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Second-Quarter 2020 Investor Call
Strong sequential growth in sales, EPS, and free cash flow
Execution of business strategy drives resilient performance, counteracting end-market challenges
Company implemented adjusted operating plan and took actions to protect financial strength
July 28, 2020

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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 duration and severity of the COVID-19 (coronavirus) pandemic, and its ultimate impact across our businesses on demand, operations and global supply chains; 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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Second-Quarter 2020 Core Performance

"During the second-quarter, we made great strides in positioning Corning to emerge stronger from the global health crisis and resume growth. Sales, net income, EPS, and free cash flow all increased sequentially. Corning advanced multiple initiatives throughout the second-quarter…we continue to seek ways to leverage our deep technology, manufacturing, and engineering capabilities to combat the pandemic directly."

- Wendell Weeks, Chairman and CEO

$2.6B
Q2 Core Sales

$218M
Q2 Core Net Income

$.25
Q2 Core EPS

$285M
Q2 2020 Free Cash Flow

$200M
Annualized Cash Savings
From Cost Actions

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Focused and Cohesive Portfolio
Foundation for Sustained Growth
3 Core Technologies
4 Manufacturing & Engineering Platforms
5 Market-Access Platforms
Glass Science
Optical Physics
Ceramic Science
Vapor Deposition
Fusion
Precision Forming
Extrusion
Optical Communications
Mobile Consumer Electronics
Display
Automotive
Life Sciences Vessels
Focus >80% of resources on opportunities that leverage capabilities from at least two of three columns
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Growth Drivers Intact

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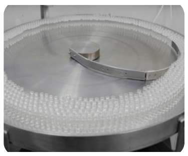
Improving Lives Through Innovation
Second-Quarter Highlights



Life Sciences

- Corning awarded $204 million dollars in funding to expand Valor® Glass manufacturing capacity
- Three leading COVID-19 vaccine providers have entered supply agreements for Valor Glass, and we're also contributing to the global vaccine effort with several additional projects
- Long-term supply agreement with Pfizer to provide Valor Glass for currently marketed drugs in their portfolio
- Signed a number of customer agreements for laboratory consumables used in COVID-19 test workflows, specifically for the collection and processing of molecular diagnostic test samples

Mobile Consumer Electronics

- Gorilla® Glass has now been deployed on more than 8 billion devices worldwide
- We maintained our industry leadership with the launch of Corning® Gorilla® Glass Victus™, our toughest Gorilla Glass yet, featuring a significant improvement in both drop and scratch performance
- Samsung will be the first customer to adopt Gorilla Glass Victus in the near future

Optical Communications

- Announced a collaboration with EnerSys to speed 5G deployment by simplifying the delivery of fiber and electrical power to small-cell wireless site
- Announced that we are working with Qualcomm Technologies to deliver indoor networks that are 5G-ready, easy-to-install, and affordable

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Visibility of Demand
Near-term Market Dynamics

Auto factories resuming operations in North America and Europe Auto sales in China have returned to pre-pandemic levels	Telecommunications service providers and data centers operators have resumed sending technicians into the field Re-thinking network needs to address greater demand for their services	Life science labs slowly re-opening Signed a number of customer agreements for laboratory consumables used in COVID-19 test workflows, specifically for the collection and processing of molecular diagnostic test samples	Expect television demand to remain resilient, as in-home entertainment is more important than ever Demand for computing devices to continue to be boosted by work and learn from home

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CFO Perspective

- Generated $285 million in free cash flow
- Exited the second quarter with $2.2 billion in cash
- On track to generate positive free cash flow for the year
- Expect to grow sales and profitability in third-quarter
- Maintained our leadership across our Market Access Platforms

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Operational Improvements
Second-Quarter Financial Highlights

Actions

- Reducing production levels across most of our businesses
- Adjusting operating expenses
  - majority of the savings to be realized in the second half
- Modifying inventory plans
- Reducing capital expenditure

Results

- Expect $200M in annualized cash savings
- Reduced inventory by $120M in Q2
- Reduced CapEx in Q2 by half
- Expect Q3 and Q4 CapEx to be consistent with Q2

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Second-Quarter 2020 Core Performance

"We came into this economic downturn with a balance sheet built for times like these and took actions during the quarter to ensure we have the financial resources needed for the duration. We generated $285 million in free cash flow, exited the quarter with $2.2 billion in cash, and are on track to generate positive free cash flow for the year. Our financial position is strong. We are becoming more efficient, and we have the capacity in place to meet the growth with minimal investment. We expect improved profitability and return on invested capital as we grow sales."

