RYOBI

ANNUAL REPORT 2004

FOR THE YEAR ENDED 31ST MARCH 2004

PROFILE

Since its establishment as a die casting manufacturer in December 1943, Ryobi Limited has accumulated innovative technologies by making components for automobiles, electronics, telecommunications and other industries. Ryobi has leveraged these technologies and drawn on its experience to diversify into the manufacture of printing equipment, power tools and builders' hardware. Ryobi is all around you, making an enjoyable, comfortable daily lifestyle possible.

CONTENTS

Cautionary Notes: Forward-Looking Statements

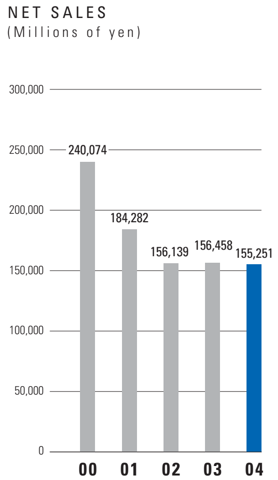
This annual report contains information about forward-looking statements related to such matters as the Company's plans, strategies and business results. These forward-looking statements represent judgments made by the Company based on information available at present and are inherently subject to a variety of risks and uncertainties. The Company's actual activities and business results could differ significantly from the forward-looking statements due to changes including, but not limited to, those in the economic environment, business environment, demand and exchange rates.

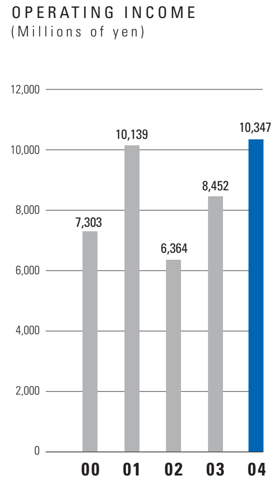
CONSOLIDATED FINANCIAL HIGHLIGHTS

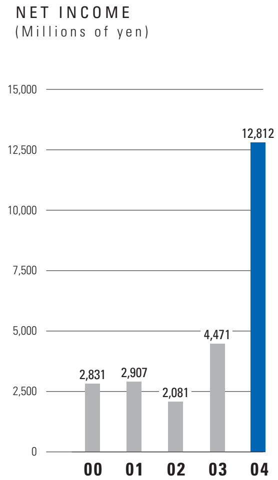
(For the years ended 31st March 2004, 2003 and 2002)

	Millions of Yen			Thousands of U.S. Dollars (Note 2)
	2004	2003	2002	**2004**
For the fiscal period:				
Net sales	**¥155,251**	¥156,458	¥156,139	**$1,468,928**
Operating income	**10,347**	8,452	6,364	**97,900**
Net income	**12,812**	4,471	2,081	**121,222**
As at fiscal year-end:				
Total assets	**¥160,574**	¥165,487	¥165,401	**$1,519,292**
Total shareholders' equity	**50,040**	38,366	33,379	**473,460**
	Yen			U.S. Dollars (Note 2)
Per share data:				
Net income—Primary	**¥ 76.40**	¥ 26.26	¥ 12.19	**$ 0.723**
Cash dividends	**7.50**	—	—	**0.071**

Notes: 1. Net income per share figures are based on the weighted-average number of shares outstanding each year.
2. Yen amounts have been translated into U.S. dollars, solely for the convenience of the reader at ¥105.69=US$1, the exchange rate prevailing on 31st March 2004.







Hiroshi Urakami
Chairman and CEO

Susumu Yoshikawa
President and COO

Create a sound and dynamic corporation through technology, trust and challenge

Guided by its corporate philosophy, "Create a sound and dynamic corporation through technology, trust and challenge," the Ryobi Group seeks to establish itself as indispensable existence by responding to the needs of customers and society, through innovative, top-quality products and services. While developing its die casting business in tandem with its finished products, Ryobi will continue to make every effort to ensure that its customers, shareholders, business partners and employees find their association with Ryobi to be a rewarding experience.

During fiscal 2004, ended 31st March 2004, economic indicators in Japan continued to improve with favorable signs of a moderate recovery. Conditions were boosted by a strong U.S. economy and growth in Asia. Despite these positive factors, however, consumer spending and other elements of domestic demand were weak, while the yen rose against the U.S. dollar. Accounting for these mixed conditions, the overall operating environment remained severe.

Under these circumstances, Ryobi is implementing various measures including energetic marketing activities, developing new products in line with user needs, cutting costs and expenses, and increasing the efficiency of operations.

Fiscal 2004 was the last year of our Sound Management Plan, announced in March 2000. In a persistently adverse business environment, the utmost efforts of all employees allowed a succession of successes in attaining the plan. As a result, we have resumed cash dividends for the first time since the fiscal year ended 31st March 1999.

During fiscal 2004, the Company achieved growth in profits despite a decline in revenues. Consolidated net sales declined 0.8% in comparison with the previous fiscal year, to ¥155.3 billion. Domestic net sales increased 1.7% to ¥111.7 billion but overseas net sales fell 6.5% to ¥43.5 billion. Operating income surged 22.4% to ¥10.3 billion, and net income jumped 186.6% to ¥12.8 billion.

Both domestic and overseas net sales increased in the printing equipment business. However, the die castings business posted a decline in net sales as a result of the translation into yen following the yen's appreciation, while both domestic and export sales in the power tools business contracted. Total net sales, accordingly, declined.

As a result of the growth of net sales in the printing equipment business, together with higher profitability in overseas Group companies, operating income posted a gain for the second consecutive year, while net income also rose to a historic high for two years in succession. The primary cause of the substantial increase in net income was income from the sale of marketable securities.

To strengthen the Company's management structure and expand the scope of its business in a rapidly and dramatically changing business environment, on 29th June 2004 Ryobi instituted a new management structure. Hiroshi Urakami was appointed chairman and CEO, and Susumu Yoshikawa acceded to president and COO. In addition, the Board of Directors structure and number of corporate officers were revised to six and 14, respectively. All Ryobi directors concurrently hold positions as corporate officers.

With this new management structure, Ryobi will intensify and expand its efforts to be a sound and dynamic corporation, and we ask your continued understanding and support in this effort.

June 2004

Hiroshi Urakami
Chairman and CEO

Susumu Yoshikawa
President and COO

SOUND MANAGEMENT PLAN

The fiscal year ended 31st March 2004 was the final year of the Sound Management Plan. This four-year management plan, which commenced the fiscal year ended 31st March 2001, was formulated to build a high-earnings structure by optimizing the scale and reinforcing the structure of each business. Throughout the term of the Sound Management Plan, Ryobi undertook a sweeping review while restructuring its business. Other measures included efforts to reduce interest-bearing debt and the number of personnel. The measures implemented for each business and achievements are outlined as follows:

Principal Measures

DIE CASTINGS

- Reinforced the tripolar manufacturing structure comprising Japan, the United States and Europe; secured and enhanced our position as a world-leading die casting manufacturer
- Expanded application of die cast products in the automobile industry
- Extended beyond the automobile industry, actively expanded sales in fields such as electronics and telecommunications
  Through these activities, we are also contributing to energy and resource conservation by leveraging the superior properties of aluminum die castings such as its lightweight, durability and recyclability

PRINTING EQUIPMENT

- Reinforced product development, productivity and marketing capabilities
- Strengthened efforts in response to advancements in information technology and digitization
- Expanded into and enhanced the medium-size offset printing press market
- Continued to enhance total printing system offerings from prepress to press and post-press

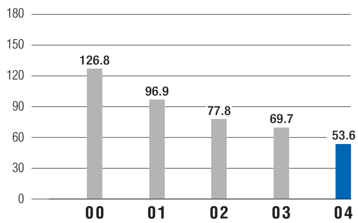
POWER TOOLS

- Carried out a sweeping review of operations including the sale of unprofitable businesses
- Strengthened cross-sectional Group management. Reduced fixed costs by streamlining our organization
- Accelerated the shift of production to our China-based manufacturing subsidiary. Established a cost competitive manufacturing structure

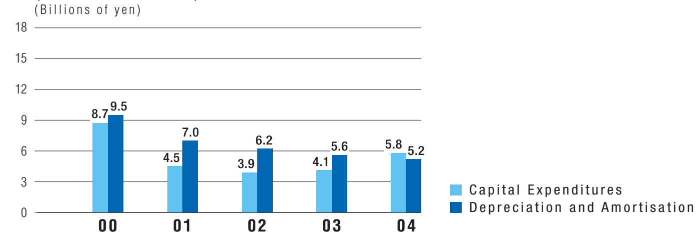
Principal Achievements

- Sold power tools and lawn and garden equipment businesses in North America
- Sold power tool sales subsidiaries in Europe and Oceania
- In the power tools business in Japan, strengthened cross-sectional Group management, streamlined organization and reduced personnel.
  Transferred production to a manufacturing subsidiary in China. Consolidated and eliminated models
- Sold fishing tackle business
- Discontinued manufacturing and sales of sporting goods (golf clubs)
- Sold assets (Tokyo Head Office, idle real estate, marketable securities)

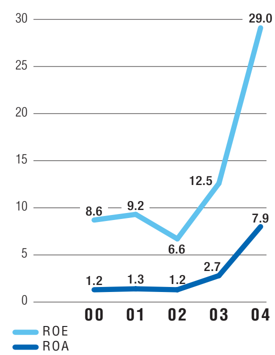
INTEREST-BEARING DEBT (CONSOLIDATED)
(Billions of yen)



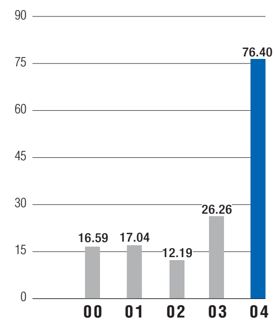
CAPITAL EXPENDITURES & DEPRECIATION AND AMORTISATION (CONSOLIDATED)
(Billions of yen)



