

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-K
ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED OCTOBER 31, 1999 COMMISSION FILE NO. 1-8597

THE COOPER COMPANIES, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE
(STATE OR OTHER JURISDICTION
OF INCORPORATION)

94-2657368
(I.R.S. EMPLOYER
IDENTIFICATION NO.)

6140 STONERIDGE MALL ROAD, SUITE 590
PLEASANTON, CALIFORNIA
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

94588
(ZIP CODE)

925-460-3600
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Common Stock, \$.10 Par Value, and associated Rights	New York Stock Exchange Pacific Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
None

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months, and (2) has been subject to such filing
requirements for the past 90 days. Yes [X] No []

Indicate by check mark if disclosure of delinquent filers pursuant to
Item 405 of Regulation S-K is not contained herein, and will not be contained,
to the best of registrant's knowledge, in definitive proxy or information
statements incorporated by reference in Part III of this Form 10-K or any
amendment to this Form 10-K. [X]

Aggregate market value of the voting stock held by non-affiliates of
the registrant as of December 31, 1999: Common Stock, \$.10 Par Value --
\$413,012,274.

Number of shares outstanding of the registrant's common stock, as of
December 31, 1999: 14,063,223.

DOCUMENTS INCORPORATED BY REFERENCE:

DOCUMENT	PART OF FORM 10-K
Portions of the Annual Report to Stockholders for the fiscal year ended October 31, 1999	Parts I and II
Portions of the Proxy Statement for the Annual Meeting of Stockholders to be held March 28, 2000	Part III

PART I

ITEM 1. BUSINESS.

INTRODUCTION

The Cooper Companies, Inc. (the "Company," "Cooper" or "we" and similar pronouns), through its principal subsidiaries, develops, manufactures and markets healthcare products. CooperVision ("CVI") markets a range of contact lenses to correct visual defects, specializing in toric lenses that correct astigmatism. Its leading products are disposable-planned replacement toric and spherical lenses. CVI also markets conventional toric and spherical lenses and lenses for patients with more complex vision disorders. CooperSurgical ("CSI") markets diagnostic products, surgical instruments and accessories to the women's healthcare market.

FORWARD-LOOKING STATEMENTS

This report contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. To identify forward-looking statements, look for words like "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates" or "anticipates" and similar words or phrases. Discussions of strategy, plans or intentions often contain forward-looking statements. These, and all forward-looking statements, necessarily depend on assumptions, data or methods that may be incorrect or imprecise.

Events, among others, that could cause actual results and future actions to differ materially from those described by or contemplated in the forward-looking statements include major changes in business conditions and the economy, loss of key senior management, major disruptions in the operations of Cooper's manufacturing facilities, new competitors or technologies, significant disruptions caused by third parties failing to address the year 2000 issue, or by problems with our year 2000 compliance program, the impact of an undetected virus on our computer systems, acquisition integration costs, foreign currency exchange exposure, investments in research and development and other start-up projects, dilution to earnings per share from acquisitions or issuing stock, regulatory issues, significant environmental clean-up costs above those already accrued, litigation costs, costs of business divestitures, and other factors described in Cooper's Securities and Exchange Commission filings, including the "Business" section in this Form 10-K for the year ended October 31, 1999 and the related portions of the Company's 1999 Annual Report to Stockholders ("1999 Annual Report") incorporated here by reference. The 1999 Annual Report is included as Exhibit 13 to this Form 10-K.

GENERAL DESCRIPTION AND DEVELOPMENT OF BUSINESSES

The information required for this item is incorporated here by reference to the caption "Letter to Shareholders" and the additional "CooperVision" section in the 1999 Annual Report.

RESEARCH AND DEVELOPMENT

Company-sponsored research and development expenditures during the fiscal years ended October 31, 1999, 1998 and 1997 were \$2 million, \$1.9 million and \$1.7 million, respectively. During fiscal 1999, CooperVision spent about 52% and CooperSurgical spent about 48% of the total. Cooper did not conduct any customer-sponsored research and development programs.

Cooper employs 28 people in its research and development and manufacturing engineering departments. Outside specialists in lens design formulation science, polymer chemistry, microbiology and biochemistry support product development and clinical research for CooperVision products. CooperSurgical conducts research and development in-house and also employs outside surgical specialists, including members of its surgical advisory board.

GOVERNMENT REGULATION

The U.S. Food and Drug Administration ("FDA"), other federal agencies and foreign ministries of health regulate the development, testing, production and marketing of the Company's products. The Federal Food, Drug and Cosmetic Act and other statutes and regulations govern the testing, manufacturing, labeling, storage, advertising and promotion of such products. If applicable regulations are not followed, companies are subject to fines, product recall or seizure, suspension of production and criminal prosecution.

Cooper develops and markets medical devices under different levels of FDA regulation depending upon the classification of the device. Class III devices, such as flexible and extended wear contact lenses, require extensive premarket testing and approval, while Class I and II devices require substantially lower levels of regulation.

Before a new contact lens can be sold commercially, CooperVision ("CVI") must complete these steps: (1) compile data on its chemistry and toxicology, (2) determine its microbiological profile and (3) define the proposed manufacturing process. This data must be submitted to the FDA to support an application for an Investigational Device Exemption. Once this is granted, clinical trials can begin. These are subject to review and approval by an Institutional Review Board and, where a lens is determined to have a significant risk, the FDA. After the clinical trials are completed, a Premarket Approval Application must be submitted and approved by the FDA.

In connection with some of Cooper's new products, it can submit an expedited procedure known as a 510(k) application for premarket notification to the FDA. Any product that can demonstrate that it is substantially equivalent to another device marketed before May 28, 1976 can use this procedure. If the new product is not substantially equivalent to a preexisting device or if the FDA rejected a claim of substantial equivalence, FDA approval to market would require extensive preclinical and clinical testing. This would increase the cost and would delay product marketing substantially.

FDA and state regulations also require the Company to adhere to applicable "good manufacturing practices" ("GMP"). They require detailed quality assurance and record keeping and periodic unscheduled regulatory inspections. The Company believes it is in substantial compliance with GMP regulations.

Health authorities in foreign countries regulate Cooper's human device clinical trials and medical device sales. The regulations vary widely from country to country. Even if the FDA has approved a product, the regulatory agencies in each country must approve new products before they are marketed.

These regulatory procedures require considerable resources and usually result in a substantial time lag between new product development and marketing. Cooper cannot assure that all necessary approvals will be obtained, or obtained in a timely manner. If the Company does not maintain compliance with regulatory standards or if problems occur after marketing, product approval may be withdrawn.

ISO 9000 CERTIFICATION AND CE MARK APPROVAL

In addition to the FDA regulatory requirements, the Company also maintains ISO 9000 certification and CE Mark approvals for all lens products. These quality programs and approvals are required by the European Medical Device Directive and must be maintained for all products intended to be sold in the

European market. In order to maintain these prestigious quality benchmarks, the Company is subjected to rigorous biannual reassessment audits of their quality systems and procedures by globally recognized notified bodies and agencies.

RAW MATERIALS

In general, CVI's raw materials consist of various polymers and packaging materials. There are alternative supply sources of all of these materials. Raw materials used by CSI or its suppliers are generally available from more than one source. However, because some products require specialized manufacturing procedures, CSI could experience inventory shortages if it needed an alternative manufacturer on short notice.

MARKETING AND DISTRIBUTION

In the United States, Canada and certain European countries, CVI markets its products through its field sales representatives, who call on ophthalmologists, optometrists, opticians and optical chains. In the United States, field sales representatives also call on distributors. In Japan and certain European countries, CVI uses distributors and has given them the exclusive right to market our products.

CSI's products are marketed worldwide by a network of field sales representatives and distributors. In the United States, Cooper augments its sales and marketing activities by employing telemarketing, direct mail, advertising in professional journals, and CSI uses a direct mail catalog.

PATENTS, TRADEMARKS AND LICENSING AGREEMENTS

Cooper owns or licenses a variety of domestic and foreign patents which, in total, are material to its businesses. The names of certain of Cooper's products are protected by trademark registrations in the United States Patent and Trademark Office and, in some cases, also in foreign trademark offices. Applications are pending for additional trademark registrations. Cooper aggressively enforces and defends its patents and other proprietary technology.

DEPENDENCE ON CUSTOMERS

Cooper's business does not materially depend on any one customer or any one affiliated group of customers.

GOVERNMENT CONTRACTS

Cooper's business is not materially subject to profit renegotiation or termination of contracts or subcontracts at the election of the United States government.

COMPETITION

Each of Cooper's businesses operates in a highly competitive environment. Competition in the healthcare industry revolves around the search for technological and therapeutic innovations in the prevention, diagnosis and treatment of illness or disease. Cooper competes primarily on the basis of product quality, program differentiation, technological benefit, service and reliability.

Many companies develop and manufacture contact lenses. CVI competes primarily on its product quality, service and reputation among medical professionals and by participating in specialty niche markets. It sponsors clinical studies to generate medical information to improve its lenses. Major competitors have greater financial resources and larger research and development and sales forces than CVI. Many of these competitors offer a greater range of contact lenses and a variety of other eyecare products, including lens care products and ophthalmic pharmaceuticals, which may give them a competitive advantage in marketing their lenses to high volume contract accounts.

In the surgical segment, competitive factors include technological and scientific advances, product quality, price and effective communication of product information to physicians and hospitals. CSI believes that it benefits, in part, from the technological advantages of certain of its products and from developing new medical procedures that can create new markets for equipment and instruments. CSI competes by focusing on distinct niche markets and by supplying these with high quality equipment, instruments and disposable products. For certain procedures, medical practitioners can obtain all of the equipment, instruments and disposable products from CSI. As CSI develops products for new medical procedures, it offers to train medical professionals to perform them. CSI competes with a number of manufacturers in each of its niche markets, including larger manufacturers with greater financial and personnel resources who sell a substantially larger number of product lines.

BACKLOG

Backlog is not a material factor in Cooper's businesses.

SEASONALITY

CVI's contact lens sales in the first fiscal quarter are generally lower than subsequent quarters, as fewer patients visit practitioners during the holiday season.

COMPLIANCE WITH ENVIRONMENTAL LAWS

Federal, state and local provisions that regulate the discharge of materials into the environment, or relate to the protecting of the environment, do not currently materially effect Cooper's capital expenditures, earnings or competitive position. See "Environmental" in Note 11 of Notes to Consolidated Financial Statements of the Company included in the 1999 Annual Report, regarding certain anticipated remediation costs, which is incorporated here by reference.

WORKING CAPITAL

Cooper's businesses have not required any material working capital arrangements in the past five years.

FINANCIAL INFORMATION ABOUT BUSINESS SEGMENTS, GEOGRAPHIC AREAS, FOREIGN OPERATIONS AND EXPORT SALES

The information required for this item is incorporated here by reference to Note 12 "Business Segment Information" of Notes to Consolidated Financial Statements of the Company included in the 1999 Annual Report.

EMPLOYEES

On October 31, 1999, Cooper employed approximately 1,750 persons. The Company believes that its relations with its employees are good.

ITEM 2. PROPERTIES.

The following are the principal facilities of Cooper as of October 31, 1999:

LOCATION -----	OPERATIONS -----	APPROXIMATE FLOOR AREA (SQ. FT.) -----	OWNED OR LEASED -----	LEASE EXPIRATION -----
United States				
Pleasanton, CA Irvine, CA	Executive Offices	13,700	Leased	Sept. 2000
	Executive Offices, CVI Offices, Distribution and Customer Service	17,500	Leased	Jan. 2000
Huntington Beach, CA	CVI Manufacturing & Technical Offices	20,600	Leased	March 2002
Fairport, NY	CVI Administrative Offices & Marketing	23,500	Leased	April 2003
Scottsville, NY	CVI Manufacturing and Research	49,500	Owned	N/A
Henrietta, NY	CVI Distribution and Warehouse Facility	56,000	Leased	Feb. 2003
Shelton, CT	CSI Manufacturing, Research and Development, Marketing, Distribution and Warehouse Facilities	35,000	Leased	April 2002
Canada				
Markham, Ont.	CVI Offices, Manufacturing Distribution and Warehouse Facilities	21,000	Leased	Feb. 2000
United Kingdom				
Hamble, Hampshire, England	Aspect Manufacturing, Research and Development, Marketing and Admin. Offices	93,800	Owned	N/A
Fareham, Hampshire, England	Distribution and Customer Service	30,800	Leased	Jan. 2018
Fareham, Hampshire, England	Manufacturing and Warehouse	27,100	Leased	June 2018

The Company believes its properties are suitable and adequate for its businesses.

ITEM 3. LEGAL PROCEEDINGS.

The information required for this item is incorporated here by reference to "GT Labs" in Note 11 of Notes to Consolidated Financial Statements of the Company included in the 1999 Annual Report.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

During the fourth quarter of fiscal 1999, the Company did not submit any matters to a vote of the Company's security holders.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

The information required for this item is incorporated here by reference to the caption "Quarterly Common Stock Price Range" in the 1999 Annual Report.

ITEM 6. SELECTED FINANCIAL DATA.

The information required for this item is incorporated here by reference to the caption "Five Year Financial Highlights" in the 1999 Annual Report.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The information required for this item is incorporated here by reference to the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the 1999 Annual Report.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Company is primarily exposed to market risks that relate to changes in interest rates, foreign currency fluctuations and in the market value of its long-term debt obligations. The Company's policy is to minimize, to the extent reasonable and practical, its exposure to the impact of changing interest rates and foreign currency fluctuations by entering into interest rate swaps and foreign currency forward exchange contracts, respectively. In general, the Company does not enter into derivative financial instrument transactions for speculative purposes. Additional information for this item is included under the caption "Derivatives" in Note 1 "Summary of Significant Accounting Policies" and in Note 7 "Financial Instruments" in the 1999 Annual Report, which is incorporated here by reference.

LONG-TERM DEBT

Proceeds from the sale of HGA were used to pay down debt carrying an average interest rate of approximately 7%. Total debt was reduced to \$62 million at October 31, 1999 from \$90.2 million at October 31, 1998:

	October 31, 1999 -----	October 31, 1998 -----
	(In millions)	
Short term	\$ 4.9	\$11.5
Long term	57.1	78.7
	-----	-----
Total	\$62.0 =====	\$90.2 =====

On an annualized basis the debt reduction would result in a decrease in interest expense of approximately \$2 million, assuming we do not raise debt for other purposes.

The following table sets forth as of October 31, 1999, the Company's long-term debt obligations, excluding capitalized leases, principal cash flows by scheduled maturity, weighted average interest rates and estimated fair market value.

	Expected Maturity Date - Fiscal Year					There- after	Total	Fair Value
	2000	2001	2002	2003	2004			
(\$ in Millions)								
Long-term Debt								
Fixed interest rate (\$US)	\$ --	\$ --	\$ --	\$23.4	\$ --	\$ --	\$ 23.4	\$ 23.4
Average interest rate	8.00%	8.00%	8.00%	8.00%	--%	--		
Variable interest rate (\$US)	\$ 0.5	\$ 0.6	\$ 0.5	\$22.1	\$ 0.6	\$ 2.3	\$ 26.6	\$ 26.6
Average interest rate	6.32%	6.34%	6.36%	6.12%	5.72%	5.66%		

INTEREST RATE EXPOSURES

The Company enters into interest rate swap agreements to minimize the impact of changes in interest rates on its variable rate long-term debt obligations. The Company currently has three interest rate swap agreements on a total of \$24.3 million of its outstanding variable rate debt obligations. These instruments have the effect of converting variable rate instruments to fixed rate instruments. The interest rate swap agreements assure that the Company will pay 6.19%, 4.88% and 7.13% on the aforementioned \$24.3 million long-term debt obligations for the periods ending November 2002 (principal amount \$17.4 million), January 2012 (principal amount \$2.7 million) and April 2003 (principal amount \$4.2 million), respectively. The table below shows the notional amount and weighted average interest rates of each of the Company's interest rate swaps by maturity. The receive rate is based on October 31, 1999 rates, and projected based on the consumer price index. Notional amounts are used to calculate the contractual payments to be made under the contracts.

	Notional Amounts Maturing in Fiscal Year					There- after	Total	Fair Value
	2000	2001	2002	2003	2004			
(\$ in Millions)								
Interest rate swaps								
Variable to fixed (\$US)	\$ --	\$ --	\$ --	\$17.4	\$ --	\$ --	\$17.4	\$17.2
Average pay rate	6.19%	6.19%	6.19%	6.19%			6.19%	
Average receive rate	5.48%	5.62%	5.77%	5.92%			5.70%	
Variable to fixed (\$US)	\$ 0.2	\$ 0.2	\$ 0.3	\$ 0.3	\$ 0.3	\$ 1.4	\$ 2.7	\$ 2.7
Average pay rate	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	4.88%	
Average receive rate	4.82%	4.95%	5.08%	5.21%	5.35%	6.01%	5.65%	
Variable to fixed (\$US)	\$ --	\$ --	\$ --	\$ 4.2	\$ --	\$ --	\$ 4.2	\$ 4.3
Average pay rate	7.13%	7.13%	7.13%	7.13%			7.13%	
Average receive rate	5.92%	6.07%	6.23%	6.39%			6.15%	

FOREIGN CURRENCY EXPOSURES

The Company uses forward exchange contracts to minimize the effect of foreign currency fluctuations on its long-term debt obligations denominated in Great Britain Pounds ("GBP"), incurred to fund a portion of the Company's acquisition of Aspect Vision Care Ltd. (see caption "Aspect Acquisition" in Note 2 "Acquisitions" in the 1999 Annual Report, which is incorporated here by reference). The following table provides information on the Company's foreign currency forward exchange contracts. The information is provided in U.S. Dollar equivalent amounts, which is the way it is presented in the Company's financial statements. The table shows the notional amounts at the contract exchange rates and the weighted average contractual foreign currency exchange rates by expected maturity dates.

	Notional Amounts Maturing in Fiscal Year					There- after	Total	Fair Value
	2000	2001	2002	2003	2004			
Foreign Contracts to Buy GBP:								
Notional amount (in millions)	\$ 1.8	\$ 3.5	\$ 8.4	\$23.4	\$ --	\$ --	\$37.1	\$37.0
Average contractual exchange rate	\$1.61	\$1.62	\$1.63	\$1.63	\$ --	\$ --	\$1.63	
Foreign contracts to sell GBP:								
Notional amount (in millions)	\$ 1.8	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 1.8	\$ 1.8
Average contractual exchange rates	\$1.64	\$ --	\$ --	\$ --	\$ --	\$ --	\$1.64	
Foreign contracts to sell Canadian \$:								
Notional amount (in millions)	\$ 0.9	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 0.9	\$ 0.9
Average contractual exchange rate:	\$0.68	\$ --	\$ --	\$ --	\$ --	\$ --	\$0.68	

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The information required for this item is incorporated here by reference to the captions "Consolidated Balance Sheets," "Consolidated Statements of Income," "Consolidated Statements of Cash Flows," "Consolidated Statements of Comprehensive Income," "Notes to Consolidated Financial Statements," "Independent Auditors' Report" and "Two Year Quarterly Financial Data" in the 1999 Annual Report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

Not applicable.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

The information included under the heading "Election of Directors" and "Executive Officers of the Company" in the Company's Proxy Statement for the Annual Meeting of Stockholders to be held on March 28, 2000 (the "2000 Proxy Statement") is incorporated by reference with respect to each of the Company's directors and the executive officers who are not also directors of the Company.

ITEM 11. EXECUTIVE COMPENSATION.

The information included under the subheadings "Executive Compensation" and "Compensation of Directors" of the "Election of Directors" section of the 2000 Proxy Statement is incorporated by reference with respect to the Company's chief executive officer, the four other most highly compensated executive officers of the Company and the Company's directors.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The information included under the subheadings "Securities Held by Management" and "Principal Security Holders" of the "Election of Directors" section of the 2000 Proxy Statement is incorporated by reference with respect to certain beneficial owners, the directors and management.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

The information required for this item is incorporated here by reference to the heading "Aspect Acquisition" in Note 2 "Acquisitions" in the 1999 Annual Report.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K.

(a) Documents filed as part of this report:

1. Accountants' Consent and Report on Schedule.
2. Financial Statement Schedule of the Company.

SCHEDULE NUMBER -----	DESCRIPTION -----
Schedule II	Valuation and Qualifying Accounts

3. Exhibits

The exhibits listed on the accompanying Exhibit Index are filed as part of this report.

All other schedules which are included in the applicable accounting regulations of the Securities and Exchange Commission are not required here because they are not applicable.

(b) Reports filed on form 8-K at end of Exhibit List:

Cooper filed the following reports on Form 8-K during the period August 1, 1999 through October 31, 1999.

August 9, 1999--Item 5. Other Events.
August 26, 1999--Item 5. Other Events.
October 4, 1999--Item 5. Other Events.

ACCOUNTANTS' CONSENT AND REPORT ON SCHEDULE

The Board of Directors
THE COOPER COMPANIES, INC.

The audits of the consolidated financial statements of The Cooper Companies, Inc. and subsidiaries referred to in our report dated December 9, 1999, which is incorporated herein by reference, included the related financial statement schedule for each of the years in the three-year period ended October 31, 1999 as listed in Item 14 of the Annual Report on Form 10-K. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement schedule based on our audits. In our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We consent to incorporation by reference in Registration Statement Nos. 33-50016, 33-11298, 333-22417, 333-25051, 333-27639 and 333-80795 on Forms S-3 and Registration Statement Nos. 333-10997, 33-27938, 33-36325, 33-36326 and 333-58839 on Forms S-8 of The Cooper Companies, Inc. of our reports dated December 9, 1999, relating to the consolidated balance sheets of The Cooper Companies, Inc. and subsidiaries as of October 31, 1999 and 1998 and the related consolidated statements of income, comprehensive income and cash flows for each of the years in the three-year period ended October 31, 1999, and related schedule, which reports appear in or are incorporated by reference to the October 31, 1999 Annual Report on Form 10-K of The Cooper Companies, Inc.

KPMG LLP

San Francisco, California
January 27, 2000

SCHEDULE II

THE COOPER COMPANIES, INC. AND SUBSIDIARIES
 VALUATION AND QUALIFYING ACCOUNTS
 THREE YEARS ENDED OCTOBER 31, 1999

	BALANCE AT BEGINNING OF YEAR -----	ADDITIONS CHARGED TO COSTS AND EXPENSES -----	(DEDUCTIONS)/ RECOVERIES/ OTHER (1) -----	BALANCE AT END OF YEAR -----
		(IN THOUSANDS)		
Allowance for doubtful accounts:				
Year ended October 31, 1999.....	\$ 1,087	\$ 321	\$ (272)	\$ 1,136
	=====	=====	=====	=====
Year ended October 31, 1998.....	\$ 721	\$ 283	\$ 83	\$ 1,087
	=====	=====	=====	=====
Year ended October 31, 1997.....	\$ 716	\$ 155	\$ (150)	\$ 72
	=====	=====	=====	=====

(1) Principally uncollectible accounts written off, net of amounts recovered that were previously written off.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on January 28, 2000.

THE COOPER COMPANIES, INC.

By: /s/ A. THOMAS BENDER

A. THOMAS BENDER
PRESIDENT, CHIEF EXECUTIVE
OFFICER AND DIRECTOR

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on the dates set forth opposite their respective names.

