



# Fourth Quarter 2017 Earnings Call

March 15, 2018

# Cautionary Statement Regarding Forward-looking Statements Pursuant to Safe Harbor Provisions of The Private Securities Litigation Reform Act of 1995

## 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 Kodak’s plans, objectives, goals, strategies, future events, future revenue or performance, capital expenditures, liquidity, investments, financing needs and business trends and other information that is not historical information. When used in this presentation, the words “estimates,” “expects,” “anticipates,” “projects,” “plans,” “intends,” “believes,” “predicts,” “forecasts,” “strategy,” “continues,” “goals,” “targets” or future or conditional verbs, such as “will,” “should,” “could,” or “may,” and similar expressions, as well as statements that do not relate strictly to historical or current facts, are intended to identify forward-looking statements. All forward-looking statements, including management’s examination of historical operating trends and data, are based upon Kodak’s expectations and various assumptions.

Future events or results may differ from those anticipated or expressed in the forward-looking statements. Important factors that could cause actual events or results to differ materially from the forward-looking statements include, among others, the risks and uncertainties described in more detail in Kodak’s Annual Report on Form 10-K for the year ended December 31, 2017 under the headings “Business,” “Risk Factors,” “Legal Proceedings” and/or “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources,” and in other filings Kodak makes with the U.S. Securities and Exchange Commission from time to time, as well as the following: Kodak’s ability to improve and sustain its operating structure, cash flow, profitability and other financial results; the ability of Kodak to achieve cash forecasts, financial projections and projected growth; Kodak’s ability to achieve the financial and operational results contained in its business plans; Kodak’s ability to comply with the covenants in its various credit facilities; Kodak’s ability to fund continued investments, capital needs and restructuring payments and service its debt and Series A Preferred Stock; Kodak’s ability to discontinue, sell or spin-off certain businesses or operations or otherwise monetize assets; changes in foreign currency exchange rates, commodity prices and interest rates; Kodak’s ability to effectively anticipate technology trends and develop and market new products, solutions and technologies; Kodak’s ability to effectively compete with large, well-financed industry participants; continued sufficient availability of borrowings and letters of credit under Kodak’s revolving credit facility, Kodak’s ability to obtain additional financing if and as needed and Kodak’s ability to provide or facilitate financing for its customers; the performance by third parties of their obligations to supply products, components or services to Kodak; and the impact of the global economic environment on Kodak.

There may be other factors that may cause Kodak’s actual results to differ materially from the forward-looking statements. All forward-looking statements attributable to Kodak 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 or referenced in this presentation. Kodak 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.



# Agenda

- **Introduction**  
**Bill Love, Treasurer and Investor Relations**
- **CEO Perspective on Full Year 2017 Results and 2018 Guidance**  
**Jeff Clarke, Chief Executive Officer**
- **2017 Fourth Quarter Results and Financial Review**  
**David Bullwinkle, Chief Financial Officer**
- **Concluding Remarks and Q&A**  
**Jeff Clarke and David Bullwinkle**



- **Welcome**
- **2017 Achievements and Actions**
- **Full Year 2017 Results**
- **Division Overview**
- **2018 Guidance**



## **CEO PERSPECTIVE**

# 2017 Achievements and Actions

- Strong performance in Flexographic Packaging Division:
  - Volume for KODAK FLEXCEL NX plates grew by 17 percent
  - Operational EBITDA improved by 21 percent
  - Well positioned for continued double-digit growth in 2018 in both Revenue and EBITDA
- Achieved profitability in EISD and delivered PROSPER annuity growth of 13 percent
- Meaningful investments will improve growth and profitability in 2018 and beyond:
  - ULTRASTREAM inkjet platform
  - FLEXCEL NX packaging
  - SONORA X plates
  - Advanced Materials
  - Brand Licensing
- Adjusted cost structure and reprioritized investments to focus on shorter payback periods



# FY 2017 Financial Summary by Division

(\$ millions)

FY 2017 Actuals	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ 942	\$ 144	\$ 145	\$ 85	\$ 198	\$ 1	\$ 16	\$ 1,531
Operational EBITDA <sup>(1)</sup>	\$ 58	\$ 5	\$ 31	\$ 1	\$ (16)	\$ (26)	\$ 4	\$ 57

