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Full-Year 2019 Investor Call

Corning Reports Fourth-Quarter and Full-Year 2019 Financial Results

Affirms Outlook for Long-Term Growth

January 29, 2020

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.

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 the Japanese yen, New Taiwan dollar, South Korean won, Chinese yuan and euro. 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 we use 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 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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2019 Highlights

"In 2019, we grew sales 2% driven by strong performance in three businesses. We advanced key growth initiatives and took actions to address the material impact of changing market and customer dynamics in Display Technologies and Optical Communications. While our 2019 growth did not meet long-term targets, we once again outperformed our underlying markets and expect to build momentum throughout 2020 that will keep us on track to achieve the goals set forth in our four-year Strategy & Growth Framework."

- Wendell Weeks, Chairman and CEO

$2.9B
Q4 Core Sales

$406M
Q4 Core Net Income

$.46
Q4 Core EPS

$11.7B
2019 FY Core Sales
2% Increase YoY

$1.6B
2019 FY Core Net Income

$1.76
2019 FY Core EPS

Strategy & Growth Framework

Leadership Priorities 2020 through 2023

Focus Portfolio and Utilize Financial Strength:

Grow

- Sales CAGR of 6%-8%
- EPS CAGR of 12%-15%
- Invest $10-$12B

Increase Returns

- Increase Operating Margin and ROIC
- Deliver $8-$10B to shareholders, including >10% annual dividend increases

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Foundation for Growth

- Aligned with Major Trends
- More Corning in Products People Buy
- Advancing Toward Long-Term Goals
- 2019 Sales Above Industry Growth

16% increase	**8% increase**	**$1B milestone**
Environmental sales in down market	Specialty Materials sales in flat market	Life Sciences sales

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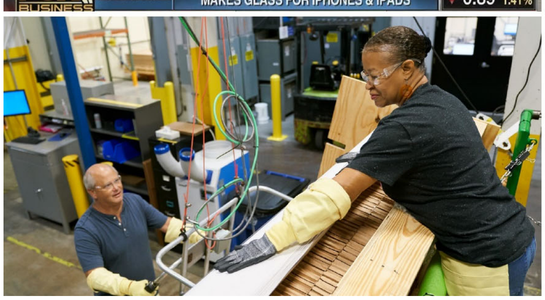
Market-Access Platform | Optical Communications

Advance Through Co-Innovation & Align Costs to Demand

Market-Access Platform | Mobile Consumer Electronics

Continue on Path to Doubling Sales



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

Stable Returns

Focused and Cohesive Portfolio

Foundation for Sustained Growth

Focus >80% of resources on opportunities that leverage capabilities from at least two of three columns

Foundation for Growth

- Aligned with Major Trends
- More Corning in Products People Buy
- Advancing Toward Long-Term Goals
- 2019 Sales Above Industry Growth

16% increase	8% increase	$1B milestone
Environmental sales in down market	Specialty Materials sales in flat market	Life Sciences sales

- 2020 Sales Grow in Environmental, Specialty Materials, and Life Sciences
- Successful Ramps of Gen10.5 plants
- Align Costs in Optical Communications
- Display and Optical Grow in 2H, YoY
- Margins and Profitability Improve in 2H, 2020

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Q4 GAAP Earnings

Capacity Realignment, Equity Earnings and FX Hedge Accounting

- Incurred Q4 charges primarily related to capacity realignment in Display Technologies, Optical Communications, and Hemlock Semiconductor
- Recorded unrealized, non-cash, after-tax gain of $59M in Q4 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
- Change in tax reserves

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2019 Results

In the fourth quarter, Corning delivered on sales and EPS expectations, and generated over $1 billion in adjusted operating cash flow. We accelerated actions in Optical Communications to align production output and working capital to current customer demand. This impacted gross margin, which was below our fourth-quarter guidance."

