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Third-Quarter 2019 Investor Call

Company reaffirms full-year outlook

Confident in long-term growth

October 29, 2019

Forward-Looking and Cautionary Statements

The statements contained in this presentation that are not historical facts or information and contain words such as “will,” “believe,” “anticipate,” “expect,” “intend,” “plan,” “seek,” “see,” “would,” and “target” and similar expressions are forward-looking statements. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and include estimates and assumptions related to economic, competitive and legislative developments. Such statements relate to future events that by their nature address matters that are, to different degrees, uncertain. These estimates are subject to change and uncertainty which are, in many instances, beyond our control. There can be no assurance that future developments will be in accordance with management’s expectations. Actual results could differ materially from those expected by us, depending on the outcome of various factors. We do not undertake to update forward-looking statements.

Some of the risks, uncertainties and other factors that could cause actual results to differ materially from those expressed in or implied by the forward-looking statements include, but are not limited to: the effects of acquisitions, dispositions and other similar transactions, global business, financial, economic and political conditions; tariffs and import duties; currency fluctuations between the U.S. dollar and other currencies, primarily the Japanese yen, euro, Chinese yuan and South Korean won; product demand and industry capacity; competitive products and pricing; availability and costs of critical components and materials; new product development and commercialization; order activity and demand from major customers; the amount and timing of our cash flows and earnings and other conditions, which may affect our ability to pay our quarterly dividend at the planned level or to repurchase shares at planned levels; possible disruption in commercial activities due to terrorist activity, cyber-attack, armed conflict, political or financial instability, natural disasters, or major health concerns; unanticipated disruption to equipment, facilities, IT systems or operations; effect of regulatory and legal developments; ability to pace capital spending to anticipated levels of customer demand; rate of technology change; ability to enforce patents and protect intellectual property and trade secrets; adverse litigation; product and components performance issues; retention of key personnel; customer ability, most notably in the Display Technologies segment, to maintain profitable operations and obtain financing to fund their ongoing operations and manufacturing expansions and pay their receivables when due; loss of significant customers; changes in tax laws and regulations including the Tax Cuts and Jobs Act of 2017; the impacts of audits by taxing authorities; and the potential impact of legislation, government regulations, and other government action and investigations.

For a complete listing of risks and other factors, please reference the risk factors and forward-looking statements described in our annual reports on Form 10-K and quarterly reports on Form 10-Q.

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Use of Non-GAAP Financial Information

Corning has included non-GAAP financial measures in this presentation to supplement Corning’s consolidated financial statements presented on a GAAP basis. In managing the Company and assessing our financial performance, we adjust certain measures provided by our consolidated financial statements to exclude specific items to arrive at core performance measures.

These items include gains and losses on our translated earnings contracts, acquisition-related costs, certain discrete tax items, restructuring and restructuring-related charges, certain litigation-related expenses, pension mark-to-market adjustments and other items which do not reflect on-going operating results of the Company or our equity affiliates. Additionally, Corning has adopted the use of constant currency reporting for our Display Technologies and Specialty Materials segments for the Japanese yen, South Korean won, and Chinese yuan. Effective January 1, 2019, Corning has adopted the use of constant currency reporting for our Environmental Technologies and Life Sciences segments for the euro, Japanese Yen and Chinese yuan. The company believes that the use of constant currency reporting allows investors to understand our results without the volatility of currency fluctuations, and reflects the underlying economics of the translated earnings contracts used to mitigate the impact of changes in currency exchange rates on our earnings and cash flows. Corning also believes that reporting core performance measures provides investors greater transparency to the information used by our management team to make financial and operational decisions.

These measures are not prepared in accordance with Generally Accepted Accounting Principles in the United States (“GAAP”). These measures are not, and should not be viewed as, a substitute for GAAP reporting measures. We believe investors should consider these non-GAAP measures in evaluating our results as they are more indicative of our core operating performance and how management evaluates our operational results and trends. Definitions of these non-GAAP financial measures and reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found on the Company’s website by going to the Investor Relations page and clicking “Quarterly Results” under the “Financials and Filings” tab.

