CORNING

Full-Year 2023 Investor Call

Corning Reports Fourth-Quarter and Full-Year 2023 Financial Results

January 30, 2024

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Forward-Looking and Cautionary Statements

The statements contained in this presentation and related comments by management that are not historical facts or information and contain words such as "will," "believe," "anticipate," "expect," "intend," "plan," "seek," "see," "would," "target," "estimate," "forecast" or 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 forward-looking statements relate to, among other things, the Company's future operating performance, the Company's share of new and existing markets, the Company's revenue and earnings growth rates, the Company's ability to innovate and commercialize new products, the Company's expected capital expenditure and the Company's implementation of cost-reduction initiatives and measures to improve pricing, including the optimization of the Company's manufacturing capacity.

Although the Company believes that these forward-looking statements are based upon reasonable assumptions regarding, among other things, current estimates and forecasts, general economic conditions, its knowledge of its business and key performance indicators that impact the Company, there can be no assurance that these forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws.

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: global economic trends, competition and geopolitical risks, or an escalation of sanctions, tariffs or other trade tensions between the U.S. and China or other countries, and related impacts on our businesses' global supply chains and strategies; changes in macroeconomic and market conditions and market volatility, including developments and volatility arising from health crisis events, inflation, interest rates, the value of securities and other financial assets, precious metals, oil, natural gas, raw materials and other commodity prices and exchange rates (particularly between the U.S. dollar and the Japanese yen, New Taiwan dollar, euro, Chinese yuan and South Korean won), the availability of government incentives, decreases or sudden increases of consumer demand, and the impact of such changes and volatility on our financial position and businesses; the duration and severity of health crisis events, such as an epidemic or pandemic, and its impact across our businesses on demand, personnel, operations, our global supply chains and stock price; possible disruption in commercial activities or our supply chain due to terrorist activity, cyber-attack, armed conflict, political or financial instability, natural disasters, international trade disputes or major health concerns; loss of intellectual property due to theft, cyber-attack, or disruption to our information technology infrastructure; ability to enforce patents and protect intellectual property and trade secrets; disruption to Corning's, our suppliers' and manufacturers' supply chain, equipment, facilities, IT systems or operations; product demand and industry capacity; competitive products and pricing; availability and costs of critical components, materials, equipment, natural resources and utilities; 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; the amount and timing of any future dividends; the effects of acquisitions, dispositions and other similar transactions; the effect of regulatory and legal developments; ability to pace capital spending to anticipated levels of customer demand; our ability to increase revenues and margins through optimization of our manufacturing capacity and implementation of operational changes, pricing actions and cost reduction measures; rate of technology change; adverse litigation; product and component performance issues; retention of key personnel; customer ability to maintain profitable operations and obtain financing to fund ongoing operations and manufacturing expansions and pay receivables when due; loss of significant customers; changes in tax laws, regulations and international tax standards; the impacts of audits by taxing authorities; the potential impact of legislation, government regulations, and other government action and investigations; and other risks detailed in Corning's SEC filings.

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 our core performance measures. These items include the impact of translating the Japanese yen-denominated debt, the impact of the translated earnings contracts, acquisition-related costs, certain discrete tax items and other tax-related adjustments, restructuring, impairment and other charges and credits, certain litigation, regulatory and other legal matters, pension mark-to-market adjustments and other items which do not reflect the ongoing operating results of the Company.

In addition, because a significant portion of our revenues and expenses are denominated in currencies other than the U.S. dollar, management believes it is important to understand the impact on sales and net income of translating these currencies into U.S. dollars. Therefore, management utilizes constant-currency reporting for the Display Technologies, Specialty Materials, Environmental Technologies and Life Sciences segments to exclude the impact from the Japanese yen, South Korean won, Chinese yuan, New Taiwan dollar and euro, as applicable to the segment. The most significant constant-currency adjustment relates to the Japanese yen exposure within the Display Technologies segment. We establish constant-currency rates based on internally derived management estimates, which are closely aligned with the currencies we have hedged.

We believe that the use of constant-currency reporting allows management to understand our results without the volatility of currency fluctuation, analyze underlying trends in the businesses and establish operational goals and forecasts.

Core performance measures are not prepared in accordance with GAAP, but management believes that reporting core performance measures provides investors with greater transparency to the information used by our management team to make financial and operational decisions. We believe investors should consider these non-GAAP measures in evaluating results as they are more indicative of our core operating performance and how management evaluates operational results and trends. These measures are not, and should not be viewed as a substitute for, GAAP reporting measures. With respect to the outlook for future periods, it is not possible to provide reconciliations for these non-GAAP measures because management 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 management's control. As a result, management is unable to provide outlook information on a GAAP basis.

Q4 GAAP EARNINGS

FX Hedge Accounting and Other Charges

- Incurred restructuring charges of $158M after tax
- Recorded realized gains and unrealized, non-cash mark-to-market losses on currency hedging contracts for a net after-tax gain of $27M
  - 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
- Recorded non-cash, after-tax loss of $50M on the translation of Japanese-yen-denominated debt

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CEO PERSPECTIVE

Fourth-Quarter and Full-Year 2023 Core Performance

"Overall, our results in the quarter – and throughout 2023 – demonstrate that we continue to make solid progress advancing our market leadership, strengthening our profitability, and improving our cash-flow generation even in the lower-demand environment we've experienced."

