

FINANCIAL INFORMATION**October 29, 2026**

For Eastman Chemical Company Third Quarter and Full Year 2026 Financial Results Release

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Table 1 – Statements of Earnings

	Third Quarter		First Nine Months	
	2026	2025	2026	2025
(Dollars in millions, except per share amounts; unaudited)				
Sales	\$ 2,385	\$ 2,202	\$ 7,075	\$ 6,779
Cost of sales ⁽¹⁾⁽²⁾	1,853	1,769	5,552	5,273
Gross profit	532	433	1,523	1,506
Selling, general, and administrative expenses	171	160	534	499
Research and development expenses	63	63	188	197
Asset impairments, restructuring, and other charges, net	—	20	10	42
Other components of post-employment (benefit) cost, net	(17)	(1)	(50)	(4)
Other (income) charges, net	10	3	37	60
Earnings before interest and taxes	305	188	804	712
Net interest expense	56	54	163	156
Earnings before income taxes	249	134	641	556
(Benefit from) provision for income taxes ⁽³⁾	(4)	65	97	164
Net earnings	253	69	544	392
Less: Net earnings attributable to noncontrolling interest	1	—	2	1
Net earnings attributable to Eastman	<u>\$ 252</u>	<u>\$ 69</u>	<u>\$ 542</u>	<u>\$ 391</u>
Basic earnings per share attributable to Eastman	<u>\$ 2.21</u>	<u>\$ 0.60</u>	<u>\$ 4.75</u>	<u>\$ 3.41</u>
Diluted earnings per share attributable to Eastman	<u>\$ 2.19</u>	<u>\$ 0.60</u>	<u>\$ 4.70</u>	<u>\$ 3.38</u>
Shares (in millions) outstanding at end of period	114.4	114.1	114.4	114.1
Shares (in millions) used for earnings per share calculation				
Basic	114.3	114.4	114.3	114.9
Diluted	115.3	115.4	115.3	116.0

⁽¹⁾ First nine months 2026 included inventory adjustment charges of \$3 million related to the closure of a production line at a German performance films facility in the Advanced Materials ("AM") segment.

⁽²⁾ Third quarter and first nine months 2025 included inventory adjustment charges of \$2 million related to the decommissioning of certain assets at performance films facilities in North America.

⁽³⁾ Third quarter and first nine months 2025 provision for income taxes have been revised as a result of a correction of an item in the third quarter 2025 provision for income tax. Full year 2025 provision for income taxes was not impacted.

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Table 2A – Segment Sales Information

	Third Quarter		First Nine Months	
	2026	2025	2026	2025
(Dollars in millions, unaudited)				
Sales by Segment				
Advanced Materials	\$ 762	\$ 728	\$ 2,294	\$ 2,224
Additives & Functional Products	784	716	2,330	2,218
Chemical Intermediates	580	499	1,718	1,507
Fibers	255	254	723	816
Total Sales by Segment	2,381	2,197	7,065	6,765
Other	4	5	10	14
Total Eastman Chemical Company	<u>\$ 2,385</u>	<u>\$ 2,202</u>	<u>\$ 7,075</u>	<u>\$ 6,779</u>

	Second Quarter
	2026
(Dollars in millions, unaudited)	
Sales by Segment	
Advanced Materials	\$ 817
Additives & Functional Products	807
Chemical Intermediates	643
Fibers	243
Total Sales by Segment	2,510
Other	3
Total Eastman Chemical Company	<u>\$ 2,513</u>

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Table 2B – Sales Revenue Change

Third Quarter 2026 Compared to Third Quarter 2025				
(Unaudited)	Change in Sales Revenue Due To			
	Revenue % Change	Volume / Product Mix Effect	Price Effect	Exchange Rate Effect
Advanced Materials	5 %	— %	4 %	1 %
Additives & Functional Products	9 %	(1) %	10 %	— %
Chemical Intermediates	16 %	4 %	12 %	— %
Fibers	— %	4 %	(4) %	— %
Total Eastman Chemical Company	8 %	1 %	7 %	— %

