

News Release

FOR RELEASE – Jan. 30, 2024

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

Fourth-quarter results demonstrate continued progress restoring productivity ratios to historical levels and raising price to offset inflation

Despite lower sales, fourth-quarter GAAP and core gross margin each improved by more than 300 basis points year over year and cash generation significantly improved

Company has an opportunity to add more than \$3 billion in annualized sales and deliver strong incremental profit and cash flow as markets normalize

Management expects first-quarter core sales of approximately \$3.1 billion and core EPS in the range of \$0.32 to \$0.38 and anticipates the first quarter to be the low quarter of the year

CORNING, N.Y. — [Corning Incorporated](#) (NYSE: GLW) today announced its fourth-quarter and full-year 2023 results and provided its outlook for first-quarter 2024.

Wendell P. Weeks, chairman and chief executive officer, said, “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.”

Weeks continued, “We are entering 2024 operationally strong, and we have an opportunity to increase our sales by more than \$3 billion in the medium term as our markets normalize. As we capture that growth, we expect to deliver powerful incremental profit and cash flow – which is a terrific opportunity for our shareholders.”

Financial Review

Fourth-Quarter 2023:

- GAAP sales were \$3.0 billion, down 6% sequentially. Core sales were \$3.3 billion, down 5% sequentially, in line with expectations.
- GAAP EPS was \$(0.05), and core EPS was \$0.39. The difference between GAAP and core EPS primarily reflected constant currency adjustments, translated earnings contract gains, and translation losses on Japanese-yen-denominated debt, as well as restructuring and asset write-off charges.
- Year over year, GAAP gross margin improved by 350 basis points and core gross margin

improved by 330 basis points while GAAP and core sales declined 12% and 10%, respectively.

- Cash flow continued to improve: GAAP operating cash flow was \$713 million, and adjusted free cash flow was \$487 million.

Full-Year 2023:

- GAAP sales were \$12.6 billion, down 11%. Core sales were \$13.6 billion, down 8%.
- GAAP EPS was \$0.68, and core EPS was \$1.70. The difference between GAAP and core EPS primarily reflected constant currency adjustments, translated earnings contract gains, and translation gains on Japanese-yen-denominated debt, as well as restructuring and asset write-off charges.
- GAAP operating cash flow was \$2 billion, and adjusted free cash flow was \$880 million.

First-Quarter 2024 Outlook:

- Management expects first-quarter core sales of approximately \$3.1 billion and core EPS in the range of \$0.32 to \$0.38 and anticipates the first quarter to be the low quarter of the year.

Ed Schlesinger, executive vice president and chief financial officer, said, “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. Our results in the quarter – and throughout 2023 – reflect the benefits of our actions to increase price, improve our productivity ratios, and reduce inventory.”

Schlesinger continued, “For the first quarter of 2024, we expect core sales of approximately \$3.1 billion and EPS in the range of \$0.32 to \$0.38. We anticipate the first quarter to be the low quarter of the year and to drive profitable, durable growth over the long term.”

Strategy in Action

Corning strives to be a catalyst for positive change and to help move the world forward. The company drives profitable multiyear growth by inventing, making, and selling life-changing products while cultivating deep, trust-based relationships with industry leaders, ultimately incorporating more content into customers’ offerings. Corning takes the long view, investing in a set of vital capabilities that are increasingly relevant to profound transformations that touch many facets of daily life. Today, Corning’s markets include optical communications, mobile consumer electronics, display, automotive, solar, semiconductor, and life sciences.

Recent highlights include:

- **Continuing to set the standard for durable, high-performance smartphone cover materials.** Corning continued its legacy of innovation with its Corning® Gorilla® Armor, [a new cover material featured on Samsung’s Galaxy S24 Ultra](#). Gorilla Armor offers an unparalleled combination of durability and visual clarity, delivering a richer display in sunlight and greater protection against damage caused by daily wear.

