



Hewitt Associates

**Benefit Plan  
Disclosure  
Under FASB  
Statements  
No. 87 and 106**

From the 2004  
Financial Statements  
of the *Fortune 500*<sup>®</sup>

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Argentina	Chile	Greece	Malaysia	Puerto Rico	Switzerland
Australia	China	Hong Kong	Mauritius	Singapore	Thailand
Austria	Czech Republic	Hungary	Mexico	Slovenia	United Kingdom
Belgium	Dominican Republic	India	Netherlands	South Africa	United States
Brazil	France	Ireland	Philippines	South Korea	Venezuela
Canada	Germany	Italy	Poland	Spain	
Channel Islands		Japan	Portugal	Sweden	

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## About This Survey

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This report presents the results of Hewitt Associates' 2004 survey of benefit plan disclosure information as reported under Statement of Financial Accounting Standards No. 87 (accounting for pensions)—Statement 87—and Statement of Financial Accounting Standards No. 106 (accounting for postretirement benefits)—Statement 106—by *Fortune 500*<sup>1</sup> companies.

The results for 2004 are generally for all U.S. and foreign plans, including qualified and nonqualified plans.

Historical results for 2003 and earlier are generally for U.S. plans only. However, for the Statement 87 survey results, comparable results for 2003 based on all plans (i.e., both U.S. and foreign) are often presented and indicated when shown. Since retiree medical plans are not common outside the U.S., the impact of gathering data on all plans was minimal for the Statement 106 survey results.

Consistent with how *Fortune* identifies its 500 list, the data generally represent fiscal years ending from February 1, 2004 through January 31, 2005. All fiscal year-ends and measurement dates have been combined within this report.

The results do not total to 500 for several reasons, including:

- Some companies do not sponsor plans; and
- Some companies have plans, but did not disclose detailed information about them.

In addition, the totals vary from summary to summary for similar reasons. For example, sometimes an assumption was not relevant to the company's plan. In other situations, only partial disclosure was made of various items.

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<sup>1</sup> *Fortune 500* is a registered trademark of the *Fortune* Magazine division of Time, Inc.

## Statement 87 Discount Rate

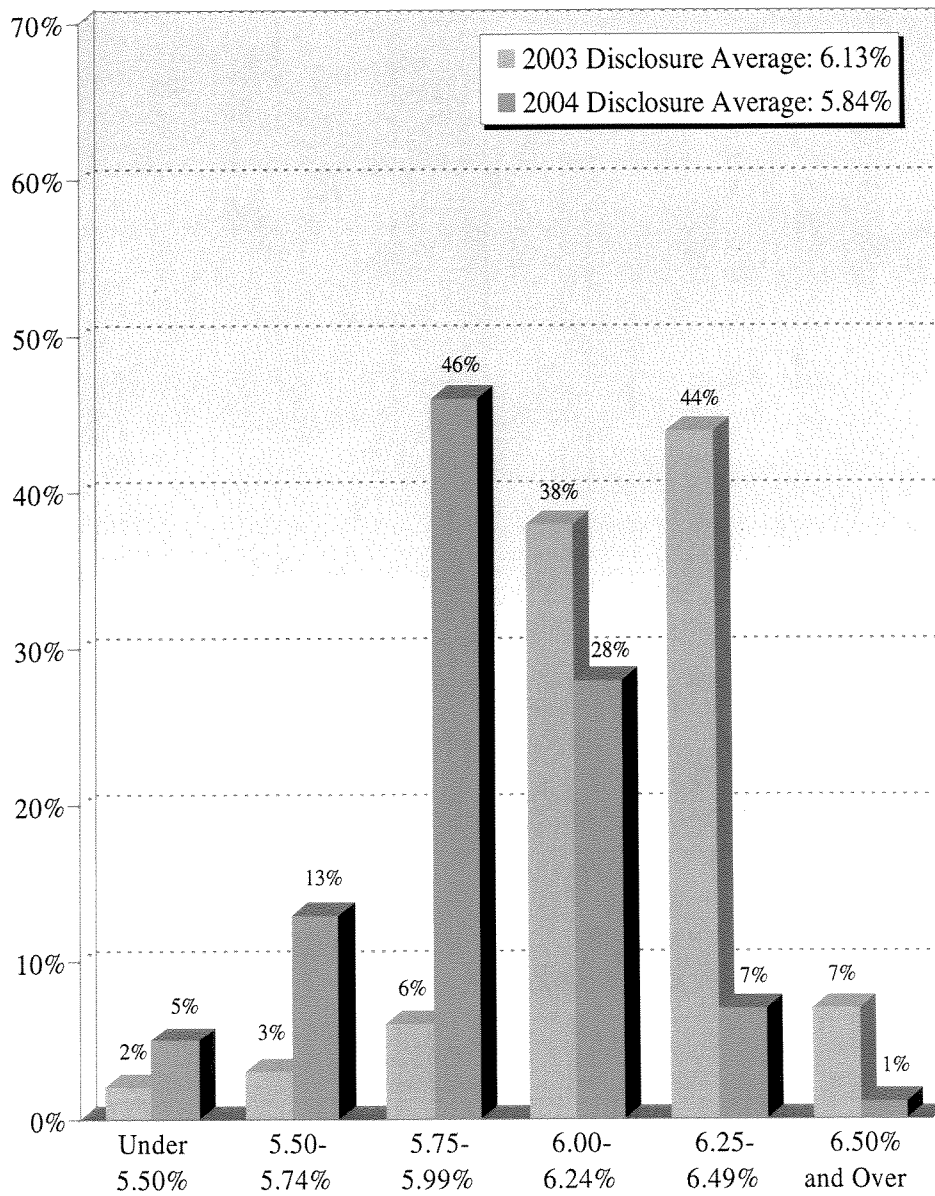
The following table shows the discount rate disclosed at fiscal year end. For most companies, this represents the rate used to determine expense for the following fiscal year.