First Nine Months 2026 Compared to First Nine Months 2025				
(Unaudited)	Change in Sales Revenue Due To			
	Revenue % Change	Volume / Product Mix Effect	Price Effect	Exchange Rate Effect
Advanced Materials	3 %	1 %	— %	2 %
Additives & Functional Products	5 %	(1) %	4 %	2 %
Chemical Intermediates	14 %	8 %	5 %	1 %
Fibers	(11) %	(7) %	(4) %	— %
Total Eastman Chemical Company	4 %	1 %	2 %	1 %

Third Quarter 2026 Compared to Second Quarter 2026				
(Unaudited)	Change in Sales Revenue Due To			
	Revenue % Change	Volume / Product Mix Effect	Price Effect	Exchange Rate Effect
Advanced Materials	(7) %	(10) %	3 %	— %
Additives & Functional Products	(3) %	(7) %	4 %	— %
Chemical Intermediates	(10) %	(7) %	(3) %	— %
Fibers	5 %	3 %	2 %	— %
Total Eastman Chemical Company	(5) %	(7) %	2 %	— %

Table 2C – Sales by Customer Location

(Dollars in millions, unaudited)	Third Quarter		First Nine Months	
	2026	2025	2026	2025
Sales by Customer Location				
United States and Canada	\$ 1,094	\$ 972	\$ 3,231	\$ 2,955
Europe, Middle East, and Africa	609	563	1,811	1,783
Asia Pacific	535	534	1,613	1,656
Latin America	147	133	420	385
Total Eastman Chemical Company	<u>\$ 2,385</u>	<u>\$ 2,202</u>	<u>\$ 7,075</u>	<u>\$ 6,779</u>

**Table 3A - Segment, Other, and Company
Non-GAAP Earnings (Loss) Before Interest and Taxes Reconciliations ⁽¹⁾**

	Third Quarter		First Nine Months	
	2026	2025	2026	2025
(Dollars in millions, unaudited)				
Advanced Materials				
Earnings before interest and taxes	\$ 103	\$ 41	\$ 272	\$ 278
Cost of sales impact from restructuring activities ⁽²⁾	—	2	3	2
Asset impairments, restructuring, and other charges, net ⁽²⁾	—	10	6	10
Excluding non-core items	103	53	281	290
Additives & Functional Products				
Earnings before interest and taxes	154	128	447	418
Asset impairments, restructuring, and other charges, net	—	—	—	4
Excluding non-core items	154	128	447	422
Chemical Intermediates				
Earnings (loss) before interest and taxes	35	1	75	(10)
Fibers				
Earnings before interest and taxes	52	67	133	236
Other				
Loss before interest and taxes	(39)	(49)	(123)	(210)
Asset impairments, restructuring, and other charges net ⁽³⁾	—	10	4	28
Environmental and other costs ⁽⁴⁾	—	—	8	40
Excluding non-core items	(39)	(39)	(111)	(142)
Total Eastman Chemical Company				
Earnings before interest and taxes	305	188	804	712
Cost of sales impact from restructuring activities	—	2	3	2
Asset impairments, restructuring, and other charges, net	—	20	10	42
Environmental and other costs	—	—	8	40
Total earnings before interest and taxes excluding non-core items	\$ 305	\$ 210	\$ 825	\$ 796
Company Non-GAAP Earnings Before Interest and Taxes Reconciliations by Line Items				
Earnings before interest and taxes	\$ 305	\$ 188	\$ 804	\$ 712
Cost of sales impact from restructuring activities	—	2	3	2
Asset impairments, restructuring, and other charges, net	—	20	10	42
Other (income) charges, net	—	—	8	40
Total earnings before interest and taxes excluding non-core items	\$ 305	\$ 210	\$ 825	\$ 796

⁽¹⁾ See "Management's Discussion and Analysis of Financial Condition and Results of Operations" of the [Quarterly Report on Form 10-Q](#) for third quarter 2025 for description of third quarter and first nine months 2025 non-core items.

