



COOPER

Lehman Brothers

Industrial Select Conference

December 1, 2000

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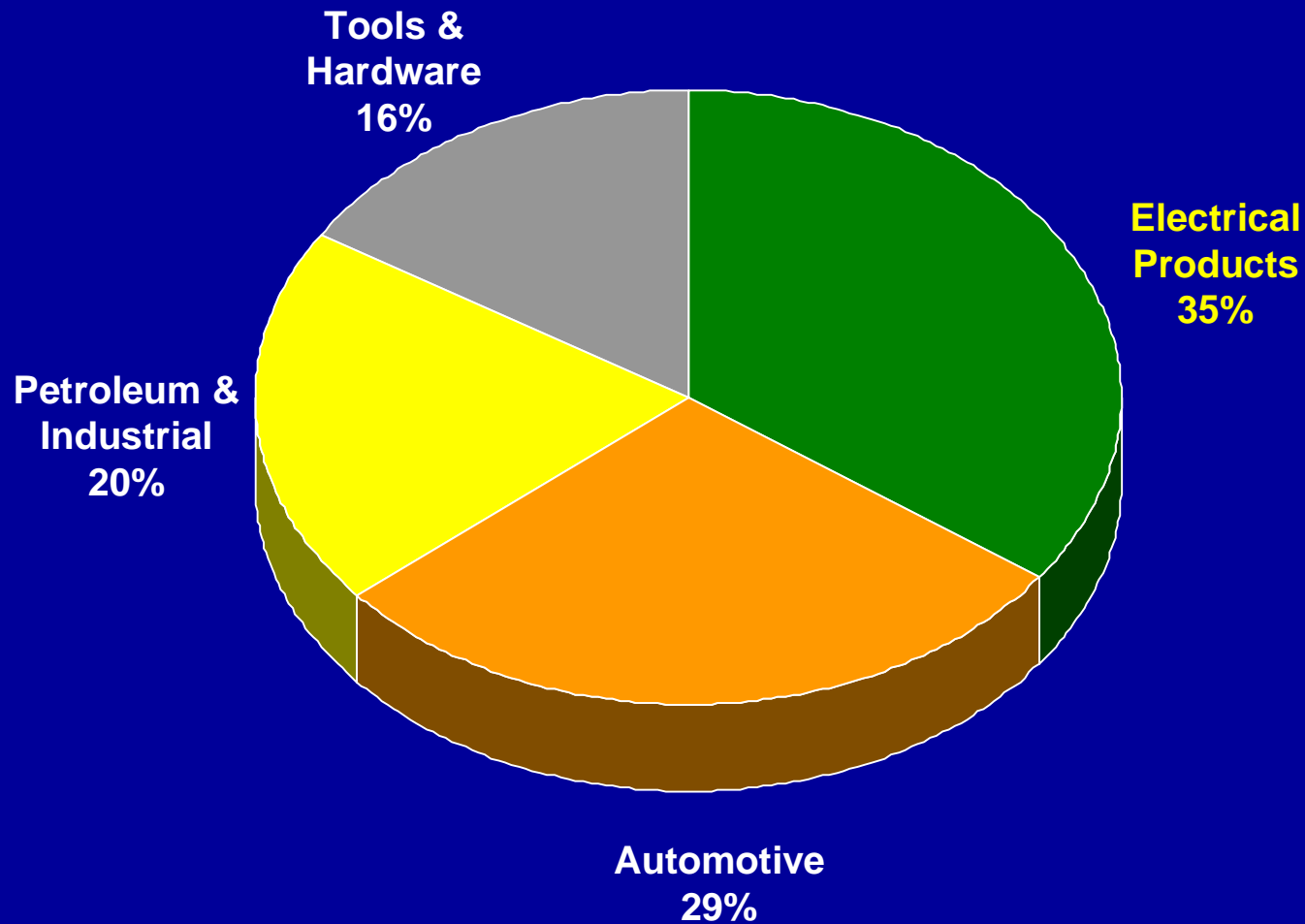
Cooper Industries

**A Growing Presence in Worldwide
Electrical & Electronic Markets**

Agenda

- ◆ **Historical Perspective**
- ◆ **Current Performance Trends**
- ◆ **Long-term Potential**

