

**FINANCIAL INFORMATION****April 27, 2023**

For Eastman Chemical Company First Quarter 2023 Financial Results Release

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# EASTMAN

**Table 1 – Statements of Earnings**

	First Quarter	
	2023	2022
(Dollars in millions, except per share amounts; unaudited)		
Sales	\$ 2,412	\$ 2,714
Cost of sales <sup>(1)(2)</sup>	1,883	2,164
Gross profit	529	550
Selling, general and administrative expenses	191	196
Research and development expenses	62	65
Asset impairments and restructuring charges, net	22	2
Other components of post-employment (benefit) cost, net	(3)	(31)
Other (income) charges, net	11	(12)
Gain on divested business	—	(3)
Earnings before interest and taxes	246	333
Net interest expense	52	46
Earnings before income taxes	194	287
Provision for income taxes	60	51
Net earnings	134	236
Less: Net earnings attributable to noncontrolling interest	—	1
Net earnings attributable to Eastman	<u>\$ 134</u>	<u>\$ 235</u>
Basic earnings per share attributable to Eastman	<u>\$ 1.13</u>	<u>\$ 1.82</u>
Diluted earnings per share attributable to Eastman	<u>\$ 1.12</u>	<u>\$ 1.80</u>
Shares (in millions) outstanding at end of period	119.2	128.9
Shares (in millions) used for earnings per share calculation		
Basic	118.9	129.0
Diluted	119.7	130.7

<sup>(1)</sup> First quarter 2023 includes \$8 million insurance proceeds, net of costs, and first quarter 2022 includes \$25 million costs, net of insurance proceeds, from the previously reported operational incident at the Kingsport site as a result of a steam line failure (the "steam line incident").

<sup>(2)</sup> First quarter 2023 includes \$23 million accelerated depreciation related to the closure of an acetate yarn manufacturing facility in Europe.

## Table 2A – Segment Sales Information

(Dollars in millions, unaudited)	First Quarter	
	2023	2022
Sales by Segment		
Advanced Materials	\$ 742	\$ 737
Additives & Functional Products <sup>(1)</sup>	777	889
Chemical Intermediates <sup>(1)</sup>	589	715
Fibers	303	213
Total Sales by Segment	2,411	2,554
Other <sup>(2)</sup>	1	160
Total Eastman Chemical Company	\$ 2,412	\$ 2,714

(Dollars in millions, unaudited)	Fourth Quarter	
	2022	
Sales by Segment		
Advanced Materials	\$ 736	
Additives & Functional Products <sup>(1)</sup>	756	
Chemical Intermediates <sup>(1)</sup>	564	
Fibers	317	
Total Eastman Chemical Company	\$ 2,373	

<sup>(1)</sup> First quarter 2022 sales revenue and earnings before interest and taxes ("EBIT") have been recast as a result of the Company's organizational and management changes during first quarter 2023. For additional information, see "Functional amines business now integrated into Additives & Functional Products" and [Exhibit 99.02](#) to this Current Report on Form 8-K.

<sup>(2)</sup> "Other" in first quarter 2022 includes sales revenue and EBIT from a previously divested business.

## Table 2B – Sales Revenue Change

### First Quarter 2023 Compared to First Quarter 2022

(Unaudited)	Change in Sales Revenue Due To				
	Revenue % Change	Volume / Product Mix Effect	Price Effect	Exchange Rate Effect	Divested Business Effect <sup>(1)</sup>
Advanced Materials	1 %	(6) %	10 %	(3) %	— %
Additives & Functional Products	(13) %	(15) %	4 %	(2) %	— %
Chemical Intermediates	(18) %	(12) %	(5) %	(1) %	— %
Fibers	42 %	3 %	40 %	(1) %	— %
Other	(99) %	1 %	— %	— %	(100) %
Total Eastman Chemical Company	(11) %	(9) %	6 %	(2) %	(6) %

<sup>(1)</sup> Sales revenue from divested business makes up 99 percent of Other. See [Table 2A](#) Note 2.

