

A Letter to Our Shareholders

Delivering on our promises

During the past year, we continued our pattern of growth and progress despite some serious economic and market challenges. An added obstacle during the past year was the declining confidence in corporate America. Unfortunately, the actions of a few have cascaded into an overall concern with business ethics. At Cooper, however, we have maintained an unwavering focus on our plans and strategies so that we can continue to deliver on our promises to our shareholders, our customers and our people.

We selected the theme *Delivering on our promises* for the 2002 annual report because we believe it accurately portrays what we have accomplished during the past few years. It also accurately describes the type of company that we have always been – straightforward and focused on generating shareholder value.

In 1999, we initiated a strategic transformation of our company. As we announced and implemented those plans, we made several related commitments and promises to our people, our customers and our shareholders. 2002 was a year in which we delivered on many of those promises and made solid progress on the rest.

At the time of our acquisitions of Standard Products and Siebe Automotive, we stated publicly that it would take three years to fully integrate the businesses and achieve normalized operating levels. As I said, we have made a lot of promises to our shareholders, to our employees and to the public since then. We have developed and implemented some very aggressive but achievable plans to drive shareholder value.

Promises:

- Expand Automotive Group Globally
- · Grow Market Share
- Outperform our Industries
- Restructuring Savings of \$30 million
- Pay down 2002 debt with cash
 Automotive Operating Margins of 10%
 Pre-Tax Return On Invested Capital (ROIC) of 20%

The acquisitions in late 1999 and early 2000, primarily in our automotive group, enabled us to deliver on the promise we would expand the automotive group globally.

In North America, our automotive component sales were up about 7.2 percent while light vehicle production was up about 5.3 percent. Sales in our international operations were up 7.8 percent. The tire group unit sales in North America were up more than 4 percent even though market shipments were down 2.6 percent.



We exceeded our goal of \$30 million in annual savings from our restructuring efforts.



We paid off the \$225 million portion of acquisitionrelated debt with cash when it came due in December.

We said that our goal was to return our automotive operating margins to near their historical levels but on four times greater sales volume. We achieved that target during the second quarter, and averaged within two percentage points of that goal for the year 2002.

Financial Highlights (Dollar amounts in thousands except per-share amounts) 2001 2002 2000 Net sales \$3,472,372 \$3,154,702 \$3,329,957 Operating profit 325,734 (a) 202,781 (b) 248,396 Income before income taxes 233,409 (a) 117,442 (c) 177,197 Net income 79.087 (c) 111,845 148,661 (a) Basic earnings per share 2.02 (a) 1.09 (c) 1.53 Diluted earnings per share 2.02 (a) 1.09 (c) 1.51 Dividends per share42 .42 .42 Debt to capitalization ratio 55.9% 55.1% 49.2%

- (a) Prior to restructuring charges of \$38,699 (\$24,274 after tax, \$.33 per share), losses at closed and sold facilities of \$19,001 (\$12,100 after tax, \$.17 per share), and amortization of goodwill of \$15,553 (\$.21 per share).
- (b) Prior to class action costs of \$72,194 (\$44,977 after tax, \$.62 per share), restructuring charges of \$8,648 (\$5,387 after tax, \$.07 per share), and amortization of goodwill of \$15,705 (\$.22 per share).
- (c) Prior to class action costs of \$72,194 (\$44,977 after tax, \$.62 per share), restructuring charges of \$8,648 (\$5,387 after tax, \$.07 per share), gains on sales of non-manufacturing assets of \$8,263 (\$5,148 after tax, \$.07 per share), and amortization of goodwill of \$15,705 (\$.22 per share).

CE Tom Dattilo with three of the company's Lean champions Gustavo Vasconcellos, Mary Coughlin and Mike Foster



And finally, we have a goal of 20 percent pre-tax ROIC. We are not there yet, but we are confident that we will get that checked off in the not-too-distant future.

In short, we have told you what we were going to do, and we have done it.

