

Eastman Kodak has filed for bankruptcy protection...  
let's see what the reporting history shows!

## Eastman Kodak Company

343 State Street  
Rochester, NY 14650 United States

Phone: (585) 724-4000 Ticker: **EK**

Filed for Bankruptcy on 1/19/2012  
Case #12-10202, filed in the U.S. Bankruptcy Court for the Southern District of New York

Latest Financial Statements as of 9/30/2011

**Business Summary**

Eastman Kodak Company (Kodak) is engaged in the sale of imaging products, technology, solutions and services to consumers, businesses and professionals. Kodak operates in three segments: Consumer Digital Imaging Group (CDG), Graphic Communications Group (GCG) and Film, Photofinishing and Entertainment Group (FPEG). The Company's products span digital still and video cameras and related accessories; consumer inkjet printers and media; digital picture frames; retail printing kiosks, APEX drylab systems and related media and services, and KODAK Gallery online imaging services. Kodak's products also include prepress equipment and consumables; imaging sensors; workflow software and services; electro-photographic printing equipment, consumables and service; commercial inkjet printing equipment, consumables and service, and document scanners. In March 2011, the Company acquired Tokyo Ohka Kogyo Co., Ltd. In November 2011, it sold its Image Sensor Solutions (ISS) business to Platinum Equity.

Employees: 18,800 (as of 12/31/2010)

Federal Tax Id: 160417150

**Credit Scores**

<b>FRISK® Score</b>	<b>1</b>	1/19/2012
<b>Probability of bankruptcy range: 10.34% - 50.00%</b>		
<b>Z" Score</b>	<b>1.65 (Neutral)</b>	9/30/2011

**Auditor Information**

Last Audit: 12/31/2010  
Auditors: PricewaterhouseCoopers LLP  
Opinion: **Unqualified**

**Agency Credit Ratings**

Rating Agency	Long Term Rating	Outlook	Short Term Rating	Watch
Moody's	Caa3	Negative	SGL-4	OFF
S&P	CCC-	NM	NR	NEG

**Days Sales Outstanding**

9/10	12/10	3/11	6/11	9/11
54.38	50.93	69.47	59.17	60.23

**Payment Index**

10/2011	11/2011	12/2011
8	8	8

(Includes Payment Indexes from Subsidiaries)

**Third Quarter and Year-to-Date Results**

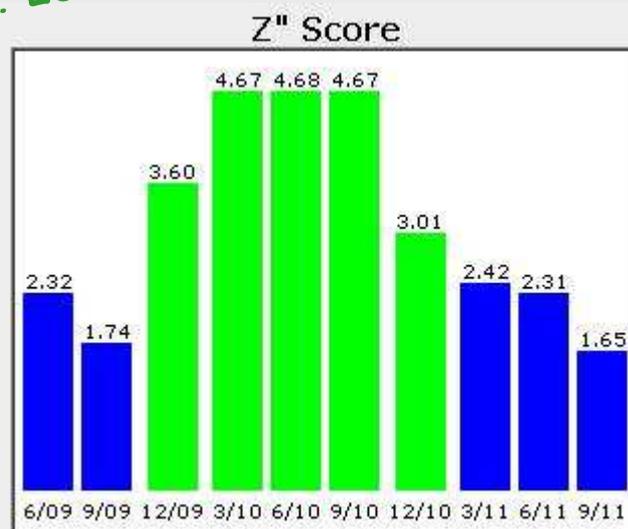
Sales for the 3 months ended 9/30/2011 decreased 16.74% to \$1.46 billion from last year's comparable period amount of \$1.76 billion. Sales for the 9 months ended 9/30/2011 decreased 18.30% to \$4.27 billion from \$5.23 billion for the same period last year.

Gross profit margin decreased 56.33% for the period to \$207.00 million (14.16% of revenues) from \$474.00 million (26.99% of revenues) for the same period last year. Gross profit margin decreased 65.41% for the year-to-date period to \$543.00 million (12.72% of revenues) from \$1.57 billion (30.05% of revenues) for the comparable 9 month period last year.