- Tony Tripeny, EVP and CFO

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Q4 Core Sales

$406M
Q4 Core Net Income

$.46
Q4 Core EPS

$11.7B
2019 FY Core Sales
2% Increase YoY

$1.6B
2019 FY Core Net Income

$1.76
2019 FY Core EPS

Display Technologies

2019 Sales $3.3B | Pricing Environment Continues to Improve

$795M
Q4 Net Sales

$180M
Q4 Net Income

Q4 Results & Q1 Expectations

- Q4 sales volume up low-single digits sequentially, better than expected
- Q4 Display glass sequential price declines were moderate
- Q1 expect the glass market to be up low-single digits sequentially, as panel maker utilization increases
- Q1 expect Corning glass volume to be down low-single digits sequentially, due to a structural shift in the Korean panel market
- Q1 expect the sequential glass price declines to be moderate

Full-Year 2020 Expectations

- Expect the retail market to be up, approximately by a mid-single digit, as TV screen size continues to grow
- Expect the glass market to be up in the mid-single digits and for our volume growth to be similar to the overall glass market; volume expected to return to year-over-year growth in the second half
- We expect full-year price declines to remain moderate, and be a mid-single digit percentage

Optical Communications

2019 Sales $4.1B

$903M
Q4 Net Sales

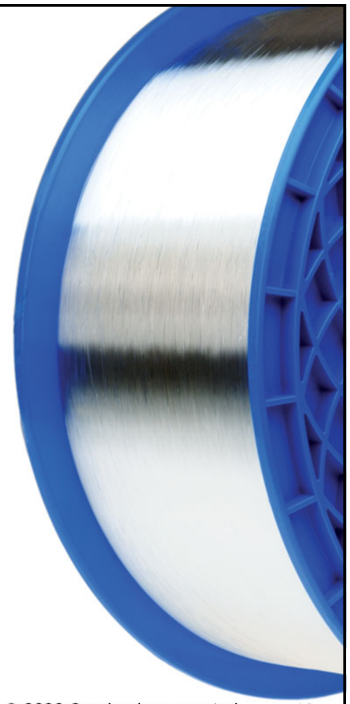
$62M
Q4 Net Income

Q4 Results & Q1 Expectations

- Q4 sales consistent with expectations and down 23% year-over-year
- Q4 net income impacted by lower volume and reduced production output
- Q1 expect sales to decline ~25% versus Q1 2019
- Continue taking actions to align costs to current sales

Full-Year 2020 Expectations

- Full-year 2020 expect sales to decline 5%-10%
- Expect sales to return to year-over-year growth in the second half of 2020



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Environmental Technologies

2019 Sales Up 16% YoY | GPF Sales Exceeded $250M

$374M
Q4 Net Sales

Up 17%
Q4 Net Sales YoY

$64M
Q4 Net Income

Q4 Results & Q1 Expectations

- Q4 sales up 17% to $374 million compared with last year's Q4 driven by continued adoption of gasoline particulate filters
- Expect Q1 sales to increase by a mid-single digit percentage year-over-year

Full-Year 2020 Expectations

- Expect mid-single digit year-over-year growth driven by the continued ramp of the GPF business and despite the expected downturn in the North America heavy duty market
- Expect more than $350M in GPF sales for the year

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Specialty Materials

2019 Sales up 8% YoY | Strong Growth Continues in 2020

$453M Q4 Net Sales	Up 14% Q4 Net Sales YoY	$94M Q4 Net Income

Q4 Results & Q1 Expectations

- Q4 sales were $453 million, up 14% year-over-year driven by demand for premium glasses
- Expect Q1 sales to be up mid-single digits year-over-year

Full-Year 2020 Expectations

- Expect sales to be up high-single digit percentage for the full-year driven by further advancements and adoption of premium glasses as well as additional innovations in Mobile Consumer Electronics

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Life Sciences

2019 Sales Up 7% YoY | Full-Year Sales Exceeded $1B

$256M Q4 Net Sales	Up 8% Q4 Sales YoY	$38M Q4 Net Income *Increase 31% YoY*

Q4 Results & Q1 Expectations

- Q4 sales increased 8% year-over-year, reaching $1B sales milestone
- Q1 sales expected to grow mid-single digits year-over-year

Full-Year 2020 Expectations

- Expect sales growth to continue and for full-year sales to increase by mid-single digits as we continue to outpace the overall market growth

