



## A. NON-GAAP MEASURES

In this second quarter 2023 financial results news release, reference is made to the following non-GAAP financial measure of Operational EBITDA.

Kodak believes that this non-GAAP measure represents an important internal measure of performance. Accordingly, where it is provided, it is to give investors the same financial data management uses with the belief that this information will assist the investment community in properly assessing the underlying performance of Kodak, its financial condition, results of operations and cash flow.

Kodak's segment measure of profit and loss is an adjusted earnings before interest, taxes, depreciation and amortization ("Operational EBITDA"). Operational EBITDA represents the income (loss) from continuing operations excluding the provision for income taxes; non-service cost components of pension and OPEB income; depreciation and amortization expense; restructuring costs and other; stock-based compensation expense; consulting and other costs; idle costs; other operating income, net; interest expense; and other charges (income), net.

The following table reconciles the most directly comparable GAAP measure of Net Income to Operational EBITDA for the three months ended June 30, 2023 and 2022, respectively:

(in millions)

	Q2 2023	Q2 2022	\$ Change	% Improvement
<b>Net Income</b>	\$ 35	\$ 20	\$ 15	75%
All other	(1)	(1)	-	
Depreciation and amortization	8	7	1	
Restructuring costs and other <sup>(3)</sup>	5	-	5	
Stock based compensation	1	1	-	
Consulting and other costs <sup>(1)</sup>	(1)	3	(4)	
Idle costs <sup>(2)</sup>	1	-	1	
Other operating income, net	(1)	-	(1)	
Interest expense <sup>(3)</sup>	11	10	1	
Pension income excluding service cost component <sup>(3)</sup>	(41)	(27)	(14)	
Other charges (income), net <sup>(3)</sup>	3	(1)	4	
Provision (benefit) for income taxes <sup>(3)</sup>	2	(1)	3	
<b>Operational EBITDA</b>	<b>\$ 22</b>	<b>\$ 11</b>	<b>\$ 11</b>	<b>100%</b>

### Footnote Explanations:

- (1) Consulting and other costs are primarily professional services and internal costs associated with certain corporate strategic initiatives, investigations and litigation. Consulting and other costs include \$1 million of income in the three months ended



June 30, 2023 representing insurance reimbursement of legal costs previously paid by the Company associated with investigations and litigation matters.

- (2) Consists of third-party costs such as security, maintenance, and utilities required to maintain land and buildings in certain locations not used in any Kodak operations and the costs, net of any rental income received, of underutilized portions of certain properties.
- (3) As reported in the Consolidated Statement of Operations.