- Tony Tripeny, EVP and CFO

$2.6B
Q2 Core Sales
2% Increase QoQ

$0.25
Q2 Core EPS
25% Increase QoQ

$218M
Q2 Core Net Income
23% Increase QoQ

$285M
Q2 2020 Free Cash Flow

Q2 2020 GAAP Earnings

Restructuring and FX Hedge Accounting

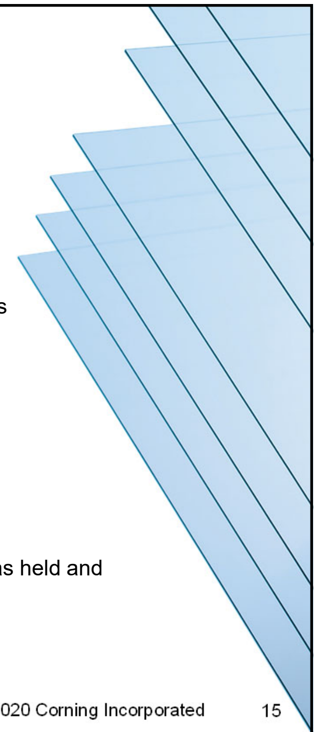
- Incurred primarily non-cash, Q2 restructuring charges of $254M, included the reassessment and reprioritization of R&D programs
- Recorded unrealized, non-cash, after-tax gain of $36M in Q2 2020 on mark-to-market adjustments associated with currency-hedging contracts and foreign debt
  - Translation 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

Display Technologies

Large-Size TV Retail Sales Strong

$753M
Q2 Net Sales
Consistent QoQ

$152M
Q2 Net Income
Consistent QoQ



Q2 Results

- Display glass volume grew by a low-single digit percentage sequentially, as Gen 10.5 customers bought more glass
- Sequential price declines were moderate, as expected
- Expect television demand to remain resilient, as in-home entertainment is more important than ever, and that demand for IT products will be boosted by work and study from home trends

Observations

- Preliminary retail sell-through data for June and July indicates the demand recovery in China has held and demand in North America and Europe remains robust, while emerging regions remain weak
- Remain confident that TV screen size will continue to grow in 2020 and beyond
- Continue to expect glass pricing to decline by a mid-single-digit percentage in 2020

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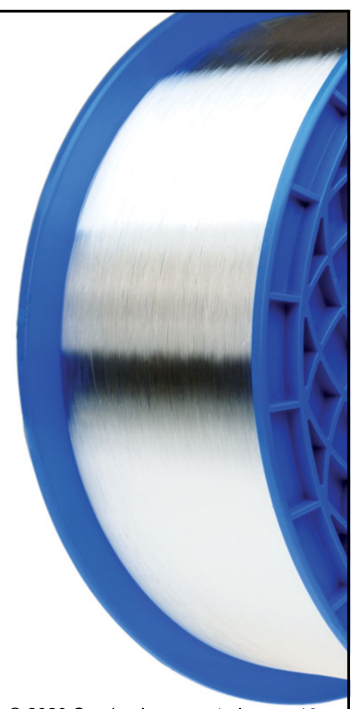
Optical Communications

Q2 Sales up 12% sequentially

$887M
Q2 Net Sales

$81M
Q2 Net Income
Up 179% QoQ



Q2 Results

- Q2 sales grew 12% sequentially, as major carriers increased spending on cable deployments and access-network projects
- Bandwidth demand has accelerated during the pandemic, consuming network headroom capacity

Observations

- Expect carriers to expand capacity to meet growing bandwidth in the future, but the current environment makes timing uncertain
- Network operators remain committed to their original capital plans for 2020, deployments are constrained by pandemic-related labor and site access constraints
- Maintain our view that the long-term trend in Optical is strongly positive, and we will return to growth as demand resumes

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Environmental Technologies

Key End Markets Suspended Production

$226M
Q2 Net Sales

$0M
Q2 Net Income

Q2 Results

- Second-quarter sales were $226 million dollars, and profitability was impacted by lower sales and production volumes
- In the second-quarter, OEMs halted production in both the automotive and diesel markets
- In automotive, sales were down 31% year-over-year, beating the global auto production decline of 45% year-over-year through continued adoption of gasoline particulate filters

Observations

- Environmental customers largely resumed operations
- Remain confident in our content- and innovation- driven strategy and expect to return to growth as markets improve through the second half and into next year

