



FIRST-QUARTER 2021 RESULTS

Brian Chambers | Chairman & Chief Executive Officer

Ken Parks | Chief Financial Officer



April 28, 2021 | Q1 2021



FORWARD-LOOKING STATEMENTS AND NON-GAAP MEASURES

This presentation and the associated remarks contain forward-looking statements. We caution you against relying on these statements as they involve risks and uncertainties that are difficult to predict and the Company's actual results may differ materially from those projected. Such risks and uncertainties include, without limitation: the severity and duration of the current COVID-19 pandemic on our operations, customers and suppliers, as well as related governmental actions; levels of residential, commercial and industrial construction activity; global industrial production; competitive and pricing factors; demand for our products and relationships with key customers; issues related to acquisitions, divestitures, joint ventures or expansions; industry, economic and political conditions, including new legislation, policies or other governmental actions in the U.S. or elsewhere; climate change, weather and storm activity; changes to tariff, trade or investment policies or law; uninsured losses, including those from natural disasters, pandemics, catastrophe, theft or sabotage; energy, transportation, raw material and other input availability, price volatility and cost issues; legal and regulatory, including environmental, disputes or proceedings; ability to protect our intellectual property and information technology systems; achievement of expected synergies or productivity improvements; the level of fixed costs required to run our business; currency, commodity and interest rate fluctuations; our level of indebtedness, liquidity, and the availability and cost of credit; levels of goodwill or other indefinite-lived intangible assets; price volatility in U.S. wind energy markets; labor disputes or shortages, or loss of key employees; pension obligations; and factors detailed from time to time in the Company's SEC filings.

The terms "year to date" or last twelve months ("LTM") refer to the period ended on the last calendar day of the quarter preceding the date of the investor event referenced on the first page above. Otherwise the information in this presentation speaks as of the date of the investor event, and is subject to change. The Company assumes no obligation to update or revise forward-looking statements except as required by law. Any distribution of this presentation after the investor event is not intended and should not be construed as updating or confirming such information.

This presentation contains references to certain "non-GAAP financial measures" as defined by the SEC, which may be referenced in the Appendix or in the tables of our earnings press release. Adjusted EBIT, adjusted EBITDA, adjusted earnings, adjusted EPS and return on capital exclude certain items that management does not allocate to its segment results because it believes they are not representative of the Company's ongoing operations. When the company provides forward-looking expectations for non-GAAP measures, the most comparable GAAP measures and reconciliations to those GAAP measures are generally not available without unreasonable effort due to the variability, complexity and limited visibility of the adjusting items that would be excluded from the non-GAAP measures in future periods. The variability in timing and amount of adjusting items could have significant and unpredictable effects on future GAAP results.





AGENDA

Business updates

Brian Chambers

Financial results

Ken Parks

Business outlook

Brian Chambers

Questions and discussion

All

**Company Delivered Net Sales of \$1.9 Billion;
Generated Net Earnings of \$210 Million and
Adjusted EBIT of \$282 Million**



HIGHLIGHTS

- Maintained a high level of safety performance
- Revenue up 20%, 18% on a constant currency basis
- Adjusted EBIT of \$282mm, more than double the same period last year
- Announced the appointment of two executives
- Published our 15th annual sustainability report