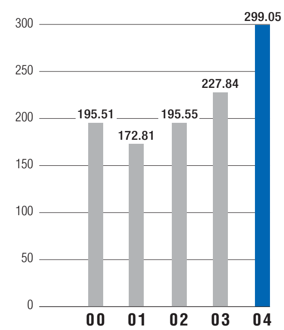
ROE & ROA
(%)



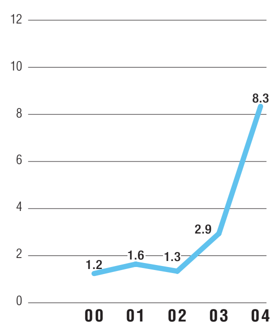
NET INCOME PER SHARE
(Yen)



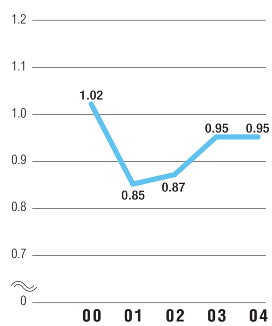
NET ASSETS PER SHARE
(Yen)



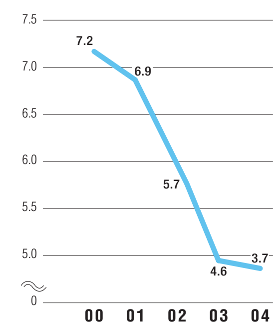
RETURN ON SALES
(%)



ASSET TURNOVER
(Times)



FINANCIAL LEVERAGE
(Times)



Fiscal 2004 was the final year of Ryobi's four-year Sound Management Plan, and a year in which the Company reported significant improvement in its financial position and management indicators compared with levels in fiscal 2000, the fiscal year prior to the inauguration of the plan.

As of 31st March 2000, the balance of interest-bearing debt was ¥126.8 billion. As of 31st March 2004, this balance had fallen to ¥53.6 billion, substantially exceeding initial targets. Net income per share for fiscal 2004 improved to ¥76.40, compared with ¥16.59 in fiscal 2000, and return on equity grew to 29.0% from 8.6% over the same period. In addition, financial leverage was nearly halved, falling to 3.7 times as of 31st March 2004 from 7.2 times as of 31st March 2000.

While the Company identified a target for both return on assets and return on sales of 3.2% in its Sound Management Plan, actual results significantly exceeded targets at 7.9% and 8.3%, respectively, as of 31st March 2004.

Based on the experience gained in implementing the Sound Management Plan and the results achieved to date, Ryobi will redouble efforts to secure continued growth and development by strengthening its competitiveness and improving earnings power.

DIE CASTINGS

TRANSMISSION CASE FOR DELIVERY TRUCKS

MOTORCYCLE FRAME

BUSINESS OVERVIEW

As one of the world's top-class die casting manufacturers, Ryobi supplies products that are utilized in a diverse number of fields, including automobiles, home appliances, office equipment, industrial machinery and builders' hardware. Ryobi makes over 2,000 types of die cast products for use in over 100 types of vehicle. The Company's aluminum die castings are lightweight, have excellent durability and are superior in terms of recyclability. These die castings have also attracted attention as an effective technology for the protection of the environment, including the conservation of energy and resources. They are used in an expanding range of applications.

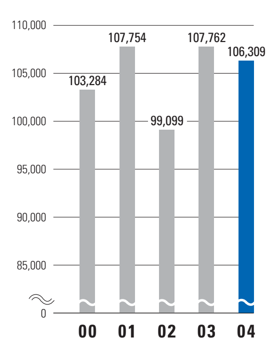
Ryobi's die castings are highly regarded for their technological capabilities and high quality. These are the result of Ryobi's proprietary vertically integrated system, from die design and fabrication through casting, machining and final assembly; the Company's original, tripolar global structure, comprising Japan, the United States, and Europe; and Ryobi's quality assurance systems, which have been certified as conforming to ISO 9001 international standards. These systems and structures enable Ryobi to accurately respond to customer demands in a prompt and speedy manner. The Company is engaged in the development of many high-quality die cast components for diverse functions using proprietary technologies, and a die casting production system that allows the manufacture of high-strength, high-quality die cast products.

PERFORMANCE

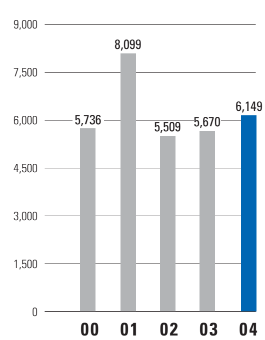
In the fiscal year ended 31st March 2004, net sales of die castings declined 1.3% to ¥106.3 billion, operating income increased 8.4% to ¥6.1 billion, and the ratio of operating income to net sales rose to 5.8% from 5.3% in fiscal 2003.

Although domestic and overseas sales to the automobile industry were healthy, the negative impact of translation into yen caused by the rise of the yen against the U.S. dollar saw revenues decline. Falling prices also made their effects felt, but the Company achieved profit growth through cost reductions and operational reforms.

NET SALES
(Millions of yen)



OPERATING INCOME
(Millions of yen)



PRINTING EQUIPMENT

HIGH-SPEED MULTICOLOR OFFSET PRINTING PRESS
RYOBI 755 (TYPE 5-D)

DIGITAL OFFSET PRINTING PRESS
RYOBI 3404X-DI

BUSINESS OVERVIEW

Ryobi is a comprehensive manufacturer of printing equipment. In response to digitization and advances in the information domain, the Company has developed total printing systems that encompass all stages of printing, from prepress to press and post-press. Ryobi has established itself as one of the world's top manufacturers of small offset printing presses. From this base, the Company is developing high-precision, medium-size offset printing presses and digital offset printing presses in pursuit of enhanced productivity and functionality.

Ryobi is making advances in the speed of operation, automation, and energy conservation of printing presses. Based on this, and an uncompromising quality control system, the Company offers high-quality, ease-to-use products that are highly regarded both in Japan and overseas. In the prepress stage, Ryobi has developed professional-use, high-performance, multi-functional page layout software and fonts to meet the needs of the printing industry.

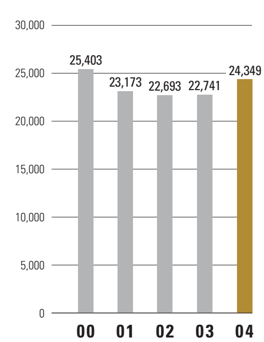
Product quality is not the only benchmark for Ryobi's printing equipment, as we are also developing products that take environmental impact fully into consideration. Ryobi's products require less ink and organic solvents, water and trial paper for print tests during the printing process, in addition to offering automation and energy-saving features.

PERFORMANCE

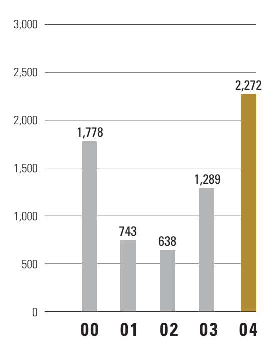
In the fiscal year ended 31st March 2004, net sales of printing equipment increased 7.1% to ¥24.3 billion, and operating income shot up 76.2% to ¥2.3 billion. The ratio of operating income to net sales rose to 9.3% from 5.7% in fiscal 2003.

Both domestic sales and exports increased. Medium-size offset printing presses showed particularly substantial growth. The large increase in income resulted from the increase in net sales, as well as from reductions in manufacturing lead time and other measures to reduce costs.

NET SALES
(Millions of yen)



OPERATING INCOME
(Millions of yen)



POWER TOOLS

BLOWER VACUUM RESV-2000

DOOR CLOSER D-1650

BUSINESS OVERVIEW

Ryobi boasts a comprehensive lineup of power tools powered by electricity from outlets, batteries, engines, and compressed air. The Company's products are widely used and appreciated by professionals and DIY enthusiasts alike. Ryobi is vigorously engaged in the development of products that meet the needs of the era. We create safe, easy-to-use products that are highly functional and durable, products that are light and compact to minimize physical exertion, and products that support ecology.

Builders' hardware is another of this segment's operations. We are offering door closers for a wide range of residential and office buildings as well as hinges and a broad array of other architectural hardware. Beginning with functionality and safety, Ryobi supports the comfort and safety of residential and office areas by developing products that adhere to barrier-free and other universal design principles, as well as products that consider environmental protection.

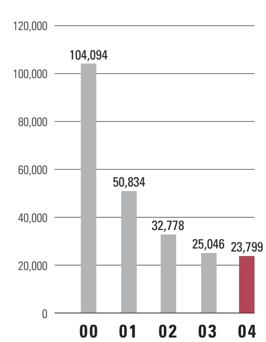
Ryobi has power tool production sites in Japan and China, and builders' hardware manufacturing facilities in Japan, China, and Taiwan. This structure allows the Company to offer products that satisfy user requirements for quality, functionality, and price.

PERFORMANCE

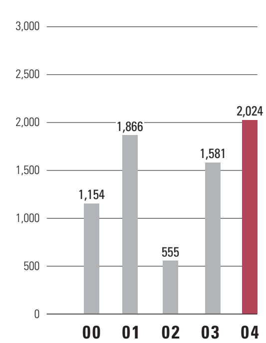
In the fiscal year ended 31st March 2004, net sales of power tools dropped 5.0% to ¥23.8 billion, but operating income jumped 28.0% to ¥2.0 billion. The ratio of operating income to net sales rose to 8.5% from 6.3% in the previous fiscal year.

Although fiscal 2004 saw an increase in domestic housing construction, this figure remained at a low level. Sales of builders' hardware increased slightly, but domestic sales and exports of power tools both contracted. The increase in income resulted from the development of products that have high profit margins and efforts to enhance the efficiency of manufacturing.