FY 2016 Actuals	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ 1,018	\$ 166	\$ 132	\$ 90	\$ 221	\$ 1	\$ 15	\$ 1,643
Operational EBITDA <sup>(1)</sup>	\$ 106	\$ (16)	\$ 24	\$ 1	\$ 16	\$ (26)	\$ 2	\$ 107

FY 2017 Actuals vs. FY 2016 Actuals B/(W)	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ (76)	\$ (22)	\$ 13	\$ (5)	\$ (23)	\$ -	\$ 1	\$ (112)
Operational EBITDA	\$ (48)	\$ 21	\$ 7	\$ -	\$ (32)	\$ -	\$ 2	\$ (50)

FY 2017 Actuals on constant currency <sup>(2)</sup> vs. FY 2016 Actuals B/(W)	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ (81)	\$ (21)	\$ 12	\$ (4)	\$ (23)	\$ -	\$ 1	\$ (116)
Operational EBITDA	\$ (50)	\$ 22	\$ 5	\$ -	\$ (32)	\$ -	\$ 2	\$ (53)

PSD: Print Systems Division

SSD: Software and Solutions Division

EBPD: Eastman Business Park Division

EISD: Enterprise Inkjet Solutions Division

CFD: Consumer and Film Division

FPD: Flexographic Packaging Division

AM3D: Advanced Materials and 3D Printing Technology Division

This document should be read in conjunction with Eastman Kodak Company's Annual Report on Form 10-K for the year ended December 31, 2017 (the "2017 Form 10-K").

<sup>(1)</sup> Operational EBITDA is equivalent to "Segment Operational EBITDA" as presented in Note 24. Segment Information to the financial statements included in the 2017 Form 10-K.

<sup>(2)</sup> Refer to page 27, footnote 8 of this presentation for the explanation on the calculation of constant currency.



# Print Systems Division

(\$ millions)

	Revenue	Operational EBITDA
<b>FY 2016 Actual</b>	<b>\$1,018</b>	<b>\$ 106</b>
Aluminum Cost Impact		(12)
Plate Price	(28)	(28)
Processed Plate Volume	(40)	(8)
Sonora (Process Free) Plate Volume	26	6
Impact of Foreign Exchange	5	2
All Other (CTP/EPS/Other)	(39)	(8)
<b>FY 2017 Actual</b>	<b>\$942</b>	<b>\$ 58</b>

- Volume for SONORA grew by 21 percent
- Plate volume was down 2 percent in line with the overall market decline
- Plate price erosion was 4 percent

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# Enterprise Inkjet Solutions Division

(\$ millions)

	Revenue	Operational EBITDA
<b>FY 2016 Actual</b>	<b>\$166</b>	<b>\$ (16)</b>
PROSPER Annuities	6	-
PROSPER Press and Component Volume	(23)	-
Operating Cost Improvements		20
ULTRASTREAM investment		(4)
Impact of Foreign Exchange	(1)	(1)
All Other	(4)	6
<b>FY 2017 Actual</b>	<b>\$144</b>	<b>\$ 5</b>

- PROSPER annuities grew 13 percent
- Decline in revenue primarily due to reduced level of PROSPER press placements in 2017
- 2017 investment in ULTRASTREAM of \$15 million

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# Flexographic Packaging Division

(\$ millions)

	Revenue	Operational EBITDA
<b>FY 2016 Actual</b>	<b>\$132</b>	<b>\$24</b>
FLEXCEL NX CTP and Plates	13	8
Other Packaging Products	(1)	-
OPEX Investment		(3)
Impact of Foreign Exchange	1	2
<b>FY 2017 Actual</b>	<b>\$145</b>	<b>\$31</b>

- Volume for KODAK FLEXCEL NX plates grew by 17 percent
- Continued investment in Flexographic packaging, including \$7 million of capex investment in 2017 related to FLEXCEL NX plate line capacity in Weatherford, Oklahoma

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# Consumer and Film Division

(\$ millions)

	Revenue	Operational EBITDA
<b>FY 2016 Actual</b>	<b>\$221</b>	<b>\$16</b>
Consumer Inkjet	(17)	(12)
Industrial Film & Chemicals	(12)	(15)
Motion Picture	(2)	(6)
Film component supplier transition impact		(6)
Brand Licensing & Consumer Products	8	7
<b>FY 2017 Actual</b>	<b>\$198</b>	<b>(\$16)</b>

