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expense included in our financial statements under the intrinsic value method and the pro forma expense that would have been recorded under the fair value method.

	Year Ended December 31,		
	2003	2002	2001
Stock compensation expense, as reported	**$ 2**	$ 3	$ 4
Stock option expense, pro forma	**14**	17	16
Stock compensation expense, pro forma	**$ 16**	$ 20	$ 20
Net income (loss), as reported	**$ 222**	$ (182)	$ (298)
Net income (loss), pro forma	**$ 208**	$ (199)	$ (314)
Basic earnings per share			
Net income (loss), as reported	**$1.49**	$(1.23)	$(2.01)
Net income (loss), pro forma	**$1.40**	$(1.34)	$(2.12)
Diluted earnings per share			
Net income (loss), as reported	**$1.49**	$(1.22)	$(2.01)
Net income (loss), pro forma	**$1.40**	$(1.33)	$(2.12)

New Accounting Pronouncements

In November 2002, the Financial Accounting Standards Board (FASB) issued FASB Interpretation (FIN) No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others." FIN No. 45 clarifies disclosures that are required to be made for certain guarantees and establishes a requirement to record a liability at fair value for certain guarantees at the time of the guarantee's issuance. The disclosure requirements of FIN No. 45, including those relating to warranty obligations, were first applied in our 2002 financial statements. The requirement to record a liability related to guarantees issued or modified after December 31, 2002 was adopted on January 1, 2003. The adoption of this portion of the interpretation did not have a material effect on our financial condition or results of operations.

In January 2003, the FASB issued FIN No. 46, "Consolidation of Variable Interest Entities, an Interpretation of ARB 51". In December 2003, the FASB revised FIN No. 46 to reflect decisions it made regarding a number of implementation issues. FIN No. 46, as revised, requires that the primary beneficiary of a variable interest entity (VIE) consolidate the entity even if the primary beneficiary does not have a majority voting interest. This Interpretation applies to certain entities in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support. This Interpretation also identifies those situations where a controlling financial interest may be achieved through arrangements that do not involve voting interests. The Interpretation also establishes additional disclosures which are required regarding an enterprise's involvement with a VIE when it is not the primary beneficiary. The requirements of this Interpretation are required to be applied to any VIE created after January 31, 2003. We adopted the requirements of this Interpretation with respect to all VIEs created on or before January 31, 2003 as of December 31, 2003. The adoption of this Interpretation did not have a material effect on our financial condition or results of operations. See Note 7 for information regarding our involvement with VIEs.

In June 2001, the FASB issued SFAS No. 143, "Accounting for Asset Retirement Obligations."