



Q1 2017 Earnings Call

May 9, 2017

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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 Q1 2017 and FY 2017 Guidance Jeff Clarke, Chief Executive Officer
- 2017 Financial Review David Bullwinkle, Chief Financial Officer
- Concluding Remarks and Q&A Jeff Clarke and David Bullwinkle



- **Welcome**
- **Quarter Performance**
- **Division Overview**
- **2017 Guidance**



CEO PERSPECTIVE

2017 First Quarter Results

Total Company Q1 2017

	Q1 2017	Q1 2016
Revenue	\$357	\$377
Operational EBITDA ¹	\$8	\$19
Year over Year Change - B/(W)		
Revenue (\$)		(\$20)
Operational EBITDA (\$)		(\$11)
Revenue (%)		-5%
Operational EBITDA (%)		-58%
Comparable Basis (excluding FX impact)⁽²⁾		
Revenue	\$363	\$377
Year over Year Change - B/(W)	(\$14)	
Comparable Basis (excluding FX impact)⁽²⁾		
Operational EBITDA	\$10	\$19
Year over Year Change - B/(W)	(\$9)	

This document should be read in conjunction with Eastman Kodak Company's Quarterly Report on Form 10-Q for the period ended March 31, 2017 (the "2017 Form 10-Q").

¹ Operational EBITDA is equivalent to "Segment Operational EBITDA" as presented in Note 20. Segment Information to the financial statements included in the 2017 Form 10-Q.

² Refer to page 39, footnote 7 of this presentation for the explanation on the calculation of constant currency.



PROSPER Update

	Trailing Twelve Months Ended March 31	
	<u>2016</u>	<u>2017</u>
PROSPER Installed Base (Units)	58	64
Imprinting Systems Installed Base (Units)	1,166	1,329
Recurring Revenues (\$ millions)	\$38	\$52
% Change	27%	37%

- The company made the strategic decision to retain the PROSPER business
- We expect our Enterprise Inkjet Systems Division (EISD) to be break-even to profitable this year, including our next-generation ULTRASTREAM investment
- We will continue to invest in the ULTRASTREAM program and have entered into letters of intent with partners which creates new applications that drive market demand for the technology
- FY 2016 results were recast to reclassify PROSPER into continuing operations of the company within EISD



EISD Portfolio Summary

	Versamark	PROSPER	ULTRASTREAM
Technology	Continuous Inkjet & Drop on Demand	Stream Continuous Inkjet	Next Generation Stream
Product Launch	1998	2009	2019
Product Category	<ul style="list-style-type: none"> ▪ Digital Press ▪ Imprinting Systems 	<ul style="list-style-type: none"> ▪ Digital Press ▪ Imprinting Systems ▪ OEM 	<ul style="list-style-type: none"> ▪ Imprinting Systems ▪ OEM

(\$ millions)

FY 2016 Actuals	Versamark	PROSPER	ULTRASTREAM	EISD
Revenue	\$ 76	\$ 94	\$ -	\$ 170
Operational EBITDA b/f corp costs	23	(21)	(11)	(9)
<u>Corporate SGA</u>				10
Operational EBITDA				(19)



Q1 2017 Portfolio Summary

(\$ millions)

					At Actual FX		At Constant Currency ¹	
	Q1 2016 Revenues	Q1 2016 Revenues % of Total	Q1 2017 Revenues	Q1 2017 Revenues % of Total	B/(W) \$\$	B/(W) %	B/(W) \$\$	B/(W) %
Total Growth Engines	\$ 82	22%	\$ 90	25%	\$ 8	9%	\$ 15	18%
Strategic Other Businesses	\$ 250	66%	\$ 230	64%	\$ (20)	-8%	\$ (19)	-8%
Planned Declining Businesses	\$ 45	12%	\$ 37	11%	\$ (8)	-17%	\$ (6)	-14%
Total Revenues	\$ 377	100%	\$ 357	100%	\$ (20)	-5%	\$ (11)	-3%

Growth Engines include Sonora, PROSPER, FLEXCEL NX, Software and Solutions and Micro 3D Printing.

Strategic Other Businesses include plates, CTP and Service in PSD, Nexpress and related Toner Business in PSD, Entertainment & Commercial Film in CFD, Consumer Products Licensing in CFD, Eastman Business Park and IP Licensing.

Planned Declining Businesses are product lines where we have made the decision to stop new product development and to manage an orderly expected decline in the installed product and annuity base. These product families include Consumer Inkjet in CFD, Versamark in EISD and Digimaster in PSD.

Key Product Growth Q1 2017 vs. Q1 2016

Annuities revenue for KODAK PROSPER Inkjet grew by 26%
 Volume for KODAK SONORA Process Free Plates grew by 24%
 Volume for KODAK FLEXCEL NX Plates grew by 22%

(1) - The impact of foreign exchange represents the 2017 foreign exchange impact using average foreign exchange rates for 2016 rather than the actual exchange rates in effect for the respective period in 2016.