Effective July 1, 2019, we have replaced the term “Core Earnings” with “Core Net Income”. The terms are interchangeable and the underlying calculations remain the same.

With respect to the Company’s outlook for future periods, we are not able to provide reconciliations for these non-GAAP measures because the Company does not forecast the movement of foreign currencies against the U.S. dollar, or other items that do not reflect ongoing operations, nor does it forecast items that have not yet occurred or are out of the Company’s control. As a result, the Company is unable to provide outlook information on a GAAP basis.

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Third-Quarter 2019 Highlights

“Corning is successfully taking actions to offset recent headwinds. At the same time, we remain confident in our strategy and continue to advance our long-term growth initiatives. “Two recent announcements – an additional \$250 million investment from Apple in Corning’s advanced manufacturing, as well as FDA approval of Valor Glass packaging for its first commercial use – are testament to our confidence in Corning’s long-term outlook.”

- Wendell Weeks, Chairman and CEO

 **\$3.0B**
Core Sales

 **\$0.44**
Core EPS

 **Focus**
On Growth Initiatives

 **11% increase**
Life Sciences Sales YoY

 **20% increase**
Environmental Sales YoY

 **Consistent**
Display Glass Price Sequentially

Leadership Priorities 2020 Through 2023

Relevant to Market Trends, Capturing Significant Technology Substitutions



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Market-Access Platform | Optical Communications

Grow ~2X the Passive Optical Market



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Market-Access Platform | Mobile Consumer Electronics Continue on Path to Doubling Sales

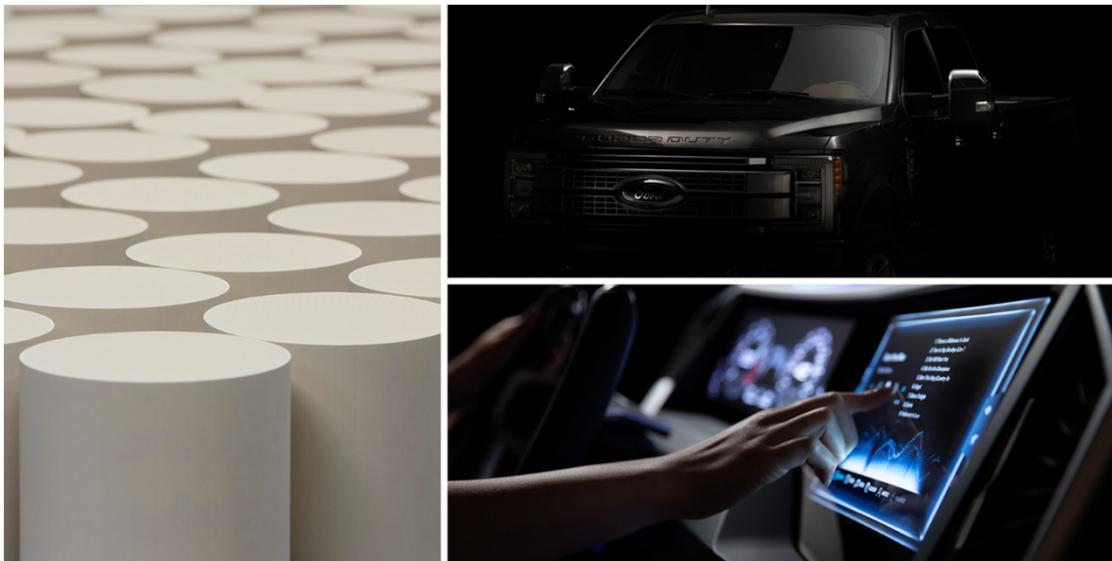


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Market-Access Platform | Automotive Double Sales to Automotive Market by 2023



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Market-Access Platform | Life Sciences Vessels
Grow Sales at Twice the Industry Rate | Launch Valor® Glass