⁽²⁾ First nine months 2026 included inventory adjustment charges of \$3 million, severance charges of \$3 million, and restructuring charges of \$3 million related to the closure of a production line at a German performance films facility in the AM segment.

⁽³⁾ First nine months 2026 included severance charges related to corporate cost reduction initiatives reported in "Other."

⁽⁴⁾ First nine months 2026 included environmental and other costs from previously divested or non-operational sites and product lines, which included associated gains and losses.

**Table 3A - Segment, Other, and Company
Non-GAAP Earnings (Loss) Before Interest and Taxes Reconciliations (continued) ⁽¹⁾**

	Second Quarter 2026
(Dollars in millions, unaudited)	
Advanced Materials	
Earnings before interest and taxes	\$ 109
Additives & Functional Products	
Earnings before interest and taxes	151
Chemical Intermediates	
Earnings before interest and taxes	58
Fibers	
Earnings before interest and taxes	36
Other	
Loss before interest and taxes	(43)
Asset impairments, restructuring, and other charges net	1
Environmental and other costs	8
Excluding non-core items	(34)
Total Eastman Chemical Company	
Earnings before interest and taxes	311
Asset impairments, restructuring, and other charges, net	1
Environmental and other costs	8
Total earnings before interest and taxes excluding non-core items	<u>\$ 320</u>
Company Non-GAAP Earnings Before Interest and Taxes Reconciliations by Line Items	
Earnings before interest and taxes	\$ 311
Asset impairments, restructuring, and other charges, net	1
Other (income) charges, net	8
Total earnings before interest and taxes excluding non-core items	<u>\$ 320</u>

⁽¹⁾ For description of second quarter 2026 non-core items, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" of the [Quarterly Report on Form 10-Q](#) for second quarter 2026.

Table 3B - Segment Non-GAAP Earnings (Loss) Before Interest and Taxes Margins ⁽¹⁾⁽²⁾

	Third Quarter				First Nine Months			
	2026		2025		2026		2025	
	Adjusted EBIT	Adjusted EBIT Margin	Adjusted EBIT	Adjusted EBIT Margin	Adjusted EBIT	Adjusted EBIT Margin	Adjusted EBIT	Adjusted EBIT Margin
(Dollars in millions, unaudited)								
Advanced Materials	\$ 103	13.5 %	\$ 53	7.3 %	\$ 281	12.2 %	\$ 290	13.0 %
Additives & Functional Products	154	19.6 %	128	17.9 %	447	19.2 %	422	19.0 %
Chemical Intermediates	35	6.0 %	1	0.2 %	75	4.4 %	(10)	(0.7)%
Fibers	52	20.4 %	67	26.4 %	133	18.4 %	236	28.9 %
Total segment EBIT excluding non-core items	344	14.4 %	249	11.3 %	936	13.2 %	938	13.9 %
Other	(39)		(39)		(111)		(142)	
Total EBIT excluding non-core items	<u>\$ 305</u>	12.8 %	<u>\$ 210</u>	9.5 %	<u>\$ 825</u>	11.7 %	<u>\$ 796</u>	11.7 %

	Second Quarter	
	2026	
	Adjusted EBIT	Adjusted EBIT Margin
(Dollars in millions, unaudited)		
Advanced Materials	\$ 109	13.3 %
Additives & Functional Products	151	18.7 %
Chemical Intermediates	58	9.0 %
Fibers	36	14.8 %
Total segment EBIT excluding non-core items	354	14.1 %
Other	(34)	
Total EBIT excluding non-core items	<u>\$ 320</u>	12.7 %

⁽¹⁾ For identification of excluded non-core items and reconciliations to GAAP EBIT, see [Table 3A](#).

⁽²⁾ Adjusted EBIT margin is non-GAAP EBIT divided by GAAP sales. See [Table 2A](#) for sales.

