

WD-40 BRANDS

INNOVATION AT WORK AND AT HOME 2004 ANNUAL REPORT TO SHAREHOLDERS

Cover



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When it comes to cleaning the toilet, 2000 Flushes makes life a little easier. With a variety of in-tank and in-bowl automatic toilet bowl cleaners, 2000 Flushes cleans and deodorizes with every flush. The 2000 Flushes line includes 2000 Flushes Blue Plus Bleach, 2000 Flushes Bleach, 2000 Flushes Plus Detergents.



2000 FLUSHES CLIP-ON

Introducing the powerful clip-on that goes on and on and on, with a fresh spring meadow fragrance.

4 The only clip-on that lasts up to **MONTHS**

3-IN-ONE PROFESSIONAL LINE

X-14 HARD SURFACE CLEANERS



THREE

high-performance formulas added in '04 to the 3-IN-ONE Professional Line.



2 new line extensions

to the X-14 line developed in '04, including X-14 Oxy Citrus for tough stains with a fresh citrus fragrance.



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Inside Cover



X-14 ORANGE ALL-PURPOSE BATHROOM CLEANER

The only aerosol bathroom cleaner that features a widearea spray nozzle for greater coverage plus a fresh orange fragrance. A concentrated formula has more cleaning power and removes tough stains.

BLAST IT WITH WD-40 BIG BLAST

THE CAN WITH 1000 USES



NEW IN '04

Big Blast can with wide-area spray nozzle for more coverage. Same WD-40 product inside.



#1

multi-purpose problem solver

Resides in over 80% of American households. Available in multiple sizes.



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Something's Always New

04

SOMETHING'S ALWAYS NEW AT WD-40 COMPANY

At WD-40 Company, we truly believe in—and remain committed to—innovation. All of our recent product innovations, which have resulted in exciting new features and benefits, leverage the reputation of our individual brands in their respective markets while also capitalizing on new trends that drive and alter demand.

The passion to innovate is reflected in everything we do at WD-40 Company. In a marketplace that continues to provide new challenges, our employees are constantly looking for new and creative ways to deliver results.

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Original Formula



BIG BLAST ORIGINAL FORMULA

COVERS EVERYTHING FASTER

With the recent introduction of the new WD-40® Big Blast Can, consumers now can get the same great WD-40 product inside with a new wide-area spray nozzle outside designed to spray large areas faster and more efficiently. With more than three times the spray velocity, Big Blast covers everything faster—making it ideal for cleaning, protecting, and lubricating lawn mowers, engines, tractors, large equipment, and a host of other items indoors and out.

As we like to say around here at WD-40 Company, if it's big, blast it—with the innovative new WD-40 Big Blast Can, another original from the original.

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Professional Products



37
new products made

TOTAL PROFESSIONAL PRODUCTS IN OUR 3-IN-ONE LINE

Building on the 3-IN-ONE® Professional line's popularity, we recently added 3 new high-performance products: a heavy-duty cleaner/degreaser, an advanced engine starter & conditioner, and a high-performance lubricant spray with PTFE. Whether it's freeing stuck parts, lubricating heavy machinery, making vinyl windows operate smoothly, or cleaning engines, the 3-IN-ONE Professional line has a product that does the job.



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No Vac Technology



NO VAC TECHNOLOGY

Our Research and Development team continually looks for new ways to innovate. Take our popular No Vac carpet technology, for example, which we apply to all 3 carpet brands.

One technology for 3 brands. Understanding that the convenience of not having to vacuum is an appealing product attribute when it comes to cleaning carpets, we have added this innovation to all 3 of our brands of carpet cleaners/refreshers: 100®, our latest acquisition, Spot Shot®, and Carpet Fresh®. (In fact, we are now marketing Carpet Fresh in Australia as the No Vac™ brand.) No Vac carpet technology represents an important breakthrough in this category. The foam breaks up in minutes, leaving the carpet dry and trapped-in stains or odors

13
for

eliminated, without any vacuuming. It saves time—and wins over customers.



