



SECOND-QUARTER 2024 RESULTS



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

August 6, 2024 | Q2 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 those 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 acquisition of Masonite International Corporation (“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 indebtedness incurred in connection with the acquisition of Masonite; our liquidity and the availability and cost of credit; our ability to achieve expected synergies, cost reductions and/or productivity improvements, including our ability to achieve the strategic and other objectives relating to the Masonite acquisition; 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 successfully integrate the Masonite acquisition; our ability to achieve the objectives relating to 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 August 6, 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

Owens Corning Delivers Net Sales of \$2.8 Billion; Generates Net Earnings of \$285 Million and Adjusted EBIT of \$588 Million



OWENS CORNING HIGHLIGHTS



Year-to-date legacy safety performance improved 40% from the same period last year



16th consecutive quarter of mid-teens or better Adjusted EBIT margins and 20% or better Adjusted EBITDA margins



Addition of Doors expands leadership position in branded residential building products

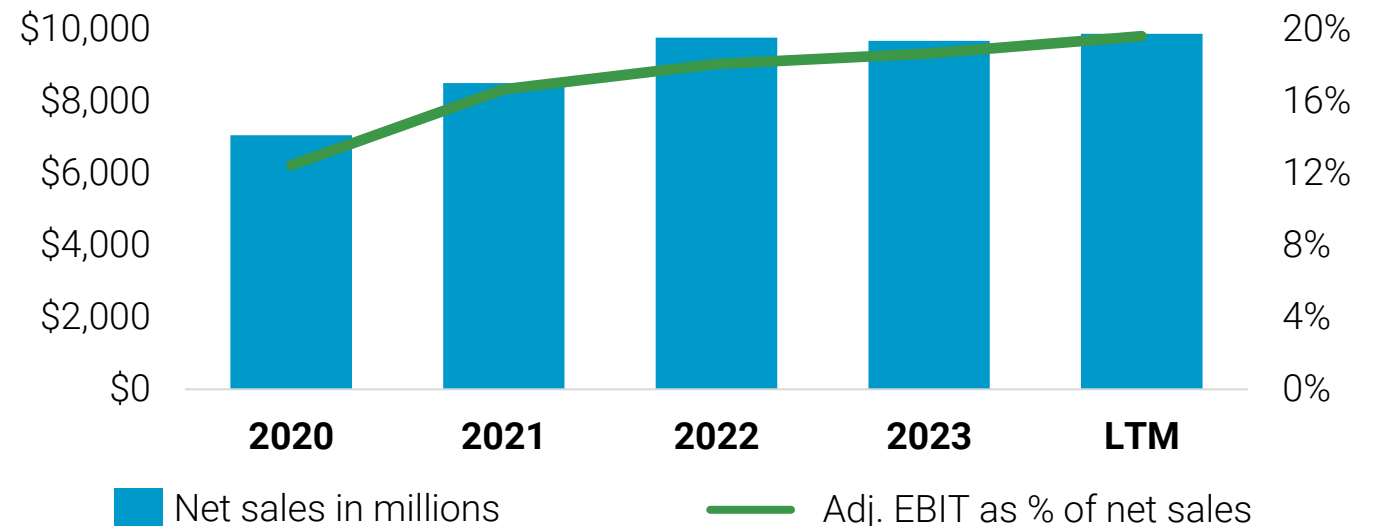


Transforming the company to a more focused residential and commercial building products company



(\$ in millions) ¹	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Net sales	2,789	2,563	5,089	4,894
Adjusted EBIT	588	534	1,026	895
Adjusted EBIT as % of net sales	21%	21%	20%	18%
Adjusted EBITDA	742	664	1,307	1,151
Adjusted EBITDA as % of net sales	27%	26%	26%	24%

Five-year financial performance



1. Doors segment added on May 15, 2024 as a result of the acquisition of Masonite. Doors segment contributed \$311mm in net sales, \$34mm in adjusted EBIT and \$61mm in adjusted EBITDA for the period May 15, 2024 through June 30, 2024.