SIGNATURE -----	CAPACITY -----	DATE ----
/s/ ALLAN E. RUBENSTEIN ----- (ALLAN E. RUBENSTEIN)	Chairman of the Board of Directors	January 28, 2000
/s/ A. THOMAS BENDER ----- (A. THOMAS BENDER)	President, Chief Executive Officer and Director	January 28, 2000
/s/ ROBERT S. WEISS ----- (ROBERT S. WEISS)	Executive Vice President, Treasurer, Chief Financial Officer and Director	January 28, 2000
/s/ STEPHEN C. WHITEFORD ----- (STEPHEN C. WHITEFORD)	Vice President and Corporate Controller	January 28, 2000
/s/ MICHAEL H. KALKSTEIN ----- (MICHAEL H. KALKSTEIN)	Director	January 28, 2000
/s/ MOSES MARX ----- (MOSES MARX)	Director	January 28, 2000
/s/ DONALD PRESS ----- (DONALD PRESS)	Director	January 28, 2000
/s/ STEVEN ROSENBERG ----- (STEVEN ROSENBERG)	Director	January 28, 2000
/s/ STANLEY ZINBERG ----- (STANLEY ZINBERG)	Director	January 28, 2000

EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION OF DOCUMENT -----	LOCATION OF EXHIBIT IN SEQUENTIAL NUMBER SYSTEM -----
3.1 --	Restated Certificate of Incorporation, as partially amended, incorporated by reference to Exhibit 4(a) to the Company's Registration Statement on Form S-3 (No. 33-17330) and Exhibits 19(a) and 19(c) to the Company's Quarterly Report on Form 10-Q for the Fiscal Quarter ended April 30, 1988.....	
3.2 --	Certificate of Amendment of Restated Certificate of Incorporation dated September 21, 1995 incorporated by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 1995.....	
3.3 --	Amended and Restated By-Laws dated December 16, 1999....	
4.1 --	Certificate of Elimination of Series A Junior Participating Preferred Stock of The Cooper Companies, Inc. filed with the Delaware Secretary of State on October 30, 1997, incorporated by reference to Exhibit 4.1 on Form 10-K for fiscal year ended October 31, 1997.	
4.2 --	Rights Agreement, dated as of October 29, 1997, between the Company and American Stock Transfer & Trust Company, incorporated by reference to Exhibit 4.0 to the Company's Current Report on Form 8-K dated October 29, 1997.....	
4.3 --	Amendment No. 1 to Rights Agreement dated September 26, 1998, incorporated by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K dated September 25, 1998.....	
4.4 --	Certificate of Designations of Series A Junior Participating Preferred Stock of The Cooper Companies, Inc., incorporated by reference to Exhibit 4.0 of the Company's Current Report on Form 8-K dated October 29, 1997.....	
10.1 --	1998 Long-term Incentive Plan, incorporated by reference to Exhibit A of the Company's Proxy Statement for its 1998 Annual Meeting of Shareholders held on April 2, 1998.....	
10.2 --	Amendment No. 1 to 1998 Long-term Incentive Plan of The Cooper Companies, Inc. dated April 2, 1998, incorporated by reference to Exhibit 4.7 to the Company's post-effective Amendment No. 1 to Form S-8 Registration Statement filed on January 20, 1999.....	
10.3 --	Severance Agreement entered into as of June 10, 1991, by and between CooperVision, Inc. and A. Thomas Bender, incorporated by reference to Exhibit 10.26 to Amendment No. 1 to the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 1992.....	
10.4 --	Letter dated March 25, 1994, to A. Thomas Bender from the Chairman of the Compensation Committee of the Company's Board of Directors, incorporated by reference to Exhibit 10.4 to the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 1994.....	
10.5 --	Severance Agreement entered into as of April 26, 1990, by and between Nicholas J. Pichotta and the Company incorporated by reference to Exhibit 10.8 to the Company's Annual Report on Form 10-K for fiscal year ended October 31, 1995.....	
10.6 --	Letter Agreement dated November 1, 1992, by and between Nicholas J. Pichotta and the Company incorporated by reference to Exhibit 10.9 to the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 1995.	
10.7 --	Severance Agreement entered into as of August 21, 1989, by and between Robert S. Weiss and the Company, incorporated by reference to Exhibit 10.28 to Amendment No. 1 to the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 1992.....	

EXHIBIT NUMBER	DESCRIPTION OF DOCUMENT	LOCATION OF EXHIBIT IN SEQUENTIAL NUMBER SYSTEM
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10.8 --	1996 Long-term Incentive Plan for Non-Employee Directors of The Cooper Companies, Inc., incorporated by reference to the Company's Proxy Statement for its 1996 Annual Meeting of Stockholders.....	
10.9 --	Amendment No. 1 to 1996 Long-term Incentive Plan for Non-Employee Directors of The Cooper Companies, Inc., dated October 10, 1996, incorporated by reference to Exhibit 10.14 to the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 1996.....	
10.10 --	Amendment No. 2 to 1996 Long-term Incentive Plan for Non-Employee Directors of The Cooper Companies, Inc., dated October 29, 1997, incorporated by reference to Exhibit 10.15 to the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 1997.....	
10.11 --	Agreement dated as of September 28, 1993, among Medical Engineering Corporation, Bristol-Myers Squibb Company and the Company, incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated October 1, 1993.....	
10.12 --	Amendment No. 3 to 1996 Long-term Incentive Plan for Non-Employee Directors of The Cooper Companies, Inc., dated October 29, 1999.....	
10.13 --	Change in Control Agreement dated as of October 14, 1999 between The Cooper Companies, Inc., and Carol R. Kaufman	
11* --	Calculation of Earnings per share.....	
13 --	1999 Annual Report to Stockholders. The following portions of such report are incorporated by reference in this document and are deemed "filed." Letter to Shareholders, the additional "CooperVision" section and Financial Section which includes: Five Year Financial Highlights, Two Year Quarterly Information, Quarterly Common Stock Price Range, Management's Discussion and Analysis of Financial Condition and Results of Operations, the Consolidated Financial Statements and the Notes thereto, and the Independent Auditors' Report.	
21 --	Subsidiaries.....	
27 --	Financial Data Schedule.....	
* The information required in this exhibit is incorporated here by reference to Note 4, "Earnings Per Share," in the 1999 Annual Report.		

THE COOPER COMPANIES, INC.

AMENDED AND RESTATED BY-LAWS

DECEMBER 16, 1999

ARTICLE I.

OFFICES

SECTION 1. REGISTERED OFFICE

The registered office shall be in the City of Dover, County of Kent, State of Delaware.

SECTION 2. OTHER OFFICES

The Corporation may also have offices at such other places both within and without the State of Delaware as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II.

MEETINGS OF STOCKHOLDERS

SECTION 1. MEETING LOCATION

All meetings of the stockholders shall be held at any place within or outside the State of Delaware as shall be designated by the Board of Directors.

SECTION 2. ANNUAL MEETING

The annual meeting of stockholders shall be held each year on such date, and at such hour, as shall be fixed in each year by the Board of Directors or the Chairman. The purposes for which the annual meeting is to be held, in addition to those prescribed by law, by the Certificate of Incorporation or by these By-laws, may be specified by the Board of Directors or the Chairman. If no annual meeting has been held as specified above, a special meeting in lieu thereof may be held or there may be action by written consent of the stockholders on matters to be voted on at the annual meeting, and such special meeting or written consent shall have for the purposes of these By-laws or otherwise all the force and effect of an annual meeting.

SECTION 3. NOTICE OF ANNUAL MEETING

Written notice of the annual meeting stating the place, date and hour of the meeting, shall be given by the Secretary, in accordance with Article IV, Section 1 of these By-laws, to each stockholder entitled to vote at such meeting not less than ten (10) nor more than sixty (60) days before the date of the meeting.

SECTION 4. SPECIAL MEETINGS

Special meetings of the stockholders, for any purpose or purposes, unless otherwise prescribed by statute or by the Certificate of Incorporation, may be called by the Chairman and shall be called by the Chairman or the Secretary at the request in writing of a majority of the Board of Directors, or at the request in writing of stockholders owning a majority in amount of the entire capital stock of the Corporation issued and outstanding and entitled to vote. A written request by stockholders to hold a special meeting shall be signed, dated and delivered personally or sent by registered mail or by telegraphic or other facsimile transmission to the Secretary, and shall set forth the information required by Section 13 (for the business to be conducted at such special meeting to be properly brought before an annual meeting) or 14 of this Article II, as applicable, and shall state the purpose or purposes of the proposed meeting. The Board of Directors shall have the sole power to determine the date, time and place of any special meeting of stockholders. If a special meeting has been called in response to a written request by stockholders, the Board of Directors shall set the date of the special meeting not less than sixty (60) days nor more than seventy-five (75) days after the stockholders' request is delivered to the corporation. Nothing contained in this Section 4 shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by the Board of Directors may be held.

SECTION 5. NOTICE OF SPECIAL MEETING

Written notice of any special meeting, stating the place, date and hour of the meeting and the purpose or purposes for which the meeting is called, shall be given by the Secretary, in accordance with Article IV, Section 1 of these By-laws, to each stockholder entitled to vote at such special meeting, provided, however, that if the special meeting has been called in response to a written request by stockholders, and such notice is not given by the Secretary within twenty (20) days after the date of the receipt of the request, the person or persons requesting the meeting may give the notice.

SECTION 6. SPECIAL MEETING BUSINESS

Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

SECTION 7. LIST OF STOCKHOLDERS

The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

SECTION 8. QUORUM AND ADJOURNMENT

A majority of the shares issued and outstanding and entitled to vote at any meeting of stockholders, the holders of which are present in person or represented by proxy, shall constitute a quorum for the transaction of business, except as otherwise provided by statute, by the Certificate of Incorporation or by these By-laws. A quorum, once established, shall not be broken by the withdrawal of enough votes to leave less than a quorum, and the votes present may continue to transact business until adjournment.

Any meeting of stockholders, annual or special, may be adjourned from time to time by the chair of the meeting, or by the stockholders entitled to vote at the meeting and present in person or represented by proxy, to reconvene at the same or other time, date and place. Except as otherwise expressly required by statute or these By-laws, notice need not be given of any such adjourned meeting if the time, date and place thereof are announced at the meeting at which the adjournment is taken. If the time, date and place of the adjourned meeting are not announced at the meeting at which the adjournment is taken, then the Secretary shall give written notice of the time, date and place of the adjourned meeting not less than ten (10) days

prior to the date of the adjourned meeting. The provisions of Article IV, Section 1 of these By-laws shall govern the delivery of such notice.

At any adjourned meeting at which a quorum is present, the stockholders may transact any business which might have been transacted at the original meeting. Once a share is represented for any purpose at a meeting, it shall be present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is set for the adjourned meeting. If after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting consistent with the new record date.

SECTION 9. VOTING

In all matters other than the election of directors, the affirmative vote of the majority of shares entitled to vote on the subject matter, present in person or represented by proxy at a meeting at which a quorum is present, shall decide any matter brought before such meeting, unless the matter is one upon which, by express provision of statute, the Certificate of Incorporation or these By-laws, a different vote is required, in which case such express provision shall govern and control the decision of such matter. Directors shall be elected by a plurality of the votes of the shares entitled to vote on the election of directors, present in person or represented by proxy, at a meeting at which a quorum is present.

SECTION 10. PROXY VOTING

At each meeting of the stockholders, each stockholder having the right to vote may vote in person or may authorize another person or persons to act for him by proxy appointed by an instrument in writing subscribed by such stockholder (or by such other means as expressly set forth in the Delaware General Corporation Law) and bearing a date not more than three (3) years prior to said meeting, unless said instrument provides for a longer period. All proxies must be filed with the Secretary of the Corporation at the beginning of each meeting in order to be counted in any vote at the meeting. Unless otherwise provided in the Certificate of Incorporation, each stockholder shall have one vote for each share of stock having voting power, registered in his name on the books of the Corporation on the record date set by the Board of Directors as provided in Article VI, Section 4 of these By-laws.

SECTION 11. CONDUCT OF MEETINGS

Meetings of the stockholders shall be presided over by (a) the Chairman of the Board, (b) in his absence, the Vice Chairman, if any, (c) in the absence of a Vice Chairman, the Chief Executive Officer or, (d) in his absence, another chair designated by the Board of Directors. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at a meeting shall be determined by the chair of the meeting and announced at the meeting. The Board of Directors may adopt by resolution such rules and regulations for the conduct of any meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chair of any meeting of stockholders shall have the exclusive right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chair, are appropriate for the conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the chair of the meeting, may include, without limitation, the following (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present; (c) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chair of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (e) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the chair of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

SECTION 12. POSTPONEMENT AND CANCELLATION OF STOCKHOLDER MEETING

Any previously scheduled annual or special meeting of the stockholders may be postponed, and any previously scheduled annual or special meeting of the stockholders called by the Board may be canceled, by resolution of the Board upon public notice given prior to the time previously scheduled for such meeting of stockholders.

At any annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before a meeting, business (other than the election of directors, the procedures for which are detailed in Section 14 of this Article II) must be either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise properly brought before the meeting by a stockholder. In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a stockholder's notice must be delivered to and received at the principal executive offices of the Corporation, (a) with respect to an annual meeting after the 2000 annual meeting of stockholders, not later than the close of business on the ninetieth (90) day nor earlier than the close of business on the one hundred twentieth (120) day prior to the first anniversary of the preceding year's annual meeting (provided, however, that in the event that the date of the annual meeting is more than thirty (30) days before or more than seventy (70) days after such anniversary date, notice by the stockholder must be so delivered not earlier than the close of business on the one hundred twentieth (120) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90) day prior to such annual meeting or the tenth (10) day following the date on which public disclosure of the date of such meeting is first made by the Corporation), and (b) with respect to the 2000 annual meeting of stockholders, not less than sixty (60) nor more than ninety (90) days prior to the meeting (provided, however, that in the event that less than seventy-five (75) days' notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the stockholder to be timely must be so received not later than the close of business on the fifteenth (15) day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made, whichever first occurs). In no event shall the public disclosure of any adjournment or postponement of an annual meeting commence a new time period for the giving of a stockholder's notice as described above. As used herein, the term "public disclosure" shall include any disclosure made by press release issued by the Corporation or any notice of record date and meeting date for the meeting delivered to any

national securities exchange on which the Corporation's securities are listed or to the National Association of Securities Dealers if the Corporation's securities are then quoted on such Association's interdealer quotation system. Such stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the meeting (a) a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and, if such business includes a proposal to amend the By-laws of the Corporation, the language of the proposed amendment) the reasons for conducting such business at the meeting, and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (c) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the proposal is made (i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner, (ii) the class and number of shares of capital stock of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner, (iii) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business and (iv) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends to (A) deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal and/or (B) otherwise solicit proxies from stockholders in support of such proposal.

Notwithstanding anything in these By-laws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section 13, provided, however, that nothing in this Section 13 shall be deemed to preclude discussion by any stockholder of any business properly brought before the meeting in accordance with such procedures or to affect any right of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8, or any successor rule or regulation, under the Exchange Act of 1934, as amended (the "Exchange Act").

The chair of the meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the provisions of this Section 13,

and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

SECTION 14. ELECTION OF DIRECTORS

Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors. Nominations of persons for election to the Board of Directors of the Corporation may be made at a meeting of stockholders by or at the direction of the Board of Directors by any nominating committee or person appointed by the Board or by any stockholder of the Corporation entitled to vote for the election of directors at the meeting who complies with the notice procedures set forth in this Section 14. Such nominations, other than those made by or at the direction of the Board of Directors, shall be made pursuant to timely notice in writing to the Secretary of the Corporation. To be timely, a stockholder's notice shall be delivered to or and received at the principal executive offices of the Corporation (a) with respect to an annual meeting after the 2000 annual meeting of stockholders, not later than the close of business on the ninetieth (90) day nor earlier than the close of business on the one hundred twentieth (120) day prior to the first anniversary of the preceding year's annual meeting (provided, however, that in the event that the date of the annual meeting is more than thirty (30) days before or more than seventy (70) days after such anniversary date, notice by the stockholder must be so delivered not earlier than the close of business on the one hundred twentieth (120) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90) day prior to such annual meeting or the tenth (10) day following the date on which public disclosure of the date of such meeting is first made by the Corporation), (b) with respect to the 2000 annual meeting of stockholders, not less than sixty (60) nor more than ninety (90) days prior to the meeting (provided, however, that in the event that less than seventy-five (75) days' notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the stockholder to be timely must be so received not later than the close of business on the fifteenth (15) day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made, whichever first occurs), and (c) with respect to any special meeting, not earlier than the close of business on the one hundred twentieth (120) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90) day prior to such special meeting or the tenth (10) day following the date on which public

disclosure of the date of such meeting and of the nominees proposed by the Board of Directors to be elected at such meeting is first made by the Corporation. In no event shall the public disclosure of any adjournment or postponement of a meeting commence a new time period for the giving of a stockholder's notice as described above. As used herein, the term "public disclosure" shall include any disclosure made by press release issued by the Corporation or any notice of record date and meeting date for the meeting delivered to any national securities exchange on which the Corporation's securities are listed or to the National Association of Securities Dealers if the Corporation's securities are then quoted on such Association's interdealer quotation system. Such stockholder's notice to the Secretary shall set forth (a) as to each person whom the stockholder proposes to nominate for election or re-election as a director, (i) the name, age, business address or residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class and number of shares of capital stock of the Corporation which are beneficially owned by the person and (iv) any other information relating to the person that is required to be disclosed in solicitations for proxies for election of directors in an election contest pursuant to Regulation 14A under the Exchange Act, or any successor rule or regulation (and such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); (b) as to the stockholder giving notice and the beneficial owner, if any, on whose behalf the nomination is made (i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner, (ii) the class and number of shares of capital stock of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner, (iii) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such nomination and (iv) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends to (A) deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to elect the nominee and/or (B) otherwise solicit proxies from stockholders in support of such nomination. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as a director of

the Corporation. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth herein.

Notwithstanding anything in the fourth sentence of the preceding paragraph of this Section 14 to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation at an annual meeting after the 2000 annual meeting of stockholders is increased and there is no public announcement by the Corporation naming all of the nominees for director or specifying the size of the increased Board of Directors at least one hundred (100) days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 14 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth (10) day following the day on which such public announcement is first made by the Corporation.

The chair of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedure, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.

SECTION 15. ACTION WITHOUT A MEETING

Subject to the provisions of this Section 15, unless otherwise provided in the Certificate of Incorporation, any action required to be taken at any annual or special meeting of stockholders of the Corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding capital stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. The record date for determining stockholders entitled to express consent to corporate action in writing without a meeting shall be as fixed by the Board of Directors or as otherwise established under Article VI, Section 5 of these By-laws.

Every written consent purporting to take or authorizing the taking of corporate action (each such written consent a "Consent"), and any revocation of a Consent, shall bear the date of signature of each stockholder who signs the Consent or revocation, and no Consent shall be effective to take the corporate

action referred to therein unless, within sixty (60) days of the earliest dated Consent delivered to the Corporation in the manner required by Article VI, Section 5 of these By-laws, valid and unrevoked Consents signed by a sufficient number of stockholders to take such action are so delivered to the Corporation. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that valid and unrevoked Consents signed by a sufficient number of stockholders to take the action were delivered to the Corporation as provided in Article VI, Section 5 of these By-laws.

Consents shall be valid for a maximum of sixty (60) days after the date of the earliest dated Consent delivered to the Corporation in the manner provided in Article VI, Section 5 of these By-laws or as otherwise provided in Section 228(c) of the General Corporation Law of the State of Delaware. Consents may be revoked by written notice (a) to the Corporation, to the attention of the Secretary, (b) to the stockholder or stockholders soliciting Consents or soliciting revocations in opposition to action by consent (the "Soliciting Stockholders"), or (c) to a proxy solicitor or other agent designated by the Corporation or the Soliciting Stockholders.

Within ten (10) business days after receipt of the earliest dated Consent delivered to the Corporation in the manner provided in Article VI, Section 5 of these By-laws or as otherwise provided in Section 228(c) of the General Corporation Law of the State of Delaware or the determination by the Board of Directors of the Corporation that the Corporation should seek corporate action by written consent, as the case may be, the Secretary of the Corporation shall engage nationally recognized independent inspectors of elections for the purpose of performing a ministerial review of the validity of the Consents and revocations. The cost of retaining inspectors of election shall be borne by the Corporation. For the purpose of permitting the inspectors to perform such review, no action by written consent without a meeting shall be effective until such date as the independent inspectors certify to the Corporation that the valid and unrevoked Consents delivered to the Corporation in the manner provided in Article VI, Section 5 of these By-laws or as otherwise provided in Section 228(c) of the General Corporation Law of the State of Delaware represent at

least the minimum number of votes that would be necessary to take the corporate action. Nothing contained in this Section 15 shall be construed in any way to suggest or imply that the Board or any stockholder shall not be entitled to contest the validity of any Consent or revocation thereof, whether before or after such certification by the independent inspectors, or to take any other action (including, without limitation, the commencement, prosecution or defense of any litigation with respect thereto, and the seeking of injunctive relief in such litigation).

Following appointment of the inspectors, Consents and revocations shall be delivered to the inspectors upon receipt by the Corporation, the Soliciting Stockholder or their proxy solicitors or other designated agents. As soon as practicable following the earlier of (a) the receipt by the inspectors, a copy of which shall be delivered to the Corporation, of any written demand by the Soliciting Stockholders of the Corporation, or (b) sixty (60) days after the date of the earliest dated Consent delivered to the Corporation in the manner provided in Article VI, Section 5 of these By-laws or as otherwise provided in Section 228(c) of the General Corporation Law of the State of Delaware, the inspectors shall issue a preliminary report to the Corporation and the Soliciting Stockholders stating the number of valid and unrevoked Consents received and whether, based on the preliminary count, the requisite number of valid and unrevoked Consents has been obtained to authorize or take the action specified in the Consents.

Unless the Corporation and the Soliciting Stockholders shall agree to a shorter or longer period, the Corporation and the Soliciting Stockholders shall have forty-eight (48) hours to review the Consents and revocations and to advise the inspectors and the opposing party in writing as to whether they intend to challenge the preliminary report of the inspectors. If no written notice of an intention to challenge the preliminary report is received within forty-eight (48) hours after the inspectors' issuance of the preliminary report, the inspectors shall issue to the Corporation and the Soliciting Stockholders their final report containing the information from the inspectors' determination with respect to whether the requisite number of valid and unrevoked Consents was obtained to authorize or take the action specified in the Consents. If the Corporation or the Soliciting Stockholders issue written notice of an intention to challenge the inspectors' preliminary report within forty-eight (48) hours after the issuance of that report, a challenge session shall be scheduled by the inspectors as promptly as practicable. Following completion of the

challenge session, the inspectors shall as promptly as practicable issue their final report to the Soliciting Stockholders and the Corporation, which report shall contain the information included in the preliminary report, plus any change in the vote total as a result of the challenge and a certification of whether the requisite number of valid and unrevoked Consents was obtained to authorize or take the action specified in the Consents.

ARTICLE III.

DIRECTORS

SECTION 1. NUMBER

The number of directors which shall constitute the whole Board shall be not less than six (6) nor more than eleven (11), until changed by amendment of this By-law. The exact number of directors shall be fixed, from time to time, within the limits above specified, by resolution of the Board of Directors or by the stockholders at the annual meeting. The number of directors as of the date of these By-laws is eight (8). The directors shall be elected at the annual meeting of stockholders, except as provided in Section 2 of this Article III, and each director elected shall hold office until his successor is duly elected and qualified until changed by amendment of this By-law. Directors need not be stockholders.

SECTION 2. VACANCIES

Vacancies on the Board of Directors by reason of death, resignation, retirement, disqualification, removal from office or otherwise, and newly created directorships resulting from any increase in the authorized number of directors, may be filled by a majority of the directors then in office, though less than a quorum, or by a sole remaining director, and each director so chosen shall hold office until the next annual election and until his successor is duly elected and qualified, or until his earlier death, resignation or removal. If there are no directors in office, then an election of directors may be held in the manner provided by statute. If, at the time of filling any vacancy or any newly created directorship, the directors then in office shall constitute less than a majority of the whole Board (as constituted immediately prior to any such increase), the Court of Chancery may, upon application of any stockholder or stockholders holding at least ten (10) percent of the total number of the shares at the time outstanding having the right to vote for such

directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office.

SECTION 3. POWERS

The business of the Corporation shall be managed by or under the direction of its Board of Directors, which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Certificate of Incorporation or by these By-laws directed or required to be exercised or done by the stockholders.

MEETINGS OF THE BOARD OF DIRECTORS

SECTION 4. GENERALLY

The Board of Directors of the Corporation may hold meetings, both regular and special, either within or without the State of Delaware.

SECTION 5. FIRST MEETING

The first meeting of each newly elected Board of Directors shall be held immediately following the annual meeting of stockholders at the place of such annual meeting, and no notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, provided a quorum shall be present. In the event such meeting is not held at the time and place specified above, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors, or as shall be specified in a written waiver signed by all of the directors.

SECTION 6. REGULAR MEETINGS

Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by the Board.

SECTION 7. SPECIAL MEETINGS

Special meetings of the Board of Directors or any committee of the Board may be called by the Chairman on not less than two (2) days' notice to each director, either personally or by telephone, mail (including overnight courier services), telegram, telex, or facsimile; special meetings shall be called by the Chairman or Secretary or any Assistant Secretary in like manner and on like notice on the written request of two directors or committee members, as the case may be, unless the Board or committee consists of only

one director, in which case special meetings shall be called by the Chairman, Secretary or any Assistant Secretary in like manner and on like notice on the written request of the sole director or member. The notice of any regular or special meeting need not specify the purpose of such meeting, except as required by Article IX of the By-laws.

SECTION 8. QUORUM

At all meetings of the Board of Directors or of any committee of the Board a majority of the directors or committee members, as the case may be, shall constitute a quorum for the transaction of business, and the act of a majority of the directors or members present at any meeting at which there is a quorum shall be the act of the Board or of such committee, except as may be otherwise specifically provided by statute or by the Certificate of Incorporation. If a quorum shall not be present at any meeting of the Board or of any committee of the Board, the directors or committee members, as the case may be, present at the meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

SECTION 9. ACTION WITHOUT A MEETING

Unless otherwise restricted by the Certificate of Incorporation or these By-laws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee of the Board may be taken without a meeting, if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

SECTION 10. MEETINGS BY TELEPHONE

Unless otherwise restricted by the Certificate of Incorporation or these By-laws, members of the Board of Directors, or any committee of the Board, may participate in a meeting of the Board, or such committee, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

COMMITTEES OF DIRECTORS

SECTION 11. DESIGNATION

The Board of Directors may, by resolution adopted by a majority of the whole Board, designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

Any such committee, to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to (a) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the General Corporation Law of the State of Delaware to be submitted to stockholders for approval or (b) adopting, amending or repealing any By-law of the Corporation. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board.

