

B. FINANCIAL STATEMENTS

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

	Three Months Ended September 30,	
	2018	2017
Revenues		
Sales	\$ 293	\$ 303
Services	73	76
Total net revenues	366	379
Cost of revenues		
Sales	251	261
Services	50	54
Total cost of revenues	301	315
Gross profit	65	64
Selling, general and administrative expenses	59	61
Research and development costs	13	16
Restructuring costs and other	9	4
Other operating (income) expense, net	(10)	20
Goodwill impairment	—	56
Loss from continuing operations before interest expense, other (income) charges, net, and income taxes	(6)	(93)
Interest expense	9	8
Pension income excluding service cost component	(35)	(39)
Other income, net	(4)	(4)
Earnings (loss) from continuing operations before income taxes	24	(58)
Provision (benefit) for income taxes	5	(13)
Equity in loss of equity method investment, net of income taxes	—	1
Earnings (loss) from continuing operations	19	(46)
Loss from discontinued operations, net of income tax	—	—
NET EARNINGS (LOSS)	\$ 19	\$ (46)

The notes accompanying the Company's third quarter 2018 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, 2018	December 31, 2017
ASSETS		
Cash and cash equivalents	\$ 238	\$ 344
Trade receivables, net of allowances of \$9 in each period	244	282
Inventories, net	306	276
Other current assets	56	56
Total current assets	844	958
Property, plant and equipment, net of accumulated depreciation of \$426 and \$394, respectively	276	314
Goodwill	32	32
Intangible assets, net	76	86
Restricted cash	10	17
Deferred income taxes	175	188
Other long-term assets	127	112
TOTAL ASSETS	\$ 1,540	\$ 1,707
LIABILITIES, REDEEMABLE, CONVERTIBLE PREFERRED STOCK AND EQUITY		
Accounts payable, trade	\$ 167	\$ 198
Short-term borrowings and current portion of long-term debt	396	4
Other current liabilities	216	217
Total current liabilities	779	419
Long-term debt, net of current portion	5	399
Pension and other postretirement liabilities	384	466
Other long-term liabilities	183	202
Total liabilities	1,351	1,486
Commitments and contingencies (Note 7)		
Redeemable, convertible Series A preferred stock, no par value, \$100 per share liquidation preference	171	164
Equity (Deficit)		
Common stock, \$0.01 par value	—	—
Additional paid in capital	621	631
Treasury stock, at cost	(9)	(9)
Accumulated deficit	(187)	(174)
Accumulated other comprehensive loss	(407)	(391)
Total shareholders' equity	18	57
TOTAL LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND EQUITY	\$ 1,540	\$ 1,707

The notes accompanying the Company's third quarter 2018 Form 10-Q are an integral part of these consolidated financial statements.