

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**CONSOLIDATED STATEMENTS OF (LOSS) INCOME**  
(Unaudited; in millions, except per share amounts)

	Three months ended		Year ended	
	December 31,		December 31,	
	2022	2021	2022	2021
Net sales	\$ 3,406	\$ 3,676	\$ 14,189	\$ 14,082
Cost of sales	<u>2,491</u>	<u>2,405</u>	<u>9,683</u>	<u>9,019</u>
Gross margin	915	1,271	4,506	5,063
Operating expenses:				
Selling, general and administrative expenses	517	476	1,898	1,827
Research, development and engineering expenses	281	280	1,047	995
Amortization of purchased intangibles	<u>31</u>	<u>32</u>	<u>123</u>	<u>129</u>
Operating income	86	483	1,438	2,112
Interest income	6	3	15	11
Interest expense	(76)	(73)	(292)	(300)
Translated earnings contract gain, net	94	92	351	354
Other (expense) income, net	<u>(106)</u>	<u>80</u>	<u>285</u>	<u>249</u>
Income before income taxes	4	585	1,797	2,426
Provision for income taxes	<u>(31)</u>	<u>(89)</u>	<u>(411)</u>	<u>(491)</u>
Net (loss) income	(27)	496	1,386	1,935
Net income attributable to non-controlling interest	<u>(9)</u>	<u>(9)</u>	<u>(70)</u>	<u>(29)</u>
Net (loss) income attributable to Corning Incorporated	<u>\$ (36)</u>	<u>\$ 487</u>	<u>\$ 1,316</u>	<u>\$ 1,906</u>
(Loss) earnings per common share available to common shareholders:				
Basic	\$ (0.04)	\$ 0.57	\$ 1.56	\$ 1.30
Diluted	\$ (0.04)	\$ 0.56	\$ 1.54	\$ 1.28
Reconciliation of net (loss) income attributable to Corning Incorporated versus net (loss) income available to common shareholders:				
Net (loss) income attributable to Corning Incorporated	\$ (36)	\$ 487	\$ 1,316	\$ 1,906
Series A convertible preferred stock dividend				(24)
Excess consideration paid for redemption of preferred shares				<u>(803)</u>
Net (loss) income available to common shareholders	<u>\$ (36)</u>	<u>\$ 487</u>	<u>\$ 1,316</u>	<u>\$ 1,079</u>

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

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

	December 31,	
	2022	2021
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,671	\$ 2,148
Trade accounts receivable, net of doubtful accounts	1,664	2,004
Inventories	2,904	2,481
Other current assets	1,157	1,026
Total current assets	7,396	7,659
Property, plant and equipment, net of accumulated depreciation	15,371	15,804
Goodwill, net	2,394	2,421
Other intangible assets, net	1,029	1,148
Deferred income taxes	1,073	1,066
Other assets	2,179	2,056
<b>Total Assets</b>	\$ 29,442	\$ 30,154
<b>Liabilities and Equity</b>		
Current liabilities:		
Current portion of long-term debt and short-term borrowings	\$ 224	\$ 55
Accounts payable	1,804	1,612
Other accrued liabilities	3,090	3,139
Total current liabilities	5,118	4,806
Long-term debt	6,687	6,989
Postretirement benefits other than pensions	407	622
Other liabilities	4,955	5,192
Total liabilities	17,167	17,609
Commitments and contingencies		
Shareholders' equity:		
Common stock – Par value \$0.50 per share; Shares authorized 3.8 billion; Shares issued: 1.8 billion and 1.8 billion	910	907
Additional paid-in capital – common stock	16,682	16,475
Retained earnings	16,778	16,389
Treasury stock, at cost; Shares held: 977 million and 970 million	(20,532)	(20,263)
Accumulated other comprehensive loss	(1,830)	(1,175)
Total Corning Incorporated shareholders' equity	12,008	12,333
Non-controlling interest	267	212
Total equity	12,275	12,545
<b>Total Liabilities and Equity</b>	\$ 29,442	\$ 30,154

