

EASTMAN KODAK CO
Form POS AM
November 01, 2004
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As filed with the Securities and Exchange Commission on November 1, 2004

Registration No. 333-111726

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

POST-EFFECTIVE AMENDMENT NO. 10

TO

FORM S-3

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

EASTMAN KODAK COMPANY

(Exact name of registrant as specified in its charter)

New Jersey
(State or other jurisdiction of incorporation or organization)

16-0417150
(I.R.S. Employer Identification No.)

343 State Street

Rochester, New York 14650

(585) 724-4000

(Address, including zip code, and telephone number, including area)

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code, of registrant s principal executive offices)

Gary P. Van Graafeiland

Senior Vice President and General Counsel

Eastman Kodak Company

343 State Street

Rochester, New York 14650-0218

(585) 724-4332

(Name, address, including zip code, and telephone
number, including area code, of agent for service)

Copy to:

John H. Newman

Sidley Austin Brown & Wood LLP

787 Seventh Avenue

New York, New York 10019

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

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The information in this prospectus is not complete and may be changed. The selling securityholders may not use this prospectus to sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion

Preliminary Prospectus Dated November 1, 2004

PROSPECTUS

Eastman Kodak Company

\$575,000,000 3.375% Convertible Senior Notes due 2033 and Common Stock Issuable Upon Conversion of the Notes

On October 10, 2003, we issued and sold in a private offering \$575,000,000 aggregate principal amount of our 3.375% Convertible Senior Notes due 2033, which we refer to as the notes, to certain initial purchasers, which we refer to as the initial purchasers. The initial purchasers have advised us that they resold their notes to qualified institutional buyers in accordance with Rule 144A under the Securities Act of 1933. The notes and the shares of our common stock issuable upon conversion of the notes that are offered for resale in this prospectus are offered for the accounts of their current holders, which we refer to as the selling securityholders. We will not receive any of the proceeds from the sale by the selling securityholders of the notes or the shares of our common stock issuable upon conversion of the notes.

The notes bear interest at the rate of 3.375% per year. Interest on the notes will be payable on April 15 and October 15 of each year, beginning on April 15, 2004.

The notes are convertible by holders into shares of our common stock at an initial conversion rate of 32.2373 shares of our common stock per \$1,000 principal amount of notes (subject to adjustment in certain events), which is equal to an initial conversion price of \$31.02 per share, under the following circumstances: (1) during any calendar quarter, if the price of our common stock issuable upon conversion reaches specified thresholds during the previous calendar quarter as described in this prospectus, (2) during any five consecutive trading day period following any 10 consecutive trading day period in which the trading price of a note for each day of such period is below a specified percentage of the conversion value and the conversion value for each day of such period is below a specified percentage of the principal amount of a note as described in this prospectus, (3) if we call the notes for redemption, (4) upon the occurrence of specified corporate transactions described in this prospectus or (5) during any period in which either of the credit ratings assigned to the notes are below the levels described in this prospectus.

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The notes will mature on October 15, 2033. We may redeem some or all of the notes at any time on or after October 15, 2010. The redemption prices are described under the caption "Description of the Notes - Optional Redemption."

The notes are unsecured and rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. Holders will have the right to require us to purchase their notes at a purchase price equal to 100% of the principal amount of the notes plus accrued and unpaid interest, including additional amounts, if any, on October 15, 2010, October 15, 2013, October 15, 2018, October 15, 2023 and October 15, 2028 or upon a fundamental change as described in this prospectus.

We have not applied for listing of the notes on any securities exchange or for quotation through any automated quotation system. The notes are currently trading in the Private Offerings, Resale and Trading Through Automated Linkages (PORTAL) market of the National Association of Securities Dealers, Inc. Notes sold by means of this prospectus will not be eligible for trading in the PORTAL market. Our common stock is listed on the New York Stock Exchange under the symbol "EK." The last reported sales price of our common stock on the New York Stock Exchange on October 29, 2004 was \$30.28 per share.

Investing in the notes and the common stock issuable upon conversion of the notes involves risks. See "Risk Factors" beginning on page 11.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2004

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You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone else to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. This prospectus may only be used where it is legal to sell these securities. You should assume that the information in this prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition and results of operations may have changed since those dates. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities other than the securities described in this prospectus or an offer to sell or a solicitation of an offer to buy any of the securities offered hereby in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction.

