



B. FINANCIAL STATEMENTS

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF OPERATIONS
(in millions)

	Year Ended December 31,		
	2017	2016	2015
Revenues			
Sales	\$ 1,232	\$ 1,320	\$ 1,452
Services	299	323	351
Total net revenues	1,531	1,643	1,803
Cost of revenues			
Sales	981	1,028	1,175
Services	195	212	247
Total cost of revenues	1,176	1,240	1,422
Gross profit	355	403	381
Selling, general and administrative expenses	205	198	226
Research and development costs	53	60	61
Restructuring costs and other	31	16	38
Other operating expense (income), net	28	16	(6)
Goodwill impairment loss	56	—	8
(Loss) earnings from continuing operations before interest expense, loss on early extinguishment of debt, net, other charges, net, reorganization items, net and income taxes	(18)	113	54
Interest expense	32	60	63
Loss on early extinguishment of debt	—	4	—
Other (income) charges, net	(37)	4	21
Reorganization items, net	—	(6)	5
(Loss) earnings from continuing operations before income taxes	(13)	51	(35)
(Benefit) provision for income taxes	(110)	33	32
Equity in loss of equity method investment, net of income taxes	1	—	—
Earnings (loss) from continuing operations	96	18	(67)
Loss from discontinued operations, net of income taxes	(2)	(2)	(8)
NET EARNINGS (LOSS)	94	16	(75)
Less: Net income attributable to non-controlling interests	—	1	5
NET EARNINGS (LOSS) ATTRIBUTABLE TO EASTMAN KODAK COMPANY	\$ 94	\$ 15	\$ (80)

The notes accompanying the Company's financial statements contained in its Annual Report on Form 10-K for the year ended December 31, 2017, are an integral part of these consolidated financial statements.

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(in millions)

	As of December 31,	
	2017	2016
ASSETS		
Cash and cash equivalents	\$ 344	\$ 434
Trade receivables, net of allowances of \$9 and \$8, respectively	282	277
Inventories, net	276	271
Other current assets	56	57
Total current assets	958	1,039
Property, plant and equipment, net of accumulated depreciation of \$394 and \$344, respectively	314	342
Goodwill	32	88
Intangible assets, net	86	121
Restricted cash	17	36
Deferred income taxes	188	35
Other long-term assets	112	115
TOTAL ASSETS	\$ 1,707	\$ 1,776
LIABILITIES, REDEEMABLE, CONVERTIBLE PREFERRED STOCK AND EQUITY (DEFICIT)		
Accounts payable, trade	\$ 198	\$ 200
Short-term borrowings and current portion of long-term debt	4	6
Other current liabilities	217	211
Total current liabilities	419	417
Long-term debt, net of current portion	399	405
Pension and other postretirement liabilities	466	603
Other long-term liabilities	202	268
Total liabilities	1,486	1,693
Commitments and contingencies (Note 10)		
Redeemable, convertible Series A preferred stock, no par value, \$100 per share liquidation preference	164	156
Equity (Deficit)		
Common stock, \$0.01 par value	—	—
Additional paid in capital	631	641
Treasury stock, at cost	(9)	(8)
Accumulated deficit	(174)	(268)
Accumulated other comprehensive loss	(391)	(438)
Total equity (deficit)	57	(73)
TOTAL LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND EQUITY (DEFICIT)	\$ 1,707	\$ 1,776

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