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Second-Quarter 2022 Investor Call

**Corning Reports Strong Second-Quarter Results
Highlighted by Continued Growth and Improved
Profitability**

July 26, 2022

Forward-Looking and Cautionary Statements

The statements in this Quarterly Report on Form 10-Q, in reports subsequently filed by Corning with the SEC on Forms 8-K, 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,” and “target” and similar expressions are forward-looking statements. 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, 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, actual results could differ materially. The Company does 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 pandemic, and its impact across our businesses on demand, personnel, operations, our global supply chains and stock price; global economic trends, competition and geopolitical risks, or an escalation of sanctions, tariffs or other trade tensions, and related impacts on our businesses’ global supply chains and strategies; changes in macroeconomic and market conditions, market volatility, interest rates, capital markets, the value of securities and other financial assets, precious metals, oil, natural gas and other commodities and exchange rates (particularly between the U.S. dollar and the Japanese yen, new Taiwan dollar, euro, Chinese yuan and South Korean won), consumer demand, and the impact of such changes and volatility on our financial position and businesses; 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; disruption to Corning’s, our suppliers’ and manufacturers’ supply chain, logistics, equipment, facilities, IT systems, operations or commercial activities 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; effects of acquisitions, dispositions and other similar transactions; effect of regulatory and legal developments; ability to pace capital spending to anticipated levels of customer demand; our ability to increase margins through implementation of operational changes, pricing actions and cost reduction measures without impacting revenues; rate of technology change; ability to enforce patents and protect intellectual property and trade secrets; adverse litigation; product and components performance issues; attraction and 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; and the potential impact of legislation, government regulations, and other government action and investigations; and other risks detailed in Corning’s SEC filings.

While the Company continually reviews trends and uncertainties affecting the Company’s results of operations and financial condition, the Company does not assume any obligation to update or supplement any particular forward-looking statements contained in this document, unless required by law.

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.

In managing the Company and assessing our financial performance, certain measures provided by our consolidated financial statements are adjusted to exclude specific items to report core performance measures. These items include gains and losses on our translated earnings contracts, acquisition-related costs, certain discrete tax items and other tax-related adjustments, restructuring, impairment losses, and other charges and credits, 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. Corning utilizes constant-currency reporting for our Display Technologies, Environmental Technologies, Specialty Materials and Life Sciences segments for the Japanese yen, South Korean won, Chinese yuan, new Taiwan dollar and the 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 used to mitigate the impact of changes in currency exchange rates on earnings and cash flows. Corning also believes that reporting core performance measures provides investors greater transparency to the information used by the management team to make financial and operational decisions.

Core performance measures are not prepared in accordance with Generally Accepted Accounting Principles in the United States (“GAAP”). 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 Company’s outlook for future periods, it is not possible 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.

FX Hedge Accounting

Recorded unrealized, non-cash, after-tax gain of \$203M in Q2 2022 on mark-to-market adjustments associated with currency-hedging contracts and foreign debt

- Translation hedges reduce our economic exposure to currency fluctuations, providing higher certainty for our earnings and cash flow, our growth investments, and our future shareholder distributions
- Hedge contracts settled in any given quarter substantially offset changes in earnings and cash flow due to currency fluctuations

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July 26, 2022

Q2 HIGHLIGHTS



\$3.8B
Core Sales
7% Increase YoY



37.5%
Gross Margin
Expanded 90 bps
Sequentially



\$0.57
Core EPS
8% Increase YoY



\$440M
Free Cash Flow

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SECOND QUARTER 2022 CORE PERFORMANCE

“Corning executed very well in a challenging external environment and delivered outstanding second-quarter results, with year-over-year sales and EPS growth of 7% and 8%, respectively. We also delivered \$440 million of free cash flow in the quarter and improved profitability sequentially... We are well positioned to drive durable, profitable long-term growth as our distinctive capabilities remain vital to solving tough technology challenges for our customers and to shaping new industries.”

