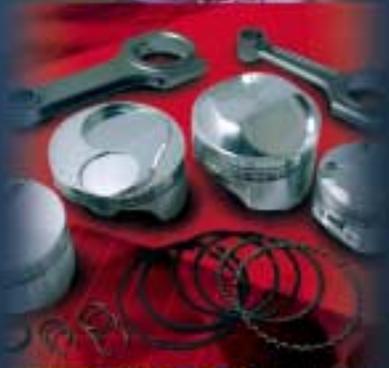


Achieving & Maintaining Market Leadership

2002 Annual Report



DOVER'S BUSINESS PHILOSOPHY

Our goal is to be the leader in every market we serve, to the benefit of our customers and our shareholders.

TO ACHIEVE AND MAINTAIN MARKET LEADERSHIP, we manage according to this consistent philosophy:

- Perceive customers' real needs and provide products and services to meet or exceed them,
- Provide better products and services than competitors,
- Invest to maintain competitive advantage, and
- Expect a fair price for the extra value we add.

Success demands a constant focus on product quality and innovation, and exceptional customer service. It requires a long-term orientation.

We enhance our market leadership and shareholder value by acquiring like-minded businesses that strengthen our existing market positions and offer new markets.

Intrinsic to Dover's success is a decentralized management style that gives the maximum possible autonomy to the talented people who manage our companies.

Dover will continue to adapt to market conditions, but our philosophy, which has served shareholders well for 47 years, will not change.

Contents:

Dover's Business Philosophy 1. Comparative Financial Highlights 2. Letter to Shareholders 4. Company Listing 6. Building Platform Businesses
10. Driving Operating Excellence 14. Eleven Year Consolidated Financial Summary (inside back cover) Board of Directors, Officers, & Shareholder Information

COMPARATIVE FINANCIAL HIGHLIGHTS Dover Corporation and Subsidiaries

(Dollars in thousands, except per share figures)	2002	2001	2000
Net sales	\$ 4,183,664	\$ 4,368,415	\$ 5,064,805
Earnings before taxes	\$ 269,691	\$ 258,845	\$ 741,953
Net earnings	\$ 211,149	\$ 181,831	\$ 513,523
Per common share			
Continuing net earnings per diluted share	\$ 1.04	\$ 0.89	\$ 2.47
Dividends	\$.54	\$.52	\$.48
Capital expenditures	\$ 100,732	\$ 162,532	\$ 183,746
Acquisitions	\$ 100,138	\$ 281,819	\$ 506,251
Purchase of treasury stock	\$ 14,039	\$ 30,985	\$ 1,868
Cash flows from operations	\$ 394,915	\$ 683,280	\$ 535,756
Return on average equity	8.8%	7.9%	25.7%
Number of employees	24,934	26,634	29,489

"Comparative Financial Highlights" represents results from continuing operations.

"Continuing net earnings per diluted share" and "Return on average equity" exclude gains and losses from sales of businesses and equity investments in 2000.

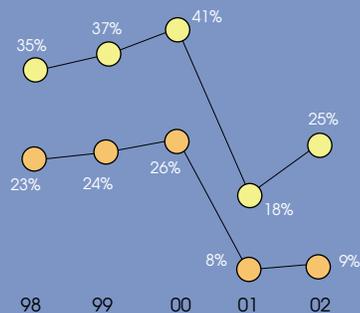
"Acquisitions" represents the acquisition purchase price adjusted for long-term debt assumed and cash acquired on the date of acquisition.

Diluted Earnings per share



Excluding gains on sales of businesses and equity investments in 1999 and 2000.

Profitability Measures (in percent)



● After-Tax Operating Return On Investment
● Return on Average Equity

LETTER TO SHAREHOLDERS

Last year, I described 2001 as "one of the most difficult years in Dover's history" and outlined our efforts to reduce costs, increase efficiency and prepare for improving markets. Those efforts were effective, and we made important progress, in many cases extending our companies' market leadership and strengthening margins. Despite some positive indications during 2002's first half, the year turned out to be as difficult as 2001. Slowly recovering markets weakened again during the second half, and the already depressed electronics industry fell further. Consequently, our technology businesses had to scale back even further to achieve profitability without help from a market recovery.

Many of our companies also faced the challenge of maintaining sales in generally down served markets while preserving historic profit margins. Frankly, given the increased worldwide competition and short-term declines in sales opportunities, our companies more than held their own, although overall margins, after accounting charges, were generally below 2001 levels.

Nevertheless, I am cautiously optimistic about 2003. Tough decisions and hard work in 2001 and 2002 have positioned us well to take advantage of any recovery in served markets domestically and abroad.

A Year of Pain for Tomorrow's Gain

In all our cost-reduction and restructuring efforts, our operating company presidents have maintained a balance between cutting expenses and investing for future growth. Even as we made our businesses leaner, we listened to our customers and developed new products to meet or anticipate their

needs. All Dover operating companies will have significant upward operating leverage when markets improve.

During 2002, some of our companies modestly expanded operations in China, primarily to serve our customers in China and Asia more effectively, rather than merely cutting labor costs on products for North America or Europe. While China is attractive both as a source of manufacturing capability and as a market, its rapidly expanding economy is clearly subject to both financial and political strains and risks, and we are expanding there with appropriate caution. We are also pursuing prospects for manufacturing in Brazil, the Czech Republic and other Eastern European countries.

