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Components of net periodic benefit costs for the last three years are as follows:

	Pension Benefits			Other Benefits		
	2003	2002	**2001**	**2003**	2002	**2001**
Service cost	**$ 53**	$ 62	$ 66	**$ 13**	$ 16	$ 14
Interest cost	**176**	179	172	**113**	105	91
Expected return on plan assets	**(216)**	(238)	(241)			
Amortization of transition obligation	**(1)**		1			
Amortization of prior service cost	**10**	12	13	**(7)**	(4)	(6)
Recognized net actuarial loss (gain)	**4**	(9)	(20)	**38**	25	13
Net periodic benefit cost	**26**	6	(9)	**157**	142	112
Curtailment (gain) loss		13	4	**1**	3	(2)
Settlement loss		2	2			
Termination expenses		7	10			
Net periodic benefit cost after curtailment and settlements	**$ 26**	$ 28	$ 7	**$158**	$145	$110

The weighted average assumptions used in the measurement of pension benefit obligations are as follows:

	U.S. Plans		
	2003	2002	**2001**
Discount rate	**6.25%**	6.75%	7.50%
Expected return on plan assets	**8.75%**	8.75%	9.50%
Rate of compensation increase	**5.00%**	5.00%	5.00%

	Non-U.S. Plans		
	2003	2002	**2001**
Discount rate	**5.63%**	5.99%	6.18%
Expected return on plan assets	**6.80%**	7.06%	7.16%
Rate of compensation increase	**3.58%**	3.41%	4.10%

The discount rate and expected return on plan assets for U.S. plans presented in the table above is used to determine pension expense for the succeeding year.

We select the expected rate of return on plan assets on the basis of a long-term view of asset portfolio performance of our pension plans. Since the 1981 adoption of our asset/ liability management investment policy, our compounded rate of return was 12.5%. However, our two-year and five-year compounded rates of return through December 31, 2003 were 9.5% and 3.7%, respectively. We assess the appropriateness of the expected rate of return on an annual basis and when necessary revise the assumption. Our rate of return assumption for U.S. plans was last revised in 2002 when it was lowered from 9.5% to 8.75%, based in part on our expectation of lower future rates of return.