- Expected decline in Consumer Inkjet driven by lower sales of ink into the smaller installed base of printers
- Volume declines in Industrial Film & Chemicals driven by lower demand for photo paper chemicals and security film
- Impact of fulfillment of motion picture film volume commitments in the prior year
- Higher film manufacturing costs associated with a vendor transition

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# 2018 Operational EBITDA Guidance

(\$ millions)	2017 Full Year Actual	2018 Full Year Guidance	% Improvement
<b>Revenue</b>	\$1,531	\$1,500 - \$1,600	
<b>Operational EBITDA</b>	\$57		
Pension Accounting Change	(\$8)		
<b>Operational EBITDA Excluding Pension Accounting Change</b>	\$49	\$60 - \$70	22% - 43%
Impact of Foreign Exchange	\$6		
Year-over-Year Impact of Aluminum Pricing	(\$22)		
Expected Decline in Consumer Inkjet	(\$8)		
<b>Adjusted Operational EBITDA</b>	\$25	\$60 - \$70	

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# 2018 Divisional Outlook

## ▪ PSD

- Growth for SONORA and introduction of SONORA X
- Plate price actions and manufacturing cost improvements to mitigate the impact of higher aluminum costs

## ▪ EISD

- Growth in PROSPER annuities and investment in ULTRASTREAM.
- VERSAMARK annuities continue to decline

## ▪ FPD

- Continued growth for FLEXCEL NX.
- Continued investment in SG&A and new products

## ▪ SSD

- Growth in PRINERGY Workflow Software
- Growth in Kodak Technology Solutions

## ▪ CFD

- Growth in Brand Licensing and Motion Picture Film
- Expected decline in Consumer Inkjet EBITDA

## ▪ AM3D

- Growth and focus in light blocking materials, printed electronics and advanced materials
- Operating cost improvements to improve profitability

## ▪ EBP

- Improvement in occupancy and utility usage





# FINANCIAL OVERVIEW

- **Net Earnings**
- **2017 Fourth Quarter Results**
- **Cost Update**
- **Year Over Year Cash Bridge (GAAP)**
- **2018 Cash Outlook**

# 2017 Fourth Quarter and Full Year Net Earnings

(\$ millions)

	Three Months Ended December 31, 2017		Twelve Months Ended December 31, 2017	
	2017	2016	2017	2016
Earnings (loss) from continuing operations before income taxes	\$ 24	\$ 28	\$ (13)	\$ 51
(Benefit) Provision for income taxes	(104)	17	(110)	33
Equity in loss of equity method adjustment, net of income taxes	-	-	1	-
Earnings from continuing operations	128	11	96	18
Earnings (loss) from discontinued operations, net of income taxes	1	-	(2)	(2)
Net Earnings	<b>\$ 129</b>	<b>\$ 11</b>	<b>\$ 94</b>	<b>\$ 16</b>

The fourth quarter and YTD GAAP results include a benefit of \$101 million associated with the release of a valuation allowance on deferred tax assets outside the U.S. The YTD results also include \$58 million, net of tax, of non-cash impairments related to the write off of goodwill in the Print Systems segment and assets for the previously announced exit from copper mesh touch screen products, and \$47 million of income related to changes in value for the derivative embedded in the Series A Preferred Stock.



# Q4 2017 Financial Summary by Division

(\$ millions)

Q4 2017 Actuals	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ 261	\$ 39	\$ 41	\$ 21	\$ 47	\$ 1	\$ 4	\$ 414
Operational EBITDA <sup>(1)</sup>	\$ 16	\$ 3	\$ 10	\$ 1	\$ (6)	\$ (5)	\$ 1	\$ 20

Q4 2016 Actuals	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ 279	\$ 43	\$ 34	\$ 24	\$ 47	\$ 1	\$ 4	\$ 432
Operational EBITDA <sup>(1)</sup>	\$ 39	\$ 2	\$ 7	\$ 2	\$ (2)	\$ (5)	\$ -	\$ 43

Q4 2017 Actuals vs. Q4 2016 Actuals B/(W)	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ (18)	\$ (4)	\$ 7	\$ (3)	\$ -	\$ -	\$ -	\$ (18)
Operational EBITDA	\$ (23)	\$ 1	\$ 3	\$ (1)	\$ (4)	\$ -	\$ 1	\$ (23)