First Quarter 2017 Financial Summary by Division

(\$ millions)

Q1 2017 Actuals	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ 213	\$ 37	\$ 33	\$ 21	\$ 49	\$ -	\$ 4	\$ 357
Operational EBITDA b/f corp costs	25	1	8	3	1	(8)	-	30
Corporate SGA	<u>12</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>4</u>	-	-	<u>22</u>
Operational EBITDA	13	(1)	6	1	(3)	(8)	-	8

Q1 2016 Actuals	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ 231	\$ 34	\$ 29	\$ 22	\$ 57	\$ -	\$ 4	\$ 377
Operational EBITDA b/f corp costs	30	(2)	6	3	10	(7)	-	40
Corporate SGA	<u>12</u>	<u>3</u>	<u>2</u>	<u>1</u>	<u>3</u>	-	-	<u>21</u>
Operational EBITDA	18	(5)	4	2	7	(7)	-	19

Q1 2017 Actuals vs. Q1 2016 Actuals B/(W)	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ (18)	\$ 3	\$ 4	\$ (1)	\$ (8)	\$ -	\$ -	\$ (20)
Operational EBITDA b/f corp costs	(5)	3	2	-	(9)	(1)	-	(10)
Corporate SGA	-	<u>1</u>	-	<u>(1)</u>	<u>(1)</u>	-	-	<u>(1)</u>
Operational EBITDA	(5)	4	2	(1)	(10)	(1)	-	(11)

Q1 2017 Actuals on constant currency vs. Q1 2016 Actuals B/(W)	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ (15)	\$ 4	\$ 4	\$ -	\$ (7)	\$ -	\$ -	\$ (14)
Operational EBITDA	(5)	5	2	(1)	(9)	(1)	-	(9)

PSD: Print Systems Division

EISD: Enterprise Inkjet Solutions Division

FPD: Flexographic Packaging Division

SSD: Software and Solutions Division

CFD: Consumer and Film Division

AM3D: Advanced Materials and 3D Printing Technology Division

EBPD: Eastman Business Park Division

¹ Operational EBITDA is equivalent to "Segment Operational EBITDA" as presented in Note 20. Segment Information to the financial statements included in the 2017 Form 10-Q Refer to page 39, footnote 7 of this presentation for the explanation on the calculation of constant currency.

Note: FPD represents the Flexographic Packaging business and AM3D represents the Micro 3D Printing business and Intellectual Property operations.



2016 Recast Results

(\$ millions)

	Revenue	Operational EBITDA
2016 Actuals	\$1,543	\$144
PROSPER and ULTRASTREAM businesses, including Corporate Overhead	\$94	(\$38)
Other ¹	\$6	\$1
2016 Recast Actuals	\$1,643	\$107

(1) - adjustments to the Consumer and Film Segment (CFD) relating to silver recovery; and Corporate Business Development and Idle Costs.



2017 Guidance

(\$ millions)

	Revenue	Operational EBITDA
FY 2017 Guidance	\$1,400 - \$1,500	\$130 - \$145
PROSPER and ULTRASTREAM businesses, including Corporate Overhead	\$100	(\$18)
Price of Aluminum		(\$6)
2017 Adjusted Guidance	\$1,500 - \$1,600	\$105 - \$120

Guidance adjusted to include the PROSPER and ULTRASTREAM business, and the impact of supplier price increases in aluminum of \$6 million, in Revenue and Operational EBITDA



2017 Guidance Comparison

	FY 2016	FY 2017 Operational EBITDA Guidance
(\$ millions)		
Operational EBITDA	\$107	
Impact of foreign exchange	(\$6)	
Operational EBITDA, F(x) adjusted	\$101	
Year-over-Year Impact in Aluminum Pricing	(\$13)	
Expected decline in Consumer Inkjet	(\$13)	
Adjusted Operational EBITDA	\$75	\$105 - \$120
<i>% Improvement</i>		40% - 60%



Quality of Earnings (Operational EBITDA)

(\$ millions)

	2014	2015	2016	2017 GUIDANCE RANGE	
Core ex. EISD	54	101	103	95	100
EISD	(44)	(26)	(19)	-	5
Core Business	10	75	84	95	105
Consumer Inkjet before Corp Costs	80	45	23	10	10
Intellectual Property (1x Proceeds)	70	5	-	-	5
Subtotal	150	50	23	10	15
Operational EBITDA	160	125	107	105	120
Impact of F(x) vs 2017	(44)	(18)	(6)	n/a	n/a
Adjusted Operational EBITDA	116	107	101	105	120

Core business includes: Print Systems Division (PSD); Flexographic Packaging Division (FPD); Software and Solutions Division (SSD); Consumer and Film Division (CFD), excluding Consumer Inkjet; Eastman Business Park Division (EBPD); Enterprise Inkjet Solutions Division (EISD); and Advanced Materials and 3D Printing Technology Division (AM3D)

Impact of F(x) vs 2017 has been calculated reflecting the cumulative year-on-year impact relative to 2017. e.g. the F(x) impact of 2014 to 2015 is (\$26M), 2015 to 2016 is (\$12M) and 2016 to 2017 is (\$6M). Accordingly, the cumulative impact of 2014 to 2017 is (\$44M)



Q1 2017 Summary

- Retain PROSPER inkjet business and continue investment in the next generation ULTRASTREAM technology
- Strong execution in Kodak growth engines:
 - Annuities revenue for KODAK PROSPER Inkjet grew by 26 percent
 - Volume for KODAK SONORA Process Free Plates grew by 24 percent
 - Volume for KODAK FLEXCEL NX Plates grew by 22 percent
- Expect to have year on year improvements in our comparable Operational EBITDA and cash flow for 2017
- Quality of earnings of Kodak have improved materially over the last four years and will continue to improve in 2017





FINANCIAL OVERVIEW

- **Reporting Structure**
- **Net Earnings**
- **Cost Update**
- **2017 First Quarter Cash Flow**
- **Year Over Year Cash Bridge (GAAP)**

