

EASTMAN KODAK CO
Form 424B3
January 28, 2010

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CALCULATION OF REGISTRATION FEE

Title Of Each Class Of Securities To Be Registered	Amount To Be Registered	Maximum Aggregate Offering Price⁽¹⁾	Amount Of Registration Fee⁽²⁾
Common Stock, par value \$2.50 per share (and Warrants to purchase such shares)	40,000,000	\$ 178,200,000	\$ 12,705.66

(1) Calculated in accordance with Rule 457(c) of the Securities Act of 1933.

(2) In accordance with Rules 456(b) and 457(r) promulgated under the Securities Act of 1933, the Registrant deferred payment of the registration fee for Registration Statement No. 333-160889, as amended.

PROSPECTUS SUPPLEMENT
(To Prospectus Dated January 28, 2010)

Registration Statement No. 333-160889
Dated January 28, 2010
Rule 424(b)(3)

**Warrants to Purchase Shares of Common Stock
and
40,000,000 Shares of Common Stock Underlying the Warrants
Eastman Kodak Company**

In September 2009, Eastman Kodak Company issued warrants to purchase 40 million shares of its common stock in a private placement pursuant to the exemption from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"). This prospectus supplement may be used by the selling securityholders to resell their warrants and the common stock issuable upon exercise of the warrants, which we refer to, collectively, as the securities. We will not receive any proceeds from the sale of the securities.

The warrants are exercisable at any time after the date of issuance at a per share exercise price of \$5.50. The warrants expire on September 29, 2017. A holder of a warrant may pay the exercise price of the warrants in cash or by cashless exercise. The exercise price and number of shares of common stock underlying the warrants are subject to

customary adjustments upon the occurrence of certain events. In addition, if a holder exercises a warrant in connection with a make whole adjustment event involving us, the exercise price of the warrants will be decreased.

Our common stock is listed on the New York Stock Exchange under the symbol EK. The last reported sale price of our common stock on the New York Stock Exchange on January 27, 2010 was \$4.75 per share.

Investing in our common stock involves risks. See Risk Factors beginning on page S-3 and in our Current Report on Form 8-K filed with the SEC on September 16, 2009.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus supplement is January 28, 2010.

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About This Prospectus Supplement

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The second part is the accompanying prospectus, which contains more general information, some of which may not apply to this offering. You should read both this prospectus supplement and the accompanying prospectus, together with additional information described in this prospectus supplement and the accompanying prospectus under the headings **Where You Can Find More Information** and **Incorporation by Reference**.

If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. Any statement made in this prospectus supplement or in a document incorporated or deemed to be incorporated by reference in this prospectus supplement will be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement or in any other subsequently filed document that is also incorporated or deemed to be incorporated by reference in this prospectus supplement modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement. See **Incorporation by Reference**.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus. This prospectus supplement may be used only for the purpose for which it has been prepared. No one is authorized to give information other than that contained in this prospectus supplement and the accompanying prospectus and in the documents incorporated by reference herein or in the accompanying prospectus. We have not authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it.

You should not assume that the information appearing in this prospectus supplement, the accompanying prospectus or any document incorporated by reference herein or therein is accurate as of any date other than the date of the applicable document. Our business, financial condition, results of operations, and prospects may have changed since that date. Neither this prospectus supplement nor the accompanying prospectus constitutes an offer, or an invitation on our behalf or on behalf of the selling securityholders, to subscribe for and purchase any of the securities, and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

Unless the context otherwise indicates, the terms **Kodak**, **Company**, **we**, **us**, and **our** as used in this prospectus supplement refer to Eastman Kodak Company and not to its subsidiaries or the selling securityholders.

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Forward-Looking Statements

Certain statements in this prospectus supplement and the documents we incorporate by reference may be forward-looking in nature, or forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995. For example, references to our expectations regarding the following are forward-looking statements: revenue; revenue growth; earnings; cash generation; increased demand for our products, including commercial printing products, digital cameras and devices; new product introductions; potential revenue, cash and earnings from intellectual property licensing; liquidity and benefits costs.

Actual results may differ from those expressed or implied in forward-looking statements. Important factors that could cause actual results to differ materially from the forward-looking statements include, among others, the risks, uncertainties, assumptions and factors specified in the Company's Annual Report on Form 10-K for the year ended December 31, 2008 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2009 and June 30, 2009, September 30, 2009 and the 8-K filed on September 16, 2009 under the headings Risk Factors, Management's Discussion and Analysis of Financial Condition and Results of Operations, and Cautionary Statement Pursuant to Safe Harbor Provisions the Private Litigation Reform Act of 1995 and in other filings we make with the SEC from time to time. We caution readers to carefully consider such factors. Many of these factors are beyond our control. In addition, any forward-looking statements represent our estimates only as of the date they are made, and should not be relied upon as representing our estimates as of any subsequent date. While we may elect to update forward-looking statements at some point in the future, we specifically disclaim any obligation to do so, even if our estimates change. Any forward-looking statements in this report should be evaluated in light of the factors and uncertainties referenced above and should not be unduly relied upon.

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SUMMARY

This summary highlights some basic information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary may not contain all of the information that may be important to you and is qualified in its entirety by the more detailed information appearing elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. You should read the entire prospectus supplement and the accompanying prospectus before making an investment decision. You should pay special attention to the Risk Factors section beginning on page S-3 of this prospectus supplement to determine whether an investment in the securities is appropriate for you.