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**Table 2B – Sales Revenue Change (continued)**

(Unaudited)	First Quarter 2023 Compared to Fourth Quarter 2022			
	Change in Sales Revenue Due To			
	Revenue % Change	Volume / Product Mix Effect	Price Effect	Exchange Rate Effect
Advanced Materials	1 %	(1) %	1 %	1 %
Additives & Functional Products	3 %	4 %	(3) %	2 %
Chemical Intermediates	4 %	12 %	(9) %	1 %
Fibers	(4) %	(18) %	14 %	— %
<b>Total Eastman Chemical Company</b>	<b>2 %</b>	<b>2 %</b>	<b>(1) %</b>	<b>1 %</b>

**Table 2C – Sales by Customer Location**

(Dollars in millions, unaudited)	First Quarter	
	2023	2022
Sales by Customer Location		
United States and Canada	\$ 1,065	\$ 1,198
Europe, Middle East, and Africa	709	745
Asia Pacific	521	612
Latin America	117	159
<b>Total Eastman Chemical Company</b>	<b>\$ 2,412</b>	<b>\$ 2,714</b>

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

(Dollars in millions, unaudited)	First Quarter	
	2023	2022
<b>Advanced Materials</b>		
Earnings before interest and taxes	\$ 86	\$ 61
Asset impairments and restructuring charges, net	—	1
Excluding non-core item	86	62
<b>Additives &amp; Functional Products</b>		
Earnings before interest and taxes	124	167
<b>Chemical Intermediates</b>		
Earnings before interest and taxes	42	112
Asset impairments and restructuring charges, net	—	1
Excluding non-core item	42	113
<b>Fibers</b>		
Earnings before interest and taxes	65	24
Asset impairments and restructuring charges, net <sup>(2)</sup>	6	—
Accelerated depreciation <sup>(2)</sup>	23	—
Excluding non-core items	94	24
<b>Other</b>		
Loss before interest and taxes	(71)	(31)
Asset impairments and restructuring charges, net <sup>(3)</sup>	16	—
Net steam line incident costs (insurance proceeds) <sup>(4)</sup>	(8)	25
Transaction costs, net of gain on divested business	—	6
Excluding non-core and unusual items	(63)	—
<b>Total Eastman Chemical Company</b>		
Earnings before interest and taxes	246	333
Asset impairments and restructuring charges, net	22	2
Net steam line incident costs (insurance proceeds)	(8)	25
Transaction costs, net of gain on divested business	—	6
Accelerated depreciation	23	—
Total earnings before interest and taxes excluding non-core and unusual items	<u>\$ 283</u>	<u>\$ 366</u>
<b>Company Non-GAAP Earnings Before Interest and Taxes Reconciliations by Line Items</b>		
Earnings before interest and taxes	\$ 246	\$ 333
Costs of sales	15	25
Selling, general and administrative expenses	—	9
Asset impairments and restructuring charges, net	22	2
Gain on divested business	—	(3)
Total earnings before interest and taxes excluding non-core and unusual items	<u>\$ 283</u>	<u>\$ 366</u>

<sup>(1)</sup> See "Management's Discussion and Analysis of Financial Condition and Results of Operations" of the [Quarterly Report on Form 10-Q](#) for first quarter 2022 for description of first quarter 2022 non-core and unusual items.

<sup>(2)</sup> Site closure costs and accelerated depreciation related to the closure of an acetate yarn manufacturing facility in Europe.

<sup>(3)</sup> Severance charges as part of fourth quarter 2022 cost reduction initiatives.

<sup>(4)</sup> See [Table 1](#) Note 1.

