

CORNING INCORPORATED AND SUBSIDIARY COMPANIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE
Three Months Ended September 30, 2007
(Unaudited; amounts in millions, except per share amounts)

Corning's net income and earnings per share (EPS) excluding special items for the third quarter of 2007 are non-GAAP financial measures within the meaning of Regulation G of the Securities and Exchange Commission. Non-GAAP financial measures are not in accordance with, or an alternative to, generally accepted accounting principles (GAAP). The company believes presenting non-GAAP net income and EPS is helpful to analyze financial performance without the impact of unusual items that may obscure trends in the company's underlying performance. A detailed reconciliation is provided below outlining the differences between these non-GAAP measures and the directly related GAAP measures.

	<u>Per Share</u>	<u>Income (Loss) Before Income Taxes</u>	<u>Net Income (Loss)</u>
Earnings per share (EPS) and net income, excluding special items	\$ 0.38	\$ 429	\$ 619
<i>Special items:</i>			
Asbestos settlement (a)	0.01	16	16
Equity in earnings of associated companies (b)	<u>(0.01)</u>	<u> </u>	<u>(18)</u>
Total EPS and net income	<u>\$ 0.38</u>	<u>\$ 445</u>	<u>\$ 617</u>

- (a) As a result of Corning's proposed asbestos settlement, any changes in the estimated settlement value of the components of the proposed settlement agreement will be recognized in Corning's quarterly results until the date of the contribution to the settlement trust. In the third quarter of 2007, Corning recorded a credit of \$16 million (before- and after-tax) including a credit of \$23 million for the change in Corning's common stock price of \$24.65 at September 30, 2007, compared to \$25.55 at June 30, 2007 and a \$7 million charge for the change in the estimated settlement value of certain other components of the proposed asbestos settlement liability.
- (b) In the third quarter of 2007, equity in earnings of associated companies includes an \$18 million charge (net of tax) for restructuring and impairment charges of Samsung Corning Co., Ltd.

CORNING INCORPORATED AND SUBSIDIARY COMPANIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE
Three Months Ended June 30, 2007

(Unaudited; amounts in millions, except per share amounts)

Corning's net income and earnings per share (EPS) excluding special items for the second quarter of 2007 are non-GAAP financial measures within the meaning of Regulation G of the Securities and Exchange Commission. Non-GAAP financial measures are not in accordance with, or an alternative to, generally accepted accounting principles (GAAP). The company believes presenting non-GAAP net income and EPS is helpful to analyze financial performance without the impact of unusual items that may obscure trends in the company's underlying performance. A detailed reconciliation is provided below outlining the differences between these non-GAAP measures and the directly related GAAP measures.

	Per Share	Income (Loss) Before Income Taxes	Net Income (Loss)
Earnings per share (EPS) and net income, excluding special items	\$ 0.34	\$ 346	\$ 546
<i>Special items:</i>			
Asbestos settlement (a)	(0.05)	(76)	(76)
Gain on sale of business, net (b)	0.01	19	19
Total EPS and net income	\$ 0.30	\$ 289	\$ 489

- (a) As a result of Corning's proposed asbestos settlement, any changes in the estimated settlement value of the components of the proposed settlement agreement will be recognized in Corning's quarterly results until the date of the contribution to the settlement trust. In the second quarter of 2007, Corning recorded a charge of \$76 million (before- and after-tax) including a charge of \$70 million for the change in Corning's common stock price of \$25.55 at June 30, 2007, compared to \$22.74 at March 31, 2007 and a \$6 million charge for the change in estimated settlement value of certain other components of the proposed asbestos settlement liability.
- (b) Amount reflects a \$19 million gain on the sale of the European submarine cabling business.

CORNING INCORPORATED AND SUBSIDIARY COMPANIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE

Three Months Ended September 30, 2006

(Unaudited; amounts in millions, except per share amounts)

Corning's net income and earnings per share (EPS) excluding special items for the third quarter of 2006 are non-GAAP financial measures within the meaning of Regulation G of the Securities and Exchange Commission. Non-GAAP financial measures are not in accordance with, or an alternative to, generally accepted accounting principles (GAAP). The company believes presenting non-GAAP net income and EPS is helpful to analyze financial performance without the impact of unusual items that may obscure trends in the company's underlying performance. A detailed reconciliation is provided below outlining the differences between these non-GAAP measures and the directly related GAAP measures.