Overview

We are the world's foremost imaging innovator, providing imaging technology products and services to the photographic and graphic communications markets. We are a leading provider of digital photography and printing products and services for consumer markets, such as digital still cameras, retail systems solutions, online imaging and digital picture frames. In addition, we serve a variety of customers in the creative, in-plant, data center, commercial printing, packaging, newspaper, and digital service bureau market segments with a range of software, media, and hardware products that provide customers with a variety of solutions for prepress equipment, workflow software, digital and traditional printing, document scanning, and multi-vendor services. Our business also includes traditional photographic products and services, including paper, film and chemistry used for consumer, professional and industrial imaging applications and those products and services used in the creation of motion pictures. We manufacture and market films such as motion picture, consumer, professional, industrial and aerial and one-time-use cameras. We also provide maintenance and professional services for Kodak and other manufacturers' products, as well as providing imaging services to customers.

Kodak was founded by George Eastman in 1880 and incorporated in 1901 in the State of New Jersey. Our principal executive offices are located at 343 State Street, Rochester, New York 14650 and our telephone number is (585) 724-4000. Our website is www.kodak.com. We do not incorporate the information on our website into this prospectus supplement or the accompanying prospectus.

You can obtain additional information regarding our business by reading our Annual Report on Form 10-K for the year ended December 31, 2008 and the other reports we file with the SEC. See [Where You Can Find More Information](#) and [Incorporation by Reference](#).

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The Offering

Securities Offered	<p>Warrants to purchase up to 40,000,000 shares of common stock, par value \$2.50 per share.</p> <p>This prospectus supplement also refers to the offering of the shares of common stock issuable upon exercise of the warrants (the warrant shares)</p> <p>References to the securities refer to the warrants and warrant shares, collectively.</p>
Warrants	<p>The warrants are exercisable at any time on or before 5:00 p.m. New York City time on September 29, 2017, at an exercise price of \$5.50 per share of common stock.</p> <p>The exercise price and number of shares of common stock underlying the warrants are subject to customary adjustments upon the occurrence of certain events. In addition, if a holder exercises a warrant in connection with a make whole adjustment event involving us, the exercise price of the warrants will be decreased.</p> <p>There is no established public trading market for the warrants offered hereby, and we do not expect a market to develop. In addition, we do not intend to apply for listing the warrants on any securities exchange. Without an active market, the liquidity of the warrants will be limited.</p>
Proceeds from this Offering	<p>We will not receive any proceeds from the offering of the securities.</p>
Dividend Policy	<p>We currently expect to retain future earnings, if any, to finance the growth and development of our business and do not anticipate paying any cash dividends in the foreseeable future. The terms of our debt instruments place restrictions on our ability to pay dividends except for stock dividends.</p>
Risk Factors	<p>Investing in our warrants and common stock involves substantial risks. Before investing in the securities offered hereby, you should carefully read and consider the information set forth in the section of this prospectus supplement entitled Risk Factors beginning on page S-3 and in the documents incorporated by reference herein and in the accompanying prospectus, including our Annual Report on Form 10-K for the year ended December 31, 2008 and Exhibit 99.2 to our Current Report on Form 8-K filed with the SEC on September 16, 2009.</p>
New York Stock Exchange Symbol for Our Common Stock	<p>EK</p>

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RISK FACTORS

*An investment in our equity securities involves a high degree of risk. You should carefully consider the risks described below, as well as the other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus, before making an investment decision. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. In that event, the price of the warrants and shares of common stock underlying the warrants could decline due to any of these risks, and you may lose all or part of your investment in the warrants and warrant shares, as applicable. In addition, the risks discussed below also include forward-looking statements and our actual results may differ substantially from those discussed in these forward-looking statements. You should also review the sections of this prospectus supplement and the accompanying prospectus entitled *Forward-Looking Statements*. Please note that additional risks not presently known to us or that we currently deem immaterial may also impair our business and operations.*

Risks Related to Our Business

Our business is subject to uncertainties and risks. You should carefully consider and evaluate all of the information included and incorporated by reference in this prospectus supplement, including the risk factors incorporated by reference from our most recent Annual Report on Form 10-K, as updated by our Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings we make with the SEC. It is possible that our business, financial condition, liquidity or results of operations could be materially adversely affected by any of these risks.

Risks Relating to Our Common Stock, Other Equity Securities and the Offering

The market price of our common stock has been volatile. This volatility may affect the price at which you could sell your shares of our common stock, and the sale of substantial amounts of our common stock could adversely affect the price of our common stock.

The market price of our common stock may fluctuate substantially due to a variety of factors, many of which are beyond our control, including:

our operating results failing to meet the expectations of securities analysts or investors;

changes in financial estimates or recommendations by securities analysts;

material announcements by us or our competitors;

general and industry-specific economic conditions;

announcement by us or our competitors of significant acquisitions, strategic partnerships, joint ventures or capital commitments;

public sales of a substantial number of shares of our common stock; and

general market conditions.

This volatility may affect the price at which you could sell the common stock. Our stock price is likely to continue to be volatile and subject to significant price and volume fluctuations in response to market and other factors, including the other factors discussed in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in to this prospectus supplement and the accompanying prospectus.