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Consolidated Results & Outlook

- Q4 2019 Adjusted Operating Cash Flow $1.1B
- FY 2019 Adjusted Operating Cash Flow $2.1B
- FY 2019 Capital Expenditures just under $2B
- FY 2020 Expect stronger operating cash flow and lower capital spending
  - 2020 Capital Spending ~$1.5B
- Levers for gross margin expansion:
  - Display volume growth in 2H 2020
  - COC volume growth, likely beginning in 2H 2020

Financial Summary

Operating on Strong Foundation; Improving Results Expected in 2H; Affirm Outlook for Long-Term Growth

Corning’s 2020 Investor Outreach Plans

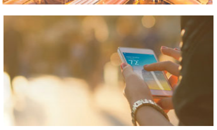
- Conference Plans:
  - Feb. 11: Goldman Sachs, Technology & Internet Conference 2020
  - Feb. 26: Mobile World Congress 2020
  - Mar.12: Susquehanna Technology Conference
- Management visits to investor offices in select cities
- Scheduled visits to Corning locations for hosted tours

Progress on Strategy & Growth Framework

Expect to deliver both near- and long-term growth

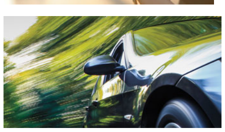
Optical Communications

- Continued to co-innovate with industry leaders to advance 5G and hyperscale data solutions that increase network efficiency – exemplified by new collaborations with Intel, Verizon, CenturyLink, and Altice Portugal
- Earned global recognition for products including RocketRibbon™ extreme-density cable for hyperscale data centers



Mobile Consumer Electronics

- Extended industry leadership with next-generation cover glass solutions and deepened customer commitments, including an additional $250 million investment from Apple, setting the stage for strong adoption of continued innovations

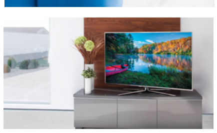


Automotive

- Accelerated GPF adoption, driving more than $250 million in 2019 sales
- Advanced commercialization of AutoGrade™ Glass Solutions with industry leaders across the auto ecosystem, including GAC, Visteon Corporation, LG Electronics, and BOE
- Ramped manufacturing in Hefei facilities

Life Sciences Vessels

- Signed commercial agreements with three leading pharmaceutical companies, building on the announcement that a leading pharmaceutical manufacturer received FDA approval of Corning Valor Glass for use as a primary package for a marketed drug product
- Advanced leadership in key growth categories – cell culture and gene therapy – by innovating and increasing capacity for market-leading solutions



Display

- Continued progress toward stable returns
- Created richer entertainment experiences through display glass innovation; advanced leadership in Gen 10.5 glass, supporting the growth of large-size TVs
- Corning display glass pricing remained moderate

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2020 Guidance Summary (as of January 29, 2020)(1)(2)

Building the Foundation for Longer-Term Growth

- **Gross Margin:**
  - Q1 Gross margin: ~35.5%-36%; Expect GM dollars and percent to increase sequentially thereafter
  - Expect to improve to approximately 40% with YoY sales growth in Display & Optical
- **2020 Operating Expenses:**
  - SG&A: ~14% of sales ($1.6B); (Q1: ~$380M)
  - RD&E: ~8.5% of sales ($980M-$990M); (Q1: $250M-$260M)
- **2020 Corporate Metrics:**
  - Other income/expense: ($275M) net expense
    (incl. Minority Interest Expense)
    (Q1: ~($70M) net expense)
  - Gross equity earnings: ~$170M
    (Q1: ~$20M)
  - Tax rate: ~20%-21%
    (Q1: ~20%-21%)
  - Operating Cash Flow: Stronger than 2019
  - Capital expenditures: ~$1.5B

