UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(X) Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For Quarterly Period Ended April 30, 2001

( ) Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Transition Period from ________________ to ________________

Commission File Number 1-8597

The Cooper Companies, Inc.
(Exact name of registrant as specified in its charter)

Delaware	94-2657368
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6140 Stoneridge Mall Road, Suite 590, Pleasanton, CA 94588
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (925) 460-3600

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 (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of issuer's classes of common stock, as of the latest practicable date.

Common Stock, $.10 Par Value	14,946,132 Shares
Class	Outstanding at May 31, 2001

THE COOPER COMPANIES, INC. AND SUBSIDIARIES

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PART I. FINANCIAL INFORMATION
Item 1. Financial Statements
THE COOPER COMPANIES, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Income
(In thousands, except for per share amounts)
(Unaudited)

	Three Months Ended April 30,		Six Months Ended April 30,	
	2001	2000	2001	2000
Net sales	$ 56,027	$ 50,769	$104,926	$ 91,173
Cost of sales	19,713	18,285	36,503	32,057
Gross profit	36,314	32,484	68,423	59,116
Selling, general and administrative expense	20,600	19,320	40,938	36,084
Research and development expense	897	676	1,781	1,324
Amortization of intangibles	1,187	1,111	2,409	2,091
Operating income	13,630	11,377	23,295	19,617
Interest expense	901	1,268	1,900	2,649
Other income (expense), net	(49)	60	777	460
Income before income taxes and cumulative effect of change in accounting principle	12,680	10,169	22,172	17,428
Provision for income taxes	3,970	3,406	7,153	5,838
Income before cumulative effect of change in accounting principle	8,710	6,763	15,019	11,590
Cumulative effect of change in accounting principle	-	-	-	(432)
Net income	$ 8,710	$ 6,763	$ 15,019	$ 11,158
Earnings per share:				
Basic:				
Income before cumulative effect of change in accounting principle	$ 0.59	$ 0.48	$ 1.03	$ 0.82
Cumulative effect of change in accounting principle	-	-	-	(0.03)
Earnings per share	$ 0.59	$ 0.48	$ 1.03	$ 0.79
Diluted:				
Income before cumulative effect of change in accounting principle	$ 0.58	$ 0.47	$ 1.00	$ 0.80
Cumulative effect of change in accounting principle	-	-	-	(0.03)
Earnings per share	$ 0.58	$ 0.47	$ 1.00	$ 0.77
Number of shares used to compute earnings per share:				
Basic	14,717	14,130	14,603	14,099
Diluted	15,124	14,438	14,976	14,399

See accompanying notes.

THE COOPER COMPANIES, INC. AND SUBSIDIARIES
Consolidated Condensed Balance Sheets
(Unaudited)

	April 30, 2001	October 31, 2000
ASSETS	(In thousands)	
Current assets:		
Cash and cash equivalents	$ 11,897	$ 14,608
Trade receivables, net	40,417	33,058
Marketable securities	4,338	-
Inventories	44,008	38,219
Deferred tax assets	17,737	17,800
Other current assets	9,648	9,000
Total current assets	128,045	112,685
Property, plant and equipment, net	51,606	47,933
Goodwill and other intangibles, net	111,946	110,854
Deferred tax assets	37,105	42,979
Other assets	2,389	8,114
	$ 331,091	$ 322,565
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	$ 9,886	$ 8,094
Accounts payable	9,668	7,733
Accrued acquisition costs	5,666	18,900
Accrued income taxes	7,359	8,033
Other current liabilities	21,841	22,515
Total current liabilities	54,420	65,275
Long-term debt	41,956	40,257
Other noncurrent liabilities	12,645	18,595
Total liabilities	109,021	124,127
Contingencies (Note 8)		
Stockholders' equity:		
Common stock, $.10 par value	1,561	1,519
Additional paid-in capital	268,507	257,994
Accumulated other comprehensive loss	(5,816)	(3,558)
Accumulated deficit	(31,480)	(46,210)
Other	(219)	(129)
Treasury stock at cost	(10,483)	(11,178)
Total stockholders' equity	222,070	198,438
	$ 331,091	$ 322,565

See accompanying notes.

THE COOPER COMPANIES, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Cash Flows
(In thousands)
(Unaudited)

	Six Months Ended April 30, 2001	Six Months Ended April 30, 2000
Cash flows from operating activities:		
Net income	$ 15,019	$ 11,158
Depreciation and amortization	5,068	4,200
Deferred income taxes	6,303	4,750
Net (increase) decrease in working capital	(11,862)	279
Net decrease in non-current liabilities and other comprehensive income	(5,169)	(5,163)
Net decrease in non-current assets	737	691
Net cash provided by operating activities	10,096	15,915
Cash flows from investing activities:		
Purchases of property, plant and equipment	(7,179)	(6,194)
Acquisitions of businesses	(19,793)	(23,477)
Other	(61)	(69)
Net cash used by investing activities	(27,033)	(29,740)
Cash flows from financing activities:		
Net proceeds from short-term line of credit	3,148	16,000
Repayments of long-term debt	(1,177)	(18,830)
Proceeds from long-term debt	1,564	-
Dividends on common stock	(289)	(564)
Exercise of stock options	10,839	-
Other	-	944
Net cash provided (used) by financing activities	14,085	(2,450)
Effect of exchange rate changes on cash and cash equivalents	141	100
Net decrease in cash and cash equivalents	(2,711)	(16,175)
Cash and cash equivalents - beginning of period	14,608	20,922
Cash and cash equivalents - end of period	$ 11,897	$ 4,747

See accompanying notes.

THE COOPER COMPANIES, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Comprehensive Income
(In thousands)
(Unaudited)

	Three Months Ended April 30,		Six Months Ended April 30,	
	2001	2000	2001	2000
Net income	$ 8,710	$ 6,763	$ 15,019	$ 11,158
Other comprehensive income (loss):				
Foreign currency translation adjustment	(677)	(939)	(336)	(1,332)
Change in value of derivative instruments	(26)	-	(741)	-
Unrealized loss on marketable securities, net of tax benefit of $635	(1,004)	-	(1,181)	-
	(1,707)	(939)	(2,258)	(1,332)
Comprehensive income	$ 7,003	$ 5,824	$ 12,761	$ 9,826

See accompanying notes.

THE COOPER COMPANIES, INC. AND SUBSIDIARIES
Notes to Consolidated Condensed Financial Statements
(Unaudited)

Note 1. General

The Cooper Companies, Inc. ("Cooper" or "we" and similar pronouns), through its principal subsidiaries, develops, manufactures and markets healthcare products. CooperVision ("CVI") markets a range of specialty contact lenses to correct visual defects, including toric lenses that correct astigmatism, cosmetic lenses that change or enhance the appearance of the eyes' natural color and aspheric lenses that improve vision in low light conditions. Its leading products are disposable-planned replacement toric and spherical lenses. CooperSurgical ("CSI") markets diagnostic products and surgical instruments and accessories to the women's healthcare market.

During interim periods, we have followed the accounting policies described in our Form 10-K for the fiscal year ended October 31, 2000. Please refer to this and to our Annual Report to Stockholders for the same period when reviewing this Form 10-Q. Current results are not a guarantee of future performance.

The unaudited consolidated condensed financial statements presented in this report contain all adjustments necessary to present fairly Cooper's consolidated financial position as of April 30, 2001 and October 31, 2000, the consolidated results of its operations for the three and six months ended April 30, 2001 and 2000 and its consolidated cash flows for the six months ended April 30, 2001 and 2000. Adjustments consist only of normal recurring items except for:

- In the first quarter of 2000, an adjustment recorded for the adoption of the American Institute of Certified Public Accountants' Statement of Position 98-5, "Reporting on the Cost of Start-up Activities," which resulted in an after tax loss of $432,000 from cumulative effect of change in accounting principle.

- In the first quarter of 2001, a transaction between Quidel and Litmus, affecting our investment in Litmus, resulted in $719,000 of other income.

- In the first quarter of 2001, we incurred about $700,000 of additional SGA costs related to integration of acquisitions at CSI.

Note 2. Inventories, at the Lower of Average Cost or Market

	April 30, 2001	October 31, 2000
	(In thousands)	
Raw materials	$ 9,737	$ 9,740
Work-in-process	6,230	6,056
Finished goods	28,041	22,423
	$44,008	$38,219

Note 3. Acquisitions

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.