SECTION 12. MINUTES

Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

COMPENSATION OF DIRECTORS

SECTION 13. COMPENSATION

Unless otherwise restricted by the Certificate of Incorporation or these By-laws, the Board of Directors shall have the authority to fix the compensation of directors. As fixed from time to time by resolution of the Board, the directors may receive directors' fees and compensation and reimbursement of their expenses, if any, of attendance at each meeting of the Board of Directors, for serving on any committee

of the Board and for discharging their duties. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

REMOVAL OF DIRECTORS

SECTION 14. REMOVAL

Unless otherwise restricted by the Certificate of Incorporation or these By-laws, any director or the entire Board of Directors may be removed, with or without cause, by the holders of a majority of shares entitled to vote at an election of directors.

ARTICLE IV.

NOTICES

SECTION 1. DEFINITION

Whenever, under any provision of statute or of the Certificate of Incorporation or of these By-laws, notice is required to be given to any director or stockholder, it shall not be construed to mean personal notice, but notice to such director or stockholder at his address as it appears on the records of the Corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail or with an overnight courier service. Notice to directors may also be given personally or by telephone, telegram, telex or facsimile.

SECTION 2. WAIVER

Whenever any notice is required to be given under any provision of statute or of the Certificate of Incorporation or of these By-laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE V.

OFFICERS

SECTION 1. GENERALLY

The officers of the Corporation shall be chosen by the Board of Directors and shall be a Chairman, a Chief Executive Officer, a President, one or more Vice Presidents, a Secretary and a Treasurer. The Corporation may also have, at the discretion of the Board, one or more Vice-Chairmen, additional Vice

Presidents, and one or more Assistant Secretaries and Assistant Treasurers. Any number of offices may be held by the same person, unless the Certificate of Incorporation or these By-laws otherwise provide.

SECTION 2. TIME OF APPOINTMENT

The Board of Directors at its first meeting after each annual meeting of stockholders shall choose a Chairman, a Chief Executive Officer, a President, one or more Vice Presidents, a Secretary and a Treasurer, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve, or until his successor shall be elected and qualified.

SECTION 3. OTHER APPOINTMENTS

The Board of Directors may appoint, or may authorize the Chief Executive Officer to appoint, such other officers and agents as the business of the Corporation may require, each of whom shall have such authority and perform such duties as are provided in these By-laws or as the Board or the Chief Executive Officer from time to time may specify, and who shall hold office until he shall resign or shall be removed or otherwise disqualified to serve.

SECTION 4. SALARIES

The salaries of all officers and agents of the Corporation shall be fixed by the Board of Directors.

SECTION 5. REMOVAL

Any officer may be removed, with or without cause, at any time by the affirmative vote of the directors at the time in office or, except in the case of an officer chosen by the Board, by the Chief Executive Officer upon whom such power of removal may be conferred by the Board. Any officer may resign at any time by giving written notice to the Board, the Chairman of the Board, the Chief Executive Officer or the Secretary of the Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 6. VACANCIES

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these By-laws for the regular appointments to such office.

THE CHAIRMAN OF THE BOARD

SECTION 7. ELECTION, POWERS AND DUTIES

The Chairman of the Board shall, if present, preside at meetings of the stockholders and the Board of Directors and have such other powers and perform such other duties as may from time to time be assigned to him by the Board of Directors or as may be prescribed by these By-laws.

THE VICE CHAIRMAN OF THE BOARD

SECTION 8. POWERS AND DUTIES

The Vice Chairman of the Board, if any, shall preside at meetings of the stockholders and the Board of Directors in the absence of the Chairman and have such other powers and perform such other duties as may from time to time be assigned to him by the Board of Directors or the Chairman of the Board.

THE CHIEF EXECUTIVE OFFICER

SECTION 9. DUTIES

The Chief Executive Officer of the Corporation shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and affairs of the Corporation. He shall, in the absence of the Chairman or Vice Chairman, if any, preside at all meetings of stockholders and the Board. He shall have the general powers and duties of management usually vested in the chief executive officer of a corporation, and shall have such other powers and duties with respect to the administration of the business and affairs of the Corporation as may from time to time be assigned to him by the Board or as prescribed by these By-laws. In the absence or disability of the President, the Chief Executive Officer, in addition to his assigned duties and powers, shall perform all the duties of the President and when so acting shall have all the powers and be subject to all restrictions upon the President.

THE PRESIDENT

SECTION 10. DUTIES

The President shall exercise and perform such powers and duties with respect to the administration of the business and affairs of the Corporation as may from time to time be assigned to him by the Chief Executive Officer (unless the President is also the Chief Executive Officer) or by the Board or as prescribed by these By-laws. In the absence or disability of the Chief Executive Officer, unless otherwise resolved by

the Board of Directors, the President shall perform all of the duties of the Chief Executive Officer and when so acting shall have all the powers and be subject to all the restrictions upon the Chief Executive Officer.

THE VICE PRESIDENTS

SECTION 11. DUTIES

In the absence of the President or in the event of his inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order of their rank as fixed by the Board, or if not ranked, then as designated by the Board or, if not so designated, in the order of their election) shall perform the duties of the President and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice Presidents shall perform such other duties and have such other powers as from time to time may be assigned to each of them by the President, by the Chief Executive Officer, by the Board or as prescribed by these By-laws.

THE SECRETARY AND ASSISTANT SECRETARY

SECTION 12. DUTIES

The Secretary shall keep, or cause to be kept, the minutes of meetings of stockholders or directors of the Corporation and shall keep, or cause to be kept, a book of the minutes of meetings of the Corporation and of the Board of Directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of stockholders and special meetings of the Board of Directors (provided, however, that if for any reason the Secretary shall fail to give, or cause to be given, notice of any special meeting of the Board called by one or more of the persons identified in Article III, Section 7 of these By-laws, or if he shall fail to give notice of any special meeting of the stockholders called by one or more of the persons identified in Article II, Section 4 of these By-laws, then any such person or persons may give notice of any such special meeting) and shall perform such other duties as may be prescribed by the Chief Executive Officer, President or Board of Directors. He shall have custody of the corporate seal of the Corporation and he, or an Assistant Secretary, shall have the authority to affix the same to any instrument requiring it and, when so affixed, it may be attested by his signature or such Assistant Secretary's. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by his signature.

SECTION 13. ASSISTANT SECRETARY

The Assistant Secretary or, if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors (or, if there be no such determination, then in the order of their election) shall, in the absence of the Secretary or in the event of his inability or refusal to act or at the request of the Chief Executive Officer or the President, perform the duties and exercise the powers of the Secretary and shall perform such other duties as may be prescribed by the Chief Executive Officer, President or Board of Directors.

THE TREASURER AND ASSISTANT TREASURERS

SECTION 14. DUTIES

The Treasurer shall have the custody of the corporate funds and securities and shall keep and maintain, or cause to be kept and maintained, full and accurate accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, surplus and shares, and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors.

He shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Chief Executive Officer, the President and to the directors, at the regular meetings of the Board or when the directors so request, an account of all his transactions as Treasurer and of the financial condition of the Corporation and shall have such other powers and perform such other duties as may be prescribed by the Board or these By-laws.

If required by the Board of Directors, he shall give the Corporation a bond (which shall be renewed every six years) in such sum and with such surety or sureties as shall be satisfactory to the Board, for the faithful performance of the duties of his office and for the restoration to the Corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Corporation.

SECTION 15. ASSISTANT TREASURER

The Assistant Treasurer or, if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors (or, if there be no such determination, then in the order of their

election), shall, in the absence of the Treasurer or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

ARTICLE VI.

SHARES AND THEIR TRANSFER

SECTION 1. CERTIFICATES FOR STOCK

Every holder of stock in the Corporation shall be entitled to have a certificate signed by, or in the name of the Corporation by, the Chairman or Vice Chairman of the Board of Directors, the President or a Vice President and the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned by him in the Corporation. Any of or all the signatures on the certificate may be facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

Certificates may be issued for partly paid shares and in such case upon the face or back of the certificates issued to represent any such partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be specified.

LOST CERTIFICATES

SECTION 2. REPLACEMENT

The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates previously issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate(s) to be lost, stolen or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as it shall require and/or to give the Corporation a bond in such sum as it may direct as indemnity against any

claim that may be made against the Corporation with respect to the certificate(s) alleged to have been lost, stolen or destroyed.

TRANSFER OF STOCK

SECTION 3. TRANSFER

Upon compliance with provisions restricting the transfer or registration of transfer of shares of stock, if any, upon surrender to the Corporation or the transfer agent for the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer and the payment of all taxes due thereon, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transactions upon its books.

FIXING THE RECORD DATE

SECTION 4. RECORD DATE FOR VOTING AND DIVIDEND RIGHTS

In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, except as specified in Section 5 of this Article VI, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

SECTION 5. RECORD DATE FOR SHAREHOLDER ACTION WITHOUT A MEETING

The record date for determining stockholders entitled to express consent to corporate action in writing without a meeting shall be as fixed by the Board of Directors or as otherwise established in this Section 5. Any stockholder of record seeking to have the stockholders authorize or take corporate action by written consent shall, by written notice to the Secretary, request the Board of Directors to fix a record date. Such notice shall contain the information that would be required by Article II, Section 13 or 14, as applicable, if the corporate action were to be considered at a meeting of stockholders. The Board of

Directors shall have ten (10) days following the date of receipt of the notice to determine the validity of the request. During such ten (10) day period following the receipt of such notice, the Corporation may require the stockholder of record requesting a record date for proposed stockholder action by consent, and/or the beneficial owner, if any, on whose behalf the request is being made, to furnish such other information as it may reasonably require to determine the validity of the request for a record date. Following the determination of the validity of the request, and subject to Article II, Section 13 or 14, as applicable, the Board of Directors may adopt a resolution fixing the record date for such purpose which shall be no more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board and shall not precede the date such resolution is adopted. If no record date has been fixed by the Board of Directors within ten (10) days after the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered officer in the State of Delaware, its principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded, to the attention of the Secretary of the Corporation. Delivery shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by applicable law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the date on which the Board of Directors adopts the resolution taking such prior action.

REGISTERED STOCKHOLDERS

SECTION 6. RIGHTS

The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VII.

GENERAL PROVISIONS

DIVIDENDS

SECTION 1. DECLARATION AND PAYMENT

Dividends upon the capital stock of the Corporation, subject to the provisions of the Certificate of Incorporation, if any, may be declared by the Board of Directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation.

SECTION 2. RESERVES

Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property at the Corporation, or for such other purpose as the directors shall think conducive to the interest of the Corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

ANNUAL STATEMENT

SECTION 3. PRESENTATION

The Board of Directors shall present at each annual meeting, and at any special meeting of the stockholders when called for by vote of the stockholders, a full and clear statement of the business and condition of the Corporation.

CHECKS

SECTION 4. SIGNATURE

All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

FISCAL YEAR

SECTION 5. DESIGNATION

The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

SEAL

SECTION 6. SEAL

The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal, Delaware". The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise

ARTICLE VIII.

INDEMNIFICATION

SECTION 1. ACTIONS OTHER THAN BY OR IN THE RIGHT OF THE CORPORATION

Except as provided in Section 3 of this Article VIII, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including any appeal therefrom (a "Proceeding") (other than a Proceeding by or in the right of the Corporation) by reason of the fact that he is or was a director, officer or employee of the Corporation or any predecessor corporation or entity, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such Proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal Proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal Proceeding, that he had reasonable cause to believe that his conduct was unlawful.

SECTION 2. ACTIONS BY OR IN THE RIGHT OF THE CORPORATION

Except as provided in Section 3 of this Article VIII, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed Proceeding by or in the right of the Corporation to procure a judgment in its favor by

reason of the fact that he is or was a director, officer or employee of the Corporation or any predecessor corporation or entity, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such Proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery or the court in which such Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

SECTION 3. EXCEPTIONS TO AND LIMITATIONS ON RIGHT OF INDEMNIFICATION

Notwithstanding anything to the contrary in this Article VIII, (a) except as provided in Section 7 with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any officer, director or employee in connection with any Proceeding (or part thereof) initiated by such person only if such Proceeding (or part thereof) was authorized by the Board of Directors and (b) any indemnification by reason of the fact that such person is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall be reduced by the amount of any such expenses, judgments, fines and amounts paid in settlement for which such person has otherwise received payment (under any insurance policy, charter or by-law provision or otherwise). In the event of any payment by the Company to any person pursuant to this Article VIII by reason of the fact that such person was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of such person, who shall, as a condition to payment under this Article VIII, execute all papers required and do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Corporation effectively to bring suit to enforce such rights.

SECTION 4. DETERMINATION OF RIGHT OF INDEMNIFICATION

Any indemnification under Section 1 or 2 of this Article VIII (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the present or former director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in such Section 1 or 2, as applicable. Such determination shall be made, with respect to a person who is a director or officer at the time of such determination (a) by a majority vote of directors who were not parties to such Proceeding, even though less than a quorum, or (b) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, or (c) by the stockholders.

SECTION 5. INDEMNIFICATION AGAINST EXPENSES OF SUCCESSFUL PARTY

Notwithstanding the other provisions of this Article VIII, to the extent that a present or former director, officer or employee of the Corporation has been successful on the merits or otherwise in defense of any Proceeding referred to in Section 1 or 2 of this Article VIII, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

SECTION 6. ADVANCEMENT OF EXPENSES

Expenses (including attorneys' fees) incurred by a present or former director, officer or employee in defending a Proceeding shall be paid by the Corporation in advance of the final disposition of such Proceeding; provided, however, that if the Delaware General Corporation Law so requires, an advance of expenses incurred by any such person in his capacity as a present director or officer (and not in any other capacity in which service was or is rendered by such person, including without limitation any employee benefit plan) shall be made only upon receipt by the Corporation of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized in this Article VIII.

SECTION 7. ENFORCEMENT OF RIGHTS TO INDEMNIFICATION

If a claim for indemnification under Section 1, 2 or 5 or for advancement of expenses under Section 6 is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the

Corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty (20) days, the present or former director, officer or employee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the present or former director, officer or employee shall also be entitled to be paid the expense of prosecuting or defending such suit. In any suit brought by such person to enforce a right to indemnification hereunder (but not in a suit brought by such person to enforce a right to an advancement of expenses) it shall be a defense that such person has not met the applicable standard of conduct set forth in the Delaware General Corporation Law. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel or stockholders) to have made a determination prior to the commencement of such suit that indemnification of such person is proper in the circumstances because such person has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel or stockholders) that such person has not met such applicable standard of conduct, shall create a presumption that such person has not met the applicable standard of conduct or, in the case of such a suit brought by such person, be a defense to such suit. In any suit brought by such person to enforce a right hereunder, or by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that such person is not entitled to be indemnified or to such advancement of expenses under this Article VIII or otherwise shall be on the Corporation.

SECTION 8. RIGHTS NOT EXCLUSIVE

The rights to indemnification and to the advancement of expenses conferred in this Article VIII shall not be exclusive of, and shall be in addition to, any other right which any person may have or hereafter acquire under these By-laws, the Certificate of Incorporation, any statute, agreement, vote of stockholders or disinterested directors or otherwise.

SECTION 9. AGENTS

The Corporation may, to the extent authorized from time to time by the Board of Directors (and, with respect to advancement of expenses, upon such terms and conditions, if any, as the Board deems

appropriate), grant rights to indemnification, and to the advancement of expenses, to any present or former agent of the Corporation to the fullest extent of the provisions hereof with respect to the indemnification and advancement of expense of present and former directors, officers and employees of the Corporation.

SECTION 10. INSURANCE

Upon resolution passed by the Board, the Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of the Certificate of Incorporation, this Article VIII or the Delaware General Corporation Law.

SECTION 11. OTHER ENTERPRISES

For the purposes of this Article VIII, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to any employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to any employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Article VIII.

SECTION 12. SEVERABILITY

If any part of this Article VIII shall be found, in any action, suit or proceeding or appeal therefrom or in any other circumstances or as to any particular officer, director, employee or agent to be unenforceable, ineffective or invalid for any reason, the enforceability, effect and validity of the remaining parts or of such parts in other circumstances shall not be affected, except as otherwise required by applicable law.

SECTION 13. AMENDMENTS

The foregoing provisions of this Article VIII shall be deemed to constitute an agreement between the Corporation and each of the persons entitled to indemnification hereunder, for as long as such provisions remain in effect. Any amendment to the foregoing provisions of this Article VIII which limits or otherwise adversely affects the scope of indemnification or rights of any such persons hereunder shall, as to such persons, apply only to claims arising, or causes of action based on actions or events occurring, after such amendment and delivery of notice of such amendment is given to the person or persons whose rights hereunder are adversely affected, such amendment shall have no effect on such rights of such persons hereunder. Any person entitled to indemnification under the foregoing provisions of this Article VIII shall, as to any act or omission occurring prior to the date of receipt of such notice, be entitled to indemnification to the same extent as had such provisions continued as By-laws of the Corporation without such amendment.

ARTICLE IX.

AMENDMENTS

SECTION 1. AMENDMENTS

These By-laws may be altered, amended or repealed or new By-laws may be adopted by the stockholders or by the Board of Directors, when such power is conferred upon the Board of Directors by the Certificate of Incorporation, at any regular meeting of the stockholders or of the Board of Directors or at any special meeting of the stockholders or of the Board of Directors if notice of such alteration, amendment, repeal or adoption of new By-laws is contained in the notice of such special meeting. If the power to adopt, amend or repeal By-laws is conferred upon the Board of Directors by the Certificate of Incorporation, it shall not divest or limit the power of the stockholders to adopt, amend or repeal By-laws.

AMENDMENT NO. 3 TO
THE 1996 LONG TERM INCENTIVE PLAN FOR NON-EMPLOYEE DIRECTORS
OF THE COOPER COMPANIES, INC.

WHEREAS, The Cooper Companies, Inc. (the "Company") has adopted The 1996 Long Term Incentive Plan for Non-Employee Directors of The Cooper Companies, Inc. (the "Plan"); and

WHEREAS, Section 11 of the Plan permits the Board of Directors of the Company to amend the Plan, subject to certain limitations; and

WHEREAS, the Board of Directors of the Company desires to amend the Plan in certain respects;

NOW THEREFORE, the Plan is hereby amended as follows:

FIRST: The first two paragraphs of Section 7 of the Plan are hereby amended by deleting the number "5,000" wherever it appears, and by inserting the number "10,000" in its stead, and by deleting the number "6,250" wherever it appears, and by inserting the number "11,250" in its stead.

SECOND: The provision of Paragraph First hereof shall be effective as of October 26th, 1999.

THIRD: Except to the extent herein above set forth, the Plan shall remain in full force and effect.

IN WITNESS WHEREOF, the Board of Directors of the Company has caused this Amendment No. 3 to the Plan to be executed by a duly authorized officer of the Company as of October 29th, 1999.

THE COOPER COMPANIES, INC.

By: /s/ Carol R. Kaufman

Title: V.P. Legal Affairs

CHANGE IN CONTROL AGREEMENT

THIS CHANGE IN CONTROL AGREEMENT (this "Agreement"), dated as of October 14, 1999, is made by and between The Cooper Companies, Inc., a Delaware corporation (the "Company"), and Carol R. Kaufman ("Executive").

WITNESSETH:

WHEREAS, Executive is a senior executive of the Company and has made and is expected to continue to make major contributions to the short- and long-term profitability, growth and financial strength of the Company;

WHEREAS, the Company recognizes that, as is the case for most publicly held companies, the possibility of a Change in Control (as defined below) exists;

WHEREAS, the Company desires to assure itself of both present and future continuity of management and desires to establish certain minimum severance benefits for Executive, applicable in the event of a Change in Control;

WHEREAS, the Company wishes to ensure that Executive is not practically disabled from discharging her duties in respect of a proposed or actual transaction involving a Change in Control;

WHEREAS, the Company desires to provide additional inducement for the Executive to continue to remain in the employ of the Company; and

WHEREAS, on May 19, 1999 the Compensation Committee of the Board (as defined below) authorized the Company to enter into this Agreement.

NOW, THEREFORE, the Company and Executive agree as follows:

1. Certain Defined Terms. In addition to terms defined elsewhere herein, the following terms have the following meanings when used in this Agreement with initial capital letters:

(a) "Base Pay" means Executive's annual base salary rate as in effect from time to time.

(b) "Board" means the Board of Directors of the Company.

(c) "Cause" means gross misconduct injurious to the Company, as determined in a written opinion rendered to the Board by the Company's outside counsel, and which has not been remedied (to the fullest extent possible) by the Executive within ten days after written notice thereof to Executive by the Board.

Notwithstanding the foregoing, Executive shall not be deemed to have been terminated for "Cause" hereunder unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than two-thirds of the Board then in office at a meeting of the Board called and held for such purpose, after reasonable notice to the Executive and an opportunity for the Executive, together with the Executive's counsel (if the Executive chooses to have counsel present at such meeting), to be heard before the Board, finding that, in the good faith opinion of the Board, the Executive had committed an act constituting "Cause" and specifying the particulars thereof in detail. Nothing herein will limit the right of the Executive or his beneficiaries to contest the validity or propriety of any such determination.

(d) "Change in Control" means the occurrence during the Term of any of the following events:

(i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of the combined voting power of the then outstanding Voting Stock of the Company; or

(ii) consummation of a reorganization, merger or consolidation, a sale or other disposition of all or substantially all of the assets of the Company, or other transaction (each, a "Business Combination"), unless, in each case, immediately following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners of Voting Stock of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding shares of Voting Stock of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions relative to each other as their ownership, immediately prior to such Business Combination, of the Voting Stock of the Company and (B) no Person beneficially owns, directly or indirectly, 50% or more of the combined voting power of the then outstanding shares of Voting Stock of the entity resulting from such Business Combination.

(e) "Employee Benefits" means any life, disability, group health and dental benefit plans; provided, however, that Employee Benefits shall not include contributions made by the Company to any retirement plan, pension plan or profit sharing plan for the benefit of the Executive in connection with amounts earned by the Executive.

(f) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(g) "Subsidiary" means an entity in which the Company directly or indirectly beneficially owns 50% or more of the outstanding Voting Stock.

(h) "Voting Stock" means securities entitled to vote generally in the election of directors.

2. Termination Following a Change in Control.

In the event that in the 90 day period following the consummation of a Change in Control, the employment of Executive is terminated by the Company for any reason other than Cause or by Executive for any reason then the Company shall,

(a) on the first day of each of the twelve months following the date of such termination, pay to Executive one-twelfth of the amount of Executive's annual Base Pay as in effect immediately prior to such termination (less applicable withholding), and

(b) for the one year period following such termination, continue to provide to Executive all Employee Benefits which were received by, or with respect to, Executive as of the date of such termination, at no additional expense to Executive.

3. Successors and Binding Agreement.

(a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation, reorganization or otherwise) to all or substantially all of the business or assets of the Company, by agreement in form and substance reasonably satisfactory to the Executive, expressly to assume and agree to perform this Agreement in the same manner and to the same extent the Company would be required to perform if no such succession had taken place. This Agreement will be binding upon and inure to the benefit of the Company and any successor to the Company, including without limitation any

persons acquiring directly or indirectly all or substantially all of the business or assets of the Company whether by purchase, merger, consolidation, reorganization or otherwise (and such successor shall thereafter be deemed the "Company" for the purposes of this Agreement), but will not otherwise be assignable, transferable or delegable by the Company.

(b) This Agreement will inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees and legatees.

(c) This Agreement is personal in nature and neither of the parties hereto shall, without the consent of the other, assign, transfer or delegate this Agreement or any rights or obligations hereunder except as expressly provided in Sections 3(a) and 3(b). Without limiting the generality or effect of the foregoing, the Executive's right to receive payments hereunder will not be assignable, transferable or delegable, whether by pledge, creation of a security interest, or otherwise, other than by a transfer by Executive's will or by the laws of descent and distribution and, in the event of any attempted assignment or transfer contrary to this Section 3(c), the Company shall have no liability to pay any amount so attempted to be assigned, transferred or delegated.

