REFINITIV STREETEVENTS

EDITED TRANSCRIPT

EMN.N - Eastman Chemical Co at Deutsche Bank Industrials, Materials & Building Products Conference

EVENT DATE/TIME: JUNE 06, 2024 / 2:30PM GMT

CORPORATE PARTICIPANTS

Willie McLain *Eastman Chemical Company - EVP & CFO*

CONFERENCE CALL PARTICIPANTS

Dave Begleiter *Deutsche Bank's US Chemicals - Analyst*

PRESENTATION

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Good morning. Again, this is I'm Dave Begleiter, of Deutsche Bank's US chemicals equity research team. Next up is the team from Eastman Chemical, William McLain, CFO; Willie McLain, who runs the Investor Relations and Corporate Communications for the Company. So that really welcome.

Willie McLain - *Eastman Chemical Company - EVP & CFO*

Thanks, David. Happy to be here.

QUESTIONS AND ANSWERS

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Thank you, Will, and maybe walk us around the world from a demand perspective, demand trends by region by business by end markets?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

Okay. David, I would just highlight, as we think about how we built our base plan this year. It was highly focused on, of course, the absence of destocking also the fact that roughly 50% of our end markets are quite stable, so GDP plus, and that was underlying our expectations.

Also, as we think about the autos motive space, we were expecting roughly, I'll call it flat builds on a year-over-year. And in the durables, we expected improvement coming off of lows.

And then also in building construction actually slight,

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Yeah,

Willie McLain - *Eastman Chemical Company - EVP & CFO*

Neutral to down as we think about what we were expecting. And so, as we think about our success in achieving our guidance here, what we're seeing here as we continue to go through Q2 is broadly in line, whether we look at it from an end-market perspective or across our four segments on

I'll specifically focus on Advanced Materials and Additives & Functional Products. We're seeing, I'll call it the expected seasonal uptick in durables, maybe a little we're seeing in building and construction as well, probably just maybe not as positive as the durable space on a look around the world.

Obviously, the US and North America continue to be the healthiest, I think probably a little bit of a disappointment as people are looking at PMIs and the velocity of growth that are coming out of Asia and China specifically, but we weren't expecting growth and order recovery from those end markets. So, from a demand standpoint, in line with what we were expecting, and we continue to see those trends.

Yeah, I would highlight obviously, just like Q1, March was important and that played out well for Eastman June as critical as well as we think about that seasonal and everything that we see on the order books continue to support our expectations of approximately $2 for Q2.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Very good news and looking to the back half of the year. What are your expectations for any demand improvement?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

As we think about the back half a couple of things. One, as we continue to make a significant progress with our methanolysis project in Kingsport and ultimately unlocking is the demand for our customers and the product launches. We see the incremental EBITDA that we've talked about there being primarily in the second half, then we can talk a little bit more about methanolysis a little later.

Additionally, as we see in the first half of the year, we've had some impacts of volumes and chemical intermediates, and we see a better performance on that front due to just product availability and overall, just demand fundamentals.

So, as we see it, the second half for Eastman, we expect Advanced Materials and Chemical Intermediates still basically have improved volume and demand growth, whereas our fibers business stable and there's some seasonality, I would say in the second half, primarily in our ag exposure within Additives & Functional Products.

But as we think about the full year guide, we continue to be confident in the range and making progress again here in Q2 and we'll see the momentum that that gives us going into the second half and Q3 and here in the near term.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Very good. We know destocking is over, has it been much of any restocking yet?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

I would say, in my view. No, real signs of restocking. I think what you're seeing is you're seeing continued disciplined from a working capital. You said you're making choices to not the lower rates of the ECB as they did today. So, people are being disciplined as I was right.

But what do you are seeing from, as I say, more instances of rush orders and or restocking, of course, getting it to the customer so that they can continue to meet demand. So that I think that's what we're seeing broadly. And I think that will continue until there's a true primary demand, I'll call it confidence and that confidence will come through lower rates. And then also just some broader economic stability.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

And in China, are we seeing any signs of meaningful recovery yet?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

As we haven't talked or we have more people traveling, engaging with our team members there and our customers, I think consumer confidence, I think we'll need to continue to pick up for local demand. I think we've all seen instances of where I'll call it at least not where we're competing. But as we think about more commodity types, you're seeing that product show up, whether it's in Europe or Latin America and other locations around the world.