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1001 Carpet Cleaning Products



4 1001

new line
extensions
for our
new brand

Our latest acquisition, 1001 Carpet Cleaning Products, was integrated in record time—just 75 days. In fact, after purchasing the 1001 brand from PZ Cussons in April of 2004, we immediately capitalized on our core competencies in the areas of technical development and support to launch 3 new 1001 No Vac fragrances and a 1001 Spot Shot instant stain remover.

Even before WD-40 Company acquired the brand, 1001 was already the market leader in the carpet cleaning category in the United Kingdom, with more than 65% awareness.* Since its original launch in the 1950s, 1001 has become synonymous with keeping carpets clean and stain-free in households throughout the U.K.

Four new 1001 line extensions leverage the introduction of other 1001 brand formulations in the U.K. Our newest 1001 line extensions are already available at leading U.K. retailers, including ASDA-Walmart, and are being supported with an aggressive integrated marketing campaign, most notably a free trial promotion at the point of sale. All this activity, combined with future new product developments, is sure to stimulate continued growth of the 1001 brand long term.



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2000 Flushes

2000 FLUSHES

The first 4-month-long-duration product on the market. Specially formulated and patented, the new 2000 Flushes® Spring Meadow Clip-On with Bleach was another new exciting product innovation in 2004. It features powerful chlorine bleach cleaners and offers longlasting fragrance with every flush—leaving the water clear and keeping the bowl smelling fresh. What's more, this new product works longer than ordinary clip-ons, which typically last only a month.



LASTS UP TO

4 MONTHS

WD-40 BRANDS

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New X-14



NEW X-14 OXY CITRUS AND X-14 ORANGE

There has been little innovation in the bathroom cleaner category in recent years. But WD-40 Company has changed all that with the introduction of X-14 Orange and X-14 Oxy Citrus™. Innovation #1: X-14 Oxy Citrus is the only bathroom cleaner with Oxy, a cleaning agent powerful enough to tackle a variety of tough stains. Innovation #2: The combination of Oxy and citrus action in X-14 Oxy Citrus delivers a dual cleaning formula that packs a one-two punch for cutting through grease, soap scum, and mineral deposits on hard surfaces like porcelain, tile, glass, and fiberglass. Innovation #3: In X-14 Oxy Citrus, the effervescent blend of sparkling citrus/orange enhanced with lush tropical spice can freshen an entire room and makes cleaning more enjoyable. Innovation #4: The unique upscale package design of X-14 Oxy Citrus features a label with translucence that attracts the eye on the store shelf. Innovation #5: New X-14 Orange all-purpose bathroom cleaner is the only aerosol bathroom cleaner that features a wide-area spray nozzle for greater surface coverage plus a fresh orange fragrance.



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INNOVATION AT WORK AND AT HOME 2004 ANNUAL REPORT TO SHAREHOLDERS

Innovation in the Company



GARRY RIDGE
PRESIDENT AND CHIEF EXECUTIVE OFFICER

G'DAY,

The 10K report and proxy statement are included in your annual report pack. Both of these documents cover a great deal of detail about your company.

Please take time to read the 10K report—it discusses our business in great detail. It will give you a deeper understanding of our business—the challenges we face and the actions we have taken to continue to build a strong company. A company based on a number of core beliefs:

- People are the true asset—we must create an environment where people learn and are passionate about making a difference.
- Our products must deliver.
- A clear vision is the guiding light for a company.
- Values within an organization need to be clear and acted upon.
- Planning and execution needs to have clear goals and strong measures of success.
- We need to have a “work in progress” mindset, always reviewing our outcomes and results. We call these “Learning Moments”—they guide our future.

This year we faced some significant challenges and responded by taking steps I believe will have a long-term effect on the growth of our brands worldwide. It's been a year that proved once again the dedication and resourcefulness of our teammates

company-wide and the spirit of innovation that underscores everything we do here at WD-40 Company.

The past year was not one that we had expected, as we fell short of our financial goals. The challenges we faced were primarily in the U.S. and were the result of four major factors:

Household products category changes Innovation is a vital element of household products. Customers and consumers have come to expect new products, packaging, and value. Customer interest in innovation tends to drive the allocation of shelf space. New products earn shelf space at the expense of existing products or categories. Within our U.S. business, we saw some of the space allocated to our categories shifted to other unrelated new products. This affected our Carpet Fresh brand.