A GLOBAL RESIDENTIAL & COMMERCIAL BUILDING PRODUCTS LEADER

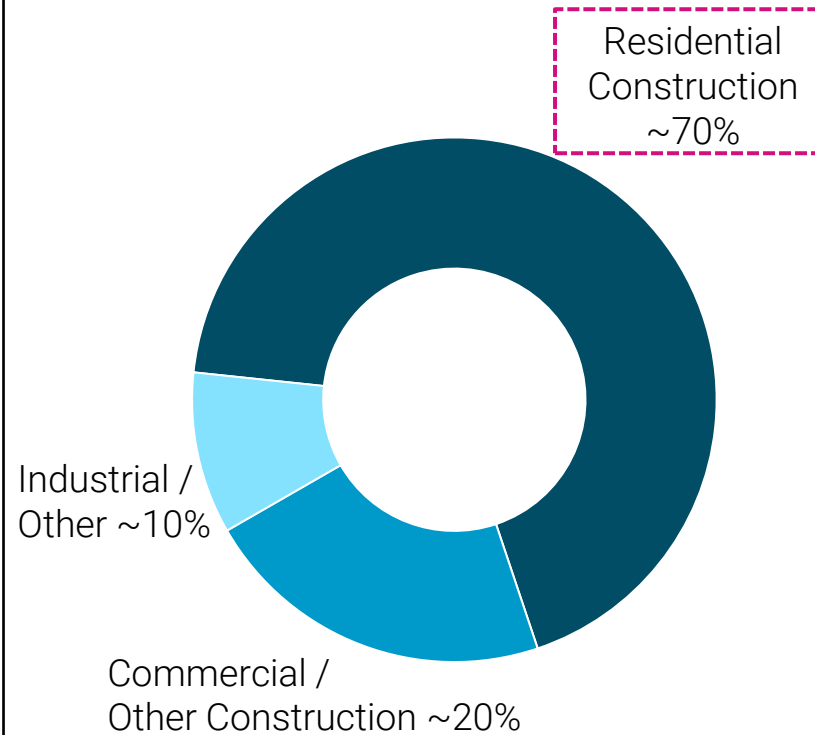
Enterprise Strategy

- 1 **Strengthen** position in core products and markets

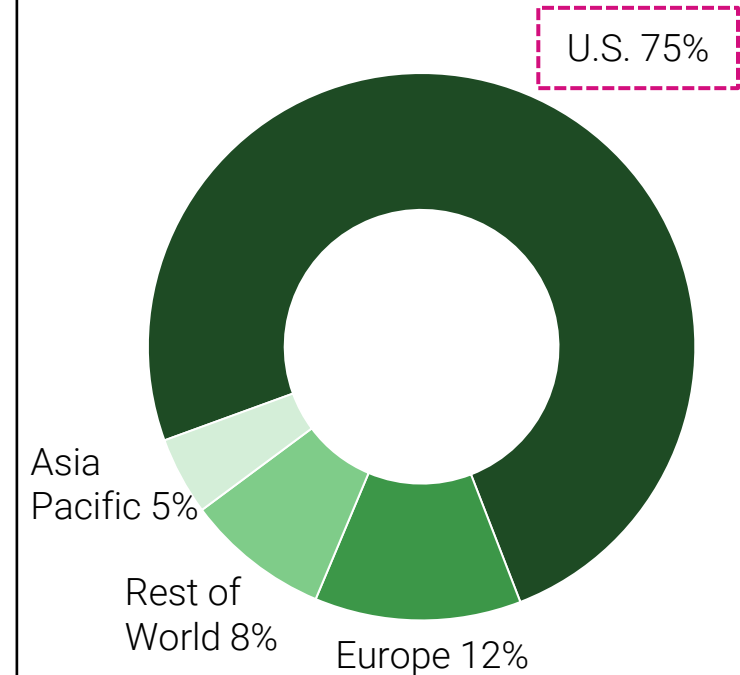
- 2 **Expand** into new product adjacencies that leverage our material science, market, and manufacturing expertise

- 3 **Develop** more multi-material and prefabricated solutions

Revenue by End Market¹



Revenue by Geography²



1. Data as of 2023 Form 10-K for Owens Corning and Masonite including Architectural; management estimates; estimated error margin +/- 5%.

2. Data as of 2023 Form 10-K for Owens Corning and Masonite including Architectural. Consolidated figures eliminate intercompany net sales between reportable segments. Business mix statistics based on 2023 net sales.

Source: Owens Corning and Masonite SEC filings

FINANCIAL SUMMARY

(\$ in millions, except per share data) ¹	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Net sales	2,789	2,563	5,089	4,894
<i>Net sales growth</i>	9%	(1%)	4%	(1%)
Net earnings attributable to OC	285	345	584	728
Net earnings attributable to OC as % of net sales	10%	13%	11%	15%
Adjusted EBIT	588	534	1,026	895
Adjusted EBIT as % of net sales	21%	21%	20%	18%
Adjusted EBITDA	742	664	1,307	1,151
Adjusted EBITDA as % of net sales	27%	26%	26%	24%
EPS (diluted)	\$3.24	\$3.78	\$6.63	\$7.94
Adjusted earnings	408	388	724	645
Adjusted EPS (diluted)	\$4.64	\$4.25	\$8.22	\$7.03

1. Doors segment added on May 15, 2024 as a result of the acquisition of Masonite. Doors segment contributed \$311mm in net sales, \$34mm in adjusted EBIT and \$61mm in adjusted EBITDA for the period May 15, 2024 through June 30, 2024.