Cooper Industries 1995

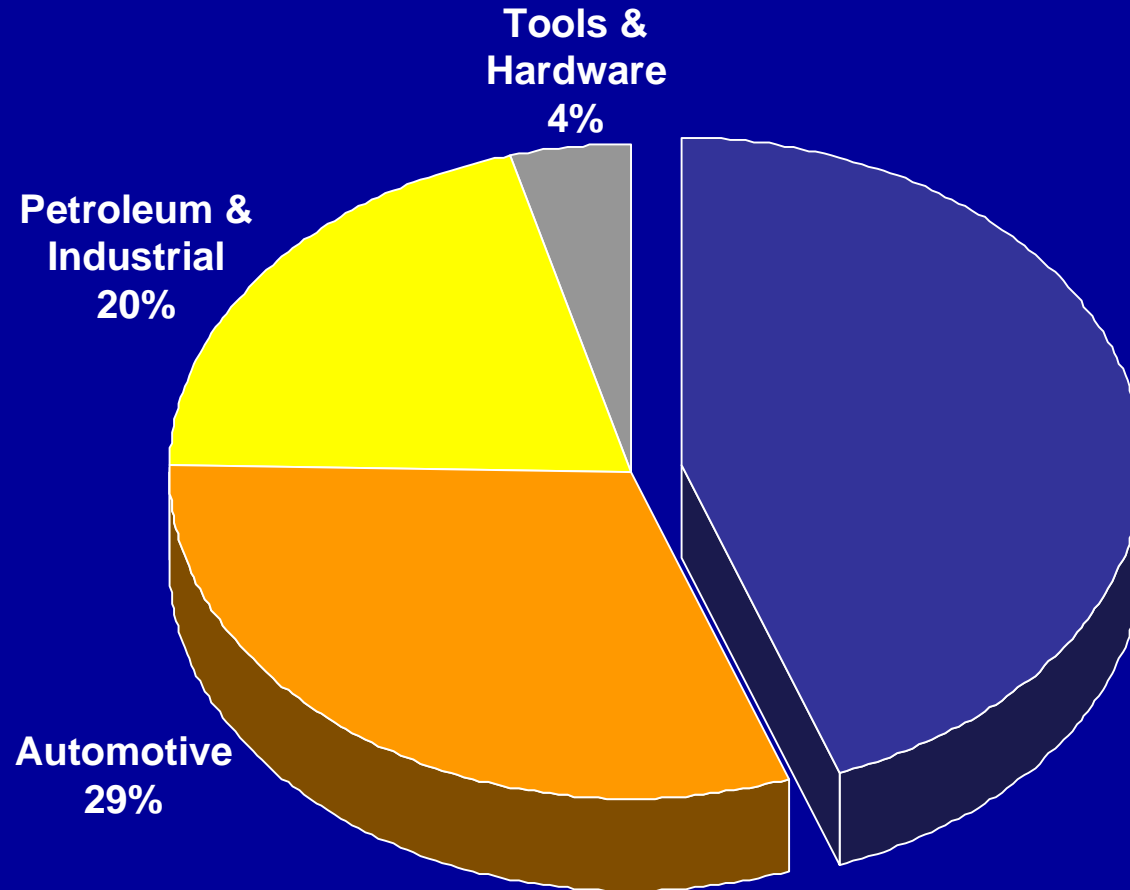


Pro-Forma Annualized Revenues \$6.1 Billion

Strategic Actions

- ◆ Exit low return businesses with limited upside potential

Cooper Industries 1995



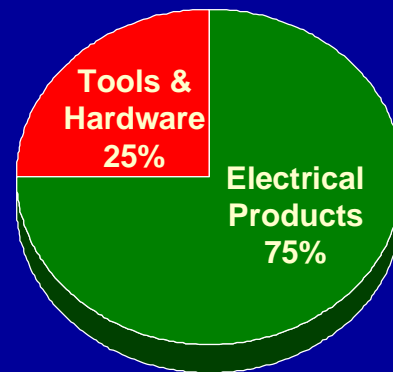
Low Return Businesses

Annualized Revenues \$3.3 Billion

Strategic Actions

Continuing Operations

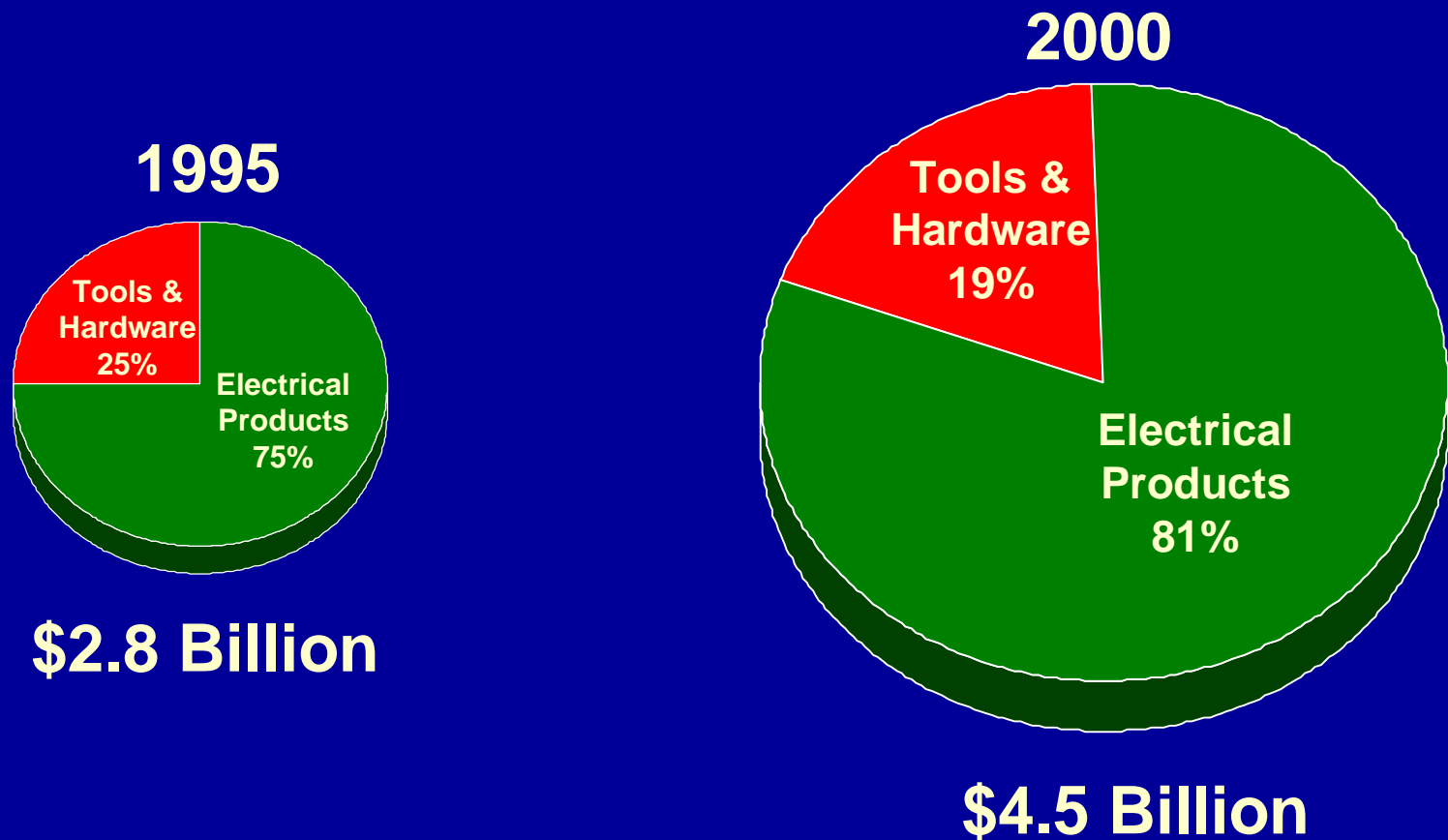