- Wendell Weeks, Chairman and CEO

$3.3B
Q4 Core Sales
5% Decrease Sequentially

37%
Q4 Gross Margin
Consistent Sequentially

$0.39
Q4 Core EPS
13% Decrease Sequentially

$487M
Q4 Adjusted
Free Cash Flow

$13.6B
FY 2023 Core Sales
8% Decrease YoY

36%
FY 2023 Gross Margin
30 bps Increase YoY

$1.70
FY 2023 Core EPS
19% Decrease YoY

$880M
FY 2023 Adjusted
Free Cash Flow

CEO PERSPECTIVE

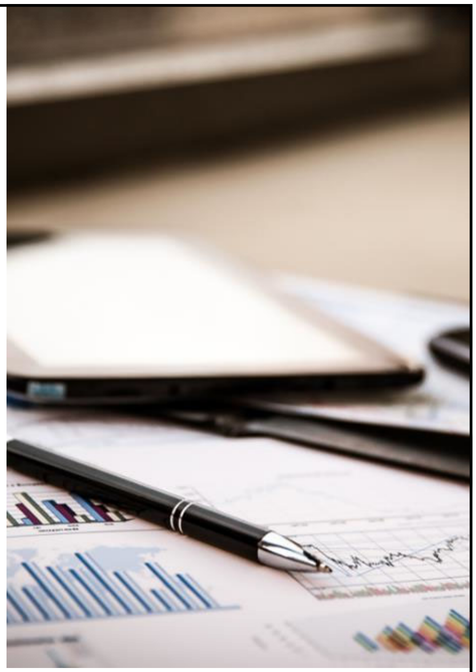
More Than $3 Billion Dollar Opportunity

- Current sales are below trend, but expect this to change in the mid-term as markets begin to normalize
- Opportunity to increase sales by more than $3B
- Expect to deliver strong incrementals – required production capacity and technical capabilities in place, and cost already reflected in our financials
- Expect to start making progress in 2024 and the first quarter to be the low quarter of the year

CEO PERSPECTIVE

Update on Profitability and Cash Flow Improvement

- Throughout the year, we took action to
  - Restore productivity ratios to historical levels
  - Raise price to appropriately share inflation with our customers
- Increased gross margin by 330 basis points and adjusted free cash flow by $110M versus fourth quarter of 2022, despite sales being down by more than $350M
- Expect to continue converting profits to cash at attractive rates going forward
- Even in lower-demand environment, we continue to demonstrate solid progress
  - Advancing our market leadership
  - Strengthening profitability
  - Improving cash flow generation



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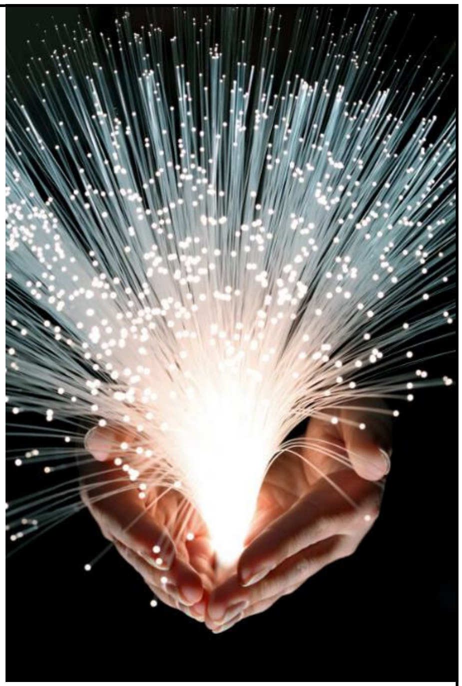
CEO PERSPECTIVE

Optical Communications

- Customers have been utilizing excess inventory to deploy their networks
- Believe carriers will soon deplete excess inventory and execute on increased broadband deployment plans
- BEAD funding for network builds expected to begin in second half of 2024 and continue adding to our addressable market for several years
- Hyperscale sales expected to grow in support of cloud computing, including artificial intelligence



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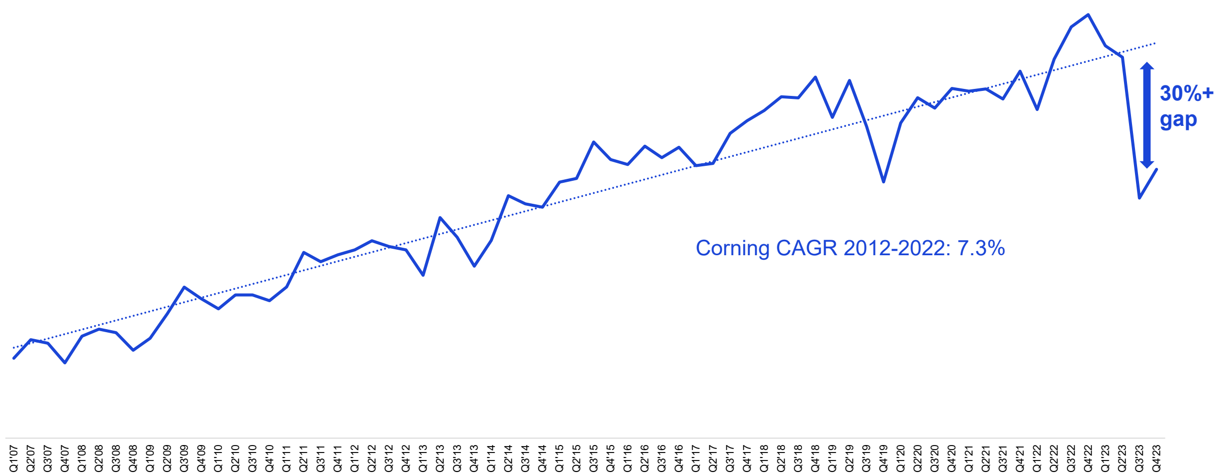
CEO PERSPECTIVE

Corning Fiber Shipments (M fkm)