Reporting Structure

- Retain PROSPER inkjet business and continue investment in the next generation ULTRASTREAM technology
- Micro 3D Printing business moved into a new division named Advanced Materials and 3D Printing Technology (AM3D)
 - Advanced Materials and 3D Printing Technology (AM3D) also includes the operations of the prior Intellectual Property Solutions Division (IPSD)
- Flexographic Packaging business, formerly part of Micro 3D Printing and Packaging division (MPPD), is being reported as a dedicated division called Flexographic Packaging Division (FPD)
- Prior period results have been recast to reflect organizational changes
- Summary of 2016 quarterly results by division is included in the appendix to this presentation



2017 First Quarter Net Earnings Improvement

(\$ millions)

Earnings (loss) from continuing operations before income taxes
 Provision for income taxes
 Earnings (loss) from continuing operations
 Net earnings (loss)

		Three Months Ended March 31	
		2017	2016
Earnings (loss) from continuing operations before income taxes	\$	10	\$ (7)
Provision for income taxes		3	7
Earnings (loss) from continuing operations		7	(14)
Net earnings (loss)	\$	7	\$ (15)

**Improvement
of \$22 million**

Year-over-year improvement in net earnings of \$27 million adjusted for:

- \$12 million of one-time depreciation and amortization expense catch-up for Prosper
- \$10 million one-time legal settlement in the first quarter of 2016 and
- \$5 of lower Pension income in Q1 2017
- Partially offset by the \$22 million favorable impact from the revaluation of the derivative embedded in the Series A Preferred Stock



Cost Update

Run Rate Cost Progress

	FY 2017 Run Rate	Year Ended December 31, 2013	% Change
Headcount (Actual)	6,071	8,797	-31%
Operating Expense	\$272	\$510	-47%
<i>Percent of Revenue</i>	<i>18%</i>	<i>22%</i>	
Corporate Costs	\$88	\$138	-36%
<i>Percent of Revenue</i>	<i>6%</i>	<i>6%</i>	



2017 First Quarter Cash Flow

(\$millions)

Primary Drivers of Cash:	
Cash from Operations:	
Net earnings (loss)	
Depreciation and amortization	
Pension income	
Change in fair value of embedded conversion features derivative liability	
Prosper asset remeasurement	
Non-cash restructuring costs, asset impairments and other charges, net	
Net gain on sales of assets	
Stock based compensation	
Provision for deferred income taxes	
Decrease in receivables	
Increase in inventories	
Decrease in trade payables	
Decrease in liabilities excluding borrowings and trade payables	
Other items, net	
Net cash used in operating activities	
Cash flows from investing activities:	
Additions to properties	
Proceeds from sales of assets, net	
Proceeds from sales of marketable securities	
Net cash used in investing activities	
Cash flows from financing activities:	
Repayment of emergence credit facilities	
Repayment of capital leases	
Preferred stock dividend payments	
Net cash used in financing activities	
Effect of exchange rate changes on cash	
Net decrease in cash, cash equivalents and restricted cash	

	Q1 2017	Q1 2016	Change
\$	7	\$(15)	\$ 22
	19	30	(11)
	(32)	(37)	5
	(22)	-	(22)
	12	-	12
	8	25	(17)
	(2)	-	(2)
	2	2	-
	1	3	(2)
	30	38	(8)
	(40)	(20)	(20)
	(24)	(15)	(9)
	(20)	(31)	11
	8	(1)	9
	(53)	(21)	(32)
	(7)	(5)	(2)
	2	-	2
	<u>1</u>	<u>-</u>	<u>1</u>
	(4)	(5)	1
	-	(1)	1
	(1)	-	(1)
	<u>(2)</u>	<u>-</u>	<u>(2)</u>
	(3)	(1)	(2)
	4	3	1
\$	<u>(56)</u>	<u>\$(24)</u>	<u>\$ (32)</u>
\$	478	\$ 600	
\$	422	\$ 576	

\$13M Decline in
Cash Flow from Net
Earnings

\$19M Decline in Cash
Flow from Balance
Sheet Changes



2017 Cash Outlook

(\$ millions)

Operational EBITDA	\$105 - \$120
Working Capital	35
Interest and Dividend Payments	(40)
Capital Expenditures*	(40)
Legacy Payments	(32)
Cash Paid for Taxes (primarily outside U.S.)	(20)
Restructuring Payments	(13)
Other	<u>(5)</u>
Cash Generation	<u>(\$10) - \$0</u>

- Reflects generation of cash from Working Capital
- Legacy Payments include Foreign Pension of \$15 million and Workers Compensation of \$10 million
- Other Payments primarily reflects Commercial Capital
- Working Capital is defined as the change in Trade Accounts Receivable plus the change in Trade Accounts Payable plus the change in Net Inventories

* Capital expenditures include \$13 million projected for the FLEXCEL NX packaging plate line capacity expansion



2017 Opportunities and Risks

- Aluminum sensitivity (\$ USD/Metric Ton): +/- 1% = +/- \$500k in Operational EBITDA
- F(x) sensitivity (\$ USD vs. ¥ JPY, € EUR and £ GBP): +/- 1% = +/- \$7M in Revenue and +/- \$500k in Operational EBITDA

Opportunities:

- SONORA Process Free Plate growth above expectations
- FLEXCEL NX Plate growth above expectations
- PROSPER print head components volume higher than expected

Risks:

- Slower conversion of Brand Licensing pipeline to revenue
- Technology commercialization is slower than expected
- Price erosion within PSD is higher than expected