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

	Three months ended		Year ended	
	December 31,		December 31,	
	2022	2021	2022	2021
<b>Cash Flows from Operating Activities:</b>				
Net (loss) income	\$ (27)	\$ 496	\$ 1,386	\$ 1,935
Adjustments to reconcile net (loss) income to net cash provided by operating activities:				
Depreciation	315	347	1,329	1,352
Amortization of purchased intangibles	31	32	123	129
Loss on disposal of assets	79	49	189	57
Severance charges (reversals)	62	(13)	70	(13)
Share-based compensation expense	30	73	175	190
Translation loss (gain) on Japanese yen-denominated debt	130	(53)	(191)	(180)
Deferred tax (benefit) provision	(104)	(52)	(46)	16
Translated earnings contract gain	(94)	(92)	(351)	(354)
Unrealized translation (gain) loss on transactions	(72)	12	68	77
Changes in certain working capital items:				
Trade accounts receivable	9	92	170	(54)
Inventories	115	(31)	(522)	(103)
Other current assets	(134)	(14)	(139)	(224)
Accounts payable and other current liabilities	267	301	292	772
Customer deposits and government incentives	(34)	(34)	110	28
Deferred income	(34)	(24)	(49)	(116)
Other, net	78	(66)	1	(100)
<b>Net cash provided by operating activities</b>	<u>617</u>	<u>1,023</u>	<u>2,615</u>	<u>3,412</u>
<b>Cash Flows from Investing Activities:</b>				
Capital expenditures	(403)	(623)	(1,604)	(1,637)
(Payments) proceeds from sale of business	(1)	1	76	103
Investments in and proceeds from unconsolidated entities, net	(28)	(3)	(38)	84
Realized gains on translated earnings contracts	91	37	300	67
Premiums paid on hedging contracts	(49)	(20)	(75)	(48)
Other, net	4	(8)	(14)	12
<b>Net cash used in investing activities</b>	<u>(386)</u>	<u>(616)</u>	<u>(1,355)</u>	<u>(1,419)</u>
<b>Cash Flows from Financing Activities:</b>				
Repayments of short-term borrowings			(87)	(144)
Repayments of long-term debt				(716)
Proceeds from issuance of short-term debt			70	
Proceeds from issuance of long-term debt	20	3	57	22
Payment for redemption of preferred stock			(507)	(507)
Payments of employee withholding tax on stock awards	(3)	(4)	(47)	(61)
Proceeds from exercise of stock options	5	6	40	97
Purchases of common stock for treasury		(252)	(221)	(274)
Dividends paid	(236)	(212)	(932)	(871)
Other, net	(5)	(3)	(22)	2
<b>Net cash used in financing activities</b>	<u>(219)</u>	<u>(462)</u>	<u>(1,649)</u>	<u>(2,452)</u>
Effect of exchange rates on cash	29	(9)	(88)	(65)
Net increase (decrease) in cash and cash equivalents	41	(64)	(477)	(524)
Cash and cash equivalents at beginning of year	1,630	2,212	2,148	2,672
<b>Cash and cash equivalents at end of year</b>	<u>\$ 1,671</u>	<u>\$ 2,148</u>	<u>\$ 1,671</u>	<u>\$ 2,148</u>

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

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

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

	Three months ended		Year ended	
	December 31,		December 31,	
	2022	2021	2022	2021
Net (loss) income attributable to Corning Incorporated	\$ (36)	\$ 487	\$ 1,316	\$ 1,906
Less: Series A convertible preferred stock dividend				24
Less: Excess consideration paid for redemption of preferred shares				803
Net (loss) income available to common shareholders – basic	(36)	487	1,316	1,079
<b>Net (loss) income available to common shareholders - diluted</b>	<b>\$ (36)</b>	<b>\$ 487</b>	<b>\$ 1,316</b>	<b>\$ 1,079</b>
Weighted-average common shares outstanding - basic	843	849	843	828
Effect of dilutive securities:				
Stock options and other dilutive securities		15	14	16
<b>Weighted-average common shares outstanding - diluted</b>	<b>843</b>	<b>864</b>	<b>857</b>	<b>844</b>
Basic (loss) earnings per common share	\$ (0.04)	\$ 0.57	\$ 1.56	\$ 1.30
<b>Diluted (loss) earnings per common share</b>	<b>\$ (0.04)</b>	<b>\$ 0.56</b>	<b>\$ 1.54</b>	<b>\$ 1.28</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,	
	2022	2021	2022	2021
Core net income attributable to Corning Incorporated	\$ 402	\$ 465	\$ 1,794	\$ 1,811
Less: Series A convertible preferred stock dividend				24
Core net income available to common shareholders - basic	402	465	1,794	1,787
Plus: Series A convertible preferred stock dividend				24
<b>Core net income available to common shareholders - diluted</b>	<b>\$ 402</b>	<b>\$ 465</b>	<b>\$ 1,794</b>	<b>\$ 1,811</b>
Weighted-average common shares outstanding - basic	843	849	843	828
Effect of dilutive securities:				
Stock options and other dilutive securities	13	15	14	16
Series A convertible preferred stock				31
<b>Weighted-average common shares outstanding - diluted</b>	<b>856</b>	<b>864</b>	<b>857</b>	<b>875</b>
Core basic earnings per common share	\$ 0.48	\$ 0.55	\$ 2.13	\$ 2.16
<b>Core diluted earnings per common share</b>	<b>\$ 0.47</b>	<b>\$ 0.54</b>	<b>\$ 2.09</b>	<b>\$ 2.07</b>