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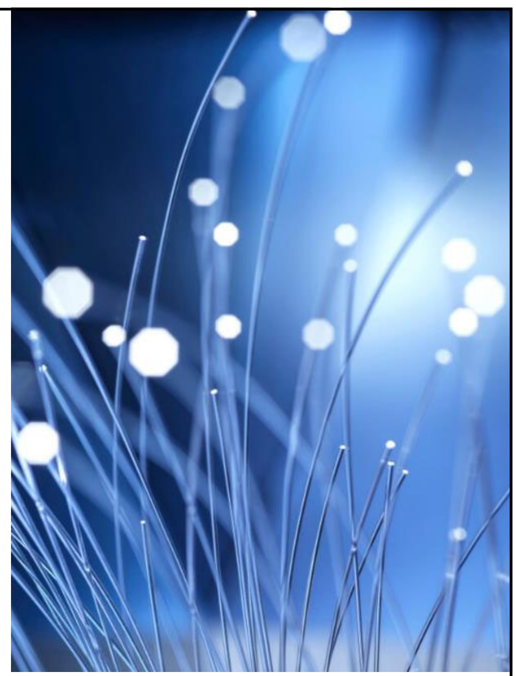
CEO PERSPECTIVE

Optical Communications

- Expect strong underlying growth trend to continue far into the future
- Expect to grow faster than the market through "More Corning" innovations
- Fiber optics remains ascendent technology with growing applications in wireless and cloud computing, including AI
- New product innovations increase revenue per installed fiber
- Government incentives extend the long-term trendline



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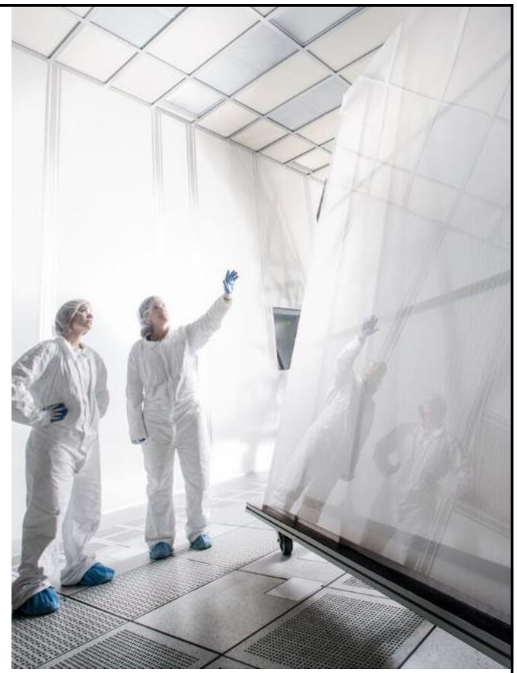
CEO PERSPECTIVE

Display Technologies

- Panel makers reduced utilization in fourth quarter and industry reports indicate this will continue in the first quarter of 2024
- Expect glass market and our volume to be down by a mid-single digit percentage sequentially in first quarter of 2024
- For the full year 2024, anticipate mid-single digit growth in glass volume at retail
- Expect financial performance to improve from first-quarter run rate
- Over time, volume growth at retail expected to be driven by TV screen size growth and improvement in units as consumer demand normalizes
- Our successful development and capability in Gen 10.5 aligns with the continued move to larger-size TVs produced on the lowest-cost platforms for large displays



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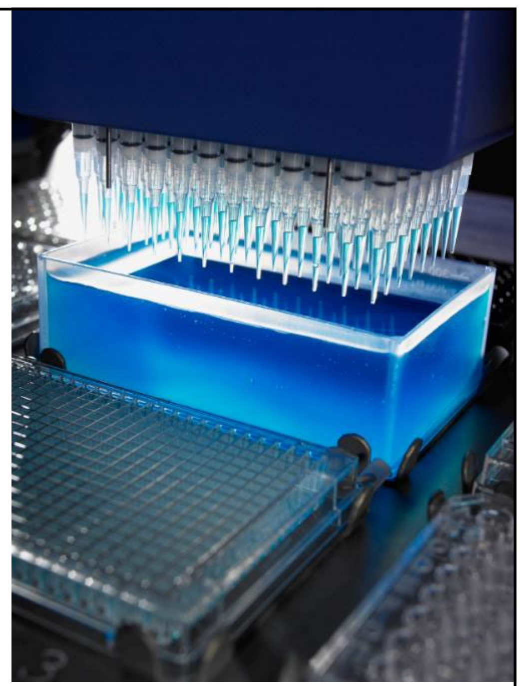
CEO PERSPECTIVE

Life Sciences

- Customers in North America and Europe are completing inventory drawn downs
- Continuing our productivity and operations improvements
- Refocusing our commercial and production efforts on drug discovery and production as market returns
- Continuing to evolve products and business model for vials in Pharmaceutical Technologies



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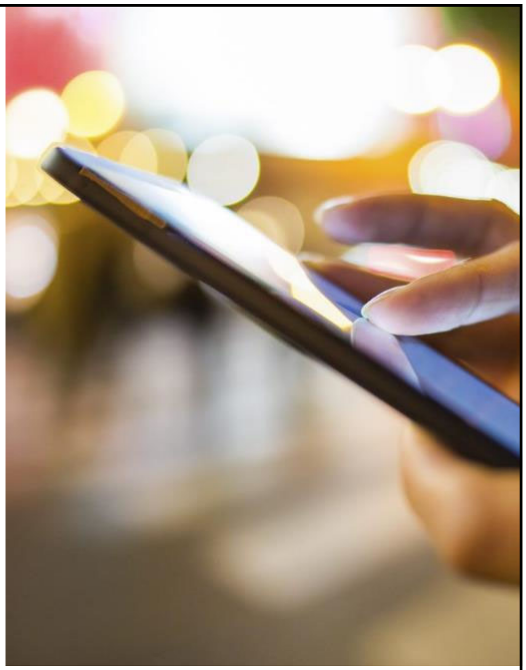
CEO PERSPECTIVE