- Wendell Weeks, Chairman and CEO

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PERFORMANCE DRIVERS

Display

- Executing against strategy to stabilize returns
- Maintaining favorable pricing
- Industry leader with global manufacturing footprint, leadership in Gen 10.5, cost advantages, and distinctive capabilities



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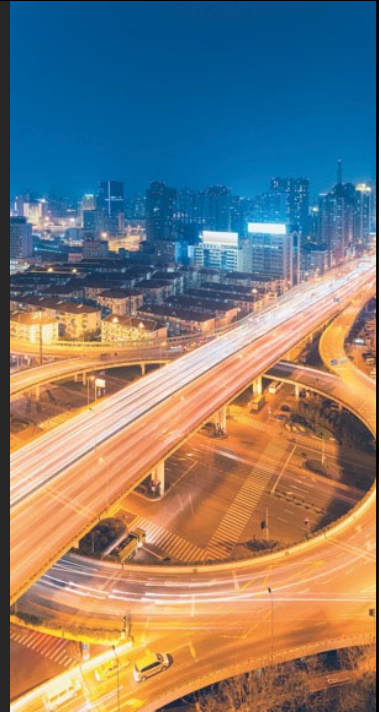
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PERFORMANCE DRIVERS

Optical Communications

- Multiyear wave of growth for passive optical networks
- Major innovation programs underway for broadband, 5G, and cloud
- Accelerating customers' ability to scale networks while driving "More Corning" solutions into the market



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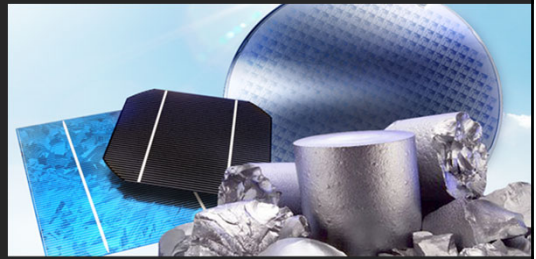
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PERFORMANCE DRIVERS

Hemlock Semiconductor Group

- Manufactures ultrapure polysilicon for the semiconductor and solar industries
- Turned on idle capacity
- Secured multi-year take-or-pay commitments for solar, and expect demand to grow



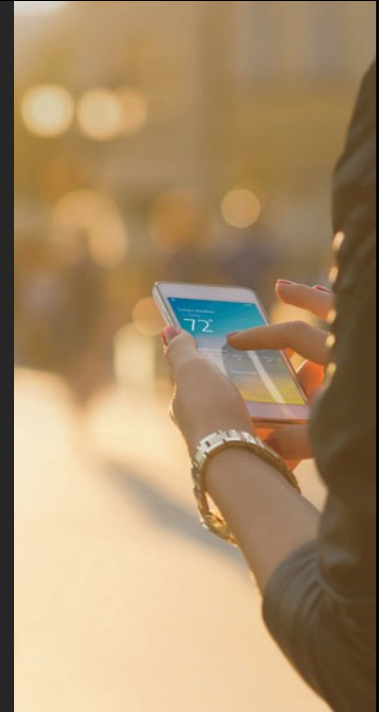
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Mobile Consumer Electronics

- Outperforming in a down market
 - “More Corning” approach
 - Product leadership
 - Ongoing collaboration with industry leaders
- Customers adopting our innovations for new product launches expected this year



Strategically Resilient

- Delivering commercially and technically
- Performing well in challenging environment with “More Corning” approach and strong secular growth in optical and solar markets
- Cohesive and focused portfolio provides strategic resilience

CEO Summary

Quality
Integrity
Performance
Leadership
Innovation
Independence
The Individual

Corning's Values provide an unchanging moral and ethical compass that guides the actions of everyone in the company. CORNING

New Generation of Technology Leadership



CFO Perspective



\$3.8B

Q2 Core Sales
7% Increase YoY



37.5%

Q2 Gross Margin
Expanded 90 bps
Sequentially



\$0.57

Q2 Core EPS
8 % Increase YoY



\$440M

Q2 Free Cash Flow

**Executing well; driving growth and improved profitability;
investing for long-term**

Second Quarter Highlights

Achieved high-single digit year-over-year sales and EPS growth

Improved profitability through pricing actions

Capitalized on market leadership and strong secular growth in optical and solar markets

Majority of 2023 foreign currency exposure hedged; maintaining currency rates in core reporting