	<u>Per Share</u>	<u>Income (Loss) Before Income Taxes</u>	<u>Net Income (Loss)</u>
Earnings per share (EPS) and net income, excluding special items	\$ 0.28	\$ 258	\$ 451
<i>Special items:</i>			
Asbestos settlement (a)	<u>(0.01)</u>	<u>(13)</u>	<u>(13)</u>
Total EPS and net income	<u>\$ 0.27</u>	<u>\$ 245</u>	<u>\$ 438</u>

- (a) As a result of Corning's proposed asbestos settlement, any changes in the estimated settlement value of the components of the proposed settlement agreement will be recognized in Corning's quarterly results until the date of the contribution to the settlement trust. In the third quarter of 2006, Corning recorded a charge of \$13 million (before- and after-tax) including \$6 million for the change in Corning's common stock price of \$24.41 at September 30, 2006, compared to \$24.19 at June 30, 2006 and a \$7 million charge for the change in estimated settlement value of certain other components of the proposed asbestos settlement liability.

CORNING INCORPORATED AND SUBSIDIARY COMPANIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE
Three Months Ended September 30, 2007
(Unaudited; amounts in millions)

Corning's free cash flow financial measure for the three months ended September 30, 2007 is a non-GAAP financial measure within the meaning of Regulation G of the Securities and Exchange Commission. Non-GAAP financial measures are not in accordance with, or an alternative to, generally accepted accounting principles (GAAP). The company believes presenting non-GAAP financial measures are helpful to analyze financial performance without the impact of unusual items that may obscure trends in the company's underlying performance. A detailed reconciliation is provided below outlining the differences between this non-GAAP measure and the directly related GAAP measures.

	Three months ended September 30, 2007	Nine months ended September 30, 2007
	<u> </u>	<u> </u>
Cash flows from operating activities	\$ 677	\$ 1,345
Less: Cash flows from investing activities	(527)	(326)
Plus: Short-term investments – acquisitions	633	1,582
Less: Short-term investments – liquidations	<u>(511)</u>	<u>(2,141)</u>
Free cash flow	<u>\$ 272</u>	<u>\$ 460</u>

CORNING INCORPORATED AND SUBSIDIARY COMPANIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE
Telecommunications Segment
(Unaudited; amounts in millions)

Corning's comment, "Excluding the sales from the Company's European submarine cabling business which was sold on April 30, 2007, sales increased 10 percent, sequentially." includes non-GAAP financial measures within the meaning of Regulation G of the Securities and Exchange Commission. Non-GAAP financial measures are not in accordance with, or an alternative to, generally accepted accounting principles (GAAP). The company believes presenting this non-GAAP improvement in segment sales is helpful to analyze financial performance without the impact of unusual items that may obscure trends in the company's underlying performance. A detailed reconciliation is provided below outlining the differences between these non-GAAP measures and the directly related GAAP measures.

	Sales vs. Prior Quarter		
	Three months ended		
	<u>Sept. 30,</u>	<u>June 30,</u>	<u>%</u>
	<u>2007</u>	<u>2007</u>	<u>Change</u>
Telecommunications segment sales excluding sales from the Company's European submarine cabling business	\$ 472	\$ 429	10%
Sales of the European submarine cabling business		<u>9</u>	
Telecommunications segment sales	<u>\$ 472</u>	<u>\$ 438</u>	<u>8%</u>

CORNING INCORPORATED AND SUBSIDIARY COMPANIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE
Telecommunications Segment
(Unaudited; amounts in millions)

Corning's comment, "Excluding the sales from the Company's European submarine cabling business which was sold on April 30, 2007, sales increased 13 percent, year-over-year." includes non-GAAP financial measures within the meaning of Regulation G of the Securities and Exchange Commission. Non-GAAP financial measures are not in accordance with, or an alternative to, generally accepted accounting principles (GAAP). The company believes presenting this non-GAAP improvement in segment sales is helpful to analyze financial performance without the impact of unusual items that may obscure trends in the company's underlying performance. A detailed reconciliation is provided below outlining the differences between these non-GAAP measures and the directly related GAAP measures.

