

December 15, 2004

**SUMMARY ANNUAL REPORT FOR BECTHEL JACOBS  
COMPANY LLC PENSION PLAN FOR GRANDFATHERED  
EMPLOYEES**

This is a summary of the annual report for the Bechtel Jacobs Company LLC Pension Plan for Grandfathered Employees, EIN 94-3287886, Plan No. 335, for the period January 1, 2003, through December 31, 2003. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

**Basic Financial Statement**

Benefits under the plan are provided through a trust fund. Plan expenses were \$8,685,248. These expenses included \$1,095,397 in administrative expenses and \$7,589,851 in benefits paid to participants and beneficiaries. A total of 2,017 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$204,807,304 as of December 31, 2003, compared to \$175,037,648 as of January 1, 2003. During the plan year the plan experienced an increase in its net assets of \$29,769,656. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$38,454,904 including realized gains of \$2,552,095 from the sale of assets and earnings from investments of \$34,801,121.

**Minimum Funding Standards**

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

**Your Rights to Additional Information**

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. an accountant's report;
2. financial information and information on payments to service providers;
3. assets held for investment;
4. transactions in excess of 5% of the plan assets;
5. information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates; and
6. actuarial information regarding the funding of the plan.

To obtain a copy of the full annual report, or any part thereof, write or call the office of Bechtel Jacobs Company LLC who is the plan sponsor, Bechtel Jacobs Company LLC, Highway 58, Building 1330, Mailstop 7020, Oak Ridge, TN 37831, (865)241-2664. The charge to cover copying costs will be \$21.00 for the full annual report or 25 cents per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan (Bechtel Jacobs Company LLC, Oak Ridge, TN 37831-7020) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

### **SUMMARY ANNUAL REPORT FOR M&I (MANAGEMENT & INTEGRATION) 401(k) PLAN**

This is a summary of the annual report for the M&I (MANAGEMENT & INTEGRATION) 401(K) PLAN, EIN 94-3287886, Plan No. 004, for the period January 1, 2003 through December 31, 2003. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

#### **Basic Financial Statement**

Benefits under the plan are provided through a trust fund. Plan expenses were \$2,945,738. These expenses included \$5,821 in administrative expenses, \$2,938,071 in benefits paid to participants and beneficiaries, and \$1,846 in other expenses. A total of

1,411 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$94,527,236 as of December 31, 2003, compared to \$65,312,588 as of January 1, 2003. During the plan year the plan experienced an increase in its net assets of \$29,214,648. This increase includes unrealized appreciate and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$24,301,816 including employer contributions of \$4,626,974, employee contributions of \$6,402,892, realized gains of \$419,050 from the sale of assets, and earnings from investments of \$11,786,181.

### **Your Rights to Additional Information**

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. an accountant's report;
2. financial information and information on payments to service providers;
3. assets held for investment; and
4. information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call BECHTEL JACOBS COMPANY, LLC, HIGHWAY 58, BUILDING 1330, MAILSTOP 7020, OAK RIDGE, TN 37831, (865) 241-2664.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report.

You also have the legally protected right to examine the annual report at the main office of the plan (BECHTEL JACOBS COMPANY, LLC, HIGHWAY 58, BUILDING 1330, MAILSTOP 7020, OAK RIDGE, TN 37831) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.