Innovation is both a threat and an opportunity. We launched thirteen new products in the past year—laying the foundation, we believe, for better results in the year ahead.

Household products competition While we face competition for retail space by unrelated products, we also face direct competition for the consumer by other products with similar uses. This direct competition was most evident in our X-14 hard surface cleaner brand.

Innovation is also a way to battle competition. At the same time, we feel an obligation to continue with our mission of offering products that deliver above-expectation performance at extremely good value.

Changes in consumer purchasing locations Conditions are changing rapidly in the U.S. grocery channel. Traditional grocery stores have lost ground to mass retailers and super centers. Driving this change—or perhaps as an outcome of it—consumers are changing where they purchase many items, including household products.

Our multiple-trade channel, multiple-country business model is built to enable consumers to buy our brands wherever they like. Increasing distribution of our brands is an ongoing function.

Rising costs We experienced higher costs in a number of areas over the past year. The higher price of oil influenced both our freight costs and cost of goods for our lubricant products. We also saw certain U.S. customers shift to ordering products in smaller but more frequent shipments. Costs have also risen in areas such as regulatory compliance, information technology support, insurance, and legal services. The cost of being a public company is certainly higher than ever before. In addition, we made an investment in the long-term health of our brands. Advertising and promotional costs were higher than in the prior year. While that extra expense brings short-term pain, we believe that a long-term approach is the best way to manage the business.

We have long acted on a mission to remove cost that doesn't add value. As part of our daily work, we continue to look for ways to become more efficient and effective.

We are a small company. As such, we do not have leverage over customers. Our strength lies with consumers—by giving products that deliver above-expectation performance at extremely good value. We call that 'consumer glue.' In the process, we must be responsive to customer needs and meet their logistics requirements. Our expertise in managing an outsourced supply chain is a vital component of our business.

While we faced some challenges this past year, we were also very busy creating new opportunities for your company.

INTERNATIONAL EXPANSION

We continued to build and grow our business outside of the U.S. market. As a result, we had higher sales in Australia, Asia, Canada, and Europe.

INNOVATION

This year we made an important commitment to continue our focus on product innovation and development in an ongoing effort to keep our brands fresh and relevant in a fiercely competitive and volatile marketplace. We introduced 13 new items over the past 12 months—the most innovative year in company history.

13 PRODUCTS

2004 has certainly been a year of product innovation at WD-40 Company. We introduced 13 new line extensions/products in all in order to continually grow share and maintain our competitive edge in the various markets where we compete.

New product development and innovation are important for another reason. At WD-40 Company, we have come to realize that the equity of our brands involves more than just market share. It involves how customers perceive our brands and the extent to which they remain loyal. And new product development is a way for us to show our ongoing commitment to nurturing that loyalty. It demonstrates the fact that we are always looking for new ways to make people's lives easier at home and in the workplace—under the sink, in the garage, and in toolboxes throughout the world.

ACQUISITION

1001 is the leading brand of carpet care products in the U.K., with 65% brand awareness and over 40% market share in that market. This latest acquisition is a great match that not only takes advantage of our core competencies but also provides us with a platform for successfully introducing new items into the U.K. We believe we can leverage our considerable distribution capabilities to continue to grow this brand in the U.K. market. Toward that end, we have already launched three new 1001 No Vac fragrances and a 1001 Spot Shot instant carpet stain remover, and these products are already available at leading U.K. retailers.

75 DAYS

This year, our newest acquisition, 1001 carpet cleaning products—a popular and very successful brand in the U.K.—was not only successfully integrated in just 75 days, but we launched new products, proving our ability to quickly transfer our technology from one market to another.

This year we faced some significant challenges and responded by taking steps I believe will have a long-term effect on the growth of our brands worldwide. It's been a year that proved once again the dedication and resourcefulness of our teammates company-wide and the spirit of innovation that underscores everything we do here at WD-40 Company.