The acquisition agreement provided for additional earn-out payments based on Aspect's performance over the three years prior to November 2000. The earn-out calculation resulted in a total earn-out amount of 'L'13.5 million (about $20.5 million). One payment of 'L'2.3 million was made December 11, 2000. Future payments of (pound)8.8 million and (pound)2.4 million will be made on June 11, 2001 and December 11, 2001, respectively. On December 11, 2000, 'L'8.8 million was converted into a note payable ($12.1 million, net of certain contractual amounts) to a selling shareholder of Aspect who was an employee of the Company at that time, but not an officer.

Acquisition of LuMax Product Line from MedAmicus: On April 25, Cooper's CooperSurgical (CSI) unit completed the purchase of the LuMax System from MedAmicus, Inc. Cooper paid approximately $4 million in cash at closing, with $700,000 due at a later date, for the LuMax System that had revenue of about $4 million in 2000. Of the $4.7 million purchase price, $3.6 million has initially been ascribed to goodwill pending the final purchase price allocation.

The LuMax System - a monitor and disposable catheters - helps to diagnose the cause of female incontinence, the accidental loss of urine resulting in a medical or hygienic problem. It uses patented fiber optic transducer technology to measure and monitor the physiological factors associated with female urinary function. These urodynamic studies are performed in a variety of settings including hospitals, clinics and physicians' offices, and the resulting data is used to develop treatment strategies.

Gynecologists purchase over 80 percent of LuMax Systems, with revenue split about equally between monitors and disposable catheters.

Note 4. Adoption of Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities"

We adopted SFAS 133 in the first quarter of 2001. In accordance with SFAS 133, we have recorded all derivative instruments at fair value on our consolidated condensed balance sheet. Because all of our transactions that included derivatives met the specific hedging criteria set out in SFAS 133, the $741,000 reduction in fair value, for the six-month period, was recorded as a charge against other comprehensive income and did not reduce net income for the period.

Note 5. Debt

	April 30, 2001	October 31, 2000
	(In thousands)	
Short-Term:		
Notes payable to banks	$ 8,006	$ 6,062
Current portion of long-term debt	1,880	2,032
	$ 9,886	$ 8,094
Long-Term:		
Promissory notes - Aspect	$20,385	$20,653
KeyBank line of credit	10,155	7,059
Aspect Vision bank loans	5,001	5,264
County of Monroe Industrial Development Agency ("COMIDA") bond	2,330	2,455
Other	-	26
Capitalized leases	5,965	6,832
	43,836	42,289
Less current installments	1,880	2,032
	$41,956	$40,257

KeyBank Line of Credit: At April 30, 2001, we had $32.6 million available under the KeyBank line of credit.

Line of credit summary:
(in millions)

Amount of line	$50.0
Loans	(10.2)
Letters of credit backing other debt	(7.2)
Available credit	$32.6

Note 6. Earnings Per Share ("EPS")

(In thousands, except for per share amounts)

	Three Months Ended April 30,		Six Months Ended April 30,	
	2001	2000	2001	2000
Income before cumulative effect of change in accounting principle	$ 8,710	$ 6,763	$15,019	$11,590
Cumulative effect of change in accounting principle	-	-	-	(432)
Net income	$ 8,710	$ 6,763	$15,019	$11,158
Basic:				
Weighted average common shares	14,717	14,130	14,603	14,099
Basic earnings per share:				
Continuing operations	$ 0.59	$ 0.48	$ 1.03	$ 0.82
Cumulative effect of change in accounting principle	-	-	-	(0.03)
Basic earnings per share	$ 0.59	$ 0.48	$ 1.03	$ 0.79
Diluted:				
Weighted average common shares	14,717	14,130	14,603	14,099
Add dilutive securities:				
Options	407	308	373	300
Denominator for diluted earnings per share	15,124	14,438	14,976	14,399
Diluted earnings per share:				
Continuing operations	$ 0.58	$ 0.47	$ 1.00	$ 0.80
Cumulative effect of change in accounting principle	-	-	-	(0.03)
Diluted earnings per share	$ 0.58	$ 0.47	$ 1.00	$ 0.77

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.

	Three Months Ended April 30,		Six Months Ended April 30,	
	2001	2000	2001	2000
Number of shares excluded	238,000	784,250	299,580	784,250
Range of exercise prices	$43.20-$62.21	$30.69-$62.21	$39.25-$62.21	$30.69-$62.21

Note 7. Income Taxes

The effective tax rate ("ETR") used to record the provision for income taxes of $4 million and $7.2 million for the three and six months ended April 30, 2001 was 31.3% and 32.3%, respectively. Based on updated full year projections, we revised our ETR for continuing operations from 33% to 32% in the second quarter of 2001. This change, along with the taxes related to the Quidel and Litmus transaction (see Note 1), resulted in the reported ETRs for the three and six months ended April 30, 2001. The ETR used to record the provision for income taxes of $3.4 million and $5.8 million for the three and six months ended April 30, 2000 was 33.5%.

Note 8. Contingencies - Pending Litigation

On April 20, 2001, Wesley Jessen Corporation ("WJ") filed a lawsuit against CooperVision, Inc. in the United States District Court for the Central District of California, CV-01-03678. The lawsuit alleges that CooperVision's Frequency'r' Colors opaque contact lenses infringe on WJ's United States Patent No. 5,414,477 and seeks an injunction and damages. On May 3, 2001, WJ also filed a Motion for a Preliminary Injunction to stop sales of these lenses in the United States. CooperVision responded that the asserted patent is invalid and not infringed, and that WJ is otherwise not entitled to an injunction. The Court heard WJ's Motion for a Preliminary Injunction on June 11, 2001, but did not rule on it. WJ has also filed suit against the Company in England alleging that the Company's Frequency'r' Colors opaque lenses infringe on this and one other patent, and in France alleging that Frequency'r' Colors opaque lenses infringe on a third patent. Each of the lawsuits seeks an injunction and damages. The Company believes it does not infringe on WJ's valid patent rights used in the development and manufacture of opaque lenses, and will vigorously defend these actions.

Note 9. Cash Dividends

In the first quarter of fiscal 2001, Cooper announced that its Board of Directors approved an increase in the annual dividend from 8 cents to 10 cents per share, payable in semiannual installments of 5 cents per share. The first semiannual dividend payment will be made on July 5, 2001 to holders of record on June 15, 2001.

Note 10. Business Segment Information

Cooper is organized by product line for management reporting with operating income the primary measure of segment profitability. Corporate expenses are not allocated to the segments' operating income. Items accounted for below operating income are not considered when measuring segment profitability. The accounting policies used to generate segment results are the same as our overall accounting policies.

Identifiable assets are those assets used in continuing operations excluding cash and cash equivalents, which we deem to be corporate assets. Long-lived assets are property, plant and equipment and goodwill and other intangibles.

Segment information (in thousands):

	Three Months Ended April 30,		Six Months Ended April 30,	
	2001	2000	2001	2000
Sales to external customers:				
CVI	$43,212	$38,259	$ 78,837	$ 70,228
CSI	12,815	12,510	26,089	20,945
	$56,027	$50,769	$104,926	$ 91,173
Operating income:				
CVI	$12,946	$11,434	$ 22,374	$ 19,766
CSI	2,277	1,674	4,114	3,091
Corporate	(1,593)	(1,731)	(3,193)	(3,240)
Total operating income	13,630	11,377	23,295	19,617
Interest expense	(901)	(1,268)	(1,900)	(2,649)
Other income, net	(49)	60	777	460
Income before income taxes and cumulative effect of change in accounting principle	$12,680	$10,169	$ 22,172	$ 17,428

	April 30, 2001	October 31, 2000
Identifiable assets:		
CVI	$192,613	$180,433
CSI	71,034	66,428
Corporate	67,444	75,704
Total	$331,091	$322,565

Geographic information (in thousands):

	Three Months Ended April 30,		Six Months Ended April 30,	
	2001	2000	2001	2000
Sales to external customers by country of domicile:				
United States	$ 42,830	$ 37,749	$ 79,419	$ 67,345
Europe	9,483	9,052	18,453	17,026
Canada	3,714	3,968	7,054	6,802
	$ 56,027	$ 50,769	$104,926	$ 91,173

	April 30, 2001	October 31, 2000
Long-lived assets by country of domicile:		
United States	$ 72,924	$ 67,866
Europe	88,367	88,527
Canada	2,261	2,394
Total	$163,552	$158,787

Note 11. Subsequent Event

On May 25, 2001, CVI completed the acquisition of privately held CL-Tinters Oy (CLT), a manufacturer of cosmetic contact lenses. CLT applies the color tints to CVI's aspheric cosmetic contact lenses. Cooper paid approximately $14 million in cash at closing and will pay up to $7 million more if certain performance milestones are met subject to certain indemnifications.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Note numbers refer to "Notes to Consolidated Condensed Financial Statements" beginning on page 7 of this report.

