consolidated financial statements, we assumed that this distribution was completed using a spin off.

Pro Forma Adjustments

Pro forma adjustments are necessary to reflect amounts of cash anticipated to be received from Georgia Gulf in exchange for the underlying assets and liabilities of the commodity chemicals business to be separated and immediately merged with Georgia Gulf or a subsidiary of Georgia Gulf. In connection with the Transaction, we will transfer certain environmental liabilities, pension assets and liabilities and other postemployment benefit obligations to the newly merged company.

(a) To reflect the anticipated disposition of commodity chemicals balance sheet accounts upon execution of the spin off of our commodity chemicals business and the subsequent merger of the new company containing the commodity chemicals business with Georgia Gulf or a Georgia Gulf subsidiary.

(b) Amount includes the anticipated cash to be received in the Transaction of $900 million.

(c) To reflect the net impact from the excess of the cash proceeds received of $900 million over the net book value of the assets disposed of in the Transaction.

(d) To remove the operating results of our commodity chemicals business as if the Transaction occurred on January 1, 2011. For purposes of this unaudited pro forma condensed consolidated statement of income, estimated tax rates of 32.5% and 34.3% have been used for the twelve months ended December 31, 2011 and six-month period ended June 30, 2012, respectively. The estimated income tax rates are based on applicable enacted statutory tax rates for the periods referenced above. The commodity chemical business s U.S., Canadian and other non-U.S. operating results are included in our income tax returns. The estimated tax rates used in these unaudited pro forma financial statements have been calculated under the separate return method. Under this approach, the tax rates were determined as if the commodity chemicals business was filing separate tax returns in each tax jurisdiction.

(e) Income before income taxes for the six months ended June 30, 2012 and the year ended December 31, 2011 is $1 million lower and $6 million higher, respectively, than segment income for the Commodity Chemicals segment of PPG in these periods. These differences are due to the allocation of certain items that were not reported in the Commodity Chemicals segment in accordance with the accounting guidance on segment reporting.

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DESCRIPTION OF THE NOTES

The following description of the particular terms of the notes supplements, and to the extent inconsistent, replaces, the description in the accompanying prospectus of the general terms and provisions of the debt securities to which description reference is hereby made. Capitalized terms defined in the accompanying prospectus and not defined herein are used herein as therein defined.

General

The aggregate principal amount of the notes is $. The notes will mature and become due and payable, together with any accrued and unpaid interest thereon, on August 15, 2022. The notes will bear interest at the rate of % per annum from August , 2012.

Interest on the notes will be payable semiannually in arrears on August 15 and February 15 of each year, beginning on February 15, 2013, to the persons in whose names the notes are registered at the close of business on the August 1 and February 1 preceding the respective interest payment dates. If any payment date is not a business day, then payment will be made on the next business day, but without any additional interest or other amount. Interest will be computed on the notes on the basis of a 360-day year of twelve 30-day months.

The notes will be our direct, unsecured and unsubordinated obligations and will rank equally and ratably with all of our other unsecured and unsubordinated indebtedness. The notes will be effectively subordinated to all of our current and future secured debt.

The notes will not be subject to any sinking fund.

The notes will be represented by one or more registered notes in global form, but in certain limited circumstances may be represented by notes in definitive form. See Book-entry system in this prospectus supplement. The notes will be issued in U.S. dollars and only in minimum denominations of $2,000, and integral multiples of $1,000 in excess of $2,000.

The notes will constitute a series of debt securities to be issued under a supplemental indenture dated as of August , 2012, between PPG and The Bank of New York Mellon Trust Company, N.A., as trustee.

We will file annual statements with the trustee regarding our compliance with our obligations under the indenture governing the notes.

Further issues

We may from time to time, without notice to or consent of the holders of the notes, create and issue additional notes ranking equally and ratably with the notes in all respects (or in all respects except for the payment of interest accruing prior to the issue date of such additional notes or except, in some cases, for the first payment of interest following the issue date of such additional notes). The additional notes may be consolidated and form a single series with the previously outstanding notes (regardless of whether such additional notes are issued as part of a qualified reopening for U.S. federal income tax purposes) and will have the same terms as to status, redemption or otherwise as the notes; provided that such additional notes will be fungible with the previously outstanding notes for U.S. federal income tax purposes or will be issued under a different CUSIP number.

Same-day settlement and payment

The notes will trade in the same-day funds settlement system of DTC until maturity or until we issue the notes in definitive form. DTC will therefore require secondary market trading activity in the notes to settle in immediately available funds. We can give no assurance as to the effect, if any, of settlement in immediately available funds on trading activity in the notes.

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Ranking

The notes will be our senior unsecured obligations and will rank equally with all our other senior unsecured indebtedness, including any other debt securities issued under the indenture governing the notes, from time to time outstanding.

Optional Redemption

The notes will be redeemable in whole or in part, at our option, at any time and from time to time at a redemption price equal to the greater of (i) 100% of the principal amount of the notes to be redeemed and (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate as defined below, plus basis points, plus accrued interest thereon to the date of redemption.