4. Notices. For all purposes of this Agreement, all communications, including without limitation notices, consents, requests or approvals, required or permitted to be given hereunder will be in writing and will be deemed to have been duly given when hand delivered or dispatched by electronic facsimile transmission (with receipt thereof orally confirmed), or five business days after having been mailed by United States registered or certified mail, return receipt requested, postage prepaid, or three business days after having been sent by a nationally recognized overnight courier service such as FedEx, UPS, or DHL, addressed to the Company (to the attention of the Secretary of the Company) at its principal executive office and to the Executive at her principal residence, or to such other address as any party may have furnished to the other in writing and in accordance herewith, except that notices of changes of address shall be effective only upon receipt.

5. Validity. If any provision of this Agreement or the application of any provision hereof to any person or circumstances is held invalid, unenforceable or otherwise illegal, the remainder of this Agreement and the application of such provision to any other person or circumstances will not be affected, and the provision so held to be invalid, unenforceable or otherwise illegal will be reformed to the extent (and only to the extent) necessary to make it enforceable, valid or legal.

6. Arbitration; Governing Law. Any dispute between the parties under this Agreement shall be resolved (except as provided below) in Pleasanton, California through informal arbitration by an arbitrator selected under the rules of the American Arbitration Association and the arbitration shall be conducted in that location under the rules of said Association. The arbitrator shall have the right only to interpret and apply the provisions of this Agreement and may not change its provisions. The arbitrator shall permit reasonable pre-hearing discovery of facts, to the extent necessary to establish a claim or a defense to a claim, subject to supervision by the arbitrator. The determination of the arbitrator shall be conclusive and binding upon the parties and judgment upon the same may be entered in any court having jurisdiction thereof. The arbitrator shall give written notice to the parties stating his or their determination and shall furnish to each party a signed copy of such determination. The expense of arbitration shall be borne equally by the Executive and the Company or as the arbitrator shall otherwise equitably determine.

7. Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by the Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto or compliance with any condition or provision of this Agreement to be performed by such other party will be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes any and all prior agreements of the parties with respect to such subject matter. No agreements or representations, oral or otherwise, expressed or implied with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. References to Sections are to references to Sections of this Agreement.

8. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered as of the date first above written.

THE COOPER COMPANIES, INC.

/s/ Robert S. Weiss

By: Robert S. Weiss
Title: Executive Vice President & CFO

Executive:

/s/ Carol R. Kaufman

Carol R. Kaufman

1999
ANNUAL REPORT

COOPER COMPANIES, INC.

[GRAPHIC OMITTED]

FORWARD-LOOKING STATEMENTS

This report contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Since the outcome of forward-looking statements is uncertain, risky and, indeed, may not occur, investors should not rely on them to predict the future.

To identify forward-looking statements, look for words like "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates" or "anticipates" and similar words or phrases. Discussions of strategy, plans or intentions often contain forward-looking statements. These necessarily depend on assumptions, data or methods that may be incorrect or imprecise.

Events, among others, that could cause actual results and future actions to differ materially from those described by or contemplated in the forward-looking statements include major changes in business conditions and the economy, loss of key senior management, major disruptions in the operations of Cooper's manufacturing facilities, new competitors or technologies, significant disruptions caused by the failure of third parties to address the year 2000 issue, or problems with our year 2000 compliance program, the impact of an undetected virus on our computer systems, acquisition integration costs, foreign currency exchange exposure, investments in research and development and other start-up projects, dilution to earnings per share from acquisitions or issuing stock, regulatory issues, significant environmental cleanup costs above those already accrued, litigation costs, costs of business divestitures and other factors described in Cooper's Securities and Exchange Commission filings, including the "Business" section in our Annual Report on Form 10-K for the year ended October 31, 1999. Cooper cautions investors not to rely unduly on forward-looking statements. They reflect our analysis only on their stated date or the date of this report.

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COMPANY PROFILE

The Cooper Companies, Inc. is a rapidly growing specialty healthcare company serving the vision care and women's health-care markets around the world with high quality products and services. CooperVision markets a broad range of contact lenses. CooperSurgical offers diagnostic products, surgical instruments and accessories primarily to the physician's in-office segment of the women's healthcare market.

Financial Highlights

(IN MILLIONS EXCEPT PER SHARE AMOUNTS)	FISCAL YEARS ENDED OCTOBER 31,			
	1999	% CHANGE VS. 1998	1998	% CHANGE VS. 1997
REVENUE				
CooperVision	\$ 136.0	14%	\$ 119.2	86%
CooperSurgical	\$ 29.3	5%	\$ 28.0	13%
Total	\$ 165.3	12%	\$ 147.2	66%
OPERATING INCOME				
CooperVision	\$ 40.8	18%	\$ 34.6	50%
CooperSurgical	\$ 4.3	103%	\$ 2.1	(14%)
Corporate expenses	\$ (6.3)	n/m	\$ (7.0)	n/m
Total	\$ 38.8	31%	\$ 29.7	50%
As a percent of revenue	23%	--	20%	--
EARNINGS				
Net income	\$ 25.1	(37%)	\$ 39.8	27%
As a percent of revenue	15%	--	27%	--
From continuing operations	\$ 22.0	(62%)	\$ 57.8	32%
As a percent of revenue	13%	--	39%	--
DILUTED EARNINGS PER SHARE				
Continuing operations	\$ 1.54	69%	\$.91(1)	18%
Discontinued operations	\$.21	n/m	(\$ 1.18)	n/m
Net income	\$ 1.75	(33%)	\$ 2.61	9%
OTHER FINANCIAL INFORMATION				
Depreciation and amortization	\$ 8.4	--	\$ 8.4	97%
Cash flow from operating activities	\$ 27.7	144%	\$ 11.4	(3%)
Cash flow(2) per diluted share	\$ 2.82	46%	\$ 1.93	28%
Cash and cash equivalents	\$ 20.9	185%	\$ 7.3	(60%)
Working capital	\$ 58.6	(16%)	\$ 69.4	(3%)
Total assets	\$ 285.9	(3%)	\$ 296.0	74%
Total liabilities	\$ 121.7	(19%)	\$ 150.8	155%
Stockholders' equity	\$ 164.1	13%	\$ 145.2	30%
Average shares used for EPS calculation	14.3	(6%)	15.3	16%

(1) Proforma, assuming 40% tax rate

(2) Pretax income from continuing operations plus depreciation and amortization

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COOPERVISION

AND COOPERSURGICAL

REVENUE TRENDS

[The following was represented as a bar chart]

	CSI ---	CVI ---	CONSOLIDATED -----
1994	12.8	37.9	50.6
1995	12.8	42.5	55.3
1996	17.2	46.9	66.1
1997	24.8	64.0	88.8
1998	28.0	119.2	147.2
1999	29.3	136.0	165.3

To Our Shareholders:

IN ITS FIRST YEAR AS A "PURE PLAY" MEDICAL DEVICE COMPANY, THE COOPER COMPANIES REPORTED SOLID SALES, EARNINGS AND CASH FLOW GROWTH.

In April, we completed the divestiture of Hospital Group of America, our former mental health services business. We used some of the net proceeds to pay down debt to about \$59 million--27% of total capitalization.

Revenue from CooperVision (CVI), our specialty contact lens business, and CooperSurgical (CSI), our women's health care franchise, together grew 12%, with CooperVision up 14% and CooperSurgical rising 5%. Since 1994, Cooper's total medical device revenue has grown at a compounded rate of 27%.

Earnings per share from continuing operations in fiscal 1999 grew 69% to \$1.54 versus the fully taxed proforma 91 cents for the previous year. Our global tax-planning strategy, begun in 1999, helped to reduce our effective tax rate to 32.7%. This strategy will

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extend the life of our \$163 million in net operating loss carryforwards to approximately 2003. Reflecting improved operating results, cash flow per share (pretax income from continuing operations plus depreciation and amortization) grew 46% to \$2.82 in 1999 from \$1.93 per share in the previous year.

A share repurchase program that concluded during fiscal 1999 reduced our shares outstanding by 1 million to 14.1 million at fiscal year end. Cooper paid an average price of \$15.34 for these shares. In May, we announced our intention to pay a regular quarterly dividend of 2 cents per share.

In fiscal 2000, we expect revenue and operating income from our combined medical device business to grow by 20% to 25%.

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CooperVision

WE ESTIMATE THAT THE WORLD MARKET FOR SOFT CONTACT LENSES GREW APPROXIMATELY 6% TO \$2.6 BILLION DURING 1999.

Specialty contact lenses, where CVI concentrates the majority of its marketing efforts, grew significantly faster than spherical lenses, continuing the trend of the past several years in the major markets around the world.

Specialty products include toric lenses for astigmatism, multifocal lenses for presbyopia, aspheric lenses that can improve visual acuity in selected nearsighted patients and opaque lenses that can modify the natural color of the eye. Our 1999 figures indicate that U.S. specialty lens revenue grew 15% compared with a decline of almost 2% in spherical lens sales. These products currently account for about \$430 million of the \$1.2 billion U.S. market, up from \$375 million last year. Outside the U.S., we estimate that the specialty lens market is growing about four times faster than the spherical lens market. (Please see the insert in this report, "CooperVision: Sustainable Competitive Advantage in an Increasingly Attractive Market" for more details about the contact lens market.)

CVI's worldwide core business--all revenue other than sales to other contact lens suppliers--grew 16% in

APRIL

1996
ACQUIRES UNIMAR,
manufacturer of women's
healthcare products

|

BOARD APPOINTS
Tom Bender CEO
1994

MARCH

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DOUBLES
CONTACT LENS
manufacturing capacity at
Scottsville, NY, facility
1996

AUGUST

fiscal 1999. Core revenue grew by 18% in the United States and 11% overseas. The U.S. accounted for 65% of our core revenue.

The U.S. market for toric lenses, CVI's leading product group, grew 4% in value through September 1999, while CVI's toric lens sales grew 25% during the same period. Improved toric technology and the continued popularity of more frequently replaced toric lenses drive this increased demand. Sales of disposable-planned replacement toric lenses, the market's fastest growing segment, grew 19% through September, and now represents 56% of the toric market. CVI's disposable-planned replacement toric brands, led by Preference Toric and the recently introduced Frequency 55 Toric, grew 38% during the nine months and 41% for the fiscal year. With this strong performance, we believe that we are now the leading manufacturer of toric contact lenses in the United States.

During 1999, CVI strengthened its market position around the world. Important new product launches included:

The full range of parameters of Frequency 55 Toric, a planned replacement lens for two-week or monthly use. In the U.S., Frequency 55 Toric aims at the lower priced segment of the toric market offering practitioners more fitting choices at comparable prices than competitive products. Market acceptance has exceeded expectations.

A new member of the Frequency family, Frequency Aspheric, a new optical design that has demonstrated enhanced visual acuity in selected patients.

APRIL

1997

REDEEMS
\$9.3 MILLION
of convertible debt

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ACQUIRES

NATURAL TOUCH

line of cosmetic lenses from
Wesley Jessen Vision Care
1997

FEBRUARY

Preference Toric XR, new parameters that extend the range of Preference Toric.

A new low cost, cast-molded toric lens called Frequency EXCEL in Europe and Encore in the U.S. that is recommended for two-week (disposable) wear.

The toric lens segment of the worldwide contact lens market continues to grow and evolve with planned replacement toric lenses continuing to supplant conventional products. CVI has led these market changes. In fiscal 1999, toric lenses accounted for 43% of CVI's worldwide business, growing 28% over 1998. CVI has targeted the year 2000 to become the world's leading manufacturer of toric contact lenses.

In the U.S. spherical lens market, Frequency 55 Sphere, introduced in 1998 to take advantage of newly acquired manufacturing technology, enjoyed a successful first year. Disposable-planned replacement lenses--spheres and torics together--now comprise 75% of our total worldwide business.

In Japan, the world's second largest contact lens market, CVI's marketing

JULY

1997

COMPLETES
public offering of 2 million
shares at \$23.50 per share

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ACQUIRES MARLOW, INC. manufacturer of women's healthcare products 1997	ACQUIRES ASPECT VISION CARE, LTD., British contact lens manufacturer 1997
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APRIL	DECEMBER

partner, Rohto Pharmaceuticals, Inc., received regulatory clearance to market CVI's spherical and toric products. Rohto has purchased initial product inventory from CVI and has introduced the products in Japan under the Rohto i.Q. brand name using national television advertising.

In Europe, CVI added Frequency UV to its spherical product line, continued the rollout of its toric products and acquired a Swedish contact lens distributor to service Scandinavia.

In other marketing initiatives, we formed a joint venture to market lenses in Australia and launched a major new marketing program by adding, beginning in 2000, consumer and practitioner e-commerce capabilities to CVI's Internet website, www.coopervision.com.

CVI's gross margins improved in each quarter during fiscal 1999 after a temporary decline during 1998's manufacturing transition. In the fourth quarter, gross margin reached 68%. Reduced capital spending contributed to the year's improved cash flow.

In the next several years, we expect CVI's revenue growth to continue in the "mid-teens." Areas of opportunity include sustained toric lens growth in both North America and markets abroad, especially Japan, and new value added products targeted to niche markets around the world, such as our Frequency aspheric products.

DECEMBER

1997

SIGNS
MARKETING AGREEMENT
with Rohto Pharmaceuticals, Ltd.
to enter Japanese market

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COOPERSURGICAL:

CONSOLIDATING THE IN-OFFICE

WOMEN'S HEALTHCARE MARKET

In 1990, CSI acquired Frigitronics, a technology company with a range of gynecological and ophthalmic products, giving it a starting point in women's healthcare.

In 1991 it purchased Euro-Med, a direct mail-order business that sells premium gynecological instruments.

In 1992, CSI introduced a line of electrical instruments and disposable products to perform LEEP (Loop Electro-surgical Excision Procedure), a surgical intervention that allows physicians to diagnose and treat diseases of the cervix concurrently. Because of the procedure's dual role, managed care quickly adopted the product line, noting its economic benefits.

In 1996, the Company bought Unimar, a company with \$6 million in annual sales and several well-established disposable diagnostic products. CSI moved much of its product manufacturing in-house and improved margins.

In 1997, CSI bought Marlow, which added an additional \$6 million in annual revenue, and became the exclusive distributor of an embryonic transfer catheter used in fertility clinics in the U.S. The in vitro fertilization market is primarily private pay and growing rapidly.

In 1998, CSI developed and introduced Cerveillance, a digital colposcopy system with proprietary software, developed in house. Cerveillance allows a doctor to examine the cervix and then document, store and recall digital images of the findings, a valuable feature in today's cost conscious healthcare environment.

CSI also entered the diagnostic segment of the women's healthcare market in 1998 with the introduction of the first in a planned series of innovative tests: its FemExam pH and Amines TestCard, a rapid, economical, point of care product used in the diagnosis of vaginitis, the most common vaginal infection.

CooperSurgical

WOMEN'S HEALTHCARE IS A LARGE AND GROWING MARKET WITH THREE MAJOR SEGMENTS--PHARMACEUTICALS, CAPITAL EQUIPMENT FOR HOSPITALS AND LARGE CLINICS AND INSTRUMENTS AND DISPOSABLES DESIGNED FOR IN-OFFICE TREATMENT.

Each year, about 34,000 gynecologists in the United States record approximately 60 million office visits, assist in 4.6 million births and perform over two million surgical procedures. They treat conditions such as vaginitis, excessive menstrual bleeding, cancer and its precursors, non-malignant fibroid tumors and endometritis (an inflammation of the uterine lining). With the continuing emphasis on preventive care, many managed care organizations now routinely reimburse common screening services such as PAP smears, osteoporosis evaluations and mammography. The cost pressures of managed care continue to move procedures from the hospital to the physician's office, and many women now use their gynecologist as their general practitioner.

CooperSurgical primarily targets the in-office women's healthcare market where physicians screen, diagnose and treat commonly occurring gynecological conditions. CSI also provides products for hospitals and clinics (including products for minimally invasive procedures) and reproductive medicine. In each of these markets, CSI identifies high volume procedures and provides the products used to perform them. Historically, CSI's business approach has been to

MARCH

1999

REGULATORY
clearance to market
lenses in Japan

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ANNOUNCES PLAN

to buy back up to 1 million shares;
completed in 1999

1998

DIVESTS

Hospital Group of America
psychiatric services business

1999

SEPTEMBER

APRIL

consolidate the market for in-office gynecology products through acquisition. The market is highly fragmented, served by small manufacturers that generally offer limited product lines and lack the resources for expansion and acquisition. Since 1990, CSI has acquired nine companies or product lines, and the majority of its 1999 revenue came primarily from these acquisitions. CSI typically merges an acquired company's operations into its Connecticut facility within sixty days. This generates significant economies of scale, gradually improving margins.

During 1999, CSI's revenue increased 5% to \$29.3 million. With lower new product marketing expenses than last year, operating income more than doubled to \$4.3 million. CSI continues to consolidate the market by acquiring companies and product lines serving in-office women's healthcare while concurrently developing its own proprietary products.

Recently, CSI announced plans to acquire two additional lines of gynecological products. In December, it acquired a group of women's health-care products with current annual revenue of about \$8 million from BEI Medical Systems Company, Inc. The products include established brands of uterine manipulators and other products for the gynecological surgery market. Physicians use these products both in their offices and in hospitals, and the majority of them are disposable.

CSI has also agreed to acquire Leisegang Medical, Inc. from NetOptix Corporation. Founded in Germany in 1889, Leisegang is a well-known and highly regarded women's healthcare company. It markets diagnostic and surgical instruments for the women's healthcare market including colposcopes, instruments to perform loop electrosurgical excision procedures, hand held gynecological instruments, disposable specula and cryosurgical systems. This product group should add about \$11 million in annual revenue and will expand CSI's global presence, as it plans to market its line of gynecological products in Europe through Leisegang's German subsidiary. The transaction is scheduled to close in January 2000.

With the addition of the BEI and Leisegang product lines, CSI expects

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ANNOUNCES

marketing agreements for
FemExam product line with 3m,
Matria and BioStar

1999

JULY

annual revenue of approximately \$50 million for calendar 2000. Cooper's objective is to grow CSI to the \$100 million revenue level with operating income of 20% in the next three to five years through continued market consolidation, new product development and manufacturing efficiencies.

CSI's acquisitions over the years have given it the financial "critical mass" to allow the introduction of its own proprietary new products such as its advanced digital colposcope, Cerveillance and the CooperSurgical Infrared Coagulator. Cerveillance is the first device to combine digital imaging and proprietary software in a fully integrated compact colposcope, an instrument used in examining the cervix. It can track cervical lesions over time, documenting changes in tissue color within the cervix. The Infrared Coagulator is used in the practitioner's office to remove genital warts rapidly and safely.

Sales, marketing and business development programs for CSI's line of FemExam diagnostic testing cards, licensed from Litmus Concepts, Inc., was a major emphasis during 1999. These credit card sized tests are rapid, economical, point of care products used in the diagnosis of vaginitis, the most common vaginal infection. The bacterial form of vaginitis (BV) affects as many as 25% of women in the United States, accounts for 13 million physician office visits annually in the U.S. and represents half of all vaginal infections. It is associated with serious complications including premature and low birth weight babies, post-partum infections, pelvic inflammatory disease, post-gynecological surgery

DECEMBER

1999

ACQUIRES
women's healthcare products
from BEI Medical Systems, Inc.

ANNOUNCES PLANS
to acquire Leisegang women's
healthcare products from
NetOptix Corporation, Inc.

1999

DECEMBER

infections, abnormal PAP smears and increased risk of HIV.

In July, CSI announced that it had agreed with 3M Pharmaceuticals, which markets an anti-infective pharmaceutical to treat vaginitis, and separately with Matria Healthcare Inc., which manages high-risk pregnancy patients, to co-market its FemExam pH and Amines Test Card in the United States. Each partner will use the FemExam card to augment their own marketing activities.

Adding to improved prospects for the success of FemExam, The American Medical Association has awarded the FemExam card an additional third party reimbursement code. Both tests on the card will now be covered by third party insurance, allowing physicians to electronically bill for them. The Health Care Financing Administration (HCFA) has recently set a reimbursement fee that will range from \$10 to \$13 per test card. Third party insurers will benchmark their payments to the HCFA amount. In August, CSI and BioStar, Inc., a Thermo Electron Corporation subsidiary, agreed to co-market three additional in-office tests for vaginitis. With these developments, we hope to accelerate acceptance of the FemExam product line by gynecologists and family practitioners during 2000.

LOOKING AHEAD

In the new century, we anticipate advances in treating eye and women's health disorders eclipsing those of the past hundred years. There is no more precious sense than sight. Women's healthcare has, until recently, been underserved. Cooper looks forward to continuing to develop and deliver high quality products for the patients who will benefit from them and caregivers who will administer them in the year 2000 and beyond.

Our deepest thanks, as always, to our employees, who made 1999's achievements possible.

/s/ Allan E. Rubenstein, M.D.
Allan E. Rubenstein, M.D.

Chairman of the Board

/s/ A. Thomas Bender
A. Thomas Bender

President and Chief Executive Officer

January 24, 2000

QUARTERLY
COMMON STOCK PRICE RANGE

[The following table was depicted as a bar chart in the printed material]

	1999 LOW -----	1999 HIGH -----	1998 LOW -----	1998 HIGH -----
January 31	12.38	28	34.69	50
April 30	11.75	16.33	34	51.69
July 31	15.38	25.12	30.38	40.63
October 31	19.63	31.88	14	31.81

At December 31, 1999 and 1998, there were 1,902 and 2,150 common stockholders of record, respectively. On May 20, 1999, the Company announced it intended to pay an annual dividend on its common stock of 8 cents per share, payable quarterly.

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FIVE YEAR FINANCIAL HIGHLIGHTS

CONSOLIDATED OPERATIONS

(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)	YEARS ENDED OCTOBER 31,				
	1999	1998	1997	1996	1995
Net sales	\$ 165,328	\$ 147,192	\$ 88,769	\$ 66,118	\$ 55,296
Gross profit	\$ 106,319	\$ 91,428	\$ 61,444	\$ 46,207	\$ 37,747
Income from continuing operations					
before income taxes	32,712	23,087	16,936	11,167	6,121
Provision for (benefit of) income taxes	10,711	(34,723)	(26,735)	(4,438)	43
Income from continuing operations before extraordinary item	22,001	57,810	43,671	15,605	6,078
Discontinued operations, net of taxes:					
Income (loss) before extraordinary item	129	4,336	4,719	998	(5,963)
Gain (loss) from disposal	2,970	(22,300)	(18,000)	--	--
Extraordinary item	--	--	(469)	--	--
	3,099	(17,964)	(13,750)	998	(5,963)
Income before extraordinary item	25,100	39,846	29,921	16,603	115
Extraordinary item, net	--	--	1,461	--	--
Net income	\$ 25,100	\$ 39,846	\$ 31,382	\$ 16,603	\$ 115
Diluted earnings (loss) per share:					
Continuing operations	\$ 1.54	\$ 3.79	\$ 3.33	\$ 1.32	\$ 0.52
Discontinued operations	0.21	(1.18)	(1.05)	0.09	(0.51)
Extraordinary item, net	--	--	0.11	--	--
Earnings per share	\$ 1.75	\$ 2.61	\$ 2.39	\$ 1.41	\$ 0.01
Average number of shares used to compute diluted earnings per share	14,312	15,269	13,120	11,794	11,667
Memo diluted earnings per share data:					
Income from continuing operations before income taxes	\$ 2.29	\$ 1.51	\$ 1.29	\$ 0.95	\$ 0.52

CONSOLIDATED FINANCIAL POSITION

(IN THOUSANDS)	OCTOBER 31,				
	1999	1998	1997	1996	1995
Current assets*	\$100,461	\$116,077	\$100,574	\$ 58,712	\$ 52,185
Property, plant and equipment, net	40,319	34,234	7,634	4,650	3,974
Intangible assets, net	80,518	84,308	32,274	16,864	9,901
Other assets	64,575	61,422	30,142	4,004	1,417
Total assets	\$285,873	\$296,041	\$170,624	\$ 84,230	\$ 67,477
Current liabilities**	\$ 41,896	\$ 46,701	\$ 29,118	\$ 26,318	\$ 27,321
Long-term debt	57,067	78,677	9,125	37,912	34,268
Other long-term liabilities	22,767	25,410	20,848	4,670	7,637
Total liabilities	121,730	150,788	59,091	68,900	69,226
Stockholders' equity (deficit)	164,143	145,253	111,533	15,330	(1,749)
Total liabilities and stockholders' equity	\$285,873	\$296,041	\$170,624	\$ 84,230	\$ 67,477

* Includes net assets of discontinued operations in 1995-1998

** Includes current installments of long-term debt

TWO YEAR QUARTERLY FINANCIAL DATA

 1999

(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Net sales	\$ 34,959	\$ 41,743	\$ 43,404	\$ 45,222
Gross profit	\$ 21,543	\$ 26,569	\$ 28,288	\$ 29,919
Income from continuing operations before income taxes	\$ 4,088	\$ 7,898	\$ 9,627	\$ 11,099
Provision for income taxes	1,447	2,604	3,081	3,579
Income from continuing operations	2,641	5,294	6,546	7,520
Discontinued operations, net of taxes:				
Income (loss)	(21)	150	--	--
Gain on disposal	1,279	1,691	--	--
Income from discontinued operations	1,258	1,841	--	--
Net income	\$ 3,899	\$ 7,135	\$ 6,546	\$ 7,520
Diluted earnings per share*:				
Continuing operations	\$ 0.18	\$ 0.38	\$ 0.46	\$ 0.53
Discontinued operations	0.09	0.13	--	--
Net income	\$ 0.27	\$ 0.51	\$ 0.46	\$ 0.53
Number of shares used to compute diluted earnings per share	14,668	14,071	14,194	14,299
Memo diluted earnings per share data:				
Income from continuing operations, before income taxes	\$ 0.28	\$ 0.56	\$ 0.68	\$ 0.78

 1998

(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
Net sales	\$ 29,384	\$ 37,450	\$ 39,709	\$ 40,649
Gross profit	\$ 18,107	\$ 24,423	\$ 24,836	\$ 24,062
Income from continuing operations before income taxes	\$ 4,894	\$ 6,873	\$ 7,429	\$ 3,891
Benefit of income taxes**	(449)	(505)	(910)	(32,859)
Income from continuing operations	5,343	7,378	8,339	36,750
Discontinued operations, net of taxes:				
Income	650	1,105	1,835	746
Loss from disposal	--	--	--	(22,300)
Loss from discontinued operations	650	1,105	1,835	(21,554)
Net income	\$ 5,993	\$ 8,483	\$ 10,174	\$ 15,196
Diluted earnings per share*:				
Continuing operations	\$ 0.35	\$ 0.48	\$ 0.54	\$ 2.45
Discontinued operations	0.04	0.07	0.12	(1.44)
Net income	\$ 0.39	\$ 0.55	\$ 0.66	\$ 1.01
Number of shares used to compute diluted earnings per share	15,354	15,443	15,342	14,978
Memo diluted earnings per share data:				
Income from continuing operations, before income taxes	\$ 0.32	\$ 0.45	\$ 0.48	\$ 0.26

* The sum of earnings per share for the four quarters is different from the full year amount as a result of computing the quarterly and full year amounts on the weighted average number of common shares outstanding in the respective periods.