## 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 our core performance measures. These items include the impact of translating the Japanese yen-denominated debt, the impact of the translated earnings contracts, acquisition-related costs, certain discrete tax items and other tax-related adjustments, restructuring, impairment, and other charges and credits, certain litigation, regulatory and other legal matters, pension mark-to-market adjustments and other items which do not reflect the ongoing operating results of the Company.

In addition, because a significant portion of our revenues and expenses are denominated in currencies other than the U.S. dollar, management believes it is important to understand the impact on sales and net income of translating these currencies into U.S. dollars. Therefore, management utilizes constant-currency reporting for Display Technologies, Specialty Materials, Environmental Technologies and Life Sciences segments to exclude the impact from the Japanese yen, South Korean won, Chinese yuan, new Taiwan dollar and the euro, as applicable to the segment. The most significant constant-currency adjustment relates to the Japanese yen exposure within the Display Technologies segment. We establish constant-currency rates based on internally derived management estimates which are closely aligned with the currencies we have hedged. For details of the rates used, please see the footnotes to the “Reconciliation of Non-GAAP Measures” section.

We believe that the use of constant-currency reporting allows management to understand our results without the volatility of currency fluctuation, analyze underlying trends in the businesses, and establish operational goals and forecasts. Further, it 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.

Core performance measures are not prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”), but management believes that reporting core performance measures provides investors with greater transparency to the information used by our management team to make financial and operational decisions. 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 outlook for future periods, it is not possible to provide reconciliations for these non-GAAP measures because management does not forecast the movement of foreign currencies against the U.S. dollar, or other items that do not reflect ongoing operations, nor does it forecast items that have not yet occurred or are out of management's control. As a result, management is unable to provide outlook information on a GAAP basis.

For a reconciliation of non-GAAP performance measures to their most directly comparable GAAP financial measure, please see “Reconciliation of Non-GAAP Measures”.

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**RECONCILIATION OF NON-GAAP MEASURES**  
**Three Months Ended December 31, 2022 and 2021**  
(Unaudited; in millions, except per share amounts)

	Three months ended December 31, 2022				
	Net sales	Income before income taxes	Net (loss) income attributable to Corning Incorporated	Effective tax rate (a)(b)	Per share
<b>As reported</b>	\$ 3,406	\$ 4	\$ (36)	*	\$ (0.04)
Constant-currency adjustment (1)	227	161	148		0.18
Translation loss on Japanese yen-denominated debt (2)		130	100		0.12
Translated earnings contract gain, net (3)		(91)	(70)		(0.08)
Acquisition-related costs (4)		33	25		0.03
Discrete tax items and other tax-related adjustments (5)			46		0.05
Restructuring, impairment and other charges and credits (6)		197	150		0.18
Litigation, regulatory and other legal matters (7)		35	28		0.03
Pension mark-to-market adjustment (8)		30	25		0.03
Gain on investment (9)		(16)	(14)		(0.02)
<b>Core performance measures</b>	\$ 3,633	\$ 483	\$ 402	14.9%	\$ 0.47

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

(b) The calculation of the effective tax rate ("ETR") excludes net income attributable to non-controlling interests ("NCI") of \$9 million.

