

Analyzing an Income Statement

The net income of Kodak has decreased a bit; it appears that the company is more profitable. By conducting a side by side analysis from 2004 to 2003 the company has increased in current assets and decreased in total assets. It appears that the company went down in property, plant and equipment net as well as discontinued operations. So, despite the decrease in total assets it looks like the company has made a good decision.

The company has also decreased its total liabilities by about 4%. I believe this to be good because the short term borrowings and long term debt has decreased. To me, this means that the company is tightening their belt and paying off old debt.

Total shareholders' equity has down a little bit in dollars, but on the percentage level the company's percentage has gone up. I believe this is because the company issued \$104k more shares in 2004 than in 2003. The company has the same amount of shares outstanding in 2004 that it did in 2003 as well. Retained earnings on the stock have gone up in 2004 as well. I believe this is contributed by the more shares that have been issued.

I believe the profitability of the company is under good standings. They appear to be making the necessary adjustments in the company to stay with in a profitable income.