In addition, the sale of substantial amounts of our common stock could adversely impact its price. As of December 31, 2009, we had outstanding approximately 269 million shares of our common stock, options to purchase approximately 24 million shares of our common stock (of which approximately 20 million were exercisable as of that

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date), 688,515 performance stock units and 7,487,544 restricted stock units. The sale or the availability for sale of a large number of shares of our common stock in the public market could cause the price of our common stock to decline.

Certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws make it difficult for shareholders to change the composition of our board of directors and may discourage takeover attempts that some of our shareholders might consider beneficial.

Certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws of may have the effect of delaying or preventing changes in control if our board of directors determines that such changes in control are not in our and our shareholders' best interests. These provisions are not intended to prevent a takeover, but are intended to protect and maximize the value of our shareholders' interests. While these provisions have the effect of encouraging persons seeking to acquire control of our company to negotiate with our board of directors, they could enable our board of directors to prevent a transaction that some, or a majority, of our shareholders might believe to be in their best interests and, in that case, may prevent or discourage attempts to remove and replace incumbent directors. In addition, under the New Jersey Shareholders Protection Act, subject to certain exceptions, shareholders owning 10% or more of the voting power of some New Jersey corporations, including us, are prohibited from engaging in mergers or other business combination transactions with the corporation for a period of five years, or longer in some circumstances, after the shareholder first acquired at least 10% of the voting power.

Warrant holders will not be entitled to any of the rights of common shareholders, but will be subject to all changes made with respect thereto.

If you hold warrants, you will not be entitled to any rights with respect to our common stock (including, without limitation, voting rights and rights to receive any dividends or other distributions on our common stock), but you will be subject to all changes affecting our common stock. You will have rights with respect to our common stock only if you receive our common stock upon exercise of the warrants and only as of the date when you become a record owner of the shares of our common stock upon such exercise. For example, if an amendment is proposed to our charter or bylaws requiring shareholder approval and the record date for determining the shareholders of record entitled to vote on the amendment occurs prior to the date you are deemed to be the owner of the shares of our common stock due upon exercise of your warrants, you will not be entitled to vote on the amendment, although you will nevertheless be subject to any changes in the powers, preferences or special rights of our common stock.

The exercise price for warrants may not be adjusted for all dilutive events.

The exercise price of the warrants is subject to adjustment for certain events, including, but not limited to, the issuance of stock dividends on our common stock, the issuance of certain rights or warrants, subdivisions, combinations, distributions of capital stock, indebtedness or assets, cash dividends, distributions or spin-offs of equity interests in subsidiaries, and certain issuer tender or exchange offers as described under the section of this prospectus supplement captioned Description of the Warrants Adjustments. Such exercise price will not be adjusted, however, for other events, such as a third-party tender or exchange offer, that may adversely affect the trading price of the warrants or our common stock. In addition, an event that adversely affects the value of the warrants may occur, and that event may not result in an adjustment to such exercise price.

The adjustment to the exercise price for warrants exercised in connection with a make whole adjustment event may not adequately compensate you for any lost value of your warrants as a result of such transaction.

If a specified corporate event or transaction constituting a make whole adjustment event, as described under Description of Warrants Adjustments, occurs, under certain circumstances we will decrease the exercise price for warrants exercised in connection with such make whole adjustment event. The decrease in the exercise price will be determined based on the date on which the make whole adjustment event occurs or becomes effective and the price paid per share of our common stock in such make whole adjustment event, as described under Description of Warrants Adjustments. The adjustment to the exercise price for warrants exercised in connection with a make whole adjustment event may not adequately compensate you for any lost value of your warrants as a result of such make whole adjustment event. In addition, if the stock price for such make whole adjustment event (determined as described under Description

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of Warrants Adjustments) is greater than \$20.00 per share, or if such price is less than \$2.50 per share (each such price being subject to adjustment), no adjustment will be made to the exercise price.

Your ability to transfer the warrants may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop for the warrants.

There is no established public market for the warrants. We do not intend to apply for listing of the warrants on any securities exchange or arrange for the warrants to be quoted on any quotation system. The liquidity of any market for the warrants will depend upon the number of holders of the warrants, our performance, the market for our common stock, the market for similar securities, the interest of securities dealers in making a market in the warrants and other factors. It is unlikely that a liquid trading market for the warrants will develop. If an active market does not develop or is not maintained, the price and liquidity of the warrants may be adversely affected.

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USE OF PROCEEDS

We will not receive any of the proceeds from the sale of warrants or shares of common stock issuable upon exercise of the warrants. All proceeds will be for the account of the selling securityholders, as described in the section of this prospectus supplement captioned Selling Securityholders.

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We originally issued the warrants in a private placement exempt from the registration requirements of the Securities Act in September 2009. Selling securityholders may from time to time offer and sell the warrants and shares issued upon exercise of the warrants pursuant to this prospectus supplement.

The following table contains information as of December 31, 2009 with respect to the selling securityholders and the number of warrants and shares underlying warrants (or the shares issued upon exercise of the warrants) beneficially owned by each selling securityholder that may be offered using this prospectus supplement.

