

First Quarter 2008 Business Results

Performance Marked by Global Growth in Composites

Mike Thaman, Chairman & CEO

Duncan Palmer, CFO

May 7, 2008



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Forward-Looking Statements and Non-GAAP Measures

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those projected in these statements. Such factors include competitive factors, pricing pressures, availability and cost of energy and materials, acquisitions and achievement of expected synergies therefrom, general economic conditions and factors detailed from time to time in the Company's Securities and Exchange Commission filings. The information in this presentation speaks as of the date May 7, 2008 and is subject to change. The Company does not undertake any duty to update or revise forward-looking statements. Any distribution of this presentation after that date is not intended and will not be construed as updating or confirming such information.

Additional Company information is available on the Owens Corning Web site: www.owenscorning.com.

Certain data included within this presentation contains "non-GAAP financial measures" as defined by the Securities and Exchange Commission. A reconciliation of these non-GAAP financial measures to their most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles can be found in our Current Report on Form 8-K filed with the Securities and Exchange Commission on May 7, 2008.



First Quarter 2008 Business Results Today's Presentation

- **The Quarter in Review** **Mike Thaman**
- **Q1 2008 Financial Results** **Duncan Palmer**
- **Questions & Discussion** **All**
- **Closing Remarks** **Mike Thaman**



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Q1 '08 Results Consistent with Expectations

- **Actions taken**

- Reduced accidents by 52%
- Fully implemented \$100 million cost-reduction program
- Completed divestitures in Europe
- Composite margins approaching 10%
- On track to achieve \$30 million in synergies in Composites
- Programs in place to reduce our leased precious metals

- **Confident in adjusted EBIT of \$240 million in 2008**

- **Building materials**

- Insulation business made money; expected to be profitable in '08
- Energy efficiency is a near- and long-term opportunity
- Roofing & Asphalt will return to profitability in Q2 on improved selling prices, storm demand and productivity

