WD-40 COMPANY

“It’s not what we do, but who we are, that defines our success.”

2015 annual report


WD-40
MULTI-USE PRODUCT
SPRAYS 2 WAYS

as a team. The People. Our positive lasting memories. Dalla liberta. Dalla gran voglia di fare del mio team e l'impegno che ognuno di noi mette giorni per migliorare come ditta e come persona. My colleagues. Inspirada por superarme cada dia, exito junto a un buen ambiente laboral. Suc with good working environment. Persone!! energy and enthusiasm of the tribe. The passionate team work ethic within the Branch accountant Working with a great team! Team spirit and great products. Produkte und deren vielfältige Einsatzmöglichkeiten. All the great people and leader la dynamique, l'émulation entres collègues et services, la volonté de faire toujours. The feeling of belonging. Caring for and being cared by my f Being part of such an amazing company. The tribe's passion. At WD-40 company I am inspired by open and honest people. I am inspired by this who I am proud to call my family. We stick it out through thick and thin and we rally for the cause – creating the greatest company on earth and e of us leaving our own legacy here. Our people. Je suis inspiré par le sport! "Tribe member spirit. Corporate challenges. Contributing to our colle success. The people I work with and encounter daily. Absolutely everyone's commitment to "Making it better than it is today!" I am inspired by company's culture and values and most importantly all our lovely colleagues around the world. We are like a big family :). Encouraging words of wis by the CEO, Garry Ridge! The people I work with. Working with great tribe members!! Vendite. L'ouverture d'esprit, la réussite et le développer personnel. Helping others. Los retos del día a día. The Team Spirit. L'union. people who make up our tribe. I am inspired by the collaborative and fa atmosphere here at WD-40 Company. La politique de mon entreprise, son éla les personnes qui m'entourent au quotidien. The PEOPLE! Being ab make a small dent in the Universe by working with marvelous peop unique culture and unique brand. To do the right thing. L'esprit d'équipe. Garry Ridge pasion y buen hacer de la gente que componen la compañia. Le marketing! The en of the people to do and be the best they can! The WD-40 family. Die tollen Kollegen.

At WD-40 Company, I am inspired by...

people I get to work with everyday and the collaboration in finding opportunities to make things better than they are today. The culture and values. fantastic people. Comradery. The consumers that reach out to tell us their stories about how they grew up using WD-40. L'esprit d'equipe. Dalla pass per il mio lavoro. Our Tribe Pride. L'élan positif des utilisateurs de WD-40 Le produit! Et l'humain! The values that guide everything that we do. La f du produit. The willingness to accept challenges and the teamwork to overcome them. Company value and vision. The unique talents of the Tribe w exceeding team goals. Be yourself, Truthfullness. Je suis inspiré par mon équipe. L'ambiance dans nos bureaux de France. Le produit que j'ai tou dans mon sac à main et que j'utilise toutes les semaines: sur mon vélo, mes mains pleines de goudron, ma machine à laver, ma porte. Our team passion, our brands! Our tribal culture, and the ability to make a difference every day! Our Values! La calidad de su gente. Everyone's strong pas and commitment to doing the right thing. Trabajar con un equipo de magníficas personas La gente. Our tribe members... der tolle Teamgeist... Le p My tribe! Teamgeist. The amazing people I work with every day. The people I work with. :) L'envie d'évoluer... H and Natalie. The people. The passion we all have for our brand, our culture and our people. L'esprit d'éq Our values. The awesome group of dedicated and talented Tribe members. The global journey we are all trav together. At WD-40 Company I am inspired by my colleagues and working environment. La satisfaction de contri

the people

à un avenir prolifique tout en récoltant le fruit de mon travail... The opportunities for leadership. Emma Zhong's beautiful EZ-REACH display and hard-working AIDG team! L'effervescence et l'esprit d'équipe au sein de l'équipe. The memories we make! My fellow tribe members! Meine Kolle My AWESOME teammates! Providing people with our great products to meet their needs for solving their problems of squeeks, stickiness, or th not working smoothly that they encounter every day. My tribe! The Tribe's work ethic. Strong, dynamic leadership. opportunity for continued leanings and growth both personal and professionally. Poder combinar mi filosofía vida con los valores de la emptesa y ser feliz. Meine Teamkollegen! The corporate culture, WD-40 employees, a atmosphere. I am inspired by a positive approach! The opportunities I have been given to gain more skills

teamwork

knowledge. Working with people that always have time to help others. Excellence. The people, the passion and the pride. The team around me a are 110% committed to exceeding our goals, while doing the right thing, and making it better than it is today! I am inspired by the passion and leade of my fellow tribe members! The amazing tribe I work with. I am inspired by all of my tribe members and everyone's love and passion for our bra Umsatzerfolge... A WD-40 Company je suis inspiré par l'esprit d'équipe, le gout du challenge et du succès... tous les usages incroyables de n produit 'star'! The people! Die Kollegen. The love of WD-40 by our consumers! The positive atmosphere. company's culture and the people I work with. L'esprit d'équipe. The company culture. The opportunities the comp gives to its tribe members to gain more knowledge and skills. Garry being so approachable. Disponibilidade, sim e amizade entre colegas. Que todos los días hay razones para la inspiración ;) The unique working tribal cu

innovación

where everyone works closely as a tribe and our success can be attributed to this culture. The CEO really practices what he says and genuinely c about tribe members' success by helping them win at work with his philosophy – "Don't mark my paper, help me get an A". Me siento inspirada p gran equipo humano que forma parte de la compañia. A strong and happy community! Our amazing leadership! Everybody's passion and driv succeed. The teamwork and collaboration between tribe members. Porque cada día compruebo que aunque seas pequeño se pueden hacer gra cosas. The way they manage people. Relever des défis! Confidence & Success. Hoch motivierte Mitarbeiter. Experiencing things I have never experie before! Our leadership and the direction in which the company is heading. Everyday I see our tribe members presented with new and challen opportunities that they may not have been able to experience in any other company. The people of WD-40 Company rise above the expectations seize these opportunities – that is when milestones are truly reached. The passion we have for our b Unser tolles Team. The values we share as a tribe. My colleagues and any new challenges that present themselves to me on a daily basis within my role. No two days are the same. I am inspired by the long lasting memories established. the WD-40 shield! By the people who I support in the business units. Progetti sempre

indipendenza

leadershi

nuovi. El entusiasmo del equipo WD40. Excellent product and very good company. The passion of my fellow team members! The entire Tribe colleagues. Working for a global brand! Our tribe's continued dedication to acting, responding and living passionately! Our fabulous teams. I am insp by technology. Universalité, intemporalité. The Blue & Yellow can which one recognized and like everywhere in the world! Cultura de empresa e extraordinaria familia. Mentoring others around me and encouraging them to be the best they can be. Passion. Por el buen ambiete de trabajo WD-40 Company I am inspired by the wonderful, dedicated, hard working and diverse people that make up this great company. We're like one crazy family just making it happen. Meine Kollegen - sowohl in der DACH Region als auch in EMEA... und dann die Kollegen w weg, die ich in den letzten 19 Jahre kenngelernt habe. Are you feeling lucky? The current employees and those former emplo who paved the way! The passion which our employees bring everyday to the task of building a better company, worldw Our clear vision for growth. Working with a great group of people in a concerted effort to make systems and processes b

values

every day! The power of the WD-40 Shield !!! The people. The passion of the tribe and the desire to make it better than it is today. All those members who value my contributions and encourage me to excel for the benefit of the tribe. What we at WD-40 consider priority one... The Peo Menschen. Selling great brands with great people. The people. Passione. The desire of others to do the right things. The positive attitudes and fant teamwork in my department. Mon équipe. Knowing hard work pays off! The great working environment we all enjoy within the company. Their contin dedication to doing what is right The company values, the culture and people. It is seriously the best workplace environment I have had the pleasure of working in. The Tribe's desire to learn and grow... Par l'esprit d'équipe. Great leadership from our CEO. First o the lovely team members, additionally outstanding products and challenging workplace! The freedom to be myself at w Taking the blue and yellow to more places and further usages ...der positive Gedanke alles erreichen zu können. ...das Miteinander.

智能

Begeisterung bei der Arbeit The people I work with every day my real opportunities to be a unique contributor. At WD Company I am inspired by the good working culture and environment. WD-40's company culture die vielen verschiede Mitarbeiter,die tägliche Arbeit sowie das tolle Arbeitsklima im Unternehmen WD-40... My UK Operations Team The peo at WD-40. The hard work of my team every day to "do the right thing." The brand and the working environment.

passion

Leute. Making it better than it is through the people I work with. Our tribe and our culture. It sets us apart and drives our success. At WD-40 I'm insp by having a great coach,great teammates and great company all around. The people I work with. I work for a company that treasures work-life bal This makes me want to work that much harder. The exceptional culture practice by the tribe. The culture! The incredible leadership and passion entire organization has to making it better than it is today. We truly celebrate our values and I am honoured to be part of such an AWESOME te Multifunktionalität der Produkte. My fellow tribe members. Tribology! The dedication to making it better than it is today. How each and every

2015 annual report

"You have to stick within what I call your circle of competence. You have to know what you understand and what you don't understand. It's not terribly important how big the circle is. But it's terribly important that you know where the perimeter is." – Warren Buffett

It's not what we do, but who we are, that defines our success. At WD-40 Company, our results come from a culture of ownership, driven by a global tribe that is accountable, passionate and engaged. We continue to invest in our tribe members, and in turn they remain focused on exceeding stakeholder expectations. Our shared commitment once again delivered sustainable, profitable earnings growth in fiscal year 2015.

It was the best of times. It was the worst of times. Fiscal year 2015 was a year of solid operating performance that was obscured by the impacts of political events, economic instability, a strong U.S. dollar and a particularly weak euro against the pound sterling. We have built a global company, and with approximately 40% of our revenues generated in currencies other than the U.S. dollar, we are exposed to the effect of changing foreign currency exchange rates.

The Americas and Asia-Pacific both performed well, increasing sales by 4% and 6%, respectively, compared to the previous fiscal year. However, in Europe, the Middle East, Africa and India (EMEA), sales were down 10% due to the unfavorable impacts from foreign currency exchange rates and political and economic instability in parts of Eastern Europe, particularly in Russia and Ukraine.

Despite these challenges, our underlying business remains solid and in local currencies we delivered growth in all but a few of our markets around the world. We generated net sales of $378 million in fiscal year 2015, a decrease of 1% compared the previous year. However, the impacts of changing foreign currency exchange rates reduced our net sales by approximately $16 million dollars during the fiscal year.

The most important thing I'd like investors to reflect on is this: we take the long view. Despite the current macroeconomic conditions, we see growth far into the future. As our tribe continues to execute methodically against our strategic initiatives, we will grow.

Strategic Initiative #1: Grow WD-40 Multi-Use Product

As always, our growth story begins with the famous blue and yellow can with the little red cap. In fiscal year 2015 net sales of WD-40® Multi-Use Product were $292 million globally. The Americas and Asia Pacific both saw growth, increasing WD-40 Multi-Use Product sales by 3% and 7%, respectively. However, sales of the WD-40 Multi-Use Product were down 14% in EMEA due to the impact of changing foreign currency exchange rates.

In fiscal year 2015, WD-40 Multi-Use Product was sold in 176 countries and territories worldwide and made up 77% of our global sales. We believe we have the opportunity to double the sales of WD-40 Multi-Use Product over the next 10 years. How? Our mantra is simple: more places, more people, more uses, more frequently.

Strategic Initiative #2: Grow the WD-40 Specialist Product Line

We continued to grow sales of WD-40 Specialist® all over the globe. Despite all the macroeconomic events that we encountered in fiscal 2015, WD-40 Specialist still achieved a global growth rate of 24% over the prior year. For the full fiscal year WD-40 Specialist global sales generated about 6% of the revenue we saw from WD-40 Multi-Use Product.

WD-40 Specialist is now available in over 60 countries and territories. We'll continue to take Specialist to new places and launch new Specialist categories in markets around the world. Over the next 10 years we believe that sales of the WD-40 Specialist product line will grow such that it will generate approximately 25% of the revenue we see from WD-40 Multi-Use Product. This means it will be a sustainable and substantial revenue and earnings growth engine for many years to come.

Strategic Initiative #3: Broaden Product and Revenue Base

We continue to broaden our revenues with product lines like WD-40 BIKE®. Now available in 19 countries around the world, WD-40 BIKE continues to grow and add to its product line. At the end of fiscal year 2015, we started to plan for the transition of the WD-40 BIKE business in the U.S. from one with distribution limited to independent bike dealers to one that will also include the same multi-channel distribution network and customers which are currently in place for our other maintenance products in the Americas segment.

We will continue to develop or acquire maintenance products that fit well with our unique multi-channel distribution network.

Strategic Initiative #4: Attract, Develop and Retain Outstanding Tribe Members

We welcomed nine new tribe members during the fourth quarter and 57 in the full fiscal year – the most ever in a single year. This included a mix of both new and backfilled positions, which grew our tribe to 433 people around the world. While we do not expect to continue to add headcount at this rate, this investment in our most valuable resource positions us for more revenue growth ahead. Today our organization has more tribe members in place to generate product sales, manage product innovation, product renovation, product quality, regulatory compliance and consumer safety than ever before in the Company's history.

Strategic Initiative #5: Operational Excellence

We are continuously improving our operations by optimizing resources, systems and processes. In fiscal year 2015, we expanded our upgraded Enterprise Resource Planning (ERP) system in EMEA and we made enhancements to our supply chains in both the Americas and EMEA. We also continued our focus on category leadership which has transformed the way we talk to our customers about our products, and we became increasingly rigorous in our quality assurance, regulatory compliance, and intellectual property protection.

We Take the Long View

At WD-40 Company, our strategy for growth is one for the long term. I have said many times that just as Rome was not built in a day, it takes many years to build a strong brand and create end user loyalty. It has taken us over six decades to grow WD-40 Company to what it is today. We are here to build a sustainable company that will bear fruit for many years to come.

I believe the vision-crushing ritual of the pressure of quarterly earnings is not the measure of success. A company must have a clear and compelling vision and a set of core values that drive the culture. Values must be clearly acted upon. A clear set of strategic drivers must determine how time, talent, treasure and technology are invested to achieve the stated outcomes.

Looking ahead, I believe we have the opportunity to double the size of our business over the next 10 years. How? By doing the same things we have been doing for the last decade and bringing it to a bigger, broader global audience. Ultimately we believe our top-line growth, combined with the discipline of our business model, will continue to drive shareholder returns.

What does success look like? Our vision for growth is one we plan to achieve step by step. Over the next 10 years we believe we can double our global sales of maintenance products. That would result in annual revenues of approximately $600 million to $700 million. We expect to do this while targeting gross margin of 55%, cost of doing business of 30%, and EBITDA of 25%. If we accomplish this we believe we have the opportunity to significantly increase our earnings per share and market capitalization, as we build a brand that is even stronger than the one we have today.

Our opportunity is clear. Our ability to achieve it comes down to the people who make it happen – our tribe. That is why our biggest priority going forward is maintaining the Company culture and the integrity of our brands, as we continue to stay focused and execute on our strategic initiatives.

I look forward to keeping you posted on our progress in the coming year and beyond.

Garry O. Ridge
President and Chief Executive Officer

2015 events

FISCAL YEAR
2015

WD-40 Specialist achieved a global sales growth rate of **24%**

Q1 Q2

Completed our first acquisition in a decade – *GT85 Limited* – to strengthen our distribution of WD-40 BIKE in the United Kingdom

Our newest 3-IN-ONE® product, *Lock Dry Lube,* hit store shelves in U.S. retail channels for the first time

Increased our *dividend* for the fifth consecutive year

Pound sterling to U.S. dollar exchange rate hits five-year low

"When you think about what has made our core brand successful, it's the positive lasting memory that it has left with end users all around the world. We're in the memories business. It's about creating positive lasting memories with our end users, the people who use our product, our shareowners who trust us with their investment, and our tribe members who do the work. What has made us great will make us greater, and that's memories."

Garry Ridge

Delivered a return on invested capital of **27%** *to our stockholders*

Delivered our ***highest gross margin*** *in over a decade*

Q3 Q4

Began executing repurchases under new *$75 million* stock repurchase plan

Euro to pound sterling exchange rate hits eight-year low

Crude oil hits lowest price levels since Great Recession

Our tribe reached *433* members, the largest in the Company's history

Launched WD-40 *EZ-REACH™*, an innovative, flexible straw that makes WD-40 Multi-Use Product even easier to use

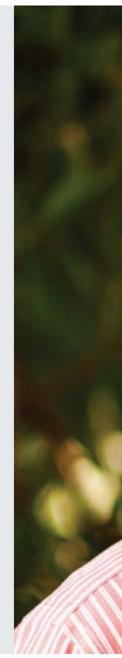
Our Tribe: Our people, our brands and our business model are what drive outstanding results. Together, they have created a global marketing organization with a unique distribution network that continues to reward stockholders year after year.

Growing Our Global Reach

In the last three decades our tribe has transformed our business from a U.S.-centric focus to a global marketing organization with brands distributed in 176 countries and territories worldwide. Now our global reach positions us for more growth ahead. This gives us the strength of being diversified around the world.

As a product developer and marketer, we keep our operations lean so we can focus on what we do best. We outsource product filling, packaging and logistics to third-party vendors, who in turn deliver our products to our customers. In some markets we sell directly to our customers, and in others we have established strong, long-term relationships with marketing distributors. But we see only one market, and it is a global one.

> *"Our tribe is collaborative. We care for each other. We look out for each other. When the company grows, we all benefit. So teams succeed, not so much individuals. We push each other. We encourage each other, we hold each other accountable for being better, and we have a lot of fun. Wherever I go, our people enjoy working together."*
>
> *Bill Noble*
> *Managing Director, EMEA*



Our distribution channels are well established, particularly in our mature markets, and we need to continue pushing our products through these channels. At the same time, we are expanding sales in high-growth markets around the world, from Asia-Pacific to Latin America, Eastern Europe, the Middle East and Africa.

Empowering Results

It takes a special group of people to execute on our strategy, and that is our tribe. With 433 tribe members around the world, each employee generated an average of $873,000 in sales for fiscal year 2015. Our job as tribe members is to increase the value of the enterprise, and our results show that our people are our most valuable resource.

Our tribe members are accountable, passionate and engaged. They tell us that they love working at WD-40 Company and that they understand how their jobs contribute to achieving WD-40 Company's goals. They feel encouraged to improve continuously in their jobs. They get the freedom to decide how to accomplish our goals, and they are excited about the Company's future direction. For all these reasons, our tribe continues to deliver results year after year.

focus on:

EUROPE, THE MIDDLE EAST, AFRICA, & INDIA ("EMEA")

FISCAL YEAR 2015 RESULTS AT A GLANCE:

$137 million in net sales

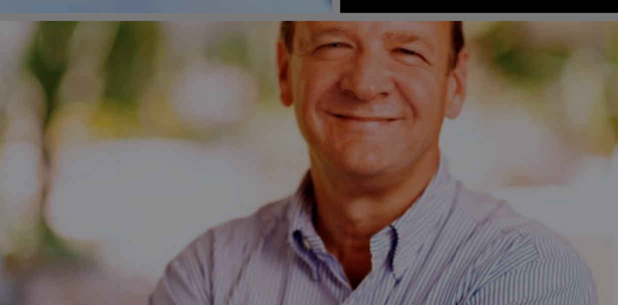
Down 10% from fiscal year 2014

Representing 36% of global sales

167 tribe members

OUR OPPORTUNITIES TO GROW:

Sell more WD-40 Multi-Use Product ■ Expand sales of WD-40 Specialist ■ Strengthen distribution in Germany, the world's second-largest DIY market after the U.S. ■ Grow sales of WD-40 BIKE (launched in EMEA in fiscal year 2015), GT85 and WD-40 Specialist Motorbike



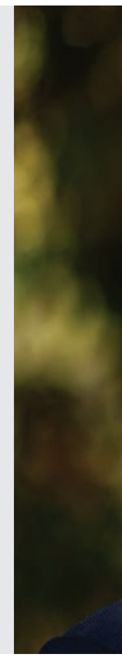
Our Culture: Culture is the slowest thing to change in any company and is also one of the most important things. Over the years, we have cultivated a learning culture, and it's the direct result of how we live our values every day.

Knowing Our Brands

We are passionate about learning at WD-40 Company. As a global marketing organization, we know product education is a vital element for professional growth and innovation. That's why each member of our global tribe has access to Tribology University.

Technically, tribology is the study and application of the principles of friction, lubrication and wear. But as we define it, tribology means learning about each of our products from start to finish. With each launch, our tribe members learn directly from our specialists in R&D, category leadership, sales and marketing and more. This immersive experience is just one way we share knowledge across our organization.

> *"We are very focused, we execute well, and we are building our tribal bench. We innovate and continue to focus on our brands. We are using our ability to take a few things to many places. We are developing our category leadership and our management leadership muscle. This is a company that the tribe and I are deeply invested in."*
>
> *Mike Freeman*
> *Division President, Americas*



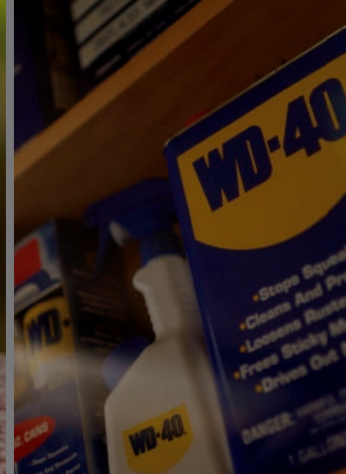
Developing Our People

Developing our tribe and building our company's bench strength for our future success remains a top priority. More than four years ago we created the Leadership Laboratory, a program to facilitate the understanding of our leadership principles and values, in order to develop the next generation of leaders within our organization.

We offer the curriculum to all our tribe members – at every level, in every country and every region. This is because we believe everyone is a leader, whether or not they lead a team or a function. As a result, they gain a strong base from which to grow their leadership skills and inspire their teams and other members of the tribe. In total, we have had 162 tribe members graduate from various levels of Leadership Lab since the program began – that's nearly 40% of our tribe globally.

In addition to Leadership Lab we have 22 tribe members who have been awarded Master of Science in Executive Leadership (MSEL) degrees from the University of San Diego and two more due to graduate in fiscal year 2016. The MSEL program builds advanced business knowledge and character concurrently, learnings which our leaders can immediately bring back to the tribe.

In addition, WD-40 Company was recognized for the fifth consecutive year by WorldBlu as one of the most "Most Freedom-Centered Workplaces™" for high levels of innovation, accountability, and transparency. This acknowledgement validates our longstanding efforts to create and sustain a culture that consistently promotes meaningful work life and high employee engagement.



focus on:

THE AMERICAS

FISCAL YEAR 2015 RESULTS AT A GLANCE:

$187 million in net sales

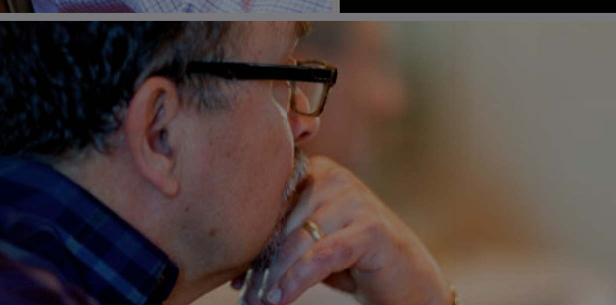
Up 4% from fiscal year 2014

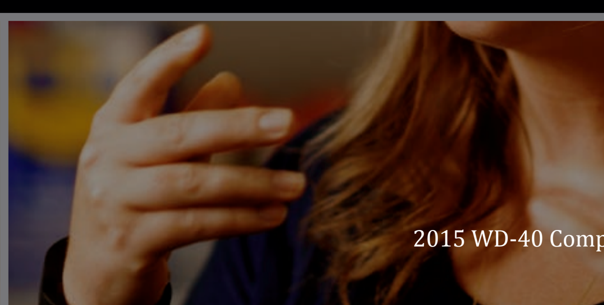
Represents 50% of global sales

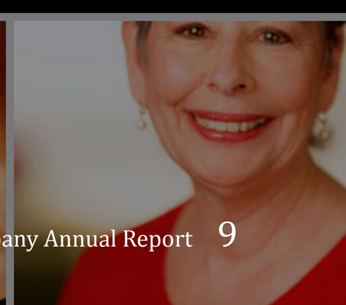
189 tribe members

OUR OPPORTUNITIES TO GROW:

Sell more WD-40 Multi-Use Product ▪ Continue innovation such as EZ-Reach in mature markets such as the U.S. and Canada ▪ Provide ubiquitous distribution where end users shop ▪ Support category leadership, using research and data to help our largest retail partners grow their category sales and profits in a sustainable way





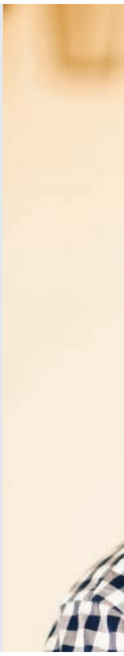


Our Brands: Since 1953, WD-40 has become a household name. That's because our brands continue to create positive lasting memories by solving problems in workshops, factories and homes around the world.

We have grown by building some of the most trusted consumer brands in the world. Our flagship brand, WD-40, is under the sink, in the garage and in toolboxes everywhere. Now we are leveraging the power of the shield to provide our end users with even more problem-solving tools. We serve a wide range of consumer and industrial markets, from automotive to manufacturing, sporting goods, aviation, hardware, home improvement, construction, and farming.

"People love the blue and yellow can with the little red cap. Consumers trust the WD-40 brand because they have seen what it can do. Our retailers know that as a Company we do what we say. Our growth comes not from just one area, and it's not because of just one person. It's a combination of the brand, the execution, the retail environment and being true to ourselves."

Geoff Holdsworth
Managing Director, Asia-Pacific



Our signature product in the blue and yellow can, the WD-40 Multi-Use Product, is just one of the maintenance products we sell under the WD-40 brand. We market the following maintenance products under the WD-40 brand:

- **WD-40® Multi-Use Product** – The #1 problem solver, the WD-40 Multi-Use Product is truly a "toolkit in a can." With over 2,000 documented uses, it has been the go-to resource to get the job done for over 60 years.
- **WD-40 Specialist® Product Line** – In 2011, WD-40 Company introduced WD-40 Specialist – our line of best-in-class specialty products under the WD-40 brand, which is geared toward trade professionals.
- **WD-40 BIKE® Product Line** – A comprehensive line of bicycle care products developed for cyclists and mechanics, WD-40 BIKE is our newest product line. In 2012, we launched WD-40 BIKE under the WD-40 brand.

We also market the following maintenance products:

- **3-IN-ONE® Brand** – With specialty products for specialty needs, 3-IN-ONE offers a full range of products for lubrication and corrosion protection.
- **GT85 Brand** – Our first acquisition in a decade, GT85 was acquired early in fiscal year 2015. GT85 is a multi-purpose bike maintenance product that consists of professional spray maintenance products and lubricants and is sold primarily in the U.K.

Homecare and Cleaning Product Brands

In addition to our maintenance products, we also sell our homecare and cleaning products in various locations worldwide. They include: X-14®, 2000 Flushes®, Carpet Fresh®, no vac®, Spot Shot®, 1001®, Lava® and Solvol®. Our homecare and cleaning products, particularly those in the U.S., are considered harvest brands that continue to provide meaningful returns but are becoming a smaller part of the business as sales of maintenance products grow with the execution of our strategic initiatives.

focus on:
ASIA-PACIFIC

FISCAL YEAR 2015 RESULTS AT A GLANCE:

$54 million in net sales

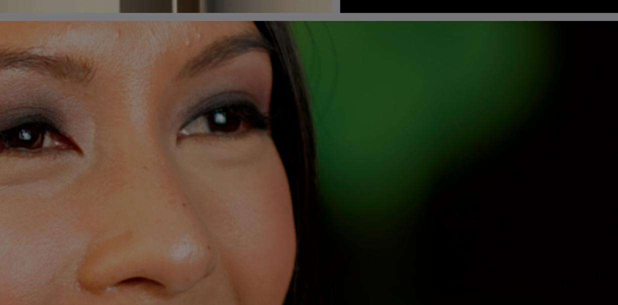
Up 6% from fiscal year 2014

Represents 14% of global sales

77 tribe members

OUR OPPORTUNITIES TO GROW:

Sell more WD-40 Multi-Use Product ▪ Continue to invest in the Chinese marketplace as a long-term growth opportunity ▪ Introduce new WD-40 Specialist Automotive product line in Asia in fiscal year 2016 ▪ Expand sales of WD-40 Specialist



“Despite a challenging year, we improved our gross margin to 53% in fiscal year 2015, compared to 52% in the prior fiscal year. Over the long term, we are managing our business to continue growing our gross margin toward a new target of 55%.”

Jay W. Rembolt *Vice President, Finance, Treasurer and Chief Financial Officer*

Dear Stockholders,

Top-line growth was challenged in fiscal year 2015 but we continue to be focused and deliberate in managing our business for future growth in earnings despite such difficulties. We generated net sales of $378 million in fiscal year 2015, a decrease of 1% compared to the previous fiscal year. Net income was $45 million for the year, compared to $44 million in fiscal year 2014. Diluted earnings per share were $3.04 in fiscal year 2015, compared to $2.87 in the previous year.

Looking Back: The 50/30/20 Rule

For many years we have run our business by what we call the 50/30/20 rule, which targets a gross margin above 50% of net sales, a cost of doing business at 30% of net sales, and an EBITDA above 20% of net sales.

In fiscal year 2015, gross margin improved to 53%, compared to 52% in the prior fiscal year. The increase in the fiscal year was driven primarily by the lower cost of crude oil, which is one of the primary feed stocks of the petroleum-based specialty chemicals contained within many of our maintenance products.

Meanwhile, our cost of doing business was 34% of net sales, flat compared to the previous fiscal year. While we target cost of doing business to be around 30% of net sales, we continue to make investments in research and development, brand protection, and regulatory and quality assurance. Today, our organization has more resources in place to manage product innovation, product renovation, product quality, regulatory and consumer safety than ever before in the Company’s history. Our final measure, EBITDA, was 19% of net sales, compared to 18% in the prior fiscal year.

Looking Forward: The New 55/30/25 Rule

Beginning in fiscal year 2016, we are changing to a new 55/30/25 rule. This means that we will be targeting a gross margin of 55%, a cost of doing business of 30% and an EBITDA of 25%. By aligning the organization behind these stretch targets, we will continue to improve the financial performance of our business.

As of the end of fiscal year 2015, our balance sheet remained strong, with $54 million in cash and cash equivalents, $49 million in short-term investments and $42 million available on our $150 million line of credit.

We continued to return capital to our shareholders during fiscal year 2015 through regular dividends and share repurchases. In the second quarter of fiscal year 2015, we raised our quarterly dividend by 12% to $0.38 per share, which resulted in an annualized dividend of $1.52 per share. With this latest increase, we have now increased our dividend in each of the last five years. During the fiscal year, we repurchased 386,000 shares of our stock at a total cost of $30 million.

In addition to growing earnings, maintaining a solid balance sheet and generating strong cash flow, we also focus on another metric, return on invested capital. For fiscal year 2015 our total return on invested capital was an exceptional 27%.

We look forward to continuing to increase the value of the Company for all of our stakeholders in the year ahead.

Jay W. Rembolt
Vice President, Finance, Treasurer and Chief Financial Officer

*For reconciliations to the most comparable U.S. GAAP measures, see the information under the heading “Performance Measures and Non-GAAP Reconciliations” in the attached Annual Report on Form 10-K.

FY 2015 RESULTS

12%

Return on Sales[1]

[1] Calculated as net income for fiscal year 2015 divided by net sales for 2015.

13%

Return on Assets[2]

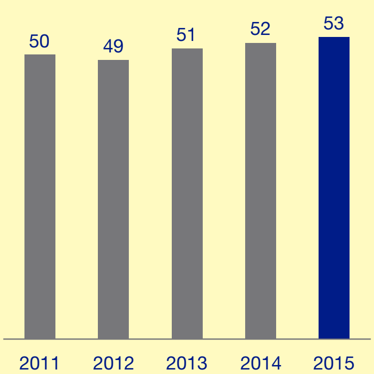
[2] Calculated as net income for fiscal year 2015 divided by total assets at August 31, 2015.

27%

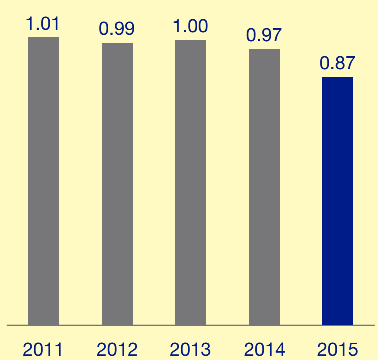
Return on Invested Capital[3]

[3] Calculated as net operating profit after tax divided by average total assets less cash and cash equivalents, short-term investments and noninterest bearing liabilities.

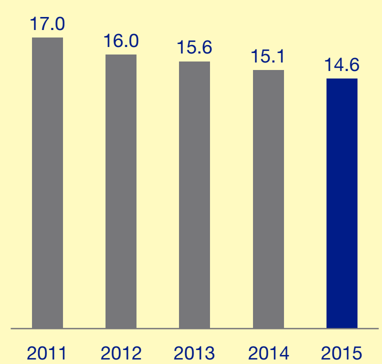
Gross Margin
(percent)



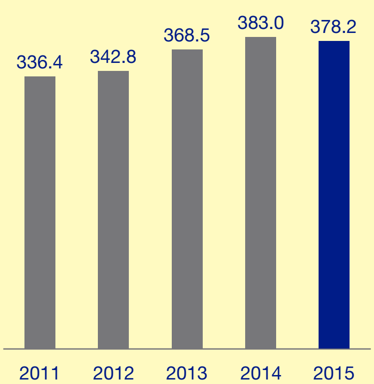
Sales per Employee
(in millions)



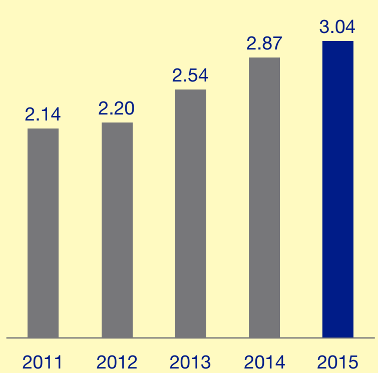
Weighted Average Shares Outstanding
(in millions)



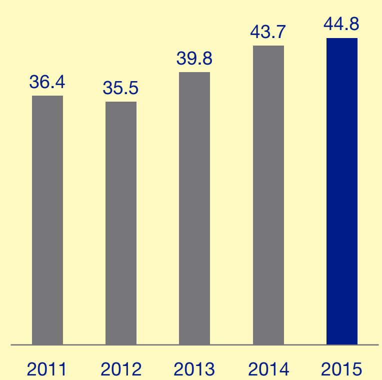
Net Sales
(in millions)



Earnings Per Share
(in dollars)



Net Income
(in millions)



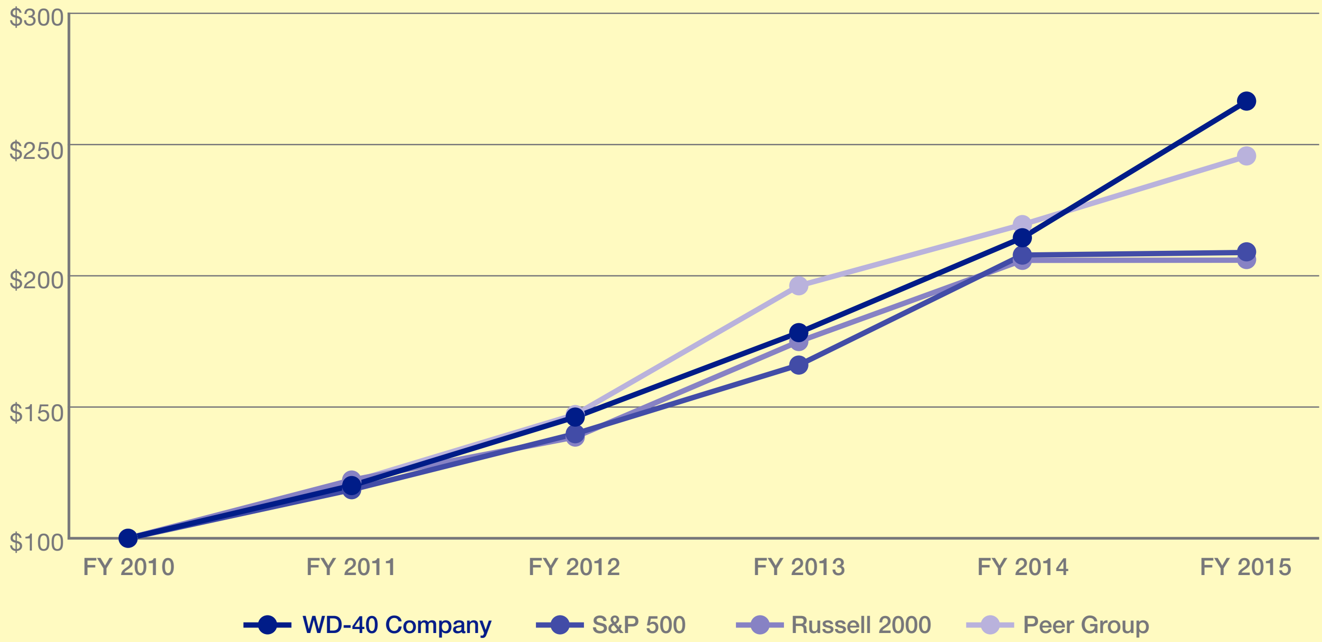
PERFORMANCE GRAPH

The following graph compares the cumulative total stockholder return on the Company's Common Shares to the yearly weighted cumulative return of a peer group of companies, the Standard & Poor's 500 Composite Index ("S&P 500") and the Russell 2000 Composite Stock Index for the five fiscal years ending August 31, 2015.

The Company uses the same peer group for the Company's five-year performance graph as the peer group of companies used by the Compensation Committee for purposes of benchmarking executive compensation. During fiscal year 2015, two companies included in the peer group used by the Compensation Committee for fiscal year 2015 compensation decisions, Measurement Specialties, Inc. and Zep, Inc., were acquired. As a result, these two companies were included in the peer group used by the Compensation Committee for fiscal year 2015 compensation benchmarking, but they are not included in the graph below.

The below comparison assumes $100 was invested on August 31, 2010 in the Company's Common Shares and in each of the indices and assumes reinvestment of dividends.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN



	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
WD-40 Company	100.00	120.08	146.18	178.35	214.50	266.31
S&P 500	100.00	118.50	139.83	165.99	207.89	208.88
Russell 2000	100.00	122.19	138.56	174.96	205.89	205.95
Peer Group	100.00	121.44	147.13	196.20	219.51	245.42

(1) WD-40 Company's peer group Index is comprised of the following 19 companies:

- Aceto Corporation
- American Vanguard Corporation
- Balchem Corporation
- Calgon Carbon Corporation
- Cambrex Corporation
- Flotek Industries Inc.
- Hawkins, Inc.
- Innophos Holdings, Inc.
- Innospec Inc.
- Inter Parfums, Inc.
- Landec Corporation
- National Presto Industries, Inc.
- Nutraceutical International Corporation
- Oil-Dri Corporation of America
- Park Electrochemical Corp.
- Prestige Brands Holdings, Inc.
- Quaker Chemical Corporation
- Synutra International, Inc.
- USANA Health Sciences, Inc.

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

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To the Stockholders:

The 2015 Annual Meeting of Stockholders of WD-40 Company will be held at the following location and for the following purposes:

When: Tuesday, December 8, 2015, at 2:00 p.m.

Where: Joan B. Kroc Institute for Peace & Justice
University of San Diego
5998 Alcala Park
San Diego, California 92110

Items of Business:

1. To elect a Board of Directors for the ensuing year and until their successors are elected and qualified;
2. To hold an advisory vote to approve executive compensation;
3. To ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for fiscal year 2016; and
4. To consider and act upon such other business as may properly come before the meeting.

Who Can Vote: Only the stockholders of record at the close of business on October 12, 2015 are entitled to vote at the meeting.

REVIEW YOUR PROXY STATEMENT AND VOTE IN ONE OF FOUR WAYS:

VIA THE INTERNET
Visit the website listed on your proxy card

BY TELEPHONE
Call the telephone number on your proxy card

BY MAIL
Sign, date and return your proxy card in the enclosed envelope

IN PERSON
Attend the Annual Meeting in San Diego

By Order of the Board of Directors
Richard T. Clampitt
Corporate Secretary
San Diego, California
October 29, 2015

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PROXY STATEMENT SUMMARY

We provide below highlights of certain information in this Proxy Statement. As it is only a summary, please refer to the complete Proxy Statement and 2015 Annual Report before you vote.

2015 ANNUAL MEETING OF STOCKHOLDERS

Date and Time:
December 8, 2015, at 2:00 p.m.

Place:
Joan B. Kroc Institute for Peace & Justice
University of San Diego
5998 Alcala Park
San Diego, California 92110

Record Date:
October 12, 2015

Meeting Webcast:
www.wd40company.com in the Investor Relations section beginning at 2:00 p.m. Pacific Time on December 8, 2015

CORPORATE GOVERNANCE

Our Corporate Governance Policies Reflect Best Practices

- Annual election of all directors
- Independent chair
- Eight of nine directors are independent
- Independent chair approves board meeting agendas
- Executive sessions of independent directors held at each regularly scheduled board meeting
- Company policy prohibits pledging and hedging of WD-40 Company stock by directors
- All equity grants received by directors since 2007 must be held until board service is ended

VOTING MATTERS AND BOARD RECOMMENDATIONS

Management Proposals:	***Board's Recommendation***	***Page***
Election of Directors (Item No. 1)	FOR all Director Nominees	3
Advisory Vote To Approve Executive Compensation (Item No. 2)	FOR	15
Ratification of appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for fiscal year 2016 (Item No. 3)	FOR	39

EXECUTIVE COMPENSATION PHILOSOPHY AND FRAMEWORK

Compensation Objectives

The Company's executive compensation program is designed to achieve five primary objectives:

1. Attract, motivate, reward and retain high performing executives;
2. Align the interests and compensation of executives with the value created for stockholders;
3. Create a sense of motivation among executives to achieve both short- and long-term Company objectives;
4. Create a direct, meaningful link between business and team performance and individual accomplishment and rewards; and
5. Ensure our compensation programs are appropriately competitive in the relevant labor markets.

Our Executive Compensation Programs Incorporate Strong Governance Features

- No Employment Agreements with Executive Officers
- No Supplemental Executive Retirement Plans for Executive Officers
- Long-Term Incentive Awards are Subject to Double-Trigger Vesting upon Change of Control
- Annual and Long-Term Incentive Programs Provide a Balanced Mix of Goals for Profitability and Total Stockholder Return Performance
- Executive Officers are Subject to Stock Ownership Guidelines
- Executives are Prohibited from Hedging or Pledging Company Stock
- No Backdating or Re-pricing of Equity Awards
- Financial Goals for Performance Awards Never Reset

Say-on-Pay Voting

At the Company's 2011 Annual Meeting of Stockholders, the first advisory Say-on-Pay vote was held and the Company's stockholders were also asked to express their preference as to the frequency of future Say-on-Pay votes. With regard to the advisory vote as to the frequency of future Say-on-Pay votes, the Company's stockholders expressed a preference to have Say-on-Pay votes every year. The Say-on-Pay votes approving the Named Executive Officers ("NEOs") compensation for 2011 through 2014 have been approved in each year by more than 95% of the votes cast.

Please see the Compensation Discussion and Analysis section of this proxy statement for a detailed description of our executive compensation.

GENERAL INFORMATION

Q: Why am I receiving these proxy materials?

A: This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of WD-40 Company for use at its Annual Meeting of Stockholders to be held on Tuesday, December 8, 2015, and at any postponements or adjournments thereof. This Proxy Statement and enclosed form of Proxy are first sent to stockholders on or about October 29, 2015.

At the meeting, the stockholders of WD-40 Company will consider and vote upon (i) the election of the Board of Directors for the ensuing year; (ii) an advisory vote to approve executive compensation; and (iii) the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for fiscal year 2016. Detailed information concerning these matters is set forth below. Management knows of no other business to come before the meeting.

Q: What constitutes a quorum in order to hold and transact business at the Annual Meeting?

A: The close of business on October 12, 2015, is the record date for stockholders entitled to notice of and to vote at the Annual Meeting of Stockholders of WD-40 Company. On October 12, 2015, WD-40 Company had outstanding 14,450,490 shares of $.001 par value common stock. Stockholders of record entitled to vote at the meeting will have one vote for each share so held on the matters to be voted upon. If you are a beneficial owner whose shares are held of record by a broker, you must instruct the broker how to vote your shares. If you do not provide voting instructions, your shares will not be voted on any proposal on which the broker does not have discretionary authority to vote. This is called a "broker non-vote." A majority of the outstanding shares will constitute a quorum at the meeting. Abstentions and broker non-votes are counted for purposes of determining the presence or absence of a quorum. Broker non-votes are shares that are held of record by a bank or broker as to which the bank or broker has not received instructions from the beneficial owner as to how the shares are to be voted.

Q: If I hold my shares through a broker, how do I vote?

A: If you are a beneficial owner whose shares are held of record by a broker, you must instruct the broker how to vote your shares. If you do not provide voting instructions, your shares will not be voted on any proposal on which the broker does not have discretionary authority to vote. If you hold your shares through a broker, it is important that you cast your vote if you want it to count in the election of directors and in the advisory vote to approve executive compensation. You may have received a notice from the Company entitled "Important Notice Regarding the Availability of Proxy Materials Stockholder Meeting to Be Held on December 8, 2015" with voting instructions or you may have received these proxy materials with separate voting instructions. Follow the instructions to vote or to request further voting instructions as set forth on the materials you have received. For more information on this topic, see the Securities and Exchange Commission ("SEC") Investor Alert issued in February 2010 entitled "New Shareholder Voting Rules for the 2010 Proxy Season at http://www.sec.gov/investor/alerts/votingrules2010.htm.

Q: How will my vote be cast if I provide instructions or return my Proxy and can I revoke my proxy?

A: If the enclosed form of Proxy is properly executed and returned, the shares represented thereby will be voted in accordance with the instructions specified thereon. If no specified instruction is given with respect to a particular matter on your form of Proxy, your shares will be voted by the proxy holder as set forth on the form of Proxy. A Proxy may be revoked by attendance at the meeting or by filing a Proxy bearing a later date with the Secretary of the Company.

Q: How are the proxies solicited and what is the cost?

A: The cost of soliciting proxies will be borne by the Company. Solicitations other than by mail may be made by telephone or in person by employees of the Company for which the expense will be nominal.

PRINCIPAL SECURITY HOLDERS

The following table sets forth information concerning those persons known to the Company to be the beneficial owners of more than 5% of the common stock of the Company.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership October 12, 2015	Percent of Class
BlackRock, Inc.	1,261,247 [1]	8.73%
40 East 52nd Street		
New York, NY 10022		
Parnassus Investments	1,250,189 [2]	8.65%
1 Market Street, Suite 1600		
San Francisco, CA 94105		
Vanguard Group, Inc.	1,029,166 [3]	7.12%
P.O. Box 2600		
Valley Forge, PA 19482		
William Blair & Company, L.L.C.	782,511 [4]	5.42%
222 W Adams Street		
Chicago, IL 60606		

1 As of June 30, 2015, BlackRock, Inc. ("BlackRock") and five BlackRock subsidiary investment managers filed reports on Form 13F with the Securities and Exchange Commission to report beneficial ownership of a total of 1,261,247 shares managed by eight BlackRock investment managers. BlackRock disclaims investment discretion with respect to all shares reported as beneficially owned by its investment management subsidiaries. BlackRock Institutional Trust Company, N.A. reported sole investment discretion and sole voting authority with respect to 333,970 shares and sole investment discretion and no voting authority with respect to 32,149 shares. Sole investment discretion and sole voting authority with respect to shares is reported for the following BlackRock subsidiaries: BlackRock Fund Advisors as to 810,869 shares, BlackRock Investment Management, LLC as to 54,979 shares, BlackRock Asset Management Ireland Limited as to 11,200 shares and four other BlackRock subsidiaries as to a total of 15,937 shares. One of the BlackRock subsidiaries reported sole investment discretion and no voting authority with respect to 2,143 shares. Beneficial ownership information for BlackRock, Inc. and its investment management subsidiaries as of October 12, 2015 is unavailable.

2 As of June 30, 2015, Parnassus Investments ("Parnassus") filed a report on Form 13F with the Securities and Exchange Commission to report beneficial ownership of 1,250,189 shares. Parnassus reported sole investment discretion with respect to all shares, sole voting authority with respect to 1,202,514 shares and no voting authority with respect to 47,675 shares. Beneficial ownership information as of October 12, 2015 is unavailable.

