FINANCIAL INFORMATION
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For Eastman Chemical Company First Quarter and Full Year 2026 Financial Results Release

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Table 1 – Statements of Earnings

(Dollars in millions, except per share amounts; unaudited)	First Quarter 2026	First Quarter 2025
Sales	$ 2,177	$ 2,290
Cost of sales [1]	1,746	1,723
Gross profit	431	567
Selling, general and administrative expenses	178	182
Research and development expenses	60	67
Asset impairments, restructuring, and other charges, net	9	9
Other components of post-employment (benefit) cost, net	(17)	(1)
Other (income) charges, net	13	8
Earnings before interest and taxes	188	302
Net interest expense	52	49
Earnings before income taxes	136	253
Provision for income taxes	29	70
Net earnings	107	183
Less: Net earnings attributable to noncontrolling interest	—	1
Net earnings attributable to Eastman	$ 107	$ 182
Basic earnings per share attributable to Eastman	$ 0.93	$ 1.58
Diluted earnings per share attributable to Eastman	$ 0.93	$ 1.57
Shares (in millions) outstanding at end of period	114.3	115.5
Shares (in millions) used for earnings per share calculation		
Basic	114.2	115.2
Diluted	115.0	116.5

[1] First quarter 2026 includes 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.

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Table 2A – Segment Sales Information

(Dollars in millions, unaudited)	First Quarter 2026	First Quarter 2025
Sales by Segment		
Advanced Materials	$ 715	$ 719
Additives & Functional Products	739	733
Chemical Intermediates	495	545
Fibers	225	288
Total Sales by Segment	2,174	2,285
Other	3	5
Total Eastman Chemical Company	$ 2,177	$ 2,290

(Dollars in millions, unaudited)	Fourth Quarter 2025
Sales by Segment	
Advanced Materials	$ 656
Additives & Functional Products	662
Chemical Intermediates	418
Fibers	234
Total Sales by Segment	1,970
Other	3
Total Eastman Chemical Company	$ 1,973

Table 2B – Sales Revenue Change

(Unaudited)	First Quarter 2026 Compared to First Quarter 2025			
		Change in Sales Revenue Due To		
	Revenue % Change	Volume / Product Mix Effect	Price Effect	Exchange Rate Effect
Advanced Materials	(1) %	— %	(4) %	3 %
Additives & Functional Products	1 %	(1) %	(2) %	4 %
Chemical Intermediates	(9) %	(3) %	(7) %	1 %
Fibers	(22) %	(19) %	(3) %	— %
Total Eastman Chemical Company	(5) %	(4) %	(4) %	3 %

(Unaudited)	First Quarter 2026 Compared to Fourth Quarter 2025			
		Change in Sales Revenue Due To		
	Revenue % Change	Volume / Product Mix Effect	Price Effect	Exchange Rate Effect
Advanced Materials	9 %	10 %	(2) %	1 %
Additives & Functional Products	12 %	11 %	— %	1 %
Chemical Intermediates	18 %	17 %	1 %	— %
Fibers	(4) %	(2) %	(2) %	— %
Total Eastman Chemical Company	10 %	10 %	(1) %	1 %

Table 2C – Sales by Customer Location

(Dollars in millions, unaudited)	First Quarter	
	2026	2025
Sales by Customer Location		
United States and Canada	$ 979	$ 1,020
Europe, Middle East, and Africa	574	610
Asia Pacific	500	539
Latin America	124	121
Total Eastman Chemical Company	$ 2,177	$ 2,290

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

(Dollars in millions, unaudited)	First Quarter 2026	First Quarter 2025
Advanced Materials		
Earnings before interest and taxes	$ 60	$ 116
Cost of sales impact from restructuring activities [2]	3	—
Asset impairments, restructuring, and other charges, net [2]	6	—
Excluding non-core items	69	116
Additives & Functional Products		
Earnings before interest and taxes	142	137
Asset impairments, restructuring, and other charges, net	—	4
Excluding non-core items	142	141
Chemical Intermediates		
Earnings (loss) before interest and taxes	(18)	19
Fibers		
Earnings before interest and taxes	45	88
Other		
Loss before interest and taxes	(41)	(58)
Asset impairments, restructuring, and other charges net [3]	3	5
Excluding non-core items	(38)	(53)
Total Eastman Chemical Company		
Earnings before interest and taxes	188	302
Cost of sales impact from restructuring activities	3	—
Asset impairments, restructuring, and other charges, net	9	9
Total earnings before interest and taxes excluding non-core items	$ 200	$ 311
Company Non-GAAP Earnings Before Interest and Taxes Reconciliations by Line Items		
Earnings before interest and taxes	$ 188	$ 302
Cost of sales impact from restructuring activities	3	—
Asset impairments, restructuring, and other charges, net	9	9
Total earnings before interest and taxes excluding non-core items	$ 200	$ 311

