

# Eastman Kodak 1Q loss widens

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(AP) -- Eastman Kodak Co. said Friday that its first-quarter loss widened on hefty charges related to its reorganization under bankruptcy protection and a drop in sales.

The Rochester, N.Y.-based company, which filed for bankruptcy protection in January, said its net loss swelled to \$366 million, or \$1.35 per share, for the January-March period. In the year-ago period, it lost \$246 million, or 91 cents per share.

Revenue fell 27 percent to \$965 million, partially as a result of the company's decision to stop selling digital cameras and focus on its other businesses and lower demand for its traditional products. The company also lost \$61 million in revenue related to a tax refund sharing agreement for intellectual property licensees.

At the same time, selling, general and administrative expenses dropped 27 percent to \$227 million, as Kodak cut spending for unprofitable business lines and consolidated its operations into two business segments.

Kodak noted that profitability improved, at least somewhat, at its two remaining businesses.

Losses at the company's [consumer business](#) fell to \$164 million from \$187 million a year ago on cost cuts and a jump in demand for ink used in inkjet photo printers. Meanwhile, losses at Kodak's commercial business totaled \$64 million, down from \$67 million, as a result of lower operating costs, the company said.

"Kodak is focusing on its opportunities, reducing costs, and fine-tuning the balance between liquidity and growth to enable the enterprise to emerge from its Chapter 11 restructuring in 2013 as a leaner, stronger, and sustainable business," Antonio Perez, Kodak's chairman and chief executive, said in a statement.

Kodak, founded in 1880, filed for [bankruptcy protection](#) in January after being hurt first by Japanese competition and then by its inability to keep pace with the shift from film to [digital technology](#) over the past decade.

The company subsequently announced plans to stop making digital cameras, pocket [video cameras](#) and digital picture frames, saying that it sees home photo printers, high-speed commercial inkjet presses, workflow software and packaging as the core of its future business.

Since 2005, Kodak has poured hundreds of millions of dollars into new lines of inkjet printers. Once the [digital camera](#) business is phased out, Kodak said its consumer business will focus on printing and it will seek a company to license its digital camera brand.

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