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

(Dollars in millions, unaudited)	<b>Fourth Quarter 2022</b>
<b>Advanced Materials</b>	
Earnings before interest and taxes	\$ 43
<b>Additives &amp; Functional Products</b>	
Earnings before interest and taxes	76
<b>Chemical Intermediates</b>	
Earnings before interest and taxes	24
<b>Fibers</b>	
Earnings before interest and taxes	49
Asset impairments and restructuring charges, net	9
Excluding non-core item	58
<b>Other</b>	
Loss before interest and taxes	(116)
Mark-to-market pension and other postretirement benefit plans loss, net	22
Asset impairments and restructuring charges, net	20
Net steam line incident costs (insurance proceeds)	(3)
Loss on divested businesses and related transaction costs	53
Adjustments to contingent considerations	(6)
Excluding non-core and unusual items	(30)
<b>Total Eastman Chemical Company</b>	
Earnings before interest and taxes	76
Mark-to-market pension and other postretirement benefit plans loss, net	22
Asset impairments and restructuring charges, net	29
Net steam line incident costs (insurance proceeds)	(3)
Loss on divested businesses and related transaction costs	53
Adjustments to contingent considerations	(6)
Total earnings before interest and taxes excluding non-core and unusual items	<u>\$ 171</u>
<b>Company Non-GAAP Earnings Before Interest and Taxes Reconciliations by Line Items</b>	
Earnings before interest and taxes	\$ 76
Costs of sales	(3)
Selling, general and administrative expenses	3
Asset impairments and restructuring charges, net	29
Other components of post-employment (benefit) cost, net	22
Other (income) charges, net	(6)
Net (gain) loss on divested businesses	50
Total earnings before interest and taxes excluding non-core and unusual items	<u>\$ 171</u>

<sup>(1)</sup> For the description of fourth quarter 2022 non-core and unusual items, see Table 3A in the [Quarterly Report on Form 8-K](#) furnished for the fourth quarter 2022.

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**Table 3B - Segment Non-GAAP Earnings (Loss) Before Interest and Taxes Margins<sup>(1)(2)</sup>**

(Dollars in millions, unaudited)	First Quarter			
	2023		2022	
	Adjusted EBIT	Adjusted EBIT Margin	Adjusted EBIT	Adjusted EBIT Margin
Advanced Materials	\$ 86	11.6 %	\$ 62	8.4 %
Additives & Functional Products <sup>(3)</sup>	124	16.0 %	167	18.8 %
Chemical Intermediates <sup>(3)</sup>	42	7.1 %	113	15.8 %
Fibers	94	31.0 %	24	11.3 %
Total segment EBIT excluding non-core and unusual items	346	14.4 %	366	14.3 %
Other	(63)		—	
Total EBIT excluding non-core and unusual items	\$ 283	11.7 %	\$ 366	13.5 %

(Dollars in millions, unaudited)	Fourth Quarter	
	2022	
	Adjusted EBIT	Adjusted EBIT Margin
Advanced Materials	\$ 43	5.8 %
Additives & Functional Products <sup>(3)</sup>	76	10.1 %
Chemical Intermediates <sup>(3)</sup>	24	4.3 %
Fibers	58	18.3 %
Total segment EBIT excluding non-core and unusual items	201	8.5 %
Other	(30)	
Total EBIT excluding non-core and unusual items	\$ 171	7.2 %

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

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

<sup>(3)</sup> See [Table 2A](#) Note 1.