NET SALES
(Millions of yen)



OPERATING INCOME
(Millions of yen)



TOGETHER WITH SOCIETY

Ryobi's corporate philosophy, "Create a sound and dynamic corporation through technology, trust and challenge," has implications not only for manufacturing and service operations, but also for compliance, disclosure of information, concern for the environment, and social contribution activities. Ryobi is fulfilling its social responsibility with a view toward creating real quality of life.

Ryobi Established Compliance Committee

Recognizing the importance of compliance as a management issue, the Company established the Ryobi Compliance Committee in August 2003 as the core of its compliance promotion structure. Ryobi's code of corporate ethics is covered thoroughly in the Ryobi Code of Conduct.

ISO 14001 Certification Received

Within the Ryobi Group, 17 facilities in 13 companies have acquired ISO 14001 certification of their environment management systems (as of June 2004). Each company and facility reduces its environmental impact by setting environmental targets and objectives, then working to conserve energy and resources, reduce waste, and promote recycling.

Community Service Activity Selected as 60th Anniversary Commemorative Project

Ryobi marked the 60th anniversary of its founding in December 2003. In addition to an annual campaign to clean up the banks of the river that runs near the Company's Head Office, Ryobi also planted trees in the vicinity of its facilities, and donated wheelchairs and exercise equipment to local welfare facilities as one part of the commenorative activities.

Ryobi Social Contribution Foundation Established

In July 2004 Ryobi established a nonprofit organization (NPO), the Ryobi Social Contribution Foundation, to expand the scope and scale of its social contribution activities in which the Ryobi Environmental Preservation Committee had been involved.

Nurturing the Younger Generation

Ryobi established the Urakami Foundation in 1970 to assist motivated, promising students, producing many outstanding individuals for society. The Foundation also provides scholarships to universities and researchers, and promotes academic exchange through funding assistance.

FISCAL PERIOD COMPARATIVE SUMMARY

RYOBI LIMITED AND CONSOLIDATED SUBSIDIARIES

(For the years ended 31st March)

	Millions of Yen					
	2004	2003	2002	2001	2000	1999
For the fiscal period:						
Net sales	**¥155,251**	¥156,458	¥156,139	¥184,282	¥240,074	¥242,774
Cost of sales	**123,749**	126,536	126,113	144,567	190,214	200,494
Gross profit	**31,502**	29,922	30,026	39,715	49,860	42,280
Selling, general and administrative expenses	**21,155**	21,470	23,662	29,576	42,557	35,463
Operating income	**10,347**	8,452	6,364	10,139	7,303	6,817
Income taxes	**3,608**	1,504	2,188	(1,150)	(11,231)	1,719
Net income (loss)	**12,812**	4,471	2,081	2,907	2,831	(3,086)
As at fiscal year-end:						
Total assets	**¥160,574**	¥165,487	¥165,401	¥193,001	¥238,080	¥233,654
Total shareholders' equity	**50,040**	38,366	33,379	29,501	33,360	32,540
	Yen					
Per share data:						
Net income (loss)—Primary	**¥ 76.40**	¥ 26.26	¥ 12.19	¥ 17.04	¥ 16.59	¥ (18.02)
Cash dividends	**7.50**	—	—	—	—	3.75

Notes: 1. Net income (loss) per share figures are based on the weighted average number of shares outstanding each year.
2. Cash dividends per share are the amounts applicable to the respective years, including dividends to be paid after the end of the year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

ANALYSIS OF FINANCIAL POSITION AND OPERATING RESULTS

The Ryobi Group management is exerting to establish management policy based on the information available under the current business circumstances. The Ryobi Group believes that the business conditions surrounding us are foreseen to be severe, in consideration of the changes of business circumstances experienced at each business segment during past few years.

Guided by its corporate philosophy, "Create a sound and dynamic corporation through technology, trust and challenge," The Ryobi Group seeks to respond to the needs of its customers and society at large with innovative, top-quality products and services, and to become an indispensable company.

The following is a summary of analysis of Ryobi consolidated financial position and operating results for the fiscal year ended 31st March 2004.

(1) Summary of significant accounting policies

The consolidated financial statements of Ryobi Group have been prepared in conformity with accounting principles generally accepted in Japan, while the financial statements of overseas subsidiaries have been prepared in conformity with accounting principles generally accepted in each of the countries.

The Ryobi Group early adopted the new accounting standard for impairment of fixed assets from fiscal year ended 31st March 2004 and thereby impairment loss on fixed assets of ¥689 million has been appropriated as extraordinary charges during this fiscal year.

(2) Analysis of operating results for the period ending 31st March 2004

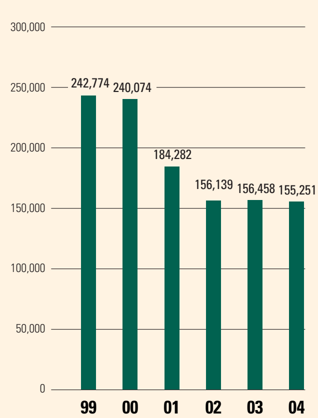
Net sales

Ryobi consolidated net sales slightly decreased in the aggregate during this period, due to the decline of sales in the Die Castings and the Power Tools segments, while the Printing Equipment segment was strong this year.

Die Castings sales for automobile industry kept firm both in the domestic and overseas markets, however, sales amount in Yen decreased due to a rise in the exchange rate against U.S. dollar. Printing Equipment sales continued to exhibit strong growth both in domestic and overseas markets, as a result of a successful expansion of medium-size offset printing presses. Power Tools sales was slipped both in domestic and overseas, despite of slight increase in the Builders' Hardware sales.

Ryobi consolidated net sales were adversely affected by approximately ¥1,700 million from foreign currency exchange rates applied to the consolidation, as compared with prior year. The Japanese Yen was strong against U.S. dollar by 7.2% and week against pound sterling by 1.2% during this year. Consequently, Ryobi consolidated net sales decreased to ¥155,251 million, with 0.8% decline from prior year.

NET SALES
(Millions of yen)



Operating income

Strong growth of sales and profits in the Printing Equipment segment and profitability improvement on the whole group including overseas subsidiaries led the increase of operating income. The cost of sales ratio for this year was 79.7%, 1.2% improvement from prior year, resulted in approximately ¥1,800 million favorable affect on the profitability. Selling, general and administrative expenses were reduced by ¥315 million from prior year.

Net income

Interest expense was ¥478 million less than the prior year, due to the reduction of interest-bearing debt by ¥16,092 million from the prior year. The consolidated interest-bearing debt excluding discounted notes receivable as at the end of this fiscal year were reduced to ¥53,638 million as a result of the repayment of bank borrowings, which came from proceeds from the sales of available-for-sale securities during this year.

Gains on sales of available-for-sale securities of ¥8,236 million have been appropriated as extraordinary income during this year.

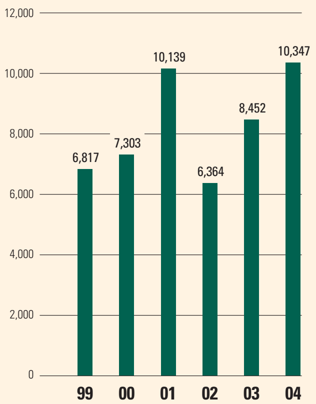
A decrease in valuation allowance of deferred tax assets has resulted in an increase net income with ¥3,012 million, consolidated net income of Ryobi Group for this year jumped to the highest on record of ¥12,812 million, 186.6% increase from prior year.

(3) Strategies and outlook

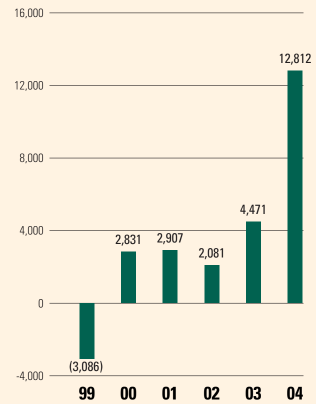
Although there appears to be signs of a slight recovery in the Japanese economy, there remains concern with respect to business conditions including currency exchange fluctuations, rise in raw material prices, the Middle East issue, and others.

With the experience and confidence gained by implementation of the Sound Management Plan, the Ryobi Group will continue to make further efforts to reinforce its global competitiveness and profitability for our future growth. Below is a summary of discussions on the direction and some measures planned by each of business segments.

OPERATING INCOME
(Millions of yen)



NET INCOME (LOSS)
(Millions of yen)



Die Castings

The Die Castings division continues to aim sales growth by increasing orders from customers through top quality and highly value-added product development, enhancing technology innovation, and the three-region production structure of Japan, the United States and Europe. In addition, the Die Castings division promotes low costs through productivity improvement activities by the collaboration of domestic and overseas manufacturing and the sales team.

In the automobile-related field, the technology innovation on aluminum Die Castings includes research and development on manufacturing lighter vehicles through decreasing the weight of the vehicle's frame and other components, in addition to the enhancement of the capability to respond to customer needs of high volume orders and machined products.

The Die Castings division is also making concerted efforts to expand sales in non-automobile industry such as electronics and communications (plasma television frames and mobile phones, for examples) and to make inroads into other fields with requirements for high recyclability.

Printing Equipment

The Printing Equipment division strengthens product research and development and product mix strategy to respond to demands in the printing industry, with extremely precise, multi-colored, and highly-functional products, mainly for medium-size offset printing presses (B2, A2, B3 sizes) which Ryobi started to participate in the market in the past few years.

The Printing Equipment division also initiated cost reductions by making improvements on productivity and operating efficiency, such as shorter product lead time and operating betterment.

Power Tools

The Power Tools business (power tools and garden equipment) concentrated efforts on boosting marketing in the development and sales of products and strengthens price competitiveness by increasing productivity at a manufacturing subsidiary in Dalian, China.

The Builders' Hardware business, another business field engaged in this segment, aims to develop highly value-added products and explore related new businesses, while focusing on the enhancement of price competitiveness by increasing productivity both at a manufacturing subsidiary in Dalian, China and at an affiliate company in Taiwan.

Ryobi forecasts that its consolidated sales and profits during the year ending 31st March 2005 shall decline, as compared with prior year results.

