

# EASTMAN KODAK CO (EK)

## 8-K

Current report filing

Filed on 01/24/2012

Filed Period 01/23/2012

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 24, 2012 (January 23, 2012)

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**Eastman Kodak Company**  
(Exact name of registrant as specified in its charter)

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New Jersey  
(State or other jurisdiction  
of incorporation)

343 State Street,  
Rochester, New York  
(Address of Principal Executive Offices)

1-87  
(Commission  
File Number)

16-0417150  
(IRS Employer  
Identification No.)

14650  
(Zip Code)

Registrant's telephone number, including area code: (585) 724-4000

Not Applicable  
(Former name or former address, if changed since last report.)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 7.01. Regulation FD Disclosure.**

Pursuant to Item 7.01 of Form 8-K, Eastman Kodak Company (the "Company") is furnishing slides from a Public Lender Presentation (the "Lender Presentation") and a Business Segment Review (the "Business Segment Review" and, together with the Lender Presentation, the "Presentations") which were released by the Company's management on January 23, 2012 to potential lenders in connection with the syndication of the facilities under the Company's Debtor-In-Possession Credit Agreement dated as of January 20, 2012. Attached as Exhibit 99.1 to this report are the slides from the Lender Presentation and attached as Exhibit 99.2 to this report are the slides from the Business Segment Review.

On January 23, 2012, the Company issued a press release (the "Press Release") announcing that it had posted the Presentations on the Investor Relations section of its Company website ([www.kodak.com](http://www.kodak.com)) and its reorganizational information website ([www.kodaktransforms.com](http://www.kodaktransforms.com)). A copy of the Press Release is attached as Exhibit 99.3 and, with respect to the portion relating to the Presentations, is incorporated by reference in this Item 7.01.

This information, Exhibit 99.1, Exhibit 99.2 and Exhibit 99.3 (with respect to the portion related to the Presentations) are being furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall they be deemed to be incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act. This information, Exhibit 99.1, Exhibit 99.2 and Exhibit 99.3 (with respect to the portion related to the Presentations) will not be deemed an admission as to the materiality of any information herein, in Exhibit 99.1, in Exhibit 99.2, nor in Exhibit 99.3 (with respect to the portion related to the Presentations).

**Item 8.01. Other Events.**

Among other things, the slides in the Lender Presentation reflect the retention of James A. Mesterharm of AlixPartners LLP as Chief Restructuring Officer as of January 23, 2012, replacing Dominic DiNapoli in that role. The scope of the Chief Restructuring Officer's duties, and his reporting duties, will not change in connection with Mr. Mesterharm's appointment. The change does not reflect any disagreement or difference of opinion between Mr. DiNapoli and the Company. AlixPartners will be the Company's restructuring adviser during the reorganization process, leveraging AlixPartners' knowledge of the Company based on its preexisting operational enhancement advisory engagement with the Company over the past several months.

The portion of the Press Release relating to the retention of Mr. Mesterharm and AlixPartners is incorporated by reference in this Item 8.01.

This report on Form 8-K, including the exhibits attached hereto, includes "forward-looking statements" as that term is defined under the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements concerning the Company's plans, objectives, goals, strategies, future events, future revenue or performance, liquidity, cash flows, capital expenditures, financing needs, plans or business trends, and other information that is not historical information. When used in this report on Form 8-K, including the exhibit attached hereto, the words "estimates," "expects," "anticipates," "projects," "plans," "intends," "believes," "forecasts," or future or conditional verbs, such as "will," "should," "could," or "may," and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements, including, without limitation, management's examination of historical operating trends and data are based upon the Company's expectations and various assumptions. Future events or results may differ from those anticipated or expressed in these forward-looking statements. Important factors that could cause actual events or results to differ materially from these forward-looking statements include, among others, the risks and uncertainties described under the heading "Risk Factors" in the Company's most recent annual report on Form 10-K under Item 1A of Part 1, in the Company's most recent quarterly report on Form 10-Q under Item 1A of Part II and those described in filings made by the Company with the U.S. Bankruptcy Court for the Southern District of New York and in other filings the Company makes with the SEC from time to time, as well as the following: the ability of the Company to continue as a going concern, the Company's ability to obtain Bankruptcy Court approval with respect to motions in the chapter 11 cases, the ability of the Company and its subsidiaries to prosecute, develop and consummate one or more plans of reorganization with respect to the chapter 11 cases,

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Bankruptcy Court rulings in the chapter 11 cases and the outcome of the cases in general, the length of time the Company will operate under the chapter 11 cases, risks associated with third party motions in the chapter 11 cases, which may interfere with the Company's ability to develop and consummate one or more plans of reorganization once such plans are developed, the potential adverse effects of the chapter 11 proceedings on the Company's liquidity, results of operations, brand or business prospects, the ability to execute the Company's business and restructuring plan, increased legal costs related to the chapter 11 bankruptcy filing and other litigation, our ability to raise sufficient proceeds from the sale of non-core assets and the potential sale of our digital imaging patent portfolios within our plan, the Company's ability to generate or raise cash and maintain a cash balance sufficient to fund continued investments, capital needs, restructuring payments and service its debt, the Company's ability to maintain contracts that are critical to its operation, to obtain and maintain normal terms with customers, suppliers and service providers, to maintain product reliability and quality, to effectively anticipate technology trends and develop and market new products, to retain key executives, managers and employees, our ability to successfully license and enforce our intellectual property rights and the ability of the Company's non-US subsidiaries to continue to operate their businesses in the normal course and without court supervision. There may be other factors that may cause the Company's actual results to differ materially from the forward-looking statements. All forward-looking statements attributable to the Company or persons acting on its behalf apply only as of the date of this report on Form 8-K, and the date of the exhibit attached hereto, and are expressly qualified in their entirety by the cautionary statements included in this report. The Company undertakes no obligation to update or revise forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Slides from Public Lender Presentation
99.2	Slides from Business Segment Review
99.3	Press Release, dated January 23, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EASTMAN KODAK COMPANY

Date: January 24, 2012

By: /s/ Antoinette McCorvey  
**Chief Financial Officer and Senior Vice President**

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## EXHIBIT INDEX

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**Kodak**

# Public Lender Presentation

January 2012

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# Disclaimer

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The Kodak logo, consisting of the word "Kodak" in a red, sans-serif font, is positioned in the top right corner of the page. It is partially enclosed by a yellow L-shaped line that extends from the top and left edges of the logo.

This presentation has been prepared by Eastman Kodak Company (the "Company"). It contains general information about the Company's activities as at the date of the presentation. It is information given in summary form and does not purport to be complete.

This presentation is not, and nothing in it should be construed as, an offer, invitation or recommendation in respect of the facilities or any of the Company's securities, or an offer, invitation or recommendation to sell, or a solicitation of an offer to buy, the facilities or any of the Company's securities in any jurisdiction. Neither this document nor anything in it shall form the basis of any contract or commitment. This presentation is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any investor. All investors should consider such factors in consultation with a professional advisor of their choosing when deciding if an investment is appropriate.

The Company has prepared this presentation based on information available to it, including information derived from public sources that have not been independently verified. No representation or warranty, express or implied, is provided in relation to the fairness, accuracy, correctness, completeness or reliability of the information, opinions or conclusions expressed herein.

The 2011 financial information included in this presentation is preliminary, unaudited and subject to revision upon completion of the Company's closing and audit processes.

All references to dollars are to United States currency unless otherwise stated.

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## Cautionary Statement Regarding Forward-Looking Statements

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This presentation includes forward-looking statements, as that term is defined under the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements concerning the Company's plans, objectives, goals, strategies, future events, future revenue or performance, liquidity, cash flows, capital expenditures, financing needs, plans or business trends, and other information that is not historical information. When used in this presentation, the words "estimates," "expects," "anticipates," "projects," "plans," "intends," "believes," "forecasts," or future or conditional verbs, such as "will," "should," "could," or "may," and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements, including, without limitation, management's examination of historical operating trends and data are based upon the Company's expectations and various assumptions. Future events or results may differ from those anticipated or expressed in these forward-looking statements. Important factors that could cause actual events or results to differ materially from these forward-looking statements include, among others, the risks and uncertainties described under the heading "Risk Factors" in the Company's most recent annual report on Form 10-K under Item 1A of Part 1, in the Company's most recent quarterly report on Form 10-Q under Item 1A of Part II and those described in filings made by the Company with the U.S. Bankruptcy Court for the Southern District of New York and in other filings the Company makes with the Securities & Exchange Commission from time to time, as well as the following: the ability of the Company to continue as a going concern, the Company's ability to obtain Bankruptcy Court approval with respect to motions in the chapter 11 cases, the ability of the Company and its subsidiaries to prosecute, develop and consummate one or more plans of reorganization with respect to the chapter 11 cases, Bankruptcy Court rulings in the chapter 11 cases and the outcome of the cases in general, the length of time the Company will operate under the chapter 11 cases, risks associated with third party motions in the chapter 11 cases, which may interfere with the Company's ability to develop and consummate one or more plans of reorganization once such plans are developed, the potential adverse effects of the chapter 11 proceedings on the Company's liquidity, results of operations, brand or business prospects, the ability to execute the Company's business and restructuring plan, increased legal costs related to the chapter 11 bankruptcy filing and other litigation, our ability to raise sufficient proceeds from the sale of non-core assets and the potential sale of our digital imaging patent portfolios within our plan, the Company's ability to generate or raise cash and maintain a cash balance sufficient to fund continued investments, capital needs, restructuring payments and service its debt; the Company's ability to maintain contracts that are critical to its operation, to obtain and maintain normal terms with customers, suppliers and service providers, to maintain product reliability and quality, to effectively anticipate technology trends and develop and market new products, to retain key executives, managers and employees, our ability to successfully license and enforce our intellectual property rights and the ability of the Company's non-US subsidiaries to continue to operate their businesses in the normal course and without court supervision. There may be other factors that may cause the Company's actual results to differ materially from the forward-looking statements. All forward-looking statements attributable to the Company or persons acting on its behalf apply only as of the date of this presentation, and are expressly qualified in their entirety by the cautionary statements included in this presentation. The Company undertakes no obligation to update or revise forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events.