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

First Quarter 2023						
(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
<b>As reported (GAAP)</b>	\$ 246	\$ 194	\$ 60	31 %	\$ 134	\$ 1.12
<b>Non-Core and Unusual Items:</b> <sup>(1)</sup>						
Asset impairments and restructuring charges, net	22	22	4		18	0.14
Accelerated depreciation	23	23	3		20	0.17
Steam line incident insurance proceeds, net of costs	(8)	(8)	(2)		(6)	(0.05)
Adjustment from tax law changes <sup>(2)</sup>	—	—	(23)		23	0.19
Interim adjustment to tax provision <sup>(3)</sup>	—	—	(6)		6	0.06
Non-GAAP (Excluding non-core and unusual items and with adjusted provision for income taxes)	<u>\$ 283</u>	<u>\$ 231</u>	<u>\$ 36</u>	16 %	<u>\$ 195</u>	<u>\$ 1.63</u>
First Quarter 2022						
(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
<b>As reported (GAAP)</b>	\$ 333	\$ 287	\$ 51	18 %	\$ 235	\$ 1.80
<b>Non-Core and Unusual Items:</b> <sup>(1)</sup>						
Asset impairments and restructuring charges, net	2	2	1		1	—
Transaction costs, net of gain on divested business	6	6	(2)		8	0.07
Steam line incident costs, net of insurance proceeds	25	25	6		19	0.14
Interim adjustment to tax provision <sup>(3)</sup>	—	—	(6)		6	0.05
Non-GAAP (Excluding non-core and unusual items and with adjusted provision for income taxes)	<u>\$ 366</u>	<u>\$ 320</u>	<u>\$ 50</u>	16 %	<u>\$ 269</u>	<u>\$ 2.06</u>

- <sup>(1)</sup> See [Table 3A](#) for description of first quarter 2023 and 2022 non-core and unusual 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.
- <sup>(2)</sup> Increase to the provision for state income taxes due to adjustment of the amount recognized in prior years resulting from recently issued state guidance related to the 2017 Tax Cuts and Jobs Act ("Tax Reform Act").
- <sup>(3)</sup> The adjusted provision for income taxes for first quarter 2023 and 2022 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 2022					
	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
<b>As reported (GAAP)</b>	\$ 76	\$ 28	\$ 26	95 %	\$ 1	\$ 0.01
<b>Non-Core and Unusual Items:</b> <sup>(1)</sup>						
Asset impairments and restructuring charges, net	29	29	(1)		30	0.26
Loss on divested businesses and related transaction costs	53	53	3		50	0.40
Steam line incident insurance proceeds, net of costs	(3)	(3)	—		(3)	(0.01)
Mark-to-market pension and other postretirement benefit plans loss, net	22	22	5		17	0.14
Adjustments to contingent considerations	(6)	(6)	(2)		(4)	(0.04)
Interim adjustment to tax provision <sup>(2)</sup>	—	—	(16)		16	0.13
<b>Non-GAAP (Excluding non-core and unusual items and with adjusted provision for income taxes)</b>	<b>\$ 171</b>	<b>\$ 123</b>	<b>\$ 15</b>	<b>13 %</b>	<b>\$ 107</b>	<b>\$ 0.89</b>

<sup>(1)</sup> See [Table 3A](#) for description of fourth quarter 2022 non-core and unusual 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.

<sup>(2)</sup> Fourth quarter 2022 is a reconciliation of the adjustments made in interim quarters to reflect the previously forecasted full year effective tax rate.

**Table 4B - Adjusted Effective Tax Rate Calculation**

	First Three Months <sup>(1)</sup>	
	2023	2022
Effective tax rate	31 %	18 %
Discrete tax items <sup>(2)</sup>	— %	1 %
Tax impact of current year non-core and unusual items <sup>(3)</sup>	(8)%	1 %
Changes in tax contingencies and valuation allowances	(1)%	(1)%
Forecasted full year impact of expected tax events	(6)%	(3)%
Forecasted full year adjusted effective tax rate	16 %	16 %

<sup>(1)</sup> Effective tax rate percentages are rounded to the nearest whole percent. The forecasted full year effective tax rates are 15.5 percent for both first three months 2023 and 2022.

<sup>(2)</sup> "Discrete tax items" are items that are excluded from a 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 2022 are for share based compensation expense and adjustments to certain prior year tax returns.

<sup>(3)</sup> 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.