Overall, Ryobi consolidated sales are projected to decrease from the prior year, mainly due to a slow down in production at domestic automobile manufacturers, production volume decreases at Ryobi overseas subsidiaries, and a forecasted influence from currency exchange translation at the Die Casting division, while Printing Equipment and Power Tools sales are projected to increase from prior year. Ryobi consolidated profit is projected to decrease from the prior year, due to a decline of projected sales and extraordinary profit that occurred during the period ended 31st March 2004.

	Fiscal year ending 31st March 2005 Millions of Yen
Net Sales	¥150,000 (3.4% decrease)
Operating Income	8,900 (14.0% decrease)
Net Income	5,200 (59.4% decrease)

Note: Numbers in parentheses are comparison data from prior year.

(4) Analysis of capital resources and liquidity

Total assets, total liabilities and shareholders' equity

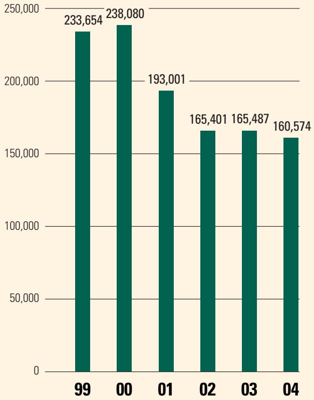
With inventory reduction and the decrease of deferred tax assets during this year, Ryobi consolidated total assets decreased to ¥160,574 million by ¥4,913 million from prior year. Ryobi consolidated total liabilities decreased to ¥109,788 million by ¥16,699 million with the reduction of interest-bearing debt and other factors. The consolidated interest-bearing debt excluding discounted notes receivable as at this year-end is ¥53,638 million, 23.1% decrease from the prior year. The consolidated total shareholders' equity increased to ¥50,040 million by ¥11,674 million, with improvement on the equity ratio of 31.2% thanks mainly to the net income earned during this year.

Liquidity

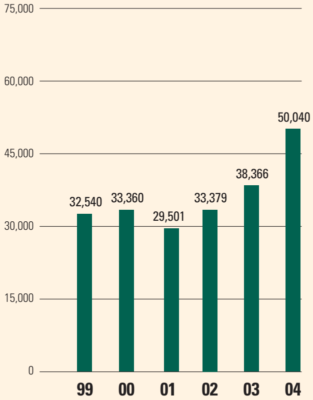
Net free cash flow generated from operating activities plus investing activities increased ¥3,746 million from ¥12,027 million to ¥15,773 million. The major factors of this are the proceeds of ¥8,536 million from sale of a portion of available-for-sale securities and the decrease by ¥4,981 million as a result of not performing the securitisation of non-consolidated trade receivables that were carried during the prior year. The Ryobi Group believes the securitisation of non-consolidated trade receivables is one of the methods of sourcing required funds and will be utilized for future capital requirements when necessary.

The Ryobi Group regards their cash flow position as important in its financial strategy. In principle, for those funds required for investment in plant and equipment, the Ryobi Group continues to use cash from the proceeds provided by operating activities, with careful review of investment efficiencies. The Ryobi Group also continues to plan reducing its interest-bearing debt with the remaining cash available for the reduction of interest-bearing debt.

TOTAL ASSETS
(Millions of yen)



TOTAL SHAREHOLDERS' EQUITY
(Millions of yen)



The following is the trend of the cash flow position at Ryobi:

	This year-end	Prior year-end
Equity ratio (%)	31.2	23.2
Equity ratio at fair market value (%)	42.7	20.7
Interest-bearing debts - Repayment years	4.6	4.6
Interest coverage ratio (%)	11.2	10.1

Notes: Equity ratio: Total equity / total assets

Equity ratio at fair market value: Total equity at fair market value / total assets

Interest-bearing debts - Repayment years: Interest-bearing debt / cash provided from operating activities

Interest coverage ratio: Cash from operating activities / interest payment

1. Each of the indexes above is calculated based on the consolidated financial position.
2. Fair market value is calculated by the closing market price of shares as of year-end multiplied by the number of issued shares excluding treasury stock.
3. Interest-bearing debt includes all liabilities incurred with interest payable among all of the liabilities shown on the consolidated balance statement.
4. Net cash provided by operating activities used for the calculation is the cash flow shown on operating activities in the consolidated statements of cash flows.
5. Interest payments used for the calculation is the amount shown in the consolidated statements of cash flows.

(5) Ryobi Group's forecasts

Information on this statement with respect to the Ryobi Group's forecasts on its future performances, policies, strategies contains our forward-looking statements, based on management's assumptions and beliefs in light of the information available as of this year-end and thereby, there may exist various risks and uncertainties on these forward-looking statements. The Ryobi Group cautions that its actual operations and results may materially differ from these forward-looking statements as a result of numerous factors outside of the Ryobi Group's control, including general economic condition, business environment, market trend, and foreign exchange rates, and other factors.

CONSOLIDATED BALANCE SHEETS

RYOBI LIMITED AND CONSOLIDATED SUBSIDIARIES

(As at 31st March 2004 and 2003)

ASSETS	Millions of Yen 2004	Millions of Yen 2003	Thousands of U.S. Dollars (Note 1) 2004
Current assets			
Cash and cash equivalents	¥ 17,595	¥ 17,845	$ 166,477
Time deposits (Note 7)	2,738	2,636	25,906
Notes and accounts receivable (Note 7)			
Trade	37,713	33,933	356,827
Unconsolidated subsidiaries and affiliates	136	63	1,287
Other	1,213	1,598	11,477
Allowance for doubtful accounts	(133)	(116)	(1,258)
Inventories (Note 4)	27,267	29,169	257,990
Deferred tax assets (Note 10)	2,896	3,424	27,401
Prepaid expenses and other	263	634	2,488
Total current assets	89,688	89,186	848,595
Property, plant and equipment (Notes 5, 6 and 7)			
Land	19,407	20,111	183,622
Buildings and structures	38,239	38,744	361,803
Machinery and equipment	80,539	82,608	762,030
Construction in progress	775	450	7,333
Total	138,960	141,913	1,314,788
Accumulated depreciation	(85,254)	(86,134)	(806,642)
Net property, plant and equipment	53,706	55,779	508,146
Investments and other assets			
Investments in securities (Note 3)	9,615	10,709	90,974
Investments in and advances to unconsolidated subsidiaries and affiliates	320	313	3,028
Intangible fixed assets	1,607	1,794	15,205
Deferred tax assets (Note 10)	3,214	4,913	30,409
Other	2,756	3,177	26,076
Allowance for doubtful accounts	(332)	(384)	(3,141)
Total investments and other assets	17,180	20,522	162,551
Total	¥160,574	¥165,487	$1,519,292

See notes to consolidated financial statements.

LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of Yen 2004	2003	Thousands of U.S. Dollars (Note 1) 2004
Current liabilities			
Short-term borrowings (Note 7)	**¥ 22,222**	¥ 28,088	**$ 210,256**
Current portion of long-term debt (Note 7)	**10,428**	13,505	**98,666**
Notes and accounts payable			
Trade	**29,565**	30,737	**279,733**
Unconsolidated subsidiaries and affiliates	**353**	334	**3,340**
Other	**4,539**	4,213	**42,947**
Accrued expenses	**4,800**	4,145	**45,416**
Income taxes payable	**498**	658	**4,712**
Other current liabilities (Note 10)	**5,604**	6,509	**53,023**
Total current liabilities	**78,009**	88,189	**738,093**
Long-term liabilities			
Long-term debt (Note 7)	**21,098**	28,519	**199,622**
Accrued severance indemnities (Note 8)	**6,921**	5,912	**65,484**
Other long-term liabilities (Note 10)	**3,760**	3,867	**35,575**
Total long-term liabilities	**31,779**	38,298	**300,681**
Minority interests	**746**	634	**7,058**
Commitments and contingent liabilities (Notes 12, 13 and 14)			
Shareholders' equity (Notes 9 and 16)			
Common stock			
Authorised: 500,000,000 shares			
Issued: 171,230,715 shares	**18,472**	18,472	**174,775**
Capital surplus	**23,524**	23,517	**222,575**
Retained earnings	**13,176**	365	**124,666**
Land revaluation reserve (Note 6)	**626**	626	**5,923**
Unrealised gain on available-for-sale securities	**3,125**	3,666	**29,568**
Foreign currency translation adjustments	**(8,205)**	(7,843)	**(77,632)**
Treasury stock (3,898,652 shares in 2004, 2,844,418 shares in 2003)	**(678)**	(437)	**(6,415)**
Total shareholders' equity	**50,040**	38,366	**473,460**
Total	**¥160,574**	¥165,487	**$1,519,292**

CONSOLIDATED STATEMENTS OF INCOME

RYOBI LIMITED AND CONSOLIDATED SUBSIDIARIES

(For the years ended 31st March 2004 and 2003)

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2004	2003	2004
Net sales	¥155,251	¥156,458	$1,468,928
Cost of sales	123,749	126,536	1,170,868
Gross profit	31,502	29,922	298,060
Selling, general and administrative expenses	21,155	21,470	200,160
Operating income	10,347	8,452	97,900
Other income			
Interest and dividends	247	224	2,337
Gain on sales of investments in securities	8,236	3	77,926
Gain on exemption from future pension obligation (Note 8)	—	619	—
Other	1,280	1,682	12,111
Total other income	9,763	2,528	92,374
Other expenses			
Interest	1,002	1,480	9,481
Loss on disposal of property, plant and equipment	624	369	5,904
Impairment loss on fixed assets (Note 5)	689	—	6,519
Loss on devaluation of investments in securities	—	1,762	—
Early retirement benefits	199	570	1,883
Other	1,067	786	10,096
Total other expenses	3,581	4,967	33,883
Income before income taxes and minority interests	16,529	6,013	156,391
Income taxes (Note 10)			
Current	917	831	8,676
Deferred	2,691	673	25,462
Total income taxes	3,608	1,504	34,138
Minority interests	109	38	1,031
Net income	¥ 12,812	¥ 4,471	$ 121,222