# Executive Summary



- Eastman Kodak Company (the "Company" or "Kodak") is a worldwide leader in imaging technology, helping consumers, businesses and creative professionals unleash the power of pictures and printing to enrich their lives
- The Company recently reorganized and simplified its operating structure into two reporting lines, Commercial and Consumer
  - The Company has identified specific businesses in transformation which will help improve its financial profile
  - For Kodak's fiscal year ended 2011, the Company had revenues of ~\$6B
- Over the last several years the Company has been executing a plan to transform from a traditional film business to a profitable and sustainable digital company but has experienced certain hurdles including:
  - Legacy and restructuring costs from the Company's traditional businesses
  - More rapid decline than expected in traditional businesses and challenges reducing corporate costs as quickly
  - Investment required to grow new digital businesses
  - Delays in IP strategy used to fund investments
- On January 19, 2012, Kodak and its U.S. subsidiaries filed for bankruptcy protection under Chapter 11 in New York
- In connection with the filing, Kodak is raising up to \$950 million of debtor-in-possession credit facilities (the "DIP Facilities")
  - A \$250 million senior secured asset-based revolving credit facility and an up to \$700 million senior secured term loan
  - Proceeds from the DIP Facilities will be used to repay the Company's existing revolver, and for working capital and general corporate purposes during the Chapter 11 case
- Key objectives of Kodak's business reorganization plan are as follows:
  - Bolster liquidity in the U.S. and abroad
  - Monetize non-strategic intellectual property
  - Fairly resolve legacy liabilities
  - Focus on its most valuable business lines
- Kodak has hired James A. Mesterharm of AlixPartners as Chief Restructuring Officer to assist in the implementation and execution of the Company's restructuring plan

Note: The 2011 financial information included in this presentation is preliminary, unaudited and subject to revision upon completion of the Company's closing and audit processes.

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**Kodak**

## Kodak Overview

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# Introduction: A Valuable Core; A Challenging Transition

Kodak

## Leader in Imaging Technology



## Broad Geographic Footprint

- Kodak operates development and manufacturing centers across the globe
- Diverse geographic revenue base with ~60% from outside of the U.S.



## The Kodak Brand: Strong and Valuable Asset

- Nearly 21,000 registrations for Kodak and related trademarks in 160 countries
- Recognized as a top tier brand across the globe

**Kodak**

## Kodak History of Innovation

A transition from a film to a digital business

First Digital Camera (1976)



Kodak Picture Exchange – first online imaging service for professional photographers (1993)



First Consumer Color Digital Camera (1994)



Creation Station Kiosk (1994)



Technology to select, arrange, and print thumbnails (1998)



First PROSPER Press (2010)



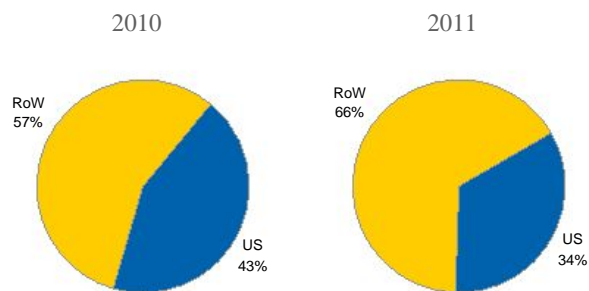
# Financial Update

Kodak

## Financial Commentary

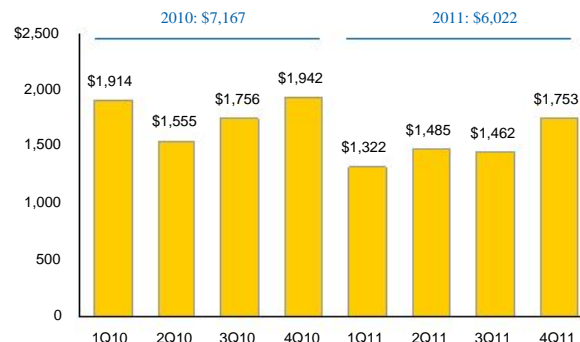
- 2011 revenue driven by:
  - Continued decline in traditional film businesses
  - Transformative strategy in digital cameras
  - Revenue declines offset by increases in growth businesses, up 12% in 2011
- Margin improvement in Digital Cameras and Devices, Retail System Solutions, Consumer Inkjet and Enterprise Services
- Margin improvement offset by compression in Prepress, Digital Printing Solutions and other traditional businesses
- Performance impacted by non-recurring IP licensing revenue

## Geographic Revenue Distribution



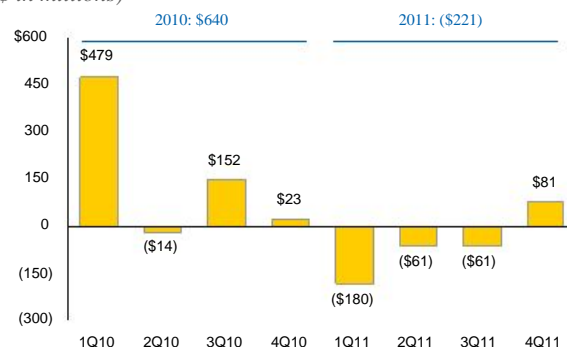
## Revenue

(\$ in millions)



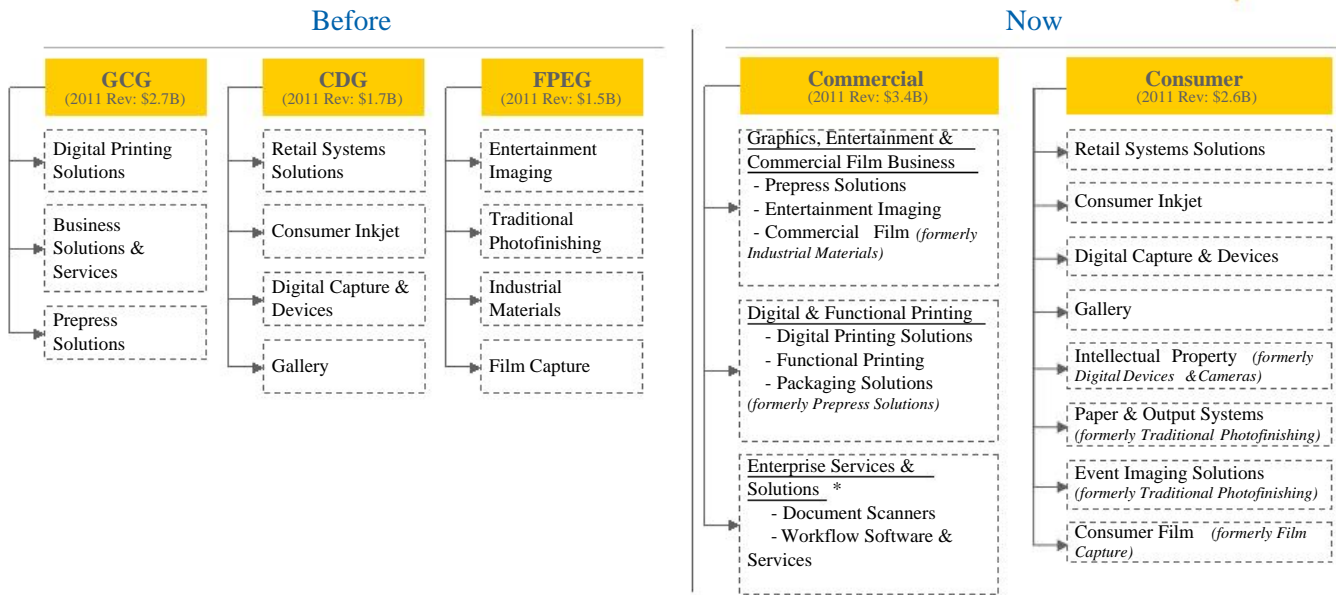
## Adjusted EBITDA

(\$ in millions)



Note: Adjusted EBITDA excludes restructuring and pension and OPEB income or expense.  
 The sum of segment or quarterly amounts may not equal the total amounts due to rounding.  
 The 2011 financial information included in this presentation is preliminary, unaudited and subject to revision upon completion of the Company's closing and audit processes.

# Where We Are Today: Simplifying Our Operating Structure



## New Structure is More Efficient

- Focus on our consumer and commercial customers
- Allocate resources more productively and improve efficiency
  - Go-to-market for strategy for consumer businesses
- Further reduce administrative costs

\* Formerly Business Solutions & Services.

Note: The 2011 financial information included in this presentation is preliminary, unaudited and subject to revision upon completion of the Company's closing and audit processes.  
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# Investment Considerations

Kodak

**Market Leader in the Commercial Printing Sector**

**Attractive and Valuable IP Portfolio**

**Significant Global Distribution Capabilities with Direct Businesses in 33 Countries**

**Growth Businesses at Earnings Inflection Point**

**Substantial Global Cost Reduction Opportunity**

**Super Priority Claim**

**Collateral Coverage Protected by Borrowing Base and Collateral Amount**

**Sufficient Liquidity**

**CRO Hired by Company to Help Execute the Plan**

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**Kodak**

Our Plan

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## Key Objectives of Restructuring Plan

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Kodak

- Bolster liquidity in the U.S. and abroad
- Monetize non-strategic intellectual property
- Fairly resolve legacy liabilities
- Focus on its most valuable business lines

# Business Lines by Life Cycle

Kodak

**Kodak Will Focus on its Most Valuable Businesses**



## Core Businesses

Retail Systems Solutions



Document Scanners  
(Part of Enterprise Services & Solutions)



Digital Plates  
(Part of Prepress Solutions)



## Growth Businesses

Consumer Inkjet



Digital Printing Solutions



Workflow Software & Services  
(Part of Enterprise Services & Solutions)



Packaging Solutions  
(Part of Prepress Solutions)



**While Optimizing Stakeholder Value From its Other Operations**



## Manage for Cash / Value

Digital Capture & Devices



Paper & Output Services



Entertainment Imaging



Intellectual Property



Commercial Film



Consumer Film



Gallery



Event Imaging Solutions



# Financial Overview By Life Cycle

Kodak

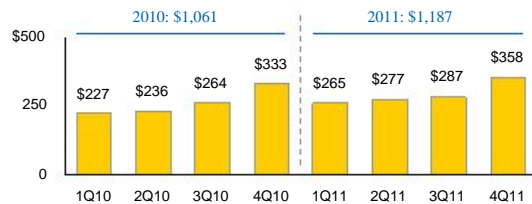
(\$ in millions)

## Revenue

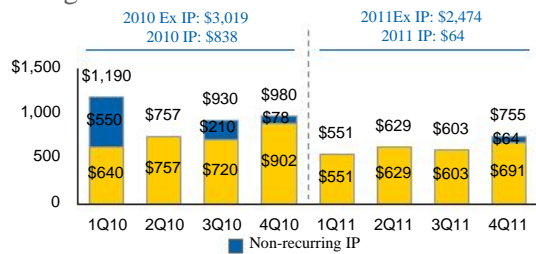
### Core



### Growth



### Manage for Cash / Value



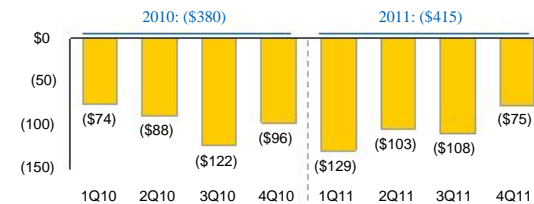
Note: Adjusted EBITDA excludes restructuring and pension and OPEB income or expense.  
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## Adjusted EBITDA