Selling, general and administrative expenses for the period decreased 9.55% to \$284.00 million compared to \$314.00 million for the same period last year. Selling, general and administrative expenses for the 9

The Altman Z" did not signal any trouble in the period 2009... 2011 ( this is unusual ! )

**LEGEND:**  
 Financially sound: 2.60 or higher  
 Neutral: 1.10 to 2.60  
 Fiscal danger: less than 1.10



## Stock Performance

### Detailed Quote

Last: **0.55**

Change: **+0.02 (+4.44%)**

Volume: **29,480,152**

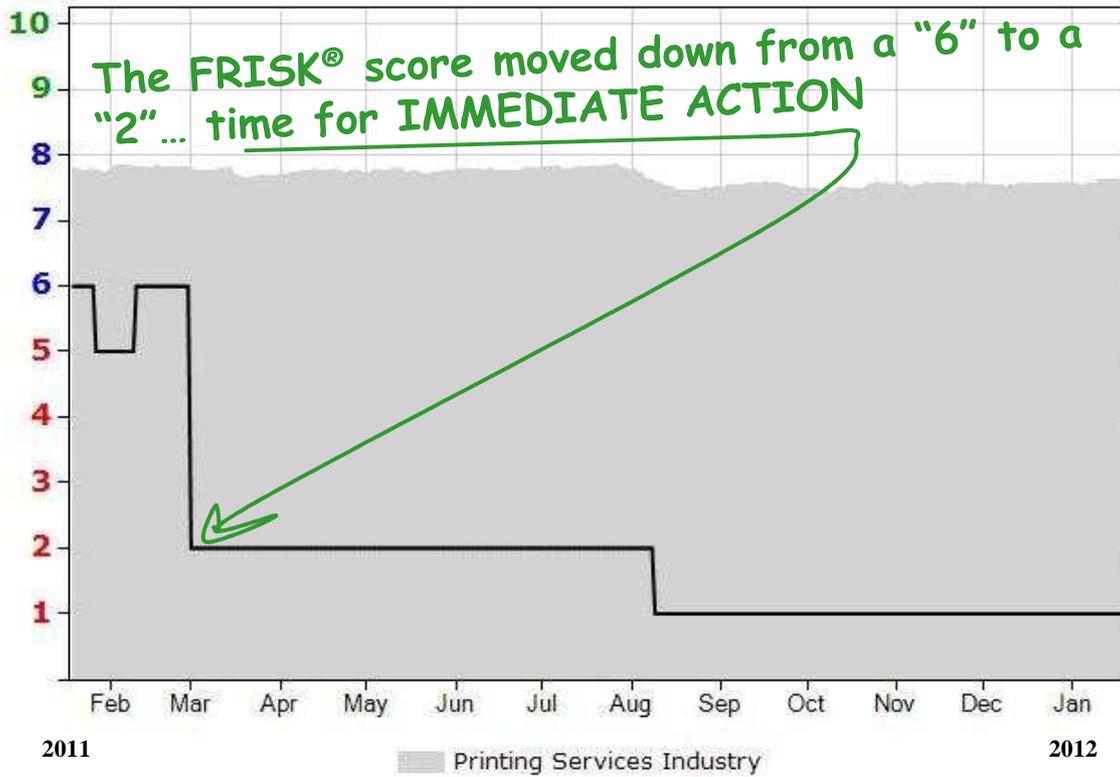
Open: **0.55**  
 Close: **0.53**  
 High: **0.63**  
 Low: **0.51**  
 Bid: **0.58**  
 Ask: **0.59**  
 Yield: **0.00**  
 P/E Ratio: **N/**  
 EPS: **-4.59**  
 Dividend: **0.00**  
 Shares Out: **270 M**  
 Market Cap: **149.8 M**  
 52wk High: **5.55**  
 52wk Low: **0.36**



**CreditRiskMonitor**

(845) 230-3000  
 info@crmz.com

The current FRISK<sup>®</sup> score is 1 (probability of bankruptcy\* 10.34% - 50%), below its 13-month average and below its industry average.



Probability of bankruptcy within 12 months			
	FRISK <sup>®</sup>	From	To
Best	10	0.00%	0.11%
	9	0.11%	0.23%
	8	0.23%	0.38%
	7	0.38%	0.54%
	6	0.54%	1.05%
	5	1.05%	1.74%
	4	1.74%	3.15%
	3	3.15%	5.05%
	2	5.05%	10.34%
Worst	1	10.34%	50.00%

...plus, looking at our News Alerts you would have seen...