Q&A



CONCLUDING REMARKS



APPENDIX

FY 2016 Financial Summary by Division

(\$ millions)

Q1 2016 Actuals	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ 231	\$ 34	\$ 29	\$ 22	\$ 57	\$ -	\$ 4	\$ 377
Operational EBITDA b/f corp costs	30	(2)	6	3	10	(7)	-	40
Corporate SGA	<u>12</u>	<u>3</u>	<u>2</u>	<u>1</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>21</u>
Operational EBITDA	18	(5)	4	2	7	(7)	-	19

Q2 2016 Actuals	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ 258	\$ 44	\$ 35	\$ 21	\$ 62	\$ -	\$ 3	\$ 423
Operational EBITDA b/f corp costs	34	(4)	7	-	13	(7)	1	44
Corporate SGA	<u>12</u>	<u>2</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>1</u>	<u>-</u>	<u>21</u>
Operational EBITDA	22	(6)	6	(2)	10	(8)	1	23

Q3 2016 Actuals	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ 250	\$ 47	\$ 34	\$ 20	\$ 56	\$ -	\$ 4	\$ 411
Operational EBITDA b/f corp costs	39	(6)	9	3	3	(6)	1	43
Corporate SGA	<u>12</u>	<u>3</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>21</u>
Operational EBITDA	27	(9)	7	1	1	(6)	1	22

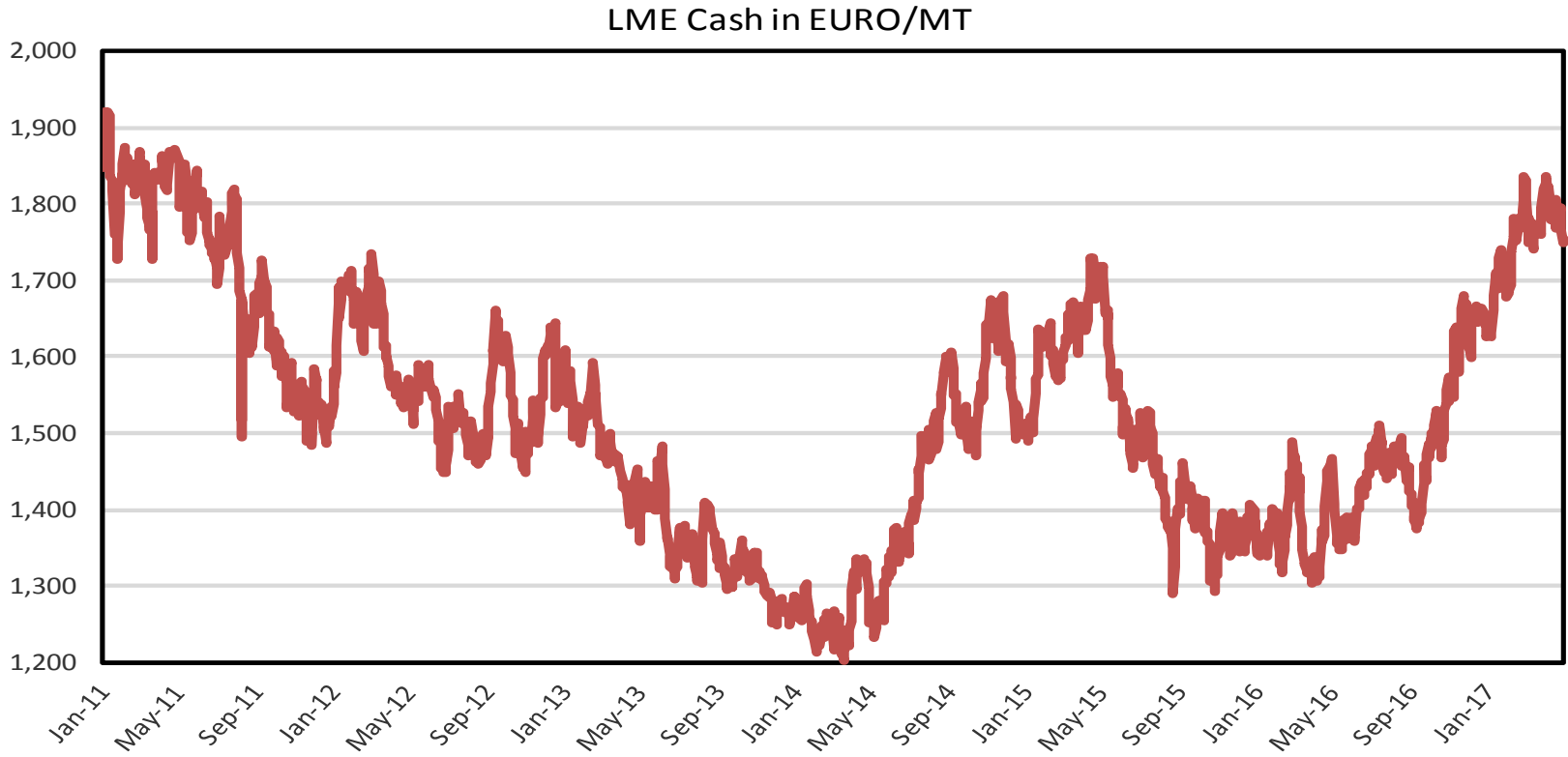
Q4 2016 Actuals	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ 279	\$ 45	\$ 34	\$ 23	\$ 47	\$ -	\$ 4	\$ 432
Operational EBITDA b/f corp costs	48	3	9	5	-	(5)	-	60
Corporate SGA	<u>9</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>17</u>
Operational EBITDA	39	1	7	3	(2)	(5)	-	43

