In October, Cooper joined The Manufacturing Institute’s “Dream It. Do It.” initiative, becoming part of a network of organizations and companies that share the goal of engaging the image of careers in manufacturing among youth and addressing the widening skills gap in the nation’s manufacturing workforce. In Cooper’s first year of involvement, we focused our efforts on National Manufacturing Day events for middle school students, as this is a critical age when young people are forming their first opinions about future careers. In all, more than 4,000 8th grade students participated in highly interactive events hosted by our company that reached a wide range of Cooper employees from researchers and engineers who design, develop and test to line builders, production workers and facility maintenance personnel.

Inspirng Future Talent

Confident in Where We’re Going: 2016 and Beyond

Our performance in 2015 gives us confidence that Cooper is making the right investments in the business to help us compete effectively. Our focus in 2016 continues to be guided by our strategic plan, which calls for:

- Driving top line profit growth
- Developing a competitive cost structure and improving profitability
- Strengthening our organizational capabilities

Thank you for your support during my nearly 10 years leading Cooper. As previously announced, I plan to retire from my role of Chairman, Chief Executive Officer and President effective August 31, 2016. Consistent with Cooper’s succession plan, the Board of Directors has decided to elect our Chief Operating Officer, Brad Hughes, as President and Chief Executive Officer effective upon my retirement. He is also expected to join our company’s Board of Directors at that time. In conjunction with this transition, the Board of Directors plans to elect our Chief Operating Officer, Brad Hughes, as President and Chief Executive Officer effective upon my retirement. In my role as Executive Chairman, I will provide counsel and guidance to Cooper’s management team and the Board of Directors.

These appointments are in line with our long-term leadership succession plan and we expect a smooth and orderly transition. The Board is confident in Cooper’s leadership and its ability to execute our strategy and capture the opportunities that lie ahead.

Record Operating Profit in Americas Segment Drives Performance

Record operating profit in our Americas Tire Operations segment was the main driver of our outstanding operating profit margin. In fact, this result exceeds our mid-term financial goal which is to generate 8 to 10 percent operating profit margin.

TO OUR STOCKHOLDERS:

We are pleased to share with you our Annual Report for the year ended December 31, 2015. This report includes our financial results and highlights our accomplishments during the year. We believe that this report provides valuable information about our company and its performance.

Record Operating Profit in Americas Tire Segment Drives Performance

Record operating profit in our Americas Tire Operations segment was the main driver of our outstanding operating profit margin. Our performance in this segment was driven by record volume, as well as other factors, which resulted in an operating loss. Despite difficult economic conditions in some of our International regions, we continue to see encouraging trends in the results of the Americas Tire Operations segment, as well as the operating profit from our Public Safety Equipment (Int’l) Limited unit volumes and are optimistic about the future.

During the fourth quarter of 2015, we continued to see strong performance in our Americas Tire Operations segment, driven by record unit volumes and strong operating margins. We continue to see encouraging trends in the results of the Americas Tire Operations segment, as well as the operating profit from our Public Safety Equipment (Int’l) Limited unit volumes and are optimistic about the future.
In fact, since we began share repurchases in August 2015, we have focused on executing a balanced approach to capital management that will allow us to support our strategic priorities while also maintaining sufficient liquidity, which gives us the flexibility to invest appropriately to support the business to support our strategic priorities and position ourselves for future growth.

In the United States, our plant teams focused on modernizing our facilities to support the uptake in demand to produce and sell more high-value, high-margin products.

In Europe, we invested in new tire building equipment at our specialty tire plant in the Czech Republic to allow us to build larger diameter tires and support growth in Eastern Europe and the Middle East.

In Latin America, we continued to invest in our plant capabilities to meet the requirements of our OE customers and to build our business in developing regions. This included a strong investment in our Mexican operations now serving multiple OE accounts.

In Asia, we continued to invest in our plant capabilities to meet the requirements of our OE customers and to build our business in developing regions. This included a strong investment in our Mexican operations now serving multiple OE accounts.

Joint Venture Agreement with GRT to Provide Additional TBR Tire Supply

In Asia, we signed a joint venture agreement that was announced in early 2015. Cooper plans to acquire 40 percent of Qingdao Gao Rui Da Rubber Co., Ltd. (GRT). This transaction is expected to close late in the second quarter or the third quarter of 2016. The focus of this joint venture is to secure an additional global source of truck and bus radial (TBR) tires. This is a strategic fit within our existing manufacturing network and further optimizes Cooper's global footprint. Longer term, we also see an opportunity to manufacture passenger car radial (PCR) tires on GRT.

