

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**CONSOLIDATED STATEMENTS OF INCOME**

(Unaudited; in millions, except per share amounts)

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2018	2017	2018	2017
Net sales	\$ 3,035	\$ 2,637	\$ 11,290	\$ 10,116
Cost of sales	<u>1,833</u>	<u>1,605</u>	<u>6,829</u>	<u>6,096</u>
Gross margin	1,202	1,032	4,461	4,020
Operating expenses:				
Selling, general and administrative expenses	447	401	1,799	1,473
Research, development and engineering expenses	265	241	993	864
Amortization of purchased intangibles	<u>26</u>	<u>22</u>	<u>94</u>	<u>75</u>
Operating income	464	368	1,575	1,608
Equity in earnings of affiliated companies	288	213	390	361
Interest income	9	12	38	45
Interest expense	(51)	(43)	(191)	(155)
Translated earnings contract (loss) gain, net	(159)	72	(93)	(121)
Other expense, net	<u>(205)</u>	<u>(56)</u>	<u>(216)</u>	<u>(81)</u>
Income before income taxes	346	566	1,503	1,657
Provision for income taxes	<u>(54)</u>	<u>(1,978)</u>	<u>(437)</u>	<u>(2,154)</u>
Net income (loss) attributable to Corning Incorporated	<u>\$ 292</u>	<u>\$ (1,412)</u>	<u>\$ 1,066</u>	<u>\$ (497)</u>
Earnings (loss) per common share attributable to Corning Incorporated:				
Basic	<u>\$ 0.34</u>	<u>\$ (1.66)</u>	<u>\$ 1.19</u>	<u>\$ (0.66)</u>
Diluted	<u>\$ 0.32</u>	<u>\$ (1.66)</u>	<u>\$ 1.13</u>	<u>\$ (0.66)</u>
Dividends declared per common share	<u>\$ 0.18</u>	<u>\$ 0.155</u>	<u>\$ 0.72</u>	<u>\$ 0.62</u>

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**CONSOLIDATED BALANCE SHEETS**

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

	December 31,	
	2018	2017
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 2,355	\$ 4,317
Trade accounts receivable, net of doubtful accounts and allowances	1,940	1,807
Inventories, net of inventory reserves	2,037	1,712
Other current assets	702	991
Total current assets	7,034	8,827
Investments	376	340
Property, plant and equipment, net of accumulated depreciation	14,895	14,017
Goodwill, net	1,936	1,694
Other intangible assets, net	1,292	869
Deferred income taxes	951	813
Other assets	1,021	934
Total Assets	\$ 27,505	\$ 27,494
<b>Liabilities and Equity</b>		
Current liabilities:		
Current portion of long-term debt and short-term borrowings	\$ 4	\$ 379
Accounts payable	1,456	1,439
Other accrued liabilities	1,851	1,391
Total current liabilities	3,311	3,209
Long-term debt	5,994	4,749
Postretirement benefits other than pensions	662	749
Other liabilities	3,652	3,017
Total liabilities	13,619	11,724
Commitments and contingencies		
Shareholders' equity:		
Convertible preferred stock, Series A – Par value \$100 per share; Shares authorized 3,100; Shares issued: 2,300	2,300	2,300
Common stock – Par value \$0.50 per share; Shares authorized: 3.8 billion; Shares issued: 1,713 million and 1,708 million	857	854
Additional paid-in capital – common stock	14,212	14,089
Retained earnings	16,303	15,930
Treasury stock, at cost; shares held: 925 million and 850 million	(18,870)	(16,633)
Accumulated other comprehensive loss	(1,010)	(842)
Total Corning Incorporated shareholders' equity	13,792	15,698
Noncontrolling interests	94	72
Total equity	13,886	15,770
Total Liabilities and Equity	\$ 27,505	\$ 27,494

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited; in millions)