BALANCE SHEET AND CAPITAL DEPLOYMENT

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 the company

Second-Quarter 2024:

- Cash Generation and Return
 - Generated \$336mm of free cash flow
 - Returned \$52mm of free cash flow to shareholders through dividends
 - At the end of Q2, 8.1mm shares were available for repurchase under the current authorization
 - Prioritized paying down debt from the acquisition, ended the quarter with net debt-to-adjusted EBITDA of 2.2x¹, at the low end of targeted range of 2x to 3x; at this leverage level, remain committed to returning cash to investors
- Internal Investment
 - Capital additions of \$157mm
 - Return on capital was 14% for the last twelve months²
- Liquidity
 - Maintained liquidity of approximately \$1.4b, consisting of \$254mm of cash and \$1.1b of combined availability on bank debt facilities

1. Refer to Appendix A for reconciliation to Owens Corning SEC filings.

2. The return on capital calculation has been simplified; refer to Appendix A for additional details.

ROOFING BUSINESS



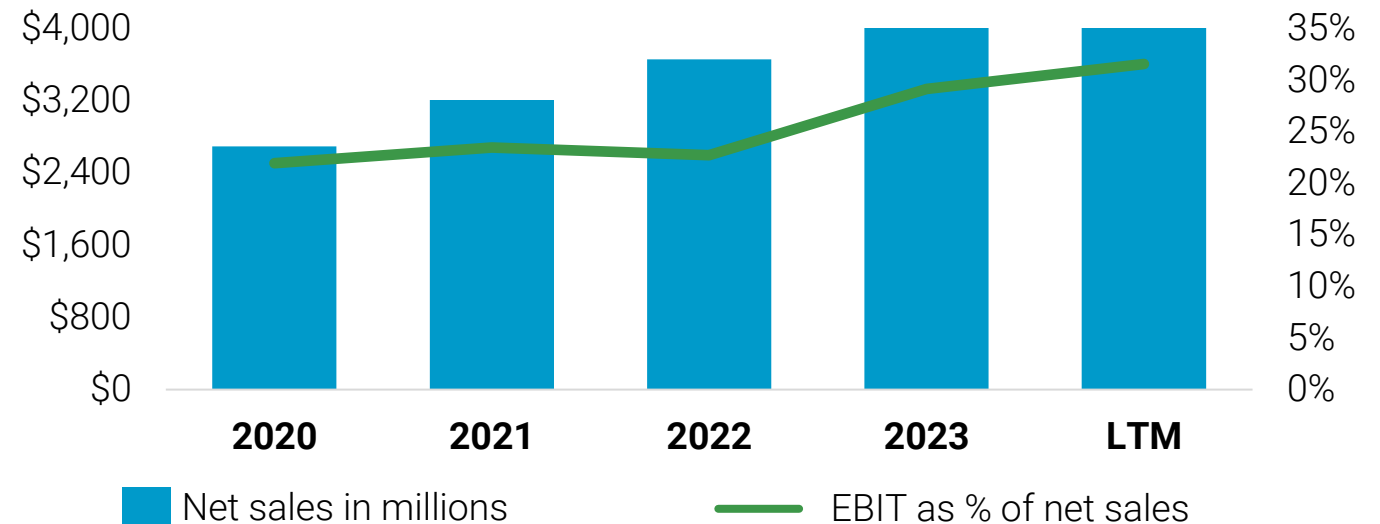
Delivered second-quarter revenue of \$1,105mm, down 2% from prior year

Generated \$373mm of EBIT with 34% EBIT margin and 35% EBITDA margin

Shingle volumes outperformed the U.S. asphalt shingle market

(\$ in millions)	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Net sales	1,105	1,123	2,062	2,018
EBIT	373	338	659	547
EBIT as % of net sales	34%	30%	32%	27%
EBITDA	388	354	689	579
EBITDA as % of net sales	35%	32%	33%	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.