Downgrades

Resignations

Delays 2Q 10Q; negotiations with debt-holders underway

Asset sales & attempted asset sales

3Q: LOSSES INCREASE and company reports "steady progress"

Fitch withdraws ratings

2Q: LOSSES INCREASE

News Summary ( CRM selected stories Moody's stories All stories) Next Page			
#	Date	Source	Headline
13	1/19/2012	Business Wire	Kodak Says Court Approves \$650 Million of Debtor in Possession Financing on \$950 Million Committed Facility, and Normal Business Operations Through Final Hearing Date on First Day Motions
16	1/19/2012	Business Wire	Eastman Kodak Company and Its U.S. Subsidiaries Commence Voluntary Chapter 11 Business Reorganization
17	1/18/2012	CRMZ News Service	Ailing Kodak Prepares To Appoint Chief Restructuring Officer
18	1/18/2012	Business Wire	Kodak Alleges Patent Infringement Against Samsung
19	1/13/2012	Business Wire	Kodak Alleges Patent Infringement Against Fujifilm
20	1/13/2012	CRMZ News Service	Kodak Said in Talks With Citigroup on Bankruptcy Financing
21	1/13/2012	Business Wire	Kodak Alleges Patent Infringement Against Apple, HTC
22	1/10/2012	Business Wire	Kodak Creates New Business Structure to Accelerate Digital Transformation
23	1/6/2012	CRMZ News Service	Eastman Kodak Company -- updated S&P ratings available
24	1/6/2012	CRMZ News Service	Eastman Kodak Company -- updated Moody's rating available
25	1/5/2012	CRMZ News Service	Kodak Departures Continue As Communications Chief Leaves
26	1/5/2012	Moody's Investor Service	Moody's lowers Eastman Kodak ratings; CFR to Caa3 from Caa2, outlook negative
27	1/4/2012	CRMZ News Service	Kodak Preparing for Chapter 11 Filing
28	1/4/2012	CRMZ News Service	Tyson Resigns From Kodak's Board Amid Bankruptcy Fears
31	1/3/2012	Business Wire	Kodak Receives Continued Listing Standards Notice from the New York Stock Exchange
32	1/3/2012	PR Newswire	The Broe Group Acquires 320 Acres, and 500,000 Square Feet of Buildings, From Kodak
34	12/30/2011	CRMZ News Service	EASTMAN KODAK CO FILES (8-K) Disclosing Change in Directors or Principal Officers
35	12/28/2011	CRMZ News Service	Two KKR Representatives Resign From Board Of Ailing Kodak
38	12/23/2011	Business Wire	Kodak Board Elects Laura Quatela as President
39	12/22/2011	Business Wire	Kodak Announces Agreement to Sell Eastman Gelatine Subsidiary
40	12/6/2011	CRMZ News Service	Kodak Shuffles Advisers as It Fights to Avoid Bankruptcy
41	11/18/2011	CQ Transcriptions LLC	Q3 2011 Eastman Kodak Co Earnings Conference Call - Final
42	11/18/2011	CRMZ News Service	Kodak Looking For Buyer For Online Photo-Sharing Gallery
45	11/17/2011	CQ Transcriptions LLC	Event Brief of Q3 2011 Eastman Kodak Co Earnings Conference Call - Final
46	11/15/2011	GlobeNewswire	The Investment Partners Opportunities Fund has Sent a Shareholder Proposal to Eastman Kodak Company for Consideration at the 2012 Annual Meeting of Shareholders
47	11/11/2011	CRMZ News Service	Legg Mason Sells Off Its Last 19 Million Shares In Kodak
48	11/10/2011	Business Wire	Discount Drug Mart Renews Contract with Kodak
51	11/7/2011	Business Wire	Kodak Sells Image Sensor Business to Platinum Equity
53	11/3/2011	CRMZ News Service	Kodak Warns on Prospects
55	11/3/2011	Business Wire	Kodak Reports 3rd Quarter 2011 Results, Steady Progress in Transformation
57	11/1/2011	Business Wire	Fitch Affirms and Withdraws Eastman Kodak 'CC' IDR
58	10/26/2011	CRMZ News Service	Kodak In Talks With Hedge Funds Over \$900 Million Rescue Loan
59	9/30/2011	CRMZ News Service	Kodak Hires Restructuring Lawyers
61	9/27/2011	Moody's Investors Service	Moody's lowers Eastman Kodak ratings; CFR to Caa2 from Caa1, outlook negative
62	9/23/2011	CRMZ News Service	EASTMAN KODAK CO FILES (8-K) Disclosing Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant
64	8/18/2011	CRMZ News Service	Kodak Starts Patent Sale
65	8/1/2011	CRMZ News Service	EASTMAN KODAK CO FILES (8-K) Disclosing Material Modification to Rights of Security Holders, Financial Statements and Exhibits
66	7/27/2011	CRMZ News Service	Eastman Kodak Company -- updated financials available

