

Koninklijke Philips Electronics N.V.

July 21, 2008

Ms. Nancy Morris,
Secretary,
Securities and Exchange Commission,
100 F Street, NE,
Washington, DC 20549-1090.

Dear Ms. Morris:

This letter is in response to Release Nos. 33-8924; 34-57896; 39-2455; IC-28293; File No. S7-11-08 (the "Proposing Release") in which the Commission solicits comments on its proposal to require certain reporting companies to provide financial statements to the Commission using Extensible Business Reporting Language ("XBRL").

We commend the Commission's desire to make financial information easier for investors to analyze, to automate regulatory filings and business information processing, and to increase the accuracy and utility of financial disclosure. Our view is not that XBRL should not be implemented, but rather that the proposed phase-in schedule to implement XBRL imposes a significant and immediate burden on a very small number of foreign private issuers that publish financial statements in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). We appreciate that in a number of the questions posed in the Proposing Release, the Commission has shown its sensitivity to the issues that the proposal may raise for foreign private issuers.

Under the proposal, foreign private issuers that (1) have a world wide public common equity float over \$5 billion and (2) prepare their financial statements in accordance with U.S. GAAP would be required to implement XBRL for the fiscal year ending on or after December 15, 2008. In contrast, foreign private issuers who prepare their financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") would not be required to use XBRL for financial statement reporting until the first fiscal year ending on or after December 15, 2010. Under the Proposing Release, we believe only a very small number of foreign private issuers would be required to implement XBRL in reports





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for the first year ending on or after December 15, 2008.¹ We believe that the Commission should not impose this immediate and significant burden on a small number of foreign private issuers on the basis that they will prepare their fiscal year 2008 financial statements in accordance with U.S. GAAP.

In addition, we would face a possibly unique burden. Philips currently prepares its financial statements in accordance with U.S. GAAP and would be required to implement XBRL in respect of the fiscal year ending on December 31, 2008. However, Philips has announced its intention to prepare its financial statements only in accordance with IFRS and discontinue its U.S. GAAP reporting in the year commencing on January 1, 2009.² Under the proposed phase-in schedule, Philips would be required to use XBRL in connection with its financial statements in the Annual Report on Form 20-F for its fiscal year ending on December 31, 2008. In respect of 2009, when Philips has changed to IFRS as its sole reporting standard, it would not be required to use XBRL but would have incurred costs and expended internal resources to develop the capability to implement the XBRL application for its final U.S. GAAP financial statements. Philips would then have to implement the XBRL application for its 2010 financial statements prepared in accordance with IFRS. Thus, if the Proposing Release is adopted, Philips would have had to implement XBRL twice: once for U.S. GAAP in 2008 and once for IFRS in 2010. As a consequence, Philips will not have the benefit of a full three-year phase-in to familiarize itself with the interactive data and the process of mapping financial statements using the list of tags for IFRS financial reporting as it would have to focus initially on implementing U.S. GAAP tagging as a one-time process in respect of the 2008 financials.

We respectfully recommend that the Commission treat all foreign private issuers the same and modify the proposal in the Proposing Release to grant all foreign private issuers the same longer phase-in schedule, regardless of whether U.S. GAAP or

¹ We believe the Proposing Release (based on the methodology described below) may affect very few foreign private issuers in respect of their Annual Reports on Form 20-F for 2008, in addition to ourselves. Specifically we have identified Aegon N.V., Honda Motor Co., Ltd, Matsushita Electric Industrial Co., Ltd. and Toyota Motor Corporation, using the following methodology: (1) We searched Westlaw's EDGAR database in early July for all Annual Reports on Form 20-Fs filed since March 4, 2008 (when a check box was added to the cover page of the Form to indicate the basis of the accounting principles used to prepare the financial statements) in which the reporting issuer had checked the boxes for (a) accelerated filer and (b) U.S. GAAP; and (2) we cross-referenced Bloomberg and the Wall Street Journal online to eliminate companies that we found in (1) whose worldwide public common equity float is reported to be less than \$5 billion. It is possible the actual number may, of course, be higher in that it did not search issuers who filed their 20-Fs prior to March 4, 2008 and the public float figures are not verified. However, given the increasing acceptance of IFRS, we believe that it is not surprising that the number of non-U.S., accelerated filers filing financial statements in accordance with U.S. GAAP is a very small number.

² Koninklijke Philips Electronics N.V., 2008 Annual Report on Form 20-F, page 50 (Feb. 19, 2008).



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IFRS is their reporting standard, or at a minimum allow issuers who have announced their intention to change to IFRS as their sole reporting standard to delay application of XBRL in line with other foreign private issuers.

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We appreciate this opportunity to comment on the Proposing Release's phase-in schedule for implementing XBRL in connection with reporting financial statements.

Very truly yours,

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Remco Steenbergen

Deputy group controller
Senior vice president