\* Not Meaningful

	Three months ended December 31, 2021				
	Net sales	Income before income taxes	Net income attributable to Corning Incorporated	Effective tax rate (a)(b)	Per share
<b>As reported</b>	\$ 3,676	\$ 585	\$ 487	15.2%	\$ 0.56
Constant-currency adjustment (1)	38	40	47		0.05
Translation gain on Japanese yen-denominated debt (2)		(53)	(40)		(0.05)
Translated earnings contract gain, net (3)		(92)	(71)		(0.08)
Acquisition-related costs (4)		36	28		0.03
Discrete tax items and other tax-related adjustments (5)			(29)		(0.03)
Restructuring, impairment and other charges and credits (6)		68	45		0.05
Litigation, regulatory and other legal matters (7)		5	4		0.00
Pension mark-to-market adjustment (8)		9	7		0.01
Gain on investment (9)		(16)	(13)		(0.02)
<b>Core performance measures</b>	\$ 3,714	\$ 582	\$ 465	18.6%	\$ 0.54

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

(b) The calculation of the ETR excludes net income attributable to NCI of \$9 million.

See "Items Excluded from GAAP Measures" for the descriptions of the footnoted reconciling items.

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**RECONCILIATION OF NON-GAAP MEASURES**

**Year Ended December 31, 2022**

(Unaudited; in millions, except per share amounts)

	Year ended December 31, 2022				
	Net sales	Income before income taxes	Net income attributable to Corning Incorporated	Effective tax rate (a)(b)	Per share
<b>As reported - GAAP</b>	<b>\$ 14,189</b>	<b>\$ 1,797</b>	<b>\$ 1,316</b>	<b>22.9%</b>	<b>\$ 1.54</b>
Constant-currency adjustment (1)	616	480	369		0.43
Translation gain on Japanese yen-denominated debt (2)		(191)	(146)		(0.17)
Translated earnings contract gain, net (3)		(348)	(267)		(0.31)
Acquisition-related costs (4)		140	109		0.13
Discrete tax items and other tax-related adjustments (5)			84		0.10
Restructuring, impairment and other charges and credits (6)		414	316		0.37
Litigation, regulatory and other legal matters (7)		100	77		0.09
Pension mark-to-market adjustment (8)		11	10		0.01
Gain on investments (9)		(8)	(8)		(0.01)
Gain on sale of business (10)		(53)	(41)		(0.05)
Contingent consideration (11)		(32)	(25)		(0.03)
<b>Core performance measures</b>	<b>\$ 14,805</b>	<b>\$ 2,310</b>	<b>\$ 1,794</b>	<b>19.3%</b>	<b>\$ 2.09</b>

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

(b) The calculation of the ETR excludes net income attributable to NCI of \$70 million.

See "Items Excluded from GAAP Measures" for the descriptions of the footnoted reconciling items.

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**RECONCILIATION OF NON-GAAP MEASURES**

**Year Ended December 31, 2021**

(Unaudited; in millions, except per share amounts)

	Year ended December 31, 2021				
	Net sales	Income before income taxes	Net income attributable to Corning Incorporated	Effective tax rate (a)(b)	Per share
<b>As reported - GAAP</b>	<b>\$ 14,082</b>	<b>\$ 2,426</b>	<b>\$ 1,906</b>	<b>20.2%</b>	<b>\$ 1.28</b>
Preferred stock redemption (c)					0.90
<b>Subtotal</b>	<b>14,082</b>	<b>2,426</b>	<b>1,906</b>	<b>20.2%</b>	<b>2.18</b>
Constant-currency adjustment (1)	38	87	76		0.09
Translation gain on Japanese yen-denominated debt (2)		(180)	(138)		(0.16)
Translated earnings contract gain, net (3)		(354)	(273)		(0.32)
Acquisition-related costs (4)		159	123		0.15
Discrete tax items and other tax-related adjustments (5)			(24)		(0.03)
Restructuring, impairment and other charges and credits (6)		110	78		0.09
Litigation, regulatory and other legal matters (7)		16	27		0.03
Pension mark-to-market adjustment (8)		32	25		0.03
Loss on investments (9)		23	17		0.02
Gain on sale of business (10)		(54)	(46)		(0.05)
Preferred stock conversion (12)		17	17		0.02
Bond redemption loss (13)		31	23		0.03
<b>Core performance measures</b>	<b>\$ 14,120</b>	<b>\$ 2,313</b>	<b>\$ 1,811</b>	<b>20.4%</b>	<b>\$ 2.07</b>

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

(b) The calculation of the ETR excludes net income attributable to NCI of \$29 million.

