Corning Inc

STANDARD & POOR'S

S&P Recommendation BUY ★★★★★	**Price**	**12-Mo. Target Price**	**Investment Style**
	$13.53 (as of Apr 11, 2012)	$15.00	Large-Cap Blend

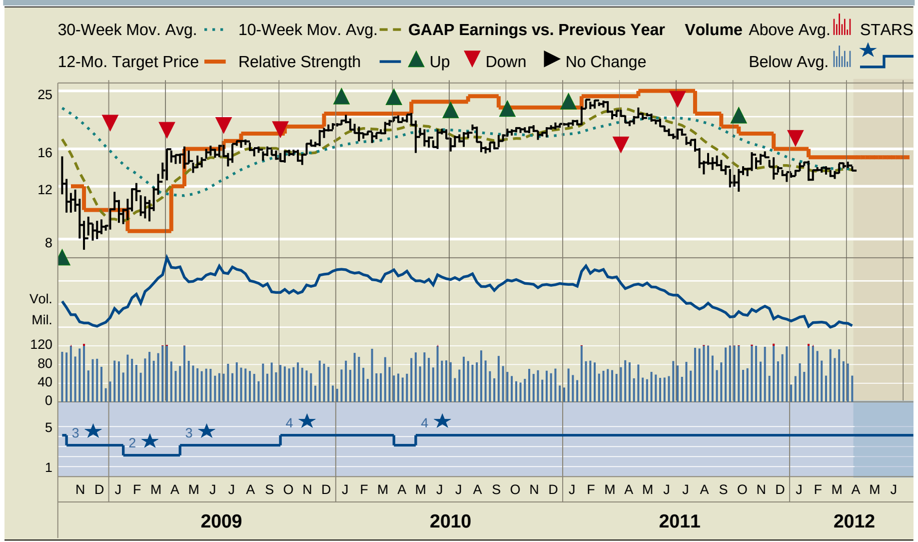
GICS Sector Information Technology
Sub-Industry Electronic Components

Summary GLW, once an old-line housewares company, is now a leading maker of glass substrates used by the electronics industry and fiber optic equipment used by the telecommunications industry.

Key Stock Statistics (Source S&P, Vickers, company reports)

52-Wk Range	$22.05– 11.51	S&P Oper. EPS 2012**E**	1.45	Market Capitalization(B)	$20.542	Beta	1.41
Trailing 12-Month EPS	$1.77	S&P Oper. EPS 2013**E**	NA	Yield (%)	2.22	S&P 3-Yr. Proj. EPS CAGR(%)	6
Trailing 12-Month P/E	7.6	P/E on S&P Oper. EPS 2012**E**	9.3	Dividend Rate/Share	$0.30	S&P Credit Rating	BBB+
$10K Invested 5 Yrs Ago	$6,577	Common Shares Outstg. (M)	1,518.3	Institutional Ownership (%)	76		

Price Performance



Options: ASE, CBOE, P, Ph

Analysis prepared by Equity Analyst **Todd Rosenbluth** on Apr 11, 2012, when the stock traded at **$13.52**.

Highlights

- We expect GLW's sales to rise 2% in 2012. Despite some inventory building by customers and reduced pricing, global LCD TV demand should spur GLW's display segment in the second half, after first-half weakness, while we forecast that Gorilla glass will gain traction with handheld devices and tablets. Meanwhile, we look for the environmental segment to benefit from increased demand for its automotive and diesel-related products, and we see GLW's telecom sales also improving due to fiber. GLW's announced acquisition to bolster its life sciences segment should add diversification.
- We expect some gross margin contraction in 2012, due to pricing cuts, but we look for slight improvement as the year progresses. With continued investment in research and development, we look for operating margin contraction to 19% in 2012.
- We expect equity earnings to be down sharply in 2012, but we see a very low effective tax rate continuing to support net income. We look for EPS of $1.45 in 2012.

Investment Rationale/Risk

- We believe GLW is taking appropriate action (through pricing cuts) to spur demand for its display glass that will help the company weather the industry and macroeconomic challenges. While this will hurt near-term profitability, we believe growth in the smaller environmental and telecom segments will provide an offset. We also think GLW's $3.5 billion of net cash and short-term investments provides flexibility to support an announced dividend hike, share repurchase program and acquisitions.
- Risks to our recommendation and target price include weaker-than-expected demand for flat panel displays in Asia, worsening pricing on display technologies products, and lackluster demand for products at the telecom unit.
- GLW recently traded at a multiple of about 9X our 2012 EPS estimate, a discount to technology peers. Our 12-month target price of $15 is based on a multiple of 10X our 2012 EPS estimate, a narrower discount to peers, as we believe GLW's operating income potential remains strong. Based on the recently increased payout, the shares have a dividend yield of over 2%.

Qualitative Risk Assessment

LOW	**MEDIUM**	HIGH

Our risk assessment reflects Corning's exposure to intense competition in its major businesses, offset by its market leadership and positive cash flow, and our view of its strong balance sheet.

Quantitative Evaluations

S&P Quality Ranking **B**

D	C	B-	**B**	B+	A-	A	A+

Relative Strength Rank **MODERATE**

45

LOWEST = 1 HIGHEST = 99

Revenue/Earnings Data

Revenue (Million $)

	1Q	2Q	3Q	4Q	Year
2011	1,923	2,005	2,075	1,887	7,890
2010	1,553	1,712	1,602	1,765	6,632
2009	989.0	1,395	1,479	1,532	5,395
2008	1,617	1,692	1,555	1,084	5,948
2007	1,307	1,418	1,553	1,582	5,860
2006	1,262	1,261	1,282	1,369	5,174

Earnings Per Share ($)

	1Q	2Q	3Q	4Q	Year
2011	0.47	0.47	0.51	0.31	1.77
2010	0.52	0.58	0.50	0.66	2.25
2009	0.01	0.39	0.41	0.47	1.28
2008	0.64	2.01	0.49	0.16	3.32
2007	0.20	0.30	0.38	0.45	1.34
2006	0.16	0.32	0.27	0.41	1.16

Fiscal year ended Dec. 31. Next earnings report expected: Late April. EPS Estimates based on S&P Operating Earnings; historical GAAP earnings are as reported.

Dividend Data (Dates: mm/dd Payment Date: mm/dd/yy)

Amount ($)	Date Decl.	Ex-Div. Date	Stk. of Record	Payment Date
0.050	04/27	05/26	05/31	06/30/11
0.050	07/20	08/29	08/31	09/30/11
0.075	10/05	11/14	11/16	12/16/11
0.075	02/01	02/27	02/29	03/30/12

Dividends have been paid since 2007. Source: Company reports.