Q4 2017 Actuals on constant currency <sup>(2)</sup> vs. Q4 2016 Actuals B/(W)	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ (27)	\$ (5)	\$ 5	\$ (3)	\$ (1)	\$ -	\$ -	\$ (31)
Operational EBITDA	\$ (25)	\$ -	\$ 2	\$ (1)	\$ (5)	\$ -	\$ 1	\$ (28)

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# Cost Update

- In the fourth quarter we accelerated our cost actions across the company to reduce approximately 425 positions and save approximately \$45 million on a run-rate basis
- As of February 2018:
  - 260 positions have been eliminated with an annual cost savings of \$20 million
  - Actions have been taken to eliminate an additional 155 positions/other cost reduction activities in 2018 with an additional cost savings of \$18 million
- Remaining headcount and costs savings to be implemented in the first half of 2018
- Additional opportunities for cost actions related to simplification and automation activities





# 2017 YTD Cash Flow

(\$ Millions)

Primary Drivers of Cash:	
Cash from Operations:	
Net earnings	
Depreciation and amortization	
Pension and other postretirement income	
Change in fair value of embedded conversion features derivative liability	
Prosper asset remeasurement	\$19M Use of Cash
Stock based compensation	from Net Earnings
Net gains on sales of businesses/assets	
Other	
Non-cash restructuring costs and asset impairments	
(Benefit) provision for deferred income taxes	
Decrease in trade receivables	
(Increase) decrease in inventories	\$48M Use of Cash
(Decrease) increase in trade accounts payable	from Balance Sheet
Decrease in liabilities excluding borrowings	Changes
Other items, net	
<b>Net cash used in operating activities</b>	
<b>Net cash used in investing activities</b>	
<b>Net cash used in financing activities</b>	
Effect of exchange rate changes on cash	
Net decrease in cash, cash equivalents and restricted cash	

Twelve Months Ended December 31, 2017

	2017	2016	Change	
\$	94	\$ 16	\$ 78	} \$31M Year-Over-Year Decrease in Cash Flow from Net Earnings
	80	105	(25)	
	(119)	(147)	28	
	(47)	-	(47)	
	12	-	12	
	9	8	1	
	(8)	(9)	1	
	-	4	(4)	
	89	20	69	
	(129)	15	(144)	
	11	25	(14)	} \$21M Year-Over-Year Decline in Cash Flow from Balance Sheet Changes
	(4)	16	(20)	
	(14)	13	(27)	
	(37)	(74)	37	
	(4)	(7)	3	
	<b>(67)</b>	<b>(15)</b>	<b>(52)</b>	
	<b>(24)</b>	<b>(29)</b>	<b>5</b>	
	<b>(29)</b>	<b>(72)</b>	<b>43</b>	
	11	(6)	17	
\$	(109)	\$ (122)	\$ 13	
\$	(109)	\$ (122)	\$ 13	
	19	9	10	
\$	(90)	\$ (113)	\$ 23	
	7	84	(77)	
\$	(83)	\$ (29)	\$ (54)	

Net decrease in cash, cash equivalents and restricted cash	
Net decrease in restricted cash	
Net decrease in cash and cash equivalents	
Debt Repayments	
Net decrease in cash and cash equivalents excluding debt repayments	



# 2018 Cash Outlook

(\$ millions)	<b>Cash (Use) / Generation</b>
<b>Operational EBITDA</b>	<b>\$60 - \$70</b>
Legacy Payments	(47)
Legacy items reflected in Operational EBITDA	29
Net Legacy Payments	(18)
Capital Expenditures	(35)
Cash Paid for Taxes, Net	(13)
Restructuring Payments	(13)
Proceeds from Asset Sales	17
Working Capital	9
ABL Cash Collateral Requirement Reduction	6
Other	8
<b>Unlevered Cash Flow</b>	<b>\$20 - \$30</b>
Interest and Preferred Dividend Payments	(36)
<b>Levered Cash Flow (Use)</b>	<b>(\$20) - \$0</b>

- Projected cash balance at year end 2018 prior to debt repayments of \$324 million to \$344 million
- Legacy Payments include foreign pension (\$22 million), workers compensation (\$10 million), payment of contingent consideration related to the sale of a business (\$10 million) and long-term disability (\$5 million)
- Working Capital is defined as changes in trade accounts receivable, net inventories and trade accounts payable

