

WE MAKE TIRES FOR PEOPLE.

LETTER TO STOCKHOLDERS

TO OUR STOCKHOLDERS:

The past year was one for the record books as **Cooper ended 2012 with record full-year net sales of \$4.2 billion—7 percent higher than 2011— and record operating profit of \$397 million.** The people of Cooper stepped up to the challenges in the global economy and the tire industry to perform at levels never before achieved. Our teams around the globe aligned with, executed, and delivered the goals of our strategic plan, a plan that has resulted in the positive transformation of our company’s business model. **Today, our business model is stronger, more resilient and more sustainable, better positioning Cooper to drive value in the years to come.** Employees throughout our organization have my sincere thanks for producing results that not only set company records, but also often outpaced the industry and peer companies in volume growth within key product categories.

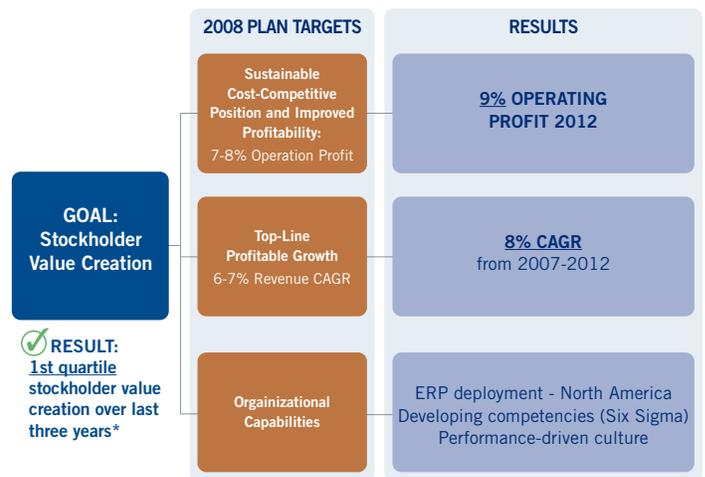
As I look back on 2012, I cannot help but think about how the tire making process parallels what it takes for a tire company to deliver long-term value within the ever more competitive, globally expansive and technology-fueled tire business. While products and manufacturing processes vary, Cooper tires don’t leave the plant—whether in Rongcheng City, China or Tupelo, Mississippi—until they pass numerous quality checks. Along the way in the manufacturing process, there are tolerances and specifications our materials must meet, standards our processes must adhere to, and quality tests our finished products must surmount before they head out to the door to our customers.

Like the tires we make, the tire industry of today tests us in numerous ways. To borrow an iconic auto industry advertising line, this is ‘not your father’s tire business.’ While the tire industry is certainly mature, having been around for more than 160 years, it is a vastly different business today than it was even five years ago. The challenges are many, but so are the opportunities.

For Cooper, driving growth within an industry and a global economy where customers are looking for new ways to get an edge, where new competitors from around the world continue to enter the market, where the speed of technology demands constant innovation, and where upcoming government

regulations and requirements could be game-changers, 2012 was a proving ground. A proving ground that tested us, but also allowed us to demonstrate that the Cooper of today is capable of mastering the toughest challenges and delivering strong value to our stakeholders.

We met nearly all of the ambitious financial and performance goals set within our strategic plan of 2008, reaching many ahead of schedule.



*Using the S&P 500 as a comparative base

Of course, like all companies within our industry, we benefitted from lower raw material prices in 2012. Yet, we believe that it was a year of distinction for Cooper that demonstrated **we can meet or beat the competition across a wide range of industry and global economic conditions.**

Delivering innovative, high quality products is key to our success and central to our value proposition. During 2012, we continued to see strong consumer demand for tires such as the Cooper Zeon RS3-A and the Discoverer A/T3, which continued to take hold in the marketplace and earned significant third-party endorsements. In fact, the RS3-A is the tire selected by Ford Motor Company as original equipment on its 2013 Ford Focus Titanium and SE models. This represents Cooper's first ever U.S. passenger car OE tire fitment and we are excited about the benefits of this new relationship. Our Ford agreement adds to OE work we are doing with our Roadmaster brand tires within the truck-bus radial segment in North America as well as OE passenger tire fitments in China.

We intend to remain primarily a replacement tire company—where we've built enduring customer relationships and see runway for further growth—yet we are pleased with the added momentum and channel diversity that this new OE customer brings.