INSULATION

Delivered \$82mm of EBIT with 12% EBIT margins

COMPOSITES

Reported \$79mm of EBIT with 14% EBIT margins

ROOFING

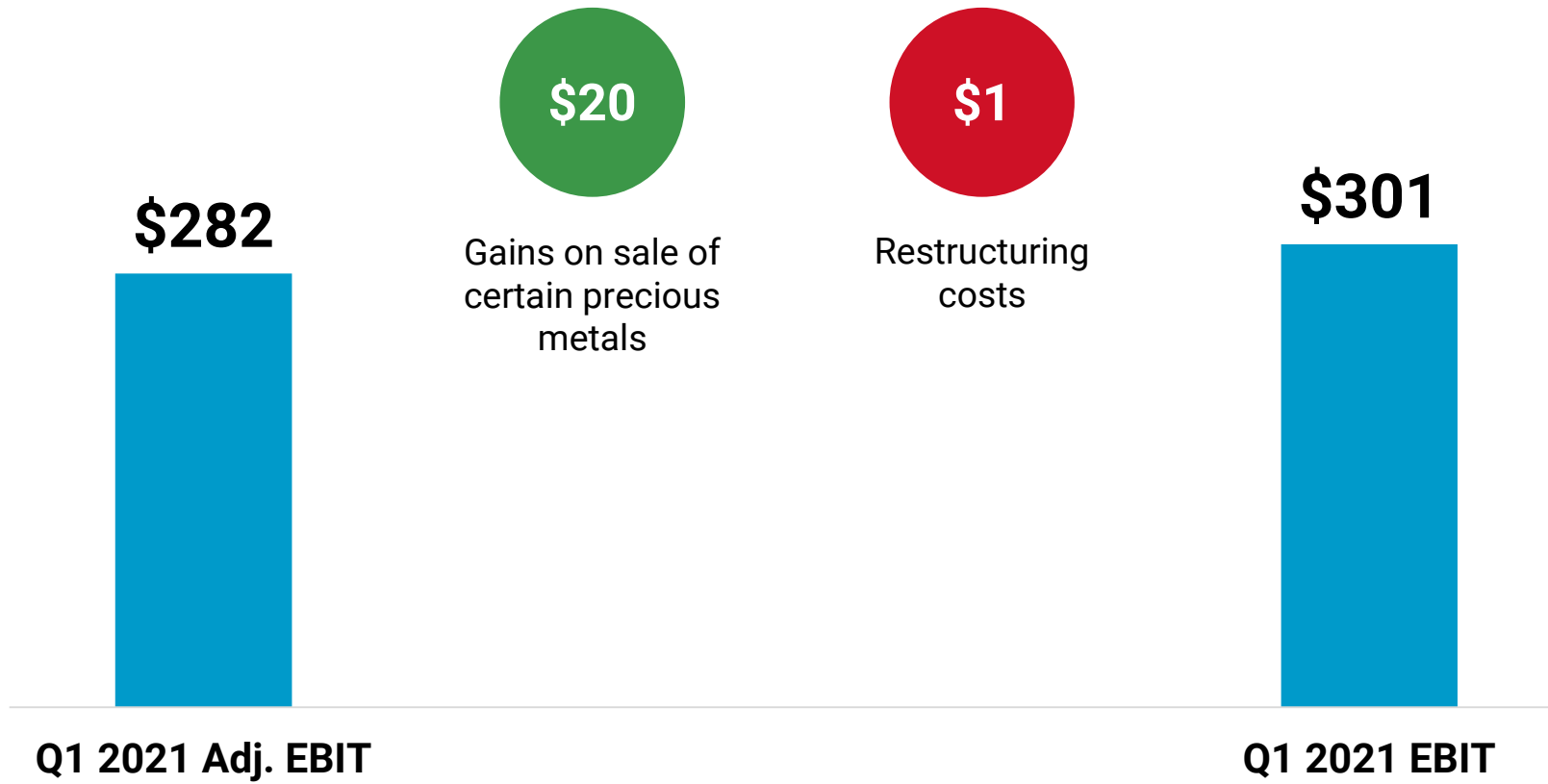
Produced \$156mm of EBIT with 22% EBIT margins

KEY FINANCIAL DATA

(\$ in millions, except per share data)	Q1 2021	Q1 2020
Net sales	1,915	1,601
Net earnings (loss) attributable to Owens Corning	210	(917)
Diluted earnings (loss) per common share (EPS) attributable to Owens Corning common stockholders	\$1.98	(\$8.43)
Earnings (loss) before interest and taxes (EBIT)	301	(866)
Earnings (loss) before interest, taxes, depreciation and amortization (EBITDA)	420	(750)
Adjusted EBIT	282	116
Adjusted EBITDA	400	231
Adjusted earnings	183	67
Adjusted EPS (diluted)	\$1.73	\$0.62
Adjusted EBIT as a % of net sales	15%	7%
Adjusted EBITDA as a % of net sales	21%	14%
Depreciation and amortization (D&A)	119	116
Net cash flow provided by (used for) operating activities	204	(52)
Free cash flow	120	(144)
Net debt	2,564	3,149

