



SECOND-QUARTER 2021 RESULTS

Brian Chambers | Chair & Chief Executive Officer

Ken Parks | Chief Financial Officer



July 28, 2021 | Q2 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; raw material and other input availability, 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, 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 Record Net Sales of \$2.2 Billion;
Generated Net Earnings of \$298 Million and
Record Adjusted EBIT of \$408 Million**



HIGHLIGHTS

- Maintained a high level of safety performance
- Revenue up 38%, 35% on a constant currency basis
- Adjusted EBIT of \$408mm, a record for any quarter
- Entered into an agreement to sell our Santa Clara, California Insulation site
- Announced the acquisition of vliepa GmbH to complement our nonwovens business

INSULATION

Delivered \$112mm of EBIT with 14% EBIT margins

COMPOSITES

Reported \$98mm of EBIT with 17% EBIT margins

ROOFING

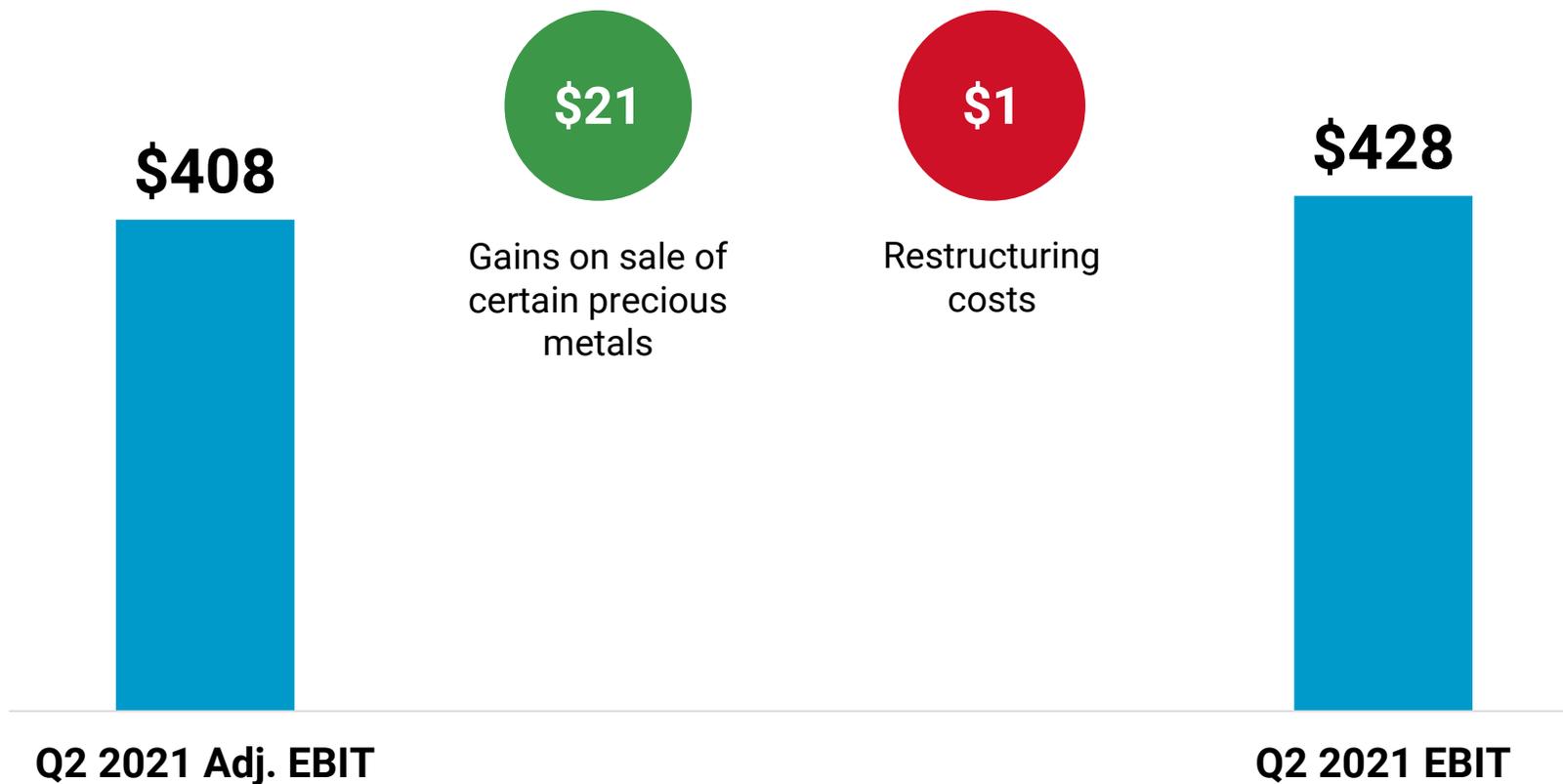
Produced \$234mm of EBIT with 26% EBIT margins