1995



\$2.8 Billion

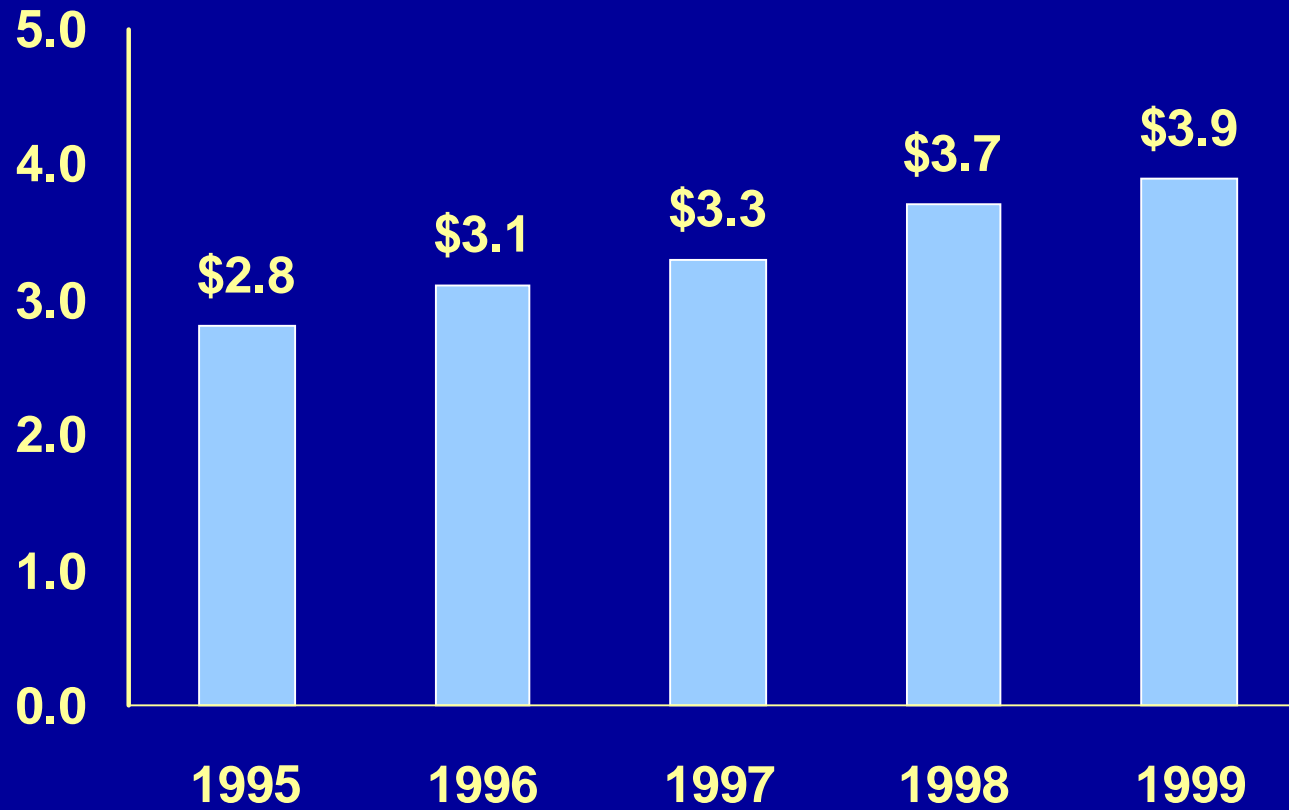
- ◆ Focus remaining business lines on growing earnings and cash flow
- ◆ Strengthen existing businesses and expand product scope with complementary acquisitions

Cooper Industries Continuing Operations



Revenues

(\$ Billions)



Operating Earnings

(\$ Millions)



EBITDA

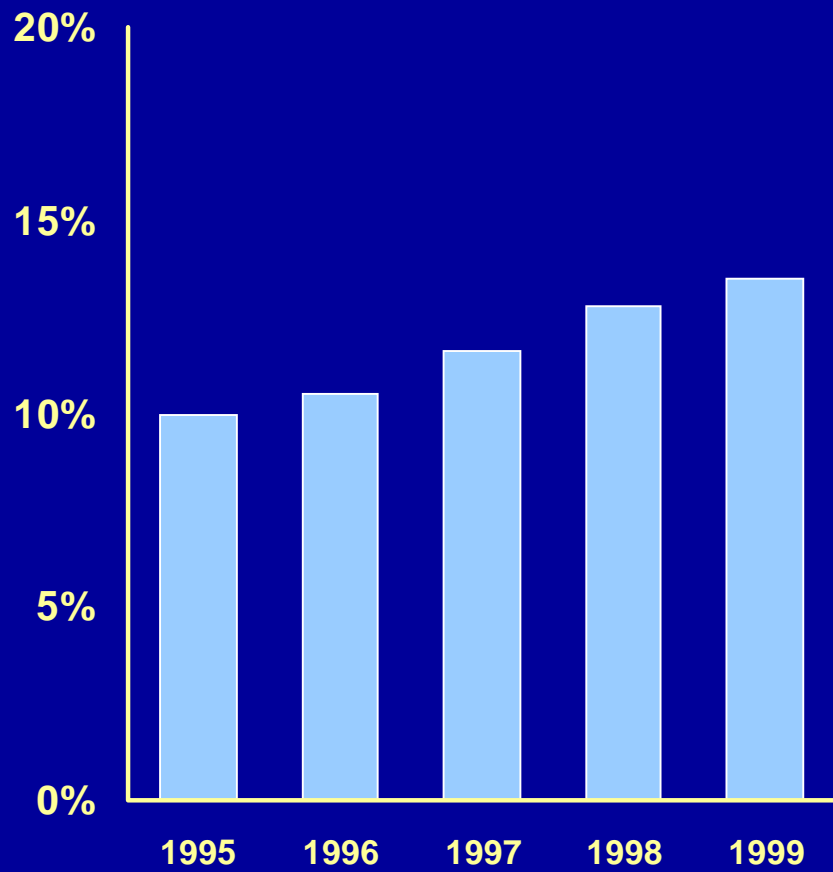
(\$ Millions)