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Market-Access Platform | Display
Maintain Stable Returns



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Focused and Cohesive Portfolio

Foundation for Sustained Growth



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Q3 GAAP Earnings

Capacity Realignment and FX Hedge Accounting

- Incurred Q3 charges of \$118M after tax, primarily related to capacity realignment in Display Technologies and Optical Communications
- Recorded unrealized, non-cash, after-tax gain of \$72M in Q3 2019 on mark-to-market adjustments associated with currency-hedging contracts and foreign debt
 - Translation hedges reduce our economic exposure to currency fluctuations, providing higher certainty for our earnings and cash flow, our growth investments, and our future shareholder distributions
 - Hedge contracts settled in any given quarter substantially offset changes in earnings and cash flow due to currency fluctuations

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Third-Quarter 2019 Core Performance

“In the third quarter, we acted quickly to address changing market conditions, we met our revised targets, and we continued our actions to advance our long-term growth plans. We are operating on the strong foundation that we built over the past four years, and we’re making progress in key areas as evidenced by our ongoing customer announcements. This makes us confident in our ability to achieve the objectives we laid out in our 2020 to 2023 Strategy & Growth Framework.”

- Tony Tripeny, EVP and CFO

 **\$3.0B***
Core Sales

 **\$0.44***
Core EPS

 **20% increase***
Environmental Technologies Core Sales YoY

 **\$864M**
Adjusted Operating Cash Flow

*These are non-GAAP financial measures

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Display Technologies

Q3 2019 Sales Met Expectations | Pricing Environment Continues to Improve

 **\$793M**
Q3 Net Sales

 **\$185M**
Q3 Net Income

Q3 Results & Q4 Expectations

- Q3 sales met expectations
- Q3 display glass prices were consistent with Q2
- Q4 volume to decrease by a mid-single digit percentage sequentially
- Q4 glass prices are expected to decline slightly sequentially

Full-Year 2019 Expectations

- Volume up slightly; ramp-up of Gen 10.5 manufacturing capacity accounts for Display growing faster than the overall display glass market for 2019
- Full-year 2019 price declines are expected to improve over prior guidance, reaching low-single digit decline; improving significantly from 2018 glass price declines

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Optical Communications

Q3 2019 Sales Met Expectations



\$1.0B
Q3 Net Sales



\$127M
Q3 Net Income

Q3 Results & Q4 Expectations

- Q3 sales consistent with expectations
- Q3 sales reflect overall market weakness, including the spending decisions of several major carrier customers
- Taking actions to align costs to current sales

Full-Year 2019 Expectations

- Full-year 2019, we continue to expect sales to decline 3-5%

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Environmental Technologies

Q3 2019 Sales Up 20% | Net Income Up 32% YoY



\$397M
Q3 Net Sales



Up 20%
Net Sales YoY



\$79M
Q3 Net Income
32% increase YoY

Q3 Results & Q4 Expectations

- Q3 sales up 20% to \$397 million compared with last year's third quarter driven by GPF ramp and strong demand in the heavy-duty diesel market
- Expect fourth-quarter sales to increase by a low-teens percentage year-over-year

Full-Year 2019 Expectations

- Expect more than \$200M GPF sales for the year
- Expect sales to increase mid-teens versus 2018, more than prior guidance of a low-teens increase

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Specialty Materials

Q3 2019 Sales Consistent YoY | Growth Anticipated for Full-Year 2019



\$463M
Q3 Net Sales



\$92M
Q3 Net Income

Q3 Results & Q4 Expectations

- Sales were \$463 million consistent with Q3 2018, muted by lower Gorilla Glass shipments in China, due to trade environment and lower AO sales
- Expect fourth-quarter sales to be approximately flat year-over-year
- Net income impacted by newer innovations that initially start at lower margins, not offsetting the loss of higher-margin Gorilla Glass and AO products