Corning Inc

STANDARD & POOR'S

Business Summary April 11, 2012

CORPORATE OVERVIEW. Corning (GLW) is a maker of high-technology fiber optics for the global telecom industry and high-performance glass components for the personal computer and television manufacturing industries. Results are reported in the following primary business segments: display technologies (40% of sales in 2011), telecommunications (26%), specialty materials (14%), environmental technologies (13%), and life sciences (8%).

PRIMARY BUSINESS DYNAMICS. The display technologies segment manufactures glass substrates for active matrix liquid crystal displays (LCDs), which are used primarily in notebook computers, flat panel desktop monitors and LCD televisions. Large substrates (Generation 5 and higher) allow LCD manufacturers to produce a greater number of larger panels from each substrate. The larger size leads to economies of scale for LCD manufacturers and has enabled lower display prices for consumers, which may continue in the future. During the second quarter of 2010, volumes rose more than 10% from a strong first quarter, but GLW experienced some pressure in the second half of 2010 as capacity utilization at key customers slowed. Strong demand helped support GLW's gross margin expansion in 2009 and the first half of 2010, but margins narrowed in the second half of 2010. In the first half of 2011, display sales declined 4%, hurt by temporary curtailment of LCD production by Sharp. However, while segment sales rose in the second half of 2011, there was pressure at the LCD joint venture, hurting equity earnings.

The telecom segment produces optical fiber and cable, and hardware and equipment, including cable assemblies, fiber optic hardware and components. We believe demand for fiber-to-the-premise products in 2009 and 2010 was driven by demand from China and the U.S., while growth in 2011 came largely from new markets such as Australia. Revenues in this segment rose 21% in 2011.

The environmental technologies segment includes solutions for emissions and pollution control. Although sales are to the emission control systems manufacturers, substrates and filters are also required by the automotive and diesel engine manufacturers following new regulations in the U.S., Europe and Japan. Automotive sales first started to recover in the second half of 2009 and continued higher in 2011, supporting the segment's 22% sales growth. We expect further growth in this segment due to light-diesel demand.

To support growth in GLW's life sciences segment, the company acquired Axygen Bioscience during the 2009 third quarter and plans to acquire a segment from Becton, Dickinson for $730 million in cash, pending necessary approvals.

Specialty materials segment revenues nearly doubled in 2011 due to sales of Gorilla glass, which is used for mobile devices. However, the growth was less than originally forecast by Corning, which lowered its forecast for Gorilla glass-related sales for the full year twice during the year.

GLW's conventional glass television business includes a 50% interest in Samsung Corning Company, Ltd., a producer of components for cathode ray tubes in televisions and computer monitors. GLW also receives equity earnings from its stake in Dow Corning, a maker of silicones used by the automotive and construction industries. GLW equity earnings climbed 36%, to $2 billion, in 2010, but fell 25%, to $1.5 billion, in 2011, and we forecast a further decline in 2012.

FINANCIAL TRENDS. As of December 2011, GLW had $5.8 billion of cash and short-term investments and $2.4 billion of debt, with most of the debt maturing after 2017. Thus, we believe the company can support its recently announced 50% dividend increase and new $1.5 billion share repurchase program. Corning's inventory rose 32% in 2011, as the company prepared for stronger demand in 2012 and aimed to reduce its supply to better match demand. Corning's effective tax rate has been below average due in part to a deferred tax allowance, but we expect it to rise in 2012.

Corporate Information

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Officers

Chrmn, Pres & CEO
W.P. Weeks

EVP & CTO
J.A. Miller, Jr.

Vice Chrmn & CFO
J.B. Flaws

SVP, Chief Acctg Officer & Cntlr
R.T. Tripeny

EVP & Chief Admin Officer
K.P. Gregg

Board Members
J. S. Brown
S. A. Burns
J. A. Canning, Jr.
R. T. Clark
R. F. Cummings, Jr.
J. B. Flaws
G. Gund
K. M. Landgraf
D. D. Rieman
H. O. Ruding
W. D. Smithburg
G. F. Tilton
H. E. Tookes, II
W. P. Weeks
M. S. Wrighton

Domicile
New York

Founded
1851

Employees
28,800

Stockholders
631,350

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Quantitative Evaluations

S&P Fair Value Rank 5+

1	2	3	4	5

LOWEST — HIGHEST

Based on S&P's proprietary quantitative model, stocks are ranked from most overvalued (1) to most undervalued (5).

Fair Value Calculation $19.00

Analysis of the stock's current worth, based on S&P's proprietary quantitative model suggests that GLW is Undervalued by $5.47 or 40.4%.

Investability Quotient Percentile 89

LOWEST = 1 — HIGHEST = 100

GLW scored higher than 89% of all companies for which an S&P Report is available.

Volatility LOW | **AVERAGE** | HIGH

Technical Evaluation NEUTRAL

Since April, 2012, the technical indicators for GLW have been NEUTRAL.

Insider Activity UNFAVORABLE | **NEUTRAL** | FAVORABLE

Expanded Ratio Analysis

	2011	2010	2009	2008
Price/Sales	2.60	4.61	5.61	2.54
Price/EBITDA	7.33	13.40	21.10	7.97
Price/Pretax Income	6.40	7.94	15.66	5.29
P/E Ratio	7.33	8.58	15.08	2.87
Avg. Diluted Shares Outstg (M)	1,583.0	1,581.0	1,568.0	1,584.0

Figures based on calendar year-end price

Key Growth Rates and Averages

Past Growth Rate (%)	1 Year	3 Years	5 Years	9 Years
Sales	18.97	11.12	7.05	10.29
Net Income	-21.16	-12.30	7.76	NM
Ratio Analysis (Annual Avg.)				
Net Margin (%)	35.55	42.14	50.30	26.25
% LT Debt to Capitalization	10.03	10.47	11.04	18.59
Return on Equity (%)	13.87	16.03	23.92	12.10