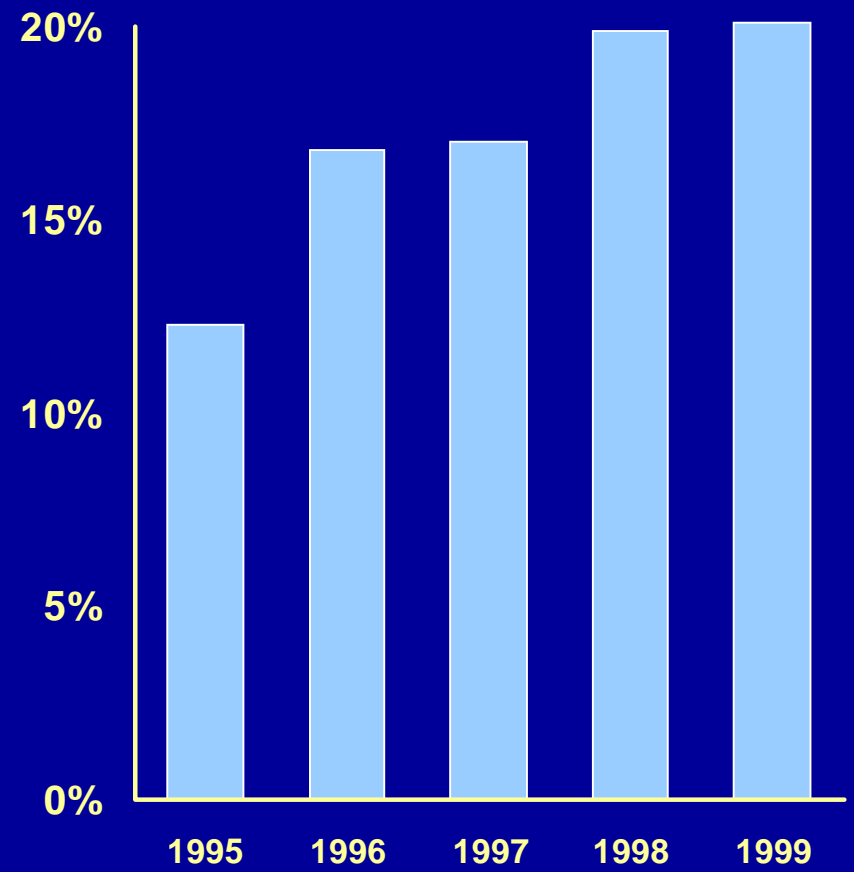
Earnings per Share



Return on Invested Capital



Return on Equity



Dividends per Share



◆ Current yield of 3.5%

Cooper Growth Platforms

Hazardous Duty
Electrical Equipment

COOPER Crouse-Hinds

Circuit Protection

COOPER Bussmann

Lighting

COOPER Lighting

Power Systems

COOPER Power Systems

Tools

COOPER Tools

Wiring Devices

COOPER Wiring Devices

General Duty
Electrical Equipment

COOPER B-Line

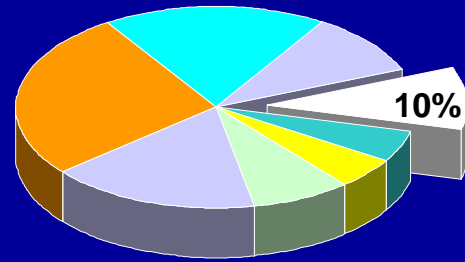
Europe

COOPER Menvier

Estimated Annual Revenues \$5.0 billion

COOPER Crouse-Hinds

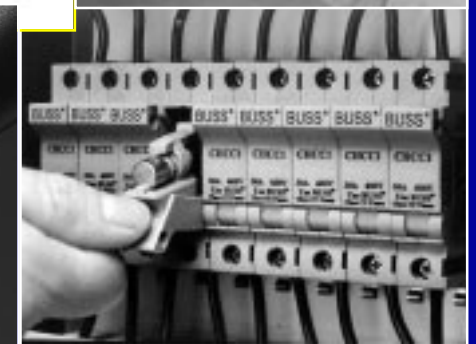
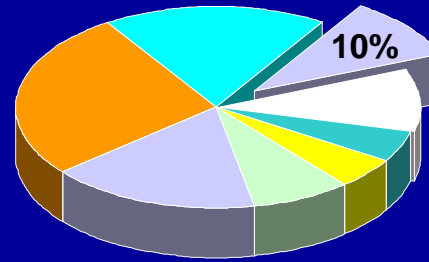
Electrical products designed to protect electrical systems in demanding commercial and industrial environments.



Major Markets: Used in commercial, industrial and hazardous area environments.

COOPER Bussmann

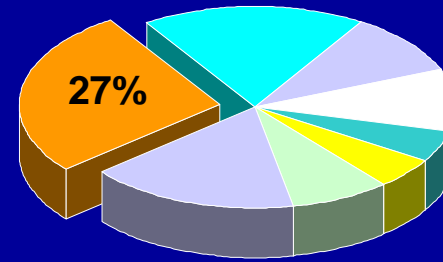
Circuit protection and power management products designed to protect electrical and electronic systems.



Major Markets: Used in electrical and automotive systems, telecommunications products, consumer electronics, computers and peripherals.

COOPER Lighting

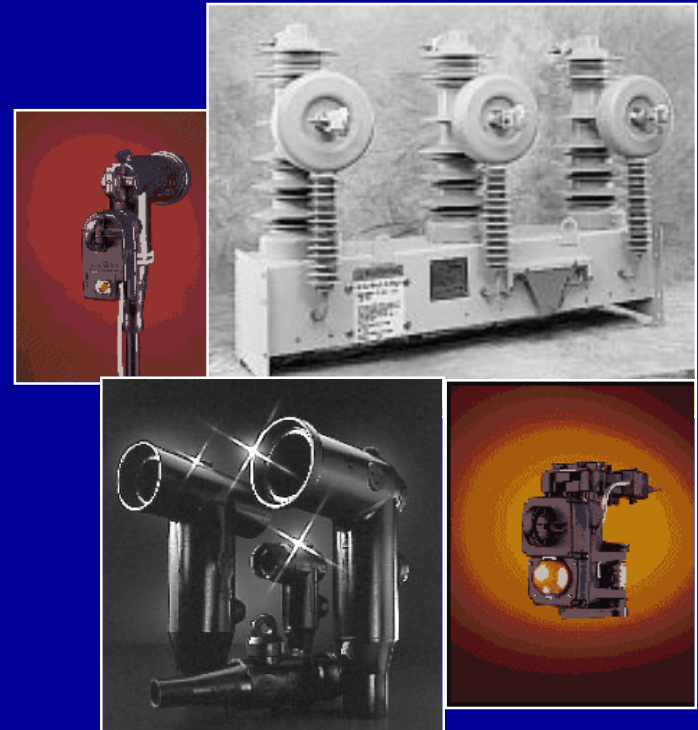
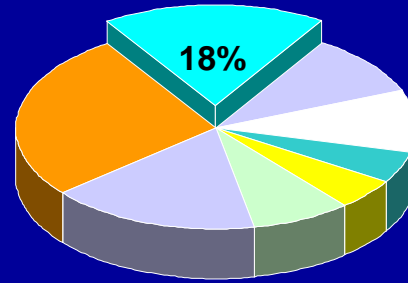
Lighting fixtures and related products for indoor and outdoor use



Major Markets: Used in residential and commercial installations, including homes, office buildings, shopping centers, sports facilities, parking lots and industrial plants.

COOPER Power Systems

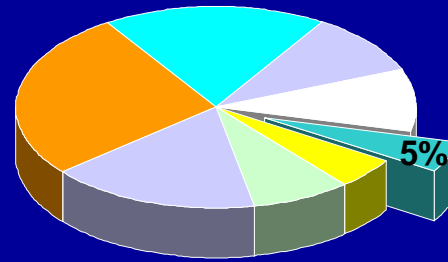
Equipment, components and systems for the distribution and management of electrical power.



Major Markets: Used by electrical utilities and significant commercial and industrial power producers.

COOPER Menvier

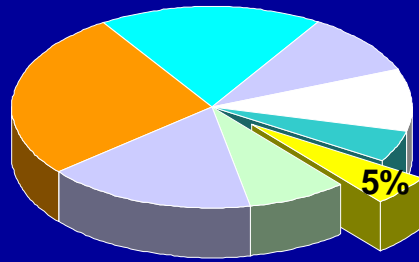
**Emergency lighting, security equipment,
fire detection systems and lighting fixtures.**



**Major Markets: Residential, industrial
and commercial.**

COOPER Wiring Devices

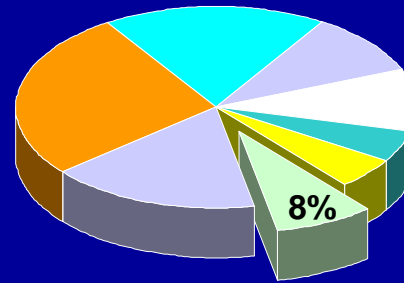
Wiring devices, switches, plugs and receptacles to deliver and control electrical power



Major Markets: Residential, commercial and industrial use.

