



B. FINANCIAL STATEMENTS

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF OPERATIONS (Unaudited)
(in millions)

	Three Months Ended March 31,	
	2022	2021
Revenues		
Sales	\$ 234	\$ 209
Services	56	56
Total revenues	290	265
Cost of revenues		
Sales	220	185
Services	37	40
Total cost of revenues	257	225
Gross profit	33	40
Selling, general and administrative expenses	43	46
Research and development costs	9	8
Restructuring costs and other	—	1
Other operating income, net	—	(1)
Loss from continuing operations before interest expense, pension income excluding service cost component, other charges, net and income taxes	(19)	(14)
Interest expense	9	4
Pension income excluding service cost component	(30)	(25)
Other charges, net	3	—
(Loss) earnings from continuing operations before income taxes	(1)	7
Provision for income taxes	2	1
Net (loss) income	\$ (3)	\$ 6

The notes accompanying the financial statements contained in the Company's first quarter 2022 Form 10-Q are an integral part of these consolidated financial statements.

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Unaudited)
(in millions)

	March 31, 2022	December 31, 2020
ASSETS		
Cash and cash equivalents	\$ 309	\$ 362
Trade receivables, net of allowances of \$7 and \$7, respectively	182	175
Inventories, net	247	219
Other current assets	50	49
Current assets held for sale	2	2
Total current assets	<u>790</u>	<u>807</u>
Property, plant and equipment, net of accumulated depreciation of \$446 and \$441, respectively	147	140
Goodwill	12	12
Intangible assets, net	32	34
Operating lease right-of-use assets	45	47
Restricted cash	58	54
Pension and other postretirement assets	1,049	1,022
Other long-term assets	54	55
TOTAL ASSETS	<u>\$ 2,187</u>	<u>\$ 2,171</u>
LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND EQUITY		
Accounts payable, trade	\$ 182	\$ 153
Short-term borrowings and current portion of long-term debt	1	1
Current portion of operating leases	12	13
Other current liabilities	139	142
Total current liabilities	<u>334</u>	<u>309</u>
Long-term debt, net of current portion	256	253
Pension and other postretirement liabilities	375	382
Operating leases, net of current portion	42	45
Other long-term liabilities	200	205
Total liabilities	<u>1,207</u>	<u>1,194</u>
Commitments and Contingencies (Note 6)		
Redeemable, convertible preferred stock, no par value, \$100 per share liquidation preference	198	196
Equity		
Common stock, \$0.01 par value	—	—
Additional paid in capital	1,165	1,166
Treasury stock, at cost	(10)	(10)
Accumulated deficit	(599)	(596)
Accumulated other comprehensive income	226	221
Total shareholders' equity	<u>782</u>	<u>781</u>
TOTAL LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND EQUITY	<u>\$ 2,187</u>	<u>\$ 2,171</u>

The notes accompanying the financial statements contained in the Company's first quarter 2022 Form 10-Q are an integral part of these consolidated financial statements.

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)
(in millions)

	Three Months Ended	
	March 31,	
	2022	2021
Cash flows from operating activities:		
Net (loss) income	\$ (3)	\$ 6
Adjustments to reconcile to net cash used in operating activities:		
Depreciation and amortization	7	8
Pension income	(26)	(21)
Change in fair value of embedded derivatives in the Series A, Series B and Series C Preferred Stock and Convertible Notes	3	1
Non-cash changes in workers' compensation reserves	(4)	-
Stock based compensation	2	3
(Increase) decrease in trade receivables	(9)	8
Increase in inventories	(32)	(22)
Increase in trade payables	31	24
Decrease in liabilities excluding borrowings and trade payables	(13)	(22)
Other items, net	1	(1)
Total adjustments	(40)	(22)
Net cash used in operating activities	(43)	(16)
Cash flows from investing activities:		
Additions to properties	(5)	(1)
Net cash used in investing activities	(5)	(1)
Cash flows from financing activities:		
Net proceeds from Term Loan Credit Agreement	-	215
Net proceeds from Convertible Notes	-	25
Net proceeds from Series C Preferred Stock	-	99
Proceeds from sale of common stock	-	10
Repurchase of Series A Preferred Stock	-	(100)
Debt issuance costs	-	(2)
Preferred stock cash dividend payments	(1)	(4)
Treasury stock purchases	-	(1)
Net cash (used in) provided by financing activities	(1)	242
Effect of exchange rate changes on cash, cash equivalents and restricted cash	-	(4)
Net (decrease) increase in cash, cash equivalents and restricted cash	(49)	221
Cash, cash equivalents and restricted cash, beginning of period	423	256
Cash, cash equivalents and restricted cash, end of period	\$ 374	\$ 477

The notes accompanying the financial statements contained in the Company's first quarter 2022 Form 10-Q are an integral part of these consolidated financial statements.