



# We work for Cooper... ...Every day, we reach beyond our boundaries.

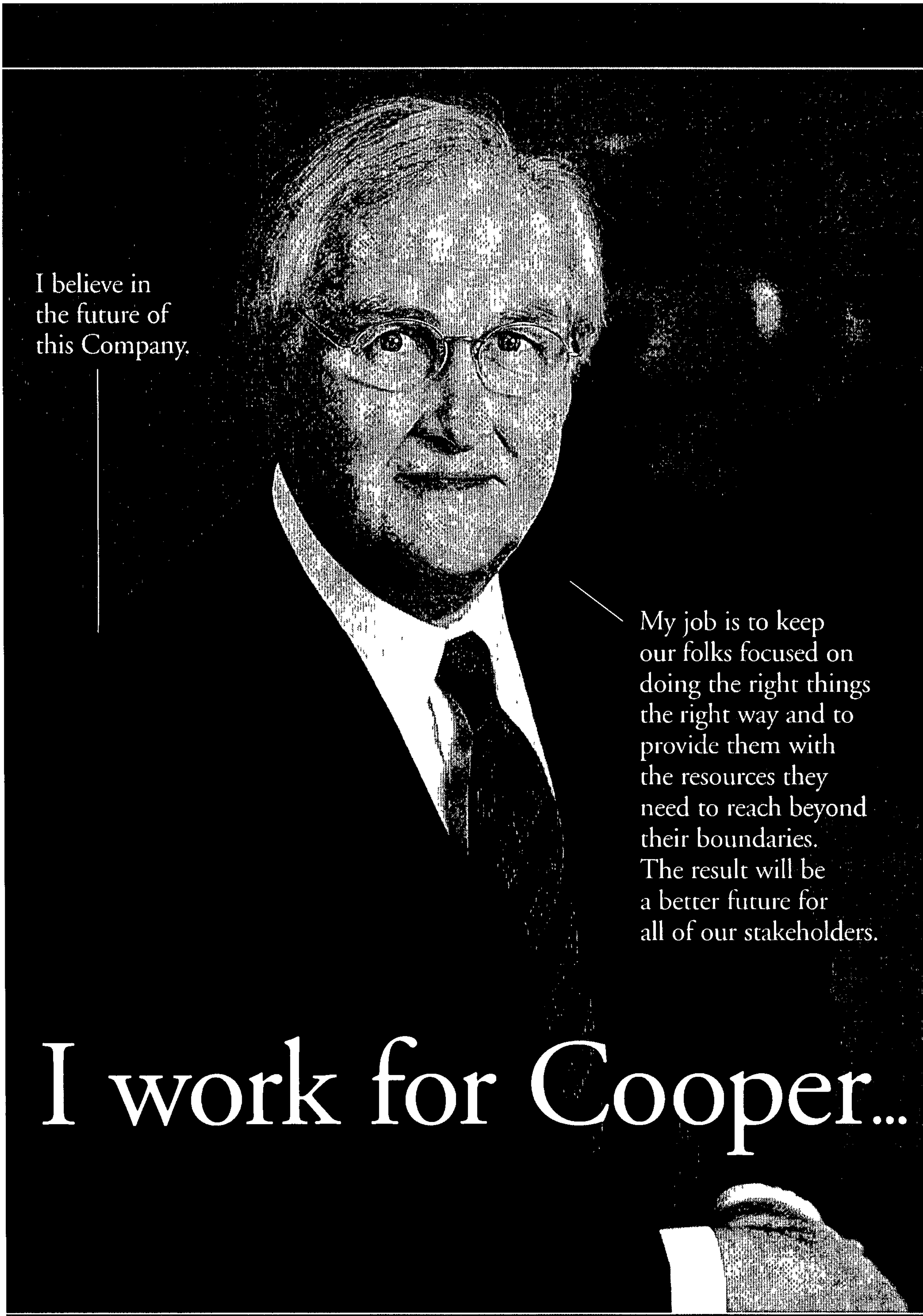




COOPER®

2004 Annual Report

SCF-ABEX-3500




H. John Riley, Jr., Chairman and Chief Executive Officer

**Contents**



## Dear Fellow Shareholders:

Over the past three years, we have been working to create an environment in which all of our 26,900 employees worldwide seamlessly work together as one large Company with one strong presence in the marketplace. We call this our "Get Connected" initiative. The results of this effort have changed the culture of our Company. Today, we all say that we work for Cooper Industries.

The people profiled throughout this report are but a few examples of how our folks in all regions of the world are reaching out to work together to bring good ideas; good programs; and great brands, services and solutions to our customers. Our employees are enthusiastically answering our call that they reach beyond traditional boundaries to bring even greater value to all of our stakeholders.

Two thousand and four was an outstanding year for our Company, and to say that we're proud of this performance is an understatement We achieved strong revenue growth and year-over-year margin improvement despite facing significant pressures related to challenging market conditions and the high cost of the critical materials used to make our products It seems clear to me that our continuing efforts to accelerate growth, to improve productivity and to otherwise control costs generated this performance Additionally, we made steady progress implementing a common worldwide Enterprise Business System, which will lead to further growth and streamlining of our businesses in the years ahead The programs we have in place, coupled with a developing recovery in our key commercial and industrial markets, give us good momentum as we move ahead into a new calendar year

Revenues in 2004 increased 10 percent to $4 5 billion, compared with 2003 revenues of $4 1 billion Income from continuing operations rose 24 percent to $339 8 million, compared with $274 3 million in 2003 Earnings per share

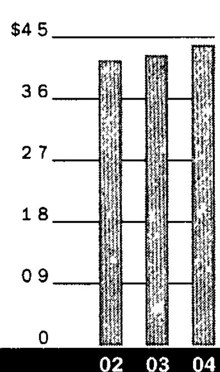
## Financial Highlights

($ in millions, except per-share data)

| | 2004 | 2003 | 2002 |
|---|---|---|---|
| Revenues | $ 4,462 9 | $ 4,061 4 | $ 3,960 5 |
| Operating earnings before restructuring | 496 6 | 394 6 | 393 8 |
| Continuing income before restructuring and unusual items | 339 8 | 266 0 | 243 5 |
| Net income | 339 8 | 148 3 | 213 7 |
| Diluted Income Per Common Share | | | |
| Continuing income before restructuring and unusual items | $ 3 58 | $ 2 83 | $ 2 60 |
| Net income | 3 58 | 1 58 | 2 28 |
| Shares used in computation of earnings per share (in millions) | 94 8 | 93 8 | 93 7 |
| Cash dividends declared per common share | $ 1 40 | $ 1 40 | $ 1 40 |
| Number of employees | 26,900 | 27,200 | 28,400 |
| Number of record shareholders | 24,526 | 26,300 | 26,800 |
| Operating Revenues by Business Segment | | | |
| Electrical Products | $ 3,722 2 | $ 3,358 4 | $ 3,324 9 |
| Tools and Hardware | 740 7 | 703 0 | 635 6 |
| Operating Earnings by Business Segment Before Restructuring | | | |
| Electrical Products | $ 511 2 | $ 435 1 | $ 400 6 |
| Tools and Hardware | 62 7 | 39 0 | 27 3 |
| Total assets | $ 5,340 8 | $ 4,965 3 | $ 4,687 9 |
| Total indebtedness | 1,461 6 | 1,343 3 | 1,438 6 |
| Shareholders' equity | 2,286 5 | 2,118 2 | 2,002 4 |
| Return on revenues before restructuring and unusual items | 7 6% | 6 5% | 6 1% |
| Return on average shareholders' equity | 15 4% | 7 2% | 10 6% |
| Return on invested capital before restructuring and unusual items | 9 7% | 8 2% | 7 7% |
| Total debt as a percent of total capitalization | 39 0% | 38 8% | 41 8% |

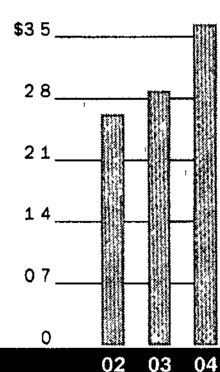
These Financial Highlights contain non-GAAP financial measures See the reconciliation of these measures to the most directly comparable GAAP measures on page 28 of this Report

**Revenues**
(in billions)

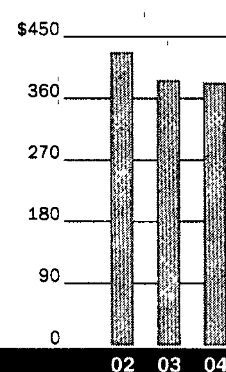



**Diluted Earnings Per Share**[1]

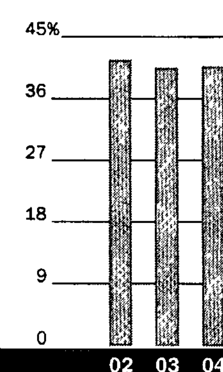
[1] From continuing operations before restructuring and unusual items




**Free Cash Flow**
(in millions)




**Debt-to-Total-Capitalization Ratio**
(in percent)



from continuing operations rose 23 percent to $3 58 per share, compared with $2 92 per share for 2003 Excluding restructuring and unusual items, 2003 income from continuing operations was $266 0 million, or $2 83 per share

Our focus on capital management produced another year of exceptional cash flow Free cash flow for 2004 totaled $382 6 million, well above net income for the year As a result, our debt-to-total-capitalization ratio net of cash at December 31, 2004, was 26 1 percent, down considerably from 29 3 percent net of cash on December 31, 2003 Our balance sheet now provides us with considerable flexibility as we pursue new ways to produce additional value for our shareholders

Some might say that Cooper's performance in 2004 simply reflects a strengthened economy While it is true that economic conditions improved in some of our served markets, it's hard to conclude that the economy was the sole driver behind our outstanding 2004 results The real key to our success was our relentless focus on adapting our business model to meet both current and anticipated marketplace requirements This focus was born out of necessity and carefully developed and executed over the past few years, as we saw our business environment becoming more global and more competitive

**How Did We Get Here?**

In 2002, we were faced with a fragile economic environment and the realities of competing in an increasingly global marketplace This required manufacturing companies like Cooper to do more with less, in new and different ways around the globe As a result, we were required to shift our mindset from being "division centric," concentrating primarily on markets here in North America, to being "Company centric," focusing on growth opportunities around the world As I mentioned earlier, we dubbed this effort our "Get Connected" program, and ultimately, this initiative became the cornerstone for our overarching strategy going forward In 2003, we focused the attention of all of our employees on five key initiatives aimed at producing sustained long-term growth for the Company These initiatives included increasing the global reach of our businesses, putting into place an integrated sales and marketing program for the majority of our products, developing common Strategic Sourcing and productivity improvement programs across the Company and implementing a new Enterprise Business System that will ultimately facilitate seamless communication among all of our businesses

We entered 2004 with a great deal of enthusiasm, buoyed by the initial success of these five key initiatives Confident that we were doing the right things the right way, we focused on

- Increasing our market share,
- Growing our businesses globally,
- Improving our operating margins,
- Implementing our Enterprise Business System on schedule and
- Generating excess cash

We met or exceeded each of these goals in 2004 The strategic actions that we have taken to reshape our financial and operating structure have considerably strengthened our Company's performance and positioned the Company to grow at an accelerated pace going forward

This effort has been recognized by investors Cooper's share price on December 31, 2004, was $67 89, up 17 percent compared to $57 93 at year-end 2003 – well ahead of the performance of both the S&P 500 and the Dow Jones Industrial Average Additionally, we paid over $131 million in dividends to our shareholders during the year As a sign of their continued confidence in the Company's future, on February 9, 2005, Cooper's Board of Directors voted to raise the annual dividend rate for the Company's common stock 6 percent, to $1 48 per share

**Setting The Stage For Future Success – A Global Approach**

Today's operating climate is fiercely competitive, and globalization has become a primary imperative for the survival of most companies The environment in which we operate knows no borders with respect to mindset, technology and geography Clearly, this has impacted the way Cooper does business Appropriately, we are moving quickly to continue to provide our growing list of worldwide customers with the widest breadth of products and services available in our industry