COOPER B-Line

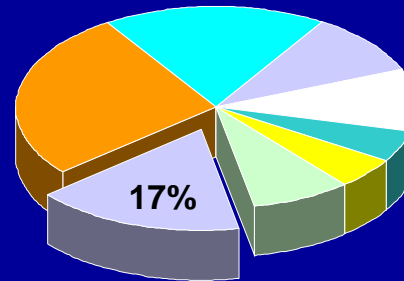
Support systems and enclosures used in the installation and retrofitting of electrical, mechanical and telecommunications applications.



Major Markets: Used by commercial, industrial, utility and original equipment manufacturing markets.

COOPER Tools

Electric and pneumatic industrial power tools, automated assembly systems and premium hand tools.

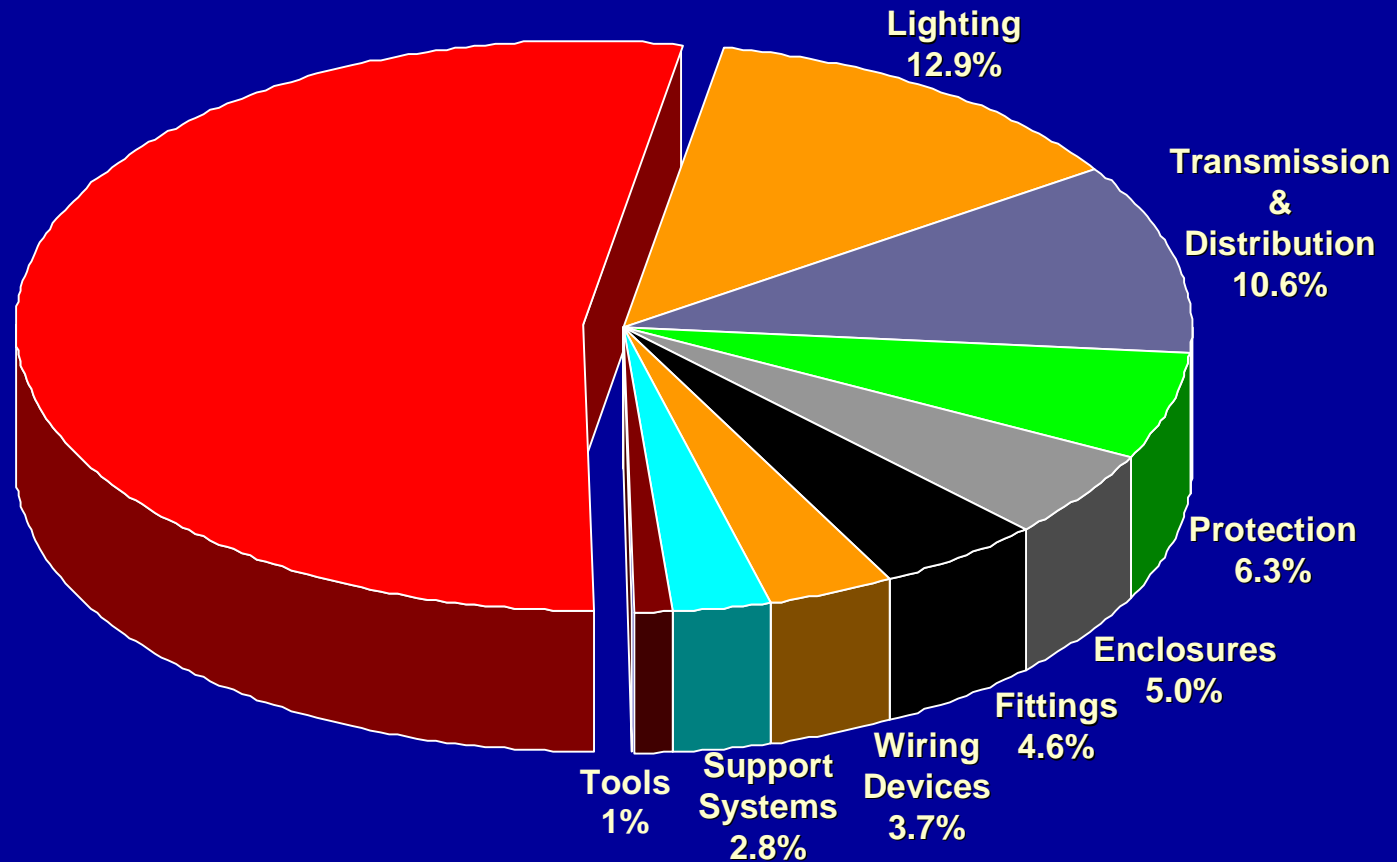


Major Markets: Power tools: aerospace, automotive, general industrial and energy applications.

Hand tools: general manufacturing, electronics, agricultural, consumer and construction industries.