FY 2016 Actuals	PSD	EISD	FPD	SSD	CFD	AM3D	EBPD	Total EK
Revenue	\$ 1,018	\$ 170	\$ 132	\$ 86	\$ 222	\$ -	\$ 15	\$ 1,643
Operational EBITDA b/f corp costs	151	(9)	31	11	26	(25)	2	187
Corporate SGA	<u>45</u>	<u>10</u>	<u>7</u>	<u>7</u>	<u>10</u>	<u>1</u>	<u>-</u>	<u>80</u>
Operational EBITDA	106	(19)	24	4	16	(26)	2	107

- Flexographic Packaging business, formerly part of Micro 3D Printing and Packaging division (MPPD), is being reported as a dedicated division
- Micro 3D Printing business moved into a new division named Advanced Materials and 3D Printing Technology (AM3D)
- Advanced Materials and 3D Printing Technology (AM3D) also includes the operations of the prior Intellectual Property Solutions Division (IPSD)



Historic Aluminum Fluctuations



Note: Historic Euro/Metric Ton (MT) data provided by London Metal Exchange (LME).



Non-GAAP Measures

In this first quarter earnings presentation, reference is made to the following non-GAAP financial measures:

- Operational EBITDA;
- Operational EBITDA and Revenues on a constant currency basis;
- Versamark Operational EBITDA, PROSPER Operational EBITDA and ULTRASTREAM Operational EBITDA;
- Operational EBITDA before corporate costs;
- 2016 Comparable Operational EBITDA;
- Expected decline in Consumer Inkjet Operational EBITDA before Corporate Costs;
- Operational EBITDA for Core Businesses Excluding Enterprise Inkjet Solutions Division Operational EBITDA;
- Consumer Inkjet Operational EBITDA before corporate costs; and
- Improvement in Net Earnings adjusted for PROSPER one-time depreciation and amortization catch-up, lower pension income and revaluation of the derivative embedded in the Series A Preferred Stock.

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 2017 Operational EBITDA and full-year Cash Generation. Kodak is unable to provide a reconciliation of full-year 2017 Operational EBITDA to a forward-looking estimate of GAAP net income / loss and a reconciliation of full-year Cash Generation 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 assets 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 2017 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 (Loss) Attributable to Eastman Kodak Company to Operational EBITDA and Operational EBITDA on a constant currency basis for the three months ended March 31, 2017 and 2016, respectively:

(in millions)

	Q1 2017	Q1 2016	\$ Change	% Change
Net Earnings (Loss) Attributable to Eastman Kodak Company (GAAP basis)	\$ 7	\$ (18)	\$ 25	-139%
Net income attributable to noncontrolling interests (1)	-	3	(3)	-100%
Net Earnings (Loss)	\$ 7	\$ (15)	\$ 22	-147%
All Other (2)	-	(3)	3	-100%
Corporate components of pension and OPEB income (3)	(36)	(41)	5	-12%
Depreciation and amortization	19	30	(11)	-37%
Restructuring costs and other (4)	13	5	8	160%
Stock-based compensation	2	2	-	0%
Consulting and other costs (5)	1	1	-	0%
Idle costs (6)	1	1	-	0%
Other operating expense, net (1)	10	14	(4)	-29%
Interest expense (1)	8	16	(8)	-50%
Other (income) charges, net (1)	(20)	1	(21)	-2100%
Provision for income taxes (1)	3	7	(4)	-57%
Loss from discontinued operations, net of income taxes (1)	-	1	(1)	-100%
Operational EBITDA	\$ 8	\$ 19	\$ (11)	-58%
Impact of foreign exchange (7)	2		2	
Operational EBITDA on a constant currency basis	\$ 10	\$ 19	\$ (9)	-47%

Refer to Page 39 of this presentation for footnote explanations.



Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Enterprise Inkjet Systems Division Operational EBITDA (Segment Measure) to Versamark Operational EBITDA, PROSPER Operational EBITDA and ULTRASTREAM Operational EBITDA for the twelve months ended December 31, 2016:

(in millions)	Versamark Operational EBITDA	PROSPER Operational EBITDA	ULTRASTREAM Operational EBITDA	Total Enterprise Inkjet Systems Division (Segment Measure)
2016 Operational EBITDA as reported	\$ 19	\$ -	\$ -	\$ 19
Prosper Discontinued Operations Reclass (8)	-	(27)	(11)	(38)
2016 Operational EBITDA as adjusted (Unaudited)	19	(27)	(11)	(19)
Enterprise Inkjet Systems Division Corporate Costs	4	6	-	10
2016 Operational EBITDA before Corporate Costs (Unaudited)	\$ 23	\$ (21)	\$ (11)	\$ (9)

Refer to Page 39 of this presentation for footnote explanations.