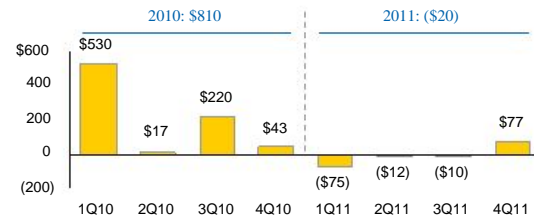
### Core



### Growth



### Manage for Cash / Value



# IP Monetization Summary

Kodak

- Kodak is a pioneer in the field of imaging technology
- Contemporary innovations include the invention of the digital still camera, online photo exchange, as well as technology development in key digital capture fields such as sensors and image processing algorithms
- 2008 through 2010 revenue and gross profit generated from licensing and royalties of \$1,892M
- The changing IP marketplace and Kodak's business focus has prompted Kodak to offer part of its extensive patent portfolio for sale
- Includes both the Digital Capture (DC) and Kodak Imaging Systems & Services (KISS) portfolios

## Digital Capture Portfolio

- Approximately 740 U.S. patents and 300 foreign patents
- Approximately 155 pending U.S. applications and 230 pending foreign applications

## Kodak Imaging Systems and Services Portfolio

- Approximately 415 U.S. patents and 285 foreign patents
- Approximately 135 pending U.S. applications and 180 pending foreign applications

# Robust DC and KISS Portfolios

Kodak

- Portfolios cover many established and developing digital imaging technologies
- From "capture" to "edit" to "manage" to "display" to "share" to "print"
- Includes hardware, software, image science, networking & e-commerce

Camera Architecture



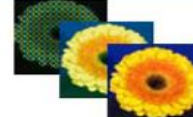
Optical Image Formation



Sensing & Signal Generation



Capture Image Processing



Capture Post Processing



Storage and Display



System Interfaces



Editing



Network Services



Sharing & Storing



Organization



Order Fulfillment



# Cost-Cutting Initiatives: \$100M+ Opportunity

Kodak

## Overview of Corporate Cost Reductions

*(\$ in millions)*

	Corporate Costs
Finance, Purchasing and Information Systems	\$260
Legal, Human Resources, Marketing and CEO	\$140
Corporate Engineering, Research, Buildings and Other	\$185
\$100M+ in Cost Reduction Opportunities	

- Have explored potential for cost cutting across all corporate costs
  - Significant reduction in finance costs, aided by simplified, two segment reporting structure
  - All non-essential advertising and marketing programs eliminated
  - All non-core corporate research and engineering eliminated
  - Reduction taken across all functions and include exiting unexpired contracts

# Chief Restructuring Officer Will Aid Plan Execution



**Kodak has hired James A. Mesterharm of AlixPartners as Chief Restructuring Officer to assist in the implementation and execution of the Company's restructuring plan**

## Biography

- Jim Mesterharm is an AlixPartners Managing Director
- Has been a Managing Director at AlixPartners for more than 10 years
- Has been involved in many of the most visible and successful chapter 11 bankruptcy cases, such as General Growth Properties, Safety-Kleen, Zenith Electronics, Silicon Graphics Incorporated, Parmalat USA and many others
- Has served as CRO of Parmalat USA and Tekni-Plex, among others
- Has earned numerous restructuring awards including the "2010 Global Turnaround Consultant of the Year" by the Global M&A Network and the "2011 Transaction of the Year Award" from the Turnaround Management Association for work done with General Growth Properties
- Has been a guest lecturer on restructuring topics at Northwestern University's J.L. Kellogg School of Management
- A non-practicing Certified Public Accountant, he has a degree in accounting and management from Purdue University and a MBA from the Kellogg School of Management

## Function

- Mr. Mesterharm will oversee bankruptcy and restructuring activities and support the Kodak management team during the chapter 11 case to ensure progress in the plan's objectives to:
  - Bolster liquidity in the U.S. and abroad
  - Monetize non-strategic intellectual property
  - Fairly resolve legacy liabilities
  - Focus on Kodak's most valuable business lines

## Reporting Structure

- Mr. Mesterharm will report directly to the Kodak Board of Directors

# 13-Week Cash Flow U.S. Forecast



	1	2	3	4	5	6	7	8	9	10	11	12	13	
	Projected Pre-Petition Week Ended 01/13/12	Projected Post-Petition Week Ended 01/20/12	Projected Post-Petition Week Ended 01/27/12	Projected Post-Petition Week Ended 02/03/12	Projected Post-Petition Week Ended 02/10/12	Projected Post-Petition Week Ended 02/17/12	Projected Post-Petition Week Ended 02/24/12	Projected Post-Petition Week Ended 03/02/12	Projected Post-Petition Week Ended 03/09/12	Projected Post-Petition Week Ended 03/16/12	Projected Post-Petition Week Ended 03/23/12	Projected Post-Petition Week Ended 03/30/12	Projected Post-Petition Week Ended 04/06/12	Total
<b>CASH RECEIPTS:</b>														
Operating Receipts	\$ 35.0	\$ 32.9	\$ 38.0	\$ 34.8	\$ 31.5	\$ 31.5	\$ 26.0	\$ 26.3	\$ 33.6	\$ 33.6	\$ 33.6	\$ 47.0	\$ 30.2	\$ 434.1
Net Intercompany Trade Receipts	-	-	-	35.0	-	-	-	35.0	-	-	-	35.0	-	105.0
Other Receipts <sup>(1)</sup>	-	-	0.4	-	-	-	3.4	-	-	-	-	45.4	-	49.3
<b>Total Receipts</b>	<b>\$ 35.0</b>	<b>\$ 32.9</b>	<b>\$ 38.4</b>	<b>\$ 69.8</b>	<b>\$ 31.5</b>	<b>\$ 31.5</b>	<b>\$ 29.4</b>	<b>\$ 61.3</b>	<b>\$ 33.6</b>	<b>\$ 33.6</b>	<b>\$ 33.6</b>	<b>\$ 127.4</b>	<b>\$ 30.2</b>	<b>\$ 588.4</b>
<b>CASH DISBURSEMENTS:</b>														
General Disbursements	(33.8)	(31.8)	(67.8)	(32.7)	(31.1)	(31.1)	(24.7)	(37.2)	(34.2)	(34.2)	(32.8)	(35.5)	(15.2)	(442.2)
Payroll/Benefit	(14.5)	(21.9)	(3.2)	(32.5)	(3.4)	(28.5)	(2.8)	(31.2)	(3.0)	(27.7)	(3.0)	(27.7)	(5.9)	(205.2)
Other Disbursements <sup>(2)</sup>	(9.0)	(13.0)	-	(12.3)	(4.6)	(9.6)	(4.6)	(12.3)	(4.8)	(9.8)	(4.8)	(12.3)	-	(97.2)
<b>Total Disbursements</b>	<b>\$ (57.3)</b>	<b>\$ (66.7)</b>	<b>\$ (71.0)</b>	<b>\$ (77.5)</b>	<b>\$ (39.1)</b>	<b>\$ (69.3)</b>	<b>\$ (32.2)</b>	<b>\$ (80.7)</b>	<b>\$ (42.0)</b>	<b>\$ (71.7)</b>	<b>\$ (40.5)</b>	<b>\$ (75.5)</b>	<b>\$ (21.0)</b>	<b>\$ (744.6)</b>
<b>Net Cash Flow, bef. Debt, and Restructuring</b>	<b>\$ (22.3)</b>	<b>\$ (33.8)</b>	<b>\$ (32.6)</b>	<b>\$ (7.7)</b>	<b>\$ (7.6)</b>	<b>\$ (37.8)</b>	<b>\$ (2.8)</b>	<b>\$ (19.4)</b>	<b>\$ (8.3)</b>	<b>\$ (38.1)</b>	<b>\$ (6.9)</b>	<b>\$ 51.9</b>	<b>\$ 9.1</b>	<b>\$ (156.2)</b>
<b>Cumulative</b>	<b>\$ (22.3)</b>	<b>\$ (56.0)</b>	<b>\$ (88.7)</b>	<b>\$ (96.4)</b>	<b>\$ (104.0)</b>	<b>\$ (141.8)</b>	<b>\$ (144.6)</b>	<b>\$ (164.0)</b>	<b>\$ (172.3)</b>	<b>\$ (210.4)</b>	<b>\$ (217.3)</b>	<b>\$ (165.3)</b>	<b>\$ (156.2)</b>	<b>\$ (156.2)</b>
<b>RESTRUCTURING/INTEREST RELATED</b>														
Restructuring Related, Fees and Interest Expense <sup>(3)</sup> <sup>(4)</sup>	(7.8)	(49.4)	(28.4)	(29.8)	(29.8)	(51.7)	(3.7)	-	-	(0.4)	(6.1)	-	(0.6)	(207.5)
<b>Total Restructuring/Interest Related</b>	<b>\$ (7.8)</b>	<b>\$ (49.4)</b>	<b>\$ (28.4)</b>	<b>\$ (29.8)</b>	<b>\$ (29.8)</b>	<b>\$ (51.7)</b>	<b>\$ (3.7)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0.4)</b>	<b>\$ (6.1)</b>	<b>\$ -</b>	<b>\$ (0.6)</b>	<b>\$ (207.5)</b>
<b>Net Cash Flow, before Draw (Repay)</b>	<b>\$ (30.1)</b>	<b>\$ (83.2)</b>	<b>\$ (61.0)</b>	<b>\$ (37.5)</b>	<b>\$ (37.4)</b>	<b>\$ (89.5)</b>	<b>\$ (6.4)</b>	<b>\$ (19.4)</b>	<b>\$ (8.3)</b>	<b>\$ (38.5)</b>	<b>\$ (13.0)</b>	<b>\$ 51.9</b>	<b>\$ 8.5</b>	<b>\$ (363.7)</b>
<b>Cumulative</b>	<b>\$ (30.1)</b>	<b>\$ (113.3)</b>	<b>\$ (174.3)</b>	<b>\$ (211.7)</b>	<b>\$ (249.1)</b>	<b>\$ (338.6)</b>	<b>\$ (345.1)</b>	<b>\$ (364.4)</b>	<b>\$ (372.8)</b>	<b>\$ (411.3)</b>	<b>\$ (424.2)</b>	<b>\$ (372.3)</b>	<b>\$ (363.7)</b>	<b>\$ (363.7)</b>
DIP Term Loan Draw/(Repay)	-	400.0	-	-	-	300.0	-	-	-	-	-	(15.0)	-	685.0
Repayment of Pre-Petition Revolver	(0.0)	(100.0)	-	-	-	-	-	-	-	-	-	-	-	(100.0)
DIP ABL Draw/(Repay)	-	-	-	-	-	-	0.0	0.0	(0.0)	-	0.0	(0.0)	0.0	0.0
<b>Net Cash Flow</b>	<b>\$ (30.1)</b>	<b>\$ 216.9</b>	<b>\$ (61.0)</b>	<b>\$ (37.5)</b>	<b>\$ (37.4)</b>	<b>\$ 210.5</b>	<b>\$ (6.4)</b>	<b>\$ (19.4)</b>	<b>\$ (8.3)</b>	<b>\$ (38.5)</b>	<b>\$ (13.0)</b>	<b>\$ 36.9</b>	<b>\$ 8.5</b>	<b>\$ 221.3</b>
<b>Cumulative</b>	<b>\$ (30.1)</b>	<b>\$ 186.7</b>	<b>\$ 125.7</b>	<b>\$ 88.3</b>	<b>\$ 50.9</b>	<b>\$ 261.4</b>	<b>\$ 254.9</b>	<b>\$ 235.6</b>	<b>\$ 227.2</b>	<b>\$ 188.7</b>	<b>\$ 175.8</b>	<b>\$ 212.7</b>	<b>\$ 221.3</b>	<b>\$ 221.3</b>
<b>Beginning Operating Cash Balance</b>	<b>\$ 115.0</b>	<b>\$ 84.9</b>	<b>\$ 301.8</b>	<b>\$ 240.7</b>	<b>\$ 203.3</b>	<b>\$ 165.9</b>	<b>\$ 376.4</b>	<b>\$ 370.0</b>	<b>\$ 350.6</b>	<b>\$ 342.2</b>	<b>\$ 303.7</b>	<b>\$ 290.8</b>	<b>\$ 327.7</b>	<b>\$ 115.0</b>
<b>Ending Operating Cash Balance</b>	<b>\$ 84.9</b>	<b>\$ 301.8</b>	<b>\$ 240.7</b>	<b>\$ 203.3</b>	<b>\$ 165.9</b>	<b>\$ 376.4</b>	<b>\$ 370.0</b>	<b>\$ 350.6</b>	<b>\$ 342.2</b>	<b>\$ 303.7</b>	<b>\$ 290.8</b>	<b>\$ 327.7</b>	<b>\$ 336.3</b>	<b>\$ 336.3</b>
<b>Beginning Pre-Petition Revolver</b>	<b>\$ 100.0</b>	<b>\$ 100.0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100.0</b>
<b>Ending Pre-Petition Revolver</b>	<b>\$ 100.0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Beginning DIP ABL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0.0</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Ending DIP ABL <sup>(6)</sup></b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0.0</b>	<b>\$ -</b>	<b>\$ 0.0</b>	<b>\$ 0.0</b>
<b>Beginning DIP Term Loan</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 400.0</b>	<b>\$ 400.0</b>	<b>\$ 400.0</b>	<b>\$ 400.0</b>	<b>\$ 700.0</b>	<b>\$ 700.0</b>	<b>\$ 700.0</b>	<b>\$ 700.0</b>	<b>\$ 700.0</b>	<b>\$ 700.0</b>	<b>\$ 685.0</b>	<b>\$ -</b>
<b>Ending DIP Term Loan</b>	<b>\$ -</b>	<b>\$ 400.0</b>	<b>\$ 400.0</b>	<b>\$ 400.0</b>	<b>\$ 400.0</b>	<b>\$ 700.0</b>	<b>\$ 700.0</b>	<b>\$ 700.0</b>	<b>\$ 700.0</b>	<b>\$ 700.0</b>	<b>\$ 700.0</b>	<b>\$ 685.0</b>	<b>\$ 685.0</b>	<b>\$ 685.0</b>