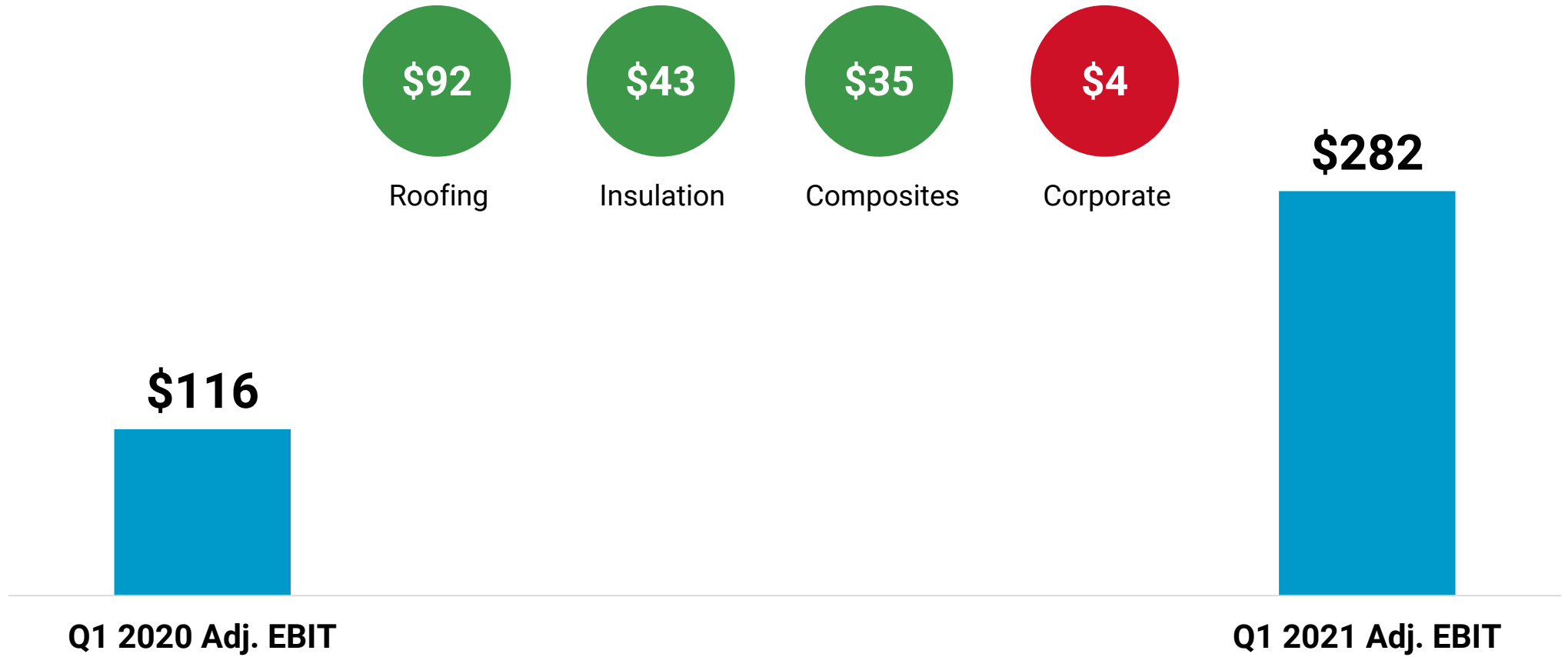


ADJUSTED ITEMS TO EBIT



Numbers in millions. From left to right, green denotes increase; red denotes decrease.

ADJUSTED EBIT RECONCILIATION



Numbers in millions. From left to right, green denotes increase; red denotes decrease.

