



# FIRST-QUARTER 2024 RESULTS

**Brian Chambers** | Chair & Chief Executive Officer  
**Todd Fister** | Chief Financial Officer

**April 24, 2024 | Q1 2024**





# 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 are subject to risks, uncertainties and other factors and actual results may differ materially from any results projected in the statements. These risks, uncertainties and other factors include, without limitation: levels of residential and commercial or industrial construction activity; demand for our products; industry and economic conditions including, but not limited to, supply chain disruptions, recessionary conditions, inflationary pressures, interest rate and financial markets volatility, and the viability of banks and other financial institutions; availability and cost of energy and raw materials; levels of global industrial production; competitive and pricing factors; relationships with key customers and customer concentration in certain areas; issues related to acquisitions, divestitures and joint ventures or expansions, including the planned acquisition of Masonite; climate change, weather conditions and storm activity; legislation and related regulations or interpretations, in the United States or elsewhere; domestic and international economic and political conditions, policies or other governmental actions, as well as war and civil disturbance; changes to tariff, trade or investment policies or laws; uninsured losses, including those from natural disasters, catastrophes, pandemics, theft or sabotage; environmental, product-related or other legal and regulatory liabilities, proceedings or actions; research and development activities and intellectual property protection; issues involving implementation and protection of information technology systems; foreign exchange and commodity price fluctuations; our level of indebtedness, including the planned acquisition of Masonite; our liquidity and the availability and cost of credit; our ability to achieve expected synergies, cost reductions and/or productivity improvements; the level of fixed costs required to run our business; levels of goodwill or other indefinite-lived intangible assets; price volatility in certain wind energy markets in the U.S.; loss of key employees and labor disputes or shortages; our ability to complete and successfully integrate the Masonite acquisition; any material adverse changes in the business of Masonite; the ability to obtain required regulatory, shareholder or other third-party approvals and consents and otherwise complete the Masonite acquisition; our ability to achieve the strategic and other objectives relating to the Masonite acquisition, including any expected synergies; the strategic review of our glass reinforcements business; defined benefit plan funding obligations; and factors detailed from time to time in the company's Securities and Exchange Commission filings. The information in this presentation speaks as of April 24, 2024, and is subject to change. The company does not undertake any duty to update or revise forward-looking statements except as required by federal securities laws.

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

**Company highlights**

Brian Chambers

**Financial results**

Todd Fister

**Business outlook**

Brian Chambers

**Questions and discussion**

All

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**Owens Corning Delivers Net Sales of \$2.3 Billion; Generates Net Earnings of \$299 Million and Adjusted EBIT of \$438 Million**



# OWENS CORNING HIGHLIGHTS

Safety performance improved more than 50% from the same period last year

15<sup>th</sup> consecutive quarter of mid-teens or better Adjusted EBIT margins and 20% or better Adjusted EBITDA margins

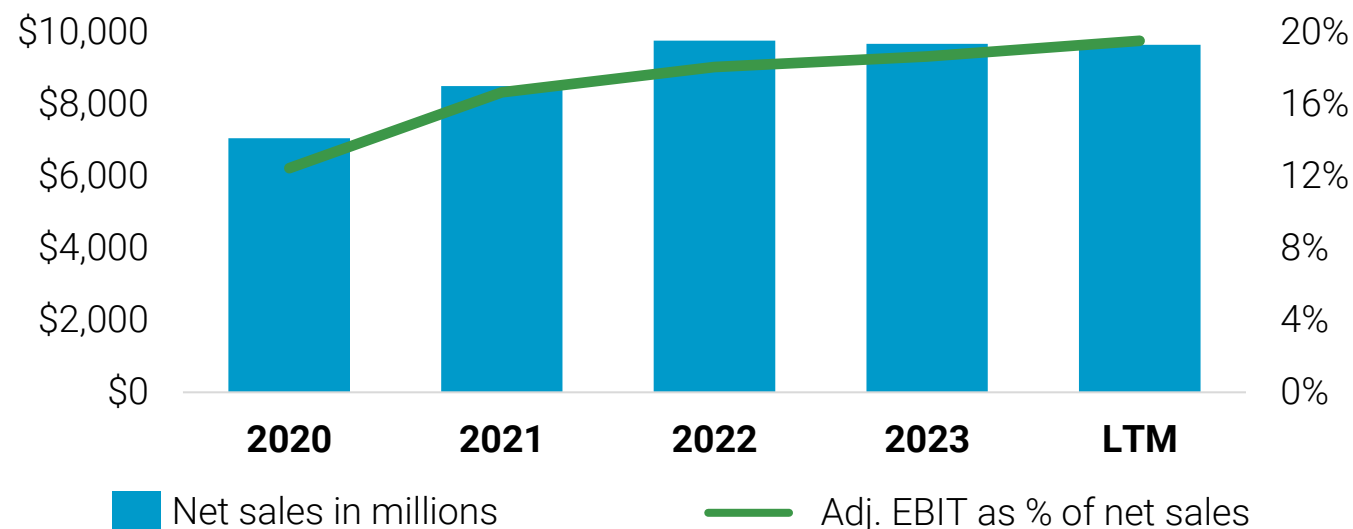
Launched 13 new or improved products across our global businesses

Issued 18<sup>th</sup> annual sustainability report, highlighting progress toward long-term goals

Transformative announcements focused on growth in building and construction solutions

