

EASTMAN KODAK CO
Form 8-K
March 14, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): March 14, 2008

Eastman Kodak Company
(Exact name of registrant as specified in its charter)

New Jersey (State or Other Jurisdiction of Incorporation)	1-87 (Commission File Number)	16-0417150 (IRS Employer Identification No.)
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343 State Street,
Rochester, New York 14650
(Address of Principal Executive Office) (Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Securities Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 7.01 Regulation FD Disclosure.

Eastman Kodak Company (the Company) realigned its operations and changed its corporate segment reporting structure effective January 1, 2008, as disclosed in the Company's 2007 Annual Report on Form 10-K. In conjunction with this change, the Film Products Group (FPG) has been renamed the Film, Photofinishing, and Entertainment Group (FPEG), and certain strategic product groups previously included in the Consumer Digital Imaging Group (CDG), Graphic Communications Group (GCG), and All Other have become part of FPEG. The purpose of this change in structure is to align the Company's reporting structure to the way in which the Company began managing its business effective January 1, 2008. The most significant changes (the transfer of photographic paper and chemicals, and photofinishing services to FPEG from CDG, and the transfer of the graphic arts film business from GCG to FPEG) reflect the common traditional technology and infrastructure associated with manufacturing and supply chain for all FPEG products. The following indicates the changes from the 2007 reporting structure to the new reporting structure:

Consumer Digital Imaging Group Segment (CDG): This segment no longer includes photographic paper and chemicals, and photofinishing services.

Film, Photofinishing, and Entertainment Group (FPEG): The Film, Photofinishing, and Entertainment Group includes photographic paper and chemicals, and photofinishing services, formerly part of CDG, and graphic arts film, formerly part of GCG. Additionally, supply and tolling agreements with Carestream Health, Inc. and other third parties have moved from All Other to this segment.

Graphic Communications Group Segment (GCG): The graphic arts film business has moved from GCG to FPEG.

All Other: During 2007, the Company sold its Light Management Films business, which was formerly part of All Other. Additionally, supply and tolling agreements with Carestream Health, Inc. and other third parties have moved from All Other to FPEG.

In conjunction with the aforementioned change in reporting structure, the Company also changed its methodology for allocating corporate costs to its reporting segments. This change impacts cost of goods sold, selling, general, and administrative costs, and research and development costs by segment and for the total company. Segment earnings measures have been revised for these changes. The changes have no impact on total earnings of the Company.

Accounting principles generally accepted in the United States of America require that when a company changes its reportable segments, financial statements for prior periods must be reported on a comparable basis using the new segment reporting structure. The purpose of this Form 8-K is to present, for informational purposes, the quarterly results of operations for 2007, and the full years 2007 and 2006, reflective of the changes referred to above.

In addition, the sale of the Company's shares in Hermes Precisa Pty. Ltd. ("HPA") closed on November 2, 2007. Beginning in the fourth quarter of 2007, the Company reported the results of operations of HPA as a discontinued operation. HPA was formerly reported within the Company's Graphic Communications Group segment. The information included in this Form 8-K includes revisions to present HPA as a discontinued operation in each of the preceding quarters of 2007.

The results of operations presented in this Form 8-K for the three months ended March 31, 2007, the three and six months ended June 30, 2007, the three and nine months ended September 30, 2007, and the three months (on a condensed basis) ended December 31, 2007 will be reported in the Company's Form 10-Q for the first quarter of 2008,

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the Form 10-Q for the second quarter of 2008, the Form 10-Q for the third quarter of 2008, and the 2008 Form 10-K, respectively, when these forms are filed with the Securities and Exchange Commission. The results of operations presented in this Form 8-K for the full years ended December 31, 2007 and 2006 will be reported in the 2008 Form 10-K, when it is filed with the Securities and Exchange Commission.

Eastman Kodak Company
 Consolidated Operating Results (Unaudited)
 (in millions, except per share data)

	For the Three Months Ended March 31, 2007	
	As Originally Filed (1)	Revised
Net sales	\$ 2,119	\$ 2,080
Cost of goods sold	1,690	1,652
Gross profit	429	428
Selling, general and administrative expenses	395	394
Research and development costs	137	141
Restructuring costs and other	85	85
Other operating (income) expenses, net	-	(6)
Loss from continuing operations before interest, other income (charges), net and income taxes	(188)	(186)
Interest expense	25	25
Other income (charges), net	23	18
Loss from continuing operations before income taxes	(190)	(193)
Benefit for income taxes	(16)	(18)
Loss from continuing operations	(174)	(175)
Earnings from discontinued operations, net of income taxes	23	24
NET LOSS	\$ (151)	\$ (151)
Basic and diluted net (loss) earnings per share:		
Continuing operations	\$ (0.61)	\$ (0.61)
Discontinued operations	0.08	0.08
Total	\$ (0.53)	\$ (0.53)

(1) As originally filed in the Company's first quarter 2007 Form 10-Q. Includes the results of operations of HPA in continuing operations, which was reclassified to discontinued operations in the fourth quarter of 2007. Also presents gains and losses on sales of capital assets and certain asset impairments in other income (charges), net, which were reclassified to other operating (income) expenses, net in the second quarter of 2007.

Eastman Kodak Company
Consolidated Operating Results (Unaudited)
(in millions, except per share data)

	For the Three Months Ended June 30, 2007		For the Six Months Ended June 30, 2007	
	As Originally Filed (2)	Revised	As Originally Filed (2)	Revised
Net sales	\$ 2,510	\$ 2,468	\$ 4,629	\$ 4,548
Cost of goods sold	1,864	1,824	3,554	3,476
Gross profit	646	644	1,075	1,072
Selling, general and administrative expenses	437	435	832	829
Research and development costs	132	136	269	277
Restructuring costs and other	295	295	380	380
Other operating (income) expenses, net	(33)	(33)	(39)	(39)
Loss from continuing operations before interest, other income (charges), net and income taxes	(185)	(189)	(367)	(375)
Interest expense	31	31	56	56
Other income (charges), net	21	23	38	41
Loss from continuing operations before income taxes	(195)	(197)	(385)	(390)
Benefit for income taxes	(43)	(43)	(59)	