INSULATION BUSINESS



Delivered \$82mm of EBIT with 12% EBIT margins

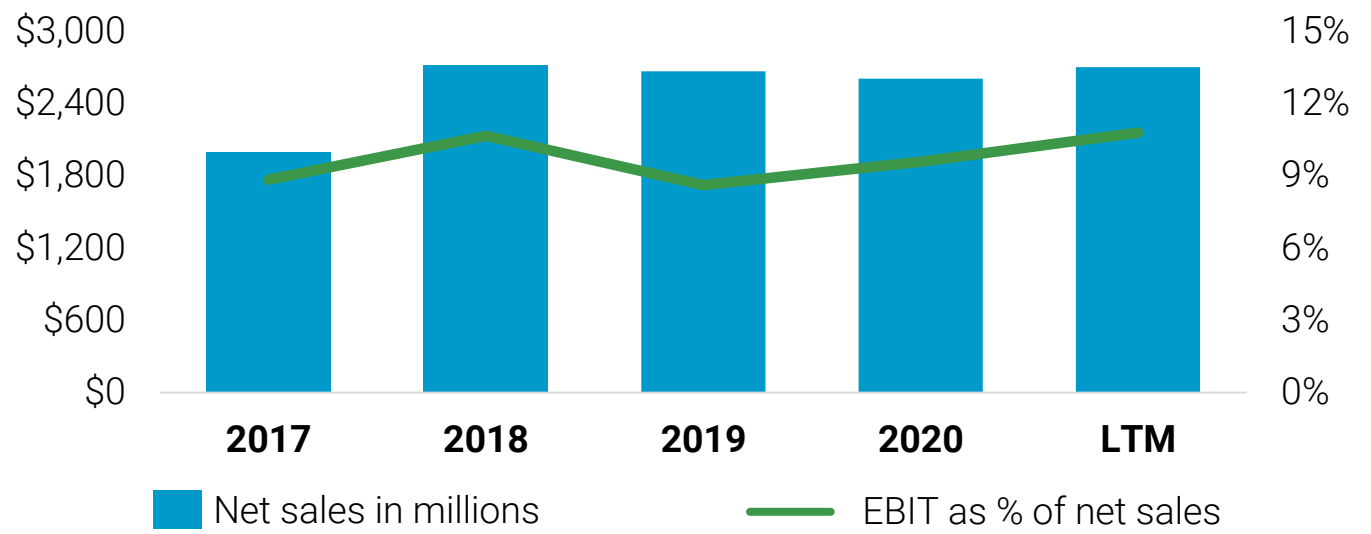
Generated revenue growth on higher sales volumes across the business and price realization

Manufacturing performance and improved operating leverage more than offset inflation

Current year financial performance

(\$ in millions)	Q1 2021	Q1 2020
Net sales	700	603
EBIT	82	39
EBIT as % of net sales	12%	6%
D&A	51	49

Five-year financial performance



Technical and other building insulation includes pipe and flexible duct media insulation, cellular glass insulation, foam, mineral fiber, and all building material products sold to Europe, Latin America and Asia. Source: Owens Corning management estimates and Owens Corning SEC filings; comparability may differ over time. Revenue before inter-segment eliminations.

COMPOSITES BUSINESS



Reported \$79mm of EBIT with 14% EBIT margins

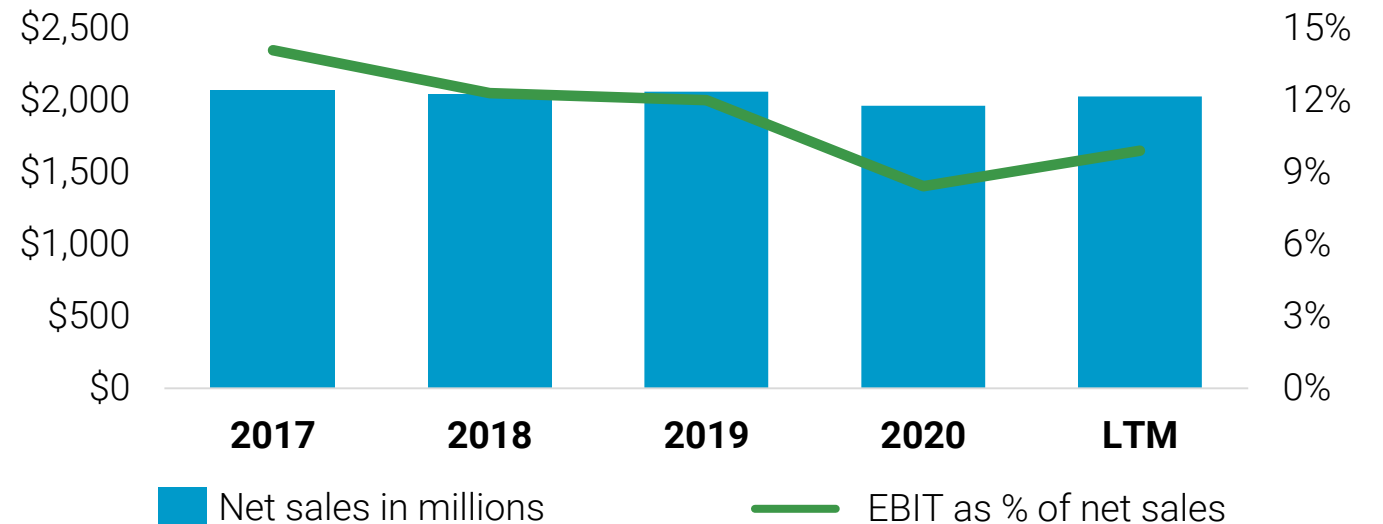
Strong volumes continued through the quarter in addition to price improvement

