September 28, 2010

Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Via email: director@FASB.org

RE: File Reference No. 1790-100 - Proposed Accounting Standards Update, Statement of Comprehensive Income

Eastman Kodak Company ("Kodak") appreciates the opportunity to comment on the Financial Accounting Standards Board’s Proposed Accounting Standards Update, Statement of Comprehensive Income (the “Proposed ASU” or the “Proposal”).

Kodak supports the Board’s efforts to simplify and improve financial reporting through greater transparency and comparability, including efforts to converge U.S. Generally Accepted Accounting Principles (“U.S. GAAP”) and International Financial Reporting Standards (“IFRS”).

We believe, however, that comparability of a statement of comprehensive income can only be significantly improved when the accounting for components included within other comprehensive income is converged between IFRS and U.S. GAAP.

Kodak also believes that financial statement users generally utilize earnings per share (EPS), calculated using net income, as one of their primary measures of a company’s current performance. Therefore, we believe the amalgamation of the earnings (net income) and other comprehensive income measures into a continuous statement of comprehensive income is not reflective of the way that information is being used.

For these reasons, regardless of whether convergence in accounting for components of other comprehensive income ultimately occurs, we do not believe that a continuous statement of comprehensive income should be mandated. Rather, if the Board progresses with the Proposal, Kodak respectfully suggests allowing an option to present a statement of comprehensive income separate from a statement of operations (two-statement approach), with net income as a starting point, as an alternative to the continuous statement of comprehensive income mandated by the Proposed ASU. We feel the two-statement approach would achieve the Board’s objective of increasing the level of prominence of other comprehensive income, providing the same level of comparability and understandability, while retaining the prominence of the relationship between net income and EPS.

We have provided responses to the following 6 questions (shown in this letter in bold type) noted in the Proposed ASU.
Question 1: Do you agree that requiring a continuous statement of comprehensive income will improve the comparability, transparency, and understandability of financial statements such as relationships between changes in the statement of financial position, the components of other comprehensive income, and the components of net income in each period? If not, why not, and what changes would you suggest to the amendments in this proposed Update?

We do not agree that requiring a continuous statement of comprehensive income improves the comparability, transparency, or understandability of financial statements.

The Proposal would require companies to present the components of net income and other comprehensive income consistently. However, comparability is only achieved if the items reported within other comprehensive income are accounted for in a consistent manner. As differences remain between U.S. GAAP and IFRS in the types of items reported in other comprehensive income and the requirements for reclassifying those items into net income, we do not believe that the Proposal will improve comparability of financial statements.

Additionally, while the presentation of a continuous statement of comprehensive income accomplishes the Board’s objective of enhancing the prominence of the items reported in other comprehensive income, we do not believe that greater prominence alone will improve the transparency or understandability of financial statements.

Question 2: Do you agree that the option should continue to report the tax effect for each component of other comprehensive income either in the statement of comprehensive income or in the notes to the financial statements?

We agree that this option should continue, as it gives companies the flexibility to present this information in a manner it believes is most relevant and useful to their financial statement users.

Question 3: Do you believe that a requirement to display reclassification adjustments for each component of other comprehensive income in both net income and other comprehensive income in the statement of comprehensive income would improve the understandability and comparability of financial statements?

We believe companies should have the option to disclose information regarding reclassification amounts within the footnotes to the financial statements rather than on the face of the statement of comprehensive income. As previously stated, we do not believe that providing a higher level of prominence to information necessarily results in an increased level of understandability. Therefore, we believe financial statement preparers should be allowed to exercise judgment to present the information with the most appropriate level of prominence and that will promote the greatest level of understanding given their specific circumstances.

Question 4: What costs, if any, will a reporting entity incur as a result of the proposed changes?

We believe the costs to implement the proposed changes will be minimal.
Question 5: The Board plans to align the proposed effective date of the amendments in this proposed Update with the effective date of the amendments in the proposed Update on financial instruments. Are there any significant operational issues that the Board needs to understand to determine the appropriate effective date for the amendments in this proposed Update?

We do not anticipate any significant operational issues in relation to the adoption of this standard.

Question 6: The amendments in this proposed Update would not change the guidance on the calculation and display of earnings per share. Do you believe that the Board should change the guidance on earnings per share? If so, what changes would you recommend and why?

We do not believe the Board should change the guidance on the calculation and display of earnings per share.

We appreciate your consideration of our opinions, and would be happy to discuss them with you further.

Sincerely,

EASTMAN KODAK COMPANY

Eric H. Samuels
Chief Accounting Officer and Corporate Controller