Name of Selling Securityholder(1)	Shares of Common Stock Underlying Warrants Beneficially Owned Prior to this Offering and that may be Offered Hereby	Shares of Common Stock Underlying Warrants Beneficially Owned After the Offering(2)	Shares of Common Stock Beneficially Owned Prior to the Offering(3)/Warrant Shares that may be Offered Hereby	Shares of Common Stock Beneficially Owned After the Offering(2)
8 North America Investor (Cayman) Limited(4)	2,008,472		2,008,472	
OPERF Co-Investment LLC(4)	694,444		694,444	
KKR Jet Stream LLC(4)	37,297,084		37,297,084	
Total	40,000,000		40,000,000	

(1) Information about other selling securityholders, except for any future transferees, pledgees, donees or successors of selling securityholders named in the table above, will be set forth in an amendment or supplement to the registration statement to which this prospectus supplement relates,

if required. For the purposes of this table, we have assumed that any other holders of securities, or any future transferees, pledgees, donees or successors of or from any such other holders of securities, do not beneficially own any common stock other than the common stock issuable upon exercise of the warrants at the initial exercise price.

- (2) We assume that all of the warrants and warrant shares offered pursuant to this prospectus are sold. Assuming that all of the warrants and warrant shares listed above are sold, none of the selling securityholders listed above will own 1% or more of any of our outstanding warrants or shares of common stock.
- (3) Calculated based on Rule 13d-3(d)(1)(i) of the Securities Exchange Act of 1934, as amended (the Exchange Act).
- (4) On September 16, 2009, we entered into a Note and

Warrant Purchase Agreement (the Purchase Agreement) with KKR Jet Stream (Cayman) Limited (Jet Stream Cayman) and Kohlberg Kravis & Roberts & Co. L.P. (KKR) (with respect to specified provisions) to sell senior secured notes due 2017 (notes) and warrants (the KKR Transaction). On September 29, 2009, Jet Stream Cayman entered into an Assignment and Assumption Agreement (the Assignment and Assumption Agreement) with 8 North America Investor (Cayman) Limited (8NAI), OPERF Co-Investment LLC (OPERF) and KKR Jet Stream LLC (Jet Stream), whereby Jet Stream Cayman assigned (a) to Jet Stream, which assumed, the right and obligation to purchase warrants exercisable for 37,297,084 shares of common stock, (b) to 8NAI, which assumed, the right and obligation to purchase \$15,064,000 aggregate principal amount of notes

and warrants
exercisable for
2,008,472 shares of
common stock and
(c) to OPERF,
which assumed, the
right and obligation
to purchase
\$5,208,000
aggregate principal
amount of notes
and warrants
exercisable for
694,444 shares of
common stock. Jet
Stream Cayman
retained the right
and obligation to
purchase
\$279,728,000
aggregate principal
amount of notes.
On September 29,
2009, the KKR
Transaction was
completed and we
issued to Jet Stream
Cayman, 8NAI,
OPERF and Jet
Stream
\$300 million
aggregate principal
amount of the notes
and warrants to
purchase an
aggregate of
40 million shares of
our common stock
in accordance with
the terms of the
Purchase
Agreement and the
Assignment and
Assumption
Agreement.

Under the terms of
the Purchase
Agreement, for so
long as KKR and
certain related

parties (including Jet Stream, 8NAI and OPERF) beneficially own at least 50% of the common stock issued or issuable upon exercise of the warrants purchased pursuant to the Purchase Agreement, KKR will be entitled to nominate two directors to our board of directors. If KKR and these related parties beneficially own less than 50% but at least 25% of the common stock issued or issuable upon exercise of the warrants purchased pursuant to the Purchase Agreement, KKR will be entitled to nominate one director to our board of directors. The

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Purchase Agreement further provides that one of KKR's nominees will also have the right to be appointed by our board of directors to sit on each regular committee of the board, subject to such nominee satisfying applicable legal, regulatory and stock exchange requirements. In September 2009, our board of directors, contingent upon and effective concurrent with the closing of the KKR Transaction, elected Adam Clammer and Herald Chen to the board. Furthermore, Mr. Clammer was appointed to the finance committee of our board of directors and Mr. Chen was appointed to the executive compensation and development and corporate responsibility and governance committees of our board of directors.

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DESCRIPTION OF CAPITAL STOCK

Our amended and restated certificate of incorporation authorizes us to issue 950,000,000 shares of common stock, \$2.50 par value, and 100,000,000 shares of preferred stock, \$10.00 par value.

Common Stock

As of December 31, 2009, there were 268,631,867 shares of our common stock issued and outstanding. Each share of our common stock ranks equally with all other shares of our common stock with respect to dividends. Dividends may be declared by our board of directors and paid by us at such times as the board of directors determines, all pursuant to the provisions of the New Jersey Business Corporation Act. Each holder of our common stock is entitled to one vote per share. Our common stock does not have cumulative voting rights. Holders of our common stock are entitled to vote on all matters requiring shareholder approval under New Jersey law and our amended and restated certificate of incorporation and amended and restated bylaws, and to elect the members of the board of directors. Holders of our common stock are entitled to receive all assets that remain after payment to creditors and holders of preferred stock. Holders of our common stock are not entitled to preemptive rights. There are no provisions for redemption, conversion rights, sinking funds, or liability for further calls or assessments by us with respect to our common stock.

Preferred Stock

Our amended and restated certificate of incorporation authorizes us to issue up to 100,000,000 shares of preferred stock, par value \$10.00 per share. The undesignated shares of preferred stock will have rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences, as shall be determined by our board of directors upon issuance of the preferred stock. Our right to issue shares of preferred stock may have the effect of delaying, deferring or preventing a change in control of us without further action by the shareholders.

