

COOPER INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2001	2000	1999
		(in millions)	
Cash flows from operating activities			
Net income	\$ 231 3	\$ 357 4	\$ 331 9
Plus charge related to discontinued operations	30 0	-	-
Income from continuing operations	261 3	357 4	331 9
Adjustments to reconcile to net cash provided by operating activities			
Depreciation and amortization	186 4	174 4	147 6
Deferred income taxes	(35 1)	98 8	60 0
Changes in assets and liabilities ⁽¹⁾			
Receivables	43 1	(8 0)	(47 5)
Inventories	17 3	(51 1)	(5 2)
Accounts payable and accrued liabilities	(31 5)	5 6	(25 9)
Accrued income taxes	-	(52 3)	4 6
Other assets and liabilities, net	(19 1)	(22 2)	(63 6)
Net cash provided by operating activities	422 4	502 6	401 9
Cash flows from investing activities			
Cash received from (paid for) acquired businesses	9 8	(580 4)	(434 6)
Capital expenditures	(115 1)	(174 9)	(165 8)
Proceeds from disposition of businesses	-	-	149 1
Proceeds from sales of property, plant and equipment	6 7	16 4	11 2
Net cash used in investing activities	(98 6)	(738 9)	(440 1)
Cash flows from financing activities			
Proceeds from issuances of debt	136 9	878 5	250 9
Repayments of debt	(343 2)	(474 9)	(69 0)
Dividends	(131 3)	(130 6)	(124 4)
Acquisition of treasury shares	(42 0)	(39 3)	(44 0)
Activity under employee stock plans and other	41 0	1 9	30 7
Net cash provided by (used in) financing activities	(338 6)	235 6	44 2
Effect of exchange rate changes on cash and cash equivalents	(0 1)	0 2	0 5
Increase (decrease) in cash and cash equivalents	(14 9)	(0 5)	6 5
Cash and cash equivalents, beginning of year	26 4	26 9	20 4
Cash and cash equivalents, end of year	\$ 11 5	\$ 26 4	\$ 26 9

⁽¹⁾ Net of the effects of acquisitions and translation

The Notes to Consolidated Financial Statements are an integral part of these statements. See Note 17 for supplemental cash flow information.