In this prospectus, the Company, we, us, and our refer to Eastman Kodak Company.

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WHERE YOU CAN FIND MORE INFORMATION

We file reports, proxy statements and other information with the SEC. You may read and copy any document we file with the SEC at the SEC's public reference room located at 450 Fifth Street, N.W., Washington, D.C. 20549. You may obtain further information regarding the operation of the SEC's public reference room by calling the SEC at 1-800-SEC-0330. Our filings are also available to the public on the SEC's website located at <http://www.sec.gov>. Our SEC filings are also available free of charge from our website at www.kodak.com. The website addresses provided herein are not intended to be active links. Information contained on our website or any other website is not incorporated by reference into this prospectus and does not constitute a part of this prospectus. You may also inspect our SEC reports, proxy statements and other information concerning us at the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005.

We are incorporating by reference into this prospectus information we file with the SEC, which means that we are disclosing important information to you by referring you to those documents. The information we incorporate by reference is considered to be part of this prospectus, unless we update or supersede that information by the information contained in this prospectus or the information we file subsequently that is incorporated by reference into this prospectus. We are incorporating by reference the following documents that we have filed with the SEC, other than any information in these documents that is deemed not to be filed with the SEC:

our Annual Report on Form 10-K for the fiscal year ended December 31, 2003;

our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2004;

our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2004;

our Current Report on Form 8-K filed on May 14, 2004;

our Current Report on Form 8-K filed on June 3, 2004;

our Current Report on Form 8-K filed on September 10, 2004;

our Current Report on Form 8-K filed on September 16, 2004;

our Current Report on Form 8-K filed on October 5, 2004;

our Current Report on Form 8-K filed on October 14, 2004;

our Current Report on Form 8-K filed on October 21, 2004; and

our Current Report on Form 8-K filed on October 27, 2004.

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We also incorporate by reference into this prospectus any filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (other than information in the filings that is deemed to have been furnished and not filed) after the initial filing of the registration statement that contains this prospectus and before termination of this offering.

You may obtain without charge a copy of any of the documents we incorporate by reference, except for exhibits to such documents which are not specifically incorporated by reference into such documents, by contacting us at Eastman Kodak Company, 343 State Street, Rochester, New York 14650-0218, Attention: Sharon E. Underberg, Assistant Secretary. You may also telephone your request to Ms. Underberg at (585) 781-5824.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this prospectus and the documents incorporated 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 revenue, cash flow expectations, debt reductions and future focused cost reductions are forward-looking statements.

Actual results may differ from those expressed or implied in forward-looking statements. 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. The forward-looking statements contained in this prospectus and the documents incorporated by reference are subject to a number of factors and uncertainties, including:

the successful

implementation of our digitally-oriented growth strategy;

implementation of our recently announced three-year cost reduction program;

implementation of our debt reduction plans;

implementation of product strategies (including digital products, category expansion, digitization, and organic light emitting diode (OLED) displays);

implementation of intellectual property licensing strategies;

development and implementation of e-commerce strategies;

completion of information systems upgrades, including SAP, our enterprise system software;

completion of various portfolio actions;

reduction of inventories;

integration of newly acquired businesses;

reduction in capital expenditures;

improvement in receivables performance;

improvement in manufacturing productivity and techniques;

improvement in supply chain efficiency;

implementation of future focused cost reductions, including personnel reductions; and

development of our business in emerging markets like China, India, Brazil, Mexico and Russia;

inherent unpredictability of currency fluctuations and raw material costs;

competitive actions, including pricing;

the nature and pace of technology evolution, including the analog-to-digital transition;

continuing customer consolidation and buying power;

current and future proposed changes to tax laws, as well as other factors which could adversely impact our effective tax rate in the future;

general economic, business, geopolitical, regulatory and public health conditions;

market growth predictions; and

other factors and uncertainties disclosed from time to time in our filings with the SEC.

Our Annual Report on Form 10-K for the fiscal year ended December 31, 2003, incorporated by reference in this prospectus (see [Where You Can Find More Information](#)), contains an expanded discussion of the above factors and uncertainties to which forward-looking statements in this prospectus and the documents incorporated by reference herein are subject. Any forward looking statements in this prospectus and the documents incorporated by reference should be evaluated in light of these important factors and uncertainties as well as the risk factors and other cautionary information contained in this prospectus.

