

Charge from discontinued operations

Net income

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\$ 60	\$ 72	\$
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2000 (by quart

1	2	
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(in millions, except per		

Revenues	\$ 1,038.9	\$ 1,168.2	\$ 1,
Cost of sales	701.7	794.5	
Selling and administrative expenses	176.4	189.4	
Goodwill amortization	13.4	14.7	
Interest expense, net	18.3	26.6	
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Income before income taxes	129.1	143.0	
Income taxes	45.2	50.1	
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Net income	\$ 83.9	\$ 92.9	\$
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Income per Common share

Basic	\$ 89	\$ 1.00	\$
Diluted	\$ 89	\$.99	\$

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COOPER INDUSTRIES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

NOTE 20: OTHER EVENTS

On August 1, 2001, Danaher Corporation ("Danaher") announced it had made an unsolicited proposal to Cooper for a merger through a stock and cash transaction valued by Danaher at \$54 to \$58 per Cooper share, subject to conducting due diligence procedures. On August 8, 2001, Cooper's Board of Directors unanimously rejected Danaher's proposal and authorized management to explore all strategic alternatives that would maximize shareholder value including mergers, sales, strategic alliances, acquisitions or other similar strategic alternatives.

On February 13, 2002, Cooper announced that it completed its strategic alternatives review process. After careful review of all the available alternatives with management and its financial advisors, Cooper's Board of Directors concluded that it is in the best interests of Cooper's shareholders to move forward with its plan to reincorporate in Bermuda, as previously announced on June 11, 2001. Cooper's announcement noted that the strategic alternatives review process was very careful, deliberate and complete in analyzing how best to maximize shareholder value, however, as a result of intervening circumstances including the tragic events of September 11, 2001, the bankruptcy of Federal-Mogul and

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