INSULATION BUSINESS



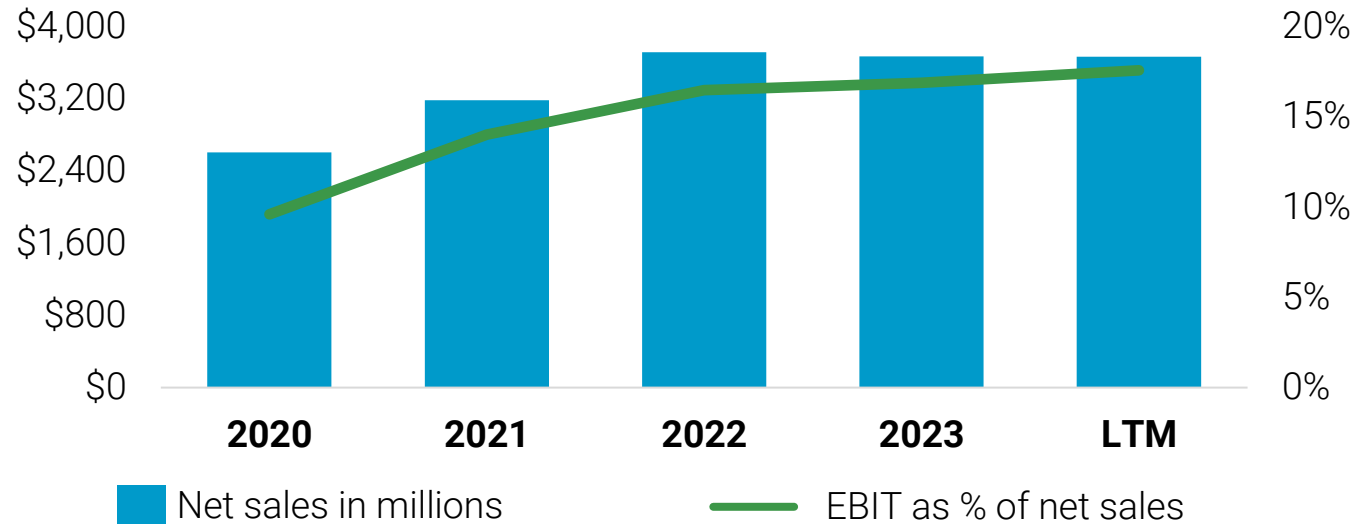
Delivered second-quarter revenue of \$916mm, up 1% from prior year

Generated \$183mm of EBIT with 20% EBIT margin and 26% EBITDA margin

Structural improvements and strength of demand for North America fiberglass insulation drove highest EBIT and EBITDA margin since 2006

(\$ in millions)	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Net sales	916	905	1,820	1,824
EBIT	183	163	344	319
EBIT as % of net sales	20%	18%	19%	17%
EBITDA	234	220	446	427
EBITDA as % of net sales	26%	24%	25%	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.



DOORS BUSINESS



Performed as expected while navigating through dynamic market conditions



Generated \$34mm of post-acquisition EBIT with 11% EBIT margin and 20% EBITDA margin, inclusive of \$6mm of one-time benefits

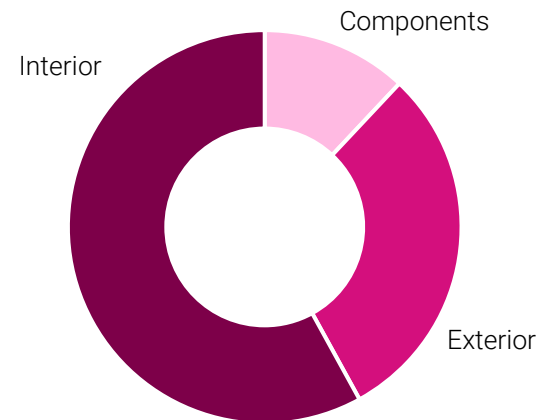


Making progress on delivering planned \$125mm of enterprise cost synergies

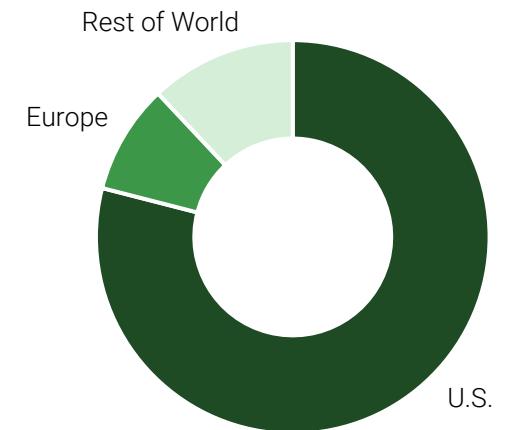


(\$ in millions)	Acquisition to date ¹
Net sales	311
EBIT	34
EBIT as % of net sales	11%
EBITDA	61
EBITDA as % of net sales	20%

Revenue by Product²



Revenue by Geography²



1. Doors segment added on May 15, 2024 as a result of the acquisition of Masonite. Acquisition to date reflects the period May 15, 2024 through June 30, 2024
 2. Source: Masonite 2023 full year financial results including Architectural