Full-Year 2019 Expectations

- Expect sales growth, despite a declining smartphone market



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Life Sciences

Q3 2019 Sales Up 11% | Net Income Up 37% YoY



\$256M
Q3 Net Sales



Up 11%
Net Sales YoY



\$41M
Q3 Net Income
37% increase YoY

Q3 Results & Q4 Expectations

- Sales increased 11% year-over-year
- Net income up 37% year-over-year, driven by higher sales volume, improved product mix and operating margin leverage
- Fourth-quarter sales expected to grow mid-single digits year-over-year

Full-Year 2019 Expectations

- Expect sales to increase by mid-single digits, faster than the overall industry growth



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Financial Summary

Lowered Costs, Improved Glass Price Expectations, Delivered on Strategic Milestones, Tracking to Previous Guidance for the Full-Year



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Q&A Session

Corning's 2019 Investor Outreach Plans

- Conference Plans:
 - Dec. 12: Barclays, Global Technology Media and Telecommunications Conference
 - Jan. 8: Citi 2020 Global Technology Media and Telecommunications West Conference
- Management visits to investor offices in select cities
- Scheduled visits to Corning locations for hosted tours



Appendix

Progress on Strategy & Growth Framework

Expect to deliver both near- and long-term growth.



Optical Communications

- Verizon and Corning are co-innovating at Corning's optical cable manufacturing facility in Hickory, North Carolina, to build the 5G factory of the future.
- Corning is also collaborating with Intel to accelerate the availability and deployment of 5G in-building network solutions.



Mobile Consumer Electronics

- Apple announced an additional \$250 million investment from its Advanced Manufacturing Fund to support Corning's processes, equipment, and materials integral to the delivery of next-generation consumer devices.



Automotive

- Our Auto Glass Solutions business continues to build its order book. At next month's Guangzhou Auto Show, the industry's first shaped dual-display module with a single cover glass part will be on display in the GAC AION LX, an electric vehicle. The module is produced using Corning's® proprietary 3D ColdForm™ technology.



Life Sciences Vessels

- A leading pharmaceutical manufacturer has received FDA approval of Corning Valor® Glass for use as a primary package for a marketed drug product. The approval marks a major milestone toward future sales.



Display

- Chengdu CEC Panda Display Technology Co., Ltd., (CCPD) selected Corning® Astra™ Glass, which is optimized for the growing oxide display market and enables high-performance tablets, notebooks, and 8K TVs.

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2019 Guidance Summary (as of October 29, 2019)⁽¹⁾⁽²⁾

Ongoing Investments to Deliver Near- and Longer-Term Growth

- 2019 Gross Margin:
 - 2H Gross margin: ~39%
- 2019 Operating Expenses:
 - SG&A: ~14% of sales (Q4: ~\$390M), (FY: ~\$1.6B)
 - RD&E: ~8.5% of sales (Q4: \$245-\$250M), (FY: ~\$980-\$990M)
- 2019 Corporate Metrics:
 - Other income/expense: ~(\$260M) net expense (Q4: ~(\$70-75M) net expense)
 - Gross equity earnings: ~\$230M (Q4: ~\$150-155M)
 - Tax rate: ~20% for full year and Q4
 - Capital expenditures: Approximately \$2B
- Display Technologies
 - For full-year 2019, we continue to expect to grow faster than the overall glass market and volume growth to be up slightly, driven by the ramp up of Gen 10.5.
 - Full-year 2019 glass price expectations are improved. Expect full-year price declines to reach the low-single digits, versus prior guidance of low-to-mid single digit declines.
 - Q4 volume to decrease by a mid-single digit percentage sequentially
 - Q4 glass prices are expected to decline slightly sequentially, equivalent to down low-single digits year-over-year
- Optical Communications Sales
 - Full-year 2019 sales are expected to decline by 3-5%.
 - Market weakness is expected to continue in Q4; Q4 sales expected to be down ~25% year-over-year
- Environmental Technologies Sales
 - Full-year 2019 sales expected to be up by a mid-teens percentage, better than prior guidance of low-teens growth
 - GPF Sales to exceed \$200M in 2019 and grow robustly thereafter
 - Fourth-quarter 2019 sales expected to be up by a low-teens percentage year-over-year
- Specialty Materials Sales
 - Continue to expect full-year sales growth in 2019 despite a maturing smart phone market
- Life Sciences Sales
 - Full-year sales to grow mid-single digits year-over-year
 - Fourth-quarter 2019 to be up mid-single digits year-over-year

