CORNING INC /NY
Form 424B2
February 16, 2012
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Filed Pursuant to Rule 424(b)(2)

Registration No. 333-178248

**CALCULATION OF REGISTRATION FEE**

| **Title of Each Class of Securities to be Registered** | **Amount to be Registered** | **Maximum Offering Price Per Unit** | **Maximum Aggregate Offering Price** | **Amount of Registration Fee (1)** |
|---|---|---|---|---|
| 4.70% Notes due 2037 | $250,000,000 | 99.864% | $249,660,000 | $28,611.04 |
| 4.75% Notes due 2042 | $500,000,000 | 99.853% | $499,265,000 | $57,215.77 |

(1) Calculated in accordance with Rule 457(o) and Rule 457(r) under the Securities Act of 1933. The total registration fee due for this offering is $85,826.81.

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**Prospectus Supplement**

*(To Prospectus dated December 1, 2011)*

# $750,000,000

## $250,000,000 4.70% Notes due 2037

## $500,000,000 4.75% Notes due 2042

# Corning Incorporated

Corning Incorporated is offering an aggregate of $250,000,000 principal amount of 4.70% notes due 2037 (the 2037 notes ) and $500,000,000 principal amount of 4.75% notes due 2042 (the 2042 notes and, together with the 2037 notes, the notes ).

We will pay interest on the notes on March 15 and September 15 of each year, beginning on September 15, 2012. The 2037 notes will mature on March 15, 2037 and the 2042 notes will mature on March 15, 2042.

The 2037 notes and the 2042 notes are being offered separately, and are not part of a unit. The closing of the 2037 notes is not conditioned on the closing of the 2042 notes or vice-versa.

The notes are unsecured and rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. The notes will not be entitled to the benefit of any sinking fund and will not be listed on any securities exchange. There is no public market for the notes.

We may redeem the notes of each series at our option at any time, in whole or in part, at the redemption prices described in this prospectus supplement. See Description of the Notes Optional Redemption. If a change of control triggering event occurs, we will be required to make an offer to repurchase the notes for cash from the holders at a price equal to 101% of their aggregate principal amount, plus accrued and unpaid interest to, but not including, the date of repurchase. See Description of the Notes Repurchase Upon Change of Control Triggering Event.

**Investing in the notes involves risks. For a discussion of certain factors that should be considered, see Risk Factors beginning on page S-7 of this prospectus supplement.**

| | Total | Total |
|---|---|---|

| | Per 2037 Note | | Per 2042 Note | |
|---|---|---|---|---|
| Public offering price(1) | 99.864% | $ 249,660,000 | 99.853% | $ 499,265,000 |
| Underwriting discount | 0.875% | $ 2,187,500 | 0.875% | $ 4,375,000 |
| Proceeds, before expenses, to Corning Incorporated | 98.989% | $ 247,472,500 | 98.978% | $ 494,890,000 |

(1) Plus accrued interest, if any, from February 21, 2012, if settlement occurs after that date.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.**

The underwriters expect to deliver the notes to investors in book-entry form only through the facilities of The Depository Trust Company for the accounts of its direct and indirect participants (including Euroclear S.A./N.V., as operator of the Euroclear System, and Clearstream Banking S.A.) on or about February 21, 2012.

*Joint Book-Running Managers*

**J.P. Morgan** **Wells Fargo Securities**

*Senior Co-Manager*

**Deutsche Bank Securities**

*Co-Managers*

**BofA Merrill Lynch** **Citigroup** **Mitsubishi UFJ Securities**

**Prospectus Supplement dated February 15, 2012**

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**We have provided you only the information contained in this prospectus supplement, the accompanying prospectus and the documents we have incorporated by reference. We have not, and the underwriters have not, authorized anyone to provide you with different information. We are not, and the underwriters are not, making an offer of the notes in any state where the offer or sale is not permitted. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus or the information we have previously filed with the Securities and Exchange Commission that we incorporate by reference is accurate as of any date other than their respective dates. If information in this prospectus supplement updates information in the accompanying prospectus, the information in this prospectus supplement will apply and will supersede that information in the accompanying prospectus.**

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### Prospectus Supplement



### Prospectus

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## ABOUT THIS PROSPECTUS SUPPLEMENT

*In this prospectus supplement, the words Corning, Company, we, us, and our refer to Corning Incorporated and, unless the context indicate requires otherwise, do not refer to Corning s consolidated subsidiaries.*

This prospectus supplement contains the terms of this offering. This prospectus supplement, and the information incorporated by reference in the accompanying prospectus, may add, update or change information in the accompanying prospectus. If information in this prospectus supplement, or the information incorporated by reference in the accompanying prospectus, is inconsistent with the accompanying prospectus, this prospectus supplement, or the information incorporated by reference in the accompanying prospectus, will control and will supersede that information in the accompanying prospectus.