COMPOSITES BUSINESS



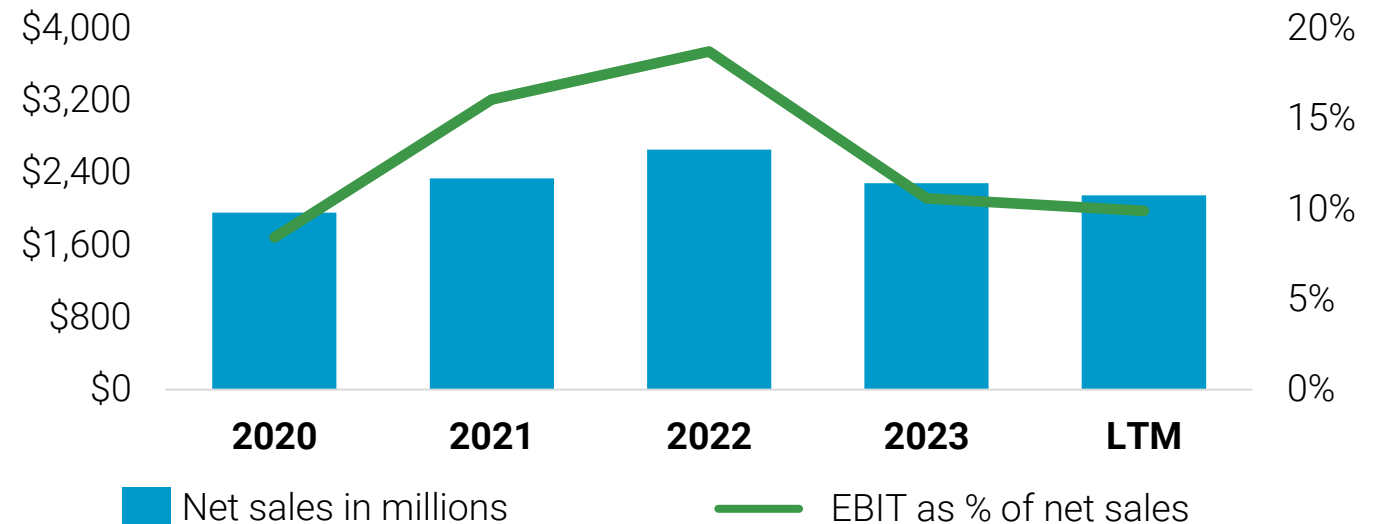
Delivered second-quarter revenue of \$546mm, down 12% from prior year

Generated \$61mm of EBIT with 11% EBIT margin and 19% EBITDA margin

Progressed glass reinforcements strategic review while business continued to perform well relative to the challenging macro environment

(\$ in millions)	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Net sales	546	620	1,069	1,205
EBIT	61	87	107	136
EBIT as % of net sales	11%	14%	10%	11%
EBITDA	106	130	196	223
EBITDA as % of net sales	19%	21%	18%	19%

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 OUTLOOK¹

	Previous as of Q1 2024	Updated as of Q2 2024
General corporate expenses	\$240mm - \$250mm	\$255mm - \$265mm
Interest expense	\$70mm - \$80mm	\$210mm - \$220mm
Full-year effective tax rate	24% - 26%	24% - 26%
Capital additions	Approximately \$550mm	Approximately \$650mm
Depreciation and amortization	Approximately \$550mm	Approximately \$650mm



1. The above outlook includes the impact of all completed acquisitions or divestitures.

Q3 2024 BUSINESS OUTLOOK

ENTERPRISE:

- Revenue growth of low 20% (legacy revenue similar to Q3 2023 + full quarter of Doors revenue)
- High-teen EBIT margin and low-20% EBITDA margin

ROOFING

- Revenue flat to slightly down
- Industry shipments for U.S. shingle end-market demand down mid-to-high single digits with OC shingle volumes relatively flat
- Additional components volume headwind due to distribution inventory levels and exit of protective packaging
- Positive price and favorable mix largely offset lower components volumes
- Anticipate input cost inflation
- **EBIT margin in the low-30% range**

DOORS

- Revenue down high single digits from run rate adjusted Q2
- Continued market pressure
- Q2 one-time benefits of \$6mm not expected to repeat
- Full-quarter of purchase accounting partially offset by synergies, in line with Q2 run rate
- EBIT margin of mid-single digits
- **EBITDA margin in the mid-teens; reflects business performance without the impact of purchase accounting**

INSULATION

- Revenue up low-to-mid single digits
- In North American residential, positive price realization and volumes up slightly
- In technical and global, revenue up modestly driven by favorable mix; volumes relatively flat
- Input costs and delivery neutral, expect positive price/cost in addition to incremental costs for manufacturing investments in U.S. fiberglass
- **EBIT margin of high teens**