2002 Results

Dover's 2002 sales of \$4,183.7 million were down \$184.7 million, or 4.2%, from \$4,368.4 million in 2001 -- far below our peak in 2000 that reflected the technology boom, but slightly higher than our 1999 sales. Sales declines at Dover Technologies, Dover Resources and Dover Industries offset a gain at Dover Diversified.

Net income from continuing operations reflected our cost reduction efforts, rising modestly from 2001's extremely low levels, with all segments gaining except Technologies. Because of our 2002 adoption of FASB Rule 142, Dover no longer amortizes goodwill, a change that added approximately \$.23 per diluted share to 2002 earnings of \$1.04 per diluted share from continuing operations. However, that rule also resulted in an impairment charge to equity of \$345.1 million or \$293.0 million net of tax in the first quarter.

With that, Dover recorded a net loss of \$121.3 million, or \$.60 per diluted share, for 2002.

A Successful Business Philosophy, Consistently Applied

Corporate credos are commonplace, but I can attest that we really live by the simple, straightforward business philosophy outlined at the front of this report.

It requires each of our companies to strive for and maintain market leadership. Individual companies' strategies necessarily differ, but the goal is always to create a value proposition that can sustain a long-term partnership with the customer. That involves listening to our customers to determine their real needs, and then providing the right products and services. It means continuously improving our operations to keep ahead of competitors and being able to perform as expected. Finally, it requires management to be proud enough in what we do to ask to be paid an appropriate price. And that is the source of our historically solid margins, and the strong cash flow that we invest to improve our businesses, acquire new businesses, and pay dividends.

For nearly 50 years, Dover has coupled this philosophy with a decentralized management culture that provides maximum autonomy and scope to individual company presidents to build their businesses. We encourage them to operate these businesses like owners, focusing their strategies on achieving long-term growth and sustainable profitability rather than short-term gains. At the same time, we expect them to meet real goals, and to take the initiative to improve their operations and the bottom line.

Operating excellence and platform building are two key avenues to growth, and are discussed later in this report. Continuously improving operations can enhance profits, and bring in new business. Customers whose suppliers are not reliable frequently turn to companies with a demonstrated ability to perform. We also encourage our company presidents to seek out attractive add-on acquisitions that can enhance their product lines or expand their market scope.

At the corporate level, our strategy centers on determining the appropriate investment of shareholder resources so as to achieve the optimum long-term return. We set policy, allocate capital, make stand-alone acquisitions, assist companies with add-ons and, most importantly, make sure we have the right people running our individual businesses. This decentralized approach has served shareholders well.

Keeping Finances Strong

I am happy to say that Dover is in excellent financial condition, even after the third straight year of a manufacturing recession. Our free cash flow of \$268.9 million was 6.4% of sales. We prefer to use these funds to strengthen our existing businesses or to acquire new ones, but in 2002 we found few acquisition candidates that met our stringent criteria for price, quality and growth prospects. Our sole 2002 stand alone acquisition, completed October 1, was Hover-Davis Inc., which makes component feeder systems for the electronic assembly automation industry. It is an operating company in the Circuit Board Assembly and Test (CBAT) segment of Dover Technologies.

We reduced our net debt by \$139.8 million to \$759.1 million in 2002, lowering our debt-to-total capital ratio from 26.3% to 24.1%. We made a discretionary contribution of \$44.0 million to our defined benefit pension plan during the third quarter to offset a decline in pension plan values. We also spent \$14.0 million to repurchase 511,400 shares of stock in the open market at an average price of \$27.45. And we maintained our current quarterly dividend rate of \$.135 per share.

Management Changes

A number of changes in our executive ranks during 2002 will provide more depth and breadth going forward. Most notably, Rob Kuhbach became Dover's Chief Financial Officer. He was succeeded as General Counsel and Secretary by Joe Schmidt, who has worked with Dover for nearly 10 years, most recently as a Senior Partner at Coudert Brothers. Longtime Dover executives Jack Ditterline and Bill Caton joined Dover Diversified as Executive VP and Chief Financial Officer, respectively, and Dave Ropp was promoted to Executive Vice President at Dover Resources. New operating company presidents included former Dover Diversified CFO Roland Parker at SWF, Bob Livingston at Quadrant in Dover Technologies, Randy Gard at Chief Automotive, Michael Jobe at Heil Environmental, and Eric Howlett, succeeding Michael at Rotary Lift, the last three in Dover Industries. Vernon Pontes became President of the energy-related companies in Dover Resources and Craig McNeill became President of OPW Fueling Components. These and similar changes farther down in the organi-



Thomas L. Reece

zation reflect the strength of our management team and our ability to develop the talent we need for continued growth.

A Cautiously Positive Outlook

These challenging times have required many difficult decisions and unpleasant actions, but I am very optimistic about our long-term prospects. Dover is well-positioned to benefit from improving markets. Our companies are lean, competitive, disciplined and hungry. We have solid management teams in place. If markets pick up at least moderately in 2003, our results should improve considerably. A substantial market recovery in 2004, which is increasingly being forecast, should enable us to achieve strong sales and earnings growth, with margins returning to levels more typical of Dover.

I am grateful for the dedication and skill of our employees in these difficult times, and for the solid support of our Board of Directors and shareholders as we prepare Dover for a bright and prosperous future.

Sincerely,

A handwritten signature in blue ink that reads "Thomas L. Reece". The signature is written in a cursive style with a long horizontal line extending to the right.