(\$ in millions)	Q1 2024	Q1 2023
Net sales	2,300	2,331
Adjusted EBIT	438	361
Adjusted EBIT as % of net sales	19%	15%
Adjusted EBITDA	565	487
Adjusted EBITDA as % of net sales	25%	21%

**Five-year financial performance**

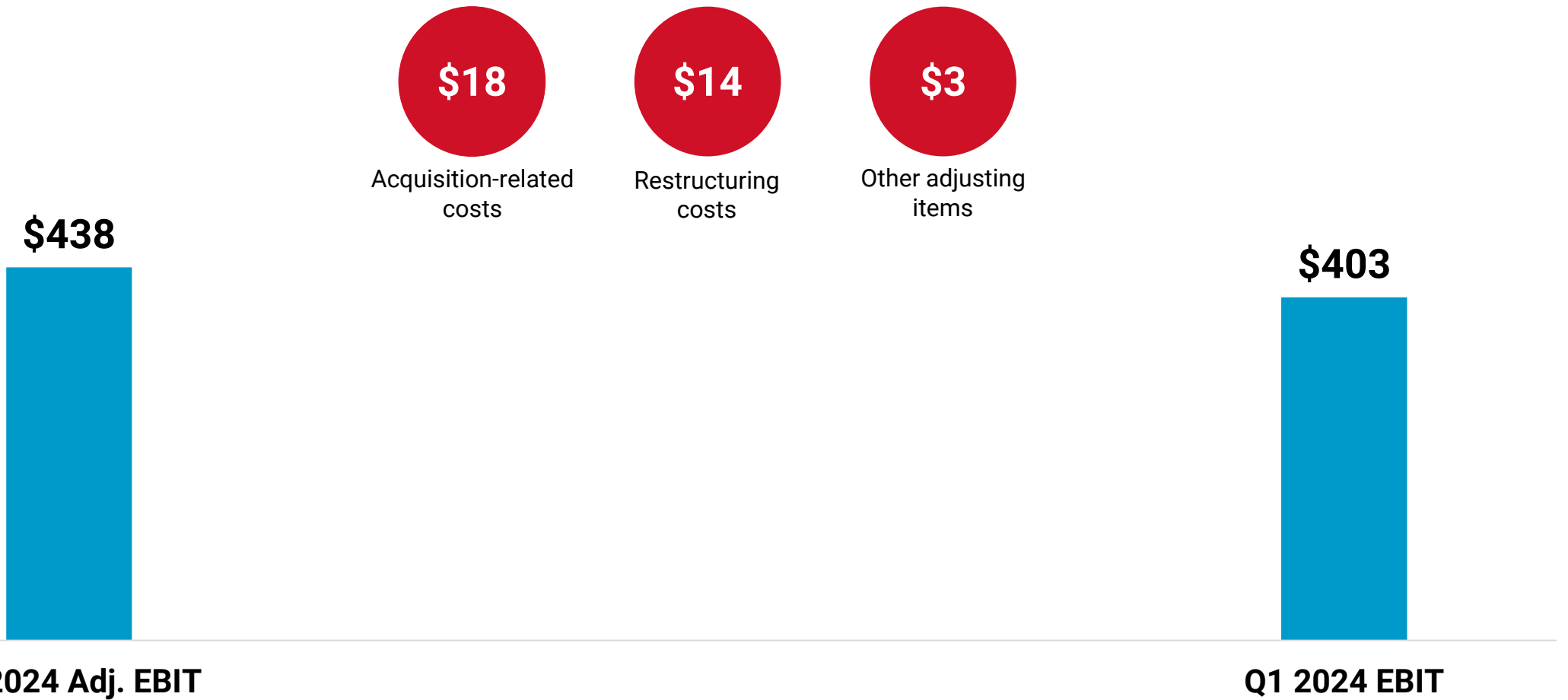


# FINANCIAL SUMMARY

(\$ in millions, except per share data)	Q1 2024	Q1 2023
Net sales	2,300	2,331
<i>Net sales growth</i>	<i>(1%)</i>	<i>(1%)</i>
Net earnings attributable to OC	299	383
Net earnings attributable to OC as % of net sales	13%	16%
Adjusted EBIT	438	361
Adjusted EBIT as % of net sales	19%	15%
Adjusted EBITDA	565	487
Adjusted EBITDA as % of net sales	25%	21%
EPS (diluted)	\$3.40	\$4.17
Adjusted earnings	316	257
Adjusted EPS (diluted)	\$3.59	\$2.80



# ADJUSTED ITEMS TO EBIT



Q1 2024 Adj. EBIT

Q1 2024 EBIT



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



# CAPITAL DEPLOYMENT

- First-Quarter 2024:
  - Free cash flow for the quarter was a net outflow of \$128mm
  - Capital additions of \$152mm
  - Return on capital was 17% for the last twelve months<sup>1</sup>
  - Maintained ample liquidity of approximately \$5.6b, consisting of \$1.3b of cash and nearly \$4.3b of combined availability on bank debt facilities
  - Returned \$182mm of free cash flow to shareholders through share repurchases and dividends
  - At the end of the first quarter, 8.1mm shares were available for repurchase under the current authorization
- Capital allocation strategy remains focused on consistently generating strong free cash flow, returning approximately 50% to investors over time, and maintaining an investment grade balance sheet, while executing on business strategies to grow