(1) Corning does not forecast the movement of foreign currencies against the U.S. dollar, or other items that do not reflect ongoing operations. As a result, the company is unable to provide guidance on a GAAP basis.
(2) Core performance measures are non-GAAP measures. Definitions and reconciliations are provided on our website.

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Q3 2019 Core Performance

<i>\$ in millions, except EPS</i>	Q3 2019	Q2 2019	Q3 2018
Core Net Sales	\$2,969	\$2,986	\$3,045
Core Gross Margin	\$1,156	\$1,198	\$1,280
<i>Gross Margin %</i>	39%	40%	42%
Core SG&A	\$381	\$407	\$420
<i>% of Sales</i>	13%	14%	14%
Core RD&E	\$239	\$249	\$243
<i>% of Sales</i>	8%	8%	8%
Core Gross Equity Earnings	\$23	\$28	\$32
Core Net Profit Before Taxes	\$488	\$509	\$595
Core Net Income	\$397	\$410	\$476
Core EPS	\$0.44	\$0.45	\$0.51
Weighted-Average Shares Outstanding	897	904	930

Core performance measures are non-GAAP measures. Definitions and reconciliations are provided on our website.

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Q3 2019 Operating Performance by Segment

<i>Segment Net Sales \$ in millions</i>	Q3 2019	Q2 2019	<i>% change</i>	Q3 2018	<i>% change</i>
Display Technologies	\$793	\$848	(6%)	\$852	(7%)
Optical Communications	\$1,007	\$1,090	(8%)	\$1,117	(10%)
Carrier Network	\$704	\$754	(7%)	\$808	(13%)
Enterprise Network	\$303	\$336	(10%)	\$309	(2%)
Environmental Technologies	\$397	\$366	8%	\$331	20%
Automotive	\$252	\$208	21%	\$182	38%
Diesel	\$145	\$158	(8%)	\$149	(3%)
Specialty Materials	\$463	\$369	25%	\$459	1%
Life Sciences	\$256	\$260	(2%)	\$231	11%
All Other	\$53	\$53	0%	\$55	(4%)
Total Net Sales	\$2,969	\$2,986	(1%)	\$3,045	(2%)

<i>Segment Net Income \$ in millions</i>	Q3 2019	Q2 2019	<i>% change</i>	Q3 2018	<i>% change</i>
Display Technologies	\$185	\$213	(13%)	\$218	(15%)
Optical Communications	\$127	\$158	(20%)	\$168	(24%)
Environmental Technologies	\$79	\$65	22%	\$60	32%
Specialty Materials	\$92	\$67	37%	\$116	(21%)
Life Sciences	\$41	\$40	3%	\$30	37%
All Other	(\$70)	(\$68)	(3%)	(\$72)	3%
Total Segment Net Income	\$454	\$475	(4%)	\$520	(13%)

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Year-to-Date 2019 Core Performance

<i>\$ in millions, except EPS</i>	YTD Q3 2019	YTD Q3 2018
Core Net Sales	\$8,805	\$8,317
Core Gross Margin	\$3,493	\$3,413
<i>Gross Margin %</i>	40%	41%
Core SG&A	\$1,186	\$1,177
<i>% of Sales</i>	13%	14%
Core RD&E	\$736	\$726
<i>% of Sales</i>	8%	9%
Core Gross Equity Earnings	\$77	\$89
Core Net Profit Before Taxes	\$1,454	\$1,437
Core Net Income	\$1,172	\$1,134
Core EPS	\$1.30	\$1.20
Weighted-Average Shares Outstanding	903	948

