



B. FINANCIAL STATEMENTS

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

| | Three Months Ended September 30, | |
|---|----------------------------------|--------------|
| | 2019 | 2018 |
| Revenues | | |
| Sales | \$ 249 | \$ 259 |
| Services | 66 | 70 |
| Total revenues | 315 | 329 |
| Cost of revenues | | |
| Sales | 216 | 232 |
| Services | 46 | 47 |
| Total cost of revenues | 262 | 279 |
| Gross profit | 53 | 50 |
| Selling, general and administrative expenses | 48 | 53 |
| Research and development costs | 11 | 12 |
| Restructuring costs and other | 3 | 9 |
| Other operating expense (income), net | 10 | (10) |
| Loss from continuing operations before interest expense, pension income excluding service cost component, other charges (income), net, and income taxes | (19) | (14) |
| Interest expense | 4 | 2 |
| Pension income excluding service cost component | (26) | (35) |
| Other charges (income), net | 6 | (4) |
| (Loss) earnings from continuing operations before income taxes | (3) | 23 |
| Provision for income taxes | 7 | 3 |
| (Loss) earnings from continuing operations | (10) | 20 |
| Income (loss) from discontinued operations, net of income taxes | 5 | (1) |
| Net (Loss) Income | \$ (5) | \$ 19 |

The notes accompanying the financial statements contained in the Company's third quarter 2019 Form 10-Q are an integral part of these consolidated financial statements.

Kodak Reports Third-Quarter Revenue of \$315 Million and Growth in Key Product Areas
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EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Unaudited)
(in millions)

| | September 30, 2019 | December 31, 2018 |
|--|-----------------------|----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 225 | \$ 233 |
| Trade receivables, net of allowances of \$8 and \$9, respectively | 195 | 232 |
| Inventories, net | 242 | 231 |
| Other current assets | 57 | 47 |
| Current assets held for sale | 2 | 167 |
| Total current assets | 721 | 910 |
| Property, plant and equipment, net of accumulated depreciation of \$419 and \$395, respectively | 186 | 216 |
| Goodwill | 12 | 12 |
| Intangible assets, net | 53 | 58 |
| Operating lease right-of-use assets | 49 | - |
| Restricted cash | 36 | 11 |
| Deferred income taxes | 147 | 160 |
| Other long-term assets | 205 | 143 |
| TOTAL ASSETS | \$ 1,409 | \$ 1,510 |
| LIABILITIES, REDEEMABLE, CONVERTIBLE PREFERRED STOCK AND EQUITY (DEFICIT) | | |
| Accounts payable, trade | \$ 140 | \$ 130 |
| Short-term borrowings and current portion of long-term debt | 2 | 396 |
| Current portion of operating leases | 26 | - |
| Other current liabilities | 203 | 209 |
| Current liabilities held for sale | — | 43 |
| Total current liabilities | 371 | 778 |
| Long-term debt, net of current portion | 106 | 5 |
| Pension and other postretirement liabilities | 352 | 379 |
| Operating leases, net of current portion | 34 | - |
| Other long-term liabilities | 195 | 178 |
| Total liabilities | 1,058 | 1,340 |
| Commitments and Contingencies (Note 10) | | |
| Redeemable, convertible Series A preferred stock, no par value, \$100 per share liquidation preference | 180 | 173 |
| Equity (Deficit) | | |
| Common stock, \$0.01 par value | — | — |
| Additional paid in capital | 608 | 617 |
| Treasury stock, at cost | (9) | (9) |
| Accumulated deficit | (17) | (200) |
| Accumulated other comprehensive loss | (411) | (411) |
| Total shareholders' equity (deficit) | 171 | (3) |
| TOTAL LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND EQUITY (DEFICIT) | \$ 1,409 | \$ 1,510 |

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