Mobile Consumer Electronics

- Since 2016, handhelds have declined 21%, while Corning® Gorilla® Glass sales have increased 41%
- Have strong innovation portfolio and expect to continue delivering new products that increase our content per device
- Launch of Corning® Gorilla® Armor another example of "More Corning"
- Market leader for photomask and mirror materials for GPUs and other advanced semiconductors



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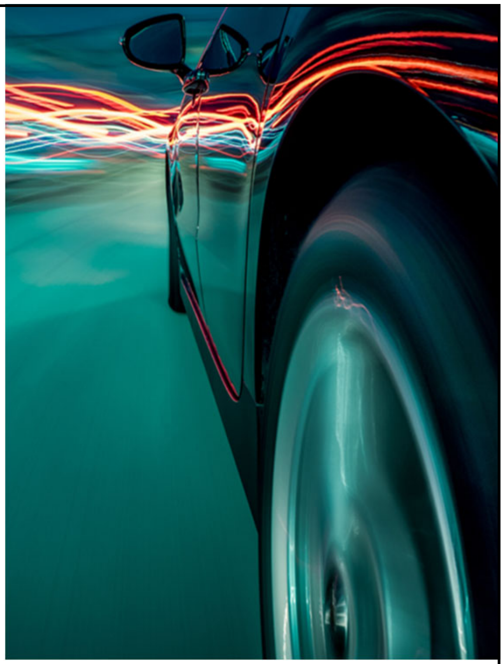
CEO PERSPECTIVE

Automotive

- Proposed U.S. EPA regulations would require adoption of gasoline particulate filters – and provide an incremental driver of demand for our market-leading GPF offerings
- Gasoline particulate filters adds two to three times the content opportunity for internal combustion engine vehicles
- Winning both interior and exterior glass business as customers increasingly view our solutions to be system-enabling components



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CEO Summary

- Improved profitability and cash flow in lower-demand environment
- Extended leadership positions across our markets
- Confident markets will normalize
- Opportunity to increase annual sales by more than $3B with strong incremental profit and cash flow
- Expect to make progress in 2024 – believe first quarter is the low quarter of the year

We drive durable, multiyear growth by inventing category-defining products; developing scalable manufacturing platforms; and building strong, trust-based relationships with customers who are leaders in their industries

CFO PERSPECTIVE

Fourth-Quarter and Full-Year 2023 Results

"In the fourth quarter, we grew core gross margin by 330 basis points versus the fourth quarter of 2022, and adjusted free cash flow improved to $487 million."

- Ed Schlesinger, EVP and CFO

$3.3B
Q4 Core Sales
5% Decrease Sequentially

37%
Q4 Gross Margin
Consistent Sequentially

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Q4 Core EPS
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FY 2023 Adjusted
Free Cash Flow

SEGMENT RECAP

Optical Communications

$903M

Q4 Net Sales
Down 2% QoQ

$88M

Q4 Net Income
Down 3% QoQ

Q4 Results

- Q4 Sales of $903M, down 2% sequentially – reflecting temporarily lower demand from carriers as they continue to draw down inventory
- Q4 Net income of $88M, down 3% sequentially – on lower volume

Observations

- Longer term, we remain confident the optical communications market will normalize
- Underlying growth drivers are intact: broadband, 5G, cloud computing, and advanced AI
- Public infrastructure investments provide additional opportunity
- Seeing green shoots in hyperscale datacenter space

SEGMENT RECAP

Display Technologies

$869M

Q4 Net Sales
Down 11% QoQ

$232M

Q4 Net Income
Down 4% QoQ

Q4 Results

- Q4 Sales of $869M, down 11% sequentially – driven by volume decline consistent with the market, partially offset by remainder of second-half price increases
- Q4 Net income of $232M, down 4% sequentially

Observations

- Panel makers reduced utilization in the fourth quarter and industry reports indicate this will continue in the first quarter of 2024
- Successfully executed a double-digit price increase in the second half of 2023
- Expect glass market and our volume to be down by a mid-single digit percentage sequentially in first quarter of 2024
- For the full year 2024, anticipate mid-single digit growth in glass volume at retail
- Expect our financial performance to improve from first-quarter run rate, with panel makers increasing utilization after the first quarter
- Expect pricing environment to remain favorable and first-quarter glass price to be consistent with fourth quarter

SEGMENT RECAP

Specialty Materials

$473M

Q4 Net Sales
Down 16% QoQ

$58M

Q4 Net Income
Down 19% QoQ

Q4 Results

- Q4 Sales of $473M, down 16% sequentially
- Q4 Net income of $58M, down 19% sequentially – reflecting lower volumes

Observations

- Fourth-quarter sales declined sequentially following strong third-quarter sales of smartphone cover materials for customer product launches

SEGMENT RECAP

Environmental Technologies

$429M

Q4 Net Sales
Down 4% QoQ

$98M

Q4 Net Income
Down 1% QoQ

Q4 Results

- Q4 Sales of $429M, down 4% sequentially – reflecting normal seasonality
- Q4 Net income of $98M, down 1% sequentially

Observations

- Full-year sales increased 11% to $1.8B
- Outpaced the automotive market recovery, driven by
  - Content-driven growth strategy
  - Increased gasoline particulate filter adoption in China

SEGMENT RECAP

Life Sciences

$242M

Q4 Net Sales
Up 5% QoQ

$17M

Q4 Net Income
Up 31% QoQ

Q4 Results

- Q4 Sales of $242M, up 5% sequentially
- Q4 Net income of $17M, up 31% sequentially – resulting from higher volume and productivity improvements