Company Financials Fiscal Year Ended Dec. 31

Per Share Data ($)	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Tangible Book Value	13.30	11.95	9.57	8.49	5.97	4.43	3.43	2.38	2.65	2.14
Cash Flow	2.38	2.79	1.79	3.76	1.72	1.56	0.71	-1.20	0.23	-1.04
Earnings	1.77	2.25	1.28	3.32	1.34	1.16	0.38	-1.57	-0.18	-1.85
S&P Core Earnings	1.80	2.00	1.31	3.29	1.33	1.17	0.34	-1.03	-0.37	-1.89
Dividends	0.23	0.20	0.20	0.20	0.10	Nil	Nil	Nil	Nil	Nil
Payout Ratio	13%	9%	16%	6%	7%	Nil	Nil	Nil	Nil	Nil
Prices:High	23.43	21.10	19.55	28.07	27.25	29.61	21.95	13.89	12.34	11.15
Prices:Low	11.51	15.45	8.97	7.36	18.12	17.50	10.61	9.29	3.34	1.10
P/E Ratio:High	13	9	15	8	20	26	58	NM	NM	NM
P/E Ratio:Low	7	7	7	2	14	15	28	NM	NM	NM
Income Statement Analysis (Million $)										
Revenue	7,890	6,632	5,395	5,948	5,860	5,174	4,579	3,854	3,090	3,164
Operating Income	2,804	2,280	1,435	1,894	1,869	1,489	1,284	892	386	21.0
Depreciation	957	854	792	695	607	591	512	523	517	661
Interest Expense	89.0	109	82.0	90.0	101	76.0	116	141	154	179
Pretax Income	3,213	3,845	1,934	2,851	2,233	2,421	1,170	-1,137	-550	-2,604
Effective Tax Rate	12.7%	7.46%	NM	NM	3.58%	22.9%	49.4%	NM	NM	NM
Net Income	2,805	3,558	2,008	5,257	2,150	1,855	585	-2,185	-223	-1,780
S&P Core Earnings	2,838	3,176	2,048	5,200	2,134	1,865	520	-1,442	-463	-1,947
Balance Sheet & Other Financial Data (Million $)										
Cash	5,825	6,350	3,583	2,816	3,516	1,157	1,342	1,009	833	1,471
Current Assets	8,677	8,859	5,521	4,619	5,294	4,798	3,860	3,281	2,694	3,825
Total Assets	27,848	25,833	21,295	19,256	15,215	13,065	11,175	9,710	10,752	11,548
Current Liabilities	2,097	1,986	1,539	2,052	2,512	2,319	2,216	2,336	1,553	1,680
Long Term Debt	2,364	2,262	1,930	1,527	1,514	1,696	1,789	2,214	2,668	3,963
Common Equity	21,078	19,375	15,543	13,443	9,496	7,246	5,609	3,752	5,379	4,536
Total Capital	23,571	21,745	17,599	15,034	11,077	8,987	7,441	6,059	8,168	8,713
Capital Expenditures	2,432	1,007	890	1,921	1,262	1,182	1,553	857	366	357
Cash Flow	3,762	4,412	2,800	5,952	2,757	2,446	1,097	-1,662	294	-1,247
Current Ratio	4.1	4.5	3.6	2.3	2.1	2.1	1.7	1.4	1.7	2.3
% Long Term Debt of Capitalization	10.0	10.4	11.0	10.2	13.7	18.9	24.0	36.5	32.7	45.5
% Net Income of Revenue	35.6	53.7	37.2	88.4	36.7	35.9	12.8	NM	NM	NM
% Return on Assets	10.5	15.1	9.9	30.5	15.2	15.3	5.6	NM	NM	NM
% Return on Equity	13.9	20.4	13.9	45.8	25.7	29.1	12.5	NM	NM	NM

Data as orig reptd.; bef. results of disc opers/spec. items. Per share data adj. for stk. divs.; EPS diluted. E-Estimated. NA-Not Available. NM-Not Meaningful. NR-Not Ranked. UR-Under Review.

Corning Inc

Sub-Industry Outlook

We have a neutral outlook for the electronic components sub-industry. We believe that revenue growth at component companies will slow to a more normal pace after a strong 2010 and early 2011. Our outlook reflects our view that distributors, electronic manufacturing service (EMS) companies, and original equipment manufacturers (OEM) have largely completed restocking inventory to levels before the economic downturn. In addition, we think emerging market growth is continuing to drive demand in Asia. We still foresee weak consumer spending, high levels of unemployment, and a restrained housing environment in the important U.S. and European markets. Further, the earthquake in Japan and flooding in Thailand may have lingering effects on both production and demand. Still, the U.S. is showing signs of strength, though we remain concerned about Europe.

We foresee average price declines in line with historical levels despite higher capacity utilization rates, reflecting what we see as improving end-market demand. Many companies are now extending or completing restructuring initiatives, which we think signals better control of operating expenses. In our opinion, companies are striving for better supply-demand balance, and we see them cutting capacity or eliminating low margin product lines. However, we believe commodities and raw material costs have increased due to the economic recovery. As a result, we think this has introduced some cost uncertainty.

We see favorable longer-term growth for the industry. Segments that show promise over the next three years, in our view, include mobile handsets, devices and computing, and medical devices. Geographically, we expect Asia to outpace the rest of the world in growth, followed by the Middle East, Africa, and Latin America. We expect weakness in North America and Europe. Product mix, volumes and operating expense structures play a large part in determining profitable growth among companies in this industry.

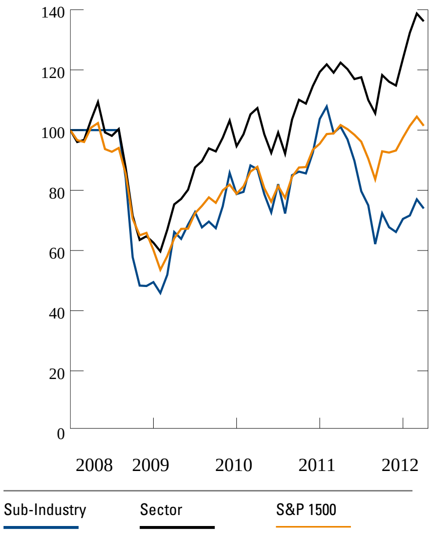
Year to date through March 16, the S&P Electronic Components Index rose 16.1%, while the S&P 1500 gained 11.8%. In 2011, the S&P Electronic Components Index lost 28.5%, versus a 0.3% drop in the S&P 1500 Index.