It is important for you to read and consider all information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents we have referred you to in Where You Can Find More Information in the accompanying prospectus.

No dealer, salesperson or other individual has been authorized to give any information or to make any representations other than those contained or incorporated by reference in this prospectus supplement or the accompanying prospectus and, if given or made, such information or representations must not be relied upon as having been authorized by Corning, the underwriters or any other person. Neither the delivery of this prospectus supplement and the accompanying prospectus nor any sale made hereunder or thereunder shall under any circumstances create an implication that there has been no change in the affairs of Corning since the date hereof or thereof or that the information contained herein or therein is correct as of any time subsequent to its date.

This prospectus supplement and the accompanying prospectus do not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

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## FORWARD-LOOKING STATEMENTS

Some of the statements contained in this prospectus supplement and the accompanying prospectus are forward-looking statements. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and include estimates and assumptions related to economic, competitive and legislative developments. These estimates are subject to change and uncertainty which are, in many instances, beyond our control. There can be no assurance that future developments will be in accordance with management s expectations. Actual results could differ materially from those expected by us, depending on the outcome of various factors. These forward-looking statements involve risks and uncertainties that may cause the actual outcome to be materially different. Such risks and uncertainties include, but are not limited to:

- global business, financial, economic and political conditions;
- tariffs and import duties;
- currency fluctuations between the U.S. dollar and other currencies, primarily the Japanese yen, New Taiwan dollar, Euro, and Korean won;
- product demand and industry capacity;
- competitive products and pricing;
- availability and costs of critical components and materials;
- new product development and commercialization;
- order activity and demand from major customers;
- fluctuations in capital spending by customers;
- possible disruption in commercial activities due to terrorist activity, cyber attack, armed conflict, political or financial instability, natural disasters, or major health concerns;
- unanticipated disruption to equipment, facilities, or operations;
- facility expansions and new plant start-up costs;
- effect of regulatory and legal developments;

ability to pace capital spending to anticipated levels of customer demand;

credit rating and ability to obtain financing and capital on commercially reasonable terms;

adequacy and availability of insurance;

financial risk management;

acquisition and divestiture activities;

rate of technology change;

level of excess or obsolete inventory;

ability to enforce patents and protect intellectual property and trade secrets;

adverse litigation;

product and components performance issues;

retention of key personnel;

stock price fluctuations;

trends for the continued growth of the Company s businesses;

the ability of research and development projects to produce revenues in future periods;

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a downturn in demand or decline in growth rates for LCD glass substrates;

customer ability, most notably in the Display Technologies segment, to maintain profitable operations and obtain financing to fund their ongoing operations and manufacturing expansions and pay their receivables when due;

loss of significant customers;

fluctuations in supply chain inventory levels;

equity company activities, principally at Dow Corning Corporation and Samsung Corning Precision;

changes in tax laws and regulations;

changes in accounting rules and standards;

the potential impact of legislation, government regulations, and other government action and investigations;

temporary idling of capacity or delaying expansion;

the ability to implement productivity, consolidation and cost reduction efforts, and to realize anticipated benefits;

restructuring actions and charges; and

other risks detailed in Corning s SEC filings.

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## PROSPECTUS SUPPLEMENT SUMMARY

Because this is a summary, it does not contain all of the information that may be important to you. To understand the specific terms of the notes, you should read this prospectus supplement, the accompanying prospectus and the information incorporated by reference in the accompanying prospectus carefully.

### About the Company

Corning traces its origins to a glass business established in 1851. The present corporation was incorporated in the State of New York in December 1936. The Company s name was changed from Corning Glass Works to Corning Incorporated on April 28, 1989.