Technology Drives Award-Winning Tires

Cooper continued to advance advanced technologies and innovative new products at our Global Technical Center and executed the Strategic Technical Centers in North America, Europe and Asia. Product introductions continued to play a large role in driving growth in Cooper’s 2015, and 15 new products are set to be released in 2016 as well.

In the U.S. we expanded our research and development to support the technology of our luxury sport utility and crossover tire, the Discoverer SVT, by adding more research and development space. We also moved our Cooper Discover STT Pro to new venues. In Asia, we introduced the Cooper Discoverer True North, a next generation all-terrain tire with low rolling resistance, and in Europe, we introduced the Cooper Zeon SXA 420 Sport high-performance SUV tire for light-duty vehicles.

Letter of Agreement with Fate Opens Sales Networks in Argentina

In 2015, we also broadened our global reach and capabilities with the signing of a letter of intent in November with Fate, Argentina’s largest tire manufacturer. Initially, Fate will become a distributor of Cooper-branded passenger, light truck and SUV tires in Argentina. Over time, our two companies may also work together on other cooperative ventures. Fate has included a production, offsite arrangements and possible cooperation on research and development activities. Fate will continue to utilize our Nere tire production and sales and marketing capabilities to expand market share in Latin America as well as the Cooper Zeta CDB passenger car tire. In 2015, Cooper also announced the development of our first all-terrain tire, the Discoverer STT PRO, designed exclusively for the Latin America market. We learned in mid-December of 2014 that the Discoverer STT PRO was named the 2015 Good Design Award from The Chicago Athenaeum: Museum of Architecture and Design and the Smart Design Center for Architecture and Urban Studies.

Teaming with Dealers in China to open Superfeel Centers

In July, it was announced that Cooper Asia is teaming with local dealer partners in China to open several Superfeel Centers. These centers offer an expansive array of tires for passenger cars, SUVs and other vehicle types in an enhanced shopping environment that also offers a host of tire-related and automotive services. Currently, there are seven Superfeel Centers in major Chinese cities.

Tire Safety Shifts into High Gear

In 2015, Cooper shifted its tire safety awareness efforts into high gear. The tire safety education efforts included a partnership with Newman’s Own racing—Arie Luyendyk Jr. and Tristan Nunez. On behalf of Cooper, Luyendyk shared tire safety information at the Rubber Manufacturers Association’s National Tire Safety Week in May by hosting a special video tutorial. He also appeared on national news media outlets to emphasize the importance of tire safety and deployed social media platforms to reach consumers, especially young drivers. In all, the campaign created 85 million audience impressions. Tristan Nunez is not only an up-and-coming auto racer, he’s an advocate for the distracted driving prevention. In October, Cooper joined then-19-year-old Nunez to address safety issues during National Teen Driver Safety Week. Among other efforts, Nunez appeared at the National Organizations for Youth Safety (NYSOY) Summit where he demonstrated tire safety tips and addressed dozens of high school students charged with going back to their schools to conduct peer education programs. He also traveled with the tire safety tour and traditional media, generating hundreds of thousands of audience impressions. Cooper is committed to these tire safety efforts to address tire safety and educating consumers, especially teens, about how to stay safe on the road.
Cooper continues to have a strong balance sheet and ample liquidity, which gives us the flexibility to invest appropriately in the business to support our strategic priorities while also generating return on invested capital (ROIC) in 2015.

In Asia, we invested in new tire building equipment to improve our ability to build tires for OE customers, a business that maintained a strong strategic fit within our existing manufacturing network.

In Latin America, we focused on creating tire designs specifically for that market across three major brands: Cooper, Mastercraft and Starfire.

Technology Drives Award-Winning Products

Cooper continued to add advanced technologies and innovative new products at our Global Technical Center and executed them at our regional Technical Centers in North America, Europe and Asia. Product introductions continued to play a critical role in driving Cooper’s growth in 2015, and each new product is set to release in 2016 as well.

In 2015, Cooper introduced the Discoverer STT Pro, a rugged, off-road tire designed for the most demanding conditions. The Discoverer STT Pro is currently available in 17 sizes ranging from 265/70R17 to 35x12.5R18.

In Asia, we introduced the Discoverer STT Pro to new regions. In Asia, we introduced the Cooper Zeon 4XS Sport high-performance SUV tire as well as the Cooper Zeon CSP3 passenger car tire, in 2015. Cooper also announced the development of our first Cook tire—designed exclusively for the Latin America market. We learned in December 2014 that the Discoverer SRX II, Cooper’s long-time luxury tire—scheduled for release in 2015—was named 2015 Good Design Awards from The Chicago Athenaeum: Museum of Architecture and Design and the European Centre for Architecture Art Design and Urban Studies.