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SUMMARY OF INFORMATION

The following summary highlights selected information contained or incorporated by reference in this prospectus. The summary does not contain all of the information that may be important to you or that you should consider when making an investment decision. You should carefully read the summary together with the more detailed information that is contained and incorporated by reference in the rest of this prospectus.

THE COMPANY

We are the leader in helping people take, share, print and view images for information and for entertainment. We are a major participant in infoimaging a \$385 billion industry composed of devices (digital cameras and flat-panel displays), infrastructure (online networks and delivery systems for images) and services and media (software, film and paper) enabling people to access, analyze and print images. Our traditional products and services are sold directly to retailers and through distributors throughout the world. A significant portion of our digital equipment and solutions is sold direct to end-users with the balance sold through original equipment manufacturers (OEMs). On August 21, 2003, we announced an organizational realignment which, effective January 1, 2004, changed our corporate segment reporting structure. Our new reporting structure is described below.

Reportable Segments

Digital and Film Imaging Systems Segment (68% of Revenues for the Six-Month Period Ended June 30, 2004)

Our Digital and Film Imaging Systems segment includes digital and traditional product offerings for consumers, professional photographers and the entertainment industry. This segment combines digital and traditional photography and photographic services in all its forms, including consumer, advanced amateur, professional, and motion picture. We manufacture and market films (consumer, professional and motion picture), photographic papers, processing services, photofinishing equipment, photographic chemicals and cameras (including one-time-use, traditional and digital). We have also developed products that bridge traditional silver halide and digital products. Product and service offerings include kiosks, printer docks, consumer digital services and inkjet media. In addition, other digitization options have been created to stimulate more pictures in use, adding to the consumption of film and paper. These products serve amateur photographers, as well as professional, motion picture and television customers. Through Ofoto, Inc., we have also accelerated our growth in the online photography market and helped drive more rapid adoption of digital and online services.

On September 7, 2004, as part of our efforts to deal with continued deterioration in overnight photofinishing volume in France, we announced plans to close five overnight photofinishing laboratories in France and to transfer their manufacturing operations to our six remaining French laboratories. On September 13, 2004, as part of our efforts to deal effectively with the continued worldwide volume decline in traditional photography products, we announced plans to close our manufacturing operations and wholesale photofinishing laboratory in Coburg, Australia. On September 29, 2004, as part of the same efforts, we announced plans to close our graphics film sensitizing operations in Harrow, United Kingdom, close our manufacturing plant in Annesley, United Kingdom, and cease production of consumer film and color photographic paper in Chalon-sur-Saone, France. In addition, on October 25, 2004, as part of the same efforts, we announced plans to close three overnight photofinishing laboratories in Spain and Norway and to downsize a laboratory in Switzerland.

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Health Imaging Segment (20% of Revenues for the Six-Month Period Ended June 30, 2004)

Analog and digital products and services of our Health Imaging segment enable healthcare customers (e.g., hospitals, imaging centers, etc.) to capture, process, integrate, archive and display images and information in a variety of forms. These products and services provide intelligent decision support through the entire patient pathway from research to detection to diagnosis to treatment. Our Health Imaging segment also provides products and services that help customers improve workflow and productivity in their facilities, which in turn helps them enhance the quality and productivity of healthcare delivery.

Traditional products of our Health Imaging segment include analog medical films, chemicals, and processing equipment, and our history has both made us a leader in this area and has served as the foundation for

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building our important digital imaging business. Health Imaging provides digital medical imaging and information products, systems and solutions, including digital print films, laser imagers, computed and digital radiography systems, and Healthcare Information Systems (HCIS). Our Health Imaging segment serves the general radiology market and specialty health markets, including dental, mammography and oncology. With our recent acquisition of PracticeWorks, Inc., we are positioned to offer choices within a full spectrum of dental imaging products traditional and digital and services providing innovative information technology to dental professionals. This segment also provides molecular imaging for the biotechnology research market.