	Third Quarter Sales		% Change
	Sept. 30, 2007	Sept. 30, 2006	
Telecommunications segment sales excluding sales from the Company's European submarine cabling business	\$ 472	\$ 418	13%
Sales of the European submarine cabling business		38	
Telecommunications segment sales	\$ 472	\$ 456	4%

CORNING INCORPORATED AND SUBSIDIARY COMPANIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE
Telecommunications Segment
(Unaudited; amounts in millions)

Corning's comment, "Excluding the sales from the Company's European submarine cabling business which was sold on April 30, 2007, sales are expected to be up about 15 percent, year-over-year." includes non-GAAP financial measures within the meaning of Regulation G of the Securities and Exchange Commission. Non-GAAP financial measures are not in accordance with, or an alternative to, generally accepted accounting principles (GAAP). The company believes presenting this non-GAAP improvement in segment sales is helpful to analyze financial performance without the impact of unusual items that may obscure trends in the company's underlying performance. A detailed reconciliation is provided below outlining the differences between these non-GAAP measures and the directly related GAAP measures.

	Fourth Quarter Sales		% Change
	Dec. 31, 2007	Dec. 31, 2006	
Telecommunications segment sales excluding sales from the Company's European submarine cabling business	\$ 420-435	\$ 371	14-17%
Sales of the European submarine cabling business		33	
Telecommunications segment sales	\$ 420-435	\$ 404	4-8%

CORNING INCORPORATED AND SUBSIDIARY COMPANIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE
Telecommunications Segment
(Unaudited; amounts in millions)

Corning's comment, "Excluding the sales from the Company's European submarine cabling business which was sold on April 30, 2007, sales are expected to be up about 10 percent, year-over-year." includes non-GAAP financial measures within the meaning of Regulation G of the Securities and Exchange Commission. Non-GAAP financial measures are not in accordance with, or an alternative to, generally accepted accounting principles (GAAP). The company believes presenting this non-GAAP improvement in segment sales is helpful to analyze financial performance without the impact of unusual items that may obscure trends in the company's underlying performance. A detailed reconciliation is provided below outlining the differences between these non-GAAP measures and the directly related GAAP measures.

	Sales vs. Prior Year		% Change
	Dec. 31, 2007	Dec. 31, 2006	
Telecommunications segment sales excluding sales from the Company's European submarine cabling business	\$ 1,730-1,745	\$ 1,588	9-10%
Sales of the European submarine cabling business	39	118	
Sales of ACS	_____	23	_____
Telecommunications segment sales	<u>\$ 1,769-1,784</u>	<u>\$ 1,729</u>	<u>2-3%</u>

CORNING INCORPORATED AND SUBSIDIARY COMPANIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE

Quarter Ended December 31, 2007 and 2006

(Unaudited; amounts in millions, except per share amounts)

Corning's comment, "Compared to last year, we expect our fourth quarter sales to be up about 10% to 12% and our EPS, before special items, to increase 16% to 22%." Corning's earnings per share (EPS) excluding special items for the fourth quarter of 2007 and 2006 are non-GAAP financial measures within the meaning of Regulation G of the Securities and Exchange Commission. Non-GAAP financial measures are not in accordance with, or an alternative to, generally accepted accounting principles (GAAP). The company believes presenting non-GAAP net income and EPS is helpful to analyze financial performance without the impact of unusual items that may obscure trends in the company's underlying performance. A detailed reconciliation is provided below outlining the differences between these non-GAAP measures and the directly related GAAP measures.