1) Includes asset sales, intercompany advances and dividends, and other receipts.

2) Include silver purchases, EI rebates and miscellaneous disbursements.

3) Includes professional fees, restructuring charges, DIP related fees and interest, utility deposits, and payments under various supplier motions.

4) Includes \$120M of payments under supplier motions.

5) Approximately \$136M of LCs and secured agreements will be issued or secured under the facility.

6) The forecast assumes the remainder of the DIP is available but not drawn so that the company can comply with the minimum liquidity covenant.

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**Kodak**

## Transaction Overview

# Transaction Overview

Kodak

- The Company is inviting potential lenders to participate in an up to \$950 million debtor-in-possession facility
- The transaction will provide the Company with necessary liquidity and will be used to refinance the pre-petition first lien asset based revolving credit facility
- The DIP facility is comprised of:
  - A \$250 million asset based revolving tranche secured by (i) a first lien on all U.S. accounts receivable, inventory and M&E, (ii) a first lien on all Canadian accounts receivable and inventory and (iii) a second lien on the collateral securing the Term Loan tranche
  - An up to \$700 million term loan tranche secured by (i) a first priority security interest in property, plant, rights under leases and other contracts, patents, copyrights, trademarks, tradenames, other intellectual property and a 65% pledge of the stock of foreign subsidiaries and (ii) a second priority security interest in the collateral securing the Asset Based Revolver

# Sources & Uses

Kodak

## At Interim Order

(\$ in millions)

Sources of Funds	Amount	%	Uses of Funds	Amount	%
DIP ABL Revolver <sup>(1)</sup>	\$0.0	0%	Repayment of principal under pre-petition ABL Facility	\$100.0	25%
DIP Term Loan	400.0	100%	Restructuring expenses and cash to balance sheet	300.0	75%
<b>Total Sources</b>	<b>\$400.0</b>	<b>100%</b>	<b>Total Uses</b>	<b>\$400.0</b>	<b>100%</b>

## Interim Order to Final Order <sup>(2)</sup>

(\$ in millions)

Sources of Funds	Amount	%	Uses of Funds	Amount	%
DIP ABL Revolver <sup>(1)</sup>	\$0.0	0%	Repayment of principal under pre-petition ABL Facility	\$100.0	11%
DIP Term Loan	700.0	77%	General cash disbursements	323.6	36%
Cash receipts from Interim to Final	204.1	23%	Restructuring / interest related expenses	189.0	21%
			Cash to balance sheet	291.4	32%
<b>Total Sources</b>	<b>\$904.1</b>	<b>100%</b>	<b>Total Uses</b>	<b>\$904.1</b>	<b>100%</b>

1. Commitments under the DIP ABL Revolver will total \$250 million. At closing, the facility will be used to refinance the letters of credit and secured agreements under the pre-petition ABL facility.

2. Based on the Company's 13-week cash flow forecast beginning the week ended 1/20/2012 through the week ended 2/17/2012.

# Pro Forma Capitalization at Final Order



## Pro Forma Capitalization Table at Final Order

(\$ in millions)

	12/31/2011*	Adjustments	Pro Forma
<b>Post-Petition</b>			
DIP ABL Revolver <sup>(1)</sup>	-	-	-
DIP Term Loan	-	\$700	\$700
<b>Total Post-Petition Secured Debt</b>	<b>-</b>		<b>\$700</b>
<b>Pre-Petition</b>			
Existing ABL Revolver	\$100	(\$100)	-
<b>Total First Lien Secured Debt</b>	<b>\$100</b>		<b>-</b>
9.75% Second Lien Notes due 2018	\$500	-	\$500
10.625% Second Lien Notes due 2019	250	-	250
<b>Total Second Lien Secured Debt</b>	<b>\$750</b>		<b>\$750</b>
7.25% Senior Unsecured Notes due 2013	\$250	-	\$250
7% Convertible Senior Notes due 2017	400	-	400
9.95% Senior Unsecured Notes due 2018	3	-	3
9.20% Senior Unsecured Notes due 2021	10	-	10
Other U.S. term notes	20	-	20
Other German term notes	80	-	80
<b>Total Unsecured Debt</b>	<b>\$763</b>		<b>\$763</b>
<b>Total Debt</b>	<b>\$1,613</b>		<b>\$2,213</b>

\*Amounts illustrated above as disclosed by the Company and represent outstanding principal amount.

1. Commitments under the DIP ABL Revolver will total \$250 million. At closing, the facility will be used to refinance the letters of credit and secured agreements under the pre-petition ABL facility.

# Summary of Terms – Asset Based Revolver



<b>Borrowers</b>	Eastman Kodak Company, as a debtor and debtor-in-possession, and Kodak Canada Inc.
<b>Guarantors</b>	All of the Company's direct and indirect U.S. and Canadian subsidiaries (substantially identical to the prepetition ABL facility)
<b>Agent</b>	Citicorp North America, Inc.
<b>Sole Lead Arranger</b>	Citigroup Global Markets Inc.
<b>Facility</b>	\$250 million asset based revolving credit facility comprised of: <ul style="list-style-type: none"> <li>• \$225 million U.S. facility</li> <li>• \$25 million Canadian facility</li> </ul>
<b>LC Sublimit</b>	\$200 million sublimit under the U.S. facility
<b>Closing Date</b>	January 20, 2012
<b>Tenor</b>	18 months from the Closing Date
<b>Use of Proceeds</b>	Together with the term loan facility for working capital and general corporate purposes, including to refinance all of the indebtedness outstanding under the prepetition ABL facility and to pay fees and expenses related to the transactions
<b>Security</b>	<ul style="list-style-type: none"> <li>• First priority security interest in cash and cash collateral (incl. any investments of such cash, but excl. proceeds of Term Loan collateral), deposit accounts, inventory, machinery and equipment, accounts receivable and letter of credit rights relating to inventory, accounts receivable, machinery and equipment and proceeds of the foregoing</li> <li>• Second priority security interest in the collateral securing the term loan</li> </ul>
<b>Borrowing Base</b> <sup>(1)</sup>	Equal to the sum of (x) 85% of eligible accounts receivable, plus (y) the lesser of (I) 65% of cost of eligible inventory and (II) 85% of the Net Orderly Liquidation Value ("NOLV") of eligible inventory, plus (z) the lesser of (I) \$35 million and (II) 75% of the NOLV of eligible machinery and equipment, in each case of the Loan Parties (or, in the case of eligible machinery and equipment, of the U.S. Loan Parties), minus reserves
<b>Availability Block</b>	A \$25 million US availability block will be in effect at all times after applying the \$225 million facility limit
<b>Pricing</b>	L + 325 bps
<b>Unused Fee</b>	50 bps
<b>Borrowing Base Reporting</b>	The Company must provide Borrowing Base Certificates (A) semi-monthly (as of the 15th day and as of the last day of each month); (B) immediately, if at any time the Company becomes aware that the Borrowing Base would be less than 85% of the Borrowing Base as of the most recent Borrowing Base Certificate, (C) weekly upon the occurrence and continuance of an Event of Default
<b>Field Examinations / Appraisals</b>	Field examinations and appraisals of inventory and machinery and equipment may be conducted twice per annum with unlimited field examinations and appraisals permitted during the continuation of an Event of Default
<b>Cash Dominion</b>	Full cash dominion at all times with funds swept into a Sweep Account and used to repay amounts outstanding during the continuation of an Event of Default

(1) The Borrowing Base for the U.S. Loan Parties and the Canadian Loan Parties shall be calculated separately.