Observations

- Customers in North America and Europe completing inventory draw downs
- Productivity improvements allow us to improve service levels to better supply the market as it normalizes

SEGMENT RECAP

Hemlock and Emerging Growth Businesses

$356M

Q4 Net Sales
Up 9% QoQ

($19M)

Q4 Net Loss

Q4 Results

- Q4 Sales of $356M, up 9% sequentially
- Q4 Net Loss of $19M

Observations

- Fourth-quarter sequential sales increase reflects higher semiconductor polysilicon volume

Outlook

Q1 2024

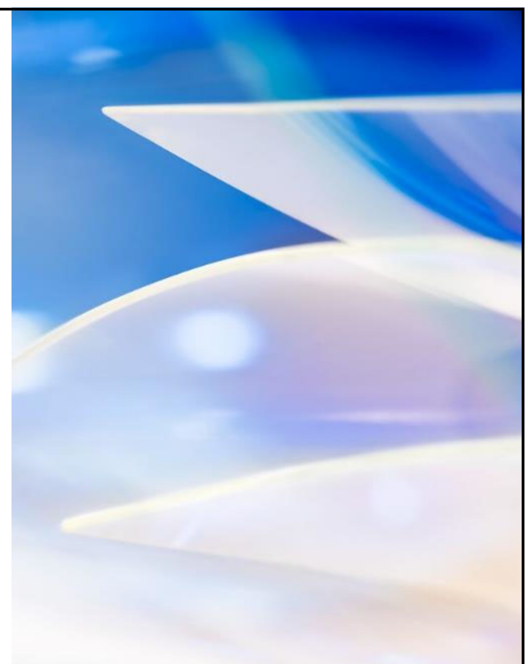
- **Core Sales**: ~$3.1B
- **Core EPS**: $0.32 - $0.38
- **Gross Margin**: Similar to fourth-quarter 2023
- **Adjusted Free Cash Flow**: Improve by $200M - $300M versus Q1 2023 of ($383) million

Expect sales to increase from first-quarter levels, driven by

- **Optical Communications** – Expect carriers to complete inventory draw downs and increase deployments throughout the year
- **Display Technologies** – Expect panel makers to increase utilization from first-quarter levels
- **Life Sciences** – Expect markets to continue normalizing
- **Mobile Consumer Electronics and Environmental Technologies** – Deliver “More Corning” content opportunities

CFO PERSPECTIVE

Yen Update

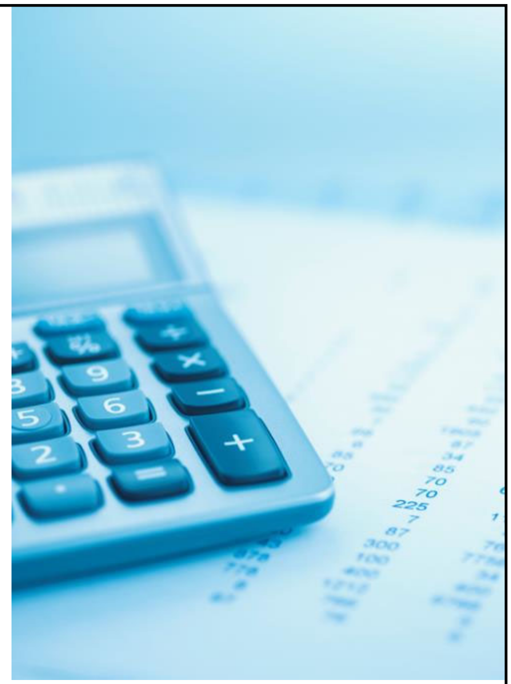


- Hedging is an effective tool to reduce earnings volatility, protect cash flow, enhance ability to invest, and protect shareholder returns
- Largest exposure is Japanese Yen – have most of 2024 hedged and expect to keep Japanese Yen Core Rate at ¥107 through the end of 2024
- Actively working to improve hedge coverage for 2025
- Believe there will be opportunity to place more long-term hedges at more attractive rates
- Can institute industrial solution such as price increase for Display glass

CFO PERSPECTIVE

Financial Priorities

- Priorities include maintaining a strong and efficient balance sheet
  - One of the longest debt tenors in the S&P 500 – current average maturity is ~23 years
  - Debt of ~$1.4B coming due in the next 5 years and no significant debt coming due in any given year
  - Debt instruments are fixed-rate
- Also prioritizing returning excess cash to shareholders
  - Grown dividend 40% since 2019
  - Dividend yield is top-quartile in the S&P 500
- Propose board maintain quarterly dividend of $0.28 in first quarter of 2024
- Opportunistic on share repurchases



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CFO Summary

- Entering the year operationally and financially strong
- Expect first-quarter to be the low quarter of the year
- Opportunity to capture $3B-plus in sales over medium-term as markets normalize and we capture "More Corning" content opportunities
- Positioned to capture significant incremental profit and cash flow

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Q&A Session

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Corning's 2024 Investor Outreach Plans

- March 1 – Susquehanna Financial Group, LLLP 13th Annual Technology Conference
- March 5 – Morgan Stanley Technology, Media & Telecom Conference
- Management visits to investor offices in select cities

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Appendix

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2024 Corporate Metrics (as of January 30, 2024)(1)(2)

Q1 2024

- Core Sales: ~$3.1B
- Core EPS: $0.32 - $0.38
- Gross Margin Percent: Similar to fourth-quarter 2023
- SG&A and RD&E: Consistent with fourth quarter expense dollars
- Adjusted Free Cash Flow: ($100M - $200M)

