3Q 2026 financial results

October 29, 2026

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Prepared remarks

These slides should be reviewed with the accompanying prepared remarks posted on our website.

Forward-looking statements

The information in this presentation and other statements by the company may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act with respect to, among other items: projections and estimates of earnings, revenues, volumes, pricing, margins, sales, cost reductions, expenses, taxes, liquidity, capital expenditures, cash flow, dividends, share repurchases or other financial items, supply and demand, capacity and utilization, growth opportunities, statements of management's plans, strategies and objectives for future operations, and statements regarding future economic, industry or market conditions or performance. Such projections and estimates are based upon certain preliminary information, internal estimates, and management assumptions, expectations, and plans. Forward-looking statements are subject to a number of risks and uncertainties, and actual performance or results could differ materially from that anticipated by any forward-looking statements. Forward-looking statements speak only as of the date they are made, and the company undertakes no obligation to update or revise any forward-looking statement. Other important assumptions and factors that could cause actual results to differ materially from those in the forward-looking statements are detailed in the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025, and as updated in the company's filings with the Securities and Exchange Commission (the "SEC"), which are accessible on the SEC's website at www.sec.gov and the company's website at www.eastman.com.

Non-GAAP financial measures

Earnings referenced in this presentation and the accompanying prepared remarks exclude certain non-core items. "Adjusted EBIT" is Earnings Before Interest and Taxes ("EBIT") adjusted for non-core items. "Adjusted EBIT Margin" is Adjusted EBIT divided by GAAP sales. "Adjusted EBITDA" is Earnings Before Interest, Taxes, Depreciation, and Amortization adjusted for non-core items. Adjusted EPS is defined as the GAAP measure earnings per diluted share adjusted for non-core, unusual, or non-recurring items. "Net Debt" is total borrowings less cash and cash equivalents. "Net Debt to Adjusted EBITDA" is Net Debt divided by EBITDA adjusted for non-core items. Reconciliations to the most directly comparable GAAP financial measures and other associated disclosures, including a description of the excluded and adjusted items, are available in our third-quarter 2026 financial results news release which is posted in the "Investors" section of our website and in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Forms 10-K filed for 2025 and 10-Q to be filed for third-quarter 2026 with the SEC for the periods for which non-GAAP financial measures are presented.

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3Q26 highlights

- Delivered EPS growth and solid cash flow in a dynamic environment
- Strong performance in AFP, demonstrating resilience in a challenging environment
- Demonstrated commercial discipline in Advanced Materials as improved selling prices substantially offset higher raw material and distribution costs
- Fibers on track to deliver expected volume growth in the second half as customers meet annual contract commitments
- Announced reinstatement of a $375 million U.S. Department of Energy (DOE) award supporting the continued scale up of the circular platform; on track to drive significant revenue growth in ‘26 and ‘27
- On track to deliver $125 million to $150 million of cost savings, net of inflation
- Generated $377 million in operating cash flow through the first nine months and expect to release working capital in the fourth quarter

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Corporate

$M (except EPS)	3Q26	3Q25	2Q26
Revenue	2,385	2,202	2,513
Adjusted EBIT	305	210	320
Adjusted EBIT margin	12.8%	9.5%	12.7%
Adjusted EPS	1.84	1.14	1.97

Revenue change %	Total	Vol / Mix	Price	FX
3Q26 vs 3Q25	8	1	7	0
3Q26 vs 2Q26	-5	-7	2	0

3Q26 vs. 3Q25 EBIT highlights

- Higher selling prices in the specialties to offset higher raw material and distribution costs
- Favorable price-cost in Chemical Intermediates due to the Middle East conflict
- Lower planned maintenance and improved asset utilization after actions to reduce inventory in 3Q25
- Benefit from cost reduction initiatives
- Higher variable compensation expense

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Advanced Materials

$M	3Q26	3Q25	2Q26
Revenue	762	728	817
Adjusted EBIT	103	53	109
Adjusted EBIT margin	13.5%	7.3%	13.3%