To that end, we are aggressively broadening our worldwide business platform by identifying and focusing on geographic areas that hold the most promise for Cooper For example, our already substantial business in the United Kingdom and on the European continent – 25 nations, 455 million people and a GDP of nearly $13 trillion – offers both ongoing growth opportunities and a vehicle to penetrate the high-potential emerging markets of Eastern Europe Likewise, we are advancing our programs to bring additional Cooper products to the Middle East, which will have enormous requirements for both electrical products and tools as that area grows its infrastructure and advances its oil and gas industries Closer to home, Cooper has operated in Mexico since 1954, and today we have 12 facilities there, serving high-growth markets throughout Central and South America We also are furthering Cooper's presence in Asia China offers vibrant and growing market opportunities Later this year, Cooper will open a large operations center in Shanghai, which will house manufacturing and product development functions for almost all of our businesses And in Korea, Cooper experienced strong revenue growth in 2004 through sales of existing products to auto manufacturers, shipbuilders and electronics manufacturers Our goal is to achieve a position of scale and leadership in all promising markets around the world

**Generating Profitable Growth – A Strong Operating Model**

Although we have seen our economy strengthen in recent months, we still are mindful that significant challenges remain ahead of us The cost for key purchased materials continued to rise throughout 2004, and this cost pressure is expected to carry over into this year, as well In addition, both our customers and competitors are growing in both size and presence Obviously, this gives them some influence in shaping the dynamics of the marketplace That said, the voice of the customer continues to resound in today's markets, demanding instantaneous service, high-quality, technologically advanced products; on-time deliveries, competitive prices, and a host of other important considerations So, while the overall economy is expected to strengthen, we will continue to face fierce challenges as both our customers and our competitors grow in sophistication and critical mass

Regardless, creating a strong and sustainable high-performance operating structure that will generate value in all economic cycles is essential We have the building blocks of this operating model in place today Our Cooper Connection distributor-relationship program, our Manufacturing Variance Improvement Program (MVP), our Strategic Sourcing Program and our global growth initiatives to enhance our worldwide competitive position provide the foundation of this model Our new Company-wide Enterprise Business System will be the fundamental enabler that allows us to leverage our resources to advance these initiatives, and open the door to additional opportunities

**A Mindset For Success – Reaching Beyond Traditional Boundaries**

We began 2005 with a very clear focus on achieving five key objectives

- Achieve greater-than-market sales growth,
- Achieve targeted international sales growth,
- Achieve budgeted operating margins,
- Maintain a 100 percent cash conversion ratio and
- Increase our acquisition sales growth

I am confident that we will achieve these goals To start with, each of our businesses enjoys a stronger competitive position in their respective markets than they did a few years ago In addition, we have created a very robust platform to advance each of our very important strategic programs In short, disciplined strategy execution, coupled with a developing recovery in our key industrial and commercial markets, should generate significant traction for our businesses throughout 2005

We have a growing customer base that will help us to create greater mind share in the marketplace We will continue to supplement this through the introduction of vital new products and key complementary acquisitions similar to the RSA Lighting and MEDC businesses we acquired in 2004 RSA Lighting strategically expanded our Cooper Lighting portfolio and MEDC broadened our Cooper Crouse-Hinds product offerings in the important international electrical standards market segment We plan to utilize our strong balance sheet to pursue similar acquisitions going forward

Additionally, continued development of our common operating structure is allowing us to drive operational excellence and personal accountability throughout the Company Tomorrow's achievements will come because we are creating a high-performance team with common values and high standards and ethics They know that as Cooper continues to grow, there will be even greater opportunities for professional success and personal growth in the future

The bottom line is that we have assembled an industry-leading portfolio of high-quality businesses with size, scale and global reach This framework will afford our people the resources necessary to pursue sustainable growth by continually reaching beyond traditional boundaries "That's the way we've always done it" has been replaced with "I think there's a better way" throughout our worldwide organization In essence, we have changed our mindset

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**Look inside this foldout to learn more about Cooper's Markets and Products**

## Looking Forward

I believe 2005 will be another good year for Cooper Even though we recognize that residential construction has likely peaked and that cost pressures for certain commodity-based products will continue to be a challenge, we're optimistic regarding conditions in most of our served markets We remain confident that this growing strength in our other important markets and the disciplined execution of our key improvement initiatives will help us sustain solid, profitable growth

Each of our businesses remains actively engaged in executing our collective programs to drive growth and constantly improve productivity As a result, our sales and orders should continue to grow, our margins should remain on an upward trend and our balance sheet should continue to strengthen All of this leads us to expect that our annual earnings for 2005 will be up between 10 and 15 percent, compared with 2004

## Some Final Thoughts

Over the past several years, we've made some very tough decisions We've rationalized underperforming businesses, we've invested to grow our remaining businesses even though economic times were difficult and we've made great strides to develop a leadership team that is unwavering in their commitment to executing our growth strategy and key business improvement programs The result is a future for Cooper that has never been brighter

Appropriately, I would like to thank and recognize all of our employees worldwide for their commitment and hard work in making Cooper the fine Company it is today These are folks who always put our customers first and who are constantly thinking of new ways to improve our processes and bring innovative design to our products Importantly, they do all of this ethically with trust and personal responsibility

I am also grateful to Cooper's Board of Directors, who have encouraged and supported our efforts to reach out to remain competitive in an increasingly challenging market environment In particular, I would like to recognize Clifford J Grum, who retired from Cooper's Board of Directors in February 2005, in accordance with the Company's tenure policy Clifford served Cooper and our shareholders with distinction for 23 years, and his experience and wise counsel will be missed

I also want to express my gratitude to Cooper's customers, many of whom have been using our products for decades Their loyalty to our brands and their appreciation for the quality products we bring to market have been, and will continue to be, the lifeblood of the Company's existence

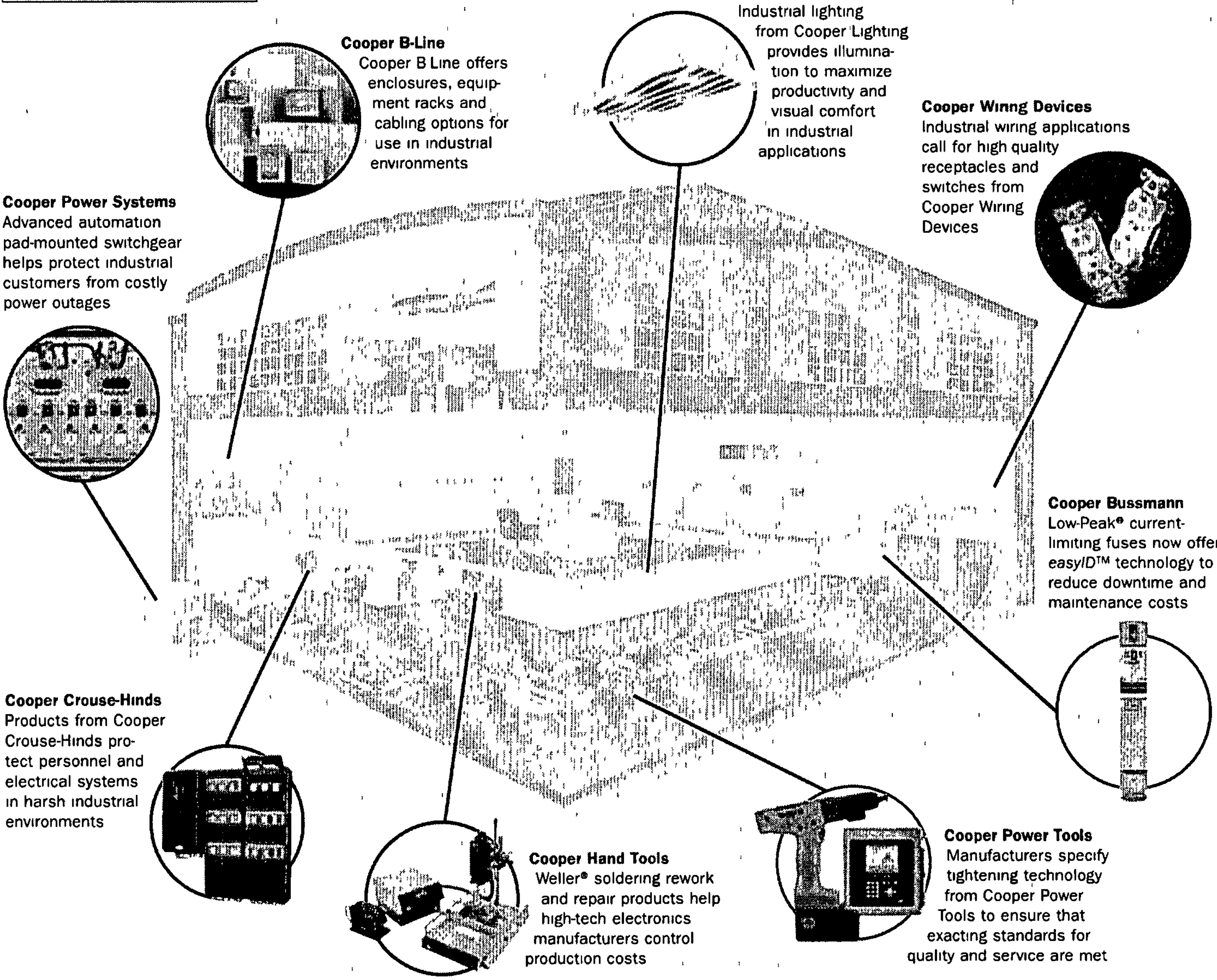
**Kirk S Hachigian**, President and Chief Operating Officer
**H John Riley, Jr** , Chairman and Chief Executive Officer

As many of you know, I will retire from Cooper at the end of 2005, in accordance with the Company's mandatory retirement policy When I was elected as Chairman and Chief Executive Officer in 1996, our Board of Directors entrusted that I would leave Cooper well positioned to deliver superior performance over the long term I believe I have kept that trust It has been a privilege to have worked for Cooper for more than four decades, serving most recently as Chairman and Chief Executive Officer of this fine organization I'm probably one of a very few people today who are still able to say that they have spent virtually their entire career with one company, and I am truly grateful to have had that opportunity I also would like to say that while Cooper has been an important part of my life, it also has been a way of life for my wife, Diane, my sons, Tom and Patrick, and my daughter, Beth Like me, they will always consider themselves lifelong members of the Cooper family

H John Riley, Jr
Chairman and Chief Executive Officer

# Cooper's Served Markets

## ▶ Industrial




## ▶ Major Product Categories

**Cooper B-Line**
Strut and Hangers
Cable Tray
Spring Steel Fasteners
Electronic Cabinets
Rack and Runway Systems
Meter Mounting Equipment
Electrical Enclosures

**Cooper Bussmann**
Connectors
Fuseholders
Disconnect Switches
Low-Voltage Fuses
Medium-Voltage Fuses

**Cooper Crouse-Hinds**
Conduit and Cable Fittings
Enclosures
Control and Apparatus Equipment
Industrial Lighting
Plugs and Receptacles
Obstruction Lighting
Signals and Alarms
Instrumentation

**Cooper Lighting**
Industrial Lighting
Recessed Downlighting
Fluorescent Lighting
Floodlighting
Architectural Area/Site Lighting
Emergency/Exit Lighting
Security Lighting
Cleanroom Lighting
Landscape Lighting