We are staying focused on our plans and continue to drive for leaner operations, taking costs out wherever possible and being as efficient as we can be. The results of our lean efforts were key this year. We generated nearly \$100 million in lean savings through the implementation of literally thousands of lean initiatives throughout our operations.

The tire group continues to manage its assets and provide the same great service and products to our customers. Even though we reduced inventory by more than 1.2 million units last year, our order fill rates were at or near our 95 percent goal.

While we continue to receive top industry honors in customer service from our dealer network, we also received national recognition from consumers this year. The J.D. Power and Associates 2002 Replacement Tire Customer Satisfaction Studys ranked Cooper the highest light truck replacement tire in a tie. This type of well-earned recognition will be a part of our success in the future and indicates some of the sustainable strengths that we have been developing in tire technology.

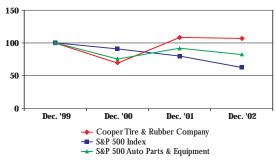
Providing top-notch launches for our automotive customers had an escalated importance this year as we had 59 new launches. The Cooper integrated launch team approach that we have implemented in all our facilities has quickly improved the success rate of our new product launches and that shows up in our operating margins. This approach also will benefit us going into 2003 as we have approximately 30 launches in the coming year.

One of the most significant highlights of the year occurred in the second quarter when we announced earnings of 52 cents per share, which was an all-time company record. And, for the second consecutive year, the average closing price of our stock increased.

2002	\$18.55
2001	13.83
2000	11.65

Additionally, with our plans and execution, we have been able to beat our peers and the S&P 500 during the past three years. We are very happy about that.

Three-Year Shareholder Returns



So this is what Cooper looked like at the end of 2002 – a Fortune 500 company with global presence, great accomplishments and great opportunity.

Even though things are improving significantly for Cooper, I certainly think that we will continue to see challenging conditions in both our businesses at some point in the remainder of 2003. There is still a lot of uncertainty out there and we are in tough industries. We recognize that. Still, we have solid plans in place to continue to make our company successful and to perform better than our industries overall.

On the tire side, we will again see our sales growing faster than the industry. There are signs that the industry overall will pick up as the year goes on and we think we will be even stronger than the industry. On the automotive side of our business, production schedules may be slightly lighter in 2003 but our new business will allow our sales to out-pace the industry yet again.

These continue to be exciting times at Cooper Tire & Rubber Company. We are primed to be among the winners in an increasingly competitive environment. On behalf of the 23,000 Cooper people, thank you for your continued support.

Thomas A. Dattilo

Cooper people are dedicated to total customer satisfaction, understanding customers' needs and exceeding their expectations.



Phil Caris,
Fran Brennan,
Kurt Thomas and
Lyle Campbell
keep their focus
on customers.
The J.D. Power and
Associates 2002
Replacement Tire
Customer
Satisfaction Study
named Cooper the
highest light truck
replacement tire
in a tie.



Promise: provide replacement tire customers with 95 percent fill rates

While the tire group continued its focus on managing assets and reduced the number of tires in inventory by 1.2 million units in 2002, the promise was met to provide a 95 percent order fill rate to customers.



Promise: earn customers' business every day through new products

In 2002 we made good progress on our Ultra High Performance (UHP) tire initiative. We are on target to launch a new line of UHP tires during the spring of 2003. This strategic and important introduction will associate Cooper's name with performance tires – a growing and profitable market and one in which we should be able to compete very well. UHP is the fastest growing segment of the tire industry. Our strategy will offer H,V and Z speed rated tires in sizes with larger rim diameters that are in growing demand. Each UHP tire sale will bring us higher margins and a stronger market penetration.



Promise: strive for flawless launches

We have implemented the integrated launch team approach which has been a key to Cooper's success in our automotive business for years. The launch process is always the most costly period in the production process and if it is handled effectively, as Cooper has done in the past, it can greatly improve the profit margins on any given product or platform.

