

Net pension (income) expense	----- \$ (3,825) =====	----- \$ (922) =====	----- \$ 1,575 =====
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In addition, the Company maintains certain 401(k) plans for which the expense for matching contributions was \$436,000, \$273,000 and \$280,000 for the years ended December 31, 1996, 1995 and 1994, respectively.

11. POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

MC Group, generally at its sole discretion, provides certain employees of Abex and its former subsidiaries retiring on or after attaining age 55, who have rendered at least 10 years of service and who have participated in Abex's pension plans, with postretirement health care coverage. In 1993, Abex amended its existing postretirement health care programs primarily to adjust certain cost sharing provisions.

MC Group funds the cost of this benefit on a claims-paid basis and made payments of \$4.3 million in 1996 and \$2.6 million in 1995 from the date of the Merger. The liability related to these benefits was recognized as of June 15, 1995 in connection with the Merger. The plans have no assets.

The accumulated postretirement benefit obligation consists of the following components at December 31, 1996 and 1995:

(in thousands)

	----- 1996 ----	----- 1995 ----
Accumulated postretirement benefit obligation		
Retirees	\$ 41,681	\$ 41,800
Fully eligible active plan participants	-	1,300
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Postretirement benefit liability	\$ 41,681 =====	\$ 43,100 =====

Unrecognized items at December 31, 1996 and 1995 were not significant. Net periodic postretirement benefit costs other than pensions attributable to interest on the accumulated post-

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retirement benefit obligation was \$2.9 million for December 31, 1996 and \$1.7 million in 1995 from the date of the Merger on June 15, 1995. For measurement purposes, a 5.5%-8% annual rate of increase in the per capita cost of covered health care benefits was assumed for 1997 declining to 5.5% thereafter. An increase of 1% in the health care cost trend rate will not have a significant effect on the amounts reported because of cost sharing provisions. The weighted average discount rate used in determining the