# ROOFING BUSINESS

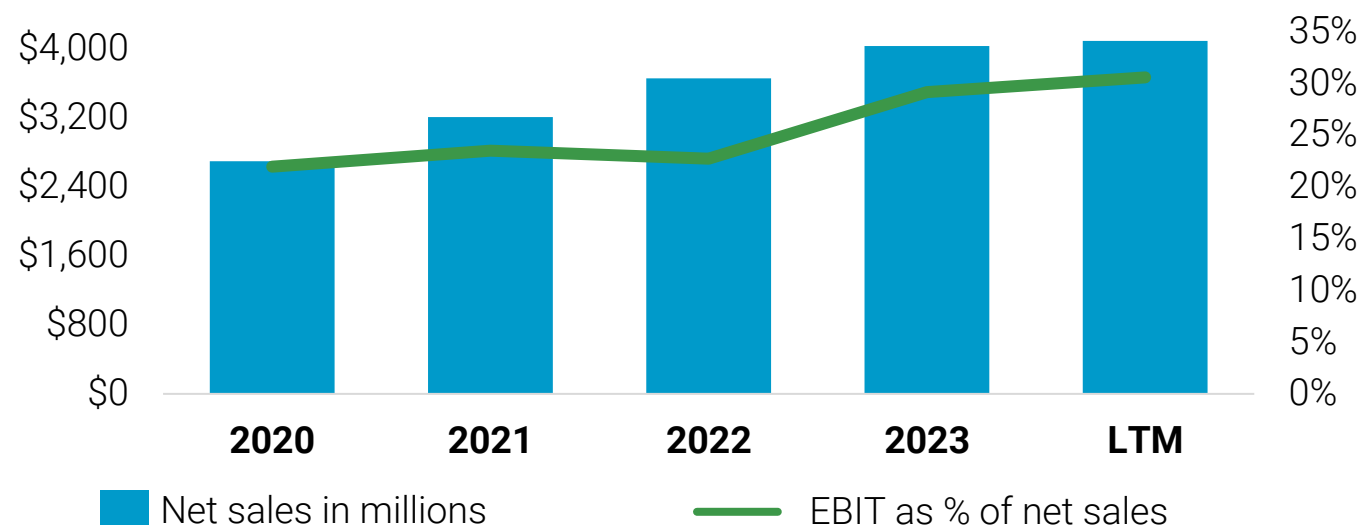
Delivered first-quarter revenue of \$957mm, up 7% from prior year

Produced \$286mm of EBIT with 30% EBIT margins and 31% EBITDA margins

Strong commercial execution and lower manufacturing costs drove margin expansion

(\$ in millions)	Q1 2024	Q1 2023
Net sales	957	895
EBIT	286	209
EBIT as % of net sales	30%	23%
EBITDA	301	225
EBITDA as % of net sales	31%	25%

## Five-year financial performance



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



# INSULATION BUSINESS



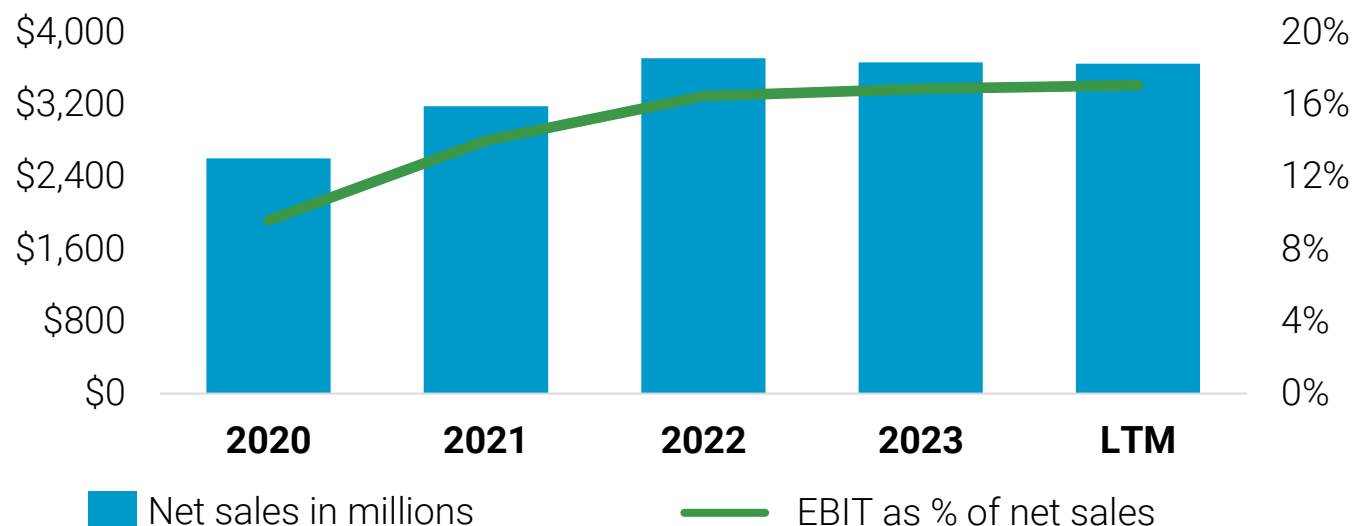
Delivered first-quarter revenue of \$904mm, down 2% from prior year