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Table 4A – Non-GAAP Earnings Before Interest and Taxes, Net Earnings, and Earnings Per Share Reconciliations

	Third Quarter 2026					
	Earnings Before Interest and Taxes	Earnings Before Income Taxes	(Benefit from) Provision for Income Taxes	Effective Income Tax Rate	Net Earnings Attributable to Eastman	
					After Tax	Per Diluted Share
(Dollars in millions, except per share amounts, unaudited)						
As reported (GAAP)	\$ 305	\$ 249	\$ (4)	(2)%	\$ 252	\$ 2.19
Non-Core Items: ⁽¹⁾						
Interim adjustment to tax provision ⁽²⁾	—	—	39		(39)	(0.35)
Non-GAAP (Excluding non-core items and with adjusted provision for income taxes)	<u>\$ 305</u>	<u>\$ 249</u>	<u>\$ 35</u>	15 %	<u>\$ 213</u>	<u>\$ 1.84</u>
Third Quarter 2025						
	Earnings Before Interest and Taxes	Earnings Before Income Taxes	Provision for Income Taxes	Effective Income Tax Rate	Net Earnings Attributable to Eastman	
					After Tax	Per Diluted Share
(Dollars in millions, except per share amounts, unaudited)						
As reported (GAAP) ⁽³⁾	\$ 188	\$ 134	\$ 65	49 %	\$ 69	\$ 0.60
Non-Core or Unusual Items: ⁽¹⁾						
Cost of sales impact from restructuring activities	2	2	1		1	0.01
Asset impairments, restructuring, and other charges, net	20	20	5		15	0.13
Income tax related item ⁽⁴⁾	—	—	(22)		22	0.20
Interim adjustment to tax provision ⁽²⁾⁽³⁾	—	—	(25)		25	0.20
Non-GAAP (Excluding non-core and unusual items and with adjusted provision for income taxes)	<u>\$ 210</u>	<u>\$ 156</u>	<u>\$ 24</u>	16 %	<u>\$ 132</u>	<u>\$ 1.14</u>

- ⁽¹⁾ See [Table 3A](#) for description of third quarter 2026 and 2025 non-core items excluded from non-GAAP EBIT. Provision for income taxes for non-core items is calculated using the tax rate for the jurisdiction where the gains are taxable and the expenses are deductible.
- ⁽²⁾ The adjusted provision for income taxes for third quarter 2026 and 2025 is calculated applying the forecasted full year effective tax rate as shown in [Table 4B](#).
- ⁽³⁾ Third quarter 2025 provision for income taxes and interim adjustment to tax provision have been revised by offsetting amounts as a result of a correction of an item in the third quarter 2025 provision for income tax. Full year 2025 provision for income taxes was not impacted.
- ⁽⁴⁾ Third quarter 2025 included expense related to a prior tax law change.

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First Nine Months 2026

(Dollars in millions, except per share amounts, unaudited)

	Earnings Before Interest and Taxes	Earnings Before Income Taxes	Provision for Income Taxes	Effective Income Tax Rate	Net Earnings Attributable to Eastman	
					After Tax	Per Diluted Share
As reported (GAAP)	\$ 804	\$ 641	\$ 97	15 %	\$ 542	\$ 4.70
Non-Core or Unusual Items: ⁽¹⁾						
Cost of sales impact from restructuring activities	3	3	1		2	0.02
Asset impairments, restructuring, and other charges, net	10	10	3		7	0.06
Environmental and other costs	8	8	(1)		9	0.08
Income tax related item ⁽²⁾	—	—	(13)		13	0.11
Interim adjustment to tax provision ⁽³⁾	—	—	8		(8)	(0.07)
Non-GAAP (Excluding non-core and unusual items and with adjusted provision for income taxes)	<u>\$ 825</u>	<u>\$ 662</u>	<u>\$ 95</u>	15 %	<u>\$ 565</u>	<u>\$ 4.90</u>