- **Display Technologies**
  - For full-year 2020, we continue to expect to grow in-line with the overall glass market and volume growth to be up mid-single digits
  - Full-year 2020 expect full-year price declines to be moderate, and be a mid-single digit percentage
  - Q1 volume to decrease by a low-single digit percentage sequentially
  - Q1 glass prices are expected to decline moderately, sequentially
- **Optical Communications Sales**
  - Full-year 2020 sales are expected to decline 5%-10% year-over-year
  - Market and customer dynamics continue in Q1; Q1 sales expected to be down ~25% year-over-year
  - Expect sales growth in the second half of the year
- **Environmental Technologies Sales**
  - Full-year 2020 sales expected to be up by a mid-single digits driven by the continued ramp of the GPF business and despite the expected downturn in the North America heavy duty market
  - GPF Sales to exceed $350M in 2020 and paced with continued adoption of regulations in China
  - First-quarter 2020 sales expected to be up mid-single digits year-over-year
- **Specialty Materials Sales**
  - Full-year sales to grow high-single digits for 2020 with growth from further advancements and adoption of premium glasses as well as additional innovations in Mobile Consumer Electronics
  - First quarter sales expected to grow mid-single digits
- **Life Sciences Sales**
  - Full-year sales to grow mid-single digits year-over-year
  - First-quarter 2020 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.

Q4 2019 Core Performance

$ in millions, except EPS	Q4 2019	Q3 2019	Q4 2018
Core Net Sales	$2,851	$2,969	$3,081
Core Gross Margin	$1,054	$1,156	$1,297
Gross Margin %	*37%*	*39%*	*42%*
Core SG&A	$381	$381	$448
% of Sales	*13%*	*13%*	*15%*
Core RD&E	$263	$239	$258
% of Sales	*9%*	*8%*	*8%*
Core Gross Equity Earnings	$160	$23	$152
Core Net Income Before Taxes	$495	$488	$693
Core Net Income	$406	$397	$539
Core EPS	$0.46	$0.44	$0.59
Weighted-Average Shares Outstanding	886	897	919

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

Q4 2019 Operating Performance by Segment

Segment Net Sales *$ in millions*	Q4 2019	Q3 2019	% *change*	Q4 2018	% *change*
Display Technologies	$795	$793	*0%*	$899	*(12%)*
Optical Communications	$903	$1,007	*(10%)*	$1,166	*(23%)*
Carrier Network	$651	$705	*(8%)*	$834	*(22%)*
Enterprise Network	$252	$302	*(17%)*	$332	*(24%)*
Environmental Technologies	$374	$397	*(6%)*	$319	*17%*
Automotive	$243	$252	*(4%)*	$179	*36%*
Diesel	$131	$145	*(10%)*	$140	*(6%)*
Specialty Materials	$453	$463	*(2%)*	$399	*14%*
Life Sciences	$256	$256	*0%*	$238	*8%*
All Other	$70	$53	*32%*	$60	*17%*
Total Segment Net Sales	**$2,851**	**$2,969**	***(4%)***	**$3,081**	***(7%)***

Segment Net Income *$ in millions*	Q4 2019	Q3 2019	% *change*	Q4 2018	% *change*
Display Technologies	$180	$185	*(3%)*	$240	*(25%)*
Optical Communications	$62	$127	*(51%)*	$165	*(62%)*
Environmental Technologies	$64	$79	*(19%)*	$42	*52%*
Specialty Materials	$94	$92	*2%*	$87	*8%*
Life Sciences	$38	$41	*(7%)*	$29	*31%*
All Other	($79)	($70)	*(13%)*	($57)	*(39%)*
Total Segment Net Income	**$359**	**$454**	***(21%)***	**$506**	***(29%)***

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Full-Year 2019 Core Performance

$ in millions, except EPS	Full-Year 2019	Full-Year 2018
Core Net Sales	$11,656	$11,398
Core Gross Margin	$4,547	$4,710
Gross Margin %	*39%*	*41%*
Core SG&A	$1,567	$1,625
% of Sales	*13%*	*14%*
Core RD&E	$999	$984
% of Sales	*9%*	*9%*
Core Gross Equity Earnings	$237	$241
Core Net Income Before Taxes	$1,949	$2,130
Core Net Income	$1,578	$1,673
Core EPS	$1.76	$1.78
Weighted-Average Shares Outstanding	899	941