One cannot talk about the tire industry in 2012 without addressing the September expiration of the special U.S. tariff on tires manufactured in China. We explained at the time that it would take some time for the full effects of the tariff expiration to emerge and the near-term effect would be additional variability in volumes. This was the situation we experienced as we closed out 2012 and we expect it could continue into the first quarter of 2013. Overall, we continue to believe we are well positioned to deal with these effects.

Raw material prices in 2012 demonstrated volatility as prices started the year at an elevated level and declined steadily through the end of the year with the full-year average index down 7% compared to 2011. However, on a longer term basis, we expect prices to generally increase as the global economy gains momentum.

Volatility in raw material pricing is a factor in our pursuit of alternative material sources that require innovative technology. In 2012, Cooper, along with partner organizations, received a \$6.9 million grant from the United States Department of Agriculture to evaluate the U.S.-grown guayule plant as an alternative source of natural rubber.

We continued to reinvest in our business throughout 2012, with capital investments that were higher than historical norms, but necessary to maintain growth momentum. These investments included initiatives such as our ERP deployment, which will ultimately provide a seamless flow of information on a global basis in real time, greatly enhancing the efficiency of our operations. We also invested in the continued ramp-up of our tire manufacturing facility in Serbia, which we purchased in January 2012. This facility ended the year by producing its one millionth tire and was a factor, along with operations in China, in the 12% year-over-year sales growth our International segment achieved in 2012. In North America, we maintained vigilance in driving cost reductions and invested in automation, equipment and other enhancements while achieving a 4% sales increase. The increase was led by strong performance in premium passenger, light truck and truck-bus radial tires.

Once again, Cooper ended the year with a strong balance sheet. We closed 2012 with \$352 million in cash. This strong financial foundation is important as we must reinvest in our business to continue to meet ambitious growth goals and deliver value to you, our stockholders.

Manufacturing Facilities

Clarksdale, Mississippi - bladders/mixing
Findlay, Ohio - tires
Guadalajara, Mexico* - tires
Kruševac, Serbia - tires
Kunshan, China - tires
Melksham, United Kingdom - tires
Rongcheng City, China* - tires
Texarkana, Arkansas - tires
Tupelo, Mississippi - tires

Distribution Centers

Albany, Georgia	Guadalajara, Mexico	Münster-Breitfeld, Germany	Texarkana, Arkansas
Allentown, Pennsylvania	Guiyang, China	Nanchang, China	Tupelo, Mississippi
Baotou, China	Kruševac, Serbia	Ormingen, Switzerland	Urumuqi, China
Changchun, China	Kunming, China	Rancho Cucamonga, California	Wuhan, China
Chengdu, China	Kunshan, China	Shijiazhuang, China	Xi'An, China
Chongqing, China	Lanzhou, China	Shanghai, China	Xiamen, China
Compiegne, France	Liuzhou, China	Stow, Ohio	Zhang Jiagang, China
Corona, California	Madrid, Spain	Sumner, Washington	Zhengzhou, China
Findlay, Ohio	Melksham, United Kingdom	Tangshan, China	
Franklin, Indiana	Milan, Italy		
Grand Prairie, Texas			

*Operations in Rongcheng City, China, and Guadalajara, Mexico are majority-owned joint ventures.

LOOKING FORWARD

With the success of our 2008 strategic plan as a platform to build upon for driving value over the coming years, we have developed a next-level strategic plan that remains focused on the priorities that were at the center of our 2008 plan, but we have updated the specific goals and initiatives supporting those priorities.

Our 2013 initiatives in the North American segment focus on driving process efficiencies, continuous improvement and profitable growth. We will invest back into our operations with increased emphasis on automation and stay focused on efficiency and safety in our plants. In fact, in early 2013, our Tupelo tire manufacturing plant achieved two million work hours without a lost-time accident, the first of our U.S. facilities to reach this milestone.

We will continue to focus on channel and product mix with the goal of driving higher volumes in tires within premium categories. In addition, we will focus on being a stronger market force in certain major metropolitan markets throughout the U.S. and Canada where we believe our products are under-represented. Our efforts to expand our truck-bus radial tire business, which grew significantly in 2012, will continue into 2013.

In our International segment, we are looking to optimize and grow distribution including in Eastern Europe and Russia, and

passenger car radial tire distribution in China. We also plan to increase truck-bus radial tire distribution in China.