Thomas L. Reece
Chairman and Chief Executive
Officer
February 15, 2003

COMPANY LISTING

Technologies

Alphasem AG

Gerhard Meese,
Acting President
Products:
Semiconductor
assembly equipment.
www.alphasem.com

Dielectric Laboratories

Brian DuPell,
President
Products:
High frequency capacitors.
www.dilabs.com

DEK

John F. Hartner,
Managing Director
Products:
Automated screen printers,
process consumables and
tooling for imaging materi-
als on printed circuit boards
and semiconductors.
www.dek.com

Dow-Key Microwave

David W. Wightman,
President
Products:
Microwave/R.F. switches.
www.dowkey.com

DT Magnetics

Wm. F. Barry Hegarty,
President
Products:
Custom transformer and
inductor magnetics.
www.dtmagnetics.com

Everett Charles Technologies

David R. Van Loan,
President
Products:
Spring probes, test equip-
ment and test fixtures for
printed circuit boards and
semiconductors.
www.ectinfo.com

Hover-Davis

John D. Hover,
President
Products:
Component feeders for
printed circuit board
assembly.
www.hoverdavis.com

Imaje

Omar Kerbage,
President
Products:
Continuous inkjet printers,
thermal printers, consum-
ables.
www.imaje.com

K&L Microwave

Louis Abbagnaro,
President
Products:
Microwave/R.F. filters.
www.klmicrowave.com

Novacap

Dr. Andre P. Galliath,
President
Products:
Application specific
multilayer capacitors.
www.novacap.com

OK International

Michael J.
Gouldsmith,
President
Products:
Bench top tools for printed
circuit board assembly and
repair.
www.okinternational.com

Quadrant Technologies

Robert A. Livingston,
President
Telefilter GmbH
Products:
Crystal/SAW Filters.

Communication Techniques, Inc.

Products:
Microwave frequency
sources.
www.cti-inc.com

Vectron International, Inc.

Products:
Precision crystal oscillators
and timing devices.
www.vectron.com

Universal Instruments Corporation

Ian P. McEvoy,
President
Products:
Automated assembly
equipment for printed cir-
cuit boards.
www.uic.com

Vitronics Soltec

Jeroen Schmits,
President
Products:
Automated soldering
equipment for printed cir-
cuit boards.
www.vitronics-soltec.com

Industries

Chief Automotive Systems

Randy L. Gard,
President
Products:
Vehicle collision measuring
and repair systems; and
dust extraction systems.
www.chiefautomotive.com

DI Foodservice Companies

(Groen, Randell &
Avtec)
Ronald A. Rosati,
President
Products:
Commercial cooking and
refrigeration equipment;
food service preparation
and holding equipment;
ventilation systems.
www.difoodservice.com

DovaTech

A. Patrick
Cunningham,
President
Products:
CO2 and solid-state lasers,
and industrial water chillers.
www.dovatech.com

Heil Environmental

Michael G. Jobe,
President
Products:
Refuse and recycling collec-
tion vehicles, refuse contain-
er lifts and dump bodies'.
www.heilco.com

Heil Trailer International

Robert A. Foster,
President
Products:
Liquid and dry bulk tank
trailers, trucks and inter-
modal containers, and
other specialty trailers.
www.heiltrailer.com

Kurz-Kasch

Neal M. Allread,
President
Products:
Electromagnetic stators
and specialty plastic
products.
www.kurz-kasch.com

Marathon Equipment

Gordon C. Shaw,
President
Products:
Waste compactors,
conveyors, balers, hoists,
shredders, grinders, transfer
stations and recycling
equipment.
www.marathonequipment.com

PDQ

Charles R. Lieb,
President
Products:
Touchless car wash
equipment.
www.pdqinc.com

Rotary Lift

Eric F. Howlett,
President
Products:
Vehicle service lifts, vehicle
storage lifts and wheel
alignment racks.
www.rotaryliff.com

Somero

John T. Cooney,
President
Products:
Laser controlled concrete
floor placing and screeding
equipment.
www.somero.com

Tipper Tie

W. David Pierce,
President
Products:
Clip closures, packaging
systems, netting, and wire
products.
www.tippertie.com

Triton Systems

Ernest L. Burdette,
President
Products:
Off-premise ATMs.
www.tritonatm.com

Diversified

Resources

Belvac
Rick Steigerwald,
President
Products:
Can necking, trimming,
shaping equipment; plas-
tic container machinery.
www.belvac.com

Crenlo
Thomas E. Bell,
President
Products:
Construction and agricul-
ture equipment cabs;
electronic enclosures.
www.crenlo.com

**Graphics
Microsystems**
Erik Tobiason,
President
Products:
Software and hardware
quality control systems for
pressrooms.
www.gmicolor.com

Hill PHOENIX
Ralph Coppola,
President
Products:
Commercial refrigeration
systems; refrigerated dis-
play cases; walk-in cool-
ers; electrical distribution
products.
www.hillphoenix.com

**Langbein &
Engelbracht**
Jost Weimer,
President
Products:
Paint systems; environmen-
tal control equipment; air
handling systems.
www.l-e.de

Mark Andy
John Eulich,
President
Products:
Narrow web printing press-
es; pressroom automation
equipment; plastic con-
tainer printing equipment.
www.markandy.com

**Performance
Motorsports**
James A. Johnson,
President
Products:
High performance pistons;
connecting rods; cylinder
liners and related engine
components.
www.doverpmi.com

**Sargent Controls &
Aerospace**
William W. Spurgeon,
President
Products:
Submarine fluid controls;
aircraft hydraulic controls;
self-lubricating bearings;
aircraft fasteners.
www.sargentcontrols.com