And I think winning the confidence of the consumer in China to basically absorb that. I think some of that's been mitigated from a trade standpoint, just due to some of the higher logistics costs where we compete in Chemical Intermediates, we've seen relatively little impact. We've got a great position here in North America and fun supplying our specialties and where we do compete there has not been a significant impact of their exports, right.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

And somethings are stable or stabilized. Any signs of is that your view of European market stable?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

I would say stable-ish, but I think you're seeing assets under scrutiny on a bit, and that's been more and more assets are coming to market or choices are being made with those assets. As I've highlighted previously on some of our calls as we I've moved forward with that, our after our tires and adhesives divestiture, that actually reduced our footprint to really our more specialty with our advanced materials, Additives & Functional Products as our footprint they compete regionally, they compete on the applications and the value that we create for brands and our customers.

And actually, there's not a lot of I'll call it, high labor intensive or high energy intensive. I think we have a very strong footprint and you're starting to see, I'll call it positive trends as you think about Personal Care, water treatment and those types of end markets that we have served with some of those assets.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

And just on durables globally has been a source of weakness for you guys the last 12, 18 months that has stabilized. It appears the durables demand?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

I definitely think it has stabilized and just as a reminder, we're not competing in large appliances, et cetera. It's kitchen wares. Even now with some of our sustainable products, it can even be in power tools and cosmetics. So, as we think about those types of product solutions, even said that we've seen stabilization and we're actually starting to see reconnecting the primary demand, and we're seeing that and that's also key to delivering our approximately $2 a share here in the Q2.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Very good. And pricing and inflationary still expecting, I think a net price cost negative in 2024? Is that the most recent guide?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

I would say, I think if you look at our specialties and we've talked about that, I think it's evolving, to, as we think about that demand coming back, you've also seen lower energy costs. I think it's to be determined ultimately of natural gas and utilities play out lower for the year that could be closer to neutral, but I would say seen around neutral to slightly negative as what we've seen year to date.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

At that point, you mentioned Energy Propane is about down about 25% and February has an impact, that the reason?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

Most of our I'll call it our propylene to propane spread, call it 80% plus is within our Chemical Intermediates business and what we've seen. And here in Q2, I don't think substantially changes our view for the quarter. We'll reassess that. We take demand factors in for the back half and so I would say it's more neutral here because of where propylene is relative to propane and spreads are similar to expectations and not dissimilar from Q1.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Got it. And just one thing back on the guidance, you're guiding to about $1.3 billion of operating profit in '24. Are the Key Bridge elements still the same as you laid out back in late April?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

And I think the key bridge items, as we've talked about volume and mix, we spent a lot of time on that also utilization rates being key. And then also the incremental EBITDA from our methanolysis facility

---

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

And the cash flow, you're guiding to that $1.4 billion this year, operating cash flow for the upside and downside risks to that guidance?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

As we think about that, obviously, reconnecting to primary demand and getting the earnings and the sales growth, one of the challenges will be with a stronger second half from an earnings is the working capital that goes with that stronger.

But our team was highly focused on cash and cash flow and achieving that end result, regardless of I'll call it that the economic and the business curves are being different. Also, as we think about on the tax front, the upside could have been could we get a tax deal done. That's not going to happen this year, but we're still focused on delivering the $1.4 billion.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

But I guess switching to the fun stuff now, circular economy, advanced recycling, the Kingsport methanolysis facility, how is that facility ramping up as we speak?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

What I'd like to highlight the great thing is we're making a call and excellent progress on the mechanical issues that we had with the facility on the reliability is greatly increasing and our ability to learn and adapt to how we operate that.

So again, to the operators, the engineers, the technology team. They're making significant and great progress, and we're excited about that, because what that does it is in and enables us to work with the brands and unlock the brand launches that we need to deliver the$75 million of incremental EBITDA, and we're still on that pathway based on the results that we've seen since the conference call.

I would also highlight early on with the continuous plant, you start the plant up, you're probably operating in that 50% or 60%. We're moving as today towards that 70% to 80% utilization rate, and we have a path and a line of sight to achieving that 100%. So that we can also then pivot to the I'll call it the hard to recycle materials. And again, where I sit here today, we're excited that we're making the progress that the pathway to $75 million is there in front of us.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

So it's a the CD still more cleaner feed, cleaner waste? that is correct?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

Dave, today, that is true of what I would highlight is we used a bridge technology called glycolysis that enabled us over the last 24 to 30 months to supply brands that come they could test their products on the shelves with consumers and the price points.

And so, by going to the feedstock that we're using now and methanolysis, that's actually already creating incremental EBITDA. And as we work ourselves to the most complex on that can be a polyester alpha carpet, it can be large chunk wage, and we have that ready to go. And we have continued to pilot that, David, so that we're going to methodically work ourselves through that sitting here today.