	Yen		U.S. Dollars (Note 1)
Per share of common stock (Note 2(n))			
Net income	¥ 76.40	¥ 26.26	$ 0.723
Cash dividends applicable to the year	7.50	—	0.071

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

RYOBI LIMITED AND CONSOLIDATED SUBSIDIARIES

(For the years ended 31st March 2004 and 2003)

		Millions of Yen							
	Issued Number of Shares of Common Stock (Thousands)	Common Stock	Capital Surplus	Retained Earnings (Deficits)	Land Revaluation Reserve	Unrealised Gain on Available-for -Sale Securities	Foreign Currency Translation Adjustments	Treasury Stock
Balance at 31st March 2002	171,231	¥18,472	¥23,517	¥(4,106)	¥610	¥2,641	¥(7,689)	¥ (66)
Net income	—	—	—	4,471	—	—	—	—
Increase due to change in normal effective statutory tax rates	—	—	—	—	16	—	—	—
Unrealised gain on available-for-sale securities increase	—	—	—	—	—	1,025	—	—
Foreign currency translation adjustments	—	—	—	—	—	—	(154)	—
Treasury stock increase, net (2,311,746 shares)	—	—	—	—	—	—	—	(371)
Balance at 31st March 2003	171,231	18,472	23,517	365	626	3,666	(7,843)	(437)
Net income	—	—	—	**12,812**	—	—	—	—
Bonuses to directors and statutory auditors	—	—	—	**(1)**	—	—	—	—
Unrealised gain on available-for-sale securities decrease	—	—	—	—	—	**(541)**	—	—
Foreign currency translation adjustments	—	—	—	—	—	—	**(362)**	—
Disposal of treasury stock (18,410 shares)	—	—	**7**	—	—	—	—	**6**
Other net increase in treasury stock (1,072,644 shares)	—	—	—	—	—	—	—	**(247)**
Balance at 31st March 2004	**171,231**	**¥18,472**	**¥23,524**	**¥13,176**	**¥626**	**¥3,125**	**¥(8,205)**	**¥(678)**

	Thousands of U.S. Dollars (Note 1)						
	Common Stock	Capital Surplus	Retained Earnings (Deficits)	Land Revaluation Reserve	Unrealised Gain on Available-for -Sale Securities	Foreign Currency Translation Adjustments	Treasury Stock
Balance at 31st March 2003	$174,775	$222,509	$ 3,453	$5,923	$34,686	$(74,207)	$(4,135)
Net income	—	—	**121,222**	—	—	—	—
Bonuses to directors and statutory auditors	—	—	**(9)**	—	—	—	—
Unrealised gain on available-for-sale securities decrease	—	—	—	—	**(5,118)**	—	—
Foreign currency translation adjustments	—	—	—	—	—	**(3,425)**	—
Disposal of treasury stock (18,410 shares)	—	**66**	—	—	—	—	**57**
Other net increase in treasury stock (1,072,644 shares)	—	—	—	—	—	—	**(2,337)**
Balance at 31st March 2004	**$174,775**	**$222,575**	**$124,666**	**$5,923**	**$29,568**	**$(77,632)**	**$(6,415)**

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

RYOBI LIMITED AND CONSOLIDATED SUBSIDIARIES

(For the years ended 31st March 2004 and 2003)

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2004	2003	**2004**
Operating activities			
Income before income taxes and minority interests	**¥ 16,529**	¥ 6,013	**$ 156,391**
Adjustments for:			
Income taxes - paid	**(1,087)**	(375)	**(10,285)**
Depreciation and amortisation	**5,231**	5,721	**49,494**
Impairment loss on fixed assets	**689**	—	**6,519**
Loss on sales or disposals of property, plant and equipment	**615**	243	**5,819**
Gain on sales of investments in securities	**(8,236)**	(3)	**(77,926)**
Changes in assets and liabilities			
Increase in notes and accounts receivable	**(3,787)**	(2,727)	**(35,831)**
Decrease in inventories	**1,690**	667	**15,990**
Increase (decrease) in notes and accounts payable	**(1,335)**	3,752	**(12,631)**
Decrease (increase) in accrued expenses	**440**	(1,230)	**4,163**
Other, net	**911**	3,098	**8,619**
Net cash provided by operating activities	**11,660**	15,159	**110,322**
Investing activities			
Purchase of property, plant and equipment	**(4,917)**	(3,857)	**(46,523)**
Proceeds from sale of property, plant and equipment	**388**	545	**3,671**
Proceeds from sale of investments in securities	**8,536**	33	**80,765**
Other	**106**	147	**1,003**
Net cash provided by (used in) investing activities	**4,113**	(3,132)	**38,916**
Financing activities			
Proceeds from long-term debt	**5,059**	15,041	**47,866**
Repayments of long-term debt	**(15,265)**	(22,119)	**(144,432)**
Decrease in short-term borrowings, net	**(5,287)**	(234)	**(50,024)**
Acquisition of treasury stock	**(243)**	(399)	**(2,299)**
Other	**(254)**	(313)	**(2,403)**
Net cash used in financing activities	**(15,990)**	(8,024)	**(151,292)**
Foreign currency translation adjustments on cash and cash equivalents	**(33)**	(37)	**(312)**
Net increase (decrease) in cash and cash equivalents	**(250)**	3,966	**(2,366)**
Cash and cash equivalents at beginning of year	**17,845**	13,879	**168,843**
Cash and cash equivalents at end of year	**¥ 17,595**	¥ 17,845	**$ 166,477**
Additional cash flow information			
Interest paid	**¥ 1,039**	¥ 1,507	**$ 9,831**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

RYOBI LIMITED AND CONSOLIDATED SUBSIDIARIES

For the years ended 31st March 2004 and 2003

1. Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Securities and Exchange Law and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2003 consolidated financial statements to conform to the classifications used in 2004.

The notes to the consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which Ryobi Limited ("the Company") is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥105.69 to $1, the approximate rate of exchange at 31st March 2004. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

2. Summary of Significant Accounting Policies

(a) Consolidation

The consolidated financial statements include the accounts of the Company and its significant subsidiaries ("the Ryobi Group"). Under the control or influence concept, those companies in which the Company, directly or indirectly, is able to exercise control over operations are fully consolidated, and those companies over which the Ryobi Group has the ability to exercise significant influence are accounted for by the equity method.

(i) Consolidated subsidiaries

The major consolidated subsidiaries are listed below:

Tokyo Light Alloy Co., Ltd. (Japan)
Ryobi Holdings (U.S.A.), Inc.
Ryobi Die Casting (U.S.A.), Inc.

(ii) Affiliate

The major affiliate accounted for by the equity method is listed below:

Ryobi-Tech Corporation (Taiwan)

The number of consolidated subsidiaries and affiliates accounted for by the equity method as at 31st March 2004 and 2003 was as follows:

	2004	2003
Consolidated subsidiaries	**15**	15
Affiliates	**3**	3

The number of unconsolidated subsidiaries and affiliates not accounted for by the equity method as at 31st March 2004 and 2003 was as follows:

	2004	2003
Unconsolidated subsidiaries	**3**	3
Affiliates	**0**	0

The investments in such unconsolidated subsidiaries are stated at cost. If the equity method of accounting had been applied to the investments in these companies, the effect on the accompanying consolidated financial statements would not be material.

All significant inter-company transactions, account balances and unrealised profits among the companies have been eliminated.

The excess of the cost of an acquisition over the fair value of the net assets of the acquired subsidiary at the date of acquisition is being amortised over a period of 5 years.

(b) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits with banks and financial institutions which are unrestricted as to withdrawal or use, and which have original maturities of three months or less.

(c) Inventories

Inventories are valued at cost for the Company and domestic subsidiaries and the lower of cost or market for foreign subsidiaries. Cost is determined by methods according to the classification of inventories as follows:

(i) Finished products and work in process

The average method for the Company and domestic subsidiaries.
Foreign subsidiaries mainly adopt the first-in first-out method.

(ii) Raw materials, supplies and purchased goods

Die castings .... Average method
Others .... Last purchase invoice price method

Foreign subsidiaries mainly adopt the first-in first-out method.

Effective 1st April 2002, the Company and certain domestic subsidiaries in the Die casting segment changed their cost determination method of inventories to the average cost method, which formerly was determined by the retail method and last purchase invoice method.

(d) Marketable and investment securities

Marketable and investment securities are classified, depending on management's intent, as follows:

i) trading securities, which are held for the purpose of earning capital gains in near term are reported at fair value, and the related unrealised gains and losses are included in income, ii) held-to-maturity debt securities, which are expected to be held to maturity with the positive intent and ability to hold to maturity are reported at amortised cost, and iii) available-for-sale securities, which are not classified as either of the aforementioned securities, are reported at fair value, with unrealised gains and losses, net of applicable taxes, reported in a separate component of shareholders' equity.

Non-marketable available-for-sale securities are stated at cost determined by the moving-average method.

For other than temporary declines in fair value, investment securities are reduced to net realisable value by a charge to income.

(e) Depreciation and amortisation

Property, plant and equipment are stated at cost. Depreciation of property, plant and equipment of the Company and its consolidated domestic subsidiaries is computed by the declining-balance method at rates based on the estimated useful lives of the assets, while the straight-line method is principally applied to the property, plant and equipment of consolidated foreign subsidiaries. The range of useful lives is from 3 to 50 years for buildings and structures, and from 2 to 20 years for machinery and equipment.

Effective 1st April 2002, foreign subsidiaries in North America adopted Statement of Financial Accounting Standards No. 142 (SFAS 142) "Goodwill and Intangible Assets" and terminated to amortise goodwill. Under SFAS 142, goodwill is no longer amortised, but rather will be tested for impairment on an annual basis and between annual test if an event occurs or circumstances change that would more likely than not reduce the fair value below its carrying amount. Prior to the adoption of SFAS 142, goodwill was amortised by the straight-line method, over a period ranging from 5 to 40 years.