COMPOSITES

- Revenue down low-to-mid single digits
- Overall price down, similar to first half, with lower contract and spot prices
- Decline in pricing partially offset by higher volumes in both North American glass reinforcements and nonwovens
- Incur costs with commissioning of new Fort Smith nonwovens line
- **EBIT margin around 10%**



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 June 30,		Six Months Ended June 30,		Last Twelve Months (LTM) Ended June 30, 2024
	2020	2021	2022	2023 (A)	2023	2024	2023 (B)	2024 (C)	(A) - (B) + (C)
Restructuring costs	\$ (41)	\$ (34)	\$ (48)	\$ (169)	\$ (47)	\$ (47)	\$ (65)	\$ (61)	\$ (165)
Gain on sale of Shanghai, China facility	—	—	27	—	—	—	—	—	—
Gain on sale of land in India	—	15	—	—	—	—	—	—	—
Acquisition and divestiture-related costs	—	—	(7)	—	—	—	—	—	—
Acquisition-related transaction costs	—	—	—	—	—	(29)	—	(47)	(47)
Acquisition-related integration costs	—	—	—	—	—	(21)	—	(21)	(21)
Recognition of acquisition inventory fair value step-up	—	(1)	—	—	—	(12)	—	(12)	(12)
Pension settlement losses	—	—	—	(145)	—	—	—	—	(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)	—	(6)	—	(7)	(22)
Loss on sale of Russian operations	—	—	(33)	—	—	—	—	—	—
Strategic review-related charges	—	—	—	—	—	(15)	—	(17)	(17)
(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)	\$ (47)	\$ (130)	\$ 126	\$ (165)	\$ (429)

(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 and six months ended June 30, 2023 and June 30, 2024, please refer to our Form 10-Q filing for the second 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 June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
NET EARNINGS ATTRIBUTABLE TO OWENS CORNING	\$ 285	\$ 345	\$ 584	\$ 728
Net earnings (loss) attributable to non-redeemable and redeemable noncontrolling interests	1	(1)	—	(2)
NET EARNINGS	286	344	584	726
Equity in net earnings of affiliates	2	1	2	1
Income tax expense	110	121	198	251
EARNINGS BEFORE TAXES	394	464	780	976
Interest expense, net	64	23	81	45
EARNINGS BEFORE INTEREST AND TAXES	458	487	861	1,021
Less: Adjusting items (a)	(130)	(47)	(165)	126
ADJUSTED EBIT	\$ 588	\$ 534	\$ 1,026	\$ 895
Net sales	2,789	2,563	5,089	4,894
ADJUSTED EBIT as a % of Net sales	21 %	21 %	20 %	18 %
EARNINGS BEFORE INTEREST AND TAXES	\$ 458	\$ 487	\$ 861	\$ 1,021
Depreciation and amortization	167	159	298	286
EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION	625	646	1,159	1,307
Less: Adjusting items (a)	(130)	(47)	(165)	126
Accelerated depreciation and amortization included in restructuring and integration	(13)	(29)	(17)	(30)
ADJUSTED EBITDA	\$ 742	\$ 664	\$ 1,307	\$ 1,151
Net sales	2,789	2,563	5,089	4,894
ADJUSTED EBITDA as a % of Net sales	27 %	26 %	26 %	24 %

(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 June 30,
	2020	2021	2022	2023	2024 ^(b)	
Net (loss) earnings attributable to Owens Corning	\$ (383)	\$ 995	\$ 1,241	\$ 1,196	\$ 1,052	
Less: Net (loss) earnings attributable to non-redeemable and redeemable noncontrolling interests	(2)	—	—	(3)	(1)	
Net (loss) earnings	(385)	995	1,241	1,193	1,051	
Equity in net earnings (loss) of affiliates	—	1	—	3	4	
Income tax expense	129	319	373	401	348	
(Loss) earnings before taxes	(256)	1,313	1,614	1,591	1,395	
Interest expense, net	132	126	109	76	112	
Loss on debt extinguishment	—	9	—	—	—	
(Loss) earnings before interest and taxes	(124)	1,448	1,723	1,667	1,507	
Less: Adjusting items (a)	(1,002)	33	(39)	(138)	(429)	
Adjusted EBIT	\$ 878	\$ 1,415	\$ 1,762	\$ 1,805	\$ 1,936	
Net sales	\$ 7,055	\$ 8,498	\$ 9,761	\$ 9,677	\$ 9,872	
Adjusted EBIT as a % of Net sales	12 %	17 %	18 %	19 %	20 %	