Options and Warrants

As of December 31, 2009, 31,696,158 shares of our common stock were reserved for issuance upon exercise of outstanding performance stock units and restricted stock units and options to purchase shares of our common stock and 14,700,000 shares of our common stock remain available for future issuance pursuant to our equity compensation plans. Conversion of any or all of these options into shares of our common stock will result in dilution to other holders of our common stock.

See the section of this prospectus supplement captioned, *Description of Warrants* for more information about the warrants covered by this prospectus supplement.

Anti Takeover Provisions

Certain provisions of New Jersey law and our amended and restated certificate of incorporation and bylaws could make the acquisition of us by means of a tender offer, or the acquisition of control of us by means of a proxy contest or otherwise more difficult. These provisions, summarized below, are intended to discourage certain types of takeover practices and takeover bids, and are designed to encourage persons seeking to acquire control of us to negotiate with our board of directors.

New Jersey Shareholders Protection Act

Under the New Jersey Shareholders Protection Act, subject to certain exceptions, shareholders owning 10% or more of the voting power of some New Jersey corporations, including us, are prohibited from engaging in mergers or other business combination transactions with the corporation for a period of five years, or longer in some circumstances, after the shareholder first acquired at least 10% of the voting power. The existence of this provision may have an anti-

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takeover effect with respect to transactions not approved in advance by the board of directors, including discouraging attempts that might result in a premium over the market price for the shares of common stock held by shareholders.

Other Provisions in our Amended and Restated Certificate of Incorporation and Bylaws

Our amended and restated certificate of incorporation and amended and restated bylaws provide other mechanisms that may help to delay, defer or prevent a change in control. For example, our amended and restated certificate of incorporation does not provide for cumulative voting in the election of directors. Cumulative voting provides for a minority shareholder to vote a portion or all of its shares for one or more candidates for seats on the board of directors. Without cumulative voting, a minority shareholder will not be able to gain as many seats on our board of directors based on the number of shares of our stock that such shareholder holds than if cumulative voting were permitted. The elimination of cumulative voting makes it more difficult for a minority shareholder to gain a seat on our board of directors to influence the board of directors' decision regarding a takeover.

Under our amended and restated certificate of incorporation, 100,000,000 shares of preferred stock remain undesignated. The authorization of undesignated preferred stock makes it possible for the board of directors, without shareholder approval, to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to obtain control of us.

Our amended and restated bylaws contain advance notice procedures that apply to shareholder proposals and the nomination of candidates for election as directors by shareholders other than nominations made pursuant to the notice given by us with respect to such meetings or nominations made by or at the direction of the board of directors.

These and other provisions may have the effect of deferring takeovers or delaying changes in control or management of us.

Transfer Agent and Registrar

Our transfer agent and registrar for common stock is Computershare Investor Services LLC.

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The warrants were issued under a note and warrant purchase agreement (the purchase agreement), dated as of September 16, 2009, by and between us, as issuer, and KKR Jet Stream (Cayman) Limited (an affiliate of Kohlberg Kravis Roberts & Co. L.P., KKR). The warrants and the shares of our common stock issuable upon exercise of the warrants are covered by a registration rights agreement described in the section of this prospectus supplement captioned Registration Rights. Copies of the form of warrant, purchase agreement and the registration rights agreement have been incorporated by reference into the registration statement to which this prospectus supplement relates.

The following description is a summary of the material provisions of the warrants and the registration rights agreement. It does not purport to be complete. This summary is subject to and is qualified by reference to all the provisions of the warrants, including the definitions of certain terms used in such instruments. Wherever particular provisions or defined terms of the warrants are referred to, these provisions or defined terms are incorporated in this prospectus by reference.

As used in this Description of Warrants section, references to Kodak, we, our or us refer solely to Eastman Kodak Company and not to our subsidiaries or the selling securityholders.

Term and Exercisability

The warrants are exercisable at any time on or before 5:00 p.m., New York City time (the close of business), on the September 29, 2017 (or, if such date is not a business day, the next business day). The warrants will be exercisable, at the option of each holder, in whole or in part, but for not less than 1,000,000 shares of common stock underlying a warrant by surrendering the warrant to us, together with a duly executed exercise notice accompanied by payment in full for the number of shares of our common stock purchased upon such exercise (except in the case of a cashless exercise as discussed below); provided that a holder may not elect to exercise a warrant for cash unless there is available a registration statement to cover such exercise or an exemption from such registration requirement and the holder makes certain representations and warranties contained in the purchase agreement.

Cashless Exercise

The warrants are exercisable on a cashless basis, at the option of each holder, in whole or in part, but for not less than 1,000,000 shares of common stock underlying a warrant, by surrendering the warrant to us, together with a duly executed exercise notice, by canceling a portion of the warrant in payment of the purchase price payable in respect of the number of shares of our common stock purchased upon such exercise.

Exercise Price

The exercise price per share of common stock underlying the warrants is \$5.50. The exercise price is subject to adjustment as described below under Adjustments.

Adjustments***Exercise Price Adjustments***

The exercise price will be adjusted as described below, except that we will not make any adjustments to the exercise price if holders of the warrants participate, as a result of holding the warrants, in any of the transactions described below without having to exercise the warrants.