Full-Year 2024

- Hemlock and Emerging Growth Businesses sales: $1.35B - $1.45B
- SG&A and RD&E: ~12.5% and ~7.5% of sales, respectively
- Other income/expense: ($380M - $390M) expense
- Gross equity earnings: $10M - $15M
- Tax rate: 20% - 21%
- Non-controlling interest: ($65M - $75M) expense
- Capital expenditures: ~$1.2B

(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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Q4 2023 Core Performance

$ in millions, except EPS	Q4 2023	Q3 2023	Q4 2022
Core Net Sales	$3,272	$3,459	$3,633
Core Gross Margin	$1,206	$1,279	$1,222
Gross Margin %	*37%*	*37%*	*34%*
Core SG&A	$413	$438	$451
% of Sales	*13%*	*13%*	*12%*
Core RD&E	$259	$264	$264
% of Sales	*8%*	*8%*	*7%*
Core Operating Margin	$534	$577	$507
Operating Margin %	*16%*	*17%*	*14%*
Core Gross Equity Earnings	$12	$8	$11
Core Net Profit Before Taxes	$453	$510	$483
Core Net Income attributable to Corning Incorporated	$339	$386	$402
Core EPS	$0.39	$0.45	$0.47
Weighted-Average Shares Outstanding	860	859	856

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

Q4 2023 Operating Performance by Segment

Segment Net Sales *$ in millions*	Q4 2023	Q3 2023	% change	Q4 2022	% change
Optical Communications	$903	$918	*(2%)*	$1,195	*(24%)*
Carrier Network	$619	$635	*(3%)*	$895	*(31%)*
Enterprise Network	$284	$283	*0%*	$300	*(5%)*
Display Technologies	$869	$972	*(11%)*	$783	*11%*
Specialty Materials	$473	$563	*(16%)*	$505	*(6%)*
Environmental Technologies	$429	$449	*(4%)*	$394	*9%*
Automotive	$286	$300	*(5%)*	$233	*23%*
Diesel	$143	$149	*(4%)*	$161	*(11%)*
Life Sciences	$242	$230	*5%*	$294	*(18%)*
Hemlock and Emerging Growth Businesses	$356	$327	*9%*	$462	*(23%)*
Total Segment Net Sales and Hemlock and Emerging Growth Businesses	**$3,272**	**$3,459**	***(5%)***	**$3,633**	***(10%)***

Segment Net Income *$ in millions*	Q4 2023	Q3 2023	% change	Q4 2022	% change
Optical Communications	$88	$91	*(3%)*	$130	*(32%)*
Display Technologies	$232	$242	*(4%)*	$171	*36%*
Specialty Materials	$58	$72	*(19%)*	$78	*(26%)*
Environmental Technologies	$98	$99	*(1%)*	$69	*42%*
Life Sciences	$17	$13	*31%*	$31	*(45%)*
Hemlock and Emerging Growth Businesses	($19)	($8)	*138%*	$4	*
Total Segment Income and Hemlock and Emerging Growth Businesses	**$474**	**$509**	***(7%)***	**$483**	***(2%)***

**Not Meaningful*

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

Year-to-Date Core Performance

$ in millions, except EPS	Full-Year 2023	Full-Year 2022
Core Net Sales	$13,580	$14,805
Core Gross Margin	$4,933	$5,327
Gross Margin %	*36%*	*36%*
Core SG&A	$1,665	$1,800
% of Sales	*12%*	*12%*
Core RD&E	$1,025	$1,037
% of Sales	*8%*	*7%*
Core Operating Margin	$2,243	$2,490
Operating Margin %	*17%*	*17%*
Core Gross Equity Earnings	$43	$17
Core Net Profit Before Taxes	$1,947	$2,310
Core Net Income attributable to Corning Incorporated	$1,463	$1,794
Core EPS	$1.70	$2.09
Weighted-Average Shares Outstanding	859	857

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Year-to-Date Operating Performance by Segment

Segment Net Sales *$ in millions*	Full-Year 2023	Full-Year 2022	*% change*
Optical Communications	$4,012	$5,023	*(20%)*
Carrier Network	$2,871	$3,760	*(24%)*
Enterprise Network	$1,141	$1,263	*(10%)*
Display Technologies	$3,532	$3,306	*7%*
Specialty Materials	$1,865	$2,002	*(7%)*
Environmental Technologies	$1,766	$1,584	*11%*
Automotive	$1,123	$934	*20%*
Diesel	$643	$650	*(1%)*
Life Sciences	$959	$1,228	*(22%)*
Hemlock and Emerging Growth Businesses	$1,446	$1,662	*(13%)*
Total Segment Net Sales and Hemlock and Emerging Growth Businesses	**$13,580**	**$14,805**	***(8%)***

Segment Net Income *$ in millions*	Full-Year 2023	Full-Year 2022	*% change*
Optical Communications	$478	$661	*(28%)*
Display Technologies	$842	$769	*9%*
Specialty Materials	$202	$340	*(41%)*
Environmental Technologies	$386	$292	*32%*
Life Sciences	$50	$153	*(67%)*
Hemlock and Emerging Growth Businesses	$15	$39	*(62%)*
Total Segment Income and Hemlock and Emerging Growth Businesses	**$1,973**	**$2,254**	***(12%)***

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

Adjusted Operating Cash Flow Reconciliation

$ in millions	Q4 2023	Q4 2022	Full-Year 2023	Full-Year 2022
Cash flows from operating activities	$713	$617	$2,005	$2,615
Realized gains on translated earnings contracts and other	$56	$91	$326	$300
Translation (loss) gain on cash balances	($3)	$72	($61)	($68)
Adjusted cash flows from operating activities	**$766**	**$780**	**$2,270**	**$2,847**
Less: Capital expenditures	$279	$403	$1,390	$1,604
Adjusted free cash flow	**$487**	**$377**	**$880**	**$1,243**