Generated \$161mm of EBIT with 18% EBIT margins and 23% EBITDA margins

Another quarter of greater than 20% EBITDA margins despite lower demand environment in Europe

(\$ in millions)	Q1 2024	Q1 2023
Net sales	904	919
EBIT	161	156
EBIT as % of net sales	18%	17%
EBITDA	212	207
EBITDA as % of net sales	23%	23%

## Five-year financial performance



Technical and global 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

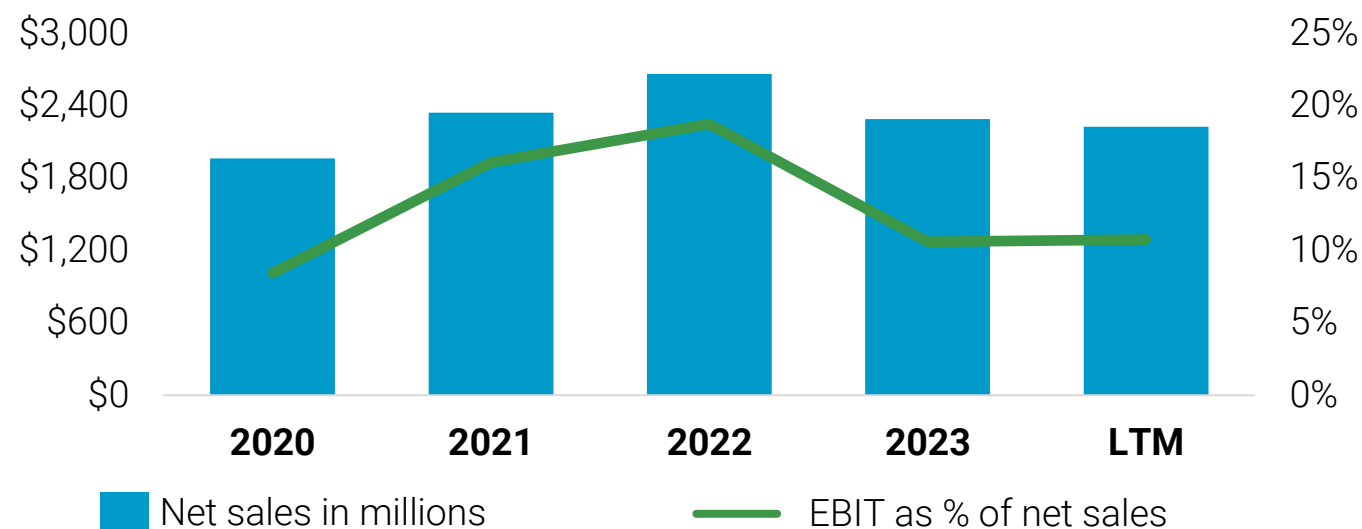
Delivered first-quarter revenue of \$523mm, down 11% from prior year

Reported \$46mm of EBIT with 9% EBIT margins and 17% EBITDA margins

Performed well relative to the softer macro environment

(\$ in millions)	Q1 2024	Q1 2023
Net sales	523	585
EBIT	46	49
EBIT as % of net sales	9%	8%
EBITDA	90	93
EBITDA as % of net sales	17%	16%

## Five-year financial performance



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



# FULL-YEAR 2024 KEY FINANCIAL OUTLOOK<sup>1</sup>

- General corporate expenses are expected to range between \$240mm and \$250mm
- Interest expense is estimated to range between \$70mm and \$80mm
- Full-year effective tax rate is expected to be 24% to 26% on adjusted pre-tax earnings
- Capital additions are expected to be approximately \$550mm
- Depreciation and amortization is expected to be approximately \$550mm



# Q2 2024 BUSINESS OUTLOOK

## ENTERPRISE

- Expect North American building and construction markets to remain favorable
- Demand for housing and low existing home inventory create positive sentiment for single-family new construction in the U.S.
- Outside North America, anticipate macroeconomic trends and geopolitical tensions to result in slow global economic growth
- **Overall, net sales relatively flat with prior year and EBIT margins of approximately 20%**

## ROOFING

### Revenue up low to mid-single-digits

Industry shipments for U.S. shingle end-market demand down low-double-digits with OC volumes relatively flat

Overall volume down primarily due to the exit of protective packaging

Price realization and favorable mix more than offset the exit of protective packaging, with costs slightly inflationary

**EBIT margins in the low-30% range**

## INSULATION

### Revenue up low to mid-single-digits

In technical and global insulation, revenue up modestly with higher volumes across North America

In North American residential insulation, volumes up with additional price realization

Input materials to be inflationary, expect positive but narrowing price/cost

Costs to evaluate manufacturing investments in U.S. fiberglass

**EBIT margins similar to Q2 2023**

## COMPOSITES

### Revenue down low-double-digits

Pressure in glass reinforcements market

Overall price down, similar to Q1 2024, with lower contract and spot prices in glass reinforcements

Continue to adjust production to demand

**EBIT margins similar to Q1 2024**



The above outlook reflects a year-over-year comparison to Q2 2023, unless noted otherwise; excludes the impact of any acquisitions or divestitures not yet completed.



