

APPENDIX
Reconciliation of Non-GAAP Financial Measures
to the Most Directly Comparable GAAP Measures

In its February 4, 2009 Investor Meeting presentation, Eastman Kodak Company (“The Company”) referenced certain non-GAAP financial measures including “1st Half Digital Revenue Growth”, “Double-Digit Digital Revenue Growth”, “Digital Revenue Target”, “Traditional Revenue Target”, “Segment Earnings Target”, “Segment Earnings”, “Cash Generation Before Dividends and Restructuring Target”, “2007 Pro Forma Gross Profit”, “Cash Generation Before Dividends and Restructuring”, “Cash Generation Before Dividends”, “EBITDA Target” and “EBITDA Excluding Restructuring Target”.

The Company believes that these non-GAAP measures represent important internal measures of performance. 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 the Company, its financial condition, results of operations and cash flow on a year-over-year and quarter-sequential basis.

The following reconciliations are provided with respect to terms used in the February 4, 2009 presentations of Kodak’s Chief Executive Officer Antonio M. Perez and Chief Financial Officer Frank S. Sklarsky.

The following table reconciles 1st half digital revenue growth to the most directly comparable GAAP measure of total company revenue (dollar amounts in millions):

	<u>YTD</u> <u>6/30/2008</u>	<u>YTD</u> <u>6/30/2007</u>	<u>Growth/</u> <u>(Decline)</u>
Revenue from digital businesses, as presented	\$ 3,002	\$ 2,732	10%
Revenue from traditional businesses	1,571	1,810	-13%
All other revenue	<u>5</u>	<u>6</u>	-17%
Total company revenue (GAAP basis)	<u>\$ 4,578</u>	<u>\$ 4,548</u>	1%

The following table reconciles double-digit digital revenue growth (for four consecutive quarters, Q3 2007-Q2 2008) to the most directly comparable GAAP measure of total company revenue (decline) growth (for four consecutive quarters, Q3 2007-Q2 2008) (dollar amounts in millions):

	<u>Q3 2007</u>	<u>Q3 2006</u>	<u>Growth/</u> <u>(Decline)</u>	<u>Q4 2007</u>	<u>Q4 2006</u>	<u>Growth/</u> <u>(Decline)</u>
Revenue from digital businesses, as presented	\$ 1,603	\$ 1,452	10%	\$ 2,325	\$ 2,079	12%
Revenue from traditional businesses	928	1,101	-16%	894	1,024	-13%
All other revenue	<u>2</u>	<u>2</u>	0%	<u>1</u>	<u>2</u>	-50%
Total company revenue (GAAP basis)	<u>\$ 2,533</u>	<u>\$ 2,555</u>	-1%	<u>\$ 3,220</u>	<u>\$ 3,105</u>	4%

	<u>Q1 2008</u>	<u>Q1 2007</u>	<u>Growth/</u> <u>(Decline)</u>	<u>Q2 2008</u>	<u>Q2 2007</u>	<u>Growth/</u> <u>(Decline)</u>
Revenue from digital businesses, as presented	\$ 1,366	\$ 1,245	10%	\$ 1,636	\$ 1,487	10%
Revenue from traditional businesses	724	830	-13%	847	980	-14%
All other revenue	<u>3</u>	<u>5</u>	-40%	<u>2</u>	<u>1</u>	100%
Total company revenue (GAAP basis)	<u>\$ 2,093</u>	<u>\$ 2,080</u>	1%	<u>\$ 2,485</u>	<u>\$ 2,468</u>	1%

The following table reconciles digital revenue target and traditional revenue target to the most directly comparable GAAP measure of total company revenue target (dollar amounts in millions):

	<u>2009</u> <u>Target</u>	<u>2008</u>	<u>Change</u>
Digital revenue, as presented	\$ 5,847	\$ 6,422	(6)%-(12)%
Traditional revenue, as presented	2,150	2,987	(25)%-(30)%
All other revenue	<u>10</u>	<u>7</u>	-
Total company revenue (GAAP basis), as presented	<u>\$ 8,007</u>	<u>\$ 9,416</u>	(12)%-(18)%

The following table reconciles segment earnings target and segment earnings to the most directly comparable GAAP measures of loss from continuing operations before interest expense, other income (charges), net and income taxes target and loss from continuing operations before interest expense, other income (charges), net and income taxes (dollar amounts in millions):

	<u>2009</u> <u>Target</u>	<u>% of Sales</u>	<u>2008</u>	<u>% of Sales</u>	<u>2007</u>	<u>% of Sales</u>
Segment earnings, as presented	\$0-\$200	0%-2%	\$ 33	< 1%	\$ 343	3%
Restructuring costs, rationalization and other	(300)-(250)	(4)%-(3)%	(149)	(2)%	(662)	(6)%
Other income (expense), net	<u>10</u>	< 1%	<u>80</u>	1%	<u>89</u>	1%
Loss from continuing operations before interest expense, other income (charges), net and income taxes (GAAP basis), as presented	<u>\$(265)-\$(65)</u>	(3)%-(1)%	<u>\$ (36)</u>	< (1)%	<u>\$ (230)</u>	(2)%

The following table reconciles cash generation before dividends and restructuring target and cash generation before dividends and restructuring to the most directly comparable GAAP measures of net cash (used in) provided by continuing operations from operating activities target and net cash provided by continuing operations from operating activities (dollar amounts in millions):

	<u>2009</u> <u>Target</u>	<u>2008</u>	<u>2007</u>
Cash generation before dividends and restructuring, as presented	\$75-\$325	\$ 138	\$ 923
Cash restructuring payments	(275)-(225)	(143)	(446)
Proceeds from sales of businesses/assets	(150)	(92)	(227)
IRS settlement (discontinued operations)	-	(300)	-
Proceeds from sale of HPA	<u>-</u>	<u>-</u>	<u>(158)</u>
Free cash flow	(350)-(50)	(397)	92
Additions to properties	<u>225</u>	<u>254</u>	<u>259</u>
Net cash (used in) provided by continuing operations from operating activities (GAAP basis), as presented	<u>\$(125)-\$175</u>	<u>\$ (143)</u>	<u>\$ 351</u>

The following table reconciles 2007 gross profit to the most directly comparable GAAP measure of gross profit (GAAP basis):

	<u>2007</u>
Gross profit, as presented	26%
Restructuring and rationalization charges	<u>-2%</u>
Gross profit (GAAP basis)	<u>24%</u>

The following table reconciles cash generation before dividends to the most directly comparable GAAP measures of net cash (used in) provided by continuing operations from operating activities (dollar amounts in millions):

	<u>2008</u>	<u>2007</u>
Cash generation before dividends, as presented	\$ (5)	\$ 477
Proceeds from sales of businesses/assets	(92)	(227)
IRS settlement	(300)	-
Proceeds from sale of HPA	<u>-</u>	<u>(158)</u>
Free cash flow	(397)	92
Additions to properties	<u>254</u>	<u>259</u>
Net cash (used in) provided by continuing operations from operating activities (GAAP basis)	<u>\$ (143)</u>	<u>\$ 351</u>

The following table reconciles EBITDA excluding restructuring target and EBITDA target to the most directly comparable GAAP measure of loss from continuing operations (dollar amounts in millions):

	<u>2009 Target</u>
EBITDA excluding restructuring, as presented	\$475-\$675
Restructuring charges	<u>(300)-(250)</u>
EBITDA, as presented	200-400
Depreciation and amortization	(475)
Provision for income taxes	(60)-(90)
Interest expense, net	<u>(60)</u>
Loss from continuing operations (GAAP basis), as presented	<u><u>\$(400)-\$(200)</u></u>