

EASTMAN
— CELEBRATING —
100 YEARS
1920 – 2020



JP Morgan Industrials Conference

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Forward-looking statements

During this presentation, we make certain forward-looking statements concerning plans and expectations for Eastman Chemical Company. We caution you that actual events or results may differ materially from our plans and expectations. See these slides and the remarks in the conference call and our Form 10-K for 2019 for risks and uncertainties which could cause actual results to differ materially from current plans and expectations.

GAAP and Non-GAAP financial measures

Earnings referenced in this presentation are earnings per share (“EPS”) and earnings before interest and taxes (“EBIT”) excluding certain non-core and unusual items. “Free Cash Flow” is cash provided by operating activities minus net capital expenditures (typically cash used for additions to properties and equipment). 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 the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of the Forms 10-K and 10-Q filed with the SEC for the periods for which non-GAAP financial measures are presented. Projections of future earnings exclude any non-core, unusual, or non-recurring items.

New Business Revenue from innovation

- Approximately \$400 million new business revenue from innovation in 2019
- On track to approach \$500 million in 2020
- Led by products like Tritan™ copolyester, SAFLEX™ acoustic interlayers, LLUMAR™ paint protection film in Advanced Materials, and NAIA™ cellulosic yarn in Fibers
- Additives & Functional Products making encouraging progress
- Creating a new vector of growth for the company with investments in Circular Economy

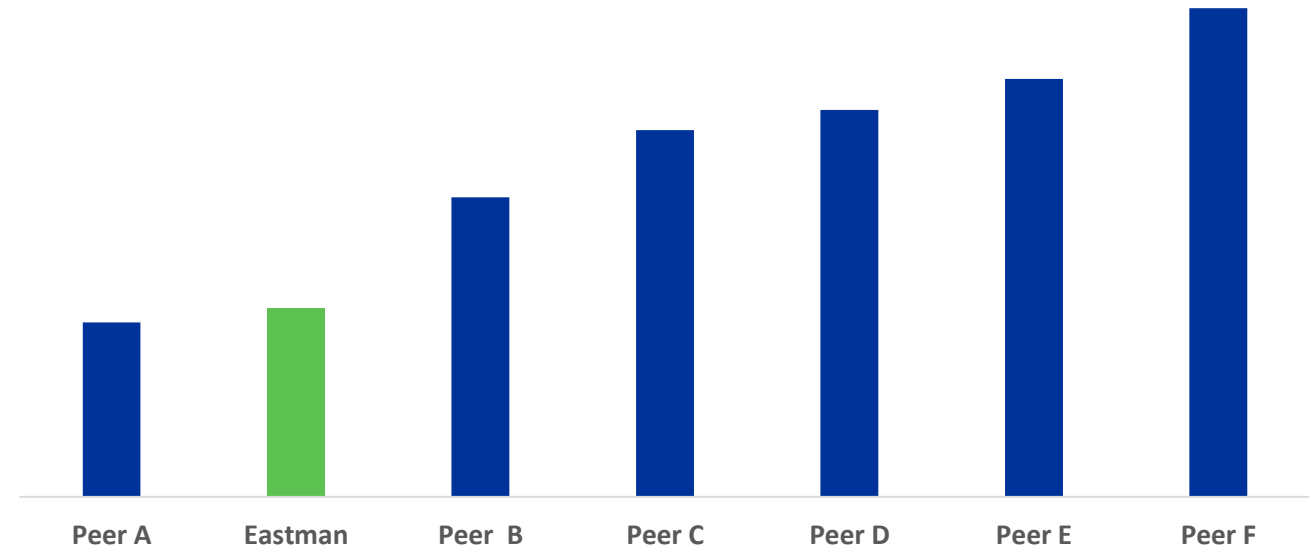
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Building a more capable and efficient organization

- Building our commercial capability
 - Implemented new business operating model
 - CRM investment
 - Application development investments accelerating commercialization of innovation programs
- Reducing cost structure by >\$100 million over next 3 years (\$20 - \$40 million in 2020)
 - Site optimization
 - Singapore facility
 - Other sites under consideration in 1/3rd of AFP identified for improvement actions
 - Digital and other productivity investments
 - Supply chain optimization