Cooper’s stock price appreciated by 9.2 percent from December 31, 2014 to December 31, 2015, and we generated an 18 percent return on invested capital (ROIC) in 2015.

In 2015, Cooper announced a joint venture agreement with Ge Rui Da Rubber Co., Ltd. (GRT). This transaction is expected to provide additional TBR tire supply in Asia, a business that maintained a strong strategic fit within our existing manufacturing network. In 2015, we signed a joint venture agreement that was announced in 2014, with Ge Rui Da Rubber Co., Ltd. (GRT). This transaction is expected to tow large diameter tires and support growth in Asia.

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In the United States, our plant teams focused on investing in our business to support our strategic priorities while also delivering value to stockholders. In Asia, we continued to invest in our plant operations now serving multiple OE accounts. In Latin America, we focused on creating tires specifically for that market across three major brands: Cooper, Mastercraft and Starfire.

### Technology Drives Award-Winning Products

Technology continues to advance across Cooper's brands as it introduces new products and innovative new technologies. In 2015, Cooper was an innovator in achieving three percent improvement in fuel efficiency while lowering average tire weight by at least 20 percent. Cooper developed technologies that exceeded the project goals delivering an annual fuel efficiency improvement of 5.5 percent and weight reduction ranging from 23 percent to 37 percent in concept tires. While we have more work to do to fully assess commercial viability of the features behind this performance, Cooper has taken leaps forward in developing tire technologies with strong potential for consumer benefit.

Similarly, Cooper is doing innovation when it comes to advancing Cooper's operational performance. We are the lead entity in the Biomass Research and Development Initiative (BRID) working under a grant from the U.S. Department of Agriculture to conduct research on developing the Guayule plant as a sustainable source of natural rubber for the tire industry. For the first time, Cooper's engineers, working under this grant, have completed development and testing of 10 prototype tire components.

In August 2015, we hosted the industry’s first ride and drive event on Guayule concept tires, which showed positive promise to be equal or superior to tires made using traditional Hevea natural rubber. The BRD group, led by Cooper, continues its work and expects to have a prototype tire made with 100 percent of the natural and synthetic rubber blended replaced by Guayule natural rubber as early as 2017.

### Tire Safety Shifts into High Gear

In 2015, Cooper shifted its tire safety awareness efforts into high gear by teaming up with two notable names in auto racing—Arie Luyendyk Jr. and Tristan Nunez. On behalf of Cooper, Luyendyk shared tire safety information during the Rubber Manufacturers Association’s National Tire Safety Week in May by hosting a special video tutorial. He also appeared on national news media outlets to emphasize the importance of tire safety and deployed social media platforms to reach consumers, especially young drivers. In all, the campaign created 85 million audience impressions. Tristan Nunez is not only an up and coming auto racer, he’s an advocate for a distracted driving prevention. In October, Cooper joined then-19-year-old Nunez to address safety issues at the National Teen Driver Safety Week. Among other efforts, Nunez appeared at the National Organizations for Youth Safety (NOYS) Summit where he demonstrated tire safety tips and addressed dozens of high school students charged with going back to their schools to conduct peer education programs. He also appeared on multiple local and traditional media, generating hundreds of thousands of audience impressions. Cooper is committed to taking tire safety efforts to address tire safety and educating consumers, especially teens, about how to stay safe on the road.

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**Teaming with Dealers in China to open Superfeels Centers.**

In July, it was announced that Cooper Asia is working with local dealer partners in China to open several Superfeels Centers. These centers offer an experience area of tires for passenger cars, SUVs and other vehicle types in an enhanced shopping environment that also offers a host of tire related and auto services. Currently, there are seven Superfeels centers in major Chinese cities.

**Net Sales Increase to $2.97 Billion**

Full year sales for 2015 were $2.97 billion. Excluding CCT, which contributed revenue of $846 million in 2014, this represents a 3.3 percent increase over 2014.

**Vehicle Unit Volume**

In 2015, total company unit volumes, excluding CCT, increased 9.3 percent in 2015 driven by increases in all regions.

**Full Year Net Income of $213 Million, or $3.69 per Share**

Full year net income was $213 million, or $3.69 per share, compared to $176 million, or $2.89 per share, in 2014. Full year net income in 2015 includes a pre-tax net loss of $14 million related to the $50 million redemption of the 9.6 million shares for $326 million, at an average price of $64.31.

**Net Income was $213 Million, or $3.69 per Share**

Full year net income was $213 million, or $3.69 per share, compared to $176 million, or $2.89 per share, in 2014. Full year net income in 2015 includes a pre-tax net loss of $14 million related to the $50 million redemption of the 9.6 million shares for $326 million, at an average price of $64.31.