Corning is a global, technology-based corporation that operates in five reportable business segments: Display Technologies, Telecommunications, Environmental Technologies, Specialty Materials and Life Sciences. Corning manufactures and processes products at approximately 80 plants in 13 countries.

Corning s Display Technologies segment manufactures glass substrates for active matrix liquid crystal displays (LCDs), that are used primarily in notebook computers, flat panel desktop monitors and LCD televisions. Our Telecommunications segment produces optical fiber and cable, and hardware and equipment products for the worldwide telecommunications industry. Our Environmental Technologies segment manufactures ceramic substrates and filter products for emissions control in mobile and stationary applications around the world. The Specialty Materials segment manufactures products that provide more than 150 material formulations for glass, glass ceramics and fluoride crystals to meet demand for unique customer needs. Our Life Sciences segment manufactures general labware and equipment as well as tools for cell culture and bioprocess, genomics and proteomics, and high-throughput screening.

Our principal office is located at One Riverfront Plaza, Corning, New York 14831. Our telephone number is (607) 974-9000.

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**Summary of Certain Terms of the Notes**

| | |
|---|---|
| **Issuer** | Corning Incorporated |
| **Notes Offered** | $250,000,000 aggregate principal amount of 4.70% notes due 2037 (the 2037 notes ) and $500,000,000 aggregate principal amount of 4.75% notes due 2042 (the 2042 notes and, together with the 2037 notes, the notes ). |
| **Maturity Date** | The 2037 notes will mature on March 15, 2037. The 2042 notes will mature on March 15, 2042. |
| **Interest Rate** | The 2037 notes will bear interest at the rate of 4.70% per year and the 2042 notes will bear interest at the rate of 4.75% per year. |
| **Interest Payment Dates** | March 15 and September 15 of each year, beginning on September 15, 2012. |
| **Record Dates** | March 1 or September 1, as the case may be, of each year immediately preceding each interest payment date. |
| **Optional Redemption** | The notes of each series will be redeemable in whole at any time or in part from time to time, at the Company s option, at a redemption price equal to the greater of (i) 100% of the principal amount of the notes to be redeemed; or (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed discounted to the date of redemption on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the then current Treasury Rate plus 25 basis points for the 2037 Notes and 25 basis points for the 2042 Notes. The Company will pay accrued and unpaid interest on the principal amount to be redeemed to the date of redemption. See Description of the Notes Optional Redemption. |
| **Ranking** | The notes are unsecured and rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. |
| **Use of Proceeds** | We intend to use the net proceeds from the sale of the notes for general corporate purposes. See Use of Proceeds in this prospectus supplement. |
| **Certain Covenants** | The indenture governing the notes contains certain affirmative and negative covenants that, among other things, will:<br>limit, to the extent set forth in the accompanying prospectus, our ability and that of certain of our subsidiaries to grant liens under certain circumstances on stock or indebtedness of certain of our subsidiaries, or on certain of our properties or those of certain subsidiaries, to secure our debt or that of any other person without providing equal and ratable security for the notes; and<br>limit, to the extent set forth in the accompanying prospectus, our ability and that of certain of our subsidiaries to enter into sale/leaseback transactions.<br>In addition, while we are generally permitted to merge or consolidate with another entity or sell all our assets substantially as an entirety to another entity, we may not take these actions unless:<br>the successor firm that we merge with or consolidate into or to which we sell our assets substantially as an entirety, must agree to be legally responsible for the notes; |

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| | |
|---|---|
| | the successor firm must be organized as a corporation, partnership or trust under the laws of the United States, a state of the United States or the District of Columbia; and |
| | the merger, consolidation or sale of assets or other transactions must not cause an event of default and we must not be already in default, unless the transaction would cure such default. |
| **Further Issuances** | We may from time to time, without notice to or consent of the holders of either series of notes, issue further notes of a series ranking equally and ratably with the notes of such series. |
| **Repurchase Upon a Change of Control Triggering Event** | Upon the occurrence of a Change of Control Triggering Event, we will be required to make an offer to purchase the notes at a price equal to 101% of their principal amount plus accrued and unpaid interest to the date of repurchase. See Description of the Notes Repurchase Upon Change of Control Triggering Event. |
| **Form and Denominations** | The notes will initially be represented by one or more global securities registered in the name of a nominee of The Depository Trust Company, New York, New York ( DTC ). The notes will be issued in registered form only, without coupons, in denominations of $2,000 and integral multiples of $1,000 in excess thereof. |
| **Trustee** | The Bank of New York Mellon Trust Company, N.A. (successor to JPMorgan Chase Bank, N.A., formerly The Chase Manhattan Bank). |