- Cooper-Standard Automotive's Torreon, Mexico, operations received the Quality Master 2002 award from Nissan
- Griffin, Ga., and Adelaide, South Australia, facilities received Q1 certifications from Ford
- Auburn, Ind., facility received the GM Service Parts Operations 100 percent on-time delivery certificate of recognition
- Cooper's Information Technology was listed among CMP Media LLC's InformationWeek 500
- Adelaide, South Australia, facility awarded 'A' rating by the Toyota Motor Company
- El Dorado, Ark., earned the Certificate of Achievement for Quality and Delivery from NUMMI
- Cooper Tire received an appreciation award from Del-Nat Tire for Cooper's outstanding contributions to Del-Nat

Cooper will increase the value of shareholders' investments by growing the company, controlling assets, increasing cash flow and ROIC.



Susan Kill (standing),
Jia Chen, Jonathan Fisk,
Kimberly Ziegler, Buo Chen,
Jolene Minich and Barry
Maxwell know superior
financial performance
can only result from a
company-wide team effort.



Promise: be a transparent company

We have always been a straightforward company doing business and earning money the old fashioned way. We make high quality products that satisfy our customers. We sell these products and deliver top-quality service. And, we book the resulting revenue when the goods are shipped and recognize expenses when they are incurred.



Promise: reduce debt

The first portion of acquisition-related debt was \$225 million and was due in December. Our strong cash generation during the year allowed us to pay off that portion without refinancing, as promised. Our remaining long-term debt is spread relatively evenly over the next 24 years, with a small portion due in 2006 and larger portions due in 2009, 2019 and 2027. The debt is structured with a good mix of fixed versus floating rates and current weighted interest rates of about 7 percent. Interest rate swaps and the lower debt balances have enabled us to reduce interest costs by \$15 million. Debt to total capital at year end was 49.2 percent.



Promise: achieve annual restructuring savings of \$30 million

When we announced our restructuring plan in the third quarter of 2000, we promised annual savings

of \$30 million. Not only did we deliver on that promise, but we exceeded it. Total restructuring savings in 2002 were \$38 million.



Promise: achieve four times automotive sales with 10 percent margins

Our automotive operating margins have steadily increased from one percent in 2000, to three percent in 2001 to eight percent this year. Our goal is to achieve a 10 percent operating margin in our automotive group on four times the sales we had before the acquisitions. For the second quarter we achieved that goal.



Promise: grow market share and outpace the industry

We continued to outpace both industries in which we compete during the entire year. Light vehicle tire shipments for the industry declined 2.6 percent among RMA member companies, while at the same time our shipments increased by more than 4 percent. We also increased our market share from 16 percent to 17 percent. Our automotive sales growth of 7.2 percent outpaced the industry's light vehicle production growth of 5.3 percent. As new automotive business continues to come on line, we are seeing our revenue grow faster than the vehicle build rates.

Empowering people is key to many of Cooper's initiatives. Cooper is committed to enlist participation, provide development opportunities and regularly evaluate performance.



and Jerry Yoder (standing) use unique training to better develop Lean thinkers. Participating in Cooper's customized Lean simulation are Jennifer Crager Klaus Rode and Adrian Lowrance.



Promise: develop a Lean culture throughout the organization

A Lean focus has to be part of our business every day in order to remain competitive. Through the years, we have made low-cost operations a priority and it has become a true advantage for us.

Currently we have hundreds of Lean teams working together to take the "waste" out of our operations both in the plants and the offices. Our people know that it takes the efforts of everyone to truly be a Lean organization and that we all must concentrate on Lean every day.

To assist our people to be their best every day, we have a Lean champion in every plant.

And both operating groups work together to learn best Lean practices from each other.

Through the efforts of the Cooper team, we saved \$100 million through Lean initiatives across the organization in 2002.