Commercial Imaging Segment (6% of Revenues for the Six-Month Period Ended June 30, 2004)

Our Commercial Imaging segment encompasses our business of providing imaging capture and solutions, analysis, printing and archiving, and optics. Markets for the segment include industrial, banking and insurance applications. Products include high-speed production document scanners, micrographic peripherals, aerial and industrial films, and optics and optical systems. This segment also provides maintenance and professional services for our products as well as those of other manufacturers and provides imaging services to customers. On August 13, 2004, we announced that we completed the sale of the assets and business of our Remote Sensing Systems operation, including the stock of our wholly owned subsidiary Research Systems, Inc., to ITT Industries, Inc. as part of our efforts to further align our product portfolio with our business strategy.

On September 20, 2004, we announced that we will begin to take actions that will result in the repositioning of the management and product lines of our Commercial Imaging segment into our other segments. We expect that this repositioning will take effect on January 1, 2005. The intent of this repositioning is to manage more effectively the remaining product lines of the current Commercial Imaging segment and to better serve our customers.

Graphic Communications Segment (5% of Revenues for the Six-Month Period Ended June 30, 2004)

Our Graphic Communications segment is comprised of our investment in Kodak Polychrome Graphics, Kodak Versamark, NexPress, and our graphics and wide-format inkjet businesses. Products include high-speed digital printing equipment, wide-format inkjet printers, inks, media and services, and graphic films. On January 5, 2004, we acquired the assets of Scitex Digital Printing (now Kodak Versamark), the world leader in high-speed, variable data inkjet printing systems, from Scitex Corporation Ltd. Through this acquisition, we plan to accelerate our participation in the growing digital commercial printing equipment market. On May 1, 2004, we acquired two lines of business and a subsidiary from Heidelberger Druckmaschinen AG, which we refer to as Heidelberg. We purchased Heidelberg's 50% interest in NexPress Solutions LLC, a 50/50 joint venture of Kodak and Heidelberg that makes digital color printing systems. We also purchased the equity of Heidelberg Digital L.L.C., a leading maker of digital black-and-white printing systems. In addition, we acquired NexPress GmbH, Heidelberg's German subsidiary, and certain inventory and assets held by Heidelberg's regional operations, or market centers, and we offered employment to sales and service employees with those market centers. Through the Heidelberg acquisitions, we are further accelerating our participation in the digital commercial printing equipment market and diversifying our business portfolio.

All Other

All Other consists primarily of our components group, which represents our diversification into high-growth product areas that are consistent with our historical strengths in imaging science. Our components group is comprised of our display business and the imaging sensor solutions business. Products of this group include organic light emitting diode (OLED) displays and imaging sensor solutions.

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On September 25, 2003, recognizing that demand for our traditional products is declining, especially in developed markets, we announced plans to emphasize digital technology to expand into a range of commercial businesses in order to create a more balanced and diversified business portfolio. For more information regarding this and other recent developments with respect to our business, see [Recent Developments](#) below.

Table of Contents**Research & Development**

Our research and development expenditures for each of our reportable segments were as follows:

Segment	For the	For the Year		
	Six Months	Ended December 31,		
	Ended June 30, 2004	2003	2002	2001
			(in millions)	
Digital and Film Imaging Systems Segment	\$ 197	\$ 481	\$ 513	\$ 542
Health Imaging Segment	95	178	152	152
Commercial Imaging Segment	6	23	30	33
Graphic Communications Segment	46	23	29	23
All Other	65	70	33	27
Total	\$ 409	\$ 775	\$ 757	\$ 777

The downward trend in research and development expenditures in the Digital and Film Imaging Systems and Commercial Imaging segments and the upward trend in the Health Imaging segment and All Other reflect the shift in strategic focus from traditional products, such as color negative film and paper and color reversal films, to digital product areas, such as display technology, including OLED, digital medical imaging, software and digital printing.