Forward-Looking Statements: Some of the information included in this Form 10-Q contains "forward-looking statements" as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements regarding anticipated growth in our revenue, anticipated market conditions and results of operations. To identify forward-looking statements look for words like "believes," "expects," "may," "will," "should," "seeks," "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 in forward-looking statements include major changes in business conditions, a major disruption in the operations of our manufacturing facilities, new competitors or technologies, the impact of an undetected virus on our computer systems, acquisition integration delays or 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 including any related settlements, cost of business divestitures, the requirement to provide for a significant liability or to write off a significant asset, changes in accounting principles or estimates, and other factors described in our Securities and Exchange Commission filings, including the "Business" section in our Annual Report on Form 10-K for the year ended October 31, 2000. We caution investors that forward-looking statements reflect our analysis only on their stated date or the date of this Form 10-Q. We disclaim any intent to update them except as required by law.

Results of Operations

In this section we discuss the results of our operations for the second quarter and six months of fiscal 2001 and compare them with the same periods of fiscal 2000. We discuss our cash flows and current financial condition beginning on page 20 under "Capital Resources and Liquidity."

Second Quarter Highlights vs. 2000's Second Quarter:

- Sales up 10% to $56 million.

- Gross profit up 12%; margin improved 1 percentage point to 65% of revenue.

- Operating income up 20% to $13.6 million.

- Diluted earnings per share from continuing operations up 23% to 58 cents from 47 cents.

Six-Month Highlights:

- Sales up 15% to $104.9 million.

- Gross profit up 16% on constant margin of 65%.

- Operating income up 19% to $23.3 million.

- Diluted earnings per share from continuing operations up 25% to $1.00 from 80 cents.

Selected Statistical Information - Percentage of Sales and Growth

	Percent of Sales Three Months Ended April 30,			Percent of Sales Six Months Ended April 30,		
	2001	2000	% Growth	2001	2000	% Growth
Net sales	100%	100%	10%	100%	100%	15%
Cost of sales	35%	36%	8%	35%	35%	14%
Gross profit	65%	64%	12%	65%	65%	16%
Selling, general and administrative	37%	38%	7%	39%	40%	13%
Research and development	2%	1%	33%	2%	1%	35%
Amortization	2%	2%	7%	2%	2%	15%
Operating income	24%	22%	20%	22%	22%	19%

Net Sales: All of Cooper's revenue is generated by its two business units, CooperVision ("CVI") and CooperSurgical ("CSI"):

- CVI markets a broad range of contact lenses for the vision care market.

- CSI markets diagnostic products, surgical instruments and accessories for the gynecological market.

Our consolidated revenue grew $5.3 million (10%) and $13.8 million (15%), respectively, in the three- and six-month periods:

	Three Months Ended April 30,			Six Months Ended April 30,		
	2001	2000	% Incr.	2001	2000	% Incr.
	($ in millions)					
CVI	$ 43.2	$ 38.3	13%	$ 78.8	$ 70.2	12%
CSI	12.8	12.5	2%	26.1	21.0	25%
	$ 56.0	$ 50.8	10%	$ 104.9	$ 91.2	15%

CVI Revenue: CVI's worldwide core business, which we define as all revenue except our lower margin original equipment manufacturer ("OEM") sales to other contact lens manufacturers, grew 17% and 16% for the three- and six-month periods, respectively.

	Second Quarter 2001	% Total	% Change from Second Quarter 2000	Six Months 2001	% Total	% Change from Six Months 2000
Core business:						
U.S.	$26.4	61%	6%	$49.3	63%	10%
International	16.2	38%	39%	28.5	36%	29%
Worldwide	42.6	99%	17%	77.8	99%	16%
OEM	0.6	1%	(63%)	1.0	1%	(67%)
Total CVI	$43.2	100%	13%	$78.8	100%	12%

Core Business: CVI's revenue growth is driven by volume rather than by price. Our average selling price on a per lens basis is decreasing, reflective of increased sales of disposable-planned replacement (DPR) lenses, which are marketed in multiple lens packaging. This is an industry trend. Worldwide sales of all DPR products grew 25% and 23% in the three- and six-month periods, respectively.

The growth in international markets of 39% in the second quarter and 29% for the six-month period includes the negative effect on reported revenue of weakness in the pound sterling, the euro and the Canadian dollar, which decreased in value against the U.S. dollar as follows:

	Percentage Decrease Against U.S. Dollar	
	Second Quarter	6 Months
Pound Sterling	9%	10%
Euro	6%	9%
Canadian Dollar	6%	5%

In constant currency, our international core business grew 46% in the second quarter and 37% in the 6-month period. International revenue for the second quarter of this year includes an initial shipment of $2.2 million to Rohto, our distributor in Japan.

Revenue in the United States grew 6% and 10%, respectively, in the three- and six-month periods. Sales of soft contact lenses grew 8% and 11%, respectively, in the same periods. In the second quarter of last year CVI stocked two new products and, in the fourth quarter of that same fiscal year sold its rigid gas permeable contact lens business. Excluding these events, CVI's overall second quarter domestic revenue grew 10%.

OEM Business: Our OEM business continued to decline, in line with our strategy to shift our sales mix toward more profitable branded products and away from making contact lenses for our competitors at much lower margins.

CSI Revenue: CSI's second quarter revenue increased 2% to $12.8 million and is up 25% year to date. When adjusted for a back order of about $600,000, which was due to a problem with a supplier and has been shipped in the third quarter, revenue grew 7% for the quarter and 28% for the six-month period.

Revenue from CSI's existing products, including the backorder, grew 11%. Sales this year were increased by about $800,000 from recent acquisitions and sales in 2000's second quarter included about $1.2 million from products inherited with the Leisegang acquisition, which have since been discontinued. Using this same metric, CSI's growth in its ongoing, organic business year-to-date is 8%.

Cost of Sales/Gross Profit: Gross profit as a percentage of sales ("margin") was as follows:

	Margin % Three Months Ended April 30,		Margin % Six Months Ended April 30,	
	2001	2000	2001	2000
CVI	68%	68%	69%	68%
CSI	54%	53%	53%	54%
Consolidated	65%	64%	65%	65%

We believe that CVI's margins can continue to approach 70% of revenue going forward, excluding the effect of a major change in product or geographic mix, which could result from substantial increases in sales to our Japanese distributor, which generate lower margins. A firming of the pound sterling would also tend to decrease margins, as we manufacture a significant portion of our inventory in the U.K.

At CSI, subject to the effect of future acquisitions and/or strategic alliances, we expect that, as recent acquisitions become fully integrated, our margins will return to, and perhaps surpass 56%, the level reported for the first quarter of 2000.

Selling, General and Administrative ("SGA") Expense:

	Three Months Ended April 30,			Six Months Ended April 30,		
	2001	2000	% Incr.	2001	2000	% Incr.
			($ in millions)			
CVI	$15.3	$13.5	13%	$29.8	$26.2	14%
CSI	3.7	4.1	(10%)	7.9	6.7	18%
Headquarters	1.6	1.7	(6%)	3.2	3.2	-
	$20.6	$19.3	7%	$40.9	$36.1	13%

As a percentage of sales, SGA decreased from 38% to 37% for the three-month periods and from 40% to 39% for the six-month periods. SGA at CSI included about $700,000 of costs incurred in the first quarter to complete the integration of Leisegang and MedaSonics, two recently acquired businesses. Without these one-time costs, CSI's SGA as a percentage of sales decreased from 32% in the 2001 six-month period to 28%, and total SGA decreased from 40% of sales in the 2001 six-month period to 38%. CVI's 14% increase in SGA primarily resulted from marketing costs associated with new product launches.

Research and Development ("R&D") Expense: We expect R&D spending to remain a low percentage of sales as Cooper is focusing on acquiring or licensing products that will not require large expenditures of time or money before introduction.

Operating Income: Income from operations improved by $2.2 million, or 20%, and $3.7 million, or 19%, for the three- and six-month periods:

	Three Months Ended April 30,			Six Months Ended April 30,		
	2001	2000	Incr.	2001	2000	Incr.
			($ in millions)			
CVI	$12.9	$11.4	$1.5	$22.4	$19.8	$2.6
CSI	2.3	1.7	0.6	4.1	3.1	1.0
Headquarters	(1.6)	(1.7)	0.1	(3.2)	(3.3)	0.1
	$13.6	$11.4	$2.2	$23.3	$19.6	$3.7

Interest Expense: Reductions of 29% and 28% in the three- and six-month periods, respectively, relate to lowered interest rates and a net repayment of long-term debt of $17.4 million late in the first quarter of 2000. Also, favorable currency translation reduced interest expense on our pound sterling denominated debt, as did a lower outstanding balance in Q2 2001 vs. Q2 2000 on our KeyBank debt.