--Dylan Cathers

Stock Performance

GICS Sector: Information Technology
Sub-Industry: Electronic Components

Based on S&P 1500 Indexes
Month-end Price Performance as of 03/30/12



NOTE: All Sector & Sub-Industry information is based on the Global Industry Classification Standard (GICS)

Sub-Industry : Electronic Components Peer Group*: Based on market capitalizations within GICS Sub-Industry

Peer Group	Stock Symbol	Stk.Mkt. Cap. (Mil. $)	Recent Stock Price($)	52 Week High/Low($)	Beta	Yield (%)	P/E Ratio	Fair Value Calc.($)	Quality Ranking	S&P IQ %ile	Return on Revenue (%)	LTD to Cap (%)
Corning Inc	**GLW**	**20,330**	**13.39**	**22.05/11.51**	**1.41**	**2.2**	**8**	**19.00**	**B**	**89**	**35.6**	**10.0**
AU Optronics ADS	AUO	4,219	4.78	8.87/3.75	1.60	1.9	NM	NA	NR	4	1.4	31.3
AVX Corp	AVX	2,138	12.60	16.60/10.90	0.97	2.4	9	NA	B	26	14.8	NA
Aeroflex Holding	ARX	875	10.31	19.64/7.19	NA	Nil	NM	NA	NR	27	NA	64.7
Amphenol Corp'A'	APH	9,334	57.15	61.84/38.98	1.39	0.7	19	55.50	B+	96	13.4	38.5
Dolby Laboratories'A'	DLB	1,866	36.33	51.28/25.70	0.96	Nil	14	44.10	NR	76	32.5	NA
InvenSense Inc	INVN	1,170	14.60	22.35/8.25	NA	Nil	61	NA	NR	82	9.7	Nil
Kyocera Corp* ADS	KYO	16,139	87.98	111.00/78.15	1.02	1.7	12	NA	NR	41	10.3	1.6
LG Display Co ADS	LPL	8,201	11.46	18.90/7.38	1.55	1.5	NM	NA	NR	3	4.5	18.7
LittelFuse Inc	LFUS	1,255	58.23	66.38/36.65	1.82	1.2	15	54.80	B	89	13.1	NA
Power-One	PWER	495	4.06	9.15/3.68	2.14	Nil	5	5.60	C	69	13.4	NA
Rogers Corp	ROG	599	36.87	52.44/32.19	1.48	Nil	17	39.90	B-	85	7.9	25.0
TDK Corp ADR	TTDKY	6,729	52.16	58.08/31.75	1.28	1.7	21	49.20	NR	25	5.1	13.1
Univl Display	PANL	1,570	34.03	60.28/22.73	1.28	Nil	NM	31.00	C	85	5.2	NA
Vishay Intertechnology	VSH	1,606	11.08	19.36/7.94	2.33	Nil	8	NA	C	16	9.3	19.8

NA-Not Available NM-Not Meaningful NR-Not Rated. *For Peer Groups with more than 15 companies or stocks, selection of issues is based on market capitalization.

Source: S&P.

S&P Analyst Research Notes and other Company News

April 10, 2012
08:55 am ET ... S&P MAINTAINS BUY OPINION ON SHARES OF CORNING (GLW 13.48****): GLW announces plans to acquire the Discovery Labware division of Becton, Dickinson (BDX 77, Hold) for $730M in cash, pending necessary approvals. Upon closing, this unit would join GLW's life sciences segment (8% of '11 sales) and would help diversify GLW's operations. Separately, ahead of Q1 results in late April, we are lowering our '12 EPS estimate by $0.15 to $1.45 to reflect pricing pressure on GLW's display segment and continued spending to position the company for growth. However, we leave our 12-month target price at $15 and believe the shares remain appealing. /Todd Rosenbluth

April 10, 2012
02:47 pm ET ... S&P MAINTAINS HOLD OPINION ON SHARES OF BECTON, DICKINSON (BDX 76.11***): BDX agrees to sell its Discovery Labware unit, excluding its Advanced Bioprocessing platform, to Corning Inc. (GLW 13, Buy) for $730M, subject to necessary approvals. The deal is expected to close by calendar year-end 2012. The Discovery Labware unit has annual sales of about $235 million and was expected to contribute $0.23-$0.27 to BDX's FY 2012 EPS. We expect BDX to focus its bioscience division on faster growing areas including its recently launched instrumentation products. We keep our 12-month target price at $78. /Jeffrey Loo, CFA

March 23, 2012
Corning Inc. announced that the company's board of directors is expected to elect David L. Morse, Ph.D., as executive vice president and chief technology officer at its meeting on April 26, 2012. His appointment will be effective May 1, at which time he will also become a member of Corning's management committee. Dr. Morse will succeed Dr. Joseph A. Miller, Jr., 70, who is retiring on April 30, 2012. Dr. Miller served 11 years as Corning's executive vice president and chief technology officer. Dr. Morse, 59, has 36 years of experience in Corning's technology organization. He joined Corning in 1976 as a composition scientist in glass research, and most recently served as senior vice president and director of corporate research for the Science & Technology organization.

February 1, 2012
Corning Inc. appointed Dr. Stephanie A. Burns, retired chairman and chief executive officer of Dow Corning Corporation, to company's board of directors, effective immediately. Dow Corning, a Corning 50%-owned equity company since 1943, is a global leader in silicones, silicon-based technology, and innovation. He will also serve on the board's corporate relations committee. She will hold office until company's annual meeting of shareholders on April 26, 2012, at which time she will stand for election to a one-year term. She joined Dow Corning in 1983 as a researcher and specialist in organosilicon chemistry. She was chairman of the American Chemistry Council in 2010 and 2011.

January 25, 2012
GLW posts $0.33 vs. $0.46 Q4 EPS (excl. items) despite 7% sales increase. Expects Q1 EPS to decline 5%-20%, excl. special items, due to lower earnings at both Dow Corning and Samsung Corning Precision Materials.