Treasury Rate means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount equal to the Comparable Treasury Price for such redemption date).

Comparable Treasury Issue means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such notes.

Comparable Treasury Price means, with respect to any redemption date, (i) the average of the Reference Treasury Dealer Quotations, as determined by us, for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (ii) if we obtain fewer than four such Reference Treasury Dealer Quotations, the average of all such Quotations.

Independent Investment Banker means one of the Reference Treasury Dealers that we appoint.

Reference Treasury Dealer means either BNP Paribas Securities Corp., Goldman, Sachs & Co. or J.P. Morgan Securities LLC and their successors, provided, however, that if any of the foregoing ceases to be a primary U.S. Government securities dealer in New York City (a Primary Treasury Dealer), we will substitute another Primary Treasury Dealer.

Reference Treasury Dealer Quotations means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by us, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to us by such Reference Treasury Dealer at 5:00 p.m. on the third business day preceding such redemption date.

Notice of any redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each holder of notes to be redeemed.

Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the notes or portions thereof called for redemption.

Change of Control Offer

If a change of control triggering event occurs, unless we have exercised our option to redeem the notes as described above, we will be required to make an offer (a change of control offer) to each holder of the notes to repurchase all or any part (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of that holder s notes on the terms set forth in the notes. In a change of control offer, we will be required to offer payment in cash equal to 101% of the aggregate principal amount of notes repurchased, plus accrued and unpaid interest, if any,

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on the notes repurchased to the date of repurchase (a change of control payment). Within 30 days following any change of control triggering event or, at our option, prior to any change of control, but after public announcement of the transaction that constitutes or may constitute the change of control, a notice will be mailed (or otherwise transmitted in accordance with DTC procedures) to holders of the notes describing the transaction that constitutes or may constitute the change of control triggering event and offering to repurchase such notes on the date specified in the applicable notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed (a change of control payment date). The notice will, if mailed (or otherwise transmitted as above) prior to the date of consummation of the change of control, state that the change of control offer is conditioned on the change of control triggering event occurring on or prior to the applicable change of control payment date.

On each change of control payment date, we will, to the extent lawful:

- accept for payment all notes or portions of notes properly tendered pursuant to the applicable change of control offer;
- deposit with the paying agent an amount equal to the change of control payment in respect of all notes or portions of notes properly tendered; and
- deliver or cause to be delivered to the trustee the notes properly accepted together with an officers certificate stating the aggregate principal amount of notes or portions of notes being repurchased.

We will not be required to make a change of control offer upon the occurrence of a change of control triggering event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by us and the third party repurchases all notes properly tendered and not withdrawn under its offer. In addition, we will not repurchase any notes if there has occurred and is continuing on the change of control payment date an event of default under the indenture, other than a default in the payment of the change of control payment upon a change of control triggering event.

We will comply with the requirements of Rule 14e-1 under the Exchange Act, and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a change of control triggering event. To the extent that the provisions of any such securities laws or regulations conflict with the change of control offer provisions of the notes, we will comply with those securities laws and regulations and will not be deemed to have breached our obligations under the change of control offer provisions of the notes by virtue of any such conflict.

For purposes of the change of control offer provisions of the notes, the following terms will be applicable:

Change of control means the occurrence of any of the following: (i) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or more series of related transactions, of all or substantially all of our assets and the assets of our subsidiaries, taken as a whole, to any person, other than our Company or one of our subsidiaries; (ii) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of our outstanding voting stock or other voting stock into which our voting stock is reclassified, consolidated, exchanged or changed, measured by voting power rather than number of shares; (iii) we consolidate with, or merge with or into, any person, or any person consolidates with, or merges with or into, us, in any such event pursuant to a transaction in which any of our outstanding voting stock or the voting stock of such other person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of our voting stock outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the voting stock of the surviving person or any direct or indirect parent company of the surviving person immediately after giving effect to such transaction; (iv) the first day on which a majority of the members of our Board of Directors are not continuing directors; or (v) the adoption of a plan relating to our liquidation or dissolution. The term person, as used in this definition, has the meaning given thereto in Section 13(d)(3) of the Exchange Act.

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Change of control triggering event means the occurrence of both a change of control and a rating event.

Continuing directors means, as of any date of determination, any member of our Board of Directors who (i) was a member of such Board of Directors on the date the notes were issued or (ii) was nominated for election, elected or appointed to such Board of Directors with the approval of a majority of the continuing directors who were members of such Board of Directors at the time of such nomination, election or appointment (either by a specific vote or by approval of our proxy statement in which such member was named as a nominee for election as a director, without objection to such nomination).

Investment grade rating means a rating equal to or higher than Baa3 (or the equivalent) by Moody s and BBB (or the equivalent) by S&P, and the equivalent investment grade credit rating from any replacement rating agency or rating agencies selected by us.

Moody s means Moody s Investors Service, Inc., and its successors.

Rating agencies means (i) each of Moody s and S&P; and (ii) if either Moody s or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Exchange Act selected by us (as certified by a resolution of our Board of Directors) as a replacement agency for Moody s or S&P, or all of them, as the case may be.