3 As of June 30, 2015, The Vanguard Group, Inc. ("Vanguard") filed a report on Form 13F with the Securities and Exchange Commission to report beneficial ownership of 1,029,166 shares, including 19,571 shares held by Vanguard Fiduciary Trust Company and 600 shares held by Vanguard Investments Australia, Ltd. Vanguard Fiduciary Trust Company reports shared investment discretion and sole voting authority with respect to all shares and Vanguard Investments Australia, Ltd. reports shared investment and voting authority with respect to all shares. Vanguard reported sole investment discretion and no voting authority with respect to 1,007,795 shares and sole investment discretion and sole voting authority with respect to 1,200 shares. Beneficial ownership information as of October 12, 2015 is unavailable.

4 As of June 30, 2015, William Blair & Company, L.L.C. ("William Blair") filed a report on Form 13F with the Securities and Exchange Commission to report beneficial ownership of a total of 782,511 shares. William Blair reported sole investment discretion and sole voting authority with respect to 702,892 shares and sole investment discretion and no voting authority with respect to 79,619 shares. Beneficial ownership information for William Blair as of October 12, 2015 is unavailable.

ITEM NO. 1
NOMINEES FOR ELECTION AS DIRECTORS
AND SECURITY OWNERSHIP OF MANAGEMENT

At the Company's Annual Meeting of Stockholders, the nine nominees named below under the heading, *Nominees for Election as Directors*, will be presented for election as directors until the next Annual Meeting of Stockholders and until their successors are elected or appointed. In the event any nominee is unable or declines to serve as a director at the time of the Annual Meeting, any proxy granted to vote for such nominee will be voted for a nominee designated by the present Board of Directors to fill such vacancy.

The nominees for election to the Board of Directors who receive a plurality of the votes cast for the election of directors by the shares present, in person or by proxy, shall be elected as directors. Holders of common stock are not entitled to cumulate their votes in the election of directors. Withheld votes and broker non-votes are not counted as votes in favor of any nominee. Since the nine nominees receiving the most votes will be elected as directors, withheld votes and broker non-votes will have no effect upon the outcome of the election.

Article III, Section 2 of the Bylaws of the Company, approved by stockholders on December 9, 2008, provides that the authorized number of directors of the Company shall not be less than seven nor more than twelve until changed by amendment of the Certificate of Incorporation or by a bylaw duly adopted by the stockholders. The exact number of directors is to be fixed from time to time by a bylaw or amendment thereof duly adopted by the stockholders or by resolution of the Board of Directors. The number of directors was fixed at nine effective as of March 24, 2015 by resolution of the Board of Directors adopted on March 24, 2015. On the same date, the Board of Directors elected Melissa Claassen as a director to fill the vacancy created by the increase in the number of authorized directors. Ms. Claassen has been nominated for election as a continuing director at the Annual Meeting.

DIRECTOR INDEPENDENCE

The Board of Directors has determined that each director and nominee other than Garry O. Ridge is an independent director as defined in Rule 5605(a)(2) of the Marketplace Rules of The Nasdaq Stock Market LLC (the "Nasdaq Rules"). In considering the independence of directors, the Board of Directors considered Gregory A. Sandfort's indirect interest, as an executive officer of Tractor Supply Company, in purchases of the Company's products made by Tractor Supply Company in the ordinary course of business. The Company has concluded that Mr. Sandfort's indirect interest in such transactions is not material and does not require specific disclosure under Item 404(a) of Regulation S-K promulgated under the Securities Exchange Act of 1934 (the "Exchange Act").

Information concerning the independence of directors serving on committees of the Board of Directors is provided below as to each committee.

SECURITY OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS

The following tables set forth certain information, including beneficial ownership of the Company's common stock, for the current directors, for the executive officers named in the Summary Compensation Table below, and for all directors and executive officers as a group.

Director/Nominee	Age	Principal Occupation	Director Since	Amount and Nature of Beneficial Ownership October 12, 2015 [1] Number	Percent of Class
Giles H. Bateman	70	Investor; Retired CFO, Price Club	2003	19,201 [2]	*
Peter D. Bewley	69	Investor; Retired General Counsel, The Clorox Company	2005	23,005 [3]	*
Melissa Claassen	43	Vice President Business Unit Finance - adidas Group	2015	784 [4]	*
Richard A. Collato	72	Investor, Retired President & CEO, YMCA of San Diego County	2003	17,238 [5]	*
Mario L. Crivello	75	Investor	1994	284,438 [6]	1.97%
Linda A. Lang	57	Investor; Retired Chairman & CEO, Jack in the Box, Inc.	2004	16,583 [7]	*
Garry O. Ridge	59	President and CEO, WD-40 Company	1997	70,401 [8]	*
Gregory A. Sandfort	60	President and CEO, Tractor Supply Company	2011	12,779 [9]	*
Neal E. Schmale	69	Board Chair, WD-40 Company; Retired President and COO, Sempra Energy	2001	24,491 [10]	*

* Less than one (1) percent.

1 All shares owned directly unless otherwise indicated.

2 Mr. Bateman has the right to acquire 7,300 shares upon the exercise of stock options and the right to receive 8,218 shares upon settlement of restricted stock units upon termination of his service as a director of the Company.

3 Mr. Bewley has the right to acquire 3,800 shares upon the exercise of stock options and the right to receive 13,724 shares upon settlement of restricted stock units upon termination of his service as a director of the Company.

4 Ms. Claassen has the right to receive 784 shares upon settlement of restricted stock units upon termination of her service as a director of the Company.

5 Mr. Collato has the right to acquire 3,800 shares upon the exercise of stock options and the right to receive 9,466 shares upon settlement of restricted stock units upon termination of his service as a director of the Company.

6 Mr. Crivello has the right to receive 7,452 shares upon settlement of restricted stock units upon termination of his service as a director of the Company.

7 Ms. Lang has the right to receive 12,941 shares upon settlement of restricted stock units upon termination of her service as a director of the Company.

8 Mr. Ridge has the right to receive 5,884 shares upon settlement of restricted stock units upon termination of employment, the right to receive 5,232 shares upon settlement of restricted stock units upon vesting within 60 days and the right to receive 12,746 shares upon settlement of vested market share units. Mr. Ridge also has voting and investment power over 1,210 shares held under the Company's 401(k) plan.

9 Mr. Sandfort has the right to receive 7,511 shares upon settlement of restricted stock units upon termination of his service as a director of the Company.

10 Mr. Schmale has the right to receive 13,724 shares upon settlement of restricted stock units upon termination of his service as a director of the Company.

Executive Officer	Age	Principal Occupation	Amount and Nature of Beneficial Ownership October 12, 2015 [1] Number	Percent of Class
Jay W. Rembolt	64	Vice President, Finance, Treasurer and Chief Financial Officer, WD-40 Company	39,747 [2]	*
Michael L. Freeman	62	Division President, the Americas, WD-40 Company	26,230 [3]	*
William B. Noble	57	Managing Director, EMEA, WD-40 Company Limited	10,233 [4]	*
Geoffrey J. Holdsworth	53	Managing Director, Asia-Pacific, WD-40 Company (Australia) Pty. Limited	8,607 [5]	*
All Directors and Executive Officers as a Group			560,144 [6]	3.84%

* Less than one (1) percent.

1 All shares owned directly unless otherwise indicated.

2 Mr. Rembolt has the right to acquire 11,160 shares upon exercise of stock options, the right to receive 1,189 shares upon settlement of restricted stock units upon vesting within 60 days and the right to receive 2,654 shares upon settlement of vested market share units. Mr. Rembolt also has voting and investment power over 6,080 shares held under the Company's 401(k) plan.

3 Mr. Freeman has the right to receive 3,971 shares upon settlement of restricted stock units upon termination of employment, the right to receive 1,276 shares upon settlement of restricted stock units upon vesting within 60 days and the right to receive 3,186 shares upon settlement of vested market share units. Mr. Freeman also has voting and investment power over 2,303 shares held under the Company's 401(k) plan.

4 Mr. Noble has the right to receive 3,971 shares upon settlement of restricted stock units upon termination of employment, the right to receive 920 shares upon settlement of restricted stock units upon vesting within 60 days and the right to receive 2,230 shares upon settlement of vested market share units.

5 Mr. Holdsworth has the right to receive 3,971 shares upon settlement of restricted stock units upon termination of employment, the right to receive 637 shares upon settlement of restricted stock units upon vesting within 60 days and the right to receive 1,592 shares upon settlement of vested market share units.

6 Total includes the rights of directors and executive officers to acquire a total of 26,060 shares upon exercise of stock options, the rights of executive officers and directors to receive a total of 91,617 shares upon settlement of restricted stock units upon termination of employment or service as a director of the Company, the rights of executive officers to receive a total of 10,820 shares upon settlement of restricted stock units upon vesting within 60 days, the rights of executive officers to receive a total of 24,362 shares upon settlement of vested market share units and a total of 10,569 shares held by executive officers under the Company's 401(k) plan.

NOMINEES FOR ELECTION AS DIRECTORS

GILES H. BATEMAN – Director

Giles H. Bateman was elected to the Board of Directors in 2003. Mr. Bateman has been retired since 2000. He was a co-founder and Chief Financial Officer of Price Club from 1976 until 1991. Mr. Bateman served as director and Chairman of CompUSA, Inc. from 1994 until 2000. Mr. Bateman served as a director of Tuesday Morning, Inc. from 2002 until 2006, as a director of United PanAm Financial Corp. from 2006 until 2010, and as a director of Life Time Fitness, Inc. from 2006 until 2015. Mr. Bateman's financial expertise, considerable public company board experience and knowledge of the retail industry provide the Board with a breadth of relevant skill and experience.

<u>Skills and Expertise:</u>

- Former CFO with in-depth financial expertise
- Strong consumer retail background
- Broad public company board experience

<u>Committees:</u>

- Audit (Chair)
- Finance

PETER D. BEWLEY– Director

Peter D. Bewley was appointed to the Board of Directors in 2005. Mr. Bewley served as Associate General Counsel for Johnson & Johnson from 1985 to 1994 after serving as a staff attorney with Johnson & Johnson from 1977 to 1985. He was Vice President, General Counsel and Secretary and Chief Compliance Officer of Novacare, Inc. from 1994 to 1998. Mr. Bewley was the Senior Vice President–General Counsel and Secretary of The Clorox Company from 1998 until his retirement in 2005. He presently serves as a director of Tractor Supply Company. Mr. Bewley's experience at consumer packaged goods companies prepared him to address strategic issues confronting the Company. In addition, his service as general counsel and secretary of two public companies provides the Board with a practical and in depth perspective on corporate governance and legal matters.

<u>Skills and Expertise:</u>

- Former General Counsel with extensive legal experience
- Governance expert
- Consumer packaged goods industry background

<u>Committees:</u>

- Governance (Chair)
- Audit
- Compensation

MELISSA CLAASSEN – Director

Melissa Claassen was elected to the Board of Directors on March 24, 2015. Ms. Claassen is vice president, business unit finance – adidas Group. Ms. Claassen served as the chief financial officer of Taylor Made – adidas Golf from 2012 to 2015. From 1996 until 2012 Ms. Claassen held positions at various adidas subsidiaries including chief financial officer of adidas Group Hong Kong and Taiwan, controlling director at adidas Group China, head of marketing controlling, senior financial controller, finance manager, SAP team lead, management accountant, and financial accountant. Ms. Claassen's extensive knowledge and expertise in the areas of collaboration, finance, accounting, and international business enhance the Board's management oversight capabilities.

Skills and Expertise:
- Leadership
- Collaboration
- International business
- In-depth finance and accounting expertise

Committees:
- Governance

RICHARD A. COLLATO – Director

Richard A. Collato was elected to the Board of Directors in 2003. Mr. Collato served as President and Chief Executive Officer of the YMCA of San Diego County from 1981 until his retirement in 2010. He is currently a General Manager of Ingold Family Investments, LLC. Mr. Collato served as a director of Surge Global Energy, Inc. from 2006 to 2008, as a director of Sempra Energy from 1993 to 2010 and as a director of PepperBall Technologies, Inc. from 2008 to 2011. Mr. Collato has extensive public and private company board experience and 29 years of successful CEO experience. He serves on the board of the Corporate Directors Forum and is an adjunct professor at the University of San Diego's graduate program, teaching corporate governance. His understanding of corporate governance and management theory and practice makes him a contributing member of the Board.

Skills and Expertise:
- Former CEO with deep management experience
- Particular expertise in compensation and risk management
- Knowledgeable in governance matters

Committees:
- Compensation (Chair)
- Audit

MARIO L. CRIVELLO – Director

Mario L. Crivello was elected to the Board of Directors in 1994. Mr. Crivello was the managing owner and master of Tuna Purse Seiners until his retirement in 1984. Mr. Crivello and members of his family have been investors in the Company since its founding. His long-standing relationship with the Company and his insight into its history and market position provide the Board with a valuable shareowner perspective.

Skills and Expertise:
- Institutional knowledge from the Company's beginning
- Significant shareholder with strong shareholder perspective
- Former business owner with focus on cost management and return

Committees:
- Compensation
- Finance
- Governance

LINDA A. LANG – Director

Linda A. Lang was elected to the Board of Directors in 2004. Ms. Lang was Chairman of the Board and Chief Executive Officer of Jack in the Box, Inc. from 2005 until her retirement in 2014. From 1996 until 2005 she held the offices of President and Chief Operating Officer, Executive Vice President, Senior Vice President Marketing, Vice President and Regional Vice President, Southern California Region, and Vice President Marketing. Ms. Lang has extensive knowledge and expertise in the areas of brand management and marketing, financial management and reporting, supply chain and distribution management as well as strategic planning, executive compensation and succession management. Her experience in these and other areas of corporate management and governance offer complementary experience to the Board.

Skills and Expertise:

- Former CEO in touch with today's consumer
- In depth experience in brand management, finance, distribution and compensation
- Strong focus on strategy development, strategic planning and strategy execution

Committees:

- Finance (Chair)
- Compensation

GARRY O. RIDGE – President & CEO

Garry O. Ridge joined WD-40 Company in 1987 as Managing Director, WD-40 Company (Australia) Pty. Limited and he was responsible for Company operations throughout the Pacific and Asia. Mr. Ridge transferred to the corporate office in 1994 as Director International Operations and was elected Vice President - International in 1995. He was elected to the position of Executive Vice President/Chief Operating Officer in 1996 and he was named President and Chief Executive Officer in 1997. He was also elected to the Board of Directors in 1997. Prior to joining WD-40 Company Mr. Ridge was Managing Director of Mermax Pacific Pty. Ltd. and held a number of senior management positions with Hawker Pacific Pty. Ltd. (a Hawker Siddeley PLC Group Company) which was a licensee for WD-40 until 1988. As the CEO of the Company, Mr. Ridge offers the Board an important Company-based perspective. In addition, his particular knowledge of the Company's international markets and industry position provides the Board with valuable insight.

Skills and Expertise:

- CEO of the Company
- Leader with a passion for a strong culture, employee engagement and protecting and maximizing the return on the Company's brand assets
- Particular expertise in driving a global business

GREGORY A. SANDFORT – Director

Gregory A. Sandfort was elected to the Board of Directors in 2011. Mr. Sandfort assumed the role of President and Chief Executive Officer of Tractor Supply Company in 2013. Mr. Sandfort served as President and Chief Operating Officer of Tractor Supply Company since 2012. Mr. Sandfort served as President and Chief Merchandising Officer of Tractor Supply Company since 2009 and he served as Executive Vice President-Chief Merchandising Officer of Tractor Supply Company from 2007 to 2009. Mr. Sandfort previously served as President and Chief Operating Officer at Michael's Stores, Inc. from 2006 to 2007, and as Executive Vice President-General Merchandise Manager at Michaels Stores, Inc. from 2004 to 2006. Mr. Sandfort brings a retail industry perspective to the Board. The Board also values Mr. Sandfort's extensive management experience in the retail industry.

Skills and Expertise:

- Active CEO in a channel that distributes the Company's products
- Brings a retail industry perspective
- Direct connection with consumers of the Company's products

Committees:

- Finance
- Governance

NEAL E. SCHMALE – Chair

Neal E. Schmale was elected to the Board of Directors in 2001. Mr. Schmale was named Board Chair in 2004. Mr. Schmale was President and Chief Operating Officer of Sempra Energy from 2006 until his retirement in 2011. Previously, he was Executive Vice President and Chief Financial Officer of Sempra Energy from 1998 through 2005. Mr. Schmale served as a director of Sempra Energy from 2004 until 2011. He presently serves as a director of Murphy Oil Corporation. Mr. Schmale's past experience as director on four public company boards and his extensive senior management experience with a Fortune 300 company offers the Board valuable judgment and management perspective.

Skills and Expertise:

- Former COO and CFO with broad financial and operations experience
- Focused on strategy and execution
- Extensive public company board experience

Committees:

- Audit
- Finance
- Governance

BOARD LEADERSHIP, RISK OVERSIGHT AND COMPENSATION-RELATED RISK

The Board of Directors of WD-40 Company has maintained separation of its principal executive officer and board chair positions for many years. In addition, the board chair position is held by an independent director and the Charter of the Corporate Governance Committee provides that a retiring Chief Executive Officer will not be nominated to stand for re-election to the Board. The Board of Directors believes that separation of the principal executive officer and the board chair positions is appropriate for the Company given the size of the Board and the need for undivided attention of the Chief Executive Officer to the implementation of strategic directives and overall management responsibilities. As an independent director, the board chair can provide leadership to the Board without perceived or actual conflicts associated with individual and collective interests of management employees. The Board of Directors believes that a retiring Chief Executive Officer should not continue to serve as a director in order to provide management with an unfettered ability to provide new leadership.

Risk oversight is undertaken by the Board of Directors as a whole but various Board Committees are charged with responsibility to review and report on business and management risks included within the purview of each Committee's responsibilities. The Compensation Committee considers risks associated with the Company's compensation policies and practices, with particular focus on the cash incentive compensation ("Incentive Compensation") and equity awards offered to the Company's executive officers. The Audit Committee considers risks associated with financial reporting and internal control and risks related to information technology catastrophe and disaster recovery, as well as management of the Company's insurance risks and coverage. The Finance Committee considers risks associated with the Company's financial management and investment activities, acquisition-related risks and Employee Retirement Income Security Act of 1974 plan oversight. The Board and the Committees receive periodic reports from management employees having responsibility for the management of particular areas of risk. The Chief Executive Officer is responsible for overall risk management and provides input to the Board of Directors with respect to the Company's risk management process and is responsive to the Board in carrying out its risk oversight role.

With respect to compensation-related risk, the Company's management has undertaken an annual assessment of the Company's compensation policies and practices and strategic business initiatives to determine whether any of these policies or practices, as well as any compensation plan design features, including those applicable to the executive officers, are reasonably likely to have a material adverse effect on the Company. Based on this review, management has concluded that the Company's compensation policies and practices are not reasonably likely to have a material adverse effect on the Company. This conclusion is based primarily on the fact that the incentives underlying most of the Company's compensation plan design features are directed to a balance between increased profitability and longer-term stockholder returns. Management has discussed these findings with the Compensation Committee.

BOARD OF DIRECTORS MEETINGS, COMMITTEES AND ANNUAL MEETING ATTENDANCE

The Board of Directors is charged by the stockholders with managing or directing the management of the business affairs and exercising the corporate power of the Company. The Board of Directors relies on the following standing committees to assist in carrying out the Board of Directors' responsibilities: the Audit Committee, the Compensation Committee, the Corporate Governance Committee and the Finance Committee. Each of the committees has a written charter approved by the Board of Directors and such charters are available on WD-40 Company's website at http://*www.wd40company.com* within the "Investors" section. There were seven meetings of the Board of Directors during the last fiscal year. Each director serving for the full fiscal year attended at least 75 percent of the aggregate of the total number of meetings of the Board and of all committees on which the director served. The Board of Directors holds an annual organizational meeting on the date of the Annual Meeting of Stockholders. All Directors are expected to attend the Annual Meeting. At the last Annual Meeting of Stockholders, all of the prior year nominee directors were present with the exception of Richard A. Collato.

BOARD OF DIRECTORS COMPENSATION

Director compensation is set by the Board of Directors upon the recommendation of the Corporate Governance Committee. The Corporate Governance Committee conducts an annual review of non-employee director compensation, including consideration of a survey of director compensation for the same peer group of companies used by the Compensation Committee for the assessment of executive compensation. For fiscal year 2015, non-employee directors received compensation for services as directors pursuant to the Directors' Compensation Policy and Election Plan (the "Director Compensation Policy") adopted by the Board of Directors on October 15, 2013 and approved without change on October 14, 2014. Pursuant to the Director Compensation Policy, non-employee directors received a base annual fee of $36,500 for services provided from January 1, 2015 through the date of the Company's 2015 Annual Meeting of Stockholders. The Board Chair received an additional annual fee of $18,000. Non-employee directors received additional cash compensation for service on various Board Committees. The Chair of the Audit Committee received $16,000 and each other member of the Audit Committee received $8,000. The Chair of the Compensation Committee received $10,000 and each other member of the Compensation Committee received $4,000. Each Chair of the Corporate Governance Committee and the Finance Committee received $8,000 and each other member of those committees received $4,000. All such annual fees were paid in March 2015, with the exception of the fees paid to Ms. Claassen. As a newly elected member of the Board as of March 24, 2015, Ms. Claassen is entitled to receive a base annual fee of $36,500 and a fee of $4,000 for her service on the Corporate Governance Committee through the date of the Company's 2015 Annual Meeting of Stockholders. Director compensation for fiscal year 2015 was paid to Ms. Claassen in June 2015.

In December 2007, the Company's stockholders approved the WD-40 Company 2007 Stock Incentive Plan (the "Stock Incentive Plan") to authorize the issuance of stock-based compensation awards to employees as well as to directors and consultants. For services provided for the period from the date of the Company's 2014 Annual Meeting of Stockholders to the next annual meeting, the Director Compensation Policy provided for the grant of restricted stock unit ("RSU") awards having a grant date value of $51,500 to each non-employee director. Each RSU represents the right to receive one share of the Company's common stock. On December 9, 2014, each non-employee director, other than Ms. Claassen, received an RSU award covering 651 shares of the Company's common stock. On March 24, 2015, Ms. Claassen received an RSU award covering 585 shares of the Company's common stock. Additional information regarding the RSU awards is provided in a footnote to the Director Compensation table below. Each non-employee director was also permitted to elect to receive an RSU award in lieu of all or a portion of his or her base annual fee for service as a director as specified above. The number of shares of the Company's common stock subject to each such RSU award granted to the non-employee directors equaled the compensation payable in RSUs divided by the fair market value of the Company's common stock as of the date of grant. RSU awards granted to non-employee directors pursuant to the Director Compensation Policy are subject to Award Agreements under the Stock Incentive Plan. All RSU awards granted to non-employee directors are fully vested and are settled in shares of the Company's common stock upon termination of the director's service as a director of the Company.

The Company also maintains a Director Contributions Fund from which each incumbent non-employee director has the right, at a specified time each fiscal year, to designate $6,000 in charitable contributions to be made by the Company to properly qualified (under Internal Revenue Code Section 501(c)(3)) charitable organizations.

DIRECTOR COMPENSATION TABLE - FISCAL YEAR 2015

The following Director Compensation table provides information concerning director compensation earned by each non-employee director for services rendered in fiscal year 2015. Since the annual base fee and fees for service on Committees are payable for services provided to the Company from January 1st of the fiscal year until the next annual meeting of stockholders, such compensation is reported for purposes of the Director Compensation table on a weighted basis. For fiscal year 2015, one third of the reported compensation earned or paid in cash is based on the Director Compensation Policy in effect for calendar year 2014 and two thirds of the reported compensation earned or paid in cash is based on the Director Compensation Policy in effect for calendar year 2015. Amounts earned and reported in the Director Compensation table for Fees Earned or Paid in Cash for the fiscal year for each director are dependent upon the various committees on which each director served as a member or as chair during the fiscal year.

Name	Fees Earned or Paid in Cash ($)[1]	Stock Awards ($)[2]	Option Awards ($)[3]	All Other Compensation ($)[4]	Total ($)
Giles H. Bateman	$ 56,500	$ 51,429	$ -	$ 6,000	$ 113,929
Peter D. Bewley	$ 56,500	$ 51,429	$ -	$ 6,000	$ 113,929
Melissa Claassen	$ 27,000	$ 51,427	$ -	$ -	$ 78,427
Richard A. Collato	$ 54,500	$ 51,429	$ -	$ 6,000	$ 111,929
Mario L. Crivello	$ 48,500	$ 51,429	$ -	$ 6,000	$ 105,929
Linda A. Lang	$ 48,500	$ 51,429	$ -	$ 6,000	$ 105,929
Gregory A. Sandfort	$ 44,500	$ 51,429	$ -	$ 6,000	$ 101,929
Neal E. Schmale	$ 70,500	$ 51,429	$ -	$ 6,000	$ 127,929

1 For services rendered during fiscal year 2015, directors other than Melissa Claassen received RSU awards pursuant to elections made in 2013 and 2014 under the Director Compensation Policy with respect to their services as directors in calendar years 2014 and 2015, respectively, in each case in lieu of all or part of their base annual fees for such calendar year (as described in the narrative preceding the Director Compensation table) as follows: Peter D. Bewley, Linda A. Lang, Gregory A. Sandfort and Neal E. Schmale received RSU awards valued at $36,484. Based on the election of Ms. Claassen with respect to her base annual fee for services as a director in calendar year 2015, she received an RSU award valued at $11,642 for services rendered during fiscal year 2015. The number of shares underlying each director's RSU award is rounded down to the nearest whole share.

2 Amounts included in the Stock Awards column represent the grant date fair value for non-elective RSU awards granted to all non-employee directors pursuant to the Director Compensation Policy. On December 9, 2014, each director other than Ms. Claassen received a non-elective RSU award covering 651 shares of the Company's common stock. Each RSU award has a grant date fair value equal to the closing price of the Company's common stock on that date in the amount of $79.00 per share multiplied by the number of shares underlying the RSU award. On March 24, 2015, Ms. Claassen received a non-elective RSU award covering 585 shares of the Company's common stock. The RSU award granted to Ms. Claassen has a grant date fair value equal to the closing price of the Company's common stock on that date in the amount of $87.91 per share multiplied by the number of shares underlying the RSU award. The number of shares underlying each director's RSU award is rounded down to the nearest whole share. Outstanding RSUs held by each director as of October 12, 2015 are reported above in footnotes to the table under the heading, *Security Ownership of Directors and Executive Officers*. The RSUs are settled in stock only upon termination of service as a director and the RSUs provide for the payment of dividend equivalent compensation in amounts equal to dividends declared and paid on the Company's common stock.

3 Outstanding options held by each director as of October 12, 2015 are reported above in footnotes to the table under the heading, *Security Ownership of Directors and Executive Officers*.

4 Amounts represent charitable contributions made by the Company in fiscal year 2015 as designated by each non-employee director pursuant to the Company's Director Contribution Fund.

EQUITY HOLDING REQUIREMENT FOR DIRECTORS

All RSU awards to non-employee directors, including both non-elective grants and RSU awards granted pursuant to the annual elections of the directors to receive RSUs in lieu of all or part of their base annual fee, provide for immediate vesting but will not be settled in shares of the Company's common stock until termination of each director's service as a director. The number of shares to be issued to each non-employee director upon termination of service is disclosed in the footnotes to the table under the heading, *Security Ownership of Directors and Executive Officers*.

STOCKHOLDER COMMUNICATIONS WITH BOARD OF DIRECTORS

Stockholders may send communications to the Board of Directors by submitting a letter addressed to: WD-40 Company, Corporate Secretary, 1061 Cudahy Place, San Diego, CA 92110.

The Board of Directors has instructed the Corporate Secretary to forward such communications to the Board Chair. The Board of Directors has also instructed the Corporate Secretary to review such correspondence and, at the Corporate Secretary's discretion, to not forward correspondence which is deemed of a commercial or frivolous nature or inappropriate for Board of Director consideration. The Corporate Secretary may also forward the stockholder communication within the Company to another department to facilitate an appropriate response.

COMMITTEES

Director	Audit	Compensation	Governance	Finance
Giles H. Bateman	Chair			☑
Peter D. Bewley	☑	☑	Chair	
Melissa Claassen			☑	
Richard A. Collato	☑	Chair		
Mario L. Crivello		☑	☑	☑
Linda A. Lang		☑		Chair
Gregory A. Sandfort			☑	☑
Neal E. Schmale	☑		☑	☑
Number of Meetings Held in Fiscal Year 2015	5	5	5	4

CORPORATE GOVERNANCE COMMITTEE
NOMINATION POLICIES AND PROCEDURES

The Corporate Governance Committee is comprised of Peter D. Bewley (Chair), Melissa Claassen, Mario L. Crivello, Gregory A. Sandfort and Neal E. Schmale. The Corporate Governance Committee also functions as the Company's nominating committee and is comprised exclusively of independent directors as defined in the Nasdaq Rules. The Corporate Governance Committee met five times during the last fiscal year.

The Corporate Governance Committee acts in conjunction with the Board of Directors to ensure that a regular evaluation is conducted of succession plans, performance, independence, and of the qualifications and integrity of the Board of Directors. The Corporate Governance Committee also reviews the applicable skills and characteristics required of nominees for election as directors. The objective is to balance the composition of the Board of Directors to achieve a combination of individuals of different backgrounds and experiences, including, but not limited to, whether the candidate is currently or has recently been an executive officer at a publicly traded company; whether the candidate has substantial background in matters related to the Company's products or markets, in particular, supply chain management, information technology, retailing and marketing; and whether the candidate has substantial international business experience, a substantial financial background or is serving as a director at one or more publicly traded companies. The Board of Directors has not established any specific diversity criteria for the selection of nominees other than the general composition criteria noted above.

In determining whether to recommend a director for re-election, the Corporate Governance Committee considers the director's past attendance at meetings, results of annual evaluations and the director's participation in and anticipated future contributions to the Board of Directors. A director who will have reached the age of 72 prior to the date of the next annual meeting of stockholders, except for non-employee directors first elected to the Board prior to June 29, 1999, will be expected to retire from the Board. However, the Board may re-nominate any director for up to three additional years if relevant circumstances warrant continued service.

The Corporate Governance Committee reviews new Board of Director nominees through a series of internal discussions, reviewing available information, and interviewing selected candidates. Generally, candidates for nomination to the Board of Directors have been suggested by directors or employees. The Company does not currently employ a search firm or third party in connection with seeking or evaluating candidates.

The Corporate Governance Committee will consider director candidates recommended by security holders under the same criteria as other candidates described above. Nominations may be submitted by letter addressed to: WD-40 Company Corporate Governance Committee, Corporate Secretary, 1061 Cudahy Place, San Diego, CA 92110. Nominations by security holders must be submitted in accordance with the requirements of the Company's Bylaws, including submission of such nominations within the time required for submission of stockholder proposals as set forth below under the heading, *Stockholder Proposals*.

AUDIT COMMITTEE
RELATED PARTY TRANSACTIONS REVIEW AND OVERSIGHT

The Audit Committee is comprised of Giles H. Bateman (Chair), Peter D. Bewley, Richard A. Collato and Neal E. Schmale. Five meetings were held during the last fiscal year to review quarterly financial reports, to consider the annual audit and other audit services, to review the audit with the independent registered public accounting firm after its completion and to review the Company's business continuity and insurance programs. The Board of Directors has determined that Mr. Bateman is an "audit committee financial expert" as defined by regulations adopted by the Securities and Exchange Commission. Mr. Bateman and each of the other members of the Audit Committee are independent directors as defined in the Nasdaq Rules. Each member of the Audit Committee also satisfies the requirements for service on the Audit Committee as set forth in Rule 5605(c)(2) of the Nasdaq Rules.

The Audit Committee has responsibility for review and oversight of related party transactions for potential conflicts of interest. Related party transactions include any independent business dealings between the Company and related parties who consist of the Company's executive officers, directors, director nominees and holders of more than 5% of the Company's shares. Such transactions include business dealings with parties in which any such related party has a material direct or indirect interest. The Board of Directors has adopted a written policy to provide for the review and oversight of related party transactions by the Audit Committee. Executive officers and directors are required to notify the Secretary of the Company of any proposed or existing related party transactions in which they have an interest. The Secretary and the Audit Committee also rely upon the Company's disclosure controls and procedures adopted pursuant to Exchange Act rules for the purpose of assuring that matters requiring disclosure, including related party transactions that may involve the potential for conflicts of interests, are brought to the attention of management and the Audit Committee on a timely basis. Certain related party transactions do not require Audit Committee review and approval. Such transactions are considered pre-approved. Pre-approved transactions include:

- compensation arrangements approved by the Compensation Committee or the Board of Directors and expense reimbursements consistent with the Company's expense reimbursement policy;
- transactions in which the related party's interest is derived solely from the fact that he or she serves as a director of another corporation that is a party to the transaction;
- transactions in which the related party's interest is derived solely from his or her ownership (combined with the ownership interests of all other related parties) of not more than a 5% beneficial interest (but excluding any interest as a general partner of a partnership) in an entity that is a party to the transaction; and
- transactions available to all employees of the Company generally.

If a related party transaction is proposed or if an existing transaction is identified, the Audit Committee has authority to disapprove, approve or ratify the transaction and to impose such restrictions or other limitations on the transaction as the Committee may consider necessary to best assure that the interests of the Company are protected and that the related party involved is not in a position to receive an improper benefit. In making such determination, the Audit Committee considers such factors as it deems appropriate, including without limitation (i) the benefits to the Company of the transaction; (ii) the commercial reasonableness of the terms of the transaction; (iii) the dollar value of the transaction and its materiality to the Company and to the related party; (iv) the nature and extent of the related party's interest in the transaction; (v) if applicable, the impact of the transaction on a non-employee director's independence; and (vi) the actual or apparent conflict of interest of the related party participating in the transaction.

During the fiscal year ended August 31, 2015, there were no transactions required to be reported pursuant to the requirements of Item 404(a) of Regulation S-K under the Exchange Act that did not require review and approval by the Audit Committee.

The Audit Committee also has responsibility for the selection, appointment and oversight of the independent registered public accounting firm for the Company.

FINANCE COMMITTEE

The Finance Committee is comprised of Linda A. Lang (Chair), Giles H. Bateman, Mario L. Crivello, Gregory A. Sandfort and Neal E. Schmale. Four meetings of the Finance Committee were held during the last fiscal year. The Finance Committee is appointed by the Board for the primary purpose of assisting the Board in overseeing financial matters of importance to the Company, including matters relating to acquisitions, investment policy, capital structure, and dividend policy. The Finance Committee also reviews the Company's annual and long-term financial strategies and objectives.

COMPENSATION COMMITTEE

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Compensation Committee is comprised of Richard A. Collato (Chair), Peter D. Bewley, Mario L. Crivello and Linda A. Lang, all of whom are independent directors as defined under the Nasdaq Rules. The Compensation Committee met five times during the last fiscal year. During the fiscal year ended August 31, 2015, there were no compensation committee interlock relationships with respect to members of the Board of Directors and the Compensation Committee as described in Item 407(e)(4)(iii) of Regulation S-K promulgated under the Exchange Act.

ITEM NO. 2
ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

In accordance with the requirements of Section 14A of the Exchange Act, the Company's stockholders are being asked to cast an advisory vote to approve the compensation of the Company's Named Executive Officers ("NEOs") identified in the Compensation Discussion and Analysis section of this proxy statement. This vote is commonly referred to as a "Say-on-Pay" vote.

At the Company's 2011 Annual Meeting of Stockholders, the first Say-on-Pay vote was held and the Company's stockholders were also asked, by a non-binding advisory vote, to express their preference as to the frequency of future Say-on-Pay votes and the Board of Directors recommended annual Say-on-Pay voting. The Company's stockholders expressed a preference to have Say-on-Pay votes every year.

The following resolution will be presented for approval by the Company's stockholders at the 2015 Annual Meeting of Stockholders:

"RESOLVED, that the stockholders of WD-40 Company (the "Company") hereby approve the compensation of the Company's Named Executive Officers as disclosed in the Compensation Discussion and Analysis section of the Company's proxy statement for the 2015 Annual Meeting of Stockholders and in the accompanying compensation tables and narrative disclosures."

The advisory vote to approve executive compensation is a non-binding vote on the compensation of the Company's NEOs. This proxy statement contains a description of the compensation provided to the NEOs as required by Item 402 of Regulation S-K promulgated under the Exchange Act.

Stockholders are encouraged to carefully consider the Compensation Discussion and Analysis, accompanying compensation tables and related narrative discussion in this proxy statement in considering this advisory vote. The Board of Directors believes that the compensation provided to the Company's NEOs offers a competitive pay package with a proper balance of current and long term incentives aligned with the interests of the Company's stockholders.

This is an advisory vote and will not affect compensation previously paid or awarded to the NEOs. While a vote disapproving the NEOs' executive compensation will not be binding on the Board of Directors or the Compensation Committee, the Compensation Committee will consider the results of the advisory vote in making future executive compensation decisions.

The affirmative vote of a majority of the shares present in person or represented by proxy and entitled to vote on the proposal at the Annual Meeting of Stockholders is required to approve this advisory vote on executive compensation.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE *FOR* ADOPTION OF THE PROPOSED RESOLUTION FOR APPROVAL OF THE COMPENSATION OF THE COMPANY'S NAMED EXECUTIVE OFFICERS.

COMPENSATION DISCUSSION AND ANALYSIS

WD-40 Company's Compensation Discussion and Analysis addresses the processes and decisions of the Company's Board of Directors and the Compensation Committee of the Company's Board of Directors (the "Committee") with respect to the compensation of the Company's Named Executive Officers (the "NEOs"). For fiscal year 2015, the Company's NEOs were:

- Garry O. Ridge, our Chief Executive Officer ("CEO");
- Jay W. Rembolt, our Vice President, Finance, Treasurer and Chief Financial Officer ("CFO");
- Michael L. Freeman, our Division President, the Americas;
- William B. Noble, our Managing Director, EMEA; and
- Geoffrey J. Holdsworth, our Managing Director, Asia-Pacific.

EXECUTIVE SUMMARY OF EXECUTIVE COMPENSATION DECISIONS AND RESULTS

The compensation structure for the NEOs is comprised of three elements: base salary, retention-related equity compensation and performance-related cash and equity compensation.

Retention-related equity compensation includes restricted stock unit ("RSU") awards that vest over a period of three years after grant. Retention-related equity compensation features are also reflected in our performance-based market share unit ("MSU") awards that may be earned over a market return-based vesting period of three years.

Performance-related compensation includes (i) an annual cash Incentive Compensation opportunity that is tied to current fiscal year financial results; (ii) MSU awards that are tied to a measure of total stockholder return ("TSR"); and (iii) deferred performance unit ("DPU") awards that are tied to current fiscal year financial results that exceed levels required for maximum payment of the cash Incentive Compensation opportunity.

The foregoing compensation structure elements are described fully later in this Compensation Discussion and Analysis.

In establishing the framework for overall NEO compensation and in assessing such compensation for each NEO in light of individual and overall Company performance, the Committee considers actual and target levels of compensation with reference to both short-term and long-term performance periods as well as labor market data and peer group executive compensation. The Committee seeks to align individual NEO performance incentives with both short-term and long-term Company objectives. The Committee reviews each of the principal elements of NEO compensation to determine the effectiveness of the established framework for NEO compensation based on measures of Company performance, specifically including regional and global measures based on the Company's earnings before interest, income taxes, depreciation and amortization ("EBITDA"), but also including relative Company performance as compared to the established peer group of companies and applicable market indices. Additionally, the Committee also considers the relative achievement of longer term strategic objectives as to which each NEO is accountable. Information regarding NEO strategic objectives is provided in the *Executive Officer Compensation Decisions* section below under the heading, *Base Salary: Process.* The Committee believes that a review of NEO compensation and relative company performance over multi-year periods demonstrates the effectiveness of the Company's established framework for NEO compensation.

THREE YEAR PERFORMANCE-BASED COMPENSATION REVIEW

The Company's financial performance for fiscal year 2015, as measured against goals for regional and global EBITDA, was mixed. As described in more detail below, maximum first level goals for the Americas and Asia-Pacific regions were achieved, but minimum goals for EMEA were not achieved. The second level minimum goal for global EBITDA was not achieved. As a result, earned Incentive Compensation amounts for fiscal year 2015 for the NEOs were at or near the target amounts (50% of the maximum earned Incentive Compensation opportunity) for all of the NEOs other than Mr. Noble and no Incentive Compensation was earned by Mr. Noble. The Company's financial performance for fiscal year 2014 exceeded many of the goals established by the Committee for performance-based compensation earned for that year. As a result, earned Incentive Compensation for fiscal year 2014 for each NEO was above the target amount of the potential reward for all of the NEOs. The Company's financial performance for fiscal year 2013 exceeded most of the goals established by the Committee for that year. As a result, earned Incentive Compensation for fiscal year 2013 for each NEO was above the target and near the maximum amount of the potential reward for all of the NEOs.

For the three fiscal years ended August 31, 2015, the TSR for the Company's shares exceeded, by an absolute percentage point difference, the return for the Index by 27.5%. As a result, MSUs awarded to the NEOs in October 2012 provided vested shares of the Company's common stock to the NEOs at the maximum amount of 200% of the target number of award shares. There were no performance-based equity awards providing for vesting as of the end of fiscal year 2014 due to the Committee's decision in October 2012 to grant MSUs which provide for vesting over three fiscal years as compared to the previously granted performance-based equity awards that had a two fiscal year vesting period. Performance-based equity awards, vesting over two fiscal years based on relative attainment of goals for aggregate revenue growth and increased gross margin, provided vested shares of the Company's common stock to the NEOs as of the end of fiscal year 2013 at 80.75% of the target number of award shares. These performance-based equity awards granted in October 2011 provided for maximum vesting at 150% of the target number of shares.

FISCAL YEAR 2015 COMPENSATION

Compensation decisions for fiscal year 2015 were made in October 2014, based on individual and Company performance during fiscal year 2014 and a market survey conducted by the Committee's compensation consultant. The relative market percentile of total compensation for each of the NEOs for fiscal year 2015 based on peer group data is provided below under the heading *Overall Reasonableness of Compensation*.

The following is a summary of the decisions made by the Committee for NEO compensation for fiscal year 2015:

- For fiscal year 2015, base salaries for the NEOs were increased by amounts ranging from 2.5% to 3.0%. Base salaries for the NEOs were assessed in relation to labor market information and the Company's performance for fiscal year 2014 as compared to other companies in the Company's peer group. Merit increases for the NEOs were awarded in recognition of relative achievement of individual performance measures and goals established for each NEO as well as Company performance metrics for which each NEO is accountable.
- Annual Incentive Compensation is awarded to the NEOs under the Company's Performance Incentive Compensation Plan described below under the heading *Performance Incentive Program*. For purposes of the Performance Incentive Program, goals for regional and global EBITDA were established at the beginning of the year. The Company's performance as measured against these goals is described in detail below.
- In October 2014, the NEOs received annual RSU awards providing for the issuance of a total of 8,318 shares of the Company's common stock to be earned by continued employment by the Company over a vesting period of three years. These awards serve a retention purpose together with an incentive to maximize long term stockholder value through share price appreciation.
- In October 2014, the NEOs received MSU awards subject to performance vesting covering a target number of shares of the Company's common stock equal to 8,318 shares. If the Company's TSR over the three year vesting period matches the median return for the Index, the target number of shares of the Company's common stock would be issued to the NEOs. The actual number of shares to be issued will be from 0% to 200% of the target number of shares depending upon the Company's TSR as compared to the return for the Index.[1]
- In November 2014, the NEOs received DPU awards that provided an opportunity to receive up to an aggregate maximum of 9,197 additional shares of the Company's common stock upon termination of employment. The DPU awards provided for vesting as of the end of fiscal year 2015 if the Company were to achieve a level of global EBITDA for the fiscal year in excess of the maximum goal for global EBITDA established for the Performance Incentive Program.[2] Since the Company's global EBITDA for the fiscal year did not exceed the maximum goal for global EBITDA established for the Performance Incentive Program, the DPU awards did not vest and they have lapsed without value to the NEOs.
- RSU, MSU and DPU award amounts for fiscal year 2015 varied among the NEOs based on labor market compensation practices specific to the region of employment, relative achievement of individual performance measures and goals established for each NEO as well as Company performance for fiscal year 2014 in areas over which each NEO had direct influence.

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1 For a more complete description of the MSU awards, refer to the *Executive Officer Compensation Decisions* section below under the heading, *Market Share Unit Awards*.

2 For a more complete description of the DPU awards, refer to the *Executive Officer Compensation Decisions* section below under the heading, *Deferred Performance Unit Awards*.

- The Company's stockholders have provided advisory votes to approve executive compensation required by Section 14A of the Exchange Act (the "Say-on-Pay" votes) at the Company's annual meeting of stockholders for fiscal years 2012, 2013 and 2014. In each instance, at least 95% of the votes cast in the Say-on-Pay votes approved the compensation of the NEOs as disclosed in the Compensation Discussion and Analysis section of the Company's proxy statements for those fiscal years and in the accompanying compensation tables and narrative disclosures. The Committee has considered the results of these advisory Say-on-Pay votes in its decision-making for executive compensation of the NEOs and has concluded that no significant changes in executive compensation decisions and policies are warranted.

GOVERNANCE OF EXECUTIVE OFFICER COMPENSATION PROGRAM

The purpose of the Committee is to establish and administer the compensation arrangements for our CEO and the other executive officers of the Company, including the other NEOs, on behalf of the Board of Directors. The Committee is responsible for developing the Company's overall executive compensation strategy, with support from management and the Committee's independent compensation consulting firm. For fiscal year 2015 compensation decisions, the Committee's compensation consulting firm was Compensia, Inc. In March 2015, the Committee selected a new compensation consulting firm, Board Advisory, LLC. The Committee also has responsibilities in connection with administration of the Company's equity compensation plans.

The Committee operates pursuant to a Charter which outlines its responsibilities, including the Committee's responsibilities with respect to performance reviews and approval of annual compensation arrangements for the NEOs. A copy of the Compensation Committee Charter can be found under the Investors section of the Company's website at *http://www.wd40company.com*.

PROCESS FOR EVALUATING EXECUTIVE OFFICER PERFORMANCE AND COMPENSATION

In accord with its Charter, the Committee works with the Company's Human Resources function in carrying out its responsibilities. The Vice President of Global Organization Development is management's liaison with the Committee. The Committee's independent compensation consulting firm provides advice and information relating to executive compensation. For fiscal year 2015, the compensation consulting firm assisted the Committee in the evaluation of executive base salary, Incentive Compensation opportunities, equity incentive design and award levels, and the specific pay recommendation for our CEO. The Committee's compensation consulting firm reports directly to the Committee and provides no additional services for management.

EXECUTIVE COMPENSATION PHILOSOPHY AND FRAMEWORK

COMPENSATION OBJECTIVES

The Company's executive compensation program is designed to achieve five primary objectives:

1. Attract, motivate, reward and retain high performing executives;
2. Align the interests and compensation of executives with the value created for stockholders;
3. Create a sense of motivation among executives to achieve both short- and long-term Company objectives;
4. Create a direct, meaningful link between business and team performance and individual accomplishment and rewards; and
5. Ensure our compensation programs are appropriately competitive in the relevant labor markets.

TARGET PAY POSITION/MIX OF PAY

The Company's compensation program consists primarily of base salary, annual cash incentives, and long-term oriented equity awards. Each of these components is discussed in greater detail in the *Executive Officer Compensation Decisions* section below. The Committee has established a target for executive officer total compensation (defined as base salary, plus target Incentive Compensation, plus the grant date fair value of equity awards) at the median market level of compensation for each position (details on the use of peer group data to establish the median market level is provided below). Actual pay may vary, based on Company and/or individual performance, length of time within the position, and anticipated contribution. The Committee does not adhere to specific guidelines regarding the percentage of total compensation that should be represented by each compensation component, but monitors market competitiveness. A review of total compensation for each NEO relative to the target market percentile is provided in the *Executive Officer Compensation Decisions* section below under the heading, *Overall Reasonableness of Compensation.*

COMPENSATION BENCHMARKING

For purposes of its fiscal year 2015 compensation decisions, the Committee examined the executive compensation practices of a peer group of twenty-one companies to assess the competitiveness of the Company's executive compensation. Peer group companies were selected from a list of U.S. headquartered companies having revenues and earnings reasonably comparable to the Company and doing business in the specialty chemical industry or within specific consumer products categories. In addition to the peer group data, the Committee considers a survey of general industry company data provided by Hay Group, a global management consulting firm. This mix of data has been weighted, 50% for the industry company data and 50% for the peer group data to establish the market median level of compensation for each executive officer position. The companies used in the peer group analysis for fiscal year 2015 compensation decisions were as follows:

- Aceto Corporation
- American Vanguard Corporation
- Balchem Corporation
- Calgon Carbon Corporation
- Cambrex Corporation
- Flotek Industries Inc.
- Hawkins, Inc.
- Innophos Holdings, Inc.
- Innospec Inc.
- Inter Parfums, Inc.
- Landec Corporation
- Measurement Specialties, Inc.
- National Presto Industries, Inc.
- Nutraceutical International Corporation
- Oil-Dri Corporation of America
- Park Electrochemical Corp.
- Prestige Brands Holdings, Inc.
- Quaker Chemical Corporation
- Synutra International, Inc.
- USANA Health Sciences, Inc.
- Zep, Inc.