# Summary of Terms – Term Loan



<b>Borrowers</b>	<b>Eastman Kodak Company, as a debtor and debtor-in-possession</b>
<b>Guarantors</b>	All of the Company's direct and indirect U.S. subsidiaries
<b>Agent</b>	Citicorp North America, Inc.
<b>Sole Lead Arranger</b>	Citigroup Global Markets Inc.
<b>Facility</b>	<p>Up to \$700 million term loan facility</p> <ul style="list-style-type: none"> <li>▪ \$400 million made available upon the approval of the Interim Order</li> <li>▪ Up to \$300 million to be made available upon the approval of the Final Order</li> </ul>
<b>Facility Rating</b>	TBD
<b>Closing Date</b>	January 20, 2012
<b>Tenor</b>	18 months from the Closing Date
<b>Use of Proceeds</b>	Together with the ABL facility for working capital and general corporate purposes, including to refinance all of the indebtedness outstanding under the prepetition ABL facility and to pay fees and expenses related to the transactions
<b>Security</b>	<ul style="list-style-type: none"> <li>▪ First priority security interest in property, plant, rights under leases and other contracts, patents, copyrights, trademarks, tradenames, other intellectual property and a 65% pledge of the stock of foreign subsidiaries</li> <li>▪ Second priority security interest in the collateral securing the Asset Based Revolver</li> </ul>
<b>Pricing</b>	L + 750 bps with a 1.00% LIBOR floor
<b>OID</b>	97.00 – 97.50
<b>Mandatory Prepayments</b>	Usual and customary for financings of this type, including, but not limited to, (i) 100% of net cash proceeds from the sale of the Digital Imaging Patent Portfolio, (ii) 75% of IP settlement proceeds and Other Proceeds (this "reinvestment right" is subject to a maximum of \$150 million of proceeds that will be available to the Company)

# Asset Based Revolver and Term Loan Covenants

Kodak

<b>Affirmative Covenants</b>	<p>Usual and customary for DIP facilities, including, but not limited to:</p> <ul style="list-style-type: none"> <li>▪ The hiring and continued employment of a Chief Restructuring Officer</li> <li>▪ Case milestones, including, but not limited to, the requirement to file a bidding procedures motion under Section 363 of the Bankruptcy Code relating to the sale of the IP Portfolio by no later than June 30, 2012</li> </ul>
<b>Negative Covenants</b>	<p>Usual and customary for DIP facilities, including, but not limited to, restrictions on liens, mergers, indebtedness, asset sales, transactions with affiliates, dividends, investments</p>
<b>Financial Reporting Covenants</b>	<ul style="list-style-type: none"> <li>▪ Annual audited, quarterly unaudited and monthly unaudited financial statements</li> <li>▪ Weekly 13-week cash flow projections</li> <li>▪ Not later than September 30, 2012 annual audited and quarterly unaudited "carve-out" financial statements for the Company's consumer and commercial businesses and additional business units to be agreed</li> </ul>
<b>Financial Covenants</b>	<ul style="list-style-type: none"> <li>▪ <b>Minimum Consolidated Adjusted EBITDA:</b> Covenant levels posted to Intralinks</li> <li>▪ <b>Minimum US Liquidity:</b> (i) Prior to the approval of the Final Order, \$125 million, (ii) between the Final Order Entry Date (or, if later, the date on which the remaining term loan amount is funded) and March 31, 2012, \$250 million, (iii) between April 1, 2012 and September 30, 2012, \$150 million and (iv) after September 30, 2012, \$100 million</li> </ul>

# Term Loan Collateral Overview



- The DIP Term Loan facility will have a perfected first priority secured interest in intellectual property, real estate and a 65% pledge of the stock of foreign subsidiaries
  - Additionally, the DIP Term Loan will benefit from a perfected second priority secured interest in the collateral securing the ABL on a first lien basis

## Description

<b>Intellectual Property</b>	<ul style="list-style-type: none"> <li>■ Digital Capture (DC) and Kodak Imaging Systems and Services (KISS) patent portfolios being marketed for sale</li> <li>■ DC and KISS comprise of 1,160 US patents, 585 foreign patents and 700 patent applications</li> <li>■ In total, Kodak patent portfolio includes 10,700 worldwide patents</li> <li>■ DC and KISS patent portfolio valued at \$2.2 - \$2.6 billion *</li> </ul>
<b>Real Estate</b>	<ul style="list-style-type: none"> <li>■ Includes the Company's corporate headquarters in Rochester, NY</li> <li>■ 23 domestic properties located in 8 states</li> <li>■ Net book value of U.S. real property as of 12/31/2011 totaled approximately \$207 million</li> </ul>
<b>Stock of Foreign Subsidiaries</b>	<ul style="list-style-type: none"> <li>■ Operates multiple business lines in foreign jurisdictions</li> <li>■ FYE 2010 Net Sales attributed to foreign countries of \$4,083 million</li> <li>■ FYE 2010 Net Plant, Property &amp; Equipment in foreign countries of \$373 million</li> </ul>
<b>2<sup>nd</sup> Lien on ABL Collateral</b>	<ul style="list-style-type: none"> <li>■ Term Loan lenders will have a 2<sup>nd</sup> lien on U.S. ABL collateral; ABL facility size of \$250 million</li> <li>■ U.S. ABL Borrowing Base is sum of (i) 85% of U.S. eligible A/R, plus (ii) lesser of (a) 65% of cost of U.S. eligible inventory and (ii) 85% of NOLV of U.S. eligible inventory, (iii) lesser of (a) \$35 million and (b) 75% of NOLV of U.S. eligible M&amp;E, minus reserves</li> <li>■ Gross assets securing the U.S. ABL on a first lien basis as of 12/31/2011 totaled approximately \$920 million</li> </ul>
<b>Potential Non-Core Business Sales</b>	<ul style="list-style-type: none"> <li>■ Company has covenanted in the Credit Agreement to provide, not later than September 30, 2012, annual audited and quarterly unaudited "carve-out" financial statements for the Company's consumer and commercial businesses and additional business units to be agreed</li> </ul>

\* Provided by 284 Partners, LLC

## Transaction Timeline – Term Loan

Kodak

January 2012

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February 2012

S	M	T	W	T	F	S
				1	2	3
				4	5	6
	7	8	9	10	11	12
	13	14	15	16	17	18
	19	20	21	22	23	24
	25	26	27	28	29	

Week of	Action
January 16 <sup>th</sup>	<ul style="list-style-type: none"><li>• Bankruptcy filing</li></ul>
January 23 <sup>rd</sup>	<ul style="list-style-type: none"><li>• Launch of syndication via Lender Call</li><li>• Commitments due from potential lenders</li></ul>

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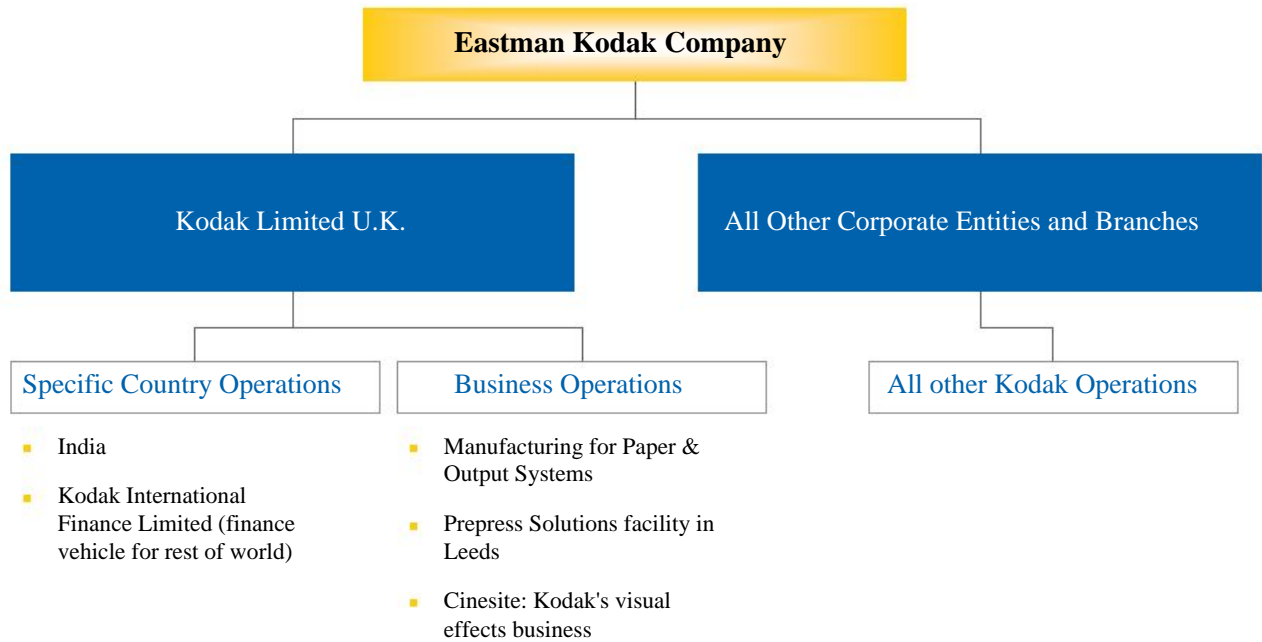
**Kodak**

## Appendix

# Businesses Under U.K. Corporate Structure

Kodak

- The proportion of Kodak's business operations that are under the U.K. corporate structure is immaterial. Kodak U.K. also holds KIFL, which is finance vehicle for ROW. Kodak is in constructive discussions with the trustees of its U.K. pension plan.



