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

Re: ASU 2011-05, Comprehensive Income (Topic 220)

Chevron Corporation (Chevron) appreciates the opportunity to provide comments to the Financial Accounting Standards Board (FASB) on Accounting Standards Update 2011-05 regarding the presentation of comprehensive income.

Chevron is a global, integrated energy company based in San Ramon, California. The company explores for, produces and transports crude oil and natural gas; refines, markets and distributes transportation fuels and other energy products; manufactures and sells petrochemical products; generates power and produces geothermal energy; provides energy efficiency solutions; and develops the energy resources of the future, including biofuels. The company's activities are widely dispersed geographically with operations in North America, South America, Europe, Africa, Asia and Australia.

We agree with the proposed deferral of the requirement to present reclassifications of other comprehensive income (OCI) on the face of the income statement; however, we question the fundamental merit of presenting the reclassification adjustments on the face of financial statements. Presenting reclassification adjustments by line item would create a financial statement of increased complexity and reduced clarity, with little value to investors. We would highlight that the example statement provided by the Board was made significantly simpler due to the industry represented. We believe that our income statement – as well as those of others in our industry – would be considerably more complicated if reclassification adjustments were presented by line item on the face of the statement. If the Board ultimately concludes that the additional disclosure assists investors significantly, we would ask the Board to consider allowing the presentation of this additional line item information outside of the statement of income. Specifically, we recommend allowing companies to – on a line item basis – parenthetically reference a footnote which would indicate the sum total of the reclassifications from the OCI statement, on the face of the income statement. This option would preserve the clarity of the income statement while not materially decreasing the quality of expanded OCI disclosure.

However, we more broadly question the fundamental cost-benefit balance of capturing and displaying reclassification adjustments between OCI and net income given the additional time and work required to track and report the reclassifications. We do not currently have a mechanism in place for capturing on a consolidated basis reclassification adjustments, particularly pension amortization, affecting the income statement. A supplemental data collection and evaluation effort would be required to determine precisely when and how adjustments are recycled through earnings. The process of capturing and categorizing reclassification adjustments is made particularly complicated due to the potential for reclassifications that have been previously capitalized or that impact multiple line items on the income statement.

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Finally, we note that while the elimination of the option to present OCI in the statement of stockholders' equity moves the FASB standard toward convergence with the International Accounting Standards Board standard, the requirement to present reclassification adjustments from OCI on a line item basis in the statement of earnings does not. We believe this further reduces the benefit of adopting the latter requirement in the future and introduces additional complexity for global investors.

Historically, our investors have not expressed concerns either with reclassifications from OCI or with the Statement of Comprehensive Income itself. As such, we believe the costs in terms of additional workload for the company and additional complexity for investors outweigh any potential benefits to be gained by increased disclosure.

If you have any questions on the content of this letter, please contact Al Ziarnik, Assistant Comptroller, at (925) 842-5031.

Very truly yours,