The results of our Employee Opinion Survey Once again this year, our employees worldwide rated the Company's performance in a broad range of areas. And once again they gave us high marks, as well as specific feedback on areas where we can improve. The results of the survey prove that we are doing a lot of things right, and that we continue to maintain a critical eye on things we can do better.

Our sales per employee was up from \$1,118K in 2003 to \$1,128K in 2004, a number that continues to demonstrate our efficiency as an organization.

7.9% GROWTH

We also saw 7.9% WD-40 brand growth in FY 2004, a fact that reflects our focus on our strategy to build the WD-40 brand fortress around the world.

LOOKING AHEAD

I've always believed smart companies should invest time understanding the realities of their business first; those that do are much more successful at "making it better than it is today" as they pursue growth. I would like to share some of the current

realities about WD-40 Company and how we plan to address these in 2005.

Our household product categories are dynamic. We need to be continually aware of the evolution of consumer needs and customer requirements. We plan to work hard in 2005 to deliver products that our consumers need and our retail partners recognize as brands that truly deliver above-expectation performance at an extremely good value. Leading brands that deliver superior value to consumers are the brands that survive market dynamics. We believe our brands share those characteristics...and we must continue to make them available to consumers.

Prioritization and execution are keys to long-term success. Our priorities in 2005 include:

- Enhance our new product development capability while gaining speed to market.
- Build distribution of our U.S. household brands in multiple trade channels.
- Build new distribution for our new products in the U.S. and other developed markets.
- Grow the international lubricant business.
- Continue to develop our people, processes, and systems to support the long-term vitality of the business.

As we look forward to continued growth and profitability, I want to express my sincere appreciation to our shareholders for their continued support and ongoing feedback. And, of course, I want to thank our outstanding team of WD-40 employees worldwide for a superb job in making this one of the most innovative years in our Company's history.



Garry Ridge
President and Chief Executive Officer



WD-40 BRANDS

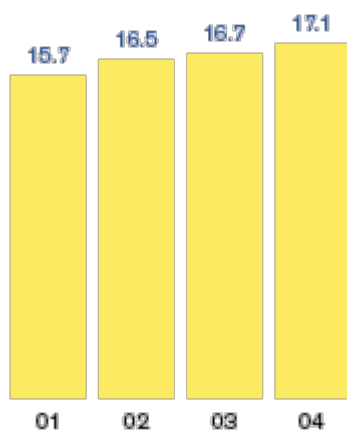
INNOVATION AT WORK AND AT HOME 2004 ANNUAL REPORT TO SHAREHOLDERS

Financial Highlights

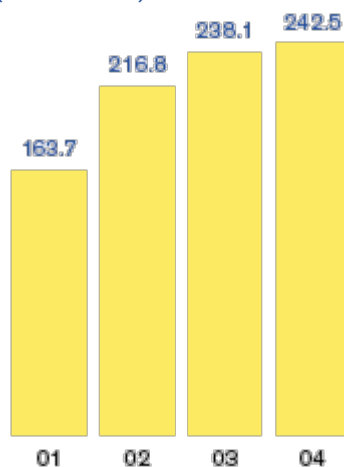
PROFITABILITY RATIOS

(after tax) Return on Sales**	11%	Return on Assets	11%	Return on Equity	23%
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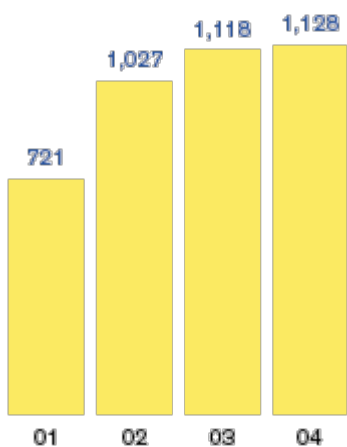
SHARES OUTSTANDING*
(in millions)



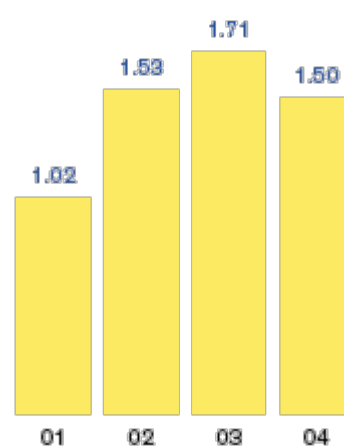
SALES**
(in millions)