\$1.3B
Q2 Net Sales
Up 22% YoY



\$182M
Q2 Net Income
Up 23% YoY

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OPTICAL COMMUNICATIONS

Momentum Continues

Q2 Results

- Q2 Sales were \$1.3B, up 22% YoY
- Net income of \$182M, up 23% YoY from strong volume and price increases

Observations

- Company believes passive optical market is in the early phases of a multiyear build cycle across multiple segments
- Pursuing significant secular trends in broadband, 5G and the cloud
- Ramping up production and opening new facilities to support customer needs

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\$878M
Q2 Net Sales
Down 6% YoY



\$228M
Q2 Net Income
Down 8% YoY

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DISPLAY TECHNOLOGIES

Executing Well on Goal to Stabilize Returns

Q2 Results

- Q2 Sales were \$878M, down 6% YoY
- Significant panel maker production decline in June; glass volume declined sequentially
- Glass price up slightly sequentially

Observations

- Expect June's low panel maker utilization level to continue through the third quarter, resulting in glass volume down a mid-teen percentage sequentially
- Expect Q3 glass price to be consistent with the second quarter

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SPECIALTY MATERIALS

'More Corning' Approach Enables Growth



\$485M
Q2 Net Sales
Consistent YoY



\$91M
Q2 Net Income
Up 12% YoY

Q2 Results

- Q2 Sales were \$485M, consistent with a strong Q2 2021
- Net income of \$91M, up 12% YoY

Observations

- Retail smartphone units expected to be down in 2022
- Expect sales growth in second half of 2022, driven by customer product launches utilizing Corning's innovations as well as continued strong semiconductor demand

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ENVIRONMENTAL TECHNOLOGIES

Content Opportunities Generate Outperformance



\$356M
Q2 Net Sales
Down 13% YoY



\$62M
Q2 Net Income
Down 23% YoY

Q2 Results

- Q2 sales were \$356M, down 13% YoY, due to continued automaker production constraints

Observations

- Pursuing content opportunities that generate revenue beyond end-market demand, such as additional adoptions of GPFs in new regions
- Expect sales to grow sequentially, driven primarily by a resumption of auto production in China following COVID lockdowns
- Prepared to serve demand globally as supply constraints ease and auto production increases

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LIFE SCIENCES

Well Positioned to Serve Growing Segments



\$312M
Q2 Net Sales
Consistent YoY



\$37M
Q2 Net Income
Down 29% YoY

Q2 Results

- Q2 sales were \$312M, consistent YoY
- Lower demand for COVID-related products offset by growth in research and bioproduction
- Sales and net income were impacted by COVID lockdowns in China

Observations

- Expect continued growth in Research and Bioproduction
- Positioned to meet demand with recent capacity investments

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HEMLOCK AND EMERGING GROWTH BUSINESSES

Strong Performance Generating Growth



\$418M
Q2 Net Sales
Up 45% YoY

Q2 Results

- Q2 sales of \$418M, up 45% YoY, driven by growth in Hemlock as we continue to see increased demand for solar materials
- Continued adoption of our pharmaceutical packaging solutions for critical drugs
- Automotive Glass Solutions delivered YoY growth; recognized by Continental with a "Supplier of the Year" award for our AutoGrade™ Corning Gorilla Glass technology

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Outlook

Q3 2022

- Core Sales: \$3.65B - \$3.85B
- Core EPS: \$0.51 - \$0.55

FY 2022 Expectations

- Core Sales to slightly exceed \$15B; with growth up 6-8%
- Core EPS to grow in line with sales

- Expect benefit of pricing actions to continue
- Expect continued strong sales in other segments to offset lower Display volume
- Expectations factor in range of probabilities for market challenges

CFO Summary

- Executing highly disciplined approach to investment decisions
- Maintaining strong balance sheet
- Delivering solid free cash flow
- Expanding capacity to support committed customer demand
- Advancing long-term growth initiatives



Q&A Session

Corning's 2022 Investor Outreach Plans

- Conference Plans:
 - September 8: Citi 2022 Global Technology Conference
 - September 13: Goldman Sachs 2022 Communacopia + Technology Conference
- Management visits to investor offices in select cities
- Scheduled visits to Corning locations for hosted tours

Appendix

2022 Corporate Metrics (as of July 26, 2022)⁽¹⁾⁽²⁾

Q3 2022

Core Sales: \$3.65B - \$3.85B

Core EPS: \$0.51 - \$0.55

Full-Year 2022

Core Sales: Slightly Exceed \$15B; growing 6-8%

Hemlock and Emerging Growth Businesses sales: \$1.4B - \$1.6B

Other income/expense: (~\$245M) net expense

Non-controlling interest: (\$70M - \$80M) expense

Gross equity earnings: \$15M - \$20M

Tax rate: ~21%

Capital expenditures: Consistent with 2021

Another year of solid free cash flow generation

(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.