EXECUTIVE OFFICER COMPENSATION DECISIONS

BASE SALARY: PROCESS

Base salaries for all executive officers, including the NEOs, are approved by the Committee effective for the beginning of each fiscal year. In setting base salaries, the Committee considers the salary range prepared by its compensation advisor based on each NEO's job responsibilities and the market 50th percentile target pay position. Salary adjustments, if any, are based on factors such as individual performance, position, current pay relative to the market, future anticipated contribution and the Company-wide merit increase budget. Assessment of individual performance follows a rigorous evaluation process, including self-evaluation and the establishment of annual goals for each executive officer and an assessment of the achievement thereof. Individual performance elements considered in this process included individual and Company performance goals and achievements in such areas as growth, innovation, leadership, earnings and customer relations for Mr. Ridge; governance and risk, compliance, forecasting and financial reporting for Mr. Rembolt; and business unit performance, teamwork, execution and growth for Messrs. Freeman, Noble and Holdsworth.

BASE SALARY: FISCAL YEAR 2015

In October 2014, the Committee reviewed the market competitiveness of executive officer base salaries relative to peer group market data presented by the Committee's compensation advisor. The Committee considered each NEO's individual performance relative to the performance elements identified above as well as the overall performance of the Company for fiscal year 2014. In that regard, the Committee considered the Company's performance as compared to peer group companies as well. Based on these considerations, the Committee approved merit salary increases for each of our NEOs other than Mr. Holdsworth in the amount of 2.5% and in the amount of 3.0% for Mr. Holdsworth.

PERFORMANCE INCENTIVE PROGRAM

The Company uses its Performance Incentive Program to tie executive officer compensation to the Company's financial performance. All Company employees participate in the same Performance Incentive Program as described below. The Performance Incentive Program is offered to the executive officers pursuant to the WD-40 Company Performance Incentive Compensation Plan most recently approved by the stockholders at the Company's 2012 Annual Meeting of Stockholders.

The Performance Incentive Program is intended to provide direct incentives to all Company employees, including executive officers, to affect regional financial performance and, for the Company as a whole, to promote sales at increasing levels of profitability. Specific performance measures tied to regional financial results are used in the Performance Incentive Program formulas as applied to each employee according to his or her particular area of responsibility.

For the NEOs, incentive awards for fiscal year 2015 were based on pre-established goals for the following corporate performance measures: (i) the Company's EBITDA computed for each of the Company's relevant financial reporting segments ("Regional EBITDA"); and (ii) EBITDA computed on a consolidated basis ("Global EBITDA"). The calculations of attainment of these performance measures for the NEOs are the same as the calculations for all other employees for whom such performance measures were applicable.

Depending upon actual performance results, the Incentive Compensation opportunities range from 0% to 100% of base salary for our CEO and from 0% to 60% of base salary for the other NEOs. The maximum Incentive Compensation opportunity for our CEO at 100% of base salary as compared to the maximum Incentive Compensation opportunity for the other NEOs at 60% of base salary has been established by the Board of Directors in recognition of the higher level of responsibility of our CEO for overall Company performance, in reliance on competitive market data that supports total potential CEO compensation at such levels, and to establish a compensation package for our CEO that has a higher percentage of potential compensation tied to Company performance.

The maximum Incentive Compensation potential for employees under the Performance Incentive Program is referred to herein as the employee's "Annual Opportunity". For each of the NEOs, the Performance Incentive Program for fiscal year 2015 provided two performance measure levels ("Levels A and C") for determination of earned Incentive Compensation; each level represented 50% of the Annual Opportunity. The Performance Incentive Program is consistently applied for all employees of the Company except that there are three performance measure levels ("Levels A, B and C") for all employees other than the NEOs and certain other management employees. The maximum Incentive Compensation payouts for Messrs. Freeman, Noble and Holdsworth required achievement of specified segment goals for Regional EBITDA (Level A) and Company performance that equaled the maximum goal amount for Global EBITDA as described below (Level C). For Messrs. Ridge and Rembolt (each of whom has global rather than regional responsibilities), the maximum Incentive Compensation payouts required achievement of specified goals for Global EBITDA for each of Levels A and C. For fiscal year 2015, the Committee applied only two of the three performance measure goals for the NEOs and certain other management employees, in order to provide an increased incentive to those employees to achieve the maximum level of Global EBITDA results for the benefit of stockholders. Level B performance measure goals for other employees are more directed to achievement of goals tied to areas over which they have more direct influence and, for such other employees, Level A represented 50% of the Annual Opportunity, Level B represented 30% of the Annual Opportunity and Level C represented 20% of the Annual Opportunity.

The minimum and maximum Level A goals for Regional and Global EBITDA were based on earnings before deduction of any Incentive Compensation amounts. The minimum and maximum Level C goals for Global EBITDA were based on earnings after deduction of an estimate of the maximum possible Incentive Compensation amounts for Levels A and B, but before deduction of Incentive Compensation amounts for Level C.

Target and maximum payout amounts for each of the NEOs for the fiscal year 2015 Performance Incentive Program are disclosed below in the table under the heading, *Grants of Plan-Based Awards - Fiscal Year 2015*.

The following table sets forth the fiscal year 2015 Performance Incentive Program payout weightings and the minimum and maximum goals for the performance measures applicable to each of the NEOs:

Level	Performance Measure	Garry O. Ridge Jay W. Rembolt	Michael L. Freeman	William B. Noble	Geoffrey J. Holdsworth	Minimum Goal FY 2015 ($ millions)	Maximum Goal FY 2015 ($ millions)
A	Regional EBITDA (Americas)	N/A	50%	N/A	N/A	$ 49.4	$ 52.0
A	Regional EBITDA (EMEA)[1]	N/A	N/A	50%	N/A	$ 36.8	$ 41.0
A	Regional EBITDA (Asia-Pacific)	N/A	N/A	N/A	50%	$ 11.8	$ 12.9
A	Global EBITDA	50%	N/A	N/A	N/A	$ 68.6	$ 79.9
C	Global EBITDA	50%	50%	50%	50%	$ 72.0	$ 78.3

1 EMEA figures have been converted from Great Britain pounds sterling ("GBP") at an average annual exchange rate for fiscal year 2015 of $1.5658 per GBP.

The following table sets forth the actual fiscal year 2015 performance results and percentage achievement for each of the performance measures under the Performance Incentive Program formulas applicable to the NEOs:

Level	Performance Measure	Actual FY 2015 ($ millions)	% Achievement[2]
A	Regional EBITDA (Americas)	$ 54.3	100.0%
A	Regional EBITDA (EMEA)[1]	$ 33.1	0.0%
A	Regional EBITDA (Asia-Pacific)	$ 13.6	100.0%
A	Global EBITDA	$ 77.8	81.4%
C	Global EBITDA	$ 71.2	0.0%

1 EMEA figures have been converted from Great Britain pounds sterling ("GBP") at an average annual exchange rate for fiscal year 2015 of $1.5658 per GBP.

2 Percentage achievement amounts are calculated using precise actual amounts and not the amounts that are included in this table and the table above, which are rounded to the nearest tenth of one million dollars. As a result, percentage achievement as shown in this table differs from what would be calculated using the rounded amounts.

Achievement of the maximum goals for Regional EBITDA and Global EBITDA is intended to be attainable through the concerted efforts of all management teams working in their own regions and areas of responsibility and for the Company as a whole. Based on the Company's fiscal year 2015 performance and the Committee's certification of the relative attainment of each of the performance measures under the Performance Incentive Program, the payouts for our executive officers, including the NEOs, were calculated. On October 12, 2015, the Committee approved payment of the following Incentive Compensation amounts to the NEOs for fiscal year 2015 performance.

Executive Officer	Title	FY 2015 Annual Opportunity (As % of Base Salary)	FY 2015 Incentive Compensation Paid ($)[3]	FY 2015 Actual Incentive Compensation (As % of Opportunity)
Garry O. Ridge	President and Chief Executive Officer	100%	$ 261,407	41%
Jay W. Rembolt	Vice President, Finance, Treasurer and Chief Financial Officer	60%	$ 75,360	41%
Michael L. Freeman	Division President, the Americas	60%	$ 99,729	50%
William B. Noble[1]	Managing Director, EMEA	60%	$ -	0%
Geoffrey J. Holdsworth[2]	Managing Director, Asia-Pacific	60%	$ 69,332	50%

1 Mr. Noble's Incentive Compensation amount has been converted from Great Britain pounds sterling ("GBP") at an average annual exchange rate for fiscal year 2015 of $1.5658 per GBP.

2 Mr. Holdsworth's Incentive Compensation amount has been converted from Australian dollars ("AUD") at an average annual exchange rate for fiscal year 2015 of $0.8162 per AUD.

3 FY 2015 Incentive Compensation amounts were calculated using eligible earnings which are those earnings that were processed and paid through the Company's payroll in fiscal year 2015 for each executive officer.

As an example of the operation of the Performance Incentive Program, Mr. Freeman's Incentive Compensation payout for fiscal year 2015 was computed as follows:

- Incentive Compensation Annual Opportunity = 60% X Eligible Earnings ($332,429) = $199,457.
- Level A (Regional EBITDA (Americas)) = 50% of Annual Opportunity = $99,729.
  - Level A Incentive Compensation = Level A Achievement (100%) X Level A Annual Opportunity = $99,729.
- Level C (Global EBITDA) = 50% of Annual Opportunity = $99,729.
  - Level C Incentive Compensation = Level C Achievement (0%) X Level C Annual Opportunity = $0.

Mr. Freeman's aggregate Incentive Compensation payout was the sum of the payouts under Levels A and C of the Performance Incentive Program, or $99,729.

EQUITY COMPENSATION

Equity compensation is a critical component of the Company's efforts to attract and retain executives and key employees, encourage employee ownership in the Company, link pay with performance and align the interests of executive officers with those of stockholders. To provide appropriately directed incentives to our executive officers, the Committee has provided awards of time-vesting restricted stock unit ("RSU") awards as well as performance-vesting market share unit ("MSU") awards and deferred performance unit ("DPU") awards. Equity awards are granted pursuant to the Company's 2007 Stock Incentive Plan (the "Stock Incentive Plan") approved by the stockholders at the 2007 Annual Meeting of Stockholders.

The Company's MSU awards are tied to a measure of total stockholder return ("TSR") that is determined by reference to a change in the value of the Company's common stock with reinvestment of dividends. In October 2014, the Committee granted primary equity allocations of RSU and MSU awards for fiscal year 2015. The authorized awards were divided equally between the two types of awards for each NEO. MSU awards provide for vesting after a three year performance vesting period based on a comparison of the Company's TSR against the Russell 2000 Index (the "Index") as described in more detail below. In addition to the RSU and MSU awards, in November 2014 the Committee authorized an additional form of equity award, a DPU award, for certain management employees, including the NEOs. The DPU awards provide participant employees with an additional incentive reward for achieving Global EBITDA results for the fiscal year in excess of the amount of Global EBITDA required for maximum payout of Incentive Compensation under Level C of the Performance Incentive Program as described above. DPU awards provide for vesting at the end of the fiscal year for which they are granted. All RSU, MSU and DPU awards are subject to terms and conditions set forth in an applicable award agreement (the “Award Agreement”).

The principal attributes and benefits of the RSU, MSU and DPU awards for executive officers are as follows:

- RSU awards provide for vesting in relatively equal portions over a period of three years from the grant date.
- MSU awards provide for performance-based vesting tied to the Company’s TSR over a performance measurement period of three fiscal years beginning with the fiscal year in which the awards are granted and ending on August 31st of the third year.
- DPU awards provide for performance-based vesting tied to the Company’s Global EBITDA achievement for the current fiscal year in excess of the maximum goal for Global EBITDA under Level C of the Company’s Performance Incentive Program.
- RSU and MSU awards provide for the issuance of shares of the Company’s common stock upon vesting.
- Vested DPU awards provide for the issuance of shares of the Company’s common stock only upon termination of employment. Until issuance of the shares for vested DPU awards, the holders of the vested DPU awards are entitled to receive dividend equivalent payments with respect to their vested DPU awards, payable in cash as and when dividends are declared upon shares of the Company’s common stock.
- A mix of RSU, MSU and DPU awards is appropriate as compared to RSU awards alone or other equity awards, such as stock options, for the following reasons: i) MSU awards granted annually provide a more direct performance-based incentive aligned directly with longer term stockholder interests; ii) RSU awards have a greater perceived value to recipients than stock options; iii) DPU awards offer a reward to key management employees for exceeding the highest goal for near-term financial results for the Company; iv) RSU, MSU and DPU awards have a lower compensation expense impact on the Company’s reported financial results than stock options; v) RSU, MSU and DPU awards have less dilutive impact on a share count basis than stock options; and vi) the issuance of shares of the Company’s common stock upon vesting of RSUs and MSUs, and the deferred issuance of shares following vesting of DPU awards, encourages long-term stock ownership and facilitates the achievement of the Company’s stock ownership guidelines (as described below in the Other Compensation Policies section, under the heading, *Executive Officer Stock Ownership Guidelines*).

The Board recognizes the potentially dilutive impact of equity awards. The Company’s equity award practices are designed to balance the impact of dilution and the Company’s need to remain competitive by recruiting, retaining and providing incentives for high-performing employees.

Restricted Stock Unit Awards

RSU awards provide for the issuance of shares of the Company’s common stock to the award recipient upon vesting provided that the recipient remains employed with the Company through each vesting date. Shares of the Company’s common stock equal to the portion of the RSU award that has vested are issued promptly upon the vesting date. RSU awards provide for vesting over a period of three years from the grant date. 34% of the RSU award will vest on the first vesting date and 33% of the RSU award will vest on each of the second and third vesting dates. The vesting date each year is the third business day following the Company’s public release of its annual earnings for the preceding fiscal year, but not later than November 15 of the vesting year. Payment of required withholding taxes due with respect to the vesting of the RSU awards, if any, will be covered through withholding of shares by the Company. For RSU award recipients who retire from the Company after reaching age 65, all RSUs will have a vesting date that is 30 days following the effective date of retirement. The Company will issue a net number of shares to the recipient for a vested RSU award after withholding shares having a value as of the vesting date equal to the required tax withholding obligation.

Market Share Unit Awards

MSU awards provide for performance-based vesting over a performance measurement period of three fiscal years commencing with the fiscal year in which the MSU awards are granted (the “Measurement Period”). The recipient must remain employed with the Company for vesting purposes until the date on which the Committee certifies achievement of the requisite performance provided for in the MSU Award Agreement. A number of shares of the Company’s common stock equal to an “Applicable Percentage” of the “Target Number” of shares covered by the MSU awards to the NEOs will be issued as of the “Settlement Date”. The Applicable Percentage is determined by reference to the performance vesting provisions of the MSU Award Agreements as described below. The Settlement Date for an MSU award is the third business day following the Company’s public release of its annual earnings for the third fiscal year of the Measurement Period. Payment of required withholding taxes due with respect to the settlement of an MSU award, if any, will be covered through withholding of shares by the Company. The Company will issue a net number of shares to the recipient for a vested MSU award after withholding shares having a value as of the Settlement Date equal to the required tax withholding obligation.

The performance vesting provisions of MSU awards are based on relative TSR for the Company over the Measurement Period as compared to the total return ("Return") for the Index as reported for total return (with dividends reinvested), as published by Russell Investments. For purposes of computing the relative TSR for the Company as compared to the Return for the Index, dividends paid with respect to the Shares will be treated as having been reinvested as of the ex-dividend date for each declared dividend. The Applicable Percentage of the Target Number of shares will be determined based on the absolute percentage point difference between the TSR for the Company as compared to the Return for the Index as set forth in the table below:

Relative TSR (absolute percentage point difference)	**Applicable Percentage**
> 20%	200%
20%	200%
15%	175%
10%	150%
5%	125%
Equal	100%
-5%	75%
-10%	50%
>-10%	0%

The Applicable Percentage will be determined on a straight line sliding scale from the minimum 50% Applicable Percentage achievement level to the maximum 200% Applicable Percentage achievement level. For purposes of determining the TSR for the Company and the Return for the Index, the beginning and ending values for each measure will be determined on an average basis over a period of all market trading days within the ninety (90) calendar days prior to the beginning of the fiscal year for the beginning of the Measurement Period and over a period of all market trading days within the ninety (90) calendar days prior to the end of the third fiscal year of the Measurement Period. For purposes of determining relative achievement, actual results are to be rounded to the nearest tenth of one percent and rounded up from the midpoint. The number of MSU Shares to be issued on the Settlement Date is to be rounded to the nearest whole share and rounded upward from the midpoint.

In the event of a Change in Control (as defined in the Stock Incentive Plan), the Measurement Period will end as of the effective date of the Change in Control and the ending values for calculating the TSR for the Company and the Return for the Index will be determined based on the closing price of the Company's common stock and the value of the Index, respectively, immediately prior to the effective date of the Change in Control. The Applicable Percentage will be applied to a proportionate amount of the Target Number of MSUs based on the portion of the Measurement Period elapsed as of the effective date of the Change in Control. The recipient NEO will receive RSUs for the portion of the Target Number of MSUs to which the Applicable Percentage is not applied. Those RSUs will time vest, subject to rights under the NEO's Change of Control Severance Agreement, as of the Settlement Date.

Deferred Performance Unit Awards

DPU awards provide for performance-based vesting over a performance measurement period of the fiscal year in which the DPU awards are granted (the "Measurement Year"). The DPU awards provide for vesting of a number of DPUs equal to an "Applicable Percentage" of the "Maximum Number of DPUs" awarded to the NEOs following conclusion of the Measurement Year ("Vested DPUs"). The recipient must remain employed with the Company for vesting purposes until August 31 of the Measurement Year. For NEOs who are residents of the United States, the Vested DPUs must be held until termination of employment. Following termination of employment, each Vested DPU will be settled by issuance of one share of the Company's common stock (a "DPU Share"). The Maximum Number of DPUs refers to the maximum number of DPU Shares that may be issued with respect to a DPU award upon full achievement of the applicable performance goal as described below. The Applicable Percentage is determined by reference to the performance vesting provisions of the DPU Award Agreement as described below. For NEOs who are not residents of the United States, the Compensation Committee has discretion to either defer settlement of each Vested DPU by issuance of a DPU Share following termination of employment or settle each Vested DPU in cash by immediate payment of an amount equal to the closing price of one share of the Company's common stock as of the date of the Compensation Committee's certification of achievement of the performance measure applied in determination of the Applicable Percentage.

Each Vested DPU that is not settled in cash will include the right to receive a dividend equivalent payment in an amount equal to the dividends declared with respect to the Company's common stock for each Vested DPU. Such dividend equivalent payments are to be paid in cash as ordinary compensation income as and when common stock dividends are paid by the Company, provided, however, that the Company may elect to accumulate such dividend equivalent payments for later payment not less often than annually.

The performance vesting provisions of the DPUs are based on relative achievement within an established performance measure range of the Company's EBITDA before deduction of the stock-based compensation expense for the Vested DPUs ("Adjusted Global EBITDA") for the Measurement Year. For fiscal year 2015, the performance vesting provisions for the DPUs were established as set forth in the table below:

Adjusted Global EBITDA[1]	Applicable Percentage
> $77,750,000	100%
$77,750,000	100%
$74,243,000	5%
< $74,243,000	0%
$74,058,000*	0%

* Implied zero percentage achievement level.

1 The calculation of Adjusted Global EBITDA accounts for full payment of all Incentive Compensation earned for the fiscal year. On the other hand, the maximum goal for Level C under the Performance Incentive Program set forth in the table on page 21 does not account for payment of any Level C Incentive Compensation. As a result, the minimum amount included in the table above is less than the amount included in the table on page 21 as the maximum Level C goal for Global EBITDA.

The Applicable Percentage will be determined on a straight line sliding scale from the implied zero percentage achievement level to the maximum 100% Applicable Percentage achievement level, but the Applicable Percentage shall not be less than 5%. For purposes of determining the Applicable Percentage, the calculated percentage is to be rounded to the nearest tenth of one percent and rounded upward from the midpoint. The number of Vested DPUs is to be rounded to the nearest whole unit and rounded upward from the midpoint.

Equity Awards – Fiscal Year 2015

For fiscal year 2015, equity awards to our executive officers were granted to satisfy goals for executive officer retention, to provide incentives for current and future performance, and to meet objectives for overall levels of compensation and pay mix. RSU and MSU awards were granted to the NEOs by the Committee in October 2014 and DPU awards were granted to the NEOs in November 2014. All of the equity awards are set forth below in the table under the heading, *Grants of Plan-Based Awards - Fiscal Year 2015*. In establishing award levels for the NEOs for fiscal year 2015, the Committee placed emphasis on long-term retention goals and desired incentives for current and future contributions. The RSU and MSU awards to our CEO were, consistent with past practice, larger than the awards to the other NEOs in recognition of his higher level of responsibility for overall Company performance and in reliance on market data that supports a higher level of equity compensation for our CEO. The specific RSU award amounts and Target Number of shares covered by MSU awards were determined for each NEO based on an assessment of the NEO's achievement of individual performance goals as well as Company performance for fiscal year 2014 in areas over which the NEO had particular influence. The DPU award amounts were established by reference to each NEO's Incentive Compensation opportunity amount – the share equivalent value of the DPUs awarded to each NEO as of the date of grant equals 50% of the NEO's maximum Incentive Compensation opportunity amount for fiscal year 2015.

Market Share Unit Award Vesting for Three Fiscal Year Performance Achievement

On October 12, 2015, the Committee certified achievement of the performance measure applicable to MSU awards granted to the NEOs in October 2012. The Committee certified the Company's relative TSR as compared to the Return for the Index for the performance Measurement Period ended August 31, 2015 for purposes of calculating the vested number of shares of the Company's common stock for those MSU awards. The relative TSR as compared to the Return for the Index (as an absolute percentage point difference) over the three fiscal year Measurement Period ending August 31, 2015 was 27.5%. As a result, based on the table above in the description of the MSU awards, the Applicable Percentage of the Target Number of shares underlying the MSU awards granted in October 2012 was 200%.

For the MSU awards granted to the NEOs in October 2012, the NEOs were thus eligible to receive 200% of the Target Number of shares of the Company's common stock underlying the MSU awards. The following table sets forth the Target Number and vested number of shares underlying the MSU awards granted to each NEO in October 2012.

Executive Officer	Target Number	Vested Shares
Garry O. Ridge	6,373	12,746
Jay W. Rembolt	1,327	2,654
Michael L. Freeman	1,593	3,186
William B. Noble	1,115	2,230
Geoffrey J. Holdsworth	796	1,592

Deferred Performance Unit Award Vesting for Fiscal Year 2015 Performance Achievement

DPU awards granted to the NEOs for fiscal year 2015 lapsed without value to the NEOs. Vesting of the DPUs would have required a level of Global EBITDA, determined for purposes of the Performance Incentive Program, in excess of the maximum Global EBITDA goal for Level C of the Performance Incentive Program as set forth in the table on page 21. Since actual Global EBITDA for fiscal year 2015 was less than the maximum goal for Level C, the DPUs did not vest and they have lapsed.

BENEFITS AND PERQUISITES

As is the case with most Company employees, the NEOs are provided with standard health and welfare benefits, and, for the NEOs other than Mr. Noble and Mr. Holdsworth, the opportunity to participate in the WD-40 Company Profit Sharing/401(k) Plan (the "Plan"). The Plan serves to provide our executive officers, including the eligible NEOs, with tax-advantaged retirement savings as an additional component of overall compensation. Employees have the right to invest the Company's contributions to the Plan in a Company Stock Fund invested in shares of the Company's common stock as an alternative to other investment choices available under the Plan. For Mr. Noble and Mr. Holdsworth, the Company provides contributions to local retirement programs for their benefit.

The Company maintains individual Supplemental Death Benefit Plan agreements with each of the NEOs other than Mr. Noble and Mr. Holdsworth. The Company's Supplemental Death Benefit Plan agreement obligations are funded by life insurance policies owned by the Company.

The Company also provides leased vehicles to its executive officers and private health insurance for Mr. Noble in excess of coverage available to other Company employees in the United Kingdom. The costs associated with the perquisites and other personal benefits provided to the NEOs are included in the Summary Compensation Table below and they are separately identified in the footnote disclosure of such perquisites and other personal benefits included with the Summary Compensation Table.

The Committee considers the cost of the foregoing health and welfare benefits and perquisites in connection with its approval of the total compensation for each of our NEOs. All such costs are considered appropriate in support of the Committee's objective of attracting and retaining high quality executive officers because they are common forms of compensation for senior executives and are expected by such executives when they consider competing compensation packages.

POST-EMPLOYMENT OBLIGATIONS

The Company has change of control severance agreements with each of the NEOs. The specific terms of the agreements are described in detail below under the heading, *Change of Control Severance Agreements*. The agreements were entered into with our executive officers after extensive review by the Committee and the Board of Directors and negotiation with the executive officers to replace previously existing employment agreements. Consideration was given to possible inclusion of severance compensation to be paid to the executive officers in the event of their termination of employment without cause (or for good reason) without regard to the existence of a change of control of the Company. No such provisions were included and severance compensation is payable only following a termination of employment without "cause" or for "good reason" within two years following a "change of control" of the Company (as the quoted terms are defined in the severance agreements).

The Committee believes that the change of control severance agreements help ensure the best interests of stockholders by fostering continuous employment of key management personnel. As is the case in many public companies, the possibility of an unsolicited change of control exists. The uncertainty among management that can arise from a possible change of control can result in the untimely departure or distraction of key executive officers. Reasonable change of control severance agreements reinforce continued attention and dedication of executive officers to their assigned duties and support the Committee's objective of retaining high quality executives.

OVERALL REASONABLENESS OF COMPENSATION

The Committee believes that the Company is achieving its compensation objectives and, in particular, rewards executive officers for driving operational success and stockholder value creation. Based on reviews of tally sheets and a "pay-for-performance" analysis by the Committee, and in light of the Company's compensation objectives, the Committee and the Board of Directors believe that the pay mix and target pay position relative to market for each of the NEOs are reasonable and appropriate. The "pay-for-performance" analysis includes a review of the individual components of executive officer compensation that are tied to Company performance, as measured by identified performance metrics as well as the price of the Company's common stock. In particular, the Committee reviews executive officer Incentive Compensation to determine whether it appropriately rewards achievement of specific target levels of Company performance and does not otherwise provide rewards in the absence of reasonable measures of individual and Company success. Similarly, with respect to equity awards, the Committee considers the effectiveness of such awards in providing a reasonable incentive to the executive officers to increase profits (as measured by Regional and Global EBITDA) and total stockholder return without inappropriately rewarding the executive officers if performance targets are not achieved over the long term.

The following table sets forth the total compensation for each of our NEOs (as reported based on cash compensation received as base salary and earned Incentive Compensation plus the grant date fair value of equity awards other than the DPUs) for fiscal year 2015, together with the relative market percentile for each NEO.

Executive Officer	Base Salary	Annual Earned Incentive Compensation	Grant Value of Stock Awards[1]	Total Compensation	Present Value of Total Compensation Received as a Percentage of Market Median
Garry O. Ridge	$ 642,416	$ 261,407	$ 686,446	$ 1,590,269	90%
Jay W. Rembolt	$ 308,664	$ 75,360	$ 158,322	$ 542,346	101%
Michael L. Freeman	$ 332,585	$ 99,729	$ 158,322	$ 590,636	105%
William B. Noble[2]	$ 348,976	$ -	$ 116,113	$ 465,089	99%
Geoffrey J. Holdsworth[3]	$ 231,107	$ 69,332	$ 79,089	$ 379,528	100%

1 Stock Awards are reported at their grant date fair values. The grant date fair values of DPU awards granted to the NEOs have been excluded since the DPUs lapsed without value to the NEOs as of the end of the fiscal year. Information concerning such awards for fiscal year 2015 is set forth below in the table under the heading, *Grants of Plan-Based Awards - Fiscal Year 2015*.

2 Mr. Noble's salary and Incentive Compensation amounts have been converted from Great Britain pounds sterling ("GBP") at an average annual exchange rate for fiscal year 2015 of $1.5658 per GBP.

3 Mr. Holdsworth's salary and Incentive Compensation amounts have been converted from Australian dollars ("AUD") at an average annual exchange rate for fiscal year 2015 of $0.8162 per AUD.

For fiscal year 2015, total compensation for our NEOs was assessed by the Committee's compensation consulting firm. As noted in the table above, total compensation for the NEOs ranged from 90% to 105% of the market median compensation level for each position as determined by the Committee's compensation consulting firm. The levels of compensation are considered by the Committee to be in line with target compensation levels for the NEOs in a year in which the Company's performance was somewhat mixed. These market position comparisons are based on the blended analysis from the Committee's compensation consultant which incorporates peer group proxy analysis and a general industry survey data as discussed above under the heading, *Compensation Benchmarking*.

OTHER COMPENSATION POLICIES

EXCHANGE ACT RULE 10b5-1 TRADING PLANS AND INSIDER TRADING GUIDELINES

The Company maintains insider trading guidelines, including transaction pre-approval requirements, applicable to our officers and directors required to report changes in beneficial ownership under Section 16 of the Exchange Act as well as certain other employees who can be expected to have access to material non-public information concerning the Company. These insider trading guidelines also require pre-approval of all trading plans adopted pursuant to Rule 10b5-1 promulgated under the Exchange Act. To avoid the potential for abuse, the Company's policy with respect to such trading plans is that, once adopted, trading plans are not subject to change or cancellation. Any such change or cancellation of an approved trading plan by an executive officer, director or employee covered by the Company's insider trading guidelines in violation of the policy will result in the Company's refusal to approve future trading plan requests for that person.

EXECUTIVE OFFICER STOCK OWNERSHIP GUIDELINES

The Board of Directors has approved guidelines for executive officer ownership of the Company's common stock. The guidelines specify that each executive officer will be expected to attain, within a period of five years from the later of the date of election of the executive officer or the date of adoption of the guidelines, and to maintain thereafter, equity ownership in the Company valued at not less than one times his or her current base salary for executive officers other than our CEO and two times the current base salary for our CEO. Valuation for purposes of the guidelines is to be determined at the higher of cost or current fair market value for shares of the Company's common stock held outright and shares underlying vested RSUs and DPUs then held. Vested stock options are valued on a net after tax basis assuming a 45% marginal tax rate on the stock option value equal to the current market price for the Company's common stock less the option exercise price.

The Board of Directors believes that the stock ownership guidelines serve to improve alignment of the interests of our executive officers and the Company's stockholders. At the present time, all of the NEOs have exceeded the expected level of stock ownership.

As noted above under the heading *Equity Compensation,* the NEOs receive both time-vesting RSU awards and performance-based vesting MSU and DPU awards. As the RSU and MSU awards vest, shares of the Company's common stock are issued to the NEOs and these shares may then be sold or retained, subject to the stock ownership guidelines described above. Vested DPU awards provide for deferred issuance of shares to the NEOs upon termination of employment. Outstanding unvested RSU and MSU awards held as of August 31, 2015 by the NEOs are set forth, together with stock options granted for fiscal years prior to 2009, in the table below under the heading, *Outstanding Equity Awards at 2015 Fiscal Year End*. Each of the NEOs, other than Mr. Rembolt, hold vested RSU awards that must be retained until termination of employment as noted above in the footnotes to the tables under the heading, *Security Ownership of Directors and Executive Officers*.

TAX CONSIDERATIONS

Section 162(m) of the Internal Revenue Code of 1986 (the "Code") limits the deductibility of compensation payable in any tax year to certain covered executive officers (generally limited to the NEOs, but presently excluding the CFO pursuant to current Treasury Department guidance). Section 162(m) of the Code generally provides that a publicly-held company cannot deduct compensation paid to its most highly paid executive officers to the extent that such compensation exceeds $1 million per officer per taxable year. Compensation that is "performance-based" within the meaning of the Code does not count toward the $1 million limit. Compensation paid in fiscal year 2015 to the NEOs pursuant to the WD-40 Company Performance Incentive Compensation Plan most recently approved by the stockholders at the Company's 2012 Annual Meeting of Stockholders is intended to qualify as "performance-based" compensation. In addition, vested shares under MSU awards and vested DPU awards are intended to qualify as "performance-based" compensation.

While the Compensation Committee attempts to maximize the deductibility of compensation paid to the NEOs, the Committee retains the flexibility necessary to provide total compensation in line with competitive practice, the Company's compensation philosophy, and the interests of stockholders. Therefore, the Company may from time to time pay compensation to its executive officers that may not be deductible under Section 162(m).

ACCOUNTING CONSIDERATIONS

We follow Financial Accounting Standards Board Accounting Standards Codification Topic 718 ("ASC Topic 718") for our stock-based compensation awards. ASC Topic 718 requires companies to measure the compensation expense for all share-based payment awards made to employees and directors, including stock options and restricted stock awards, based on the grant date fair value of these awards. This calculation is performed for accounting purposes and reported in the compensation tables below, even though our executive officers may never realize any value from their awards. ASC Topic 718 also requires companies to recognize the compensation cost of their stock-based compensation awards in their income statements over the period that an executive officer is required to render service in exchange for the option or other award.

COMPENSATION COMMITTEE REPORT

The Compensation Committee of WD-40 Company's Board of Directors has reviewed and discussed with management of the Company the Compensation Discussion and Analysis included in this proxy statement and the Company's annual report on Form 10-K for the year ended August 31, 2015, and, based upon that review and discussion, recommended to the board that it be so included.

Compensation Committee
Richard A. Collato, Chair
Peter D. Bewley
Mario L. Crivello
Linda A. Lang

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires the Company's directors and executive officers, and persons who own more than ten percent of the Company's stock, to file with the Securities Exchange Commission initial reports of stock ownership and reports of changes in stock ownership. Reporting persons are required by SEC regulation to furnish the Company with copies of all Section 16(a) reports they file.

To the Company's knowledge, based solely on review of the copies of such reports furnished to the Company during the last fiscal year and written representations that no other reports were required, except as described below, all Section 16(a) requirements were complied with by all persons required to report with respect to the Company's equity securities during the last fiscal year.

On October 14, 2015, Giles H. Bateman filed a report on Form 5 to report previously unreported shares acquired as a result of a dividend reinvestment on August 1, 2014.

On October 14, 2015, Gregory A. Sandfort filed a report on Form 5 to report previously unreported shares acquired as a result of dividend reinvestments on January 31, 2014, April 30, 2014, and July 31, 2014.

EXECUTIVE COMPENSATION

None of our executive officers has an employment agreement or other arrangement, whether written or unwritten, providing for a term of employment or compensation for services rendered other than under specific plans or programs described herein.

For fiscal year 2015, our executive officers received a base salary amount established by the Compensation Committee of the Board of Directors at the beginning of the fiscal year. In addition, each employee of the Company, including each executive officer, may receive Incentive Compensation under a Performance Incentive Program established at the beginning of the fiscal year by the Company and, for our executive officers, by the Committee. A complete description of the Performance Incentive Program is provided in the Compensation Discussion and Analysis section of this proxy statement under the heading, *Performance Incentive Program*. Information regarding the target and maximum potential Incentive Compensation payable under the Performance Incentive Program for fiscal year 2015 is provided below in the table under the heading, *Grants of Plan-Based Awards - Fiscal Year 2015*. The actual payouts under the Performance Incentive Program for fiscal year 2015 and further details regarding the program are provided in the Compensation Discussion and Analysis section of this proxy statement.

SUMMARY COMPENSATION TABLE

The following table shows information for the three fiscal years ended August 31, 2015, August 31, 2014 and August 31, 2013, concerning the compensation of our CEO, our CFO and the three most highly compensated executive officers other than the CEO and CFO as of the end of fiscal year 2015 (collectively, the "Named Executive Officers" or "NEOs").

Name and Principal Position	Year	Salary	Stock Awards[1]	Non-Equity Incentive Plan Compensation[2]	All Other Compensation[3]	Total
Garry O. Ridge	2015	$ 642,416	$ 1,002,785	$ 261,407	$ 90,867	$ 1,997,475
President and	2014	626,747	642,682	470,089	81,286	1,820,804
Chief Executive Officer	2013	601,747	546,039	571,815	72,805	1,792,406
Jay W. Rembolt	2015	$ 308,664	$ 249,467	$ 75,360	$ 84,973	$ 718,464
Vice President, Finance,	2014	301,136	160,565	135,397	80,251	677,349
Treasurer and Chief Financial Officer	2013	275,010	113,697	156,710	77,977	623,394
Michael L. Freeman	2015	$ 332,585	$ 256,605	$ 99,729	$ 81,392	$ 770,311
Division President,	2014	324,473	160,565	146,013	80,615	711,666
the Americas	2013	310,500	136,489	176,918	78,849	702,756
William B. Noble[4]	2015	$ 348,976	$ 224,690	$ -	$ 115,984	$ 689,650
Managing Director, EMEA	2014	358,555	117,823	141,426	120,394	738,198
	2013	325,284	95,533	185,462	76,760	683,039
Geoffrey J. Holdsworth[5]	2015	$ 231,107	$ 155,807	$ 69,332	$ 80,043	$ 536,289
Managing Director, Asia-Pacific	2014	251,976	80,283	113,483	$ 84,316	$ 530,058
	2013	273,982	68,201	135,992	93,536	$ 571,711

1 Stock Awards for fiscal years 2015, 2014 and 2013 are reported at their grant date fair values. Grant date fair value assumptions and related information is set forth in Note 13, Stock-based Compensation, to the Company's financial statements included in the Company's annual report on Form 10-K filed on October 22, 2015. Stock Awards consisting of market share units ("MSUs") awarded in fiscal years 2015, 2014 and 2013 are included based on the value of 100% of the target number of shares of the Company's common stock to be issued upon achievement of the applicable performance measure. Stock Awards consisting of deferred performance units ("DPUs") awarded in fiscal year 2015 are included based on the value of 100% of the maximum number of shares of the Company's common stock to be issued upon achievement of the applicable performance measure. For achievement of the highest level of the applicable performance measure for the MSUs, NEOs will receive 200% of the target number of shares. For fiscal years 2015 and 2014, the total amounts for Stock Awards would have been reported for each NEO as follows based on zero DPUs actually vested for fiscal year 2015 and based on the maximum number of shares to be received pursuant to MSU awards for such years based on the grant date fair values for such awards: $1,379,268 and $997,620, respectively, for Mr. Ridge; $336,299 and $249,241, respectively, for Mr. Rembolt; $343,437 and $249,241, respectively, for Mr. Freeman; $288,372 and $182,894, respectively, for Mr. Noble; and $199,183 and $124,621 respectively for Mr. Holdsworth. Based on the actual number of vested MSU awards for those MSU awards granted in fiscal year 2013, for which the applicable performance measurement period ended August 31, 2015 (see the Compensation Discussion and Analysis section under the heading, *Equity Compensation*, for details relating to the vesting of MSUs awarded for fiscal year 2013), the total amounts for Stock Awards for fiscal year 2013 for each of the NEOs would have been as follows: $807,650 for Mr. Ridge; $168,171 for Mr. Rembolt; $201,881 for Mr. Freeman; $141,304 for Mr. Noble; and $100,877 for Mr. Holdsworth.

2 Amounts reported as Non-Equity Incentive Plan Compensation represent Incentive Compensation payouts under the Company's Performance Incentive Program as described in the narrative preceding the Summary Compensation Table and in the Compensation Discussion and Analysis section of this proxy statement. Threshold, target and maximum payouts for each of the NEOs for fiscal year 2015 are set forth below in the table under the heading, *Grants of Plan-Based Awards - Fiscal Year 2015*.

[3] All Other Compensation for each of the NEOs includes, among other nominal cost benefits, group medical, dental, vision, wellness, and life insurance benefit costs for each NEO other than Mr. Noble and supplemental health insurance costs for Mr. Noble ("welfare benefit costs"); employer profit sharing and matching contributions to the Company's 401(k) Profit Sharing Plan for each NEO other than Messrs. Noble and Holdsworth and a U.K. employer retirement benefit contribution for Mr. Noble and an Australia employer retirement plan contribution for Mr. Holdsworth; and vehicle allowance costs which include lease or depreciation expense, fuel, maintenance and insurance costs for each NEO other than Mr. Noble and a cash allowance and fuel for Mr. Noble. For fiscal year 2015, the welfare benefit costs for each NEO were as follows: Mr. Ridge - $28,550; Mr. Rembolt - $27,015; Mr. Freeman - $22,911; Mr. Noble - $11,962; and Mr. Holdsworth - $9,765. For fiscal year 2015, the total employer 401(k) profit sharing and matching contributions for each of the NEOs other than Messrs. Noble and Holdsworth was $44,167. Mr. Noble's employer retirement benefit contribution was $83,752. Mr. Holdsworth's employer retirement benefit contribution was $34,664. The vehicle allowance costs for each NEO for fiscal year 2015 were as follows: Mr. Ridge - $18,150; Mr. Rembolt - $13,791; Mr. Freeman - $14,314; Mr. Noble - $20,270; and Mr. Holdsworth - $35,614.

[4] Mr. Noble's Salary, Non-Equity Incentive Plan Compensation and All Other Compensation for each fiscal year have been converted from Great Britain pounds sterling ("GBP") at average annual exchange rates for the year as follows: for fiscal year 2015 at $1.5658 per GBP, for fiscal year 2014 at $1.6490 per GBP, and for fiscal year 2013 at $1.5633 per GBP.

[5] Mr. Holdsworth's Salary, Non-Equity Incentive Plan Compensation and All Other Compensation for each fiscal year have been converted from Australian dollars ("AUD") at average annual exchange rates for the year as follows: for fiscal year 2015 at $0.8162 per AUD, for fiscal year 2014 at $0.9166 per AUD, and for fiscal year 2013 at $1.0116 per AUD.

GRANTS OF PLAN-BASED AWARDS - FISCAL YEAR 2015

In December 2007, the Company's stockholders approved the WD-40 Company 2007 Stock Incentive Plan to authorize the issuance of stock-based compensation awards to employees, directors and consultants. In addition to base salary and the Performance Incentive Compensation, for fiscal year 2015 the executive officers were granted RSU, MSU and DPU awards under the Stock Incentive Plan. A description of the restricted stock unit ("RSU") awards, market share unit ("MSU") awards and deferred performance unit ("DPU") awards is provided above in the Compensation Discussion and Analysis section under the heading, *Equity Compensation.*

Information concerning the grant of RSU, MSU and DPU awards to the NEOs is provided in the following Grants of Plan-Based Awards table. The table also contains information with respect to Performance Incentive Program opportunity awards for fiscal year 2015 as described above in the Compensation Discussion and Analysis section under the heading, *Performance Incentive Program*. The table provides threshold, target and maximum payout information relating to the Company's fiscal year 2015 Performance Incentive Program.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards[1]			Estimated Future Payouts Under Equity Incentive Plan Awards[2]				
Name	**Grant Date**	**Threshold ($)**	**Target ($)**	**Maximum ($)**	**Threshold (#)**	**Target (#)**	**Maximum (#)**	**All Other Stock Awards: Number of Shares of Stock or Units[3] (#)**	**Grant Date Fair Value of Stock and Options Awards[4] ($)**
Garry O. Ridge	10/13/2014	$ 1	$ 321,208	$ 642,416					
	10/13/2014				2,382	4,765	9,530		$ 376,483
	10/13/2014							4,765	$ 309,963
	11/14/2014				210		4210		$ 316,339
Jay W. Rembolt	10/13/2014	$ 1	$ 92,599	$ 185,198					
	10/13/2014				549	1,099	2,198		$ 86,832
	10/13/2014							1,099	$ 71,490
	11/14/2014				60		1,213		$ 91,145
Michael L. Freeman	10/13/2014	$ 1	$ 99,776	$ 199,551					
	10/13/2014				549	1,099	2,198		$ 86,832
	10/13/2014							1,099	$ 71,490
	11/14/2014				65		1,308		$ 98,283
William B. Noble[5]	10/13/2014	$ 1	$ 104,693	$ 209,386					
	10/13/2014				403	806	1,612		$ 63,682
	10/13/2014							806	$ 52,431
	11/14/2014				72		1,445		$ 108,577
Geoffrey J.	10/13/2014	$ 1	$ 69,332	$ 138,664					
Holdsworth[6]	10/13/2014				274	549	1,098		$ 43,376
	10/13/2014							549	$ 35,713
	11/14/2014				51		1,021		$ 76,718

1 The Estimated Future Payouts Under Non-Equity Incentive Plan Awards represent Threshold, Target and Maximum payouts under the WD-40 Company Performance Incentive Plan for Incentive Compensation payable for fiscal year 2015 performance. The Target amount represents fifty percent of the Maximum payout for each NEO. The Maximum amount represents the bonus opportunity for each NEO that assumes full achievement of the performance measures for Level A of the Performance Incentive Program (as more fully discussed above in the Compensation Discussion and Analysis section under the heading, *Performance Incentive Program*) and attainment by the Company of a level of Global EBITDA sufficient to maximize such payouts under Level C of the Performance Incentive Program.

GRANTS OF PLAN-BASED AWARDS - FISCAL YEAR 2015 (Continued)

[2] The Estimated Future Payouts Under Equity Incentive Plan Awards represent the Threshold, Target and Maximum number of shares to be issued upon performance vesting of MSU and DPU awards as described in the Compensation Discussion and Analysis section under the heading, Equity Compensation. There is no applicable Target number of shares for DPU awards to be earned by the NEOs.

[3] All Other Stock Awards represent RSUs described in the Compensation Discussion and Analysis section under the heading, Equity Compensation.

[4] Information relating to the Grant Date Fair Value of Stock Awards is included in footnote 1 to the Summary Compensation Table above.

[5] The Target and Maximum amounts for Mr. Noble's Estimated Future Payouts Under Non-Equity Incentive Plan Awards have been converted from Great Britain pounds sterling ("GBP") at an average annual exchange rate for fiscal year 2015 of $1.5658 per GBP.

[6] The Target and Maximum amounts for Mr. Holdsworth's Estimated Future Payouts Under Non-Equity Incentive Plan Awards have been converted from Australian dollars ("AUD") at an average annual exchange rate for fiscal year 2015 of $0.8162 per AUD.

OUTSTANDING EQUITY AWARDS AT 2015 FISCAL YEAR END

The following table provides detailed information concerning the unexercised stock options and RSU and MSU awards that were not vested as of the end of the last fiscal year for each of the NEOs.

	Option Awards				Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)[1]	Market Value of Shares or Units of Stock That Have Not Vested ($)[2]	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)[3]	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)[4]
Garry O. Ridge					9,884	$ 827,686	15,709	$ 1,315,472
	-	-						
Total	**-**	**-**			**9,884**	**$ 827,686**	**15,709**	**$ 1,315,472**
Jay W. Rembolt					2,289	$ 191,681	3,568	$ 298,784
	5,000	-	35.99	10/17/16				
	6,160	-	36.03	10/16/17				
Total	**11,160**	**-**			**2,289**	**$ 191,681**	**3,568**	**$ 298,784**
Michael L. Freeman					2,376	$ 198,966	3,834	$ 321,059
	-	-						
Total	**-**	**-**			**2,376**	**$ 198,966**	**3,834**	**$ 321,059**
William B. Noble					1,726	$ 144,535	2,759	$ 231,039
	-	-						
Total	**-**	**-**			**1,726**	**$ 144,535**	**2,759**	**$ 231,039**
Geoffrey J.					1,187	$ 99,399	1,916	$ 160,446
Holdsworth	-	-						
Total	**-**	**-**			**1,187**	**$ 99,399**	**1,916**	**$ 160,446**

1 Represents RSU awards to the NEOs that were not vested as of the fiscal year end.

2 The Market Value of the RSU awards that were not vested as of the fiscal year end was $83.74 per unit, determined by reference to the closing price for the Company's common stock as of August 31, 2015.

3 Represents the target number of shares to be issued with respect to MSU awards granted to the NEOs that were not vested as of the fiscal year end. The target number of shares to be issued with respect to MSU awards equals the number of shares to be issued with respect to the MSU awards upon achievement of the target level of achievement for such MSU awards which is a TSR equal to that of the Index as described above in the Compensation Discussion and Analysis section under the heading, *Equity Compensation*.

4 The Market Value of the target number of shares to be issued with respect to unvested MSU awards at fiscal year end was $83.74 per share, determined by reference to the closing price for the Company's common stock as of August 31, 2015.

OPTION EXERCISES AND STOCK VESTED - FISCAL YEAR 2015

The following table sets forth the number of shares of the Company's common stock acquired on exercise of stock options in the Company's last fiscal year and the aggregate dollar value realized on exercise of such stock options for the NEOs. The table also sets forth the number of shares of the Company's common stock acquired upon the vesting of RSU awards in the Company's last fiscal year and the aggregate dollar value realized with respect to such vested RSU awards.