SWEP
Nils-Gustaf Tobieson,
President
Products:
Compact brazed heat
exchangers, district heat-
ing systems.
www.swep.se

SWF
Roland J. Parker,
President
Products:
Automated packaging
machinery.
www.swfcompanies.com

Tranter PHE
Chuck Monachello,
President
Products:
Gasketed, plate/frame
and welded heat
exchangers.
www.tranterphe.com

Tranter Radiator
Rory Segen,
President
Products:
Transformer radiators.
www.tranterradiators.com

Waukesha Bearings
Donald A. Fancher,
President
Products:
Fluid film bearings; torque
and tension tools; remote
material handling equip-
ment and isolators.
www.waukbearing.com

Blackmer
Carmine F. Bosco,
President
Products:
Rotary vane, eccentric
disk, peristaltic, positive dis-
placement pumps; cen-
trifugal pumps, vane &
screw type mobile com-
pressors, reciprocating sta-
tionary gas compressors.
www.blackmer.com

C. Lee Cook
David Jackson,
President
Products:
Piston rings, packing and
specialty seals; PTFE/plastic
molding; compressor rods,
pistons, valves, vanes, and
repair.
www.cleecook.com

De-Sta-Co Industries
Jon H. Simpson,
President
Products:
Manual toggle clamps,
pneumatic and hydraulic
workholding devices; fac-
tory automation compo-
nents and assemblies.
www.destaco.com

**De-Sta-Co
Manufacturing**
Bob Leisure,
President
Products:
Reed valves for compres-
sors and stamped preci-
sion components.
www.destacomufacturing.com

**Duncan Parking
Systems**
James A. Elsner,
President
Products:
Parking control products
and systems.
www.duncanindustries.com

Hydro Systems
Jeffrey A. Rowe,
President
Products:
Mechanical and electron-
ic chemical dispensing
systems.
www.hydrosystemsco.com

**OPW Fluid Transfer
Group**
John Anderson,
President
Products:
Liquid transfer valves, liq-
uid level measuring
devices, dry bulk convey-
ing fittings, pressure relief
vents and valves, swivels
and loading systems.
www.opwftg.com

**OPW Fueling
Components**
Craig McNeill,
President
Products:
Liquid and gas fueling noz-
zles, fittings, valves, envi-
ronmental protection
products and tire infla-
tion equipment; fuel manage-
ment systems and tank
monitors.
www.opw-fc.com

**Energy Products
Group**
Vernon Pontes,
President
Products:
Alberta Oil Tool
(Canada)
Products:
Sucker rods, fittings, valves
and controls; process
valves and instrumentation
systems.
www.aot.ab.ca

Ferguson-Beauregard
Products:
Plunger Lift Systems, Well
Automation Systems.
www.fergusonbeaure-
gard.com

Norris
Products:
Sucker rods, couplings,
well servicing equipment.
www.norrisrods.com

Norriseal
Products:
Control Valves, Butterfly
Valves.
www.norriseal.com

Quartzdyne
Robert B. Wiggins,
President
Products:
Quartz-based pressure
transducers.
www.quartzdyne.com

**RPA Process
Technologies**
Peter Scovic,
President
Products:
Liquid pressure filter sys-
tems, solids recovery sys-
tems, and high-viscosity
mixer-extruder systems.
www.rpaprocess.com

Texas Hydraulics**
J. Nisha Lobo,
President
Products:
Engineered hydraulic
cylinders and other fluid
power components.
www.texashyd.com

Tulsa Winch Group
Steven Oden,
President
Products:
Worm and planetary gear
winches, speed reducers,
swing drives, electronic
load monitoring systems.
www.tulsawinch.com

**Wilden Pump &
Engineering**
Bruce J. Bartells,
CEO/CFO
Products:
Air operated double
diaphragm pumps.
www.wildenpump.com

**Reported under Dover
Industries segment in 2002

ACHIEVING AND MAINTAINING MARKET LEADERSHIP BY...

Building Platform Businesses Through Internal and External Investments

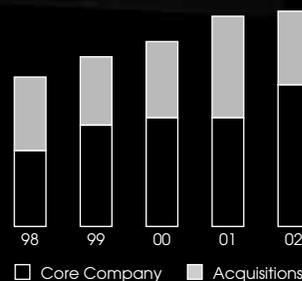
Dover has a history of acquiring profitable, stand-alone manufacturing businesses serving a wide range of industries. In recent years, as a part of its "tilt toward growth," Dover has also encouraged add-on acquisitions by those individual companies positioned to build growth platforms. Dover companies acquire add-on businesses for strategic reasons, ranging from expanding internationally, gaining market share, penetrating new industries, adding product lines, enlarging their customer base or gaining economies of scale. By coupling internal investments in their businesses with external investments in add-on acquisitions, Dover companies have successfully fueled their own and Dover's growth. The three company examples that follow reflect this approach.



SARGENT CONTROLS & AEROSPACE

In the late 1990s, with its predominant defense businesses (quiet valves for submarines, hydraulic valves and bearings for aerospace) declining, Sargent developed a three-pronged strategy for growth in commercial aerospace. It sought to expand sales of its highly engineered niche products to OEMs (original equipment manufacturers) and recapture aftermarket MRO (maintenance, repair and overhaul) business lost to third parties, develop new products, and acquire complementary companies that could augment these efforts. Sargent acquired Sonic Industries (high strength fasteners, pins and bolts for commercial airframes) in 1998, Hydraulic Aircraft Specialists (non-OEM hydraulic components and MRO services for U.S. airlines and cargo carriers) in 1999, and C&H Manufacturing (fasteners, pins and bolts for commercial aircraft landing gear) in 2000. In 2002, Cook Airtomic (sealing devices for commercial aircraft engines), was transferred within Dover to align operations more closely with markets served. Sargent invested in new facilities, equipment and/or processes to improve these operations. Through reduced cycle times and expanded capability as a one-stop supplier, Sargent gained significant MRO business, even establishing an MRO operation next to a customer in Florida at the customer's request to repair both its own and others' equipment. A combined sales force, one office dedicated to dealing with the FAA, and strong regional distributors continue to enhance results.