Rating event means the rating on the notes is lowered by each of the rating agencies and the notes are rated below an investment grade rating by each of the rating agencies on any day during the period (which period will be extended so long as the rating of the notes is under publicly announced consideration for a possible downgrade by each of the rating agencies) commencing 60 days prior to the first public notice of the occurrence of a change of control or our intention to effect a change of control and ending 60 days following consummation of such change of control.

S&P means Standard & Poor s Rating Services, a division of The McGraw-Hill Companies, Inc., and its successors.

Voting stock means, with respect to any specified person (as that term is used in Section 13(d)(3) of the Exchange Act) as of any date, the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

Certain Covenants

We have agreed to three principal limitations on our activities. The restrictive covenants summarized below will apply to the notes as long as any of the notes are outstanding, unless waived or amended in accordance with the indenture. See Modification and Waiver in the accompanying prospectus.

Limitations on Liens

Some of our property may be subject to mortgages, pledges, liens or security interests (Mortgages) that give some of our lenders preferential rights in that property over other general creditors, including the holders of notes, if we fail to pay them back. We have agreed under the indenture, with certain exceptions described below, that we will not, and will not permit any of our Restricted Subsidiaries (as defined below) to, issue, assume, guarantee or incur any indebtedness that is secured by Mortgages on any of our or our Restricted Subsidiaries present or future property, unless we or any of our Restricted Subsidiaries grant an equal or higher-ranking Mortgage on the same property to the direct holders of the notes and, if we so determine, to the holders of any of our other indebtedness or of such Restricted Subsidiary that ranks equally with the notes.

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The term Restricted Subsidiary means any of our subsidiaries other than foreign subsidiaries, subsidiaries in the territories or possessions of the United States, or leasing, real estate investment or financing subsidiaries, unless our Board of Directors designates one of these types of subsidiaries as a Restricted Subsidiary.

We do not need to comply with these limitations if the amount of all of our Mortgages and the aggregate value of sale and leaseback transactions involving our property, is not more than 10% of the Consolidated Net Tangible Assets (as defined below).

Consolidated Net Tangible Assets means the aggregate amount of assets (less applicable reserves and other properly deductible items) of the Company and its Restricted Subsidiaries after deducting therefrom (i) all goodwill, tradenames, trademarks, patents, unamortized debt discount and expense and other like intangibles and (ii) all current liabilities (excluding any current liabilities for money borrowed having a maturity of less than 12 months but by its terms being renewable or extendible beyond 12 months from such date at the option of the borrower), all as reflected in the Company s latest audited consolidated balance sheet contained in the Company s most recent annual report to its stockholders prior to the time as of which Consolidated Net Tangible Assets shall be determined.

When we calculate the limits imposed by this restriction, we can disregard the following types of Mortgages:

- Mortgages on the property of any of our subsidiaries, if those Mortgages existed at the time the corporation becomes a subsidiary;
- Mortgages on property that existed at the time we acquired the property, including property we may acquire through a merger or similar transaction, or that we grant in order to purchase the property;
- Mortgages on property to finance the cost of exploration, development or improvement of that property;
- intercompany Mortgages in our or our wholly owned subsidiaries favor;
- Mortgages in favor of federal or state governmental bodies or any other country or political subdivision of another country that we may grant in order to assure payments to such bodies that we owe by law or because of a contract we entered into; and
- Mortgages that extend, renew or replace any of the Mortgages described above.

We are permitted to have as much unsecured debt as we may choose.

Limitations on Sale and Leaseback Transactions

We agree that we will not and will not permit any Restricted Subsidiaries to enter into any sale and leaseback transaction involving our real property or the real property of our Restricted Subsidiaries, unless we comply with this restrictive covenant. A sale and leaseback transaction generally is an arrangement between an operating company and a bank, insurance company or other lender or investor where the operating company leases real property which was or will be sold by the operating company to that lender or investor, other than a lease for a period of three years or less by the end of which it is intended that the use of such real property by the operating company will be discontinued.

We can comply with this restrictive covenant in one of two ways:

- if, at the time of the transaction, we could create a Mortgage on the real property to be leased in an amount equal to the value of the sale and leaseback transaction without being required to grant an equal or higher-ranking Mortgage to the holders of the notes as described under *Limitations on Liens* above; or

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if we apply an amount, subject to certain adjustments described in the indenture, equal to the greater of:
(i) the net proceeds of the sale of the real property leased pursuant to such sale and leaseback transaction, and

(ii) the fair value of the real property so leased,

to retire any other debt that has a maturity of more than one year.

Limitations on Asset Transfers

Neither we nor our Restricted Subsidiaries may transfer any assets constituting a major manufacturing or research property, plant or facility to any of our subsidiaries that is not a Restricted Subsidiary.

Satisfaction and Discharge; Defeasance and Covenant Defeasance

The notes will be subject to the satisfaction and discharge provisions and the defeasance and covenant defeasance provisions set forth under Description of Debt Securities Satisfaction and Discharge; Defeasance and Covenant Defeasance in the accompanying prospectus.