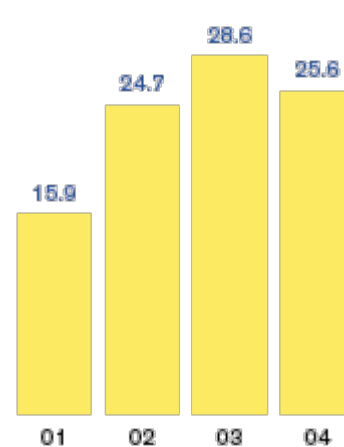
SALES PER EMPLOYEE **
(in thousands)



EARNINGS PER SHARE*
(in dollars)



YEAR EARNINGS*
(in millions)



* This amount is after the cumulative effect of a change in accounting for revenue recognition for fiscal year 2001.

** All sales reported are reflective of the application of the consensus reached by the Emerging Issues Task Force of the FASB in Issue EITF 01-09 ("EITF 01-09") entitled, "Accounting for Consideration Given by a Vendor to a Customer or a

Reseller of the Vendor's Products.”



WD-40 BRANDS INNOVATION AT WORK AND AT HOME 2004 ANNUAL REPORT TO SHAREHOLDERS



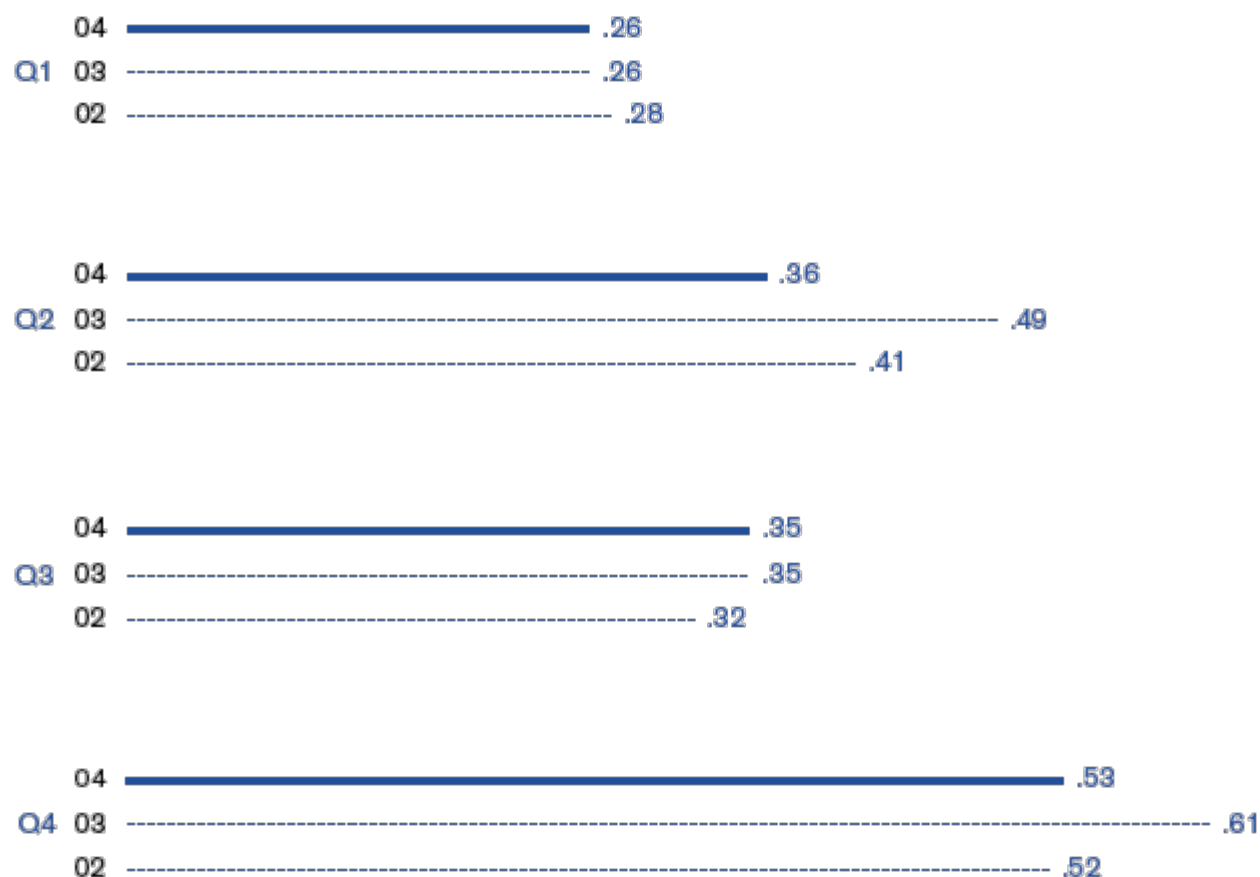
WD-40 BRANDS

INNOVATION AT WORK AND AT HOME 2004 ANNUAL REPORT TO SHAREHOLDERS

Financial Summary

YEAR-OVER-YEAR COMPARISONS EARNINGS PER SHARE BY QUARTER

(in dollars)



FIVE-YEAR SUMMARY

(in thousands, except per share amounts and employees)

	2000	2001	2002	2003	2004
Net Sales **	\$ 146,469	\$ 163,748	\$ 216,764	\$ 238,140	\$ 242,467
Cost of Product Sold	69,414	79,547	108,153	115,928	116,944
Gross Profit	77,055	84,201	108,611	122,212	125,523
Operating Expenses	45,432	56,112	66,245	72,460	80,074
Interest and Other Income, Net	(495)	(2,508)	(6,555)	(6,357)	(6,596)
Income Before Income Taxes	31,128	25,581	35,811	43,395	38,853
Provision for Income Taxes	10,570	8,698	11,135	14,754	13,210
Net Income	20,558	16,883	24,676	28,641	25,643

Cumulative Effect of Accounting Change		(980)			
Earnings per Share (diluted)	1.33	1.02*	1.53	1.71	1.50
Dividends per Share	1.28	1.18	0.94	0.80	0.80
Total Assets	84,950	166,712	215,045	236,658	236,775
Number of Employees	184	227	211	213	215

WD-40 BRANDS

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Shareholder Information

BOARD OF DIRECTORS

John C. Adams Jr.

Compensation Committee Chairman
Investor
Former Chairman & CEO
AutoZone, Inc.

Giles H. Bateman

Audit Committee Chairman