	Q4, 2007 Per Share	Q4, 2006 Per Share	% Change
Earnings per share (EPS) and net income, excluding special items	\$ 0.36-0.38	\$ 0.31	16-22%
<i>Special items:</i>			
Restructuring, impairment, and other (charges) and credits	-- (a)	(0.03) (c)	
Asbestos settlement	-- (b)	0.09 (d)	
Provision for income taxes		0.02 (e)	
Equity in earnings of affiliated companies		0.02 (f)	
Total EPS and net income	\$	\$ 0.41	

- (a) From time to time, Corning may need to make adjustments to estimates used in the determination of prior year restructuring and impairment charges, which could result in a gain or loss during the quarter.
- (b) As part of Corning's asbestos settlement arrangement to be incorporated into the Pittsburgh Corning Corporation reorganization plan, Corning will contribute, if the reorganization plan is approved, 25 million shares of Corning common stock to a trust. The common stock will be contributed to the trust, after the plan has been approved by the asbestos claimants and bankruptcy court. The portion of the asbestos liability to be settled in common stock requires adjustment each quarter based upon movements in Corning's common stock price prior to contribution of the shares to the trust. In the fourth quarter of 2007, Corning will record a charge or credit for the change in its common stock price as of December 31, 2007 compared to \$24.65, the common stock price at September 30, 2007. In addition, Corning will record an adjustment to the asbestos liability to reflect the change in settlement value of any of the other components of the proposed asbestos settlement.
- (c) Amount represents a \$44 million (\$0.03 per share) asset impairment charge for certain long-lived assets in our Telecommunications segment.
- (d) As a result of Corning's proposed asbestos settlement, any changes in the estimated fair value of the components of the proposed settlement agreement will be recognized in Corning's quarterly results until the date of the contribution to the settlement trust. In the fourth quarter of 2006, Corning recorded a credit of \$139 million (\$0.09 per share) (before- and after-tax) including a credit of \$143 million for the change in Corning's common stock price of \$18.71 at December 31, 2006, compared to \$24.41 at September 30, 2006 and a \$4 million charge for the change in estimated fair value of certain other components of the proposed asbestos settlement liability.
- (e) Amount reflects a \$35 million (\$0.03 per share) tax benefit from the release of our valuation allowance on certain deferred tax assets in Germany.
- (f) Amount reflects Corning's share of the following items associated with Samsung Corning: an impairment charge for certain long-lived assets; the impact of establishing a valuation allowance against certain deferred tax assets; and a gain on the sale of land. These items increased Corning's equity earnings by \$28 million (\$0.02 per share) (net) in the fourth quarter of 2006.

CORNING INCORPORATED AND SUBSIDIARY COMPANIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE

Year Ended December 31, 2007 and 2006

(Unaudited; amounts in millions, except per share amounts)

Corning's comment "These fourth quarter results will bring our full-year sales growth to about 12% and our full-year EPS growth, before special items, to at least 21% over 2006" includes a non-GAAP financial measure within the meaning of Regulation G of the Securities and Exchange Commission. Non-GAAP financial measures are not in accordance with, or an alternative to, generally accepted accounting principles (GAAP). The company believes presenting non-GAAP EPS is helpful to analyze financial performance without the impact of unusual items that may obscure trends in the company's underlying performance. A detailed reconciliation is provided below outlining the differences between these non-GAAP measures and the directly related GAAP measures.

	Year-ended December 31,		%
	2007 Per Share	2006 Per Share	
Earnings per share (EPS) and net income, excluding special items	\$ 1.36-1.38	\$ 1.12	21-23%
<i>Special items:</i>			
Restructuring, impairment, and other (charges) and credits	-- (a)	(0.03) (c)	
Asbestos settlement	-- (b)	-- (d)	
Loss on repurchases of debt, net		(0.01)	
Provision for income taxes		0.05 (e)	
Equity in earnings of affiliated companies		0.03 (f)	
Total EPS and net income	\$	\$ 1.16	