	Option Awards		Stock Awards	
Executive Officer	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise[1] ($)**	**Number of Shares Acquired on Vesting[2] (#)**	**Value Realized on Vesting[3] ($)**
Garry O. Ridge	20,000	$ 1,000,000	5,233	$ 392,318
Jay W. Rembolt	6,000	$ 324,659	1,300	$ 97,461
Michael L. Freeman	-	$ -	1,388	$ 104,058
William B. Noble	-	$ -	969	$ 72,646
Geoffrey J. Holdsworth	-	$ -	773	$ 57,952

1 The Value Realized on Exercise is calculated by subtracting the aggregate exercise price for the shares of the Company's common stock acquired upon exercise of the stock options from the fair market value price of such shares as of the date of exercise. The fair market value price of each share at exercise is determined by the actual trade price for the share if sold in a cashless exercise transaction, otherwise by the closing price as of the date of exercise.

2 The Number of Shares Acquired on Vesting for each NEO includes shares of the Company's common stock issued upon vesting of RSU awards on October 21, 2014.

3 The Value Realized on Vesting for shares of the Company's common stock issued on October 21, 2014 is calculated based on the number of vested RSU awards multiplied by the closing price of $74.97 for the Company's common stock as of that date

SUPPLEMENTAL DEATH BENEFIT PLANS AND SUPPLEMENTAL INSURANCE BENEFITS

The Company maintains Supplemental Death Benefit Plans for the NEOs other than Mr. Noble and Mr. Holdsworth. Under the death benefit plan agreements, the NEO's designated beneficiary or estate, as applicable, will receive a death benefit equal to the NEO's then current base salary in the event of his death prior to retirement from the Company. All of the NEOs are also eligible to receive life insurance benefits offered to all employees of the Company and, in the case of Mr. Noble, to all employees of the Company's U.K. subsidiary.

The death benefits under the Supplemental Death Benefit Plans are not formally funded but the Company has purchased key man life insurance policies owned by the Company to cover its benefit obligations. The Board of Directors has determined which key employees participate in the plans and the amount of the benefit payable for each participant. Non-employee directors do not have death benefit plan agreements.

Based upon their fiscal year 2015 base salaries, the supplemental death benefit to be provided to the NEOs other than Mr. Noble and Mr. Holdsworth as of the end of fiscal year 2015 would have been as set forth in the following table.

Executive Officer	**Death Benefit**
Garry O. Ridge	$ 642,416
Jay W. Rembolt	$ 308,664
Michael L. Freeman	$ 332,585
William B. Noble	$ -
Geoffrey J. Holdsworth	$ -

CHANGE OF CONTROL SEVERANCE AGREEMENTS

Each executive officer serves at the discretion of the Board of Directors. On February 14, 2006, the Company entered into Change of Control Severance Agreements ("Severance Agreements") with each of the executive officers identified in the Summary Compensation Table above, with the exception of Mr. Rembolt. On October 16, 2008, the Company entered into a Severance Agreement with Mr. Rembolt. The Severance Agreements provide that each executive officer will receive certain severance benefits if his employment is terminated without "Cause" or if he resigns for "Good Reason", as those terms are defined in the Severance Agreements, within two years after a "Change of Control" as defined in the Severance Agreements and summarized below. If the executive officer's employment is terminated during the aforementioned two-year period by the Company without "Cause" or by the executive officer for "Good Reason", the executive officer will be entitled to a lump sum payment (subject to limits provided by reference to Section 280G of the Internal Revenue Code which limits the deductibility of certain payments to executives upon a change in control) of twice the executive officer's salary, calculated based on the greater of the executive officer's then current annual salary or a five-year average, plus twice the executive officer's earned Incentive Compensation, calculated based on the greater of the most recent annual earned Incentive Compensation or a five-year average. Further, any of the executive officer's outstanding stock options and other equity incentive awards that are not then fully vested (with the exception of DPU awards), will be accelerated and vested in full following such termination of employment within such two-year period and the executive officer will be entitled to continuation of health and welfare benefits under the Company's then existing benefit plans or equivalent benefits for a period of up to two years from the date of termination of employment. No employment rights or benefits other than the change of control severance benefits described in this paragraph are provided by the Severance Agreements.

For purposes of the Severance Agreements and subject to the express provisions and limitations contained therein, a "Change of Control" means a transaction or series of transactions by which a person or persons acting together acquire more than 30% of the Company's outstanding shares; a change in a majority of the incumbent members of the Company's Board of Directors as specified in the Severance Agreements, a reorganization, merger or consolidation as specified in the Severance Agreements or a sale of substantially all of the assets or complete liquidation of the Company. As specified more particularly in the Severance Agreements, a "Change of Control" does not include a reorganization, merger or consolidation or a sale or liquidation where a majority of the incumbent members of the Company's Board of Directors continue in office and more than 60% of the successor company's shares are owned by the Company's pre-transaction stockholders.

The Severance Agreements have a term of two years, subject to automatic renewal for successive two year periods unless notice of non-renewal is provided by the Company's Board of Directors not less than six months prior to the end of the current term. The term of the Severance Agreements will be automatically extended for a term of two years following any "Change of Control."

The following table sets forth the estimated amounts payable to each of the NEOs pursuant to their respective Severance Agreements on the assumption that the employment of each NEO was terminated without "Cause" or otherwise for "Good Reason" effective as of the end of fiscal year 2015 following a "Change of Control" as provided for in the Severance Agreements. The table also includes the value, as of the end of the fiscal year, of all RSU and MSU awards that were not vested as of the end of fiscal year 2015.

Executive Officer	Severance Pay[1]	Welfare Benefits[2]	Accelerated Vesting of RSUs and MSUs[3]	Total Change of Control Severance Benefits
Garry O. Ridge	$ 2,225,010	$ 51,276	$ 2,143,158	$ 4,419,444
Jay W. Rembolt	$ 888,122	$ 50,876	$ 490,465	$ 1,429,463
Michael L. Freeman	$ 957,196	$ 42,476	$ 520,025	$ 1,519,697
William B. Noble	$ 980,804	$ 12,113	$ 375,574	$ 1,368,491
Geoffrey J. Holdsworth	$ 689,180	$ 19,530	$ 259,845	$ 968,555

1 For each NEO, Severance Pay includes two times the reported Salary for fiscal year 2015 plus two times the reported Non-Equity Incentive Plan Compensation for fiscal year 2014.

2 For each NEO, Welfare Benefits includes an estimate of the Company's cost to provide two years of continuation coverage under the Company's welfare benefit plans, which does not include life insurance or long-term disability insurance.

3 The value included for accelerated vesting of RSU and MSU awards equals the value of the RSU and MSU awards that were not vested at $83.74 for each RSU and MSU based on the closing price for the Company's common stock as of August 31, 2015. MSUs are valued for this purpose based upon the Target Number of shares of the Company's common stock to be issued with respect to the MSUs as described above in the Compensation Discussion and Analysis section under the heading, *Equity Compensation*, in the event of the acceleration of vesting thereof pursuant to the NEOs' Severance Agreements and MSU Award Agreements.

AUDIT COMMITTEE REPORT

Each year the Board of Directors appoints an Audit Committee to fulfill regulatory requirements and to assist the Board in oversight of the Company's financial reporting, internal control functions and audit process. Each member of the Audit Committee meets the independence requirements set by the Nasdaq Stock Market.

The responsibilities of the Audit Committee include the selection and appointment of an independent registered public accounting firm to be hired as the Company's independent accountants. The Audit Committee is also responsible for recommending to the Board that the Company's consolidated financial statements be included in its annual report on Form 10-K.

With respect to the preparation and audit of the Company's consolidated financial statements, management is responsible for the preparation of the financial statements; the establishment of accounting and financial reporting principles; the establishment of disclosure controls and procedures; the establishment of internal control over financial reporting; the evaluation of the effectiveness of both disclosure controls and procedures and internal control over financial reporting; and the evaluation of changes in internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting. The Company's independent registered public accounting firm is responsible for performing an independent audit of the consolidated financial statements and expressing an opinion as to whether the consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

The Audit Committee has reviewed the consolidated financial statements of the Company for the fiscal year ended August 31, 2015. The Audit Committee has discussed the preparation of the consolidated financial statements with management and with the Company's independent registered public accounting firm, PricewaterhouseCoopers LLP, and the Audit Committee has met separately with PricewaterhouseCoopers LLP and with management to discuss issues relating to the preparation and audit of the financial statements.

For the fiscal year ended August 31, 2015, management has completed the documentation, testing and evaluation of the Company's system of internal control over financial reporting as required by Section 404 of the Sarbanes-Oxley Act of 2002. The Audit Committee has been kept apprised of management's activities in the completion of such work and evaluation and the Audit Committee has provided oversight and advice with respect to the process undertaken by management. The Audit Committee will continue to oversee such work being undertaken by the Company for the fiscal year ending August 31, 2016.

The Audit Committee has taken the following steps in making its recommendation that the Company's consolidated financial statements be included in its annual report on Form 10-K for the fiscal year ended August 31, 2015:

1. At regularly scheduled meetings of the Audit Committee, management and PricewaterhouseCoopers LLP provided periodic reports as to the work undertaken by the Company to complete the documentation, testing and evaluation of the Company's system of internal control over financial reporting. Upon completion of such work and upon preparation of the Company's consolidated financial statements for the fiscal year ended August 31, 2015, the Audit Committee reviewed a report provided by management on the effectiveness of the Company's internal control over financial reporting;
2. The Audit Committee discussed with PricewaterhouseCoopers LLP, the Company's independent registered public accounting firm for the fiscal year ended August 31, 2015, those matters required to be discussed by Statement on Auditing Standards No. 61 and Public Company Accounting Oversight Board Auditing Standard No. 2, including information concerning the scope and results of the audit. These communications and discussions are intended to assist the Audit Committee in overseeing the financial reporting and disclosure process;
3. The Audit Committee discussed with PricewaterhouseCoopers LLP its independence and received from PricewaterhouseCoopers LLP a letter concerning independence as required under applicable independence standards for auditors of public companies. This discussion and disclosure helped the Audit Committee in evaluating such independence;
4. The Audit Committee reviewed and discussed with the Company's management and PricewaterhouseCoopers LLP the Company's audited consolidated balance sheet at August 31, 2015, and the related consolidated statements of operations, of shareholders' equity, of comprehensive income and of cash flows for the fiscal year ended August 31, 2015; and
5. The Audit Committee has reviewed PricewaterhouseCoopers LLP's Report of Independent Registered Public Accounting Firm and Management's Report on Internal Control over Financial Reporting included in the Company's annual report on Form 10-K for the fiscal year ended August 31, 2015.

Based on the reviews and discussions explained above, the Audit Committee recommended to the Board that the Company's consolidated financial statements be included in its annual report on Form 10-K for its fiscal year ended August 31, 2015. PricewaterhouseCoopers LLP has been selected to serve as the Company's independent registered public accounting firm for the fiscal year ending August 31, 2016.

Audit Committee
Giles H. Bateman, Chair
Peter D. Bewley
Richard A. Collato
Neal E. Schmale

ITEM NO. 3
RATIFICATION OF APPOINTMENT OF
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of the Board of Directors has appointed PricewaterhouseCoopers LLP as the independent registered public accounting firm for the Company to audit the consolidated financial statements of the Company for fiscal year 2016. Although ratification by stockholders is not required by law, the Audit Committee has determined that it is desirable to request ratification of this selection by the stockholders. Notwithstanding its selection, the Audit Committee, in its discretion, may appoint a new independent registered public accounting firm at any time during the year if the Audit Committee believes that such a change would be in the best interests of the Company and its stockholders. If the stockholders do not ratify the appointment of PricewaterhouseCoopers LLP, the Audit Committee may reconsider its selection.

A majority of the votes of the common stock present or represented at the meeting is required for approval. Broker non-votes will be voted in favor of approval. PricewaterhouseCoopers LLP acted as the Company's independent registered public accounting firm during the past fiscal year and, unless the Audit Committee appoints new independent accountants, PricewaterhouseCoopers LLP will continue to act in such capacity during the current fiscal year. It is anticipated that a representative of PricewaterhouseCoopers LLP will attend the Annual Meeting of Stockholders, will have an opportunity to make a statement if he or she desires to do so and will be available to respond to appropriate questions.

The Audit Committee's policy is to pre-approve all audit and permissible non-audit products and services provided by the independent registered public accounting firm. These products and services may include audit services, audit-related services, tax services, software and other products or services. Pre-approval is generally provided for up to one year and any pre-approval is detailed as to the particular service or category of services and is generally subject to a specific budget. The independent accountants and management are required to periodically report to the Audit Committee regarding the extent of services provided by the independent public accountants in accordance with this pre-approval, and the fees for the services performed to date. The Audit Committee may also pre-approve particular services on a case-by-case basis. The possible effect on the independence of the public accountants is considered by the Audit Committee. There is no direct or indirect understanding or agreement that places a limit on current or future years' audit fees or permissible non-audit products and services.

AUDIT FEES

PricewaterhouseCoopers LLP has provided audit services to the Company for each of the past two fiscal years. Audit fees consist of fees for professional services rendered for the audit of the Company's consolidated annual financial statements, the review of the interim consolidated financial statements included in quarterly reports and services that are normally provided by PricewaterhouseCoopers LLP in connection with statutory and regulatory filings or engagements. The aggregate fees billed to the Company by PricewaterhouseCoopers LLP for audit services performed for the Company for the past two fiscal years were $819,074 for the year ended August 31, 2014, and $905,951 for the year ended August 31, 2015.

AUDIT-RELATED FEES

Audit-related services consist of assurance and related services that are reasonably related to the performance of the audit or review of the Company's consolidated financial statements and are not reported under "Audit Fees." No such audit-related services were performed by PricewaterhouseCoopers LLP or billed to the Company for the year ended August 31, 2014 or the year ended August 31, 2015.

TAX FEES

Tax fees consist of tax compliance, tax advice, tax consulting or tax planning services provided by PricewaterhouseCoopers LLP to the Company. The aggregate fees billed to date to the Company by PricewaterhouseCoopers LLP in connection with tax hedging policy documentation consulting services were $7,500 for the year ended August 31, 2014, and primarily in connection with international tax planning, consulting services were $49,679 for the year ended August 31, 2015.

ALL OTHER FEES

Other fees for services provided by PricewaterhouseCoopers LLP for fiscal years 2014 and 2015 consisted of fees for access provided by PricewaterhouseCoopers LLP to its online research reference materials and fees associated with a U.K. generally accepted accounting principles ("GAAP") impact assessment prepared by Pricewaterhouse Coopers LLP on behalf of the

Company. The aggregate fees billed to the Company by PricewaterhouseCoopers LLP for other services performed for the Company were $8,444 for the year ended August 31, 2014 and $1,800 for the year ended August 31, 2015.

STOCKHOLDER PROPOSALS

Stockholder proposals must be received by the Company no sooner than May 2, 2016 and not later than July 1, 2016 to be included in the proxy statement and form of proxy for the next annual meeting. Any proposal submitted outside of these dates will be considered untimely in order to be considered at the Company's 2016 Annual Meeting of Stockholders in accordance with the Company's Bylaws.

By Order of the Board of Directors
Richard T. Clampitt
Corporate Secretary

Dated: October 29, 2015

IT IS IMPORTANT THAT PROXIES BE RETURNED PROMPTLY. THEREFORE, STOCKHOLDERS ARE URGED TO FILL IN, SIGN AND RETURN THE ACCOMPANYING FORM OR FORMS OF PROXY IN THE ENCLOSED ENVELOPE.

ANNUAL REPORT ON FORM 10-K

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

FORM 10-K

(Mark One)
☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended August 31, 2015

or

☐ **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: 000-06936

WD-40 COMPANY
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**95-1797918** (I.R.S. Employer Identification No.)
1061 Cudahy Place, San Diego, California (Address of principal executive offices)	**92110** (Zip code)

Registrant's telephone number, including area code: **(619) 275-1400**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $0.001 par value	The NASDAQ Stock Market, LLC

Securities registered pursuant to Section 12(g) of the Act:

Title of each class
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☑

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes ☐ No ☑

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 ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes ☐ No ☑

The aggregate market value (closing price) of the voting stock held by non-affiliates of the registrant as of February 28, 2015 was approximately $1,144,737,138.

As of October 19, 2015, there were 14,374,181 shares of the registrant's common stock outstanding.

Documents Incorporated by Reference:

The Proxy Statement for the annual meeting of stockholders on December 8, 2015 is incorporated by reference into Part III, Items 10 through 14 of this Annual Report on Form 10-K.

WD-40 COMPANY

ANNUAL REPORT ON FORM 10-K
For the Fiscal Year Ended August 31, 2015

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PART I

Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. All statements other than those that are purely historical are forward-looking statements which reflect the Company’s current views with respect to future events and financial performance.

These forward-looking statements include, but are not limited to, discussions about future financial and operating results, including: growth expectations for our maintenance products; expected levels of promotional and advertising spending; plans for and success of product innovation, the impact of new product introductions on the growth of sales; anticipated results from product line extension sales; and forecasted foreign currency exchange rates and commodity prices. These forward-looking statements are generally identified with words such as “believe,” “expect,” “intend,” “plan,” “could,” “may,” “aim,” “anticipate,” “estimate” and similar expressions. The Company undertakes no obligation to revise or update any forward looking statements.

Actual events or results may differ materially from those projected in forward-looking statements due to various factors, including, but not limited to, those identified in Item 1A of this report. As used in this report, the terms “we,” “our,” “us” and “the Company” refer to WD-40 Company and its wholly-owned subsidiaries, unless the context suggests otherwise. Amounts and percentages in tables and discussions may not total due to rounding.

Item 1. Business

Overview

WD-40 Company is a global marketing organization dedicated to creating positive lasting memories by developing and selling products which solve problems in workshops, factories and homes around the world. The Company was founded in 1953 and is headquartered in San Diego, California.

For more than four decades, the Company sold only one product, WD-40® multi-use product, a maintenance product which acts as a lubricant, rust preventative, penetrant, cleaner and moisture displacer. Over the last two decades, the Company has evolved and expanded its product offerings through both research and development activities and through the acquisition of several brands worldwide. As a result, the Company has built a family of brands and product lines that deliver high quality performance at an extremely good value to their end users.

The Company currently markets and sells its products in more than 176 countries and territories worldwide primarily through mass retail and home center stores, warehouse club stores, grocery stores, hardware stores, automotive parts outlets, sport retailers, independent bike dealers and industrial distributors and suppliers.

The Company’s sales come from its two product groups –maintenance products and homecare and cleaning products. Maintenance products are sold worldwide in markets throughout North, Central and South America, Asia, Australia and the Pacific Rim, Europe, the Middle East and Africa. Homecare and cleaning products are sold primarily in North America, the United Kingdom (“U.K.”) and Australia.

The Company’s strategic initiatives and the areas where it will continue to focus its time, talent and resources in future periods include: (i) maximizing WD-40 multi-use product sales through geographic expansion and increased market penetration; (ii) leveraging the WD-40 brand by growing the WD-40 Specialist product line; (iii) leveraging the strengths of the Company through a broadened product and revenue base; (iv) attracting, developing and retaining talented people; and (v) operating with excellence.

The Company is focused on and committed to innovation and renovation of its products. The Company sees innovation and renovation as important factors to the long-term growth of its brands and product lines, and it intends to continue to work on future products, product lines, product packaging, product delivery systems and promotional innovations and renovations. The Company is also focused on expanding its current brands in existing markets with new product development. The Company’s product development teams support new product development and current product improvement for the Company’s brands. Over the years, the Company’s research and development team has made an innovation impact on most of the Company’s brands. Key innovations for the Company’s products include, but are not limited to, WD-40 Smart Straw®, WD-40 Trigger Pro®, WD-40 Specialist®, WD-40 Bike™, 3-IN-ONE Professional Garage Door Lube™, Spot Shot Pet Clean™, which is a non-aerosol Spot Shot trigger product, and a mildew stain remover under the X-14 brand. In late fiscal year 2015, the Company launched a new innovative product called WD-40 EZ Reach™ in the United States. WD-40 EZ Reach features a unique delivery system in the form of an attached 8” flexible straw that bends and keeps its shape to allow for easier use of the WD-40 multi-use product in hard to reach places.

Financial Information about Operating Segments

The Company’s operating segments are determined consistent with the way management organizes and evaluates financial information internally for making operating decisions and assessing performance. The Company is organized on the basis of geographical area into the following three segments:

- Americas segment consists of the United States (“U.S.”), Canada and Latin America;
- Europe, Middle East and Africa (“EMEA”) segment consists of countries in Europe, the Middle East, Africa and India; and
- Asia-Pacific segment consists of Australia, China and other countries in the Asia region.

The Company’s management reviews product performance on the basis of sales, which come from its two product groups – maintenance products and homecare and cleaning products. The financial information required by this item is included in Note 15 – Business Segments and Foreign Operations of the Company’s consolidated financial statements, included in Item 15 of this report, and in “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, included in Item 7 of this report.

Products

Maintenance Products

Included in the Company’s maintenance products are both multi-purpose maintenance products and specialty maintenance products. These maintenance products are sold worldwide and they provide end users with a variety of product and delivery system options.

The Company’s signature brand in the blue and yellow can, the WD-40 brand, is included within the maintenance product category and it accounts for a significant majority of the Company’s sales. The Company has various products and product lines which it currently sells under the WD-40 brand and they are as follows:

<u>WD-40 Multi-Use Product</u> - The WD-40 multi-use product is a market leader among multi-purpose maintenance products and is sold as an aerosol spray, a non-aerosol trigger spray and in liquid form through mass retail stores, hardware stores, warehouse club stores, automotive parts outlets and industrial distributors and suppliers. The WD-40 multi-use product is sold worldwide in North, Central and South America, Asia, Australia and the Pacific Rim, Europe, the Middle East and Africa. The WD-40 multi-use product has a wide variety of consumer uses in, for example, household, marine, automotive, construction, repair, sporting goods and gardening applications, in addition to numerous industrial applications. WD-40 EZ Reach is the Company’s latest innovation to its multi-use product. It features a unique delivery system which includes an attached flexible straw that bends and keeps its shape to allow for easy use of the WD-40 multi-use product in hard to reach places. This new product will be marketed solely in the U.S. for the first twelve months after the launch and it is expected to contribute to the growth of the WD-40 brand in the future.

<u>WD-40 Specialist product line</u> – WD-40 Specialist consists of a line of best-in-class specialty maintenance products that include penetrants, degreasers, corrosion inhibitors, lubricants and rust removers that are aimed at an expanded group of end users that currently use the WD-40 multi-use product. The Company initially launched the WD-40 Specialist product line early in fiscal year 2012 and it currently sells these products in the U.S., Canada and select countries in Latin America, Asia, Australia and Europe. Within the WD-40 Specialist product line, the Company also launched WD-40 Specialist Motorbike in Europe and WD-40 Specialist Lawn and Garden in Australia during fiscal year 2014. The launch of the WD-40 Specialist product line has used the same established distribution channels through which the Company currently sells its existing products.

<u>WD-40 Bike product line</u> - The WD-40 Bike product line consists of a comprehensive line of bicycle maintenance products that include wet and dry chain lubricants, heavy-duty degreasers, foaming wash and frame protectants that are designed specifically for avid cyclists, bike enthusiasts and mechanics. The Company launched this product line in the U.S. early in fiscal year 2013 and in Australia and Europe near the end of fiscal year 2014. Although the initial focus for such sales was on smaller independent bike dealers, primarily those in the U.S., distribution of WD-40 Bike products has been expanded to include certain distributors and retailers. At the end of fiscal year 2015, the Company started to plan for the transition of the

WD-40 Bike business in the U.S. from one with distribution limited primarily to independent bike dealers to one which will also include the same multi-channel distribution network and customers which are currently in place for other maintenance products in the Americas segment. This transition will take place in the first quarter of fiscal year 2016.

The Company also has the following additional brands which are included within its maintenance products group:

3-IN-ONE - The 3-IN-ONE brand consists of multi-purpose drip oil and spray lubricant products, as well as other specialty maintenance products. The drip oil is a lubricant with unique spout options that allow for precise applications to small mechanisms and assemblies, tool maintenance and threads on screws and bolts. 3-IN-ONE Oil is the market share leader among drip oils for household consumers. It also has wide industrial applications in such areas as locksmithing, HVAC, marine, farming, construction and jewelry manufacturing. In addition to the drip oil line of products, the 3-IN-ONE brand also includes a professional line of products known as 3-IN-ONE Professional, which is a line of high quality, maintenance products. The high quality of the 3-IN-ONE brand and its established distribution network have enabled these products to gain international acceptance. 3-IN-ONE products are sold primarily in the U.S., Europe, Canada, Latin America, Australia and Asia.

GT85® - The GT85 brand is a multi-purpose bike maintenance product that consists of professional spray maintenance products and lubricants which are sold primarily in the bike market through the automotive and industrial channels in the U.K., with additional sales in foreign markets including those in Spain and other European countries. GT85 products are also currently sold in the United States. This brand was acquired by the Company's U.K. subsidiary in September 2014 and it will help to build upon the Company's strategy to develop new product categories for WD-40 Specialist and WD-40 BIKE.

Homecare and Cleaning Products

The Company sells its homecare and cleaning products in various locations worldwide and they include a portfolio of well-known brands as follows:

X-14 - The X-14 brand is a line of quality products designed for unique cleaning needs. X-14 is sold as a liquid mildew stain remover and as an automatic toilet bowl cleaner. X-14 is sold primarily in the U.S. through grocery and mass retail channels.

2000 Flushes - The 2000 Flushes brand is a line of long-lasting automatic toilet bowl cleaners which includes a variety of formulas. 2000 Flushes is sold primarily in the U.S. and Canada through grocery and mass retail channels.

Carpet Fresh - The Carpet Fresh brand is a line of room and rug deodorizers sold as powder, aerosol quick-dry foam and trigger spray products. Carpet Fresh is sold primarily through grocery and mass retail channels in the U.S., the U.K. and Australia. In the U.K., these products are sold under the 1001 brand name and in Australia, they are sold under the No Vac brand name.

Spot Shot - The Spot Shot brand is sold as an aerosol carpet stain remover and a liquid trigger carpet stain and odor eliminator. The brand also includes environmentally friendly products such as Spot Shot Instant Carpet Stain & Odor Eliminator™ and Spot Shot Pet Clean, which are non-toxic and biodegradable. Spot Shot products are sold primarily through grocery and mass retail channels, warehouse club stores and hardware and home center stores in the U.S. and Canada. Spot Shot products are also sold in the U.K. under the 1001 brand name.

1001 - The 1001 brand includes carpet and household cleaners and rug and room deodorizers which are sold primarily through mass retail, grocery and home center stores in the U.K. The brand was acquired in order to introduce the Company's other homecare and cleaning product formulations under the 1001 brand and to expand the Company's homecare and cleaning products business into the U.K. market.

Lava - The Lava and Solvol brands consist of heavy-duty hand cleaner products which are sold in bar soap and liquid form through hardware, grocery, industrial, automotive and mass retail channels. Lava is sold primarily in the U.S., while Solvol is sold exclusively in Australia.

The Company's homecare and cleaning products, particularly those in the U.S., are considered harvest brands which continue to provide positive returns to the Company but are becoming a smaller part of the business as sales of the maintenance products grow with the execution of the Company's strategic initiatives. Although the Company started to evaluate the strategic alternatives for certain of its homecare and cleaning products, particularly those in the U.S. in early fiscal year 2013, it has continued to sell these brands but has done so with a reduced level of investment.

Financial information about operating segments and product lines is included in Note 15 – Business Segments and Foreign Operations of the consolidated financial statements, included in Item 15 of this report.

Sales and Marketing

The Company's sales do not reflect any significant degree of seasonality. However, it is common for the Company's sales to fluctuate from period to period or year to year due to various factors including, but not limited to, new or lost distribution, the number of product offerings carried by a customer and the level of promotional activities and programs being run at customer locations. New or lost distribution occurs when the Company gains or loses customers, when it gains or loses store count for a customer or when its products are added to new locations within a store or removed from existing locations. From time to time, as part of new product offering launches, the Company may gain access to entirely new distribution channels. The number of product offerings refers to the number of brands and/or the number of products within each of those brands that the Company's customers offer for sale to end user customers. The level of promotional activities and programs relates to the number of events or volumes of purchases by customers in support of off-shelf or promotional display activities. Changes in any one of these three factors or a combination of them can cause the Company's sales levels to increase or decrease from period to period. It is also common and/or possible that the Company could lose distribution or product offerings and experience a decrease in promotional activities and programs in one period and subsequently regain this business in a future period. The Company is accustomed to such fluctuations and manages this as part of its normal business activities.

Sources and Availability of Components and Raw Materials

The Company relies on a limited number of suppliers, including single or sole suppliers, for certain of its raw materials, packaging, product components and other necessary supplies. The Company's primary components and raw materials include petroleum-based specialty chemicals and aerosol cans, which are manufactured from commodities that are subject to volatile price changes. The availability of these components and raw materials is affected by a variety of supply and demand factors, including global market trends, plant capacity decisions and natural disasters. The Company expects these components and raw materials to continue to be readily available in the future, although the Company will continue to be exposed to volatile price changes.

Research and Development

The Company recognizes the importance of innovation and renovation to its long-term success and is focused on and committed to research and new product development activities. The Company's product development team engages in consumer research, product development, current product improvement and testing activities. The product development team also leverages its development capabilities by partnering with a network of outside resources including the Company's current and prospective outsource suppliers. In addition, the research and development team engages in activities and product development efforts which are necessary to ensure that the Company meets all regulatory requirements for the formulation of its products. The Company incurred research and development expenses of $9.0 million, $6.9 million, and $7.2 million in fiscal years 2015, 2014 and 2013, respectively. None of this research and development activity was customer-sponsored.

Manufacturing

The Company outsources directly or through its marketing distributors the manufacturing of its finished products to various third-party contract manufacturers. The Company or its marketing distributors use contract manufacturers in the U.S., Canada, Mexico, Brazil, Argentina, Columbia, the U.K., Italy, Australia, Japan, China, South Korea and India. Although the Company does not typically have definitive minimum purchase obligations included in the contract terms with its contract manufacturers, when such obligations have been included, they have been immaterial to date. Supply needs are communicated by the Company to its contract manufacturers, and the Company is committed to purchase the products manufactured based on orders and short-term projections, ranging from two to five months, provided to the contract manufacturers. The Company also formulates and manufactures concentrate used in its WD-40 products at its own facilities and at third-party contract manufacturers.

In addition to the commitments to purchase products from contract manufacturers described above, the Company may also enter into commitments with other manufacturers from time to time to purchase finished goods and components to support innovation and renovation initiatives and/or supply chain initiatives.

Order Backlog

Order backlog is not a significant factor in the Company's business.

Competition

The markets for the Company's products, particularly those related to its homecare and cleaning products, are highly competitive. The Company's products compete both within their own product classes as well as within product distribution channels, competing with many other products for store placement and shelf space. Competition in international markets varies by country. The Company is aware of many competing products, some of which sell for lower prices or are produced and marketed by companies with greater financial resources than those of the Company. The Company relies on the awareness of its brands among consumers, the value offered by those brands as perceived by consumers, product innovation and renovation and its multiple channel distributions as its primary strategies. New products typically encounter intense competition, which may require advertising and promotional support and activities. When or if a new product achieves consumer acceptance, ongoing advertising and promotional support may be required in order to maintain its relative market position.

Trademarks and Patents

The Company owns a number of patents, but relies primarily upon its established trademarks, brand names and marketing efforts, including advertising and sales promotions, to compete effectively. The WD-40 brand, 3-IN-ONE, Lava, Solvol, X-14, 2000 Flushes, Carpet Fresh and No Vac, Spot Shot, GT85, and 1001 trademarks are registered or have pending registrations in various countries throughout the world.

Employees

At August 31, 2015, the Company employed 433 people worldwide: 172 by the U.S. parent corporation; 6 by the Malaysia subsidiary; 12 by the Canada subsidiary; 167 by the U.K. subsidiary (including 80 in the U.K., 29 in Germany, 31 in France, 17 in Spain and 10 in Italy); 18 by the Australia subsidiary; 53 by the China subsidiary; 3 by WD-40 Bike Company; and 2 by WD-40 Manufacturing Company, the Company's manufacturing subsidiary.

Financial Information about Foreign and Domestic Operations

For detailed information about the Company's foreign and domestic operations, including net sales by reportable segment and long-lived assets by geography, refer to Note 15 - Business Segments and Foreign Operations of the consolidated financial statements, included in Item 15 of this report.

Access to SEC Filings

The Company's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are available through the Investors section of the Company's website at www.wd40company.com. These reports can be accessed free of charge from the Company's website as soon as reasonably practicable after the Company electronically files such materials with, or furnishes them to, the Securities and Exchange Commission ("SEC"). Information contained on the Company's website is not included as a part of, or incorporated by reference into, this report.

Interested readers may also read and copy any materials that the Company files at the SEC Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Readers may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an internet site (www.sec.gov) that contains the Company's reports.

Item 1A. Risk Factors

The following risks and uncertainties, as well as other factors described elsewhere in this report or in other SEC filings by the Company, could adversely affect the Company's business, financial condition and results of operations.

The Company's financial results could suffer if the Company is unable to implement and successfully manage its strategic initiatives or if the Company's strategic initiatives do not achieve the intended results.

There is no assurance that the Company will be able to implement and successfully manage its strategic initiatives, including its five major strategic initiatives, or that the strategic initiatives will achieve the intended results, which include sales volume growth. The Company's five core strategic initiatives include: (i) maximizing WD-40 multi-use product sales through geographic expansion and increased market penetration; (ii) leveraging the WD-40 brand by growing the WD-40 Specialist product line; (iii) leveraging the strengths of the Company through a broadened product and revenue base; (iv) attracting, developing and retaining talented people; and (v) operating with excellence. An important part of the Company's success depends on its continuing ability to attract, retain and develop highly qualified personnel. The Company's future performance depends in significant part on the continued service of its executive officers, key personnel and other talented people. The loss of the services of key employees could have a material adverse effect on the Company's business and prospects. Competition for such personnel is intense, and there can be no assurance that the Company can retain its key employees or attract, assimilate and retain employee engagement in the future. If the Company is unable to implement and successfully manage its strategic initiatives in accordance with its business plans, the Company's business and financial results could be adversely affected. Moreover, the Company cannot be certain that implementation of its strategic initiatives will necessarily advance its business or financial results as intended.

Cost increases or cost volatility in finished goods, components, raw materials, transportation and other necessary supplies or services could harm or impact the Company's financial condition and results of operations.

Increases in the cost of finished goods, components and raw materials and increases in the cost of transportation and other necessary supplies or services may harm the Company's financial condition and results of operations. Petroleum-based specialty chemicals and aerosol cans, which constitute a significant portion of the costs for many of the Company's maintenance products, have experienced significant price volatility in the past, and may continue to do so in the future. In addition, volatility in the price of oil can impact other input costs and the cost of petroleum-based specialty chemicals which are indexed to the price of crude oil. If there are significant increases in the costs of such raw materials, and the Company is not able to increase the prices of its products or achieve cost savings to offset such cost increases, the Company's gross margins and operating results will be negatively impacted. In addition, if the Company increases product sales prices in response to increases in the cost of such raw materials, and those raw material costs later decline significantly, the Company may not be able to sustain its sales prices at these higher levels. Additionally, fluctuations in oil and diesel fuel prices have also historically impacted the Company's cost of transporting its products. As component and raw material costs are the principal contributors to the cost of goods sold for all of the Company's products, any significant fluctuation in the costs of components and raw materials could have a material impact on the gross margins realized on the Company's products. Sustained increases in the cost of raw materials, components, transportation and other necessary supplies or services, or significant volatility in such costs, could have a material adverse effect on the Company's financial condition and results of operations.

Global operations outside the U.S. expose the Company to uncertain conditions, foreign currency exchange rate risk and other risks in international markets.

The Company's sales outside of the U.S. were approximately 60% of consolidated net sales in fiscal year 2015 and one of its strategic initiatives includes maximizing the WD-40 multi-use product through geographic expansion and market penetration. As a result, the Company currently faces, and will continue to face, substantial risks associated with having increased global operations outside the U.S., including:

- economic or political instability in the Company's international markets, including Latin America, the Middle East, parts of Asia, Russia, Eastern Europe and the Eurozone countries;
- restrictions on or costs relating to the repatriation of foreign profits to the U.S., including possible taxes or withholding obligations on any repatriations;
- challenges associated with conducting business in foreign jurisdictions, including those related to the Company's understanding of business laws and regulations in such foreign jurisdictions;
- increasing tax complexity associated with operating in multiple tax jurisdictions;
- dispersed employee base and compliance with employment regulations and other labor issues, such as labor laws and minimum wages, in countries outside the U.S.; and
- the imposition of tariffs or trade restrictions and costs, burdens and restrictions associated with other governmental actions.

These risks could have a significant impact on the Company's ability to sell its products on a competitive basis in global markets outside the U.S. and could have a material adverse effect on the Company's business, financial condition and results of operations.

Approximately 40% of the Company's revenues in fiscal year 2015 were generated in currencies other than the U.S. dollar, which is the reporting currency of the Company. In addition, all of the Company's foreign subsidiaries have functional currencies other than the U.S. Dollar and the Company's largest subsidiary is located in the U.K. and generates significant sales in Pound Sterling and Euro. As a result, the Company is also exposed to foreign currency exchange rate risk with respect to its sales, expenses, profits, assets and liabilities denominated in currencies other than the U.S. Dollar. In particular, the Company's financial results are negatively impacted when the foreign currencies in which its subsidiary offices operate weaken relative to the U.S. Dollar. Although the Company uses instruments to hedge certain foreign currency risks, primarily those associated with its U.K. subsidiary, it is not fully protected against foreign currency fluctuations and, therefore, the Company's reported earnings may be affected by changes in foreign currency exchange rates. Moreover, any favorable impacts to profit margins or financial results from fluctuations in foreign currency exchange rates are likely to be unsustainable over time.

Additionally, the Company's global operations outside the U.S. are subject to risks relating to appropriate compliance with legal and regulatory requirements in local jurisdictions, potential difficulties in staffing and managing local operations, potentially higher incidence of fraud or corruption, credit risk of local customers and distributors and potentially adverse tax consequences. As the Company further develops and grows its business operations outside the U.S., the Company is exposed to additional complexities and risks, particularly in China, Russia and emerging markets. In many foreign countries, particularly in those with developing economies, business practices that are prohibited by the U.S. Foreign Corrupt Practices Act ("FCPA"), the U.K. Bribery Act or other applicable anti-corruption laws and regulations may be customary. Any failure to comply with these laws, even if inadvertent, could result in significant penalties or otherwise harm the Company's reputation and business. Although the Company has adopted policies and contract terms to mandate compliance with these laws, there can be no assurance that all of its employees, contractors and agents will comply with the Company's requirements. Violations of these laws could be costly and disrupt the Company's business, which could have a material adverse effect on its business, financial condition and results of operations.

Global economic conditions may negatively impact the Company's financial condition and results of operations.

A general weakening or decline in the global economy or a reduction in business or consumer spending or confidence could delay or significantly decrease purchases of the Company's products by its customers. Consumer purchases of discretionary items, which could include the Company's maintenance products and homecare and cleaning products, may decline during periods where disposable income is reduced or there is economic uncertainty, and this may negatively impact the Company's financial condition and results of operations. During unfavorable or uncertain economic times, consumers may also increase purchases of lower-priced or non-branded products and the Company's competitors may increase their level of promotional activities to maintain sales volumes, both of which may negatively impact the Company's financial condition and results of operations. In addition, the Company's sales and operating results may be affected by uncertain or changing economic and market conditions, including inflation, deflation, prolonged weak consumer demand, political instability or other changes which may affect the principal markets in which the Company conducts its business. If economic or market conditions in key global markets deteriorate, the Company may experience material adverse effects on its business, financial condition and results of operations.

Adverse economic and market conditions could also harm the Company's business by negatively affecting the parties with whom it does business, including its customers, retailers, distributors and wholesalers, and third-party contract manufacturers and suppliers. These conditions could impair the ability of the Company's customers to pay for products they have purchased from the Company. As a result, allowances for doubtful accounts and write-offs of accounts receivable from the Company's customers may increase. In addition, the Company's third-party contract manufacturers and its suppliers may experience financial difficulties that could negatively affect their operations and their ability to supply the Company with finished goods and the raw materials, packaging, and components required for the Company's products.

If the success and reputation of one or more of the Company's leading brands erodes, its business, financial condition and results of operations could be negatively impacted.

The financial success of the Company is directly dependent on the success and reputation of its brands, particularly its WD-40 brand. The success and reputation of the Company's brands can suffer if marketing plans or product development and improvement initiatives do not have the desired impact on the brands' image or do not attract customers as intended. The Company's brands can also be adversely impacted due to the activities and pressures placed on them by the Company's competitors. Further, the Company's business, financial condition and results of operations could be negatively impacted if one of its leading brands suffers damage to its reputation due to real or perceived quality or safety issues. Quality issues, which can lead to large scale recalls of the Company's products, can be due to items such as product contamination, regulatory non-compliance, packaging errors and incorrect or low quality ingredients or components in the Company's product. Product quality issues, which could include lower product efficacy due to formulation changes attributable to regulatory requirements, could also result in decreased customer confidence in the Company's brands and a decline in product quality could result in product liability claims. Although the Company makes every effort to prevent brand erosion and preserve its reputation and the reputation of its brands, there can be no assurance that such efforts will be successful.

Government laws and regulations, including environmental laws and regulations, could result in material costs or otherwise adversely affect the Company's financial condition and results of operations.

The manufacturing, chemical composition, packaging, storage, distribution and labeling of the Company's products and the manner in which the Company's business operations are conducted must comply with extensive federal, state and foreign laws and regulations, such as the California Air Resources Board ("CARB") regulations, the California Transparency in Supply Chains Act, the Globally Harmonized System of the classification and labeling of chemicals as well as many others in the United States and internationally. In addition, the Company's international operations are subject to regulations in each of the foreign jurisdictions in which it manufactures, distributes and sells its products. If the Company is not successful in complying with the requirements of all such regulations or changes to existing regulations, it could be fined or other actions could be taken against the Company by the governing body and this could adversely affect the Company's financial condition and results of operations. It is also possible that governments will increase regulation of the transportation, storage or use of certain chemicals, to enhance homeland security or protect the environment and such regulation could negatively impact the Company's ability to obtain raw materials, components and/or finished goods or could result in increased costs. In the event that such regulations result in increased product costs, the Company may not be in a position to raise selling prices, and therefore an increase in costs could have a material adverse effect on the Company's business, financial condition and results of operations.

Some of the Company's products have chemical compositions that are controlled by various state, federal and international laws and regulations. The Company is required to comply with these laws and regulations and it seeks to anticipate regulatory developments that could impact the Company's ability to continue to produce and market its products. The Company invests in research and development to maintain product formulations that comply with such laws and regulations. There can be no assurance that the Company will not be required to alter the chemical composition of one or more of the Company's products in a way that will have an adverse effect upon the product's efficacy or marketability. A delay or other inability of the Company to complete product research and development and successfully reformulate its products in response to any such regulatory requirements could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company is subject to an SEC rule mandated by Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act that requires management to conduct annual due diligence and disclose and report on whether certain minerals and metals, known as "conflict minerals", are contained in the Company's products and, if so, whether they originate from the Democratic Republic of Congo ("DRC") and adjoining countries. Since the Company's supply chain structure is complex, management may have difficulty determining whether these materials exist within the Company's products, and if the Company were to conclude that these materials exist within the Company's products, the Company may have difficulty verifying the origin of such materials.

The Company is also subject to numerous environmental laws and regulations that impose various environmental controls on its business operations, including, among other things, the discharge of pollutants into the air and water, the handling, use, treatment, storage and clean-up of solid and hazardous wastes and the investigation and remediation of soil and groundwater affected by hazardous substances. Such laws and regulations may otherwise relate to various health and safety matters that impose burdens upon the Company's operations. These laws and regulations also impose strict, retroactive and joint and several liability for the costs of, and damages resulting from, cleaning up current sites, past spills, disposals and other releases of hazardous substances. The Company believes that its expenditures related to environmental matters have not had, and are not currently expected to have, a material adverse effect on its financial condition, results of operations or cash flows. However, the environmental laws under which the Company operates are complicated, often become increasingly more stringent and may be applied retroactively. Accordingly, there can be no assurance that the Company will not be required to incur additional expenditures to remain in or to achieve compliance with environmental laws in the future or that any such additional expenditures will not have a material adverse effect on the Company's business, financial condition or results of operations.

Sales unit volume growth may be difficult to achieve.

The Company's ability to achieve sales volume growth will depend on its ability to (i) execute its strategic initiatives, (ii) drive growth within its existing markets through innovation, renovation and enhanced merchandising and marketing of its established brands, and (iii) capture market share from its competitors. It is more difficult for the Company to achieve sales volume growth in mature markets where the Company's products are widely used as compared to in developing markets where the Company's products have been newly introduced or are not well known by consumers. In order to protect the Company's existing market share or capture additional market share from its competitors, the Company may need to increase its expenditures related to promotions and advertising or introduce and establish new products or product lines. In past periods, the Company has also increased sales prices on certain of its products in response to increased costs for components and raw materials. Sales price increases may slow sales volume growth or create declines in volume in the short term as customers adjust to sales price increases. In addition, a change in the strategies of the Company's existing customers, including shelf simplification, the discontinuation of certain product offerings or the shift in shelf space to competitors' products could reduce the Company's sales and potentially offset sales volume increases achieved as a result of other sales growth initiatives. If the Company is unable to increase market share in its existing product lines by developing product improvements, investing adequately in its existing brands, building usage among new customers, developing, acquiring or successfully launching new products or product line extensions, or successfully penetrating new and developing markets globally, the Company may not achieve its sales volume growth objectives.

Reliance on a limited base of third-party contract manufacturers, logistics providers and suppliers of raw materials and components may result in disruption to the Company's business and this could adversely affect the Company's financial condition and results of operations.

The Company relies on a limited number of third-party contract manufacturers, logistics providers and suppliers, including single or sole source suppliers for certain of its raw materials, packaging, product components and other necessary supplies. The Company does not have direct control over the management or business of these third parties, except indirectly through terms negotiated in service or supply contracts. Should the terms of doing business with the Company's primary third-party contract manufacturers, suppliers and/or logistics providers change or should the Company have a disagreement with or be unable to maintain relationships with such third parties or should such third parties experience financial difficulties, the Company's business may be disrupted. In addition, if the Company is unable to contract with third-party manufacturers or suppliers for the quantity and quality levels needed for its business, the Company could experience disruptions in production and its financial results could be adversely affected.

Failure to maximize or to successfully assert the Company's intellectual property rights or infringement by the Company on the intellectual property rights of others could impact its competitiveness or otherwise adversely affect the Company's financial condition and results of operations.

The Company relies on trademark, trade secret protection, patent and copyright laws to protect its intellectual property rights. Although the Company has established a global enforcement program to protect its intellectual property rights, there can be no assurance that these intellectual property rights will be maximized or that they can be successfully asserted. There is a risk that the Company will not be able to obtain and perfect its own intellectual property rights or, where appropriate, license intellectual property rights necessary to support new product introductions or acquired product lines. The Company cannot be certain that these rights, if obtained, will not be invalidated, circumvented or challenged in the future, and the Company could incur significant costs in connection with legal actions to defend its intellectual property rights. In addition, even if such rights are obtained in the U.S., it may be that the laws of some of the other countries in which the Company's products are or may be sold do not protect intellectual property rights to the same extent as the laws of the United States, or they may be difficult to enforce. If other companies infringe the Company's intellectual property rights or take part in counterfeiting activities, they may dilute the value of the Company's brands in the marketplace, which could diminish the value that consumers associate with the Company's brands and harm its sales. The failure of the Company to protect or successfully assert its intellectual property rights or to protect its other proprietary information could make the Company less competitive and could have a material adverse effect on its business, financial condition and results of operations.

If the Company is found to have violated the trademark, copyright, patent or other intellectual property rights of others, such a finding could result in the need to cease the use of a trademark, trade secret, copyrighted work or patented invention in the Company's business and an obligation to pay a substantial amount for past infringement. It could also be necessary to pay a substantial amount in the future if the holders of such rights are willing to permit the Company to continue to use the intellectual property rights. Either having to cease use or pay such amounts could make the Company less competitive and could have a material adverse impact on its business, financial condition and results of operations.

The Company faces competition in its markets which could lead to reduced sales and profitability.

The Company encounters competition from similar and alternative products, many of which are produced and marketed by major national or multinational companies. In addition, the Company frequently discovers products in certain markets that are counterfeit reproductions of the Company's products as well as products otherwise bearing an infringing trade dress. The availability of counterfeits and other infringing products, particularly in China, Russia and emerging markets, could adversely impact the Company's sales and potentially damage the value and reputation of its brands.

The Company's products generally compete on the basis of product performance, brand recognition, price, quality or other benefits to consumers and meeting end users' needs. Advertising, promotions, merchandising and packaging also have a significant impact on consumer purchasing decisions. A newly introduced consumer product, whether improved or recently developed, usually encounters intense competition requiring substantial expenditures for advertising, sales and consumer promotion. If a product gains consumer acceptance, it normally requires continued advertising, promotional support and product improvements in order to maintain its relative market position.