Percentile	Discount Rate	
	2003 <sup>1</sup>	2004
10th	5.92%	5.60%
25th	6.00%	5.75%
50th	6.25%	5.80%
75th	6.25%	6.00%
90th	6.30%	6.10%
Number of Companies	369	370
Average Rate	6.13%	5.84%

<sup>1</sup>The results for 2003 are based on data disclosed in 2004 annual reports for all plans for fiscal year 2003.

# Statement 87 Discount Rate

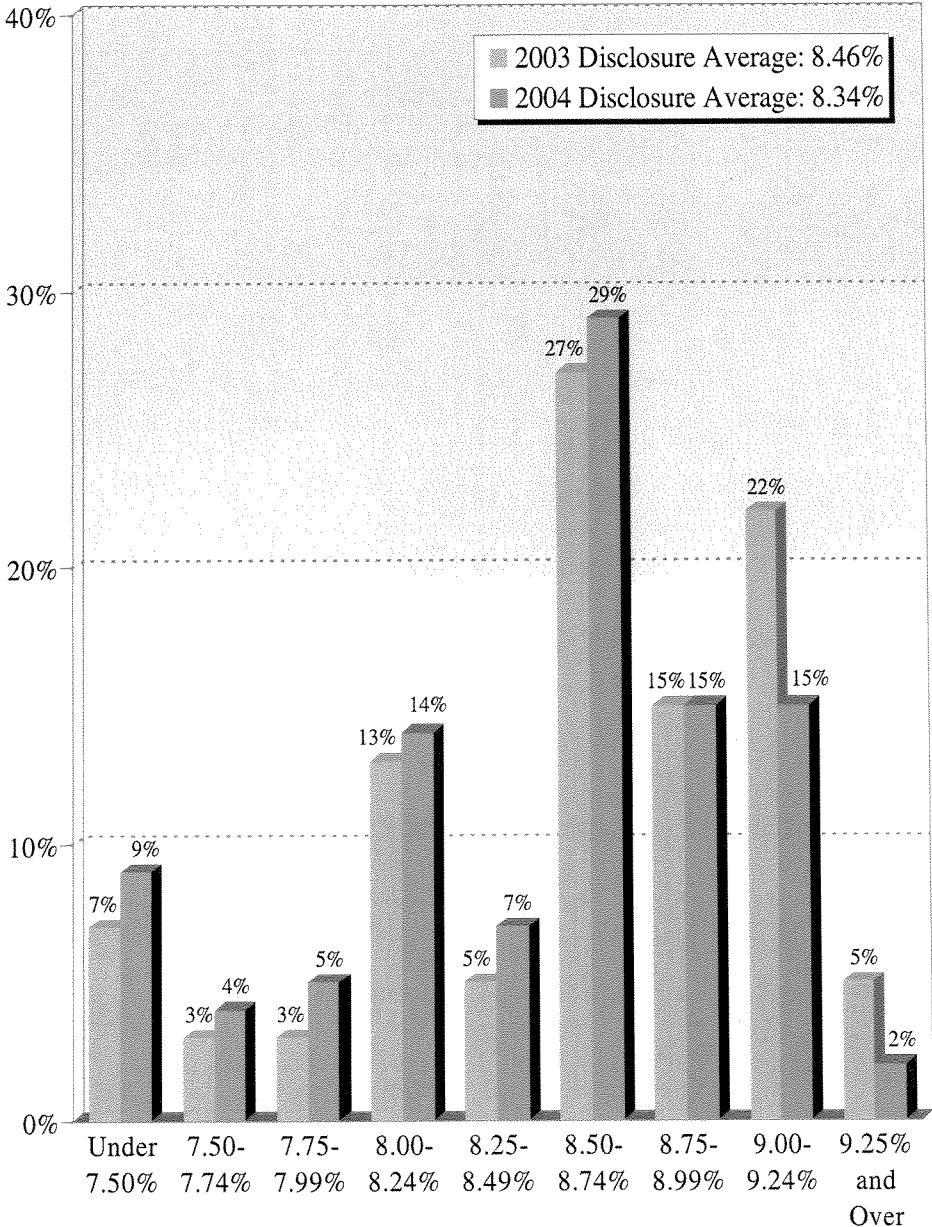
Percent of Companies



# Statement 87

## Expected Long-Term Rate (of Return on Plan Assets)

Percent of Companies



## Statement 87

### Expected Long-Term Rate (of Return on Plan Assets)

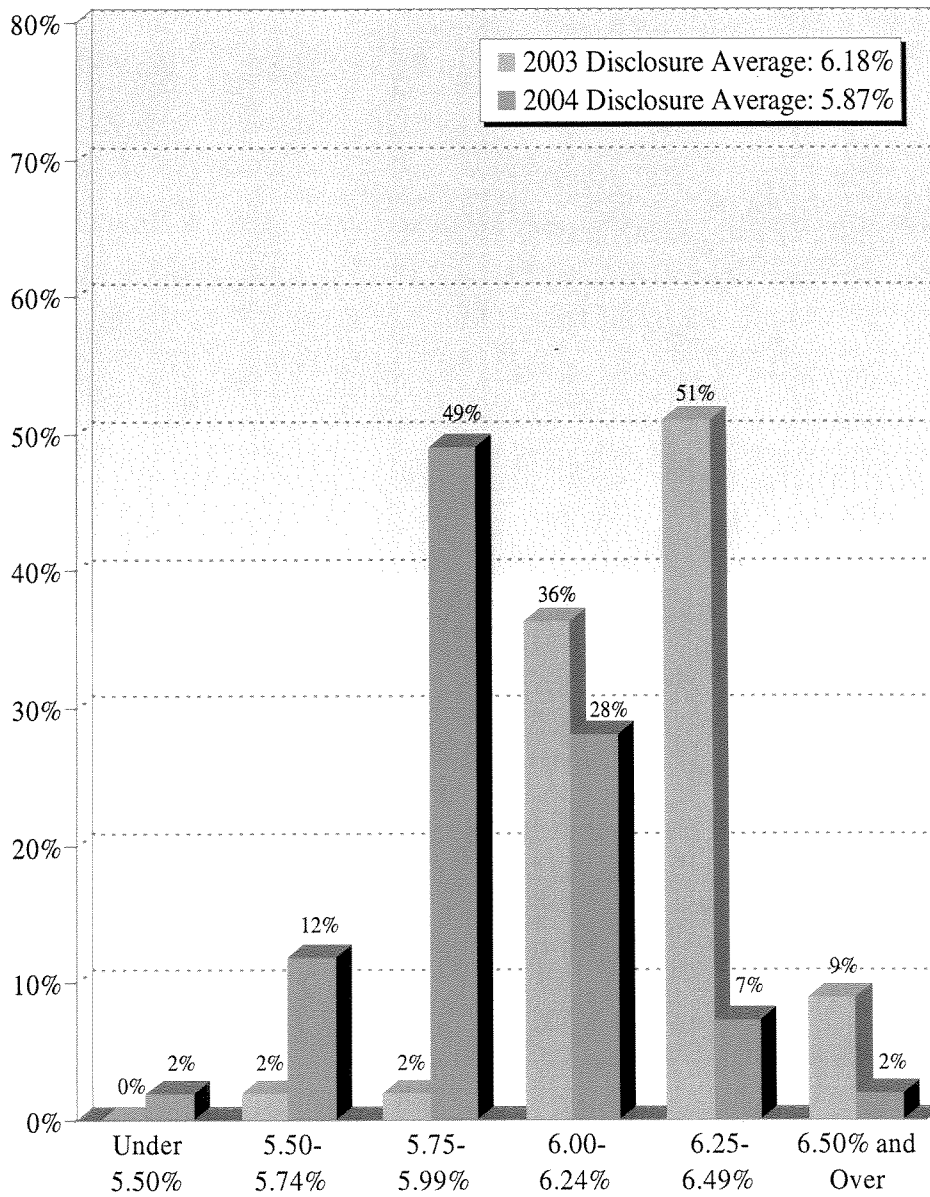
The following table shows the expected rate of return on assets disclosed in the annual report. For most companies, this represents the rate used to determine expense for the fiscal year.

Percentile	Expected Long-Term Rate	
	2003 <sup>1</sup>	2004
10th	7.75%	7.50%
25th	8.12%	8.00%
50th	8.50%	8.50%
75th	9.00%	8.75%
90th	9.00%	9.00%
Number of Companies	363	365
Average Rate	8.46%	8.34%

<sup>1</sup> The results for 2003 are based on data disclosed in 2004 annual reports for all plans for fiscal year 2003.

# Statement 106 Discount Rate

Percent of Companies



## Statement 106 Discount Rate

The following table shows the discount rate disclosed at fiscal year end. For most companies, this represents the rate used to determine expense for the following fiscal year.

Percentile	Discount Rate	
	2003	2004
10th	6.00%	5.60%
25th	6.00%	5.75%
50th	6.25%	5.76%
75th	6.25%	6.00%
90th	6.34%	6.15%
Number of Companies	333	327
Average Rate	6.18%	5.87%