# Non-GAAP Reconciliations



- Within the Company's January 23, 2012 *Public Lender Presentation*, reference is made to certain non-GAAP financial measures, including "Core Adjusted EBITDA", "Growth Adjusted EBITDA", "Manage for Cash/Value Adjusted EBITDA" and "Adjusted EBITDA"
- The following table reconciles 2011 Core Adjusted EBITDA, Growth Adjusted EBITDA, Manage for Cash/Value Adjusted EBITDA and Adjusted EBITDA to the GAAP measure of 2011 net (loss) earnings attributable to Eastman Kodak Company (amounts in millions):

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Full Year 2011
Core adjusted EBITDA, as presented	\$ 24	\$ 54	\$ 57	\$ 79	\$ 214
Growth adjusted EBITDA, as presented	(129)	(103)	(108)	(75)	(415)
Manage for cash/value adjusted EBITDA, as presented	(75)	(12)	(10)	77	(20)
Adjusted EBITDA, as presented	\$ (180)	\$ (61)	\$ (61)	\$ 81	\$ (221)
Depreciation	(64)	(67)	(62)	(60)	(253)
Amortization	(11)	(9)	(10)	(9)	(39)
Pension/OPEB service costs and amortization of recognized prior service costs	1	2	2	2	7
Restructuring costs, rationalization and other	(35)	(36)	(18)	(44)	(133)
Interest cost, expected return on plan assets, amortization of actuarial gains (losses) and settlement components of pension & OPEB expense	(8)	(4)	(13)	(3)	(28)
Other operating (expenses) income, net	70	1	(12)	8	67
Interest expense	(38)	(38)	(41)	(39)	(156)
Other income (charges), net	(8)	17	(7)	(4)	(2)
Loss from continuing operations before income taxes	\$ (273)	\$ (195)	\$ (222)	\$ (68)	\$ (758)
(Benefit) provision for income taxes	(24)	(16)	-	49	9
Loss from continuing operations	\$ (249)	\$ (179)	\$ (222)	\$ (117)	\$ (767)
Earnings from discontinued operations, net of income taxes	3	-	-	-	3
Net loss attributable to Eastman Kodak Company	<u>\$ (246)</u>	<u>\$ (179)</u>	<u>\$ (222)</u>	<u>\$ (117)</u>	<u>\$ (764)</u>

# Non-GAAP Reconciliations



- Within the Company's January 23, 2012 *Public Lender Presentation*, reference is made to certain non-GAAP financial measures, including "Core Adjusted EBITDA", "Growth Adjusted EBITDA", "Manage for Cash/Value Adjusted EBITDA" and "Adjusted EBITDA"
- The following table reconciles 2010 Core Adjusted EBITDA, Growth Adjusted EBITDA, Manage for Cash/Value Adjusted EBITDA and Adjusted EBITDA to the GAAP measure of 2010 net earnings (loss) attributable to Eastman Kodak Company (amounts in millions):

	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Full Year 2010
Core adjusted EBITDA, as presented	\$ 23	\$ 57	\$ 54	\$ 76	\$ 210
Growth adjusted EBITDA, as presented	(74)	(88)	(122)	(96)	(380)
Manage for cash/value adjusted EBITDA, as presented	<u>530</u>	<u>17</u>	<u>220</u>	<u>43</u>	<u>810</u>
Adjusted EBITDA, as presented	\$ 479	\$ (14)	\$ 152	\$ 23	\$ 640
Depreciation	(84)	(77)	(81)	(76)	(318)
Amortization	(17)	(15)	(15)	(13)	(60)
Pension/OPEB service costs and amortization of recognized prior service costs	3	3	3	2	11
Restructuring costs, rationalization and other	(14)	(11)	(29)	(24)	(78)
Interest cost, expected return on plan assets, amortization of actuarial gains (losses) and settlement components of pension & OPEB expense	26	22	25	23	96
Other operating (expenses) income, net	(4)	2	3	(620)	(619)
Legal contingencies and settlements	-	(10)	-	2	(8)
Loss on early extinguishment of debt	(102)	-	-	-	(102)
Interest expense	(38)	(41)	(38)	(32)	(149)
Other income (charges), net	<u>(4)</u>	<u>-</u>	<u>8</u>	<u>22</u>	<u>26</u>
Earnings (loss) from continuing operations before income taxes	\$ 245	\$ (141)	\$ 28	\$ (693)	\$ (561)
Provision (benefit) for income taxes	<u>126</u>	<u>26</u>	<u>71</u>	<u>(109)</u>	<u>114</u>
Earnings (loss) from continuing operations	\$ 119	\$ (167)	\$ (43)	\$ (584)	\$ (675)
(Loss) earnings from discontinued operations, net of income taxes	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>(11)</u>	<u>(12)</u>
Net earnings (loss) attributable to Eastman Kodak Company	<u>\$ 119</u>	<u>\$ (168)</u>	<u>\$ (43)</u>	<u>\$ (595)</u>	<u>\$ (687)</u>

**Kodak**

## Business Segment Review

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# Disclaimer

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All references to dollars are to United States currency unless otherwise stated.

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## Cautionary Statement Regarding Forward-Looking Statements



This presentation includes forward-looking statements, as that term is defined under the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements concerning the Company's plans, objectives, goals, strategies, future events, future revenue or performance, liquidity, cash flows, capital expenditures, financing needs, plans or business trends, and other information that is not historical information. When used in this presentation, the words "estimates," "expects," "anticipates," "projects," "plans," "intends," "believes," "forecasts," or future or conditional verbs, such as "will," "should," "could," or "may," and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements, including, without limitation, management's examination of historical operating trends and data are based upon the Company's expectations and various assumptions. Future events or results may differ from those anticipated or expressed in these forward-looking statements. Important factors that could cause actual events or results to differ materially from these forward-looking statements include, among others, the risks and uncertainties described under the heading "Risk Factors" in the Company's most recent annual report on Form 10-K under Item 1A of Part 1, in the Company's most recent quarterly report on Form 10-Q under Item 1A of Part II and those described in filings made by the Company with the U.S. Bankruptcy Court for the Southern District of New York and in other filings the Company makes with the Securities & Exchange Commission from time to time, as well as the following: the ability of the Company to continue as a going concern, the Company's ability to obtain Bankruptcy Court approval with respect to motions in the chapter 11 cases, the ability of the Company and its subsidiaries to prosecute, develop and consummate one or more plans of reorganization with respect to the chapter 11 cases, Bankruptcy Court rulings in the chapter 11 cases and the outcome of the cases in general, the length of time the Company will operate under the chapter 11 cases, risks associated with third party motions in the chapter 11 cases, which may interfere with the Company's ability to develop and consummate one or more plans of reorganization once such plans are developed, the potential adverse effects of the chapter 11 proceedings on the Company's liquidity, results of operations, brand or business prospects, the ability to execute the Company's business and restructuring plan, increased legal costs related to the chapter 11 bankruptcy filing and other litigation, our ability to raise sufficient proceeds from the sale of non-core assets and the potential sale of our digital imaging patent portfolios within our plan, the Company's ability to generate or raise cash and maintain a cash balance sufficient to fund continued investments, capital needs, restructuring payments and service its debt; the Company's ability to maintain contracts that are critical to its operation, to obtain and maintain normal terms with customers, suppliers and service providers, to maintain product reliability and quality, to effectively anticipate technology trends and develop and market new products, to retain key executives, managers and employees, our ability to successfully license and enforce our intellectual property rights and the ability of the Company's non-US subsidiaries to continue to operate their businesses in the normal course and without court supervision. There may be other factors that may cause the Company's actual results to differ materially from the forward-looking statements. All forward-looking statements attributable to the Company or persons acting on its behalf apply only as of the date of this presentation, and are expressly qualified in their entirety by the cautionary statements included in this presentation. The Company undertakes no obligation to update or revise forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events.

# Simplified Structure

Kodak

## Commercial



Graphics, Entertainment &  
Commercial Film Business

Digital & Functional Printing

Enterprise Services & Solutions

## Consumer



Retail Systems Solutions

Consumer Inkjet

Paper & Output Systems

Event Imaging Solutions

Digital Capture & Devices

Gallery

Consumer Film

Intellectual Property

2011E Revenue

\$3.4B

\$2.6B

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**Kodak**

Commercial Segment

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**Kodak**

Graphics, Entertainment & Commercial  
Film Business

# Prepress Solutions Portfolio

Kodak

Unit  
Portfolio

## Offset Consumables

Trillian SP  
Electra XD  
Thermal Direct



Profit & Cash Generation  
EM & Packaging Growth

Focus

Strategy

- Winning Portfolio Transition
- New GTM Model
- Fulfillment Model

## Output Devices

Trendsetter  
Magnus  
Trendsetter NX System

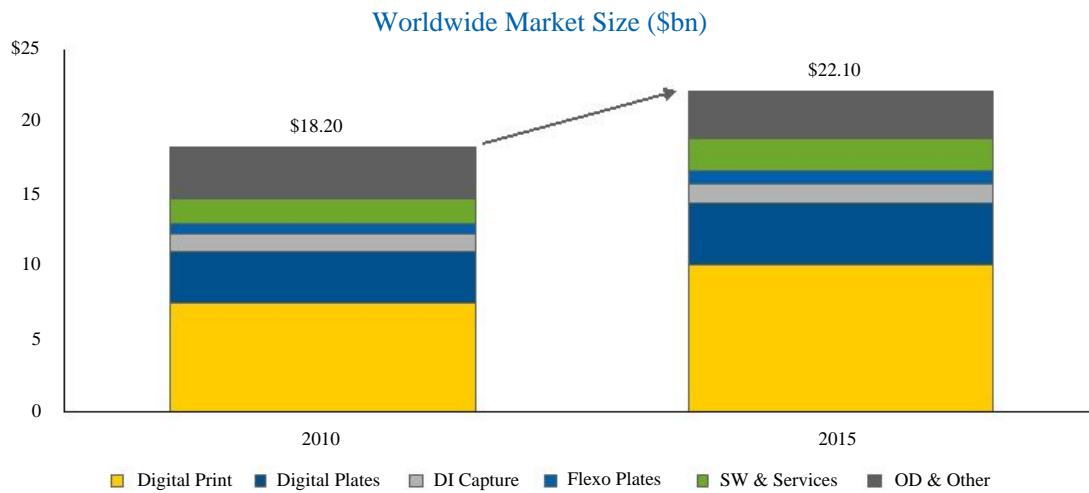


Profit & Cash Generation  
EM & Packaging Growth

- Focus on Solutions Designed for Packaging and Emerging Markets
- Grow OEM Sales

# Commercial Output Addressable Market

Kodak



Worldwide Market Size (\$bn)	2010	2015	CAGR '10-'15
Flexo Plates	\$0.7	\$0.8	3.1%
Digital Plates	3.6	4.2	3.1
Digital Print	7.5	10.2	6.3
DI Capture	1.2	1.4	3.1
SW & Services	1.7	2.3	6.8
OD & Other	3.5	3.2	(1.7)
<b>Total</b>	<b>\$18.2</b>	<b>\$22.1</b>	<b>4.0%</b>

