

EASTMAN KODAK CO
Form 10-Q
October 30, 2012

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

For the quarterly period ended September 30, 2012

or

Transition report pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

For the transition period from ___ to ___

Commission File Number 1-87

EASTMAN KODAK COMPANY
(Exact name of registrant as specified in its charter)

NEW JERSEY
(State of incorporation)

16-0417150
(IRS Employer Identification No.)

343 STATE STREET, ROCHESTER, NEW
YORK

(Address of principal executive offices)

14650

(Zip Code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months.

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

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Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Title of each Class	Number of Shares Outstanding at October 26, 2012
Common Stock, \$2.50 par value	272,338,132

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Table of Contents

	Page
Part I. - Financial Information	
Item 1. Financial Statements	2
Consolidated Statement of Operations (Unaudited)	2
Consolidated Statement of Comprehensive (Loss) Income (Unaudited)	3
Consolidated Statement of Retained Earnings (Unaudited)	4
Consolidated Statement of Financial Position (Unaudited)	5
Consolidated Statement of Cash Flows (Unaudited)	6
Notes to Financial Statements (Unaudited)	7
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	37
Liquidity and Capital Resources	53
Item 3. Quantitative and Qualitative Disclosures About Market Risk	57
Item 4. Controls and Procedures	57
Part II. - Other Information	
Item 1. Legal Proceedings	58-61
Item 1A. Risk Factors	62-68
Item 6. Exhibits	68
Signature	69
Index to Exhibits	70-77

Part I. FINANCIAL INFORMATION

Item 1. Financial Statements

EASTMAN KODAK COMPANY
(DEBTOR-IN-POSSESSION)
CONSOLIDATED STATEMENT OF OPERATIONS (Unaudited)
(in millions, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Net sales				
Products	\$ 835	\$ 1,051	\$ 2,507	\$ 3,055
Services	180	197	540	583
Licensing & royalties (Note 9)	3	13	(53)	39
Total net sales	\$ 1,018	\$ 1,261	\$ 2,994	\$ 3,677
Cost of sales				
Products	\$ 716	\$ 930	\$ 2,166	\$ 2,741
Services	142	151	424	453
Total cost of sales	\$ 858	\$ 1,081	\$ 2,590	\$ 3,194
Gross profit	\$ 160	\$ 180	\$ 404	\$ 483
Selling, general and administrative expenses	196	259	608	800
Research and development costs	44	59	158	183
Restructuring costs and other	117	17	206	77
Other operating (income) expenses, net	(4)	12	(4)	(59)
Loss from continuing operations before interest expense, other income (charges), net, reorganization items, net and income taxes	(193)	(167)	(564)	(518)
Interest expense (contractual interest for the three and nine months ended September 30, 2012 of \$52 and \$151, respectively)	41	41	117	116
Loss on early extinguishment of debt, net	-	-	7	-
Other income (charges), net	6	(7)	5	1
Reorganization items, net	56	-	304	-
Loss from continuing operations before income taxes	(284)	(215)	(987)	(633)
Provision (benefit) for income taxes	24	(1)	(84)	(43)
Loss from continuing operations	(308)	(214)	(903)	(590)
Loss from discontinued operations, net of income taxes	(4)	(8)	(74)	(57)
NET LOSS ATTRIBUTABLE TO EASTMAN KODAK COMPANY	\$ (312)	\$ (222)	\$ (977)	\$ (647)

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Basic and diluted net loss per share
 attributable to Eastman Kodak Company
 common shareholders:

Continuing operations	\$ (1.13)	\$ (0.80)	\$ (3.32)	\$ (2.19)
Discontinued operations	(0.02)	(0.03)	(0.28)	(0.22)
Total	\$ (1.15)	\$ (0.83)	\$ (3.60)	\$ (2.41)

Number of common shares used in basic and diluted net loss per share	271.9	268.9	271.6	268.9
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