KEY FINANCIAL DATA

(\$ in millions, except per share data)	Q2 2021	Q2 2020	YTD 2021	YTD 2020
Net sales	2,239	1,625	4,154	3,226
Net earnings (loss) attributable to Owens Corning	298	96	508	(821)
Diluted earnings (loss) per common share (EPS) attributable to Owens Corning common stockholders	\$2.82	\$0.88	\$4.80	(\$7.55)
Earnings (loss) before interest and taxes (EBIT)	428	171	729	(695)
Earnings (loss) before interest, taxes, depreciation and amortization (EBITDA)	550	287	970	(463)
Adjusted EBIT	408	167	690	283
Adjusted EBITDA	529	283	929	514
Adjusted earnings	274	99	457	166
Adjusted EPS (diluted)	\$2.60	\$0.91	\$4.32	\$1.53
Adjusted EBIT as a % of net sales	18%	10%	17%	9%
Adjusted EBITDA as a % of net sales	24%	17%	22%	16%
Depreciation and amortization (D&A)	122	116	241	232
Net cash flow provided by operating activities	498	281	702	229
Free cash flow	405	233	525	89
Net debt	2,279	2,901	2,279	2,901

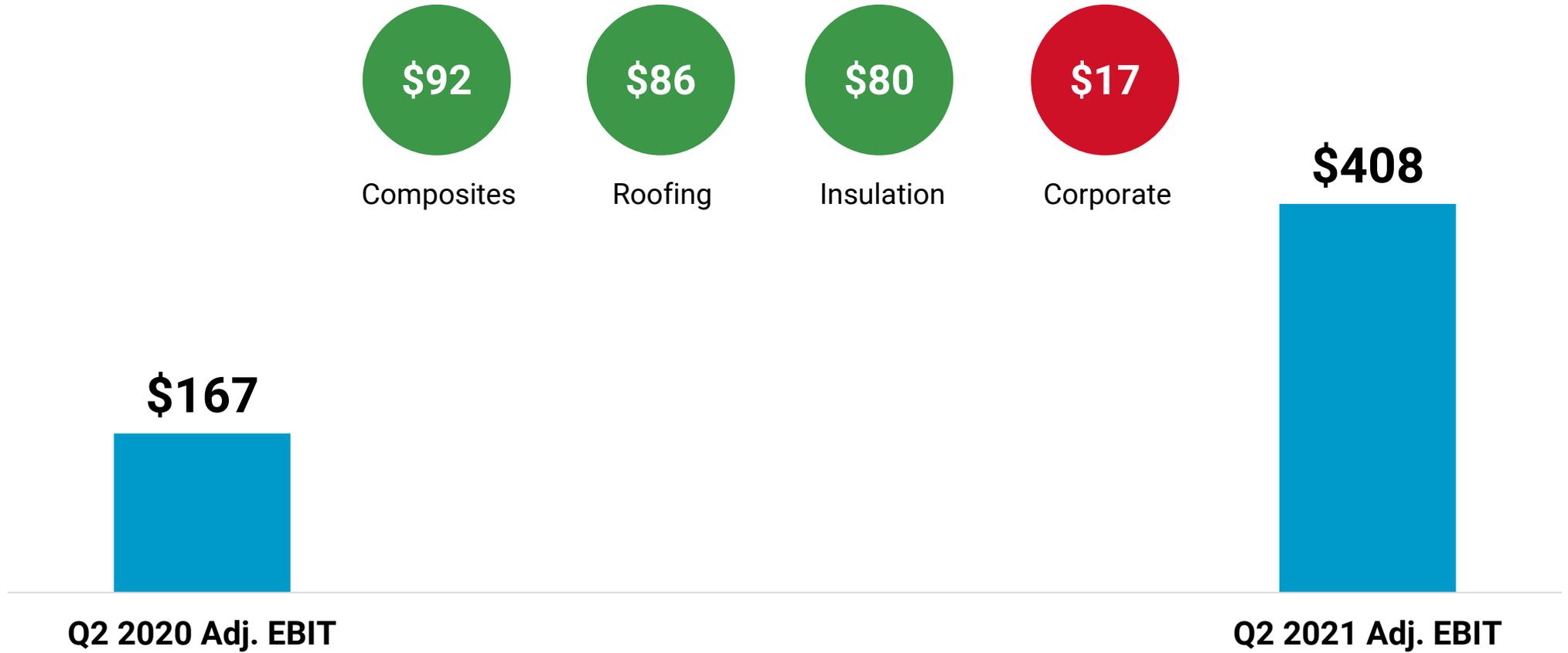


ADJUSTED ITEMS TO EBIT



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 \$112mm of EBIT with 14% EBIT margins

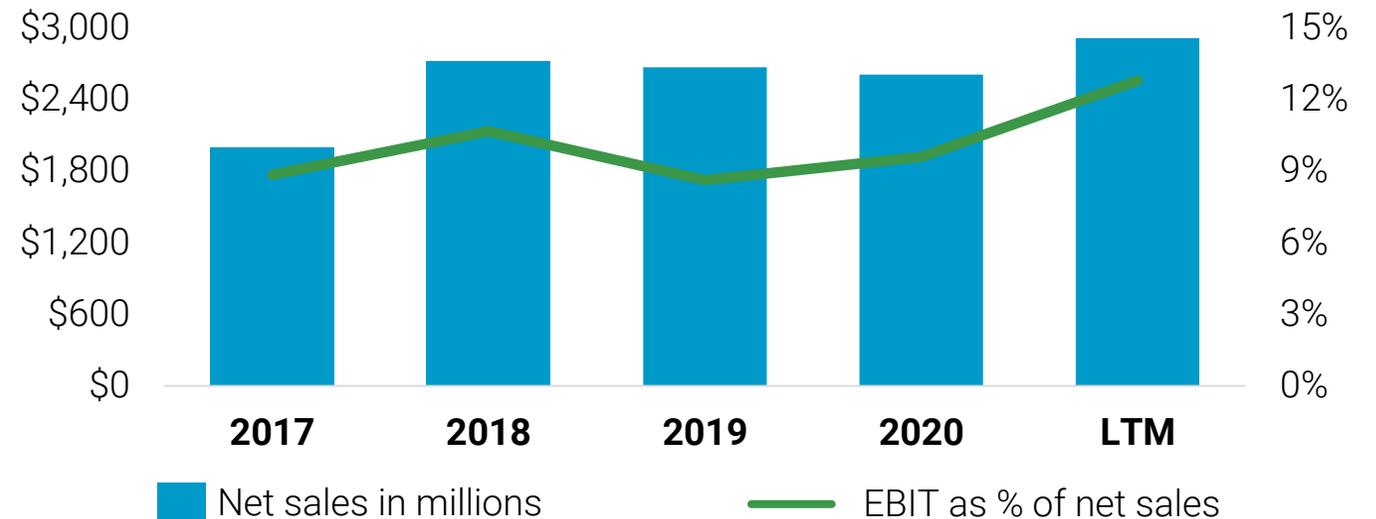
Generated revenue growth and margin expansion on volume strength and price realization

Demonstrated ongoing strong operational execution and manufacturing performance

Current year financial performance

(\$ in millions)	Q2 2021	Q2 2020	YTD 2021	YTD 2020
Net sales	806	595	1,506	1,198
EBIT	112	32	194	71
EBIT as % of net sales	14%	5%	13%	6%
D&A	53	49	104	98

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 \$98mm of EBIT with 17% EBIT margins