Revenue change %	Total	Vol / Mix	Price	FX
3Q26 vs 3Q25	5	0	4	1
3Q26 vs 2Q26	-7	-10	3	0

3Q26 vs. 3Q25 EBIT highlights

- Substantial asset utilization tailwind and lower planned maintenance cost
- Sales volume/mix flat as increases in specialty plastics and advanced interlayers were offset by performance films
- Higher selling prices due to higher raw material and distribution costs

2026 outlook

Tailwinds:

- 3% vol/mix growth despite soft underlying end markets
  - Solid revenue and EBIT growth from Kingsport methanolysis
  - Mid-single digit percent vol/mix growth in durables
  - Flat performance in auto in a down underlying market
- Favorable foreign currency exchange rates

Headwinds:

- Continuation of the Middle East conflict increasing inflation and interest rates and having a negative impact on demand
- Lower pricing for interlayers; higher specialty plastics prices catching up to higher raw material and distribution costs
- Operational issues resulting in higher costs and less of a utilization tailwind

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DOE reinstates $375M award to fund a ~30% Kingsport methanolysis debottleneck and a milestone-based path to our second facility

- **$375M reinstated grant (~$340M remaining after $35M previously received)** with ~50% cost share by Eastman

- **The project scope has been adapted with key investment benefits including:**
  - **Expanding proven U.S. advanced manufacturing technology** by increasing output from Eastman's commercial-scale methanolysis facility in Kingsport by approximately 30% through debottlenecking and technology advancements

  - **Reindustrializing existing American recycling assets and strengthening the critical recycled PET supply chain** by restarting and repurposing underutilized U.S. recycling infrastructure

  - **Creating a disciplined pathway for our second U.S. methanolysis facility,** including flexibility in the location and timing of a potential second U.S. methanolysis facility

- **Preserves capital flexibility with milestone-based approach:** Advancing investment decisions based on milestones such as customer contracts, market demand, regulatory conditions

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Additives & Functional Products

$M	3Q26	3Q25	2Q26
Revenue	784	716	807
Adjusted EBIT	154	128	151
Adjusted EBIT margin	19.6%	17.9%	18.7%

Revenue change %	Total	Vol / Mix	Price	FX
3Q26 vs 3Q25	9	-1	10	0
3Q26 vs 2Q26	-3	-7	4	0

3Q26 vs. 3Q25 EBIT highlights

- Higher selling prices due to cost-pass-through contracts adjusting to higher raw material and distribution costs
- EBIT increase driven by favorable price-cost and asset utilization

2026 outlook

Tailwinds:

- Modest growth in stable markets including water treatment, aviation, agriculture, pharma, and personal care
- Selling price increases primarily due to cost-pass-through contracts more than offsetting higher raw material and distribution costs
- Innovation growth in semiconductors and pharma
- Cost reduction initiatives
- Favorable foreign currency exchange rates

Headwinds:

- Continued weakness in consumer discretionary end markets
- ~$20 million headwind from discontinued agriculture products

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Fibers

$M	3Q26	3Q25	2Q26
Revenue	255	254	243
Adjusted EBIT	52	67	36
Adjusted EBIT margin	20.4%	26.4%	14.8%

Revenue change %	Total	Vol / Mix	Price	FX
3Q26 vs 3Q25	0	4	-4	0
3Q26 vs 2Q26	5	3	2	0

3Q26 vs. 3Q25 EBIT highlights

- Acetate tow volumes similar to last year
- Favorable volume/mix
- Lower acetate tow contract selling prices
- Increased raw material and distribution costs

2026 outlook

Tailwinds:

- Cost reduction initiatives
- Stable acetate tow volume

Headwinds:

- Modest decline in acetate tow selling prices and higher raw material, energy, and distribution costs
- Lack of recovery in the textiles end market
- Lower cellulosic stream asset utilization
- Challenges in serving customers due to the Middle East conflict

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Chemical Intermediates

$M	3Q26	3Q25	2Q26
Revenue	580	499	643
Adjusted EBIT	35	1	58
Adjusted EBIT margin	6.0%	0.2%	9.0%