(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 June 30, 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 June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
RECONCILIATION TO ADJUSTED EARNINGS				
NET EARNINGS ATTRIBUTABLE TO OWENS CORNING	\$ 285	\$ 345	\$ 584	\$ 728
Adjustment to remove adjusting items and other adjustments(a)	146	47	181	(126)
Adjustment to remove tax (benefit) expense on adjusting items and other adjustments (b)	(24)	(11)	(31)	35
Adjustment to tax (benefit) expense to reflect pro forma tax rate (c)	1	7	(10)	8
ADJUSTED EARNINGS	\$ 408	\$ 388	\$ 724	\$ 645
RECONCILIATION TO ADJUSTED DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO OWENS CORNING COMMON STOCKHOLDERS				
DILUTED EARNINGS PER COMMON SHARE ATTRIBUTABLE TO OWENS CORNING COMMON STOCKHOLDERS	\$ 3.24	\$ 3.78	\$ 6.63	\$ 7.94
Adjustment to remove adjusting items (a)	1.66	0.51	2.05	(1.37)
Adjustment to remove tax (benefit) expense on adjusting items (b)	(0.27)	(0.12)	(0.35)	0.38
Adjustment to tax (benefit) expense to reflect pro forma tax rate (c)	0.01	0.08	(0.11)	0.08
ADJUSTED DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO OWENS CORNING COMMON STOCKHOLDERS	\$ 4.64	\$ 4.25	\$ 8.22	\$ 7.03
RECONCILIATION TO DILUTED SHARES OUTSTANDING				
Weighted-average number of shares outstanding used for basic earnings per share	87.2	90.5	87.3	90.9
Non-vested restricted stock units and performance share units	0.8	0.8	0.8	0.8
Weighted-average number of shares outstanding and common equivalent shares used for diluted earnings per share	88.0	91.3	88.1	91.7

(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. Adjusting items shown here also include financing fees of \$16 million relative to the term loan amortized to interest expense, net for the three and six months ended June 30, 2024.

(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 six months of 2024.

APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 5

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

	Twelve Months Ended December 31,		Six Months Ended June 30,		Six Months Ended June 30,		Last Twelve Months (LTM) Ended June 30, 2024	
	2023 (A)		2023 (B)		2024 (C)		(A) - (B) + (C)	
Net earnings attributable to Owens Corning	\$	1,196	\$	728	\$	584	\$	1,052
Less: Net earnings (loss) attributable to non-redeemable and redeemable noncontrolling interests		(3)		(2)		—		(1)
Net earnings		1,193		726		584		1,051
Equity in net earnings (loss) of affiliates		3		1		2		4
Income tax expense		401		251		198		348
Earnings before taxes		1,591		976		780		1,395
Interest expense, net		76		45		81		112
Earnings before interest and taxes		1,667		1,021		861		1,507
Less: Adjusting items (a)		(138)		126		(165)		(429)
Adjusted EBIT	\$	1,805	\$	895	\$	1,026	\$	1,936
Less: Taxes at pro forma tax rate (b)	\$	(433)	\$	(224)	\$	(257)	\$	(466)
Net operating profit after tax	\$	1,372	\$	671	\$	769	\$	1,470
<i>Net sales</i>	\$	9,677	\$	4,894	\$	5,089	\$	9,872
<i>Adjusted EBIT as a % of Net sales</i>		19 %		18 %		20 %		20 %
Earnings before interest and taxes	\$	1,667	\$	1,021	\$	861	\$	1,507
Depreciation and amortization		609		286		298		621
Earnings before interest, taxes, depreciation and amortization	\$	2,276	\$	1,307	\$	1,159	\$	2,128
Less: Adjusting items (a)		(138)		126		(165)		(429)
Accelerated depreciation and amortization included in restructuring and integration		(101)		(30)		(17)		(88)
Adjusted EBITDA	\$	2,313	\$	1,151	\$	1,307	\$	2,469
<i>Net sales</i>	\$	9,677	\$	4,894	\$	5,089	\$	9,872
<i>Adjusted EBITDA as a % of Net sales</i>		24 %		24 %		26 %		25 %

(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 six 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^(a) (ROC) are shown in the table below (in millions):

	Last Twelve Months Ended,	
	June 30, 2024	June 30, 2023
Numerator		
Adjusted EBIT (b)	\$ 1,936	N/A
Less: Taxes at pro forma tax rate (c)	(466)	N/A
Net operating profit after tax	\$ 1,470	N/A
Denominator		
Goodwill	\$ 2,683	\$ 1,387
Intangible assets, net	3,006	1,565
Receivables, less allowances	1,680	1,413
Inventories	1,576	1,288
Less: Accounts payable	(1,403)	(1,201)
Property, plant and equipment, net	4,640	3,723
Total capital	\$ 12,182	\$ 8,175
Average of beginning and ending total capital (d)	\$ 10,179	N/A
Return on capital (NOPAT / Average total capital) (e)	14 %	N/A