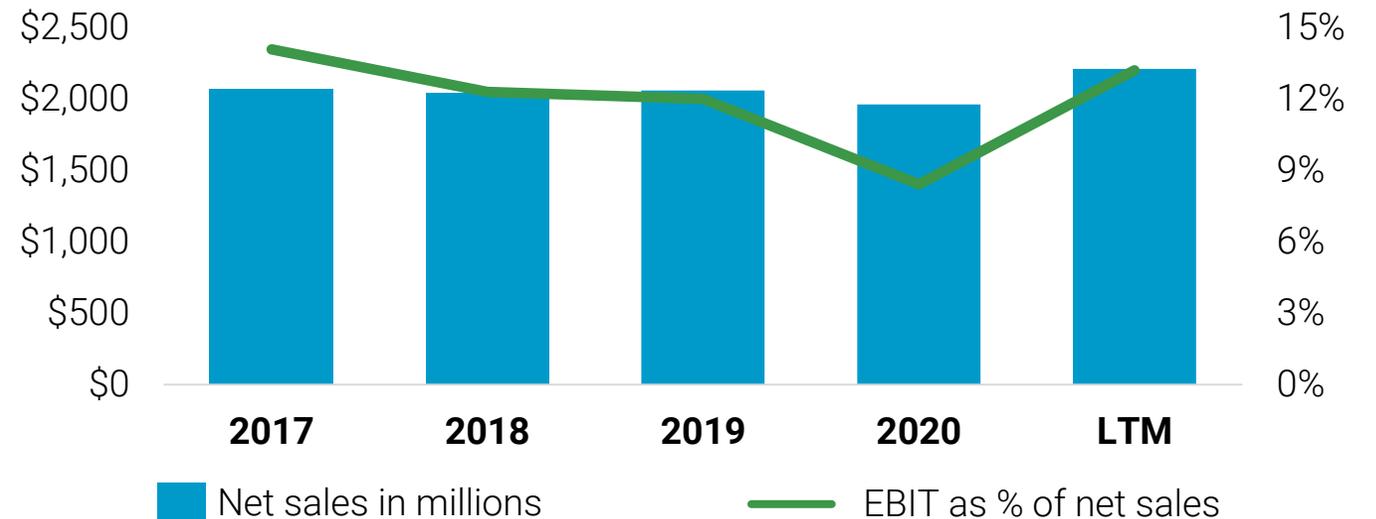
Delivered record EBIT performance on continued volume strength and price realization

Solid manufacturing performance contributed to margin expansion

Current year financial performance

(\$ in millions)	Q2 2021	Q2 2020	YTD 2021	YTD 2020
Net sales	583	398	1,142	892
EBIT	98	6	177	50
EBIT as % of net sales	17%	2%	15%	6%
D&A	39	39	77	77

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 \$234mm of EBIT with 26% EBIT margins

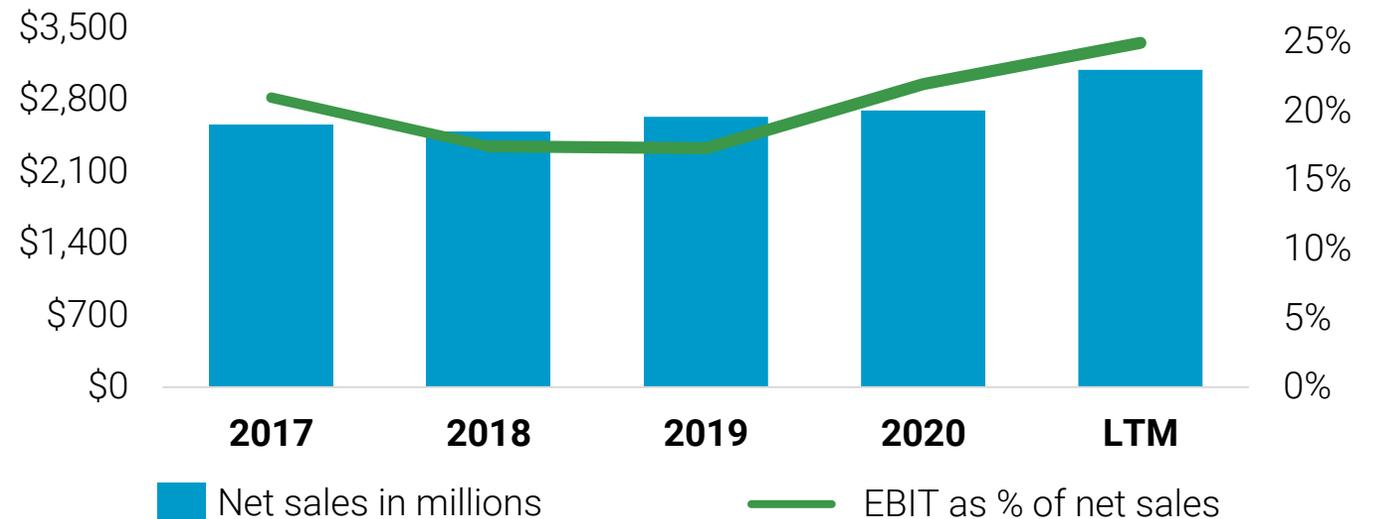
Grew revenue on higher sales volumes with positive pricing more than offsetting inflation