** Includes a tax benefit of \$33.3 million for the reduction of the valuation allowance against the deferred tax assets in the fourth quarter of fiscal 1998.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Note numbers refer to the "Notes to Consolidated Financial Statements" beginning on page 26 of this report.

RESULTS OF OPERATIONS

This section focuses on our income statement and compares our operating results from continuing operations over the three year period ended October 31, 1999. We discuss our cash flows and current financial condition beginning on page 19 in the "Capital Resources and Liquidity" section.

NET SALES

Our consolidated net sales grew by 12% in 1999 and 66% in 1998. Our Cooper Vision ("CVI") and Cooper Surgical ("CSI") business units have generated consistent net sales growth over the three-year period.

(\$ IN MILLIONS)	GROWTH			
	1999 vs. 1998		1998 vs. 1997	
CVI	\$16.8	14%	\$55.2	86%
CSI	\$ 1.3	5%	\$ 3.2	13%

1999 vs. 1998

CVI

CVI's worldwide core business, defined as all revenue other than original equipment manufacturer ("OEM") sales to other contact lens suppliers, grew 16% in fiscal 1999:

(\$ IN MILLIONS)	1999		1998		GROWTH
	%	TOTAL	%	TOTAL	
U.S.	\$ 82.9	61%	\$ 70.3	59%	18%
International	44.3	33%	39.8	33%	11%
Core Business	127.2	94%	110.1	92%	16%
OEM	8.8	6%	9.1	8%	(4%)
Total	\$136.0	100%	\$119.2	100%	14%

CVI's core product sales grew 18% in the U.S. and 11% internationally (sales in countries outside the United States plus exports from the United States). The U.S. contact lens market grew 4% during the first nine months of the calendar year as indicated by a contact lens industry market research audit ("CLI" data) for the third calendar quarter. CVI believes that through fiscal 1999, it gained one market share point in the U.S. to 8%.

In the United States, sales of toric lenses to correct astigmatism continued to drive CVI's sales gains, growing 26% in a market segment growing about 4% annually. We believe that CVI is now the revenue leader in the U.S. toric lens market.

The disposable-planned replacement ("DPR") toric market grew about 20% through September 1999 and continues to be the fastest growing category in the U.S. contact lens market. It now accounts for 61% of the toric category's revenue, up from 52% at the same time last year. Of the \$32 million total revenue growth in the U.S. contact lens market through September, DPR torics account for about \$13 million, of which CVI's toric products account for about \$8 million.

For the fiscal year, CVI's DPR torics sales grew 41% in the U.S. as Preference Toric, CVI's premium toric brand, and Frequency 55 Toric both showed strong results. CVI believes that it leads the U.S. DPR toric sector with about 34% of the revenue generated, up from 29% a year ago.

U.S. sales of all DPR lenses -- torics and spheres together -- grew about 9% through the first nine calendar months, according to the latest market research audit. Sales of CVI's DPR lenses in the U.S. were 38% ahead for the fiscal year. DPR lenses represent 66% of CVI's U.S. revenue and 75% of its worldwide revenue.

Internationally, our Canadian and Italian businesses generated strong sales, and new product introductions continue in Europe, including toric and other specialty lenses. In Japan, CVI's partner, Rohto Pharmaceuticals, Inc., launched CVI spherical and toric lenses under the Rohto i.Q trade name. Except in the United Kingdom, where we have initiated new market strategies to offset competitive inroads, CVI believes that it is gaining market share in each of the world's top ten contact lens markets.

OEM sales decreased 4% in 1999, and we expect this trend to continue as our product mix shifts toward higher margin branded products.

We believe that CVI is well positioned to compete successfully in the worldwide contact lens market, particularly with its Preference and Frequency 55 line of DPR lenses and its line of custom toric lenses.

CSI's revenue grew 5% in fiscal 1999. CSI's sales of gynecology ("GYN") products grew 6%, led by its FemExam, infrared coagulator, Marlow and Cerveillance Scope product lines. The growth in these product lines was partially offset by lower sales of more mature product lines. GYN product sales

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS -- CONTINUED

accounted for over 90% of CSI's sales in fiscal 1999. In July, CSI announced that it had agreed with 3M Pharmaceuticals (NYSE: MMM) and Matria Healthcare Inc. (NASDAQ: MATR) to co-market its FemExam pH and Amines Test Card in the United States, and that the American Medical Association had awarded the FemExam Card an additional third party reimbursement code. The FemExam Card is an accurate, convenient point of care diagnostic test used to help determine if a vaginal infection is bacterial or fungal. In August, CSI and BioStar, Inc., a Thermo Electron Corporation (NYSE: TMO) subsidiary, agreed to co-market three additional in-office tests for vaginitis. All four tests are being developed under CSI's licensing agreement with Litmus Concepts, Inc. In the United States, vaginitis accounts for about 13 million physician office visits and about 10 million clinic visits, annually.

1998 vs. 1997

CVI

Net sales of CVI products increased primarily due to the acquisition of Aspect Vision Care Limited ("Aspect") (see Note 2) and sales growth achieved in planned replacement contact lenses in North America. The Aspect acquisition accounted for 63% of the sales growth and represented approximately 29% of CVI's 1998 sales. In North America, CVI's sales of DPR toric lenses grew approximately 74%, and sales of DPR spherical lenses grew approximately 79%. Sales of toric lenses grew 38% for the year and accounted for 38% of CVI's sales. In March 1997, we acquired Natural Touch, a line of opaque, cosmetic contact lenses that contributed \$5.4 million to 1998 sales. These increases were partially offset by anticipated declines in sales of mature product lines.

In February 1998, CVI introduced the Frequency 55 DPR spherical lens in the United States. The worldwide market for DPR spherical lenses represents about 60% of the total worldwide contact lens market.

In May 1998, CVI introduced two new toric products: Hydrasoft Toric Options, a custom planned replacement toric lens for astigmatic patients with complex corrections, and Frequency 55 Toric, a planned replacement lens designed for two-week or monthly replacement, positioned in the lower-priced segment of the DPR toric market.

CSI

CSI's net sales increased by 13% principally due to sales of Marlow Surgical Technologies, Inc. ("Marlow") products, acquired in April 1997 and Hyskon, a fluid used by gynecologists in certain surgical procedures, acquired in December 1997.

CSI introduced three new product lines in 1998.

The Cerveillance Scope, an instrument that uses digital imaging and proprietary software to provide enhanced visualization and documentation in examinations of the cervix.

The Cooper Surgical Infrared Coagulator, an instrument to perform a nonsurgical, noninvasive procedure to treat genital lesions in the physician's office.

The FemExam pH and Amines Test Card the first in a planned series of patented diagnostic tests in the FemExam Test Card System that CSI licensed. These tests are used, primarily in the physician's office, to rapidly and economically screen and diagnose common vaginal infections such as bacterial vaginosis, yeast and trichomoniasis.

COST OF SALES/GROSS PROFIT

Gross profit as a percentage of net sales ("margin") was:

	1999	1998	1997
CVI	66%	64%	76%
CSI	56%	55%	52%
Consolidated	64%	62%	69%

In fiscal 1999, CVI's margin improved each quarter from the atypically low 60% reported in the fourth quarter of 1998, when it spent about \$1.7 million to improve efficiency, rationalize manufacturing, expand capacity and fill back orders. The gross profit improvement reflects cost reduction projects begun last year at our U.K. and Rochester manufacturing sites. In addition, we have eliminated capacity constraints, improved production yields and customer service levels and normalized staffing levels. We believe that continued cost reductions will result in improving margins in the future, aside from any major changes in product mix.

Compared with 1997, CVI's margin declined in 1998 due to the acquisition of Aspect, whose spherical products have lower margins, and increased sales of lower margin Natural Touch products. Also, in the fourth quarter of 1998, CVI spent an estimated \$1.7 million for rationalizing contact lens manufacturing, filling backorders and new product start-up inefficiencies. Despite the margin decrease and the additional fourth quarter costs, CVI's gross profit grew by 57% from additional 1998 revenue.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS -- CONTINUED

Successful programs to more efficiently manufacture acquired products have improved CSI's margins over the three-year period. In the absence of a material acquisition of lower margin products, Management expects that new and future proprietary products, after initial start-up, will command higher margins and that CSI's margins will continue to improve.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSE ("SGA")

(IN MILLIONS)	1999	1998	1997
CVI	\$45.8	\$38.5	\$23.7
CSI	9.6	10.7	8.8
Corporate/other	6.3	7.0	5.8
	\$61.7	\$56.2	\$38.3

Consolidated SGA increased by 10% in 1999 and 47% in 1998. Over the same periods, consolidated revenue grew 12% and 66%, respectively, resulting in consistent improvement in the ratio of SGA to sales from 43% of sales in 1997 to 38% in 1998 and 37% in 1999.

SGA at CVI increased by 19% in 1999 and 62% in 1998. The increase in 1999 resulted primarily from ongoing spending in selling, promotion and distribution to launch new products. The increase in 1998 was primarily due to the Aspect acquisition. Also in the fourth quarter of 1998, CVI spent an estimated \$1 million in SGA to launch products, some of which experienced delays. CVI's SGA was 34% of sales in 1999, 32% in 1998 and 37% in 1997.

CSI's 1999 SGA decreased vs. 1998 because its new product launches occurred primarily in 1998. The 1998 SGA increase at CSI was due primarily to the 1997 acquisition of Marlow (see Note 2) and new product launch costs.

Corporate/other SGA decreased in 1999 compared with 1998 primarily because we resolved legal issues in 1998. Additional legal costs incurred to settle certain litigations and higher headquarter's operating costs from expanded international responsibilities caused most of the 1998 increase.

RESEARCH AND DEVELOPMENT EXPENSE

Research and development expense was \$2 million or 1% of net sales in 1999, \$1.9 million or 1% in 1998 and \$1.7 million or 2% in 1997.

We expect the current level of research and development spending to remain stable as a percentage of sales, as we focus on acquiring products that can be marketed immediately or in the short-term, rather than on longer-term, higher-risk research and development projects.

AMORTIZATION OF INTANGIBLES

Amortization of intangibles was \$3.8 million in 1999, \$3.6 million in 1998 and \$1.6 million in 1997. The increase in each year reflects the effect of acquisition activity during the three-year period (see Note 2).

INCOME FROM OPERATIONS

As a result of the activities discussed above, income from operations has more than doubled since 1997.

(IN MILLIONS)	1999	1998	1997
CVI	\$40.8	\$34.6	\$23.1
CSI	4.3	2.1	2.5
Corporate/other	(6.3)	(7.0)	(5.8)
	\$38.8	\$29.7	\$19.8
Percent growth	31%	50%	

SETTLEMENT OF DISPUTES, NET

In 1998, we recorded a charge to income of \$1.3 million (\$1.1 million in the fourth quarter) to settle our dispute with GT Laboratories and for other smaller matters. In 1997, we reversed a \$104,000 accrual no longer required.

OTHER INCOME, NET

(IN THOUSANDS)	1999	1998	1997
Interest income	\$ 375	\$ 311	\$ 344
Foreign exchange gain (loss)	(325)	591(1)	(142)

Other	181	(12)	1
	-----	-----	-----
	\$ 231	\$ 890	\$ 203
	=====	=====	=====

(1) The foreign exchange gain of \$591,000 includes a one-time gain of \$850,000 reflecting weakness in the Pound Sterling occurring before we implemented our hedging program, partially offset by losses over the period.

Interest income increased in 1999 because of higher investment balances primarily from cash received from our sale of HGA, net of debt repayments and positive cash flow from operations. Lower interest income in 1998 reflects cash spent to partially fund the Aspect acquisition.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS -- CONTINUED

INTEREST EXPENSE

Interest expense was \$6.3 million in each of fiscal 1999 and 1998, and \$3.2 million in 1997. The increase in interest expense in 1999 and 1998 compared with 1997 reflects debt used to finance a portion of the Aspect acquisition (see Note 2).

PROVISION FOR (BENEFIT OF) INCOME TAXES

In the fourth quarter of fiscal 1998, we recorded a large tax benefit, for the remaining anticipated value of our \$184 million net operating loss carryforwards ("NOLs"). As a result, in fiscal 1999, we report our provision for income taxes as if we were a taxpayer with no NOLs, based on our estimate of the effective tax rate ("ETR") for the full fiscal year.

We implemented a global tax plan in 1999 to minimize both the taxes reported in our income statement and the actual taxes we will have to pay once we fully use the benefits of our NOLs. Our full year ETR was 32.7%, which includes the impact of the global tax plan and a reversal of \$1.1 million of tax reserves no longer required.

Based on a preliminary assessment, we expect to reduce our ETR to approximately 30% over the next several years. This plan could also extend the cash flow benefits of our NOLs through 2003, assuming no major acquisitions or large stock issuance. We expect that actual payments for taxes will be about 10% of pretax profits throughout this period.

Details of our income tax provision/benefit for each year in the three-year period ended October 31, 1999 appear in Note 5.

INCOME FROM DISCONTINUED OPERATIONS

Income from discontinued operations is income derived from our Hospital Group of America, Inc. ("HGA") business unit, which we declared a discontinued operation in October 1998 (see Note 3). The reported income of \$129,000, \$4.3 million and \$4.7 million for fiscal years ended 1999, 1998 and 1997, respectively, is net of income tax expense of \$66,000, \$130,000 and \$129,000, respectively.

LOSS FROM DISPOSAL OF DISCONTINUED OPERATIONS

In 1998, we wrote down the net assets of HGA by \$22.3 million to the then estimated fair market value in anticipation of the sale of the business. In 1999, we revised our estimated loss by \$3 million to \$19.3 million (see Note 3).

In 1997, we charged \$18 million to discontinued operations for a 1993 settlement with Medical Engineering Corporation (see Note 11).

EXTRAORDINARY ITEM, NET

Continuing Operations

In 1997, we recorded a net extraordinary gain of \$1.5 million on the early extinguishment of a portion of our long-term debt.

Discontinued Operations

The \$500,000 charge in 1997 reflected early extinguishment of HGA debt.

CAPITAL RESOURCES & LIQUIDITY

We continue to grow our business and strengthen our balance sheet:

Cash and cash equivalents have increased 185% to \$20.9 million since the end of fiscal 1998.

Our ratio of debt to equity has decreased to 0.4 to 1 from 0.6 to 1 at the end of fiscal 1998.

Debt now represents 27% of our total capitalization, down from 38% at October 31, 1998.

Our "Net Debt" (debt minus cash and cash equivalents), at \$41 million, is less than half the \$82.9 million at October 31, 1998.

Our diluted cash flow per share, which is pretax income from continuing operations plus depreciation and amortization, increased by 89 cents or 46% to \$2.82.

Operating cash flows improved to 45% of debt in 1999 from 13% in 1998.

In fiscal 1998 and in the first half of 1999, we expanded our U.K. and U.S. manufacturing capacity. This spending slowed in the second half of 1999, and as a result, 1999 capital expenditures of \$10.1 million declined sharply from \$19.6 million in 1998. In both 1998 and 1999, we invested heavily in sales and marketing to launch new products. We expect sales to grow and the rate of new product inventory build to level and then decrease. We also anticipate a continued lower level of investment in manufacturing capacity during 2000.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS -- CONTINUED

OPERATING CASH FLOWS

Operating activities generated cash of \$27.7 million in 1999, 144% over 1998. Each quarter was solidly ahead of last year's:

(IN MILLIONS)	1999	1998
Q1	\$(3.4)	\$(7.0)
Q2	9.2	3.2
Q3	9.5	6.3
Q4	12.4	8.9
Fiscal year	\$27.7	\$11.4

The increase primarily reflects improved operating results, slower growth in inventory and receivables and lower payments for taxes and other liabilities. Unless a large acquisition or similar transaction temporarily skews our results, we expect positive cash flow from operations each quarter of 2000 except, perhaps, the first quarter. Historically, we have had negative operating cash flow in the first quarter when we have built inventory, paid bonuses and made an annual payment on a settled dispute.

INVESTING CASH FLOWS

From an outflow of \$59.3 million in 1998, our investing cash flows swung dramatically to an inflow of \$20.2 million in 1999. Approximately \$9.5 million of this reflects lower capital spending, as we are no longer capacity constrained. One-time transactions account for the rest of the difference: In 1998, we spent \$34.3 million to acquire Aspect and two smaller businesses. This year, we received cash of \$25.3 million, net of costs, from the disposition of HGA.

FINANCING CASH FLOWS

In 1998, we used debt to fund the Aspect acquisition. In 1999 we repaid a large portion of debt when we disposed of HGA. Cash flows from financing activities, therefore, were negative by \$34.6 million this year and positive by \$37.3 million last year. In 1998 and 1999, we spent \$8 million and \$7.3 million, respectively, to purchase shares of Cooper common stock on the open market. We completed this program in 1999 (see Note 8) and currently have no plans to acquire additional shares.

RISK MANAGEMENT (SEE NOTE 7)

We are exposed to risks caused by changes in foreign exchange, principally debt denominated in Pounds Sterling. We have hedged most of this risk by entering into contracts to buy Sterling forward. We are also exposed to risk associated with changes in interest rates, as the interest rate on certain of our debt varies with the London Interbank Offered Rate. We have offset this risk by entering into agreements to swap most of our variable rate debt for fixed rate debt.

OUTLOOK

We believe that cash on hand of \$20.9 million plus cash from operating activities will fund future operations, capital expenditures, cash dividends (see Note 8) and smaller acquisitions. We may need additional funds for larger acquisitions and other strategic alliances. At October 31, 1999, we had over \$25 million available under the KeyBank line of credit and anticipate that additional financing would be available as required.

YEAR 2000 ("Y2K")

We have completed an in-depth year 2000 review of the financial and operational systems at each of our business units and have implemented a Y2K compliance program to confirm that all critical business systems, software and equipment that consider and process date-related information will continue to function properly after December 31, 1999. We have worked to ensure Y2K compliance of all business systems and have not experienced any material Y2K problems. We also have communicated with vendors to determine their Y2K compliance, and to date, are not aware of any third-party Y2K issues that could materially affect operations. We spent approximately \$450,000 to become Y2K compliant.

We cannot assure that systems and products do not contain undetected Y2K problems or that we will not experience operating difficulties because of Y2K issues. Further, we cannot assure that our assessment of suppliers and vendors will be accurate or that all suppliers and vendors will provide sufficient information to allow this assessment. To date, we have experienced no difficulties related to Y2K.

IMPACT OF STATEMENTS OF FINANCIAL ACCOUNTING STANDARDS ISSUED BUT NOT ADOPTED
(SEE NOTE 1)

MANAGEMENT'S STATEMENT

We prepared the financial statements in this report according to generally accepted accounting principles and we are responsible for them. They include estimates based on our informed judgment. The other financial information in the report is consistent with that in the financial statements.

Our accounting systems include controls to reasonably assure the safeguarding of Cooper's assets and the production of financial statements that conform to generally accepted accounting principles. We supplement these with qualified personnel and provide for appropriate separation of duties.

The Board of Directors, through its Audit and Finance Committee of three outside directors, determines that we fulfill our responsibilities to prepare financial statements and maintain financial controls. The Audit and Finance Committee recommends to the Board of Directors appointment of the Company's independent certified public accountants, subject to ratification by the stockholders. It meets regularly with Management and the independent accountants. The independent accountants have access to the Audit and Finance Committee without Management present, to discuss auditing and financial reporting.

KPMG LLP has been the Company's independent certified public accountants since 1980, when the Company incorporated. KPMG provides an objective, independent review of the fairness of reported operating results and financial position.

/s/ A. Thomas Bender
A. Thomas Bender
President and Chief Executive Officer

/s/ Robert S. Weiss
Robert S. Weiss
Executive Vice President,
Treasurer and Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
The Cooper Companies, Inc:

We have audited the accompanying consolidated balance sheets of The Cooper Companies, Inc. and subsidiaries as of October 31, 1999 and 1998 and the related consolidated statements of income, comprehensive income and cash flows for each of the years in the three-year period ended October 31, 1999. These consolidated financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Cooper Companies, Inc. and subsidiaries as of October 31, 1999 and 1998, and the results of their operations and their cash flows for each of the years in the three-year period ended October 31, 1999, in conformity with generally accepted accounting principles.