Files Chapter 11

Bankruptcy Advisor

Bankruptcy financing sought

Operations to Restructure

Bankruptcy financing sought

De-listing notice

Bankruptcy Advisor

Shareholder to challenge "poison pill"

Major shareholder sells out

Additional borrowing attempt

Bankruptcy Advisor

Borrows \$160MM of revolver; stock falls

Adopts "poison pill"

**CreditRiskMonitor**

(845) 230-3000  
info@crmz.com

...need more depth? Look at the Performance Ratios

Unprofitable...

Performance Ratios - Sequential Quarters  
(Thousands of U.S. Dollars)

Period Ended	3 mos 9/30/2011	3 mos 6/30/2011	3 mos 3/31/2011	3 mos 12/31/2010	3 mos 9/30/2010
<b>Net Sales \$</b>	\$1,462,000	\$1,485,000	\$1,322,000	\$1,927,000	\$1,756,000
% change	-1.55%	12.33%	-31.40%	9.74%	12.93%
<b>Gross Margin \$</b>	\$207,000	\$211,000	\$125,000	\$377,000	\$474,000
% change	-1.90%	68.80%	-66.84%	-20.46%	56.44%
% of sales	14.16%	14.21%	9.46%	19.56%	26.99%
change as % of incremental sales	n/m	52.76%	n/m	-56.73%	85.07%
<b>SG&amp;A \$</b>	\$284,000	\$289,000	\$311,000	\$340,000	\$314,000
% change	-1.73%	-7.07%	-8.53%	8.28%	0.32%
% of sales	19.43%	19.46%	23.53%	17.64%	17.88%
change as % of incremental sales	n/m	-13.50%	n/m	15.20%	0.50%
<b>Operating margin \$</b>	(\$174,000)	(\$174,000)	(\$227,000)	(\$683,000)	\$56,000
% change	0.00%	23.35%	66.76%	-1,319.64%	156.00%
% of sales	-11.90%	-11.72%	-17.17%	-35.44%	3.19%
change as % of incremental sales	n/m	32.52%	n/m	-432.16%	77.61%
<b>EBITDA \$</b>	(\$102,000)	(\$99,000)	(\$160,000)	(\$572,000)	\$155,000
% change	-3.03%	38.13%	72.03%	-469.03%	2,037.50%
% of sales	-6.98%	-6.67%	-12.10%	-29.68%	8.83%
change as % of incremental sales	n/m	37.42%	n/m	425.15%	81.09%
<b>Pre-tax income \$</b>	(\$222,000)	(\$195,000)	(\$273,000)	(\$693,000)	\$26,000
% change	-13.85%	28.57%	60.61%	-2,765.38%	118.44%
% of sales	-15.18%	-13.13%	-20.65%	-35.96%	1.48%
change as % of incremental sales	n/m	47.85%	n/m	-420.47%	83.88%
<b>Net income (loss) \$</b>	(\$222,000)	(\$179,000)	(\$246,000)	(\$595,000)	(\$45,000)
% change	-24.02%	27.24%	52.66%	1,222.22%	73.21%
% of sales	-15.18%	-12.05%	-18.61%	-30.88%	-2.56%
change as % of incremental sales	n/m	41.10%	n/m	-321.64%	61.19%
<b>Tax expense \$</b>	\$0	(\$16,000)	(\$24,000)	(\$109,000)	\$71,000
Effective tax rate	0.00%	8.21%	8.79%	15.73%	273.08%
<b>Depreciation expense \$</b>	\$72,000	\$76,000	\$75,000	\$89,000	\$96,000
% of sales	4.92%	5.12%	5.67%	4.62%	5.47%
% of capital expenses	225.00%	230.30%	326.09%	143.55%	331.03%
% of PP&E, net (annualized)	29.61%	30.05%	29.08%	33.81%	35.47%
<b>Capital expenditures \$</b>	\$32,000	\$33,000	\$23,000	\$62,000	\$29,000
% change	-3.03%	43.48%	-62.90%	113.79%	-12.12%
% of PP&E, net (annualized)	13.16%	13.05%	8.92%	23.55%	10.72%
% of working capital (annualized)	17.36%	14.70%	9.58%	20.91%	8.20%
<b>Interest coverage ratio</b>	(2.13)	(2.61)	(4.21)	(17.88)	4.08
% change	18.44%	38.12%	76.44%	-538.23%	2,190.67%
<b>Free cash flow \$</b>	(\$223,000)	(\$355,000)	(\$548,000)	\$223,000	\$111,000
% change	37.18%	35.22%	-345.74%	100.90%	153.88%
Source:	10-Q 11/3/2011	10-Q 7/26/2011	10-Q 4/28/2011	10-K 2/25/2011	10-Q 10/28/2010