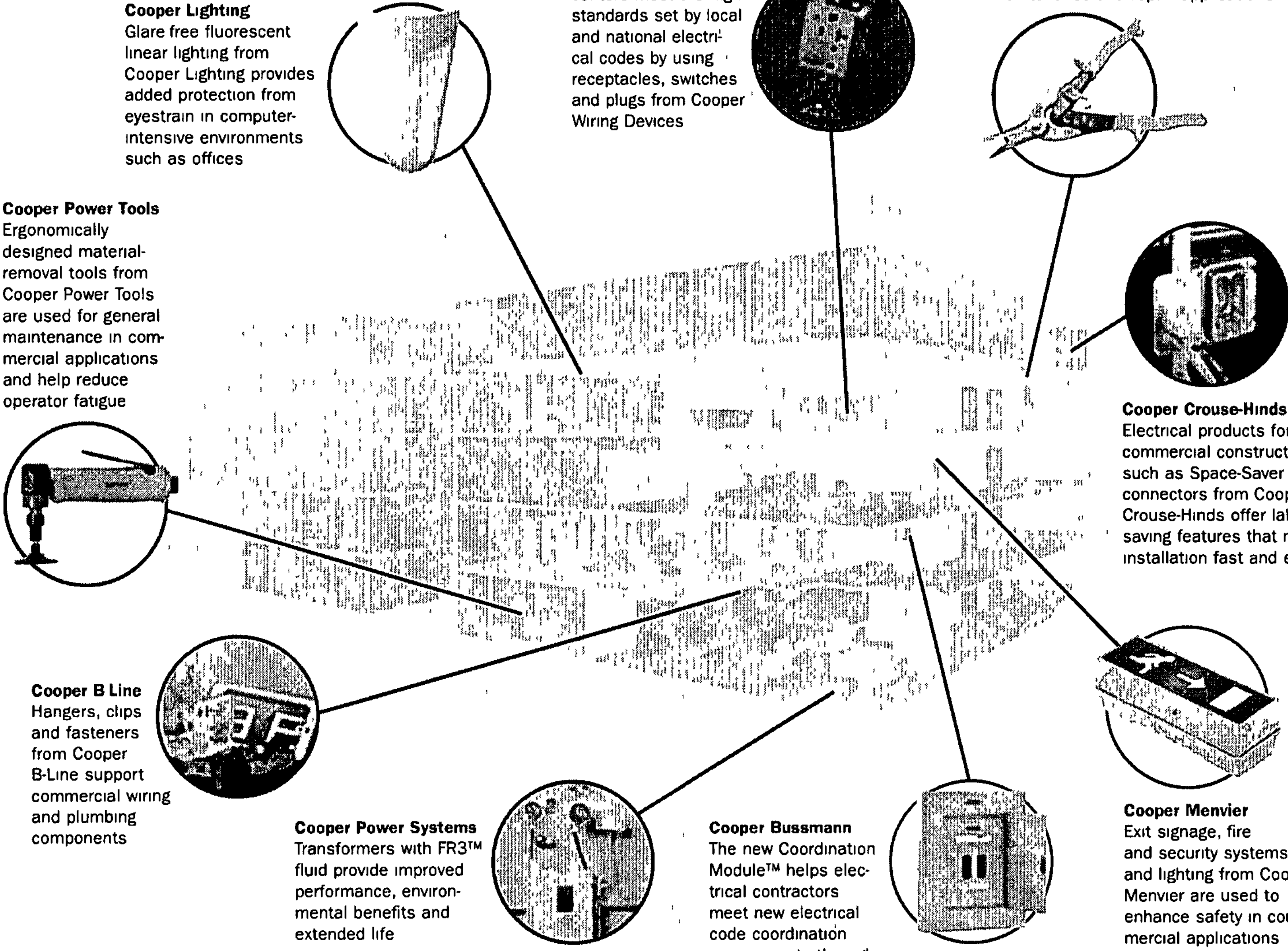
**Cooper Power Systems**
Capacitors and Reclosers
Pad-Mounted and Substation Transformers
Insulating Fluids
Switchgear
Cable Accessories
Overvoltage Protection
Fault Indicators
Maintenance Tools

**Cooper Wiring Devices**
Switches and Receptacles
Plugs and Connectors
Locking Devices
Motor Controllers

**Cooper Hand Tools**
Measuring Tools
Screwdrivers
Pliers and Wrenches
Hammers
Soldering Tools
Cutting Tools
Chain and Fittings

**Cooper Power Tools**
Pneumatic and DC Electric Assembly Tools
Automated Assembly Equipment
Pneumatic Material-Removal Tools
Tube Cleaners and Expanders
Bits and Sockets
Universal Joints
Cutting Tools
Torque Assurance Products
Pneumatic Hoists
Advanced Drilling Equipment

# ▶ Commercial



**Cooper Wiring Devices**
Builders of hospitals, hotels, offices and shopping centers meet the high standards set by local and national electrical codes by using receptacles, switches and plugs from Cooper Wiring Devices

**Cooper Hand Tools**
Technicians and service personnel use tools from Cooper Hand Tools for maintenance and repair applications

**Cooper Lighting**
Glare free fluorescent linear lighting from Cooper Lighting provides added protection from eyestrain in computer-intensive environments such as offices

**Cooper Power Tools**
Ergonomically designed material-removal tools from Cooper Power Tools are used for general maintenance in commercial applications and help reduce operator fatigue

**Cooper Crouse-Hinds**
Electrical products for commercial construction such as Space-Saver EMT connectors from Cooper Crouse-Hinds offer labor-saving features that make installation fast and easy

**Cooper B Line**
Hangers, clips and fasteners from Cooper B-Line support commercial wiring and plumbing components

**Cooper Power Systems**
Transformers with FR3™ fluid provide improved performance, environmental benefits and extended life

**Cooper Bussmann**
The new Coordination Module™ helps electrical contractors meet new electrical code coordination requirements through an all-in-one solution

**Cooper Menvier**
Exit signage, fire and security systems and lighting from Cooper Menvier are used to enhance safety in commercial applications across Europe

# ▶ Major Product Categories

**Cooper B-Line**
Strut and Hangers
Cable Tray
Spring Steel Fasteners
Electronic Cabinets
Rack and Runway Systems
Meter Mounting Equipment
Electrical Enclosures

**Cooper Bussmann**
Electrical Disconnects
Fused Circuit Protection
Elevator Disconnect Panels
Cable Limiters

**Cooper Crouse-Hinds**
Commercial Fittings
Hubs
Outlet Boxes
Weatherproof Lighting, Boxes and Covers

**Cooper Lighting**
Recessed Downlighting
Track Lighting
Fluorescent Lighting
Floodlighting
Architectural Area/Site Lighting
Emergency/Exit Lighting
Security Lighting
Landscape Lighting

**Cooper Menvier**
Fire Detection
Security Systems
Lighting Systems
Emergency Lighting

**Cooper Power Systems**
Pad-Mounted and Substation Transformers
Insulating Fluids
Pad-Mounted Switchgear
Overcurrent Protection

**Cooper Wiring Devices**
Switches and Receptacles
Surge-Protection Equipment
Datacom Wiring Equipment

**Cooper Hand Tools**
Measuring Tools
Screwdrivers
Pliers and Wrenches
Hammers
Soldering Tools
Cutting Tools
Chain and Fittings

**Cooper Power Tools**
Pneumatic Assembly Tools
Pneumatic Material-Removal Tools
Bits and Sockets
Universal Joints

# ▶ Residential

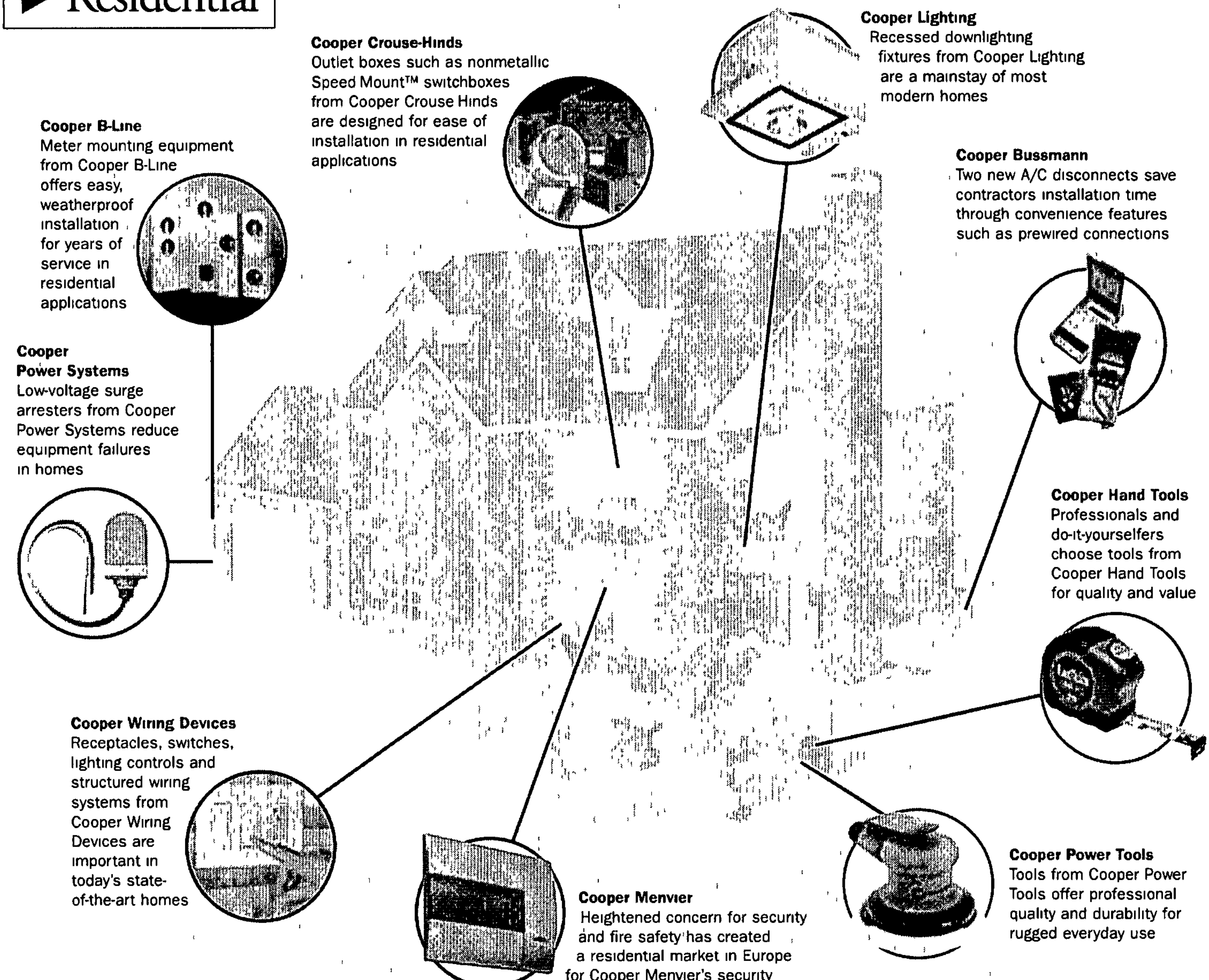
**Cooper B-Line**
Meter mounting equipment from Cooper B-Line offers easy, weatherproof installation for years of service in residential applications

**Cooper Power Systems**
Low-voltage surge arresters from Cooper Power Systems reduce equipment failures in homes

**Cooper Crouse-Hinds**
Outlet boxes such as nonmetallic Speed Mount™ switchboxes from Cooper Crouse Hinds are designed for ease of installation in residential applications

**Cooper Lighting**
Recessed downlighting fixtures from Cooper Lighting are a mainstay of most modern homes

**Cooper Bussmann**
Two new A/C disconnects save contractors installation time through convenience features such as prewired connections



**Cooper Hand Tools**
Professionals and do-it-yourselfers choose tools from Cooper Hand Tools for quality and value

**Cooper Wiring Devices**
Receptacles, switches, lighting controls and structured wiring systems from Cooper Wiring Devices are important in today's state-of-the-art homes

**Cooper Menvier**
Heightened concern for security and fire safety has created a residential market in Europe for Cooper Menvier's security and fire-detection products

**Cooper Power Tools**
Tools from Cooper Power Tools offer professional quality and durability for rugged everyday use

# ▶ Major Product Categories

**Cooper B-Line**
Strut
Concrete Inserts
Spring Steel Fasteners

**Cooper Bussmann**
A/C Disconnects
Fused Circuit Protection
Box Cover Units

**Cooper Crouse-Hinds**
Outlet Boxes
Floor Boxes
Weatherproof Lighting, Boxes and Covers

**Cooper Lighting**
Recessed Downlighting
Track Lighting
Fluorescent Lighting
Security Lighting
Landscape Lighting

**Cooper Menvier**
Fire Detection
Security Systems

**Cooper Power Systems**
Low-Voltage Surge Arresters
Cable Accessories
Pole-Top Transformers
Single-Phase, Pad-Mounted Transformers
Insulating Fluids
Switches
Overcurrent Protection

**Cooper Wiring Devices**
Switches
Receptacles
GFCI Devices
Dimmers
Wall Plates
Structured Wiring Systems

**Cooper Hand Tools**
Measuring Tools
Cutting Tools
Screwdrivers
Pliers and Wrenches
Hammers
Soldering Tools
Chain and Fittings

**Cooper Power Tools**
Pneumatic Drills and Sanders

# ▶ Utility

**Cooper Crouse-Hinds**
Cooper Crouse-Hinds products have many utility applications, including obstruction lighting to mark towers that may represent hazards to air navigation

**Cooper Power Tools**
Utilities depend upon tools from Cooper Power Tools for service and maintenance of generation and distribution equipment