Promise: provide a strategic focus for both Cooper people and the company in the development of careers and the evaluation of performance

Promoting from within is a key element of our Philosophy & Beliefs. To do so, we must hire the right people at the baseline of the company and develop them into experienced, globally thinking managers. To help accomplish this, we have developed a performance management and career development system which was implemented during the first quarter of 2003.

Performance Management at Cooper is a system that will help all Cooper people who want to improve their performance to their highest level. Cooper people will be able to identify their long-term career objectives, conduct a gap analysis to determine areas for improvement and put together individual development plans to address areas on which they choose to focus.

Additionally, the system will assist senior leaders in improving the succession planning process. This process then cascades to all levels of the organization, ensuring the right person is in place for the right position at the right time.

Directory

EXECUTIVE OFFICES

Cooper Tire & Rubber Company 701 Lima Avenue Findlay, Ohio 45840 (419) 423-1321

TRANSFER AGENT & REGISTRAR

Fifth Third Bank
Corporate Trust Services
38 Fountain Square Plaza
Mail Drop #10AT66
Cincinnati, Ohio 45202
(800) 837-2755 or (513) 579-5320,
Mon. - Fri, 8 a.m. to 5 p.m. Eastern time
http://investordirect.53.com

Shareholders requiring a change of name, address or ownership of stock, as well as information about shareholder records, lost or stolen certificates, dividend checks, dividend direct deposit, and dividend reinvestment should contact our stock transfer agent by mail, telephone or website.

FOR INFORMATION

Direct Investment Plan – Fifth Third Bank serves as Administrator for a direct investment plan for the purchase, sale and/or dividend reinvestment of Cooper Tire & Rubber Company common stock. For information, call: (800) 837-2755.

ANNUAL MEETING

The annual meeting of stockholders will be held at 10 a.m., Tuesday, May 6, 2003, at Urbanski's, 1500 Manor Hill Road, Findlay, Ohio. All stockholders are cordially invited to attend. Proxy material is sent to stockholders together with this report.

BOARD OF DIRECTORS

Arthur H. Aronson² Former Executive Vice President, Allegheny Teledyne Incorporated

John F. Fiedler² Chairman of the Board, Borg Warner Inc.

John F. Meier ^{1,3} Chairman and Chief Executive Officer Libbey Inc. Thomas A. Dattilo Chairman, President and Chief Executive Officer of the Company

Dennis J. Gormley² Former Chairman of the Board and Chief Executive Officer, Federal-Mogul Corporation

Byron O. Pond³
President and Chief Executive Officer,
Amcast Industrial Corporation

Edsel D. Dunford^{1,3} Former President and Chief Operating Officer, TRW Inc.

John J. Holland² Chairman and Chief Executive Officer Butler Manufacturing Company

John H. Shuey^{1,2} Former Chairman, President and Chief Executive Officer, Amcast Industrial Corporation

¹ Member of the Nominating and Governance Committee

² Member of the Audit Committee

³ Member of the Compensation Committee

Who We Are

is a leading manufacturer of replacement tires and original equipment automotive components. Based in Findlay, Ohio, Cooper currently operates 52 manufacturing facilities in 13 countries. Cooper Tire is the fourth largest tire manufacturer in North America and one of only two remaining U.S.-owned tire companies. Cooper-Standard Automotive is the world leader in design and manufacture of automotive sealing products and ranks among the top producers of noise, vibration and harshness (NVH) control products and fluid handling systems for the automotive industry.