I believe most of the key challenges are behind us. It was construction. It was mechanical. It's the learning curve as we think about the technology, the yield, the on spec on the product quality is better or as good as fossil fuel is what we're already seeing come out today.

And you can think that we've got the most robust technology as we have in our pilot facilities to be able to handle the transition to the more complex. But that's what we're focused. And as we said, we will be working ourselves through that during Q2 and potentially into early Q3. But the progress to date reaffirms that the pathway to $75 million is still in front of us, and I'm excited about that.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

So by Q4, should we be feeding in the hard to recycle that with a more the mix? Plastic waste is the heart of the recycled material. Is that a Q4 timeline or is it perhaps by year end?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

It's in the model as we think about delivering the $75 million. So, the answer is yes, it will be there this year.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Got it. Now on a $75 million. You modified your language, your terminology of the Q1 call the pathway and timeline. Does that imply I wrote a slight shortfall of $10 million to $15 million to the target vessel possible or reasonable?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

I think it's just acknowledging that we had more issues with, I'll call it the transition from operating to achieving the rates and the conversion. And I think we've highlighted that was for six weeks or so. So, it's an acknowledgment of that, David, obviously, as we think about also achieving the overall broader results, both corporately, which includes the $75 million, but also advanced materials.

And you also saw us go from greater than 450 to the range that you raised that for Advanced Materials. So, as we collectively look at the strengths of our specialties and that transition, it's also reaffirming that we're confident in the direction and the path that we're headed.

It may not be precisely there, but milestones, but the direction and the confidence that we have, and we will demonstrate that over the next six to nine months.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

You might have where there's material that will be going into what types of products like types of brands?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

Well, absolutely. As we think about our portfolio of products within Advanced Materials, our Tritan brand, which is and a great growth product development in and of itself to greater than $0.5 billion over a decade. And you take that with our core copolyesters, and those products compete on three things today.

Priority chemical resistance and durability. We're adding a fourth dimension and that's it was Sustainability & Circularity to compete against other plastics and importantly, their polyesters. So we're using those. And as you think about, we've talked about being in durable end markets.

And I would add things like personal care, you can think about (technical difficulty). As an example, you can think about the medical and medical devices, medical devices in the healthcare industry wants those to be in service. And with the cleaning protocols, they want those again to be durable over the long term and our product meets that, but it also gives them the sustainability lens.

So, we're a solution that already adds value to our customers and how they compete on the shelves with their brand against alternative products. And now we're giving them something new to compete with and differentiate. And it's through that differentiation that we create value and it's in those applications. And that's what I call our Specialty Plastics model of how we're going to add wind with the Kingsport plant. And it is highly integrated into that specialty plastics business.

Well, the other perspective I'll give you is our Texas facility that we announced on the call, the site location and also announced with our of being selected from the DOE and up to $375 million of an award for that program. And this is what I call a circular solution.

So, you have large packaging needs on our PepsiCo contract as an example of that. So, what the DOE allows us to do is to not only do methanolysis. We're also going to have polymer lines, which can produce PET or copolyesters and bring that close to zero carbon compared to fossil fuel for this project with thermal batteries, roughly 90% lower carbon than producing with fossil fuels.

We've got circularity, you've got a low carbon footprint and we're actually showing the reality of what can be done with brands and especially but also in the packaging and we're doing that right now, and it's a better way to influence policy and other directions. It's not theoretical business plan. We can come show the processes and effect in directions so it's really exciting day, very much.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

And on your implied EBITDA targets for these plants, what's the implied price premium for this low carbon recycled polyester or PET?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

So, I'll take you back to the $75 million first here in the first half of the year and Q2, you're going to see the benefits of the project being up and running, and most of that benefit is going to be in our other segments are roughly $25 million in incremental EBITDA in the back half of the year.

What you're going to start to see us on these products and markets and the brands that that were highlighting, like Jim brands like LVMH and others that those products will start to come to market. We're producing Tritan copolyester today and those value chains will start to be filled. So that's the incremental that we would get.