**Cooper B-Line**
Cabling support products from Cooper B Line offer a variety of wire-management options ranging from electrical enclosures and metering to cable tray, equipment racks and other cable support systems

**Cooper Bussmann**
Cable limiters are used for short-circuit protection of service panel cables

**Cooper Lighting**
Area, street and roadway lighting provides excellent optical performance for utility customers

**Cooper Power Systems**
Cooper Power Systems' line of protective relays and controls communicate using PeerCom™ software to provide superior protection from outages

**Cooper Wiring Devices**
Utilities use wire mesh pulling grips to install both underground and overhead transmission cables

**Cooper Hand Tools**
Utility companies rely on hand tools from Cooper Hand Tools for construction, repair and maintenance

# ▶ Major Product Categories

**Cooper B-Line**
Strut and Hangers
Cable Tray
Spring Steel Fasteners
Electronic Cabinets
Meter Mounting Equipment
Electrical Enclosures

**Cooper Bussmann**
Electrical Disconnects
Medium-Voltage Fuses
Cable Limiters

**Cooper Crouse-Hinds**
Conduit and Cable Fittings
Control and Apparatus Equipment
Industrial Lighting
Obstruction Lighting
Plugs and Receptacles
Signals and Alarms
Instrumentation

**Cooper Lighting**
Architectural Area/Site Lighting
Floodlighting
Street/Roadway Lighting

**Cooper Power Systems**
Switches
Pad-Mounted and Substation Transformers
Switchgear
Insulating Fluids
Reclosers and Controls
Relays
Cable Accessories
Lightning Arresters

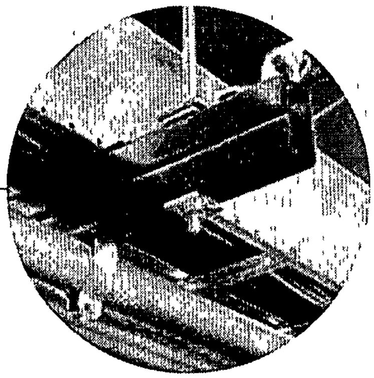
**Cooper Wiring Devices**
Wire Mesh Grips

**Cooper Hand Tools**
Measuring Tools
Pliers and Wrenches
Hammers
Cutting Tools
Chain and Fittings

**Cooper Power Tools**
Pneumatic Material-Removal Tools
Pneumatic Assembly Tools
Bits and Sockets
Universal Joints
Torque Assurance Products
Tube Cleaners and Expanders

Beth Johnston, Human Resources Manager | USA

**COOPER B-Line**



Cooper B-Line manufactures cabling support and routing products for a variety of markets

"Cooper B-Line is focused on growth through new products, new markets and continued penetration of existing market segments. By providing our customers with the most complete line of support system, wire management and enclosure products available in the industry, Cooper B-Line stands out as the market's source for one-stop shopping."

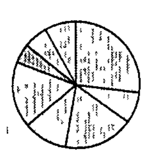
Kevin Kissling
President, Cooper B-Line

Cooper B-Line's 46 years of dedication to product quality and customer service have earned the Company an industry-wide reputation for reliability and value During 2004, this reputation became even stronger Cooper B-Line made great strides to increase market share in its target segments electrical, mechanical and communication/data In addition, cost control and productivity improvement initiatives markedly boosted profitability

Cooper Industries' global scope provides Cooper B-Line with a solid foundation to expand its new product design and material sourcing capabilities Both of these initiatives have allowed Cooper B-Line to improve productivity, reduce costs and accelerate time-to-market for new product introductions Cooper B-Line's significant progress made in 2004 on global design and material sourcing will intensify throughout 2005

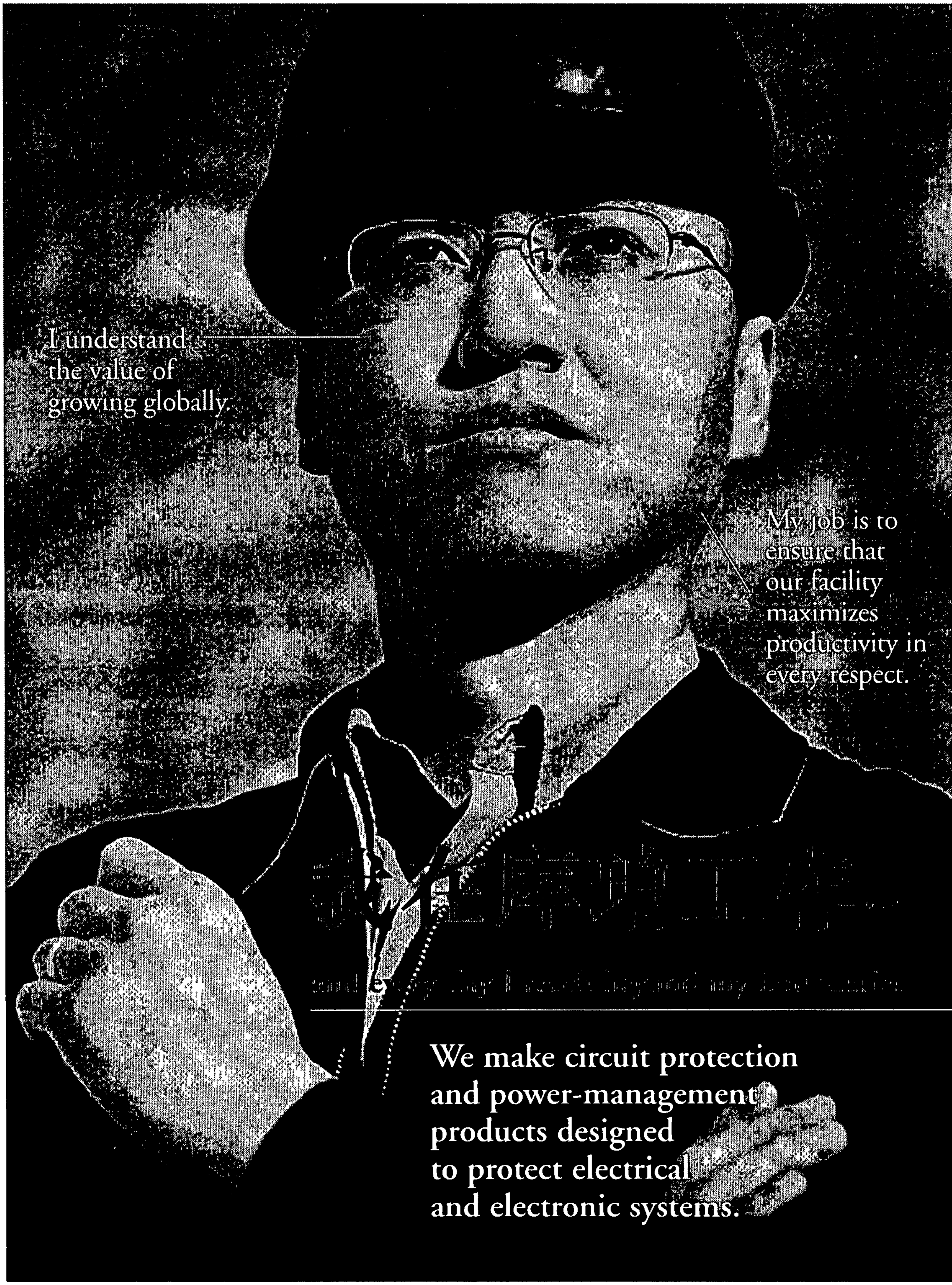
As commercial, industrial and telecommunications markets continue to improve in 2005, Cooper B-Line plans to capture new opportunities and take advantage of a strengthened economic platform Market expansion into both Canada and Europe will broaden Cooper B-Line's customer base, and planned new product introductions will help increase market share Cooper B-Line's innovative marketing and sales strategies will continue to enable the Company to increase exposure for new products, effectively utilize channel strength and uncover additional opportunities for growth

*Cooper B-Line is reaching beyond its boundaries to develop new products and new markets*



**Annual Revenue Contribution**

Cooper B-Line 5%

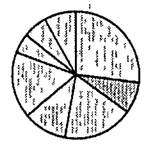



 Joseph Zhang, Construction Project Manager | CHINA

**COOPER Bussmann**

"Cooper Bussmann is the world's leading overcurrent protection supplier. We are capturing new growth opportunities by penetrating emerging geographic markets and expanding our customer base through new products, enhanced customer service and heightened expertise."

Mike Stoessl*
President, Cooper Bussmann



**Annual Revenue Contribution**

| | |
|---|---|
| Cooper Bussmann | 8% |

Cooper Bussmann outpaced the market in 2004, generating double-digit growth in both sales and earnings This was the result of a keen focus on increased global market penetration, coupled with continued efforts to reduce costs and improve manufacturing efficiencies

Since 1914, Cooper Bussmann has been a leader in developing new products and formulating leading-edge technology to provide excellence in circuit protection Cooper Bussmann leads the industry with its comprehensive portfolio of fuses, fuse holders, terminal blocks, voltage surge protectors, inductors and miniature transformers to provide quality power to a growing number of customers

During 2004, Cooper Bussmann made significant strides in expanding product availability around the world, particularly in China, Korea and Europe Likewise, Cooper Bussmann's impressive team of direct-sales personnel and manufacturer's representatives was expanded to meet the needs of its geographically diverse customer base

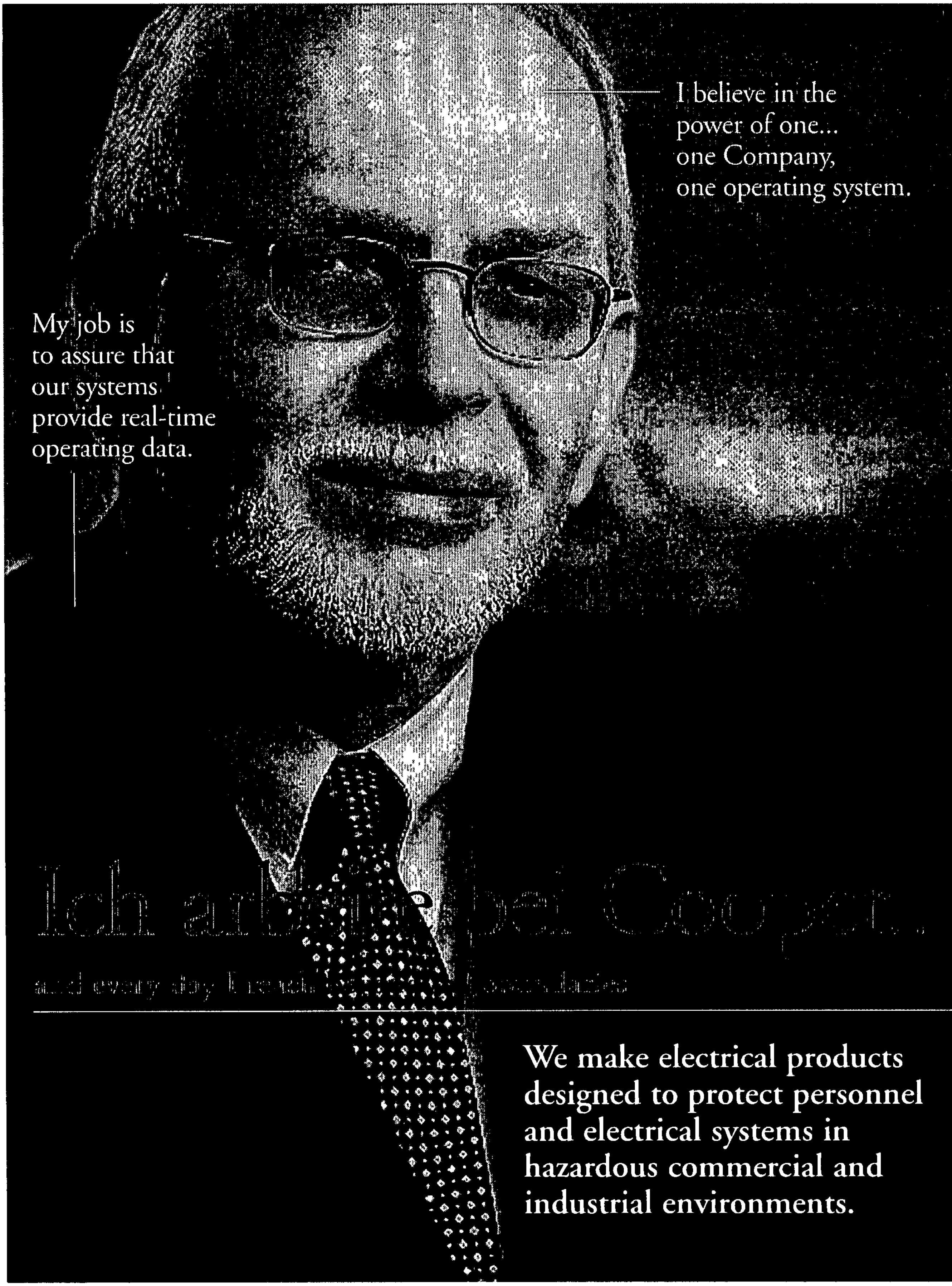
New engineering centers were opened in India and China to help speed new products to market During 2004, Cooper Bussmann launched 89 innovative new electronics, electrical and transportation products, including new products for European markets, chip fuses and electrostatic discharge protection offerings

Looking toward 2005, Cooper Bussmann plans to continue its focus on aggressive global growth and new product development, keys to ongoing market leadership

*Cooper Bussmann is reaching beyond its boundaries to develop global sales opportunities*

Cooper Bussmann supplies circuit protection for today's demanding telecommunications requirements

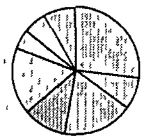
*Mr Stoessl served as President of Cooper Bussmann through 2004 He was appointed Group President, Cooper Power Systems, in 2005


I believe in the
power of one...
one Company,
one operating system.
My job is
to assure that
our systems
provide real-time
operating data.
Ich ar
bei Cooper.
We make electrical products
designed to protect personnel
and electrical systems in
hazardous commercial and
industrial environments.