KPMG LLP

San Francisco, California
December 9, 1999

CONSOLIDATED STATEMENTS OF INCOME

YEARS ENDED OCTOBER 31,

(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)	1999	1998	1997
Net sales	\$ 165,328	\$ 147,192	\$ 88,769
Cost of sales	59,009	55,764	27,325
Gross profit	106,319	91,428	61,444
Selling, general and administrative expense	61,734	56,226	38,337
Research and development expense	1,977	1,944	1,739
Amortization of intangibles	3,797	3,558	1,565
Income from operations	38,811	29,700	19,803
Settlement of disputes, net	--	1,250	(104)
Other income, net	231	890	203
Interest expense	6,330	6,253	3,174
Income from continuing operations before income taxes	32,712	23,087	16,936
Provision for (benefit of) income taxes	10,711	(34,723)	(26,735)
Income from continuing operations before extraordinary item	22,001	57,810	43,671
Discontinued operations, net of taxes:			
Income before extraordinary item	129	4,336	4,719
Gain (loss) from disposal	2,970	(22,300)	(18,000)
Extraordinary item	--	--	(469)
	3,099	(17,964)	(13,750)
Income before extraordinary item	25,100	39,846	29,921
Extraordinary item, net	--	--	1,461
Net income	\$ 25,100	\$ 39,846	\$ 31,382
Basic earnings per share:			
Continuing operations before extraordinary item	\$ 1.56	\$ 3.90	\$ 3.42
Discontinued operations	0.22	(1.21)	(1.07)
Extraordinary item, net	--	--	0.11
Earnings per share	\$ 1.78	\$ 2.69	\$ 2.46
Diluted earnings per share:			
Continuing operations before extraordinary item	\$ 1.54	\$ 3.79	\$ 3.33
Discontinued operations	0.21	(1.18)	(1.05)
Extraordinary item, net	--	--	0.11
Earnings per share	\$ 1.75	\$ 2.61	\$ 2.39
Number of shares used to compute earnings per share:			
Basic	14,098	14,828	12,759
Diluted	14,312	15,269	13,120

See accompanying notes to consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

(IN THOUSANDS)	OCTOBER 31,	
	1999	1998
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 20,922	\$ 7,333
Accounts receivable, less allowances of \$1,136 in 1999 and \$1,087 in 1998	26,792	24,426
Inventories	33,430	30,349
Deferred tax asset	11,638	15,057
Net assets of discontinued operations	--	29,206
Prepaid expenses and other current assets	7,679	9,706
Total current assets	100,461	116,077
Property, plant and equipment at cost	54,211	45,079
Less accumulated depreciation and amortization	13,892	10,845
	40,319	34,234
Goodwill and other intangibles, net	80,518	84,308
Deferred tax asset	56,519	52,754
Other assets	8,056	8,668
	\$285,873	\$296,041
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Notes payable	\$ 2,583	\$ 4,612
Current installments of long-term debt	2,305	6,958
Accounts payable	6,263	8,393
Employee compensation and benefits	5,885	5,087
Accrued divestiture costs	3,231	--
Other accrued liabilities	10,278	12,664
Accrued income taxes	11,351	8,987
Total current liabilities	41,896	46,701
Long-term debt	57,067	78,677
Other noncurrent liabilities	22,767	25,410
Total liabilities	121,730	150,788
Commitments and contingencies (see Note 11)		
Stockholders' equity:		
Preferred stock, 10 cents par value, shares authorized:		
1,000: zero shares issued or outstanding	--	--
Common stock, 10 cents par value, shares authorized:		
40,000: issued: 14,975 and 14,912 at October 31, 1999 and 1998, respectively	1,497	1,491
Additional paid-in capital	251,345	251,167
Accumulated other comprehensive loss	(595)	(666)
Deferred compensation	--	(163)
Accumulated deficit	(74,044)	(98,583)
Less, treasury stock at cost:		
917 and 486 shares at October 31, 1999 and 1998, respectively	(14,060)	(7,993)
Stockholders' equity	164,143	145,253
	\$ 285,873	\$296,041

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(IN THOUSANDS)	YEARS ENDED OCTOBER 31,		
	1999	1998	1997
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	\$ 25,100	\$ 39,846	\$ 31,382
Adjustments to reconcile net income to net cash provided by operating activities:			
Deferred income taxes	6,790	(35,787)	(27,065)
Depreciation expense	4,561	4,678	2,922
Provision for doubtful accounts	1,273	1,813	2,336
Amortization expense	3,879	3,738	1,345
(Gain) loss from disposal of discontinued operations	(2,970)	22,300	18,000
Extraordinary item	--	--	(992)
Change in operating assets and liabilities excluding effects from acquisitions:			
Receivables	(3,086)	(3,910)	(7,521)
Inventories	(3,116)	(6,933)	(3,855)
Other assets	1,703	(952)	(356)
Accounts payable	(2,657)	1,130	2,916
Accrued liabilities	(864)	(5,949)	(4,021)
Income taxes payable	(619)	(5,104)	(423)
Other long-term liabilities	(2,500)	(3,973)	(3,044)
Other	204	471	107
Cash provided by operating activities	27,698	11,368	11,731
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of assets and businesses	--	(34,298)	(7,145)
Disposition of discontinued operations	28,685	--	--
Disposition costs paid	(3,412)	--	--
Purchases of property, plant and equipment	(10,121)	(19,573)	(7,735)
Investment in escrow fund	--	--	(2,216)
Sale of (investment in) marketable securities	5,419	(5,419)	--
Other	(415)	--	(357)
Cash provided (used) by investing activities	20,156	(59,290)	(17,453)

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS -- CONCLUDED

(IN THOUSANDS)	YEARS ENDED OCTOBER 31,		
	1999	1998	1997
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from long-term line of credit	\$ 8,568	\$ 36,500	\$ --
Repayment of long-term line of credit	(30,368)	(14,700)	--
Principal payments on long-term obligations	(7,145)	(7,603)	--
Proceeds from long-term borrowings	2,965	29,682	3,000
Net borrowings under short-term agreements	--	1,011	--
Purchase of Treasury Stock	(7,345)	(7,993)	--
Exercise of warrant	948	--	--
Dividends on common stock	(561)	--	--
Short-term debt payment	(2,142)	--	--
Net proceeds from follow-on offering	--	--	50,388
Early retirement of debt	--	--	(35,740)
Other	514	430	(514)
Cash provided (used) by financing activities	(34,566)	37,327	17,134
Effect of exchange rate changes on cash and cash equivalents	301	(321)	--
Net increase (decrease) in cash and cash equivalents	13,589	(10,916)	11,412
Cash and cash equivalents at beginning of year	7,333	18,249	6,837
Cash and cash equivalents at end of year	\$ 20,922	\$ 7,333	\$ 18,249
Supplemental disclosures of cash flow information:			
Cash paid for:			
Interest (net of amounts capitalized)	\$ 7,248	\$ 4,536	\$ 4,783
Income taxes	\$ 2,116	\$ 5,846	\$ 742

SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:

	1998	1997
Acquisitions (see Note 2):		
Fair value of assets acquired	\$ 93,406	\$ 18,574
Less:		
Cash acquired	--	(45)
Cash paid	(34,298)	(7,145)
Company stock issued	(1,492)	(4,662)
Notes issued	(28,009)	(4,500)
Liabilities assumed and acquisition costs accrued	\$ 29,607	\$ 2,222

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(IN THOUSANDS)	YEARS ENDED OCTOBER 31,		
	1999	1998	1997
Net income	\$ 25,100	\$ 39,846	\$ 31,382
Other comprehensive income (loss):			
Foreign currency translation adjustment	71	(311)	(29)
Comprehensive income	\$ 25,171	\$ 39,535	\$ 31,353

See accompanying notes to consolidated financial statements.

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The Cooper Companies, Inc. (the "Company," "Cooper" or "we" and similar pronouns), through its principal subsidiaries, develops, manufactures and markets healthcare products. CooperVision ("CVI") markets a range of contact lenses to correct visual defects, specializing in toric lenses to correct astigmatism. Its leading products are disposable-planned replacement toric and spherical lenses. CVI also markets conventional toric and spherical lenses and lenses for patients with more complex vision disorders. CooperSurgical ("CSI") markets diagnostic products, surgical instruments and accessories to the women's healthcare market.

Consolidation

The financial statements in this report include the accounts of the Company and its consolidated subsidiaries. Inter-company transactions and balances are eliminated in consolidation.

Foreign Currency Translation

We translate assets and liabilities of our operations located outside the United States into U.S. dollars at prevailing year-end exchange rates. We translate income and expense accounts at weighted average rates for each year. We record gains and losses from the translation of financial statements in foreign currencies into U.S. dollars in the equity section of the consolidated balance sheet. We record gains and losses from changes in exchange rates on transactions denominated in currencies other than each reporting locations' functional currency in net income for each period. Net foreign exchange income (loss) included in net income for the years ended October 31, 1999, 1998 and 1997 was (\$325,000), \$591,000 and (\$142,000), respectively.

Derivatives

We use derivatives to reduce market risk from changes in foreign exchange and interest rates. We generally do not use derivative financial instruments for trading or speculative purposes. We believe that each of the counterparties with whom we enter into forward exchange contracts and interest rate swap agreements is financially sound and that the credit risk of these contracts is low. We continually monitor our underlying market risk exposure and believe that we can modify or adapt our hedging strategies if necessary (see Note 7).

Estimates in the Preparation of Financial Statements

We prepare our financial statements in conformity with generally accepted accounting principles, which requires us to make informed estimates and judgments about certain amounts appearing in them. The actual results could differ from the estimated figures included in our financial statements.

Revenue Recognition

We recognize revenue net of appropriate provisions for returns when risk of ownership has transferred to the buyer.

Cash and Cash Equivalents

Cash and cash equivalents include commercial paper and other short-term income producing securities with maturity dates of three months or less. These investments are readily convertible to cash and are carried at cost, which approximates market value.

Inventories, at the Lower of Average Cost or Market

(IN THOUSANDS)	OCTOBER 31,	
	1999	1998
Raw materials	\$ 8,151	\$ 7,038
Work-in-process	3,786	2,964
Finished goods	21,493	20,347
	\$33,430	\$30,349

Property, Plant and Equipment, at Cost

(IN THOUSANDS)	OCTOBER 31,	
	1999	1998
Land and improvements	\$ 1,500	\$ 1,508
Buildings and improvements	11,036	10,662
Machinery and equipment	41,675	32,909
	\$54,211	\$45,079

We compute depreciation using the straight-line method in amounts sufficient to write off depreciable assets over their estimated useful lives. We amortize leasehold improvements over the estimated useful life or the period of the related lease, whichever is shorter. We depreciate buildings over 35 to 40 years, machinery and equipment over 3 to 15 years, and software over 3 years.

We expense costs for maintenance and repairs, and we capitalize major replacements, renewals and betterments. We eliminate the cost and accumulated depreciation of deprecia-

ble assets retired or otherwise disposed of from the asset and accumulated depreciation accounts and reflect any gains or losses in operations for the period.

Amortization of Intangibles

We amortize all intangible assets (primarily goodwill of \$65.4 million and \$68.2 million at October 31, 1999 and 1998, which represents the excess of purchase price over fair value of net assets acquired) on a straight-line basis over periods of up to 40 years. Accumulated amortization at October 31, 1999 and 1998 was \$12.7 million and \$8.6 million, respectively. We assess the recoverability of goodwill and other long-lived assets by determining whether the amortization of the related balance over its remaining life can be recovered through reasonably expected undiscounted future cash flows. We also evaluate amortization periods of intangibles to determine whether later events and circumstances warrant revised estimates of useful lives. To date, no such adjustments have been required.

Earnings Per Share ("EPS")

We determine basic EPS by using the weighted average number of shares outstanding and then add outstanding dilutive stock warrants and options to determine diluted EPS.

Stock-Based Compensation

We account for stock-based compensation in accordance with Statement of Financial Accounting Standards ("SFAS") 123, Accounting for Stock-Based Compensation. This statement establishes financial accounting and reporting standards for stock-based compensation, including employee stock option plans. As allowed by SFAS 123, we continue to measure compensation expense under Accounting Principles Board ("APB") No. 25, Accounting For Stock Issued to Employees, and related interpretations (see Note 9).

Statements of Financial Accounting Standards Adopted or Issued and to be Adopted

In June 1998 and June 1999, the Financial Accounting Standards Board ("FASB") issued SFAS 133 and 137, both titled "Accounting for Derivative Instruments and Hedging Activities." SFAS 137 amended the effective date of SFAS 133 to the first quarter of fiscal years beginning after June 15, 2000. SFAS 133 establishes accounting and reporting standards for derivative instruments and hedging activities. SFAS 133 requires an entity to recognize all derivatives as either assets or liabilities on its balance sheet and measure those instruments at fair value. SFAS 133 requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met, in which case gains and losses on the hedging instrument can offset related results on the hedged item in the income statement. We will adopt SFAS 133 as amended by SFAS 137 in the first quarter of fiscal 2001. Under SFAS 133, forward exchange contracts will not qualify for hedge accounting. We will be required, beginning in fiscal 2001, to include both the receivable and the payable on our balance sheet, possibly increasing our assets and liabilities materially.

In April 1998, The American Institute of Certified Public Accountants ("AICPA") issued Statement of Position ("SOP") 98-5, "Reporting on the Costs of Start-Up Activities." The SOP broadly defines start-up activities and requires that they be expensed as incurred. It is effective for financial statements for fiscal years beginning after December 15, 1998. Any deferred start-up activities on the balance sheet when we adopt the SOP must be expensed as a cumulative effect of a change in accounting principle. We will adopt the SOP as required in the first quarter of fiscal year 2000. We expect to record a one-time charge against net income of about \$400,000. Our current policy is to defer start-up activities as appropriate and amortize them over 12 months on a straight-line basis.

In March 1998, the AICPA issued SOP 98-1, "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use," effective for fiscal years beginning after December 15, 1998. We will adopt the SOP as required in the first quarter of fiscal year 2000. We do not expect it to materially effect results of operations.

We adopted the following in 1999:

SFAS 130 "Reporting Comprehensive Income."

SFAS 131 "Disclosure About Segments of an Enterprise and Related Information."

SFAS 132 "Employers' Disclosures About Pension and Other Post Retirement Benefits."

Where required, we have restated prior period financial statements to conform with the current year's presentation.

NOTE 2

ACQUISITIONS

Investment in Litmus

In February 1998, we purchased, for approximately \$10 million cash, a 10% equity position in Litmus Concepts Inc. and received an exclusive license to distribute Litmus' FemExam TestCard System of diagnostic tests in North America in the women's professional healthcare market. Of the \$10 million purchase price, we allocated \$5 million to the equity investment and \$5 million to the exclusive license. We are accounting for our investment in Litmus on the cost basis and amortizing the license over 17 years. We agreed to annual minimum purchases, which end when we have purchased 10 million units of the products or on the sixth anniversary of the agreement, whichever occurs first. If we do not meet the required minimum purchases, Litmus' only remedy is to cancel the exclusivity of the license.

Aspect Acquisition

In December 1997, we acquired Aspect Vision Care Ltd. ("Aspect"), a privately held manufacturer of high quality contact lenses sold primarily in the United Kingdom and other European countries. Aspect is an English company with the Pound Sterling as its functional currency. We include Aspect in CVI's results from the date of its acquisition.

We paid approximately \$51 million at closing (\$20 million in cash, 38,000 shares of Cooper's common stock with a value of \$1.5 million and \$28 million in 8% five-year notes to the selling shareholders) and will pay an additional amount after approximately three years based on Aspect's performance over that period. The minimum amount of the additional payment of (pound)5 million (approximately \$8 million at acquisition) has been discounted at a rate of 8% and will accrete over approximately three years (included in other long-term liabilities). The \$20 million cash paid at acquisition was partially financed under our \$50 million line of credit (see "Midland Bank" Note 6) and cash then on hand. The acquisition has been accounted for as a purchase. Based on an independent valuation report, the excess of purchase price over net assets acquired has been recorded at \$44.9 million and is being amortized over 40 years, and other intangibles of \$3.5 million are being amortized over periods of from 10 to 30 years.

Following the acquisition, certain of the selling shareholders became employees of Cooper. As of October 31, 1999 and 1998 approximately \$23.4 million and \$27.6 million, respectively, of the five-year notes and minimum contingent payments owed by Cooper in connection with the acquisition are payable to these employees or members of their immediate family. None of these employees are an officer of Cooper. For the years ended October 31, 1999 and 1998, our consolidated income statement included \$1.9 million and \$2 million of interest expense and \$2.4 million and \$2.3 million of royalty expense paid or payable to these individuals.

In connection with the Aspect acquisition, Cooper agreed to make quarterly royalty payments of from 5% to 7 1/2% on sales of certain Aspect-manufactured products, with a minimum royalty for five years of (pound)1 million a year. The balance of royalties payable under the agreement was \$586,000 and \$656,000 at October 31, 1999 and 1998, respectively.

The following unaudited pro forma statements present consolidated condensed results of operations for the years ended October 31, 1998, and 1997, as if Aspect had been acquired at the beginning of each period. The unaudited pro forma information is not indicative of either the results of operations that would have occurred if Aspect had been purchased during the periods presented or of future results of the combined operations.

(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)	YEARS ENDED OCTOBER 31,	
	1998	1997
	PRO FORMA	PRO FORMA
Net operating revenue	\$150,493	\$126,637
Net income	\$ 40,114	\$ 31,278
EPS:		
Basic	\$ 2.70	\$ 2.44
Diluted	\$ 2.62	\$ 2.38
Shares outstanding for:		
Basic EPS	14,845	12,797
Diluted EPS	15,286	13,158

Natural Touch Acquisition

In March 1997, we acquired the United States rights to Natural Touch, a line of opaque, cosmetic contact lenses, from Wesley-Jessen Corporation ("W-J") for \$7.5 million (\$3 million in cash and a \$4.5 million promissory note, \$4.4 million of which was repaid) plus an ongoing royalty ranging from 3% to 8% per annum on sales of Natural Touch products other than those supplied by W-J. Cooper recorded intangible assets of \$8 million for the patents, trademarks and distribution rights, which we are amortizing over 7 to 15 years.

A subsidiary of W-J currently manufactures and supplies us with Natural Touch products. A divestiture order issued by the Federal Trade Commission (the "FTC") in connection with the Natural Touch acquisition requires us either to develop our own manufacturing capabilities or to find a suitable third-party manufacturer. The FTC could require Cooper to divest the Natural Touch line if it has not either developed manufacturing capabilities that meet United States Food and Drug Administration ("FDA") approval or found a suitable third-party manufacturer meeting FDA approval within 42 months from the acquisition date.

Marlow Acquisition

In April 1997, Cooper acquired Marlow Surgical Technologies, Inc. ("Marlow"), a women's healthcare products company, for approximately \$3.2 million in cash, liquidation of \$900,000 of Marlow debt and 144,800 shares of Cooper's common stock valued at \$2.9 million at closing. As part of the acquisition, we agreed to issue an additional \$500,000 of our common stock (valued as of the closing) on the third anniversary of the closing, subject to reduction by the amount of any obligations of the seller to indemnify Cooper in connection with the acquisition. Also, we guaranteed that the total value of the shares issued in the acquisition (valued at \$3.4 million in total at closing) would appreciate by \$1.3 million by the third anniversary of the acquisition. The guaranteed appreciation in stock took place. This guarantee has been included in the purchase price, with a corresponding credit to additional paid-in capital. We accounted for the acquisition as a purchase, with \$8.4 million of goodwill, which is being amortized over 20 years.

NOTE 3

DISCONTINUED OPERATIONS

In the fourth quarter of 1998, Cooper declared Hospital Group of America ("HGA"), its psychiatric services business, a discontinued operation and recorded a charge of \$22.3 million reflecting Management's initial estimate of the ultimate loss on disposition. We restated prior period financial statements.

In January 1999, Cooper completed the sale of a portion of HGA for \$5 million in cash and trade receivables. On April 15, 1999, Cooper sold the remainder of HGA to Universal Health Services, Inc. for \$27 million. Cooper recorded gains on disposal of \$1.3 million in the first quarter and \$1.7 million in the second quarter, reflecting adjustments to the loss estimated in 1998.

HGA's patient revenues were \$20.8 million, \$55.5 million and \$52.7 million for fiscal years ended October 31, 1999, 1998 and 1997, respectively. Net assets of discontinued operations at October 31, 1998 consisted primarily of patient receivables, net property, plant and equipment, net of accounts payable and accrued liabilities, including a \$22.3 million reserve for the estimate of the divestiture loss.

NOTE 4

EARNINGS PER SHARE

(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)	YEARS ENDED OCTOBER 31,		
	1999	1998	1997
Income from continuing operations before extraordinary item	\$ 22,001	\$ 57,810	\$ 43,671
Discontinued operations, net of income taxes	3,099	(17,964)	(13,750)
Income before extraordinary item	25,100	39,846	29,921
Extraordinary item, net of income taxes	--	--	1,461
Net income	\$ 25,100	\$ 39,846	\$ 31,382
Basic:			
Weighted average common shares	14,098	14,828	12,759
Basic earnings per common share:			
Continuing operations before extraordinary item	\$ 1.56	\$ 3.90	\$ 3.42
Discontinued operations	0.22	(1.21)	(1.07)
Extraordinary item	--	--	0.11
Basic earnings per share:	\$ 1.78	\$ 2.69	\$ 2.46
Diluted:			
Weighted average common shares	14,098	14,828	12,759
Add:			
Dilutive warrants	23	56	62
Dilutive options	191	385	299
Effect of dilutive securities	214	441	361
Diluted weighted average common shares	14,312	15,269	13,120
Diluted earnings per share:			
Continuing operations before extraordinary item	\$ 1.54	\$ 3.79	\$ 3.33
Discontinued operations	0.21	(1.18)	(1.05)
Extraordinary item	--	--	0.11
Diluted earnings per share:	\$ 1.75	\$ 2.61	\$ 2.39

We excluded the following options to purchase Cooper's common stock from the computation of diluted EPS because their exercise prices were above the average market price.

	OCTOBER 31,		
	1999	1998	1997
Number of shares excluded	1,321,083	571,250	340,000
Range of exercise prices	\$21 - \$62.21	\$36 - \$62.21	\$26 - \$35.09

NOTE 5

INCOME TAXES

The income tax provision (benefit) related to income from all operations in the consolidated statements of income consists of:

(IN THOUSANDS)	YEARS ENDED OCTOBER 31,		
	1999	1998	1997
From continuing operations	\$ 10,711	\$ (34,723)	\$ (26,735)
From discontinued operations	(6,425)	130	129
	\$ 4,286	\$ (34,593)	\$ (26,606)

The income tax provision (benefit) related to income from continuing operations in the consolidated statements of income consists of:

(IN THOUSANDS)	YEARS ENDED OCTOBER 31,		
	1999	1998	1997
Current			
Federal	\$ 445	\$ 462	\$ 309
State	(641)	471	21
Outside the United States	2,222	131	--
	2,026	1,064	330
Deferred			
Federal	8,730	(35,955)	(27,065)
State	(45)	--	--
Outside the United States	--	168	--
	8,685	(35,787)	(27,065)
	\$ 10,711	\$ (34,723)	\$ (26,735)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- CONTINUED

We reconcile the provision for (benefit of) income taxes attributable to income from continuing operations and the amount computed by applying the statutory federal income tax rate of 35% to income from continuing operations before income taxes as follows:

(IN THOUSANDS)	YEARS ENDED OCTOBER 31,		
	1999	1998	1997
Computed expected provision for taxes from continuing operations	\$ 11,449	\$ 8,080	\$ 7,407
Increase (decrease) in taxes resulting from:			
Income (loss) outside the United States			
subject to different tax rates	(325)	431	193
Amortization of intangibles	392	477	394
State taxes, net of federal income tax benefit	312	306	229
Reversal of prior years' estimated state tax liabilities no longer required	(1,121)	--	(215)
Utilization of net operating loss carryforwards	--	(10,359)	(7,102)
Change in valuation allowance	331	(35,787)	(27,065)
Other, net	(327)	2,129	(576)
Actual provision (benefit) of income taxes	\$ 10,711	\$ (34,723)	\$ (26,735)

The tax effects of temporary differences that give rise to most of the deferred tax assets and liabilities are:

(IN THOUSANDS)	OCTOBER 31,	
	1999	1998
Deferred tax assets:		
Accounts receivable, principally due to allowances for doubtful accounts	\$ 559	\$ 1,492
Inventories, principally due to obsolescence reserves	1,329	1,215
Accrued liabilities, principally due to litigation settlements and reserves, and compensation accruals	8,896	9,327
Net operating loss carryforwards	56,957	64,355
Capital loss carryforwards	2,991	--
Tax credit carryforwards	4,138	3,715
Other	1,933	1,225
Total gross deferred tax assets	76,803	81,329
Less valuation allowance	(7,996)	(7,073)
Deferred tax assets	68,807	74,256
Deferred tax liabilities:		
Plant and equipment	(650)	(6,445)
Net deferred tax assets	\$ 68,157	\$ 67,811

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- CONTINUED

The net (increase)/decrease in the total valuation allowance for the years ended October 31, 1999, 1998 and 1997 was (\$923,000), \$45.4 million and \$27.6 million, respectively. In 1998 and 1997, we recognized an income tax benefit of \$35.8 million and \$27.1 million, respectively, (\$23.3 million and \$25 million in the fourth quarters of fiscal 1998 and 1997, respectively) from reducing the valuation allowance based primarily on the continued improvement in Cooper's operating results and future prospects. The recognition of the net deferred tax assets is based upon the expected utilization of net operating loss carryforwards that we believe are more likely than not to be realized.

Tax benefits relating to the valuation allowance as of October 31, 1999 are allocated as follows:

(IN THOUSANDS)

Consolidated statements of income	\$6,462
Goodwill and other intangible assets	1,534
	<u>\$7,996</u>

At October 31, 1999 Cooper had net operating loss and tax credit carryforwards for federal tax purposes that expire as follows:

YEAR OF EXPIRATION	NET OPERATING LOSSES	TAX CREDITS
1999	\$ --	\$ 847
2000	--	1,132
2001	--	202
2002	26,380	29
2003	1,378	330
2004	22,241	--
2005	11,006	--
2006	22,265	--
2007	22,058	--
2008	49,535	--
2009	6,553	--
2010	1,318	--
Indefinite life	--	1,598
	<u>\$162,734</u>	<u>\$ 4,138</u>

NOTE 6

LONG-TERM DEBT

(IN THOUSANDS)	OCTOBER 31,	
	1999	1998
Aspect promissory notes due December 2, 2002 (see Note 2)	\$23,439	\$27,563
KeyBank line of credit	--	21,800
Midland Bank Debt	17,445	17,444
Aspect Vision bank loans	6,292	6,754
County of Monroe Industrial Development Agency ("COMIDA") Bond	2,695	2,880
Capitalized leases, interest rates from 8% to 15% maturing 1999 to 2007	9,401	8,620
Wesley-Jessen Corporation ("W-J") promissory note	100	574
	<u>59,372</u>	<u>85,635</u>

Less current installments

2,305	6,958
-----	-----
\$57,067	\$78,677
-----	-----

Annual maturities of long-term debt, including capital leases, for each of the five years subsequent to October 31, 1999:

(IN THOUSANDS)	LONG-TERM DEBT
2000	\$ 2,305
2001	\$ 2,181
2002	\$ 1,835
2003	\$46,842
2004	\$ 1,666

KeyBank Line of Credit

We have a \$50 million senior secured revolving credit facility with KeyBank National Association ("KeyBank"). KeyBank syndicated a portion of the facility to other lenders and acts as agent for the lenders. The facility matures September 11, 2002, with interest rates ranging from 50 to 200 basis points over the London Interbank Offered Rate ("LIBOR") depending on certain financial ratios. The interest rate may be floating or fixed at our option. On October 31, 1999, we had no borrowings from the credit facility. On October 31, 1998, the effective rates ranged from 6.5% to 6.7%. Cooper pays an annual commitment fee of 0.375% on the unused portion of the revolving credit facility. We pay interest monthly.