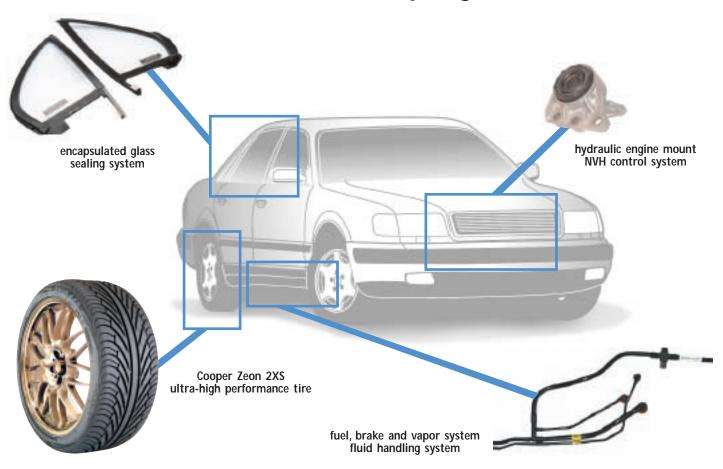
Cooper Tire & Rubber Company (NYSE: CTB)

Cooper's strategy for increasing shareholder value consists of focusing on core businesses in which

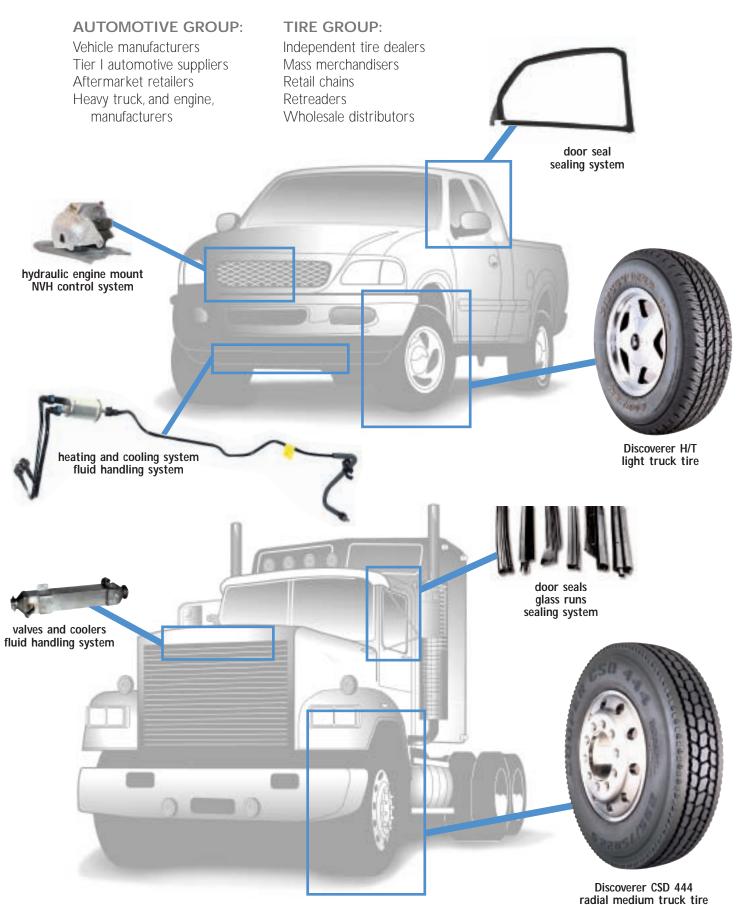
we have significant expertise and sustainable competitive advantage. These businesses are: North American replacement tires; global automotive sealing and fluid handling systems; and North American NVH products. Our sustainable competitive advantages include industry leading customer service, technology and manufacturing efficiency.

Management focus is on maximizing return on invested capital (ROIC) and growth of EPS. Management's variable compensation plan is based on ROIC achievement for corporate executives and return on assets managed (ROAM) achievement for operations executives.