(SGA + RD)/REVENUE relative to peers (2018)



Source: company filings, Bloomberg
Peers: Albemarle, Ashland, Celanese, DuPont, FMC, WR Grace



Actions we are taking to improve multi-year performance

- Leveraging our sites – expected to contribute \$30 - \$60 million to EBIT over next 3 years
 - Texas City, TX
 - St. Gabriel, LA
 - Additional projects in pipeline
- Licensing – expect \$25 - \$50 million of revenue over next 3 years
 - Rich portfolio of innovative technologies
 - Strong history of licensing
- Portfolio optimization
 - 1/3rd of AFP – more detail to come

Strong balance sheet and sufficient liquidity

PUBLIC DEBT MATURITIES

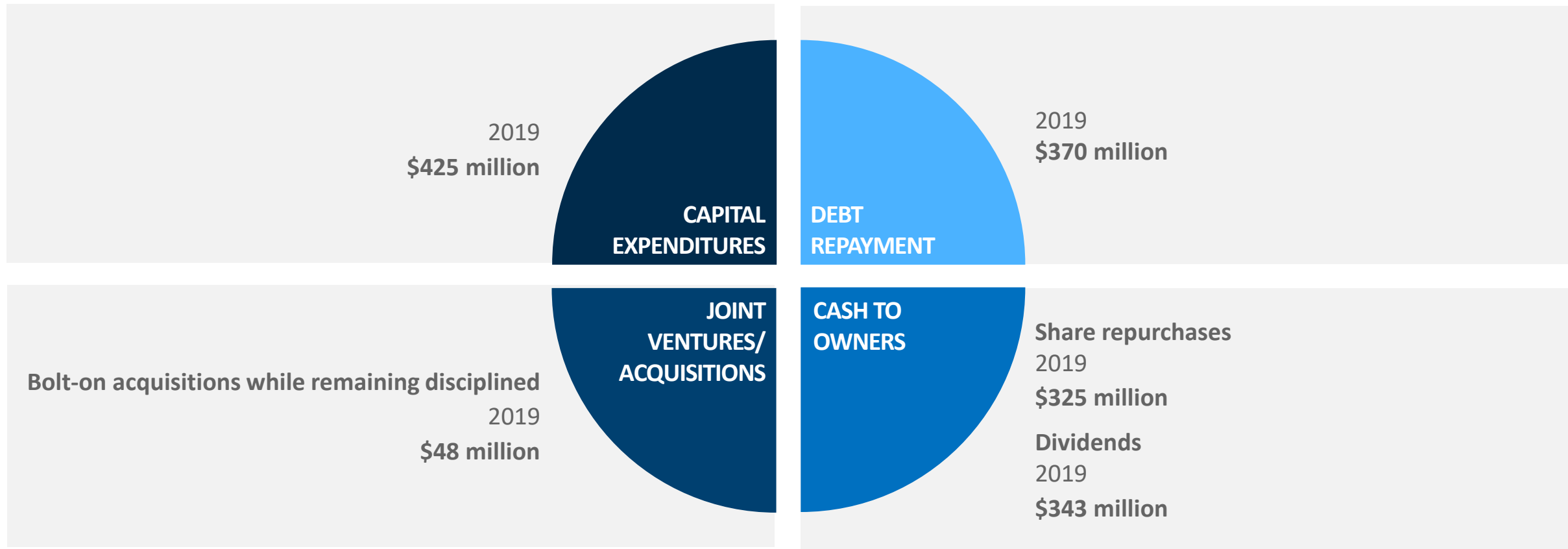


- » Remain committed to maintaining solid investment-grade credit ratings
- » Delevering is a top priority in 2020
 - » Expect to reduce debt by greater than \$400 million in 2020
- » Manageable public debt maturities
- » Sources of liquidity:
 - » \$1.5 billion revolving credit facility
 - » Supply chain financing and factoring for payables and receivables
- » Meaningful return of cash to stockholders

Combination of cash flow generation, strong balance sheet, and liquidity provides flexibility to pursue growth