Sargent Revenue



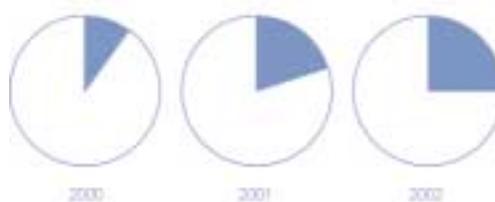


DEK

DEK has extended its world market leadership in screen printers, and created a growing stream of recurring revenue by using its machine business as a platform for expansion into the fragmented process support products (PSP) market.

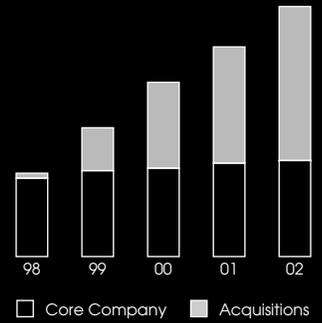
DEK's machines accurately mass image a variety of materials such as solder paste onto circuit board and semiconductor assemblies. DEK customers need special tools, traditionally made in local shops close by, to adapt the machines for each new product design. Also required are items such as cleaning rolls, wipes, stencils, software and spare parts, along with training and maintenance services. DEK, which manufactures printers in England and China, established stencil and tooling shops in five other European sites over the past few years, and in mid-2002 acquired Acumen Technology, a U.S.-based stencil and tooling provider with five sites in North America and two in Asia. These initiatives gave DEK's PSP business global reach and scale and created multi-level customer relationships, enhanced by the industry shift to contract manufacturers who increasingly rely on DEK's process knowledge. DEK now offers customers a single source for printer and PSP needs, which enhances their process yield, reduces time to market and increases line productivity.

DEK Revenue



Machine Revenue Recurring Revenue

PMI Revenue



PERFORMANCE MOTORSPORTS INC.

Performance Motorsports Inc. (PMI) exemplifies how quickly a Dover platform company can grow. Since Dover acquired the original company, Wiseco Piston, in 1998, six complementary businesses have been added, tripling sales. Clyde Wiseman founded Wiseco in an Ohio garage in 1941 after developing forged pistons to make his speedboat go faster. It became the market leader in performance forged pistons for the powersports market: motorcycles, snowmobiles, ATVs, personal watercraft, and outboard motors. Under Dover, it acquired Prox Inter BV, an Amsterdam-based supplier of cast pistons, and JE Piston, the California-based leader in high performance pistons for the automotive aftermarket. While operating separately, Wiseco and JE became the core of PMI. PMI then purchased Vertex Pistons, an Italian maker of cast aluminum pistons for two-cycle engine applications. In 2001 PMI acquired California's Carrillo Industries, the premier maker of steel connecting rods for performance automotive and motorcycle markets, and Perfect Bore Ltd., a U.K. manufacturer of thin-walled coated cylinder liners and specialty pistons for racing. The December 2002 acquisition of France's Chambon S.A., a leader in automotive crankshafts primarily for European racing markets, will enable PMI to develop a complete rotating assembly, including piston, connecting rod and crankshaft, for performance markets in Europe and the U.S.



Driving Operating Excellence Through Lean Principles and Supply Chain Management

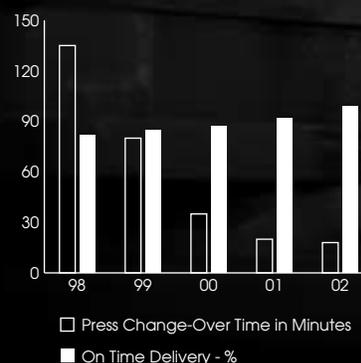
Dover's company presidents have long known that operating excellence is a prerequisite to growth and profitability. Operating excellence is a moving target, because market leadership today typically must respond to higher customer expectations and more effective competition. Throughout Dover, management teams strive constantly to improve every aspect of operations, ranging from the engineering department, to supply chain management, to the production line and the billing process. Because Dover businesses differ in their size, complexity and characteristics, there is no "one size fits all" approach to achieving operating excellence. Dover teams employ a wide variety of tools and techniques, including LEAN, TCT, Kaizen, Six Sigma, Cellular Manufacturing, JIT, SCM and CRM. The three company examples that follow typify the continuous pursuit of operating excellence throughout Dover.



