

EASTMAN CHEMICAL CO
 Form 4
 November 09, 2005

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
NELSON GREGORY O

 (Last) (First) (Middle)

EASTMAN CHEMICAL COMPANY, 200 SOUTH WILCOX DRIVE

 (Street)

KINGSPORT, TN 37660

 (City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
EASTMAN CHEMICAL CO [EMN]

3. Date of Earliest Transaction (Month/Day/Year)
11/07/2005

4. If Amendment, Date Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)
 ___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
CTO & SVP Dev Bus

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 ___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|---|------|
| | | | | (A) or (D) | Price | | | | |
| | | | | Code | V | Amount | | | |
| Common Stock | 11/07/2005 | | M | | 9,200 | A | \$ 47.55 17,324 | D | |
| Common Stock | 11/07/2005 | | F | | 7,997 | D | \$ 54.7 9,327 | D | |
| Common Stock | | | | | | | 573 | I | ESOP |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) | Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | |
| Employee Stock Option (right to buy) | \$ 47.55 | 11/07/2005 | | M | 9,200 | 04/05/2004 04/04/2012 | Common Stock | 9,200 | |
| Employee Stock Option (right to buy) | \$ 54.7 | 11/07/2005 | | A | 7,997 | 11/07/2005 04/04/2012 | Common Stock | 7,997 | |
| Phantom Stock Units | \$ 0 ⁽¹⁾ | 11/07/2005 | | I | 3,843 ₍₂₎ | <u>(1)</u> <u>(1)</u> | Common Stock | 3,843 | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| NELSON GREGORY O EASTMAN CHEMICAL COMPANY 200 SOUTH WILCOX DRIVE KINGSPORT, TN 37660 | | | CTO & SVP Dev Bus | |

Signatures

Brian L. Henry, by Power of Attorney
11/09/2005
**Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Phantom stock units credited under the Executive Deferred Compensation Plan, each having a value equal to the market value of one

(1) share of issuer common stock and payable only in cash and, subject to certain acceleration and early withdrawal provisions, after termination of service.

(2) Includes 352 units acquired since May 13, 2003 resulting from automatic reinvestment of dividend equivalents.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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