Negative cash flow...

...need more depth? Look at the Leverage Ratios

Large negative  
Stockholders' Equity...  
and negative Tangible  
Net Worth...

Leverage Ratios - Sequential Quarters  
(Thousands of U.S. Dollars)

Period Ended	9/30/2011	6/30/2011	3/31/2011	12/31/2010	9/30/2010
<b>Total debt \$</b>	\$1,566,000	\$1,451,000	\$1,446,000	\$1,245,000	\$1,250,000
% change	7.93%	0.35%	16.14%	-0.40%	-3.47%
<b>Stockholders' equity \$</b>	(\$1,651,000)	(\$1,421,000)	(\$1,276,000)	(\$1,077,000)	(\$215,000)
% change	-16.19%	-11.35%	-19.48%	-400.93%	-2.38%
<b>Tangible net worth \$</b>	(\$1,936,000)	(\$1,714,000)	(\$1,568,000)	(\$1,371,000)	(\$1,131,000)
% change	-12.95%	-9.31%	-14.37%	-21.22%	-2.08%
<b>Total assets \$</b>	\$5,102,000	\$5,334,000	\$5,882,000	\$6,226,000	\$6,929,000
% change	-4.35%	-9.32%	-5.53%	-10.15%	2.03%
<b>Total debt to assets ratio</b>	0.31	0.27	0.25	0.20	0.18
% change	12.83%	10.66%	22.90%	10.86%	-5.40%
<b>Net tangible assets \$</b>	\$4,817,000	\$5,041,000	\$5,590,000	\$5,932,000	\$6,013,000
% change	-4.44%	-9.82%	-5.77%	-1.35%	2.04%
<b>Short-term debt \$</b>	\$210,000	\$50,000	\$50,000	\$50,000	\$61,000
% change	320.00%	0.00%	0.00%	-18.03%	0.00%
<b>Short-term debt % of total debt</b>	13.41%	3.45%	3.46%	4.02%	4.88%
% change	289.16%	-0.34%	-13.90%	-17.70%	3.60%
<b>Short-term debt % of working capital</b>	33.18%	5.94%	5.24%	5.18%	4.34%
% change	458.68%	13.30%	1.26%	19.30%	1.21%
<b>Total liabilities \$</b>	\$6,753,000	\$6,755,000	\$7,158,000	\$7,303,000	\$7,144,000
% change	-0.03%	-5.63%	-1.99%	2.23%	2.04%
Source:	10-Q 11/3/2011	10-Q 7/26/2011	10-Q 4/28/2011	10-Q 4/28/2011	10-Q 10/28/2010

...need more depth? Look at the Liquidity Ratios

For a company with average quarterly losses in excess of \$200MM...  
 ...Not enough cash

Liquidity Ratios - Sequential Quarters  
 (Thousands of U.S. Dollars)