Some of the Company's competitors are larger and have financial resources greater than those of the Company. These competitors may be able to spend more aggressively on advertising and promotional activities, introduce competing products more quickly and respond more effectively to changing business and economic conditions than the Company. In addition, the Company's competitors may attempt to gain market share and shelf space by offering products at sales prices at or below those typically offered by the Company.

Competitive activity may require the Company to increase its investment in marketing or reduce its sales prices and this may lead to reduced profit margins, a loss of market share or loss of distribution, each of which could have a material adverse effect on the Company's business, financial condition and results of operations. There can be no assurance that the Company will be able to compete successfully against current and future competitors or that competitive pressures faced by the Company or the infringement of its products and brands will not have a material adverse effect on its business, financial condition and results of operations.

Dependence on key customers could adversely affect the Company's business, financial condition and results of operations.

The Company sells its products through a network of domestic and international mass retail and consumer retailers as well as industrial distributors and suppliers. The retail industry has historically been the subject of consolidation, and as a result, the development of large chain stores has taken place. Today, the retail channel in the U.S. is comprised of several of these large chain stores that capture the bulk of the market share. Since many of the Company's customers have been part of the consolidation in the retail industry, these limited customers account for a large percentage of the Company's net sales. Although the Company expects that a significant portion of its revenues will continue to be derived from this limited number of customers, there was no individual customer that contributed to more than 10% of the Company's consolidated net sales in fiscal year 2015. As a result, changes in the strategies of the Company's largest customers, including shelf simplification, a reduction in the number of brands they carry or a shift in shelf space to "private label" or competitors' products, may harm the Company's sales. The loss of, or reduction in, orders from any of the Company's most significant customers could have a material adverse effect on the Company's brand values, business, financial condition and results of operations. Large customers may seek price reductions, added support or promotional concessions. If the Company agrees to such customer demands and/or requests, it could negatively impact the Company's ability to maintain existing profit margins.

In addition, the Company's business is based primarily upon individual sales orders, and the Company typically does not enter into long-term contracts with its customers. Accordingly, these customers could reduce their purchasing levels or cease buying products from the Company at any time and for any reason. The Company is also subject to changes in customer purchasing patterns or the level of promotional activities. These types of changes may result from changes in the manner in which customers purchase and manage inventory levels, or display and promote products within their stores. Other potential factors such as customer disputes regarding shipments, fees, merchandise condition or related matters may also impact operating results. If the Company ceases doing business with a significant customer or if sales of its products to a significant customer materially decrease, the Company's business, financial condition and results of operations may be harmed.

The Company may not successfully develop, introduce and /or establish new products and line extensions.

The Company's future performance and growth depend, in part, on its ability to successfully develop, introduce and/or establish new products as both brand extensions and/or line extensions. The Company cannot be certain that it will successfully achieve those goals. The Company competes in several product categories where there are frequent introductions of new products and line extensions and such product introductions often require significant investment and support. The ability of the Company to understand consumer preferences is key to maintaining and improving the competitiveness of its product offerings. The development and introduction of new products, as well as the renovation of current products and product lines, require substantial and effective research, development and marketing expenditures, which the Company may be unable to recoup if the new or renovated products do not gain widespread market acceptance. There are inherent risks associated with new product development and marketing efforts, including product development or launch delays, product performance issues during development, changing regulatory frameworks that affect the new products in development and the availability of key raw materials included in such products. These inherent risks could result in the failure of new products and product line extensions to achieve anticipated levels of market acceptance, additional costs resulting from failed product introductions and the Company not being first to market. As the Company continues to focus on innovation and renovation of its products, the Company's business, financial condition or results of operations could be adversely affected in the event that the Company is not able to effectively develop and introduce new or renovated products and line or brand extensions.

Goodwill and intangible assets are subject to impairment risk.

In accordance with the authoritative guidance on goodwill and intangibles, the Company assesses the potential impairment of its existing goodwill during the second quarter of each fiscal year and otherwise when events or changes in circumstances indicate that an impairment condition may exist. The Company also assesses its definite-lived intangible assets for potential impairment when events and circumstances indicate that the carrying amount of the asset may not be recoverable or its estimated remaining useful life may no longer be appropriate. Indicators such as underperformance relative to historical or projected future operating results, changes in the Company's strategy for its overall business or use of acquired assets, unexpected negative industry or economic trends, decline in the Company's stock price for a sustained period, decreased market capitalization relative to net book values, unanticipated technological change or competitive activities, loss of key distribution, change in consumer demand, loss of key personnel and acts by governments and courts may signal that an asset has become impaired.

The assessment for possible impairment of the Company's goodwill and intangible assets requires management to make judgments on a number of significant estimates and assumptions, including macroeconomic conditions, overall category growth rates, sales growth rates, cost containment and margin expansion and expense levels for advertising and promotions and general overhead, all of which must be developed from a market participant standpoint. The Company may be required to record a significant charge in its consolidated financial statements during the period in which any impairment of its goodwill or intangible assets is identified and this could negatively impact the Company's financial condition and results of operations. Although the Company has recorded significant impairments to certain of its intangible assets in prior fiscal years, no such impairments have been identified or recorded to its goodwill. Changes in management estimates and assumptions as they relate to valuation of goodwill and intangible assets could affect the Company's financial condition or results of operations in the future.

The Company may also divest of certain of its assets, businesses or brands that do not align with the Company's strategic initiatives. Any divestiture could negatively impact the profitability of the Company as a result of losses that may result from such a sale, the loss of sales and operating income or a decrease in cash flows subsequent to the divestiture. The Company may also be required to recognize impairment charges as a result of a divesture. During the fourth quarter of fiscal year 2013, as part of the Company's ongoing evaluation of potential strategic alternatives for certain of its homecare and cleaning products, the Company determined based on its review of events and circumstances that there were indicators of impairment for the Carpet Fresh and 2000 Flushes trade names. Management accordingly performed the Step 1 recoverability test for these two trade names and based on the results of this analysis, it was determined that the total of the undiscounted cash flows significantly exceeded the carrying value for the Carpet Fresh asset group and that no impairment existed for this trade name as of August 31, 2013. However, the Step 1 analysis indicated that the carrying value of the asset group for the 2000 Flushes trade name exceeded its undiscounted future cash flows, and consequently, a second phase of the impairment test ("Step 2") was performed specific to the 2000 Flushes trade name to determine whether this trade name was impaired. Based on the results of this Step 2 analysis, the 2000 Flushes asset group's estimated fair value was determined to be lower than its carrying value. Consequently, the Company recorded a non-cash, before tax impairment charge of $1.1 million in the fourth quarter of fiscal year 2013 to reduce the carrying value of the 2000 Flushes asset to its estimated fair value of $7.9 million. At August 31, 2015, the carrying value of definite-lived intangible assets associated with the Company's trade names for its homecare and cleaning products was $19.5 million, of which $5.5 million was associated with the 2000 Flushes trade name.

Changes in marketing distributor relationships that are not managed successfully by the Company could result in a disruption in the affected markets.

The Company distributes its products throughout the world in one of two ways: the direct distribution model, in which products are sold directly by the Company to wholesalers and retailers in the U.S., Canada, Australia, China, the U.K. and a number of other countries throughout Europe; and the marketing distributor model, in which products are sold to marketing distributors who in turn sell to wholesalers and retailers. The marketing distributor model is generally used in certain countries where the Company does not have direct Company-owned operations. Instead, the Company partners with local companies who perform the sales, marketing and distribution functions. The Company invests time and resources into these relationships. Should the Company's relationship with a marketing distributor change or terminate, the Company's sales within such marketing distributor's territory could be adversely impacted until such time as a suitable replacement could be found and the Company's key marketing strategies implemented. There is a risk that changes in such marketing distributor relationships, including changes in key marketing distributor personnel, that are not managed successfully, could result in a disruption in the affected markets and that such disruption could have a material adverse effect on the Company's business, financial condition and results of operations. Additionally, in some countries, local laws may require substantial payments to terminate existing marketing distributor relationships, which could also have a material adverse effect on the Company's business, financial condition and results of operations.

Product liability claims and other litigation and/or regulatory action could adversely affect the Company's sales and operating results.

While the Company makes every effort to ensure that the products it develops and markets are safe for consumers, the use of the Company's products may expose the Company to liability claims resulting from such use. Claims could be based on allegations that, among other things, the Company's products contain contaminants, provide inadequate instructions regarding their use or inadequate warnings concerning their use or interactions with other substances. Product liability claims could result in negative publicity that could harm the Company's sales and operating results. The Company maintains product liability insurance that it believes will be adequate to protect the Company from material loss attributable to such claims but the extent of such loss could exceed available limits of insurance or could arise out of circumstances under which such insurance coverage would be unavailable. Other business activities of the Company may also expose the Company to litigation risks, including risks that may not be covered by insurance such as contract disputes. If successful claims are asserted by third parties against the Company for uninsured liabilities or liabilities in excess of applicable limits of insurance coverage, the Company's business, financial condition and results of operations may be adversely affected. In addition, if one of the Company's products was determined to be defective, the Company could be required to recall the product, which could result in adverse publicity, loss of revenues and significant expenses.

Additionally, the Company's products may be associated with competitor products or other products in the same category, which may be alleged to have caused harm to consumers. As a result of this association, the Company may be named in unwarranted legal actions. The potential costs to defend such claims may materially affect the Company's business, financial condition and results of operations.

Malfunctions of the critical information systems that the Company uses for the daily operations of its business, cyberattacks and privacy breaches could adversely affect the Company's ability to conduct business.

To conduct its business, the Company relies extensively on information technology systems, networks and services, some of which are managed, hosted and provided by third-party service providers. System failure, malfunction or loss of data which is housed in the Company's critical information systems could disrupt its ability to timely and accurately process transactions and produce key financial reports, including information on the Company's operating results, financial position and cash flows. In addition, information technology security threats and more sophisticated computer crime pose a potential risk to the security of the Company's information technology systems and networks, as well as to the confidentiality, availability and integrity of the Company's data. The Company's information systems could be damaged or cease to function properly due to a number of reasons, including catastrophic events, power outages and security breaches. A security breach resulting in the unauthorized release of sensitive data from the Company's information systems could also materially increase the costs that the Company already incurs to protect against such risks. Although the Company has certain business continuity plans in place to address such service interruptions, there is no guarantee that these business continuity plans will provide alternative processes in a timely manner. As a result, the Company may experience interruptions in its ability to manage its daily operations and this could adversely affect the Company's business, financial condition and results of operations.

The information system that the U.S. office uses for its business operations is a market specific application which is not widely used by other companies. The company that owns and supports this application may not be able to provide the same level of support as that of companies which own larger, more widely spread information systems. If the company that supports this application in the U.S. were to cease its operations or were unable to provide continued support for this application, it could adversely affect the Company's daily operations or its business, financial condition and results of operations.

In addition, the Company's U.K. subsidiary has been in the process of implementing a major upgrade to its critical information system and it successfully completed the initial phase of this implementation in fiscal year 2014. The final phase of this implementation is underway, and it includes rolling out the new system to the branch offices of the U.K. subsidiary over the next eighteen months. This information system is being used by the U.K. subsidiary to process all of the daily transactions for the U.K. subsidiary and its branch offices located in Europe and to produce key financial reports for the European operations. If the U.K. subsidiary experiences difficulties in completing the final phase of this implementation at its various locations, the Company may experience interruptions in its ability to manage its daily operations and report financial results and this could adversely affect the Company's business, financial condition and results of operations.

The Company's operating results and financial performance may not meet expectations which could adversely affect the Company's stock price.

The Company cannot be sure that its operating results and financial performance, which include sales growth, net income, earnings per common share, gross margin and cash flows, will meet expectations. If the Company's assumptions and estimates are incorrect or do not come to fruition, or if the Company does not achieve all of its key goals or strategic initiatives, then the Company's actual performance could vary materially from its internal expectations and those of the market. Failure to meet or exceed these expectations could cause the market price of the Company's stock to decline. The Company's operating results and financial performance may be negatively influenced by a number of factors, many of which are discussed in this Item 1A "Risk Factors".

In addition, sales volume growth, whether due to acquisitions or internal growth, can place burdens on management resources and financial controls that, in turn, can have a negative impact on operating results and financial condition of the Company. To some extent, the Company plans its expense levels in anticipation of future revenues. If actual revenues fall short of these expectations, operating results may be adversely affected by reduced operating margins due to actual expense levels that are higher than might otherwise have been appropriate.

Resolution of income tax matters may impact the Company's financial condition and results of operations.

Significant judgment is required in determining the Company's effective income tax rate and in evaluating tax positions, particularly those related to uncertain tax positions. The Company provides for uncertain tax positions when such tax positions do not meet the recognition thresholds or measurement standards prescribed by the accounting standard for uncertain tax positions. Changes in uncertain tax positions or other adjustments resulting from tax audits and settlements with taxing authorities, including related interest and penalties, impact the Company's effective tax rate. When particular tax matters arise, a number of years may elapse before such matters are audited and finally resolved. Favorable resolution of such matters could be recognized as a reduction to the Company's effective tax rate in the year of resolution. Unfavorable resolution of any tax matter could increase the Company's effective tax rate. Any resolution of a tax matter may require the adjustment of tax assets or tax liabilities or the use of cash in the year of resolution. For additional information, refer to the information set forth in Note 12 – Income Taxes of the consolidated financial statements, included in Item 15 of this report.

In addition, changes in tax rules may adversely affect the Company's future financial results or the way management conducts its business. For example, the Company holds a significant amount of cash outside of the United States. As of August 31, 2015, the Company has not provided for U.S. federal and state income taxes and foreign withholding taxes on $115.4 million of undistributed earnings of certain foreign subsidiaries since these earnings are considered indefinitely reinvested outside of the United States. The Company's future financial results and liquidity may be adversely affected if tax rules regarding un-repatriated earnings change, if management elects for any reason in the future to repatriate some or all of the foreign earnings that were previously deemed to be indefinitely reinvested outside of the U.S., or if the U.S. international tax rules change as part of comprehensive tax reform or other tax legislations.

The Company's business development activities may not be successful.

The Company seeks to increase growth through business development activities such as acquisitions, joint ventures, licensing and/or other strategic partnerships in the U.S. and internationally. However, if the Company is not able to identify, acquire and successfully integrate acquired products or companies or successfully manage joint ventures or other strategic partnerships, the Company may not be able to maximize these opportunities. The failure to properly manage business development activities because of difficulties in the assimilation of operations and products, the diversion of management's attention from other business concerns, the loss of key employees or other factors could materially adversely affect the Company's business, financial condition and results of operations. In addition, there can be no assurance that the Company's business development activities will be profitable at their inception or that they will achieve sales levels and profitability that justify the investments made.

Future acquisitions, joint ventures or strategic partnerships could also result in the incurrence of debt, potentially dilutive issuances of equity securities, contingent liabilities, amortization expenses related to certain intangible assets, unanticipated regulatory complications and/or increased operating expenses, all of which could adversely affect the Company's results of operations and financial condition. In addition, to the extent that the economic benefits associated with any of the Company's business development activities diminish in the future, the Company may be required to record impairments to goodwill, intangible assets or other assets associated with such activities, which could also adversely affect the Company's business, financial condition and results of operations.

The Company may not have sufficient cash to service its indebtedness or to pay cash dividends.

The Company's current debt consists of a revolving credit facility and management has used the proceeds of this revolving credit facility primarily for stock repurchases. In order to service such debt, the Company is required to use its income from operations to make interest and principal payments required by the terms of the loan agreement. In addition, the Company's loan agreement includes covenants to maintain certain financial ratios and to comply with other financial terms, conditions and covenants. Also, the Company has historically paid out a large part of its earnings to stockholders in the form of regular quarterly cash dividends. In December 2014, the Board of Directors declared a 12% increase in the regular quarterly cash dividend, increasing it from $0.34 per share to $0.38 per share.

The Company may incur substantial debt in the future for acquisitions or other business development activities. In addition, the Company may continue to use available cash balances to execute share repurchases under approved share buy-back plans. To the extent that the Company is required to seek additional financing to support certain of these activities, such financing may not be available in sufficient amounts or on terms acceptable to the Company. If the Company is unable to obtain such financing or to service its existing or future debt with its operating income, or if available cash balances are affected by future business performance, liquidity, capital needs, alternative investment opportunities or debt covenants, the Company could be required to reduce, suspend or eliminate its dividend payments to its stockholders.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

Americas

The Company owns and occupies an office and plant facility, consisting of office, plant and storage space, at 1061 Cudahy Place, San Diego, California 92110. The Company also leases additional office and storage space in San Diego. The Company leases a regional sales office in Miami, Florida, a research and development office in Summit, New Jersey and office space in Toronto, Ontario, Canada.

EMEA

The Company owns and occupies an office and plant facility, consisting of office, plant and storage space, in Milton Keynes, United Kingdom. In addition, the Company also leases another office in United Kingdom and space for its branch offices in Germany, France, Italy, Spain, Portugal and the Netherlands.

Asia-Pacific

The Company leases office space in Epping, New South Wales, Australia; Shanghai, China; and Kuala Lumpur, Malaysia.

Item 3. Legal Proceedings

The Company is party to various claims, legal actions and complaints, including product liability litigation, arising in the ordinary course of business.

On May 31, 2012, a legal action was filed against the Company in a United States District Court, in Texas (IQ Products Company v. WD-40 Company). The complaint alleged that the Company wrongfully terminated a contract manufacturing relationship. IQ Products Company ("IQPC") also raised alleged safety concerns regarding a long-standing manufacturing specification related to the Company's products. On November 13, 2014, the Pipeline and Hazardous Materials Safety Administration ("PHMSA") of the Department of Transportation ("DOT") addressed a letter to IQPC to inform IQPC that it concluded an investigation and found no evidence of non-compliance with existing PHMSA regulations or an imminent public safety hazard posed by WD-40 Company products.

Pursuant to a court order, the dispute was submitted to arbitration. Following nine days of testimony and full briefing, a panel of three arbitrators issued their Interim Award and decision on the merits of the dispute on May 15, 2015. The arbitrators rejected all of IQPC's claims. On August 14, 2015, the arbitrators issued a further Interim Award to declare that the Company is the prevailing party in the proceeding for purposes of awarding attorney's fees and costs.

On September 24, 2015, IQPC filed an action in the United States District Court in New Jersey against the DOT and PHMSA alleging that the PHMSA failed to properly follow the applicable regulations when it previously investigated the manufacturing and required regulatory testing of the Company's products. The Company is not named as a party to this action, but IQPC continues to allege that the Company's products do not comply with the applicable regulation and that such alleged failure is evidence of a dangerous condition. The Company's position, supported by the PHMSA's prior investigation and conclusions noted above, is that all of the Company's aerosol products are properly manufactured and tested in accordance with the applicable regulation. The Company will monitor this pending litigation and the Company will take such action as may be necessary or appropriate to protect the Company's interests.

The Company does not believe that there is any reasonable possibility that these matters will have a materially negative impact on the Company's financial condition or results of operations.

Item 4. Mine Safety Disclosures

Not applicable.

Executive Officers of the Registrant

The following table sets forth the names, ages, fiscal year elected to current position and current titles of the executive officers of the Company as of August 31, 2015:

Name, Age and Year Elected to Current Position			Title
Garry O. Ridge	59	1997	President and Chief Executive Officer
Jay W. Rembolt	64	2008	Vice President, Finance, Treasurer and Chief Financial Officer
Stanley A. Sewitch	62	2012	Vice President, Global Organization Development
Richard T. Clampitt	60	2014	Vice President, General Counsel and Corporate Secretary
Michael L. Freeman	62	2002	Division President, The Americas
Geoffrey J. Holdsworth	53	1997	Managing Director, Asia-Pacific
William B. Noble	57	1996	Managing Director, EMEA

Mr. Ridge joined the Company's Australian subsidiary, WD-40 Company (Australia) Pty. Limited, in 1987 as Managing Director. He held several senior management positions prior to his election as Chief Executive Officer in 1997.

Mr. Rembolt joined the Company in 1997 as Manager of Financial Services. He was promoted to Controller in 1999 and to Vice President, Finance/Controller in 2001. He was then named Vice President, Finance and Chief Financial Officer in 2008.

Mr. Sewitch joined the Company in 2012 as Vice President, Global Organization Development. Prior to joining the Company, Mr. Sewitch was a founder of four businesses, including a human resources and organizational consulting firm (HRG Inc.) which he led from 1989 until joining the Company.

Mr. Clampitt joined the Company in 2014 as Vice President, General Counsel and Corporate Secretary. He was named as Corporate Secretary on October 15, 2013. He has been licensed to practice law in the State of California since 1981. Prior to joining the Company, Mr. Clampitt served as a partner at Gordon & Rees LLP from 2002 through 2013.

Mr. Freeman joined the Company in 1990 as Director of Marketing and was promoted to Director of Operations in 1994. He became Vice President, Administration and Chief Information Officer in 1996, and was named Senior Vice President, Operations in 2001 and Division President, The Americas, in 2002.

Mr. Holdsworth joined the Company's Australia subsidiary, WD-40 Company (Australia) Pty. Limited, in 1996 as General Manager and was promoted to his current position of Managing Director, Asia-Pacific and as a Director of WD-40 Company (Australia) Pty. Limited in 1997.

Mr. Noble joined the Company's Australia subsidiary, WD-40 Company (Australia) Pty. Limited, in 1993 as International Marketing Manager for the Asia Region. He was then promoted to his current position of Managing Director, EMEA and as a Director of the Company's U.K. subsidiary, WD-40 Company Limited, in 1996.

All executive officers hold office at the discretion of the Board of Directors.

PART II

Item 5. Market For Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

The Company's common stock is traded on the NASDAQ Global Select Market. The following table sets forth the high and low sales prices per share of the Company's common stock for each of the quarterly periods indicated as reported by the NASDAQ Global Select Market.

	Fiscal Year 2015			Fiscal Year 2014		
	High	**Low**	**Dividend**	**High**	**Low**	**Dividend**
First Quarter	$ 78.14	$ 65.19	$ 0.34	$ 76.29	$ 58.21	$ 0.31
Second Quarter	$ 87.09	$ 75.30	$ 0.38	$ 79.31	$ 66.75	$ 0.34
Third Quarter	$ 89.49	$ 80.15	$ 0.38	$ 78.88	$ 69.78	$ 0.34
Fourth Quarter	$ 91.78	$ 80.86	$ 0.38	$ 76.99	$ 66.06	$ 0.34

On October 19, 2015, the last reported sales price of the Company's common stock on the NASDAQ Global Select Market was $92.90 per share, and there were 14,374,181 shares of common stock outstanding held by approximately 758 holders of record.

Dividends

The Company has historically paid regular quarterly cash dividends on its common stock. In December 2014, the Board of Directors declared a 12% increase in the regular quarterly cash dividend, increasing it from $0.34 per share to $0.38 per share. On October 2, 2015, the Company's Board of Directors declared a cash dividend of $0.38 per share payable on October 30, 2015 to shareholders of record on October 16, 2015.

The Board of Directors of the Company presently intends to continue the payment of regular quarterly cash dividends on the Company's common stock. The Company's ability to pay dividends could be affected by future business performance, liquidity, capital needs, alternative investment opportunities and debt covenants.

Purchases of Equity Securities By the Issuer and Affiliated Purchasers

On June 18, 2013, the Company's Board of Directors approved a share buy-back plan. Under the plan, which was to be in effect from August 1, 2013 through August 31, 2015, the Company was authorized to acquire up to $60.0 million of its outstanding shares on such terms and conditions as may be acceptable to the Company's Chief Executive Officer or Chief Financial Officer and subject to present loan covenants and in compliance with all laws and regulations applicable thereto. During the period from August 1, 2013 through February 28, 2015, the Company repurchased 848,545 shares at a total cost of $60.0 million. As a result, the Company utilized the entire authorized amount and completed the repurchases under this share buy-back plan as of the end of the second quarter of fiscal year 2015.

On October 14, 2014, the Company's Board of Directors approved a new share buy-back plan. Under the plan, which became effective at the beginning of the third quarter of fiscal year 2015, once the Company's previous $60.0 million plan was exhausted, the Company is authorized to acquire up to $75.0 million of its outstanding shares through August 31, 2016. The timing and amount of repurchases will be based on terms and conditions as may be acceptable to the Company's Chief Executive Officer and Chief Financial Officer and in compliance with all laws and regulations applicable thereto. During the period from March 1, 2015 through August 31, 2015, the Company repurchased 186,043 shares at a total cost of $15.7 million under this $75.0 million plan.

The following table provides information with respect to all purchases made by the Company during the three months ended August 31, 2015. All purchases listed below were made in the open market at prevailing market prices. Purchase transactions between June 1, 2015 and July 10, 2015 and between August 10, 2015 and August 20, 2015 were executed pursuant to trading plans adopted by the Company pursuant to Rule 10b5-1 under the Securities Exchange Act of 1934.

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
June 1 - June 30	7,310	$ 84.53	7,310	$ 63,046,700
July 1 - July 31	6,400	$ 87.61	6,400	$ 62,485,862
August 1 - August 31	35,937	$ 88.86	35,937	$ 59,291,905
Total	49,647	$ 88.06	49,647	

Item 6. Selected Financial Data

The following data has been derived from the Company's audited consolidated financial statements. The data should be read in conjunction with such consolidated financial statements and other financial information included elsewhere in this report (in thousands, except per share amounts):

	As of and for the Fiscal Year Ended August 31,				
	2015	2014	2013	2012	2011
Net sales	$ 378,150	$ 382,997	$ 368,548	$ 342,784	$ 336,409
Cost of products sold	177,972	184,144	179,385	174,302	168,297
Gross profit	200,178	198,853	189,163	168,482	168,112
Operating expenses	134,788	135,116	132,526	116,753	113,980
Income from operations	65,390	63,737	56,637	51,729	54,132
Interest and other (expense) income, net	(2,280)	(778)	230	(816)	(601)
Income before income taxes	63,110	62,959	56,867	50,913	53,531
Provision for income taxes	18,303	19,213	17,054	15,428	17,098
Net income	$ 44,807	$ 43,746	$ 39,813	$ 35,485	$ 36,433
Earnings per common share:					
Basic	$ 3.05	$ 2.89	$ 2.55	$ 2.22	$ 2.16
Diluted	$ 3.04	$ 2.87	$ 2.54	$ 2.20	$ 2.14
Dividends per share	$ 1.48	$ 1.33	$ 1.22	$ 1.14	$ 1.08
Weighted-average shares outstanding - diluted	14,649	15,148	15,619	16,046	16,982
Total assets	$ 339,257	$ 347,680	$ 323,064	$ 300,870	$ 279,777
Long-term obligations (1)	$ 133,427	$ 26,354	$ 25,912	$ 25,963	$ 24,321

(1) Long-term obligations include long-term debt, long-term deferred tax liabilities, net and other long-term liabilities.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is designed to provide the reader of the Company's financial statements with a narrative from the perspective of management on the Company's financial condition, results of operations, liquidity and certain other factors that may affect future results. This MD&A includes the following sections: Overview, Highlights, Results of Operations, Performance Measures and Non-GAAP Reconciliations, Liquidity and Capital Resources, Critical Accounting Policies, Recently Issued Accounting Standards and Related Parties. The MD&A is provided as a supplement to, and should be read in conjunction with, the Company's audited consolidated financial statements and the related notes included in Item 15 of this report.

In order to show the impact of changes in foreign currency exchange rates on our results of operations, we have included constant currency disclosures, where necessary, in the Overview and Results of Operations sections which follow. Constant currency disclosures represent the translation of our current fiscal year revenues and expenses from the functional currencies of our subsidiaries to U.S. dollars using the exchange rates in effect for the corresponding period of the prior fiscal year. We use results on a constant currency basis as one of the measures to understand our operating results and evaluate our performance in comparison to prior periods. Results on a constant currency basis are not in accordance with accounting principles generally accepted in the United States of America ("non-GAAP") and should be considered in addition to, not as a substitute for, results prepared in accordance with GAAP.

Overview

The Company

WD-40 Company ("the Company"), based in San Diego, California, is a global marketing organization dedicated to creating positive lasting memories by developing and selling products which solve problems in workshops, factories and homes around the world. We market our maintenance products and our homecare and cleaning products under the following well-known brands: WD-40®, 3-IN-ONE®, GT85®, X-14®, 2000 Flushes®, Carpet Fresh®, no vac®, Spot Shot®, 1001®, Lava® and Solvol®. Currently included in the WD-40 brand are the WD-40 multi-use product and the WD-40 Specialist® and WD-40 Bike™ product lines.

Our brands are sold in various locations around the world. Maintenance products are sold worldwide in markets throughout North, Central and South America, Asia, Australia and the Pacific Rim, Europe, the Middle East and Africa. Homecare and cleaning products are sold primarily in North America, the United Kingdom ("U.K.") and Australia. We sell our products primarily through mass retail and home center stores, warehouse club stores, grocery stores, hardware stores, automotive parts outlets, sport retailers, independent bike dealers and industrial distributors and suppliers.

Highlights

The following summarizes the financial and operational highlights for our business during the fiscal year ended August 31, 2015:

- *Consolidated net sales decreased $4.8 million, or 1%, for fiscal year 2015 compared to the prior fiscal year. Changes in foreign currency exchange rates had an unfavorable impact of $10.9 million on consolidated net sales for fiscal year 2015. Thus, on a constant currency basis, net sales would have increased by $6.1 million, or 2%, for fiscal year 2015 compared to the prior fiscal year. Of the $10.9 million unfavorable impact from changes in foreign currency exchange rates, $7.5 million came from our EMEA segment, which accounted for 36% of our consolidated sales for the fiscal year ended August 31, 2015.*

- *Gross profit as a percentage of net sales increased to 52.9% for fiscal year 2015 compared to 51.9% for the prior fiscal year.*

- *Consolidated net income increased $1.1 million, or 2%, for fiscal year 2015 compared to the prior fiscal year. Changes in foreign currency exchange rates had an unfavorable impact of $1.7 million on consolidated net income for fiscal year 2015. Thus, on a constant currency basis, net income would have increased by $2.8 million, or 6%, for fiscal year 2015 compared to the prior fiscal year.*

- *Diluted earnings per common share for fiscal year 2015 were $3.04 versus $2.87 in the prior fiscal year.*

- *Share repurchases have been executed under both our previous $60.0 million and current $75.0 million approved share buy-back plans. During the first six months of fiscal year 2015, the Company purchased an additional 200,407 shares at an average price of $72.59 under the $60.0 million plan. As a result, this plan has been fully utilized with all authorized purchases under the plan completed as of the end of the second quarter of fiscal year 2015. During the period from March 1, 2015 through August 31, 2015, the Company repurchased 186,043 shares at an average price of $84.41 per share, for a total cost of $15.7 million under the new $75.0 million plan which was approved by the Company's Board of Directors in October 2014.*

Our strategic initiatives and the areas where we will continue to focus our time, talent and resources in future periods include: (i) maximizing WD-40 multi-use product sales through geographic expansion and increased market penetration; (ii) leveraging the WD-40 brand by growing the WD-40 Specialist product line; (iii) leveraging the strengths of the Company through broadened product and revenue base; (iv) attracting, developing and retaining talented people; and (v) operating with excellence.

Results of Operations

Fiscal Year Ended August 31, 2015 Compared to Fiscal Year Ended August 31, 2014

Operating Items

The following table summarizes operating data for our consolidated operations (in thousands, except percentages and per share amounts):

	Fiscal Year Ended August 31,			
			Change from Prior Year	
	2015	2014	Dollars	Percent
Net sales:				
Maintenance products	$ 333,306	$ 337,825	$ (4,519)	(1)%
Homecare and cleaning products	44,844	45,172	(328)	(1)%
Total net sales	378,150	382,997	(4,847)	(1)%
Cost of products sold	177,972	184,144	(6,172)	(3)%
Gross profit	200,178	198,853	1,325	1%
Operating expenses	134,788	135,116	(328)	-
Income from operations	$ 65,390	$ 63,737	$ 1,653	3%
Net income	$ 44,807	$ 43,746	$ 1,061	2%
Earnings per common share - diluted	$ 3.04	$ 2.87	$ 0.17	6%

Net Sales by Segment

The following table summarizes net sales by segment (in thousands, except percentages):

	Fiscal Year Ended August 31,			
			Change from Prior Year	
	2015	2014	Dollars	Percent
Americas	$ 187,344	$ 180,806	$ 6,538	4%
EMEA	136,847	151,368	(14,521)	(10)%
Asia-Pacific	53,959	50,823	3,136	6%
Total	$ 378,150	$ 382,997	$ (4,847)	(1)%

Americas

The following table summarizes net sales by product line for the Americas segment (in thousands, except percentages):

	Fiscal Year Ended August 31,			
			Change from Prior Year	
	2015	2014	Dollars	Percent
Maintenance products	$ 156,937	$ 149,899	$ 7,038	5%
Homecare and cleaning products	30,407	30,907	(500)	(2)%
Total	$ 187,344	$ 180,806	$ 6,538	4%
% of consolidated net sales	**50%**	**47%**		

Sales in the Americas segment, which includes the U.S., Canada and Latin America, increased to $187.3 million, up $6.5 million, or 4%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year. Changes in foreign currency exchange rates did not have a material impact on sales for the fiscal year ended August 31, 2015 compared to the prior fiscal year.

Sales of maintenance products in the Americas segment increased $7.0 million, or 5%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year. This sales increase was primarily driven by higher sales of WD-40 maintenance products in Latin America and the U.S., which were up 7% and 5%, respectively, for the fiscal year ended August 31, 2015 compared to the prior fiscal year. The increase in Latin America was primarily due to new distribution and successful promotional programs that were conducted during fiscal year 2015 throughout the Latin America region, particularly those in Brazil and Mexico. The sales increase in the U.S. from period to period was primarily due to a higher level of promotional activities and increased distribution for the WD-40 multi-use product. Sales in the U.S. were also positively impacted from period to period due to the launch of our new innovative WD-40 EZ Reach product in the last quarter of fiscal year 2015. These sales increases in Latin America and the U.S. were slightly offset by a sales decrease of 3% for maintenance products in Canada, primarily due to changes in foreign currency exchange rates. In functional currency, which is the Canadian Dollar, sales of maintenance products in Canada increased by 8% from period to period. Also contributing to the overall sales increase of the maintenance products in the Americas segment from period to period were higher sales of the WD-40 Specialist product line, which were up $2.3 million, or 26%, due to increased promotional activities and new distribution during fiscal year 2015.

Sales of homecare and cleaning products in the Americas segment decreased $0.5 million, or 2%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year. While total sales of homecare and cleaning products in the U.S., which is where the majority of such sales originate, remained relatively constant from period to period, sales of such products decreased in Canada for fiscal year 2015 as compared to the prior fiscal year. In Canada, sales of homecare and cleaning products decreased 22% driven primarily by the unfavorable impacts of changes in foreign currency exchange rates from period to period and lower sales of 2000 Flushes automatic toilet bowl cleaners and Spot Shot, which were down 24% and 19%, respectively, for fiscal year 2015 compared to the prior fiscal year. In functional currency, sales of homecare and cleaning products in Canada decreased by 13% from period to period. While each of our homecare and cleaning products continue to generate positive cash flows, we have continued to experience decreased or flat sales for many of these products primarily due to lost distribution, reduced product offerings, competition, category declines and the volatility of orders from and promotional programs with certain of our customers, particularly those in the warehouse club and mass retail channels.

For the Americas segment, 82% of sales came from the U.S., and 18% of sales came from Canada and Latin America combined for the fiscal year ended August 31, 2015 compared to the distribution for the prior fiscal year when 81% of sales came from the U.S., and 19% of sales came from Canada and Latin America combined.

EMEA

The functional currency of our U.K. subsidiary, the legal entity in which the EMEA results are generated, is Pound Sterling. Although the functional currency of this subsidiary is Pound Sterling, approximately 45% of its sales are generated in Euro and 25% are generated in U.S. Dollar. As a result, the Pound Sterling sales and earnings for the EMEA segment can be negatively or positively impacted from period to period depending on whether the Euro and U.S. Dollar are weakening or strengthening against the Pound Sterling.

The following table summarizes net sales by product line for the EMEA segment (in thousands, except percentages):

	Fiscal Year Ended August 31,			
			Change from Prior Year	
	2015	2014	Dollars	Percent
Maintenance products	$ 129,730	$ 144,255	$ (14,525)	(10)%
Homecare and cleaning products	7,117	7,113	4	-
Total	$ 136,847	$ 151,368	$ (14,521)	(10)%
% of consolidated net sales	**36%**	**40%**		

Sales in the EMEA segment, which includes Europe, the Middle East, Africa and India, decreased to $136.9 million, down $14.5 million, or 10%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year. Changes in foreign currency exchange rates for the fiscal year ended August 31, 2015 compared to the prior fiscal year had an unfavorable impact on sales. Sales for the fiscal year ended August 31, 2015 translated at the exchange rates in effect for the prior fiscal year would have been $144.3 million in the EMEA segment. Thus, on a constant currency basis, sales would have decreased by $7.1 million, or 5%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year.

The countries in Europe where we sell through a direct sales force include the U.K., Italy, France, Iberia (which includes Spain and Portugal) and the Germanics sales region (which includes Germany, Austria, Denmark, Switzerland, Belgium and the Netherlands). Overall, sales from direct markets decreased $6.6 million, or 7%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year. We experienced sales decreases throughout most of the Europe direct markets for the fiscal year ended August 31, 2015 compared to the prior fiscal year, with percentage decreases in sales as follows: Italy, 23%; the Germanics region, 12%; Iberia, 8%; and France, 7%. The decreased sales in these regions were slightly offset by the sales increase of 3% in the U.K. from period to period. The overall sales decline was primarily due to the continued weakening of the Euro, the currency in which a substantial portion of the direct markets sales are generated, relative to the Pound Sterling from period to period. The average exchange rate for the Euro against the Pound Sterling decreased by 9% to 0.7497 during fiscal year 2015 from 0.8265 for the prior fiscal year. As a result of this change in the foreign currency exchange rates, our sales in the direct markets decreased from period to period in Pound Sterling. Although sales in the direct markets decreased from period to period, sales of the WD-40 Specialist product line increased $0.9 million, or 26%, due to expanded distribution of the product line in fiscal year 2015. Sales from direct markets accounted for 63% of the EMEA segment's sales for fiscal year ended August 31, 2015 compared to 62% of the EMEA segment's sales for the prior fiscal year.

The regions in the EMEA segment where we sell through local distributors include the Middle East, Africa, India, Eastern and Northern Europe. Sales in the distributor markets decreased $7.9 million, or 14%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year primarily due to a significant decrease in sales in Russia and Ukraine as a result of the political and economic instability in Eastern Europe. Sales to Russia and Ukraine decreased by approximately 30% and 77%, respectively, from fiscal year 2014 to fiscal year 2015. Sales also decreased in the Middle East from fiscal year 2014 to fiscal year 2015, primarily due to lower sales of the WD-40 multi-use product in Afghanistan. These overall sales decreases were slightly offset by the general strengthening of the U.S. Dollar against the Pound Sterling from period to period, which increased sales, and higher sales volume of WD-40 multi-use product in Northern Europe due to the continued growth of our base business. The distributor markets accounted for 37% of the total EMEA segment sales for the fiscal year ended August 31, 2015, compared to 38% for the prior fiscal year.

Asia-Pacific

The following table summarizes net sales by product line for the Asia-Pacific segment (in thousands, except percentages):

	Fiscal Year Ended August 31,			
			Change from Prior Year	
	2015	2014	Dollars	Percent
Maintenance products	$ 46,639	$ 43,670	$ 2,969	7%
Homecare and cleaning products	7,320	7,153	167	2%
Total	$ 53,959	$ 50,823	$ 3,136	6%
% of consolidated net sales	**14%**	**13%**		

Sales in the Asia-Pacific segment, which includes Australia, China and other countries in the Asia region increased to $54.0 million, up $3.1 million, or 6% for the fiscal year ended August 31, 2015 compared to the prior fiscal year. Changes in foreign currency exchange rates for the fiscal year ended August 31, 2015 compared to the prior fiscal year had an unfavorable impact on sales. Sales for the fiscal year ended August 31, 2015 translated at the exchange rates in effect for the prior fiscal year would have been $56.1 million in the Asia-Pacific segment. Thus, on a constant currency basis, sales would have increased by $5.3 million, or 10%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year.

Sales in Asia, which represented 68% of the total sales in the Asia-Pacific segment, increased $3.6 million, or 11%, for fiscal year ended August 31, 2015 compared to the prior fiscal year. Sales in the Asia distributor markets increased $2.4 million, or 11%, from period to period primarily due to increased sales of the WD-40 multi-use product throughout most of the distributor markets, including those in South Korea, the Philippines and Indonesia. Sales in China increased $1.2 million, or 10%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year primarily due to new distribution, much of which came from Southern China, and increased promotional activities from period to period.

Sales in Australia decreased by $0.5 million, or 3%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year. Changes in foreign currency exchange rates had an unfavorable impact on Australia sales. In functional currency, which is the Australian Dollar, sales increased by 10%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year primarily due to increased distribution and promotional activities from period to period as well as a price increase which was implemented at the end of the second quarter of fiscal year 2015.

Gross Profit

Gross profit increased to $200.2 million for the fiscal year ended August 31, 2015 compared to $198.9 million for the prior fiscal year. As a percentage of net sales, gross profit increased to 52.9% for the fiscal year ended August 31, 2015 compared to 51.9% for the prior fiscal year.

Gross margin was positively impacted by 1.6 percentage points from period to period due to favorable net changes in the costs of petroleum-based specialty chemicals and aerosol cans in all three segments. There is often a delay of one quarter or more before changes in raw material costs impact cost of products sold due to production and inventory life cycles. We expect that the cost of crude oil will continue to be volatile and that volatility will impact our cost of products sold in future periods. Although a significant portion of the cost of most of our maintenance products comes from petroleum-based specialty chemicals, only a small amount of the total cost of a can of such products is directly indexed to the cost of crude oil. Gross margin was also positively impacted by 0.3 percentage points from period to period due to sales price increases. These sales price increases were implemented in certain locations and markets in the Asia-Pacific and EMEA segments over the last twelve months. In addition, gross margin was positively impacted by 0.1 percentage points from period to period due to lower warehousing and in-bound freight costs, particularly in the Americas segment.

These favorable impacts to gross margin were partially offset by 0.3 percentage points due to a higher level of advertising, promotional and other discounts that we give to our customers from period to period. The increase in such discounts was due to a higher percentage of sales being subject to promotional allowances during the fiscal year ended August 31, 2015 compared to the prior fiscal year, primarily in the Asia-Pacific and Americas segments. In general, the timing of advertising, promotional and other discounts may cause fluctuations in gross margin from period to period. The costs associated with certain promotional activities are recorded as a reduction to sales while others are recorded as advertising and sales promotion expenses. Advertising, promotional and other discounts that are given to our customers are recorded as a reduction to sales, whereas advertising and sales promotional costs associated with promotional activities that we pay to third parties are recorded as advertising and sales promotion expenses. Changes in foreign currency exchange rates also negatively impacted gross margin by 0.5 percentage points primarily due to the fluctuations in the exchange rates for the Euro and U.S. Dollar against the Pound Sterling in our EMEA segment from period to period. In the EMEA segment, the majority of our cost of goods sold is denominated in Pound Sterling whereas sales are generated in Pound Sterling, Euro and the U.S. Dollar. The net effect of the general weakening of the Euro against the Pound Sterling and the strengthening of the U.S. Dollar against the Pound Sterling from period to period caused a decrease in our sales, resulting in unfavorable impacts to the gross margin. The combined effects of unfavorable sales mix changes and other miscellaneous costs also negatively impacted gross margin by 0.2 percentage points from period to period.

Note that our gross profit and gross margin may not be comparable to those of other consumer product companies, since some of these companies include all costs related to distribution of their products in cost of products sold, whereas we exclude the portion associated with amounts paid to third parties for shipment to our customers from our distribution centers and contract manufacturers and include these costs in selling, general and administrative expenses. These costs totaled $15.8 million and $16.2 million for the fiscal years ended August 31, 2015 and 2014, respectively.

Selling, General and Administrative Expenses

Selling, general and administrative ("SG&A") expenses for the fiscal year ended August 31, 2015 increased $0.3 million to $108.9 million from $108.6 million for the prior fiscal year. As a percentage of net sales, SG&A expenses increased to 28.8% for the fiscal year ended August 31, 2015 from 28.3% for the prior fiscal year. The increase in SG&A expenses was primarily attributable to higher employee-related costs, a higher level of expenses associated with travel and meetings, higher costs associated with new product exploration, and increased depreciation expense, from period to period. Employee-related costs, which include salaries, incentive compensation, profit sharing, stock-based compensation and other fringe benefits, increased by $1.7 million from period to period primarily due to annual compensation increases, higher staffing levels and other employee-related costs we incurred associated with changes that we are making to our WD-40 Bike business in the United States. These increases were partially offset by lower earned incentive compensation, from period to period. Travel and meeting expenses increased $0.8 million due to a higher level of travel expenses associated with various sales meetings and activities in support of our strategic initiatives. The $0.8 million increase in new product exploration expenses, which are included in research and development costs, was primarily due to an increased level of spending during fiscal year 2015 related to the continued development of our products within the WD-40 brand. Depreciation expense increased by $0.5 million from period to period primarily due to our continued investment in computer system related assets and other capital assets which support our general business operations. Other miscellaneous expenses, which primarily include general office overhead, sales commission, and insurance costs, also increased by $0.5 million period over period. These increases were partially offset by a decrease of $1.4 million in professional services costs from period to period, primarily due to lower legal fees associated with litigation activities and general consulting services in our Americas and EMEA segments. Changes in foreign currency exchange rates had a favorable impact of $2.6 million on SG&A expenses for the fiscal year ended August 31, 2015 compared to the prior fiscal year.

We continued our research and development investment, the majority of which is associated with our maintenance products, in support of our focus on innovation and renovation of our products. Research and development costs for the fiscal years ended August 31, 2015 and 2014 were $9.0 million and $6.9 million, respectively. Our research and development team engages in consumer research, product development, current product improvement and testing activities. This team leverages its development capabilities by partnering with a network of outside resources including our current and prospective outsource suppliers. The level and types of expenses incurred within research and development can vary from period to period depending upon the types of activities being performed.

Advertising and Sales Promotion Expenses

Advertising and sales promotion expenses for the fiscal year ended August 31, 2015 decreased $1.0 million, or 4%, to $22.9 million from $23.9 million for the prior fiscal year. As a percentage of net sales, these expenses decreased to 6.0% for the fiscal year ended August 31, 2015 from 6.2% for the prior fiscal year. The decrease in advertising and sales promotion expenses was primarily due to a lower level of promotional programs and marketing support in the EMEA segment from period to period. Changes in foreign currency exchange rates did not have a material impact on advertising and sales promotion expenses for the fiscal year ended August 31, 2015 compared to the prior fiscal year. Investment in global advertising and sales promotion expenses for fiscal year 2016 is expected to be in the range of 6.0% to 7.0% of net sales.

As a percentage of net sales, advertising and sales promotion expenses may fluctuate period to period based upon the type of marketing activities we employ and the period in which the costs are incurred. Total promotional costs recorded as a reduction to sales were $16.0 million and $16.2 million for the fiscal years ended August 31, 2015 and 2014, respectively. Therefore, our total investment in advertising and sales promotion activities totaled $38.9 million and $40.1 million for the fiscal years ended August 31, 2015 and 2014, respectively.

Amortization of Definite-lived Intangible Assets Expense

Amortization of our definite-lived intangible assets was $3.0 million and $2.6 million for the fiscal years ended August 31, 2015 and 2014, respectively. This $0.4 million increase from period to period was primarily due to the GT85 Limited acquisition, which we completed in September 2014.

Income from Operations by Segment

The following table summarizes income from operations by segment (in thousands, except percentages):

	Fiscal Year Ended August 31,			
			Change from Prior Year	
	2015	2014	Dollars	Percent
Americas	$ 46,674	$ 41,356	$ 5,318	13%
EMEA	30,173	34,003	(3,830)	(11)%
Asia-Pacific	12,602	10,364	2,238	22%
Unallocated corporate [(1)]	(24,059)	(21,986)	(2,073)	9%
	$ 65,390	$ 63,737	$ 1,653	3%

(1) Unallocated corporate expenses are general corporate overhead expenses not directly attributable to any one of the operating segments. These expenses are reported separate from the Company's identified segments and are included in Selling, General and Administrative expenses on the Company's consolidated statements of operations.

Americas

Income from operations for the Americas segment increased to $46.7 million, up $5.3 million, or 13%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year, primarily due to a $6.5 million increase in sales and a higher gross margin.

As a percentage of net sales, gross profit for the Americas segment increased from 51.0% to 52.6% period over period. This increase in the gross margin was primarily due to the combined positive impacts of decreased costs of petroleum-based specialty chemicals and aerosol cans as well as decreased warehousing and in-bound freight costs from period to period. The higher level of sales from period to period in the Americas segment was accompanied by a $1.0 million increase in total operating expenses. Operating income as a percentage of net sales increased from 22.9% to 24.9% period over period.