- **We are focused on profitable growth at Owens Corning**



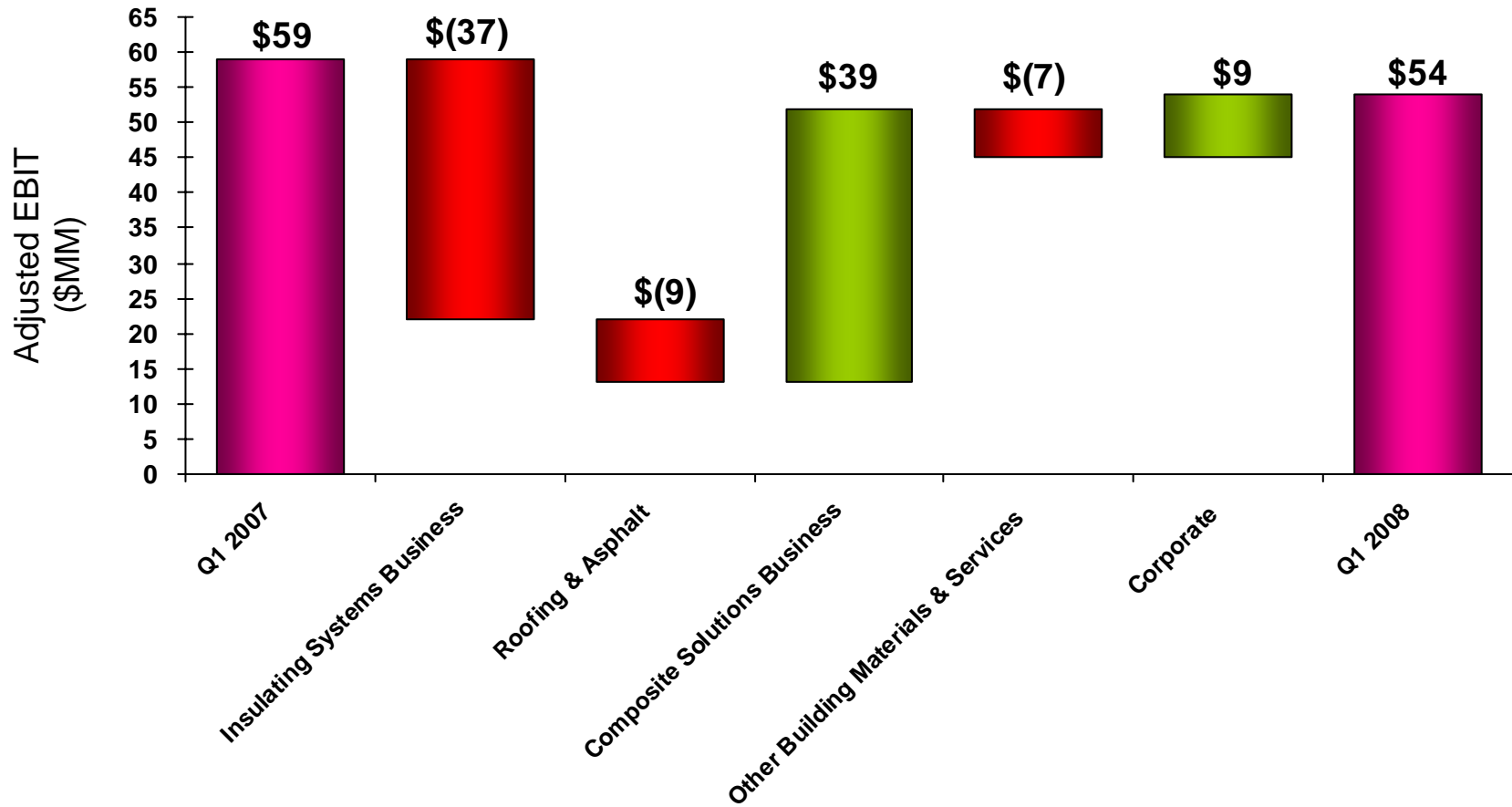
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Key Financial Data

(in millions, except per share data)	Q1-2008	Q1-2007
Net sales	1,353	1,124
Net earnings (loss)	(15)	1
Earnings (loss) from continuing operations	(15)	-
Earnings from discontinued operations	-	1
Reported EPS (diluted) from continuing operations	(0.12)	-
Reported EPS (diluted) from discontinued operations	-	0.01
EBIT from continuing operations	19	32
Adjusted EBIT from continuing operations	54	59
Adjusted EPS from continuing operations	0.07	0.13
Adjusted EBIT as a % of sales	4%	5%
Marketing and administrative expenses	142	127
D&A from continuing operations	77	77
Debt, net of cash	2,065	1,970