Period Ended	9/30/2011	6/30/2011	3/31/2011	12/31/2010	9/30/2010
<b>Current assets \$</b>	\$2,950,000	\$3,052,000	\$3,395,000	\$3,786,000	\$3,771,000
% change	-3.34%	-10.10%	-10.33%	0.40%	3.66%
% of short-term debt	1,404.76%	6,104.00%	6,790.00%	7,572.00%	6,181.97%
<b>Current liabilities \$</b>	\$2,317,000	\$2,210,000	\$2,441,000	\$2,820,000	\$2,365,000
% change	4.84%	-9.46%	-13.44%	19.24%	6.77%
<b>Working capital \$</b>	\$633,000	\$842,000	\$954,000	\$966,000	\$1,406,000
% change	-24.82%	-11.74%	-1.24%	-31.29%	-1.19%
% of sales (annualized)	10.82%	14.18%	18.04%	12.53%	20.02%
<b>Cash \$</b>	\$862,000	\$957,000	\$1,300,000	\$1,624,000	\$1,397,000
% change	-9.93%	-26.38%	-19.95%	16.25%	6.40%
% of short-term debt	410.48%	1,914.00%	2,600.00%	3,248.00%	2,290.16%
<b>Cash ratio</b>	<b>0.37</b>	<b>0.43</b>	<b>0.53</b>	<b>0.58</b>	<b>0.59</b>
% change	-14.09%	-18.70%	-7.52%	-2.51%	-0.35%
<b>Quick assets \$</b>	\$1,805,000	\$1,944,000	\$2,239,000	\$2,698,000	\$2,470,000
% change	-7.15%	-13.18%	-17.01%	9.23%	5.87%
% of short-term debt	859.52%	3,888.00%	4,478.00%	5,396.00%	4,049.18%
<b>Quick ratio</b>	<b>0.78</b>	<b>0.88</b>	<b>0.92</b>	<b>0.96</b>	<b>1.04</b>
% change	-11.44%	-4.10%	-4.13%	-8.40%	-0.85%
<b>Current ratio</b>	<b>1.27</b>	<b>1.38</b>	<b>1.39</b>	<b>1.34</b>	<b>1.59</b>
% change	-7.81%	-0.70%	3.59%	-15.80%	-2.92%
Source:	10-Q 11/3/2011	10-Q 7/26/2011	10-Q 4/28/2011	10-Q 4/28/2011	10-Q 10/28/2010

...need more depth?

Look at the Peer Analysis

Bottom quartile in most Performance ratios vs. Printing Services Peers...