**COOPER** Crouse-Hinds

"Cooper Crouse-Hinds is connecting across the globe and helping to maximize business opportunities throughout all of Cooper's divisions. We have a unique franchise that allows us to serve customers around the world and provide market reach to other Cooper businesses. Today, we are leveraging the strengths of all of Cooper's assets to deliver innovative solutions to a new set of global customers."

Curt Andersson
President, Cooper Crouse-Hinds



**Annual Revenue Contribution**

Cooper Crouse-Hinds 11%

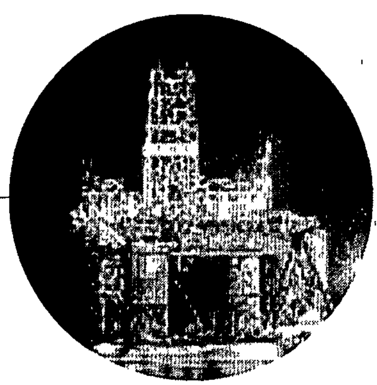
Cooper Crouse-Hinds offers solutions for electrical requirements in harsh and hazardous environments and in heavy-duty industrial and commercial applications Cooper Crouse-Hinds provides products and services to customers around the world, according to the standards and certifications of each local market

Cooper Crouse-Hinds focused considerable attention in 2004 on new product development Innovation serves as a foundation for growth, and Cooper Crouse-Hinds introduced new products in the hazardous, airport lighting and molded products businesses Product development activities addressed safety, global market needs and products that would improve operating performance for customers

The increased complexity of existing markets and opportunities in new markets spurred growth for Cooper Crouse-Hinds. Sales and marketing staff was added in many regions to support global growth and market access During 2004, Cooper Crouse-Hinds also launched a number of initiatives aimed at better understanding customers' needs for high-quality, safety-related products and services

In addition to implementing Cooper's new Enterprise Business System to enhance information-management capabilities, Cooper Crouse-Hinds also improved performance using Cooper's MVP quality initiative, which identified hundreds of operating and manufacturing improvement opportunities During 2005, technology initiatives and the MVP productivity improvement process will extend into the entire value stream, from customer inquiry through product delivery and installation This will position Cooper Crouse-Hinds to provide unequaled customer value well into the future

*Cooper Crouse-Hinds is reaching beyond its boundaries to better serve customers as they invest around the world*



Cooper Crouse-Hinds' products were specified for use on "Thunder Horse," the world's largest semisubmersible production platform

**COOPER Lighting**

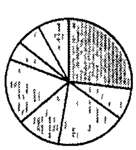
"Cooper Lighting provides superior lighting solutions that surpass our customers' expectations. Our products are used in a wide variety of applications and offer unequaled performance to enhance productivity, energy efficiency and aesthetics. The Cooper Connection helps us to leverage Cooper's entire family of products as an unrivaled platform to showcase our offerings and generate continued growth."

Dave Feldman
President, Cooper Lighting

Cooper's INVUE™ lighting fixtures protect the night sky from light pollution

Cooper Lighting has a heritage of strong brand identity, and its innovative products are used in the finest residential, retail, commercial and institutional facilities throughout the world Fast-growing and responsive, Cooper Lighting utilizes intensive market research and product development to provide high-quality, versatile, value-added products

Cooper Lighting is taking the lead in proactively developing products and services to address the growing importance of environmental concerns In fact, in 2004, Cooper Lighting introduced more than 50 new products across 14 brands Cooper Lighting's new product offerings represent significant developments in the industry, and, for the third consecutive year, Cooper Lighting products were recognized by the prestigious Illuminating Engineering Society Progress Committee for "advancing the art and science of lighting"



**Annual Revenue Contribution**

Cooper Lighting 27%

Cooper Lighting's Halo® and Iris® "Energy Star" qualified downlights and the INVUE™ Lighting System provide unique solutions for new and emerging environmental and safety requirements Other new products have been designed specifically to offer a variety of energy solutions, and new products from Shaper focus on sustainable design issues using natural materials

Cooper Lighting also has developed new lighting education courses to address regulatory and environmental challenges, and a team of energy professionals, "Energy ReSOURCE," tracks critical issues and pending legislation impacting the lighting industry

Cooper Lighting recognizes that change drives its industry By addressing these changes – energy and environmental regulations, globalization, photobiology, economic and power generation challenges and new technologies – Cooper Lighting will continue to develop new products and solutions that will lead the lighting industry in 2005 and beyond

*Cooper Lighting is reaching beyond its boundaries to advance the art and science of lighting*



By working together, our divisions create infinite solutions for our customers.


Jodi Alston, Product Manager, Cooper Lighting • Chris Klinker, Regional Vice President, Cooper Connection | USA

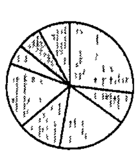
## COOPER Wiring Devices

"From its inception in 2000, Cooper Wiring Devices has taken an aggressive approach toward marketing and product development. In the process, it has become one of Cooper Industries' fastest-growing businesses. At Cooper Wiring Devices, we continue to look beyond the tried and true to gain market share and drive growth in both the retail and electrical distribution channels."

Jeff Roberts
President, Cooper Wiring Devices

The genesis of Cooper Wiring Devices rests in the reinvention of three legacy brands – Eagle,® Arrow-Hart® and Royer® With the acquisition of Eagle Electric in 2000, Cooper consolidated these brands under Cooper Wiring Devices, taking advantage of Cooper's strong brand name This dynamic brand launch has resulted in vibrant growth and improved marketplace awareness with distributors, contractors, designers, builders and homeowners

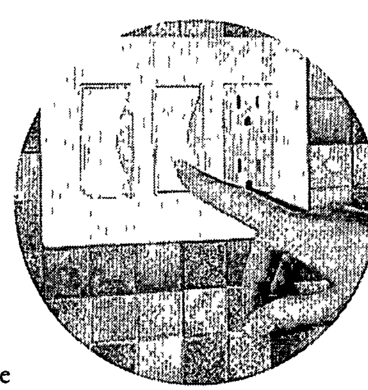
The Cooper Wiring Devices brand consolidation also jump started significant internal improvement programs aimed at reducing costs, reallocating manufacturing capacities and, ultimately, enhancing profitability As a result, Cooper Wiring Devices has been able to expand its new product development platform, including a new design center in Shanghai, China, that has increased the quantity of projects and dramatically reduced their time-to-market



**Annual Revenue Contribution**

Cooper Wiring Devices 6%

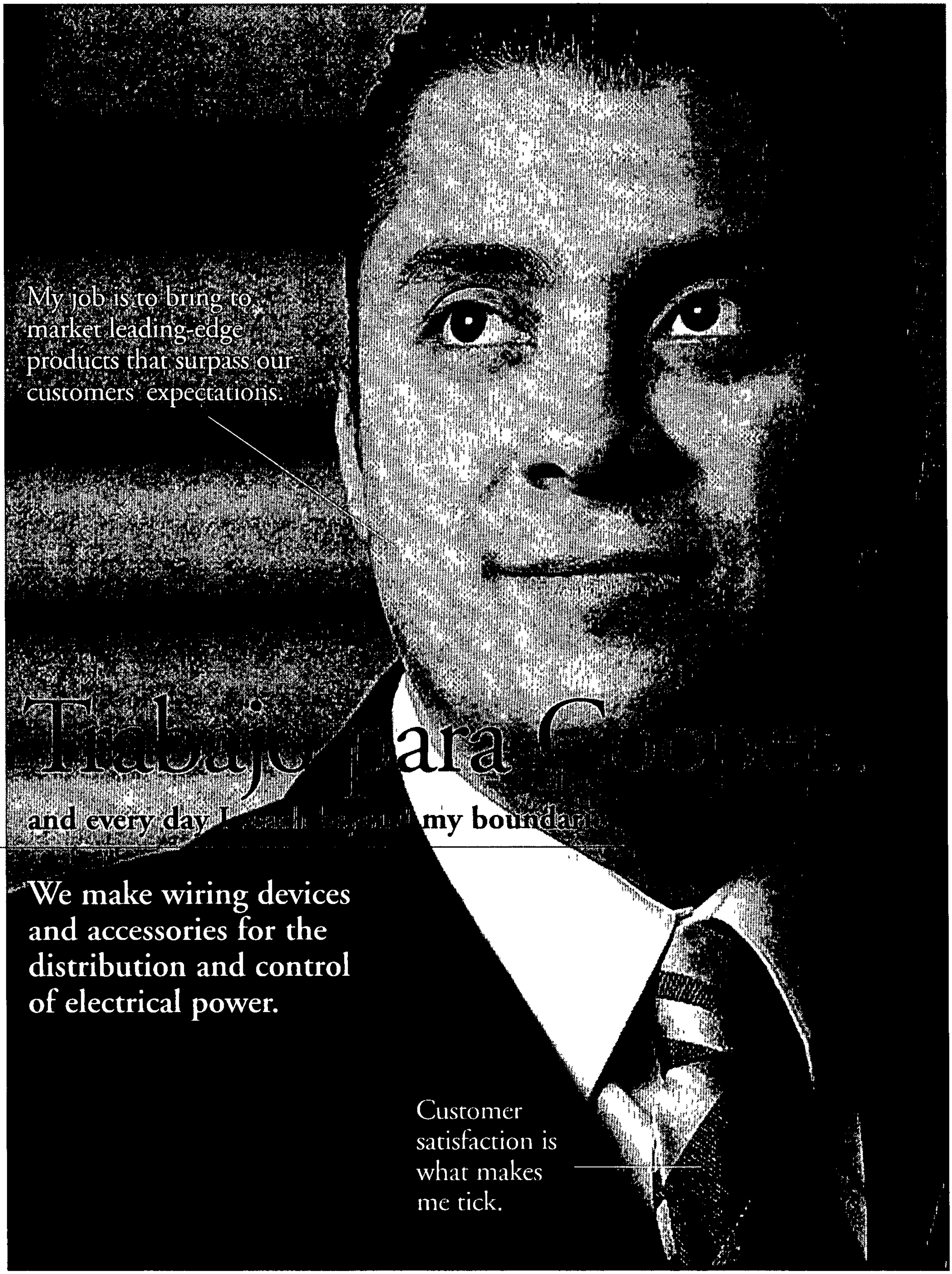
Cooper Wiring Devices has distinguished itself for its innovative new products In 2004, the Company successfully launched redesigned decorator switches, new GFCI devices and the "While-In-Use" weatherproof cover for outdoor applications With the recent introduction of its Aspire™ Design System, Cooper Wiring Devices has extended a fashion footprint to receptacles, dimmers and switches for high-end residential and commercial applications Capitalizing on this unique trend toward aesthetics creates another potential revenue stream for electrical distributors and big-box retail outlets



