

## APPENDIX

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

In Kodak's August 2, 2007 earnings call, the Company's Chief Executive Officer, Antonio Perez, and Chief Financial Officer, Frank S. Sklarsky, referenced certain financial measures that are deemed to be non-GAAP financial measures, including: (1) targeted GCG digital revenue growth, (2) CDG digital revenue, (3) digital EFO, (4) traditional earnings, (5) digital losses and (6) digital losses improvement.

Kodak has prepared the following Appendix in order to provide investors with a reconciliation of these non-GAAP measures to the most directly comparable GAAP measures in accordance with Regulation G.

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 presentations of Kodak's Chief Executive Officer, Antonio Perez, and Chief Financial Officer, Frank S. Sklarsky.

#### *Targeted GCG Digital Revenue Growth*

The targeted GCG digital revenue growth goal for 2007, as presented, of 6% to 9%, corresponds to the most directly comparable GAAP measure of targeted total GCG revenue growth for 2007 of 4% to 5%. The item to reconcile from targeted GCG digital revenue growth to total GCG revenue growth is expected revenue declines on traditional GCG products.

#### *CDG Digital Revenue*

	<u>Increase/ (Decrease)</u>
CDG digital revenue growth, as presented	0%
CDG traditional revenue decline	-22%
CDG total revenue decline (GAAP basis)	-10%

#### *Digital EFO & Traditional Earnings (amounts in millions)*

	<u>Q2 2007</u>	<u>Q2 2006</u>
Digital EFO, as presented	\$ 19	\$ (78)
Traditional earnings, as presented	112	81
New technologies loss	(11)	(26)
Restructuring costs and other items	<u>(283)</u>	<u>(234)</u>
Loss from continuing operations before interest, other income (charges), net and income taxes (GAAP basis)	<u>\$ (163)</u>	<u>\$ (257)</u>

*Digital Losses and Digital Losses Improvement (amounts in millions)*

			<b><u>YTD 2007</u></b>
	<b><u>YTD 2007</u></b>	<b><u>YTD 2006</u></b>	<b><u>Improvement</u></b>
Digital losses, as presented	\$ (24)	\$ (169)	\$ 145
Traditional earnings	130	80	50
New technologies losses	(23)	(42)	19
Restructuring costs and other items	<u>(428)</u>	<u>(455)</u>	<u>27</u>
Loss from continuing operations before interest, other income (charges), net and income taxes (GAAP basis)	<u>\$ (345)</u>	<u>\$ (586)</u>	<u>\$ 241</u>