Q2 2022 Core Performance

<i>\$ in millions, except EPS</i>	Q2 2022	Q1 2022	Q2 2021
Core Net Sales	\$3,762	\$3,744	\$3,504
Core Gross Margin	\$1,410	\$1,370	\$1,326
<i>Gross Margin %</i>	37%	37%	38%
Core SG&A	\$460	\$461	\$449
<i>% of Sales</i>	12%	12%	13%
Core RD&E	\$244	\$250	\$236
<i>% of Sales</i>	6%	7%	7%
Core Operating Margin	\$706	\$659	\$641
<i>Operating Margin %</i>	19%	18%	18%
Core Gross Equity Earnings	\$3	\$0	\$8
Core Net Profit Before Taxes	\$646	\$616	\$588
Core Net Income attributable to Corning Incorporated	\$489	\$465	\$459
Core EPS	\$0.57	\$0.54	\$0.53
Weighted-Average Shares Outstanding	856	859	869

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Q2 2022 Operating Performance by Segment

Segment Net Sales <i>\$ in millions</i>	Q2 2022	Q1 2022	% change	Q2 2021	% change
Optical Communications	\$1,313	\$1,198	10%	\$1,075	22%
Carrier Network	\$967	\$923	5%	\$773	25%
Enterprise Network	\$346	\$275	26%	\$302	15%
Display Technologies	\$878	\$959	(8%)	\$939	(6%)
Specialty Materials	\$485	\$493	(2%)	\$483	—
Environmental Technologies	\$356	\$409	(13%)	\$407	(13%)
Automotive	\$199	\$241	(17%)	\$240	(17%)
Diesel	\$157	\$168	(7%)	\$167	(6%)
Life Sciences	\$312	\$310	1%	\$312	0%
Hemlock and Emerging Growth Businesses	\$418	\$375	11%	\$288	45%
Total Segment Net Sales	\$3,762	\$3,744	0%	\$3,504	7%
Segment Net Income <i>\$ in millions</i>	Q2 2022	Q1 2022	% change	Q2 2021	% change
Optical Communications	\$182	\$166	10%	\$148	23%
Display Technologies	\$228	\$236	(3%)	\$248	(8%)
Specialty Materials	\$91	\$75	21%	\$81	12%
Environmental Technologies	\$62	\$74	(16%)	\$81	(23%)
Life Sciences	\$37	\$42	(12%)	\$52	(29%)
Hemlock and Emerging Growth Businesses	\$25	(\$8)	*	(\$15)	*
Total Segment Net Income	\$625	\$585	7%	\$595	5%

* Not Meaningful

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Year-to-Date Core Performance

\$ in millions, except EPS	YTD	YTD
	Q2 2022	Q2 2021
Core Net Sales	\$7,506	\$6,767
Core Gross Margin	\$2,780	\$2,493
<i>Gross Margin %</i>	37%	37%
Core SG&A	\$921	\$837
<i>% of Sales</i>	12%	12%
Core RD&E	\$494	\$456
<i>% of Sales</i>	7%	7%
Core Operating Margin	\$1,365	\$1,200
<i>Operating Margin %</i>	18%	18%
Core Gross Equity Earnings	\$3	\$16
Core Net Profit Before Taxes	\$1,262	\$1,100
Core Net Income attributable to Corning Incorporated	\$954	\$861
Core EPS	\$1.11	\$0.97
Weighted-Average Shares Outstanding	857	884

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

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Year-to-Date Operating Performance by Segment