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

[2] First three 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 three months 2026 included severance charges of $3 million related to corporate cost reduction initiatives reported in "Other."

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

(Dollars in millions, unaudited)	Fourth Quarter 2025
Advanced Materials	
Earnings before interest and taxes	$ 41
Asset impairments, restructuring, and other charges, net	18
Excluding non-core items	59
Additives & Functional Products	
Earnings before interest and taxes	94
Chemical Intermediates	
Loss before interest and taxes	(50)
Asset impairments, restructuring, and other charges, net	9
Environmental and other costs	13
Excluding non-core items	(28)
Fibers	
Earnings before interest and taxes	47
Asset impairments, restructuring, and other charges, net	2
Excluding non-core items	49
Other	
Loss before interest and taxes	(68)
Asset impairments, restructuring, and other charges net	25
Mark-to-market pension and other postretirement benefit plans (gain) loss, net	(6)
Environmental and other costs	9
Excluding non-core items	(40)
Total Eastman Chemical Company	
Earnings before interest and taxes	64
Asset impairments, restructuring, and other charges, net	54
Mark-to-market pension and other postretirement benefit plans (gain) loss, net	(6)
Environmental and other costs	22
Total earnings before interest and taxes excluding non-core items	$ 134

[1] For the description of fourth quarter 2025 non-core items, see Table 3A of the Quarterly Report on Form 8-K for fourth quarter 2025.

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

(Dollars in millions, unaudited)	First Quarter 2026 Adjusted EBIT	First Quarter 2026 Adjusted EBIT Margin	First Quarter 2025 Adjusted EBIT	First Quarter 2025 Adjusted EBIT Margin
Advanced Materials	$ 69	9.7 %	$ 116	16.1 %
Additives & Functional Products	142	19.2 %	141	19.2 %
Chemical Intermediates	(18)	(3.6)%	19	3.5 %
Fibers	45	20.0 %	88	30.6 %
Total segment EBIT excluding non-core items	238	10.9 %	364	15.9 %
Other	(38)		(53)	
Total EBIT excluding non-core items	$ 200	9.2 %	$ 311	13.6 %

(Dollars in millions, unaudited)	Fourth Quarter 2025 Adjusted EBIT	Fourth Quarter 2025 Adjusted EBIT Margin
Advanced Materials	$ 59	9.0 %
Additives & Functional Products	94	14.2 %
Chemical Intermediates	(28)	(6.7)%
Fibers	49	20.9 %
Total segment EBIT excluding non-core items	174	8.8 %
Other	(40)	
Total EBIT excluding non-core items	$ 134	6.8 %

(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.

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

(Dollars in millions, except per share amounts, unaudited)	First 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
As reported (GAAP)	$ 188	$ 136	$ 29	21 %	$ 107	$ 0.93
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	9	9	3		6	0.05
Income tax related item [2]	—	—	(5)		5	0.04
Interim adjustment to tax provision [3]	—	—	(5)		5	0.05
Non-GAAP (Excluding non-core and unusual items and with adjusted provision for income taxes)	$ 200	$ 148	$ 23	15 %	$ 125	$ 1.09

(Dollars in millions, except per share amounts, unaudited)	First 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
As reported (GAAP)	$ 302	$ 253	$ 70	28 %	$ 182	$ 1.57
Non-Core Items: [1]						
Asset impairments, restructuring, and other charges, net	9	9	1		8	0.06
Interim adjustment to tax provision [3]	—	—	(32)		32	0.28
Non-GAAP (Excluding non-core items and with adjusted provision for income taxes)	$ 311	$ 262	$ 39	16 %	$ 222	$ 1.91

(1) See Table 3A for description of first 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) First quarter 2026 includes expense related to a prior tax law change.