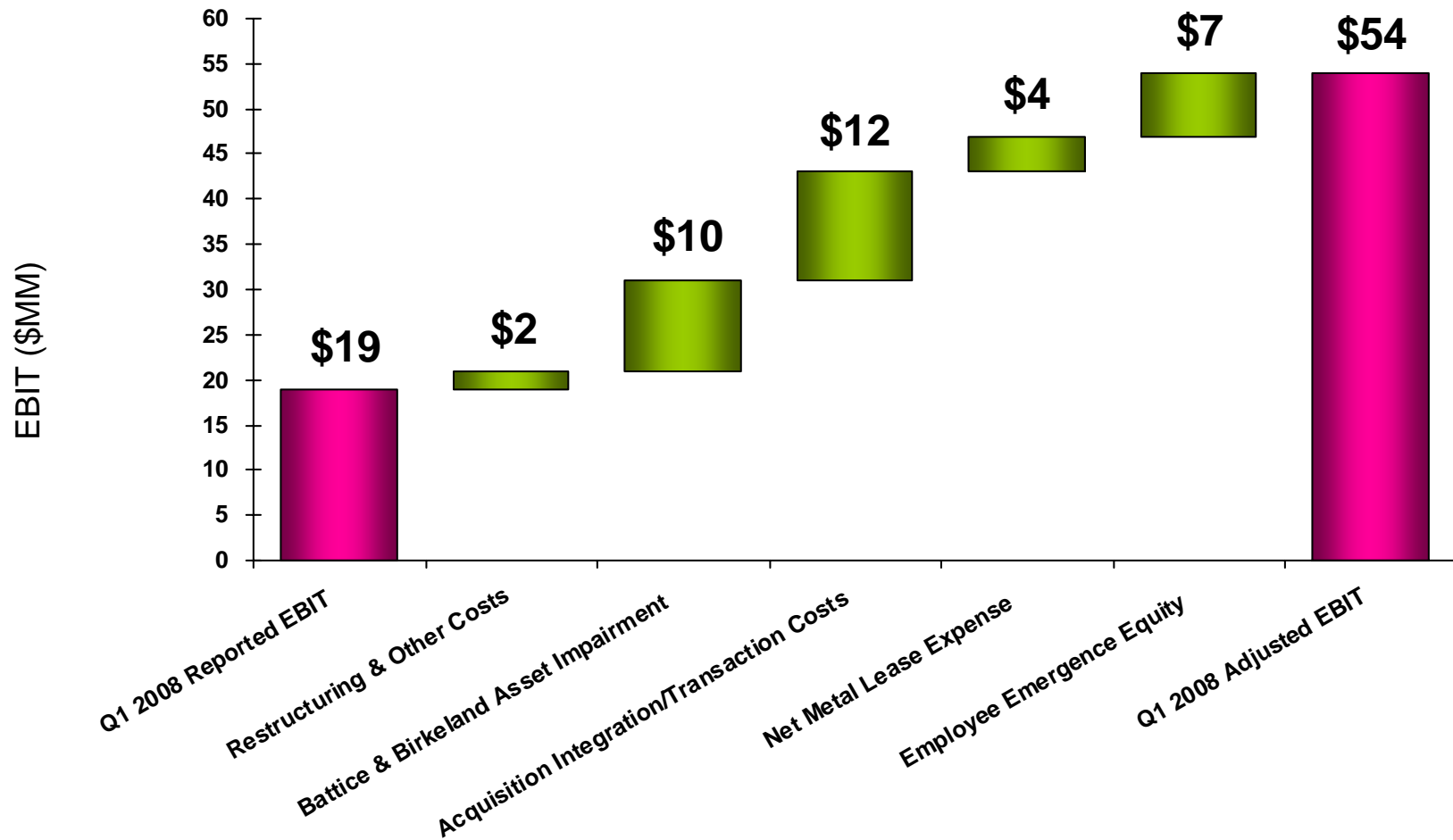


Adjusted EBIT by Business Segment Q1 2007 Compared with Q1 2008





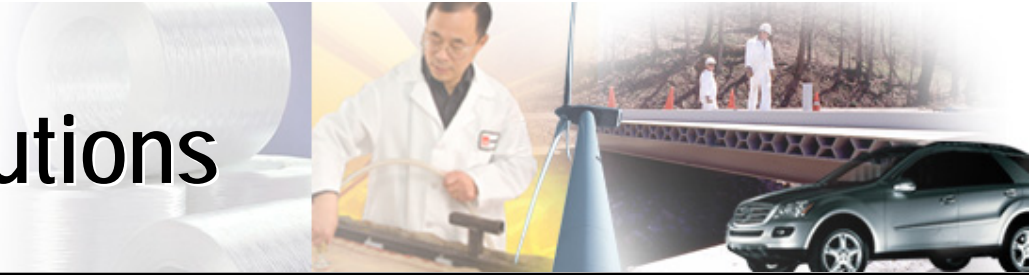
Q1 2008 Reconciliation from Reported to Adjusted EBIT