DE-STA-CO INDUSTRIES

De-Sta-Co Industries (DSCI) launched its first formal LEAN manufacturing effort six years ago to reduce changeover times on its 35 stamping presses and improve on-time delivery. A series of Kaizen problem-solving events enabled DSCI to cut changeover times from 2 hours 15 minutes to under an hour -- in part by applying its own market-leading toggle clamps to hold dies. That made smaller production runs cost-effective, but revealed hidden production bottlenecks. DSCI eliminated these by utilizing additional Kaizen events, which resulted in further capital improvements and use of some automated clamping and quick die change technology. Changeover time fell even further to under 20 minutes, making possible even more flexible, small-batch manufacturing. DSCI established its "Custom Quick" program to meet the need for custom modification of standard products, which customers traditionally handled themselves. Through cellular manufacturing and a dedicated customer liaison, DSCI reduced the lead-time for quoting and shipping from six weeks to ten days or less. Learning from these experiences, DSCI also acquired a number of automation equipment or component companies in various countries to expand its offerings of both its time-saving clamps and its automation solutions to help its customers manufacture more flexibly and profitably. Kaizen events are now so institutionalized that employees initiate them on their own. DSCI's on-time delivery today exceeds 99% and overdue backlog has essentially disappeared.

On Time Delivery

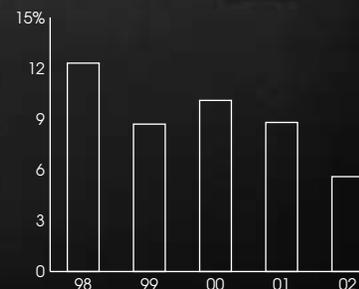




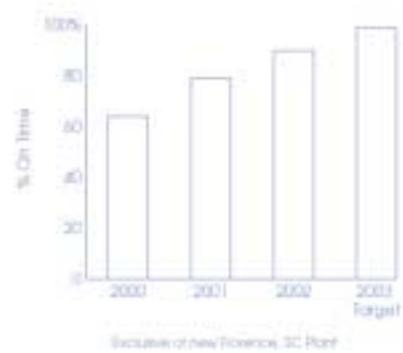
PDQ

PDQ, an assembler of touchless, in-bay automatic car-wash equipment that joined Dover in 1998, is successfully using LEAN manufacturing and other techniques to streamline its operations, maintaining strong margins despite lower volume and higher health and business insurance costs. Initially skeptical shop floor workers, after training and early successes with small projects, have become enthusiastic boosters and a constant source of ideas. PDQ chose an easy target for its first manufacturing cell -- the sign assembly area, where stacks of finished signs awaited attachment to car wash machines. Working with vendors, PDQ established a Kanban re-ordering system, reducing raw materials by 45% and finished inventory by 78%, and increasing productivity by 56%. Successful welding and dryer assembly cells followed, and a fourth cell is under development. In the office, a cross-functional team is squeezing significant waste from the order entry process. These efforts reduced total suppliers by 20%, cut manufacturing space by one-third and emptied one of five buildings. Displaced workers were redeployed rather than laid off. Computer transactions plunged from 1,027 to 66 per completed machine; production lead times dropped from four weeks to one. In addition, inventories were cut by a third, with inventory turns increasing from 3.5X to 7.0X, with 10X the next target.

PDQ Manufacturing
Working Capital as a Percent of Sales



Cab Shipments
On Time Performance



CRENLO

Crenlo, which makes electronic enclosures and operator cabs for agricultural and construction equipment, joined Dover in 1999 and had not previously been exposed to Dover's "continuous improvement" operating excellence principles. A 'LEAN Six Sigma' program was introduced in 2001 and has led to significant improvements. This past year, Crenlo established 31 continuous improvement teams with members from all functional disciplines. Process and design-for-manufacturing changes resulted in notable gains in quality, and reductions in cost and time-to-produce at all three plants. Another initiative was a value improvement project in which the company and its customers assigned engineers to work together to brainstorm product changes to reduce costs for either company or both, sharing the resulting savings. Crenlo applied the same concept to suppliers, again sharing the savings, a "win-win" for all concerned. Crenlo engineers also reorganized the entire production process to squeeze out cost by creating manufacturing cells, each assembling a complete product component. The result: improved quality, a 40% cut in cycle time, and on-time delivery above 98% at its Rochester, Minnesota plants. Management has set the bar even higher for 2003.



11-YEAR CONSOLIDATED SUMMARY OF SELECTED FINANCIAL DATA

(In thousands except per share figures)

	2002	2001	2000	1999
DOVER CONTINUING OPERATIONS				
Net sales	\$4,183,664	4,368,415	5,064,805	4,125,824
Cost of sales	2,823,348	2,982,067	3,204,051	2,617,738
Selling and administrative expenses	1,018,696	1,066,050	1,046,838	901,166
Interest expense	70,001	91,010	97,055	53,021
Other income (expense), net	(1,928)	29,557	25,092	31,738
Earnings before taxes	269,691	258,845	741,953	585,637
Income taxes	58,542	77,014	228,430	199,350
Net earnings	\$ 211,149	181,831	513,523	386,287
% of sales	5.0%	4.2%	10.1%	9.4%
Return on average equity	8.8%	7.9%	25.7%	23.9%
EPS per diluted common share:				
Net earnings	\$ 1.04	0.89	2.47	1.83
Goodwill amortization (net of tax)	\$ -	0.21	0.18	0.14
Net earnings before goodwill	\$ 1.04	1.10	2.65	1.97
EBITACQ	\$ 1.81	2.11	4.40	3.27
Depreciation and amortization	\$ 161,003	213,494	184,224	163,575
Net property, plant and equipment	\$ 704,922	738,213	690,788	581,765
Total assets	\$4,388,171	4,507,334	4,555,035	3,802,412
Total debt	\$1,054,060	1,075,257	1,472,237	903,118
Capital expenditures	\$ 100,732	162,532	183,746	117,333
Working capital	\$ 961,063	789,443	246,217	182,304
TOTAL DOVER				
Net earnings (losses)	\$ (0.60)	1.22	2.54	4.41
Dividends per common share	\$.54	.52	.48	.44
Book value per common share	\$ 11.83	12.44	12.02	10.06
Acquisitions (economic cost basis)	\$ 100,138	281,819	506,251	599,171
Common stockholders' equity	\$2,394,623	2,519,281	2,441,575	2,038,751
Common shares outstanding	202,402	202,579	203,184	202,629
Weighted average number of diluted shares	203,346	204,013	204,677	210,679
Closing common stock price per share	\$29.16	37.07	40.56	45.38
Number of employees	24,934	26,634	29,489	26,584