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2018	2017	2018	2017
<b>Cash Flows from Operating Activities:</b>				
Net income (loss)	\$ 292	\$ (1,412)	\$ 1,066	\$ (497)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation	304	284	1,199	1,083
Amortization of purchased intangibles	26	22	94	75
Equity in earnings of affiliated companies	(288)	(213)	(390)	(361)
Dividends received from affiliated companies	135	100	241	201
Deferred tax (benefit) provision	(162)	1,858	(109)	1,796
Customer incentives and deposits, net	9	100	700	100
Translated earnings contract loss (gain)	159	(72)	93	121
Unrealized translation losses (gains) on transactions	3	(75)	55	(339)
Changes in certain working capital items:				
Trade accounts receivable	43	(35)	(154)	(225)
Inventories	(111)	(4)	(346)	(170)
Other current assets	16	(63)	(20)	(172)
Accounts payable and other current liabilities	264	292	358	169
Other, net	249	106	132	223
<b>Net cash provided by operating activities</b>	<b>939</b>	<b>888</b>	<b>2,919</b>	<b>2,004</b>
<b>Cash Flows from Investing Activities:</b>				
Capital expenditures	(613)	(557)	(2,242)	(1,804)
Acquisitions of businesses, net of cash paid	(38)		(842)	(171)
Proceeds from settlement of initial contingent consideration asset			196	
Proceeds from sale of a business		14		14
Sale (purchase) of assets from / to related party	19		(44)	
Short-term investments – liquidations				29
Realized gains on translated earnings contracts	46	71	108	270
Other, net	(35)	(20)	(63)	(48)
<b>Net cash used in investing activities</b>	<b>(621)</b>	<b>(492)</b>	<b>(2,887)</b>	<b>(1,710)</b>
<b>Cash Flows from Financing Activities:</b>				
Net repayments of short-term borrowings and current portion of long-term debt	(254)	(252)	(629)	(252)
Proceeds from issuance of long-term debt	889	743	1,485	1,445
Proceeds from the settlement of interest rate swap agreements, net			6	
Principal payments under capital lease obligations	(2)	(6)	(4)	(7)
(Payments) proceeds for asset financing and related incentives, net	(11)		(11)	
Payments of employee withholding tax on stock award	(2)	(2)	(14)	(16)
Proceeds from the exercise of stock options	7	34	81	309
Repurchases of common stock for treasury	(347)	(388)	(2,227)	(2,452)
Dividends paid	(168)	(158)	(685)	(651)
Other, net	9		3	
<b>Net cash provided by (used in) financing activities</b>	<b>121</b>	<b>(29)</b>	<b>(1,995)</b>	<b>(1,624)</b>
Effect of exchange rates on cash	11	85	1	356
Net increase (decrease) in cash and cash equivalents	450	452	(1,962)	(974)
Cash and cash equivalents at beginning of year	1,905	3,865	4,317	5,291
<b>Cash and cash equivalents at end of year</b>	<b>\$ 2,355</b>	<b>\$ 4,317</b>	<b>\$ 2,355</b>	<b>\$ 4,317</b>

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
(Unaudited)

***GAAP Earnings (Loss) per Common Share***

The following table sets forth the computation of basic and diluted earnings (loss) per common share (in millions, except per share amounts):

	Three Months Ended		Year ended	
	December 31,		December 31,	
	2018	2017	2018	2017
Net income (loss) attributable to Corning Incorporated	\$ 292	\$ (1,412)	\$ 1,066	\$ (497)
Less: Series A convertible preferred stock dividend	24	24	98	98
Net income (loss) available to common stockholders – basic	268	(1,436)	968	(595)
Add: Series A convertible preferred stock dividend	24		98	
<b>Net income (loss) available to common stockholders - diluted</b>	<b>\$ 292</b>	<b>\$ (1,436)</b>	<b>\$ 1,066</b>	<b>\$ (595)</b>
Weighted-average common shares outstanding - basic	795	863	816	895
Effect of dilutive securities:				
Stock options and other dilutive securities	9		10	
Series A convertible preferred stock	115		115	
<b>Weighted-average common shares outstanding - diluted</b>	<b>919</b>	<b>863</b>	<b>941</b>	<b>895</b>
Basic earnings (loss) per common share	\$ 0.34	\$ (1.66)	\$ 1.19	\$ (0.66)
<b>Diluted earnings (loss) per common share</b>	<b>\$ 0.32</b>	<b>\$ (1.66)</b>	<b>\$ 1.13</b>	<b>\$ (0.66)</b>

