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	Payments Due				
	Total	Less than One Year	One to Three Years (in millions)	Four to Five Years	After Five Years
Contractual Obligations					
Long-Term Debt	\$1,364 0	\$ 665 4	\$ 313 0	\$ 375 4	\$ 10 2
Short-Term Debt	97 6	97 6	—	—	—
Noncancellable Operating Leases	89 5	21 0	35 8	18 8	13 9
Purchase Obligations	262 2	261 5	0 7	—	—
Other Long-Term Liabilities ⁽¹⁾	273 9	18 8	35 7	34 2	185 2
	<u>\$2,087 2</u>	<u>\$1,064 3</u>	<u>\$ 385 2</u>	<u>\$ 428 4</u>	<u>\$ 209 3</u>

⁽¹⁾ Includes unfunded other postretirement benefit obligations, unfunded foreign defined benefit pension plan liabilities, other postemployment benefit liabilities and environmental liabilities

Capitalization

During the first quarter of 2000, Cooper's Board of Directors authorized the repurchase of up to five million shares of common stock. As of December 31, 2004, there were approximately 0.2 million shares available for repurchase under this authorization. On November 2, 2004, Cooper's Board of Directors authorized the purchase of up to five million additional shares of common stock.

Cooper has targeted a 35% to 45% debt-to-total capitalization ratio and intends to utilize cash flows to maintain a debt-to-capitalization ratio within this range. Excess cash flows are utilized to purchase shares of Cooper's Common stock or fund acquisitions. At December 31, 2004, 2003 and 2002, Cooper's debt-to-total capitalization ratio was 39.0%, 38.8% and 41.8%, respectively.

On February 9, 2005, Cooper's Board of Directors announced an increase in the annual dividend rate of Cooper's common stock by eight cents per share to \$1.48, or 37 cents per quarter.

Capital Expenditures and Commitments

Capital expenditures on projects to reduce product costs, improve product quality, increase manufacturing efficiency and operating flexibility, or expand production capacity were \$103 million in 2004, \$80 million in 2003 and \$74 million in 2002. The 2004 increase in capital expenditures was driven primarily by the purchase of a previously leased manufacturing facility in Mexico, relocation of Cooper Wiring Devices operations headquarters from New York City to permanent facilities in Peachtree City, Georgia, and continued implementation of new business systems. Capital expenditures decreased during 2002 compared to the prior year, as Cooper completed several significant projects and focused on maximizing cash generation from its operations. Capital expenditures are projected to be approximately \$100 to \$130 million in 2005. Projected expenditures for 2005 will focus on development of new products, the implementation of new business systems and cost reduction programs.

Interest Rate and Foreign Currency Risk

Changes in interest rates and foreign currency exchange rates affect Cooper's earnings and cash flows. As a result of having sales, purchases and certain intercompany transactions denominated in currencies other than the functional currencies used by Cooper's businesses, Cooper is exposed to the effect of foreign exchange rate changes on its cash flows and earnings. Cooper enters into foreign currency forward exchange contracts to hedge significant foreign currency denominated transactions for periods consistent with the terms of the underlying transactions. Contracts generally have maturities that do not exceed one year.