

COOPER INDUSTRIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

	Pension Benefits		Other Postretirement Benefits	
	2001	2000	2001	2000
	(in millions)			
Change in benefit obligation				
Benefit obligation at January 1	\$ 584 3	\$ 565 3	\$ 112 2	\$ 116 5
Service cost	16 2	14 9	0 2	0 1
Interest cost	42 5	41 0	8 2	8 8
Benefit payments	(44 4)	(27 6)	(13 3)	(13 6)
Settlements	-	(25 7)	-	-
Actuarial (gain) loss	23 1	(5 9)	34 0	(0 6)
Acquisitions	-	25 5	-	2 2
Other	0 6	(3 2)	0 1	(1 2)
Benefit obligation at December 31	622 3	584 3	141 4	112 2
Change in plan assets				
Fair value of plan assets at January 1	616 1	615 3	-	-
Actual return on plan assets	(3 6)	10 7	-	-
Employer contributions	5 4	7 6	13 3	13 6
Benefit payments	(44 4)	(27 6)	(13 3)	(13 6)
Settlements	-	(25 7)	-	-
Acquisitions	-	39 1	-	-
Other	(3 1)	(3 3)	-	-
Fair value of plan assets at December 31	570 4	616 1	-	-
Funded status	(51 9)	31 8	(141 4)	(112 2)
Unrecognized actuarial (gain) loss	85 2	7 4	(53 5)	(96 0)
Unrecognized prior service cost	2 9	0 1	(1 8)	(3 0)
Other	0 4	0 6	-	-
Net amount recognized	<u>\$ 36 6</u>	<u>\$ 39 9</u>	<u>\$ (196 7)</u>	<u>\$ (211 2)</u>
Amounts recognized in the balance sheet consist of				
Prepaid benefit asset	\$ 103 2	\$ 105 4	\$ -	\$ -
Accrued benefit liability	(73 4)	(71 5)	(196 7)	(211 2)
Intangible asset	1 2	1 5	-	-
Accumulated other non-owner changes in equity	5 6	4 5	-	-
Net amount recognized	<u>\$ 36 6</u>	<u>\$ 39 9</u>	<u>\$ (196 7)</u>	<u>\$ (211 2)</u>

The projected benefit obligation and accumulated benefit obligation for Cooper's unfunded defined benefit pension plans were \$69.6 million and \$65.2 million as of December 31, 2001, and \$69.0 million and \$64.4 million as of December 31, 2000, respectively.