2Q 2026 financial results

July 30, 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 release 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 second-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 second-quarter 2026 with the SEC for the periods for which non-GAAP financial measures are presented.

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2Q26 highlights

- Delivered strong sequential EPS growth and solid cash flow in a dynamic environment through commercial and operational excellence
- Drove a 350-basis-point sequential adjusted EBIT margin improvement through 8% higher sales volume/mix and disciplined price-cost management in AM and AFP and spread expansion in CI
- Continued to leverage our significant and advantaged integrated U.S.-based assets and global reach to be a reliable supplier to our customers amid an uncertain global environment
- Building strategic momentum in the circular platform as we doubled revenue in the first half of the year and continued great operational performance
- Made substantial progress toward delivering $125 million to $150 million of cost savings, net of inflation
- Remain focused on delivering solid operating cash flow and expect to release working capital in the second half of 2026

Corporate

$M (except EPS)	2Q26	2Q25	1Q26
Revenue	2,513	2,287	2,177
Adjusted EBIT	320	275	200
Adjusted EBIT margin	12.7%	12.0%	9.2%
Adjusted EPS	1.97	1.60	1.09

Revenue change %	Total	Vol / Mix	Price	FX
2Q26 vs 2Q25	10	5	4	1
2Q26 vs 1Q26	15	8	7	0

2Q26 vs. 2Q25 EBIT highlights

- Favorable volume/mix in Advanced Materials and Chemical Intermediates partially offset by Fibers
- 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
- Higher planned shutdown costs and lower asset utilization rates
- Benefit from cost reduction initiatives
- Favorable foreign currency exchange rates
- Higher variable compensation expense

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Advanced Materials

$M	2Q26	2Q25	1Q26
Revenue	817	777	715
Adjusted EBIT	109	121	69
Adjusted EBIT margin	13.3%	15.6%	9.7%

Revenue change %	Total	Vol / Mix	Price	FX
2Q26 vs 2Q25	5	4	0	1
2Q26 vs 1Q26	14	11	3	0

2Q26 vs. 2Q25 EBIT highlights

- Solid volume/mix growth across the segment
- Selling prices were flat as increases in specialty plastics were offset by modestly lower pricing in advanced interlayers
- Favorable currency impact
- Unfavorable asset utilization
- Benefit from cost reduction initiatives

2026 outlook

Tailwinds:
- Solid revenue and EBIT growth from Kingsport methanolysis
- Growth from innovation across the segment
- Higher selling prices keeping pace with higher raw material and distribution costs
- Cost reduction initiatives including lower shutdown costs
- Favorable foreign currency exchange rates

Headwinds:
- Lower auto OEM production and weak aftermarket, especially in China
- Consumer durables and building & construction end markets remain weak
- Reduction of finished goods inventory in 1H to manage working capital resulting in an asset utilization headwind

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Strategic momentum continues in circular platform

Delivering strategic growth

- Renew revenue in 1H26 doubled over 1H25
- Majority of growth in durables and cosmetics with beverage packaging continuing ramp into second half

Diversity of value propositions

- Sustainability feature helping customers win share in cosmetics, food storage, small appliances, bulk water, and restaurant food prep
- Recycled content without compromise is enabling packaging customers to continue scaling to meet their sustainability commitments
- Price stability relative to fossil feedstock volatility

Creating strategic flexibility

- Strong operational performance proving ability to get well above design capacity of Kingsport methanolysis, improving ROIC and bridging to next plant
- Advancing options to build next plant with significantly more capital-efficient model

Expect >$100M revenue growth in Advanced Materials from Kingsport methanolysis facility

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Additives & Functional Products

$M	2Q26	2Q25	1Q26
Revenue	807	769	739
Adjusted EBIT	151	153	142
Adjusted EBIT margin	18.7%	19.9%	19.2%

Revenue change %	Total	Vol / Mix	Price	FX
2Q26 vs 2Q25	5	0	4	1
2Q26 vs 1Q26	9	4	5	0