January 25, 2012
03:11 pm ET ... CORNING INC. (GLW 13.13) DOWN 1.49, CORNING (GLW) POSTS Q4. RBC CAPITAL CUTS EST., TARGET TO $16 FROM $18... Analyst Mark Sue says GLW's Display technologies saw significant pricing pressure from its customers. Also, inventory levels remained low, customers negotiating for lower prices to improve their profit margins. Notes co. is reducing costs to balance the lower sales, took down 25% of capacity offline during Q4. Thinks Q1 may mark the bottom for co.'s overall gross margins but he can't be too sure since much of that depends on how co.'s customers react to temporary pricing relief. Takes a wait-and-see approach. Cuts $1.84 '12 EPS est. to $1.25. Keeps outperform. S.Trombino

January 25, 2012
11:36 am ET ... S&P MAINTAINS BUY OPINION ON SHARES OF CORNING (GLW 13.06****): Before one-time items, GLW posts Q4 EPS of $0.33, vs. $0.48, below our $0.39 estimate. Revenues were modestly weaker than we expected, but operating margin was much narrower, hurt by reduced pricing and higher SG&A expenses. With display glass pricing likely to remain lower, we expect some margin compression to continue in '12, despite revenue strength in telecom and environmental segments. We cut our '12 EPS estimate $0.20 to $1.60 and reduce our 12-month target price by $1 to $15. However, we think shares, with a 2% dividend yield, remain undervalued. /Todd Rosenbluth

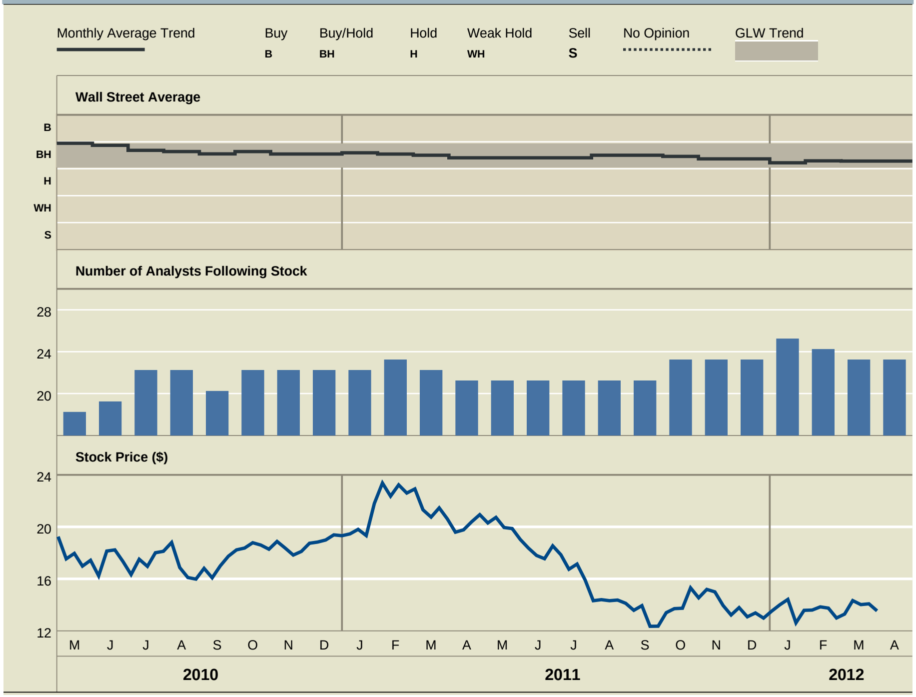
December 7, 2011
Corning Inc. appointed Richard T. Clark, retired chairman and chief executive officer of Merck to its board of directors, effective immediately. Clark, who qualifies as an independent director, will also serve on the audit and compensation committees. He will hold office until the company's annual meeting of shareholders on April 26, 2012, at which time he will stand for election to a one-year term. His appointment brings the number of Corning directors to 14. The size of the board has ranged from 13 to 18 directors since 1990. Clark, 65, brings nearly four decades of experience with global markets and manufacturing to the company's board. He became president and CEO of Merck in May 2005 and chairman of the board in April 2007. He transitioned from his CEO role in January of this year, and served as board chairman through November. He served as president of the Merck Manufacturing Division, with responsibility for Merck's global network of manufacturing operations, information services, and operations excellence organizations worldwide. From 2008 to 2009, Clark served as board chairman of the Pharmaceutical Research and Manufacturers of America, which represents the country's leading pharmaceutical research and biotechnology companies. He is a director of Automatic Data Processing Inc. and serves on the advisory board of American Securities. He is a trustee of PENN Medicine, which includes the University of Pennsylvania School of Medicine and the University of Pennsylvania Health System. Clark is chairman of the board for Project Hope, a global health education and humanitarian assistance organization. Clark serves as a trustee of Washington & Jefferson College and as a member of several other business, policy, and charitable organizations.

November 29, 2011
DOWN 1.54 to 13.24... GLW sees Q4 consolidated equity earnings down 30% vs. original guidance of down 5%. GLW taking action in Q4 to reduce its glass capacity. Notes Samsung Corning Precision (SCP) plans similar actions to reduce capacity, as well as shutting down several glass melting tanks, likely resulting in 1x charges at SCP, primarily related to accelerated depreciation. GLW's share of these charges is estimated to be $25M-$50M in Q4.

November 29, 2011
10:55 am ET ... CORNING INC. (GLW 13.26) DOWN 1.52, CORNING (GLW) CUTS GUIDANCE. TICONDEROGA MAINTAINS NEUTRAL... Analyst Brian White says GLW dropped a big negative pre-announcement that is related to weakness in co.'s LCD glass and Gorilla Glass businesses. Notes he has highlighted that GLW was kicking the can down the road by not cutting LCD glass utilization rates sooner, while he felt pricing was unsustainable given secular slowdown in LCD glass market and negative gross margins at customers. Says, essentially, the can became too heavy for GLW to kick down the road any further. Notes his estimates are currently under review. B.Brodie

Corning Inc

Analysts' Recommendations



Of the total 31 companies following GLW, 24 analysts currently publish recommendations.

	No. of Ratings	% of Total	1 Mo. Prior	3 Mos. Prior
Buy	8	33	8	8
Buy/Hold	6	25	6	6
Hold	6	25	6	8
Weak Hold	2	8	2	2
Sell	1	4	1	1
No Opinion	1	4	1	1
Total	**24**	**100**	**24**	**26**