Former CFO and Director
Price Club

Richard A. Collato

President and CEO
YMCA of San Diego County

Mario Crivello

Investor

Linda Lang

President and COO
Jack in the Box, Inc.

Gary L. Luick

Consultant

Kenneth E. Olson

Corporate Governance Committee
Chairman
Investor
Former Chairman & CEO
Proxima Corp.

Garry O. Ridge

President
Chief Executive Officer
WD-40 Company

Gerald C. Schleif

Retired; Former President
& Chief Executive Officer
WD-40 Company

Neal E. Schmale

Chairman of the Board
Executive Vice President & CFO
Sempra Energy

Edward J. Walsh

President

William B. Noble

Managing Director, Europe
WD-40 Company (UK) Ltd.

Garry O. Ridge

President
Chief Executive Officer

OFFICERS

Dr. Ernest Bernarducci, Ph.D

Vice President, Research & Development

Nancy Ely

Vice President, Human Resources
Assistant Secretary

Bob Hoagland

Vice President, Information Technology

Tim Lesmeister

Vice President, Marketing—USA

Scott Martin

Senior Vice President, Sales—USA

Maria Mitchell

Vice President, Corporate & Investor
Relations
Corporate Secretary

Jay Rembolt

Vice President, Finance/Controller
Principal Accounting Officer

Steven E. Schwab

Vice President, Sales (Strategic)

Patrick Wade

Vice President, Supply Chain and Logistics

GENERAL COUNSEL

Gordon & Rees LLP
101 W. Broadway, Suite 1600
San Diego, California 92101

INDEPENDENT ACCOUNTANTS

PricewaterhouseCoopers LLP
750 B Street, Suite 2900
San Diego, California 92101

INVESTOR RELATIONS CONTACT

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Vice President Corporate & Investor
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Fax: 619-275-1095
mitchell@wd40.com

CORPORATE BRAND SUPPORT CENTRE

WD-40 Company
1061 Cudahy Place
San Diego, California 92110
Phone: 619-275-1400

OPERATING SUBSIDIARIES

WD-40 Company (UK) Ltd.
WD-40 Products (Canada) Ltd.
WD-40 Company (Australia) Pty. Ltd.