Segment Net Sales	YTD	YTD	%
\$ in millions	Q2 2022	Q2 2021	change
Optical Communications	\$2,511	\$2,012	25%
Carrier Network	\$1,890	\$1,438	31%
Enterprise Network	\$621	\$574	8%
Display Technologies	\$1,837	\$1,802	2%
Specialty Materials	\$978	\$934	5%
Environmental Technologies	\$765	\$848	(10%)
Automotive	\$440	\$505	(13%)
Diesel	\$325	\$343	(5%)
Life Sciences	\$622	\$612	2%
Hemlock and Emerging Growth Business	\$793	\$559	42%
Total Segment Net Sales	\$7,506	\$6,767	11%
Segment Net Income	YTD	YTD	%
\$ in millions	Q2 2022	Q2 2021	change
Optical Communications	\$348	\$259	34%
Display Technologies	\$464	\$461	1%
Specialty Materials	\$166	\$172	(3%)
Environmental Technologies	\$136	\$155	(12%)
Life Sciences	\$79	\$100	(21%)
Hemlock and Emerging Growth Business	\$17	(\$39)	*
Total Segment Net Income	\$1,210	\$1,108	9%

* Not Meaningful

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Adjusted Operating Cash Flow Reconciliation

\$ in millions	Q2 2022	Q2 2021	YTD Q2 2022	YTD Q2 2021
Cash flows from operating activities	\$758	\$771	\$1,292	\$1,494
Realized gains on translated earnings contracts	\$92	\$16	\$132	\$13
Translation (losses) gains on cash balances	(\$57)	\$8	(\$77)	(\$51)
Adjusted cash flows from operating activities	\$793	\$795	\$1,347	\$1,456
Less: Capital expenditures	\$353	\$324	\$736	\$613
Free cash flow	\$440	\$471	\$611	\$843

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

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Reconciliation of Non-GAAP to GAAP Financial Measures

Q2 2022	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	\$3,615	\$1,246	34.5%	\$486	\$240	\$490	13.6%	\$2	\$750	\$563	22.1%	\$0.66
Constant-currency adjustment	147	121		1		120		1	120	93		0.11
Translation gain on Japanese yen-denominated debt									(153)	(118)		(0.14)
Translated earnings contract gain									(196)	(150)		(0.18)
Acquisition-related costs						30			35	27		0.03
Discrete tax items and other tax-related adjustments										5		0.01
Restructuring, impairment, and other charges and credits		43		(3)		46			46	36		0.04
Contingent consideration									(6)	(5)		(0.01)
Litigation, regulatory and other legal matters				(42)		42			42	32		0.04
Loss on investments									8	6		0.01
Pension mark-to-market adjustment				18	4	(22)						
Core performance measures	\$3,762	\$1,410	37.5%	\$460	\$244	\$706	18.8%	\$3	\$646	\$489	21.8%	\$0.57

(a) The calculation of the effective tax rate ("ETR") excludes net income attributable to non-controlling interests ("NCI") of \$21 million.

Q2 2022 YTD	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	\$7,295	\$2,529	34.7%	\$920	\$488	\$1,060	14.5%	\$1	\$1,533	\$1,144	22.6%	\$1.33
Constant-currency adjustment	211	183		1		182		2	183	142		0.17
Translation gain on Japanese yen-denominated debt									(237)	(182)		(0.21)
Translated earnings contract gain									(325)	(249)		(0.29)
Acquisition-related costs				1		60			74	59		0.07
Discrete tax items and other tax-related adjustments										16		0.02
Restructuring, impairment, and other charges and credits		68		(11)		79			79	60		0.07
Gain on sale of business									(53)	(41)		(0.05)
Contingent consideration				26		(26)			(32)	(25)		(0.03)
Litigation, regulatory and other legal matters				(42)		42			42	32		0.04
Loss on investments									8	6		0.01
Pension mark-to-market adjustment				26	6	(32)			(10)	(8)		(0.01)
Core performance measures	\$7,506	\$2,780	37.0%	\$921	\$494	\$1,365	18.2%	\$3	\$1,262	\$954	21.7%	\$1.11

(a) The calculation of the effective tax rate ("ETR") excludes net income attributable to non-controlling interests ("NCI") of \$43 million.

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

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The logo features the word "CORNING" in a white, serif, all-caps font. The text is centered horizontally and positioned within a dark, almost black, rectangular area. This area is overlaid on a background of light, curved, glowing streaks that sweep across the top right corner, creating a sense of motion and depth. The overall aesthetic is sleek and modern.

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