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Reconciliation of Non-GAAP to GAAP Financial Measures

Q4 2023	Sales	Gross Margin	Gross Margin %	SG&A	RD&E	Operating Margin	Operating Margin %	Equity Earnings	(Loss) Income Before Income Taxes	Net (Loss) Income attributable to Corning Incorporated	Tax Rate (a)	Per Share
As Reported - GAAP	**$2,994**	**$911**	**30.4%**	**$514**	**$289**	**$78**	**2.6%**	**$8**	**($38)**	**($40)**	**26.3%**	**($0.05)**
Constant-currency adjustment	278	207		3		204		4	209	147		0.17
Translation loss on Japanese yen-denominated debt									62	50		0.06
Translated earnings contract gain									(33)	(27)		(0.03)
Acquisition-related costs						30			32	20		0.02
Discrete tax items and other tax-related adjustments										8		0.01
Restructuring, impairment and other charges and credits		87		(67)	(27)	181			196	158		0.19
Litigation, regulatory and other legal matters		1		(24)		25			17	19		0.02
Pension mark-to-market adjustment				(13)	(3)	16			19	15		0.02
Gain on investment									(11)	(11)		(0.01)
Core performance measures	**$3,272**	**$1,206**	**36.9%**	**$413**	**$259**	**$534**	**16.3%**	**$12**	**$453**	**$339**	**21.5%**	**$0.39**

(a) The calculation of the effective tax rate for GAAP and Core excludes net income attributable to non-controlling interest of approximately $12 million and $18 million, respectively.

Full-Year 2023	Sales	Gross Margin	Gross Margin %	SG&A	RD&E	Operating Margin	Operating Margin %	Equity Earnings	Income Before Income Taxes	Net Income attributable to Corning Incorporated	Tax Rate (a)	Per Share
As Reported - GAAP	**$12,588**	**$3,931**	**31.2%**	**$1,843**	**$1,076**	**$890**	**7.1%**	**$33**	**$816**	**$581**	**20.6%**	**$0.68**
Constant-currency adjustment	992	744		11		733		10	744	550		0.64
Translation gain on Japanese yen-denominated debt									(100)	(81)		(0.09)
Translated earnings contract gain									(161)	(130)		(0.15)
Acquisition-related costs				2	(1)	121			131	90		0.10
Discrete tax items and other tax-related adjustments										34		0.04
Restructuring, impairment and other charges and credits		283		(91)	(46)	420			471	378		0.44
Litigation, regulatory and other legal matters		(5)		(77)		72			61	54		0.06
Pension mark-to-market adjustment				(23)	(4)	27			15	12		0.01
Gain on investment									(10)	(10)		(0.01)
Gain on sale of assets		(20)				(20)			(20)	(15)		(0.02)
Core performance measures	**$13,580**	**$4,933**	**36.3%**	**$1,665**	**$1,025**	**$2,243**	**16.5%**	**$43**	**$1,947**	**$1,463**	**20.7%**	**$1.70**

(a) The calculation of the effective tax rate for GAAP and Core excludes net income attributable to non-controlling interest of approximately $67 million and $81 million, respectively.

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

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Return on Invested Capital

At Corning Return on Invested Capital (ROIC) is calculated based on the Core performance. We define ROIC as follows:

$$\textbf{ROIC} = \frac{Operating\ Income\ Tax\ Adjusted\ \ (\textbf{Return})}{Equity+Debt\ (\textbf{Invested Capital})}$$

Numerator = Return (Operating Income Tax Adjusted)
Operating Income + Equity in earnings of affiliated companies – Tax
= Operating Income Tax Adjusted

Denominator = Invested Capital
Equity + Long-and-Short term Debt
= Invested Capital

Q4 ’23 Return on Invested Capital (ROIC)

	GAAP	GAAP to Core Adjustments	Core
Operating income	*78*	*456*	*534*
Equity in earnings of affiliated companies	*8*	*4*	*12*
Operating Income before interest and taxes	**86**	**460**	**546**
Tax Rate*			21.5%
-Tax			*(117)*
Operating Income - Tax Adjusted			**429**
Equity			11,868
+ Debt			7,526
Invested Capital (IC)			19,394
Return (Q4 Operating Income - Tax Adjusted x4)			**1,714**
Invested Capital			**19,394**
ROIC			**8.8%**

*Q4 Core Tax Rate 21.5%

FY ’23 Return on Invested Capital (ROIC)

	GAAP	GAAP to Core Adjustments	Core
Operating income	*890*	*1,353*	*2,243*
Equity in earnings of affiliated companies	*33*	*10*	*43*
Operating Income before interest and taxes	**923**	**1,363**	**2,286**
Tax Rate*			20.7%
-Tax			*(474)*
Operating Income - Tax Adjusted			**1,812**
Equity			11,868
+ Debt			7,526
Invested Capital (IC)			19,394
Return (FY Operating Income - Tax Adjusted)			**1,812**
Invested Capital			**19,394**
ROIC			**9.3%**

*Year end Core Tax Rate 20.7%

FY ’23 Income Statement (8-K)

CORNING INCORPORATED AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF (LOSS) INCOME
(Unaudited; in millions, except per share amounts)