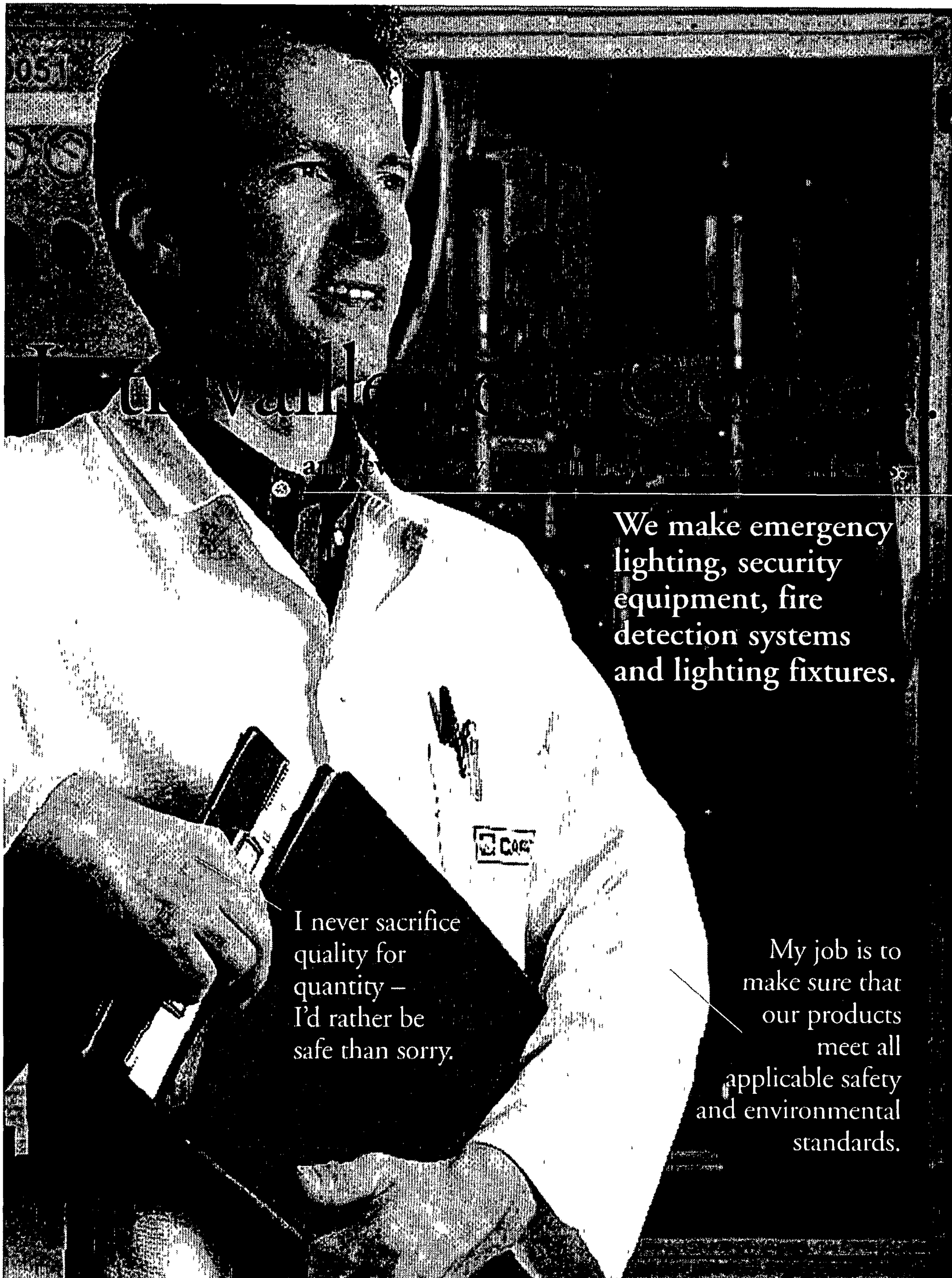
Cooper's new Aspire™ Design System complements high-end interior designs

In 2004, Cooper Wiring Devices relocated its headquarters adjacent to Cooper Lighting to maximize synergies between the two businesses Both divisions' best-in-class showrooms and training facilities will enhance mutual growth opportunities through joint training and marketing programs

*Cooper Wiring Devices is reaching beyond its boundaries to bring imagination and flair into the world of switches, wall plates and dimmers*




Ariel Santamaria Fernandez, Product Development Manager | MEXICO




Jacky Godefroy, Laboratory Safety and Environment Technician | FRANCE

**COOPER Menvier**

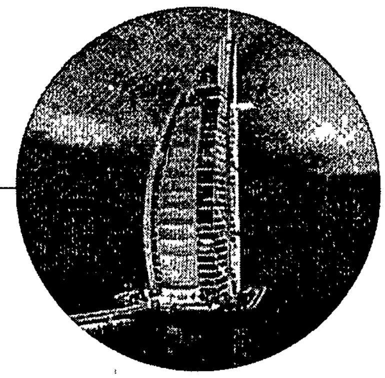
"Cooper Menvier's platform of electrical products and solutions serves as the anchor for Cooper's other businesses to expand market penetration throughout Europe. In addition, Cooper Menvier provides a springboard into emerging markets in Eastern Europe and the Middle East, becoming an integral tool for Cooper's globalization initiative."

Eric Scrimshaw
President, Cooper Europe

As a leading player in the European market for emergency and commercial lighting, fire detection and building security systems, Cooper Menvier provides the foundation for other Cooper divisions, notably Cooper Bussmann, Cooper B-Line, Cooper Crouse-Hinds and Cooper Power Systems, to expand aggressively across the whole continent

Europe provides solid potential for Cooper to address unique market opportunities through new product introductions and complementary acquisitions In 2004, Cooper acquired MEDC, a U K -based manufacturer of alarms and public-address systems, which became part of Cooper Crouse-Hinds This acquisition exemplifies the strong synergies among all of Cooper's electrical businesses, which together offer unparalleled products and services to thousands of customers across Europe

During 2004, Cooper Menvier made significant progress to reduce costs by increasing Asian sourcing and manufacturing capabilities, to grow market share by continuing to strengthen relationships with important distribution channels and to fill unique market niches through the introduction of new products such as the Planete™ lighting series

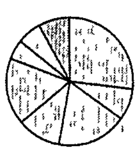


The world-famous Burj Al Arab hotel, built offshore from Dubai in the Arabian Gulf, uses centrally controlled emergency lighting from Cooper

As the Company invests in the growth markets of Eastern Europe and the Middle East, Cooper's product portfolio is well aligned to support industrial growth, infrastructure development and the ever-present need for energy and oil – key requirements of these emerging markets

By effectively implementing new technologies and manufacturing improvement programs, Cooper Menvier is utilizing the strengths inherent in all of Cooper's businesses to enhance market penetration and further expand into higher-growth markets

*Cooper Menvier is reaching beyond its boundaries to help all of Cooper's businesses grow globally*



**Annual Revenue Contribution**

Cooper Menvier 8%

# COOPER Power Systems

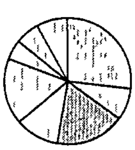
"Cooper Power Systems is benefiting from a renewed focus on the critical need for reliable transmission and distribution of electric power. New products from Cooper Power Systems, like Envirotemp® FR-3 fluid and the Advanced Automated Switchgear system, offer our customers leading-edge solutions to extend equipment life, protect the environment and decrease costs."

Mike Stoessl
Group President, Cooper Power Systems

Cooper Power Systems has the geographic scope, breadth of products and the technical and manufacturing expertise to generate tremendous growth as customers around the world focus on reliability and system integrity. With products such as transformers, switchgear and arresters, voltage regulators, capacitors, fluids, fuses and fault indicators, Cooper Power Systems provides the widest selection of high-quality products and integrated solutions for the global utility industry.

Today, Cooper Power Systems serves customers in North, South and Central America, as well as in Europe and Asia. During 2004, Cooper Power Systems finalized a joint venture for manufacturing power capacitors in China to further serve the generation needs of this growing market.

Cooper's MVP productivity improvement program and a strategic shift in manufacturing capacity and capabilities have resulted in greater profitability and an improved ability to meet and exceed customer expectations. Likewise, technology has improved top-line growth through new products that address system reliability and efficiency and overarching concerns for environmental protection.

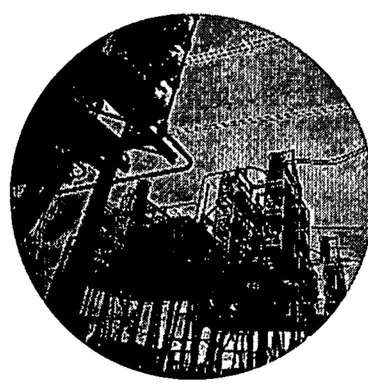


**Annual Revenue Contribution**

Cooper Power Systems 18%

By continuing to strengthen the infrastructure in Asia and leverage capacity in Central and South America, Cooper Power Systems will drive sales and improve market penetration. Multiple new product launches are planned for 2005, including cost-effective switchgear, integrated modular substations and advanced sensors and protective relays. Continued technology evolution will drive down costs and enhance capabilities for low-cost production and new product development.

*Cooper Power Systems is reaching beyond its boundaries to provide unequaled solutions in the distribution and transmission of electric power.*



Power transmission equipment from Cooper Power Systems offers improved performance and reliability.

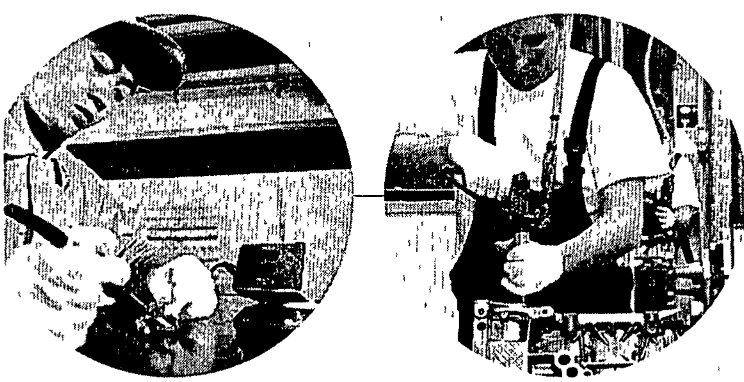

Carlos Perez, Manufacturing Engineer | MEXICO

## COOPER Power Tools

"Cooper Power Tools and Cooper Hand Tools boast a strong and unique global franchise offering some of the most recognized brands in the industry. This brand equity, coupled with our premier customer relationships, has created a vital platform for continued growth and profitability."

