

Disclosure of Financial Information
relating to
Acquisition of ITT Fluid Handling Systems Business

As previously reported, on December 4, 2005, Cooper-Standard Automotive Inc. (the “Company”), a wholly-owned subsidiary of Cooper-Standard Holdings Inc. (“CSH”), entered into a Stock and Asset Purchase Agreement (the “Agreement”) with ITT Industries, Inc. (“ITT”), pursuant to which the Company and certain of its affiliates will acquire ITT’s automotive fluid handling systems business (the “Business”), including the outstanding capital stock of certain of ITT’s direct and indirect subsidiaries and certain assets and liabilities of ITT and its affiliates, for \$205 million in cash. The purchase price is subject to a net working capital adjustment as provided in the Agreement and the Agreement includes customary representations, warranties and covenants from both parties.

The acquisition of the Business is expected to be consummated in the first quarter of 2006, following the satisfaction or waiver of customary closing conditions and the receipt of regulatory approvals. The Company intends to finance the transaction with a \$215 million incremental term loan under its senior secured credit facility.

Set forth below is certain financial information relating to the Business.

| | <u>Fiscal year ended</u> <u>December 31,</u> | | <u>9 months ended</u> <u>September 30,</u> | | <u>12 months</u> <u>ended</u> |
|---|---|---------------|---|---------------|----------------------------------|
| | <u>2003</u> | <u>2004</u> | <u>2004</u> | <u>2005</u> | <u>9/30/2005</u> |
| Sales | \$447.6 | \$436.7 | \$324.4 | \$316.1 | \$428.3 |
| Gross profit | 78.2 | 71.5 | 53.3 | 51.2 | 69.4 |
| Net income | 15.2 | 11.6 | 9.2 | 7.4 | 9.8 |
| Reconciliation of net income to EBITDA | | | | | |
| Net income | \$15.2 | \$11.6 | \$9.2 | \$7.4 | \$9.8 |
| Income tax expense | 10.2 | 6.4 | 4.8 | 2.2 | 3.8 |
| Interest expense, net | 3.2 | 2.9 | 2.1 | 2.3 | 3.0 |
| Depreciation and amortization | 24.8 | 23.6 | 17.9 | 17.6 | 23.3 |
| EBITDA⁽¹⁾ | \$53.3 | \$44.4 | \$34.0 | \$29.5 | \$40.0 |
| Other: | | | | | |
| Capital expenditures | \$17.0 | \$19.7 | \$13.2 | \$13.0 | \$19.5 |

The information set forth above was provided by ITT.

The Company believes that EBITDA should be further adjusted to exclude unusual items and supplementary adjustments that we believe appropriate to reflect ongoing operations under Cooper-Standard’s ownership. These adjustments would be:

| | <u>Fiscal year ended</u> <u>December 31,</u> | | <u>9 months ended</u> <u>September 30,</u> | | <u>12 months</u> <u>ended</u> |
|--|---|---------------|---|---------------|----------------------------------|
| | <u>2003</u> | <u>2004</u> | <u>2004</u> | <u>2005</u> | <u>9/30/2005</u> |
| EBITDA⁽¹⁾ | \$53.3 | \$44.4 | \$34.0 | \$29.5 | \$40.0 |
| Adjustments: | | | | | |
| Restructuring and asset impairment charges, net ⁽²⁾ | 2.2 | 4.0 | 1.5 | 1.8 | 4.3 |
| Royalty expense from parent company ⁽³⁾ | 4.4 | 4.2 | 3.2 | 3.1 | 4.1 |
| Tooling Amortization ⁽⁴⁾ | (3.4) | (2.2) | (1.7) | (1.4) | (2.0) |
| Warranty reversal ⁽⁵⁾ | 0.0 | 0.0 | 0.0 | (1.0) | (1.0) |
| Other one-time items ⁽⁶⁾ | 3.7 | 1.7 | 2.2 | 0.0 | (0.5) |
| Adjusted EBITDA⁽¹⁾ | \$60.2 | \$52.1 | \$39.2 | \$32.0 | \$44.9 |

⁽¹⁾ EBITDA, a measure used by the Company to measure operating performance, is defined as net income plus interest (net), taxes, depreciation and amortization. We believe that the supplementary adjustments to EBITDA applied in presenting Adjusted EBITDA are appropriate to provide additional information to investors about certain material non-cash items and other unusual items that we do not expect to continue at the same level in the future. However, EBITDA and Adjusted EBITDA are not recognized terms under GAAP and do not purport to be alternatives to net income as a measure of operating performance. Additionally, EBITDA and Adjusted EBITDA are not intended to be measures of free cash flow for management's discretionary use, as they do not consider certain cash requirements such as interest payments, tax payments and debt service requirements. Because not all companies use identical calculations, these presentations of EBITDA and Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

⁽²⁾ Restructuring charges in North America and Europe, primarily severance and one-time transfer costs.

⁽³⁾ 1% of sales charges to business by parent (ITT Industries) as royalty, primarily for use of name.

⁽⁴⁾ Recognized cash cost of amortized tooling losses.

⁽⁵⁾ Negate impact of reversal of warranty accrual from a prior period.

⁽⁶⁾ 2003/2004: Primarily various one-time restructuring-like costs. 2005: Miscellaneous one-time gains.

The unaudited financial information set forth above is preliminary and subject to revision by the Company or ITT during subsequent review. No assurances can be given that upon completion of such review, the Company will not report materially different results.