Non-GAAP Measures

The following tables reconcile the most directly comparable GAAP measure of Operational EBITDA (Segment Measure) to Operational EBITDA before Corporate Cost for each Division for the three months ended March 31, 2017 and 2016, respectively:

(in millions)

For the Three Months Ended March 31, 2017

	Print Systems	Enterprise Inkjet Systems	Flexographic Packaging Printing	Software and Solutions	Consumer and Film	Advanced Materials and 3D Printing Technology	Eastman Business Park	Total
Operational EBITDA (Segment Measure)	\$ 13	\$ (1)	\$ 6	\$ 1	\$ (3)	\$ (8)	\$ -	\$ 8
Corporate Costs	12	2	2	2	4	-	-	22
Operational EBITDA Before Corporate Costs	\$ 25	\$ 1	\$ 8	\$ 3	\$ 1	\$ (8)	\$ -	\$ 30

(in millions)

For the Three Months Ended March 31, 2016

	Print Systems	Enterprise Inkjet Systems	Flexographic Packaging Printing	Software and Solutions	Consumer and Film	Advanced Materials and 3D Printing Technology	Eastman Business Park	Total
Operational EBITDA (Segment Measure)	\$ 18	\$ (5)	\$ 4	\$ 2	\$ 7	\$ (7)	\$ -	\$ 19
Corporate Costs	12	3	2	1	3	-	-	21
Operational EBITDA Before Corporate Costs	\$ 30	\$ (2)	\$ 6	\$ 3	\$ 10	\$ (7)	\$ -	\$ 40

Refer to Page 39 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 2016 Comparable Operational EBITDA for the twelve months ended December 31, 2016:

(in millions)	FY 2016 As Reported	Prosper Discontinued Operations Reclass (8)	Change in Segment Measure of Profitability (10)	FY 2016 As Adjusted (Unaudited)	2017 Projected Operational EBITDA	2017 Projected Operational EBITDA Improvement - %
Net Income Attributable to Eastman Kodak Company (GAAP basis)	\$ 15	\$ -	\$ -	\$ 15		
Net income attributable to noncontrolling interests (1)	1	-	-	1		
Net Earnings	\$ 16	\$ -	\$ -	\$ 16		
All Other (2)	(3)	-	-	(3)		
Corporate components of pension and OPEB income (3)	(161)	-	-	(161)		
Depreciation and amortization	102	3	-	105		
Restructuring costs and other (4)	16	-	-	16		
Overhead supporting, but not directly absorbed by discontinued operations (9)	15	(15)	-	-		
Stock-based compensation	8	-	-	8		
Consulting and other costs (5)	5	1	1	7		
Idle costs (6)	3	-	-	3		
Manufacturing costs originally planned to be absorbed by silver metal mesh touch screen production (8)	3	-	-	3		
Other operating expense, net (1)	16	-	-	16		
Interest expense (1)	60	-	-	60		
Loss on early extinguishment of debt (1)	4	-	-	4		
Other charges, net (1)	4	-	-	4		
Reorganization items, net (1)	(6)	-	-	(6)		
Provision for income taxes	32	1	-	33		
Loss from discontinued operations, net of income taxes	30	(28)	-	2		
Operational EBITDA	\$ 144	\$ (38)	\$ 1	\$ 107		
Impact of foreign exchange (13)				(6)		
Increases in price of aluminum (14)				(13)		
Expected decline in Consumer Inkjet Business Operational EBITDA before Corporate Costs				(13)		
2016 Comparable Operational EBITDA				\$ 75	\$105 - \$120	40% - 60%
					105	40%
					120	60%

Refer to Page 39 of this presentation for footnote explanations.



Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Consumer and Film Division Operational EBITDA (Segment Measure) to the expected decline in Consumer Inkjet Business Operational EBITDA for the twelve months ended December 31, 2016:

(in millions)	<u>2017 FY Projected</u>	<u>2016 FY Actual</u>	<u>\$ Change</u>
Consumer and Film Division Operational EBITDA (Segment Measure)	\$ (8)	\$ 16	\$ (24)
Consumer and Film Division Corporate Costs	14	10	4
Motion Picture, Industrial Chemicals and Films and Consumer Products Operational EBITDA before Corporate Costs	4	(3)	7
Consumer Inkjet Operational EBITDA before Corporate Costs	\$ 10	\$ 23	\$ (13)

Refer to Page 39 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 for Core Businesses Excluding Enterprise Inkjet Solutions Division (EISD) Operational EBITDA for the twelve months ended December 31, 2016:

(in millions)	FY 2016 As Reported	Prosper Discontinued Operations Reclass (8)	Change in Segment Measure of Profitability (10)	FY 2016 As Adjusted (Unaudited)
Net Earnings Attributable to Eastman Kodak Company (GAAP basis)	\$ 15	\$ -	\$ -	\$ 15
Net income attributable to noncontrolling interests (1)	1	-	-	1
Net Earnings	\$ 16	\$ -	\$ -	\$ 16
All Other (2)	(3)	-	-	(3)
Corporate components of pension and OPEB income (3)	(161)	-	-	(161)
Depreciation and amortization	102	3	-	105
Restructuring costs and other (4)	16	-	-	16
Overhead supporting, but not directly absorbed by discontinued operations (9)	15	(15)	-	-
Stock-based compensation	8	-	-	8
Consulting and other costs (5)	5	1	1	7
Idle costs (6)	3	-	-	3
Manufacturing costs originally planned to be absorbed by silver metal mesh touch screen production (8)	3	-	-	3
Other operating expense, net (1)	16	-	-	16
Interest expense (1)	60	-	-	60
Loss on early extinguishment of debt (1)	4	-	-	4
Other charges, net (1)	4	-	-	4
Reorganization items, net (1)	(6)	-	-	(6)
Provision for income taxes	32	1	-	33
Loss from discontinued operations, net of income taxes	30	(28)	-	2
Operational EBITDA	\$ 144	\$ (38)	\$ 1	\$ 107
Less: Consumer Inkjet Operational EBITDA before Corporate Costs				(23)
Less: Non-Recurring Intellectual Property Licensing revenue				-
Less: Enterprise Inkjet Systems Division Operational EBITDA (Segment Measure)				19
Operational EBITDA for Core Businesses Excluding EISD Operational EBITDA				\$ 103

Refer to Page 39 of this presentation for footnote explanations.



Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Net Loss Attributable to Eastman Kodak Company to Operational EBITDA and Operational EBITDA for Core Businesses Excluding Enterprise Inkjet Solutions Division (EISD) Operational EBITDA for the twelve months ended December 31, 2015:

(in millions)	FY 2015 As Reported	Prosper Discontinued Operations Reclass (8)	FY 2015 As Adjusted (Unaudited)
Net Loss Attributable to Eastman Kodak Company (GAAP basis)	\$ (80)	\$ -	\$ (80)
Net income attributable to noncontrolling interests (1)	5	-	5
Net Loss	\$ (75)	\$ -	\$ (75)
All Other (2)	(4)	-	(4)
Corporate components of pension and OPEB income (3)	(133)	-	(133)
Depreciation and amortization	134	10	144
Restructuring costs and other (4)	37	1	38
Overhead supporting, but not directly absorbed by discontinued operations (8)	21	(20)	1
Stock-based compensation	17	1	18
Change in U.S. vacation benefits (11)	(16)	(1)	(17)
Consulting and other costs (5)	14	-	14
Idle costs (6)	3	-	3
Manufacturing costs originally planned to be absorbed by silver metal mesh touch screen production (9)	2	-	2
Other operating expense, net excluding gain related to UniPixel termination (12)	5	-	5
Interest expense (1)	63	-	63
Other charges, net (1)	21	-	21
Reorganization items, net (1)	5	-	5
Provision for income taxes	30	2	32
Loss from discontinued operations, net of income taxes	47	(39)	8
Operational EBITDA	\$ 171	\$ (46)	\$ 125
Less Consumer Inkjet Operational EBITDA before Corporate Costs			(45)
Less Non-Recurring Intellectual Property Licensing revenue			(5)
Less Enterprise Inkjet Solutions Division Operational EBITDA			26
Operational EBITDA for Core Businesses Excluding EISD Operational EBITDA			\$ 101

Refer to Page 39 of this presentation for footnote explanations.



Non-GAAP Measures

The following table reconciles the most directly comparable GAAP measure of Net Loss Attributable to Eastman Kodak Company to Operational EBITDA and Operational EBITDA for Core Businesses Excluding Enterprise Inkjet Solutions Division (EISD) Operational EBITDA for the twelve months ended December 31, 2014:

(in millions)	FY 2014 As Reported	Prosper Discontinued Operations Reclass (8)	FY 2014 As Adjusted (Unaudited)
Net Loss Attributable to Eastman Kodak Company (GAAP basis)	\$ (123)	\$ -	\$ (123)
Net income attributable to noncontrolling interests (1)	5	-	5
Net Loss	\$ (118)	\$ -	\$ (118)
All Other (2)	(4)	-	(4)
Corporate components of pension and OPEB income (3)	(110)	-	(110)
Depreciation and amortization	191	8	199
Restructuring costs and other (4)	56	3	59
Overhead supporting, but not directly absorbed by discontinued operations (8)	30	(26)	4
Stock-based compensation	8	-	8
Consulting and other costs (5)	7	(1)	6
Idle costs (6)	4	-	4
Manufacturing costs originally planned to be absorbed by silver metal mesh touch screen production (9)	1	-	1
Other operating expense, net (1)	9	-	9
Interest expense (1)	62	-	62
Other charges, net (1)	21	-	21
Reorganization items, net (1)	13	-	13
Provision for income taxes	10	-	10
Loss (Earnings) from discontinued operations, net of income taxes	59	(63)	(4)
Operational EBITDA	\$ 239	\$ (79)	\$ 160
Less Consumer Inkjet Operational EBITDA before Corporate Costs			(80)
Less Non-Recurring Intellectual Property Licensing revenue			(70)
Less Enterprise Inkjet Solutions Division Operational EBITDA			44
Operational EBITDA for Core Businesses Excluding EISD Operational EBITDA			\$ 54

Refer to Page 39 of this presentation for footnote explanations.



Non-GAAP Measures

The following tables reconcile the most directly comparable GAAP measure of Consumer and Film Division Operational EBITDA (Segment Measure) to Consumer Inkjet Operational EBITDA before corporate costs for the three months ended March 31, 2017 and 2016, respectively, and for the twelve months ended December, 31, 2016, 2015 and 2014, respectively:

(in millions)

	<u>Q1 2017</u>	<u>Q1 2016</u>	<u>\$ Change</u>
Consumer and Film Division Operational EBITDA (Segment Measure)	\$ (3)	\$ 7	(10)
Consumer and Film Division Corporate Costs	4	3	1
Motion Picture, Industrial Chemicals and Films and Consumer Products Operational EBITDA before Corporate Costs	4	(2)	6
Consumer Inkjet Operational EBITDA before Corporate Costs	<u>\$ 5</u>	<u>\$ 8</u>	<u>\$ (3)</u>

(in millions)

	<u>2016 FY Actual</u>	<u>2015 FY Actual</u>	<u>2014 FY Actual</u>
Consumer and Film Division Operational EBITDA (Segment Measure)	\$ 16	\$ 52	\$ 66
Consumer and Film Division Corporate Costs	10	10	19
Motion Picture, Industrial Chemicals and Films and Consumer Products Operational EBITDA before Corporate Costs	(3)	(17)	(5)
Consumer Inkjet Operational EBITDA before Corporate Costs	<u>\$ 23</u>	<u>\$ 45</u>	<u>\$ 80</u>

Refer to Page 39 of this presentation for footnote explanations.