(c) Pursuant to the Share Repurchase Agreement, the Preferred Stock was converted into 115 million Common Shares. Corning immediately repurchased 35 million of the converted Common Shares and excluded them from the weighted-average common shares outstanding for the calculation of the Company's basic and diluted earnings per share. The redemption of these Common Shares resulted in an \$803 million reduction of retained earnings which reduced the net income available to common shareholders.

See "Items Excluded from GAAP Measures" for the descriptions of the footnoted reconciling items.



**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**RECONCILIATION OF NON-GAAP MEASURES**  
**Three Months Ended December 31, 2022 and 2021**  
(Unaudited; in millions)

	Three months ended December 31, 2022					
	Gross margin	Gross margin %	Selling, general and administrative expenses	Research, development and engineering expenses	Operating margin	Operating margin %
<b>As reported</b>	\$ 915	26.9%	\$ 517	\$ 281	\$ 86	2.5%
Constant-currency adjustment (1)	162		4	1	157	
Acquisition-related costs (4)					31	
Restructuring, impairment and other charges and credits (6)	144		(27)	(16)	187	
Litigation, regulatory and other legal matters (7)			(35)		35	
Pension mark-to-market adjustment (8)	1		(8)	(2)	11	
<b>Core performance measures</b>	<b>\$ 1,222</b>	<b>33.6%</b>	<b>\$ 451</b>	<b>\$ 264</b>	<b>\$ 507</b>	<b>14.0%</b>

	Three months ended December 31, 2021					
	Gross margin	Gross margin %	Selling, general and administrative expenses	Research, development and engineering expenses	Operating margin	Operating margin %
<b>As reported</b>	\$ 1,271	34.6%	\$ 476	\$ 280	\$ 483	13.1%
Constant-currency adjustment (1)	39				39	
Acquisition-related costs (4)			1		31	
Restructuring, impairment and other charges and credits (6)	45		7	2	36	
Litigation, regulatory and other legal matters (7)			(5)		5	
Pension mark-to-market adjustment (8)			(7)	(2)	9	
<b>Core performance measures</b>	<b>\$ 1,355</b>	<b>36.5%</b>	<b>\$ 472</b>	<b>\$ 280</b>	<b>\$ 603</b>	<b>16.2%</b>

See "Items Excluded from GAAP Measures" for the descriptions of the footnoted reconciling items.

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**RECONCILIATION OF NON-GAAP MEASURES**  
**Years Ended December 31, 2022 and 2021**  
(Unaudited; in millions)

	Year ended December 31, 2022					
	Gross margin	Gross margin %	Selling, general and administrative expenses	Research, development and engineering expenses	Operating margin	Operating margin %
<b>As reported</b>	<b>\$ 4,506</b>	<b>31.8%</b>	<b>\$ 1,898</b>	<b>\$ 1,047</b>	<b>\$ 1,438</b>	<b>10.1%</b>
Constant-currency adjustment (1)	483		8	1	474	
Acquisition-related costs (4)			3	(1)	121	
Restructuring, impairment and other charges and credits (6)	337		(51)	(16)	404	
Litigation, regulatory and other legal matters (7)			(109)		109	
Pension mark-to-market adjustment (8)	1		25	6	(30)	
Contingent consideration (11)			26		(26)	
<b>Core performance measures</b>	<b>\$ 5,327</b>	<b>36.0%</b>	<b>\$ 1,800</b>	<b>\$ 1,037</b>	<b>\$ 2,490</b>	<b>16.8%</b>

	Year ended December 31, 2021					
	Gross margin	Gross margin %	Selling, general and administrative expenses	Research, development and engineering expenses	Operating margin	Operating margin %
<b>As reported</b>	<b>\$ 5,063</b>	<b>36.0%</b>	<b>\$ 1,827</b>	<b>\$ 995</b>	<b>\$ 2,112</b>	<b>15.0%</b>
Constant-currency adjustment (1)	81		(3)		84	
Acquisition-related costs (4)	18		(1)	(1)	149	
Restructuring, impairment and other charges and credits (6)	80		3	(1)	78	
Litigation, regulatory and other legal matters (7)			(16)		16	
Pension mark-to-market adjustment (8)			(18)	(5)	23	
<b>Core performance measures</b>	<b>\$ 5,242</b>	<b>37.1%</b>	<b>\$ 1,792</b>	<b>\$ 988</b>	<b>\$ 2,462</b>	<b>17.4%</b>

See "Items Excluded from GAAP Measures" for the descriptions of the footnoted reconciling items.

