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

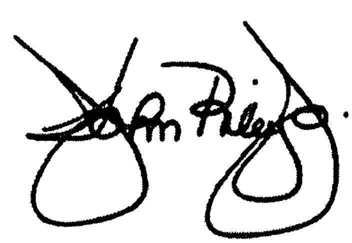
Appropriately, I would like to thank and recognize all of our employees worldwide for their commitment and hard work in making Cooper the fine Company it is today These are folks who always put our customers first and who are constantly thinking of new ways to improve our processes and bring innovative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