# Entertainment Imaging

Kodak

## Objectives

- Generate cash over the planning horizon
- Maintain leadership position in the industry
- Create new vectors of opportunity



## Key Imperatives

- Continue to aggressively manage costs ahead of volume decline
  - Balance customer satisfaction with infrastructure activities
  - Continue to maintain product quality, while making tradeoffs between customer service level and cost
- Simplify and maintain studio contracts
  - Disney, Sony, Paramount, Universal, Warner Brothers
- Execute Silver Insulation Plan
- Find growth opportunities in a low investment manner
  - Digital Asset Management included in plan
  - Evaluate partnerships

# Entertainment Imaging: Industry Update

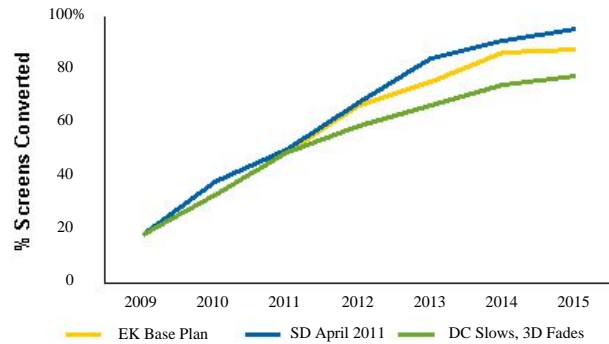
Kodak

- Industry adapting to changing market dynamics
  - Declining DVD sales impact studio profitability
  - Major studio releases down, films staying in theaters longer
  - Increased number of 3D features
- Digital Cinema adoption for first-run screens at year-end 2011 estimated at 40-50%

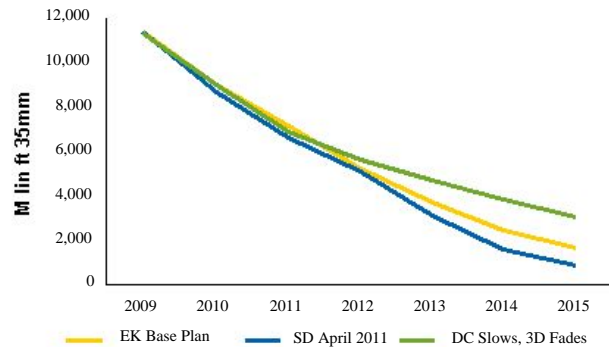


Source: Screen Digest.

Worldwide % Digital Cinema First-Run Screens Converted



ECP Volume Projections



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**Kodak**

## Digital and Functional Printing

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# Digital Printing Solutions

Kodak

## Roll-Fed Presses

High-volume roll-fed color presses



- Transaction
- Direct Mail
- Books
- Newspaper
- Magazines

## Sheet-Fed Presses

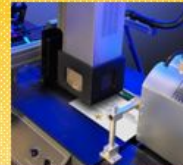
B&W and color sheet-fed production presses



- Direct Mail
- Ad collateral
- Books, Photo
- Transaction
- Folding Cartons

## Components

Imprinting solutions for web presses



- Direct Mail
- Books
- Inserts, Labels
- Corrugated
- Specialty

## Services & Consumables

**Services**  
Business Dev.  
Operations Mgmt.  
Support

### Consumables

Printheads  
Ink  
Toner  
ORC's



- All segments

Target  
Applications

# Digital Printing Trends

Kodak

## Direct Mail



**2.9T**

Total pages

**10%**

Digital page CAGR  
09-'12

### Value Prop

- Improved ROMI
- Lower production cost

## Catalogs



**3.4T**

Total pages

**42%**

Digital page CAGR  
09-'12

### Value Prop

- Improved ROMI
- Lower production cost

## Promotional



**6.8T**

Total pages

**14%**

Digital page CAGR  
09-'12

### Value Prop

- Improved ROMI
- Supply chain efficiency

## Books



**2.8T**

Total pages

**17%**

Digital page CAGR  
09-'12

### Value Prop

- Lower production cost
- Supply chain efficiency

## Newspapers



**19.2T**

Total pages

**26%**

Digital page CAGR  
09-'12

### Value Prop

- Improved ROMI
- Supply chain efficiency

Note: Above page volumes represent WW volumes for these specific applications.

# Digital Printing Solutions Highlights – PROSPER Printing

Kodak

## Prosper is a Breakthrough for Print Providers

Game-changing technology in the transformation of print

### PROSPER Delivers:

- Highest-speed inkjet printing
- Magazine quality
- Broad range of media
- Lowest running cost

### Expanding Solutions



**Prosper**  
Components



**Prosper**  
5000XL Color Press

### Expanding Applications

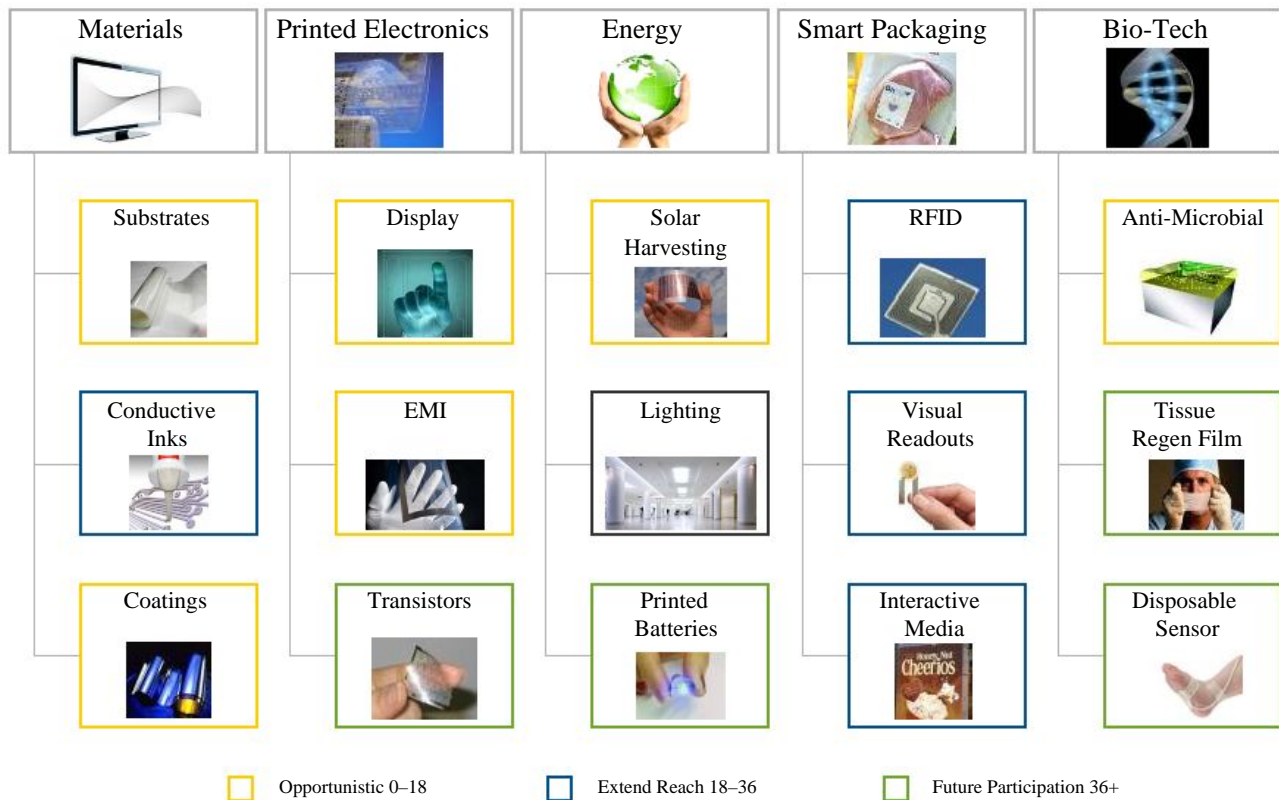
- Books
- Direct Mail
- Newsprint
- Magazines
- Catalogs
- Advertising Collateral
- Packaging

## Selected Highlights

- Game-changing Stream IJ technology
- Highly advantaged production digital solutions
- Attractive margins on equipment, ink and service
- Digital pages offer 15X revenue opportunity than traditional
- Opportunity to grow in emerging markets as well as in Publishing and Promotional applications

# Target Functional Printing Markets

Kodak



# Packaging Solutions

Kodak

Unit

Portfolio

Focus

Strategy

## Flexo Consumables

Flexcel NX System  
Flexo SRC/M/H  
DITR Washout CRS



Invest & Grow

- Lead Packaging Growth Initiative

## Proofing Solutions

Approval NX System  
III Proofing



Prepare for End of Life

- Approval Product Line Supports Packaging Initiative
- Manage Ink Jet Proofing for Cash

# Packaging Solutions Key Highlights

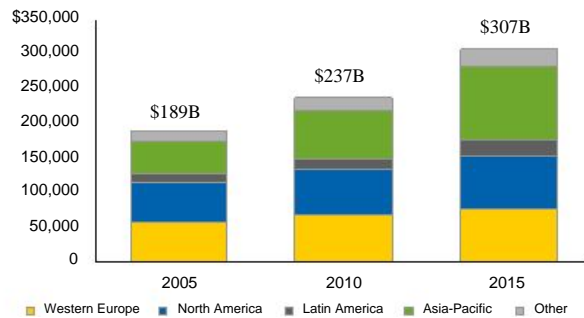
Kodak

## The Packaging Industry

- Fastest growing and sustainable print market
- Highly fragmented value chain
- Ripe for technology substitution
- Kodak well positioned to lead digitization and drive integration
- Attractive business case, but need to accelerate to scale

## Packaging Market Growth

(\$ in millions)



## Selected Highlights

- Best segment-optimized digital solutions in the industry
- #1 market share worldwide in digital prepress
- Game-changing technology upsides
  - No process digital offset
  - Digital Flexo for Packaging / Functional Printing
- Growth opportunities in emerging markets, Packaging Segment, and Functional Printing

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**Kodak**

Enterprise Services & Solutions

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# Enterprise Services & Solutions Business Overview

Kodak

## Enterprise Document Management

### Market Needs

- Making content available to drive enterprise business decisions
- Modernization in emerging markets

### Target Markets

- Government
- Finance
- Retail



### Applications

- Content management with imaging and document services

## Enterprise Marketing & Brand

### Market Needs

- Improve ROMI through increased effectiveness of multi-channel communication
- Consistent representation of the brand