***Core Earnings per Common Share***

The following table sets forth the computation of core basic and core diluted earnings per common share (in millions, except per share amounts):

	Three Months Ended		Year ended	
	December 31,		December 31,	
	2018	2017	2018	2017
Core earnings attributable to Corning Incorporated	\$ 539	\$ 455	\$ 1,673	\$ 1,634
Less: Series A convertible preferred stock dividend	24	24	98	98
Core earnings available to common stockholders - basic	515	431	1,575	1,536
Add: Series A convertible preferred stock dividend	24	24	98	98
Core earnings available to common stockholders - diluted	\$ 539	\$ 455	\$ 1,673	\$ 1,634
Weighted-average common shares outstanding - basic	795	863	816	895
Effect of dilutive securities:				
Stock options and other dilutive securities	9	11	10	11
Series A convertible preferred stock	115	115	115	115
<b>Weighted-average common shares outstanding - diluted</b>	<b>919</b>	<b>989</b>	<b>941</b>	<b>1,021</b>
Core basic earnings per common share	\$ 0.65	\$ 0.50	\$ 1.93	\$ 1.72
Core diluted earnings per common share	\$ 0.59	\$ 0.46	\$ 1.78	\$ 1.60

### **CORE PERFORMANCE MEASURES**

In managing the Company and assessing our financial performance, we adjust certain measures provided by our consolidated financial statements to exclude specific items to arrive at core performance measures. These items include gains and losses on our translated earnings contracts, acquisition-related costs, certain discrete tax items, restructuring and restructuring-related charges, certain litigation-related expenses, pension mark-to-market adjustments and other items which do not reflect on-going operating results of the Company or our equity affiliates. Additionally, Corning has adopted the use of constant currency reporting for our Display Technologies and Specialty Materials segments for the Japanese yen, South Korean won, Chinese yuan and New Taiwan dollar currencies. The Company believes that the use of constant currency reporting allows investors to understand our results without the volatility of currency fluctuations, and reflects the underlying economics of the translated earnings contracts used to mitigate the impact of changes in currency exchange rates on our earnings and cash flows. Corning also believes that reporting core performance measures provides investors greater transparency to the information used by our management team to make financial and operational decisions.

These measures are not prepared in accordance with Generally Accepted Accounting Principles in the United States (“GAAP”). We believe investors should consider these non-GAAP measures in evaluating our results as they are more indicative of our core operating performance and how management evaluates our operational results and trends. These measures are not, and should not be viewed as a substitute for, GAAP reporting measures. With respect to the Company’s outlooks for future periods, it is not possible to provide reconciliations for these non-GAAP measures because the Company does not forecast the movement of the Japanese yen, South Korean won, Chinese yuan or New Taiwan dollar against the U.S. dollar, or other items that do not reflect ongoing operations, nor does it forecast items that have not yet occurred or are out of the Company’s control. As a result, the Company is unable to provide outlook information on a GAAP basis.

For a reconciliation of non-GAAP performance measures to their most directly comparable GAAP financial measure, please see “Reconciliation of Non-GAAP Measures” below. See “Items which we exclude from GAAP measures to arrive at Core performance measures” for details on core performance measures.

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE**  
**Three Months Ended December 31, 2018**  
(Unaudited; amounts in millions, except per share amounts)

	Three months ended December 31, 2018					
	Net sales	Equity earnings	Income before income taxes	Net income	Effective tax rate (a)	Per share
<b>As reported</b>	<b>\$ 3,035</b>	<b>\$ 288</b>	<b>\$ 346</b>	<b>\$ 292</b>	<b>15.6%</b>	<b>\$ 0.32</b>
Constant-currency adjustment (1)	46	1	46	13		0.01
Translation (gain) loss on Japanese yen-denominated debt (2)			46	36		0.04
Translated earnings contract (gain) loss (3)			158	147		0.16
Acquisition-related costs (4)			37	29		0.03
Discrete tax items and other tax-related adjustments (5)				(24)		(0.03)
Litigation, regulatory and other legal matters (6)			(19)	(15)		(0.02)
Restructuring, impairment and other charges (7)			72	56		0.06
Equity in earnings of affiliated company (8)		(137)	(137)	(107)		(0.12)
Pension mark-to-market adjustment (10)			144	112		0.12
<b>Core performance measures</b>	<b>\$ 3,081</b>	<b>\$ 152</b>	<b>\$ 693</b>	<b>\$ 539</b>	<b>22.2%</b>	<b>\$ 0.59</b>

(a) Based upon statutory tax rates in the specific jurisdiction for each event.