Revenue change %	Total	Vol / Mix	Price	FX
3Q26 vs 3Q25	16	4	12	0
3Q26 vs 2Q26	-10	-7	-3	0

3Q26 vs. 3Q25 EBIT highlights

- Higher selling price driven by tight market conditions from Middle East conflict
- Favorable volume/mix due to increased volume availability from excellent operations
- EBIT increase primarily from higher spreads

2026 outlook

Tailwinds:

- Middle East conflict expanding spreads and improving demand due to competitor operational constraints
- Substantially higher volume available to sell due to fewer shutdowns and excellent operations
- Lower shutdown costs
- Cost reduction initiatives

Headwinds/Uncertainties:

- Key end markets in North America continue to be challenged

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E2P: Enhanced operating flexibility creates lower volatility and improved earnings potential in all ethylene market conditions

E2P converts merchant ethylene into propylene for internal use

- Enables the elimination of merchant ethylene sales
- Enhanced capability to produce cost advantaged propylene
- Flexibility to take advantage during times of relative ethylene strength to propylene
- Capital efficient investment repurposes existing cracker, resulting in strong returns

Benefit across the portfolio

- AFP and AM benefit from lower cost propylene
- CI benefits from reduced earnings volatility and a step up in mid-cycle EBITDA

E2P financial uplift

$75M–$125M+

Expected annual EBITDA benefit

2H 2028

Expected startup

1 to 2 years

Payback from operations

*The Ethylene-to-Propylene (E2P) project leverages metathesis technology to convert ethylene to propylene for internal consumption

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Cash flow and other financial highlights

Resilient cash flow

Solid FY26 operating cash flow

~$850M

Expect to release working capital in 4Q26

~$250 million

Balance sheet and tax rate

Well positioned with

solid investment-grade balance sheet

and sufficient liquidity

FY26 forecasted adjusted effective tax rate

14%-15%

Disciplined capital allocation

$288 million

In dividends paid to shareholders through first 9M26

~$400 million

FY26 capital expenditures

Track record of disciplined portfolio management

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2026 outlook

Tailwinds vs 2025

- Expecting to deliver ~3% volume/mix growth this year
  - Innovation-driven growth model is the primary driver of growth across the specialties
  - Increased volume to sell in Chemical Intermediates
  - Stable acetate tow volume in Fibers
- Improved price-cost at a corporate level
  - Expanded spreads in Chemical Intermediates as a result of the ongoing Middle East conflict
  - Stable price-cost in the specialties with some improvement in AFP and some headwinds in AM
- On track with our cost-reduction target of $125M–$150M, net of inflation, building on actions taken in 2025
- Maintaining discipline with capital expenditures of ~$400M in 2026, ~$150M below 2025
- FX benefit of ~$50M

Headwinds/uncertainties vs 2025

- Continuation of the Middle East conflict increasing inflation and interest rates and having a negative impact on demand
  - Customer caution in consumer discretionary end markets limiting growth from innovation
  - Higher raw material and distribution costs with selling prices catching back up to re-escalating levels
- In Fibers, continue to expect a modest decline in pricing, a lack of recovery in the textiles end market, and volume challenges related to the Middle East conflict
- Variable compensation expense resetting to a normal factor
- Operational issues resulting in higher costs and less of an asset utilization benefit in AM

Expect FY2026 adjusted EPS $6.00 to $6.20

Expect 2026 operating cash flow ~$850 million

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Appendix

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FY2026 underlying assumptions and modeling items

- Brent crude oil: ~$95/bbl
- Interest expense: ~$215 million
- Full-year adjusted effective tax rate: 14%-15%
- FY26 Depreciation & Amortization expense: $530 million
- Foreign currency exchange rates, net of hedging: EUR/USD $1.15; USD/CNY $6.69; JPY/USD $156
- Capital expenditures: ~$400 million
- Corporate ‘Other’ adjusted Loss Before Interest and Taxes: $150 million
- Energy costs consistent with current forward curves

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