- (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 June 30, 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 six months of 2023.
- (d) No adjustment was applied to 2024 average total capital for the May 15, 2024 Masonite acquisition, due to the proximity of its acquisition date to mid-year.
- (e) 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 reconciliation of EBITDA for the Company's segments is shown in the tables below (in millions):

	Three Months Ended June 30, 2024				Three Months Ended June 30, 2023			
	Roofing	Insulation	Doors	Composites	Roofing	Insulation	Doors	Composites
Segment Net Sales	\$ 1,105	\$ 916	\$ 311	\$ 546	\$ 1,123	\$ 905	\$ —	\$ 620
Segment EBIT	\$ 373	\$ 183	\$ 34	\$ 61	\$ 338	\$ 163	\$ —	\$ 87
Segment Depreciation and amortization expense	15	51	27	45	16	57	—	43
Segment EBITDA	\$ 388	\$ 234	\$ 61	\$ 106	\$ 354	\$ 220	N/A	\$ 130
Segment EBITDA as a % of Net Sales	35 %	26 %	20 %	19 %	32 %	24 %	N/A	21 %

	Six Months Ended June 30, 2024				Six Months Ended June 30, 2023			
	Roofing	Insulation	Doors	Composites	Roofing	Insulation	Doors	Composites
Segment Net Sales	\$ 2,062	\$ 1,820	\$ 311	\$ 1,069	\$ 2,018	\$ 1,824	\$ —	\$ 1,205
Segment EBIT	\$ 659	\$ 344	\$ 34	\$ 107	\$ 547	\$ 319	\$ —	\$ 136
Segment Depreciation and amortization expense	30	102	27	89	32	108	—	87
Segment EBITDA	\$ 689	\$ 446	\$ 61	\$ 196	\$ 579	\$ 427	N/A	\$ 223
Segment EBITDA as a % of Net Sales	33 %	25 %	20 %	18 %	29 %	23 %	N/A	19 %

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 June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES	\$ 493	\$ 494	\$ 517	\$ 330
Less: Cash paid for property, plant and equipment	(157)	(122)	(309)	(280)
FREE CASH FLOW	\$ 336	\$ 372	\$ 208	\$ 50

APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 9

The reconciliation from Net earnings attributable to Owens Corning to EBIT, Adjusted EBIT and Adjusted EBITDA for 2024 is shown in the table below (in millions):

	Three Months Ended March 31, 2024	
NET EARNINGS ATTRIBUTABLE TO OWENS CORNING	\$	299
Net loss attributable to non-redeemable and redeemable noncontrolling interests		(1)
NET EARNINGS		298
Income tax expense		88
EARNINGS BEFORE TAXES		386
Interest expense, net		17
EARNINGS BEFORE INTEREST AND TAXES		403
Less: Adjusting items (below)		(35)
ADJUSTED EBIT		438
Depreciation and amortization		131
Accelerated depreciation and amortization included in restructuring		(4)
ADJUSTED EBITDA	\$	565
Net Sales		2,300
ADJUSTED EBIT as a % of Net Sales		19 %
ADJUSTED EBITDA as a % of Net Sales		25 %
ADJUSTING ITEMS TO EBIT AND EBITDA		
Restructuring costs	\$	(14)
Acquisition and divestiture-related costs		(18)
Paroc marine recall		(1)
Strategic review-related charges		(2)
TOTAL ADJUSTING ITEMS (a)	\$	(35)

(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 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 11

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 12

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 13

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.

APPENDIX A: NON-GAAP RECONCILIATIONS – TABLE 14

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 earnings attributable to Owens Corning' to 'Net debt to Adjusted EBITDA' is shown in the table below (in millions):

	June 30, 2024
Short-term debt	\$ 155
Long-term debt - current portion	435
Long-term debt, net of current portion	5,020
Total debt	\$ 5,610
Less: Cash and cash equivalents	(254)
Net debt	\$ 5,356
Last Twelve Months (LTM) Net earnings attributable to Owens Corning (a)	\$ 1,052
Total Debt / LTM Net earnings attributable to Owens Corning	5.3
Last Twelve Months Adjusted EBITDA (a)	\$ 2,469
Net Debt / LTM Adjusted EBITDA	2.2

(a) Please refer to Table 5 of Appendix A for the reconciliation of net earnings attributable to Owens Corning to Adjusted EBITDA for the last twelve months ended June 30, 2024.