Other Income (Expense), Net:

	Three Months Ended April 30, 2001	Three Months Ended April 30, 2000	Six Months Ended April 30, 2001	Six Months Ended April 30, 2000
	(In thousands)			
Interest income	$ 111	$ 67	$ 273	$ 278
Foreign exchange	(134)	(138)	(183)	(239)
Gain on Litmus/Quidel transaction	-	-	719	-
Gain on swap contract		-	-	240
Other	(26)	131	(32)	181
	$ (49)	$ 60	$ 777	$ 460

In this year's first quarter, Quidel Corporation acquired Litmus Concepts, Inc. through an exchange of common stock. We held a preferred equity position in Litmus, which equated to approximately a 10 percent ownership. As a result of this transaction, we recorded a gain below the operating income line of approximately $700,000, as the market value of the Quidel shares received exceeded the carrying value of our investment in Litmus.

In the first quarter of 2000, we repaid our Midland Bank debt on which we had entered into an interest rate swap to convert it from variable interest rate debt to fixed rate. As the swap was then no longer required, and our policy is only to enter into derivative instrument transactions to manage specific risks, we canceled the swap, realizing a gain of $240,000.

Provision for Income Taxes: We estimate that our effective tax rate ("ETR") for the full fiscal year 2001 will be 32%, down from the 33.5% estimated as of January 31, 2001. In consequence, our ETR for the second quarter of 2001 was 31.3%.

We implemented a global tax plan in fiscal 1999 to minimize both the taxes reported in our statement of income and the actual taxes we will have to pay once we use all the benefits of our net operating loss carryforwards ("NOLs"). Assuming no major acquisitions or large stock issuances, we currently expect to reduce our ETR to below 30% over the next several years. This plan could possibly extend the cash flow benefits of the NOLs through 2003. We expect that actual cash payments of taxes will average below 7% of pretax profits over this period.

Cumulative Effect of Change in Accounting Principle: In the first quarter of 2000, we recorded a charge of $432,000 net of taxes to implement a new accounting principle regarding the accounting for start up costs. Our implementation in the first quarter of this year of SFAS 133 regarding accounting for derivatives in the first quarter of 2001 did not result in a requirement to record a cumulative change due to immateriality.

Capital Resources & Liquidity

Second Quarter Highlights:

- Operating cash flow $7.6 million vs. $10.6 million in 2000's second quarter.

- "Cash flow" (pretax income from continuing operations plus depreciation and amortization) per diluted share $1.01 vs. 86 cents in 2000's second quarter.

- Expenditures for purchases of property, plant and equipment (PP&E) $3.9 million vs. $2.9 million in 2000's second quarter.

Six-Month Highlights:

- Operating cash flow $10.1 million vs. $15.9 million in the first half of 2000.

- Cash flow per diluted share $1.82 vs. $1.50 in the first half of 2000.

- Cash payments for acquisitions totaled $19.8 million.

- Expenditures for purchases of PP&E $7.2 million vs. $6.2 million in the first half of 2000.

Comparative Statistics (Dollars in millions, except per share amounts):

	April 30, 2001	October 31, 2000
Cash and cash equivalents	$11.9	$14.6
Total assets	$331.1	$322.6
Working capital	$73.6	$47.4
Total debt	$51.8	$48.4
Ratio of debt to equity	0.23:1	0.24:1
Debt as a percentage of total capitalization	19%	20%
Operating cash flow - twelve months ended	$35.2	$41.0
Cash flow per diluted share - twelve months ended	$3.82	$3.51

Operating Cash Flows: Our major source of liquidity continues to be cash flow provided by operating activities, which totaled $10.1 million in the first half of fiscal 2001 and $35.2 million over the twelve-month period ended April 30, 2001.

Major uses of cash for operating activities in the first half of fiscal 2001 included payments of $3.5 million to settle disputes, $1.7 million to fund entitlements under Cooper's bonus plans and $579,000 in interest payments. The first two items have historically led to Q1 being our weakest operational cash flow quarter.

Investing Cash Flows: The cash outflow of $27 million from investing activities resulted from acquisitions of businesses including $15.3 million paid to former Aspect Vision Care shareholders to partially fund required earn-out payments and $4 million paid for the acquisition of the LuMax product line (see note 3) and capital expenditures of $7.2 million.

Financing Cash Flows: Financing activities provided $14.1 million in cash, driven primarily by stock option exercises, which provided $10.8 million. We also paid dividends on our common stock of $289,000 in the half of fiscal 2001.

Outlook: We believe that cash and cash equivalents on hand of $11.9 million plus cash from operating activities will fund future operations, capital expenditures, cash dividends and smaller acquisitions. We may need additional funds for larger acquisitions and other strategic alliances. At April 30, 2001, we had over $32 million available under the KeyBank line of credit and, based on conversations with KeyBank, anticipate that additional financing would be available as required.

Risk Management: We are exposed to risks caused by changes in foreign exchange, principally pound sterling denominated debt and from operations in foreign currencies. We have hedged most of the debt by entering into contracts to buy sterling forward. We are also exposed to risks associated with changes in interest rates, as the interest rate on certain of our debt varies with the London Interbank Offered Rate.

Trademarks: Frequency'r' is a registered trademark and LuMax'TM'is a trademark of the Cooper Companies, Inc., its affiliates and subsidiaries or both.

Item 3. Quantitative and Qualitative Disclosure About Market Risk

See "Risk Management" under Capital Resources and Liquidity in Item 2 of this report.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The information required by this item is incorporated herein by reference to "Contingencies - Pending Litigation" under Note 8 of Notes to Consolidated Condensed Financial Statements in Part I, Item I of this report.

Item 4. Submission of Matters to a Vote of Security Holders

The 2001 Annual Meeting of Stockholders was held on March 28, 2001.

Each of the eight individuals nominated to serve as directors of the Company was elected:

Director	Shares For	Shares Against
A. Thomas Bender	9,938,250	3,314,669
Michael H. Kalkstein	12,970,459	282,460
Moses Marx	12,970,459	282,460
Donald Press	12,969,596	283,323
Steven Rosenberg	12,972,459	280,460
Allan E. Rubenstein, M.D.	12,972,457	280,462
Robert S. Weiss	12,972,182	280,737
Stanley Zinberg, M.D.	12,972,107	280,812

Stockholders approved the 2001 Long-Term Incentive Plan. A total of 10,075,425 shares were voted in favor of such approval, 3,154,099 shares were voted against it and 23,393 shares abstained.

Stockholders ratified the appointment of KPMG LLP as Cooper's independent certified public accountants for the fiscal year ending October 31, 2001. A total of 13,222,119 shares were voted in favor of the ratification, 24,015 shares were voted against it and 6,784 shares abstained.

PART II - OTHER INFORMATION -- Continued

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits.

Exhibit Number	Description
10.11*	Patent License Agreement dated December 2, 1997 among Anthony David Galley and Others and CooperVision, Inc.
11**	Calculation of Earnings Per Share.

* Confidential treatment has been requested from the Securities and Exchange Commission with respect to certain portions of this exhibit. Omitted portions have been filed separately with the Commission.

** The information called for in this exhibit is provided in Footnote 6 to the Consolidated Condensed Financial Statements in this report.

(b) Cooper filed the following reports on Form 8-K during the period from February 1, 2001 to April 30, 2001.

Date of Report	Item Reported
February 28, 2001	Item 5. Other Events
March 14, 2001	Item 5. Other Events
March 29, 2001	Item 5. Other Events
April 10, 2001	Item 5. Other Events
April 24, 2001	Item 5. Other Events

SIGNATURE

Pursuant to the requirements 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.

The Cooper Companies, Inc.

(Registrant)

Date: June 13, 2001

/s/ Stephen C. Whiteford

Vice President and Corporate Controller
(Principal Accounting Officer)

STATEMENT OF DIFFERENCES

The trademark symbol shall be expressed as..........................	'TM'
The registered trademark symbol shall be expressed as...............	'r'
The British pound sterling sign shall be expressed as...............	'L'

EXHIBIT INDEX

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** The information called for in this exhibit is provided in Footnote 6 to the Consolidated Condensed Financial Statements in this report.