Terms include a first security interest in all Cooper assets. During the term of the facility, Cooper may borrow, repay and re-borrow up to the \$50 million, subject to voluntary reductions. Cooper has used the KeyBank line of credit to guarantee other foreign borrowings by issuing \$24.6 million of letters of credit against the line of credit, which reduced its unused portion. At October 31, 1999, Cooper had \$25.4 million available. Cooper subsidiaries guarantee this line of credit.

Under certain circumstances when we obtain additional debt or equity, mandatory prepayments will be required to repay outstanding amounts and permanently reduce the total commitment amount available.

The KeyBank Line of Credit contains various covenants, including maintenance of certain ratios and transaction limitations requiring approval of the lenders. Certain prepayments are subject to penalties. One covenant requires us to achieve the following ratios of EBITDA (as defined) to interest expense, capital expenditures and certain other fixed charges. Cooper achieved this covenant for all periods except the 12 months ended October 31, 1998. We received a waiver for this period from KeyBank. In addition, KeyBank amended the Credit Agreement by reducing the required ratio and the method of calculating it:

FOR THE 12 MONTHS ENDED	RATIO
April 30, 1999	1.1:1
July 31, 1999	1.2:1
Thereafter	1.3:1

We have achieved the amended covenants in fiscal 1999 and anticipate that we will continue to achieve them going forward.

Midland Bank

We partially funded the Aspect acquisition by a (pound)10.5 million loan from Midland Bank plc, due November 27, 2002. In March 1998, Cooper converted the denomination of the loan to U.S. dollars and entered into an interest rate swap to fix the interest rate at 6.19% per annum (see Note 7). KeyBank issued a letter of credit to secure the Midland loan. Interest on the Midland loan is 20 basis points (0.2%) over Sterling LIBOR, adjusted monthly, and Cooper pays an annual letter of credit fee of 1% of the balance to KeyBank.

Aspect Bank Loans

The balance of the loans at October 31, 1999, was \$6.3 million and is secured by certain assets of Aspect and a \$4.2 million letter of credit in favor of National Westminster Bank ("NWB") from KeyBank National Association. Loan maturity dates range from February 1, 2000, to September 1, 2006. The interest rate on (pound)2.5 million borrowed March 30, 1998 is 0.2625% above Sterling LIBOR. Sterling LIBOR ranged between 4.9% and 6.3% for the period of the loan. The interest rate on other NWB loans is 1.5% above the Base Rate. The Base Rate ranged between 5.0% and 7.5% for the reporting period. In 1998, the proceeds were used to repay a loan of (pound)827,000 (\$1.4 million), included in acquired debt, and to fund capital expenditures.

Capitalized Leases

The capitalized lease balance at October 31, 1999, was \$9.4 million. The leases primarily relate to purchases of manufacturing equipment in the U.S. and the United Kingdom. The amount of our capitalized leases increased for the period because we expanded our manufacturing capacity.

COMIDA Bond

The COMIDA bond is a \$3 million Industrial Revenue Bond ("IRB") to finance the cost of plant expansion, building improvements and the purchase of equipment related to CVI's Scottsville, New York, facility. The interest rate has been fixed at 4.88%, per a Rate Swap Transaction (see Note 7). Principal is repaid quarterly, from July 1997 to October 2012. The IRB is secured by substantially all of CVI's rights to the facility.

KeyBank issued a letter of credit to support certain obligations under the COMIDA bond. CVI is obligated to repay KeyBank for draws under and expenses incurred in connection with the letter of credit, under a reimbursement agreement, which Cooper guarantees. The agreement contains customary provisions and covenants, including certain required ratios and levels of net worth. CVI and COMIDA have granted a mortgage lien on the building and real estate located in Scottsville and a first lien security interest on the equipment purchased under the bond proceeds to KeyBank to secure payment under the reimbursement agreement.

W-J

The W-J promissory note was issued for \$4.5 million, due March 17, 2001, in connection with the acquisition of the NaturalTouch product line. The \$100,000 balance at October 31, 1999 was repaid in early fiscal 2000.

NOTE 7

FINANCIAL INSTRUMENTS

The fair values of our financial instruments, including cash and cash equivalents, trade receivables, lines of credit, accounts payable and accrued liabilities, approximated their carrying values as of October 31, 1999 and 1998 because of the short maturity of these instruments. We believe that there are no significant concentrations of credit risk in trade receivables.

The fair value of our other long-term debt approximated the carrying value at October 31, 1999 and 1998 because we believe that we could obtain similar financing with similar terms.

Derivatives

Foreign Exchange Instruments

Cooper enters into forward exchange contracts to hedge the currency exposure of liabilities and firm commitments denominated in foreign currencies. We defer gains and losses on hedged commitments and recognize them in our results of operations in the same period as the gain or loss from the underlying transactions. As of October 31, 1999 and 1998, we had outstanding forward exchange contracts of \$37 million and \$44.6 million to purchase 22.8 million and 27.4 million British Pounds Sterling which are to be purchased from time to time from November 1998 through November 2002. We obtained the fair value of the forward exchange contracts through KeyBank's foreign exchange department. The fair value indicated that termination of the forward exchange contracts at October 31, 1999 and 1998 would have resulted in a \$72,000 loss and a \$740,000 loss, respectively.

We also enter into forward exchange contracts to minimize the net currency exposure of intercompany liabilities and commitments denominated in foreign currencies. We record gains and losses on these forward contracts in our results, and they offset the gains and losses from the remeasurement of our intercompany accounts. At October 31, 1999, we had outstanding forward exchange contracts against our intercompany accounts of \$2.6 million primarily to sell 1.1 million British Pounds Sterling and 1.3 million Canadian Dollars. We obtained the fair value of the forward exchange contracts through KeyBank's Foreign Exchange department. The fair value indicated that termination of these forward exchange contracts at October 31, 1999 would have resulted in an \$11,000 loss.

Interest Rate and Other Derivative Instruments

On a selective basis, Cooper enters into interest rate swap agreements to reduce the potential negative impact of increases in interest rates on our outstanding variable-rate debt under the Midland Bank Loan and the Industrial Revenue Bond. We recognize in our results of operations over the life of the contract, as interest expense, the amortization of contract premiums incurred from buying interest rate swaps. We record net payments or receipts resulting from these agreements as adjustments to interest expense. The effect of interest rate instruments on our results of operations in fiscal years ended October 31, 1999 and 1998 was not significant. As of October 31, 1999 and 1998, Cooper had interest rate swap agreements with notional amounts totaling \$24.3 million and \$20.5 million, respectively. As of October 31, 1999, we had a \$17.4 million interest rate swap that matures on November 27, 2002, a \$2.7 million interest rate swap that matures on January 1, 2012 and a \$4.2 million interest rate swap that matures on April 1, 2003. We obtain the fair value of the swap agreements through KeyBank's derivative department. The fair value indicated that termination of the swap agreements at October 31, 1999 and 1998 would have resulted in an \$84,000 gain and a \$914,000 loss, respectively.

In the fourth quarter of fiscal 1998, we simultaneously purchased and sold call options in the Semiconductor Index which expired in December 1998. The index options were purchased with temporary surplus funds of approximately \$5.4 million for trading purposes. Before the end of fiscal 1998, we traded substantially all of the purchase option position and a small portion of the sell option position and entered into a similar purchase option position and a similar sell option position having the same December 1998 expiration date. As of October 31, 1998, the investments in the purchased and sold call option contracts are netted because the terms of the index option contracts provide for a right of off-set. The net investments as of October 31, 1998 in the amount of \$5.4 million are recorded at fair market value as represented by the net cash proceeds realized when the option contracts expired in December 1998 and included in other current assets. The transaction did not result in any material gain or loss on our financial statements.

NOTE 8

STOCKHOLDERS' EQUITY

(IN THOUSANDS)	COMMON SHARES	COMMON STOCK	PAID-IN CAPITAL	ACCUMULATED DEFICIT	TREASURY STOCK
Balance at October 31, 1996	11,671	\$ 1,167	\$ 184,300	\$ (169,811)	\$ --
Exercise of stock options	36	4	260	--	--
Exercise of warrant	27	3	147	--	--
Restricted stock amortization and share issuance	3	--	483	--	--
Stock issued for acquisition (see Note 2)	145	14	4,648	--	--
Stock issued for 10 5/8% debenture redemption	616	62	9,217	--	--
Follow-on offering	2,300	230	50,158	--	--
Net income	--	--	--	31,382	--
Balance at October 31, 1997	14,798	1,480	249,213	(138,429)	--
Exercise of stock options	75	7	419	--	--
Treasury stock purchased	--	--	--	--	(7,993)
Restricted stock amortization and share issuance	1	--	47	--	--
Stock issued for acquisition (see Note 2)	38	4	1,488	--	--
Net income	--	--	--	39,846	--
Balance at October 31, 1998	14,912	1,491	251,167	(98,583)	(7,993)
Exercise of stock options	61	6	461	--	--
Treasury stock purchased	--	--	--	--	(7,345)
Exercise of warrants and treasury stock used	--	--	(330)	--	1,278
Restricted stock amortization and share issuance	2	--	47	--	--
Dividends on common stock	--	--	--	(561)	--
Net income	--	--	--	25,100	--
Balance at October 31, 1999	14,975	\$ 1,497	\$ 251,345	\$ (74,044)	\$ (14,060)

Cash Dividends

On May 20, 1999, Cooper announced an annual cash dividend on its common stock of 8 cents per share, payable in quarterly installments of 2 cents per share. We made two payments in fiscal 1999 and one in January 2000.

Treasury Stock

In September 1998, our Board of Directors authorized us to purchase up to one million shares of our common stock. All of these shares have been purchased.

(IN THOUSANDS)	SHARES	PURCHASE PRICE
Purchased and paid for in fiscal 1998	486	\$ 7,993
Purchased and paid for in fiscal 1999	514	7,345
	-----	-----
	1,000	15,338
Reissued in fiscal 1999*	(83)	(1,278)
	-----	-----
	917	\$ 14,060
	=====	=====

* Cooper issued 83,333 shares of treasury stock for the exercise of a warrant related to a prior acquisition. We received \$948,000 cash upon the exercise of the warrant, crediting treasury stock for \$1.3 million for the average cost of the treasury stock and charging the balance of \$330,000 against additional paid in capital.

Common Stock Offering

In 1997, in an underwritten follow-on stock offering, we sold 2.3 million shares of our common stock at \$23.50 per share. The proceeds from the offering of \$50.4 million, net of underwriters discount and transaction costs of \$3.7 million, were primarily used to repay outstanding debt.

Stockholders' Rights Plan

Under our stockholders' rights plan, each outstanding share of our common stock carries one preferred share purchase right (a "Right"). The Rights will become exercisable only under certain circumstances involving acquisition of beneficial ownership of 20% or more of the our common stock by a person or group (an "Acquiring Person") without the prior consent of Cooper's Board of Directors. If a person or group becomes an Acquiring Person, each Right would then entitle the holder (other than an Acquiring Person) to purchase, for the then purchase price of the Right (currently \$145, subject to adjustment), shares of Cooper's common stock, or shares of common stock of any person into which we are thereafter merged or to which 50% or more of our assets or earning power is sold, with a market value of twice the purchase price. The Rights will expire in October 2007 unless earlier exercised or redeemed. The Board of Directors may redeem the Rights for \$.01 per Right prior to any person or group becoming an Acquiring Person.

NOTE 9

EMPLOYEE STOCK PLANS

At October 31, 1999 Cooper had two stock-based compensation plans:

1998 Long-Term Incentive Plans ("1998 LTIP")

We designed the 1998 LTIP to increase Cooper's stockholder value by attracting, retaining and motivating key employees and consultants who directly influence our profitability. Stockholders approved the 1998 LTIP in April 1998.

The 1998 LTIP authorized either a committee of three or more individuals not eligible to participate in the 1998 LTIP or Cooper's Board of Directors to grant to eligible individuals during a five-year period, stock options, stock appreciation rights, restricted stock, deferred stock, stock purchase rights, phantom stock units and long-term performance awards for up to 1 million shares of common stock, subject to adjustment for future stock splits, stock dividends, expirations, forfeitures and similar events. Options generally vest based on Cooper's stock price, however, in some cases, both stock price and time are the criteria. As of October 31, 1999, 260,000 shares remained available under the 1998 LTIP for future grants. No restricted shares have been granted under the 1998 LTIP. Approximately 2 million shares of restricted stock and stock options were granted under a predecessor plan.

1996 Long-Term Incentive Plan for Non-Employee Directors ("1996 NEDRSP")

The 1996 NEDRSP provides for annual grants of restricted stock and options to non-employee directors at the start of each fiscal year. Specifically, each non-employee director will be awarded the right to purchase restricted stock worth \$7,500 for \$0.10 per share (or \$9,375 in the case of the Chairman of the Board who is a non-employee director) by January 15 of the year following the date of the grant. Grants of restricted stock not exercised by then will expire. The restrictions on the restricted stock will lapse when the stock reaches certain target values or by the fifth anniversary of the date of grants. In addition, each non-employee director was granted an option to purchase 10,000 shares of Cooper's common stock in fiscal 1999 (or, in the case of the Chairman of the Board who is a non-employee director, 11,250 shares). In fiscal

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- CONTINUED

1998 and 1997, each non-employee director was granted 5,000 shares (or, in the case of the Chairman of the Board who is a non-employee director, 6,250). 215,000 shares of Cooper's authorized but unissued common stock have been reserved for this. As of October 31, 1999, 83,996 shares remained available under the 1996 NEDRSP for future grants. Restricted shares of 1,994, 1,312 and 3,501 were granted under the 1996 NEDRSP in fiscal 1999, 1998 and 1997, respectively, and there were no restricted shares with restrictions in place outstanding at October 31, 1999.

Common stock activity under these plans was:

	YEARS ENDED OCTOBER 31,					
	1999		1998		1997	
	OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE	OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE	OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE
Outstanding at beginning of year	1,660,797	\$ 29.12	929,564	\$ 19.39	459,662	\$ 8.90
Granted	231,250	27.29	806,250	38.16	514,165	27.69
Exercised	(60,269)	7.76	(75,017)	5.68	(36,454)	7.25
Forfeited	(35,000)	39.85	--	--	(7,809)	5.74
Outstanding at end of year	1,796,778	\$ 29.39	1,660,797	\$ 29.12	929,564	\$ 19.39
Options exercisable at year end	1,080,478	23.17	605,797	\$ 19.99	449,564	\$ 9.71
Weighted-avg. fair value of options granted during the year		\$ 11.33		\$ 8.57		\$ 12.32

The options outstanding at October 31, 1999 for the stock option plans are:

EXERCISE PRICES	OPTIONS OUTSTANDING			OPTIONS EXERCISABLE	
	NUMBER OUTSTANDING AT 10/31/99	WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE	WEIGHTED AVERAGE EXERCISE PRICE	NUMBER OUTSTANDING AT 10/31/99	WEIGHTED AVERAGE EXERCISE PRICE
\$ 5.91-8.75	153,613	5.71	\$ 7.08	153,613	\$ 7.08
\$14.31-16.00	200,832	6.45	14.86	200,832	14.86
\$20.00-21.00	103,333	6.78	20.13	103,333	20.13
\$23.44-25.53	230,250	8.99	23.74	197,325	23.45
\$26.00-30.69	322,500	8.95	27.44	100,075	26.47
\$34.00-35.09	250,000	7.13	34.87	250,000	34.87
\$36.00-40.38	298,250	8.36	37.93	75,300	38.32
\$43.20-62.21	238,000	8.91	51.72	--	--
\$ 5.91-62.21	1,796,778	7.92	\$ 29.39	1,080,478	\$ 23.17

The excess of market value over \$.10 per share of restricted shares on respective dates of grant is initially recorded as deferred compensation and charged to operations as earned. Restricted shares and other stock compensation charged against income from operations for the years ended October 31, 1999, 1998 and 1997 was \$210,000, \$260,000 and \$107,000, respectively.

Pro Forma Information

As permitted by FASB 123, Cooper applies APB Opinion No. 25 and related interpretations to account for its plans for stock options issued to employees. Accordingly, no compensation cost has been recognized for its employee stock option plans. Had compensation cost for our stock-based compensation plans been determined under the fair value method included in SFAS 123, our net income and earnings per share would have been reduced to the pro forma amounts indicated below:

(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)		1999	1998	1997
Net Income	As reported	\$ 25,100	\$ 39,846	\$ 31,382
	Pro forma	\$ 21,721	\$ 34,512	\$ 29,704
Basic earnings per share	As reported	\$ 1.78	\$ 2.69	\$ 2.46
	Pro forma	\$ 1.54	\$ 2.33	\$ 2.33
Diluted earnings per share	As reported	\$ 1.75	\$ 2.61	\$ 2.39
	Pro forma	\$ 1.54	\$ 2.28	\$ 2.29

The above pro forma amounts include compensation expense for options granted since November 1, 1995, and may not represent that expected in future years.

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions used for grants in fiscal 1999, 1998, and 1997: dividend yield: 0.382%, 0% and 0%; expected volatility: 50%, 48% and 48%; expected option lives of 3.5 years for all three years and risk-free interest rates of 5.8%, 4.8% and 6.5%, respectively.

NOTE 10

EMPLOYEE BENEFITS

Cooper's Retirement Income Plan

Cooper's Retirement Income Plan (the "Plan") covers substantially all full-time United States employees. Cooper's contributions are designed to fund normal cost on a current basis and to fund over 30 years the estimated prior service cost of benefit improvements (15 years for annual gains and losses). The unit credit actuarial cost method is used to determine the annual cost. Cooper pays the entire cost of the Plan and funds such costs as they accrue. Virtually all of the assets of the Plan are comprised of participation in equity and fixed income funds.

Financial data with regard to the Plan follow:

(IN THOUSANDS)	1999	1998	1997

CHANGE IN BENEFIT OBLIGATION NOVEMBER 1 TO OCTOBER 31			

Projected benefit obligation at beginning of year	\$ 10,465	\$ 8,957	\$ 7,958
Service cost	649	398	236
Interest cost	763	664	622
Benefits paid	(410)	(381)	(369)
Actuarial (gain)/loss	(186)	827	510

Projected benefit obligation at end of year	\$ 11,281	\$ 10,465	\$ 8,957
	=====		

CHANGE IN PLAN ASSETS NOVEMBER 1 TO OCTOBER 31			

Fair value of plan assets at beginning of year	\$ 8,824	\$ 9,012	\$ 7,710
Actual return on plan assets	1,214	142	1,558
Employer contributions	--	51	113
Benefits paid	(410)	(381)	(369)

Fair value of plan assets at end of year	\$ 9,628	\$ 8,824	\$ 9,012
	=====		
Funded status	\$ (1,653)	\$ (1,641)	\$ 55
Unrecognized transition amount	336	362	387
Unrecognized prior service cost	458	(26)	19
Unrecognized net (gain)/loss	(675)	401	(1,124)

Accrued pension liability	\$ (1,534)	\$ (904)	\$ (663)
	=====		

RECONCILIATION OF ACCRUED PENSION LIABILITY			

Accrued cost at beginning of year	\$ (904)	\$ (663)	\$ (577)
Net periodic pension cost for year	630	292	198
Contributions made during year	--	51	112

Accrued cost at end of year	\$ (1,534)	\$ (904)	\$ (663)
	=====		

ACTUARIAL ASSUMPTIONS			

Discount rate	7.5%	7.0%	7.5%
Expected return on assets	9.0%	9.0%	9.0%
Average compensation increase	4.0%	4.0%	4.0%
Cost of living	3.5%	3.5%	3.5%

NET PERIODIC PENSION COSTS			

Service cost	\$ 649	\$ 398	\$ 236
Interest cost	763	664	622
Asset return	(1,214)	(142)	(1,558)
Amortization			
Net transition obligations	26	26	26
Prior service cost	30	(3)	(3)
Gain/(loss)	376	(651)	875

Net periodic pension cost total	\$ 630	\$ 292	\$ 198
	=====		

Cooper's 401(k) Savings Plan

Cooper's 401(k) Savings Plan provides for the deferral of compensation as described in the Internal Revenue Code and is available to substantially all full-time United States employees of Cooper. Employees who participate in the 401(k) Plan may elect to have from 1% to 16% of their pre-tax salary or wages deferred and contributed to the trust established under the Plan. Cooper's contribution on account of participating employees, net of forfeiture credits, was \$333,000, \$396,000 and \$218,000 for the years ended October 31, 1999, 1998 and 1997, respectively.

Cooper's Incentive Payment Plan

Cooper's Incentive Payment Plan is available to officers and other key executives. Participants may, in certain years, receive bonuses based on performance. Total payments earned for the years ended October 31, 1999, 1998 and 1997, were approximately \$1.4 million, \$851,000 and \$1.8 million, respectively. The 1997 payment included payments made to HGA executives of \$414,000.

NOTE 11

COMMITMENTS AND CONTINGENCIES

Lease Commitments

Total minimum annual rental obligations (net of sublease revenue of approximately \$306,000 in fiscal 2000 and \$195,000 per year thereafter through March 2005) under noncancelable operating leases (substantially all real property or equipment) in force at October 31, 1999 are payable in subsequent years as follows:

(IN THOUSANDS)

2000	\$ 3,773
2001	3,171
2002	2,536
2003	2,127
2004	1,929
2005 and thereafter	9,523

	\$23,059
	=====

Aggregate rental expense for both cancelable and non-cancelable contracts amounted to \$5.7 million, \$3.2 million and \$3 million in 1999, 1998 and 1997, respectively.

MEC

An agreement was reached in September 1993 with Medical Engineering Corporation ("MEC"), a subsidiary of Bristol-Myers Squibb Company, which limited our contingent liabilities associated with breast implant litigation involving a former division of ours (the "MEC Agreement"). The remaining liability recorded for payments to be made to MEC under the MEC Agreement is due on:

DECEMBER 31,	OTHER ACCRUED LIABILITIES	OTHER NONCURRENT LIABILITIES
(IN THOUSANDS)		
1999	\$ 3,000	\$ --
2000	--	3,500
2001	--	4,000
2002	--	4,500
2003	--	3,000
	-----	-----
	\$ 3,000	\$ 15,000
	=====	=====

Payments to MEC of \$15 million beginning December 31, 2000 are contingent upon our earning net income before taxes in each fiscal year. They were recorded in Cooper's financial statements in fiscal 1997 as loss from sale of discontinued operations as Management concluded that the maximum payments would be required. They are reflected on the balance sheet in "Other accrued liabilities" for the amount due within one year and "Other noncurrent liabilities" for the amounts due in two or more years. These payments are limited to the lesser of 50% of our net income before taxes in each fiscal year on a noncumulative basis, or the amounts shown above.

Environmental

In 1997, environmental consultants engaged by Cooper identified a contained area of groundwater contamination consisting of industrial solvents including trichloroethane (also known as TCA) at one of CVI's sites. In the opinion of counsel, the solvents were released into the ground before we acquired the business at that site, and the area containing these chemicals is limited. On April 6, 1999, Cooper and the New York Department of Environmental Conservation entered into a voluntary agreement covering the environmental investigation of the site. The investigation is currently underway and will ultimately result in a state-approved mediation. We have accrued approximately \$500,000 for that purpose. In our opinion, the cost of remediation will not be material when considering amounts previously accrued.

GT Labs

On October 1, 1992, GT Laboratories, Inc. filed a complaint against Cooper in the United States District Court for the Northern District of Illinois alleging that we had breached a supply agreement by failing to purchase the requisite number of contact lens blanks used in the manufacture of rigid gas permeable contact lenses. We denied that we had breached the contract and asserted our right to terminate the agreement. In the interest of avoiding further litigation costs, the parties have agreed to resolve their dispute by way of settlement. On December 22, 1998, the parties entered into a Settlement Agreement and Release whereby Cooper agreed to pay GT Laboratories \$1.3 million, \$1.1 million of which was accrued in the fourth quarter of 1998, in return for the plaintiff's release of all claims against us. In January 1999, the litigation was dismissed with prejudice.