EMEA

Income from operations for the EMEA segment decreased to $30.2 million, down $3.8 million, or 11%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year, primarily due to a $14.5 million decrease in sales. As a percentage of net sales, gross profit for the EMEA segment increased from 54.0% to 54.6% period over period primarily due to the combined positive impacts of decreased costs of petroleum-based specialty chemicals and aerosol cans and price increases, both of which were significantly offset by the unfavorable impacts of changes in sales mix and fluctuations in foreign currency exchange rates from period to period. In the EMEA segment, the majority of our cost of goods sold is denominated in Pound Sterling whereas sales are generated in Pound Sterling, Euro and U.S. Dollar. The net effects of the continued weakening of the Euro against the Pound Sterling and the strengthening of the U.S. Dollar against the Pound Sterling from period to period has caused our sales to decrease, resulting in unfavorable impacts to the gross margin. The lower level of sales was accompanied by a $3.2 million decrease in total operating expenses driven mainly by lower advertising and sales promotion expenses, freight costs and earned incentive compensation. Operating income as a percentage of net sales decreased from 22.5% to 22.0% period over period.

Asia-Pacific

Income from operations for the Asia-Pacific segment increased to $12.6 million, up $2.2 million, or 22%, for the fiscal year ended August 31, 2015 compared to the prior fiscal year, primarily due to a $3.1 million increase in sales and a higher gross margin. As a percentage of net sales, gross profit for the Asia-Pacific segment increased from 48.9% to 49.9% from period to period due to the combined positive impacts of sales price increases and decreased costs of petroleum-based specialty chemicals and aerosol cans, both of which were partially offset by a higher level of advertising, promotional and other discounts that we gave to our customers from period to period. Operating income as a percentage of net sales increased from 20.4% to 23.4% period over period.

Non-Operating Items

The following table summarizes non-operating income and expenses for our consolidated operations (in thousands):

	Fiscal Year Ended August 31,		
	2015	2014	Change
Interest income	$ 584	$ 596	$ (12)
Interest expense	$ 1,205	$ 1,002	$ 203
Other expense	$ 1,659	$ 372	$ 1,287
Provision for income taxes	$ 18,303	$ 19,213	$ (910)

Interest Income

Interest income remained relatively constant for the fiscal year ended August 31, 2015 compared to the prior fiscal year.

Interest Expense

Interest expense increased $0.2 million for the fiscal year ended August 31, 2015 compared to the prior fiscal year primarily due to a higher outstanding balance on our revolving credit facility period over period.

Other Expense

Other expense increased by $1.3 million for the fiscal year ended August 31, 2015 compared to the prior fiscal year primarily due to higher net foreign currency exchange losses from period to period as a result of significant fluctuations in the foreign currency exchange rates for the Euro and U.S. Dollar against the Pound Sterling.

Provision for Income Taxes

The provision for income taxes was 29.0% of income before income taxes for the fiscal year ended August 31, 2015 compared to 30.5% for the prior fiscal year. The decrease in the effective income tax rate from period to period was primarily attributable to an increase in the taxable income in the United Kingdom, which is taxed at lower statutory income tax rates.

Net Income

Net income was $44.8 million, or $3.04 per common share on a fully diluted basis, for fiscal year 2015 compared to $43.7 million, or $2.87 per common share on a fully diluted basis, for the prior fiscal year. Changes in foreign currency exchange rates year over year had an unfavorable impact of $1.7 million on net income for fiscal year 2015. Thus, on a constant currency basis, net income for fiscal year 2015 would have been $46.5 million.

Operating Items

The following table summarizes operating data for our consolidated operations (in thousands, except percentages and per share amounts):

	Fiscal Year Ended August 31,			
			Change from Prior Year	
	2014	2013	Dollars	Percent
Net sales:				
Maintenance products	$ 337,825	$ 320,883	$ 16,942	5%
Homecare and cleaning products	45,172	47,665	(2,493)	(5)%
Total net sales	382,997	368,548	14,449	4%
Cost of products sold	184,144	179,385	4,759	3%
Gross profit	198,853	189,163	9,690	5%
Operating expenses	135,116	132,526	2,590	2%
Income from operations	$ 63,737	$ 56,637	$ 7,100	13%
Net income	$ 43,746	$ 39,813	$ 3,933	10%
Earnings per common share - diluted	$ 2.87	$ 2.54	$ 0.33	13%

Net Sales by Segment

Effective September 1, 2013, we transitioned the management of our India operations to the EMEA segment from the Asia-Pacific segment. As a result, the India financial results were being included in the EMEA segment for both fiscal years 2014 and 2013 for comparison purposes. These amounts were previously included within the Asia-Pacific segment in the Company's reported business segment information. The following table summarizes net sales by segment (in thousands, except percentages):

	Fiscal Year Ended August 31,			
			Change from Prior Year	
	2014	2013	Dollars	Percent
Americas	$ 180,806	$ 180,544	$ 262	-
EMEA	151,368	137,360	14,008	10%
Asia-Pacific	50,823	50,644	179	-
Total	$ 382,997	$ 368,548	$ 14,449	4%

<u>Americas</u>

The following table summarizes net sales by product line for the Americas segment (in thousands, except percentages):

	Fiscal Year Ended August 31,			
			Change from Prior Year	
	2014	2013	Dollars	Percent
Maintenance products	$ 149,899	$ 147,312	$ 2,587	2%
Homecare and cleaning products	30,907	33,232	(2,325)	(7)%
Total	$ 180,806	$ 180,544	$ 262	-
% of consolidated net sales	**47%**	**49%**		

Sales in the Americas segment, which includes the U.S., Canada and Latin America, remained relatively constant at $180.8 million and $180.5 million for the fiscal years ended August 31, 2014 and 2013, respectively. Changes in foreign currency exchange rates did not have a material impact on sales for the fiscal year ended August 31, 2014 compared to fiscal year 2013.

Sales of maintenance products in the Americas segment increased $2.6 million, or 2%, for the fiscal year ended August 31, 2014 compared to fiscal year 2013. This sales increase was primarily driven by higher sales of WD-40 maintenance products in Latin America and the U.S., which were up 7% and 2%, respectively, for the fiscal year ended August 31, 2014 compared to fiscal year 2013. The increase in Latin America was primarily due to the continued growth of the WD-40 multi-use products throughout the Latin America region, including in Ecuador, Mexico and Argentina, and a higher level of promotional activities from period to period, primarily those associated with the 2014 World Cup Tournament. The sales increase in the U.S. was primarily due to a higher level of promotional activities and increased distribution for the WD-40 multi-use products from period to period. Also contributing to the overall sales increase of the maintenance products in the Americas segment was higher sales of the WD-40 Specialist product line from period to period due to increased promotional activities and new distribution during the fiscal year ended August 31, 2014. The sales increases in the U.S. and Latin America were significantly offset by the sales decrease in Canada primarily due to changes in distribution within the mass retail channel, as well as a lower level of participation by our key customers in promotional programs from period to period.

Sales of homecare and cleaning products in the Americas segment decreased $2.3 million, or 7%, for the fiscal year ended August 31, 2014 compared to fiscal year 2013. This sales decrease was driven primarily by lower sales of the Carpet Fresh and Spot Shot products, which were down 28% and 8%, respectively, in the U.S. for fiscal year 2014 compared to fiscal year 2013. While each of our homecare and cleaning products continue to generate positive cash flows, we have continued to experience decreased sales for most of these products primarily due to lost distribution, reduced product offerings, competition, category declines and the volatility of orders from and promotional programs with certain of our customers, particularly those in the warehouse club and mass retail channels. At August 31, 2014, the carrying value of definite-lived intangible assets associated with the Company's trade names was $22.1 million, of which $1.7 million and $10.9 million were associated with the Carpet Fresh and Spot Shot trade names, respectively.

For the Americas segment, 81% of sales came from the U.S. and 19% of sales came from Canada and Latin America combined for each of the fiscal years ended August 31, 2014 and 2013.

EMEA

The following table summarizes net sales by product line for the EMEA segment (in thousands, except percentages):

	Fiscal Year Ended August 31,			
			Change from Prior Year	
	2014	2013	Dollars	Percent
Maintenance products	$ 144,255	$ 130,116	$ 14,139	11%
Homecare and cleaning products	7,113	7,244	(131)	(2)%
Total	$ 151,368	$ 137,360	$ 14,008	10%
% of consolidated net sales	**40%**	**37%**		

Sales in the EMEA segment, which includes Europe, the Middle East, Africa and India, increased to $151.4 million, up $14.0 million, or 10%, for the fiscal year ended August 31, 2014 compared to fiscal year 2013. Changes in foreign currency exchange rates for the fiscal year ended August 31, 2014 compared to fiscal year 2013 had a favorable impact on sales. Sales for the fiscal year ended August 31, 2014 translated at the exchange rates in effect for fiscal year 2013 would have been $143.5 million in the EMEA segment. Thus, on a constant currency basis, sales would have increased by $6.1 million, or 4%, for the fiscal year ended August 31, 2014 compared to fiscal year 2013.

The countries in Europe where we sell through a direct sales force include the U.K., Italy, France, Iberia (which includes Spain and Portugal) and the Germanics sales region (which includes Germany, Austria, Denmark, Switzerland, Belgium and the Netherlands). Overall, sales from direct markets increased $5.9 million, or 7%, for the fiscal year ended August 31, 2014 compared to fiscal year 2013. The sales increase in the direct markets was mostly due to the favorable impact of changes in foreign currency exchange rates from period to period. In local currency, sales from the direct markets experienced an increase of 1%. We experienced sales increases throughout most of the Europe direct markets for fiscal year ended August 31, 2014 compared to fiscal year 2013, with percentage increases in sales as follows: Italy, 24%; Iberia, 14%; France, 11% and the U.K., 6%. The increased sales in these regions were slightly offset by the sales decrease of 3% in the Germanics region from period to period. The overall sales increase in the direct markets was also in part due to a higher level of promotional activities and increased sales of the WD-40 Specialist product line from period to period due to new distribution and the continued growth of the WD-40 multi-use products in the direct markets. Sales from direct markets accounted for 62% of the EMEA segment's sales for fiscal year ended August 31, 2014 compared to 64% of the EMEA segment's sales for fiscal year 2013.

The regions in the EMEA segment where we sell through local distributors include the Middle East, Africa, India, Eastern and Northern Europe. Sales in the distributor markets increased $8.1 million, or 16%, for the fiscal year ended August 31, 2014 compared to fiscal year 2013 due in part to the favorable impact of changes in foreign currency exchange rates from period to period. In local currency, sales from the distributor markets experienced an increase of 11%. Also contributing to the overall sales increase in the distributor markets was a higher sales volume of WD-40 multi-use products in Eastern Europe, particularly in Russia as a result of promotional programs, and the continued growth of our base business throughout the distributor markets. The distributor markets accounted for 38% of the total EMEA segment sales for the fiscal year ended August 31, 2014, compared to 36% for fiscal year 2013.

Asia-Pacific

The following table summarizes net sales by product line for the Asia-Pacific segment (in thousands, except percentages):

	Fiscal Year Ended August 31,			
			Change from Prior Year	
	2014	**2013**	**Dollars**	**Percent**
Maintenance products	$ 43,670	$ 43,455	$ 215	-
Homecare and cleaning products	7,153	7,189	(36)	(1)%
Total	$ 50,823	$ 50,644	$ 179	-
% of consolidated net sales	**13%**	**14%**		

Sales in the Asia-Pacific segment, which includes Australia, China and other countries in the Asia region, remained relatively constant at $50.8 million and $50.6 million for the fiscal years ended August 31, 2014 and 2013, respectively. Changes in foreign currency exchange rates for the fiscal year ended August 31, 2014 compared to fiscal year 2013 had an unfavorable impact on sales. Sales for the fiscal year ended August 31, 2014 translated at the exchange rates in effect for fiscal year 2013 would have been $52.4 million in the Asia-Pacific segment. Thus, on a constant currency basis, sales would have increased by $1.8 million, or 4%, for the fiscal year ended August 31, 2014 compared to fiscal year 2013.

Sales in Asia, which includes China and other countries in the Asia region, remained constant at $32.9 million for fiscal years 2014 and 2013. Sales in the Asia distributor markets decreased $0.5 million, or 3%, from period to period primarily due to decreased sales of the WD-40 multi-use product in the Indonesia market as a result of us transitioning to a new marketing distributor in this region in fiscal year 2014. Sales in China increased $0.5 million, or 5%, for the fiscal year ended August 31, 2014 compared to fiscal year 2013 primarily due to a higher level of sales associated with promotional programs from period to period. Although sales in China increased from period to period, China has been negatively impacted in recent periods by a general slowdown of economic growth and the lower level of manufacturing and industrial activities that exist throughout the country. Sales in Asia represented 65% of the total sales in the Asia-Pacific segment for fiscal year 2014, compared to 66% for fiscal year 2013.

Sales in Australia slightly increased by $0.2 million, or 1%, for the fiscal year ended August 31, 2014 compared to fiscal year 2013 primarily due to the launch of the WD-40 Specialist product line during fiscal year 2014 and the overall growth of the base business. These were offset by the unfavorable impact of changes in foreign currency exchange rates from period to period. On a constant currency basis, sales would have increased by $2.0 million, or 11%, for the fiscal year ended August 31, 2014 compared to fiscal year 2013.

Gross Profit

Gross profit increased to $198.9 million for the fiscal year ended August 31, 2014 compared to $189.2 million for fiscal year 2013. As a percentage of net sales, gross profit increased to 51.9% for the fiscal year ended August 31, 2014 compared to 51.3% for fiscal year 2013.

Gross margin was positively impacted by 0.3 percentage points from period to period due to sales price increases. These sales price increases were implemented in certain locations and markets in the EMEA and Asia-Pacific segments over the last twelve months of fiscal year 2014. Advertising, promotional and other discounts, which are recorded as a reduction to sales, decreased from period to period, primarily in the Americas segment, positively impacting gross margin also by 0.2 percentage points. The decrease in such discounts was due to a lower percentage of sales, particularly those for our homecare and cleaning products, being subject to promotional allowances during the fiscal year ended August 31, 2014 compared to fiscal year 2013. In general, the timing of advertising, promotional and other discounts may cause fluctuations in gross margin from period to period. The costs associated with certain promotional activities are recorded as a reduction to sales while others are recorded as advertising and sales promotion expenses. Advertising, promotional and other discounts that are given to our customers are recorded as a reduction to sales, whereas advertising and sales promotional costs associated with promotional activities that we pay to third parties are recorded as advertising and sales promotion expenses. In addition, favorable net changes in the costs of petroleum-based specialty chemicals and aerosol cans positively impacted gross margin by 0.8 percentage points from period to period, primarily in the EMEA and Asia-Pacific segments. Lower manufacturing costs in our Asia-Pacific segment also positively impacted gross margin by 0.1 percentage points from period to period.

These favorable impacts to gross margin were partially offset by 0.4 percentage points due to the combined negative effects of sales mix changes and warehousing and in-bound freight costs as well as other miscellaneous costs which increased from period to period. Changes in foreign currency exchange rates negatively impacted gross margin by 0.3 percentage points primarily due to the fluctuations in the exchange rates for the U.S. Dollar and the Euro against the Pound Sterling in our EMEA segment from period to period. Increased raw material costs associated with certain of our homecare and cleaning products also negatively impacted gross margin by 0.1 percentage points from period to period.

Note that our gross profit and gross margin may not be comparable to those of other consumer product companies, since some of these companies include all costs related to distribution of their products in cost of products sold, whereas we exclude the portion associated with amounts paid to third parties for shipment to our customers from our distribution centers and contract manufacturers and include these costs in selling, general and administrative expenses. These costs totaled $16.2 million and $15.7 million for the fiscal years ended August 31, 2014 and 2013, respectively.

Selling, General and Administrative Expenses

Selling, general and administrative ("SG&A") expenses for the fiscal year ended August 31, 2014 increased $4.2 million, or 4%, to $108.6 million from $104.4 million for fiscal year 2013. As a percentage of net sales, SG&A expenses remained constant at 28.3% for each of the fiscal years ended August 31, 2014 and 2013. The increase in SG&A expenses was largely attributable to higher professional services costs, a higher level of expenses associated with travel and meeting expenses, increased freight costs, higher depreciation expense and the negative impacts of changes in foreign currency exchange rates from period to period. Professional services costs increased by $1.1 million period over period primarily due to higher legal fees associated with litigation activities and various regulatory compliance items as well as increases in general consulting services particularly in our EMEA segment. Travel and meeting expenses increased $0.6 million due to a higher level of travel expenses associated with various sales meetings and activities in support of our strategic initiatives. Freight costs increased $0.3 million primarily due to higher sales volumes, particularly in the EMEA segment, for the fiscal year ended August 31, 2014 compared to fiscal year 2013. Depreciation expense also increased by $0.3 million from period to period primarily due to our continued investment in computer system related assets and other capital assets which support our general business operations. Other miscellaneous expenses, which primarily include research and development costs, regulatory compliance costs and insurance, increased by $0.7 million for the fiscal year ended August 31, 2014 compared to fiscal year 2013. Changes in foreign currency exchange rates had an unfavorable impact of $1.4 million on SG&A expenses for the fiscal year ended August 31, 2014 compared to fiscal year 2013.

The increases in SG&A expenses described above were slightly offset by a $0.2 million decrease in employee-related costs from period to period. Employee-related costs, which include salaries, bonuses, profit sharing, stock-based compensation and other fringe benefits, decreased in total by $0.2 million primarily due to lower incentive compensation earned in fiscal year 2014 as compared to fiscal year 2013. Based on our results for fiscal year 2014, we achieved a lower level of the profit performance metrics required under our earned incentive program, and as a result, earned incentive compensation expense and the related fringe benefit expense were lower in fiscal year 2014 as compared to fiscal year 2013. This decrease in bonus expense was significantly offset by higher salary expenses due to annual compensation increases and increased headcount from period to period.

We continued our research and development investment, the majority of which is associated with our maintenance products, in support of our focus on innovation and renovation of our products. Research and development costs for the fiscal years ended August 31, 2014 and 2013 were $6.9 million and $7.2 million, respectively.

Advertising and Sales Promotion Expenses

Advertising and sales promotion expenses for the fiscal year ended August 31, 2014 decreased $0.9 million, or 4%, to $23.9 million from $24.8 million for fiscal year 2013. As a percentage of net sales, these expenses decreased to 6.2% for the fiscal year ended August 31, 2014 from 6.7% for fiscal year 2013. The decrease in advertising and sales promotion expenses was primarily due to lower costs associated with promotional programs conducted in the Americas segment, particularly those for our homecare and cleaning products, from period to period. This decrease was partially offset by a higher level of promotional activities in the EMEA segment from period to period. Changes in foreign currency exchange rates did not have a material impact on advertising and sales promotion expenses for the fiscal year ended August 31, 2014 compared to fiscal year 2013.

As a percentage of net sales, advertising and sales promotion expenses may fluctuate period to period based upon the type of marketing activities we employ and the period in which the costs are incurred. Total promotional costs recorded as a reduction to sales were $16.2 million and $17.7 million for the fiscal years ended August 31, 2014 and 2013, respectively. Therefore, our total investment in advertising and sales promotion activities totaled $40.1 million and $42.5 million for the fiscal years ended August 31, 2014 and 2013, respectively.

Amortization of Definite-lived Intangible Assets Expense

Amortization of our definite-lived intangible assets was $2.6 million and $2.3 million for the fiscal years ended August 31, 2014 and 2013, respectively. The increase in amortization for fiscal year August 31, 2014 as compared to fiscal year 2013 was due to increased amortization associated with the 2000 Flushes trade name. In May 2013, we reduced the remaining useful life of the 2000 Flushes trade name from fourteen years and ten months to seven years. In addition, amortization expense increased from period to period due to the customer list which we acquired in the second quarter of fiscal year 2014.

Impairment of Definite-lived Intangible Assets Expense

No impairments to our definite-lived intangible assets were identified and recorded during fiscal year 2014. During the fourth quarter of fiscal year 2013, we determined that indicators of impairment existed related to the 2000 Flushes trade name primarily due to management’s most current expectations for future growth and profitability for the 2000 Flushes trade name. As a result, we performed a second phase of the impairment test specific to the 2000 Flushes trade name and concluded that it was impaired by $1.1 million. Consequently, we recorded a non-cash, before tax impairment charge of $1.1 million in the fourth quarter of fiscal year 2013 to reduce the carrying value of the 2000 Flushes asset to its fair value.

Income from Operations by Segment

The following table summarizes income from operations by segment (in thousands, except percentages):

	Fiscal Year Ended August 31,			
			Change from Prior Year	
	2014	2013	Dollars	Percent
Americas	$ 41,356	$ 39,383	$ 1,973	5%
EMEA	34,003	30,174	3,829	13%
Asia-Pacific	10,364	8,995	1,369	15%
Unallocated corporate [(1)]	(21,986)	(21,915)	(71)	-
	$ 63,737	$ 56,637	$ 7,100	13%

(1) Unallocated corporate expenses are general corporate overhead expenses not directly attributable to any one of the operating segments. These expenses are reported separate from the Company’s identified segments and are included in Selling, General and Administrative expenses on the Company’s consolidated statements of operations.

<u>Americas</u>

Income from operations for the Americas segment increased to $41.4 million, up $2.0 million, or 5%, for the fiscal year ended August 31, 2014 compared to fiscal year 2013, primarily due to a $0.3 million increase in sales, which was partially offset by a lower gross margin. As a percentage of net sales, gross profit for the Americas segment decreased slightly from 51.2% to 51.0% period over period. This decrease in the gross margin was primarily due to increased warehousing costs and unfavorable sales mix changes, both of which were significantly offset by a lower level of discounts offered to our customers from period to period. Operating expenses decreased $2.1 million primarily due to lower advertising and sales promotion costs associated with promotional programs conducted in the Americas segment from period to period. Operating income as a percentage of net sales increased from 21.8% to 22.9% period over period.

EMEA

Income from operations for the EMEA segment increased to $34.0 million, up $3.8 million, or 13%, for the fiscal year ended August 31, 2014 compared to fiscal year 2013, primarily due to an increase in sales of $14.0 million and a higher gross margin. As a percentage of net sales, gross profit for the EMEA segment increased from 53.1% to 54.0% period over period primarily due to the positive impacts of lower net costs associated with petroleum-based specialty chemicals and aerosol cans and sales price increases. These favorable impacts to gross margin were partially offset by the unfavorable impact of changes in foreign currency exchange rates due to the fluctuations in both the U.S. Dollar and the Euro against the Pound Sterling. In the EMEA segment, the majority of our cost of goods sold are denominated in Pound Sterling whereas sales are generated in Pound Sterling, Euro and U.S. Dollar. The weakening of the Euro and the U.S. Dollar relative to the Pound Sterling has caused our sales to decrease, resulting in unfavorable impacts to the gross margin. The higher level of sales for the EMEA segment from period to period was accompanied by an increase in total operating expenses of $5.0 million. Operating income as a percentage of net sales increased from 22.0% to 22.5% period over period.

Asia-Pacific

Income from operations for the Asia-Pacific segment increased to $10.4 million, up $1.4 million, or 15%, for the fiscal year ended August 31, 2014 compared to fiscal year 2013, primarily due to an increase in sales of $0.2 million and a higher gross margin. As a percentage of net sales, gross profit for the Asia-Pacific segment increased from 47.0% to 48.9% from period to period primarily due to the combined effects sales price increases, lower manufacturing costs and decreased costs of aerosol cans in the Asia-Pacific segment, all of which were slightly offset by unfavorable sales mix changes. Operating expenses decreased by $0.3 million primarily due to decreased freight expenses and lower advertising and sales promotion costs from period to period. Operating income as a percentage of net sales increased from 17.8% to 20.4% period over period.

Non-Operating Items

The following table summarizes non-operating income and expenses for our consolidated operations (in thousands):

	Fiscal Year Ended August 31,		
	2014	2013	Change
Interest income	$ 596	$ 506	$ 90
Interest expense	$ 1,002	$ 693	$ 309
Other (expense) income , net	$ (372)	$ 417	$ (789)
Provision for income taxes	$ 19,213	$ 17,054	$ 2,159

Interest Income

Interest income remained relatively constant for the fiscal year ended August 31, 2014 compared to fiscal year 2013.

Interest Expense

Interest expense increased $0.3 million for the fiscal year ended August 31, 2014 compared to fiscal year 2013 primarily due to a higher outstanding balance on our revolving credit facility period over period.

Other Income (Expense), Net

Other (expense) income, net changed by $0.8 million for the fiscal year ended August 31, 2014 compared to fiscal year 2013 primarily due to net foreign currency exchange losses which were recorded for the fiscal year ended August 31, 2014 compared to net foreign currency exchange gains which were recorded in fiscal year 2013.

Provision for Income Taxes

The provision for income taxes was 30.5% of income before income taxes for the fiscal year ended August 31, 2014 compared to 30.0% for fiscal year 2013. This slight increase in the effective income tax rate from period to period was primarily attributable to an increase in the U.S. income, which was taxed at a statutory rate of 35%, as compared to the income earned in various foreign jurisdictions, which was taxed at a lower statutory income tax rate.

Net Income

Net income was $43.7 million, or $2.87 per common share on a fully diluted basis, for fiscal year 2014 compared to $39.8 million, or $2.54 per common share on a fully diluted basis, for fiscal year 2013. Changes in foreign currency exchange rates year over year had a favorable impact of $0.7 million on net income for fiscal year 2014. Thus, on a constant currency basis, net income for fiscal year 2014 would have been $43.0 million.

Performance Measures and Non-GAAP Reconciliations

In managing our business operations and assessing our financial performance, we supplement the information provided by our financial statements with certain non-GAAP performance measures. These performance measures are part of our 50/30/20 rule, which includes gross margin, cost of doing business, and earnings before income taxes, depreciation and amortization ("EBITDA"), the latter two of which are non-GAAP performance measures. Cost of doing business is defined as total operating expenses less amortization of definite-lived intangible assets, impairment of definite-lived intangible assets and depreciation in operating departments and EBITDA is defined as net income (loss) before interest, income taxes, depreciation and amortization. We target our gross margin to be above 50% of net sales, our cost of doing business to be at or below 30% of net sales, and our EBITDA to be above 20% of net sales. Although our results for these performance measures may vary from period to period depending on various factors, including economic conditions and our level of investment in activities for the future, we continue to focus on and work towards achievement of our 50/30/20 targets over the long-term.

The following table summarizes the results of these performance measures:

	Fiscal Year Ended August 31,		
	2015	2014	2013
Gross margin	53%	52%	51%
Cost of doing business as a percentage of net sales	34%	34%	35%
EBITDA as a percentage of net sales	19%	18%	17%

We use the performance measures above to establish financial goals and to gain an understanding of the comparative performance of the Company from period to period. We believe that these measures provide our shareholders with additional insights into the Company's results of operations and how we run our business. The non-GAAP financial measures are supplemental in nature and should not be considered in isolation or as alternatives to net income, income from operations or other financial information prepared in accordance with GAAP as indicators of the Company's performance or operations. The use of any non-GAAP measure may produce results that vary from the GAAP measure and may not be comparable to a similarly defined non-GAAP measure used by other companies. Reconciliations of these non-GAAP financial measures to our financial statements as prepared in accordance with GAAP are as follows:

Cost of Doing Business (in thousands, except percentages):

	Fiscal Year Ended August 31,		
	2015	2014	2013
Total operating expenses - GAAP	$ 134,788	$ 135,116	$ 132,526
Amortization of definite-lived intangible assets	(3,039)	(2,617)	(2,260)
Impairment of definite-lived intangible assets	-	-	(1,077)
Depreciation (in operating departments)	(2,664)	(2,218)	(1,851)
Cost of doing business	$ 129,085	$ 130,281	$ 127,338
Net sales	$ 378,150	$ 382,997	$ 368,548
Cost of doing business as a percentage of net sales	34%	34%	35%

EBITDA (in thousands, except percentages):

	Fiscal Year Ended August 31,		
	2015	2014	2013
Net income - GAAP	$ 44,807	$ 43,746	$ 39,813
Provision for income taxes	18,303	19,213	17,054
Interest income	(584)	(596)	(506)
Interest expense	1,205	1,002	693
Amortization of definite-lived intangible assets	3,039	2,617	2,260
Depreciation	3,425	3,243	3,099
EBITDA	$ 70,195	$ 69,225	$ 62,413
Net sales	$ 378,150	$ 382,997	$ 368,548
EBITDA as a percentage of net sales	19%	18%	17%

Liquidity and Capital Resources

Overview

The Company's financial condition and liquidity remain strong. Net cash provided by operations was $55.1 million for fiscal year 2015 compared to $38.7 million for fiscal year 2014. We believe we continue to be well positioned to weather any uncertainty in the capital markets and global economy due to our strong balance sheet and efficient business model, along with our growing and diversified global revenues. We continue to manage all aspects of our business including, but not limited to, monitoring the financial health of our customers, suppliers and other third-party relationships, implementing gross margin enhancement strategies and developing new opportunities for growth.

Our principal sources of liquidity are our existing cash and cash equivalents, short-term investments, cash generated from operations and cash currently available from our existing $150.0 million revolving credit facility with Bank of America, N.A. ("Bank of America"), which expires on May 13, 2020. To date, we have used the proceeds of the revolving credit facility for our stock repurchases and plan to continue using such proceeds for our general working capital needs and stock repurchases under any existing board approved share buy-back plans. During the fiscal year ended August 31, 2015, we borrowed an additional $10.0 million under the revolving credit facility. We regularly convert existing draws on our line of credit to new draws with new maturity dates and interest rates. As of August 31, 2015, we had a $108.0 million outstanding balance on the revolving credit facility, all of which was classified as long-term, and there were no other letters of credit outstanding or restrictions on the amount available on this line of credit. Per the terms of the revolving credit facility agreement, our consolidated leverage ratio cannot be greater than three to one and our consolidated interest coverage ratio cannot be less than three to one. See Note 7 – Debt for additional information on these financial covenants. At August 31, 2015, we were in compliance with all debt covenants as required by the revolving credit facility and believe it is unlikely we will fail to meet any of these covenants in the foreseeable future. We would need to have a significant decrease in sales and/or a significant increase in expenses in order for us to not meet the debt covenants.

At August 31, 2015, we had a total of $102.5 million in cash and cash equivalents and short-term investments. Of this balance, $90.8 million was held in Europe, Australia and China in foreign currencies. It is our intention to indefinitely reinvest all current and future foreign earnings at these locations in order to ensure sufficient working capital, expand operations and fund foreign acquisitions in these locations. We believe that our future cash from domestic operations together with our access to funds available under our unsecured revolving credit facility will provide adequate resources to fund both short-term and long-term operating requirements, capital expenditures, share repurchases, dividend payments, acquisitions and new business development activities in the United States. Although we hold a significant amount of cash outside of the U.S. and the draws on the credit facility to date have been made by our entity in the U.S., we do not foresee any issues with repaying or refinancing these loans with domestically generated funds since we closely monitor the use of this credit facility. In the event that management elects for any reason in the future to repatriate some or all of the foreign earnings that were previously deemed to be indefinitely reinvested outside of the U.S., we would be required to record additional tax expense at the time when we determine that such foreign earnings are no longer deemed to be indefinitely reinvested outside of the United States. As of August 31, 2015, we have not provided for U.S. federal and state income taxes and foreign withholding taxes on $115.4 million of undistributed earnings of certain foreign subsidiaries since these earnings are considered indefinitely reinvested outside of the United States.

We believe that our existing consolidated cash and cash equivalents at August 31, 2015, the liquidity provided by our $150.0 million revolving credit facility and our anticipated cash flows from operations will be sufficient to meet our projected consolidated operating and capital requirements for at least the next twelve months. We consider various factors when reviewing liquidity needs and plans for available cash on hand including: future debt, principal and interest payments, future capital expenditure requirements, future share repurchases, future dividend payments (which are determined on a quarterly basis by the Company's Board of Directors), alternative investment opportunities, debt covenants and any other relevant considerations currently facing our business.

Cash Flows

The following table summarizes our cash flows by category for the periods presented (in thousands):

	Fiscal Year Ended August 31,		
	2015	2014	2013
Net cash provided by operating activities	$ 55,064	$ 38,730	$ 51,569
Net cash used in investing activities	(16,951)	(10,503)	(39,534)
Net cash used in financing activities	(38,663)	(25,842)	(26,840)
Effect of exchange rate changes on cash and cash equivalents	(3,357)	1,984	(1,480)
Net (decrease) increase in cash and cash equivalents	$ (3,907)	$ 4,369	$ (16,285)

Operating Activities

Net cash provided by operating activities increased $16.4 million to $55.1 million for fiscal year 2015 from $38.7 million for fiscal year 2014. Cash flows from operating activities depend heavily on operating performance and changes in working capital. Our primary source of operating cash flows for fiscal year ended August 31, 2015 was net income of $44.8 million. The changes in our working capital from period to period were primarily attributable to an overall decrease in the trade accounts receivable balance due to decreased sales volumes and the timing of payments received from our customers from period to period. In addition, the net cash provided by operating activities was impacted by the overall decrease in inventory levels due to the timing of our inventory purchases from period to period. Also contributing to the changes in working capital from period to period were lower earned incentive payouts and accruals in fiscal year 2015 compared to the prior year. The settlement of an insurance reimbursable item in the second quarter of fiscal year 2015, which was recorded in the third quarter of fiscal year 2014, and lower income taxes receivable balances also contributed to the overall increase in cash provided by operating activities from period to period

Net cash provided by operating activities decreased $12.8 million to $38.7 million for fiscal year 2014 from $51.5 million for fiscal year 2013. This decrease was primarily due to changes in working capital, which were slightly offset by increased net income from period to period. The most significant changes in our working capital came from accrued payroll and related expenses and trade accounts receivable. Accrued payroll and related expenses decreased from period to period primarily due to the payment of fiscal year 2013 earned incentive compensation during fiscal year 2014 which were significantly higher than those paid in fiscal year 2013 for fiscal year 2012. The trade accounts receivable balance at August 31, 2014 was higher than the balance at August 31, 2013 primarily due to increased sales volumes and the timing of payments received from our customers from period to period.

Investing Activities

Net cash used in investing activities increased $6.4 million to $16.9 million for fiscal year 2015 from $10.5 million for fiscal year 2014 primarily due to a $4.1 million cash outflow related to the GT85 Limited acquisition which was completed by our U.K. subsidiary in September 2014. Of this $4.1 million purchase consideration, $3.7 million was paid in early fiscal year 2015 and the remaining balance was paid in the last quarter of fiscal year 2015. Also contributing to the total cash outflows were a $2.9 million increase in purchases of short-term investments that were made by our U.K. and Australia subsidiaries, and a $1.7 million increase in capital expenditures from period to period. These increases were slightly offset by a decrease in cash outflow related to the Belgium customer list which was acquired by our U.K. subsidiary for $1.8 million in fiscal year 2014.

Net cash used in investing activities decreased $29.0 million to $10.5 million for fiscal year 2014 from $39.5 million for fiscal year 2013 primarily due to the change in cash outflows related to the purchases of short-term investments that were made by our U.K. and Australia subsidiaries. During fiscal year 2014, we purchased $7.7 million of short-term investments whereas we purchased $38.8 million of such short-term investments in the prior fiscal year. This decrease was slightly offset by an increase of $1.2 million in purchases of property and equipment from period to period and the $1.8 million acquisition made by our U.K. subsidiary of a customer list intangible asset in the second quarter of fiscal year 2014.

Financing Activities

Net cash used in financing activities increased $12.9 million to $38.7 million for fiscal year 2015 from $25.8 million for fiscal year 2014 primarily due to a $25.0 million decrease in cash proceeds from our revolving credit facility, which was partially offset by a $12.5 million decrease in treasury stock purchases. Dividends paid also increased by $1.5 million from period to period.

Net cash used in financing activities decreased $1.0 million to $25.8 million for fiscal year 2014 from $26.8 million for fiscal year 2013 primarily due to a $17.0 million increase in net cash inflows from our revolving credit facility, which was partially offset by an $11.3 million increase in treasury stock purchases. In addition, there was a $3.5 million decrease in proceeds from the issuance of common stock upon the exercise of stock options from period to period.

Effect of Exchange Rate Changes

All of our foreign subsidiaries currently operate in currencies other than the U.S. dollar and a significant portion of our consolidated cash balance is denominated in these foreign currencies, particularly at our U.K. subsidiary which operates in Pound Sterling. As a result, our cash and cash equivalents balances are subject to the effects of the fluctuations in these functional currencies against the U.S. dollars at the end of each reporting period. The net effect of exchange rate changes on cash and cash equivalents, when expressed in U.S. dollar terms, was a decrease in cash of $3.4 million for fiscal year 2015, an increase in cash of $2.0 million for fiscal year 2014, and a decrease in cash of $1.5 million for fiscal year 2013. These changes from period to period were primarily due to fluctuations in the foreign currency exchange rates for the Pound Sterling against the U.S. Dollar.

Share Repurchase Plans

On June 18, 2013, the Company's Board of Directors approved a share buy-back plan. Under the plan, which was to be in effect from August 1, 2013 through August 31, 2015, the Company was authorized to acquire up to $60.0 million of its outstanding shares on such terms and conditions as may be acceptable to the Company's Chief Executive Officer or Chief Financial Officer and subject to present loan covenants and in compliance with all laws and regulations applicable thereto. During the period from August 1, 2013 through February 28, 2015, the Company repurchased 848,545 shares at a total cost of $60.0 million. As a result, the Company utilized the entire authorized amount and completed the repurchases under this share buy-back plan as of the end of the second quarter of fiscal year 2015.

On October 14, 2014, the Company's Board of Directors approved a new share buy-back plan. Under the plan, which became effective at the beginning of the third quarter of fiscal year 2015, once the Company's previous $60.0 million plan was exhausted, the Company is authorized to acquire up to $75.0 million of its outstanding shares through August 31, 2016. The timing and amount of repurchases will be based on terms and conditions as may be acceptable to the Company's Chief Executive Officer and Chief Financial Officer and in compliance with all laws and regulations applicable thereto. During the period from March 1, 2015 through August 31, 2015, the Company repurchased 186,043 shares at a total cost of $15.7 million under this $75.0 million plan.

Dividends

The Company has historically paid regular quarterly cash dividends on its common stock. In December 2014, the Board of Directors declared a 12% increase in the regular quarterly cash dividend, increasing it from $0.34 per share to $0.38 per share. On October 2, 2015, the Company's Board of Directors declared a cash dividend of $0.38 per share payable on October 30, 2015 to shareholders of record on October 16, 2015. Our ability to pay dividends could be affected by future business performance, liquidity, capital needs, alternative investment opportunities and loan covenants.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements as defined by Item 303(a)(4)(ii) of Regulation S-K.

Contractual Obligations

The following table sets forth our best estimates as to the amounts and timing of minimum contractual payments for our most significant contractual obligations and commitments as of August 31, 2015 for the next five years and thereafter (in thousands). Future events could cause actual payments to differ significantly from these amounts.

	Total	1 year	2-3 years	4-5 years	Thereafter
Operating leases	$ 4,080	$ 1,867	$ 1,879	$ 230	$ 104

The following summarizes other commitments which are excluded from the contractual obligations table above as of August 31, 2015:

- We have ongoing relationships with various suppliers (contract manufacturers) who manufacture our products. The contract manufacturers maintain title and control of certain raw materials and components, materials utilized in finished products, and of the finished products themselves until shipment to our customers or third-party distribution centers in accordance with agreed upon shipment terms. Although we typically do not have definitive minimum purchase obligations included in the contract terms with our contract manufacturers, when such obligations have been included, they have been immaterial. In the ordinary course of business, we communicate supply needs to our contract manufacturers based on orders and short-term projections, ranging from two to five months. We are committed to purchase the products produced by the contract manufacturers based on the projections provided. Upon the termination of contracts with contract manufacturers, we obtain certain inventory control rights and are obligated to work with the contract manufacturer to sell through all product held by or manufactured by the contract manufacturer on our behalf during the termination notification period. If any inventory remains at the contract manufacturer at the termination date, we are obligated to purchase such inventory which may include raw materials, components and finished goods.

- Under the current terms of the credit facility agreement with Bank of America, we may borrow funds in U.S. dollars or in foreign currencies from time to time during the five-year period commencing March 13, 2015 through May 13, 2020. As of August 31, 2015, we had $108.0 million outstanding on this credit facility. Based on our most recent cash projections and anticipated business activities, we expect to borrow additional amounts against this credit facility ranging from $20.0 million to $25.0 million in fiscal year 2016. We estimate that the interest associated with these borrowings will be approximately $0.6 million for fiscal year 2016 based on estimated applicable interest rates and the expected dates of future borrowings. For additional details on this revolving line of credit, refer to the information set forth in Note 7 – Debt.

- At August 31, 2015, the liability recorded for uncertain tax positions, excluding associated interest and penalties, was approximately $1.3 million. We have estimated that up to $0.3 million of unrecognized tax benefits related to income tax positions may be affected by the resolution of tax examinations or expiring statutes of limitation within the next twelve months.

Critical Accounting Policies

Our results of operations and financial condition, as reflected in our consolidated financial statements, have been prepared in accordance with accounting principles generally accepted in the United States of America. Preparation of financial statements requires us to make estimates and assumptions affecting the reported amounts of assets, liabilities, revenues and expenses and the disclosures of contingent assets and liabilities. We use historical experience and other relevant factors when developing estimates and assumptions and these estimates and assumptions are continually evaluated. Note 2 to our consolidated financial statements included in Item 15 of this report includes a discussion of the Company's significant accounting policies. The accounting policies discussed below are the ones we consider to be most critical to an understanding of our consolidated financial statements because their application places the most significant demands on our judgment. Our financial results may have varied from those reported had different assumptions been used or other conditions prevailed. Our critical accounting policies have been reviewed with the Audit Committee of the Board of Directors.

Revenue Recognition and Sales Incentives

Sales are recognized as revenue at the time of delivery to our customer when risks of loss and title have passed. Sales are recorded net of allowances for damaged goods and other sales returns, sales incentives, trade promotions and cash discounts.

For certain of our sales we must make judgments and certain assumptions in order to determine when delivery has occurred. Through an analysis of end-of-period shipments for these particular sales, we determine an average time of transit of product to our customers, and this is used to estimate the time of delivery and whether revenue should be recognized during the current reporting period for such shipments. Differences in judgments or estimates related to the lengthening or shortening of the estimated delivery time used could result in material differences in the timing of revenue recognition.

Sales incentives are recorded as a reduction of sales in our consolidated statements of operations. Sales incentives include on-going trade promotion programs with customers and consumer coupon programs that require us to estimate and accrue for the expected costs of such programs. These programs include cooperative marketing programs, shelf price reductions, coupons, rebates, consideration and allowances given to retailers for shelf space and/or favorable display positions in their stores and other promotional activities. Costs related to these sales incentive programs, with the exception of coupon costs, are recorded as a reduction to sales upon delivery of products to customers. Coupon costs are based upon historical redemption rates and are recorded as a reduction to sales as incurred, which is when the coupons are circulated.

Sales incentives are calculated based primarily on historical rates and consideration of recent promotional activities. The determination of sales incentive costs and the related liabilities require us to use judgment for estimates that include current and past trade promotion spending patterns, status of trade promotion activities and the interpretation of historical spending trends by customer and category. We review our assumptions and adjust our sales incentive allowances accordingly on a quarterly basis. Our consolidated financial statements could be materially impacted if the actual promotion rates are different from the estimated rates. If our accrual estimates for sales incentives at August 31, 2015 were to differ by 10%, the impact on net sales would be approximately $0.6 million.

Accounting for Income Taxes

Current income tax expense is the amount of income taxes expected to be payable for the current year. A deferred income tax liability or asset is established for the expected future tax consequences resulting from the differences in financial reporting and tax bases of assets and liabilities. A valuation allowance is provided if it is more likely than not that some or all of the deferred tax assets will not be realized. In addition to valuation allowances, we provide for uncertain tax positions when such tax positions do not meet the recognition thresholds or measurement standards prescribed by the authoritative guidance on income taxes. Amounts for uncertain tax positions are adjusted in periods when new information becomes available or when positions are effectively settled. We recognize accrued interest and penalties related to uncertain tax positions as a component of income tax expense.

U.S. federal income tax expense is provided on remittances of foreign earnings and on unremitted foreign earnings that are not indefinitely reinvested. U.S. federal income taxes and foreign withholding taxes are not provided when foreign earnings are indefinitely reinvested. We determine whether our foreign subsidiaries will invest their undistributed earnings indefinitely based on the capital needs of the foreign subsidiaries. We reassess this determination each reporting period. Changes to this determination may be warranted based on our experience as well as plans regarding future international operations and expected remittances.

Valuation of Goodwill

The carrying value of goodwill is reviewed for possible impairment in accordance with the authoritative guidance on goodwill, intangibles and other. We assess for possible impairments to goodwill at least annually during our second fiscal quarter and otherwise when events or changes in circumstances indicate that an impairment condition may exist.

During the second quarter of fiscal year 2015, we performed our annual goodwill impairment test. The annual goodwill impairment test was performed at the reporting unit level as required by the authoritative guidance. In accordance with ASU No. 2011-08, "*Testing Goodwill for Impairment*", we performed the two-step quantitative assessment for each of our reporting units to determine whether the fair value of any of the reporting units were less than their carrying amounts. We determined the fair value of our reporting units in step one of the analysis by following the income approach which uses a discounted cash flow methodology. When using the discounted cash flow methodology, the fair value of each of the reporting units is based on the present value of the estimated future cash flows of each of the respective reporting units. The discounted cash flow methodology also requires management to make assumptions about certain key inputs in the estimated cash flows, including long-term sales forecasts or growth rates, terminal growth rates and discount rates, all of which are inherently uncertain. We determined that a discount rate of 9%, a sales growth rate of 4.5% and a terminal growth rate of 2% was appropriate to use in step one of the analysis for all of our reporting units. The forecast of future cash flows was based on management's best estimates of sales growth rates and operating margins for the next five fiscal years. The discount rate used was based on the current weighted-average cost of capital for the Company. As these assumptions are largely unobservable, the estimate of fair value analysis falls within Level 3 of the fair value hierarchy. Based on the results of step one of the quantitative two-step analysis, we determined that the estimated fair value of each of our reporting units significantly exceeded their respective carrying values. As a result, step two of the quantitative analysis was not required and we concluded that no impairment of our goodwill existed as of February 28, 2015. We also did not identify or record any impairment losses related to our goodwill during our annual impairment tests performed in fiscal years 2014 and 2013.

While we believe that the estimates and assumptions used in our goodwill impairment test and analyses are reasonable, actual events and results could differ substantially from those included in the calculation. In the event that business conditions change in the future, we may be required to reassess and update our forecasts and estimates used in subsequent goodwill impairment analyses. If the results of these future analyses are lower than current estimates, an impairment charge to our goodwill balances may result at that time.

In addition, there were no indicators of impairment identified as a result of our review of events and circumstances related to our goodwill subsequent to February 28, 2015.

Impairment of Definite-Lived Intangible Assets

We assess for potential impairments to our long-lived assets when there is evidence that events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable and/or its estimated remaining useful life may no longer be appropriate. Any required impairment loss would be measured as the amount by which the asset's carrying amount exceeds its fair value, which is the amount at which the asset could be bought or sold in a current transaction between willing market participants and would be recorded as a reduction in the carrying amount of the related asset and a charge to results of operations. An impairment loss would be recognized when the sum of the expected future undiscounted net cash flows is less than the carrying amount of the asset.

During the fourth quarter of fiscal year 2013, as part of the Company's ongoing evaluation of potential strategic alternatives for certain of its homecare and cleaning products, the Company determined based on its review of events and circumstances that there were indicators of impairment for the Carpet Fresh and 2000 Flushes trade names. Management accordingly performed the Step 1 recoverability test for these two trade names and based on the results of this analysis, it was determined that the total of the undiscounted cash flows significantly exceeded the carrying value for the Carpet Fresh asset group and that no impairment existed for this trade name as of August 31, 2013. However, the Step 1 analysis indicated that the carrying value of the asset group for the 2000 Flushes trade name exceeded its undiscounted future cash flows, and consequently, a second phase of the impairment test ("Step 2") was performed specific to the 2000 Flushes trade name to determine whether this trade name was impaired. The 2000 Flushes trade name failed Step 1 in the fourth quarter analysis primarily driven by changes in management's current expectations for future growth and profitability for the 2000 Flushes trade name as compared to those used in the previous Step 1 analysis performed in the third quarter of fiscal year 2013. In performing the Step 2 analysis, the Company determined the fair value of the asset group utilizing the income approach, which is based on the present value of the estimated future cash flows. The calculation that is prepared in order to determine the estimated fair value of an asset group requires management to make assumptions about key inputs in the estimated cash flows, including long-term forecasts, discount rates and terminal growth rates. In estimating the fair value of the 2000 Flushes trade name, the Company applied a discount rate of 11.3%, annual revenue growth rates ranging from negative 13.6% to positive 1.5% and a long-term terminal growth rate of 1.5%. Cash flow projections used were based on management's estimates of revenue growth rates, contribution margins and EBITDA. The discount rate used was based on the weighted-average cost of capital. The Company also considered the fair value concepts of a market participant and thus all amounts included in the long-term forecast reflect management's best estimate of what a market participant could realize over the projection period. After taking all of these factors into consideration, the estimated fair value of the asset group was then compared to the carrying value of the 2000 Flushes trade name asset group to determine the amount of the impairment. The inputs used in the impairment fair value analysis fall within Level 3 of the fair value hierarchy due to the significant unobservable inputs used to determine fair value. Based on the results of this Step 2 analysis, the 2000 Flushes asset group's estimated fair value was determined to be lower than its carrying value. Consequently, the Company recorded a non-cash, before tax impairment charge of $1.1 million in the fourth quarter of fiscal year 2013 to reduce the carrying value of the 2000 Flushes asset to its estimated fair value of $7.9 million. The carrying value of the 2000 Flushes asset was $5.5 and $6.7 million at August 31, 2015 and 2014, respectively. There were no indicators of potential impairment identified as a result of the Company's review of events and circumstances related to its existing definite-lived intangible assets for the periods ended August 31, 2015 and 2014.