Contribution margins remained strong through Q2 2021

Current year financial performance

(\$ in millions)	Q2 2021	Q2 2020	YTD 2021	YTD 2020
Net sales	917	677	1,628	1,232
EBIT	234	148	390	212
EBIT as % of net sales	26%	22%	24%	17%
D&A	14	15	29	29

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

Q2 2021

- Generated \$498mm of operating cash flow, an increase of \$217mm over prior year
- Reported \$405mm of free cash flow, an increase of \$172mm over prior year
- Returned \$318mm to shareholders through share repurchases and dividends through Q2
- As of quarter-end, 6.6mm shares were available for repurchase under the current authorization

FY 2021 OUTLOOK

- General corporate expenses are now estimated to be between \$150mm and \$155mm, compared with previous estimate of \$135mm and \$145mm
- Capital additions are expected to be approximately \$460mm; depreciation and amortization is now estimated to be approximately \$500 million, up from \$480 million
- 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



Q3 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 housing market to remain robust and global commercial and industrial markets to continue to strengthen. The company continues to closely monitor and manage the regional impacts of the COVID-19 pandemic on its businesses.

INSULATION

In the North American residential fiberglass insulation business, volume up ~10% from Q3 2020 with additional price realization

In the technical and other building insulation businesses, volumes expected to be up ~10% from Q3 2020 with some additional price realization

Overall, price/cost mix expected to be positive

The business to benefit from ~\$20mm of improved fixed cost absorption

EBIT margins expected to approach mid-teens

COMPOSITES

Revenue improvement year-over-year primarily driven by additional price realization and favorable mix

Price to improve mid-single digits over prior year, offsetting impact of additional inflation

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

EBIT margins expected to continue in the mid-teens range

ROOFING

Industry shipments for U.S. shingle end-market demand and Owens Corning volumes relatively flat versus prior year

Expect additional price realization to more than offset increased material and transportation inflation

EBIT margins expected to remain strong at nearly 25%



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):

	June 30, 2021	June 30, 2020
Short-term debt	\$ —	\$ 3
Long-term debt - current portion	23	166
Long-term debt, net of current portion	3,144	3,314
Total debt	\$ 3,167	\$ 3,483
Less: Cash and cash equivalents	(888)	(582)
Net debt	\$ 2,279	\$ 2,901

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 June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
EBIT (a)	\$ 428	\$ 171	\$ 729	\$ (695)
Depreciation and amortization	122	116	241	232
EBITDA	550	287	970	(463)
Adjusting (income) expense items to EBIT (a)	(20)	(4)	(39)	978
Accelerated depreciation included in restructuring	(1)	—	(2)	(1)
ADJUSTED EBITDA	\$ 529	\$ 283	\$ 929	\$ 514

(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 June 30, 2021	\$2,239
Net Sales - Three Months Ended June 30, 2020	1,625
Net Sales Growth	614
Foreign Exchange Sales Impact	53
Net Sales Growth On a Constant Currency Basis (a)	\$561
<i>Net Sales Growth % On a Constant Currency Basis</i>	<i>35%</i>

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