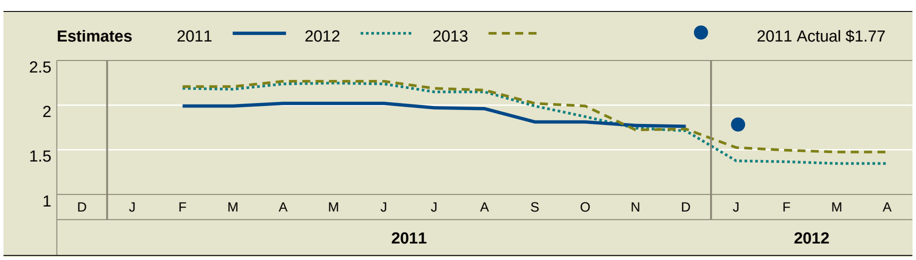
Wall Steet Consensus Opinion

BUY/HOLD

Companies Offering Coverage

Over 30 firms follow this stock; not all firms are displayed.
Argus Research Company
Barclays
BofA Merrill Lynch
Brigantine Advisors
Buckingham Research Group Inc.
Citigroup Inc
Craig-Hallum Capital Group LLC
Credit Agricole Securities (USA) Inc.
Davenport & Company
Day By Day
Deutsche Bank
Goldman Sachs
JP Morgan
Jefferies & Company, Inc.
KeyBanc Capital Markets Inc.
Kintisheff Research
Miller Tabak & Co., LLC
Morgan Keegan & Company
Morningstar Inc.
Nomura Securities Co. Ltd.
Oppenheimer & Co. Inc.
Piper Jaffray Companies
RBC Capital Markets
S&P Equity Research
Sanford C. Bernstein & Co., Inc.
Sterne Agee & Leach Inc.
Stifel, Nicolaus & Co., Inc.
ThinkEquity LLC
Thomas Weisel Equity Research
Ticonderoga Securities LLC

Wall Street Consensus Estimates



Fiscal Years	Avg Est.	High Est.	Low Est.	# of Est.	Est. P/E
2013	1.48	1.74	1.23	20	9.1
2012	1.35	1.62	1.17	21	10.0
2013 vs. 2012	▲ **10%**	▲ **7%**	▲ **5%**	▼ **-5%**	▼ **-9%**
Q1'13	0.33	0.38	0.29	10	41.0
Q1'12	0.29	0.35	0.26	19	46.7
Q1'13 vs. Q1'12	▲ **14%**	▲ **9%**	▲ **12%**	▼ **-47%**	▼ **-12%**

A company's earnings outlook plays a major part in any investment decision. Standard & Poor's organizes the earnings estimates of over 2,300 Wall Street analysts, and provides their consensus of earnings over the next two years. This graph shows the trend in analyst estimates over the past 15 months.

Wall Street Consensus vs. Performance

For fiscal year 2012, analysts estimate that GLW will earn $1.35. For fiscal year 2013, analysts estimate that GLW's earnings per share will grow by 10% to $1.48.

Corning Inc

Glossary

S&P STARS
Since January 1, 1987, Standard and Poor's Equity Research Services has ranked a universe of common stocks based on a given stock's potential for future performance. Under proprietary STARS (STock Appreciation Ranking System), S&P equity analysts rank stocks according to their individual forecast of a stock's future total return potential versus the expected total return of a relevant benchmark (e.g., a regional index (S&P Asia 50 Index, S&P Europe 350 Index or S&P 500 Index)), based on a 12-month time horizon. STARS was designed to meet the needs of investors looking to put their investment decisions in perspective. Data used to assist in determining the STARS ranking may be the result of the analyst's own models as well as internal proprietary models resulting from dynamic data inputs.

S&P 12-Month Target Price
The S&P equity analyst's projection of the market price a given security will command 12 months hence, based on a combination of intrinsic, relative, and private market valuation metrics, including S&P Fair Value.

Investment Style Classification
Characterizes the stock as Growth or Value, and indicates its capitalization level. Growth is evaluated along three dimensions (earnings, sales and internal growth), while Value is evaluated along four dimensions (book-to-price, cash flow-to-price, dividend yield and sale-to-price). Growth stocks score higher than the market average on growth dimensions and lower on value dimensions. The reverse is true for Value stocks. Certain stocks are classified as Blend, indicating a mixture of growth and value characteristics and cannot be classified as purely growth or value.

S&P EPS Estimates
Standard & Poor's earnings per share (EPS) estimates reflect analyst projections of future EPS from continuing operations, and generally exclude various items that are viewed as special, non-recurring, or extraordinary. Also, S&P EPS estimates reflect either forecasts of S&P equity analysts; or, the consensus (average) EPS estimate, which are independently compiled by Capital IQ, a data provider to Standard & Poor's Equity Research. Among the items typically excluded from EPS estimates are asset sale gains; impairment, restructuring or merger-related charges; legal and insurance settlements; in process research and development expenses; gains or losses on the extinguishment of debt; the cumulative effect of accounting changes; and earnings related to operations that have been classified by the company as discontinued. The inclusion of some items, such as stock option expense and recurring types of other charges, may vary, and depend on such factors as industry practice, analyst judgment, and the extent to which some types of data is disclosed by companies.

S&P Core Earnings
Standard & Poor's Core Earnings is a uniform methodology for adjusting operating earnings by focusing on a company's after-tax earnings generated from its principal businesses. Included in the Standard & Poor's definition are employee stock option grant expenses, pension costs, restructuring charges from ongoing operations, write-downs of depreciable or amortizable operating assets, purchased research and development, M&A related expenses and unrealized gains/losses from hedging activities. Excluded from the definition are pension gains, impairment of goodwill charges, gains or losses from asset sales, reversal of prior-year charges and provision from litigation or insurance settlements.

Qualitative Risk Assessment
The S&P equity analyst's view of a given company's operational risk, or the risk of a firm's ability to continue as an ongoing concern. The Qualitative Risk Assessment is a relative ranking to the S&P U.S. STARS universe, and should be reflective of risk factors related to a company's operations, as opposed to risk and volatility measures associated with share prices.

Quantitative Evaluations
In contrast to our qualitative STARS recommendations, which are assigned by S&P analysts, the quantitative evaluations described below are derived from proprietary arithmetic models. These computer-driven evaluations may at times contradict an analyst's qualitative assessment of a stock. One primary reason for this is that different measures are used to determine each. For instance, when designating STARS, S&P analysts assess many factors that cannot be reflected in a model, such as risks and opportunities, management changes, recent competitive shifts, patent expiration, litigation risk, etc.

S&P Quality Ranking
Growth and stability of earnings and dividends are deemed key elements in establishing S&P's Quality Rankings for common stocks, which are designed to capsulize the nature of this record in a single symbol. It should be noted, however, that the process also takes into consideration certain adjustments and modifications deemed desirable in establishing such rankings. The final score for each stock is measured against a scoring matrix determined by analysis of the scores of a large and representative sample of stocks. The range of scores in the array of this sample has been aligned with the following ladder of rankings:

A+	Highest	B	Below Average
A	High	B-	Lower
A-	Above Average	C	Lowest
B+	Average	D	In Reorganization
NR	Not Ranked		

S&P Fair Value Rank
Using S&P's exclusive proprietary quantitative model, stocks are ranked in one of five groups, ranging from Group 5, listing the most undervalued stocks, to Group 1, the most overvalued issues. Group 5 stocks are expected to generally outperform all others. A positive (+) or negative (-) Timing Index is placed next to the Fair Value ranking to further aid the selection process. A stock with a (+) added to the Fair Value Rank simply means that this stock has a somewhat better chance to outperform other stocks with the same Fair Value Rank. A stock with a (-) has a somewhat lesser chance to outperform other stocks with the same Fair Value Rank. The Fair Value rankings imply the following: 5-Stock is significantly undervalued; 4-Stock is moderately undervalued; 3-Stock is fairly valued; 2-Stock is modestly overvalued; 1-Stock is significantly overvalued.

