

August 12, 2008

Dear Customer,

Thank you for your patience and understanding while we performed the proper due diligence to determine the best path forward to address the cost pressures presented by the current economic conditions. Our intent is to offer you a choice of options to minimize the impact on your business and to provide you with the ability to manage your costs to suit your needs.

I will be contacting you within the next 10 business days to review the following options:

Option 1: Opt for a double-digit price increase on Color Negative Paper and Chemicals.

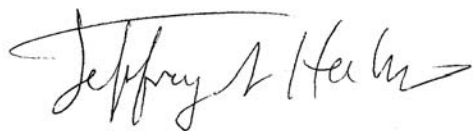
Option 2: Assume responsibility for inbound freight charges from Kodak on all orders regardless of size along with a modest mid single-digit price increase on Color Negative Paper and Chemicals.

Although we cannot speak to which is best for your business, we believe Option 2 is best positioned for most operations. Freight charges average 2-3% of invoice price for Pro Labs. Kodak is committed to offering you market based freight rates that vary according to the size of the order and enable you to manage your orders to mitigate the impact of freight charges. The target implementation date for these changes will be October 1, 2008.

Your business is very important to us and together; we strive to achieve our mutual success in today's challenging economy.

Thank you for your continued support of Kodak products and services!

Sincerely,

A handwritten signature in black ink that reads "Jeffrey Heehs". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jeff Heehs

Kodak