Exhibit 10.11 CONFORMED COPY

Dated 2nd December 1997

ANTHONY DAVID GALLEY & OTHERS (1)

and

COOPER VISION INC. (2)

PATENT LICENCE AGREEMENT

Cameron McKenna
Mitre House
160 Aldersgate Street
London EC1A 4DD

T +44(0)171 367 3000
F +44(0)171 367 2000

PATENT LICENCE AGREEMENT

This Patent Licence Agreement is entered into as of December 2nd, 1997 by COOPER VISION INC. whose principal place of business is at 10 Faraday, Irvine, CA 92718, USA (hereinafter "CV") and Geoffrey H Galley of Red Lodge, The Close, Totteridge, London, N20 8PJ, Anthony Galley, Albert Morland, Barrie Bevis and Ivor Atkinson (all care of the said Geoffrey H Galley) (together "the Patent Owners").

WHEREAS: The Patent Owners are owners of a series of patents and patent applications

and

WHEREAS: CV wishes to secure a licence for itself and its affiliates under those patents and patent applications to manufacture contact lenses

and

WHEREAS: In consideration of The Cooper Companies, Inc. entering into the Umbrella Agreement the Patent Owners are willing to grant such a licence on the terms and conditions herein

Now it is hereby agreed as follows:

1. In this Agreement the following expressions shall have the following meanings:-

Affiliate	shall mean any company which directly or indirectly controls or is controlled by or is under common control with another company including as a subsidiary or holding company. For the purposes of this definition, "control" means the ownership of 100% of the issued share capital in or the legal power to direct or cause the direction of the general management and policies of the company in question.
Agreement	shall mean this Patent Licence Agreement.
AVC	shall mean Aspect Vision Care Limited
AVC Licence	shall mean the Patent Licence Agreement made between AVC and the Patent Owners dated 20 December 1993.

[*]	shall mean [*] Limited
[*] Option	shall mean the Option Agreement for the grant of a Patent and Knowhow Licence to [*] dated 13 January 1997 between the Patent Owners and [*].
CLT	shall mean Contact Lens Technologies Limited
CLT Licence	shall mean the Patent Licence Agreement made between CLT and the Patent Owners dated 4 December 1995.
Earn Out Agreement	shall mean the Agreement to be entered into on even date hereof between A D Galley, Aspect Vision Holdings Limited and the Cooper Companies, Inc.
Effective Date	shall mean the 1st of November 1997.
Improvement	shall mean any improvement, modification or addition to the Licensed Patents or to any Know-How.
Initial Term	shall mean the first five Years of this Agreement.
Know-How	shall mean all information to the extent that such information is not in the public domain (including that comprised in formulae, techniques, designs, specifications, drawings, components, lists, manuals, instructions and catalogues) relating to: (i) the composition or production of Lenses; (ii) the design, development, manufacture or use of Lenses; (iii) the repair and maintenance of Lenses; (iv) quality control; (v) tooling design.
Lenses	shall mean contact lenses produced in accordance with the Licensed Patents.

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Licensed Patents	shall mean the patents and applications deriving and prioritised from an original application which resulted in the granting of United Kingdom Patent No. GB 2,226,977 as listed in Exhibit 1 hereto, together with all other patent applications and patents as may in the future be derived therefrom.
Net Sales Value	shall, subject to adjustment in accordance with paragraph 6 of Part 1 of Schedule 2 of the Earn Out Agreement, mean [*].
Parties	shall mean CV and the Patent Owners.
Patents	shall mean the patents included in the Licensed Patents.
Patent Applications	shall mean the patent applications included in the Licensed Patents
Quarter	shall mean successive periods of three months beginning on the Effective Date.
[*]	shall mean [*].
[*] Licence	shall mean the Patent and Know-How Licence Agreement made between [*] and the Patent Owners dated 15 October 1996.
Umbrella Agreement	shall mean the Umbrella Agreement for the sale and purchase of the issued share capital of AVC and other companies to be entered into on even date hereof between A D Galley, Aspect Vision Holdings Limited and The Cooper Companies, Inc.
Year	shall mean each successive period of 12 calendar months commencing on the Effective Date.

1.2 In this Agreement:-

1.2.1 unless the context otherwise requires all references to a particular Clause, Exhibit or paragraph shall be a reference to that clause, exhibit or paragraph, in or to this Agreement as it may be amended from time to time pursuant to this Agreement;

1.2.2 the table of contents and headings are inserted for convenience only and shall be ignored in construing this Agreement;

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1.2.3 unless the contrary intention appears words importing the masculine gender shall be include the feminine and vice versa and words in the singular include the plural and vice versa; and

1.2.4 unless the contrary intention appears words denoting persons shall include any individual, partnership, company, corporation, joint venture, trust, association, organisation or other entity, in each case whether or not having separate legal personality.

2. GRANT OF LICENCE

2.1 The Patent Owners hereby grant to CV a world-wide, non-exclusive licence, to make, have made, use and sell Lenses under the Licensed Patents.

2.2 CV shall, subject to the terms of Clause 3.6 below, be entitled at any time without notifying the Patent Owners to sub-licence its rights hereunder to any Affiliate of CV and shall, subject to the terms of Clause 3.7 below, be entitled to sub-licence its rights hereunder to one or more third parties.

2.3 CV agrees that any sub-licences granted by it shall be personal to the sub-licensee, shall not be capable of further sub-licence by the sub-licencee, and shall not be assignable and shall not be inconsistent with this Agreement and shall not prejudice the Patent Owners' rights in terms of this Agreement. CV shall forward to the Patent Owners a copy of all fully executed sub-licences or sub-licence agreements entered into with sub-licensees from time to time within 28 days of execution thereof.

2.4 CV shall at all times during the continuance of this Agreement be responsible for the observance and performance by every sub-licensee of the terms and conditions of the sub-licence and shall use all reasonable endeavours to monitor and enforce the obligations of every sub-licensee in terms of the relevant sub-licence. Without prejudice to the foregoing generality, CV shall be bound to indemnify the Patent Owners in respect of any actions or omissions of the sub-licensee.

2.5 The Patent Owners have prior to the Effective Date granted licences to manufacture Lenses under the Licensed Patents to the following parties under the following agreements:-

2.5.1 to CLT under the CLT Licence;

2.5.2 to AVC under the AVC Licence;

2.5.3 to [*] under a Patent Licence Agreement dated 10 November 1995;

2.5.4 to [*] under the [*] Licence;

2.5.5 to [*] under a Patent Licence Agreement dated 6 July 1995; and

2.5.6 To Ocular Sciences Limited under a Patent Licence Agreement dated 27 February 1997.

The Patent Owners shall not grant any further licences of the Licensed Patents to third parties other than those listed in this Clause 2.5 without the prior written consent of CV provided that CV hereby consents to the grant by the Patent Owners of a licence of the Licensed Patents to [*] under the terms of the [*] Option.

2.6 If the Patent Owners make or acquire any Improvement relating to the Licensed Patents they shall, to the extent that they are not prohibited by law, by any undertaking given to others, or by considerations relating to security of a patent or other intellectual property right protection, promptly notify CV in writing giving details thereof and shall provide to CV free of charge such information or explanations as CV may reasonably require to be able legally and effectively to utilise the same for the term of this Agreement and the Patent Owners shall grant to CV a non-exclusive worldwide royalty-free licence to the use of Improvements disclosed by the Patent Owners hereunder on the same terms as those in this Agreement.

3. ROYALTIES

3.1 As consideration for the grant of this Licence CV will pay to the Patent Owners royalties as follows:

7.5% of the Net Sales Value of Lenses up to [*] per annum

5.0% of the Net Sales Value of Lenses in excess of [*] per annum

3.2 [*].

3.3 In the event that any of the Licensed Patents are revoked or declared invalid, CV shall cease from the date of such revocation or declaration to be obliged to make any payment in respect of any sale or other disposition of the Lenses in the country in which such revocation or declaration was made.

3.4 CV will only pay royalties of [*]% of the Net Sales Value on [*].

* Confidential treatment has been requested from the Securities and Exchange Commission. Omitted portions have been filed separately with the Commission

3.5 [*].

3.6 If CV grants any sub-licence to an Affiliate under Clause 2.2, CV shall account to the Patent Owners for royalties on sales of Lenses by that Affiliate in the same manner and upon the same terms as royalties upon CV's own sales of Lenses under this Agreement. Such sales shall count towards the threshold of [*] referred to in Clause 3.1.

3.7 If CV grants a sub-licence to a third party under Clause 2.2 then CV shall pay [*]% of all royalties and lump sums paid to CV and any other benefits whether in cash or in kind receivable by CV from any third party in consideration of the grant of such sub-licence over to the Patent Owners. The cash value of any benefits in kind shall be used in order to calculate the sums due to the Patent Owners under this clause.