We've also talked about these being above corporate and segment average. As we think about the EBITDA margins for the three plants and the three projects total numbers, we've put out there is roughly $450 million on the Kingsport plan, and I'll call it a higher return. So, you can expect also higher margins come along with that, both in the specialty nature and also in the integration with our Kingsport facility.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

And on Kingsport, how should we think about the EBITDA ramp up in '25 and '26 to your ultimate target of $150million to $200 million from Kingsport?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

So, we've talked about roughly this year, $75 million of incremental lift from, call it, two thirds of that being in Advanced Materials. So, if you're roughly $50 million in the back half. You're exiting at somewhere at $75 million or a little greater. We've talked about at least with the line of sight that we have today that you can be exiting 2025 at $150 million, it means '26 and $150 million or greater from an actual EBITDA. And I actually think that number can be at the greater level. I'd frame it at that level for now.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Looking forward to it on the Longview, Texas facility, you have a couple of key elements in place. You have a large DOE funding element. You have the PepsiCo baseload supply contract, discuss the elements of those and how they have come together to drives projects almost FID?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

Yes. What we said is, as we think about this business model, it had to have several things. One, it had to have contracts because as we think about Longview, Texas. It's about a circular solution, how we were in the PET industry, and we're not going back to the PET industry. And I actually got to leave the I'll call it the sale of the final facility.

So, this is why it's about a solution as you think about products and product offerings in the packaging industry, mechanical recycling as a value-added process, but in many cases, it doesn't meet our cost of product needs or the functional needs of an example this morning is I'm having a product that was mechanically recycled and it's not clear anymore. It's gray as you're trying to have a beverage.

So, as you think about different applications, also mechanical recycling will break down. It will not function so we can take all of these, I'll call it issues that we're seeing would be bad and basically make it renewable. You break it down into the two key products —ethylene glycol and DMT.

REFINITIV

And we can make it infinitely renewable, and we're doing that today, but we're going to do it in a solution that enables the brands to one meet their carbon footprint to me, they're also their commitments as you think about circularity and also, in my view, a natural hedge versus disconnects as you go through different policy cycles, different availability cycles as we can give you a solution that has long-term benefits and effectively a price point from a return perspective.

You don't have the volatility that you could have being exposed to a market that has disconnect and unknown taxes or costs.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Very good for Longview is still on track for FID Q3 this year and sort of back half 27, though, still the right dates.

Willie McLain - *Eastman Chemical Company - EVP & CFO*

So, what I would say is the answer is yes, we're currently negotiating with the DOE on the key principles of achieving the $375 million and the time horizon at which those will be impacted that, along with the PepsiCo contract as well as progressing the engineering, I think are the three things that enable us to make that decision here in the near term.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Very good. Thank you. Just now on the Trans project on the Q1 call, you know that even you were not delaying it, but evaluate and timeline, given certain changes in the landscape, discuss what caused you to perhaps Italy and France project and how those might evolve and evolve going forward?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

As we highlighted on the call, there's two or three factors. One of the factors shows are said with the long view, we're continuing to look at the engineering and make sure that the investment level is at the appropriate level to generate the returns and to make sure that the cash flow investments and at the appropriate levels.

Two in the current environment as you think about with policy, and I'll call it supply demand in general and the year and in environment. And that's great questions from brands and us as we think about the policy. So those are ongoing discussions we're working together to influence because I think brands and easement need more certainty of how these policies are going to be enacted and so that we're moving forward on the right foot and influencing the policy before when we make investments and commitments, which is back to what we said, we were going to be doing, which is discipline.

The key thing is we have and develop multiple options. So, we will realize the learnings from Kingsport on Longview, we're partnering so that we can with brands so that we can be a fast follower from Longview with the France project right now, let's say there's not any significant updates since our call, just given the complexity of the environment.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Is there a timeline to resolve these issues in your mind or move forward?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

I think we're working to inform timeline through the learnings and the engagement, and we'll update to at some point in the future.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Don't follow this circular economy platform. What's the business strategy would use with the licensees plants where you bring in partners with you have no more your own What's beyond the first three in the pipeline?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

To me, there's two solutions, one highly tied to Advanced Materials and special plastics. As we continue to win in more markets and win more customers and more brands that's core to who we are.

As we think about circular solutions, what I would say is one we want to prove that the model is a business model, which gives us then the leverage of as you think about brands and the commitments that they want to make. We will look at models that create the most value for our shareholders.

But we're confident that building out the model is most critical for creating the most value and the most optionality times ultimately there. If we're going to be successful, like other brands had been with recycling and circularity, including the aluminum industry, we need lots of plants and lots of capacity.

And there's other technologies that are for olefins and olefin products. We're not focused on that. We're focused on the ones that are polyester. There are complementary benefits of supply chains developing from a sourcing of multiple technology being successful.

So again, we want to reduce reuse. We also know that a big piece of the solution has to come from Eastman and the industry.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

And does M&A play a role in the polyester focused growth of this circular economy platform?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

And my belief is that it can in the future as you think about their demands and needs and different applications and different end markets. I would say that down the road, we're focused right now on creating the value from the strategy that we've outlined.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Very good before let me say any questions for Willie.

