

EXHIBIT 3
EASTMAN KODAK'S REGULATION G RECONCILIATION DISCLOSURE

Year-over-Year Comparison of Reported and Operational Earnings (Amounts in millions of dollars)

	1q03 as Reported	Excluded Items	1q03 Operational	1q02 ^a
Sales	\$2,740		\$2,740	\$2,706
CGS	1,916	14 ^b	1,902	1,846
Gross Profit	824		838	860
SG&A	566	12 ^c	554	540
R&D	194	21 ^d	173	187
Restructuring Costs and Other	32	32 ^e	-	-
EFO	32		111	133
Interest Expense	(37)		(37)	(44)
Other Income/Charges	(21)		(21)	(31)
Below EFO	(58)		(58)	(75)
Earnings (Loss) Before Taxes	(26)		53	58
(Benefit) Provision for Taxes	(23)	37 ^f	14	17
Earnings (Loss), Continuing Operations	(3)		39	41
Earnings (Loss), Discontinued Operations	15			(2)
Net Earnings	\$12			\$39
Diluted EPS, Continuing Operations	(\$0.01)		\$0.14	\$0.14
Diluted EPS	\$0.04			\$0.13

Items excluded from earnings from continuing operations on an operational basis

a. No excluded items in 1q02.

b. Accelerated depreciation in connection with focused cost reductions of \$14 million.

c. Intellectual property settlement of \$12 million.

d. Charge for in-process R&D of \$21 million.

e. Charge for focused cost reductions of \$32 million.

f. Tax benefit for donation of intellectual property of \$8 million and the tax impacts associated with the above-mentioned excluded items.