(1) If we: (a) pay a dividend or make a distribution payable exclusively in shares of common stock on all or substantially all shares of our common stock; (b) subdivide the outstanding shares of common stock into a greater number of shares; or (c) combine the outstanding shares of common stock into a smaller number of shares; then the exercise price will be decreased (or increased with respect to an event in clause (c)) based on the following formula:

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where,

R = the exercise price in effect immediately after 9:00 am New York City time (the open of business) on the record date for such dividend or distribution, or immediately after the open of business on the effective date of such subdivision or combination, as the case may be;

R = the exercise price in effect immediately prior to the open of business on the record date for such dividend or distribution, or immediately prior to the open of business on the effective date of such subdivision or combination, as the case may be;

OS = the number of shares of common stock outstanding immediately prior to the open of business on the record date for such dividend or distribution, or immediately prior to the open of business on the effective date of such subdivision or combination, as the case may be; and

OS = the number of shares of common stock outstanding immediately after the open of business on the record date for such dividend or distribution, or immediately after the open of business on the effective date of such subdivision or combination, as the case may be.

Such adjustment shall become effective immediately after the open of business on the record date for such dividend or distribution, or the effective date for such subdivision or combination, as the case may be. If any dividend or distribution of the type described in this clause (1) is declared but not so paid or made, or the outstanding shares of common stock are not split or combined, as the case may be, the exercise price shall be immediately readjusted, effective as of the date our board of directors or a duly appointed committee thereof (the board of directors) determines not to pay such dividend or distribution, or split or combine the outstanding shares of common stock, as the case may be, to the exercise price that would then be in effect if such dividend, distribution, share split or share combination had not been declared or announced.

(2) If we distribute any rights, options or warrants (other than pursuant to a shareholders rights plan (defined below)) to all or substantially all holders of our common stock entitling them to purchase (for a period not more than 45 days from the record date for such distribution) shares of common stock at a price per share less than the average of the closing sale prices of the common stock for the 10 consecutive trading day period ending on, and including the trading day immediately preceding the record date for such distribution, the exercise price shall be decreased in accordance with the formula:

where:

R = the exercise price in effect immediately after the open of business on the record date for such distribution;

R = the exercise price in effect immediately prior to the open of business on the record date for such distribution;

O = the number of shares of common stock outstanding immediately prior to the open of business on the record date for such distribution;

N = the number of additional shares of common stock issuable pursuant to such rights, options or warrants;

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P = the per-share offering price payable to exercise such rights, options or warrants for the additional shares plus the per-share consideration (if any) we receive for such rights, options or warrants; and

M = the average of the closing sale prices of the common stock for the 10 consecutive trading day period ending on, and including, the trading day immediately preceding the record date with respect to the distribution.

Such adjustment shall be successively made whenever any such rights, options or warrants are distributed and shall become effective immediately after the open of business on the record date for such distribution. To the extent that shares of the common stock are not delivered after the expiration of such rights, options or warrants, the exercise price shall be increased to the exercise price that would then be in effect had the adjustments made upon the issuance of such rights, options or warrants been made on the basis of delivery of only the number of shares of common stock actually delivered. If such rights, options or warrants are not so issued, the exercise price shall be increased promptly to be the exercise price that would then be in effect if such record date for such distribution had not been fixed.

For purposes of this clause (2), in determining whether any rights, options or warrants entitle the holders to subscribe for or purchase common stock at less than the average of the closing sale prices of common stock for each trading day in the applicable 10 consecutive trading day period, there shall be taken into account any consideration received by us for such rights, options or warrants and any amount payable on exercise thereof, the value of such consideration, if other than cash, to be determined by the board of directors.

Market disruption event means the occurrence or existence on any scheduled trading day for our common stock of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the stock exchange or otherwise) in our common stock or in any options contracts or futures contracts relating to our common stock, and such suspension or limitation occurs or exists at any time within the 30 minutes prior to the closing time of the relevant exchange on such scheduled trading day.

Scheduled trading day means any day that is scheduled by the applicable exchange to be a trading day, provided that if our common Stock is not listed or traded, then a scheduled trading day shall have the same meaning as business day.

Trading day means a day on which (i) there is no market disruption event and (ii) trading in our securities generally occurs on the New York Stock Exchange, or if shares of our common stock are not listed on the New York Stock Exchange, then as reported by the NASDAQ Stock Market or the principal other national or regional securities exchange on which our shares of common stock are then traded, or if our common stock is not listed or approved for trading on the NASDAQ Stock Market or another national or regional securities exchange, on the principal market on which our shares of common stock are then traded, provided that if our common stock is not so listed or traded, then a trading day shall have the same meaning as business day.

(3) If we distribute to all or substantially all holders of our common stock any of its debt or other assets or property (including cash, rights, options or warrants to acquire capital stock of our company or other securities, but excluding: (a) dividends or distributions (including subdivisions) referred to in clause (1) and distributions of rights, warrants or options referred to in clause (2); (b) rights issued to all holders of our common stock pursuant to a shareholders' rights plan, where such rights are not presently exercisable, continue to trade with common stock and holders will receive such rights together with common stock upon exercise of a warrant); (c) dividends or other distributions paid exclusively in cash (to which clause (4) shall apply); and (d) any spin-off to which the provisions set forth below in this clause (3) shall apply) (distributed property), the exercise price shall be decreased, in accordance with the formula:

where:

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- R = the exercise price in effect immediately after the open of business on the record date for such distribution;
- R = the exercise price in effect immediately prior to the open of business on the record date for such distribution;
- M = the average of the closing sale prices of common stock for the 10 consecutive trading day period ending on, and including, the record date for such distribution; and
- F = the fair market value, as determined by the board of directors, of the portion of the distributed property to be distributed in respect of each share of our common stock immediately as of the open of business on the record date for such distribution.