An intangible asset valuation is dependent on a number of significant estimates and assumptions, including macroeconomic conditions, overall category growth rates, sales growth rates, cost containment and margin expansion and expense levels for advertising and promotions and general overhead, all of which must be developed from a market participant standpoint. While we believe that the estimates and assumptions that we used in our analysis are reasonable, actual events and results could differ substantially from those included in the valuation. In the event that business conditions change in the future, we may be required to reassess and update our forecasts and estimates used in subsequent impairment analyses. If the results of these future analyses are lower than current estimates, an additional impairment charge may result at that time.

Recently Issued Accounting Standards

In May 2014, the FASB issued ASU No. 2014-09, "*Revenue from Contracts with Customers"*, which supersedes the revenue recognition requirements in ASC 605, "*Revenue Recognition"*. The core principle of this updated guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new rule also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. This guidance was originally to be effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. In July 2015, the FASB approved a one year deferral for the effective date of this guidance. Early adoption is permitted but only to the original effective date. The Company does not intend to adopt this guidance early and it will become effective for the Company on September 1, 2018 with the one year deferral. Companies are permitted to adopt this new rule following either a full or modified retrospective approach. The Company has not yet decided which implementation method it will adopt. The Company is also in the process of evaluating the potential impacts of this updated authoritative guidance on its consolidated financial statements.

In July 2015, the FASB issued ASU No. 2015-11, *Simplifying the Measurement of Inventory,* which simplifies the subsequent measurement of inventories valued under first-in, first-out ("FIFO") or the average cost method. Under this new guidance, inventory will be measured at the lower of cost and net realizable value, with net realizable value defined as the estimated selling price less reasonable costs to sell the inventory. Subsequent measurement is unchanged for inventory measured using last-in, first-out ("LIFO") or the retail inventory method. This guidance is effective for fiscal years beginning after December 15, 2016, including interim periods within that reporting period. Early adoption is permitted and should be applied prospectively. The Company is in the process of evaluating the potential impacts of this new guidance on its consolidated financial statements.

In June 2015, the FASB issued ASU No. 2015-10, *Technical Corrections and Improvements,* which covers a wide range of topics in the Codification. The amendments in ASU 2015-10 represent changes to clarify the Codification, correct unintended application of guidance, and make minor improvements to the Codification. These amendments are not expected to have a significant effect on current accounting practice or create a significant administrative cost to most entities. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015, including interim periods within that reporting period. The Company is in the process of evaluating the potential impacts of this new guidance on its consolidated financial statements.

In April 2015, the FASB issued ASU No. 2015-05, "*Intangibles-Goodwill and Other – Internal-Use Software (Subtopic 350-40): Customer's Accounting for Fees Paid in a Cloud Computing Arrangement"*, which provides guidance on accounting for fees paid by a customer in a cloud computing arrangement. If a cloud computing arrangement includes a software license, then the customer should account for the software license element of the arrangement consistent with the acquisition of other software licenses. If a cloud computing arrangement does not include a software license, the customer should account for the arrangement as a service contract. This guidance is effective for fiscal years beginning after December 15, 2015, including interim periods within that reporting period. Early adoption is permitted. The Company has evaluated the potential impacts of this updated guidance, and it does not expect the adoption of this guidance to have a material impact on its consolidated financial statements.

In February 2015, the FASB issued ASU No. 2015-02, *"Consolidation (Topic 810): Amendments to the Consolidation Analysis",* which amends existing consolidation guidance for reporting organizations such as limited partnerships and other similar entities that are required to evaluate whether they should consolidate certain legal entities. This guidance is effective for fiscal years beginning after December 15, 2015, including interim periods within that reporting period. Early adoption is permitted. The Company has evaluated the potential impacts of this updated guidance, and it does not expect the adoption of this guidance to have a material impact on its consolidated financial statements and related disclosures.

Related Parties

On October 11, 2011, the Company's Board of Directors elected Mr. Gregory A. Sandfort as a director of WD-40 Company. Mr. Sandfort is President and Chief Executive Officer of Tractor Supply Company ("Tractor Supply"), which is a WD-40 Company customer that acquires products from the Company in the ordinary course of business.

The consolidated financial statements include sales to Tractor Supply of $1.1 million and $1.2 million for fiscal years 2015 and 2014, respectively. Accounts receivable from Tractor Supply were not material as of August 31, 2015.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Foreign Currency Risk

The Company is exposed to a variety of risks, including foreign currency exchange rate fluctuations. In the normal course of business, the Company employs established policies and procedures to manage its exposure to fluctuations in foreign currency values.

All of the Company's international subsidiaries operate in functional currencies other than the U.S. dollar. As a result, the Company is exposed to foreign currency related risk when the financial statements of its international subsidiaries are translated for consolidation purposes from functional currencies to U.S. dollars. This foreign currency risk can affect sales, expenses and profits as well as assets and liabilities that are denominated in currencies other than the U.S. dollar. The Company does not enter into any hedging activities to mitigate this foreign currency translation risk.

The Company's U.K. subsidiary, whose functional currency is Pound Sterling, utilizes foreign currency forward contracts to limit its exposure in converting forecasted cash balances denominated in non-functional currencies. The principal currency that creates the foreign currency exposures at the U.K. subsidiary is the Euro. The Company regularly monitors its foreign exchange exposures to ensure the overall effectiveness of its foreign currency hedge positions. While the Company engages in foreign currency hedging activity to reduce its risk, for accounting purposes, none of its foreign currency forward contracts are designated as hedges.

Interest Rate Risk

As of August 31, 2015, the Company had a $108.0 million outstanding balance on its existing $150.0 million revolving credit facility agreement with Bank of America. This $150.0 million revolving credit facility is subject to interest rate fluctuations. Under the terms of the credit facility agreement, the Company may borrow loans in U.S. dollars or in foreign currencies from time to time until May 13, 2020. All loans denominated in U.S. dollars will accrue interest at the bank's Prime rate or at LIBOR plus a margin of 0.85 percent (together with any applicable mandatory liquid asset costs imposed by non-U.S. banking regulatory authorities). All loans denominated in foreign currencies will accrue interest at LIBOR plus 0.85 percent. Any significant increase in the bank's Prime rate and/or LIBOR rate could have a material effect on interest expense incurred on any borrowings outstanding under the credit facility.

Item 8. Financial Statements and Supplementary Data

The Company's consolidated financial statements at August 31, 2015 and 2014 and for each of the three fiscal years in the period ended August 31, 2015, and the Report of Independent Registered Public Accounting Firm, are included in Item 15 of this report.

Quarterly Financial Data (Unaudited)

The following table sets forth certain unaudited quarterly consolidated financial data (in thousands, except per share data):

	Fiscal Year Ended August 31, 2015				
	1st	2nd	3rd	4th	Total
Net sales	$ 96,353	$ 97,331	$ 92,485	$ 91,981	$ 378,150
Gross profit	$ 49,701	$ 51,233	$ 49,272	$ 49,972	$ 200,178
Net income	$ 10,786	$ 11,333	$ 10,965	$ 11,723	$ 44,807
Diluted earnings per common share	$ 0.73	$ 0.76	$ 0.75	$ 0.80	$ 3.04

	Fiscal Year Ended August 31, 2014				
	1st	2nd	3rd	4th	Total
Net sales	$ 95,541	$ 94,184	$ 95,650	$ 97,622	$ 382,997
Gross profit	$ 49,673	$ 48,558	$ 49,139	$ 51,483	$ 198,853
Net income	$ 11,482	$ 10,317	$ 10,406	$ 11,541	$ 43,746
Diluted earnings per common share	$ 0.74	$ 0.67	$ 0.69	$ 0.77	$ 2.87

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The term “disclosure controls and procedures” is defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934 (“Exchange Act”). The term disclosure controls and procedures means controls and other procedures of a Company that are designed to ensure the information required to be disclosed by the Company in the reports that it files or submits under the Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosures. The Company’s Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of the Company’s disclosure controls and procedures as of August 31, 2015, the end of the period covered by this report (the Evaluation Date), and they have concluded that, as of the Evaluation Date, such controls and procedures were effective at ensuring that required information will be disclosed on a timely basis in the Company’s reports filed under the Exchange Act. Although management believes the Company’s existing disclosure controls and procedures are adequate to enable the Company to comply with its disclosure obligations, management continues to review and update such controls and procedures. The Company has a disclosure committee, which consists of certain members of the Company’s senior management.

Management’s Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, management conducted an evaluation of the effectiveness of its internal control over financial reporting based upon the framework in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. Based on that evaluation, management concluded that its internal control over financial reporting is effective as of August 31, 2015.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

PricewaterhouseCoopers LLP, independent registered public accounting firm, who audited and reported on the consolidated financial statements of WD-40 Company included in Item 15 of this report, has audited the effectiveness of WD-40 Company’s internal control over financial reporting as of August 31, 2015, as stated in their report included in Item 15 of this report.

Changes in Internal Control over Financial Reporting

For the quarter ended August 31, 2015, there were no significant changes to the Company’s internal control over financial reporting that materially affected, or would be reasonably likely to materially affect, its internal control over financial reporting.

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Certain information required by this item is set forth under the headings "Security Ownership of Directors and Executive Officers," "Nominees for Election as Directors," "Audit Committee" and "Section 16(a) Beneficial Ownership Reporting Compliance" in the Company's Proxy Statement to be filed with the Securities and Exchange Commission in connection with the 2015 Annual Meeting of Stockholders on December 8, 2015 ("Proxy Statement"), which information is incorporated by reference herein. Additional information concerning executive officers of the Registrant required by this item is included in this report following Item 4 of Part I under the heading, "Executive Officers of the Registrant."

The Registrant has a code of ethics (as defined in Item 406 of Regulation S-K under the Exchange Act) applicable to its principal executive officer, principal financial officer, principal accounting officer or controller and persons performing similar functions. The code of ethics is represented by the Registrant's Code of Conduct applicable to all employees and directors. A copy of the Code of Conduct may be found on the Registrant's internet website on the Corporate Governance link from the Investors page at www.wd40company.com.

Item 11. Executive Compensation

Information required by this item is incorporated by reference to the Proxy Statement under the headings "Board of Directors Compensation," "Compensation Committee Interlocks and Insider Participation," "Compensation Discussion and Analysis," "Compensation Committee Report," "Executive Compensation," "Supplemental Death Benefit Plans and Supplemental Insurance Benefits" and "Change of Control Severance Agreements."

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Certain information required by this item is incorporated by reference to the Proxy Statement under the headings "Principal Security Holders" and "Security Ownership of Directors and Executive Officers."

Equity Compensation Plan Information

The following table provides information regarding shares of the Company's common stock authorized for issuance under equity compensation plans as of August 31, 2015:

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	287,917 [(1)]	$ 34.97 [(2)]	1,747,588
Equity compensation plans not approved by security holders	n/a	n/a	n/a
	287,917 [(1)]	$ 34.97 [(2)]	1,747,588

(1) Includes 62,620 securities to be issued upon exercise of outstanding stock options; 136,895 securities to be issued pursuant to outstanding restricted stock units; 57,604 securities to be issued pursuant to outstanding market share units ("MSUs") based on 100% of the target number of MSU shares to be issued upon achievement of the applicable performance measure specified for such MSUs; and 30,798 securities to be issued pursuant to outstanding deferred performance units ("DPUs") based on 100% of the maximum number of DPU shares to be issued upon achievement of the applicable performance measure specified for such DPUs.

(2) Weighted average exercise price only applies to stock options outstanding of 62,620, which is included as a component of the number of securities to be issued upon exercise of outstanding options, warrants and rights.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Information required by this item is incorporated by reference to the Proxy Statement under the headings "Director Independence", "Audit Committee" and "Related Party Transactions Review and Oversight."

Item 14. Principal Accountant Fees and Services

Information required by this item is incorporated by reference to the Proxy Statement under the heading "Ratification of Appointment of Independent Registered Public Accounting Firm."

PART IV

Item 15. Exhibits, Financial Statement Schedules

(2) Financial statement schedules are omitted because they are not applicable or the required information is shown in the consolidated financial statements or notes thereto.

(3) Exhibits

Exhibit No.	Description
	Articles of Incorporation and Bylaws.
3(a)	Certificate of Incorporation, incorporated by reference from the Registrant's Form 10-K filed October 22, 2012, Exhibit 3(a) thereto.
3(b)	Amended and Restated Bylaws of WD-40 Company, incorporated by reference from the Registrant's Form 8-K filed June 25, 2012, Exhibit 3(b) thereto.
	Material Contracts.
	Executive Compensation Plans and Arrangements (Exhibits 10(a) through 10(o) are management contracts and compensatory plans or arrangements required to be filed as exhibits pursuant to Item 15(b)).
10(a)	WD-40 Company 2007 Stock Incentive Plan, incorporated by reference from the Registrant's Form 10-K filed October 22, 2012, Exhibit 10(a) thereto.
10(b)	Fourth Amended and Restated WD-40 Company 1990 Incentive Stock Option Plan.
10(c)	WD-40 Directors' Compensation Policy and Election Plan dated October 15, 2013, incorporated by reference from the Registrant's Form 10-K filed October 22, 2013, Exhibit 10(c) thereto.
10(d)	Form of Indemnity Agreement between the Registrant and its executive officers and directors, incorporated by reference from the Registrant's Form 10-K filed October 22, 2013, Exhibit 10(d) thereto.
10(e)	Form of Market Share Unit Award Agreement, incorporated by reference from the Registrant's Form 8-K filed October 25, 2012, Exhibit 10(a) thereto.
10(f)	Amended and Restated of WD-40 Company's Performance Incentive Compensation Plan, incorporated by reference from the Registrant's Proxy Statement filed November 1, 2012, Appendix A thereto.
10(g)	Form of WD-40 Company Supplemental Death Benefit Plan applicable to certain executive officers of the Registrant, incorporated by reference from the Registrant's Form 10-K filed October 18, 2010, Exhibit 10(f) thereto.
10(h)	Change of Control Severance Agreement between WD-40 Company and Jay W. Rembolt dated October 16, 2008, incorporated by reference from the Registrant's Form 10-K filed October 21, 2014, Exhibit 10(h) thereto.
10(i)	Change of Control Severance Agreement between WD-40 Company and Richard T. Clampitt dated October 15, 2014, incorporated by reference from the Registrant's Form 10-K filed October 21, 2014, Exhibit 10(i) thereto.
10(j)	Change of Control Severance Agreement between WD-40 Company and Stanley A. Sewitch dated October 15, 2014, incorporated by reference from the Registrant's Form 10-K filed October 21, 2014, Exhibit 10(j) thereto.

10(k)	Change of Control Severance Agreement between WD-40 Company and Michael J. Irwin dated February 14, 2006, incorporated by reference from the Registrant's Form 10-K filed October 20, 2011, Exhibit 10(i) thereto.
10(l)	Change of Control Severance Agreement between WD-40 Company and Michael L. Freeman dated February 14, 2006, incorporated by reference from the Registrant's Form 10-K filed October 20, 2011, Exhibit 10(j) thereto.
10(m)	Change of Control Severance Agreement between WD-40 Company and Geoffrey J. Holdsworth dated February 14, 2006, incorporated by reference from the Registrant's Form 10-K filed October 20, 2011, Exhibit 10(h) thereto.
10(n)	Change of Control Severance Agreement between WD-40 Company and Graham P. Milner dated February 14, 2006, incorporated by reference from the Registrant's Form 10-K filed October 20, 2011, Exhibit 10(l) thereto.
10(o)	Change of Control Severance Agreement between WD-40 Company and William B. Noble dated February 14, 2006, incorporated by reference from the Registrant's Form 10-K filed October 20, 2011, Exhibit 10(m) thereto.
10(p)	Credit Agreement dated June 17, 2011 among WD-40 Company and Bank of America, N.A., incorporated by reference from the Registrant's Form 8-K filed June 17, 2011, Exhibit 10(a) thereto.
10(q)	First Amendment to Credit Agreement dated January 7, 2013 among WD-40 Company and Bank of America, N.A., incorporated by reference from the Registrant's Form 10-Q filed January 9, 2013, Exhibit 10(b) thereto.
10(r)	Second Amendment to Credit Agreement dated May 13, 2015 among WD-40 Company and Bank of America , N.A., incorporated by reference from the Registrant's Form 8-K/A filed May 18, 2015, Exhibit 10(a) thereto
21	Subsidiaries of the Registrant.
23	Consent of Independent Registered Public Accounting Firm dated October 22, 2015.
31(a)	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31(b)	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32(a)	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32(b)	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101. INS	XBRL Instance Document
101. SCH	XBRL Taxonomy Extension Schema Document
101. CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101. DEF	XBRL Taxonomy Extension Definition Linkbase Document
101. LAB	XBRL Taxonomy Extension Labels Linkbase Document
101. PRE	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this annual report to be signed on its behalf by the undersigned, thereunto duly authorized.

WD-40 COMPANY
Registrant

/s/ JAY W. REMBOLT
JAY W. REMBOLT
Vice President, Finance
Treasurer and Chief Financial Officer
Date: October 22, 2015

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

/s/ GARRY O. RIDGE
GARRY O. RIDGE
Chief Executive Officer and Director
(Principal Executive Officer)
Date: October 22, 2015

/s/ GILES H. BATEMAN
GILES H. BATEMAN, Director
Date: October 22, 2015

/s/ PETER D. BEWLEY
PETER D. BEWLEY, Director
Date: October 22, 2015

/s/ MELISSA CLAASSEN
MELISSA CLASSEN, Director
Date: October 22, 2015

/s/ RICHARD A. COLLATO
RICHARD A. COLLATO, Director
Date: October 22, 2015

/s/ MARIO L. CRIVELLO
MARIO L. CRIVELLO, Director
Date: October 22, 2015

/s/ LINDA A. LANG
LINDA A. LANG, Director
Date: October 22, 2015

/s/ GREGORY A. SANDFORT
GREGORY A. SANDFORT, Director
Date: October 22, 2015

/s/ NEAL E. SCHMALE
NEAL E. SCHMALE, Director
Date: October 22, 2015

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of WD-40 Company

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations, of comprehensive income, of shareholders' equity and of cash flows present fairly, in all material respects, the financial position of WD-40 Company and its subsidiaries at August 31, 2015 and August 31, 2014, and the results of their operations and their cash flows for each of the three years in the period ended August 31, 2015 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of August 31, 2015, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 2013. The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on these financial statements and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP

San Diego, CA
October 22, 2015

WD-40 COMPANY
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share amounts)

	August 31, 2015	August 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	$ 53,896	$ 57,803
Short-term investments	48,603	45,050
Trade accounts receivable, less allowance for doubtful accounts of $491 and $406 at August 31, 2015 and 2014, respectively	58,750	63,618
Inventories	32,052	34,989
Current deferred tax assets, net	5,824	5,855
Other current assets	6,127	8,339
Total current assets	205,252	215,654
Property and equipment, net	11,376	9,702
Goodwill	96,409	95,499
Other intangible assets, net	22,961	23,671
Other assets	3,259	3,154
Total assets	$ 339,257	$ 347,680
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 17,128	$ 18,031
Accrued liabilities	15,200	18,382
Revolving credit facility, current portion	-	98,000
Accrued payroll and related expenses	13,357	15,969
Income taxes payable	2,287	1,529
Total current liabilities	47,972	151,911
Revolving credit facility	108,000	-
Long-term deferred tax liabilities, net	23,145	24,253
Other long-term liabilities	2,282	2,101
Total liabilities	181,399	178,265
Commitments and Contingencies (Note 11)		
Shareholders' equity:		
Common stock — authorized 36,000,000 shares, $0.001 par value; 19,546,888 and 19,464,310 shares issued at August 31, 2015 and 2014, respectively; and 14,450,490 and 14,754,362 shares outstanding at August 31, 2015 and 2014, respectively	20	19
Additional paid-in capital	141,651	136,212
Retained earnings	260,683	237,596
Accumulated other comprehensive income (loss)	(8,722)	1,103
Common stock held in treasury, at cost — 5,096,398 and 4,709,948 shares at August 31, 2015 and 2014, respectively	(235,774)	(205,515)
Total shareholders' equity	157,858	169,415
Total liabilities and shareholders' equity	$ 339,257	$ 347,680

See accompanying notes to consolidated financial statements.

WD-40 COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	Fiscal Year Ended August 31,		
	2015	2014	2013
Net sales	$ 378,150	$ 382,997	$ 368,548
Cost of products sold	177,972	184,144	179,385
Gross profit	200,178	198,853	189,163
Operating expenses:			
Selling, general and administrative	108,873	108,577	104,378
Advertising and sales promotion	22,876	23,922	24,811
Amortization of definite-lived intangible assets	3,039	2,617	2,260
Impairment of definite-lived intangible assets	-	-	1,077
Total operating expenses	134,788	135,116	132,526
Income from operations	65,390	63,737	56,637
Other income (expense):			
Interest income	584	596	506
Interest expense	(1,205)	(1,002)	(693)
Other (expense) income, net	(1,659)	(372)	417
Income before income taxes	63,110	62,959	56,867
Provision for income taxes	18,303	19,213	17,054
Net income	$ 44,807	$ 43,746	$ 39,813
Earnings per common share:			
Basic	$ 3.05	$ 2.89	$ 2.55
Diluted	$ 3.04	$ 2.87	$ 2.54
Shares used in per share calculations:			
Basic	14,582	15,072	15,517
Diluted	14,649	15,148	15,619

See accompanying notes to consolidated financial statements.

WD-40 COMPANY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)

	Fiscal Year Ended August 31,		
	2015	2014	2013
Net income	$ 44,807	$ 43,746	$ 39,813
Other comprehensive (loss) income:			
Foreign currency translation adjustment	(9,825)	6,146	(2,316)
Total comprehensive income	$ 34,982	$ 49,892	$ 37,497

See accompanying notes to consolidated financial statements.

WD-40 COMPANY
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands, except share and per share amounts)

	Common Stock		Additional Paid-in	Retained	Accumulated Other Comprehensive	Treasury Stock		Total Shareholders'
	Shares	Amount	Capital	Earnings	Income (Loss)	Shares	Amount	Equity
Balance at August 31, 2012	19,208,845	$ 19	$ 126,210	$ 193,265	$ (2,727)	3,511,311	$ (131,305)	$ 185,462
Issuance of common stock under share-based								
compensation plan, net of shares withheld for taxes	184,134		3,685					3,685
Stock-based compensation			2,453					2,453
Tax benefits from settlements of								
stock-based equity awards			891					891
Cash dividends ($1.22 per share)				(19,044)				(19,044)
Acquisition of treasury stock						596,132	(31,437)	(31,437)
Foreign currency translation adjustment					(2,316)			(2,316)
Net income				39,813				39,813
Balance at August 31, 2013	19,392,979	$ 19	$ 133,239	$ 214,034	$ (5,043)	4,107,443	$ (162,742)	$ 179,507
Issuance of common stock under share-based								
compensation plan, net of shares withheld for taxes	71,331		(129)					(129)
Stock-based compensation			2,263					2,263
Tax benefits from settlements of								
stock-based equity awards			839					839
Cash dividends ($1.33 per share)				(20,184)				(20,184)
Acquisition of treasury stock						602,505	(42,773)	(42,773)
Foreign currency translation adjustment					6,146			6,146
Net income				43,746				43,746
Balance at August 31, 2014	19,464,310	$ 19	$ 136,212	$ 237,596	$ 1,103	4,709,948	$ (205,515)	$ 169,415
Issuance of common stock under share-based								
compensation plan, net of shares withheld for taxes	82,578	1	1,449					1,450
Stock-based compensation			2,782					2,782
Tax benefits from settlements of								
stock-based equity awards			1,208					1,208
Cash dividends ($1.48 per share)				(21,720)				(21,720)
Acquisition of treasury stock						386,450	(30,259)	(30,259)
Foreign currency translation adjustment					(9,825)			(9,825)
Net income				44,807				44,807
Balance at August 31, 2015	19,546,888	$ 20	$ 141,651	$ 260,683	$ (8,722)	5,096,398	$ (235,774)	$ 157,858

See accompanying notes to consolidated financial statements.

WD-40 COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Fiscal Year Ended August 31,		
	2015	2014	2013
Operating activities:			
Net income	$ 44,807	$ 43,746	$ 39,813
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	6,464	5,860	5,359
Impairment of definite-lived intangible assets	-	-	1,077
Net (gains) losses on sales and disposals of property and equipment	(71)	(39)	3
Deferred income taxes	(1,334)	(736)	(1,004)
Excess tax benefits from settlements of stock-based equity awards	(1,205)	(831)	(850)
Stock-based compensation	2,782	2,263	2,453
Unrealized foreign currency exchange losses (gains), net	2,086	(66)	1,113
Provision for bad debts	302	218	511
Changes in assets and liabilities:			
Trade accounts receivable	(314)	(5,821)	(3,800)
Inventories	2,037	(2,237)	(2,829)
Other assets	1,731	(2,209)	(1,998)
Accounts payable and accrued liabilities	(2,464)	(560)	(886)
Accrued payroll and related expenses	(2,722)	(3,047)	10,362
Income taxes payable	2,737	2,001	2,284
Other long-term liabilities	228	188	(39)
Net cash provided by operating activities	55,064	38,730	51,569
Investing activities:			
Purchases of property and equipment	(5,784)	(4,085)	(2,854)
Proceeds from sales of property and equipment	333	331	158
Purchases of intangible assets	-	(1,799)	-
Acquisition of business	(4,117)	-	-
Purchases of short-term investments	(10,575)	(7,710)	(38,838)
Maturities of short-term investments	3,192	2,760	2,000
Net cash used in investing activities	(16,951)	(10,503)	(39,534)
Financing activities:			
Treasury stock purchases	(30,259)	(42,773)	(31,437)
Dividends paid	(21,720)	(20,184)	(19,044)
Proceeds from issuance of common stock	2,111	1,284	4,791
Excess tax benefits from settlements of stock-based equity awards	1,205	831	850
Proceeds from revolving credit facility	10,000	35,000	18,000
Net cash used in financing activities	(38,663)	(25,842)	(26,840)
Effect of exchange rate changes on cash and cash equivalents	(3,357)	1,984	(1,480)
Net (decrease) increase in cash and cash equivalents	(3,907)	4,369	(16,285)
Cash and cash equivalents at beginning of period	57,803	53,434	69,719
Cash and cash equivalents at end of period	$ 53,896	$ 57,803	$ 53,434
Supplemental cash flow information:			
Cash paid for:			
Interest	$ 1,168	$ 915	$ 698
Income taxes, net of tax refunds received	$ 15,414	$ 18,147	$ 16,614

See accompanying notes to consolidated financial statements.

Note 1. The Company

WD-40 Company ("the Company"), based in San Diego, California, is a global marketing organization dedicated to creating positive lasting memories by developing and selling products which solve problems in workshops, factories and homes around the world. The Company markets its maintenance products and its homecare and cleaning products under the following well-known brands: WD-40®, 3-IN-ONE®, GT85®, X-14®, 2000 Flushes®, Carpet Fresh®, no vac®, Spot Shot®, 1001®, Lava® and Solvol®. Currently included in the WD-40 brand are the WD-40 multi-use product and the WD-40 Specialist® and WD-40 Bike™ product lines.

The Company's brands are sold in various locations around the world. Maintenance products are sold worldwide in markets throughout North, Central and South America, Asia, Australia and the Pacific Rim, Europe, the Middle East and Africa. Homecare and cleaning products are sold primarily in North America, the United Kingdom ("U.K.") and Australia. The Company's products are sold primarily through mass retail and home center stores, warehouse club stores, grocery stores, hardware stores, automotive parts outlets, sport retailers, independent bike dealers and industrial distributors and suppliers.

Note 2. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Supplier Risk

The Company relies on a limited number of suppliers, including single or sole source suppliers for certain of its raw materials, packaging, product components and other necessary supplies. Where possible and where it makes business sense, the Company works with secondary or multiple suppliers to qualify additional supply sources. To date, the Company has been able to obtain adequate supplies of these materials which are used in the production of its maintenance products and homecare and cleaning products in a timely manner from existing sources.

Cash and Cash Equivalents

Cash equivalents are highly liquid investments purchased with an original maturity of three months or less.

Short-term Investments

The Company's short-term investments consist of term deposits and callable time deposits. These short-term investments had a carrying value of $48.6 million and $45.0 million at August 31, 2015 and 2014, respectively. These term deposits are subject to penalty for early redemption before their maturity.

Trade Accounts Receivable and Allowance for Doubtful Accounts

Trade accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in existing accounts receivable. The Company determines the allowance for doubtful accounts based on historical write-off experience and the identification of specific balances deemed uncollectible. Trade accounts receivable are charged against the allowance when the Company believes it is probable that the trade accounts receivable will not be recovered. The Company does not have any off-balance sheet credit exposure related to its customers. Allowance for doubtful accounts related to the Company's trade accounts receivable were not significant at August 31, 2015 and 2014.

Inventories

Inventories are stated at the lower of cost or market and cost is determined based on a first-in, first-out method or, for a portion of raw materials inventory, the average cost method. When necessary, the Company adjusts the carrying value of its inventory to the lower of cost or market, including any costs to sell or dispose of such inventory. Appropriate consideration is given by the Company to obsolescence, excessive inventory levels, product deterioration and other factors when evaluating net realizable value for the purposes of determining the lower of cost or market.

Included in inventories are amounts for certain raw materials and components that the Company has provided to its third-party contract manufacturers but that remain unpaid to the Company as of the balance sheet date. The Company's contract manufacturers package products to the Company's specifications and, upon order from the Company, ship ready-to-sell inventory to either the Company's third-party distribution centers or directly to its customers. The Company transfers certain raw materials and components to these contract manufacturers for use in the manufacturing process. Contract manufacturers are obligated to pay the Company for these raw materials and components upon receipt. Amounts receivable from the contract manufacturers as of the balance sheet date related to transfers of these raw materials and components by the Company to its contract manufacturers are considered product held at third-party contract manufacturers and are included in inventories in the accompanying consolidated balance sheets.

Property and Equipment

Property and equipment is stated at cost. Depreciation is computed using the straight-line method based upon estimated useful lives of ten to forty years for buildings and improvements, three to fifteen years for machinery and equipment, three to five years for vehicles, three to ten years for furniture and fixtures and three to five years for software and computer equipment. Depreciation expense totaled $3.4 million, $3.2 million and $3.1 million for fiscal years 2015, 2014 and 2013, respectively. These amounts include factory depreciation expense which is recognized as cost of products sold and totaled $0.8 million, $1.0 million and $1.2 million for fiscal years 2015, 2014 and 2013, respectively.

Software

The Company capitalizes costs related to computer software obtained or developed for internal use. Software obtained for internal use has generally been enterprise-level business and finance software that the Company customizes to meet its specific operational needs. Costs incurred in the application development phase are capitalized and amortized over their useful lives, which are generally three to five years.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of tangible and intangible assets acquired. The carrying value of goodwill is reviewed for possible impairment in accordance with the authoritative guidance on goodwill, intangibles and other. The Company assesses possible impairments to goodwill at least annually during its second fiscal quarter and otherwise when events or changes in circumstances indicate that an impairment condition may exist. In performing the annual impairment test of its goodwill, the Company considers the fair value concepts of a market participant and the highest and best use for its intangible assets. In addition to the annual impairment test, goodwill is evaluated each reporting period to determine whether events and circumstances would more likely than not reduce the fair value of a reporting unit below its carrying value.

In accordance with Accounting Standards Update ("ASU") No. 2011-08, "*Testing Goodwill for Impairment*", companies are permitted to first assess qualitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test. If, after assessing qualitative factors, an entity determines it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then performing the two-step impairment test is unnecessary. If deemed necessary, a two-step quantitative test is performed to identify the potential impairment and to measure the amount of goodwill impairment, if any. Any required impairment losses are recorded as a reduction in the carrying amount of the related asset and charged to results of operations. No impairments to its goodwill were identified by the Company during fiscal years 2015, 2014 and 2013.

Long-lived Assets

The Company's long-lived assets consist of property and equipment and definite-lived intangible assets. Long-lived assets are depreciated or amortized, as applicable, on a straight-line basis over their estimated useful lives. The Company assesses potential impairments to its long-lived assets when there is evidence that events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable and/or its remaining useful life may no longer be appropriate. Any required impairment loss would be measured as the amount by which the asset's carrying amount exceeds its fair value, which is the amount at which the asset could be bought or sold in a current transaction between willing market participants and would be recorded as a reduction in the carrying amount of the related asset and a charge to results of operations. An impairment loss would be recognized when the sum of the expected future undiscounted net cash flows is less than the carrying amount of the asset.

No impairments to its long-lived assets were identified by the Company during fiscal years 2015 or 2014. During the fourth quarter of fiscal year 2013, the Company recorded a non-cash, before tax impairment charge of $1.1 million to reduce the carrying value of the 2000 Flushes trade name intangible asset to its fair value. For additional details, refer to the information set forth in Note 5 – Goodwill and Other Intangible Assets.

Fair Value of Financial Instruments

Accounting Standards Codification ("ASC") 820, "*Fair Value Measurements and Disclosures"*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company categorizes its financial assets and liabilities measured at fair value into a hierarchy that categorizes fair value measurements into the following three levels based on the types of inputs used in measuring their fair value:

Level 1: Observable inputs such as quoted market prices in active markets for identical assets or liabilities;
Level 2: Observable market-based inputs or observable inputs that are corroborated by market data; and
Level 3: Unobservable inputs reflecting the Company's own assumptions.

Under fair value accounting, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. As of August 31, 2015, the Company had no assets or liabilities that are measured at fair value in the financial statements on a recurring basis, with the exception of the foreign currency forward contracts, which are classified as Level 2 within the fair value hierarchy. The carrying values of cash equivalents, short-term investments and short-term borrowings are recorded at cost, which approximates their fair values primarily due to their short-term maturities and are classified as Level 2 within the fair value hierarchy.

During the fiscal years ended August 31, 2015 and 2014, the Company did not record any significant nonrecurring fair value measurements for assets or liabilities in periods subsequent to their initial recognition. During the fourth quarter of fiscal year 2013, the Company was required to make a nonrecurring fair value measurement related to the 2000 Flushes trade name intangible asset, for which an impairment charge of $1.1 million was recorded during that quarter. For additional details, refer to the information set forth in Note 5 – Goodwill and Other Intangible Assets.

Concentration of Credit Risk

Financial instruments, which potentially subject the Company to significant concentrations of credit risk, consist principally of cash and cash equivalents, short-term investments and trade accounts receivable. The Company's policy is to place its cash in high credit quality financial institutions, in investments that include demand deposits, term deposits and callable time deposits. The Company's trade accounts receivable are derived from customers located in North America, South America, Asia-Pacific, Europe, the Middle East, Africa and India. The Company limits its credit exposure from trade accounts receivable by performing on-going credit evaluations of customers, as well as insuring its trade accounts receivable in selected markets.

Insurance Coverage

The Company carries insurance policies to cover insurable risks such as property damage, business interruption, product liability, workers' compensation and other risks, with coverage and other terms that it believes to be adequate and appropriate. These policies may be subject to applicable deductible or retention amounts, coverage limitations and exclusions. The Company does not maintain self-insurance with respect to its material risks; therefore, the Company has not provided for self-insurance reserves as of August 31, 2015 and 2014.

Revenue Recognition and Sales Incentives

Sales are recognized as revenue at the time of delivery to the customer when risks of loss and title have passed. Sales are recorded net of allowances for damaged goods and other sales returns, sales incentives, trade promotions and cash discounts.

The Company records the costs of promotional activities such as sales incentives, trade promotions, coupon offers and cash discounts that are given to its customers as a reduction of sales in its consolidated statements of operations. The Company offers on-going trade promotion programs with customers and consumer coupon programs that require the Company to estimate and accrue the expected costs for such programs. Programs include cooperative marketing programs, shelf price reductions, coupons, rebates, consideration and allowances given to retailers for shelf space and/or favorable display positions in their stores and other promotional activities. Costs related to rebates, cooperative advertising and other promotional activities are recorded as a reduction to sales upon delivery of the Company's products to its customers. Coupon costs are based upon historical redemption rates and are recorded as a reduction to sales as incurred, which is when the coupons are circulated.

Cost of Products Sold

Cost of products sold primarily includes the cost of products manufactured on the Company's behalf by its third-party contract manufacturers, net of volume and other rebates. Cost of products sold also includes the costs to manufacture WD-40 concentrate, which is done at the Company's own facilities or at third-party contract manufacturers. When the concentrate is manufactured by the Company, cost of products sold includes direct labor, direct materials and supplies; in-bound freight costs related to purchased raw materials and finished product; and depreciation of machinery and equipment used in the manufacturing process.

Selling, General and Administrative Expenses

Selling, general and administrative expenses include costs related to selling the Company's products, such as the cost of the sales force and related sales and broker commissions; shipping and handling costs paid to third-party companies to distribute finished goods from the Company's third-party contract manufacturers and distribution centers to its customers; other general and administrative costs related to the Company's business such as general overhead, legal and accounting fees, insurance, and depreciation; and other employee-related costs to support marketing, human resources, finance, supply chain, information technology and research and development activities.

Shipping and Handling Costs

Shipping and handling costs associated with in-bound freight and movement of product from third-party contract manufacturers to the Company's third-party warehouses are capitalized in the cost of inventory and subsequently included in cost of sales when the associated revenue is recognized in the statement of operations. Shipping and handling costs associated with out-bound transportation are included in selling, general and administrative expenses and are recorded at the time of shipment of product to the Company's customers. Out-bound shipping and handling costs were $15.8 million, $16.2 million and $15.7 million for fiscal years 2015, 2014 and 2013, respectively.

Advertising and Sales Promotion Expenses

Advertising and sales promotion expenses are expensed as incurred. Advertising and sales promotion expenses include costs associated with promotional activities that the Company pays to third parties, which include costs for advertising (television, print media and internet), administration of coupon programs, consumer promotions, product demonstrations, public relations, agency costs, package design expenses and market research costs. Total advertising and sales promotion expenses were $22.9 million, $23.9 million and $24.8 million for fiscal years 2015, 2014 and 2013, respectively.

Research and Development

The Company is involved in research and development efforts that include the ongoing development or innovation of new products and the improvement, extension or renovation of existing products or product lines. All research and development costs are expensed as incurred and are included in selling, general and administrative expenses. Research and development expenses were $9.0 million, $6.9 million and $7.2 million in fiscal years 2015, 2014 and 2013, respectively. These expenses include costs associated with general research and development activities, as well as those associated with internal staff, overhead, design testing, market research and consultants.

Income Taxes

Current income tax expense is the amount of income taxes expected to be payable for the current year. A deferred income tax liability or asset is established for the expected future tax consequences resulting from the differences in financial reporting and tax bases of assets and liabilities. A valuation allowance is provided if it is more likely than not that some or all of the deferred tax assets will not be realized. In addition to valuation allowances, the Company provides for uncertain tax positions when such tax positions do not meet the recognition thresholds or measurement standards prescribed by the authoritative guidance on income taxes. Amounts for uncertain tax positions are adjusted in periods when new information becomes available or when positions are effectively settled. The Company recognizes accrued interest and penalties related to uncertain tax positions as a component of income tax expense.

U.S. federal income tax expense is provided on remittances of foreign earnings and on unremitted foreign earnings that are not indefinitely reinvested. U.S. federal income taxes and foreign withholding taxes are not provided when foreign earnings are indefinitely reinvested. The Company determines whether its foreign subsidiaries will invest their undistributed earnings indefinitely based on the capital needs of the foreign subsidiaries and reassesses this determination each reporting period. Changes to the Company's determination may be warranted based on the Company's experience as well as its plans regarding future international operations and expected remittances.

Foreign Currency

The Company translates the assets and liabilities of its foreign subsidiaries into U.S. dollars at current rates of exchange in effect at the end of the reporting period. Income and expense items are translated at rates that approximate the rates in effect at the transaction date. Gains and losses from translation are included in accumulated other comprehensive income or loss. Gains or losses resulting from foreign currency transactions (transactions denominated in a currency other than the entity's functional currency) are included as other income (expense) in the Company's consolidated statements of operations. The Company had \$1.7 million and \$0.4 million of net losses, and \$0.4 million of net gains in foreign currency transactions during fiscal years 2015, 2014 and 2013, respectively.

In the normal course of business, the Company employs established policies and procedures to manage its exposure to fluctuations in foreign currency exchange rates. The Company's U.K. subsidiary, whose functional currency is Pound Sterling, utilizes foreign currency forward contracts to limit its exposure in converting forecasted cash balances denominated in non-functional currencies. The principal currency affected is the Euro. The Company regularly monitors its foreign currency exchange rate exposures to ensure the overall effectiveness of its foreign currency hedge positions. While the Company engages in foreign currency hedging activity to reduce its risk, for accounting purposes, none of its foreign currency forward contracts are designated as hedges.

Foreign currency forward contracts are carried at fair value, with net realized and unrealized gains and losses recognized currently in other income (expense) in the Company's consolidated statements of operations. Cash flows from settlements of foreign currency forward contracts are included in operating activities in the consolidated statements of cash flows. Foreign currency forward contracts in an asset position at the end of the reporting period are included in other current assets, while foreign currency forward contracts in a liability position at the end of the reporting period are included in accrued liabilities in the Company's consolidated balance sheets. At August 31, 2015, the Company had a notional amount of \$7.4 million outstanding in foreign currency forward contracts, which mature from September 2015 through November 2015. Unrealized net gains related to foreign currency forward contracts were not significant at August 31, 2015 and 2014. Realized net gains and losses related to foreign currency forward contracts were not material for each of the twelve month periods ended August 31, 2015 and 2014.

Earnings per Common Share

Unvested share-based payment awards that contain nonforfeitable rights to dividends or dividend equivalents, whether paid or unpaid, are participating securities that are required to be included in the computation of earnings per common share pursuant to the two-class method. Accordingly, the Company's outstanding unvested, if any, and outstanding vested stock-based equity awards that provide such nonforfeitable rights to dividend equivalents are included as participating securities in the calculation of earnings per common share ("EPS") pursuant to the two-class method.

The Company calculates EPS using the two-class method, which provides for an allocation of net income between common stock and other participating securities based on their respective participation rights to share in dividends. Basic EPS is calculated by dividing net income available to common shareholders for the period by the weighted-average number of common shares outstanding during the period. Net income available to common shareholders for the period includes dividends paid to common shareholders during the period plus a proportionate share of undistributed net income allocable to common shareholders for the period; the proportionate share of undistributed net income allocable to common shareholders for the period is based on the proportionate share of total weighted-average common shares and participating securities outstanding during the period.

Diluted EPS is calculated by dividing net income available to common shareholders for the period by the weighted-average number of common shares outstanding during the period increased by the weighted-average number of potentially dilutive common shares (dilutive securities) that were outstanding during the period if the effect is dilutive. Dilutive securities are comprised of stock options, restricted stock units, market share units and deferred performance units granted under the Company's prior stock option plan and current equity incentive plan.

Stock-based Compensation

The Company accounts for stock-based equity awards exchanged for employee and non-employee director services in accordance with the authoritative guidance for share-based payments. Under such guidance, stock-based compensation expense is measured at the grant date, based on the estimated fair value of the award, and is recognized as expense, net of estimated forfeitures, over the requisite service period. Compensation expense is amortized on a straight-line basis over the requisite service period for the entire award, which is generally the maximum vesting period of the award.

The fair value of stock options is determined using a Black-Scholes option pricing model. The fair values of restricted stock unit awards and deferred performance unit awards are based on the fair value of the Company's common stock on the date that such awards are granted. The fair value of market share unit awards is determined using a Monte Carlo simulation model. For the deferred performance unit awards, the Company adjusts the compensation expense over the service period based upon the expected achievement level of the applicable performance condition. As the grant date fair value of market share unit awards reflects the probabilities of the actual number of such awards expected to vest, compensation expense for such awards is not adjusted based on the expected achievement level of the applicable performance condition. An estimated forfeiture rate is applied and included in the calculation of stock-based compensation expense at the time that the stock-based equity awards are granted and revised, if necessary, in subsequent periods if actual forfeiture rates differ from those estimates. Compensation expense related to the Company's stock-based equity awards is recorded as selling, general and administrative expenses in the Company's consolidated statements of operations.

The Company calculates its windfall tax benefits additional paid-in capital pool that is available to absorb tax deficiencies in accordance with the short-cut method provided for by the authoritative guidance for share-based payments. As of August 31, 2015, the Company determined that it has a remaining pool of windfall tax benefits.

Segment Information

The Company discloses certain information about its business segments, which are determined consistent with the way the Company's Chief Operating Decision Maker organizes and evaluates financial information internally for making operating decisions and assessing performance. In addition, the Chief Operating Decision Maker assesses and measures revenue based on product groups.

Recently Adopted Accounting Standards

In July 2013, the Financial Accounting Standards Board ("FASB") issued ASU No. 2013-11, *"Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists",* which is effective for fiscal years, and interim periods within those years, beginning after December 15, 2013. The new rule requires companies to present in the financial statements an unrecognized tax benefit as a reduction to a deferred tax asset for a net operating loss carryforward, a similar tax loss, or a tax credit carryforward except to the extent such items are not available or not intended to be used at the reporting date to settle any additional income taxes that would result from the disallowance of a tax position. In such instances, the unrecognized tax benefit is required to be presented in the financial statements as a liability and not be combined with deferred tax assets. The adoption of this authoritative guidance did not have a material impact on the Company's consolidated financial statement and related disclosures.

Recently Issued Accounting Standards

In May 2014, the FASB issued ASU No. 2014-09, "*Revenue from Contracts with Customers"*, which supersedes the revenue recognition requirements in ASC 605, "*Revenue Recognition"*. The core principle of this updated guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new rule also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. This guidance was originally to be effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. In July 2015, the FASB approved a one year deferral for the effective date of this guidance. Early adoption is permitted but only to the original effective date. The Company does not intend to adopt this guidance early and it will become effective for the Company on September 1, 2018 with the one year deferral. Companies are permitted to adopt this new rule following either a full or modified retrospective approach. The Company has not yet decided which implementation method it will adopt. The Company is also in the process of evaluating the potential impacts of this updated authoritative guidance on its consolidated financial statements.

In July 2015, the FASB issued ASU No. 2015-11, *Simplifying the Measurement of Inventory,* which simplifies the subsequent measurement of inventories valued under first-in, first-out ("FIFO") or the average cost method. Under this new guidance, inventory will be measured at the lower of cost and net realizable value, with net realizable value defined as the estimated selling price less reasonable costs to sell the inventory. Subsequent measurement is unchanged for inventory measured using last-in, first-out ("LIFO") or the retail inventory method. This guidance is effective for fiscal years beginning after December 15, 2016, including interim periods within that reporting period. Early adoption is permitted and should be applied prospectively. The Company is in the process of evaluating the potential impacts of this new guidance on its consolidated financial statements.

In June 2015, the FASB issued ASU No. 2015-10, *Technical Corrections and Improvements,* which covers a wide range of topics in the Codification. The amendments in ASU 2015-10 represent changes to clarify the Codification, correct unintended application of guidance, and make minor improvements to the Codification. These amendments are not expected to have a significant effect on current accounting practice or create a significant administrative cost to most entities. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015, including interim periods within that reporting period. The Company is in the process of evaluating the potential impacts of this new guidance on its consolidated financial statements.

In April 2015, the FASB issued ASU No. 2015-05, "*Intangibles-Goodwill and Other – Internal-Use Software (Subtopic 350-40): Customer's Accounting for Fees Paid in a Cloud Computing Arrangement*", which provides guidance on accounting for fees paid by a customer in a cloud computing arrangement. If a cloud computing arrangement includes a software license, then the customer should account for the software license element of the arrangement consistent with the acquisition of other software licenses. If a cloud computing arrangement does not include a software license, the customer should account for the arrangement as a service contract. This guidance is effective for fiscal years beginning after December 15, 2015, including interim periods within that reporting period. Early adoption is permitted. The Company has evaluated the potential impacts of this updated guidance, and it does not expect the adoption of this guidance to have a material impact on its consolidated financial statements.