Steve Sisney
Group President, Tools & Hardware

Geoffrey Spark
President, Cooper Hand Tools



Customers the world over rely on Cooper's hand and power tools

## COOPER Hand Tools

Quality products and strong customer relationships are Cooper Power Tools' foundation Through aggressive global expansion in 2004, the business was able to reduce costs, improve operating metrics, enhance customer service and bring a variety of new products to market

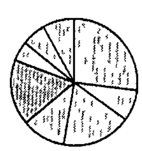
During 2004, Cooper Power Tools broadened market penetration, establishing sales organizations in China and Korea and renewing its focus on Latin American markets Profitability has strengthened by fully utilizing global supply sources and by maximizing opportunities to lower costs and increase manufacturing efficiencies Important customer relationships have been strengthened through improved service and responsiveness

Superior product breadth and strong brands position Cooper Hand Tools as the leader in many global sectors Marketed through both retail and distribution channels, Cooper Hand Tools' offerings include do-it-yourself and professional hand tools, joining tools and chain and accessories

During 2004, Cooper Hand Tools achieved greater penetration in international markets and identified significant opportunities to reduce costs and improve profitability Sales and marketing resources have been strengthened and realigned to mirror channel shifts Manufacturing capabilities have broadened with added capacity in China commencing in 2005

Looking forward, global growth will continue to be a key focus for the Cooper Tools Group Continued worldwide expansion will offer incremental opportunities to serve a growing number of customers, achieve greater supply-chain efficiencies, expand market channels and introduce new and improved products – all critical elements for sustained profitable growth

*Cooper Power Tools and Cooper Hand Tools are reaching beyond their boundaries as technological leaders to foster global customer relationships*

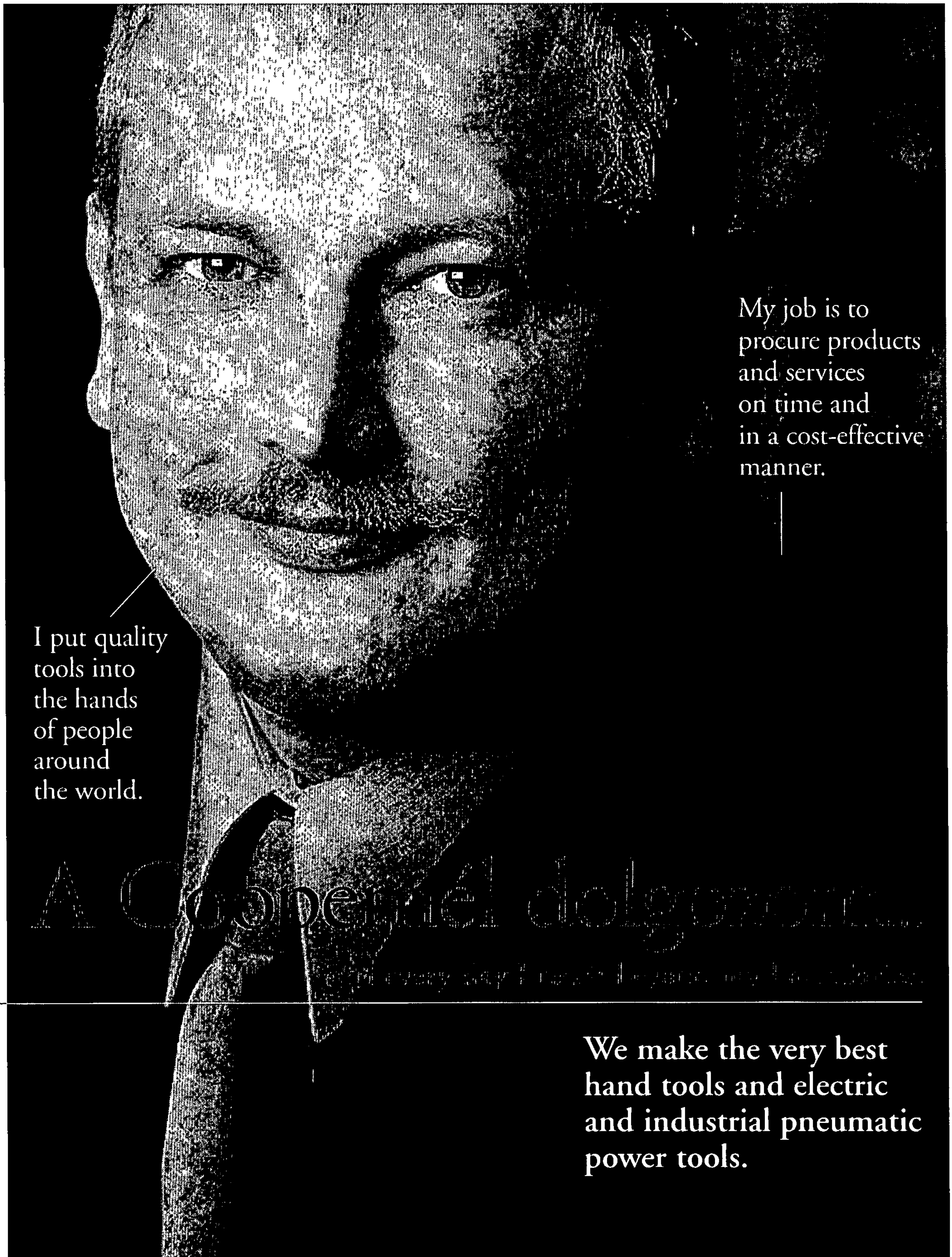


**Annual Revenue Contribution**

Total Cooper Tools Group 17%



The benefits of our global sourcing and procurement program know no limits.




Laszlo Jurik, Material Sourcing and Production Planning Supervisor | HUNGARY

COOPER

At Cooper, value is not just an economic term. Clearly, we generate value for our customers and shareholders. At the same time, we value the communities and neighborhoods that we call home. This commitment to give back is a hallmark of a company with value that generates value. This is a hallmark of Cooper Industries.

At Cooper, corporate citizenship is an essential component of our business strategy, value proposition and stakeholder relationships We encourage our employees to give back to their communities and to foster a safe and environmentally sound workplace We report our financial results with integrity and accuracy, and we continue to uphold the highest standards of ethical business conduct

Our outreach programs are designed to deliver measurable, positive results – on international, national and local levels Each year, Cooper Industries awards over $3 million in grants and also generously matches employees' gifts to nonprofit organizations and educational institutions

In order to further Cooper's commitment to volunteerism, sound safety and health practices, educational opportunities and environmental responsibility, the Company has established unique awards programs

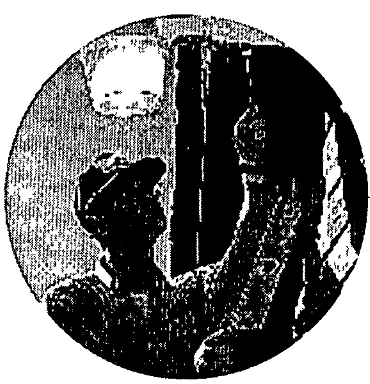
• Cooper's Volunteer Spirit Awards recognize volunteers with donations to the organizations they serve

• The Take Charge Safety and Health Awards recognize the safety achievements of the Company's facilities through grants to local safety-oriented organizations

• The Cooper Scholarship Program provides scholarships to dependent children of employees in the U S , Canada and Mexico

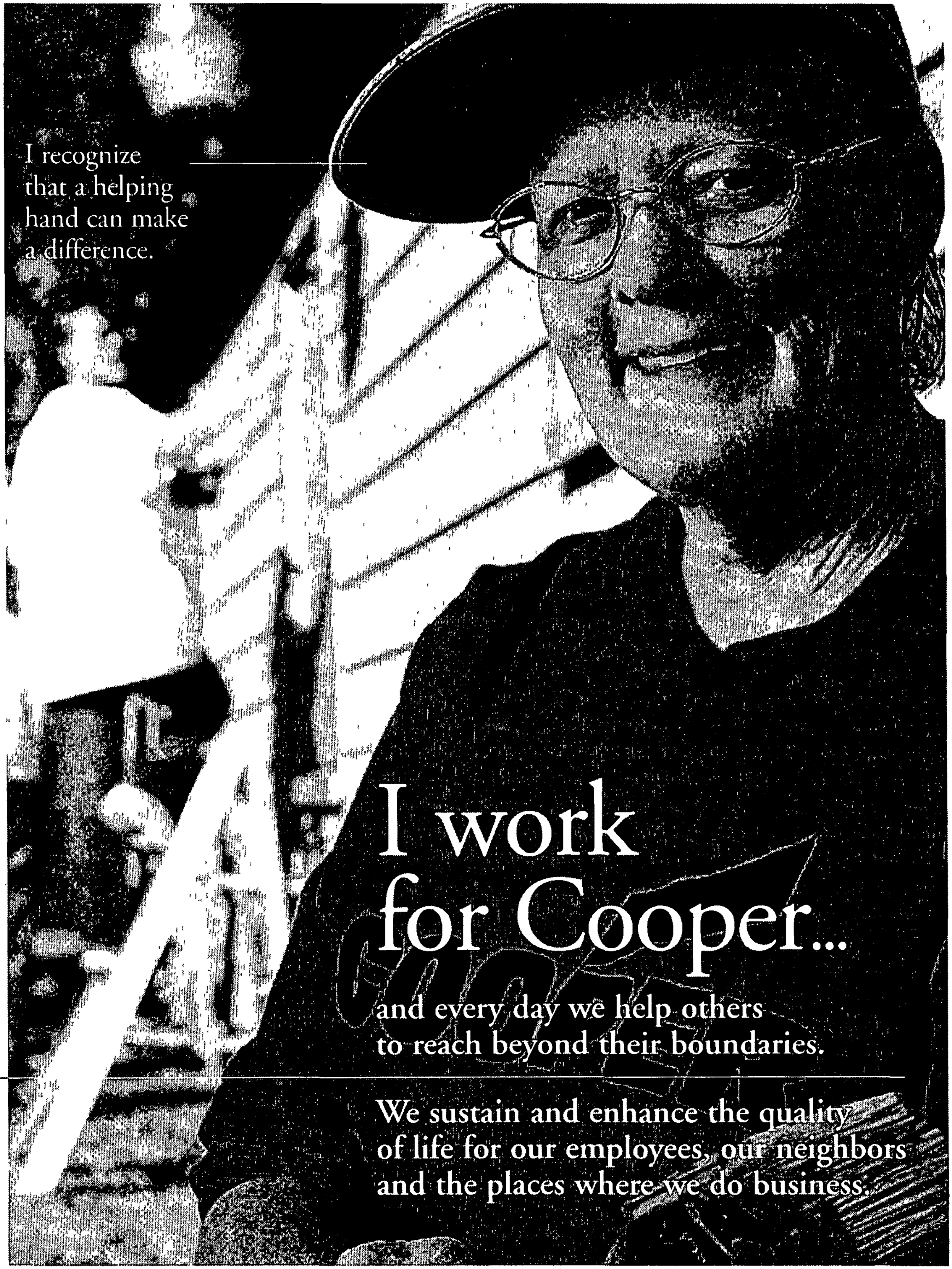
• Cooper's Environmental Awards Program salutes best-in-class performance in environmental protection and resource conservation through grants to local environmental organizations

Cooper's ongoing commitment to corporate governance and sustainability has resulted in an enviable reputation for the highest standards of business conduct and corporate ethics





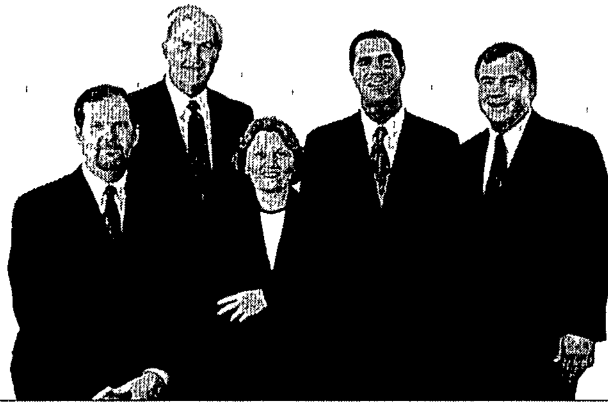

We make a difference by helping others to reach for a better life.




Lyn Shah, Director, Human Resources Automation and Administration | USA

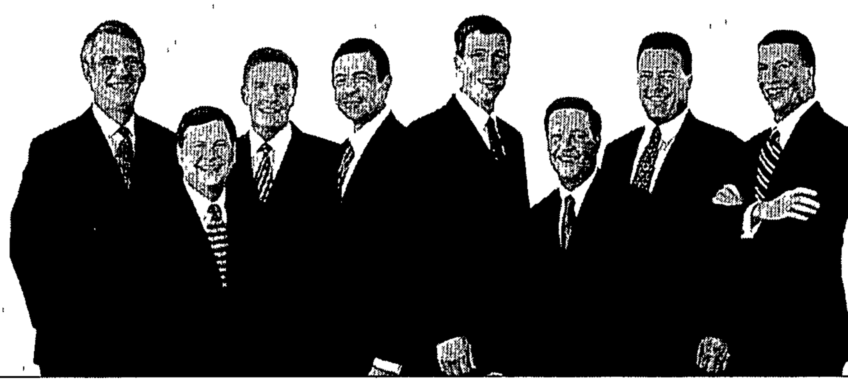
# Management Team

### Senior Management



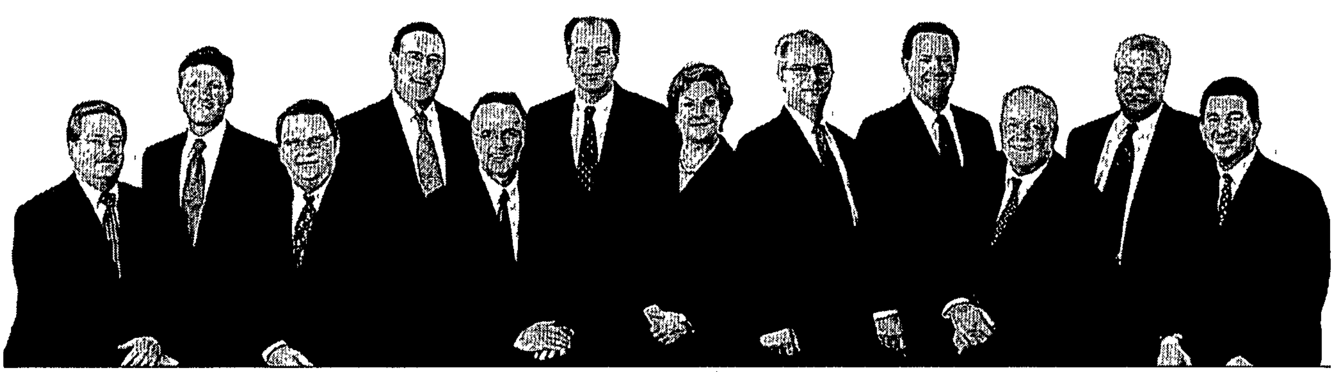
*(Left to Right)* **Terry A. Klebe**, Senior Vice President and Chief Financial Officer, **H John Riley, Jr** , Chairman and Chief Executive Officer, **Diane K Schumacher**, Senior Vice President, General Counsel and Chief Compliance Officer, **Kirk S Hachigian**, President and Chief Operating Officer, **David R Shell**, Senior Vice President, Human Resources and Chief Administrative Officer