See Reconciliation of Non-GAAP Financial Measures, "Items which we exclude from GAAP measures to arrive at Core Performance measures" for the descriptions of the footnoted reconciling items.

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE**  
**Year Ended December 31, 2018**  
(Unaudited; amounts in millions, except per share amounts)

	Year ended December 31, 2018					
	Net sales	Equity earnings	Income before income taxes	Net income	Effective tax rate (a)	Per share
<b>As reported</b>	<b>\$ 11,290</b>	<b>\$ 390</b>	<b>\$ 1,503</b>	<b>\$ 1,066</b>	<b>29.1%</b>	<b>\$ 1.13</b>
Constant-currency adjustment (1)	108	2	156	127		0.13
Translation (gain) loss on Japanese yen-denominated debt (2)			18	15		0.02
Translated earnings contract (gain) loss (3)			73	97		0.10
Acquisition-related costs (4)			132	103		0.11
Discrete tax items and other tax-related adjustments (5)				79		0.08
Litigation, regulatory and other legal matters (6)			124	96		0.10
Restructuring, impairment and other charges (7)			130	96		0.10
Equity in earnings of affiliated company (8)		(151)	(151)	(119)		(0.13)
Pension mark-to-market adjustment (10)			145	113		0.12
<b>Core performance measures</b>	<b>\$ 11,398</b>	<b>\$ 241</b>	<b>\$ 2,130</b>	<b>\$ 1,673</b>	<b>21.5%</b>	<b>\$ 1.78</b>

(a) Based upon statutory tax rates in the specific jurisdiction for each event.

See Reconciliation of Non-GAAP Financial Measures, "Items which we exclude from GAAP measures to arrive at Core Performance measures" for the descriptions of the footnoted reconciling items.

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE**  
**Three Months Ended December 31, 2017**  
(Unaudited; amounts in millions, except per share amounts)

	Three months ended December 31, 2017					
	Net sales	Equity earnings	Income before income taxes	Net income	Effective tax rate (a)	Per share
<b>As reported</b>	<b>\$ 2,637</b>	<b>\$ 213</b>	<b>\$ 566</b>	<b>\$ (1,412)</b>	<b>349.5%</b>	<b>\$ (1.66)</b>
Constant-currency adjustment (1)	38	2	48	44		0.05
Translated earnings contract (gain) loss (3)			(72)	(46)		(0.05)
Acquisition-related costs (4)			24	18		0.02
Discrete tax items and other tax-related adjustments (5)				99		0.11
Restructuring, impairment and other charges (7)			22	27		0.03
Equity in earnings of affiliated company (8)		(80)	(80)	(51)		(0.06)
Adjustments related to acquisitions (9)			15	16		0.02
Pension mark-to-market adjustment (10)			7	5		0.01
Adjustments to remove the impacts of the Tax Cuts and Job Act (11)				1,755		2.03
<b>Core performance measures</b>	<b>\$ 2,675</b>	<b>\$ 135</b>	<b>\$ 530</b>	<b>\$ 455</b>	<b>14.2%</b>	<b>\$ 0.46</b>

(a) Based upon statutory tax rates in the specific jurisdiction for each event.

See Reconciliation of Non-GAAP Financial Measures, "Items which we exclude from GAAP measures to arrive at Core Performance measures" for the descriptions of the footnoted reconciling items.