Recent Developments*Digitally-Oriented Strategy Announced*

On September 25, 2003, recognizing that demand for our traditional products is declining, especially in developed markets, we announced plans to emphasize digital technology to expand into a range of commercial businesses in order to create a more balanced and diversified business portfolio while accelerating the implementation of our existing digital product strategies in the consumer markets. Actions to be taken in connection with these plans include cutting costs and managing our traditional consumer film and paper businesses for cash and manufacturing share; refocusing our research and development expenditures; accelerating investments in commercial markets; and acquiring other companies and technology to broaden our portfolio of digital products and services. On August 13, 2004, as part of our efforts to further align our product portfolio with our business strategy, we announced that we completed the sale of the assets and business of our Remote Sensing Systems operation, including the stock of our wholly owned subsidiary Research Systems, Inc., to ITT Industries, Inc. On September 7, 2004, as part of our efforts to deal with continued deterioration in overnight photofinishing volume in France, we announced plans to close five overnight photofinishing laboratories in France and to transfer their manufacturing operations to our six remaining French laboratories. On September 13, 2004, as part of our efforts to deal effectively with the continued worldwide volume decline in traditional photography products, we announced plans to close our manufacturing operations and wholesale photofinishing laboratory in Coburg, Australia. On September 29, 2004, as part of the same efforts, we announced plans to close our graphics film sensitizing operations in Harrow, United Kingdom, close our manufacturing plant in Annesley, United Kingdom, and cease production of consumer film and color photographic paper in Chalon-sur-Saone, France. In addition, on

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October 25, 2004, as part of the same efforts, we announced plans to close three overnight photofinishing laboratories in Spain and Norway and to downsize a laboratory in Switzerland.

We plan to center our growth efforts on three broad markets: the commercial market, the consumer market and the health market. Our commercial initiatives include developing commercial imaging services for business customers, such as on-demand digital color printing. Our consumer initiatives include accelerating the growth of our

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EasyShare digital camera business and increasing the printing of pictures at home, from home or at retail. Our health initiatives involve gaining more market share in the digital capture of medical images and building an information services business that takes full advantage of the convergence of images and information technology. In connection with these growth efforts, we recently acquired PracticeWorks Inc., which allows us to offer choices within a full spectrum of dental imaging products and services that provide innovative information technology to dental professionals. In addition, we recently acquired the assets of Scitex Digital Printing and two lines of business and a subsidiary from Heidelberg. Through these acquisitions, we are accelerating our participation in the growing digital commercial printing equipment market.

We plan to reinforce our foundation in consumer, medical, entertainment and professional film imaging products and services by continuing to cut costs and by managing the consumer film and paper businesses for cash and manufacturing share. We plan to use the cash generated by our traditional businesses to strengthen our share of the commercial, consumer and health markets, and to reduce debt. Thereafter, we plan to use our brand and technology to build new businesses in such markets as commercial workflow management, mobile imaging and flat-panel and flexible film displays, among others.

In order to achieve our goals, we will need to maintain financial flexibility while taking advantage of the cash-generation capability of our traditional businesses. To this end, on September 24, 2003 our board of directors reduced the semi-annual dividend that we paid on our common stock on December 12, 2003 to \$0.25 per share (\$0.50 annually) from the semi-annual dividend payment of \$0.90 per share (\$1.80 annually) paid in July 2003. On May 12, 2004, our board of directors declared a semi-annual dividend of \$0.25 per share that was paid on July 15, 2004. On October 19, 2004, our board of directors declared a semi-annual dividend of \$0.25 per share that will be paid on December 14, 2004.

Ratings Downgrade

On September 25, 2003, Standard & Poor's Ratings Services downgraded our long-term credit rating to BBB- and our short-term credit rating to A-3, each with a stable outlook, and removed us from CreditWatch. On November 26, 2003, Standard & Poor's Ratings Services revised our outlook to negative from stable and affirmed our ratings. On October 21, 2004, Standard & Poor's Ratings Services placed us on CreditWatch with negative implications. On September 19, 2003, Moody's Investor Services, Inc. downgraded our long-term credit rating to Baa3 and our short-term credit rating to Prime-3, each with a negative outlook. On August 11, 2003, Fitch, Inc. downgraded our long-term credit rating to BBB- and our commercial paper rating (short-term credit rating) to F3, each with a negative outlook.

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SUMMARY OF THE OFFERING

For a more complete description of the terms of the notes and the common stock issuable upon conversion of the notes, see Description of the Notes and Description of Our Common Stock.

Issuer	Eastman Kodak Company
Issue Price	100%
Notes Offered	\$575,000,000 aggregate principal amount of 3.375% Convertible Senior Notes due 2033.
Maturity	October 15, 2033
Interest	3.375% per year on the principal amount, payable semiannually in arrears on each April 15 and October 15, beginning on April 15, 2004.