### Division Presidents



*(Left to Right)* **Geoffrey Spark**, President, Cooper Hand Tools, Raleigh, North Carolina, **Jeffrey Roberts**, President, Cooper Wiring Devices, Peachtree City, Georgia, **J Eric Scrimshaw**, President, Cooper Europe, Royal Leamington Spa, Warwickshire, England, **Michael A Stoessl**, Group President, Cooper Power Systems, Waukesha, Wisconsin, **Curt J Andersson**, President, Cooper Crouse-Hinds, Syracuse, New York, **Kevin C Kissling**, President, Cooper B-Line, Highland, Illinois, **David J Feldman**, President, Cooper Lighting, Peachtree City, Georgia, **Steven L Sisney**, Group President, Tools & Hardware, Lexington, South Carolina

### Corporate Officers



*(Left to Right)* **Brian D Rayl**, Vice President, Personnel, **Kenneth V Camarco**, Vice President, Business Systems, **Robert W Teets**, Vice President, Environmental Affairs and Risk Management, **Alan J Hill**, Vice President and Treasurer, **Terrance V Helz**, Associate General Counsel and Secretary, **David T Gunther**, Vice President, Internal Audit, **Victoria B Guennewig**, Vice President, Public Affairs, **Richard J Bajenski**, Vice President, Investor Relations, **Jeffrey B Levos**, Vice President, Controller and Chief Accounting Officer, **Thomas E Briggs**, Vice President, Sales and Marketing, Cooper Connection, **E Daniel Leightman**, Vice President, Taxes, **Grant L Gawronski**, Vice President, International Operations

# Board of Directors

**Stephen G Butler** [1,4]
Retired Chairman and
Chief Executive,
KPMG, LLP

**Robert M Devlin** [2,3,4]
Chairman, Curragh
Capital Partners

**Ivor J Evans** [3,4]
Retired Vice Chairman,
Union Pacific Corporation

**Kirk S Hachigian**
President and
Chief Operating Officer,
Cooper Industries, Ltd

**Linda A Hill** [1,3]
Professor, Harvard
Business School

**James J Postl** [1,4]
Retired President and
Chief Executive Officer,
Pennzoil Quaker State
Company

**H John Riley, Jr** [2]
Chairman and
Chief Executive Officer,
Cooper Industries, Ltd

**Dan F Smith** [1,2,3]
President and
Chief Executive Officer,
Lyondell Chemical
Company

**Gerald B Smith** [1,4]
Chairman and
Chief Executive Officer,
Smith Graham & Company

**James R Wilson** [1,3]
Retired Chairman, President
and Chief Executive Officer,
Cordant Technologies Inc

1 Member of the Audit Committee

2 Member of the Executive Committee

3 Member of the Management Development and Compensation Committee

4 Member of the Committee on Nominations and Corporate Governance

# Report of Management on Disclosure and Compliance

The Sarbanes-Oxley Act of 2002 (SOX), combined with the implementing rules of the Securities and Exchange Commission (SEC) and related SEC-approved corporate governance listing requirements of the New York Stock Exchange (NYSE) continue to have a significant impact on the corporate governance, recordkeeping and public disclosure obligations of Cooper and other publicly traded companies Cooper complies with all sections of SOX and the related SEC rules and Stock Exchange requirements, including certification by the Chief Executive Officer and Chief Financial Officer of the integrity and accuracy of Cooper's financial statements

The law also requires Cooper to maintain procedures to provide reasonable assurance that the Company is able to collect, process and disclose the information required in the Company's quarterly and annual reports, as well as current reports on Form 8-K The law also requires periodic review and evaluation of these reporting procedures Here, too, Cooper fully complies with these regulations

Cooper's management continues to hold primary responsibility for the Consolidated Financial Statements and other information included herein and in the Annual Report on Form 10-K and for ascertaining that the data fairly reflects the Company's financial position, results of operations and cash flows The Company prepared the Consolidated Financial Statements in accordance with generally accepted accounting principles, and such statements necessarily include amounts that are based on best estimates and judgments, with appropriate consideration given to materiality

The Company's system of internal controls is designed to provide reasonable assurance that Company assets are safeguarded from loss or unauthorized use or disposition and that transactions are executed in accordance with management's authorization and are properly recorded to permit the preparation of financial statements in accordance with generally accepted accounting principles This system is augmented by the careful selection and training of qualified personnel, a proper division of responsibilities and the dissemination of written policies and procedures During 2004, the Company conducted an assessment of its internal control program as required by Section 404 of SOX This assessment did not identify any material weaknesses in Cooper's internal controls

An internal audit program monitors the effectiveness of this control system The Audit Committee of the Board of Directors, which is comprised solely of independent directors, is responsible for overseeing the Company's financial reporting process The Audit Committee meets periodically with management and Cooper's internal auditors to review the work of each and to monitor the discharge by each of its responsibilities The Vice President, Internal Audit, reports directly to the Audit Committee The Audit Committee also hires independent auditors to help discharge its responsibilities and meets periodically with these independent auditors, who have free access to the Audit Committee and the Board of Directors to discuss the quality and acceptability of the Company's financial reporting and internal controls In addition, the Company, acting through the Audit Committee, has implemented a procedure providing for the confidential submission by employees to the Corporate Ethics Committee, with notice to the Audit Committee, of concerns regarding any questionable accounting or auditing matters

Ernst & Young LLP, Cooper's independent auditors, is engaged to express an opinion on the Company's Consolidated Financial Statements Their opinion is based on procedures that they believe to be sufficient to provide reasonable assurance that the financial statements contain no material errors Ernst & Young LLP is also engaged to attest to the effectiveness of the Company's internal controls as required under Section 404 of SOX

Cooper's commitment to transparency in the Company's financial reporting is only one aspect of the Company's 172-year tradition of operating in accordance with the highest ethical standards Cooper strives in all its dealings with investors, customers, suppliers, employees and the communities in which the Company operates to be honest and fair and to comply with all applicable laws These principles are embodied in the Company's Code of Ethics and Business Conduct, which is supplemented by specific corporate policies and procedures that provide employees clear guidance on what constitutes proper behavior when acting on behalf of the Company The Code is available to all Cooper employees on Cooper's Website Certain employees, including all executive employees and employees in key functions such as purchasing, sales, engineering, human resources, finance and accounting, are required to certify periodically that they have not committed violations of the Code and have no conflicts of interest, as defined in the Code

The Company's compliance program is managed by the Corporate Ethics Committee, composed of three senior officers of the Company The Committee interprets the Code, resolves compliance questions and potential conflicts of interest, develops policies and oversees the activities of Corporate Compliance Officers These officers are appointed for specific compliance areas within the Company They keep informed of changes in the law and educate employees within their respective areas During 2004, as in prior years, numerous training sessions were conducted for employees on ethics and compliance and legal topics such as antitrust law, import/export law, environmental compliance, workplace safety, antibribery laws, product safety and others

The Company maintains a Corporate Ethics Hotline so that employees who believe that a violation of the Code has been committed can report the suspected violation to the Corporate Ethics Committee The Hotline may be accessed toll-free from both the United States and countries in which Cooper has significant operations Employees also may report suspected violations in writing to the Company's Chief Compliance Officer All such reports are confidential All reported suspected violations are investigated, and appropriate action, including disciplinary action, is taken by the Corporate Ethics Committee At least annually, the Corporate Ethics Committee provides a written report of all compliance matters to the Audit Committee of the Board of Directors We believe Cooper has a comprehensive and effective corporate compliance program

Terry A Klebe
Senior Vice President and Chief Financial Officer

Diane K Schumacher
Senior Vice President, General Counsel and
Chief Compliance Officer

H John Riley, Jr
Chairman and Chief Executive Officer

## Corporate Information

**Transfer Agent, Registrar and Dividend Disbursing Agent**
EquiServe Trust Company, N A

General correspondence about your shares should be addressed to

EquiServe Trust Company, N A
PO Box 43069
Providence, RI 02940-3069

Correspondence related to the Dividend Reinvestment Plan, including optional cash payment inquiries, should be addressed to

EquiServe Trust Company, N.A
PO Box 43081
Providence, RI 02940-3081

Requests to transfer Cooper shares should be addressed to

EquiServe Trust Company, N A
PO Box 43070
Providence, RI 02940-3070

Telephone inquiries can be made to the Telephone Response Center at (781) 575-2725, Monday–Friday, 9 00 a m to 5 00 p m , Eastern time An automated inquiry service is available seven days a week, 24 hours per day For hearing-impaired service call (800) 490-1493 within the U S and (781) 575-4592 outside the U S

Cooper's transfer agent also may be contacted on the Internet at www equiserve com

**Shareholder Information Line**
For the latest news about Cooper, including the quarterly financial results and dividend information, call (800) 371-9242 Through this line, you also can access the transfer agent regarding stock information, and request faxed or mailed copies of news releases and other Cooper information

**Additional Shareholder Assistance**
For additional assistance regarding your shareholdings, contact

Corporate Governance Department
Cooper Industries, Ltd
PO Box 4446
Houston, Texas 77210-4446
Telephone (713) 209-8673
E-mail address reyes@cooperindustries com

**Investor Relations Contact**
Richard J Bajenski
Vice President, Investor Relations
Cooper Industries, Ltd
PO Box 4446
Houston, Texas 77210-4446
Telephone (713) 209-8610
E-mail address bajenski@cooperindustries com

**Financial Review**
A copy of Cooper Industries' Financial Review may be obtained by contacting the Investor Relations Department

**Annual Meeting**
The Annual Meeting of Shareholders will be held at 11 00 a m Central time on April 26, 2005, in the J P Morgan Chase Center Auditorium, 601 Travis Street, Houston, Texas A meeting notice and proxy materials are being mailed to all shareholders of record as of March 1, 2005

**Corporate Headquarters**
Cooper Industries, Ltd
600 Travis Street, Suite 5800
Houston, Texas 77002-1001
Telephone (713) 209-8400

Internet address www cooperindustries com
E-mail address info@cooperindustries com

Certain statements in this annual report are forward-looking under the Private Securities Litigation Reform Act of 1995 The forward-looking statements reflect Cooper's expectations, objectives and goals with respect to future events and financial performance, and are based on assumptions and estimates that Cooper believes are reasonable Forward-looking statements include, but are not limited to, any statements regarding future revenues, earnings, margins, cash flows, dividends and capital expenditures Cooper wishes to caution readers not to put undue reliance on these statements and that actual results could differ materially from anticipated results These statements are subject to various risks and uncertainties, many of which are outside the control of Cooper, including, without limitation, market and economic conditions, changes in raw material and energy costs, industry competition, the net effects of Cooper's cost-control and productivity improvement programs, mergers and acquisitions and their integration, political developments, changes in tax laws, tax treaties or tax regulations, the impact of the Federal-Mogul bankruptcy, the timing and amount of share repurchases by Cooper, and other risk factors as discussed from time to time in Cooper's Securities and Exchange Commission filings

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This report is printed on recycled paper which is elementally chlorine free (ECF)

Cooper Industries, Ltd
PO Box 4446
Houston, Texas 77210-4446