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Specialty Materials

Q2 Sales up YoY | Launched Gorilla® Glass Victus™

$417M
Q2 Net Sales

Up 13%
Q2 Net Sales YoY

$90M
Q2 Net Income
Up 34% YoY

Q2 Results

- Q2 sales were $417 million dollars in the second-quarter, up 13% year over year while the smartphone market declined year over year. Net income of $90 million dollars was up 34%
- This sales growth was driven by strong demand for our premium glasses in support of second half launches, growth in our products for tablets and laptops, as well as demand for products in the semiconductor equipment space
- Launched Corning® Gorilla® Glass Victus™, our toughest glass yet, featuring a significant improvement in both drop and scratch performance

Observations

- Expect our outperformance relative to the 2020 mobile consumer electronics market to come from further adoption of our innovations

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Life Sciences

Q2 Results Impacted by Non-Essential Lab Closures

$243M
Q2 Net Sales

$31M
Q2 Net Income
Down 23% YoY

Q2 Results

- Second-quarter sales were down 7% year over year to $243 million dollars
- The impact has been somewhat offset by increased demand for consumables used in COVID-19 testing applications
- Re-opening of labs picked up in late May and lab utilization has been steadily increasing since then

Observations

- Confident in the opportunities ahead for Life Sciences and Corning Valor® Glass, especially as we prepare for the upcoming vaccine demand

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Balance Sheet

Commitment to Strong Financial Stewardship

- ✓ Generating positive free cash flow in 2020
- ✓ Maintaining strong cash balance
- ✓ Conservative debt structure
- ✓ Pausing share buybacks
- ✓ Maintaining current stock dividend

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CFO Summary

- Significantly increased free cash flow and grew sales and EPS sequentially in Q2
- Better visibility into our end markets today than we did in April
- Third-quarter sales to grow and for that additional volume to improve profitability
- Growth drivers are intact
- Capacity is in place to meet the sales growth with minimal investment, expect capital efficiency gains, including ROIC improvement
- Altogether, this reaffirms our confidence that Corning is positioned to emerge from this crisis stronger than ever

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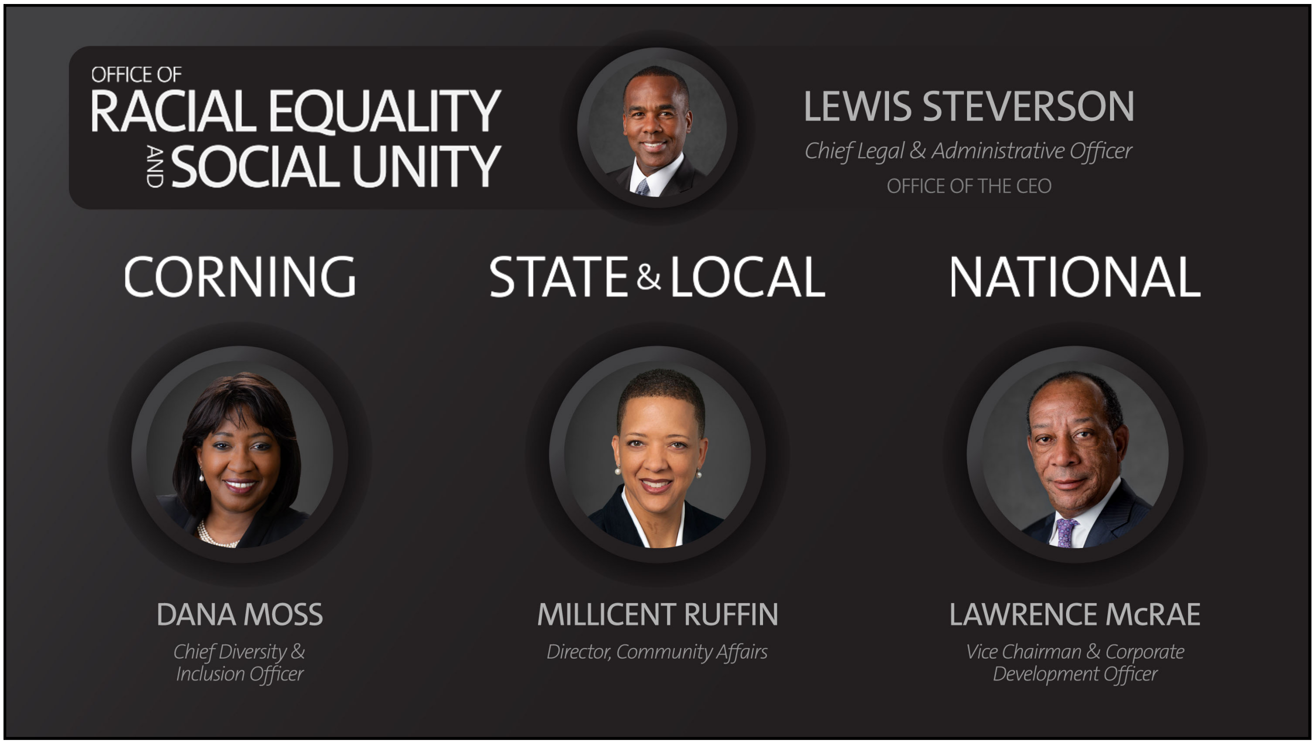
OFFICE OF
RACIAL EQUALITY
AND SOCIAL UNITY
LEWIS STEVERSON
Chief Legal & Administrative Officer
OFFICE OF THE CEO
CORNING
STATE & LOCAL
NATIONAL
DANA MOSS
Chief Diversity & Inclusion Officer
MILLICENT RUFFIN
Director, Community Affairs
LAWRENCE McRAE
Vice Chairman & Corporate Development Officer