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Composite Solutions

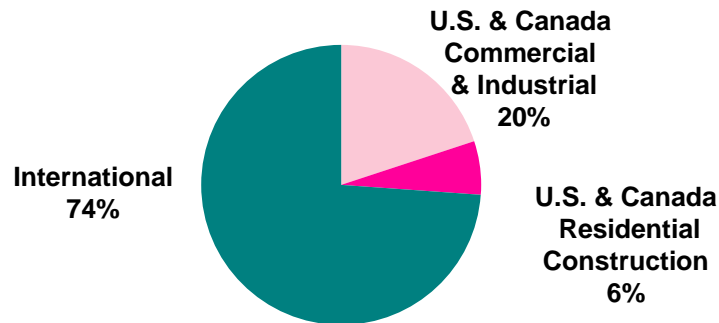


Q1 2008 Highlights

- Sales up 82% and EBIT up 156% year-over-year, primarily due to acquisition
- Volume & selling prices up, improved productivity
- Currency translation favorable
- Inflation not fully offset by higher prices

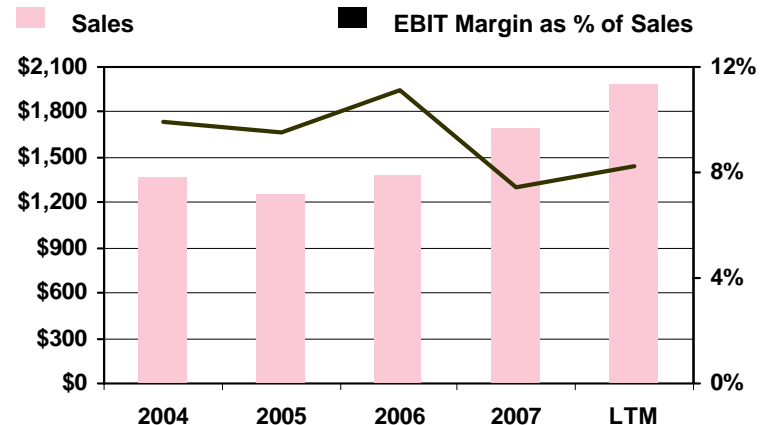
(\$in Millions)	Q1 2008	Q1 2007	% Change
Net sales	666	366	82%
EBIT	64	25	156%
EBIT as % of sales	10%	7%	
EBIT as % of all segments	107%	34%	
D&A	30	27	11%

Q1 2008 Revenue by End Market



Company estimates

Four-year and LTM Financial Performance*



*Includes gains from the sale of metal (\$45 million in 2006, \$7 million in 2005) 2004 is not recast for the effect of discontinued operations



