

Update on Second Half 2019 Performance

September 16, 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.

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 Guidance Summary (as of September 16, 2019)[1][2]

Previous Outlook	Current Outlook
Display Technologies • For full-year 2019 we continue to expect to outperform the market and deliver volume growth in the high-single digits, driven by Gen 10.5. • Full-year 2019 price declines are expected to improve further to a low-to-mid single digit range. • Third-quarter 2019 glass market expected to be roughly consistent year over year, and to decrease by a low-single digit percentage sequentially. However, our volume is expected to be up year over year, again due to the Gen 10.5 ramp, and decrease low single digits sequentially and in line with the market. • Third-quarter 2019 sequential glass prices are expected to remain consistent with Q2.	**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 unchanged. Expect full-year price declines to be in the low-to-mid single digits. • Expect the overall glass market, as a result of the lower panel maker utilizations in the second half, to be down. • Third-quarter 2019 sequential glass prices are expected to remain flat with Q2. • Third-quarter 2019 Display volume forecast is a sequential decline of a high-single digit percentage.
Optical Communications Sales • Full-year 2019 sales growth expected to be low-to-mid single digits year over year. • Third-quarter 2019 sales expected to be down low-single digits year over year.	**Optical Communications Sales** • Full-year 2019 sales are expected to decline by 3-5%. • Third-quarter 2019 sales expected to decline a low-teens percentage year-over-year.
Environmental Technologies Sales • Full-year 2019 sales expected to be up by a low-teens percentage versus our prior expectation of 10%. • GPF Sales to exceed $200M in 2019 and grow robustly thereafter. • Third-quarter 2019 sales expected to be up by a low-teens percentage year over year.	**Environmental Technologies Sales** **** Unchanged ******
Specialty Materials Sales • Continue to expect full-year growth in 2019 despite a maturing smart phone market. Exactly how much will depend on the adoption rate of our innovations. Third-quarter 2019 sales to be up ~25% sequentially and consistent year over year.	**Specialty Materials Sales** **** Unchanged ******
Life Sciences Sales • Full-year sales to grow mid-single digits year over year. • Third-quarter 2019 to be up mid-single digits year over year.	**Life Sciences Sales** **** Unchanged ******

(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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2019 Guidance Summary (as of September 16, 2019)[1][2]

Previous Outlook

2019 Second Half Gross Margin:
- Slightly better than first half of 40%

2019 Operating Expenses:
- SG&A: ~14% of sales (Q3: ~$420M)
- RD&E: ~8-8.5% of sales (Q3: $255-$260M)

2019 Corporate Metrics:
- Other income/expense: ~($250M) net expense (Q3: ~($75M) net expense)
- Gross equity earnings: ~$210M (Q3: $20-$25M)
- Tax rate: ~20% for full year and Q3
- Capital expenditures: Slightly more than $2B

Current Outlook

2019 Second Half Gross Margin:
- ~39%

2019 Operating Expenses:
- SG&A: ~14% of sales (Q3: ~$390M), (FY: ~$1.6B)
- RD&E: ~8-8.5% of sales (Q3: ~$240), (FY: ~$980-$990M)

2019 Corporate Metrics:
- Other income/expense: * ***Unchanged*** *
- Gross equity earnings: ~$230M (Q3: $20-$25M)
- Tax rate: * ***Unchanged*** *
- Capital expenditures: * ***Unchanged*** *

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