First Nine Months 2025

(Dollars in millions, except per share amounts, unaudited)

	Earnings Before Interest and Taxes	Earnings Before Income Taxes	Provision for Income Taxes	Effective Income Tax Rate	Net Earnings Attributable to Eastman	
					After Tax	Per Diluted Share
As reported (GAAP) ⁽⁴⁾	\$ 712	\$ 556	\$ 164	30 %	\$ 391	\$ 3.38
Non-Core or Unusual Items: ⁽¹⁾						
Cost of sales impact from restructuring activities	2	2	1		1	0.01
Asset impairments, restructuring, and other charges, net	42	42	11		31	0.27
Environmental and other costs	40	40	9		31	0.26
Income tax related item ⁽²⁾	—	—	(22)		22	0.20
Interim adjustment to tax provision ⁽³⁾⁽⁴⁾	—	—	(64)		64	0.54
Non-GAAP (Excluding non-core and unusual items and with adjusted provision for income taxes)	<u>\$ 796</u>	<u>\$ 640</u>	<u>\$ 99</u>	16 %	<u>\$ 540</u>	<u>\$ 4.66</u>

- ⁽¹⁾ See [Table 3A](#) for description of first nine months 2026 and 2025 non-core items excluded from non-GAAP EBIT. Provision for income taxes for non-core items is calculated using the tax rate for the jurisdiction where the gains are taxable and the expenses are deductible.
- ⁽²⁾ First nine months 2026 and 2025 included expense related to a prior tax law change.
- ⁽³⁾ The adjusted provision for income taxes for first nine months 2026 and 2025 is calculated applying the forecasted full year effective tax rate as shown in [Table 4B](#).
- ⁽⁴⁾ First nine months 2025 provision for income taxes and interim adjustment to tax provision have been revised by offsetting amounts as a result of a correction of an item in the third quarter 2025 provision for income tax. Full year 2025 provision for income taxes was not impacted.

Table 4A – Non-GAAP Earnings Before Interest and Taxes, Net Earnings, and Earnings Per Share Reconciliations (continued)

	Second Quarter 2026					
	Earnings Before Interest and Taxes	Earnings Before Income Taxes	Provision for Income Taxes	Effective Income Tax Rate	Net Earnings Attributable to Eastman	
					After Tax	Per Diluted Share
(Dollars in millions, except per share amounts, unaudited)						
As reported (GAAP)	\$ 311	\$ 256	\$ 72	28 %	\$ 183	\$ 1.59
Non-Core or Unusual Items: ⁽¹⁾						
Asset impairments, restructuring, and other charges, net	1	1	—		1	0.01
Environmental and other costs	8	8	(1)		9	0.08
Income tax related item ⁽²⁾	—	—	(8)		8	0.07
Interim adjustment to tax provision ⁽³⁾	—	—	(26)		26	0.22
Non-GAAP (Excluding non-core and unusual items and with adjusted provision for income taxes)	<u>\$ 320</u>	<u>\$ 265</u>	<u>\$ 37</u>	15 %	<u>\$ 227</u>	<u>\$ 1.97</u>

⁽¹⁾ See [Table 3A](#) for description of second quarter 2026 non-core items excluded from non-GAAP EBIT. Provision for income taxes for non-core items is calculated using the tax rate for the jurisdiction where the gains are taxable and the expenses are deductible.

⁽²⁾ Second quarter 2026 included expense related to a prior tax law change.

⁽³⁾ The adjusted provision for income taxes for second quarter 2026 is calculated applying the forecasted full year effective tax rate as shown in [Table 4B](#).