Peer Analysis						
Calendar Year/Quarter: 2011.3						
Peer Group: Sector: Services, Industry: Printing Services						
Refresh						
[Sector: Services] [Industry: Printing Services] [Calendar Year/Quarter: 2011.3]						
Businesses in Peer Group: 209	Ranking Within Peer Group	Number Of Peers Ranked	Company Value	Peer Group Range		
				Low	Median	High
<b>Credit Ratings:</b>						
ZScore -- Current Quarter	58	<b>82</b>	1.65	(1,790.43)	3.16	14.84
<b>Performance ratios:</b>						
Net Sales (Thousands of U.S. Dollars)	3	<b>14</b>	1,462,000.00	173.00	185,089.50	2,683,300.00
Gross Margin % of Sales -- Current Quarter	70	<b>83</b>	14.16	(399.83)	22.26	71.88
Gross margin % of Sales -- TTM	72	<b>83</b>	14.85	(17.41)	23.22	69.94
SG&A % of Sales -- Current Quarter	53	<b>81</b>	19.43	4.67	16.70	69.54
SG&A % of Sales -- TTM	58	<b>81</b>	19.75	5.20	16.64	63.33
Operating Margin % of Sales -- Current Quarter	75	<b>83</b>	(11.90)	(406.50)	4.50	57.60
Operating Margin % of Sales -- TTM	80	<b>83</b>	(20.30)	(48.82)	4.75	51.30
EBITDA Margin % of Sales -- Current Quarter	64	<b>73</b>	(6.98)	(415.05)	9.69	67.26
EBITDA Margin % of Sales -- TTM	79	<b>83</b>	(15.06)	(38.06)	9.00	64.91
Net Profit Margin % of Sales -- Current Quarter	76	<b>83</b>	(15.18)	(406.50)	2.64	38.27
Net Profit Margin % of Sales -- TTM	77	<b>83</b>	(20.05)	(40.53)	2.40	26.91
Pre-tax Income % of Sales -- Current Quarter	75	<b>83</b>	(15.18)	(406.50)	4.03	57.81
Effective Tax Rate	17	<b>84</b>	0.00	(84.85)	17.40	566.16
Depreciation % Of Prop/Plant/Equipment	66	<b>72</b>	29.61	3.11	12.87	52,737.41
CapitalExpense % Of Prop/Plant/Equipment	31	<b>59</b>	13.16	0.32	12.11	76.06
Interest Coverage -- Current Quarter	48	<b>56</b>	(2.13)	(20.29)	4.90	9,518.20
Interest Coverage -- TTM	69	<b>73</b>	(5.98)	(14.08)	5.02	16,869.60
<b>Liquidity ratios:</b>						
Cash Ratio	38	<b>82</b>	0.37	0.00	0.35	4.83
Quick Ratio	58	<b>82</b>	0.78	0.04	1.03	5.86
Current Ratio	53	<b>84</b>	1.27	0.09	1.48	6.42
<b>Efficiency ratios:</b>						
Accounts Receivable Turnover	33	<b>82</b>	6.06	0.00	5.47	65.08
Days Sales Outstanding	35	<b>83</b>	60.23	0.00	65.94	375.00
% Inventory Financed by Vendors -- Current Quarter	59	<b>79</b>	75.45	0.00	127.02	1,361.76
% Inventory Financed by Vendors -- TTM	58	<b>79</b>	75.25	9.59	129.50	1,418.77
Inventory Turnover (annualized) -- Current Quarter	53	<b>82</b>	5.81	0.43	8.04	49.51
Inventory Turnover -- TTM	49	<b>82</b>	6.37	0.71	7.67	56.06
Days Sales in Inventory	53	<b>82</b>	62.86	7.37	45.43	839.45
Inventory to Working Capital	59	<b>82</b>	1.41	(11.78)	0.70	11.13
Accounts Payable Turnover (annualized) -- Current Quarter	32	<b>79</b>	7.72	1.07	6.76	26.20
Accounts Payable Turnover -- TTM	33	<b>79</b>	7.20	1.06	6.34	23.57
<b>Leverage &amp; debt coverage:</b>						
Total Debt to Equity Ratio	N/A	<b>68</b>	N/A	0.00	0.42	3.94
Debt to Tangible Equity Ratio	N/A	<b>63</b>	N/A	0.00	0.49	5.37
Total Debt to Assets Ratio	52	<b>73</b>	0.31	0.00	0.21	2.14
Short-Term Debt % of Total Debt	12	<b>70</b>	13.41	0.00	60.67	100.00
Short-Term Debt % of Working Capital	26	<b>73</b>	33.18	(2,618.36)	73.52	3,385.46
Liabilities to Net Worth Ratio	N/A	<b>73</b>	N/A	0.11	0.99	14.20
Total Liabilities to Equity Ratio	N/A	<b>79</b>	N/A	0.10	0.93	6.84
TTM = trailing 12 months N/A = Not Available		<b>Green - Ranked in Upper Quartile of Peer Group</b> <b>White - Ranked in the Middle Two Quartiles of Peer Group</b> <b>Red - Ranked in Lower Quartile of Peer Group</b> Grey - Data is Not Available				