# **QUESTIONS AND DISCUSSION**

# APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 1

The adjusting income (expense) items to EBIT are shown in the tables below (in millions):

	Twelve Months Ended December 31,				Three Months Ended March 31,	
	2020	2021	2022	2023 (A)	2023 (B)	2024 (C)
Restructuring costs	\$ (41)	\$ (34)	\$ (48)	\$ (169)	\$ (18)	\$ (14)
Gain on sale of Shanghai, China facility	—	—	27	—	—	—
Gain on sale of land in India	—	15	—	—	—	—
Acquisition and divestiture-related costs	—	—	(7)	—	—	(18)
Recognition of acquisition inventory fair value step-up	—	(1)	—	—	—	—
Pension settlement losses	—	—	—	(145)	—	—
Loss on sale of Chambéry, France assets held for sale	—	—	(30)	—	—	—
Gain on remeasurement of Fiberteq equity investment	—	—	130	—	—	—
Gain on sale of Santa Clara, California site	—	—	—	189	189	—
Paroc marine recall	—	—	—	(15)	—	(1)
Loss on sale of Russian operations	—	—	(33)	—	—	—
Strategic review-related charges	—	—	—	—	—	(2)
(Losses) gains on asset sales, impairments, useful life changes and insurance activity	(961)	53	(78)	2	2	—
Total adjusting items (a)	\$ (1,002)	\$ 33	\$ (39)	\$ (138)	\$ 173	\$ (35)

(a) Please refer to each year's respective Form 10-K filing in the "Adjusted Earnings Before Interest and Taxes ("Adjusted EBIT")" paragraph of Management's Discussion and Analysis for additional information on these adjusting items. For the three months ended March 31, 2023 and March 31, 2024, please refer to our Form 10-Q filing for the first quarter of 2024 in the "Adjusted Earnings Before Interest and Taxes" paragraph of Management's Discussion and Analysis for additional information on these items.

# APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 2

The reconciliation of Net earnings attributable to Owens Corning to EBIT and adjusted EBIT, and a reconciliation from EBIT to EBITDA and adjusted EBITDA are shown in the table below (in millions):

	Three Months Ended March 31,	
	2024	2023
NET EARNINGS ATTRIBUTABLE TO OWENS CORNING	\$ 299	\$ 383
Net loss attributable to non-redeemable and redeemable noncontrolling interests	(1)	(1)
NET EARNINGS	298	382
Income tax expense	88	130
EARNINGS BEFORE TAXES	386	512
Interest expense, net	17	22
EARNINGS BEFORE INTEREST AND TAXES	403	534
Less: Adjusting items (a)	(35)	173
ADJUSTED EBIT	\$ 438	\$ 361
Net Sales	2,300	2,331
ADJUSTED EBIT as a % of Net Sales	19 %	15 %
EARNINGS BEFORE INTEREST AND TAXES	\$ 403	\$ 534
Depreciation and amortization	131	127
EBITDA	534	661
Less: Adjusting items (a)	(35)	173
Accelerated depreciation and amortization included in restructuring	(4)	(1)
ADJUSTED EBITDA	\$ 565	\$ 487
Net Sales	2,300	2,331
ADJUSTED EBITDA as a % of Net Sales	25 %	21 %

(a) Please refer to Table 1 of Appendix A for detail of adjusting items to EBIT.

# APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 3

The reconciliation from net earnings (loss) attributable to Owens Corning to EBIT and Adjusted EBIT is shown in the table below (in millions):

	Twelve Months Ended December 31,				LTM Ended March 31,
	2020	2021	2022	2023	2023 <sup>(b)</sup>
Net (loss) earnings attributable to Owens Corning	\$ (383)	\$ 995	\$ 1,241	\$ 1,196	\$ 1,112
Less: Net (loss) earnings attributable to non-redeemable and redeemable noncontrolling interests	(2)	—	—	(3)	(3)
Net (loss) earnings	(385)	995	1,241	1,193	1,109
Equity in net earnings (loss) of affiliates	—	1	—	3	3
Income tax expense	129	319	373	401	359
(Loss) earnings before taxes	(256)	1,313	1,614	1,591	1,465
Interest expense, net	132	126	109	76	71
Loss on debt extinguishment	—	9	—	—	—
(Loss) earnings before interest and taxes	(124)	1,448	1,723	1,667	1,536
Less: Adjusting items (a)	(1,002)	33	(39)	(138)	(346)
Adjusted EBIT	\$ 878	\$ 1,415	\$ 1,762	\$ 1,805	\$ 1,882
Net sales	\$ 7,055	\$ 8,498	\$ 9,761	\$ 9,677	\$ 9,730
Adjusted EBIT as a % of Net sales	12 %	17 %	18 %	19 %	19 %

(a) Management excludes from Net (loss) earnings attributable to Owens Corning certain items it believes are not representative of ongoing operations. Please refer to Table 1 of Appendix A for explanation of adjusting items.

(b) For a calculation of Adjusted EBIT for the last 12 months ended March 31, 2024, please refer to Table 5 of Appendix A.



# APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 4

A reconciliation from Net earnings attributable to Owens Corning to Adjusted earnings and a reconciliation from Diluted earnings per share to Adjusted diluted earnings per share are shown in the tables below:

	Three Months Ended March 31,	
	2024	2023
<b>RECONCILIATION TO ADJUSTED EARNINGS</b>		
NET EARNINGS ATTRIBUTABLE TO OWENS CORNING	\$ 299	\$ 383
Adjustment to remove adjusting items (a)	35	(173)
Adjustment to remove tax (benefit) expense on adjusting items (b)	(7)	46
Adjustment to tax (benefit) expense to reflect pro forma tax rate (c)	(11)	1
ADJUSTED EARNINGS	\$ 316	\$ 257
<b>RECONCILIATION TO ADJUSTED DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO OWENS CORNING COMMON STOCKHOLDERS</b>		
DILUTED EARNINGS PER COMMON SHARE ATTRIBUTABLE TO OWENS CORNING COMMON STOCKHOLDERS	\$ 3.40	\$ 4.17
Adjustment to remove adjusting items (a)	0.40	(1.88)
Adjustment to remove tax (benefit) expense on adjusting items (b)	(0.08)	0.50
Adjustment to tax (benefit) expense to reflect pro forma tax rate (c)	(0.13)	0.01
ADJUSTED DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO OWENS CORNING COMMON STOCKHOLDERS	\$ 3.59	\$ 2.80
<b>RECONCILIATION TO DILUTED SHARES OUTSTANDING</b>		
Weighted-average number of shares outstanding used for basic earnings per share	87.3	91.3
Non-vested restricted stock units and performance share units	0.6	0.6
Weighted-average number of shares outstanding and common equivalent shares used for diluted earnings per share	87.9	91.9

- (a) Management excludes from net earnings attributable to Owens Corning certain items it believes are not representative of ongoing operations. Please refer to Table 1 of Appendix A for explanation of adjusting items.
- (b) The tax impact of adjusting items is based on our expected tax accounting treatment and rate for the jurisdiction of each adjusting item.
- (c) To compute adjusted earnings, we apply a full year pro forma effective tax rate to each quarter presented. The pro forma tax rate is equal to each year's effective tax rate, excluding the tax impact of adjusting items referenced in (a) and (b), and excluding the impact of significant tax items. For 2024, we have used a full year pro forma effective tax rate of 25%, which is the mid-point of our 2024 effective tax rate guidance of 24% to 26%. For comparability, in 2023, we used an effective tax rate of 24%, which was our 2023 effective tax rate, excluding the adjusting items referenced in (a) and (b). There were no significant tax items in 2023 or the first three months of 2024.

# APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 5

The reconciliation from net earnings attributable to Owens Corning to EBIT and Adjusted EBIT, and the calculation of net operating profit after tax (NOPAT) are shown in the table below (in millions):

	Twelve Months Ended December 31, 2023 (A)	Three Months Ended March 31, 2023 (B)	Three Months Ended March 31, 2024 (C)	Last Twelve Months (LTM) Ended March 31, 2024 (A) - (B) + (C)
Net earnings attributable to Owens Corning	\$ 1,196	\$ 383	\$ 299	\$ 1,112
Less: Net earnings (loss) attributable to non-redeemable and redeemable noncontrolling interests	(3)	(1)	(1)	(3)
Net earnings	1,193	382	298	1,109
Equity in net earnings (loss) of affiliates	3	—	—	3
Income tax expense	401	130	88	359
Earnings before taxes	1,591	512	386	1,465
Interest expense, net	76	22	17	71
Earnings before interest and taxes	1,667	534	403	1,536
Less: Adjusting items (a)	(138)	173	(35)	(346)
Adjusted EBIT	\$ 1,805	\$ 361	\$ 438	\$ 1,882
Less: Taxes at pro forma tax rate (b)	\$ (433)	\$ (87)	\$ (110)	\$ (456)
Net operating profit after tax	\$ 1,372	\$ 274	\$ 328	\$ 1,426
Net sales	\$ 9,761	\$ 2,331	\$ 2,300	\$ 9,730
Adjusted EBIT as a % of Net sales	18 %	15 %	19 %	19 %

(a) Management excludes from net earnings (loss) attributable to Owens Corning certain items it believes are not representative of ongoing operations. Please refer to Table 1 of Appendix A for explanation of adjusting items.

(b) To compute adjusted earnings, we apply a full year pro forma effective tax rate to each quarter presented. The pro forma tax rate is equal to each year's effective tax rate, excluding the tax impact of adjusting items referenced in (a), and excluding the impact of significant tax items. For 2024, we have used a full year pro forma effective tax rate of 25% which is the mid-point of our 2024 effective tax rate guidance of 24% to 26%. For comparability, in 2023, we have used an effective tax rate of 24% which was our 2023 effective tax rate, excluding the adjusting items referenced in (a). There were no significant tax items in 2023 or the first three months of 2024.

# APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 6

The calculations of net operating profit after tax (NOPAT), total capital and return on capital<sup>(a)</sup> (ROC) are shown in the table below (in millions):

	Last Twelve Months Ended,	
	March 31, 2024	March 31, 2023
<b>Numerator</b>		
Adjusted EBIT (b)	\$ 1,882	N/A
Less: Taxes at pro forma tax rate (c)	(456)	N/A
Net operating profit after tax	\$ 1,426	N/A
<b>Denominator</b>		
Goodwill	\$ 1,385	\$ 1,387
Intangible assets, net	1,510	1,610
Receivables, less allowances	1,410	1,388
Inventories	1,205	1,340
Less: Accounts payable	(1,177)	(1,243)
Property, plant and equipment, net	3,796	3,745
Total capital	\$ 8,129	\$ 8,227
Average of beginning and ending total capital	\$ 8,178	N/A
<b>Return on capital (NOPAT / Average total capital) (d)</b>	<b>17.4 %</b>	<b>N/A</b>