North American Electrical Industry

Cooper's Current Markets



\$40 billion (47%) of \$85 billion Market

Key Drivers of Near-term Performance

Recent Acquisitions

B-Line 

EAGLE
ELECTRIC

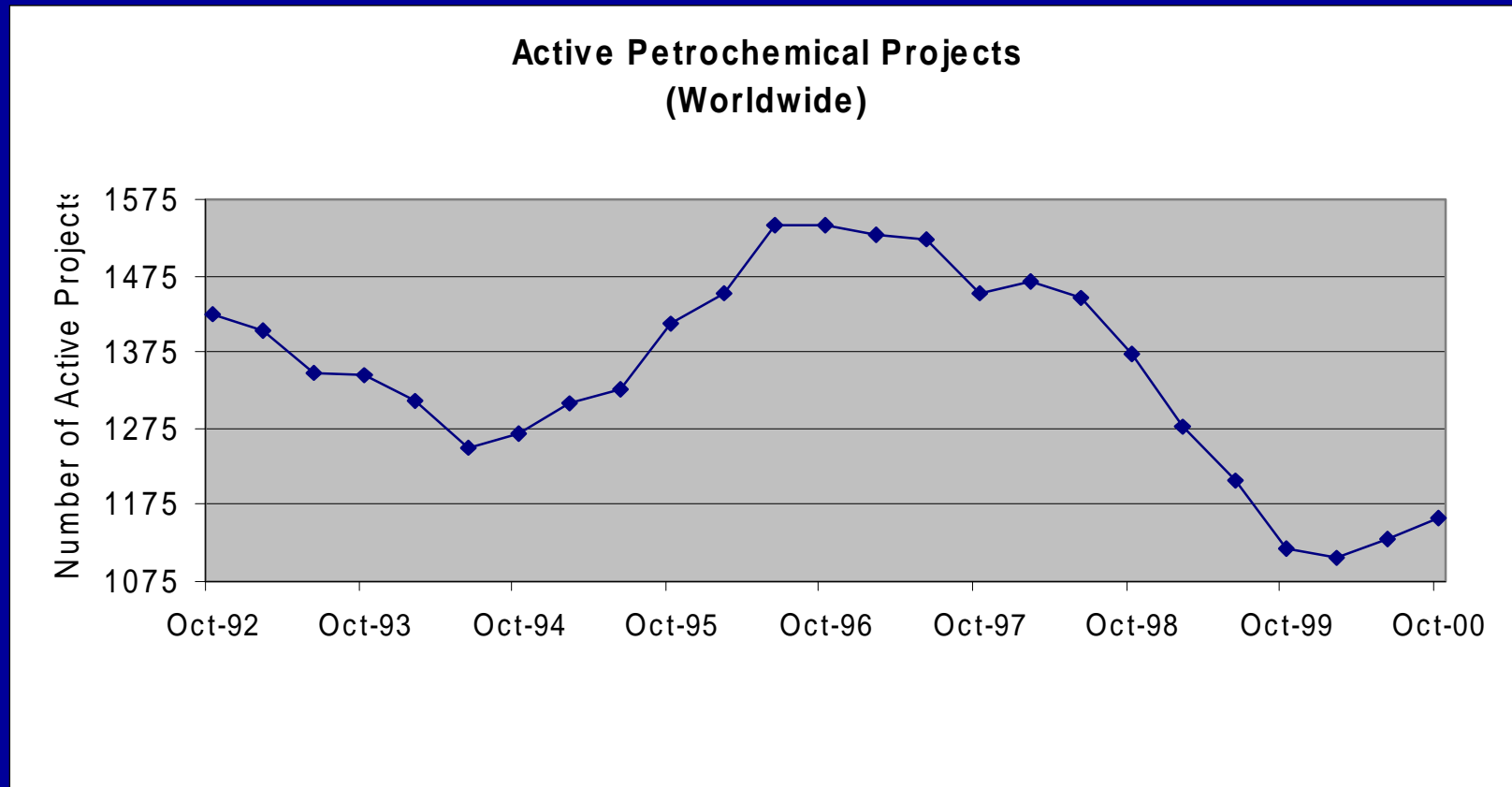


Willsher & Quick

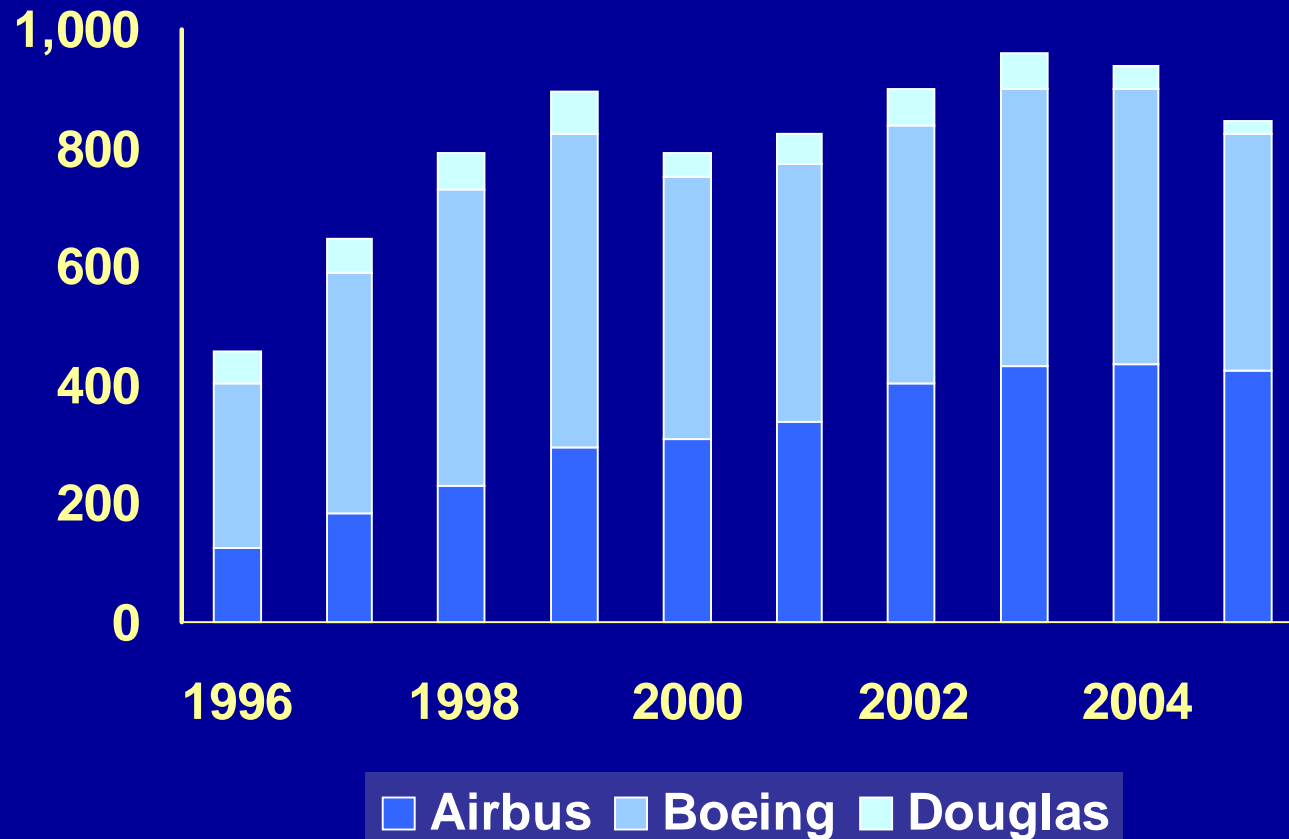
S&S Low Tension Switchgear, Ltd.



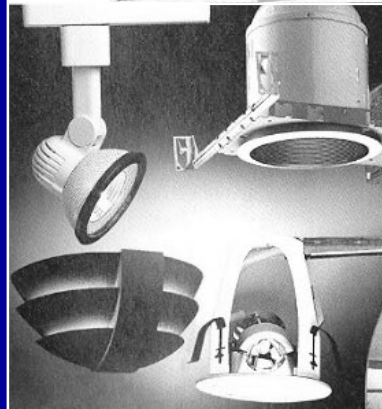
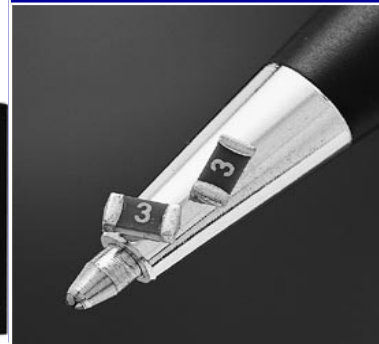
Recovery in Energy Industry Project Spending