- Advancing optical innovations in broadband, 5G, cloud computing, and advanced AI.** Corning’s Jeffrey Evenson, executive vice president and chief strategy officer, along with Aleksandra Boskovic, vice president of technology development, Optical Communications, shared how Corning’s optical fiber innovations and unique value proposition position the company to capitalize on opportunities in telecommunications, cloud computing, and advanced artificial intelligence. To learn more, see Corning’s feature in Bloomberg Intelligence’s [Tech Disruptors podcast](#).
- Advancing the driving experience by creating the next generation of automotive-interior displays.** Collaboration among Corning, display leader Tianma, and automaker GAC incorporates Corning’s [award-winning LivingHinge™](#) Technology, which was named a 2024 “Best of Innovation Honoree” by CES® for enabling the display to dynamically bend. Also at CES, Corning unveiled its latest cockpit innovation alongside longtime collaborator BOE Technology Group Co. Ltd. It features a 44.6-inch ultra-large oxide panel with Corning® ColdForm™ Technology, which touts an independently verified lower environmental impact of at least 25%.
- Helping automakers turn windows into system-enabling components.** A recent [MotorTrend article](#) featured Corning’s new [Fusion5™ Glass](#), which delivers windshields with superior durability, better optical performance, and lighter weight than conventional windshields. The innovative windshield technology helps enable the sensor systems needed for Advanced Driver Assistance Systems and higher levels of autonomy, while providing weight savings needed to extend electric vehicle range.
- Continuing its dedication to providing an equitable workplace.** For the second year in a row, [Corning received a score of 100](#) on the Human Rights Campaign Foundation’s Corporate Equality Index.

Fourth-Quarter and Full-Year 2023 Results and Comparisons (In millions, except per-share amounts)

	Q4 2023	Q3 2023	% change	Q4 2022	% change	Full-year 2023	Full-year 2022	% change
GAAP Net Sales	\$ 2,994	\$ 3,173	(6%)	\$ 3,406	(12%)	\$ 12,588	\$ 14,189	(11%)
GAAP Net (Loss) Income (1)	\$ (40)	\$ 164	*	\$ (36)	11%	\$ 581	\$ 1,316	(56%)
GAAP Diluted EPS	\$ (0.05)	\$ 0.19	*	\$ (0.04)	25%	\$ 0.68	\$ 1.54	(56%)
Core Sales (2)	\$ 3,272	\$ 3,459	(5%)	\$ 3,633	(10%)	\$ 13,580	\$ 14,805	(8%)
Core Net Income (2)	\$ 339	\$ 386	(12%)	\$ 402	(16%)	\$ 1,463	\$ 1,794	(18%)
Core EPS (2)	\$ 0.39	\$ 0.45	(13%)	\$ 0.47	(17%)	\$ 1.70	\$ 2.09	(19%)

(1) Represents GAAP net (loss) income attributable to Corning Incorporated.

(2) Core performance measures are non-GAAP financial measures. The reconciliation between GAAP and non-GAAP measures is provided in the tables following this news release, as well as on the company’s website.

* Not Meaningful

Fourth-Quarter and Full-Year 2023 Segment Results

The fourth-quarter and full-year 2023 results below are prepared on a basis consistent with Corning's segment reporting as presented in the company's consolidated financial statements.

Optical Communications

	Q4 2023	Q3 2023	% change	Q4 2022	% change	Full- year 2023	Full- year 2022	% change
Net Sales	\$ 903	\$ 918	(2%)	\$ 1,195	(24%)	\$ 4,012	\$ 5,023	(20%)
Net Income	\$ 88	\$ 91	(3%)	\$ 130	(32%)	\$ 478	\$ 661	(28%)

In Optical Communications, fourth-quarter sales were \$903 million, down 2% sequentially, primarily reflecting temporarily lower demand from carrier customers as they continue to draw down inventory. Fourth-quarter net income was \$88 million, down 3% sequentially, on the lower volume.

Display Technologies

	Q4 2023	Q3 2023	% change	Q4 2022	% change	Full- year 2023	Full- year 2022	% change
Net Sales	\$ 869	\$ 972	(11%)	\$ 783	11%	\$ 3,532	\$ 3,306	7%
Net Income	\$ 232	\$ 242	(4%)	\$ 171	36%	\$ 842	\$ 769	9%

In Display Technologies, fourth-quarter sales were \$869 million, down 11% sequentially, reflecting a sequential volume decline in line with the market, partially offset by the impact of the company's second-half price increases. Fourth-quarter net income declined 4% sequentially to \$232 million. The company successfully executed a double-digit price increase in the second half of 2023.

Specialty Materials

	Q4 2023	Q3 2023	% change	Q4 2022	% change	Full- year 2023	Full- year 2022	% change
Net Sales	\$ 473	\$ 563	(16%)	\$ 505	(6%)	\$ 1,865	\$ 2,002	(7%)
Net Income	\$ 58	\$ 72	(19%)	\$ 78	(26%)	\$ 202	\$ 340	(41%)

In Specialty Materials, fourth-quarter sales were \$473 million, down 16% sequentially, following strong third-quarter sales of smartphone cover materials for customer product launches. Fourth-quarter net income was \$58 million, down 19% sequentially, reflecting lower volume.