Manufacturing performance more than offset material and transportation inflation

Current year financial performance

(\$ in millions)	Q1 2021	Q1 2020
Net sales	559	494
EBIT	79	44
EBIT as % of net sales	14%	9%
D&A	38	38

Five-year financial performance



Source: Owens Corning management estimates and Owens Corning SEC filings; comparability may differ over time. Revenue before inter-segment eliminations.

ROOFING BUSINESS



Produced \$156 of EBIT with 22% EBIT margins

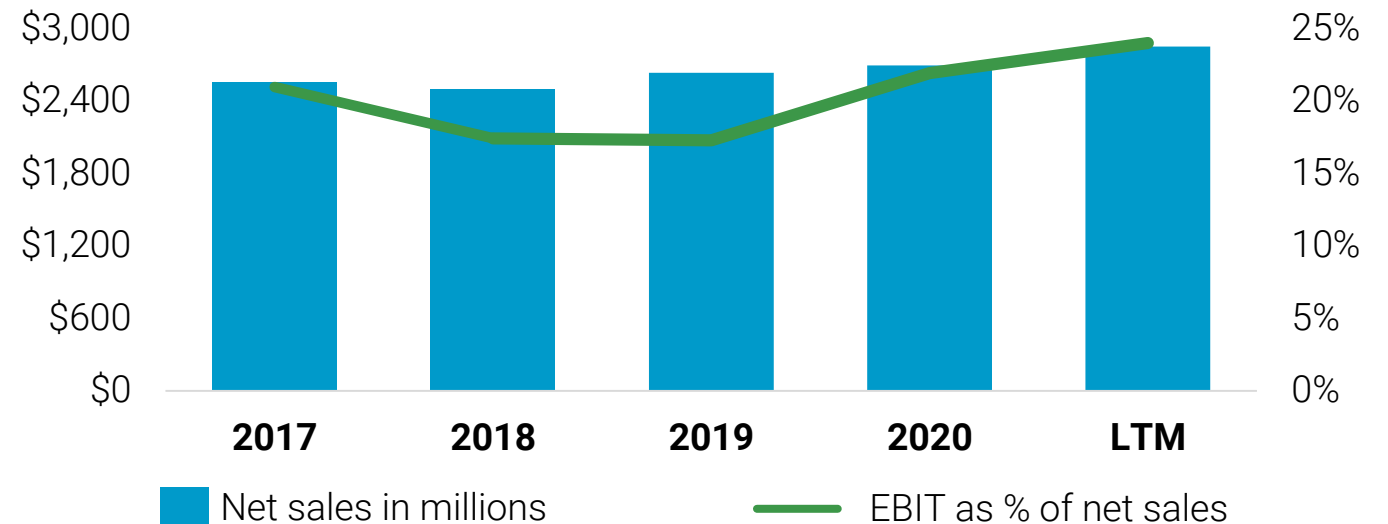
Grew revenue on higher sales volumes with additional benefit from strong price realization

Contribution margins remained strong through Q1 2021

Current year financial performance

(\$ in millions)	Q1 2021	Q1 2020
Net sales	711	555
EBIT	156	64
EBIT as % of net sales	22%	12%
D&A	15	14

Five-year financial performance



Source: Owens Corning management estimates and Owens Corning SEC filings; comparability may differ over time. Revenue before inter-segment eliminations.