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Year-to-Date Operating Performance by Segment

Segment Net Sales <i>\$ in millions</i>	YTD Q3 2019	YTD Q3 2018	% change
Display Technologies	\$2,459	\$2,377	3%
Optical Communications	\$3,161	\$3,026	4%
Carrier Network	\$2,232	\$2,250	(1%)
Enterprise Network	\$929	\$776	20%
Environmental Technologies	\$1,125	\$970	16%
Automotive	\$664	\$539	23%
Diesel	\$461	\$431	7%
Specialty Materials	\$1,141	\$1,080	6%
Life Sciences	\$759	\$708	7%
All Other	\$160	\$156	3%
Total Net Sales	\$8,805	\$8,317	6%

Segment Net Income <i>\$ in millions</i>	YTD Q3 2019	YTD Q3 2018	% change
Display Technologies	\$606	\$595	2%
Optical Communications	\$427	\$427	0%
Environmental Technologies	\$199	\$166	20%
Specialty Materials	\$208	\$226	(8%)
Life Sciences	\$112	\$88	27%
All Other	(\$210)	(\$224)	6%
Total Segment Net Income	\$1,342	\$1,278	5%

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Adjusted Operating Cash Flow Reconciliation

<i>\$ in millions</i>	Q3 2019	Q3 2018	YTD Q3 2019	YTD Q3 2018
Cash flows from operating activities	\$889	\$943	\$1,013	\$1,978
Realized gains on translated earnings contracts	1	26	50	62
Translation losses on cash balances	(53)	(13)	(87)	(51)
Receipt of contingent consideration				196
Other adjustments	27		27	
Adjusted cash flows from operating activities	\$864	\$956	\$1,003	\$2,185

Note: Cash flows from operating activities includes customer incentives and deposits of \$107 million in the three months ended September 30, 2018 and \$691 million in the nine months ended September 30, 2018.

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Q3 Reconciliation of Non-GAAP to GAAP Financial Measures

Q3 2019	Sales	Gross Margin	Gross Margin %	SG&A	RD&E	Equity Earnings	Income Before Taxes	Net Income	Tax Rate	Per Share
As Reported - GAAP	2,934	1,017	35%	369	255	23	408	337	17.4%	0.38
Constant-currency adjustment	35	21		(1)			20	63		0.07
Translation gain on Japanese yen-denominated debt							(11)	(8)		(0.01)
Translated earnings contract gain							(84)	(65)		(0.07)
Acquisition-related costs		1					31	22		0.02
Discrete tax items and other tax-related adjustments							-	(51)		(0.06)
Litigation, regulatory and other legal matters				24			(24)	(19)		(0.02)
Restructuring, impairment, and other charges		117		(11)	(16)		148	118		0.13
Equity in earnings of affiliated companies										-
Pension mark-to-market adjustment										-
Core performance measures	2,969	1,156	39%	381	239	23	488	397	18.6%	0.44

Q3 2019 YTD	Sales	Gross Margin	Gross Margin %	SG&A	RD&E	Equity Earnings	Income Before Taxes	Net Income	Tax Rate	Per Share
As Reported - GAAP	8,686	3,181	37%	1,184	753	81	1,199	928	22.6%	1.03
Constant-currency adjustment	119	94		2		1	93	137		0.15
Translation loss on Japanese yen-denominated debt							10	9		0.01
Translated earnings contract gain							(161)	(125)		(0.14)
Acquisition-related costs		6		(9)	(1)		102	76		0.08
Discrete tax items and other tax-related adjustments								(20)		(0.02)
Litigation, regulatory and other legal matters				26			(24)	(19)		(0.02)
Restructuring, impairment, and other charges		212		(17)	(16)	6	222	176		0.19
Equity in earnings of affiliated companies						(11)	(11)	(9)		(0.01)
Pension mark-to-market adjustment							24	19		0.02
Core performance measures	8,805	3,493	40%	1,186	736	77	1,454	1,172	19.4%	1.30

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