- (a) From time to time, Corning may need to make adjustments to estimates used in the determination of prior year restructuring and impairment charges, which could result in a gain or loss during the quarter.
- (b) As part of Corning's asbestos settlement arrangement to be incorporated into the Pittsburgh Corning Corporation reorganization plan, Corning will contribute, if the reorganization plan is approved, 25 million shares of Corning common stock to a trust. The common stock will be contributed to the trust, after the plan has been approved by the asbestos claimants and bankruptcy court. The portion of the asbestos liability to be settled in common stock requires adjustment each quarter based upon movements in Corning's common stock price prior to contribution of the shares to the trust. For the year ended December 31, 2007, Corning will record a charge or credit for the change in its common stock price as of December 31, 2007 compared to \$18.71, the common stock price at December 31, 2006. In addition, Corning will record an adjustment to the asbestos liability to reflect the change in fair value of any of the other components of the proposed asbestos settlement.
- (c) Amount represents a \$44 million (\$0.03 per share) asset impairment charge for certain long-lived assets in our Telecommunications segment.
- (d) As a result of Corning's proposed asbestos settlement, any changes in the estimated fair value of the components of the proposed settlement agreement will be recognized in Corning's quarterly results until the date of the contribution to the settlement trust. For 2006, Corning recorded a credit of \$2 million (before- and after-tax) including a credit of \$24 million for the change in Corning's common stock price of \$18.71 at December 31, 2006, compared to \$19.66 at December 31, 2005 and a \$22 million charge for the change in estimated fair value of certain other components of the proposed asbestos settlement liability.
- (e) Amount reflects a \$73 million (\$0.04 per share) tax benefit from the release of our valuation allowance on certain deferred tax assets in Germany and a \$10 million (\$0.01 per share) tax benefit from the release of our valuation allowance on Australian tax benefits.

- (f) Amount reflects the following items which increased Corning's equity earnings by \$40 million, net (\$0.03 per share) in 2006: an impairment charge for certain long-lived assets of Samsung Corning; the impact of Samsung Corning's establishment of a valuation allowance against certain deferred tax assets; a gain on the sale of land at Samsung Corning; and Corning's share of a favorable tax settlement from the completion of an IRS examination at Dow Corning.

CORNING INCORPORATED AND SUBSIDIARY COMPANIES
RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE

Three Months Ended December 31, 2007

(Unaudited; amounts in millions, except per share amounts)

Corning's earnings per share (EPS) excluding special items for the fourth quarter of 2007 is a non-GAAP financial measure within the meaning of Regulation G of the Securities and Exchange Commission. Non-GAAP financial measures are not in accordance with, or an alternative to, generally accepted accounting principles (GAAP). The company believes presenting non-GAAP EPS is helpful to analyze financial performance without the impact of unusual items that may obscure trends in the company's underlying performance. A detailed reconciliation is provided below outlining the differences between this non-GAAP measure and the directly related GAAP measure.

	Range	
Guidance: EPS excluding special items	\$ 0.36	\$ 0.38
<i>Special items:</i>		
Restructuring, impairment, and other (charges) and credits (a)		
Asbestos settlement (b)	_____	_____
Earnings per share		

This schedule will be updated as additional announcements occur.

- (a) From time to time, Corning may need to make adjustments to estimates used in the determination of prior year restructuring and impairment charges, which could result in a gain or loss during the quarter.
- (b) As part of Corning's asbestos settlement arrangement to be incorporated into the Pittsburgh Corning Corporation reorganization plan, Corning will contribute, if the reorganization plan is approved, 25 million shares of Corning common stock to a trust. The common stock will be contributed to the trust, after the plan has been approved by the asbestos claimants and bankruptcy court. The portion of the asbestos liability to be settled in common stock requires adjustment each quarter based upon movements in Corning's common stock price prior to contribution of the shares to the trust. In the fourth quarter of 2007, Corning will record a charge or credit for the change in its common stock price as of December 31, 2007 compared to \$24.65, the common stock price at September 30, 2007. In addition, Corning will record an adjustment to the asbestos liability to reflect the change in settlement value of any of the other components of the proposed asbestos settlement.

Please note that the company may pursue other financing, restructuring and divestiture activities at any time in the future, and that the potential impact of these events is not included within Corning's fourth quarter 2007 guidance.

This schedule contains forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward looking statements are based on current expectations and involve certain risks and uncertainties. Actual results may differ from those projected in the forward looking statements. Additional information concerning factors that could cause actual results to materially differ from those in the forward looking statements is contained in the Securities and Exchange Commission filings of this Company.