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# Opportunities and Risks

## Opportunities:

- SONORA X plate volumes – accelerated customer adoption
- Aluminum cost
- FLEXCEL NX plate volume
- Brand Licensing pipeline conversion
- Working capital
- Monetization of assets
- Strategic transactions

## Risks:

- Further slowdown in commercial printing industry
- Aluminum cost
- Brand Licensing pipeline conversion
- Timing of planned tax settlements
- New product launches





**Q&A**



# **CONCLUDING REMARKS**



# APPENDIX

# Non-GAAP Measures

In this fourth quarter and full year earnings presentation, reference is made to the following non-GAAP financial measures:

- Operational EBITDA;
- Operational EBITDA and Revenues on a constant currency basis;
- Operational EBITDA excluding the amortization of prior service credit component of pension income; and
- Net decrease in cash and cash equivalents excluding debt repayments.

Kodak believes that these non-GAAP measures represent important internal measures of performance as used by management. Accordingly, where they are 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").

This presentation contains a forward-looking estimate of full-year 2018 Operational EBITDA and full-year 2018 Cash Outlook. Kodak is unable to provide a reconciliation of full-year 2018 Operational EBITDA to a forward-looking estimate of GAAP net income / loss and a reconciliation of full-year 2018 Cash Use to changes in cash and cash equivalents because projected GAAP net income / loss for the full year and changes in cash and cash equivalents would require inclusion of the projected impact of future excluded items, including items that are not currently determinable or dependent on future events which may be uncertain or outside of Kodak's control, such as asset sales, asset impairments, foreign exchange gains / losses, changes in the fair value of the conversion option derivative liability, unanticipated items not reflective of ongoing operations, or other items. Due to the uncertainty of the likelihood, amount and timing of any such items, Kodak does not have information available to provide quantitative reconciliations of full-year 2018 projected net income / loss and changes in cash and cash equivalents.



# Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Net Earnings Attributable to Eastman Kodak Company to Operational EBITDA and Operational EBITDA on a constant currency basis for the twelve months ended December 31, 2017 and 2016, respectively:

(in millions)

	FY 2017	FY 2016	\$ Change	% Change
<b>Net Earnings Attributable to Eastman Kodak Company (GAAP basis)</b>	<b>\$ 94</b>	<b>\$ 15</b>	<b>\$ 79</b>	<b>527%</b>
Net loss attributable to noncontrolling interests (1)	-	1	(1)	-100%
Net earnings	\$ 94	\$ 16	\$ 78	488%
All Other (2)	-	(3)	3	-100%
Corporate components of pension and OPEB income (3)	(144)	(161)	17	-11%
Depreciation and amortization	80	105	(25)	-24%
Restructuring costs and other (4)	38	16	22	138%
Stock based compensation	9	8	1	13%
Consulting and other costs (5)	5	7	(2)	-29%
Idle costs (6)	3	3	-	0%
Manufacturing costs originally planned to be absorbed by silver metal mesh touch screen production (7)	-	3	(3)	-100%
Other operating expense, net (1)	28	16	12	75%
Goodwill impairment loss (1)	56	-	56	n/a
Interest expense (1)	32	60	(28)	-47%
Loss on early extinguishment of debt, net (1)	-	4	(4)	-100%
Other (income) charges, net (1)	(37)	4	(41)	-1025%
Reorganization items, net (1)	-	(6)	6	-100%
(Benefit) provision for income taxes (1)	(110)	33	(143)	-433%
Equity in loss of equity method investment, net of income taxes (1)	1	-	1	n/a
Loss from discontinued operations, net of income taxes (1)	2	2	-	0%
<b>Operational EBITDA</b>	<b>\$ 57</b>	<b>\$ 107</b>	<b>\$ (50)</b>	<b>-47%</b>
Impact of foreign exchange (8)	(3)	-	(3)	-
<b>Operational EBITDA on a constant currency basis</b>	<b>\$ 54</b>	<b>\$ 107</b>	<b>\$ (53)</b>	<b>-50%</b>

Refer to Page 27 of this presentation for footnote explanations.





# Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Net Earnings Attributable to Eastman Kodak Company to Operational EBITDA and Operational EBITDA on a constant currency basis for the three months ended December 31, 2017 and 2016, respectively:

(in millions)

	Q4 2017	Q4 2016	\$ Change	% Change
<b>Net Earnings Attributable to Eastman Kodak Company (GAAP basis)</b>	<b>\$ 129</b>	<b>\$ 10</b>	<b>\$ 119</b>	<b>1190%</b>
Net loss attributable to noncontrolling interests (1)	-	1	(1)	-100%
Net earnings	\$ 129	\$ 11	\$ 118	1073%
All Other (2)	-	(1)	1	-100%
Corporate components of pension and OPEB income (3)	(36)	(40)	4	-10%
Depreciation and amortization	18	23	(5)	-22%
Restructuring costs and other (4)	9	3	6	200%
Stock based compensation	2	2	-	0%
Consulting and other costs (5)	2	1	1	100%
Idle costs (6)	1	1	-	0%
Manufacturing costs originally planned to be absorbed by silver metal mesh touch screen production (7)	-	1	(1)	-100%
Other operating (income) expense, net (1)	(4)	14	(18)	-129%
Interest expense (1)	8	12	(4)	-33%
Loss on early extinguishment of debt, net (1)	-	4	(4)	-100%
Other (income) charges, net (1)	(4)	1	(5)	-500%
Reorganization items, net (1)	-	(6)	6	-100%
(Benefit) provision for income taxes (1)	(104)	17	(121)	-712%
Earnings from discontinued operations, net of income taxes (1)	(1)	-	(1)	n/a
<b>Operational EBITDA</b>	<b>\$ 20</b>	<b>\$ 43</b>	<b>\$ (23)</b>	<b>-53%</b>
Impact of foreign exchange (8)	(5)	-	(5)	
<b>Operational EBITDA on a constant currency basis</b>	<b>\$ 15</b>	<b>\$ 43</b>	<b>\$ (28)</b>	<b>-65%</b>

Refer to Page 27 of this presentation for footnote explanations.



# Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Net Earnings Attributable to Eastman Kodak Company to Operational EBITDA excluding the amortization of prior service credit component of pension income for the twelve months ended December 31, 2017:

(in millions)

	<b>FY 2017</b>
<b>Net Earnings Attributable to Eastman Kodak Company (GAAP basis)</b>	<b>\$ 94</b>
Net loss attributable to noncontrolling interests (1)	-
Net earnings	\$ 94
All Other (2)	-
Corporate components of pension and OPEB income (3)	(144)
Depreciation and amortization	80
Restructuring costs and other (4)	38
Stock based compensation	9
Consulting and other costs (5)	5
Idle costs (6)	3
Other operating expense, net (1)	28
Goodwill impairment loss (1)	56
Interest expense (1)	32
Other (income) charges, net (1)	(37)
(Benefit) provision for income taxes (1)	(110)
Equity in loss of equity method investment, net of income taxes (1)	1
Loss from discontinued operations, net of income taxes (1)	2
<b>Operational EBITDA</b>	<b>\$ 57</b>
Amortization of prior service credit component of pension income (9)	(8)
<b>Operational EBITDA excluding amortization of prior service credit component of pension income</b>	<b>\$ 49</b>

Refer to Page 27 of this presentation for footnote explanations.