In February 2015, the FASB issued ASU No. 2015-02, "*Consolidation (Topic 810): Amendments to the Consolidation Analysis*", which amends existing consolidation guidance for reporting organizations such as limited partnerships and other similar entities that are required to evaluate whether they should consolidate certain legal entities. This guidance is effective for fiscal years beginning after December 15, 2015, including interim periods within that reporting period. Early adoption is permitted. The Company has evaluated the potential impacts of this updated guidance, and it does not expect the adoption of this guidance to have a material impact on its consolidated financial statements and related disclosures.

Note 3. Inventories

Inventories consisted of the following (in thousands):

	August 31, 2015	August 31, 2014
Product held at third-party contract manufacturers	$ 3,224	$ 3,945
Raw materials and components	3,597	3,670
Work-in-process	141	261
Finished goods	25,090	27,113
Total	$ 32,052	$ 34,989

Note 4. Property and Equipment

Property and equipment, net, consisted of the following (in thousands):

	August 31, 2015	August 31, 2014
Machinery, equipment and vehicles	$ 15,585	$ 13,459
Buildings and improvements	4,264	4,044
Computer and office equipment	3,895	3,312
Software	7,029	6,824
Furniture and fixtures	1,414	1,421
Land	282	295
Subtotal	32,469	29,355
Less: accumulated depreciation and amortization	(21,093)	(19,653)
Total	$ 11,376	$ 9,702

Note 5. Goodwill and Other Intangible Assets

Acquisitions

During the first quarter of fiscal year 2015, the Company entered into an agreement by and between GT 85 Limited ("GT85") and WD-40 Company Limited, which is the Company's U.K. subsidiary, to acquire the GT85 business and certain of its assets for a purchase consideration of $4.1 million. Of this purchase consideration, $3.7 million was paid in cash upon completion of the acquisition ("completion") and the remaining balance was paid in June 2015. Located in the U.K., the GT85 business was engaged in the marketing and sale of the GT85® and SG85 brands of maintenance products. This acquisition complements the Company's maintenance products and will help to build upon its strategy to develop new product categories for WD-40 Specialist and WD-40 BIKE.

The purchase price was allocated to certain customer-related, trade name-related, and technology-based intangible assets in the amount of $1.7 million, $0.9 million, and $0.2 million, respectively. The Company began to amortize these definite-lived intangible assets on a straight-line basis over their estimated useful lives of eight, ten, and four years, respectively, in the first quarter of fiscal year 2015. The purchase price exceeded the fair value of the intangible assets acquired and, as a result, the Company recorded goodwill of $1.3 million in connection with this transaction. The amount of goodwill expected to be deductible for tax purposes is also $1.3 million. This acquisition did not have a material impact on the Company's condensed consolidated financial statements, and as a result no pro forma disclosures have been presented.

During the second quarter of fiscal year 2014, the Company entered into an Asset Purchase Agreement (the "Purchase Agreement") by and between Etablissements Decloedt SA/NV ("Etablissements") and WD-40 Company Limited. From January 1998 through the date of this Purchase Agreement, Etablissements acted as one of the Company's international marketing distributors located in Belgium where it marketed and distributed certain of the WD-40 products. Pursuant to the Purchase Agreement, the Company acquired the list of customers and related information (the "customer list") from Establissements for a purchase consideration of $1.8 million in cash. The Company has been using this customer list since its acquisition to solicit and transact direct sales of its products in Belgium. The Company began to amortize this customer list definite-lived intangible asset on a straight-line basis over its estimated useful life of five years in the second quarter of fiscal year 2014.

Goodwill

The following table summarizes the changes in the carrying amounts of goodwill by segment (in thousands):

	Americas	EMEA	Asia-Pacific	Total
Balance as of August 31, 2013	$ 85,545	$ 8,480	$ 1,211	$ 95,236
Translation adjustments	36	227	-	263
Balance as of August 31, 2014	85,581	8,707	1,211	95,499
GT85 acquisition	-	1,231	-	1,231
Translation adjustments	(49)	(271)	(1)	(321)
Balance as of August 31, 2015	$ 85,532	$ 9,667	$ 1,210	$ 96,409

During the second quarter of fiscal year 2015, the Company performed its annual goodwill impairment test. The annual goodwill impairment test was performed at the reporting unit level as required by the authoritative guidance. In accordance with ASU No. 2011-08, "*Testing Goodwill for Impairment*", the Company performed the two-step quantitative assessment for each of its reporting units to determine whether the fair value of any of the reporting units were less than their carrying amounts. The Company determined the fair value of its reporting units in step one of the analysis by following the income approach which uses a discounted cash flow methodology. When using the discounted cash flow methodology, the fair value of each of the reporting units is based on the present value of the estimated future cash flows of each of the respective reporting units. The discounted cash flow methodology also requires management to make assumptions about certain key inputs in the estimated cash flows, including long-term sales forecasts or growth rates, terminal growth rates and discount rates, all of which are inherently uncertain. The Company determined that a discount rate of 9%, a sales growth rate of 4.5% and a terminal growth rate of 2% was appropriate to use in step one of the analysis for all of its reporting units. The forecast of future cash flows was based on management's best estimates of sales growth rates and operating margins for the next five fiscal years. The discount rate used was based on the current weighted-average cost of capital for the Company. As these assumptions are largely unobservable, the estimate of fair value analysis falls within Level 3 of the fair value hierarchy. Based on the results of step one of the quantitative two-step analysis, the Company determined that the estimated fair value of each of its reporting units significantly exceeded their respective carrying values. As a result, step two of the quantitative analysis was not required and the Company concluded that no impairment of its goodwill existed as of February 28, 2015.

In addition, there were no indicators of impairment identified as a result of the Company's review of events and circumstances related to its goodwill subsequent to February 28, 2015. To date, there have been no impairment losses identified and recorded related to the Company's goodwill.

Definite-lived Intangible Assets

The Company's definite-lived intangible assets, which include the 2000 Flushes, Spot Shot, Carpet Fresh, 1001 and GT85 trade names, the Belgium customer list, the GT85 customer relationships and the GT85 technology are included in other intangible assets, net in the Company's condensed consolidated balance sheets. The following table summarizes the definite-lived intangible assets and the related accumulated amortization and impairment (in thousands):

	August 31, 2015	August 31, 2014
Gross carrying amount	$ 38,882	$ 36,670
Accumulated amortization	(14,702)	(12,021)
Accumulated impairment of intangible assets	(1,077)	(1,077)
Translation adjustments	(142)	99
Net carrying amount	$ 22,961	$ 23,671

During the fourth quarter of fiscal year 2013, as part of the Company's ongoing evaluation of potential strategic alternatives for certain of its homecare and cleaning products, the Company determined based on its review of events and circumstances that there were indicators of impairment for the Carpet Fresh and 2000 Flushes trade names. Management accordingly performed the Step 1 recoverability test for these two trade names and based on the results of this analysis, it was determined that the total of the undiscounted cash flows significantly exceeded the carrying value for the Carpet Fresh asset group and that no impairment existed for this trade name as of August 31, 2013. However, the Step 1 analysis indicated that the carrying value of the asset group for the 2000 Flushes trade name exceeded its undiscounted future cash flows, and consequently, a second phase of the impairment test ("Step 2") was performed specific to the 2000 Flushes trade name to determine whether this trade name was impaired. Based on the results of this Step 2 analysis, the 2000 Flushes asset group's estimated fair value was determined to be lower than its carrying value. Consequently, the Company recorded a non-cash, before tax impairment charge of $1.1 million in the fourth quarter of fiscal year 2013 to reduce the carrying value of the 2000 Flushes asset to its estimated fair value of $7.9 million. At August 31, 2015, the carrying value of definite-lived intangible assets associated with the Company's trade names for its homecare and cleaning products was $19.5 million, of which $5.5 million was associated with the 2000 Flushes trade name.

There were no indicators of potential impairment identified as a result of the Company's review of events and circumstances related to its existing definite-lived intangible assets for the period ended August 31, 2015.

Changes in the carrying amounts of definite-lived intangible assets by segment are summarized below (in thousands):

	Americas	EMEA	Asia-Pacific	Total
Balance as of August 31, 2013	$ 21,536	$ 2,756	$ -	$ 24,292
Amortization expense	(2,208)	(409)	-	(2,617)
Customer list	-	1,819	-	1,819
Translation adjustments	-	177	-	177
Balance as of August 31, 2014	19,328	4,343	-	23,671
Amortization expense	(2,207)	(832)	-	(3,039)
GT85 customer relationships	-	1,570	-	1,570
GT85 trade name	-	896	-	896
GT85 technology	-	159	-	159
Translation adjustments	-	(296)	-	(296)
Balance as of August 31, 2015	$ 17,121	$ 5,840	$ -	$ 22,961

The estimated amortization expense for the Company's definite-lived intangible assets in future fiscal years is as follows (in thousands):

	Trade Names	Customer-Based	Technology
Fiscal year 2016	$ 2,459	$ 531	$ 40
Fiscal year 2017	2,453	530	40
Fiscal year 2018	2,453	530	39
Fiscal year 2019	2,453	308	-
Fiscal year 2020	2,059	196	-
Thereafter	8,477	393	-
Total	$ 20,354	$ 2,488	$ 119

Included in the total estimated future amortization expense is the amortization expense for the 1001 trade name and the GT85 intangible assets, which are based on current foreign currency exchange rates, and as a result amounts in future periods may differ from those presented due to fluctuations in those rates.

Note 6. Accrued and Other Liabilities

Accrued liabilities consisted of the following (in thousands):

	August 31, 2015	August 31, 2014
Accrued advertising and sales promotion expenses	$ 9,259	$ 10,140
Accrued professional services fees	1,207	1,715
Accrued sales taxes	797	934
Accrued other taxes	246	476
Other	3,691	5,117
Total	$ 15,200	$ 18,382

Accrued payroll and related expenses consisted of the following (in thousands):

	August 31, 2015	August 31, 2014
Accrued incentive compensation	$ 5,530	$ 8,558
Accrued payroll	3,644	2,813
Accrued profit sharing	2,508	2,424
Accrued payroll taxes	1,189	1,602
Other	486	572
Total	$ 13,357	$ 15,969

Note 7. Debt

Revolving Credit Facility

On June 17, 2011, the Company entered into an unsecured credit agreement with Bank of America, N.A. ("Bank of America"). On May 13, 2015, the Company entered into a second amendment (the "Second Amendment") to this existing unsecured credit agreement with Bank of America. The amended agreement extended the maturity date of the revolving credit facility for five years from the effective date of the Second Amendment and increased the revolving commitment to an amount not to exceed $150.0 million. The new maturity date for the revolving credit facility is May 13, 2020. Per the terms of the amended agreement, all loans denominated in U.S. dollars will accrue interest at the bank's Prime rate or at LIBOR plus a predetermined margin of 0.85 percent and all loans denominated in foreign currencies will accrue interest at LIBOR plus the same predetermined margin (together with any applicable mandatory liquid asset costs imposed by non-U.S. banking regulatory authorities). Interest on outstanding loans is due and payable on a quarterly basis through the credit facility maturity date. The Company may also borrow against the credit facility through the issuance of standby letters of credit. Outstanding letters of credit are subject to a fee equal to a 0.85 percent per annum applied to amounts available to be drawn on outstanding letters of credit. In addition, the Company incurs commitment fees for the credit facility at an annual rate of 0.125 percent applied to the portion of the total credit facility commitment that has not been borrowed.

In accordance with the Second Amendment, the Company and Bank of America may enter into an autoborrow agreement in form and substance satisfactory to Bank of America, providing for the automatic advance of revolving loans in U.S. Dollars to the Company's designated account at Bank of America. No such autoborrow agreement has been signed to date. The Second Amendment also eliminated the material adverse effect clause as an event of default. In addition to other non-material technical amendments to the agreement, the Second Amendment revised the definition of consolidated EBITDA to include the add back of non-cash stock-based compensation to consolidated net income when arriving at consolidated EBITDA and the terms of the financial covenants per the Second Amendment are as follows:

- The consolidated leverage ratio cannot be greater than three to one. The consolidated leverage ratio means, as of any date of determination, the ratio of (a) consolidated funded indebtedness as of such date to (b) consolidated EBITDA for the most recently completed four fiscal quarters
- The consolidated interest coverage ratio cannot be less than three to one. The consolidated interest coverage ratio means, as of any date of determination, the ratio of (a) consolidated EBITDA for the most recently completed four fiscal quarters to (b) consolidated interest charges for the most recently completed four fiscal quarters.

The agreement includes representations, warranties and covenants customary for credit facilities of this type, as well as customary events of default and remedies. To date, the Company has used the proceeds of the revolving credit facility for its stock repurchases and plans to continue using such proceeds for its general working capital needs and stock repurchases under any existing board approved share buy-back plans.

Prior to the execution of the Second Amendment and the removal of the material adverse effect clause as an event of default, all amounts outstanding under the revolving credit facility were classified as short-term on the Company's consolidated balance sheets as Bank of America could require the Company to immediately repay all amounts outstanding on the credit facility based on subjective factors. With the removal of the material adverse effect clause as an event of default, Bank of America can no longer require this immediate repayment of amounts outstanding on the line of credit based on subjective acceleration clauses. As a result, the Company is permitted to classify draws on the line of credit as long-term provided that management has determined it has the ability and intent to refinance such draws on the line of credit for a period in excess of twelve months. The Company assesses its ability and intent associated with draws on the line of credit at the end of each reporting period in order to determine the proper balance sheet classification for amounts outstanding on the line of credit. Since the autoborrow feature within the Second Amendment allows for borrowings to be made and repaid by the Company on a daily basis, any such borrowings made under an active autoborrow agreement would be classified as short-term on the Company's consolidated balance sheets.

During the fiscal year ended August 31, 2015, the Company borrowed an additional $10.0 million U.S. dollars under the revolving credit facility. The Company regularly converts existing draws on its line of credit to new draws with new maturity dates and interest rates. As of August 31, 2015, the Company had a $108.0 million outstanding balance on the revolving credit facility and was in compliance with all debt covenants under this credit facility. Based on management's ability and intent to refinance the short-term borrowings under the facility with successive short-term borrowings for a period of at least twelve months, the Company has classified the entire amount outstanding under the revolving credit facility as a long-term liability at August 31, 2015.

Note 8. Share Repurchase Plans

On June 18, 2013, the Company's Board of Directors approved a share buy-back plan. Under the plan, which was to be in effect from August 1, 2013 through August 31, 2015, the Company was authorized to acquire up to $60.0 million of its outstanding shares on such terms and conditions as may be acceptable to the Company's Chief Executive Officer or Chief Financial Officer and subject to present loan covenants and in compliance with all laws and regulations applicable thereto. During the period from August 1, 2013 through February 28, 2015, the Company repurchased 848,545 shares at a total cost of $60.0 million. As a result, the Company utilized the entire authorized amount and completed the repurchases under this share buy-back plan as of the end of the second quarter of fiscal year 2015.

On October 14, 2014, the Company's Board of Directors approved a new share buy-back plan. Under the plan, which became effective at the beginning of the third quarter of fiscal year 2015, once the Company's previous $60.0 million plan was exhausted, the Company is authorized to acquire up to $75.0 million of its outstanding shares through August 31, 2016. The timing and amount of repurchases will be based on terms and conditions as may be acceptable to the Company's Chief Executive Officer and Chief Financial Officer and in compliance with all laws and regulations applicable thereto. During the period from March 1, 2015 through August 31, 2015, the Company repurchased 186,043 shares at a total cost of $15.7 million under this $75.0 million plan.

Note 9. Earnings per Common Share

The table below reconciles net income to net income available to common shareholders (in thousands):

	Fiscal Year Ended August 31,		
	2015	2014	2013
Net income	$ 44,807	$ 43,746	$ 39,813
Less: Net income allocated to participating securities	(271)	(238)	(196)
Net income available to common shareholders	$ 44,536	$ 43,508	$ 39,617

The table below summarizes the weighted-average number of common shares outstanding included in the calculation of basic and diluted EPS (in thousands):

	Fiscal Year Ended August 31,		
	2015	2014	2013
Weighted-average common shares outstanding, basic	14,582	15,072	15,517
Weighted-average dilutive securities	67	76	102
Weighted-average common shares outstanding, diluted	14,649	15,148	15,619

For the fiscal years ended August 31, 2015 and 2014, weighted-average stock-based equity awards outstanding that are non-participating securities in the amounts of 1,337 and 4,454, respectively, were excluded from the calculation of diluted EPS under the treasury stock method as they were anti-dilutive. There were no anti-dilutive stock-based equity awards outstanding for the fiscal year ended August 31, 2013.

Note 10. Related Parties

On October 11, 2011, the Company's Board of Directors elected Mr. Gregory A. Sandfort as a director of WD-40 Company. Mr. Sandfort is President and Chief Executive Officer of Tractor Supply Company ("Tractor Supply"), which is a WD-40 Company customer that acquires products from the Company in the ordinary course of business.

The consolidated financial statements include sales to Tractor Supply of $1.1 million and $1.2 million for fiscal years 2015 and 2014, respectively. Accounts receivable from Tractor Supply were not material as of August 31, 2015 and 2014.

Note 11. Commitments and Contingencies

Leases

The Company was committed under certain non-cancelable operating leases at August 31, 2015 which provide for the following future fiscal year minimum payments (in thousands):

	2016	2017	2018	2019	2020	Thereafter
Operating leases	$ 1,867	$ 1,287	$ 592	$ 132	$ 98	$ 104

Rent expense was $2.1 million for each of the fiscal years ended August 31, 2015 and 2014 and $2.0 million for the fiscal year ended August 31, 2013.

Purchase Commitments

The Company has ongoing relationships with various suppliers (contract manufacturers) who manufacture the Company's products. The contract manufacturers maintain title and control of certain raw materials and components, materials utilized in finished products, and of the finished products themselves until shipment to the Company's customers or third-party distribution centers in accordance with agreed upon shipment terms. Although the Company typically does not have definitive minimum purchase obligations included in the contract terms with its contract manufacturers, when such obligations have been included, they have been immaterial. In the ordinary course of business, supply needs are communicated by the Company to its contract manufacturers based on orders and short-term projections, ranging from two to five months. The Company is committed to purchase the products produced by the contract manufacturers based on the projections provided.

Upon the termination of contracts with contract manufacturers, the Company obtains certain inventory control rights and is obligated to work with the contract manufacturer to sell through all product held by or manufactured by the contract manufacturer on behalf of the Company during the termination notification period. If any inventory remains at the contract manufacturer at the termination date, the Company is obligated to purchase such inventory which may include raw materials, components and finished goods. Prior to the fourth quarter of fiscal year 2012, amounts for inventory purchased under termination commitments have been immaterial. As a result of the unanticipated termination of the IQ Products Company contract manufacturing agreement in the fourth quarter of fiscal year 2012, the Company concluded that it was obligated to purchase $1.7 million of finished goods inventory. As a result, this amount was included in inventory in the Company's condensed consolidated balance sheet in prior periods beginning with the fourth quarter of fiscal year 2012. According to the Interim Award of the Arbitration Panel in the Company's dispute with IQ Products Company as described in the *Litigation* section below, the Company has no contractual obligation to purchase the finished goods inventory held by IQ Products Company. Therefore, inventory and the corresponding accrued liability were reduced by $1.7 million in the Company's condensed consolidated balance sheet in the third quarter of fiscal year 2015, which is the period that the Interim Award was issued by the Arbitration Panel.

In addition to the commitments to purchase products from contract manufacturers described above, the Company may also enter into commitments with other manufacturers to purchase finished goods and components to support innovation and renovation initiatives and/or supply chain initiatives. As of August 31, 2015, no such commitments were outstanding.

Litigation

The Company is party to various claims, legal actions and complaints, including product liability litigation, arising in the ordinary course of business.

On May 31, 2012, a legal action was filed against the Company in a United States District Court, in Texas (IQ Products Company v. WD-40 Company). The complaint alleged that the Company wrongfully terminated a contract manufacturing relationship. IQ Products Company ("IQPC") also raised alleged safety concerns regarding a long-standing manufacturing specification related to the Company's products. On November 13, 2014, the Pipeline and Hazardous Materials Safety Administration ("PHMSA") of the Department of Transportation ("DOT") addressed a letter to IQPC to inform IQPC that it concluded an investigation and found no evidence of non-compliance with existing PHMSA regulations or an imminent public safety hazard posed by WD-40 Company products.

Pursuant to a court order, the dispute was submitted to arbitration. Following nine days of testimony and full briefing, a panel of three arbitrators issued their Interim Award and decision on the merits of the dispute on May 15, 2015. The arbitrators rejected all of IQPC's claims. On August 14, 2015, the arbitrators issued a further Interim Award to declare that the Company is the prevailing party in the proceeding for purposes of awarding attorney's fees and costs.

On September 24, 2015, IQPC filed an action in the United States District Court in New Jersey against the DOT and PHMSA alleging that the PHMSA failed to properly follow the applicable regulations when it previously investigated the manufacturing and required regulatory testing of the Company's products. The Company is not named as a party to this action, but IQPC continues to allege that the Company's products do not comply with the applicable regulation and that such alleged failure is evidence of a dangerous condition. The Company's position, supported by the PHMSA's prior investigation and conclusions noted above, is that all of the Company's aerosol products are properly manufactured and tested in accordance with the applicable regulation. The Company will monitor this pending litigation and the Company will take such action as may be necessary or appropriate to protect the Company's interests.

The Company does not believe that there is any reasonable possibility that these matters will have a materially negative impact on the Company's financial condition or results of operations.

Indemnifications

As permitted under Delaware law, the Company has agreements whereby it indemnifies senior officers and directors for certain events or occurrences while the officer or director is, or was, serving at the Company's request in such capacity. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is unlimited; however, the Company maintains Director and Officer insurance coverage that mitigates the Company's exposure with respect to such obligations. As a result of the Company's insurance coverage, management believes that the estimated fair value of these indemnification agreements is minimal. Thus, no liabilities have been recorded for these agreements as of August 31, 2015.

From time to time, the Company enters into indemnification agreements with certain contractual parties in the ordinary course of business, including agreements with lenders, lessors, contract manufacturers, marketing distributors, customers and certain vendors. All such indemnification agreements are entered into in the context of the particular agreements and are provided in an attempt to properly allocate risk of loss in connection with the consummation of the underlying contractual arrangements. Although the maximum amount of future payments that the Company could be required to make under these indemnification agreements is unlimited, management believes that the Company maintains adequate levels of insurance coverage to protect the Company with respect to most potential claims arising from such agreements and that such agreements do not otherwise have value separate and apart from the liabilities incurred in the ordinary course of the Company's business. Thus, no liabilities have been recorded with respect to such indemnification agreements as of August 31, 2015.

Note 12. Income Taxes

Income before income taxes consisted of the following (in thousands):

	Fiscal Year Ended August 31,		
	2015	2014	2013
United States	$ 38,044	$ 41,537	$ 36,302
Foreign [(1)]	25,066	21,422	20,565
Income before income taxes	$ 63,110	$ 62,959	$ 56,867

(1) Included in these amounts are income before income taxes for the EMEA segment of $21.9 million, $18.4 million and $17.5 million for the fiscal years ended August 31, 2015, 2014 and 2013, respectively.

The provision for income taxes consisted of the following (in thousands):

	Fiscal Year Ended August 31,		
	2015	2014	2013
Current:			
Federal	$ 12,302	$ 12,663	$ 11,239
State	966	972	886
Foreign	5,886	5,489	4,973
Total current	19,154	19,124	17,098
Deferred:			
United States	(870)	(11)	(157)
Foreign	19	100	113
Total deferred	(851)	89	(44)
Provision for income taxes	$ 18,303	$ 19,213	$ 17,054

Deferred tax assets and deferred tax liabilities consisted of the following (in thousands):

	August 31, 2015	August 31, 2014
Deferred tax assets:		
Accrued payroll and related expenses	$ 1,680	$ 1,423
Accounts receivable	532	544
Reserves and accruals	2,450	2,519
Stock-based compensation expense	2,610	2,175
Uniform capitalization	1,335	1,700
Tax credit carryforwards	2,040	1,914
Other	1,674	1,561
Total gross deferred tax assets	12,321	11,836
Valuation allowance	(2,052)	(2,130)
Total net deferred tax assets	10,269	9,706
Deferred tax liabilities:		
Property and equipment, net	(470)	(749)
Amortization of tax goodwill and intangible assets	(26,334)	(26,163)
Investments in partnerships	(786)	(1,099)
Other	-	(93)
Total deferred tax liabilities	(27,590)	(28,104)
Net deferred tax liabilities	$ (17,321)	$ (18,398)

The Company had state net operating loss ("NOL") carryforwards of $1.3 million and $6.4 million as of August 31, 2015 and 2014, which generated a net deferred tax asset of $0.1 million and $0.3 million for fiscal years 2015 and 2014, respectively. The state NOL carryforwards for the fiscal year ended August 31, 2015 will begin to expire in fiscal year 2020. The Company also had cumulative tax credit carryforwards of $2.0 million as of August 31, 2015 and $1.9 million as of August 31, 2014, of which $1.9 million and $1.8 million, respectively, is attributable to a U.K. tax credit carryforward, which does not expire. Future utilization of the tax credit carryforwards and certain state NOL carryovers is uncertain and is dependent upon several factors that may not occur, including the generation of future taxable income in certain jurisdictions. At this time, management cannot conclude that it is "more likely than not" that the related deferred tax assets will be realized. Accordingly, a full valuation allowance has been recorded against the related deferred tax asset associated with cumulative tax credit carryforwards. In addition, a valuation allowance has been recorded against the deferred tax asset associated with certain state NOL carryovers in the amount of $0.1 million and $0.2 million as of August 31, 2015 and 2014, respectively.

A reconciliation of the statutory federal income tax rate to the Company's effective tax rate is as follows (in thousands):

	Fiscal Year Ended August 31,		
	2015	2014	2013
Amount computed at U.S. statutory federal tax rate	$ 22,088	$ 22,036	$ 19,904
State income taxes, net of federal tax benefits	578	674	661
Effect of foreign operations	(3,221)	(2,270)	(2,353)
Benefit from qualified domestic production deduction	(1,131)	(1,048)	(1,050)
Other	(11)	(179)	(108)
Provision for income taxes	$ 18,303	$ 19,213	$ 17,054

As of August 31, 2015, the Company has not provided for U.S. federal and state income taxes and foreign withholding taxes on $115.4 million of undistributed earnings of the U.K., Australia and China subsidiaries since these earnings are considered indefinitely reinvested outside of the United States. The amount of unrecognized deferred U.S. federal and state income tax liability, net of unrecognized foreign tax credits, is estimated to be approximately $10.7 million as of August 31, 2015. This net liability is impacted by changes in foreign currency exchange rates and, as a result, will fluctuate with any changes in such rates. If management decides to repatriate such foreign earnings in future periods, the Company would incur incremental U.S. federal and state income taxes as well as foreign withholding taxes. However, the Company's intent is to keep these funds indefinitely reinvested outside the U.S. and its current plans do not demonstrate a need to repatriate them to fund the U.S. operations. Regarding certain foreign subsidiaries not indefinitely reinvested, the Company has provided for U.S. income taxes and foreign withholding taxes on the undistributed earnings.

Reconciliations of the beginning and ending amounts of the Company's gross unrecognized tax benefits, excluding interest and penalties, are as follows (in thousands):

	Fiscal Year Ended August 31,	
	2015	2014
Unrecognized tax benefits - beginning of fiscal year	$ 1,248	$ 980
Gross increases - tax positions in prior periods	-	152
Gross increases - current period tax positions	222	250
Expirations of statute of limitations for assessment	(63)	(134)
Settlements	(128)	-
Unrecognized tax benefits - end of fiscal year	$ 1,279	$ 1,248

There were no material interest or penalties included in income tax expense for the fiscal years ended August 31, 2015 and 2014. The total balance of accrued interest and penalties related to uncertain tax positions was also immaterial at August 31, 2015 and 2014.

The Company is subject to taxation in the U.S. and in various state and foreign jurisdictions. Due to expired statutes, the Company's federal income tax returns for years prior to fiscal year 2012 are not subject to examination by the U.S. Internal Revenue Service. Generally, for the majority of state and foreign jurisdictions where the Company does business, periods prior to fiscal year 2011 are no longer subject to examination. The Company has estimated that up to $0.3 million of unrecognized tax benefits related to income tax positions may be affected by the resolution of tax examinations or expiring statutes of limitation within the next twelve months. Audit outcomes and the timing of settlements are subject to significant uncertainty.

Note 13. Stock-based Compensation

As of August 31, 2015, the Company had one stock incentive plan, the WD-40 Company 2007 Stock Incentive Plan ("2007 Plan"), which permits the granting of various stock-based equity awards, including non-qualified stock options, incentive stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, performance units and other stock-based awards to employees, directors and consultants. To date through August 31, 2015, the Company had granted awards of restricted stock units ("RSUs"), performance share units ("PSUs"), market share units ("MSUs") and deferred performance units ("DPUs") under the 2007 Plan. Additionally, as of August 31, 2015, there were still outstanding stock options which had been granted under the Company's prior stock option plan. Fiscal year 2012 was the last fiscal period in which the Company granted PSUs and no PSUs remained outstanding as of the prior fiscal year ended August 31, 2014. The 2007 Plan is administered by the Board of Directors (the "Board") or the Compensation Committee or other designated committee of the Board (the "Committee"). All stock-based equity awards granted under the 2007 Plan are subject to the specific terms and conditions as determined by the Committee at the time of grant of such awards in accordance with the various terms and conditions specified for each award type per the 2007 Plan. The total number of shares of common stock authorized for issuance pursuant to grants of awards under the 2007 Plan is 2,957,830. As of August 31, 2015, 1,747,588 shares of common stock remained available for future issuance pursuant to grants of awards under the 2007 Plan. The shares of common stock to be issued pursuant to awards under the 2007 Plan may be authorized but unissued shares or treasury shares. The Company has historically issued new authorized but unissued shares upon the settlement of the various stock-based equity awards under the 2007 Plan.

Vesting of the RSUs granted to directors is immediate, with shares to be issued pursuant to the vested RSUs upon termination of each director's service as a director of the Company. Vesting of the one-time grant of RSUs granted to certain key executives of the Company in March 2008 in settlement of these key executives' benefits under the Company's supplemental employee retirement plan agreements was over a period of three years from the date of grant, with shares to be issued pursuant to the vested RSUs six months following the day after each executive officer's termination of employment with the Company. Vesting of the RSUs granted to employees is over a period of three years from the date of grant, with shares to be issued pursuant to the vested RSUs at the time of vest. The director RSU holders and the executive officer March 2008 grant date RSU holders are entitled to receive dividend equivalents with respect to their RSUs, payable in cash as and when dividends are declared by the Company's Board of Directors.

Vesting of the MSUs granted to certain high level employees follows a performance measurement period of three fiscal years commencing with the Company's fiscal year in which the MSU awards are granted (the "Measurement Period"). Shares will be issued pursuant to the vested MSUs following the conclusion of the applicable MSU Measurement Period after the Committee's certification of achievement of the applicable performance measure for such awards and the vesting of the MSU awards and the applicable percentage of the target number of MSU shares to be issued. The recipient must remain employed with the Company for vesting purposes until the date on which the Committee certifies achievement of the applicable performance measure for the MSU awards.

Vesting of the DPUs granted to certain high level employees follows a performance measurement period of one fiscal year that is the same fiscal year in which the DPU awards are granted (the "Measurement Year"). A number of DPUs equal to the applicable percentage of the maximum number of DPUs awarded will vest following the conclusion of the applicable DPU Measurement Year after the Committee's certification of achievement of the applicable performance measure for such awards (the "Vested DPUs"). The recipient must remain employed with the Company for vesting purposes until August 31 of the Measurement Year. For recipients who are residents of the United States, the Vested DPUs must be held until termination of employment, with shares to be issued pursuant to the Vested DPUs six months following the day after each such recipient's termination of employment with the Company. For recipients who are not residents of the United States, the Committee has discretion to either defer settlement of each such recipient's Vested DPUs by issuance of shares following termination of employment or settle each Vested DPU in cash by payment of an amount equal to the closing price of one share of the Company's common stock as of the date of the Committee's certification of the relative achievement of the applicable performance measure for the DPU awards. Until issuance of shares in settlement of the Vested DPUs, the holders of each Vested DPU that is not settled in cash are entitled to receive dividend equivalents with respect to their Vested DPUs, payable in cash as and when dividends are declared by the Company's Board of Directors.

Stock-based compensation expense is amortized on a straight-line basis over the requisite service period for the entire award. Stock-based compensation expense related to the Company's stock-based equity awards totaled $2.8 million, $2.3 million and $2.5 million for the fiscal years ended August 31, 2015, 2014 and 2013, respectively. The Company recognized income tax benefits related to such stock-based compensation of $0.9 million for the fiscal year ended August 31, 2015 and $0.8 million for each of the fiscal years ended August 31, 2014 and 2013. As of August 31, 2015, the total unamortized compensation cost related to non-vested stock-based equity awards was $1.2 million and $1.3 million for RSUs and MSUs, respectively, which the Company expects to recognize over remaining weighted-average vesting periods of 1.7 and 1.8 years for RSUs and MSUs, respectively. No unamortized compensation cost for DPUs remained as of August 31, 2015.

Stock Options

Fiscal year 2008 was the last fiscal period in which the Company granted stock options. The estimated fair value of each of the Company's stock option awards granted in and prior to fiscal year 2008 was determined on the date of grant using the Black-Scholes option pricing model.

A summary of the Company's stock option award activity is as follows (in thousands, except share and per share amounts and contractual term in years data):

Stock Options	Number of Shares	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Term Per Share (in years)	Aggregate Intrinsic Value
Outstanding at August 31, 2014	130,065	$ 33.07		
Granted	-	$ -		
Exercised	(67,445)	$ 31.30		
Forfeited or expired	-	$ -		
Outstanding at August 31, 2015	62,620	$ 34.97	1.6	$ 3,054
Exercisable at August 31, 2015	62,620	$ 34.97	1.6	$ 3,054

The total intrinsic value of stock options exercised was $3.3 million, $1.4 million and $3.2 million for the fiscal years ended August 31, 2015, 2014 and 2013, respectively.

The income tax benefits from stock options exercised totaled $1.1 million, $0.4 million and $0.9 million for the fiscal years ended August 31, 2015, 2014 and 2013, respectively.

Restricted Stock Units

The estimated fair value of each of the Company's RSU awards was determined on the date of grant based on the closing market price of the Company's common stock on the date of grant for those RSUs which are entitled to receive dividend equivalents with respect to the RSUs, or based on the closing market price of the Company's common stock on the date of grant less the grant date present value of expected dividends during the vesting period for those RSUs which are not entitled to receive dividend equivalents with respect to the RSUs.

A summary of the Company's restricted stock unit activity is as follows (in thousands, except share and per share amounts):

Restricted Stock Units	Number of Shares		Weighted-Average Grant Date Fair Value Per Share		Aggregate Intrinsic Value
Outstanding at August 31, 2014	135,930	$	43.18		
Granted	24,924	$	69.35		
Converted to common shares	(23,959)	$	47.46		
Forfeited	-	$	-		
Outstanding at August 31, 2015	136,895	$	47.19	$	11,464
Vested at August 31, 2015	99,559	$	42.20	$	8,337

The weighted-average fair value of all RSUs granted during the fiscal years ended August 31, 2015, 2014 and 2013 was $69.35, $66.82 and $45.45, respectively. The total intrinsic value of all RSUs converted to common shares was $1.8 million, $2.7 million and $2.4 million for the fiscal years ended August 31, 2015, 2014 and 2013, respectively.

The income tax benefits from RSUs converted to common shares totaled $0.6 million, $0.9 million and $0.8 million for the fiscal years ended August 31, 2015, 2014 and 2013, respectively.

Market Share Units

The MSUs are market performance-based awards that shall vest with respect to the applicable percentage of the target number of MSU shares based on relative total stockholder return ("TSR") for the Company as compared to the total return for the Russell 2000 Index ("Index") over the performance Measurement Period. The ultimate number of MSUs that vest may range from 0% to 200% of the original target number of shares depending on the relative achievement of the TSR performance measure at the end of the Measurement Period. The probabilities of the actual number of MSUs expected to vest and resultant actual number of shares of common stock expected to be awarded are reflected in the grant date fair values of the various MSU awards; therefore, the compensation expense for the MSU awards will be recognized assuming the requisite service period is rendered and will not be adjusted based on the actual number of such MSU awards to ultimately vest.

The estimated fair value of each of the Company's MSU awards, which are not entitled to receive dividend equivalents with respect to the MSUs, was determined on the date of grant using the Monte Carlo simulation model, which utilizes multiple input variables to simulate a range of possible future stock prices for both the Company and the Index and estimates the probabilities of the potential payouts. The determination of the estimated grant date fair value of the MSUs is affected by the Company's stock price and a number of assumptions including the expected volatilities of the Company's stock and the Index, the Company's risk-free interest rate and expected dividends. The following weighted-average assumptions for MSU grants for the last three fiscal years were used in the Monte Carlo simulation model:

	Fiscal Year Ended August 31,		
	2015	2014	2013
Expected volatility	22.0%	25.2%	25.4%
Risk-free interest rate	0.8%	0.6%	0.4%
Expected dividend yield	0.0%	0.0%	0.0%

The expected volatility utilized was based on the historical volatilities of the Company's common stock and the Index in order to model the stock price movements. The volatility used was calculated over the most recent 2.88-year periods for MSUs granted during each of the fiscal years ended August 31, 2015 and 2014 and over the most recent 2.85-year period for MSUs granted during the fiscal year ended August 31, 2013, which were the remaining terms of the performance Measurement Period at the dates of grant. The risk-free interest rates used were based on the implied yield available on a U.S. Treasury zero-coupon bill with a remaining term equivalent to the remaining performance Measurement Period. The MSU awards stipulate that, for purposes of computing the relative TSR for the Company as compared to the return for the Index, dividends paid with respect to both the Company's stock and the Index are to be treated as being reinvested into the stock of each entity as of the ex-dividend date. Accordingly, an expected dividend yield of zero was used in the Monte Carlo simulation model, which is the mathematical equivalent to reinvesting dividends in the issuing entity over the performance Measurement Period.

A summary of the Company's market share unit activity is as follows (in thousands, except share and per share amounts):

Market Share Units	Number of Shares	Weighted-Average Grant Date Fair Value Per Share	Aggregate Intrinsic Value
Outstanding at August 31, 2014	39,869	$ 51.01	
Granted	17,735	$ 71.66	
Converted to common shares	-	$ -	
Forfeited	-	$ -	
Outstanding at August 31, 2015	57,604	$ 57.37	$ 4,824

The weighted-average fair value of all MSUs granted during the fiscal years ended August 31, 2015, 2014 and 2013 was \$71.66, \$69.58 and \$37.15 respectively. No MSUs converted to common shares during the fiscal years ended August 31, 2015, 2014 or 2013.

Deferred Performance Units

In November 2014, the Company began granting DPU awards to certain high level employees. The DPUs provide for performance-based vesting over a performance measurement period of the fiscal year in which the DPU awards are granted. The performance vesting provisions of the DPUs are based on relative achievement within an established performance measure range of the Company's reported earnings before interest, income taxes, depreciation and amortization computed on a consolidated basis ("Global EBITDA") for the Measurement Year, before deduction of the stock-based compensation expense for the Vested DPUs. The ultimate number of DPUs that vest may range from 0% to 100% of the original maximum number of DPUs awarded depending on the relative achievement of the Global EBITDA performance measure at the end of the Measurement Year.

The estimated fair value of each of the Company's DPU awards was determined on the date of grant based on the closing market price of the Company's common stock on the date of grant less the grant date present value of expected dividends during the vesting period for the DPUs, which are not entitled to receive dividend equivalents with respect to the unvested DPUs.

On November 14, 2014, DPUs with respect to a maximum number of 30,798 shares of the Company's common stock were granted at an aggregate grant date fair market value of \$2.3 million, or \$75.14 per share. No DPUs were converted to common shares during the fiscal year ended August 31, 2015. The aggregate intrinsic value of DPUs outstanding as of August 31, 2015 was \$2.6 million. However, based on the most recent estimated achievement of the applicable performance measure for these DPU awards, the Company expects that none of the DPUs will vest. As a result, no associated stock-based compensation expense has been recorded as of August 31, 2015.

Note 14. Other Benefit Plans

The Company has a WD-40 Company Profit Sharing/401(k) Plan and Trust (the "Profit Sharing/401(k) Plan") whereby regular U.S. employees who have completed certain minimum service requirements can defer a portion of their income through contributions to a trust. The Profit Sharing/401(k) Plan provides for Company contributions to the trust, as approved by the Board of Directors, as follows: 1) matching contributions to each participant up to 50% of the first 6.6% of compensation contributed by the participant; 2) fixed non-elective contributions in the amount equal to 10% of eligible compensation; and 3) a discretionary non-elective contribution in an amount to be determined by the Board of Directors up to 5% of eligible compensation. The Company's contributions are subject to overall employer contribution limits and may not exceed the amount deductible for income tax purposes. The Profit Sharing/401(k) Plan may be amended or discontinued at any time by the Company. The Company's contribution expense for the Profit Sharing/401(k) Plan was \$3.1 million, \$2.6 million and \$2.7 million for the fiscal years ended August 31, 2015, 2014 and 2013, respectively.

The Company's international subsidiaries have similar benefit plan arrangements, dependent upon the local applicable laws and regulations. The plans provide for Company contributions to an appropriate third-party plan, as approved by the subsidiary's Board of Directors. The Company's contribution expense related to the international plans for the fiscal years ended August 31, 2015, 2014 and 2013 was \$1.5 million, \$1.4 million and \$1.3 million, respectively.

Note 15. Business Segments and Foreign Operations

The Company evaluates the performance of its segments and allocates resources to them based on sales and operating income. The Company is organized on the basis of geographical area into the following three segments: the Americas; EMEA; and Asia-Pacific. Segment data does not include inter-segment revenues. Unallocated corporate expenses are general corporate overhead expenses not directly attributable to the operating segments and are reported separate from the Company's identified segments. The corporate overhead costs include expenses for the Company's accounting and finance, information technology, human resources, research and development, quality control and executive management functions, as well as all direct costs associated with public company compliance matters including legal, audit and other professional services costs.

Effective September 1, 2013, the Company transitioned the management of the India operations to the EMEA segment from the Asia-Pacific segment. As a result, the India financial results were included in the EMEA segment information below for fiscal years 2014 and 2013 for comparison purposes. Summary information about reportable segments is as follows (in thousands):

	Americas	EMEA	Asia-Pacific	Unallocated Corporate [1]	Total
Fiscal Year Ended August 31, 2015					
Net sales	$ 187,344	$ 136,847	$ 53,959	$ -	$ 378,150
Income from operations	$ 46,674	$ 30,173	$ 12,602	$ (24,059)	$ 65,390
Depreciation and amortization expense	$ 4,078	$ 2,102	$ 253	$ 31	$ 6,464
Interest income	$ 9	$ 417	$ 158	$ -	$ 584
Interest expense	$ 1,197	$ -	$ 8	$ -	$ 1,205
Fiscal Year Ended August 31, 2014					
Net sales	$ 180,806	$ 151,368	$ 50,823	$ -	$ 382,997
Income from operations	$ 41,356	$ 34,003	$ 10,364	$ (21,986)	$ 63,737
Depreciation and amortization expense	$ 4,229	$ 1,363	$ 244	$ 24	$ 5,860
Interest income	$ 7	$ 417	$ 172	$ -	$ 596
Interest expense	$ 994	$ -	$ 8	$ -	$ 1,002
Fiscal Year Ended August 31, 2013					
Net sales	$ 180,544	$ 137,360	$ 50,644	$ -	$ 368,548
Income from operations	$ 39,383	$ 30,174	$ 8,995	$ (21,915)	$ 56,637
Depreciation and amortization expense	$ 4,189	$ 960	$ 200	$ 10	$ 5,359
Interest income	$ 1	$ 348	$ 157	$ -	$ 506
Interest expense	$ 684	$ -	$ 9	$ -	$ 693

(1) Unallocated corporate expenses are general corporate overhead expenses not directly attributable to any one of the operating segments. These expenses are reported separate from the Company's identified segments and are included in Selling, General and Administrative expenses on the Company's consolidated statements of operations.

The Company's Chief Operating Decision Maker does not review assets by segment as part of the financial information provided and therefore, no asset information is provided in the above table.

Net sales by product group are as follows (in thousands):

	Fiscal Year Ended August 31, 2015	2014	2013
Maintenance products	$ 333,306	$ 337,825	$ 320,883
Homecare and cleaning products	44,844	45,172	47,665
Total	$ 378,150	$ 382,997	$ 368,548

Net sales and long-lived assets by geographic area are as follows (in thousands):

	Fiscal Year Ended August 31,		
	2015	2014	2013
Net Sales by Geography:			
United States	$ 153,116	$ 147,033	$ 145,233
International	225,034	235,964	223,315
Total	$ 378,150	$ 382,997	$ 368,548
Long-lived Assets by Geography (2) :			
United States	$ 5,955	$ 4,470	$ 4,223
International	5,421	5,232	4,312
Total	$ 11,376	$ 9,702	$ 8,535

(2) Includes tangible assets and property and equipment, net, attributed to the geographic location in which such assets are located.

Note 16. Subsequent Events

On October 2, 2015, the Company's Board of Directors declared a cash dividend of $0.38 per share payable on October 30, 2015 to shareholders of record on October 16, 2015.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Neal E. Schmale
Chairman of the Board
Former President and COO
Sempra Energy

Giles H. Bateman
Audit Committee Chair
Former CFO and Director
Price Club

Peter D. Bewley
Governance Committee Chair
Former Senior Vice President,
General Counsel and Corporate Secretary
The Clorox Company

Melissa Claassen
Vice President, Business Unit Finance
Adidas Group Germany

Richard A. Collato
Compensation Committee Chair
Former President and CEO
YMCA of San Diego County

Mario L. Crivello
Investor

Linda Lang
Finance Committee Chair
Former Chairman and CEO
Jack in the Box, Inc.

Garry O. Ridge
President and Chief Executive Officer
WD-40 Company

Gregory A. Sandfort
President and Chief Executive Officer
Tractor Supply Company

EXECUTIVE OFFICERS

Garry O. Ridge
President and Chief Executive Officer

Richard T. Clampitt
Vice President, General Counsel and
Corporate Secretary

Michael L. Freeman
Division President, Americas

Geoffrey J. Holdsworth
Managing Director, Asia-Pacific

William B. Noble
Managing Director, Europe

Jay W. Rembolt
Vice President, Finance, Treasurer and
Chief Financial Officer

Stanley A. Sewitch
Vice President, Global Organization
Development

INDEPENDENT ACCOUNTANTS

PricewaterhouseCoopers LLP
San Diego, California

TRANSFER AGENT

Computershare
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ANNUAL MEETING

December 8, 2015, 2:00 PM
Joan B. Kroc Institute for Peace & Justice
University of San Diego
5998 Alcala Park
San Diego, California 92110

INVESTOR RELATIONS

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OPERATING SUBSIDIARIES

WD-40 Company Ltd.
Milton Keynes, United Kingdom

WD-40 Company (Canada) Ltd.
Etobicoke, Canada

WD-40 Company (Australia) Pty.
Epping, Australia

Wu Di (Shanghai) Industrial Co., Ltd.
Shanghai, China

WD-40 Company (Malaysia) SDN. BHD.
Selangor, Malaysia

STOCK INFORMATION

The common stock of the Company is traded on the NASDAQ® Global Select Market under the symbol "WDFC." The Company's publicly filed reports, including financial statements and supporting exhibits, are available on the Securities and Exchange Commission's EDGAR system, on the Company's website at www.wd40company.com, or by writing to the Corporate Secretary, WD-40 Company, P.O. Box 80607, San Diego, California 92138-0607.

LEGAL DISCLAIMERS

This annual report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements reflect management's current expectations for the Company's future performance but are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those anticipated in or implied by the forward-looking statements.

The Company's expectations, beliefs and projections are expressed in good faith but there can be no assurance that they will be achieved or accomplished. Our forward-looking statements are generally identified with words such as "believe," "expect," "intend," "plan," "could," "may" and similar expressions. Actual events or results can differ materially from those expressed or implied. Please refer to the information set forth under the captions "Risk Factors" and "Forward-Looking Statements" in our Annual Report on Form 10-K for the year ended August 31, 2015 and other reports and documents that we file from time to time with the Securities and Exchange Commission for some of the factors that may cause actual results to differ materially from the forward-looking statements. Except as required by law, we undertake no obligation to update any forward-looking statement.

Corporate information as of October 15, 2015

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We value:

Doing the right thing. Creating positive lasting memories in all of our relationships. **Making it better than it is today. Succeeding as a tribe while excelling as individuals.** Owning it and passionately acting on it. **Sustaining the WD-40 economy.**

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