We will also pay to the selling securityholders additional amounts, if any, on their notes and shares of our common stock issued upon conversion of such notes in accordance with the registration rights agreement, under the circumstances described in this prospectus. Purchasers of notes in the offering made by this prospectus, and of shares of our common stock issued upon conversion of the notes, will not be entitled to receive additional amounts. See Registration Rights and Description of the Notes Registration Rights.

Ranking	The notes are unsecured and rank equally in right of payment with all of our other existing and future unsecured and unsubordinated indebtedness. The notes are effectively subordinated to existing and future indebtedness and other liabilities of our subsidiaries.
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Conversion Rights	<p> Holders may convert their notes, in whole or in part, into shares of our common stock only under the following circumstances:</p>
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- (1) during any calendar quarter (and only during such calendar quarter), beginning with the quarter ended March 31, 2004, if the last reported sale price of our common stock for at least 20 trading days, whether or not consecutive, during the period of 30 consecutive trading days ending on the last trading day of the previous calendar quarter, is greater than or equal to 120% of the applicable conversion price per share of our common stock on such last trading day,
- (2) during any five consecutive trading day period following any 10 consecutive trading day period in which (1) the trading price of a note for each day of such period was less than 105% of the conversion value, as each term is described herein, and (2) the conversion value for each day of such period was less than 95% of the principal amount of a note,

- (3) if the notes have been called for redemption (but only those notes so called),
- (4) upon the occurrence of specified corporate transactions described under Description of the Notes Conversion

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Rights Conversion Upon Specified Corporate Transactions, and

- (5) during any period in which the credit rating assigned to the notes by either Moody's or S&P is lower than Ba2 or BB, respectively, or the notes are no longer rated by at least one of these rating services or their successors.

For each \$1,000 principal amount of notes surrendered for conversion, you will receive 32.2373 shares of our common stock. This represents an initial conversion price of \$31.02 per share of common stock. As described in this prospectus, the conversion rate may be adjusted for certain reasons, but it will not be adjusted for accrued and unpaid interest. Except as otherwise described in this prospectus, you will not receive any payment representing accrued and unpaid interest upon conversion of a note. Notes called for redemption may be surrendered for conversion prior to the close of business on the second business day immediately preceding the redemption date.

Optional Redemption

Prior to October 15, 2010, the notes will not be redeemable. On or after October 15, 2010, we may redeem for cash all or part of the notes at any time and from time to time, upon not less than 30 nor more than 60 days' notice before the redemption date by mail to the trustee under the indenture under which the notes have been issued, the paying agent and each holder of notes, for a price equal to 100% of the principal amount of the notes to be redeemed plus any accrued and unpaid interest, including additional amounts owed, if any, to, but excluding, the redemption date. See Description of the Notes Optional Redemption.

Purchase of Notes by Us at the Option of the Holder

Holder have the right to require us to purchase all or any portion of their notes for cash on October 15, 2010, October 15, 2013, October 15, 2018, October 15, 2023 and October 15, 2028. In each case, we will pay a purchase price equal to 100% of the principal amount of the notes to be purchased plus any accrued and unpaid interest, including additional amounts owed, if any, to, but excluding, such purchase date. See Description of the Notes Purchase of Notes by Us at the Option of the Holder.

Fundamental Change

If we undergo a Fundamental Change (as defined under Description of the Notes Fundamental Change Requires Purchase of Notes by Us at the Option of the Holder) prior to maturity, holders will have the right, at their option, to require us to purchase for cash all of their notes or any portion of the principal amount thereof that is equal to \$1,000 or an integral multiple of \$1,000. The cash price we are required to pay is equal to 100% of the principal amount of the notes to be purchased plus accrued and unpaid interest, including additional amounts owed, if any, to, but excluding, the Fundamental Change purchase date. See Description of the Notes Fundamental Change Requires Purchase of Notes by Us at the Option of the Holder.