3.8 The Patent Owners have licensed [*] to make Lenses using the Licensed Patents under the [*] Licence and may grant a licence to make Lenses to [*] under the [*] Option. The Patent Owners hereby agree that in the event that they become entitled to any royalty payments under either the [*] Licence or the agreed form licence annexed to the [*] Option they shall at CV's option either assign their right to receive [*]% of such royalty payments to CV or pay [*]% of royalty payments received from [*] and [*] to CV. The following provisions shall apply in respect of any royalty payments made by the Patent Owners to CV:-

3.8.1 Payments shall be due within 60 days following the end of each Quarter in pounds sterling and shall be accompanied by a royalty statement showing how the amount was calculated.

3.8.2 Payments shall be made to the bank account to be specified in writing by CV.

3.8.3 Interest shall be payable at 2.5% over the base rate of the National Westminster Bank on late payments calculated on a daily basis from the date on which royalties are due until receipt of payment in cleared funds by CV.

3.8.4 The Patent Owners shall maintain full and accurate records of royalties received under the [*] Licence and [*] Licence and shall keep such records at Geoffrey Galley's home address or at any other site provided that CV is kept advised in writing of the location of such records.

3.8.5 CV shall have the right, at any time (but not more than twice in any calendar year), upon giving 30 days' notice of its intention to do so, to have a firm of independent

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chartered accountants review the Patent Owners' books and records to verify the royalty statements provided to CV by the Patent Owners in respect of the [*] Licence and [*] Licence and to take copies of such information as required. CV shall maintain any information disclosed to it in the course of such review in complete confidence and shall not use such information for any purpose other than verifying the amount of royalty payable to it.

3.9 Under the [*] Licence and under the agreed form licence annexed to the [*] Option, the Patent Owners have an obligation to procure certain items listed in Schedule 3 to the said Licences including inter alia access to the Hamble manufacturing plant of AVC and CLT for up to [*] days in a 360 day period for the purpose of training and familiarisation with the manufacturing process. AVC and CLT are Affiliates of CV and CV agrees to co-operate and procure the co-operation of AVC and CLT with the Patent Owners so as to enable the Patent Owners to fulfil their obligations under Schedule 3 of the said Licences. In consideration therefor, the Patent Owners agree that if the cost to CV (which shall include the cost to AVC and CLT) of so co-operating exceeds the amount of royalties payable by [*] or [*] or the Patent Owners (as the case may be) to CV under Clause 3.8 in any Quarter, then CV shall notify the Patent Owners of the amount by which such cost exceeds the amount of such royalties in respect of each of [*] and [*] and the Patent Owners shall pay such amount to CV in accordance with the payment provisions set out in Sub-Clauses 3.8.1 to 3.8.5. For the purposes of this Clause 3.9, the cost to CV of co-operating with the Patent Owners and procuring the co-operation of AVC and CLT shall be calculated as:-

(i) the number of hours that each employee of AVC and CLT is reasonably and directly engaged in ensuring that the obligations of the Patent Owners are fulfilled multiplied by each such employee's hourly rate of pay multiplied by [*]%; plus

(ii) any other direct expenses reasonably incurred by AVC and CLT in that regard but on no account including indirect expenses,

such costs to be agreed by the Parties.

4. MINIMUM ROYALTIES

4.1 The minimum royalty payable to the Patent Owners under this Agreement will be 'L'1 million per Year ("the Minimum Level") for the Initial Term. There shall be no minimum royalty after the Initial Term.

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4.2 In the event that the royalty due to the Patent Owners pursuant to Clause 4.1 does not in any Year amount to the Minimum Level (a "Lean Year"), CV shall on the date for payment of royalty in respect of the final Quarter of that Lean Year pay to the Patent Owners such amount in addition to any royalty otherwise payable as represents the difference between the aggregate royalty arising in respect of sales of Lenses for that Year and the Minimum Level (the "Shortfall"), any amount so payable being deemed to be royalty for the purposes of this Agreement, PROVIDED THAT

4.2.1 if, in the Years prior to a Lean Year, CV has paid amounts in royalties which cumulatively exceed the aggregate Minimum Level for those Years, CV shall, for the purpose of calculating whether the Minimum Level has been achieved in the Lean Year, be entitled to set off against the Shortfall for that Year such part of the excess paid cumulatively in the previous Years over the Minimum Level for those previous Years as may be necessary to achieve the Minimum Level; and

4.2.2 if the royalty due to the Patent Owners in any Year or Years exceeds the Minimum Level, CV shall be entitled to set off against the royalties payable for that Year in excess of the Minimum Level an amount up to the total amounts paid by way of Shortfall in respect of any earlier Year or Years.

4.3 For the avoidance of doubt, it is acknowledged that the Parties intend the Patent Owners to receive minimum royalties of 'L'5 million in aggregate over the Initial Term.

5. PAYMENT

5.1 Within 60 days following the end of each Quarter, CV will pay to the Patent Owners in pounds sterling the royalty due for the previous Quarter or any period which is less than a Quarter together with a calculation showing how the figure was arrived at. Time shall become of the essence in relation to payments due to the Patent Owners under this Agreement after a period of 30 days following notification by the Patent Owners to CV that CV has failed to make a payment.

5.2 Payment shall be made to G H and A D Galley on behalf of the Patent Owners and it shall be the responsibility of the Patent Owners themselves to disburse any sums received in accordance with their respective rights and obligations. Payment shall be made directly to a bank account to be designated by the Patent Owners from time to time. Unless further advised, payments shall be made to the account of GH & AD Galley Royalties Account at [*].

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5.3 Notwithstanding the provisions of Clause 5.1, interest shall be payable at 2.5% over the base rate of the National Westminster Bank on late payment calculated on a daily basis from the date on which royalties are due until receipt of payment in cleared funds by the Patent Owners.

5.4 CV shall maintain full and accurate records of Lenses made, sold or otherwise disposed of and all royalties payable hereunder. Such records shall be kept at CV's principal place of business or at any of its designated manufacturing sites provided that the Patent Owners are kept advised in writing of the location of such records. Unless further advised, the Patent Owners understand that such records shall be kept at Aspect Vision Care Ltd., South Point, Hamble, Southampton SO31 4RF, United Kingdom.

5.5 The Patent Owners shall have the right, at any time (but not more than twice in any calendar year), upon giving 30 days notice of their intention to do so, to have a firm of independent chartered accountants review CV's books and records to verify the royalty statements provided to the Patent Owners by CV and to take copies of such information as required. The Patent Owners shall maintain any information disclosed to them in the course of such review in complete confidence and shall not use such information for any purpose other than verifying the amount of royalty payable to them.

5.6 For the purpose of calculating Net Sales Value in relation to sales not invoiced in pounds sterling, Net Sales shall be converted to pounds sterling at the rate being the average rate of the buying and selling rates of pounds sterling in respect of the currency in question offered by any one of the five largest banks in the UK over the Quarter the royalty payment is due for the Lenses in question.

6. Taxes

6.1 Subject to Clause 6.2 below, all payments to be made by CV to the Patent Owners under this Agreement shall be made free and clear of and without deduction or on account of any Relevant Tax.

6.2 In the event that any relief from deduction or withholding of any Relevant Tax may be available, the Patent Owners and CV agree and undertake that the Patent Owners will use all reasonable endeavours to complete Form 1001 (if appropriate) for US tax purposes and lodge the Form with CV so that an exemption from withholding tax be obtained under the applicable double tax treaty.

6.3 Subject to Clauses 6.1 and 6.2, if CV is required by law to make any payment under this Agreement subject to the deduction or withholding of any Relevant Tax the full amount required to be deducted or withheld to the relevant taxation or other authority shall be so deducted or withheld by CV under the applicable law and CV shall deliver to the Patent Owners within 30 days of actual receipt (or such shorter time after actual receipt as the applicable authority requires) a receipt or certified copy thereof or other appropriate evidence issued by such authority evidencing the payment to such authority of all amounts so required to be deducted or withheld in respect of such payment.

6.4 Subject always to Clause 6.5, in circumstances in which CV is required by law to make a payment under this Agreement subject to deduction or withholding in accordance with Clause 6.3 CV shall on the relevant payment dates pay to the Patent Owners, in addition to the royalties due under this Agreement, 50% of the Relevant Sum. For the purposes of this clause the Relevant Sum shall be the amount which is equal to the sum which would be required to be paid to the Patent Owners by CV to ensure that, after the making of such deduction or withholding as is required by Clause 6.3, the Patent Owners would receive and retain (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which they would have received and so retained had no such deduction or withholding of any Relevant Tax been made or been required to be made.