No impairment loss on goodwill was recognised for the years ended 31st March 2004 and 2003.

(f) Long-lived assets

In August 2002, the Business Accounting Council issued a Statement of Opinion, Accounting for Impairment of Fixed Assets, and in October 2003 the Accounting Standards Board of Japan (ASB) issued ASB Guidance No. 6, Guidance for Accounting Standard for Impairment of Fixed Assets. These new pronouncements are effective for fiscal years beginning on or after 1st April 2005 with early adoption permitted for fiscal years ending on or after 31st March 2004.

The Ryobi Group adopted the new accounting standard for impairment of fixed assets from the year ended 31st March 2004. The Ryobi Group reviews our long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognised if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

(g) Accrued severance indemnities and pension plan

The Company and domestic consolidated subsidiaries have a contributory or a non-contributory funded pension plan and unfunded pension plans, which cover substantially all of their employees. Certain foreign consolidated subsidiaries have defined benefit pension plans.

Effective 1st April 2000, the Ryobi Group adopted a new accounting standard for employees' retirement benefits and accounted for the liability for retirement benefits based on the projected benefit obligations and plan assets at the balance sheet date. The amount of the transitional obligation of ¥9,092 million ($86,025 thousand), determined as at the beginning of this fiscal year, is amortised over ten years. Unrecognised prior service cost is amortised at the beginning of this fiscal year by using straight-line method over employees' remaining service period or shorter period (ranging from 11 to 15 years). Unrecognised net actuarial loss is amortised from the next fiscal year by using the straight-line method over the employees' remaining service period or less (ranging from 11 to 15 years).

(h) Leases

All leases are accounted for as operating leases. Under Japanese accounting standards for leases, finance leases that deem to transfer ownership of the leased property to the lessee are to be capitalised, while other finance leases are permitted to be accounted for as operating lease transactions if certain "as if capitalised" information is disclosed in the notes to the lessee's financial statements.

(i) Income taxes

The Ryobi Group adopted an accounting method for interperiod allocation of income taxes based on the asset and liability method.

Deferred income taxes are recorded to reflect the impact of temporary differences between assets and liabilities recognised for financial reporting purposes and such amounts recognised for tax purposes. These deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

(j) Appropriation of retained earnings

Appropriations of retained earnings at each year end are reflected in the financial statements for the following year upon shareholder's approval.

(k) Translation of foreign currency accounts

All current and non-current receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates at the balance sheet date. The foreign exchange gains and losses from translations are recognised in the income statement to the extent that they are not hedged by forward exchange contracts.

(l) Translation of foreign currency financial statements (accounts of foreign subsidiaries)

The balance sheet accounts of the consolidated overseas subsidiaries are translated into yen at the current exchange rates as at the balance sheet date except for shareholders' equity, which is translated at the historical exchange rate. Differences arising from such translation are shown as "Foreign currency translation adjustments" in a separate component of shareholders' equity.

Revenue and expense accounts of the consolidated overseas subsidiaries are translated into yen at the average exchange rate.

(m) Derivative and hedging activities

The Ryobi Group uses derivative financial instruments to manage its exposure to fluctuations in foreign exchange and interest rates. Foreign exchange forward contracts and interest rate swaps are utilised by the Ryobi Group to reduce foreign currency exchange and interest rate risks. The Ryobi Group does not enter into derivatives for trading or speculative purposes.

Derivative financial instruments and foreign currency transactions are classified and accounted for as follows: a) all derivatives be recognised as either assets or liabilities and measured at fair value, and gains or losses on derivative translations are recognised in the income statement and b) for derivatives used for hedging purposes, if derivatives qualify for hedge accounting because of high correlation and effectiveness between the hedging instruments and the hedged items, gains or losses on derivatives are deferred until of maturity of the hedged transaction.

The interest rate swaps which qualify for hedge accounting and meet specific matching criteria are not remeasured at market value but the differential paid or received under the swap agreements are recognised and included in interest expense or income.

(n) Per share information

Basic net income per share is computed by dividing net income available to common shareholders, by the weighted-average number of common shares outstanding for the period, retroactively for stock splits.

Diluted net income per share is not calculated because no dilutive instruments were issued and outstanding for the years ended 31st March 2004 and 2003.

Cash dividends per share presented in the accompanying consolidated statements of income are dividends applicable to the respective years including dividends to be paid after the end of the year.

3. Marketable Securities and Investments in Securities

Information regarding each category of the securities classified as trading, held-to-maturity and available-for-sale at 31st March 2004 and 2003 was as follows:

	Millions of Yen								Thousands of U.S. Dollars			
	2004				2003				2004			
	Cost	Unrealised Gain	Unrealised Loss	Fair value	Cost	Unrealised Gain	Unrealised Loss	Fair value	Cost	Unrealised Gain	Unrealised Loss	Fair value
Available-for-sale												
Corporate shares	¥3,119	¥5,323	¥ (62)	¥8,380	¥3,366	¥6,264	¥(159)	¥9,471	$29,510	$50,364	$ (586)	$79,288
Others	10	—	(0)	10	10	1	—	11	95	—	(0)	95
Total	¥3,129	¥5,323	¥ (62)	¥8,390	¥3,376	¥6,265	¥(159)	¥9,482	$29,605	$50,364	$ (586)	$79,383

Available-for-sale securities whose fair value was not readily determinable as at 31st March 2004 and 2003 was as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Available-for-sale			
Corporate shares	¥1,224	¥1,226	$11,581
Bonds	1	1	10
Total	¥1,225	¥1,227	$11,591

Proceeds from sales of available-for-sale securities for the years ended 31st March 2004 and 2003 were ¥8,536 million ($80,765 thousand) and ¥33 million, respectively. Gross realised gains and losses on these sales, computed on the moving-average cost basis, were ¥8,236 million ($77,926 thousand) and ¥0 million ($0 thousand), respectively, for the year ended 31st March 2004 and ¥3 million and ¥4 million, respectively, for the year ended 31st March 2003.

The book value of bonds by contractual maturity for securities classified as available-for-sale as at 31st March 2004 and 2003 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Due in one year or less	¥—	¥—	$—
Due after one year through five years	1	1	10
Total	¥ 1	¥ 1	$ 10

4. Inventories

Inventories as at 31st March 2004 and 2003 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	2004
Finished products and purchased goods	¥12,711	¥13,785	$120,267
Work in process	9,475	10,181	89,649
Raw materials and supplies	5,081	5,203	48,074
Total	¥27,267	¥29,169	$257,990

5. Long-lived Assets

The Ryobi Group reviewed its long-lived assets for impairment as at the year ended 31st March 2004 and, as a result, recognised an impairment loss of ¥689 million ($6,519 thousand) as other expense for unoccupied lands due to a decline of market value, and the carrying amount of these lands was written down to the recoverable amount.

The recoverable amount of these lands was measured at net selling price determined based on the tax purpose valuation, and considering their materiality

6. Land Revaluation

Under the "Law of Land Revaluation", a subsidiary elected a one-time revaluation of its own-use land to a value based on real estate appraisal information as at 31st March 2002.

The resulting land revaluation excess represents unrealised appreciation of land and is stated, net of income taxes, as a component of shareholders' equity. There is no effect on the consolidated statement of income. Continuous readjustment is not permitted unless the land value subsequently declines significantly such that the amount of the decline in value should be removed from the land revaluation excess account and related deferred tax liabilities.

The details of the one-time revaluation as at 31st March 2002 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Land before revaluation	¥ 275	$ 2,602
Land after revaluation	1,981	18,743
Land revaluation reserve, net of income taxes of ¥675 million ($6,386 thousand) and attribution of minority interest of ¥405 million ($3,832 thousand)	¥ 626	$ 5,923

As at 31st March 2004, the carrying amount of the land after the above one-time revaluation exceeded the market value by ¥392 million ($3,709 thousand).

7. Short-term Borrowings and Long-term Debt

The annual weighted average interest rates applicable to short-term borrowings were 1.1% and 1.3%, as at 31st March 2004 and 2003, respectively.

Commercial paper included short-term borrowings totaling ¥2,024 million ($19,150 thousand) and ¥2,263 million, as at 31st March 2004 and 2003, respectively.

Long-term debt at 31st March 2004 and 2003 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Loans principally from banks and insurance companies with interest rates ranging from 0.78% to 7.26%:			
Secured	**¥ 1,583**	¥ 1,665	**$ 14,978**
Unsecured	**29,833**	39,977	**282,269**
Other	**110**	382	**1,041**
Total	**31,526**	42,024	**298,288**
Less: Current portion	**(10,428)**	(13,505)	**(98,666)**
Long-term debt less current portion	**¥21,098**	¥28,519	**$ 199,622**

The aggregate annual maturities of long-term debt at 31st March 2004 were as follows:

Years Ending 31st March	Millions of Yen	Thousands of U.S. Dollars
2005	¥10,428	$ 98,666
2006	10,955	103,652
2007	6,228	58,927
2008	3,496	33,078
2009	266	2,517
2010 and thereafter	153	1,448
Total	¥31,526	$298,288

The assets of the Ryobi Group pledged as collateral for short-term borrowings and long-term debt with banks and other financial institutions at 31st March 2004 and 2003 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Net book value of property:			
Buildings and structures	**¥ 3,662**	¥ 3,434	**$ 34,649**
Machinery and equipment	**1,395**	1,465	**13,199**
Land	**2,858**	2,859	**27,041**
Time deposit	**108**	108	**1,022**
Notes and accounts receivable	**2,546**	3,815	**24,089**
Total	**¥10,569**	¥11,681	**$100,000**

8. Accrued Severance Indemnities and Pension Plan

The Company and its certain consolidated subsidiaries have severance payment plans for employees. Under most circumstances, employees terminating their employment are entitled to retirement benefits determined based on the rate of pay at the time of termination, years of service and certain other factors. Such retirement benefits are made in the form of a lump-sum severance payment from the Company or from certain consolidated subsidiaries and annuity payments from a trustee. Employees are entitled to larger payments if the termination is involuntary, by retirement at the mandatory retirement age, by death, or by voluntary retirement at certain specific ages prior to the mandatory retirement age.