Such adjustment shall become effective immediately prior to the open of business on the record date for such distribution. Notwithstanding the foregoing, if F as set forth above is equal to or greater than M as set forth above, in lieu of the foregoing adjustment, each warrant holder shall receive, at the same time and up on the same terms as holders of common stock, the amount and kind of distributed property such warrant holder would have received had such warrant holder owned a number of shares of our common stock issued upon such exercise immediately prior to the record date for such distribution. If such distribution is not so paid or made, the exercise price shall again be adjusted to be the exercise price that would then be in effect if such dividend or distribution had not been declared. If the board of directors or a committee thereof determines F for purposes of this clause (3) by reference to the actual or when issued trading market for our common stock, it must in doing so consider the prices in such market over the same period used in computing the closing sale prices of our common stock over the 10 consecutive trading day period ending on, and including, the record date for such distribution.

With respect to an adjustment pursuant to this clause (3) where there has been a payment of a dividend or other distribution on the common stock in shares of capital stock of any class or series, or similar equity interest, of or relating to one of our subsidiaries or other business units, where such capital stock or similar equity interest is listed or quoted (or will be listed or quoted upon consummation of the spin-off) on a national securities exchange or reasonably comparable non- U.S. equivalent, which is referred to herein as a spin off, the exercise price will be decreased based on the following formula:

- R = the exercise price in effect immediately after the end of the valuation period (as defined below);
- R = the exercise price in effect immediately prior to the end of the valuation period;
- F = the average of the closing sale prices of the capital stock or similar equity interest distributed to holders of our common stock applicable to one share of our common stock over the first 10 consecutive trading day period immediately following, and including, the effective date for the spin-off (such period, the valuation period); and
- MP = the average of the closing sale prices of our common stock over the valuation period.

The adjustment to the exercise price under the preceding paragraph of this clause (3) will be made immediately after the close of business on the last day of the valuation period, but will be given effect as of the open of business on the effective date for the spin-off. For purposes of determining the exercise price in respect of any exercise during the 10 trading days commencing on the effective date for any spin-off, references within the portion of this clause (3) related to spin-offs to 10 consecutive trading days shall be deemed replaced with such lesser number of trading days as have elapsed from, and including, the effective date for such spin-off to, but excluding, the relevant determination date.

For purposes of this clause (3), in determining whether any rights, options or warrants entitle the holders to subscribe for or purchase shares of our common stock at less than the average of the closing sale prices of our common

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stock for each trading day in the applicable 10 consecutive trading day period, there shall be taken into account any consideration received by us for such rights, options or warrants and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the board of directors.

If, prior to a determination date, a record date for a spin-off has been set but the relevant dividend or distribution has not yet resulted in an adjustment to the exercise price and an exercising warrant holder is not entitled to participate in the dividend or distribution with respect to the shares of common stock such warrant holder receives upon exercise (whether because the warrant holder was not a holder of such shares of common stock on the effective date for such dividend or distribution or otherwise), then as promptly as practicable following the determination date, we will deliver to the warrant holder a number of additional shares of common stock that reflects the increase to the number of warrant shares deliverable as a result of the spin-off.

(4) If we make a distribution to all or substantially all holders of our common stock consisting exclusively of cash, the exercise price shall be adjusted in accordance with the formula:

R = the exercise price in effect immediately after the open of business on the record date for such distribution;

R = the exercise price in effect immediately prior to the open of business on the record date for such distribution;

SP = the average of the closing sale prices of our common stock over the 10 consecutive trading day period ending on, and including, the trading day immediately preceding the record date for such distribution; and

C = the amount in cash per share we distribute to holders of our common stock.

The adjustment shall become effective immediately after the open of business on the record date with respect to the distribution.

Notwithstanding the foregoing, if C as set forth above is equal to or greater than SP as set forth above, in lieu of the foregoing adjustment, adequate provision shall be made so that the warrant holder shall have the right to receive on the date on which the relevant cash dividend or distribution is distributed to holders of our common stock, the amount of cash the warrant holder would have received had the warrant holder owned a number of shares exercisable from the exercise price on the record date for such distribution. If such dividend or distribution is not so paid or made, the exercise price shall again be adjusted to be the exercise price that would then be in effect if such dividend or distribution had not been declared.

(5) If we or any of our subsidiaries makes a payment to holders of the shares of our common stock in respect of a tender or exchange offer, other than an odd lot offer, by us or any of our subsidiaries for shares of our common stock, to the extent that the cash and value of any other consideration included in the payment per share of our common stock exceeds the average of the closing sale prices over the 10 consecutive trading day period commencing on, and including the trading day immediately following the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer (the expiration date), the exercise price shall be decreased based on the following formula:

R = the exercise price in effect immediately after the open of business on the trading day immediately following the expiration date;

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- R = the exercise price in effect immediately prior to the open of business on the trading day immediately following the expiration date;
- F = the aggregate fair market value, as determined by the board of directors, of all cash and other consideration payable in such tender or exchange offer for shares purchased in such tender or exchange offer, such value to be measured as of the expiration time of the tender or exchange offer (the expiration time);
- OS = the number of shares of common stock outstanding immediately prior to the expiration time (prior to giving effect to such tender offer or exchange offer);
- OS = the number of shares of common stock outstanding immediately after the expiration time (after giving effect to such tender offer or exchange offer); and
- SP = the average of the closing sale prices of common stock over the 10 consecutive trading day period commencing on, and including, the trading day immediately following the expiration date.

