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

Range of Exercise Prices	Options Outstanding		Weighted Average Exercise Price	Options Exercisable	
	Shares Outstanding At 12/31/04	Weighted Average Remaining Contractual Life		Shares Exercisable At 12/31/04	Weighted Average Exercise Price
\$29.46 - \$35.21	1,743,130	6.4	\$ 35.14	891,643	\$ 35.10
\$36.76 - \$39.06	1,663,098	3.6	\$ 37.52	792,653	\$ 37.75
\$39.77 - \$43.47	425,896	4.0	\$ 43.43	422,562	\$ 43.45
\$45.06 - \$46.10	1,059,279	5.2	\$ 45.97	1,059,279	\$ 45.97
\$50.67 - \$57.56	1,364,329	5.4	\$ 55.86	322,329	\$ 56.60
	<u>6,255,732</u>			<u>3,488,466</u>	

During 2004, 2003 and 2002, respectively, options to purchase 18,000, 18,000 and 9,000 shares of common stock were granted to nonemployee directors at an exercise price of \$57.27, \$37.28 and \$41.08. During 2004, options for 5,000 shares were exercised at prices ranging from \$42.13 to \$49.03 per share. No nonemployee director options were exercised in 2003 or 2002. At December 31, 2004, options under the director plans for 44,000 common shares were exercisable at \$33.66 to \$63.78 per share, and 54,968 shares were reserved for future grants.

Participants in the Employee Stock Purchase Plan receive an option to purchase common stock at a price that is the lesser of 85% of the market value on the offering date or 85% of the market value on the purchase date. On September 10, 2003, a total of 483,091 shares were sold to employees at \$34.07 per share. There is currently no outstanding offering under the plan. At December 31, 2004, an aggregate of 1,940,885 shares of common stock were reserved for future issuance.

See Note 1 of the Notes to the Consolidated Financial Statements for information on stock-based compensation expense.

NOTE 11: ACCUMULATED NONOWNER CHANGES IN EQUITY

	Minimum Pension Liability	Gain (Loss) On Derivative Instruments (in millions)	Cumulative Translation Adjustment	Total
Balance December 31, 2001	\$ (3.4)	\$ (0.3)	\$ (124.1)	\$(127.8)
Current year other nonowner changes in equity	(33.4)	0.2	(4.4)	(37.6)
Balance December 31, 2002	(36.8)	(0.1)	(128.5)	(165.4)
Current year other nonowner changes in equity	(22.9)	(1.4)	26.2	1.9
Balance December 31, 2003	(59.7)	(1.5)	(102.3)	(163.5)
Current year other nonowner changes in equity	(8.0)	3.0	36.3	31.3
Balance December 31, 2004	<u>\$ (67.7)</u>	<u>\$ 1.5</u>	<u>\$ (66.0)</u>	<u>\$(132.2)</u>