Commercial Aircraft Production



High-growth Product Lines



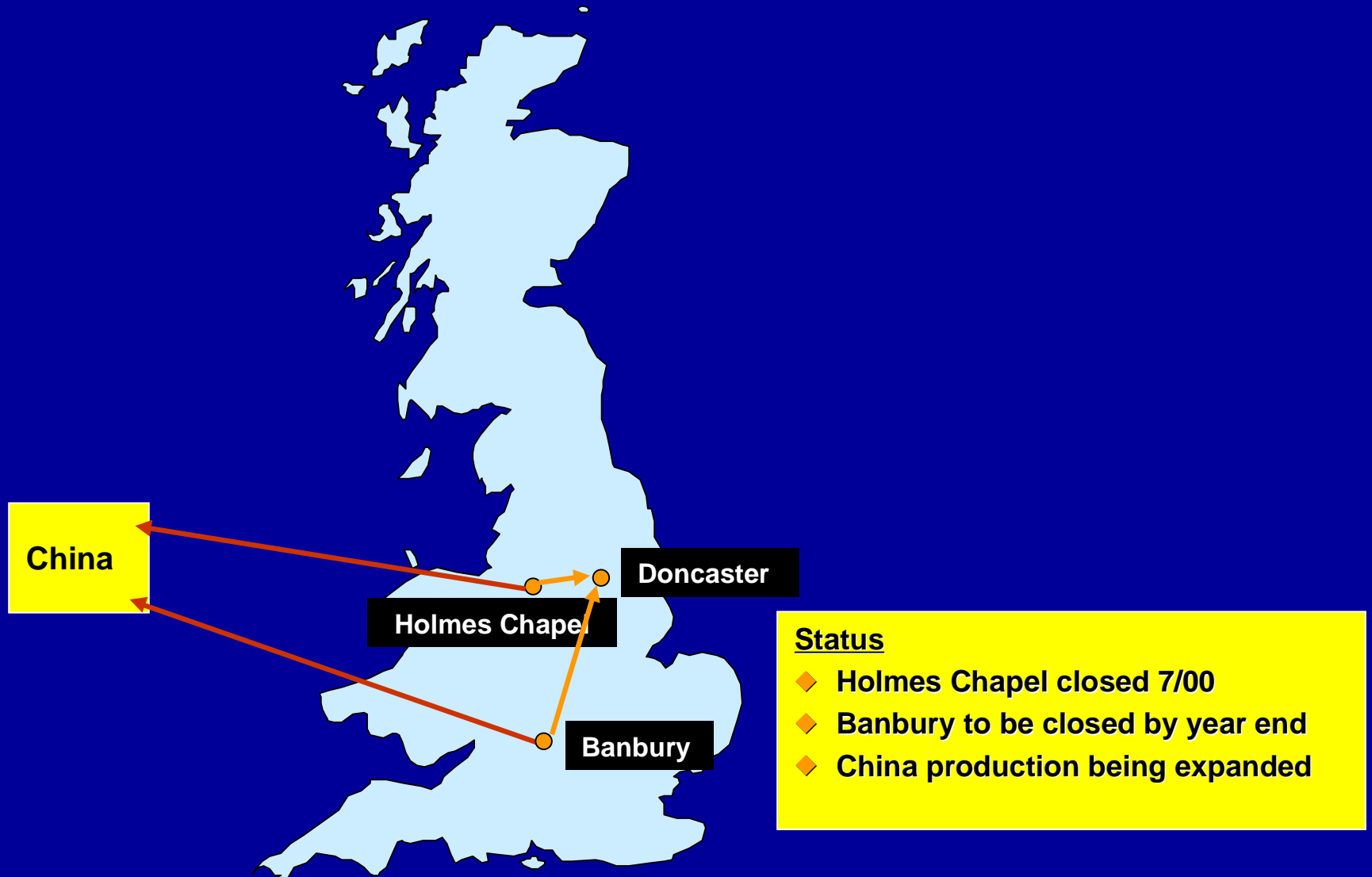
Major Cost Improvement Projects

Cooper Lighting

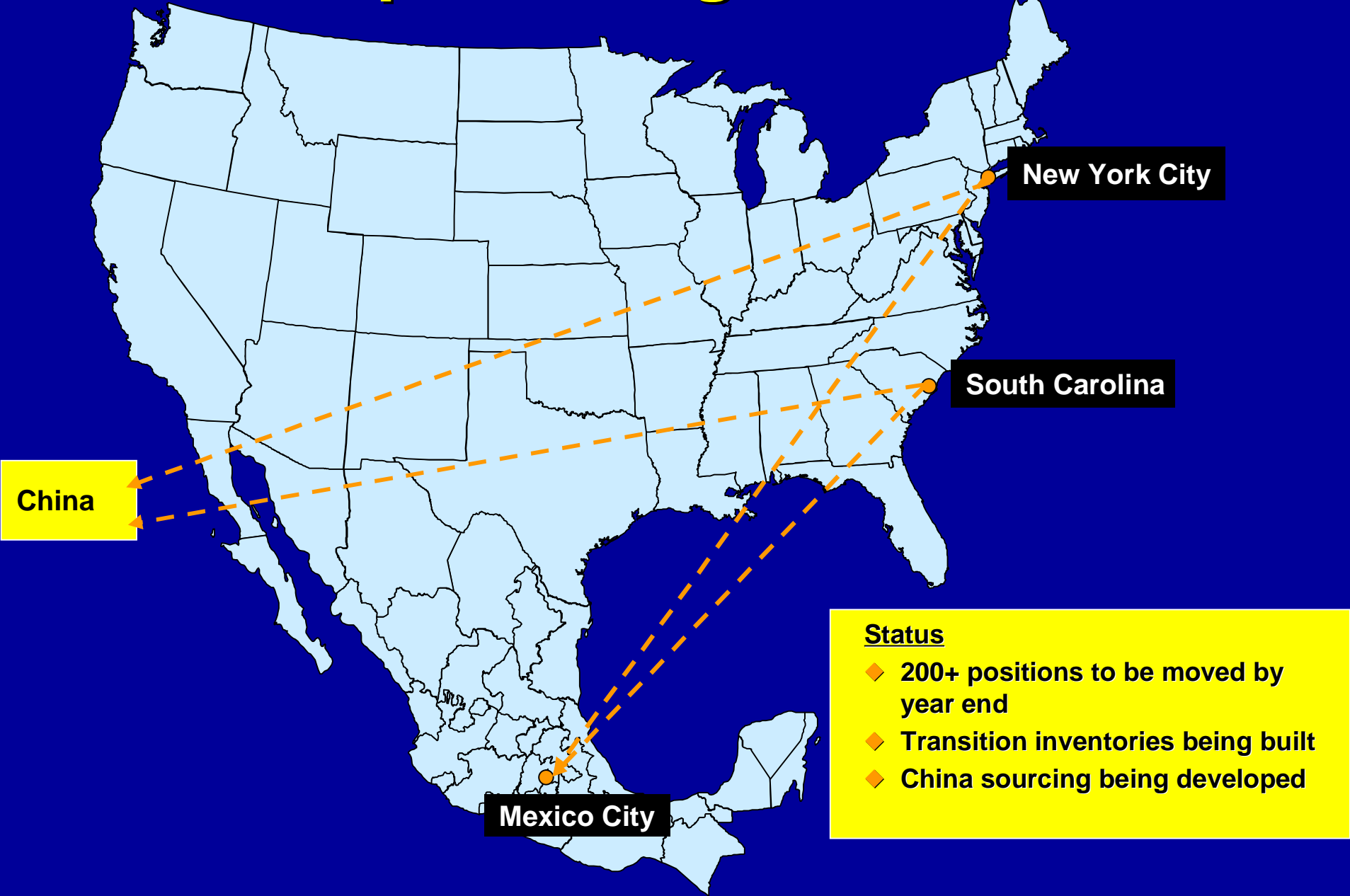


Major Cost Improvement Projects

Cooper Menvier



Major Cost Improvement Projects Cooper Wiring Devices



Major Cost Improvement Projects Cooper Tools



Status

- ◆ Mexican manufacturing facility under construction
- ◆ Low cost production begins in 2001

Cooper Growth Platforms

Hazardous Duty
Electrical Equipment

COOPER Crouse-Hinds

Circuit Protection

COOPER Bussmann

Lighting

COOPER Lighting

Power Systems

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Tools

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Wiring Devices

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General Duty
Electrical Equipment

COOPER B-Line

Europe

COOPER Menvier

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COOPER Menvier

Leverage

Strategic Sourcing

- ◆ **High volume, limited supplier base**
 - Direct negotiation
- ◆ **High volume, multiple supplier base**
 - Freemarkets auction
- ◆ **Other**
 - Cooper integrated business model

Strategic Sourcing

- ◆ High volume, limited supplier base
 - Direct negotiation
- ◆ High volume, multiple supplier base
 - Free markets auction
- ◆ Other