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Significant Covenants	<p>The notes have been issued under an indenture that contains certain restrictive covenants for your benefit. The covenants, which are described under Description of the Notes, restrict our ability, with certain exceptions, to:</p> <p style="padding-left: 40px;">incur certain debt secured by liens, without equally and ratably securing the notes;</p> <p style="padding-left: 40px;">engage in certain sale and leaseback transactions; and</p> <p style="padding-left: 40px;">merge, consolidate or transfer substantially all of our assets.</p>
Registration Rights	<p>Pursuant to a registration rights agreement that we entered into in connection with the private offering of the notes in October 2003, we have filed a shelf registration statement under the Securities Act of 1933, of which this prospectus is a part, relating to the resale of the notes and the common stock issuable upon conversion thereof. If the registration statement has not become effective within the time periods set forth in this prospectus, or if this prospectus is unavailable for longer periods of time than are set forth in this prospectus, we will be required to pay additional amounts to holders of notes (and the common stock issuable upon conversion thereof) that have not been sold in the offering made by this prospectus. Investors who purchase notes or shares of common stock from selling securityholders in this offering will not be entitled to any rights under the registration rights agreement (including the right to receive any additional amounts payable by us). See Description of the Notes Registration Rights.</p>
Use of Proceeds	<p>We will not receive any of the proceeds from the sale by the selling securityholders of the notes or the common stock issuable upon conversion of the notes.</p>
Trustee, Paying Agent and Conversion Agent	<p>The Bank of New York</p>
Risk Factors	<p>You should consider carefully all of the information set forth in this prospectus and, in particular, you should evaluate the specific factors set forth under Risk Factors beginning on page 11, before deciding whether to invest in the notes.</p>
Governing Law	<p>The indenture and the notes are governed by, and are to be construed in accordance with, the laws of the State of New York.</p>
Book-Entry Form	<p>The notes were issued in book-entry form and are represented by permanent global certificates without interest coupons deposited with, or on behalf of, The Depository Trust Company (DTC) and registered in the name of a nominee of DTC. Beneficial interests in any of the notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee and any such interest may not be exchanged for certificated notes, except in limited circumstances.</p>

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Trading

The notes will not be listed on any securities exchange or included in any automated quotation system. No assurance can be given as to the development or liquidity of any trading market for the notes. The notes originally issued and sold in the private offering are trading in the PORTAL market. However, notes sold pursuant to this prospectus will no longer be eligible for trading in the PORTAL market. Our common stock is listed on the New York Stock Exchange under the symbol EK.

Table of Contents**SUMMARY CONSOLIDATED FINANCIAL INFORMATION**

The following table sets forth summary consolidated financial information and other data with respect to each of the fiscal years in the three-year period ended December 31, 2003, as well as for the six-month periods ended June 30, 2004 and 2003. The summary consolidated financial information as of and for the six-month periods ended June 30, 2004 and 2003 are derived from our unaudited consolidated financial statements which, in our opinion, include all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of such information. When you read this summary consolidated financial information and other data, you should also read the historical consolidated financial statements and accompanying notes that we have included in our Current Report on Form 8-K filed with the SEC on May 14, 2004, which includes the financial results from our Annual Report on Form 10-K for the fiscal year ended December 31, 2003 as revised for the discontinued operation and change in our segment reporting structure, each of which was first reflected in our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2004. In addition, you should read Management's Discussion and Analysis of Financial Condition and Results of Operations in our Current Report on Form 8-K filed with the SEC on May 14, 2004 and our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2004. You can obtain these reports by following the instructions we provide under Where You Can Find More Information. The results for the six months ended June 30, 2004 are not necessarily indicative of the results that may be achieved for the full year ending December 31, 2004.

	As of or for the		As of or for the Year Ended		
	Six Months		December 31,		
	Ended June 30,		December 31,		
	2004	2003	2003	2002	2001
(in millions)					
Statement of Earnings Data:					
Net sales	\$ 6,388	\$ 5,899	\$ 12,893	\$ 12,549	\$ 12,976
Cost of goods sold	4,461	4,002	8,715	8,022	8,488
Gross profit	1,927	1,897	4,178	4,527	4,488
Selling, general and administrative expenses	1,165	1,265	2,612	2,504	2,592
Research and development costs	409	371	775	757	777
Goodwill amortization					147
Restructuring costs and other	185	76	484	98	653
Earnings from continuing operations before interest, other charges, net, and income taxes	168	185	307	1,168	319
Interest expense and other charges, net	81	101	198	274	