S&P Fair Value Calculation
The price at which a stock should trade at, according to S&P's proprietary quantitative model that incorporates both actual and estimated variables (as opposed to only actual variables in the case of S&P Quality Ranking). Relying heavily on a company's actual return on equity, the S&P Fair Value model places a value on a security based on placing a formula-derived price-to-book multiple on a company's consensus earnings per share estimate.

Insider Activity
Gives an insight as to insider sentiment by showing whether directors, officers and key employees who have proprietary information not available to the general public, are buying or selling the company's stock during the most recent six months.

Funds From Operations FFO
FFO is Funds from Operations and equal to a REIT's net income, excluding gains or losses from sales of property, plus real estate depreciation.

Investability Quotient (IQ)
The IQ is a measure of investment desirability. It serves as an indicator of potential medium-to-long term return and as a caution against downside risk. The measure takes into account variables such as technical indicators, earnings estimates, liquidity, financial ratios and selected S&P proprietary measures.

S&P's IQ Rationale:
Corning Inc

	Raw Score	Max Value
Proprietary S&P Measures	28	115
Technical Indicators	20	40
Liquidity/Volatility Measures	15	20
Quantitative Measures	52	75
IQ Total	**115**	**250**

Volatility
Rates the volatility of the stock's price over the past year.

Technical Evaluation
In researching the past market history of prices and trading volume for each company, S&P's computer models apply special technical methods and formulas to identify and project price trends for the stock.

Relative Strength Rank
Shows, on a scale of 1 to 99, how the stock has performed versus all other companies in S&P's universe on a rolling 13-week basis.

Global Industry Classification Standard (GICS)
An industry classification standard, developed by Standard & Poor's in collaboration with Morgan Stanley Capital International (MSCI). GICS is currently comprised of 10 Sectors, 24 Industry Groups, 68 Industries, and 154 Sub-Industries.

S&P Issuer Credit Rating
A Standard & Poor's Issuer Credit Rating is a current opinion of an obligor's overall financial capacity (its creditworthiness) to pay its financial obligations. This opinion focuses on the obligor's capacity and willingness to meet its financial commitments as they come due. It does not apply to any specific financial obligation, as it does not take into account the nature of and provisions of the obligation, its standing in bankruptcy or liquidation, statutory preferences, or the legality and enforceability of the obligation. In addition, it does not take into account the creditworthiness of the guarantors, insurers, or other forms of credit enhancement on the obligation. The Issuer Credit Rating is not a recommendation to purchase, sell, or hold a financial obligation issued by an obligor, as it does not comment on market price or suitability for a particular investor. Issuer Credit Ratings are based on current information furnished by obligors or obtained by Standard & Poor's from other sources it considers reliable. Standard & Poor's does not perform an audit in connection with any Issuer Credit Rating and may, on occasion, rely on unaudited financial information. Issuer Credit Ratings may be changed, suspended, or withdrawn as a result of changes in, or unavailability of, such information, or based on other circumstances.

Exchange Type
ASE - American Stock Exchange; AU - Australia Stock Exchange; BB - Bulletin Board; NGM - Nasdaq Global Market; NNM - Nasdaq Global Select Market; NSC - Nasdaq Capital Market; NYS - New York Stock Exchange; OTN - Other OTC (Over the Counter); OTC - Over the Counter; QB - OTCQB; QX - OTCQX; TS - Toronto Stock Exchange; TXV - TSX Venture Exchange; NEX - NEX Exchange.

S&P Equity Research Services
Standard & Poor's Equity Research Services U.S. includes Standard & Poor's Investment Advisory Services LLC; Standard & Poor's Equity Research Services Europe includes McGraw-Hill Financial Research Europe Limited trading as Standard & Poor's; Standard & Poor's Equity Research Services Asia includes McGraw-Hill Financial Singapore Pte. Limited's

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Abbreviations Used in S&P Equity Research Reports
CAGR- Compound Annual Growth Rate; **CAPEX**- Capital Expenditures; **CY**- Calendar Year; **DCF**- Discounted Cash Flow; **EBIT**- Earnings Before Interest and Taxes; **EBITDA**- Earnings Before Interest, Taxes, Depreciation and Amortization; **EPS**- Earnings Per Share; **EV**- Enterprise Value; **FCF**- Free Cash Flow; **FFO**- Funds From Operations; **FY**- Fiscal Year; **P/E**- Price/Earnings ; **PEG Ratio**- P/E-to-Growth Ratio; **PV**- Present Value; **R&D**- Research & Development; **ROE**- Return on Equity; **ROI**- Return on Investment; **ROIC**- Return on Invested Capital; **ROA**- Return on Assets; **SG&A**- Selling, General & Administrative Expenses; **WACC**- Weighted Average Cost of Capital

Dividends on American Depository Receipts (ADRs) and American Depository Shares (ADSs) are net of taxes (paid in the country of origin).

Required Disclosures

In contrast to the qualitative STARS recommendations covered in this report, which are determined and assigned by S&P equity analysts, S&P's quantitative evaluations are derived from S&P's proprietary Fair Value quantitative model. In particular, the Fair Value Ranking methodology is a relative ranking methodology, whereas the STARS methodology is not. Because the Fair Value model and the STARS methodology reflect different criteria, assumptions and analytical methods, quantitative evaluations may at times differ from (or even contradict) an equity analyst's STARS recommendations. As a quantitative model, Fair Value relies on history and consensus estimates and does not introduce an element of subjectivity as can be the case with equity analysts in assigning STARS recommendations.

S&P Global STARS Distribution

In North America: As of March 30, 2012, research analysts at Standard & Poor's Equity Research Services North America recommended 34.5% of issuers with buy recommendations, 57.9% with hold recommendations and 7.6% with sell recommendations.