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## RISK FACTORS

*You should consider carefully the following risks, together with the other information included or incorporated by reference in this prospectus supplement or the accompanying prospectus, before making a decision to participate in an offering for the sale of the notes. Additional risks and uncertainties not presently known to us, or that we currently deem immaterial, also may impair our business operations. We cannot assure you that any of the events discussed in the risk factors below will not occur. If they do, our business, financial condition or results of operations could be materially and adversely affected. In such case, the trading price of our securities, including the notes, could decline, and you might lose all or part of your investment.*

### Risks Relating to our Business

See the risk factors set forth in Corning s Annual Report on Form 10-K for the year ended December 31, 2011, which are incorporated by reference in the accompanying prospectus, for a discussion of certain risks relating to our business.

### Risks Relating to the Notes

***If an active trading market does not develop for the notes, you may be unable to sell your notes or to sell your notes at a price that you deem sufficient.***

Each series of notes is a new issue of securities for which there currently is no established trading market. We do not intend to list the notes on a national securities exchange. While the underwriters of the notes have advised us that they intend to make a market in the notes, the underwriters will not be obligated to do so and may stop their market-making at any time. We cannot assure you:

- that a market for the notes will develop or continue;
- as to the liquidity of any market that does develop; or
- as to your ability to sell any notes you may own, or the price at which you may be able to sell your notes.

***The notes are structurally subordinated to the indebtedness and other liabilities of our subsidiaries and our ability to service our debt is dependent on the performance of our subsidiaries.***

The notes are our obligations exclusively and are not guaranteed by any of our subsidiaries. Accordingly, the notes are structurally subordinated to the liabilities, including trade payables, lease commitments and moneys borrowed, of our subsidiaries. In addition, the indenture governing the notes does not contain any limitation on the amount of liabilities, such as trade payables, that may be incurred by our subsidiaries. Moreover, our right to receive assets of any subsidiary upon its liquidation or reorganization, and the ability of holders of the notes to benefit indirectly from those assets, will be effectively subordinated to the claims of creditors, including trade creditors, of that subsidiary.

A majority of our operations are conducted through our subsidiaries. We expect that payments of interest and principal that we make on the notes will be made only to the extent that our operating subsidiaries can distribute cash or other property to us. Our subsidiaries are separate legal entities that have no obligation to pay any amounts due under the notes or to make any funds available to us for that purpose, whether by dividends, loans or other payments.

***The indenture does not restrict the amount of additional debt that we may incur.***

The notes and the indenture under which the notes will be issued do not place any limitation on the amount of unsecured debt that may be incurred by us. Our incurrence of additional debt may have important

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consequences for you as a holder of the notes, including making it more difficult for us to satisfy our obligations with respect to the notes, a loss in the trading value of your notes, if any, and a risk that the credit rating of the notes is lowered or withdrawn.

***We may not be able to repurchase the notes upon a change of control, which would result in a default under the notes.***

Upon the occurrence of specific kinds of change of control events, if the notes cease to be rated investment grade by the rating agencies, and unless we have previously exercised our right to redeem the notes, each holder of notes will have the right to require us to repurchase all or any part of such holder s notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of repurchase. If we experience a Change of Control Triggering Event (as defined in Description of the Notes Repurchase Upon Change of Control Triggering Event ), there can be no assurance that we would have sufficient financial resources available to satisfy our obligations to repurchase the notes. The terms of our other existing credit facilities and other financing arrangements may require repayment of amounts outstanding in the event of a change of control and limit our ability to fund the repurchase of notes in certain circumstances. Our failure to purchase the notes as required by their terms would result in a default under the indenture, which could have material adverse consequences for us and the holders of the notes and could lead to a cross-default under the terms of our existing and future indebtedness. See Description of the Notes Repurchase Upon Change of Control Triggering Event.