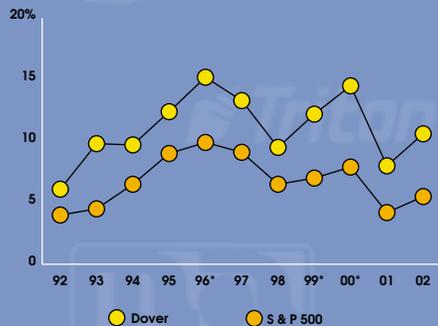
"Dover Continuing Operations" - All results and data in this section reflect continuing operations, which exclude discontinued operations. See Note 6 to the Consolidated Financial Statements.

"Return on average equity", "Net earnings" per diluted common share, "Net earnings before goodwill" per diluted common share, "EBITACQ" per diluted common share and the "Total Dover" "Net earnings" for 2000, 1999 and 1996 exclude the net gain from the sale of investments and businesses.

"Net earnings before goodwill" is equal to the sum of net earnings from continuing operations and goodwill amortization, net of tax, per weighted average diluted common share.

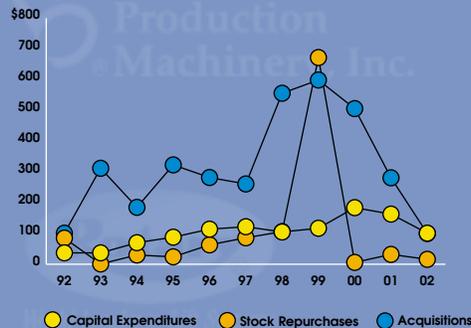
"Working Capital" is total current assets less total current liabilities as of the end of each year indicated. For 2001, the amount shown reflects a significant drop in commercial paper outstanding of \$803.9 million, and ending cash and cash equivalents of \$175.3 million. In 2002, the Company had no commercial paper outstanding and \$294.4 million in cash and cash equivalents, well above levels required for normal operations.

EARNINGS PER SHARE GROWTH (average annual rate)
For 10-Year Periods Ending 12/31 of each year shown



*Excluding gains on sales of businesses in 2000, 1999, and 1996 included in continuing operations.

Dover Long-Term Investment (\$ in millions)



Free Cash Flow (\$ in millions)



Free cash flow is operating cash generated after funding capital expenditures, working capital and dividends, but excluding acquisitions, net proceeds from dispositions and stock repurchases.

*Excluding sales of businesses in 2000, 1999 and 1996.

1998	1997	1996	1995	1994	1993	1992
3,636,754	3,381,372	2,973,068	2,809,500	2,199,428	1,630,987	1,407,218
2,323,254	2,146,324	1,914,913	1,857,760	1,463,139	1,076,537	947,240
813,402	745,007	632,549	578,155	465,046	362,626	324,550
60,274	45,862	41,299	39,560	36,064	21,716	19,247
16,295	17,718	89,763	34,760	24,066	13,518	13,773
456,119	461,897	474,070	368,785	259,245	183,626	129,954
150,282	156,590	155,237	121,287	86,910	63,785	44,207
305,837	305,307	318,833	247,498	172,335	119,841	85,747
8.4%	9.0%	10.7%	8.8%	7.8%	7.3%	6.1%
22.7%	25.6%	25.1%	26.8%	14.9%	11.8%	15.5%
1.36	1.35	1.16	1.09	0.75	0.52	0.37
0.10	0.09	0.06	0.05	0.06	0.04	0.02
1.46	1.44	1.22	1.14	0.81	0.56	0.39
2.53	2.56	2.36	1.71	1.40	0.97	0.71
147,766	140,067	98,991	87,120	76,452	59,147	59,939
502,139	522,344	454,144	365,368	275,409	222,775	188,578
3,060,863	2,574,880	2,367,906	2,225,020	1,649,997	1,349,626	994,343
1,037,077	691,883	743,765	675,580	517,647	427,027	225,001
104,542	122,082	113,679	88,210	70,461	37,108	35,366
227,027	220,028	168,077	194,058	262,353	201,804	94,934
1.69	1.79	1.69	1.22	0.88	0.69	0.56
.40	.36	.32	.28	.25	.23	.22
8.67	7.65	6.62	5.40	4.39	3.80	3.53
556,019	261,460	281,711	323,291	185,324	312,480	100,961
1,910,907	1,703,584	1,489,703	1,227,706	1,011,230	883,240	810,026
220,407	222,596	225,060	227,340	226,920	228,652	228,340
224,386	226,815	230,518	227,815	228,740	228,441	231,953
36.63	36.13	25.25	18.44	12.91	15.19	11.47
23,314	21,814	19,213	18,337	15,512	12,941	11,235

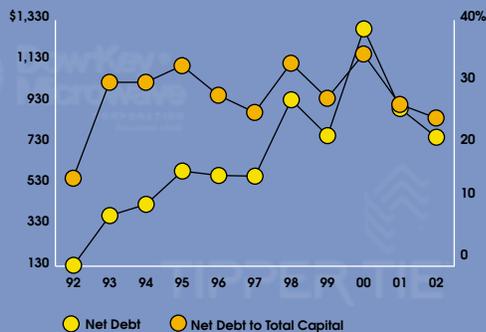
"EBITACQ" is equal to earnings before taxes, net interest and acquisition amortization from continuing operations per weighted average diluted common share.