In Europe: As of March 30, 2012, research analysts at Standard & Poor's Equity Research Services Europe recommended 30.1% of issuers with buy recommendations, 49.4% with hold recommendations and 20.5% with sell recommendations.

In Asia: As of March 30, 2012, research analysts at Standard & Poor's Equity Research Services Asia recommended 35.9% of issuers with buy recommendations, 54.3% with hold recommendations and 9.8% with sell recommendations.

Globally: As of March 30, 2012, research analysts at Standard & Poor's Equity Research Services globally recommended 34.0% of issuers with buy recommendations, 56.3% with hold recommendations and 9.7% with sell recommendations.

★★★★★ **5-STARS (Strong Buy)**: Total return is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 months, with shares rising in price on an absolute basis.

★★★★☆ **4-STARS (Buy)**: Total return is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis.

★★★☆☆ **3-STARS (Hold)**: Total return is expected to closely approximate the total return of a relevant benchmark over the coming 12 months, with shares generally rising in price on an absolute basis.

★★☆☆☆ **2-STARS (Sell)**: Total return is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price not anticipated to show a gain.

★☆☆☆☆ **1-STARS (Strong Sell)**: Total return is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis.

Relevant benchmarks: In North America the relevant benchmark is the S&P 500 Index, in Europe and in Asia, the relevant benchmarks are generally the S&P Europe 350 Index and the S&P Asia 50 Index.

For All Regions: All of the views expressed in this research report accurately reflect the research analyst's personal views regarding any and all of the subject securities or issuers. No part of analyst compensation was, is, or will be directly or indirectly, related to the specific recommendations or views expressed in this research report.

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In Asia: As of March 30, 2012, Standard & Poor's Quantitative Services Asia recommended 35.9% of issuers with buy recommendations, 20.0% with hold recommendations and 31.0% with sell recommendations.

Globally: As of March 30, 2012, Standard & Poor's Quantitative Services globally recommended 46.0% of issuers with buy recommendations, 20.0% with hold recommendations and 33.0% with sell recommendations.

Additional information is available upon request.

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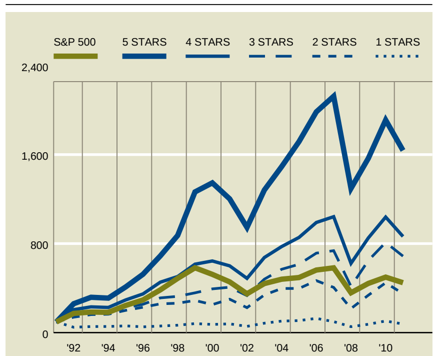
U.S. STARS Cumulative Model Performance

Hypothetical Growth Due to Price Appreciation of $100
For the Period 12/31/1986 through 03/31/2012



The performance above represents only the results of Standard & Poor's model portfolios. Model performance has inherent limitations. Standard & Poor's maintains the models and calculates the model performance shown, but does not manage actual assets. The U.S. STARS model performance chart is only an illustration of Standard & Poor's (S&P) research; it shows how U.S. common stocks, ADRs (American Depositary Receipts) and ADSs (American Depositary Shares), collectively "equities", that received particular STARS rankings performed. STARS categories are models only; they are not collective investment funds. The STARS performance does not show how any actual portfolio has performed. STARS model performance does not represent the results of actual trading of investor assets. Thus, the model performance shown does not reflect the impact that material economic and market factors might have had on decision-making if actual investor money had been managed. Performance is calculated using a time-weighted rate of return. While model performance for some or all STARS categories performed better than the S&P 500 for the period shown, the performance during any shorter period may not have, and there is no assurance that they will perform better than the S&P 500 in the future. STARS does not take into account any particular investment objective, financial situation or need and is not intended as an investment recommendation or strategy. Investments based on the STARS methodology may lose money. High returns are not necessarily the norm and there is no assurance that they can be sustained. Past model performance of STARS is no guarantee of future performance.

For model performance calculation purposes, the equities within each STARS category at December 31, 1986 were equally weighted. Thereafter, additions to the composition of the equities in each STARS category are made at the average value of the STARS category at the preceding month end with no rebalancing. Deletions are made at the closing price of the day that the deletion is made. Performance was calculated from inception through March 31, 2003 on a monthly basis. Thereafter, performance is calculated daily. Equities in each STARS category will change over time, and some or all of the equities that received STARS rankings during the time period shown may not have maintained their STARS ranking during the entire period.

The model performance does not consider taxes and brokerage commissions, nor does it reflect the deduction of any advisory or other fees charged by advisors or other parties that investors will incur when their accounts are managed in accordance with the models. The imposition of these fees and charges would cause actual performance to be lower than the performance shown. For example, if a model returned 10 percent on a $100,000 investment for a 12-month period (or $10,000) and an annual asset-based fee of 1.5 percent were imposed at the end of the period (or $1,650), the net return would be 8.35 percent (or $8,350) for the year. Over 3 years, an annual 1.5% fee taken at year end with an assumed 10% return per year would result in a cumulative gross return of 33.1%, a total fee of $5,375 and a cumulative net return of 27.2% (or $27,200). Fees deducted on a frequency other than annual would result in a different cumulative net return in the preceding example.

The Standard & Poor's 500 index is the benchmark for U.S. STARS. The S&P 500 index is calculated in U.S. dollars and does not take into account the reinvestment of dividends. Indexes are unmanaged, statistical composites and their returns do not include payment of any sales charges or fees an investor would pay to purchase the securities they represent. Such costs would lower performance. It is not possible to invest directly in an index. The S&P 500 index includes a different number of constituents and has different risk characteristics than the STARS equities. Some of the STARS equities may have been included in the S&P 500 index for some (but not necessarily all) of the period covered in the chart, and some such equities may not have been included at all. The S&P 500 excludes ADRs and ADSs. The methodology for calculating the return of the S&P 500 index differs from the methodology of calculating the return for STARS. Past performance of the S&P 500 index is no guarantee of future performance.

An investment based upon the models should only be made after consulting with a financial advisor and with an understanding of the risks associated with any investment in securities, including, but not limited to, market risk, currency risk, political and credit risks, the risk of economic recession and the risk that issuers of securities or general stock market conditions may worsen, over time. Foreign investing involves certain risks, including currency fluctuations and controls, restrictions on foreign investments, less governmental supervision and regulation, less liquidity and the potential for market volatility and political instability. As with any investment, investment returns and principal value will fluctuate, so that when redeemed, an investor's shares may be worth more or less than their original cost.

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