Capital deployment remains disciplined and balanced

Projected 2020 free cash flow \$1.0 billion to \$1.1 billion



Unique innovation-driven growth model delivers consistent, sustainable value



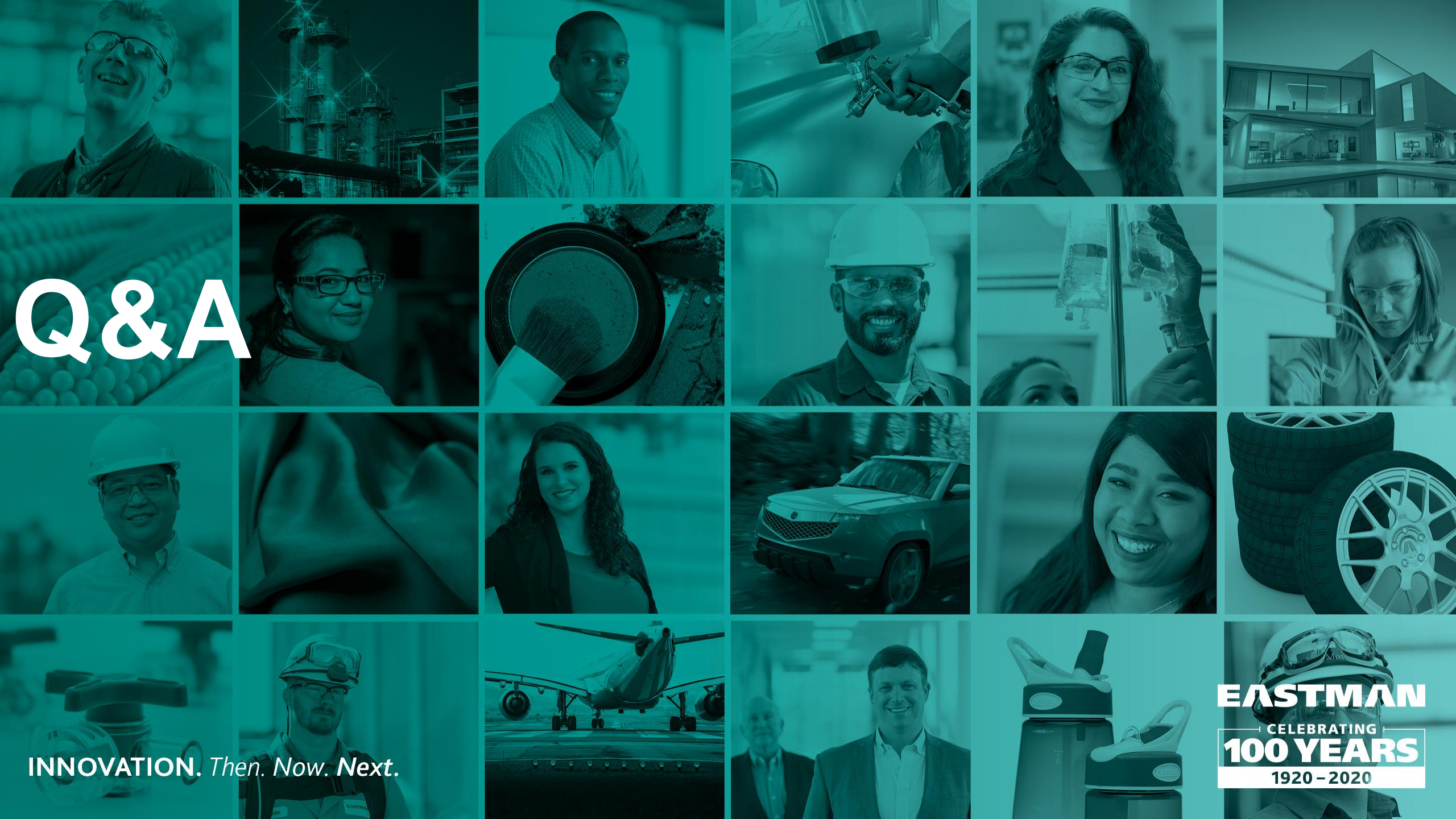
Significant integration and scale enable innovation, reliability and cost advantage

Advantaged growth and execution capability and culture

Aggressive and disciplined portfolio management

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Q&A

INNOVATION. *Then. Now. Next.*

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