6.5 There shall be no obligation on CV to make a payment to the Patent Owners under Clause 6.4 if the Patent Owners in their reasonable opinion determine that, by virtue of the withholding or deduction referred to in Clause 6.3 they have received or will within a reasonable period receive, a credit against or any relief for, any tax paid or payable by the Patent Owners in respect of the payments due to them under this Agreement.

6.6 In this Clause 6, Relevant Tax means in relation to any payment which falls to be made under this Agreement any present or future tax of any nature now or hereafter imposed by the rules of any tax authority.

7. INTELLECTUAL PROPERTY

Except as provided for in this Agreement, CV recognises the Patent Owners' title to the Licensed Patents and shall not claim any right, title or interest in the Licensed Patents (save as provided for in this Agreement) or at any future time seek to register or use any of the Licensed Patents in its own name as proprietor.

8. ENFORCEMENT OF PATENTS AND PROSECUTION OF PATENTS

8.1 If any Party learns of any infringement or suspected infringement of a Licensed Patent or Know-How it shall promptly notify the other Parties. CV shall have the option and is hereby irrevocably authorised by the Patent Owners, at its own expense, and in the name of the Patent Owners, to take action against any such infringer or alleged infringer, and shall be entitled to any damages received related to such matter. If CV so take action against any such infringer or alleged infringer, CV shall in its absolute discretion determine what action if any shall be taken and shall have sole control over and shall conduct any such action as it shall deem necessary and the Patent Owners shall take such actions as CV reasonably requests (including but not limited to the use of its name in or being joined as a party to proceedings) to facilitate CV's actions, provided, however, that CV shall reimburse the Patent Owners for their reasonable expenses in assisting CV in such matter.

8.2 In the event that action taken by CV against an infringer pursuant to Clause 8.1 results in a court ruling in CV's favour and that the reasonable expenses incurred by CV in taking such action exceed the amount of damages payable to CV in relation to such matter, the Parties shall bear the remainder of such excess expenses [*]. Subject to the Patent Owners' agreement to the calculation of the amount due from them to CV, such amount shall be treated as a prepayment of royalties due to the Patent Owners under this Agreement. In any other circumstances, CV shall bear its own expenses incurred under Clause 8.1.

8.3 The Patent Owners agree that no licence shall be granted to any alleged infringer against whom CV or the Patent Owners have begun a court action unless and until CV or the Patent Owners have been satisfied to the extent of their damages.

8.4 The Patent Owners shall proceed with the prosecution of all Patent Applications as of the Effective Date and shall use diligent efforts to obtain patents for such Patent Applications, at the Patent Owners' expense. The Patent Owners shall keep CV apprised of the status of such Patent Applications.

* Confidential treatment has been requested from the Securities and Exchange Commission. Omitted portions have been filed separately with the Commission

8.5 The Patent Owners shall subject as hereinafter provided during the term of this Agreement pay all renewal fees and do all such acts and things as may be necessary to maintain in force the Patents and shall produce to CV the receipt for such renewal fees seven (7) days at the least before the last day for renewing any of such Patents (excluding periods allowed in extension of the time limit for renewing) and in default shall recognise the right of CV to pay the same and to be credited with the cost thereof. The Patent Owners shall reimburse CV for any fees paid by CV pursuant to this Clause 8.5 within fourteen (14) days of receiving from CV notification that CV has paid such fees.

8.6 The Patent Owners undertake during the life of this Agreement not to abandon or allow to lapse any of the Patents or to amend the specification of any of them or the specification accompanying any of the Patent Applications during the term of this Agreement without the prior written consent of CV.

9. INDEMNIFICATION

9.1 Subject to clause 9.2 the Patent Owners will indemnify and hold harmless CV (together with its officers, servants and agents) against any and all liability, loss, damages, costs (whether special, indirect, consequential, direct or otherwise) including attorney's fees

(i) that may be incurred in defending any claim or

(ii) awarded or agreed to be paid in respect of any claim, to any third party in respect of any claim or action that the possession or use of the Licensed Patents and Know How infringes the patents of the said third party. The Patent Owners shall have full conduct of such claims save that they shall not settle or otherwise compromise such claims without the prior written consent of CV, such consent to not be unreasonably withheld or delayed. If either Party learns of any infringement or suspected infringement of the patents of a third party as referred to above it shall promptly notify the other Party.

9.2 In the event of the Patent Owners becoming liable to CV under the provisions of Clause 9.1, the amount payable to CV under that Clause shall not exceed an amount equal to the amount of royalties payable to the Patent Owners under this Agreement from the date of a third party bringing an action against CV. Under no circumstances shall the Patent Owners be required to repay any royalties paid to them prior to the date of such action being brought. CV shall be entitled to suspend payment of royalties to the Patent Owners from the date of such action being brought provided that;

9.2.1 in the event the third party action is struck out for want of prosecution or otherwise or in any case when an action is lost by the third party, CV shall forthwith pay to the Patent Owners the amount of royalties falling due during the period of the suspension; and

9.2.2 in the event of a third party successfully bringing an action against CV for infringement of that third party's patent or patents ("Third Party Patent") by the possession or use by CV of one or more of the Licensed Patents, and CV paying royalties to that third party in respect of the Third Party Patent, CV shall in addition to suspending payments of royalties in respect of the appropriate Licensed Patent be entitled to deduct from any royalties due to the Patent Owners under this Agreement the amount of any royalties it pays to such third party in respect of the Third Party Patent.

10. TERM

This Licence shall remain in effect from the date hereof until the last of the Licensed Patents expires, is abandoned or is finally adjudicated invalid.

11. TERMINATION

11.1 This Agreement may be terminated forthwith by written notice from the Patent Owners in the event that CV are late in making any due and payable royalty payment by more than 30 days and if CV fails to make such payment together with all interest thereon within 30 days of any one of the Patent Owners notifying CV in writing requiring them to pay the same.

11.2 CV shall be entitled to terminate this Agreement forthwith by written notice with immediate effect if:

11.2.1 the Patent Owners are in breach of any of their obligations hereunder and fail to remedy such breach within 30 days of notice in writing requiring such remedy; or

11.2.2 all the Licensed Patents are revoked or declared invalid.

11.3 Termination of this Agreement shall not affect the accrued rights of the Parties arising in any way out of this Agreement as at the date of termination and in particular but without limitation the right to recover damages from the other.

11.4 Upon the termination of this Agreement or upon its expiry, CV shall forthwith return to the Patent Owners or permit the Patent Owners to enter onto its premises for the purpose of repossessing all drawings, data, material and other documents including without limitation, software supplied to CV by the Patent Owners and any copies of any of the same in its possession or under its control (whether or not containing Know-How) and shall procure the return of any of the same (and any copies) in the possession of or under the control of any third party.

11.5 Expiry of this Agreement or its termination for whatever cause shall not release CV from any of its obligations which expressly or by implication become effective or continue to be effective on or after the termination of this Agreement.

11.6 Termination of this Agreement for whatever cause or its expiry shall be without prejudice to the rights of the Parties in respect of any antecedent breaches or any other rights which may have arisen under this Agreement and shall not relieve any party from any existing obligation or liability which has arisen under this Agreement.

11.7 Upon termination of this Agreement all related sub-licences granted by CV shall immediately (unless the sub-licensee is then in default thereunder entitling CV to terminate such sub-licence) be deemed to be licences in the terms they were granted by CV, and shall continue as if originally granted by the Patent Owners, and the Patent Owners and CV shall enter into such further documents as may be needed to give effect to this SAVE THAT the Patent Owners shall not be bound to enter into any such arrangement unless they are satisfied that the terms of any such arrangement impose no obligations on the Patent Owners other than those incumbent on the Patent Owners pursuant to this Agreement.

12. REPRESENTATIONS AND WARRANTIES BY THE PATENT OWNERS

The Patent Owners hereby represent and warrant to CV as follows:

12.1 Ownership of Licensed Patents: The Patent Owners are the registered proprietors of the Patents and are entitled to the benefit of the Patent Applications and own all right, title and interest to the Licensed Patents, free and clear of any liens, charges or other encumbrances. The Patent Owners have not done or omitted nor will hereafter do or omit any act or thing whatsoever whereby the Licensed Patents may be invalidated encumbered or otherwise prejudicially affected or the due performance of this Agreement hindered or prevented.

12.2 No Other Applicable Patents: The Patent Owners do not own or have any other interest in any other patents or patent applications applicable to the cast moulding of Lenses.

