

PPG Industries, Inc. One PPG Place Pittsburgh, Pennsylvania 15272

William H. Hernandez Sr. Vice President, Finance

November 28, 2005

VIA E-MAIL

Letter of Comment No:

File Reference: 1240-001

Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116
director@fasb.org

Re: File Reference 1240-001

Dear Sir or Madam:

PPG Industries, Inc. (PPG) is pleased to submit its comments on the revised exposure draft of the Proposed Statement of Financial Accounting Standards, "Earnings per Share, an amendment of FASB Statement No. 128." PPG is a Fortune 500 company and a leading global producer of coatings, glass, and chemical products. PPG employs approximately 31,000 employees, worldwide.

PPG acknowledges the FASB and the IASB's intention to converge US and International accounting standards while at the same time providing further guidance in accounting for earnings per share. However, we believe that FAS 128, as issued, provides sufficient and appropriate guidance in measuring earnings per share ("EPS"). We believe that a number of the changes in the proposed amendment are illogical and/or unnecessary. Furthermore, it is unclear to us how the changes in the proposed amendment would serve to improve financial reporting. Although we do not anticipate that these changes will have a material impact on PPG's calculation of EPS, we are compelled to comment due to conceptual disagreements with the proposed amendment.

Our views on specific issues proposed by the ED are summarized below:

Contracts That May Be Settled in Stock or Cash

The exposure draft proposes to eliminate the provision of FAS 128 that allows an entity to rebut the presumption that contracts that may be settled in either cash or shares will be settled in shares. We believe this aspect of the exposure draft is illogical as it proposes to change guidance that does not need to be changed. We believe the current provisions of FAS 128 in this area provide sufficient and appropriate guidance to measure EPS. The current standard allows companies to use judgment and past experience to determine the dilutive impact of this type of contract. We believe the current guidance is more reflective of business reality, and we are not aware of any company abusing this current guidance. The proposed amendment could result in an entity recognizing a dilutive impact for shares that are unlikely to be issued. We believe that if adequate past experience is available or policy is established to conclude that the arrangement is likely to be settled in cash, an entity should not include any shares related to the arrangement in the calculation of diluted EPS.

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Extinguishment of a Liability Is Assumed Proceeds

The exposure draft would modify the application of the treasury stock method to treat the carrying amount of an extinguished liability upon issuance of shares as assumed proceeds in the computation of incremental shares. We believe this concept is illogical, as it is unreasonable to apply the treasury stock method if the extinguishment does not result in the receipt of proceeds by the company. Therefore, we believe the current guidance should remain unchanged and not include the requirement that the extinguishment of a liability is assumed proceeds.

Weighted Average Computation of Contingently Issuable Shares

The proposal seeks to eliminate the weighted-average computation for calculating contingently issuable shares and would require that the contingently issuable shares be included in diluted EPS from the beginning of the period that the conditions for issuance are satisfied. We believe that a weighted-average basis gives a more accurate depiction of dilution as it takes into consideration the length of time the shares were outstanding. Using the weighted-average in the computation of contingently issuable shares is consistent with the calculation of shares outstanding used in computing basic EPS. We believe the use of the weighted-average calculation is more reasonable and accurate in reflecting the dilutive effect of contingently issuable shares.

Effective Date and Transition

The proposed guidance would be effective for all financial statements for periods ending after June 15, 2006. We believe the effective date of the proposed guidance should be the first fiscal year beginning after June 15, 2006. This change in effective date would allow all companies to disclose consistent earnings per share information for the entire fiscal year.

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Thank you for the opportunity to express our comments. Should you have any questions regarding our comments, please contact David Navikas, Vice-President and Controller, at 412-434-3812.

Sincerely,

cc: Nicholas Holsinger

David Navikas Brian Williams