Unidentified Participant

First thing thanks for the microphone. It is two sort of housekeeping questions. In terms of the C&I business, I know it's volatile, but you've talked about well, you've got a maintenance expense this quarter of $20 million. You've talked about a better second half. Are the spreads actually improving such that you get the maintenance you're dropping out the cost of the second quarter numbers and then better, can you do better than $20 million improvement, say, sequentially coming out of the second quarter?

And then secondly, when we've got the circular plant up and running and Kingsport is so all that income end up in AM next, you’ve got the 25 falling out of corporate this year. In terms of expense or benefit, but does that or does that all end up in AM next years, 150 run rates with elsewhere within the divisions?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

Chris, thanks for your questions. And I'll start with your second question first. So, the answer is yes, as we think about the Kingsport facility and the incremental EBITDA from the second half board, all of that will show up in the Advanced Materials segment.

As I think about the chemical intermediates, obviously, we talked about the maintenance, what the maintenance also is the volume. So I would say volume and mix is the predominant factors. We think about absence of maintenance adds 20 volume and mix will add on top of that. And then I would say there could be some seasonal, no spread uplift as well. But that would be the third factor.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Very good. And well, if your question is on the segments, I always like to touch on fibrosis. That's a really good business and through Renaissance earnings in '24 should be up almost threefold versus '22. What's driven this morning Renaissance? And how sustainable is it going forward?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

Yes, I would say there's two or three key factors as we think about fibers. And that business team is leading a multiyear strategy as a result and where we are in that multi-year strategy also on how are we advancing our cellulosic initiatives. And it's not only about acetate tow and filter media. It's about acetate flake and how we can create significant value because it's the original biopolymers, you think about wood pulp. And now we can use our carbon renewable technology combined that and that's a very strong value proposition.

Two I would say the industry is obviously right size the asset around the world. And three, it's I would say, product complexity and alternative risk products, the brands and the industry and brought about from the filter media, the product complexity actually run slower.

So, therefore, it can consume that capacity. Our view was to be in this business long term. We're going to get paid for it and it needs to be at a level where we can be there to support because we're not going to invest in, I'll call it, reinvestment maintenance, et cetera, if we're not getting paid for it.

And these alternative products, one that I'm really excited about is a product called Inventor in the cellulosic space, and it's on the shelves that brands are being tested today where you can take cellulosic material that can be found that is a drop-in replacement as an example, for polystyrene on grocery shelves where your protein can be for your utensils. That's an example of how innovation and that's a biodegradable product versus the existing products. So innovation is core and that innovation then puts tension. And you can achieve those.

And what gives me confidence in the pension is 100% of our business is contracted this year, 90% in '25 and roughly 70% in '26.

Now our job is to continue to be successful on the innovation front, but also to be a reliable supplier because the input cost of our product and a filter is a very small fraction of the overall cost of what consumers are experiencing.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Just on carbon renewal technology. How should we think about the growth of this business from an earnings perspective as some of the key products you're targeting here,

Willie McLain - *Eastman Chemical Company - EVP & CFO*

And I didn't mention Naia. So ultimately, the incremental growth that we're even seeing this year in fibers because of some of the success that we're having with Naia and textile with Aventa, I think we will start to see revenue here in the back half. And as we've talked about with that and the innovation. There is definitely a what I was going to be on here significantly growing.

And as we talked about, that number can be as high of $200 million

---

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

And just very briefly on Tritan, how should think about this business now has explained our business had tremendous success, actually period achieved through think about the growth in the margin in this business with the added impetus of the US of the new technology from methanolysis?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

The new technology, first of all is going to help us accelerate the recovery from the destocking and the demand that has occurred.

And what's key to me is also getting back to restarting accelerating that third investment for the new Trident mine. And on top of that then as we think about going to and some of these additional applications like medical Personal Care, that also offers the ability for a different much margin set because of the applications and the application development that we can uniquely differentiate and create significant value.

So, in that case, again, volume and mix upgrade have been core to the advancement's treatment materials strategy over the long term. And I think this will be a key component as we go forward.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Is a billion-dollar business in four or five years. Do you think?

Willie McLain - *Eastman Chemical Company - EVP & CFO*

I believe it can be

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Very good. With that, willing, I thank you for your time, and thank you. I think it was overall attending.

Willie McLain - *Eastman Chemical Company - EVP & CFO*

Thank you for your time.

Dave Begleiter - *Deutsche Bank's US Chemicals - Analyst*

Thank you very much.