**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE**  
**Year Ended December 31, 2017**  
(Unaudited; amounts in millions, except per share amounts)

	Year ended December 31, 2017					
	Net sales	Equity earnings	Income before income taxes	Net income	Effective tax rate (a)	Per share
<b>As reported</b>	<b>\$ 10,116</b>	<b>\$ 361</b>	<b>\$ 1,657</b>	<b>\$ (497)</b>	<b>130.0%</b>	<b>\$ (0.66)</b>
Constant-currency adjustment (1)	142	2	168	138		0.15
Translation (gain) loss on Japanese yen-denominated debt (2)			(14)	(9)		(0.01)
Translated earnings contract (gain) loss (3)			125	78		0.09
Acquisition-related costs (4)			84	59		0.07
Discrete tax items and other tax-related adjustments (5)				127		0.14
Litigation, regulatory and other legal matters (6)			(12)	(9)		(0.01)
Restructuring, impairment and other charges (7)			72	62		0.07
Equity in earnings of affiliated company (8)		(152)	(152)	(97)		(0.11)
Adjustments related to acquisitions (9)			10	13		0.01
Pension mark-to-market adjustment (10)			22	14		0.02
Adjustments to remove the impacts of the Tax Cuts and Job Act (11)				1,755		1.96
<b>Core performance measures</b>	<b>\$ 10,258</b>	<b>\$ 211</b>	<b>\$ 1,960</b>	<b>\$ 1,634</b>	<b>16.6%</b>	<b>\$ 1.60</b>

(a) Based upon statutory tax rates in the specific jurisdiction for each event.

See Reconciliation of Non-GAAP Financial Measures, "Items which we exclude from GAAP measures to arrive at Core Performance measures" for the descriptions of the footnoted reconciling items.

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE**  
**Three Months and Year Ended December 31, 2018 and 2017**  
(Unaudited; amounts in millions)

	Three Months Ended December 31, 2018				Three Months Ended December 31, 2017			
	Gross Margin	Gross margin %	Selling, general and admin. expenses	Research, development and engineering expenses	Gross Margin	Gross margin %	Selling, general and admin. expenses	Research, development and engineering expenses
<b>As reported</b>	\$ 1,202	40%	\$ 447	\$ 265	\$ 1,032	39%	\$ 401	\$ 241
Constant-currency adjustment (1)	45				47			
Translated earnings contract (gain) loss (3)	(3)							
Acquisition-related costs (4)	4		(7)	(1)			(3)	
Litigation, regulatory and other legal matters (6)			19					
Restructuring, impairment and other charges (7)	49		(11)	(6)			(9)	
Adjustments related to acquisitions (9)							7	
<b>Core performance measures</b>	\$ 1,297	42%	\$ 448	\$ 258	\$ 1,079	40%	\$ 396	\$ 241

	Year ended December 31, 2018				Year ended December 31, 2017			
	Gross Margin	Gross margin %	Selling, general and admin. expenses	Research, development and engineering expenses	Gross Margin	Gross margin %	Selling, general and admin. expenses	Research, development and engineering expenses
<b>As reported</b>	\$ 4,461	40%	\$ 1,799	\$ 993	\$ 4,020	40%	\$ 1,473	\$ 864
Constant-currency adjustment (1)	149		(1)		168			
Translated earnings contract (gain) loss (3)	(6)							
Acquisition-related costs (4)	9		(28)	(3)	7		(3)	
Litigation, regulatory and other legal matters (6)			(125)				12	
Restructuring, impairment and other charges (7)	97		(20)	(6)	32		(17)	
Adjustments related to acquisitions (9)							13	
<b>Core performance measures</b>	\$ 4,710	41%	\$ 1,625	\$ 984	\$ 4,227	41%	\$ 1,478	\$ 864

See Reconciliation of Non-GAAP Financial Measures, “Items which we exclude from GAAP measures to arrive at Core Performance measures” for the descriptions of the footnoted reconciling items.