2Q26 vs. 2Q25 EBIT highlights

- Improved price-cost due to cost-pass-through contracts
- EBIT relatively unchanged as favorable price-cost was offset by higher planned maintenance expense
- Benefit from cost reduction initiatives

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 discretionary end markets
- ~$20 million headwind from discontinued agriculture products

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Fibers

$M	2Q26	2Q25	1Q26
Revenue	243	274	225
Adjusted EBIT	36	81	45
Adjusted EBIT margin	14.8%	29.6%	20.0%

Revenue change %	Total	Vol / Mix	Price	FX
2Q26 vs 2Q25	-11	-10	-2	1
2Q26 vs 1Q26	8	8	0	0

2Q26 vs. 2Q25 EBIT highlights

- Continued customer inventory destocking in acetate tow
- Decline in textiles due to weak end-market demand
- Modestly lower acetate tow contract selling prices and higher operating costs
- Elevated costs associated with logistics to serve customers in connection with the Middle East conflict
- Benefit from cost reduction initiatives

2026 outlook

Tailwinds:

- Cost-reduction initiatives

Headwinds:

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

Chemical Intermediates

$M	2Q26	2Q25	1Q26
Revenue	643	463	495
Adjusted EBIT	58	-30	-18
Adjusted EBIT margin	9.0%	-6.5%	-3.6%

Revenue change %	Total	Vol / Mix	Price	FX
2Q26 vs 2Q25	39	24	14	1
2Q26 vs 1Q26	30	11	19	0

2Q26 vs. 2Q25 EBIT highlights

- Higher sales volume/mix was driven by increased volume availability
- Significantly higher spreads driven by supply disruptions
- Benefit from cost reduction initiatives

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
- Lower shutdown costs
- Cost reduction initiatives

Headwinds/Uncertainties:

- Magnitude and duration of the Middle East conflict
- Key end markets in North America continue to be challenged

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With Middle East conflict persisting, our playbook remains unchanged

Remain on track to implement ~$500M of price increases

Successfully offset cost increases in specialties and increased spreads in Chemical Intermediates

A reliable, U.S.-based supplier

Leveraged our asset footprint and global reach to keep our customers supplied

Navigating an uncertain environment

Expect to deliver solid cash flow with a 2H release of working capital

Maintaining our disciplined approach

Laser focused on controlling costs and capital allocation

2026 outlook

Tailwinds vs 2025

- Innovation-driven growth model is the primary driver of growth across the specialties, including from the Kingsport methanolysis facility
- Maintaining specialty price increases to offset higher raw material and distribution cost increases
- Expanded spreads in Chemical Intermediates as a result of the ongoing Middle East conflict and increased volume/mix from lower shutdowns
- 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 $40M–$50M

Headwinds/uncertainties vs 2025

- Consumer discretionary end-market demand continues to be challenged:
  - Automotive OEM production levels to decline LSD%
  - B&C and consumer durables end markets not expected to improve
- Inflation from Middle East conflict potential to negatively impact end-market demand
- 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

Expect 3Q26 adjusted EPS to approach 2Q26

Expect 2026 operating cash flow approaching $900 million

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Appendix

FY2026 underlying assumptions and modeling items

Updated from prior guidance

- Brent crude oil: $87/barrel in 1H; $80 - $100/barrel in 2H; previously $100-$110/barrel
- Share repurchases: $50 million-$100 million; previously $100 million-$200 million

Unchanged from prior guidance

- Interest expense: ~$215 million
- Full-year adjusted effective tax rate: 14%-15%
- FY26 Depreciation & Amortization expense: $525 million
- Foreign currency exchange rates, net of hedging: USD/EUR $1.15; CNY/USD $7.00; JPY/USD $155
- Capital expenditures: ~$400 million
- Corporate 'Other' adjusted Loss Before Interest and Taxes: $140 million-$150 million
- Energy costs consistent with current forward curves

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