Non-GAAP Measures

The following tables reconcile the most directly comparable GAAP measure of Net Earnings (Loss) Attributable to Eastman Kodak Company to Net Earnings adjusted for PROSPER one-time depreciation and amortization catch-up, one-time legal settlement, lower pension income and revaluation of the derivative embedded in the Series A Preferred Stock for the three months ended March 31, 2017 and 2016, respectively:

(in millions)	<u>Q1 2017</u>	<u>Q1 2016</u>	<u>\$ Change</u>
Net Income (Loss) Attributable to Eastman Kodak Company (GAAP basis)	\$ 7	\$ (18)	\$ 25
Net income attributable to noncontrolling interests (1)	-	3	(3)
Net Earnings (Loss)	<u>\$ 7</u>	<u>\$ (15)</u>	<u>\$ 22</u>
Prosper asset remeasurement	12	-	12
Litigation proceeds from Dupont	-	(10)	10
Pension income	(32)	(37)	5
Change in the fair value of embedded conversion features derivative liability	<u>(22)</u>	<u>-</u>	<u>(22)</u>
Net Earnings adjusted for PROSPER one-time depreciation and amortization catch-up, one-time legal settlement, lower pension income and revaluation of the derivative embedded in the Series A Preferred Stock	<u>\$ (35)</u>	<u>\$ (62)</u>	<u>\$ 27</u>

Refer to Page 39 of this presentation for footnote explanations.



Supplemental Information

The following tables provide Enterprise Inkjet Systems Division Operational EBITDA (Segment Measure) as adjusted to reflect the results of the Prosper business being reclassified from discontinued operations to continuing operations for the twelve months ended December, 31, 2016, 2015 and 2014, respectively :

	<u>FY 2016 As Reported</u>	<u>Prosper Discontinued Operations Reclass (8)</u>	<u>FY 2016 As Adjusted (Unaudited)</u>
Enterprise Inkjet Systems Division Operational EBITDA (Segment Measure)	\$ 19	\$ (38)	\$ (19)

	<u>FY 2015 As Reported</u>	<u>Prosper Discontinued Operations Reclass (8)</u>	<u>FY 2015 As Adjusted (Unaudited)</u>
Enterprise Inkjet Systems Division Operational EBITDA (Segment Measure)	\$ 20	\$ (46)	\$ (26)

	<u>FY 2014 As Reported</u>	<u>Prosper Discontinued Operations Reclass (8)</u>	<u>FY 2014 As Adjusted (Unaudited)</u>
Enterprise Inkjet Systems Division Operational EBITDA (Segment Measure)	\$ 35	\$ (79)	\$ (44)

Refer to Page 39 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 curtailments and settlement components of pension and other postretirement benefit expenses.
- (4) Restructuring costs and other as reported in the Consolidated Statement of Operations plus \$6 million, \$1 million and \$1 million of inventory write-downs included in cost of revenues for the three months ended March 31, 2017 and 2016, and the twelve months ended December 31, 2016, respectively.
- (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) The impact of foreign exchange represents the foreign exchange impact using average foreign exchange rates for the three months ended March 31, 2016, rather than the actual exchange rates in effect for the three months ended March 31, 2017.
- (8) The results of the Prosper business were previously presented as discontinued operations and excluded from Operational EBITDA. As the held for sale criteria were no longer met as of March 31, 2017, the results of the Prosper business have been reclassified from discontinued operations to continuing operations and are included in Operational EBITDA. Overhead costs no longer absorbed by the Prosper discontinued operations were also excluded from segment earnings while the business was reported in discontinued operations. As the Prosper business is no longer reported in discontinued operations, overhead allocations are included in Operational EBITDA as part of the Enterprise Inkjet Solutions segment loss.
- (9) Consists of manufacturing costs originally planned to be absorbed by silver metal mesh touch screen production that are now excluded from the measure of segment profit and loss.
- (10) During the first quarter of 2017 the segment measure was changed to exclude internal costs associated with corporate strategic initiatives. The segment measure already excluded external costs associated with those initiatives. Additionally, third party costs associated with incremental idle building space has been added to idle costs
- (11) In the fourth quarter of 2015, Kodak changed the timing of when affected U.S. employees earn their vacation benefits, which reduced Kodak's obligation to employees and the related accrual by \$17 million as of December 31, 2015.
- (12) In 2015 a \$3 million gain was recognized related to assets that were acquired for no monetary consideration as a part of the termination of the relationship with UniPixel. The gain was reported in Other operating (income) expense, net in the Consolidated Statement of Operations. Other operating (income) expense, net is typically excluded from the segment measure. However, this particular gain was included in the Micro 3D Printing and Packaging segment's earnings in 2015.
- (13) The impact of aluminum represents 2017 projected aluminum costs using the London Metal Exchange aluminum price on May 1, 2017 compared to 2016 actual costs of aluminum.
- (14) The impact of foreign exchange represents the impact on 2017 Operational EBITDA using the foreign exchange rates as of February 28, 2017 in comparison to the average quarterly exchange rates for periods ending March 31, 2016; June 30, 2016; September 30, 2016; and December 31, 2016.





Thank You