12.3 Legal Proceedings : No default: No action, suit, proceeding or investigation so far as the Patent Owners are aware is pending or threatened by any person or entity which seeks to challenges the validity of the Licensed Patents and the Patent Owners are not aware of any basis therefor. The execution of this Agreement and the carrying out of its provisions will not result in a violation of any contract, agreement or obligation of the Patent Owners.

12.4 Authority: The Patent Owners have all requisite power and authority to enter into this Agreement and to carry out its terms. All actions on the part of the Patent Owners necessary for the authorisation, execution, delivery and performance of their obligations hereunder has been taken, and this Agreement, when executed and delivered by the Patent Owners shall constitute their valid and legally binding obligation, enforceable in accordance with its terms.

12.5 Patent Infringement: The Patent Owners are not aware of any other person or entity infringing any of the Licensed Patents, and are not aware of any reason why the Licensed Patents, or any claims thereof, could be challenged or invalidated.

12.6 No other licences: Other than the licences under the agreements listed in Clause 2.4 the Patent Owners have not granted and will not grant or purport to grant any other licences, rights, assignments over or relating to the Know-How or the Licensed Patents or over or relating to any other industrial or intellectual property relating or which may relate to Lenses.

12.7 Know How: Other than under the agreements listed in Clause 2.4 the Patent Owners have not disclosed any of the Know-How to any third party save under an obligation of confidence.

12.8 Infringement of Third Party Rights: To the best of the knowledge, information and belief of the Patent Owners the use of the Licensed Patents by CV, its servants, agents or customers will not infringe the rights of any third party.

12.9 Placing right to apply for patent in jeopardy: The Patent Owners have not nor to the knowledge of the Patent Owners has any other person done or omitted to do any act whereby the right to apply for letters patent in respect of the Lenses and the conditions, requirements or circumstances affecting the validity of the grant of any such letters patent may be jeopardised.

13. GENERAL

13.1 Entire Agreement

This Agreement constitutes the entire understanding between the Parties relating to the subject matter hereof and no modification or addition to this Agreement shall have any effect whatsoever unless it is set forth in writing and is referred to as a modification or addition to this Agreement and signed by CV and by G H Galley, his heirs or assigns for and on behalf of the Patent Owners.

13.2 Severability

Every provision of this Agreement shall be severable and should any provision of this Agreement be void, or be liable to render this Agreement void, then this Agreement shall be read as if that provision were excluded.

13.3 Waiver

The failure of either Party to enforce at any time any term of this Agreement or to exercise any right under this Agreement shall in no way affect the validity of this Agreement or the right of the Party thereafter to enforce any term of this Agreement or to exercise any right under this Agreement unless such Party has provided to the other Party in writing a specific waiver of such right. Notwithstanding the above either Party shall be entitled to an estoppel in relation to any material breach of this Agreement which was known to one of the Parties and of which such Party failed to inform the other Party in writing for a period of six months from the date at which it had such knowledge.

13.4 Governing Law

This Agreement shall be governed by the law of England and Wales, and the Parties hereby submit to the jurisdiction of the English Courts.

13.5 No use of Name

Except as may be required by law or by virtue of contractual obligations with third parties which are in existence at the date of signing of this Agreement neither Party shall make any disclosure of this Agreement or its terms without the prior written consent of the other Party which shall not be unreasonably withheld.

13.6 Assignment

This Agreement will bind and inure to the benefit of each Party's successors and assigns.

13.7 No Right of Offset

Other than as provided for under Clauses 4 and 9.2 the Parties hereby waive any and all claims of set off against any payments (including interest) due hereunder and each Party agrees to pay all amounts payable hereunder to the other regardless of any rights in equity, set off or cross claim it may have against the other and without any deduction.

13.8 Publicity

Neither Party shall make any public announcements regarding these agreements without the prior consent of the other Party. However, once any statement has been agreed, it may be repeated by either Party in a substantially similar form at any future date unless one Party notifies the other in writing that they no longer agree to such information being disclosed.

13.9 Assistance

During the term of this Agreement the Patent Owners shall as and when reasonably requested by CV provide such technical assistance and advice as CV shall reasonably require and the Patent Owners shall be in a position to provide in connection with the development manufacture or marketing of the Lenses and CV shall reimburse the Patent Owners all out of pocket and other expenses reasonably incurred by them in providing such advice and assistance provided that such assistance shall be limited to a maximum of [*] man days per Year.

14. ARBITRATION

14.1 In the event that any dispute arises over the terms of this Agreement or any of its provisions, the parties hereto agree that such dispute shall, following one party notifying the other of its wish to appoint an arbitrator, be settled by process of arbitration and not by process of law. Such arbitration shall be undertaken by a QC (being Queens Counsel, who is a member of a UK Inn of Court) acceptable to both parties with the assistance, if required, of an independent Chartered Accountancy Practice acceptable to both parties or if no agreement can be reached within fourteen days of one party notifying the other of its wish to refer such a matter to an arbitrator, such arbitrator shall, upon the application of either party, be appointed by the President, for the time being, of the Law Society. The costs of any such arbitration shall be awarded by the arbitrator and the results of such arbitration shall be final and binding on both parties. Nothing in the foregoing shall prevent either party from applying to the Court in order to enforce the obligation of the other party to continue to perform its obligations hereunder pending resolution of any dispute, including without limitation, the obligation of CV to continue to pay royalties or any other sums due in accordance with this Licence.

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14.2 The procedure to be followed for such arbitration shall be agreed between the parties or in default of agreement determined by the arbitrator.

15. NOTICES

15.1 Any notice, report or statement to either party required or permitted under this Agreement shall be in writing and shall be forwarded by recorded delivery courier such as Federal Express or similar and shall be deemed to be given when received by the Party to which it is addressed. Such notification shall be sent to the address set forth below or to such other address which may be notified from one Party to another from time to time during the term of this Agreement.

To CV:		To the Patent Owners:	
15.2	The President	15.7	c/o G H Galley
15.3	Cooper Vision, Inc.	15.8	Red Lodge
15.4	10 Faraday	15.9	The Close
15.5	Irvine	15.10	Totteridge
15.6	CA 92718	15.11	London N20 8PJ
		15.12	

16. AVC LICENCE AND CLT LICENCE

The Parties agree that, upon entry into force of this Agreement, the parties shall procure that the AVC Licence and the CLT Licence ("the Existing Licenses") shall be terminated and that this Agreement will supersede the Existing Licences provided that it is agreed that royalties accrued under the Existing Licenses until the Effective Date shall be paid to the Patent Owners within 60 days of the Effective Date.

17. VALUE ADDED TAX

All consideration payable to the Patent Owners under the terms of this Agreement is exclusive of value added tax.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the date first written above.

COOPER VISION, INC. 10 FARADAY IRVINE, CA 92718 USA	17.1 G H GALLEY 17.2 RED LODGE 17.3 THE CLOSE 17.4 TOTTERIDGE 17.5 LONDON N20 8PJ 17.6
A Thomas Bender	17.7 G H Galley 17.8 ....
	17.9 G H GALLEY 17.10 PATENT OWNER 17.11 17.12 17.13 17.14
B BEVIS 53, WILDERNESS HEIGHTS WEST END SOUTHAMPTON SO3 3PS	17.16 ALBERT MORLAND 17.17 7 BITTERNE PLACE 17.18 NEWPORT 17.19 ISLE OF WIGHT 17.20
B Bevis 17.15 .... B BEVIS PATENT OWNER	17.21 A D Galley 17.22 .... A D GALLEY 17.23 PATENT OWNER 17.24 17.25 17.26 17.27
A D GALLEY BEACON WEY THE HANGERS BISHOPS WALTHAM HANTS SO32 1FZ	I B ATKINSON 90 QUEENS DRIVE SURBITON SURREY KT5 8PP
A D Galley 17.28 .... A D GALLEY PATENT OWNER	I B Atkinson 17.29 .... I B ATKINSON PATENT OWNER

EXHIBIT 1

COUNTRY	APPLICATION NO.	PATENT NO.	STATUS
Australia		629280	Granted Patent
Great Britain		2,226,977 A	Lapsed, replaced by European (UK) 383425
Singapore		1137/93	Registered European (UK) Patent
Europe		383,425	Granted Patent Austria, Belgium, Switzerland, Liechtenstein, Germany, Denmark, Spain, France, Greece, Italy, Luxembourg, Netherlands, Sweden and Great Britain
Taiwan		39682	Granted Patent
USA		5,087,015	Granted Patent
Canada	2,007,536		Pending, under examination
Japan	3697/90		Pending, under examination
S. Korea	90355		Pending, under examination