

Pension expense is affected by the accounting policy used to determine the value of plan assets at the measurement date. The Company applies the expected return on plan assets using fair market value as of the annual measurement date. The fair market value method results in greater volatility to pension expense than the calculated value method. The amounts recognized in the Consolidated Balance Sheets reflect the fair value of the Company's long-term pension liabilities at the plan measurement date and the fair value of plan assets as of the balance sheet date. Net periodic benefit cost related to all of the Company's defined benefit pension plans recognized in the Company's Consolidated Statements of Operations for the years ended December 31, 2018, 2017, and 2016 included the following components:

<u>Year Ended December 31,</u>	2018	2017	2016
	(In thousands)		
Service cost	\$ 1,395	\$ 1,288	\$ 1,218
Interest cost	20,933	22,723	30,129
Expected return on assets	(34,267)	(34,056)	(36,406)
Amortization of actuarial loss	10,744	11,154	12,840
Net periodic benefit (credit) cost	<u>\$ (1,195)</u>	<u>\$ 1,109</u>	<u>\$ 7,781</u>

Benefit cost for the U.S. Qualified Plan does not include service cost since the plan is frozen.

Over the next ten years, the following benefit payments are expected to be required to be made from the Company's U.S. and U.K. defined benefit pension plans:

<u>Year Ending December 31,</u>	Expected Benefit Payments
	(In thousands)
2019	\$ 43,607
2020	44,102
2021	44,373
2022	44,595
2023	44,663
2024-2028	220,848

The Company reviews its employee demographic assumptions annually and updates the assumptions as necessary. The Company updates the mortality assumptions for the U.S. plans to incorporate the current mortality tables issued by the Society of Actuaries, adjusted to reflect the Company's specific experience and future expectations. This resulted in a \$1,300,000 decrease in the projected benefit obligation for the U.S. plans for the year ended December 31, 2018. Certain assumptions used in computing the benefit obligations and net periodic benefit cost for the U.S. and U.K. defined benefit pension plans were as follows:

<u>U.S. Qualified Plan:</u>	2018	2017
Discount rate used to compute benefit obligations	4.30%	3.63%
Discount rate used to compute periodic benefit cost	3.63%	4.15%
Expected long-term rates of return on plans' assets	6.20%	6.30%

<u>U.K. Defined Benefit Plans:</u>	2018	2017
Discount rate used to compute benefit obligations	2.77%	2.61%
Discount rate used to compute periodic benefit cost	2.61%	2.65%
Expected long-term rates of return on plans' assets	3.98%	4.23%

The discount rate assumptions reflect the rates at which the Company believes the benefit obligations could be effectively settled. The discount rates were determined based on the yield for a portfolio of investment grade corporate bonds with maturity dates matched to the estimated future payments of the plans' benefit obligations.