In both of our segments, we will grow house brands and continue to drive innovation and technology to keep new and exciting products in the pipeline. In fact, we are establishing a new Global Technology Center to concentrate and accelerate applied research and support existing regional Technical Centers in the U.S., Europe, and Asia.

Key to our future success will be efforts to leverage even further our global capacity to provide a high-quality, low-cost, near-sourced manufacturing footprint.

As we drive this step-change in our global capabilities, we will maintain our focus on increasing margin levels, reducing operating costs and improving cash flow.

Our management team, Board of Directors and employees around the world are committed to continuing the momentum we have established over the past five years and enabling a performance level that keeps Cooper among the top in value creation. Thank you for your continued confidence in our team and our strategic direction.



A handwritten signature in black ink, appearing to read 'Roy Armes'.

Roy Armes Chairman,
Chief Executive Officer and
President

Sales Offices

Compiègne, France	Milan, Italy
Corona, California	Münster-Breitfeld, Germany
Findlay, Ohio, Company headquarters	Ormingen, Switzerland
Guadalajara, Mexico	Rongcheng City, China
Madrid, Spain	Shanghai, China
Melksham, United Kingdom, European headquarters	Asian headquarters Stow, Ohio

Technical Centers

Findlay, Ohio (2)
Melksham, United Kingdom
Pearsall, Texas
Shanghai, China

Cooper Service Stores

Findlay, Ohio
Texarkana, Arkansas
Tupelo, Mississippi

Purchasing Office

Singapore, Southeast Asia

STOCKHOLDER INFORMATION

Executive Offices

Cooper Tire & Rubber Company
701 Lima Avenue
Findlay, OH 45840
419-423-1321

For Information

Tire products	800-854-6288
Investor Relations	419-424-4165
Web site	www.coopertire.com

Annual Meeting

The 2013 Annual Meeting of Stockholders of Cooper Tire & Rubber Company will be held at The Westin Hotel, Detroit Metropolitan Airport, 2501 World Gateway Place, Detroit, Michigan 48242, Friday, May 10, 2013 at 10:00 a.m. Eastern Daylight Time. All stockholders are cordially invited to attend. Proxy material is sent to stockholders together with this report.

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Stockholders requiring a change of name, address or ownership of stock as well as information about stockholder records, lost or stolen certificates, dividend checks, dividend direct deposit and dividend reinvestment should contact our transfer agent by mail, by telephone or through its web site.

Filing Certifications

The Company has filed the certification required by Section 302 of the Sarbanes-Oxley Act of 2002 as an exhibit to its Form 10-K for the fiscal year ending December 31, 2012, filed with the Securities and Exchange Commission. On May 15, 2012, the Company filed with the New York Stock Exchange its Annual CEO Certification.

Direct Investment Plan

Computershare Investor Services serves as Administrator for a direct investment plan for the purchase, sale and/or dividend reinvestment of Cooper Tire & Rubber Company common stock. For information, call Computershare Investor Services at 888-294-8217.

Board of Directors

Roy V. Armes
Chairman, Chief Executive
Officer and President
Cooper Tire & Rubber Company

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Former Chairman of the Board,
Dollar Thrifty Automotive Group, Inc.

Steven M. Chapman^{1, 2}
Group VP, China and Russia
Cummins, Inc.

John J. Holland^{2, 3}
President,
The International Copper Association

John F. Meier^{2, 3, 4}
Chairman of the Board,
Applied Industrial Technologies

Cynthia Niekamp¹
Senior Vice President,
Automotive Coatings, PPG Industries, Inc.

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

Richard L. Wambold³
Former Chairmen of the Board and Chief
Executive Officer, Pactiv Corporation

Robert D. Welding³
Former Non-Executive Chairman,
Public Safety Equipment (Int'l) Limited

¹ Member of the Audit Committee

² Member of the Nominating and Governance
Committee

³ Member of the Compensation Committee

⁴ Lead Director

Executive Officers

Roy V. Armes
Chairman, Chief Executive
Officer and President

Brenda S. Harmon
Senior Vice President and
Chief Human Resources Officer

Bradley E. Hughes
Vice President and
Chief Financial Officer

Harold C. Miller
Vice President

Christopher E. Ostrander
Vice President

Stephen Zamansky
Vice President, General Counsel
and Secretary

Other Corporate Officers

Marjorie J. Griffing
Vice President

James P. Keller
Vice President

Jack J. McCracken
Assistant Secretary

Gregory E. Meyers
Assistant General Counsel

Stephen O. Schroeder
Vice President and Treasurer