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Insulating Systems

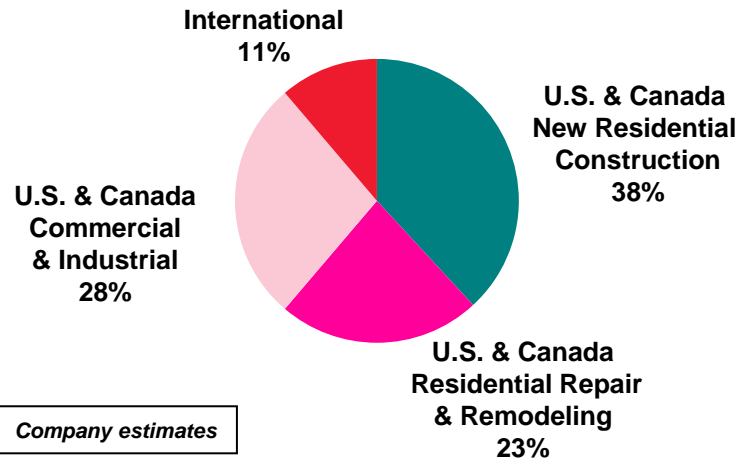


Q1 2008 Highlights

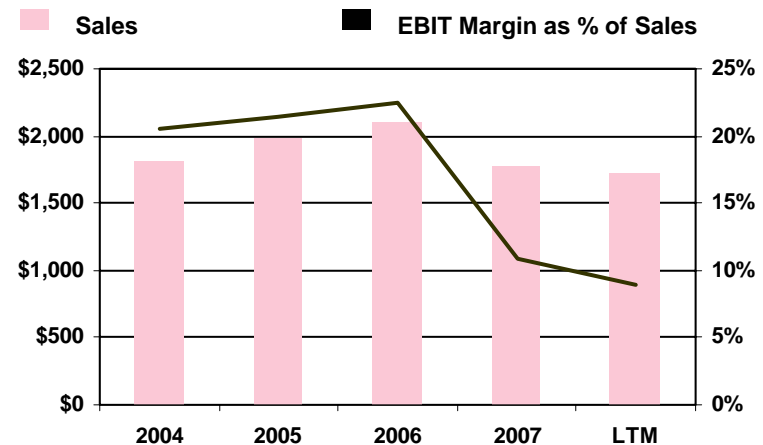
- **Profitable in a difficult U.S. housing market; sales down 11% year-over-year**
- **Two-thirds of decline due to lower volume and mix, one-third due to price erosion**
- **EBIT declines due to lower selling prices, idle facility cost, inflation and lower volumes**
- **Commercial & industrial demand holding**

(\$in Millions)	Q1 2008	Q1 2007	% Change
Net sales	373	419	(11)%
EBIT	16	53	(70)%
EBIT as % of sales	4%	13%	
EBIT as % of all segments	26%	72%	
D&A	30	30	N/C

Q1 2008 Revenue by End Market



Four-year and LTM Financial Performance





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Roofing & Asphalt

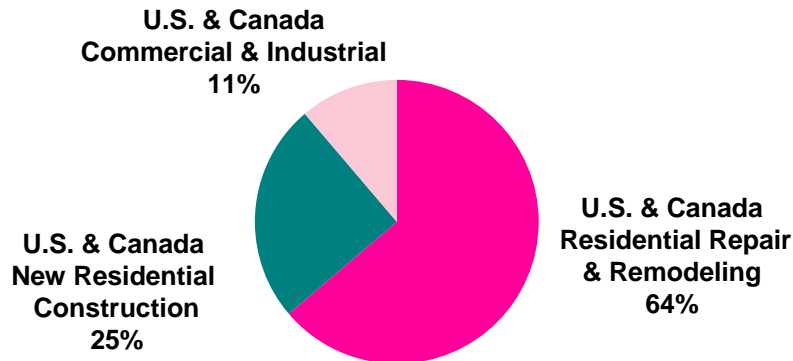


Q1 2008 Highlights

- Sales year-over-year unchanged
- Asphalt prices escalating, leading to greater year-over-year EBIT loss
- Selling price increases announced, which will benefit Q2 performance
- Spring storms add to demand in Q2

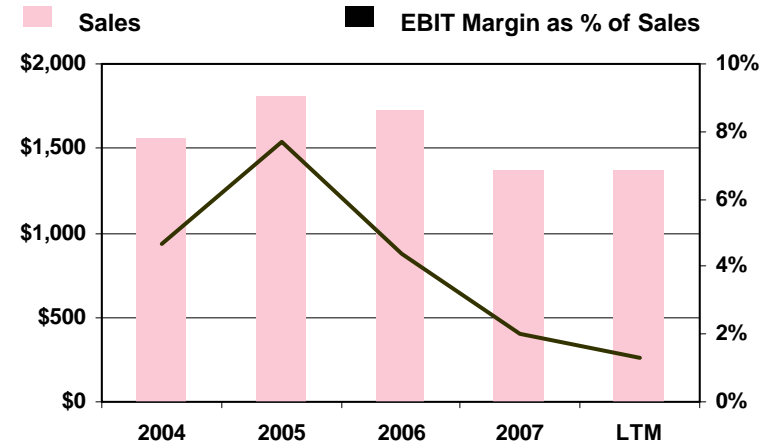
(\$in Millions)	Q1 2008	Q1 2007	% Change
Net sales	306	306	N/C
EBIT	(17)	(8)	(113)%
EBIT as % of sales	(6)%	(3)%	
EBIT as % of all segments	(28)%	(11)%	
D&A	10	10	N/C