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Q&A Session

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Corning's 2020 Investor Outreach Plans

- Virtual Conference Plans:
  - Sept. 2: Jefferies Semiconductor, IT Hardware & Communication Infrastructure Summit
  - Sept. 9: Citi's 2020 Global Technology Virtual Conference
- Management visits to investor offices in select cities
- Scheduled virtual visits to Corning locations for hosted tours

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Q2 2020 Core Performance

$ in millions, except EPS	Q2 2020	Q1 2020	Q2 2019
Core Net Sales	$2,588	$2,529	$2,986
Core Gross Margin	$863	$844	$1,198
Gross Margin %	*33%*	*33%*	*40%*
Core SG&A	$356	$347	$407
% of Sales	*14%*	*14%*	*14%*
Core RD&E	$218	$248	$249
% of Sales	*8%*	*10%*	*8%*
Core Gross Equity Earnings	$55	$14	$28
Core Net Profit Before Taxes	$284	$225	$509
Core Net Income	$218	$177	$410
Core EPS	$0.25	$0.20	$0.45
Weighted-Average Shares Outstanding	880	881	904

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

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Q2 2020 Operating Performance by Segment

Segment Net Sales *$ in millions*	Q2 2020	Q1 2020	% change	Q2 2019	% change
Display Technologies	$753	$751	*0%*	$848	*(11%)*
Optical Communications	$887	$791	*12%*	$1,090	*(19%)*
Carrier Network	$677	$568	*19%*	$754	*(10%)*
Enterprise Network	$210	$223	*(6%)*	$336	*(38%)*
Environmental Technologies	$226	$320	*(29%)*	$366	*(38%)*
Automotive	$143	$198	*(28%)*	$208	*(31%)*
Diesel	$83	$122	*(32%)*	$158	*(47%)*
Specialty Materials	$417	$352	*18%*	$369	*13%*
Life Sciences	$243	$258	*(6%)*	$260	*(7%)*
All Other	$62	$57	*9%*	$53	*17%*
Total Net Sales	**$2,588**	**$2,529**	***2%***	**$2,986**	***(13%)***

Segment Net Income *$ in millions*	Q2 2020	Q1 2020	% change	Q2 2019	% change
Display Technologies	$152	$152	*0%*	$213	*(29%)*
Optical Communications	$81	$29	*179%*	$158	*(49%)*
Environmental Technologies	$0	$35	*	$65	*
Specialty Materials	$90	$51	*76%*	$67	*34%*
Life Sciences	$31	$38	*(18%)*	$40	*(23%)*
All Other	($66)	($69)	*4%*	($68)	*3%*
Total Segment Net Income	**$288**	**$236**	***22%***	**$475**	***(39%)***

* Not Meaningful

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Year-to-Date 2020 Core Performance

$ in millions, except EPS	YTD Q2 2020	YTD Q2 2019
Core Net Sales	$5,117	$5,836
Core Gross Margin	$1,707	$2,337
Gross Margin %	*33%*	*40%*
Core SG&A	$703	$805
% of Sales	*14%*	*14%*
Core RD&E	$466	$497
% of Sales	*9%*	*9%*
Core Gross Equity Earnings	$69	$54
Core Net Profit Before Taxes	$509	$966
Core Net Income	$395	$775
Core EPS	$0.45	$0.86
Weighted-Average Shares Outstanding	881	906