 - Cooper integrated business model

**\$50 million
annualized savings**

The Cooper Connection

COOPER
Connection

The Power
Behind The Brands.

The Cooper Connection

◆ Observations

- Cooper is the #1 or #2 largest supplier at most major electrical distributors in North America
- Typically, distributors do not carry all available Cooper products
- There is potential for expanded sales of currently carried products at most distributors

Hazardous Duty
Electrical Equipment

COOPER Crouse-Hinds

Lighting

COOPER Lighting

Circuit Protection

COOPER Bussmann

The Cooper Connection

Wiring Devices

COOPER Wiring Devices

General Duty
Electrical Equipment

COOPER B-Line

The Cooper Connection

◆ Distributor Benefits

- Incentive to grow Cooper business

◆ Cooper Benefits

- Enhances revenue growth

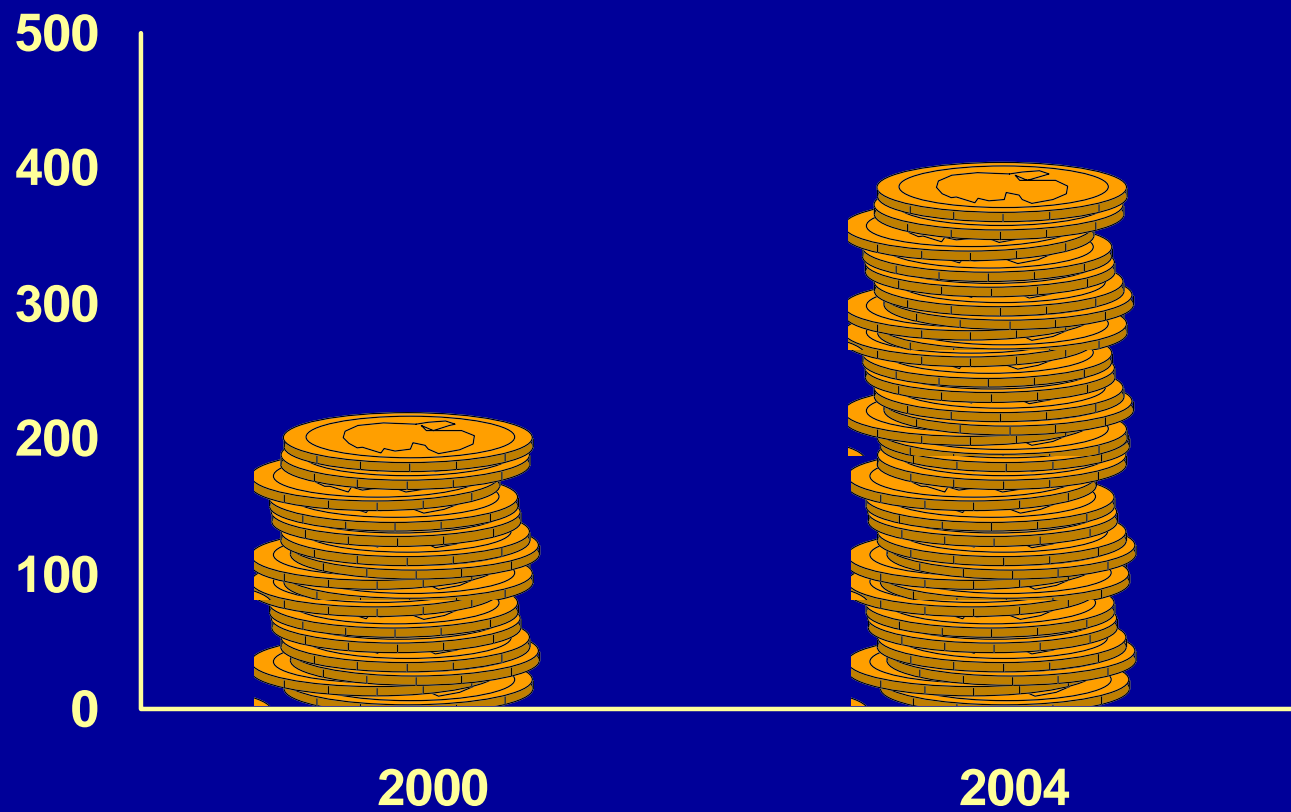
Easy to understand - Simple to administer

Key Drivers of Near-term Performance

- ◆ Recent acquisitions
- ◆ Recovery in electrical construction materials and aerospace tools
- ◆ Higher growth product lines
- ◆ Cost improvement projects
- ◆ Strategic Sourcing
- ◆ The Cooper Connection

Cash Flow

(\$ Millions)






COOPER

A Growing Presence in Worldwide Electrical & Electronic Markets

- ◆ **Leading Business Platforms**
- ◆ **Expanding Growth Opportunities**
- ◆ **Strong Cash Flow**



COOPER