AMERICAS BRAND SUPPORT CENTRE

WD-40 Company
1061 Cudahy Place
San Diego, California 92110

EUROPEAN BRAND SUPPORT CENTRE

WD-40 Company (UK) Ltd.
Brick Close
Kiln Farm, Keynes MK11 3LJ
United Kingdom

ASIA/PACIFIC BRAND SUPPORT CENTRE

WD-40 Company (Australia) Pty. Ltd.
Suite 23, 2nd Floor
41 Rawson Street
Epping, N.S.W. 2121
Australia

LISTED

Nasdaq National Market System
Symbol: WDFC
Industry Sector: Consumer Goods



W D F C
NASDAQ
LISTED

The Sparta Group, Ltd.

EXECUTIVE OFFICERS

Michael L. Freeman

Division President
The Americas

Geoffrey J. Holdsworth

Managing Director, Asia/Pacific
WD-40 Company (Australia) Pty. Ltd.

Michael J. Irwin

Executive Vice President
Chief Financial Officer

Graham P. Milner

Executive Vice President,
Global Development
Chief Branding Officer

TRANSFER AGENT & REGISTRAR

Computershare Investor Services, LLC
2 North LaSalle Street
Chicago, Illinois 60602
Phone: 312-588-4180

ANNUAL MEETING

2:00 PM, December 14, 2004
Mission Valley Hilton
901 Camino Del Rio South
San Diego, California 92108
Phone: 619-543-9000

COPY OF FORM 10-K

Beneficial owners may obtain without charge a copy of WD-40 Company's annual report on Form 10-K filed with the Securities and Exchange Commission (SEC) for 2004 by writing to the Corporate Secretary, WD-40 Company, P.O. Box 80607, San Diego, California 92138-0607.

Corporate information as of November 04, 2004

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WD-40 BRANDS

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Inside Back Cover

13 FRAGRANCES OF CARPET FRESH

A leading brand in its category. Carpet Fresh is available in two product forms, Powders and No Vacuum foam, and has expanded consumer appeal with the introduction of 3 new fragrances, for a total of 13 fragrances. Additionally, to better meet consumer and end-user needs, Carpet Fresh No Vacuum foam is now available in 3 sizes.



NEW X-14 MILDEW STAIN REMOVER



Keeps mildew stains away for up to **2 WEEKS**. Eliminates stains in seconds without any scrubbing. Now available in 32 oz. bottle.

X-14 PROFESSIONAL STRENGTH



66% stronger than the leading regular-strength mildew removers. For the toughest mildew stains.

FOR STUBBORN CARPET STAINS



#2 Now our #2 best-selling brand behind our flagship brand, WD-40. Removes spots and stains instantly.

WD-40 BRANDS

INNOVATION AT WORK AND AT HOME 2004 ANNUAL REPORT TO SHAREHOLDERS



Back cover



WD-40 Company

1061 CUDAHY PLACE
 SAN DIEGO, CALIFORNIA 92110
 WWW.WD40.COM

44% MARKET SHARE IN THE U.K.

1001 Carpet Cleaning Products was acquired in 2004. Even before WD-40 Company acquired the brand, it was the market leader in the carpet cleaning category in the United Kingdom, with more than 65% awareness. 1001 has become synonymous with keeping carpets clean and stain-free in the United Kingdom.



FIRST OF ITS KIND IN AUSTRALIA

3-IN-ONE PRECISION DRIP APPLICATION

NO VAC
 No Vac Auto and

#1



No Vac Foam Carpet Deodorizer.
Available in three fragrances.



3-IN-ONE is still first in the drip oil category.