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**Table 5 – Statements of Cash Flows**

(Dollars in millions, unaudited)	First Three Months	
	2023	2022
Operating activities		
Net earnings	\$ 134	\$ 236
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	141	121
Gain on divested business	—	(3)
Benefit from deferred income taxes	(7)	(24)
Changes in operating assets and liabilities, net of effect of acquisitions and divestitures:		
(Increase) decrease in trade receivables	(91)	(127)
(Increase) decrease in inventories	(44)	(184)
Increase (decrease) in trade payables	(132)	152
Pension and other postretirement contributions (in excess of) less than expenses	(19)	(43)
Variable compensation payments (in excess of) less than expenses	(16)	(168)
Other items, net	32	57
<b>Net cash (used in) provided by operating activities</b>	<b>(2)</b>	<b>17</b>
Investing activities		
Additions to properties and equipment	(174)	(112)
Proceeds from sale of businesses	16	—
Acquisition, net of cash acquired	(73)	—
Additions to capitalized software	(2)	(3)
Other items, net	(19)	(2)
<b>Net cash used in investing activities</b>	<b>(252)</b>	<b>(117)</b>
Financing activities		
Net increase (decrease) in commercial paper and other borrowings	(326)	236
Proceeds from borrowings	796	—
Dividends paid to stockholders	(94)	(98)
Proceeds from stock option exercises and other items, net	(19)	(9)
<b>Net cash provided by financing activities</b>	<b>357</b>	<b>129</b>
Effect of exchange rate changes on cash and cash equivalents	3	(1)
Net change in cash and cash equivalents	106	28
Cash and cash equivalents at beginning of period	493	459
Cash and cash equivalents at end of period	\$ 599	\$ 487

**Table 6 – Total Borrowings to Net Debt Reconciliations**

(Dollars in millions, unaudited)	March 31,	December 31,
	2023	2022
Total borrowings	\$ 5,650	\$ 5,151
Less: Cash and cash equivalents	599	493
Net debt <sup>(1)</sup>	\$ 5,051	\$ 4,658

<sup>(1)</sup> Includes non-cash increase of \$28 million in 2023 and non-cash decrease of \$85 million in 2022 resulting from foreign currency exchange rates.

## Unaudited Financial Information Recast for Changes in the Additives & Functional Products Segment and the Chemical Intermediates Segment

(Dollars in millions)	2022				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
<b>Additives &amp; Functional Products</b>					
Sales	\$ 889	\$ 924	\$ 906	\$ 756	\$ 3,475
Earnings (loss) before interest and taxes ("EBIT")	167	160	143	76	546
Depreciation and amortization					142
<b>Chemical Intermediates</b>					
Sales	\$ 715	\$ 772	\$ 665	\$ 564	\$ 2,716
EBIT	112	142	68	24	346
Asset impairments and restructuring charges, net	1 <sup>1</sup>	1 <sup>1</sup>	1 <sup>1</sup>	—	3 <sup>1</sup>
EBIT excluding non-core item	113	143	69	24	349
Depreciation and amortization					104

<sup>1</sup> Site closure costs of \$1 million included in each first quarter 2022, second quarter 2022, and third quarter 2022 resulting from the previously reported plan to discontinue production of certain products at the Singapore manufacturing site.

(Dollars in millions)	2021				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
<b>Additives &amp; Functional Products</b>					
Sales	\$ 672	\$ 722	\$ 775	\$ 780	\$ 2,949
EBIT	124	115	130	112	481
Asset impairments and restructuring charges, net	— <sup>1</sup>	2 <sup>1</sup>	1 <sup>1</sup>	1 <sup>1</sup>	4 <sup>1</sup>
EBIT excluding non-core items	124	117	131	113	485
Depreciation and amortization					141
<b>Chemical Intermediates</b>					
Sales	\$ 542	\$ 669	\$ 685	\$ 712	\$ 2,608
EBIT	52	131	130	99	412
Asset impairments and restructuring charges, net	4 <sup>2</sup>	7 <sup>2</sup>	2 <sup>2</sup>	3 <sup>2</sup>	16 <sup>2</sup>
EBIT excluding non-core items	56	138	132	102	428
Depreciation and amortization					102