Environmental Technologies

	Q4 2023	Q3 2023	% change	Q4 2022	% change	Full- year 2023	Full- year 2022	% change
Net Sales	\$ 429	\$ 449	(4%)	\$ 394	9%	\$ 1,766	\$ 1,584	11%
Net Income	\$ 98	\$ 99	(1%)	\$ 69	42%	\$ 386	\$ 292	32%

In Environmental Technologies, fourth-quarter sales were \$429 million, down 4% sequentially, reflecting normal seasonality. Fourth-quarter net income was \$98 million, consistent sequentially.

Life Sciences

	Q4 2023	Q3 2023	% change	Q4 2022	% change	Full- year 2023	Full- year 2022	% change
Net Sales	\$ 242	\$ 230	5%	\$ 294	(18%)	\$ 959	\$ 1,228	(22%)
Net Income	\$ 17	\$ 13	31%	\$ 31	(45%)	\$ 50	\$ 153	(67%)

In Life Sciences, fourth-quarter sales were \$242 million, up 5% sequentially, as customers in North America and Europe are completing their inventory draw downs. Fourth-quarter net income was \$17 million, up 31% sequentially, driven by higher volume and productivity improvements.

Hemlock and Emerging Growth Businesses

	Q4 2023	Q3 2023	% change	Q4 2022	% change	Full- year 2023	Full- year 2022	% change
Net Sales	\$ 356	\$ 327	9%	\$ 462	(23%)	\$ 1,446	\$ 1,662	(13%)
Net (Loss) Income	\$ (19)	\$ (8)	138%	\$ 4	*	\$ 15	\$ 39	(62%)

* Not Meaningful

In Hemlock and Emerging Growth Businesses, fourth-quarter sales were \$356 million, up 9% sequentially, primarily reflecting higher semiconductor polysilicon volume.

Upcoming Investor Events

On March 1, Corning will attend the Susquehanna Financial Group, LLLP 13th Annual Technology Conference. On March 5, Corning will attend the Morgan Stanley Technology, Media & Telecom Conference. Corning will also host management visits to investor offices in select cities. Visit the company's [Investor Relations website](#) for up-to-date conference information.

Fourth-Quarter Conference Call Information

The company will host its fourth-quarter conference call on Tuesday, Jan. 30, at 8:30 a.m. EST. To participate, individuals may preregister [here](#) prior to the start of the call. Once the required fields are completed, click "Register." A telephone number and PIN will be auto generated and will pop up on screen. Participants will have the choice to "Dial In" or have the system "Call Me." A confirmation email will also be sent with specific dial-in information. To listen to a live audio webcast of the call, go to the company's [Investor Relations events page](#) and follow the instructions.

Presentation of Information in this News Release

This news release includes non-GAAP financial measures. Non-GAAP financial measures are not in accordance with, or an alternative to, GAAP. Corning's non-GAAP financial measures exclude the impact of items that are driven by general economic conditions and events that do

not reflect the underlying fundamentals and trends in the company's operations. The company believes presenting non-GAAP financial measures assists in analyzing financial performance without the impact of items that may obscure trends in the company's underlying performance. 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. These reconciliations also accompany this news release.

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.

Caution Concerning Forward-Looking Statements

The statements contained in this release 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.

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.

Web Disclosure

In accordance with guidance provided by the SEC regarding the use of company websites and social media channels to disclose material information, Corning Incorporated ("Corning") wishes to notify investors, media, and other interested parties that it uses its website (<https://www.corning.com/worldwide/en/about-us/news-events.html>) to publish important information about the company, including information that may be deemed material to investors, or supplemental to information contained in this or other press releases. The list of websites and social media channels that the company uses may be updated on Corning's media and website from time to time. Corning encourages investors, media, and other interested parties to review the information Corning may publish through its website and social media channels as described above, in addition to the company's SEC filings, press releases, conference calls, and webcasts.

About Corning Incorporated

Corning (www.corning.com) is one of the world's leading innovators in materials science, with a 170-year track record of life-changing inventions. Corning applies its unparalleled expertise in glass science, ceramic science, and optical physics along with its deep manufacturing and engineering capabilities to develop category-defining products that transform industries and enhance people's lives. Corning succeeds through sustained investment in RD&E, a unique combination of material and process innovation, and deep, trust-based relationships with customers who are global leaders in their industries. Corning's capabilities are versatile and synergistic, which allows the company to evolve to meet changing market needs, while also helping its customers capture new opportunities in dynamic industries. Today, Corning's markets include optical communications, mobile consumer electronics, display, automotive, solar, semiconductors, and life sciences.

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