"Total Dover" - All results and data in this section are on a total Dover basis, which includes discontinued operations.

"Acquisitions (economic cost basis)" represents the acquisition purchase price adjusted for long-term debt assumed and cash acquired on the date of acquisition. Adjusted, where applicable, to give retroactive effect to the 2 for 1 stock split in 1997 and 1995.

"Net earnings (losses)" include earnings and (losses) from operations, discontinued operations and the effect of cumulative change in accounting principle in 2002 of a \$(293.0) million loss or \$(1.44) loss per diluted share.

NET DEBT (\$ in millions)



Cash Dividends to Shareholders



DOVER SUBSIDIARY EXECUTIVE OFFICERS

These four Chief Executive Officers play a pivotal role in Dover's highly decentralized management structure. Their operating company oversight responsibilities include evaluation of each company president's leadership effectiveness, an assessment of individual company strategies - "Doing the Right Things", and a review of company tactics - "Doing Things Right". They review significant internal investment opportunities, including "add-on" acquisitions, and manage all aspects of the "stand-alone" acquisition program. They also promote "best practices" across Dover, keep an eye on key market trends and convey shareholder expectations to operating company management.



Lewis E. Burns
President and Chief
Executive Officer,
Dover Industries, Inc.



John E. Pomeroy
President and Chief
Executive Officer,
Dover Technologies
International, Inc.



Ronald L. Hoffman
President and Chief
Executive Officer,
Dover Resources, Inc.



Jerry W. Yochum
President and Chief
Executive Officer,
Dover Diversified, Inc.

BOARD OF DIRECTORS

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Senior Advisor,
Fleming Family & Partners

Jean-Pierre M. Ergas^{1,3,4}
Chairman and
Chief Executive Officer,
BWAY Corporation

Kristiane C. Graham^{3,4}
Private Investor

James L. Koley^{1,2,4}
Chairman, Arts Way
Manufacturing Co., Inc.

Richard K. Lochridge^{3,4}
President,
Lochridge & Company, Inc.

Thomas L. Reece¹
Chairman, President and
Chief Executive Officer

Bernard G. Rethore^{2,4}
Chairman of the Board Emeritus,
Flowerserve Corporation.

Gary L. Roubos^{1,2,4}
Former Chairman of the
Board of Dover Corporation,

Michael B. Stubbs^{2,4}
Private Investor

¹ Member of Executive Committee

² Member of Audit Committee

³ Member of Compensation Committee

⁴ Member of Governance and Nominating
Committee

OFFICERS

Thomas L. Reece
Chairman, President and
Chief Executive Officer

Lewis E. Burns
Vice President;
President and Chief
Executive Officer,
Dover Industries, Inc.

Charles R. Goulding
Vice President, Taxation

Ronald L. Hoffman
Vice President;
President and Chief
Executive Officer,
Dover Resources, Inc.

Robert G. Kuhbach
Vice President, Finance,
Chief Financial Officer and Treasurer

Raymond T. McKay, Jr.
Controller

John E. Pomeroy
Vice President; President
& Chief Executive Officer,
Dover Technologies International, Inc.

Joseph W. Schmidt
Vice President,
General Counsel & Secretary

Robert A. Tyre
Vice President,
Corporate Development

Maynard L. Wiff
Vice President,
Information Technology

Jerry W. Yochum
Vice President;
President and Chief
Executive Officer,
Dover Diversified, Inc.

SHAREHOLDER INFORMATION

Investor Inquiries and Corporate News

For quarterly earnings releases, information on conference calls and webcasts, press releases, annual reports, SEC filings including Form 10K, acquisitions, supplemental financial disclosure, and all other corporate news releases, please visit our website at www.dovercorporation.com

Dividends

Quarterly dividends on Dover Corporation common stock are typically paid to holders of record as of the last day of the months of February, May, August and November.

What is Dover's Ticker Symbol?

Dover's ticker symbol is DOV. The stock trades on the New York Stock Exchange and is one of the corporations listed in the S & P 500.

Annual Shareholders Meeting

The Annual Meeting of Shareholders will be held on Tuesday, April 22, 2003 at 10:00 a.m. (local time) at the Wilmington Trust Company in Wilmington, DE.

Independent Accountants:

PricewaterhouseCoopers LLP
New York, New York

Shareholder Services

For help with any of the following:

- Address Changes
- Direct deposit of dividends
- Dividend reinvestment
- Lost dividend checks
- Lost stock certificates
- Name Changes
- Shareholder records
- Stock transfers
- IRS Form 1099
- Direct Stock Purchase Plan

Please contact our Transfer Agent/Registrar, Mellon Investor Services, at the following address:

Via Regular Mail:

Mellon Investor Services
P.O. Box 3315
South Hackensack, NJ
07606-1915
Phone (888) 567-8341
www.melloninvestor.com

Registered or Overnight Mail:

Mellon Investor Services
85 Challenger Road
Ridgefield Park, NJ 07660
Phone (888) 567-8341
www.melloninvestor.com

Executive Offices:

Dover Corporation
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DOVER CORPORATION

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