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Full-Year 2019 Operating Performance by Segment

Segment Net Sales *$ in millions*	Full-Year 2019	Full-Year 2018	% change
Display Technologies	$3,254	$3,276	(1%)
Optical Communications	$4,064	$4,192	(3%)
Carrier Network	$2,885	$3,084	(6%)
Enterprise Network	$1,179	$1,108	6%
Environmental Technologies	$1,499	$1,289	16%
Automotive	$907	$719	26%
Diesel	$592	$570	4%
Specialty Materials	$1,594	$1,479	8%
Life Sciences	$1,015	$946	7%
All Other	$230	$216	6%
Total Segment Net Sales	$11,656	$11,398	2%

Segment Net Income *$ in millions*	Full-Year 2019	Full-Year 2018	% change
Display Technologies	$786	$835	(6%)
Optical Communications	$489	$592	(17%)
Environmental Technologies	$263	$208	26%
Specialty Materials	$302	$313	(4%)
Life Sciences	$150	$117	28%
All Other	($289)	($281)	(3%)
Total Segment Net Income	$1,701	$1,784	(5%)

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

Adjusted Operating Cash Flow Reconciliation

$ in millions	Q4 2019	Q4 2018	Full-Year 2019	Full-Year 2018
Cash flows from operating activities	$1,018	$939	$2,031	$2,919
Realized gains on translated earnings contracts	$16	$46	$66	$108
Translation gains (losses) on cash balances	$53	($4)	($33)	($55)
Receipt of contingent consideration				$196
Other	$19		$45	
Adjusted cash flows from operating activities	**$1,106**	**$981**	**$2,109**	**$3,168**

Note: Cash flows from operating activities includes incentives and customer deposits of $142 million and $700 million in full-year 2019 and 2018, respectively.

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

Reconciliation of Non-GAAP to GAAP Financial Measures

Q4 2019	Sales	Gross Margin	Gross Margin %	SG&A	RD&E	Equity Earnings	Income Before Taxes	Net Income	Tax Rate	Per Share
As Reported - GAAP	**2,817**	**854**	**30%**	**401**	**278**	**(64)**	**17**	**32**	**(88.2%)**	**0.01**
Constant-currency adjustment	34	22		1			22	(22)		(0.03)
Translation gain on Japanese yen-denominated debt							(7)	(7)		(0.01)
Translated earnings contract gain, net							(84)	(65)		(0.08)
Acquisition-related costs		2			(1)		28	23		0.03
Discrete tax items and other tax-related adjustments								57		0.07
Litigation, regulatory and other legal matters				(8)			7	6		0.01
Restructuring, impairment, and other charges		176		(11)	(14)		217	158		0.20
Equity in losses of affiliated companies						224	224	174		0.23
Pension mark-to-market adjustment				(2)			71	50		0.06
Core performance measures	**2,851**	**1,054**	**37%**	**381**	**263**	**160**	**495**	**406**	**18.0%**	**0.46**

Full-Year 2019	Sales	Gross Margin	Gross Margin %	SG&A	RD&E	Equity Earnings	Income Before Taxes	Net Income	Tax Rate	Per Share
As Reported - GAAP	**11,503**	**4,035**	**35%**	**1,585**	**1,031**	**17**	**1,216**	**960**	**21.1%**	**1.07**
Constant-currency adjustment	153	116		3		1	115	115		0.13
Translation loss on Japanese yen-denominated debt							3	2		0.00
Translated earnings contract gain, net							(245)	(190)		(0.21)
Acquisition-related costs		8		(9)	(2)		130	99		0.11
Discrete tax items and other tax-related adjustments								37		0.04
Litigation, regulatory and other legal matters				18			(17)	(13)		(0.01)
Restructuring, impairment, and other charges		388		(28)	(30)	6	439	334		0.37
Equity in losses of affiliated companies						213	213	165		0.18
Pension mark-to-market adjustment				(2)			95	69		0.08
Core performance measures	**11,656**	**4,547**	**39%**	**1,567**	**999**	**237**	**1,949**	**1,578**	**19.0%**	**1.76**

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