The liabilities for employees' retirement benefits at 31st March 2004 and 2003 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Projected benefit obligation	**¥29,923**	¥34,946	**$ 283,120**
Fair value of plan assets	**(17,197)**	(14,484)	**(162,712)**
Unrecognised prior service cost	**3,101**	212	**29,341**
Unrecognised actuarial loss	**(5,152)**	(10,274)	**(48,746)**
Unrecognised transitional obligation	**(3,754)**	(4,488)	**(35,519)**
Net liabilities	**¥ 6,921**	¥ 5,912	**$ 65,484**

The components of net periodic retirement benefit costs for the years ended 31st March 2004 and 2003 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Service cost	**¥ 1,289**	¥ 1,631	**$12,196**
Interest cost	**821**	1,495	**7,768**
Expected return on plan assets	**(492)**	(1,036)	**(4,655)**
Amortisation of prior service cost	**(20)**	(111)	**(189)**
Recognised actuarial loss	**747**	787	**7,067**
Amortisation of transitional obligation	**641**	869	**6,065**
Gain on exemption from future pension obligation	**—**	(619)	**—**
Net periodic retirement benefit costs	**¥ 2,986**	¥ 3,016	**$28,252**

According to the enactment of the Defined Benefit Pension Plan Law in April 2002, the Company applied for an exemption from obligation to pay benefits for future employee services related to the substitutional portion which would result in the transfer of the pension obligations and related assets to the government by another subsequent application. The Company obtained an approval of exemption from future obligation by the Ministry of Health, Labour and Welfare on 1st March 2003. As a result of this exemption, the Company and certain subsidiaries recognised a gain on exemption from future pension obligation of the governmental program in the net amount of ¥619 million in accordance with a transitional measurement of the accounting standard for employees' retirement benefits for the year ended 31st March 2003.

Assumptions used for the years ended 31st March 2004 and 2003 were set forth as follows:

	2004	2003
Discount rate	**2.5%**	2.5%
Expected rate of return on plan assets	**3.5%**	3.5%
Amortisation of prior service cost	**11~15 years**	11~16 years
Recognition period of actuarial gain / loss	**11~15 years**	11~16 years
Amortisation of transitional obligation	**10 years**	10 years

9. Shareholders' Equity

Japanese companies are subject to the Japanese Commercial Code (the "Code") to which certain amendments became effective from1st October 2001.

The Code was revised whereby common stock par value was eliminated resulting in all shares being recorded with no par value and at least 50% of the issue price of new shares is required to be recorded as common stock and the remaining net proceeds as additional paid-in capital, which is included in capital surplus. The Code permits Japanese companies, upon approval of the Board of Directors, to issue shares to existing shareholders without consideration as a stock split. Such issuance of shares generally does not give rise to changes within the shareholders' accounts. The revised Code also provides that an amount at least equal to 10% of the aggregate amount of cash dividends and certain other appropriations of retained earnings associated with cash outlays applicable to each period shall be appropriated as a legal reserve (a component of retained earnings) until such reserve and additional paid-in capital equals 25% of common stock. The amount of total additional paid-in capital and legal reserve that exceeds 25% of the common stock may be available for dividends by resolution of the shareholders. In addition, the Code permits the transfer of a portion of additional paid-in capital and legal reserve to the common stock by resolution of the Board of Directors.

The revised Code eliminated restrictions on the repurchase and use of treasury stock allowing Japanese companies to repurchase treasury stock by a resolution of the shareholders at the general shareholders meeting and dispose of such treasury stock by resolution of the Board of Directors beginning 1st April 2002. The repurchased amount of treasury stock cannot exceed the amount available for future dividends plus the amount of common stock, additional paid-in capital or legal reserve to be reduced in the case where such reduction was resolved at the general shareholders meeting.

The amount of retained earnings and capital surplus available for dividends under the Code was ¥13,274 million ($125,594 thousand) as at 31st March 2004, based on the amount recorded in the parent company's general books of account. In addition to the provision that requires an appropriation for a legal reserve in connection with the cash payment, the Code imposes certain limitations on the amount of retained earnings available for dividends.

Dividends are approved by the shareholders at a meeting held subsequent to the fiscal year to which the dividends are applicable. Semi-annual interim dividends may also be paid upon resolution of the Board of Directors, subject to certain limitations imposed by the Code.

10. Income Taxes

The Company and its domestic subsidiaries are subject to Japanese national and local income taxes which, in the aggregate, resulted in normal effective statutory tax rates of 40.9% for the years ended 31st March 2004 and 2003.

The tax effects of significant temporary differences and tax loss carryforwards which resulted in deferred tax assets and liabilities at 31st March 2004 and 2003 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Deferred tax assets:			
Accrued severance cost	**¥ 2,350**	¥ 1,647	**$ 22,235**
Tax loss carryforwards	**20,567**	30,483	**194,597**
Other	**2,828**	2,742	**26,758**
Valuation allowance	**(16,404)**	(23,015)	**(155,209)**
Deferred tax assets	**¥ 9,341**	¥ 11,857	**$ 88,381**
Deferred tax liabilities:			
Unrealised gain on available-for-sale securities	**¥ (2,083)**	¥ (2,417)	**$ (19,709)**
Other	**(2,095)**	(1,882)	**(19,822)**
Deferred tax liabilities	**¥ (4,178)**	¥ (4,299)	**$ (39,531)**
Net deferred tax assets	**¥ 5,163**	¥ 7,558	**$ 48,850**

The reconciliation between the normal effective statutory tax rate for the years ended 31st March 2004 and 2003 and the actual effective tax rates reflected in the accompanying consolidated statements of income was as follows:

	2004	2003
Normal effective statutory tax rate	**40.9%**	40.9%
Expenses not deductible for income tax purposes	**0.8**	2.1
Valuation allowance	**(18.2)**	(28.1)
Effect of tax rate reduction	**—**	3.7
Undistributed earnings of foreign subsidiaries	**0.4**	3.2
Other, net	**(2.1)**	3.2
Actual effective tax rate	**21.8%**	25.0%

11. Research and Development Costs

Research and development costs were ¥1,505 million ($14,240 thousand) and ¥1,589 million for the years ended 31st March 2004 and 2003, respectively.

12. Leases

Lease expenses on such finance lease contracts without ownership transfer amounted to ¥923 million ($8,733 thousand) and ¥789 million, for the years ended 31st March 2004 and 2003, respectively.

As at 31st March 2004 and 2003, the summarised information showing the assumed figures of acquisition cost, accumulated depreciation and net book value, which include the portion interest thereon, of the leased properties and other assets under finance leases without ownership transfer were as follows:

	Millions of Yen						Thousands of U.S. Dollars		
	2004			2003			**2004**		
	Acquisition Cost	Accumulated Depreciation	Net leased property	Acquisition Cost	Accumulated Depreciation	Net leased property	Acquisition Cost	Accumulated Depreciation	Net leased property
Machinery and equipment	**¥4,876**	**¥1,731**	**¥3,145**	¥3,991	¥1,281	¥2,710	**$46,135**	**$16,378**	**$29,757**
Other assets	**1,686**	**864**	**822**	1,685	535	1,150	**15,952**	**8,175**	**7,777**
Total	**¥6,562**	**¥2,595**	**¥3,967**	¥5,676	¥1,816	¥3,860	**$62,087**	**$24,553**	**$37,534**

Depreciation expense and interest expense, which are not reflected in the accompanying statements of income, computed by the straight-line method and the interest method were ¥923 million ($8,733 thousand) and ¥789 million for the years ended 31st March 2004 and 2003, respectively.

Future minimum lease payments of the Ryobi Group as at 31st March 2004 and 2003 under noncancelable finance leases that do not transfer ownership of leased assets to the lessee were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Current	**¥ 986**	¥ 841	**$ 9,329**
Non-current	**2,981**	3,019	**28,205**
Total	**¥3,967**	¥3,860	**$37,534**

Future minimum lease payments of the Ryobi Group as at 31st March 2004 and 2003 under noncancelable operating leases are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Current	**¥ 553**	¥ 722	**$ 5,232**
Non-current	**1,012**	1,648	**9,575**
Total	**¥1,565**	¥2,370	**$14,807**

13. Contingent Liabilities

The Ryobi Group had the following contingent liabilities as at 31st March 2004 and 2003.

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Trade notes discounted	**¥ 577**	¥ 840	**$ 5,459**
Guarantees and similar items			
bank loans	**209**	228	**1,978**
leases	**2,548**	1,853	**24,108**
Total	**¥3,334**	¥2,921	**$31,545**

14. Derivatives

The Ryobi Group enters into foreign exchange forward contracts and interest rate swaps to hedge risk and reduce exposure to fluctuations in market values of foreign exchange rates and interest rates associated with certain assets and liabilities.

All derivative transactions are related to qualified hedges of interest and foreign currency exposures incorporated with its business. Market risk of these derivatives is basically offset by opposite movements in the value of hedged assets. The Ryobi Group does not hold or issue derivatives for speculative or trading purposes.

Market risk is the exposure created by potential fluctuations in market conditions, including interest or foreign exchange rates. The Ryobi Group does not anticipate any losses arising from credit risk because the counterparties to these derivatives are limited to major international financial institutions.

The execution of derivatives is controlled by the Finance Department of the Company, and by the Finance Division of consolidated subsidiaries. Derivative transactions have been made in accordance with internal policies which regulate the authorisation and credit limit amounts.

The Ryobi Group had the following derivatives contracts outstanding as at 31st March 2004 and 2003.