OTHER KEY FINANCIAL ITEMS

Q1 2021

- Generated \$204mm of operating cash flow, an increase of \$256mm over prior year
- Free cash flow of \$120mm, an increase of \$264mm over prior year
- Through the first quarter, returned \$197mm to shareholders through share repurchases and dividends
- As of the end of Q1 2021, 7.9mm shares were available for repurchase under the current authorization

FY 2021 OUTLOOK

- General corporate expenses are estimated to be between \$135mm and \$145mm
- Capital additions are expected to be approximately \$460mm, below depreciation and amortization of approximately \$480mm
- Interest expense is estimated to be between \$120mm and \$130mm
- The company estimates a full-year effective tax rate of 26% to 28%, and a cash tax rate of 18% to 20%, both on adjusted pre-tax earnings



Q2 2021 BUSINESS OUTLOOK

The key economic factors that impact the company's businesses are residential repair and remodeling activity, U.S. housing starts, global commercial construction activity, and global industrial production

In the near term, the company expects the U.S. residential market to remain robust and the commercial and industrial markets to continue to strengthen

INSULATION

In the North American residential fiberglass insulation business, volume up ~25% from Q2 2020 with additional price realization

In the technical and other building insulation businesses volume expected to be up mid-teens from Q2 2020 with stable to slightly positive pricing

Overall, the Insulation business to benefit from ~\$30mm reversal of fixed cost absorption while facing into material and transportation inflation

Margins expected to expand sequentially, approaching mid-teens

COMPOSITES

Volume growth to continue at a strong pace, up approximately 30% versus the prior year

Price up low to mid-single digits over prior year

The business to benefit from ~\$30mm of curtailment reversals

Input material and transportation inflation to be partially offset by continued favorable productivity

Margins expected to be similar to the first quarter

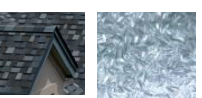
ROOFING

Industry shipments for U.S. shingle end-market demand up 15% to 20% over prior year with Owens Corning volumes up mid to high-single digits

Expect additional price realization

Increased material and transportation inflation with price/cost remaining favorable

Sequential EBIT margins to increase, approaching mid-twenty percent



QUESTIONS AND DISCUSSION

APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 1

Net debt (a non-GAAP financial measure) is defined by the Company as total borrowings, less cash and cash equivalents. The reconciliation from total debt to net debt is shown in the table below (in millions):

	March 31, 2021	March 31, 2020
Short-term debt	\$ 1	\$ 9
Long-term debt - current portion	23	161
Long-term debt, net of current portion	3,145	3,213
Total debt	\$ 3,169	\$ 3,383
Less: Cash and cash equivalents	(605)	(234)
Net debt	\$ 2,564	\$ 3,149

APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 2

The reconciliations of EBITDA and adjusted EBITDA are shown in the table below (in millions):

	Three Months Ended March 31,	
	2021	2020
EBIT (a)	\$ 301	\$ (866)
Depreciation and amortization	119	116
EBITDA	420	(750)
Adjusting (income) expense items to EBIT (a)	(19)	982
Accelerated depreciation included in restructuring	(1)	(1)
ADJUSTED EBITDA	\$ 400	\$ 231

(a) Please refer to Table 2 "EBIT Reconciliation Schedules" of our 8-K press release for the reconciliation from net earnings (loss) attributable to Owens Corning to EBIT and adjusted EBIT, and for detail of adjusting (income) expense items to EBIT.

APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 3

The reconciliation of reported net sales growth on a constant currency basis is as follows:

	Total Owens Corning
Net Sales - Three Months Ended March 31, 2021	\$1,915
Net Sales - Three Months Ended March 31, 2020	1,601
Net Sales Growth	314
Foreign Exchange Sales Impact	31
Net Sales Growth On a Constant Currency Basis (a)	\$283
Net Sales Growth % On a Constant Currency Basis	18%

(a) Net sales growth on a constant currency basis is defined as net sales growth less any foreign exchange sales impact.