- (a) The return on capital calculation has been simplified so that it can be calculated from published information. Under the previous methodology, the Company excluded the pre-emergence and fresh start goodwill and intangible assets.
- (b) Please refer to Table 5 of Appendix A for the reconciliation of net earnings attributable to Owens Corning to Adjusted EBIT for the last twelve months ended March 31, 2024.
- (c) To compute NOPAT, we apply a full year pro forma effective tax rate to each quarter presented. The pro forma tax rate is equal to each year's effective tax rate, excluding the tax impact of adjusting items referenced in (a), and excluding the impact of significant tax items. For 2024, we used a full year pro forma effective tax rate of 25%, which is the mid-point of our 2024 effective tax rate guidance of 24% to 26%. For 2023, we used an effective rate of 24% which was our 2023 effective tax rate, excluding the adjusting items referenced in (a). There were no significant tax items in 2023 or the first three months of 2023.
- (d) When used to discuss segment ROC, the measure differs from the total company ROC formula. Segment return on capital uses a business-specific tax rate and excludes fresh-start accounting adjustments from the numerator and the denominator.

# APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 7

The table below provides a summary of Net sales, EBIT, Depreciation and amortization expense, and EBITDA by segment (in millions):

	Three Months Ended March 31, 2024			Three Months Ended March 31, 2023		
	Roofing	Insulation	Composites	Roofing	Insulation	Composites
Segment Net Sales	\$ 957	\$ 904	\$ 523	\$ 895	\$ 919	\$ 585
Segment EBIT	\$ 286	\$ 161	\$ 46	\$ 209	\$ 156	\$ 49
<i>Segment EBIT as a % of net sales</i>	30 %	18 %	9 %	23 %	17 %	8 %
Segment Depreciation and amortization expense	15	51	44	16	51	44
Segment EBITDA	\$ 301	\$ 212	\$ 90	\$ 225	\$ 207	\$ 93
<i>Segment EBITDA as a % of Net Sales</i>	31 %	23 %	17 %	25 %	23 %	16 %



# APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 8

The reconciliation from Net cash flow provided by (used for) operating activities to free cash flow is shown in the table below (in millions):

	Three Months Ended March 31,			
	2024		2023	
NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES	\$	24	\$	(164)
Less: Cash paid for property, plant, and equipment		(152)		(158)
FREE CASH FLOW	\$	(128)	\$	(322)

# APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 9

The reconciliation from Net earnings attributable to Owens Corning to EBIT, Adjusted EBIT and Adjusted EBITDA for 2023 is shown in the table below (in millions):

	Three Months Ended			
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023
NET EARNINGS ATTRIBUTABLE TO OWENS CORNING	\$ 383	\$ 345	\$ 337	\$ 131
Net loss attributable to non-redeemable and redeemable noncontrolling interests	(1)	(1)	—	(1)
NET EARNINGS	382	344	337	130
Equity in net earnings of affiliates	—	1	1	1
Income tax expense	130	121	110	40
EARNINGS BEFORE TAXES	512	464	446	169
Interest expense, net	22	23	17	14
EARNINGS BEFORE INTEREST AND TAXES	534	487	463	183
Less: Adjusting items (below)	173	(47)	(55)	(209)
ADJUSTED EBIT	361	\$ 534	\$ 518	\$ 392
Depreciation and amortization	127	159	160	163
Accelerated depreciation and amortization included in restructuring	(1)	(29)	(34)	(37)
ADJUSTED EBITDA	\$ 487	\$ 664	\$ 644	\$ 518
Net Sales	2,331	2,563	2,479	2,304
ADJUSTED EBIT as a % of Net Sales	15 %	21 %	21 %	17 %
ADJUSTED EBITDA as a % of Net Sales	21 %	26 %	26 %	22 %
ADJUSTING ITEMS TO EBIT AND EBITDA				
Restructuring costs	\$ (18)	\$ (47)	\$ (41)	\$ (63)
Pension settlement losses	—	—	—	(145)
Paroc marine recall	—	—	(14)	(1)
Gains on asset sales, impairments, useful life changes and insurance activity	191	—	—	—
TOTAL ADJUSTING ITEMS (a)	\$ 173	\$ (47)	\$ (55)	\$ (209)

(a) Please refer to each period's respective Form 10-Q or Form 10-K filing in the "Adjusted Earnings Before Interest and Taxes ("Adjusted EBIT")" paragraph of Management's Discussion and Analysis for additional information on these adjusting items.

# APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 10

The reconciliation from Net earnings attributable to Owens Corning to EBIT, Adjusted EBIT and Adjusted EBITDA for 2022 is shown in the table below (in millions):