***The provisions in the indenture and the notes relating to change of control transactions will not necessarily afford you protection in the event of a highly leveraged transaction.***

The provisions in the indenture and the notes relating to change of control transactions will not necessarily afford you protection in the event of a highly leveraged transaction that may adversely affect you, including a reorganization, restructuring, merger or other similar transaction involving us. These transactions may not involve a change in voting power or beneficial ownership or, even if they do, may not involve a change of the magnitude or on the terms required under the definition of Change of Control Triggering Event.

***Changes in our credit ratings or the debt markets could adversely affect the price of the notes.***

The price at which the notes may be sold depends on many factors, including:

- our credit ratings with major credit rating agencies;
- the prevailing interest rates being paid by, or the market price for the notes issued by, other comparable companies or companies in similar industries to us;
- our financial condition, financial performance and future prospects;
- the overall condition of the financial markets; and
- the market, if any, for the notes.

Financial market conditions and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Such fluctuations could have an adverse effect on the price of the notes. In addition, credit rating agencies periodically review their ratings and ratings outlook for various companies, including us. The credit rating agencies evaluate our industry as a whole, our competitors and various markets in which we compete, and may change their credit rating for us based on their view of these factors. A negative change in our rating or outlook could have an adverse effect on the price of the notes.

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## USE OF PROCEEDS

We estimate that the net proceeds from the sale of the notes offered by this prospectus supplement will be approximately $742 million after deducting the underwriting discount and the estimated offering expenses we will pay.

We estimate that our share of the total expenses of this offering, excluding the underwriting discount, will be approximately $400,000 and is payable by us.

We intend to use the net proceeds of this offering for general corporate purposes. General corporate purposes may include repayment or reduction of outstanding debt, financing acquisitions, repurchase of Corning common stock, additions to working capital, capital expenditures and investments. We may invest the net proceeds from the sale of any securities pending their use for other specified purposes.

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## CAPITALIZATION

The following table sets forth our capitalization on a consolidated basis as of December 31, 2011. We have presented our capitalization:

on an actual basis; and

on an as adjusted basis to reflect the issuance of the notes offered hereby.

You should read the following table along with our financial statements and the accompanying notes to those statements, together with management s discussion and analysis of financial condition and results of operations, set forth in our annual report on Form 10-K for the year ended December 31, 2011, as well as other filings and reports that we have incorporated by reference in the accompanying prospectus.

| | December 31, 2011 | |
|---|---|---|
| | Actual | As Adjusted |
| | (in millions, except share and per share amounts) | |
| Cash, cash equivalents, and short-term investments | $ 5,825 | $ 6,567 |
| Current maturities of long-term debt | $ 27 | $ 27 |
| Long-term debt excluding current maturities | 2,364 | 2,364 |
| 4.70% Notes due 2037 | | 250 |
| 4.75% Notes due 2042 | | 500 |
| Total long-term debt excluding current maturities | 2,364 | 3,114 |
| Shareholders equity: | | |
| Common Stock par value $0.50 per share; shares authorized: 3.8 billion; shares issued: 1,6365 million | 818 | 818 |
| Additional paid-in capital | 13,041 | 13,041 |
| Retained earnings | 9,332 | 9,332 |
| Treasury stock, at cost; Shares held: 121 million | (2,024) | (2,024) |
| Accumulated other comprehensive (loss) | (89) | (89) |
| Total Corning Incorporated shareholders equity | 21,078 | 21,078 |
| Noncontrolling interests | 51 | 51 |
| Total equity | 21,129 | 21,129 |
| **Total Capitalization** | $ 23,493 | $ 24,243 |

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## RATIO OF EARNINGS TO FIXED CHARGES

The ratio of earnings to fixed charges for each of the periods indicated is as follows:

| | Fiscal years ended December 31, | | | | |
|---|---|---|---|---|---|
| | **2011** | **2010** | **2009** | **2008** | **2007** |
| Ratio of earnings to fixed charges | 16.2x | 25.0x | 10.3x | 19.7x | 15.3x |

For purposes of computing the ratio of earnings to fixed charges, earnings consist of income from continuing operations before taxes on income, and are adjusted for (i) equity earnings of equity affiliates; (ii) distributed income of equity investees; (iii) amortization of previously capitalized interest; (iv) net income attributable to non-controlling interests; and (v) fixed charges net of capitalized interest.