	Million of Yen				Thousands of U.S. Dollars	
	2004		2003		**2004**	
	Contract or notional amount	Fair value	Contract or notional amount	Fair value	Contract or notional amount	Fair value
Interest swap:						
Fixed rate payment, floating rate receipt	**¥100**	**¥(2)**	¥100	¥(5)	**$946**	**$(19)**

Note: Derivatives which qualify for hedge accounting were excluded from the market value information in 2004 and 2003.

15. Segment Information

The segment information classified by industry and geographical market area is presented below with respect to the years ended 31st March 2004 and 2003.

(1) Industry segment information

The Ryobi Group operates in four industry segments according to the product groups which are:

—Die castings ("Die castings")

—Printing equipment ("Printing equipment")

—Electric and petro engine tools ("Power tools")

—Other products such as office equipment manufacturing, etc. ("Other")

	Millions of Yen					
	2004					
	Die castings	Printing equipment	Power tools	Other	Eliminations / corporate	Consolidated
Net sales						
Unaffiliated customer	**¥106,309**	**¥24,349**	**¥23,799**	**¥ 794**	**¥ —**	**¥155,251**
Intersegment	**271**	**—**	**10**	**—**	**(281)**	**—**
Total	**106,580**	**24,349**	**23,809**	**794**	**(281)**	**155,251**
Operating costs and expenses	**100,431**	**22,077**	**21,785**	**892**	**(281)**	**144,904**
Operating income (loss)	**¥ 6,149**	**¥ 2,272**	**¥ 2,024**	**¥ (98)**	**¥ 0**	**¥ 10,347**
Total assets	**¥ 81,214**	**¥23,794**	**¥24,408**	**¥ 869**	**¥30,289**	**¥160,574**
Depreciation	**3,905**	**501**	**782**	**13**	**—**	**5,201**
Impairment loss on fixed assets	**—**	**—**	**—**	**—**	**689**	**689**
Capital expenditure	**5,017**	**499**	**226**	**31**	**—**	**5,773**

	Millions of Yen					
	2003					
	Die castings	Printing equipment	Power tools	Other	Eliminations / corporate	Consolidated
Net sales						
Unaffiliated customer	¥107,762	¥22,741	¥25,046	¥ 909	¥ —	¥156,458
Intersegment	249	—	13	—	(262)	—
Total	108,010	22,741	25,059	909	(262)	156,458
Operating costs and expenses	102,341	21,452	23,478	998	(263)	148,006
Operating income (loss)	¥ 5,670	¥ 1,289	¥ 1,581	¥ (89)	¥ 1	¥ 8,452
Total assets	¥ 83,813	¥24,547	¥26,527	¥ 926	¥29,674	¥165,487
Depreciation	4,068	627	912	24	—	5,631
Capital expenditure	3,369	401	344	3	—	4,117

	Thousands of U.S. Dollars					
	2004					
	Die castings	Printing equipment	Power tools	Other	Eliminations / corporate	Consolidated
Net sales						
Unaffiliated customer	$1,005,857	$230,381	$225,177	$ 7,513	$ —	$1,468,928
Intersegment	2,564	—	95	—	(2,659)	—
Total	1,008,421	230,381	225,272	7,513	(2,659)	1,468,928
Operating costs and expenses	950,241	208,884	206,122	8,440	(2,659)	1,371,028
Operating income (loss)	$ 58,180	$ 21,497	$ 19,150	$ (927)	$ 0	$ 97,900
Total assets	$ 768,417	$225,130	$230,940	$ 8,222	$286,583	$1,519,292
Depreciation	36,948	4,740	7,399	123	—	49,210
Impairment loss on fixed assets	—	—	—	—	6,519	6,519
Capital expenditure	47,469	4,722	2,138	293	—	54,622

The amounts of corporate assets as at 31st March 2004 and 2003 included in the "Eliminations or corporate assets" were, respectively, ¥30,324 million ($286,915 thousand) and ¥29,708 million, which mainly consist of cash, securities and long-term investment assets (investments in securities).

(2) Geographical segment information

	Millions of Yen				
	2004				
	Japan	North America	Other overseas	Eliminations / corporate	Consolidated
Net sales:					
Unaffiliated customer	¥127,415	¥20,940	¥ 6,896	¥ —	¥155,251
Intersegment	2,247	—	4,532	(6,779)	—
Total	129,662	20,940	11,428	(6,779)	155,251
Operating costs and expenses	121,984	19,691	10,027	(6,798)	144,904
Operating income	¥ 7,678	¥ 1,249	¥ 1,401	¥ 19	¥ 10,347
Total assets	¥105,654	¥13,838	¥12,225	¥28,857	¥160,574

	Millions of Yen				
	2003				
	Japan	North America	Other overseas	Eliminations / corporate	Consolidated
Net sales:					
Unaffiliated customer	¥125,889	¥24,441	¥ 6,128	¥ —	¥156,458
Intersegment	3,575	—	4,502	(8,077)	—
Total	129,464	24,441	10,630	(8,077)	156,458
Operating costs and expenses	122,334	23,842	9,770	(7,940)	148,006
Operating income	¥ 7,130	¥ 599	¥ 860	¥ (137)	¥ 8,452
Total assets	¥107,417	¥17,115	¥12,810	¥28,145	¥165,487

	Thousands of U.S. Dollars				
	2004				
	Japan	North America	Other overseas	Eliminations / corporate	Consolidated
Net sales:					
Unaffiliated customer	**$1,205,554**	**$198,127**	**$ 65,247**	**$ —**	**$1,468,928**
Intersegment	**21,260**	**—**	**42,880**	**(64,140)**	**—**
Total	**1,226,814**	**198,127**	**108,127**	**(64,140)**	**1,468,928**
Operating costs and expenses	**1,154,168**	**186,309**	**94,871**	**(64,320)**	**1,371,028**
Operating income	**$ 72,646**	**$ 11,818**	**$ 13,256**	**$ 180**	**$ 97,900**
Total assets	**$ 999,659**	**$130,930**	**$115,669**	**$273,034**	**$1,519,292**

The amounts of corporate assets as at 31st March 2004 and 2003 included in the "Eliminations or corporate assets" were ¥30,324 million ($286,915 thousand) and ¥29,708 million, respectively, which mainly comprise cash, securities and long-term investment assets (investments in securities).

(3) Export sales and sales by overseas subsidiaries

Export sales of the companies (i.e., export amounts made by the Company and its domestic subsidiaries) plus the sales by overseas consolidated subsidiaries for the years ended 31st March 2004 and 2003 are presented below:

	Millions of Yen		Thousands of U.S. Dollars
	2004	2003	**2004**
Export sales and sales by overseas subsidiaries			
North America	**¥25,333**	¥29,156	**$239,691**
Europe	**13,199**	12,625	**124,884**
Other	**4,975**	4,766	**47,072**
Total	**¥43,507**	¥46,547	**$411,647**
Percentage of such sales against consolidated net sales			
North America	**16.3%**	18.6%	
Europe	**8.5**	8.1	
Other	**3.2**	3.1	
Total	**28.0%**	29.8%	

16. Subsequent Event

On 29th June 2004, the shareholders of the Company authorised the following appropriation of retained earnings for the year ended 31st March 2004.

	Millions of Yen	Thousands of U.S. Dollars
Cash dividends	**¥1,258**	**$11,902**

Deloitte.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Ryobi Limited:

We have audited the accompanying consolidated balance sheets of Ryobi Limited and consolidated subsidiaries as of March 31, 2004 and 2003, and the related consolidated statements of income, shareholders' equity, and cash flows for the years then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Ryobi Limited and consolidated subsidiaries as of March 31, 2004 and 2003, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

As discussed in Note 2(c) to the consolidated financial statements, the Company and certain domestic consolidated subsidiaries changed their method of accounting for inventories as of April 1, 2002.

As discussed in Note 2(f) to the consolidated financial statements, the Company and consolidated subsidiaries also adopted the new accounting standard for impairment of fixed assets from the year ended March 31, 2004.

Our audits also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu

June 29, 2004

Member of
Deloitte Touche Tohmatsu

CORPORATE INFORMATION

DIRECTORS, CORPORATE AUDITORS, AND CORPORATE OFFICERS

(As of 29th June 2004)

Chairman and CEO
Hiroshi Urakami

President and COO
Susumu Yoshikawa

Director and Corporate Officers
Takao Tanaka
Takashi Yokoyama
Mikio Kamura
Shiro Muroya

Standing Corporate Auditor
Shozo Kobayashi

Corporate Auditors
Satoshi Ohoka
Hiroaki Takahashi
Kunihiro Toyota

Corporate Officers
Koji Ishii
Kuniyuki Ito
Kenjiro Suzuki
Akira Urakami
Naomichi Honkawa
Kazuaki Danjo
Shoji Osawa
Hideki Domoto

CORPORATE DIRECTORY

Company Name (Country)	Principal Business
Major Consolidated Subsidiaries	
Ryobi Imagix Co. (Japan)	Printing equipment and related product sales
Ryobi Sales Co. (Japan)	Power tools and lawn and garden equipment sales
Ryobi Mirasaka Co. (Japan)	Die casting manufacturing
Ryobi Mitsugi Co. (Japan)	Die casting manufacturing
Tokyo Light Alloy Co., Ltd. (Japan)	Cast aluminum and die casting manufacturing and sales
Ikuno Co. (Japan)	Secondary aluminum alloy bullion manufacturing and sales
Ryobi Power Tool Co. (Japan)	Power tools and lawn and garden equipment manufacturing
Ryobi Die Casting (USA), Inc. (U.S.A.)	Die casting manufacturing and sales
Ryobi Aluminium Casting (UK), Limited (U.K.)	Die casting manufacturing and sales
Ryobi Dalian Machinery Co., Ltd. (P.R.C.)	Power tools, lawn and garden equipment and builders' hardware manufacturing
Ryobi Finance Corporation (U.S.A.)	Financial operations

CORPORATE DATA

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16th December 1943

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