(3) The adjusted provision for income taxes for first quarter 2026 and 2025 is calculated applying the forecasted full year effective tax rate as shown in Table 4B.

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

(Dollars in millions, except per share amounts, unaudited)	Fourth Quarter 2025					
	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
As reported (GAAP) [1]	$ 64	$ 12	$ (71)	> (100%)	$ 83	$ 0.72
Non-Core or Unusual Items: [2]						
Asset impairments, restructuring, and other charges, net	54	54	10		44	0.38
Mark-to-market pension and other postretirement benefit plans (gain) loss, net	(6)	(6)	(3)		(3)	(0.03)
Environmental and other costs	22	22	6		16	0.15
Income tax related items [3]	—	—	(11)		11	0.08
Interim adjustment to tax provision [1][4]	—	—	64		(64)	(0.55)
Non-GAAP (Excluding non-core and unusual items and with adjusted provision for income taxes)	$ 134	$ 82	$ (5)	(5)%	$ 87	$ 0.75

[1] Fourth quarter 2025 provision for income tax 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.

[2] See Table 3A for description of fourth quarter 2025 non-core items excluded from non-GAAP EBIT. 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.

[3] Fourth quarter 2025 includes benefits related to prior tax law changes and a charge related to a valuation allowance driven by macroeconomic uncertainties related to certain deferred tax assets in the U.S.

[4] Fourth quarter 2025 is a reconciliation of the adjustments made to interim quarters to reflect the previously forecasted full year effective tax rate.

Table 4B - Adjusted Effective Tax Rate Calculation

(Unaudited)	First Three Months [1]	
	2026	2025
Effective tax rate	21 %	28 %
Discrete tax items [2]	(1)%	(2)%
Tax impact of current year non-core and unusual items [3]	(1)%	1 %
Changes in tax contingencies and valuation allowances	1 %	(2)%
Forecasted full year impact of expected tax events [4]	(5)%	(9)%
Forecasted full year adjusted effective tax rate	15 %	16 %

[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 three months 2026 and 2025, respectively.

[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 three months 2026 and 2025 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.

Table 5 – Statements of Cash Flows

(Dollars in millions, unaudited)	First Three Months 2026	2025
Operating activities		
Net earnings	$ 107	$ 183
Adjustments to reconcile net earnings to net cash used in operating activities:		
Depreciation and amortization	131	126
Benefit from deferred income taxes	(5)	(3)
Changes in operating assets and liabilities, net of effect of acquisitions and divestitures:		
(Increase) decrease in trade receivables	(222)	(92)
(Increase) decrease in inventories	(119)	(120)
Increase (decrease) in trade payables	67	(72)
Pension and other postretirement contributions (in excess of) less than expenses	(26)	(14)
Variable compensation payments (in excess of) less than expenses	(49)	(109)
Other items, net	(21)	(66)
Net cash used in operating activities	(137)	(167)
Investing activities		
Additions to properties and equipment	(103)	(147)
Government incentives	3	11
Other items, net	(4)	5
Net cash used in investing activities	(104)	(131)
Financing activities		
Net increase in commercial paper and other borrowings	—	285
Proceeds from borrowings	594	246
Repayment of borrowings	(150)	(550)
Dividends paid to stockholders	(96)	(96)
Other items, net	(7)	(9)
Net cash provided by (used in) financing activities	341	(124)
Effect of exchange rate changes on cash and cash equivalents	(1)	3
Net change in cash and cash equivalents	99	(419)
Cash and cash equivalents at beginning of period	566	837
Cash and cash equivalents at end of period	$ 665	$ 418

Table 6 – Total Borrowings to Net Debt Reconciliations

(Dollars in millions, unaudited)	March 31, 2026	December 31, 2025
Total borrowings	$ 5,220	$ 4,787
Less: Cash and cash equivalents	665	566
Net debt [1]	$ 4,555	$ 4,221

[1] Includes non-cash decrease of $12 million in 2026 and a non-cash increase of $68 million in 2025 resulting from foreign currency exchange rates.