...need more depth? Annual Operating Cashflow

In a bad long-term trend

Statement of Cash Flows - Annual - Detailed					
(Thousands of U.S. Dollars)					
Period Ended	12 mos 12/31/2010	12 mos 12/31/2009	12 mos 12/31/2008	12 mos 12/31/2007	12 mos 12/31/2006
			Reclassified 12/31/2009	Reclassified 12/31/2009	Reclassified 12/31/2007
<b>Cash Flows from Operating Activities:</b>					
Net Income	(\$687,000)	(\$209,000)	(\$442,000)	\$678,000	(\$601,000)
Depreciation	378,000	427,000	500,000	785,000	1,195,000
Loss (earnings) from discontinued operat	12,000	(17,000)	(285,000)	(884,000)	(203,000)
Extraordinary	0	(6,000)	0	0	n/a
Sales of Businesses	(8,000)	(100,000)	(14,000)	(157,000)	(65,000)
Loss on early extinguishment of debt	102,000	0	n/a	n/a	n/a
Non Cash Restructuring Costs	635,000	28,000	801,000	336,000	138,000
Provision for deferred income taxes	(91,000)	(99,000)	16,000	54,000	(137,000)
Receivables	118,000	363,000	148,000	161,000	163,000
Inventories	(28,000)	276,000	(20,000)	108,000	292,000
Decrease in liabilities excluding borrow	(580,000)	(821,000)	(720,000)	(624,000)	122,000
Other items net	(70,000)	22,000	(112,000)	(92,000)	(219,000)
Net cash (used in) provided by disc. op.	n/a	0	296,000	(37,000)	271,000
<b>Cash from Operating Activities</b>	<b>(219,000)</b>	<b>(136,000)</b>	<b>168,000</b>	<b>328,000</b>	<b>956,000</b>
<b>Cash Flows from Investing Activities:</b>					
Capital Expenditures	(149,000)	(152,000)	(254,000)	(259,000)	(335,000)
Sales of Businesses	32,000	156,000	92,000	227,000	178,000
(Investments in) distributions from unco	n/a	n/a	n/a	n/a	(19,000)
Acquisitions	0	(17,000)	(38,000)	(2,000)	(3,000)
Restricted Cash	1,000	(12,000)	0	0	n/a
Sale of Marketable Securities	74,000	39,000	162,000	166,000	133,000
Purchase of Marketable Securities	(70,000)	(36,000)	(150,000)	(173,000)	(135,000)
Net cash provided by discontinued operat	n/a	0	0	2,449,000	(44,000)
<b>Cash from Investing Activities</b>	<b>(112,000)</b>	<b>(22,000)</b>	<b>(188,000)</b>	<b>2,408,000</b>	<b>(225,000)</b>
<b>Cash Flows from Financing Activities:</b>					
Proceeds from Other Borrowings	503,000	712,000	140,000	163,000	765,000
Debt issuance costs	(12,000)	(30,000)	0	0	0
Repayment of borrowings	(565,000)	(649,000)	(446,000)	(1,363,000)	(1,568,000)
Dividends to shareholders	0	0	(139,000)	(144,000)	(144,000)
Exercise of employee stock options	n/a	0	0	6,000	0
Stock repurchases	0	0	(301,000)	0	n/a
Discontinued Operations	0	0	0	44,000	0
<b>Cash from Financing Activities</b>	<b>(74,000)</b>	<b>33,000</b>	<b>(746,000)</b>	<b>(1,294,000)</b>	<b>(947,000)</b>
<b>Foreign Exchange Effects</b>	<b>5,000</b>	<b>4,000</b>	<b>(36,000)</b>	<b>36,000</b>	<b>20,000</b>
<b>Net Change in Cash</b>	<b>(400,000)</b>	<b>(121,000)</b>	<b>(802,000)</b>	<b>1,478,000</b>	<b>(196,000)</b>
<b>Net Cash - Beginning Balance</b>	<b>2,024,000</b>	<b>2,145,000</b>	<b>2,947,000</b>	<b>1,469,000</b>	<b>1,665,000</b>
<b>Net Cash - Ending Balance</b>	<b>\$1,624,000</b>	<b>\$2,024,000</b>	<b>\$2,145,000</b>	<b>\$2,947,000</b>	<b>\$1,469,000</b>

Finally, in the MD&A issued in November the CEO and CFO tell us that the company's ability to fund operations depends mainly on its ability to sell or license its imaging patent portfolio... fast... ...and then in January they file for bankruptcy.

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*From MD&A section, period ending 9/30/2011, filed 11/03/2011:*

#### LIQUIDITY AND CAPITAL RESOURCES

If the Company is unable to sell its digital imaging patent portfolio at an appropriate price, it will pursue additional licensing opportunities related to that patent portfolio. Additionally, if liquidity needs require, the Company could slow its rate of investment in its digital growth initiatives and/or pursue the sale of certain of its cash generating businesses that have leading market positions in large markets. The Company's ability to continue its operations, including the Company's ability to fund working capital, capital investments, scheduled interest and debt repayments, restructuring payments, and employee benefit plan payments or required plan contributions, within the next twelve months is dependent upon the ability to monetize its digital imaging patent portfolio through a sale or licensing of the relevant patents and/or the successful execution of the alternative actions, which could include the issuance of additional debt, listed above. There is uncertainty regarding whether the Company can, and the Company can provide no assurance that it will, successfully execute the actions listed above.