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

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Year-to-Date 2020 Operating Performance by Segment

Segment Net Sales *$ in millions*	YTD Q2 2020	YTD Q2 2019	*% change*
Display Technologies	$1,504	$1,666	*(10%)*
Optical Communications	$1,678	$2,154	*(22%)*
Carrier Network	$1,245	$1,529	*(19%)*
Enterprise Network	$433	$625	*(31%)*
Environmental Technologies	$546	$728	*(25%)*
Automotive	$341	$412	*(17%)*
Diesel	$205	$316	*(35%)*
Specialty Materials	$769	$678	*13%*
Life Sciences	$501	$503	*(0%)*
All Other	$119	$107	*11%*
Total Net Sales	**$5,117**	**$5,836**	***(12%)***

Segment Net Income *$ in millions*	YTD Q2 2020	YTD Q2 2019	*% change*
Display Technologies	$304	$421	*(28%)*
Optical Communications	$110	$300	*(63%)*
Environmental Technologies	$35	$120	*(71%)*
Specialty Materials	$141	$116	*22%*
Life Sciences	$69	$71	*(3%)*
All Other	($135)	($140)	*4%*
Total Segment Net Income	**$524**	**$888**	***(41%)***

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

Adjusted Operating Cash Flow Reconciliation

$ in millions	Q2 2020	Q2 2019	YTD Q2 2020	YTD Q2 2019
Cash flows from operating activities	$550	$153	$798	$124
Realized gains on translated earnings contracts	$1	$18	$12	$38
Premiums received from options contracts		$11		$11
Translation gains (losses) on cash balances	$22	($26)	($11)	($34)
Adjusted cash flows from operating activities	**$573**	**$156**	**$799**	**$139**
Less: Capital expenditures	$288	$570	$833	$1,094
Free cash flow	**$285**	**($414)**	**($34)**	**($955)**

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

Reconciliation of Non-GAAP to GAAP Financial Measures

Q2 2020	Sales	Gross Margin	Gross Margin %	SG&A	RD&E	Equity Earnings	(Loss) Income Before Taxes	Net (Loss) Income	Tax Rate	Per Share
As Reported - GAAP	**2,561**	**756**	**29.5%**	**401**	**430**	**79**	**(49)**	**(71)**	**(44.9%)**	**(0.13)**
Constant-currency adjustment	27	7		2			6	3		0.00
Translation gain on Japanese yen-denominated debt							(3)	(3)		(0.00)
Translated earnings contract gain		2					(35)	(27)		(0.04)
Acquisition-related costs							29	21		0.03
Discrete tax items and other tax-related adjustments								40		0.05
Litigation, regulatory and other legal matters				(25)			25	20		0.03
Restructuring, impairment, and other charges and credits		98		(22)	(212)		337	254		0.33
Equity in earnings of affiliated companies						(24)	(24)	(18)		(0.02)
Pension mark-to-market adjustment							(2)	(1)		(0.00)
Core performance measures	**2,588**	**863**	**33.3%**	**356**	**218**	**55**	**284**	**218**	**23.2%**	**0.25**

Q2 2020 YTD	Sales	Gross Margin	Gross Margin %	SG&A	RD&E	Equity Earnings	(Loss) Income Before Taxes	Net (Loss) Income	Tax Rate	Per Share
As Reported - GAAP	**4,952**	**1,317**	**26.6%**	**796**	**691**	**93**	**(157)**	**(167)**	**(6.4%)**	**(0.28)**
Constant-currency adjustment	60	28		3			25	(19)		(0.03)
Translation loss on Japanese yen-denominated debt							11	8		0.01
Translated earnings contract gain		(2)					(93)	(72)		(0.09)
Acquisition-related costs				(1)			57	42		0.06
Discrete tax items and other tax-related adjustments								77		0.10
Litigation, regulatory and other legal matters				(25)			25	20		0.03
Restructuring, impairment, and other charges and credits		259		(70)	(225)		562	420		0.55
Cumulative adjustment related to customer contract	105	105					105	105		0.14
Equity in earnings of affiliated companies						(24)	(24)	(18)		(0.02)
Pension mark-to-market adjustment							(2)	(1)		(0.00)
Core performance measures	**5,117**	**1,707**	**33.4%**	**703**	**466**	**69**	**509**	**395**	**22.4%**	**0.45**

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

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