



## FINANCIAL STATEMENTS

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
<b>Revenues</b>				
Sales	\$ 231	\$ 195	\$ 674	\$ 568
Services	56	57	169	164
<b>Total revenues</b>	<b>287</b>	<b>252</b>	<b>843</b>	<b>732</b>
<b>Cost of revenues</b>				
Sales	206	183	595	533
Services	38	38	117	111
<b>Total cost of revenues</b>	<b>244</b>	<b>221</b>	<b>712</b>	<b>644</b>
Gross profit	43	31	131	88
Selling, general and administrative expenses	43	56	131	138
Research and development costs	8	8	24	25
Restructuring costs and other	—	1	1	9
Other operating (expense) income, net	1	(1)	(6)	(11)
Loss from continuing operations before interest expense, pension income excluding service cost component, loss on early extinguishment of debt, other (income) charges, net and income taxes	(9)	(33)	(19)	(73)
Interest expense	9	3	23	11
Pension income excluding service cost component	(25)	(26)	(76)	(79)
Loss on early extinguishment of debt	—	2	—	2
Other (income) charges, net	(2)	432	(1)	387
Earnings (loss) from continuing operations before income taxes	9	(444)	35	(394)
Provision for income taxes	1	1	5	167
<b>Net income (loss)</b>	<b>\$ 8</b>	<b>\$ (445)</b>	<b>\$ 30</b>	<b>\$ (561)</b>

The notes accompanying the financial statements contained in the Company's third quarter 2021 Form 10-Q are an integral part of these consolidated financial statements.

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

	September 30, 2021	December 31, 2020
<b>ASSETS</b>		
Cash and cash equivalents	\$ 380	\$ 196
Trade receivables, net of allowances of \$8 and \$10, respectively	167	177
Inventories, net	240	206
Other current assets	47	46
Current assets held for sale	2	2
<b>Total current assets</b>	<b>836</b>	<b>627</b>
Property, plant and equipment, net of accumulated depreciation of \$440 and \$430, respectively	140	152
Goodwill	12	12
Intangible assets, net	35	39
Operating lease right-of-use assets	46	48
Restricted cash	64	53
Other long-term assets	402	317
<b>TOTAL ASSETS</b>	<b>\$ 1,535</b>	<b>\$ 1,248</b>
<b>LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND EQUITY</b>		
Accounts payable, trade	\$ 151	\$ 118
Short-term borrowings and current portion of long-term debt	2	2
Current portion of operating leases	18	12
Other current liabilities	141	164
<b>Total current liabilities</b>	<b>312</b>	<b>296</b>
Long-term debt, net of current portion	250	17
Pension and other postretirement liabilities	384	406
Operating leases, net of current portion	40	49
Other long-term liabilities	210	212
<b>Total liabilities</b>	<b>1,196</b>	<b>980</b>
Commitments and Contingencies (note 8)		
Redeemable, convertible preferred stock, no par value, \$100 per share liquidation preference	195	191
<b>Equity</b>		
Common stock, \$0.01 par value	—	—
Additional paid in capital	1,166	1,152
Treasury stock, at cost	(10)	(9)
Accumulated deficit	(590)	(620)
Accumulated other comprehensive loss	(422)	(446)
<b>Total shareholders' equity</b>	<b>144</b>	<b>77</b>
<b>TOTAL LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND EQUITY</b>	<b>\$ 1,535</b>	<b>\$ 1,248</b>

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

	Nine Months Ended	
	September 30,	
	2021	2020
Cash flows from operating activities:		
Net income (loss)	\$ 30	\$ (561)
Adjustments to reconcile to net cash used in operating activities:		
Depreciation and amortization	23	29
Pension income	(63)	(65)
Change in fair value of embedded derivatives in the Series A, Series B and Series C Preferred Stock and Convertible Notes	(3)	382
Loss on early extinguishment of debt	—	2
Net loss (gain) on sales of assets	1	(9)
Asset impairments	—	3
Stock based compensation	6	18
Non-cash changes in workers' compensation reserves	(4)	9
(Benefit) provision for deferred income taxes	(1)	160
Decrease in trade receivables	6	53
Increase in inventories	(38)	(19)
Increase (decrease) in trade payables	33	(33)
Decrease in liabilities excluding borrowings and trade payables	(26)	(24)
Other items, net	3	7
Total adjustments	(63)	513
Net cash used in operating activities	(33)	(48)
Cash flows from investing activities:		
Additions to properties	(10)	(13)
Net proceeds from sales of assets	1	2
Net proceeds from return on equity investment	—	2
Net cash used in investing activities	(9)	(9)
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)	—
Proceeds from stock option exercises	—	29
Preferred stock cash dividend payments	(6)	(19)
Treasury stock purchases	(1)	—
Net cash provided by financing activities	240	10
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(3)	(2)
Net increase (decrease) in cash, cash equivalents and restricted cash	195	(49)
Cash, cash equivalents and restricted cash, beginning of period	256	290
Cash, cash equivalents and restricted cash, end of period	\$ 451	\$ 241

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