**CORNING INCORPORATED AND SUBSIDIARY COMPANIES**  
**RECONCILIATION OF NON-GAAP MEASURES**  
**Three and Twelve Months Ended December 31, 2022 and 2021**  
(Unaudited; in millions)

	Three months ended		Year ended	
	December 31,		December 31,	
	2022	2021	2022	2021
Cash flows from operating activities	\$ 617	\$ 1,023	\$ 2,615	\$ 3,412
Realized gains on translated earnings contracts	91	37	300	67
Translation gain (loss) on cash balances	72	(12)	(68)	(77)
Adjusted cash flows from operating activities	\$ 780	\$ 1,048	\$ 2,847	\$ 3,402
Less: Capital expenditures	\$ 403	\$ 623	\$ 1,604	\$ 1,637
Free cash flow	\$ 377	\$ 425	\$ 1,243	\$ 1,765

## Items Excluded from GAAP Measures

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

- (1) Constant-currency adjustment: As a significant portion of revenues and expenses are denominated in currencies other than the U.S. dollar, management believes it is important to understand the impact on sales and net income of translating these currencies into U.S. dollars. The Company utilizes constant-currency reporting for Display Technologies, Specialty Materials, Environmental Technologies and Life Sciences segments for the Japanese yen, Korean won, Chinese yuan, New Taiwan dollar and Euro, as applicable to the segment.

Constant-currency rates are as follows and are applied to all periods presented:

Currency	Japanese yen	Korean won	Chinese yuan	New Taiwan dollar	Euro
Rate	¥107	₩1,175	¥6.7	NT\$31	€81

- (2) Translation of Japanese yen-denominated debt: Amount reflects the gain or loss on the translation of our yen-denominated debt to U.S. dollars.
- (3) Translated earnings contract: Amount reflects the impact of the realized and unrealized gains and losses from the Japanese yen, South Korean won, Chinese yuan, euro and new Taiwan dollar-denominated foreign currency hedges related to translated earnings, as well as the unrealized gains and losses of our British pound-denominated foreign currency hedges related to translated earnings.
- (4) Acquisition-related costs: Amount reflects intangible amortization, inventory valuation adjustments and external acquisition-related deal costs, as well as other transaction related costs.
- (5) Discrete tax items and other tax-related adjustments: Amount reflects certain discrete period tax items such as changes in tax law, the impact of tax audits, changes in tax reserves and changes in deferred tax asset valuation allowances, as well as other tax-related adjustments.
- (6) Restructuring, impairment and other charges and credits: Amount reflects certain restructuring, impairment losses and other charges and credits, as well as other expenses, primarily accelerated depreciation and asset write-offs, which are not related to ongoing operations. The activity during 2022 primarily relates to capacity optimization for Display Technologies and an emerging growth business and severance charges across all segments. The activity in 2021 primarily relates to asset write-offs and charges for facility repairs resulting from the impact of power outages; the Company is pursuing recoveries under its applicable property insurance policies.
- (7) Litigation, regulatory and other legal matters: Amount reflects developments in commercial litigation, intellectual property disputes, adjustments to our estimated liability for environmental-related items and other legal matters.
- (8) Pension mark-to-market adjustment: Amount primarily reflects 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.
- (9) Gain (loss) on investments: Amount reflects the gain or loss recognized on investment due to mark-to-mark adjustments for the change in fair value or the disposition of the investment.
- (10) Gain on sale of business: Amount reflects the gain recognized for the sale of a business.
- (11) Contingent consideration: Amount reflects the fair value mark-to-market cost adjustment of contingent consideration resulting from the HSG transaction on September 9, 2020.
- (12) Preferred stock conversion: Amount reflects the put option from the Share Repurchase Agreement with Samsung Display Co., Ltd.
- (13) Bond redemption loss: Amount reflects premiums on redemption of debentures.