The adjustment to the exercise price under this clause (5) will be made immediately after the open of business on the 11th trading day following the expiration date but will be given effect at the open of business on the trading day following the expiration date. For purposes of determining the exercise price, in respect of any exercise during the 10 trading days commencing on the trading day immediately following the expiration date, references within this clause (5) to 10 trading days shall be deemed replaced with such lesser number of trading days as have elapsed from, and including, the trading day following the expiration time to, but excluding, the relevant determination date.

(6) If a make whole adjustment event (as defined below) occurs, and if a warrant holder elects to exercise a warrant in connection with such make whole adjustment event (any exercise during the period beginning with, and including, the effective date (as defined below) to, and including, the 30th scheduled trading day immediately following the effective date will be deemed to be in connection with such make whole adjustment event), we will decrease the exercise price by an amount (the make whole decrease) described in this clause (6).

For purposes of this Section, a make whole adjustment event shall be deemed to have occurred at such time that any of the following events shall occur:

- (i) any person becomes a beneficial owner (as defined below), directly or indirectly, through a purchase, merger or other acquisition transaction or series of transactions, of shares of our capital stock entitling the person to exercise more than 50% of the total voting power of all shares of our capital stock that are entitled to vote generally in elections of directors, other than an acquisition by us or any of our subsidiaries or employee benefit plans;
- (ii) we merge or consolidate with or into any other person (other than one of our subsidiaries), any merger of another person into us, or the we convey, sell, transfer or lease all or substantially all of its assets to another person (other than one of our subsidiaries), other than any transaction: (A) involving a merger or consolidation that does not result in any reclassification, conversion, exchange or cancellation of our outstanding shares of common stock, or (B) which is effected solely to change our jurisdiction of incorporation and results in a reclassification, conversion or exchange of outstanding shares of common stock solely into shares of common stock of the surviving entity;
- (iii) our shareholders approve any plan or proposal for our liquidation or dissolution; or
- (iv) a termination of trading (as defined below);

provided, however, that a make whole adjustment event shall not be deemed to have occurred if at least 90% of the consideration (excluding cash payments for fractional shares and cash payments made pursuant to dissenters appraisal rights) in a merger or consolidation otherwise constituting a make whole adjustment event under clause (i) and/or clause (ii) above consists of shares of common stock or American Depositary Receipts traded, in each case, on a U.S. national

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securities exchange, or will be so traded immediately following the merger or consolidation, and as a result of the merger or consolidation the warrants becomes convertible into such consideration.

For purposes of this clause (6), (x) whether a person is a beneficial owner shall be determined in accordance with Rule 13d-3 under the Exchange Act and (y) person includes any syndicate or group that would be deemed to be a person under Section 13(d)(3) of the Exchange Act.

For purposes of this clause (6), termination of trading means the common stock (or other common stock into which the warrants are then exercisable for) is neither listed nor approved for trading on a U.S. national securities exchange.

We shall provide each holder not later than the effective date a notice describing the make whole adjustment event and the amount of the make whole decrease.

The amount of the make whole decrease will be determined by reference to the table below and is based on the date on which such make whole adjustment event transaction occurs or becomes effective (the effective date) and the price (the share price) paid per share of our common stock in such make whole adjustment event. If the holders of our common stock receive only cash in the make whole adjustment event described in clause (ii) of the definition of make whole adjustment event, the share price shall be the cash amount paid per share of common stock. Otherwise, the share price shall be the average of the closing sale prices of the common stock on the ten consecutive trading days up to but excluding the effective date.

The table below sets forth the share price paid per share for our common stock in the make whole adjustment event and the amount of the make whole decrease. The share prices set forth in the share price column of the table will be adjusted as of any date on which the exercise price is adjusted. The adjusted share prices will equal the share prices applicable immediately prior to such adjustment, multiplied by a fraction, the numerator of which is the applicable exercise price as so adjusted and the denominator of which is the exercise price immediately prior to the adjustment giving rise to the share price adjustment.

Stock Price

Effective Date	\$2.50	\$3.50	\$4.50	\$5.50	\$6.50	\$7.50	\$10.00	\$12.50	\$15.00	\$17.50	\$20.00
September 29, 2009	(\$3.86)	(\$3.50)	(\$3.23)	(\$3.01)	(\$2.83)	(\$2.68)	(\$2.40)	(\$2.20)	(\$2.06)	(\$1.95)	(\$1.86)
September 29, 2010	(\$3.75)	(\$3.36)	(\$3.05)	(\$2.81)	(\$2.62)	(\$2.46)	(\$2.16)	(\$1.95)	(\$1.80)	(\$1.69)	(\$1.60)
September 29, 2011	(\$3.63)	(\$3.20)	(\$2.86)	(\$2.60)	(\$2.39)	(\$2.21)	(\$1.89)	(\$1.68)	(\$1.52)	(\$1.41)	(\$1.33)
September 29, 2012	(\$3.51)	(\$3.02)	(\$2.65)	(\$2.36)	(\$2.12)	(\$1.94)	(\$1.60)	(\$1.37)	(\$1.22)	(\$1.11)	(\$1.04)
September 29, 2013	(\$3.38)	(\$2.84)	(\$2.42)	(\$2.09)	(\$1.83)	(\$1.63)	(\$1.27)	(\$1.05)	(\$0.91)		