Table 4B - Adjusted Effective Tax Rate Calculation

	First Nine Months ⁽¹⁾	
	2026	2025 ⁽⁵⁾
(Unaudited)		
Effective tax rate	15 %	30 %
Discrete tax items ⁽²⁾	(1)%	— %
Tax impact of current year non-core and unusual items ⁽³⁾	(1)%	(1)%
Changes in tax contingencies and valuation allowances	3 %	(1)%
Forecasted full year impact of expected tax events ⁽⁴⁾	(1)%	(12)%
Forecasted full year adjusted effective tax rate	<u>15 %</u>	<u>16 %</u>

⁽¹⁾ Effective tax rate percentages are rounded to the nearest whole percent. The forecasted full year effective tax rates are 14.5 percent and 15.5 percent in first nine months 2026 and 2025.

⁽²⁾ "Discrete tax items" are items that are excluded from the Company's estimated annual effective tax rate and recognized entirely in the quarter in which the item occurs. Discrete tax items for first nine months 2026 are related to share based compensation expense and adjustments to certain prior year tax returns.

⁽³⁾ Provision for income taxes for non-core and unusual items is calculated using the tax rate for the jurisdiction where the gains are taxable and the expenses are deductible.

⁽⁴⁾ Expected future tax events may include finalization of tax returns; federal, state, and foreign examinations or the expiration of statutes of limitation; and corporate restructurings.

⁽⁵⁾ Revised as a result of a correction of an item in the third quarter 2025 provision for income tax. Full year 2025 provision for income taxes was not impacted.

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Table 5 – Statements of Cash Flows

	Third Quarter		First Nine Months	
	2026	2025	2026	2025
(Dollars in millions, unaudited)				
Operating activities				
Net earnings ⁽¹⁾	\$ 253	\$ 69	\$ 544	\$ 392
Adjustments to reconcile net earnings to net cash used in operating activities:				
Depreciation and amortization	134	129	397	382
Provision for deferred income taxes	55	87	65	39
Changes in operating assets and liabilities, net of effect of acquisitions and divestitures:				
(Increase) decrease in trade receivables	37	52	(332)	(131)
(Increase) decrease in inventories	(83)	204	(229)	73
Increase (decrease) in trade payables	(85)	(120)	—	(275)
Pension and other postretirement contributions (in excess of) less than expenses	(19)	(11)	(67)	(28)
Variable compensation payments (in excess of) less than expenses	55	26	77	(60)
Other items, net ⁽¹⁾	(57)	(34)	(78)	76
Net cash provided by operating activities	290	402	377	468
Investing activities				
Additions to properties and equipment	(95)	(137)	(298)	(434)
Government incentives	—	—	3	14
Other items, net	(1)	—	(4)	5
Net cash used in investing activities	(96)	(137)	(299)	(415)
Financing activities				
Net (decrease) increase in commercial paper and other borrowings	—	(54)	—	290
Proceeds from borrowings	—	—	594	246
Repayment of borrowings	—	—	(150)	(550)
Dividends paid to stockholders	(96)	(96)	(288)	(287)
Treasury stock purchases	—	(50)	—	(100)
Other items, net	(21)	(1)	(32)	(14)
Net cash (used in) provided by financing activities	(117)	(201)	124	(415)
Effect of exchange rate changes on cash and cash equivalents	—	2	—	14
Net change in cash and cash equivalents	77	66	202	(348)
Cash and cash equivalents at beginning of period	691	423	566	837
Cash and cash equivalents at end of period	<u>\$ 768</u>	<u>\$ 489</u>	<u>\$ 768</u>	<u>\$ 489</u>

⁽¹⁾ Third quarter and first nine months 2025 net earnings and other items, net have been revised by offsetting amounts as a result of a correction of an item in the third quarter 2025 provision for income tax. Full year 2025 provision for income taxes was not impacted.

Table 6 – Total Borrowings to Net Debt Reconciliations

	September 30,	December 31,
	2026	2025
(Dollars in millions, unaudited)		
Total borrowings	\$ 5,218	\$ 4,787
Less: Cash and cash equivalents	768	566
Net debt ⁽¹⁾	\$ 4,450	\$ 4,221

⁽¹⁾ Included a non-cash decrease of \$18 million in 2026 and a non-cash increase of \$68 million in 2025 resulting from foreign currency exchange rates.