**Company-Operated Retail Centers**

Our company-operated retail centers now serve over 800 retail dealerships in the U.S. and Canada, with another 350 serving dealerships in China. These retail centers operate under the Cooper Tire & Rubber Company brand name (Cooper) and the Mastercraft brand name.

**Capital Expenditures of $183 Million as we Invest in our Business**

Capital expenditures totaled $183 million as we invested in the business in support of our strategic priorities and position ourselves for future growth.

**In the United States, our plant teams focused on investing in our business to support our strategic priorities while also delivering value to stockholders.**

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In October, Cooper joined The Manufacturing Institute’s “Dream It. Do It.” initiative, becoming part of a network of organizations that believe the goal of enhancing the image of career in manufacturing among youth and addressing the widening skills gap in the nation’s manufacturing workforce is a top priority. In Cooper’s first year of focus, we’ve secured our efforts on National Manufacturing Day events for middle school students, as this is a critical age when young people are forming their first opinions about future careers. In all, more than 4,000 8th grade students participated in highly interactive events hosted by our company that reached a wide range of Cooper employees from researchers and engineers who design, develop and test tires to tire builders, production workers and facility maintenance personnel.

Confident in Where We’re Going: 2016 and Beyond

Our performance in 2015 gives us confidence that Cooper is making the right investments in the business to help us compete effectively. Our focus in 2016 continues to be guided by our strategic plan, which calls for:

- Driving top-line profit growth
- Developing a competitive cost structure and improving profitability
- Strengthening our organizational capabilities

Thank you for your support during my nearly 10 years leading Cooper. As previously announced, I plan to retire as Chairman, Chief Executive Officer and President effective August 31, 2016. Consistent with Cooper’s succession plan, the Board of Directors plans to elect our Chief Operating Officer, Brad Hughes, as President and Chief Executive Officer upon my retirement. He is also expected to join our company’s Board of Directors at that time. In conjunction with this transition, current Lead Independent Director Tom Capo is expected to become the Non-Executive Chairman of the Board effective upon my retirement.

These appointments are in line with our long-term leadership succession plan and we expect a smooth and orderly transition.

The Company has filed the certification required by the Exchange Act, including Exhibit 32, at the Securities and Exchange Commission. On May 12, 2015, the Company filed an exhibit to its Form 10-K for the fiscal year ending December 31, 2014.

TO OUR STOCKHOLDERS:

It was an exciting year for Cooper in 2015 as we took numerous steps around the globe to continue to transform and enhance our business. Our fourth quarter and full year 2015 performance was excellent, with unit volumes increase in all regions and operating profit of $334 million, or 11.9 percent of net sales, which is a record after excluding CCT, our former joint venture in China, from prior years. In fact, this result exceeds our mid-term financial goal which is to generate 8 to 10 percent operating profit margin.

Record Operating Profit in Americas Segment Drives Performance

Record operating profit in our Americas Tire Operations segment was the main driver of our outstanding operating performance in 2015. The Americas segment, as well as other factors, resulted in an operating loss. Despite difficult ends in some of our international regions, we continue to see encouraging trends in unit volumes and are optimistic about the future.
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Confident in Where We’re Going: 2016 and Beyond

Our performance in 2015 goes to show that Cooper is making the right investments in the business to help us compete effectively. Our focus in 2016 continues to be guided by our strategic plan, which calls for:

- Developing a competitive cost structure and improving profitability
- Strengthening our organizational capabilities
- Increasing our focus on raw materials used in tires as part of National Manufacturing Day events,

These appointments are in line with our long-term leadership succession plan and we expect a smooth and orderly transition. It has been my honor and privilege to lead Cooper. This is the right time for me to pass on the torch of leadership at Cooper to Roy Armes, who is also expected to join our company’s Board of Directors at that time. In conjunction with this transition, our Board has decided to elect our Chief Operating Officer, Brad Hughes, as President and Chief Executive Officer effective upon my retirement. He is also expected to join our company’s Board of Directors.

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It was an exciting year for Cooper in 2015 as we took numerous steps around the globe to continue to transform and enhance our business. Our fourth quarter and full year 2015 performance was excellent, with unit volume increases in all regions and operating profit of $354 million, or 11.9 percent of net sales, which is a record after excluding CCT, our former joint venture in China, from prior years. In fact, this result exceeds our mid-term financial goal which is to generate 8 to 10 percent operating profit margin.

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Record operating profit in our Americas Tire Operations segment was the main driver of our outstanding operating performance for the year. In the Operations segment, we achieved record profitability as well as other factors, resulted in an operating loss. Despite difficult markets and in some of our international regions, we continue to see encouraging trends in unit volumes and other factors are optimistic about the future.

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