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURE TO GAAP FINANCIAL MEASURE**  
**Three Months and Year Ended December 31, 2018 and 2017**  
(Unaudited; amounts in millions)

	Three months ended		Year ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
Cash flows from operating activities	\$ 939	\$ 888	\$ 2,919	\$ 2,004
Realized gains on translated earnings contracts	46	71	108	270
Translation (losses) gains on cash balances	(4)	75	(55)	342
Receipt of contingent consideration			196	
Other		1		4
Adjusted cash flows from operating activities	\$ 981	\$ 1,035	\$ 3,168	\$ 2,620

Items which we exclude from GAAP measures to arrive at Core performance measures are as follows:

- (1) Constant-currency adjustments: Because a significant portion of Display Technologies segment revenues are denominated in Japanese yen, and a significant portion of Display Technologies segment manufacturing costs are denominated in Japanese Yen, Korean Won, New Taiwan Dollar and Chinese yuan, management believes it is important to understand the impact on core earnings of translating these currencies into U.S. Dollars. Presenting results on a constant-currency basis mitigates their translation impact and allows management to evaluate performance period over period, analyze underlying trends in our businesses, and establish operational goals and forecasts.  
Constant-yen: As of January 1, 2018, we use an internally derived management rate of ¥107, which is closely aligned to our current yen portfolio of foreign currency hedges, and have recast all periods presented based on this rate in order to effectively remove the impact of changes in the Japanese yen.  
Constant-won: As of January 1, 2018, we use an internally derived management rate of ₩1,175, which is consistent with historical prior period averages of the won, and have recast all periods presented based on this rate.  
Constant-yuan: In January 2018, we began presenting results of the Display Technologies and Specialty Materials segments on a constant-yuan basis to mitigate the translation impact of this currency on these segments. We use an internally derived management rate of yuan 6.7, which is closely aligned to our current yuan portfolio of foreign currency hedges and consistent with historical prior period averages.  
Constant-Taiwan dollar: In January 2018, we began presenting results of the Display Technologies and Specialty Materials segments on a constant-Taiwan dollar basis to mitigate the translation impact of this currency on these segments. We use an internally derived management rate of Taiwan dollar 31, which is closely aligned to our current Taiwan dollar portfolio of foreign currency hedges, and approximates the 10-year historical average of the currency.
- (2) Translation (gain) loss on Japanese yen-denominated debt: We have excluded the (gain) loss on the translation of our Yen-denominated debt to U.S. dollars.
- (3) Translated earnings contract (gain) loss: We have excluded the impact of the realized and unrealized gains and losses of our Japanese yen, South Korean won, Chinese yuan and Taiwan dollar-denominated foreign currency hedges related to translated earnings, as well as the unrealized gains and losses of our euro and British pound-denominated foreign currency hedges related to translated earnings.
- (4) Acquisition-related costs: These expenses include intangible amortization, inventory valuation adjustments and external acquisition-related deal costs.
- (5) Discrete tax items and other tax-related adjustments: For 2018, this amount primarily relates to the preliminary IRS audit settlement. For 2017, this amount represents the removal of discrete adjustments (e.g. changes in tax law and changes in judgment about the realizability of certain deferred tax assets) as well as other non-operational tax-related adjustments.
- (6) Litigation, regulatory and other legal matters: Includes amounts that reflect developments in commercial litigation, intellectual property disputes and other legal matters.
- (7) Restructuring, impairment and other charges: This amount includes restructuring, impairment and other charges, as well as other expenses which are not related to continuing operations and are not classified as restructuring expense.
- (8) Equity in earnings of affiliated companies: These adjustments relate to items which do not reflect on-going operating results of our affiliated companies, such as restructuring, impairment and other charges and settlements under “take-or-pay” contracts.
- (9) Adjustments related to acquisitions: Includes fair value adjustments to the Corning Precision Materials indemnity asset related to contingent consideration, post-combination expenses and other acquisition and disposal adjustments.
- (10) Pension mark-to-market adjustment: Defined benefit pension mark-to-market gains and losses, which arise from changes in actuarial assumptions and the difference between actual and expected returns on plan assets and discount rates.
- (11) Adjustments to remove the impact of the Tax Cuts and Job Act: Includes a provisional amount related to the one-time mandatory tax on unrepatriated foreign earnings, a provisional amount related to the remeasurement of U.S. deferred tax assets and liabilities, changes in valuation allowances as a result of the 2017 Tax Act, and adjustments for the elimination of foreign tax credits.