<sup>1</sup> Site closure costs of \$1 million included in each first quarter 2021, second quarter 2021, and third quarter 2021, contract termination fees of \$1 million in second quarter 2021, and asset impairments of \$1 million in fourth quarter 2021 resulting from the previously reported plan to discontinue production of certain products at the Singapore manufacturing site. First quarter 2021 charges were offset by a \$1 million gain on the sale of impaired assets from the previously reported closure of an animal nutrition manufacturing facility in Asia Pacific as part of ongoing site optimization.

<sup>2</sup> Site closure costs of \$4 million, \$2 million, and \$1 million included in first quarter 2021, third quarter 2021, and fourth quarter 2021, respectively, contract termination fees of \$7 million in second quarter 2021, and asset impairments of \$2 million in fourth quarter 2021 resulting from the previously reported plan to discontinue production of certain products at the Singapore manufacturing site.

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(Dollars in millions)	2020				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
<b>Additives &amp; Functional Products</b>					
Sales	\$ 636	\$ 567	\$ 551	\$ 588	\$ 2,342
EBIT	135	104	95	106	440
Asset impairments and restructuring charges, net	2 <sup>1</sup>	—	1 <sup>2</sup>	—	3 <sup>1,2</sup>
EBIT excluding non-core items	137	104	96	106	443
Depreciation and amortization					132

## Chemical Intermediates

Sales	\$ 516	\$ 392	\$ 464	\$ 471	\$ 1,843
EBIT	59	(2)	25	26	108
Asset impairments and restructuring charges, net	1 <sup>3</sup>	2 <sup>3</sup>	1 <sup>3</sup>	1 <sup>3</sup>	5 <sup>3</sup>
EBIT excluding non-core item	60	—	26	27	113
Depreciation and amortization					101

<sup>1</sup> First quarter 2020 included an intangible asset impairment of \$2 million for customer relationships.

<sup>2</sup> Severance costs of \$1 million included in third quarter 2020 resulting from the previously reported plan to discontinue production of certain products at the Singapore manufacturing site.

<sup>3</sup> Severance costs of \$1 million, \$2 million, \$1 million, and \$1 million in first quarter 2020, second quarter 2020, third quarter 2020, and fourth quarter 2020, respectively, resulting from the previously reported plan to discontinue production of certain products at the Singapore manufacturing site.

(Dollars in millions)	2019				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
<b>Additives &amp; Functional Products</b>					
Sales	\$ 650	\$ 618	\$ 619	\$ 568	\$ 2,455
EBIT	119	122	118	42	401
Asset impairments and restructuring charges, net	4 <sup>1</sup>	—	—	50 <sup>2</sup>	54 <sup>1,2</sup>
EBIT excluding non-core items	123	122	118	92	455
Depreciation and amortization					176

## Chemical Intermediates

Sales	\$ 592	\$ 572	\$ 533	\$ 534	\$ 2,231
EBIT	66	50	25	(4)	137
Asset impairments and restructuring charges, net	—	—	—	22 <sup>3</sup>	22 <sup>3</sup>
EBIT excluding non-core item	66	50	25	18	159
Depreciation and amortization					102

<sup>1</sup> First quarter 2019 included restructuring charges of \$4 million related to a capital project that was discontinued in 2016.

<sup>2</sup> Fourth quarter 2019 included a goodwill impairment charge of \$45 million related to the crop protection product line and an asset impairment of \$5 million resulting from the previously reported plan to discontinue production of certain products at the Singapore manufacturing operations.

<sup>3</sup> Fourth quarter 2019 included asset impairment charges of \$22 million resulting from the previously reported plan to discontinue production of certain products at the Singapore manufacturing operations.