A Sampling of Our Products



Our Focus, Our Customers



Executive Officers

Thomas A. Dattilo Chairman, President and Chief Executive Officer James E. Kline Vice President Harold C. Miller Vice President D. Richard Stephens Vice President Philip G. Weaver Vice President and Chief Financial Officer

Mark F. Armstrong Vice President James S. McElya Vice President Roderick F. Millhof Vice President Richard D. Teeple Vice President, General Counsel and Corporate Secretary Eileen B. White Corporate Controller

Other Corporate Officers

Larry J. Beard Vice President

Larry J. Enders Edward A
Vice President Vice Presider

James H. Geers Vice President Paul C. Gilbert Vice President

Edward A. Hasler Vice President

Donald P. Ingols

Richard N. Jacobson Asst. Corporate Secretary/ Asst. General Counsel

James P. Keller Vice President Gregory E. Meyers Asst. General Counsel

Charles F. Nagy Assistant Treasurer James W. Pifer Vice President

Stephen O. Schroeder Treasurer

Worldwide Facilities

NORTH AMERICA

United States

 ${\sf El\ Dorado}, Arkansas, {\sf NVH\ control\ systems}$

Texarkana, Arkansas, tires

Albany, Georgia, tires

Athens, Georgia, tread rubber

Griffin, Georgia, sealing

Auburn, Indiana, NVH control systems headquarters

Auburn, Indiana, NVH control systems

Auburn, Indiana, technical center

Bremen, Indiana, sealing (joint venture)

New Haven, Indiana, sealing (joint venture)

Topeka, Indiana, sealing (joint venture)

Mt. Sterling, Kentucky, fluid systems

Auburn Hills, Michigan, fluid systems headquarters

Auburn Hills, Michigan, technical center

Dearborn, Michigan, technical center

Fairview, Michigan, fluid systems

Gaylord, Michigan, sealing

Novi, Michigan, automotive operations and

N.A. sealing headquarters

Clarksdale, Mississippi, tubes

Tupelo, Mississippi, tires

Asheboro, North Carolina, tread rubber

Goldsboro, North Carolina, sealing

Salisbury, North Carolina, tread rubber

Bowling Green, Ohio, fluid systems

Bowling Green, Ohio, sealing

Cleveland, Ohio, plastics

Findlay, Ohio, corporate and tire operations headquarters

Findlay, Ohio (2), technical centers

Findlay, Ohio, tires

Spartanburg, South Carolina, plastics

Surgoinsville, Tennessee, fluid systems

San Antonio, Texas, technical center

Canada

Georgetown, Ontario, sealing Mitchell, Ontario, NVH control systems Mitchell, Ontario, technical center Sault Ste. Marie, Ontario, fluid systems Stratford, Ontario (3), sealing Stratford, Ontario, technical center

Mexico

Aguascalientes, Mexico, sealing (joint venture) Piedras Negras, Mexico, sealing Torreon, Mexico (2), fluid systems

SOUTH AMERICA

Brazil

Camasari, Brazil, fluid systems Varqinha, Brazil, sealing

AUSTRALIA

Adelaide, South Australia, fluid systems

ASIA

Republic of Korea

Chung-Ju, Korea, sealing (joint venture) Kim Hae, Korea, sealing (joint venture) Seo-Cheon, Korea, sealing (joint venture)

India

Chennai, India, fluid systems

EUROPE

Czech Republic

Zdar, Czech Republic, fluid systems

France

Baclair, France, sealing Bezons, France, technical center Lillebonne, France, sealing Vitre, France, sealing

Germany

Grünberg, Germany, fluid systems Schelklingen, Germany, fluid systems

Poland

Bielsko-Biala, Poland, sealing

Spain

Getafé, Spain, fluid systems

United Kingdom

Banbury, U.K., Cooper-Standard international headquarters

Huntingdon, U.K., technical center

Maesteg, U.K., sealing

Melksham, U.K., tires

Plymouth, U.K., fluid systems

Plymouth, U.K., sealing



This report has been produced in its entirety on recycled paper.

Make a promise to yourself and your family.

Be tire smart



- Check your tire pressure. An under-inflated tire can have a big impact in terms of safety and reliability.
- Mind your tread. When inspecting your tires look for uneven tread wear, shallow tread, damaged areas, slow leaks and valve caps.
- Take turns. Your owner's manual will tell you how often to rotate your tires, but generally, it should be done every 6,000 to 8,000 miles.