	Three months ended December 31,		Year ended December 31,	
	2023	2022	2023	2022
Net sales	$ 2,994	$ 3,406	$ 12,588	$ 14,189
Cost of sales	2,083	2,491	8,657	9,683
Gross margin	911	915	3,931	4,506
Operating expenses:				
Selling, general and administrative expenses	514	517	1,843	1,898
Research, development and engineering expenses	289	281	1,076	1,047
Amortization of purchased intangibles	30	31	122	123
Operating income	78	86	890	1,438
Interest income	13	6	38	15
Interest expense	(90)	(76)	(329)	(292)
Translated earnings contract gain, net	33	94	161	351
Other (expense) income, net	(72)	(106)	56	285
(Loss) income before income taxes	(38)	4	816	1,797
Benefit (provision) for income taxes	10	(31)	(168)	(411)
Net (loss) income	(28)	(27)	648	1,386
Net income attributable to non-controlling interest	(12)	(9)	(67)	(70)
Net (loss) income attributable to Corning Incorporated	$ (40)	$ (36)	$ 581	$ 1,316
(Loss) earnings per common share available to common shareholders:				
Basic	$ (0.05)	$ (0.04)	$ 0.69	$ 1.56
Diluted	$ (0.05)	$ (0.04)	$ 0.68	$ 1.54

GAAP to Core Reconciliation (Earnings Deck)

Q4 2023	Sales	Gross Margin	Gross Margin %	SG&A	RD&E	Operating Margin	Operating Margin %	Equity Earnings	(Loss) Income Before Income Taxes	Net (Loss) Income attributable to Corning Incorporated	Tax Rate (a)	Per Share
As Reported - GAAP	**$2,994**	**$911**	**30.4%**	**$514**	**$289**	**$78**	**2.6%**	**$8**	**($38)**	**($40)**	**26.3%**	**($0.05)**
Constant-currency adjustment	278	207		3		204		4	209	147		0.17
Translation loss on Japanese yen-denominated debt									62	50		0.06
Translated earnings contract gain									(33)	(27)		(0.03)
Acquisition-related costs						30			32	20		0.02
Discrete tax items and other tax-related adjustments										8		0.01
Restructuring, impairment and other charges and credits		87		(67)	(27)	181			196	158		0.19
Litigation, regulatory and other legal matters		1		(24)		25			17	19		0.02
Pension mark-to-market adjustment				(13)	(3)	16			19	15		0.02
Gain on investment									(11)	(11)		(0.01)
Core performance measures	**$3,272**	**$1,206**	**36.9%**	**$413**	**$259**	**$534**	**16.3%**	**$12**	**$453**	**$339**	**21.5%**	**$0.39**

(a) The calculation of the effective tax rate for GAAP and Core excludes net income attributable to non-controlling interest of approximately $12 million and $18 million, respectively.

Full-Year 2023	Sales	Gross Margin	Gross Margin %	SG&A	RD&E	Operating Margin	Operating Margin %	Equity Earnings	Income Before Income Taxes	Net Income attributable to Corning Incorporated	Tax Rate (a)	Per Share
As Reported - GAAP	**$12,588**	**$3,931**	**31.2%**	**$1,843**	**$1,076**	**$890**	**7.1%**	**$33**	**$816**	**$581**	**20.6%**	**$0.68**
Constant-currency adjustment	992	744		11		733		10	744	550		0.64
Translation gain on Japanese yen-denominated debt									(100)	(81)		(0.09)
Translated earnings contract gain									(161)	(130)		(0.15)
Acquisition-related costs				2	(1)	121			131	90		0.10
Discrete tax items and other tax-related adjustments										34		0.04
Restructuring, impairment and other charges and credits		283		(91)	(46)	420			471	378		0.44
Litigation, regulatory and other legal matters		(5)		(77)		72			61	54		0.06
Pension mark-to-market adjustment				(23)	(4)	27			15	12		0.01
Gain on investment									(10)	(10)		(0.01)
Gain on sale of assets		(20)				(20)			(20)	(15)		(0.02)
Core performance measures	**$13,580**	**$4,933**	**36.3%**	**$1,665**	**$1,025**	**$2,243**	**16.5%**	**$43**	**$1,947**	**$1,463**	**20.7%**	**$1.70**

(a) The calculation of the effective tax rate for GAAP and Core excludes net income attributable to non-controlling interest of approximately $67 million and $81 million, respectively.

Balance Sheet (8-K)

CORNING INCORPORATED AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Unaudited; in millions, except share and per share amounts)

	December 31, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 1,779	$ 1,671
Trade accounts receivable, net of doubtful accounts	1,572	1,721
Inventories	2,666	2,904
Other current assets	1,195	1,157
Total current assets	7,212	7,453
Property, plant and equipment, net of accumulated depreciation	14,630	15,371
Goodwill	2,380	2,394
Other intangible assets, net	905	1,029
Deferred income taxes	1,153	1,073
Other assets	2,220	2,179
Total Assets	$ 28,500	$ 29,499
Liabilities and Equity		
Current liabilities:		
Current portion of long-term debt and short-term borrowings	$ 320	$ 224
Accounts payable	1,466	1,804
Other accrued liabilities	2,533	3,147
Total current liabilities	4,319	5,175
Long-term debt	7,206	6,687
Postretirement benefits other than pensions	398	407
Other liabilities	4,709	4,955
Total liabilities	16,632	17,224
Commitments and contingencies		
Shareholders' equity:		
Common stock – Par value $0.50 per share; Shares authorized 3.8 billion; Shares issued: 1.8 billion and 1.8 billion	916	910
Additional paid-in capital – common stock	16,929	16,682
Retained earnings	16,391	16,778
Treasury stock, at cost; Shares held: 980 million and 977 million	(20,637)	(20,532)
Accumulated other comprehensive loss	(2,048)	(1,830)
Total Corning Incorporated shareholders' equity	11,551	12,008
Non-controlling interest	317	267
Total equity	11,868	12,275
Total Liabilities and Equity	$ 28,500	$ 29,499

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