NOTE 12

BUSINESS SEGMENT INFORMATION

Cooper is organized by product line for management reporting with operating income, as presented in our financial reports, being the primary measure of the segment profitability. No costs from the corporate functions are allocated to the segments' operating income. Items below operating income are not considered when measuring the profitability of a segment. The accounting policies used to generate segment results are the same as our overall accounting policies.

Our operations are attributable to two product line business segments:

CVI, which develops, manufactures and markets a range of contact lenses, and

CSI, which develops, manufactures and distributes diagnostic products and surgical equipment, instruments and disposables, primarily for obstetrics and women's healthcare.

Total net sales include sales to customers as reported in our consolidated statements of income and sales between geographic areas which are priced at terms that allow for a reasonable profit for the seller. Operating income (loss) is total net sales less cost of sales, research and development expenses, selling, general and administrative expenses and amortization of intangible assets. Corporate operating loss is principally corporate headquarters expense. Investment income, net, settlement of disputes, net, other income (expense), net, and interest expense were not allocated to individual businesses. Our business segments do not rely on any one major customer.

Identifiable assets are those assets used in continuing operations exclusive of cash and cash equivalents, which are included as corporate assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS -- CONTINUED

Information by business segment for each of the years in the three-year period ended October 31, 1999 follows:

(IN THOUSANDS)	CVI	CSI	CORPORATE & ELIMINATIONS	CONSOLIDATED

1999				
Net revenue from non-affiliates	\$ 135,978	\$ 29,350	\$ --	\$ 165,328
Operating income (loss)	\$ 40,802	\$ 4,336	\$ (6,327)	\$ 38,811
Investment income, net				419
Other income (expense), net				(188)
Interest expense				(6,330)
Income before income taxes				\$ 32,712
Identifiable assets	\$ 153,759	\$ 41,491	\$ 90,623	\$ 285,873
Depreciation expense	\$ 3,224	\$ 515	\$ 75	\$ 3,814
Amortization expense	\$ 2,209	\$ 1,588	\$ --	\$ 3,797
Capital expenditures	\$ 9,837	\$ 290	\$ 15	\$ 10,142

1998				
Net revenue from non-affiliates	\$ 119,210	\$ 27,982	\$ --	\$ 147,192
Operating income (loss)	\$ 34,574	\$ 2,136	\$ (7,010)	\$ 29,700
Investment income, net				329
Settlement of disputes, net				(1,250)
Other income (expense), net				561
Interest expense				(6,253)
Income before income taxes				\$ 23,087
Identifiable assets	\$ 143,888	\$ 41,887	\$ 110,266	\$ 296,041
Depreciation expense	\$ 2,307	\$ 484	\$ 81	\$ 2,872
Amortization expense	\$ 2,090	\$ 1,468	\$ --	\$ 3,558
Capital expenditures	\$ 16,941	\$ 746	\$ 45	\$ 17,732

1997				
Net revenue from non-affiliates	\$ 64,007	\$ 24,762	\$ --	\$ 88,769
Operating income (loss)	\$ 23,101	\$ 2,476	\$ (5,774)	\$ 19,803
Investment income, net				344
Other income (expense), net				(37)
Interest expense				(3,174)
Income before income taxes				\$ 16,936
Identifiable assets	\$ 43,380	\$ 29,543	\$ 97,701	\$ 170,624
Depreciation expense	\$ 803	\$ 349	\$ 79	\$ 1,231
Amortization expense	\$ 674	\$ 891	\$ --	\$ 1,565
Capital expenditures	\$ 3,551	\$ 507	\$ 74	\$ 4,132
=====				

Supplemental CVI product line revenue:

(IN THOUSANDS)	1999	1998	1997
Torics:			
Planned replacement	\$ 41,640	\$ 28,893	\$ 16,664
Conventional	16,813	16,749	16,535
Total torics	58,453	45,642	33,199
Spherical:			
Planned replacement	59,791	52,811	8,859
Conventional & Other	17,734	20,757	21,949
Total spherical	77,525	73,568	30,808
Net revenue from non-affiliates	\$135,978	\$119,210	\$ 64,007

Information by geographical area attributed to our country of domicile for each of the years in the three-year period ended October 31, 1999 follows:

(IN THOUSANDS)	UNITED STATES	EUROPE	CANADA	OTHER, ELIMINATIONS & CORPORATE	CONSOLIDATED
1999					
Sales to unaffiliated customers	\$ 115,754	\$ 37,648	\$ 11,441	\$ 485	\$ 165,328
Sales between geographic areas	3,410	19,232	--	(22,642)	--
Net sales	\$ 119,164	\$ 56,880	\$ 11,441	\$ (22,157)	\$ 165,328
Operating income (loss)	\$ 32,215	\$ 11,829	\$ (366)	\$ (4,867)	\$ 38,811
Identifiable assets	\$ 86,367	\$ 92,025	\$ 4,434	\$ 103,047	\$ 285,873
1998					
Sales to unaffiliated customers	\$ 102,181	\$ 34,952	\$ 10,059	\$ --	\$ 147,192
Sales between geographic areas	3,403	5,858	--	(9,261)	--
Net sales	\$ 105,584	\$ 40,810	\$ 10,059	\$ (9,261)	\$ 147,192
Operating income (loss)	\$ 34,134	\$ 2,081	\$ 495	\$ (7,010)	\$ 29,700
Identifiable assets	\$ 105,095	\$ 78,042	\$ 2,638	\$ 110,266	\$ 296,041
1997					
Sales to unaffiliated customers	\$ 79,620	\$ --	\$ 9,149	\$ --	\$ 88,769
Sales between geographic areas	3,866	--	--	(3,866)	--
Net sales	\$ 83,486	\$ --	\$ 9,149	\$ (3,866)	\$ 88,769
Operating income (loss)	\$ 25,981	\$ --	\$ (404)	\$ (5,774)	\$ 19,803
Identifiable assets	\$ 69,909	\$ --	\$ 3,014	\$ 97,701	\$ 170,624

NOTE 13

SUBSEQUENT EVENTS (UNAUDITED)

On December 8, 1999, our CSI unit completed the purchase of a group of women's healthcare products from BEI Medical Systems Company, Inc. for approximately \$10.5 million. Goodwill has initially been recorded at \$8 million and is being amortized over 20 years. The acquired products include well-known brands of uterine manipulators and other products for the gynecological surgery market. Physicians use these products both in their offices and in hospitals. The majority of them are disposable.

On December 14, 1999, we agreed to purchase certain assets of Leisegang Medical, Inc. for approximately \$10 million in cash. Leisegang is a manufacturer of precision instrumentation for the women's healthcare market. We expect to close this transaction by the end of January 2000.

CORPORATE

INFORMATION

BOARD OF DIRECTORS:

Allan E. Rubenstein, M.D.
(Chairman)
Chairman of the Board of Directors
University Heart Scan

A. Thomas Bender
President and Chief Executive Officer

Michael H. Kalkstein
Partner, Oppenheimer, Wolff & Donnelly, LLP

Moses Marx
General Partner, United Equities

Donald Press
Executive Vice President
Broadway Management Co., Inc.

Steven Rosenberg
President and Chief Executive Officer
Berkshire Bankcorp Inc.

Robert S. Weiss
Executive Vice President,
Treasurer and Chief Financial Officer

Stanley Zinberg, M.D.
Director of Practice Activities
American College of Obstetricians and Gynecologists

COMMITTEES OF THE BOARD:

Management Committee
Allan E. Rubenstein, M.D. (Chairman)
Donald Press

Audit and Finance Committee
Steven Rosenberg (Chairman)
Michael H. Kalkstein
Stanley Zinberg, M.D.

Compensation Committee
Michael H. Kalkstein (Chairman)
Donald Press
Allan E. Rubenstein, M.D.

Nominating Committee
Allan E. Rubenstein, M.D. (Chairman)
Moses Marx
A. Thomas Bender
Stanley Zinberg, M.D.

OFFICERS:

A. Thomas Bender
President and Chief Executive Officer
and President CooperVision, Inc.

Robert S. Weiss
Executive Vice President,
Treasurer and Chief Financial Officer

B. Norris Battin
Vice President Investor Relations
and Communications

Gregory A. Fryling
Vice President Corporate Development

Carol R. Kaufman
Vice President of Legal Affairs, Secretary
and Chief Administrative Officer

Nicholas J. Pichotta
President CooperSurgical, Inc.

Stephen C. Whiteford
Vice President and Corporate Controller

PRINCIPAL SUBSIDIARIES:

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Fax: (925) 460-3648

INVESTOR INFORMATION:

Corporate information, including the current share price, recent news releases and the Company's annual report on Securities and Exchange Commission Form 10-K without exhibits, is available free of charge through the Company's interactive stockholder communication system. Call 1-800-334-1986, seven days a week, 24 hours a day. Visit The Cooper Companies, Inc. on the World Wide Web at www.coopercos.com.

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ANNUAL MEETING:

The Cooper Companies, Inc. will hold its annual shareholder's meeting on March 28, 2000 at the New York Marriott East Side, New York, NY at 10:00 A.M.

TRANSFER AGENT:

American Stock Transfer & Trust Company
40 Wall Street
New York, NY 10005

TRADEMARKS:

The Cooper Companies, Inc., its subsidiaries or affiliates owns, licenses or distributes the following trademarks and they are italicized in this report: *Cerveillance*(R), *CooperSurgical Infrared Coagulator*(TM), *Encore*(TM), *Excel*(TM), *FemExam*(R) pH and *Amines Test Card*(TM), *Frequency*(R), *Hydrasoft*(R), *Preference*(R), *Unimar*(R), *Natural Touch*(R) and *CooperVision Total Toric*(R) .

CERTIFIED PUBLIC ACCOUNTANT:

KPMG LLP

STOCK EXCHANGE LISTINGS:

The New York Stock Exchange
The Pacific Exchange
Ticker Symbol "COO"

CONTACT LENS MARKET GUIDE
COOPERVISION
COMPETITIVE
ADVANTAGE IN AN INCREASINGLY
ATTRACTIVE MARKET

FAVORABLE OUTLOOK FOR
THE WORLDWIDE
CONTACT LENS MARKET

TODAY'S CONTACT LENS MARKET

Toward the end of the 1970's, the contact lens market began to grow rapidly as new soft lens materials replaced conventional hard contact lenses. In the late 1980's, new disposable and planned replacement wearing regimens revitalized a market that had begun to slow.

During the 1990's, disposable lenses continued to spur strong growth first in the spherical lens market and now today in the specialty lens markets. Today, however, spherical lenses show signs of becoming commodities in many markets around the world. Their market value growth has again begun to slow as the switch to planned replacement has sharply declined. The specialty lens segment, however--where CooperVision is a major force--shows great promise.

1999 WORLDWIDE
SOFT CONTACT LENS MARKET
(Millions of Dollars)

Country	Revenue	% Of Total	% (DELTA) vs 1998
U.S.	\$1,130	44	+5
Canada	80	3	+3
North America	1,210	47	+5
U.K	122	5	+3
France	113	4	+11
Italy	81	3	+10
Germany	74	3	+4
Spain	43	2	+5
Rest of Europe	106	4	+5
Europe	539	21	+6
Japan	600	23	+25
Brazil	48	2	flat
Rest of World	180	7	+9
Total	\$2,577	100	+6

Source: Industry statistics, CVI estimates

THREE TRENDS SUGGEST A POSITIVE
FUTURE FOR SPECIALTY LENSES

1 DEMOGRAPHICS

Teenagers drive the contact lens market. About ninety-five percent of all first time contact lens wearers are under the age of 20. They are mostly female, highly appearance conscious and have significant purchasing power. During the "baby boomlet" of 1989 to 1994, births in the U.S. totaled more than four million annually for the first time since 1960. Known as "Generation Y", these are the children of the "baby boomers," born between 1946 and 1964, and "Generation X" of the late 1960's. Today, they are poised to enter the contact lens market. There will be two million more teenagers in high school in 2007 than there were in 1997 and 450,000 more high school graduates bound for college. They will have \$100 billion-plus in annual buying power. These demographic trends translate to a significant increase in the number of new contact lens wearers, one that will be sustained throughout the coming decade.

TEENAGED POPULATION TRENDS 1996-2010
(U.S.CENSUS DATA -- MILLIONS OF PEOPLE)

[GRAPHIC OMITTED]

2 INTERNATIONAL EXPANSION

In the North America, 20% of the population that requires vision correction wears contact lenses, but the other major markets around the world fall well below this rate and offer great promise. In Japan, the world's second largest market, only about 12% of people with visual defects wear contacts. In Western Europe, it's only 8%. Today, contact lens wear is beginning to accelerate in both areas. The emerging markets in Latin America and Asia offer additional potential, although these will take longer to develop.

CONTACT LENS PENETRATION IN PATIENTS
REQUIRING VISION CORRECTION

[THE FOLLOWING TABLE WAS REPRESENTED BY A BAR GRAPH IN THE PRINTED MATERIALS.]

North America	20%
Japan	12%
Western Europe	8%
Rest of World	5%

3 SPECIALTY LENSES

During the last three years, toric lenses to correct astigmatism, bifocal lenses for presbyopia, aspheric lenses for crisper vision and colored lenses for cosmetic enhancement have generated most of the growth in the contact lens market. Contact lens patients today have greater choice than ever before, and practitioners have learned the value of specialty lenses in their practices; they help attract new patients, generate foot traffic through the fitter's office and yield greater profit per patient than conventional lenses. In 1999, these specialty categories together grew an estimated 15% over 1998 versus a decline of nearly 2% for the commodity spherical lens category. They have improved their share of the U.S. contact lens market from 29% in 1995 to 38% today. This trend to specialty lenses, first begun in the U.S., is now beginning to expand contact lens markets abroad.

U.S. SOFT LENS SALES
CLEAR SPHERES VS. SPECIALTY LENSES

[THE FOLLOWING TABLE WAS REPRESENTED BY A BAR GRAPH IN THE PRINTED MATERIALS.]

YEAR	PREMIUM SPECIALTY	COMMODITY CLEAR	TOTAL MARKET
1995	\$271	\$633	\$904
1996	\$306	\$697	\$1,003
1997	\$337	\$705	\$1,042
1998	\$376	\$706	\$1,082
1999	\$434	\$694	\$1,128

WELL POSITIONED AGAINST
NEW TECHNOLOGY
AND COMPETITIVE PRODUCTS

Q: LASER VISION CORRECTION IS GROWING IN POPULARITY. WILL IT HURT THE GROWTH OF CONTACT LENSES?

A: No. Most practitioners and manufacturers in the vision correction market agree that the two modalities are essentially complementary, not competitive, primarily because the contact lens population and the Laser Vision Correction (LVC) population have markedly different demographic profiles:

Contact lens wearers are predominantly nearsighted young women. Their myopia will not stabilize until they reach their late twenties, and they will not be appropriate candidates for LVC until then. At least 70% of lens wearers are under the age of 30, and most are not candidates for LVC.

Recent data indicates that the median age of LVC patients is 40 years of age and trending higher. Most contact lens wearers have left the market by this age.

Only a third of contact lens wearers are men compared with 50% of LVC patients. Females, two-thirds of the contact lens wearers, are less likely to undergo LVC.

WHO WEARS CONTACT LENSES?

An estimated 33 million Americans wear contacts

Most contact lens wearers are myopic (nearsighted)

An estimated 67% of all contact lens wearers are women

10% of lens wearers are 16 years of age or younger

30% of lens wearers are between 17 and 24

50% of lens wearers are between 24 and 44

10% of all wearers are over the age of 44

Source: American Optometric Association

LVC patients tend to be contact lens dropouts who hope that LVC can give them vision correction without

the limitations of contacts. As they have already left the market, they do not reduce the number of contact lens wearers when they have the surgery.

Some former lens wearers who review the potential risks associated with LVC decide to return to contact lenses. They find that lenses have improved since they first wore them. Toric lens technology, in particular, has greatly improved in recent years.

To be sure, a small group of contact lens wearers in their mid to late thirties will undergo LVC and leave the market. However, they will most likely wear clear spherical lenses, not specialty toric or cosmetic products. To date, analysts estimate that about five hundred thousand patients have undergone LVC in the U.S. Even if all of them had converted from contact lenses, the impact on the 33-million wearer market would be negligible. CooperVision does not see LVC as an immediate threat.

LVC HAS A LIMITED IMPACT
ON THE CONTACT LENS MARKET

CONTACT LENS MARKET STATISTIC	CVI ESTIMATE	COMMENTS
Estimated number of contact lens wearers in the U.S. today	33 million	Even if all LVC patients came from this group, the impact on the contact lens market would be minimal.
Estimated cumulative number of contact lens drop outs	20 million	Most LVC patients come from this group.
Estimated number of new contact lens patients per year	3 million	Most are teenagers; LVC patients average 40 years of age.
Estimated number of contact lens dropouts each year	2.5 million	Many are LVC candidates.
Estimated number of LVC procedures in 1999	1 million	500 thousand patients.

Source: Industry Statistics, CVI estimates

THE WORLD'S SIX LEADING
SOFT CONTACT LENS MANUFACTURERS (1)
(Millions of Dollars)

[THE FOLLOWING TABLE WAS REPRESENTED BY A BAR GRAPH IN THE PRINTED MATERIALS.]

	U.S. REVENUE -----	INTERNATIONAL REVENUE -----	TOTAL REVENUE -----	% GROWTH OR DECLINE IN 1999 -----
Johnson & Johnson	450	450	900	10%
Bausch & Lomb	125	310	435	5%
Ciba Vision	105	335	340	-5%
Wesley Jessen	180	125	305	9%
Ocular Sciences	130	40	170	12%
CooperVision	83	53	136	14%

(1) CVI Estimates

Q: COMPETITORS WITH GREATER RESOURCES THAN COOPERVISION ARE VERY INTERESTED IN THE DISPOSABLE TORIC LENS MARKET. TWO HAVE ALREADY ENTERED AND MANY EXPECT A THIRD IN EARLY 2000. WILL THIS SIGNIFICANTLY HURT YOUR BUSINESS?

A: No. We feel that our complete line of specialty toric products--the CooperVision Total Toric Solution--gives us a sustainable competitive advantage. Here's why:

TECHNOLOGY BACKGROUND

To satisfy the complicated visual requirements of astigmatic patients, manufacturers must produce toric lenses in many different parameter combinations of 1.) "Power" -- the correction for near- and farsightedness, 2.) "Cylinder" -- the correction for the astigmatism and 3.) "Axis," -- the exact position on the toric lens that will match the location of astigmatic defect on the cornea. Historically, toric lenses are produced with either high cost, labor-intensive precision lathing, or

low cost, volume oriented molding. The former offers wide parameter variety but high cost; the latter, to be profitable, yields only a limited number of the most frequently prescribed parameter combinations compromising, in some cases, the patient's corrected visual acuity.

CVI lathes and molds toric lenses and uses a third process called FIPS (finished inside polymerization system), a patented process that cost effectively combines lathing and molding. Together, these three technologies offer the most complete line of toric lenses available today. For patients with complex prescriptions, CVI supplies up to 13 million fitting parameters of its custom lathed products. Its low cost molding process offers superior, comfortable edge design and more parameter combinations than most cast-molded products. The FIPS process combines the benefits of both of these--it molds the inside surface and lathes the front surface--yielding, at reasonable cost, the most mass produced toric parameters currently available. A CVI lens is available today for any astigmatic patient.

MARKET DYNAMICS

Because of these different manufacturing technologies, the U.S. toric lens market, the world's largest, has segmented into two price points. CVI offers products with competitive benefits in each.

IN THE LOWER PRICED SEGMENT

Lower cost cast-molded planned replacement lenses allow practitioners to trade-off performance and lens cost. Several different low cost brands are available for two week or a monthly wear, but only in a limited number of correction parameters. This limitation can compromise the quality of the result causing some practitioners to select higher priced products.

The lower cost planned replacement toric lenses now command about 55% of the U.S. toric market as sales of conventional toric lenses (those replaced annually) have recently declined. Over the past 24 months, two of CVI's major competitors have introduced two-week disposable toric lenses. Through September of 1999, we estimate that together, these two product lines

now hold about 12% of the disposable-planned replacement toric market, about \$15 million. Despite this new competition, CVI's share of the disposable planned replacement segment continues to grow and is now about 34% of the category, up from 29% a year ago. Frequency 55 Toric, CVI's recent monthly replacement entry into this lower priced segment, contributed to this gain in market share.

Market analysts anticipate that Vistakon, Johnson and Johnson's contact lens subsidiary, will introduce a low cost cast-molded toric product during the first quarter of 2000. In November, CVI introduced its own competitively priced cast-molded toric lens called Encore in the U.S. and Excel in Europe. We manufacture this product using the patented, low cost technology we acquired in the 1998 purchase of Aspect Vision Care, Inc. We are confident that it will compete effectively against any new low priced disposable products.

IN THE HIGHER PRICED SEGMENT

In fitting higher priced lenses, practitioners decide in favor of superior lens performance rather than low price. This segment is growing at the expense of the lower price segment, as fitters begin to recognize the clinical and financial benefits of these lenses: they can fit more patients correctly in less time than with lower cost lenses that offer fewer choices. CVI's Preference Toric, recommended for quarterly replacement, is the market leader. It offers 15,500 parameters using CVI's FIPS manufacturing process versus a maximum of 3,000 parameters for competitive lenses. FIPS combines the flexibility of lathing with the cost advantage of molding to economically generate a wide variety of toric parameters.

STOCKING VERSUS PRESCRIBING

Unlike spherical lenses, practitioners do not fit toric lenses from an inventory in their offices. Instead, because

of the unique combination of power, axis and cylinder required for each patient, the practitioner first determines each eye's prescription and then orders the lenses from the manufacturer or distributor. This means that new entrants into the toric market will build their share slowly as they compete with others for the new fits that will eventually build a stream of repeat business. Those already in the market enjoy the benefit of continued repeat business from each patient already fit with their lenses--usually for as long as the patient remains in the market. Practitioners simply do not switch lens brands on successfully fit patients, especially astigmatic patients, who are more difficult to fit.

A STRONG, DEFENSIBLE POSITION

In summary, CVI's strategy is to provide superior, well-priced products in the four most popular segments of the toric market: low-priced disposable cast-molded products, mid- and high- priced frequently replaced products made with the FIPS technology and precision lathed products. By providing the "Total Toric Solution", CVI is well positioned to continue its revenue and market share growth.

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email: ir@coopercompanies.com

[LOGO] The Cooper Companies

COO

Listed

NYSE

SUBSIDIARIES OF
THE COOPER COMPANIES, INC.
A DELAWARE CORPORATION

NAME	JURISDICTION OF INCORPORATION
The Cooper Healthcare Group, Inc.	Delaware
Unimar, Inc.	California
CVP, Inc.	Delaware
CooperVision International Holding Company, L.P. (1)	England
The Cooper Real Estate Group, Inc.	Delaware
CooperSurgical Acquisition Corp.	Delaware
CooperSurgical, Inc.	Delaware
CooperSurgical, Inc.	Canada
HBH Medizintechnik GmbH	Germany
CooperVision, Inc.	New York
CooperVision, LLC	Delaware
CooperVision Technology, Inc.	Delaware
CooperVision Inc.	Canada
Marlow Surgical Acquisition (dormant)	Delaware
CooperVision GB Finance, Inc. (dormant)	Delaware
CooperVision GB Services, Inc. (dormant)	Delaware
Hospital Group of America, Inc.	Delaware
HGA Management Services, Inc.	Delaware
Hospital Group of Delaware, Inc.	Delaware
Hospital Group of Illinois, Inc.	Illinois
Residential Centers of Indiana, Inc.	Delaware
Hospital Group of New Jersey, Inc.	New Jersey
Hampton Learning Center, Inc.	New Jersey
HGNJ, Inc.	New Jersey
Arlington Center for Recovery, L.L.C.	Illinois
MeadowWood Health Services, L.L.C.	Delaware
Aspect Vision Holdings, Limited	England-Wales
Aspect Vision Care Limited	England-Wales
CooperVision Limited	England-Wales
Contact Lens Technologies Limited	England-Wales
Aspect Specialty Limited	England-Wales
New Focus HealthCare Limited	England-Wales
Aspect Vision Italia s.r.l.	Italy
Focus Solutions Limited	England-Wales
Averlan Company Limited	England-Wales
Aspect Contact Lenses Limited	England-Wales
CooperVision Australia Pty Ltd	Australia

(1) CVP, Inc. general partner (12.34%) and CooperVision, LLC limited partner (87.66%)

NOTE: Except for CooperSurgical and its 52% owned subsidiary, HBH Medizintechnik GmbH, each subsidiary is wholly-owned either by The Cooper Companies, Inc. or by the wholly-owned subsidiary under which it is indented in the list above. In the case of CooperSurgical, Inc., 99.9% of the company is owned by The Cooper Companies, Inc. and the remaining .1% is owned by members of CooperSurgical's Medical Advisory Board.

12-MOS
OCT-31-1999
NOV-01-1998
OCT-31-1999
20,922
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