

EASTMAN CHEMICAL CO
 Form 4
 November 02, 2006

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 *
 ROGERS JAMES P

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 EASTMAN CHEMICAL
 COMPANY, 200 SOUTH WILCOX
 DRIVE

3. Date of Earliest Transaction
 (Month/Day/Year)
 10/31/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Pres & Chem & Fbrs Grp Head

(Street)
 KINGSPORT, TN 37660

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

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

(City) (State) (Zip)

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | Price | |
| Common Stock | 10/31/2006 | | M | | 60,000 | \$ 51.25 | A 92,451 D |
| Common Stock | 10/31/2006 | | S | | 60,000 | \$ 60.85 | D 32,451 |
| Common Stock | 11/01/2006 | | M | | 132,000 | \$ 51.25 | A 164,451 D |
| Common Stock | 11/01/2006 | | S | | 132,000 | \$ 60.12 | D 32,451 |

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| | | | | | | | | |
|--------------|------------|---|--------|---|----------|----------------------|---|--------|
| Common Stock | 11/01/2006 | M | 49,200 | A | \$ 47.55 | 81,651 | D | |
| Common Stock | 11/01/2006 | F | 38,978 | D | \$ 60.02 | 42,673 | D | |
| Common Stock | | | | | | 2,882 ⁽²⁾ | I | 401(k) |
| Common Stock | | | | | | 1,027 | 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)

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 Underlying Security (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title |
| Employee Stock Option (Right to Buy) | \$ 60.92 | 10/31/2006 | | A | 40,000 | 10/31/2007 ⁽³⁾ | 10/30/2016 | Common Stock |
| Employee Stock Option (Right to Buy) | \$ 51.25 | 10/31/2006 | | M | 60,000 | 08/20/2001 | 08/19/2009 | Common Stock |
| Employee Stock Option (Right to Buy) | \$ 51.25 | 11/01/2006 | | M | 132,000 | 08/20/2001 | 08/19/2009 | Common Stock |
| Employee Stock Option (Right to Buy) | \$ 47.55 | 11/01/2006 | | M | 49,200 | 04/05/2004 | 04/04/2012 | Common Stock |
| | \$ 60.02 | 11/01/2006 | | A | 38,978 | 11/01/2006 | 04/04/2012 | |

Employee
 Stock
 Option
 (Right to
 Buy)

Common
 Stock

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| ROGERS JAMES P EASTMAN CHEMICAL COMPANY 200 SOUTH WILCOX DRIVE KINGSPORT, TN 37660 | | | Pres & Chem & Fbrs Grp Head | |

Signatures

Brian L. Henry, by Power of
 Attorney 11/02/2006

__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).
- (1) Average sale price for shares disposed of in the reported transaction. The shares were sold in multiples brokers' transactions at various market prices per share ranging from \$60.018 to \$60.90.
- (2) Includes 61 shares acquired since March 9, 2006 resulting from automatic reinvestment of dividends.
- (3) One-third of the option becomes exercisable on October 31, 2007, October 31, 2008 and October 31, 2009, respectively.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.