# Non-GAAP Measures

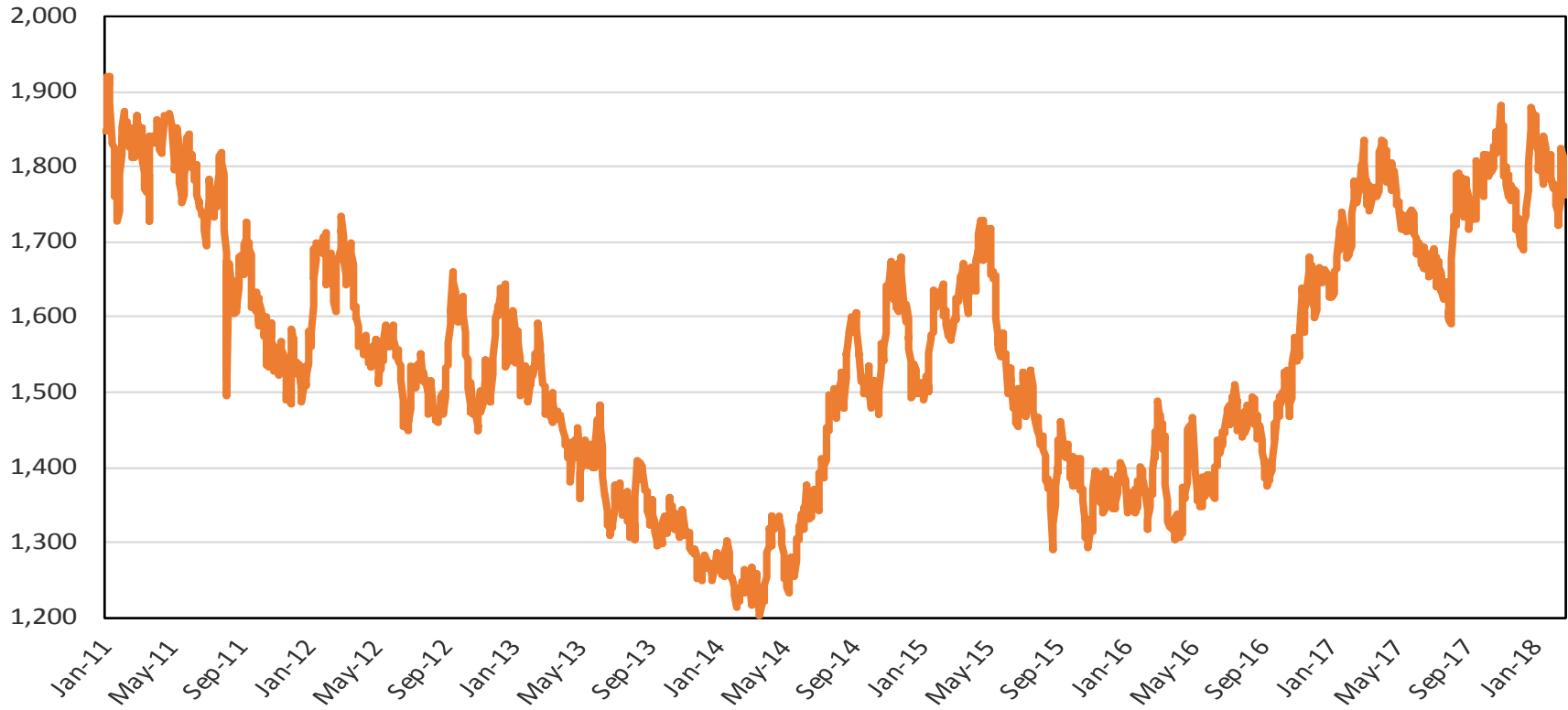
## Footnote Explanations:

- (1) As reported in the Consolidated Statement of Operations.
- (2) RED utilities variable interest entity, which was deconsolidated on December 31, 2016 (interest and depreciation of RED are included in the respective lines in the table).
- (3) Composed of interest cost, expected return on plan assets, amortization of actuarial gains and losses, and curtailment and settlement components of pension and other postretirement benefit expenses.
- (4) Restructuring costs and other as reported in the Consolidated Statement of Operations plus \$7 million of inventory write-downs included in cost of revenues for the twelve months ended December 31, 2017.
- (5) Consulting and other costs are professional services and internal costs associated with certain corporate strategic initiatives.
- (6) 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.
- (7) Consists of manufacturing costs originally planned to be absorbed by silver metal mesh touch screen production that are excluded from the segment measure of profit and loss.
- (8) The impact of foreign exchange represents the foreign exchange impact using average foreign exchange rates for the three or twelve months ended December 31, 2016, rather than the actual exchange rates in effect for the three or twelve months ended December 31, 2017.
- (9) Kodak adopted Accounting Standards Update (“ASU”) 2017-07, Compensation – Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost as of January 1, 2018. Among other provisions, ASU 2017-07 requires entities to report the service cost component of net benefit costs in the same line item(s) as other compensation costs arising from services rendered during the period and to report all other components of net benefit costs outside a subtotal of income from operations. As of January 1, 2018, Kodak’s segment earnings measure of Operational EBITDA will exclude all components of net benefit costs except for service costs. Prior to January 1, 2018 Operational EBITDA excludes all components of net benefit costs except for service cost and amortization of prior service costs.



# ALUMINUM PRICE (LME): 1/1/11 – 2/28/18

LME Cash in EURO/MT





Thank You