Q1 2008 Revenue by End Market



Company estimates

Four-Year and LTM Financial Performance





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Other Building Materials & Services

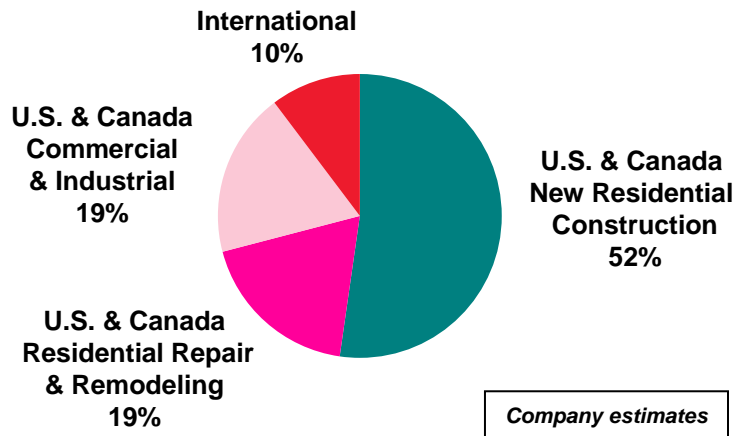


Q1 2008 Highlights

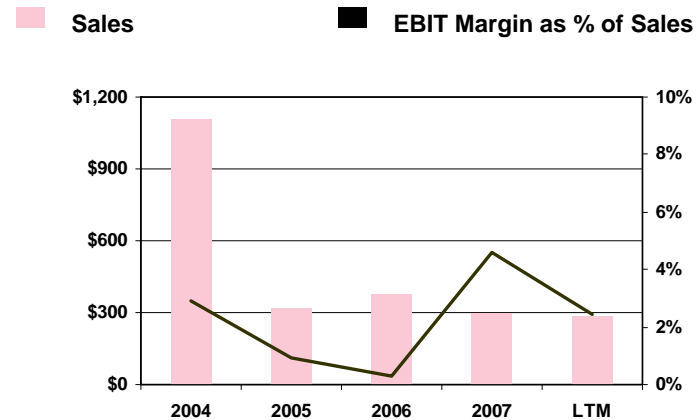
- **Masonry products facing weak construction-related demand**
- **Basement finishing and SunSuites™ demand down due to weak consumer credit markets and decline in home values**

(\$in Millions)	Q1 2008	Q1 2007	% Change
Net sales	53	69	(23)%
EBIT	(3)	4	(175)%
EBIT as % of sales	(6)%	6%	
EBIT as % of all segments	(5)%	5%	
D&A	3	2	50%

Q1 2008 Revenue by End Market



Four-Year and LTM Financial Performance*



* 2004 not recast for the effect of discontinued operations



Other Items: Share Repurchase, Taxes & Liquidity

- **Board of directors authorization for repurchase of up to 5 percent of Company's stock remains in place – none repurchased through Q1 2008**
- **Taxes**
 - U.S. cash tax rate will be less than 2 percent
 - Overall cash taxes paid in 2008 will be less than \$40 million paid in 2007
 - Effective tax rate for U.S. operations will be about 35 percent
 - Effective tax rate for non-U.S. will be less than 25 percent
 - Blended rate may vary quarter to quarter
- **Our liquidity position remains strong**

Questions & Discussion

Mike Thaman, Chairman & CEO

Duncan Palmer, CFO

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