	Three Months Ended			
	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022
NET EARNINGS ATTRIBUTABLE TO OWENS CORNING	\$ 304	\$ 343	\$ 470	\$ 124
Net earnings (loss) attributable to non-redeemable and redeemable noncontrolling interests	3	—	(1)	(2)
NET EARNINGS	307	343	469	122
Equity in net (loss) earnings of affiliates	—	(1)	1	—
Income tax expense	107	119	114	33
EARNINGS BEFORE TAXES	414	463	582	155
Interest expense, net	28	26	28	27
EARNINGS BEFORE INTEREST AND TAXES	442	489	610	182
Less: Adjusting items (below)	25	(36)	123	(151)
ADJUSTED EBIT	417	525	487	333
Depreciation and amortization	132	138	130	131
Accelerated depreciation included in restructuring	(6)	(7)	(9)	(4)
ADJUSTED EBITDA	\$ 543	\$ 656	\$ 608	\$ 460
Net Sales	2,346	2,601	2,529	2,285
ADJUSTED EBIT as a % of Net Sales	18 %	20 %	19 %	15 %
ADJUSTED EBITDA as a % of Net Sales	23 %	25 %	24 %	20 %
ADJUSTING ITEMS TO EBIT AND EBITDA				
Restructuring costs	\$ (6)	\$ (11)	\$ (12)	\$ (19)
Acquisition and divestiture-related costs	—	(3)	(2)	(2)
Gain on remeasurement of Fiberteq equity investment	—	—	130	—
Gain on sale of Shanghai, China facility	27	—	—	—
Loss on sale of Chambéry, France DUCS business	—	(29)	—	(1)
Loss on sale of Russian operations	—	—	—	(33)
Gains (losses) on asset sales, impairments, useful life changes and insurance activity	4	7	7	(96)
Total adjusting items (a)	\$ 25	\$ (36)	\$ 123	\$ (151)

(a) Please refer to each period's respective Form 10-Q or Form 10-K filing in the "Adjusted Earnings Before Interest and Taxes ("Adjusted EBIT")" paragraph of Management's Discussion and Analysis for additional information on these adjusting items.

# APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 11

The reconciliation from Net earnings attributable to Owens Corning to EBIT, Adjusted EBIT and Adjusted EBITDA for 2021 is shown in the table below (in millions):

	Three Months Ended			
	March 31, 2021	June 30, 2021	September 30, 2021	December 31, 2021
NET EARNINGS ATTRIBUTABLE TO OWENS CORNING	\$ 210	\$ 298	\$ 260	\$ 227
Net (loss) earnings attributable to non-redeemable and redeemable noncontrolling interests	—	—	(1)	1
NET EARNINGS	210	298	259	228
Equity in net earnings (loss) of affiliates	1	—	(1)	1
Income tax expense	59	97	94	69
EARNINGS BEFORE TAXES	268	395	354	296
Interest expense, net	33	33	31	29
Loss on extinguishment of debt	—	—	9	—
EARNINGS BEFORE INTEREST AND TAXES	301	428	394	325
Less: Adjusting items (below)	19	20	(6)	—
ADJUSTED EBIT	282	408	400	325
Depreciation and amortization	119	122	129	132
Accelerated depreciation included in restructuring	(1)	(1)	(6)	(5)
ADJUSTED EBITDA	\$ 400	\$ 529	\$ 523	\$ 452
Net Sales	1,915	2,239	2,213	2,131
ADJUSTED EBIT as a % of Net Sales	15 %	18 %	18 %	15 %
ADJUSTED EBITDA as a % of Net Sales	21 %	24 %	24 %	21 %
ADJUSTING ITEMS TO EBIT AND EBITDA				
Restructuring costs	\$ (1)	\$ (1)	\$ (20)	\$ (12)
Gain on sale of land in India	—	—	15	—
Recognition of acquisition inventory fair value step-up	—	—	(1)	—
Gains on asset sales, impairments, useful life changes and insurance activity	20	21	—	12
TOTAL ADJUSTING ITEMS (a)	\$ 19	\$ 20	\$ (6)	\$ —

(a) Please refer to each period's respective Form 10-Q or Form 10-K filing in the "Adjusted Earnings Before Interest and Taxes ("Adjusted EBIT")" paragraph of Management's Discussion and Analysis for additional information on these adjusting items.

# APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 12

The reconciliation from Net earnings attributable to Owens Corning to EBIT, Adjusted EBIT and Adjusted EBITDA for the third and fourth quarters of 2020 is shown in the table below (in millions):

	Three Months Ended	
	September 30, 2020	December 31, 2020
NET EARNINGS ATTRIBUTABLE TO OWENS CORNING	\$ 206	\$ 232
Net loss attributable to non-redeemable and redeemable noncontrolling interests	—	(2)
NET EARNINGS	206	230
Equity in net earnings (loss) of affiliates	1	(1)
Income tax expense	56	10
EARNINGS BEFORE TAXES	261	241
Interest expense, net	35	34
EARNINGS BEFORE INTEREST AND TAXES	296	275
Less: Adjusting items (below)	7	(31)
ADJUSTED EBIT	289	306
Depreciation and amortization	120	141
Accelerated depreciation included in restructuring	—	(19)
ADJUSTED EBITDA	\$ 409	\$ 428
Net Sales	1,904	1,925
ADJUSTED EBIT as a % of Net Sales	15 %	16 %
ADJUSTED EBITDA as a % of Net Sales	21 %	22 %
ADJUSTING ITEMS TO EBIT AND EBITDA		
Restructuring costs	\$ —	\$ (31)
Gains on asset sales, impairments, useful life changes and insurance activity	7	—
TOTAL ADJUSTING ITEMS (a)	\$ 7	\$ (31)

(a) Please refer to each period's respective Form 10-Q or Form 10-K filing in the "Adjusted Earnings Before Interest and Taxes ("Adjusted EBIT")" paragraph of Management's Discussion and Analysis for additional information on these adjusting items.