### Target Markets

- CPG
- Pharma
- Retail



### Applications

- Marketing communications
- Packaging
- Transpromo

## Print

### Market Needs

- Better ROI in declining industry
- Print effectiveness in multi channel communication
- New revenue sources for new services
- Competencies and access to digital

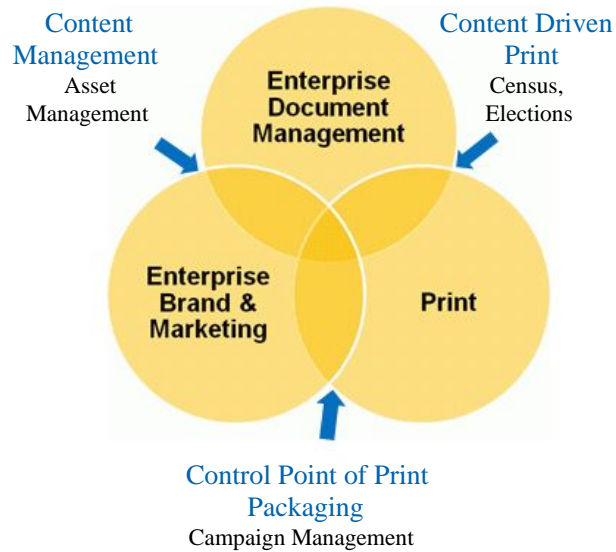
### Target Segments

- Commercial
- Packaging
- Publishing
- Enterprise



# Large Market Opportunity with Attractive Growth

Kodak



## Market Size And Growth

### Enterprise Document Management

**\$16.6bn**  
**13% CAGR**

- Scanners \$0.9bn, 2%
- Capture Software \$0.5bn, 10%
- Services \$15.2bn, 14%
- *Analog Products + Services*

### Print

**\$32.4bn**  
**5% CAGR**

- Software \$1.3bn, 8%
- Services \$31.8bn, 5%

### Enterprise Brand & Marketing Software

**\$2.1bn**  
**12% CAGR**

# Enterprise Services & Solutions Highlights

Kodak

## Customers

### Enterprise Document Management



### Enterprise Marketing & Brand



### Print



## Selected Highlights

- Document Management leadership position
  - Access to valuable information, control points and connection for print (i.e. census, elections)
  - Critical nature of service leads to customer stickiness
- High margin and growth
- Business booked on long term contracts
- Strength in technologies such as security solutions, campaign management (VDP, effective), capture software
- Market opportunity in services for Enterprise Document Management and Print is compelling

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**Kodak**

Consumer Segment

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**Kodak**

## Retail Systems Solutions

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# Retail Systems Solutions

Kodak

Unit	Kodak Instant Picture Kiosks	Dry Labs (APEX)	Retail Photo Dept Software	Thermal Print Solutions	At Home / On The Go Solutions
Portfolio					
Position	<ul style="list-style-type: none"> <li>#1 worldwide instant prints</li> <li>&gt;100K placements</li> <li>&gt;65K retail sites WW</li> </ul>	<ul style="list-style-type: none"> <li>#1 new placements worldwide</li> <li>#1 installed base in US &amp; Europe</li> </ul>	<ul style="list-style-type: none"> <li>#1 worldwide</li> <li>80 million unique consumers</li> <li>&gt;160 million kiosk sessions/year</li> <li>&gt;45k connected devices</li> </ul>	<ul style="list-style-type: none"> <li>#1 worldwide</li> <li>Proven reliability at retail</li> <li>6,600 EP Duplex Solution</li> </ul>	<ul style="list-style-type: none"> <li>Net 2 Retail</li> <li>Host Retail Photo Sites</li> <li>Off site gifting fulfillment</li> <li>Create@Home SW</li> </ul>

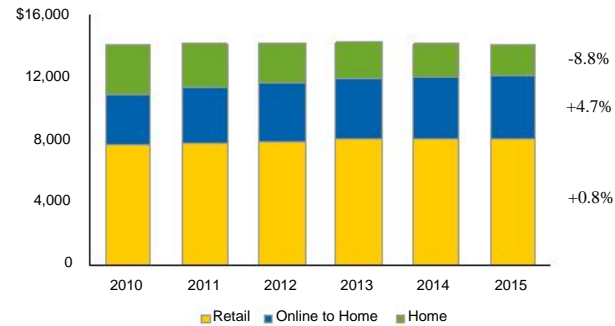
Kodak is the Market Leader in Global Retail Installed Base

# WW Photo Products Output Market Opportunity

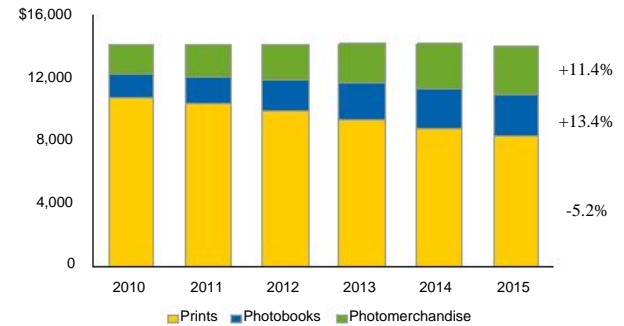
Kodak

(\$ in millions)

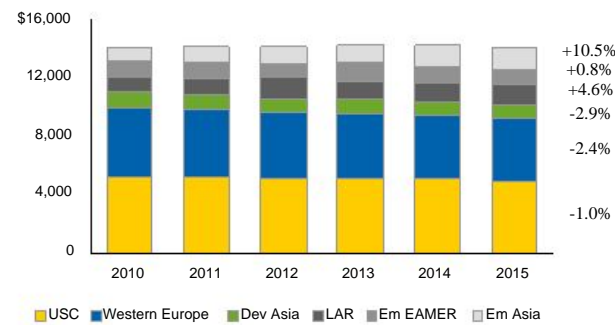
## WW Consumer Value by Pathway



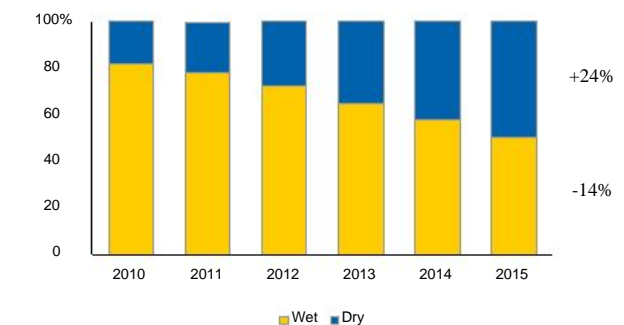
## WW Consumer Value by Product



## WW Consumer Value by Region



## Retail Digital 4x6 Prints



Sources: IDC, Infotrends, Futuresource, Kodak OCMO & SPG BR, May 2011.

% represent '10-'15 CAGRs

# Retail Systems Solutions Highlights

Kodak

RSS is a Sustained Partner to Leading Global Retailers



## Selected Highlights

- #1 market position in retail installed base and consumables
- Number of images captured is growing exponentially; capture is rapidly moving to multi-function devices
  - Instant photobooks and photo greeting cards are driving growth in select retailers
  - Duplex capability in 5,000 stores
- Social network access from kiosks
  - 60% key accounts connected
  - Direct Facebook access to photos
- Emphasis on dry lab installs in all emerging markets
  - LAR growth 140% for 2011

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**Kodak**

Consumer Inkjet

# Consumer Inkjet

Kodak

## Home & Office Printing Opportunity

- \$43 billion retail market
- Big profit pool
- Kodak has:
  - Fundamental technologies
    - Sustainable differentiation
  - Breakthrough business model
    - Price premium on printers
    - Premium ink at an affordable price
  - Momentum in the market



# Consumer Inkjet Highlights

Kodak

## CIJ Portfolio



## Selected Highlights

- Fundamental technology is a barrier to entry against competitors
- High gross profit margins from ink revenue
- Large printer installed base will sustain ink revenue for coming years
- Movement into SOHO market will drive better margins and higher ink usage
- Market share meaningful but still small with a lot of upside potential

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**Kodak**

Intellectual Property

# Our Intellectual Property Strategy



- Design Freedom
  - Over 10,000 worldwide Kodak patents supporting Kodak-branded products and current and future licensing portfolios
  - World Class Productivity: Greater than one U.S. patent per year for each \$1M of R&D spent during the past five years
- Access to New Markets and Partnerships
  - Cross licenses provide access to a broad spectrum of third-party patent portfolios
- Continued Income and Cash Generation
  - \$1.9B in revenue from 2008 – 2010
- Sale of DCD and KISS Patent Portfolios In Progress

**Consistent, demonstrated performance monetizing our Intellectual Property**

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## Summary Segment Highlights

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Leading Commercial Inkjet Technology/Stream is transforming the Print Market

Packaging products well positioned to lead digitization and drive integration

Market leader in Retail photo business driven by connectivity and large installed base

Momentum continues for the Consumer Inkjet business

Continue licensing program or sell IP Portfolio

**EASTMAN KODAK COMPANY FILES LENDER PRESENTATION IN CONNECTION WITH SYNDICATION OF  
DIP FINANCING**

ROCHESTER, NY January 23, 2012 – Eastman Kodak Company (the "Company") (OTB: EKDKQ.PK) today said that it has posted on its Company website and its reorganization information website slides from a Public Lender Presentation (the "Lender Presentation") in connection with the syndication to potential lenders of its previously-announced Debtor-In-Possession Credit Agreement dated as of January 20, 2012. The slides can be found in the Investor Relations section of [www.kodak.com](http://www.kodak.com), as well as [www.kodaktransforms.com](http://www.kodaktransforms.com). The slides will also be filed with the Securities and Exchange Commission as an Exhibit to a Form 8-K.

Among other things, the slides reflect the retention of James A. Mesterharm of AlixPartners LLP as Chief Restructuring Officer as of January 23, 2012, replacing Dominic DiNapoli in that role. The scope of the Chief Restructuring Officer's duties, and his reporting duties, will not change in connection with Mr. Mesterharm's appointment. The change does not reflect any disagreement or difference of opinion between Mr. DiNapoli and the Company. AlixPartners will be the Company's restructuring adviser during the reorganization process, leveraging AlixPartners' knowledge of the Company based on its preexisting operational enhancement advisory engagement with the Company over the past several months. FTI Consulting, Inc. is expected to continue to work on certain post-petition matters alongside AlixPartners.

The Company thanks Mr. DiNapoli for his contribution in helping Kodak effectively implement its Chapter 11 filing.

The Company also announced today that it will not hold a conference call with the investment community at the time of its fourth quarter earnings announcement.